



Guaranteed REMIC Pass-Through Certificates
Fannie Mae Multifamily REMIC Trust 1999-M2
\$140,788,712

Class	Original Class Balance(1)	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
A	\$100,799,991	SEQ	(2)	WAC	31359U7H2	April 2019
B	39,988,721	SEQ	(2)	WAC	31359U7J8	March 2029
R	0	NPR	0	NPR	31359U7K5	March 2029

(1) Final original principal balances of each class.

Note: All other footnotes are as stated on the cover of the Prospectus dated March 8, 1999.

Carefully consider the risk factors starting on page S-6 of the prospectus supplement. Unless you understand and are able to tolerate these risks, you should not invest in the certificates.

The certificates, together with any interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any of its agencies or instrumentalities other than Fannie Mae.

The certificates are exempt from registration under the Securities Act of 1933 and are “exempted securities” under the Securities Exchange Act of 1934.

This Final Data Statement contains final Original Principal Balances for the above-referenced Trust.

THE DATE OF THIS FINAL DATA STATEMENT IS APRIL 26, 1999

PROSPECTUS SUPPLEMENT

(To Multifamily REMIC Prospectus dated January 1, 1999)

\$140,813,189 (Approximate)



FannieMae

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae Multifamily REMIC Trust 1999-M2**

Carefully consider the risk factors starting on page S-6 of this prospectus supplement and on page 11 of the Multifamily REMIC Prospectus. Unless you understand and are able to tolerate these risks, you should not invest in the certificates.

You should read the Multifamily REMIC Prospectus as well as this prospectus supplement.

The certificates, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any agency or instrumentality thereof other than Fannie Mae.

The certificates are exempt from registration under the Securities Act of 1933 and are "exempted securities" under the Securities Exchange Act of 1934.

The Certificates

We, the Federal National Mortgage Association ("Fannie Mae"), will issue the classes of certificates listed in the chart on this page.

Payments to Certificateholders

We will make monthly payments on the certificates. You, the investor, will receive

- interest accrued on the balance of your certificate and
- principal to the extent available for payment on your class.

We may pay principal at rates that vary from time to time. We may not pay principal to the B Class for an extended period.

The Fannie Mae Guaranty

We will guarantee that required payments of principal and interest on the certificates are distributed to investors on time.

We will not guarantee the payment to certificateholders of any prepayment premiums or yield maintenance charges.

The Trust and its Assets

The trust will own Fannie Mae MBS.

The mortgage loans underlying the Fannie Mae MBS are first lien, multifamily, fixed-rate loans. In addition, the mortgage loans are either fully amortizing or provide for balloon payments at maturity.

<i>Class</i>	<i>Original Class Balance(1)</i>	<i>Principal Type</i>	<i>Interest Rate</i>	<i>Interest Type</i>	<i>CUSIP Number</i>	<i>Final Distribution Date</i>
A	\$100,824,468	SEQ	(2)	WAC	31359U7H2	April 2019
B	39,988,721	SEQ	(2)	WAC	31359U7J8	March 2029
R	0	NPR	0	NPR	31359U7K5	March 2029

(1) Subject to a permitted variance of plus or minus 5%.

(2) These classes will bear interest at an annual rate equal to the weighted average MBS pass-through rate. During the first interest accrual period, these classes will bear interest at an annual rate of approximately 6.874%

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be April 26, 1999.

Bear, Stearns & Co. Inc.

March 8, 1999

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AVAILABLE INFORMATION

You should purchase the certificates only if you have read and understood this prospectus supplement and the following documents (the “Disclosure Documents”):

- our Prospectus for Guaranteed Multifamily REMIC Pass-Through Certificates dated January 1, 1999 (the “Multifamily REMIC Prospectus”);
- our Prospectus for Guaranteed Mortgage Pass-Through Certificates dated October 1, 1998 (the “MBS Prospectus”); and
- our Information Statement dated March 31, 1998 and its supplements (the “Information Statement”).

You can obtain the Disclosure Documents by writing or calling us at:

Fannie Mae
MBS Helpline
3900 Wisconsin Avenue, N.W., Area 2H-3S
Washington, D.C. 20016
(telephone 1-800-237-8627 or 202-752-6547).

Most of the Disclosure Documents, together with the class factors, are available on our website located at <http://www.fanniemae.com>.

You can also obtain the Disclosure Documents by writing or calling the dealer at:

Bear, Stearns & Co. Inc.
Prospectus Department
One Metro Tech Center North
Brooklyn, New York 11201
(telephone 212-272-1581).

REFERENCE SHEET

This reference sheet is not a summary of the transaction and does not contain complete information about the certificates. You should purchase the certificates only after reading this prospectus supplement and each of the additional disclosure documents listed on page S-3.

Certain Characteristics of the Mortgage Loans underlying the MBS (as of April 1, 1999)

Exhibit A contains certain information about the individual MBS and related mortgage loans as of April 1, 1999, including information about yield maintenance charges applicable to the mortgage loans. To learn more about the MBS and the related mortgage loans, you should obtain the final data statement from us as described on page S-9.

Prepayment Premiums

The mortgage loans provide for the payment of prepayment premiums in the form of yield maintenance charges. If any yield maintenance charges are included in the distributions received on the MBS with respect to any distribution date, we will allocate these yield maintenance charges among the classes of certificates as described in this prospectus supplement.

Class Factors

The class factors are numbers that, when multiplied by the initial principal balance of a certificate, can be used to calculate the current principal balance of that certificate (after taking into account payments in the same month). We publish the class factors on or shortly after the 11th day of each month.

Settlement Date

We expect to issue the certificates on April 26, 1999.

Distribution Dates

We will make payments on the classes of certificates on the 25th day of each calendar month, or on the next business day if the 25th day is not a business day.

Book-Entry and Physical Certificates

We issue book-entry certificates through the U.S. Federal Reserve Banks, which will electronically track ownership of the certificates and payments on them. We issue physical certificates in registered, certificated form.

We will issue the classes of certificates in the following forms:

<u>Fed Book-Entry</u>	<u>Physical</u>
All classes other than the R Class	R Class

Interest Rates

The certificates will bear interest at the applicable variable annual interest rates specified on the cover and described in this prospectus supplement.

Distributions of Principal

Principal Distribution Amount

To the A and B Classes, in that order, to zero.

Weighted Average Lives (years) *

<u>Classes</u>	<u>CPR Prepayment Assumption**</u>				
	<u>0%</u>	<u>20%</u>	<u>35%</u>	<u>50%</u>	<u>75%</u>
A	10.8	8.5	7.9	7.6	7.3
B	24.5	18.8	17.3	16.7	16.1

* Determined as specified under “Description of the Certificates—Weighted Average Lives of the Certificates” herein.

** Assumes no prepayment before any applicable yield maintenance charge end dates. See “Additional Risk Factors” herein.

ADDITIONAL RISK FACTORS

The rate of principal payments on the certificates will be affected by the rate of principal payments on the underlying mortgage loans. The rate that you receive principal payments on the certificates will be sensitive to the rate of principal payments on the mortgage loans underlying the MBS, including prepayments.

Some of the mortgage loans provide for the payment of prepayment penalties in the form of yield maintenance charges. Subject to any applicable yield maintenance charges, the mortgage loans may be prepaid at any time. Therefore, the rate of principal payments on the mortgage loans is likely to vary over time. It is highly unlikely that the mortgage loans will prepay

- at the prepayment rates we assumed, or
- at a constant prepayment rate until maturity.

Yields may be lower than expected due to unexpected rate of principal payments. The actual yield on your certificates probably will be lower than you expect:

- if you bought your certificates at a premium and principal payments are faster than you expected, or
- if you bought your certificates at a discount and principal payments are slower than you expected.

Furthermore, in the case of certificates purchased at a premium, you could lose money on your investment if prepayments occur at a rapid rate.

Defaults may increase the risk of prepayment. Multifamily lending is generally viewed as exposing the lender to a greater risk of loss than single family lending. Mortgage loan defaults may result in distributions of the full principal balance of the related MBS, thereby affecting prepayment rates.

Yield maintenance charges may reduce the prepayment rate of the related mortgage loans. The mortgage loans impose a yield maintenance charge in connection with prepayments occurring during certain periods. A yield maintenance charge would not be imposed, however, if a borrower defaults on its mortgage loan. Mortgage loans having yield maintenance charges

may be less likely to prepay than mortgage loans without such charges.

Allocation of yield maintenance charges to certain classes may not offset the adverse effect on yields of the corresponding prepayments. If any yield maintenance charges are included in the payments received on the MBS with respect to any distribution date, we will include these amounts in the payments to be made on certain classes on that distribution date. We do not, however, guarantee that any yield maintenance charges will in fact be collected from mortgagors, or paid to holders of the MBS or the related certificateholders. Accordingly, holders of the applicable classes will receive yield maintenance charges only to the extent we receive them. Moreover, even if we pay the yield maintenance charges to the holders of these classes, the additional amounts may not offset the reductions in yield caused by the corresponding prepayments.

You must make your own decisions about the various applicable assumptions, including prepayment assumptions, when deciding whether to purchase the certificates.

Delay classes have lower yields and market values. Since the classes do not receive interest immediately following each interest accrual period, they have lower yields and lower market values than they would if there were no such delay.

Reinvestment of certificate payments may not achieve same yields as certificates. The rate of principal payments of the certificates is uncertain. You may be unable to reinvest the payments on the certificates at the same yields provided by the certificates.

Unpredictable timing of last payment affects yields on certificates. The actual final payment of your class is likely to occur earlier, and could occur much earlier, than the final distribution date listed on the cover page. If you assumed the actual final payment will occur on the final distribution date specified, your yield could be lower than you expect.

Some investors may be unable to buy certain classes. Investors whose investment activities are subject to legal investment laws and

regulations, or to review by regulatory authorities, may be unable to buy certain certificates. You should get legal advice to determine whether you may purchase the certificates.

Uncertain market for the certificates could make them difficult to sell and cause their values to fluctuate. We cannot be sure that a market for resale of the certificates will develop. Further, if a market develops, it may not continue or be sufficiently liquid to allow you to sell your certifi-

icates. Even if you are able to sell your certificates, the sale price may not be comparable to similar investments that have a developed market. Moreover, you may not be able to sell small or large amounts of certificates at prices comparable to those available to other investors. You should purchase certificates only if you understand and can tolerate the risk that the value of your certificates will vary over time and that your certificates may not be easily sold.

DESCRIPTION OF THE CERTIFICATES

The material under this heading summarizes certain features of the Certificates. You will find additional information about the Certificates in the other sections of this prospectus supplement, as well as in the additional Disclosure Documents and the Trust Agreement. If we use a capitalized term in this prospectus supplement without defining it, you will find the definition of such term in the applicable Disclosure Document or in the Trust Agreement.

General

Structure. We will create the Fannie Mae Multifamily REMIC Trust specified on the cover (the “Trust”) pursuant to a trust agreement dated as of September 1, 1987, as supplemented by an issue supplement dated as of April 1, 1999 (the “Trust Agreement”). We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “Certificates” or “Classes”) pursuant to the Trust Agreement.

The Trust will constitute a “real estate mortgage investment conduit” (“REMIC”) under the Internal Revenue Code of 1986, as amended (the “Code”).

- The Certificates (except the R Class) will be “regular interests” in the Trust.
- The R Class will be the “residual interest” in the Trust.

The assets of the Trust will consist of certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “MBS”).

Each MBS represents a beneficial ownership interest in one or more first lien, multifamily mortgage loans (the “Mortgage Loans”) having the characteristics described herein and in the Multifamily REMIC Prospectus and the MBS Prospectus.

Fannie Mae Guaranty. We guarantee that we will distribute to Certificateholders:

- required installments of principal and interest on the Certificates on time, and
- the principal balance of each Class of Certificates no later than its Final Distribution Date, whether or not we have received sufficient payments on the MBS.

In addition, we guarantee that we will distribute to each holder of an MBS:

- scheduled installments of principal and interest on the underlying Mortgage Loans on time, whether or not the related borrowers pay us, and
- the full principal balance of any foreclosed Mortgage Loan, whether or not we recover it.

Our guarantees are not backed by the full faith and credit of the United States. *We will not guarantee the collection or the payment to the Certificateholders of any prepayment premiums or yield maintenance charges.* Accordingly, Certificateholders entitled to receive yield maintenance charges will receive them only to the extent actually received in respect of the MBS. See “Description of the

Certificates—Fannie Mae’s Guaranty” in the Multifamily REMIC Prospectus and “Description of Certificates—The Fannie Mae Guaranty” in the MBS Prospectus.

Characteristics of Certificates. We will issue the Certificates (except the R Class) in book-entry form on the book-entry system of the U.S. Federal Reserve Banks. Entities whose names appear on the book-entry records of a Federal Reserve Bank as having had Certificates deposited in their accounts are “Holders” or “Certificateholders.” A Holder is not necessarily the beneficial owner of a Certificate. Beneficial owners ordinarily will hold Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. See “Description of the Certificates—Denominations and Form” in the Multifamily REMIC Prospectus.

We will issue the R Certificate in fully registered, certificated form. The “Holder” or “Certificateholder” of the R Certificate is its registered owner. The R Certificate can be transferred at the corporate trust office of the Transfer Agent, or at the office of the Transfer Agent in New York, New York. State Street Bank and Trust Company in Boston, Massachusetts (“State Street”) will be the initial Transfer Agent. We may impose a service charge for any registration of transfer of the R Certificate and may require payment to cover any tax or other governmental charge. See also “Characteristics of the R Class”.

The Holder of the R Class will receive the proceeds of any remaining assets of the Trust only by presenting and surrendering the related Certificate at the office of the Paying Agent. State Street will be the initial Paying Agent with respect to the R Class.

Authorized Denominations. We will issue the Certificates, other than the R Certificate, in minimum denominations of \$1,000 and whole dollar increments. We will issue the R Class as a single Certificate with no principal balance.

Distribution Date. We will make monthly payments on the 25th day of each month (or, if the 25th is not a business day, on the first business day after the 25th). We refer to such date as the “Distribution Date.” We will make the first payments to Certificateholders the month after we issue the Certificates.

Record Date. On each Distribution Date, we will make each monthly payment on the Certificates to Holders of record on the last day of the preceding month.

Class Factors. On or shortly after the eleventh calendar day of each month, we will publish a factor (carried to eight decimal places) for each Class of Certificates. When the factor is multiplied by the original principal balance of a Certificate of that Class, the product will equal the current principal balance of that Certificate after taking into account payments on the Distribution Date in the same month.

The MBS

The following table contains certain information about the MBS. The MBS will have the aggregate unpaid principal balance and weighted average Pass-Through Rate shown below and the general characteristics described in the MBS Prospectus. The MBS will provide that principal and interest on the related Mortgage Loans will be passed through monthly, beginning in the month after we issue the MBS. The Mortgage Loans underlying the MBS will be conventional Level Payment Mortgage Loans secured by first mortgages or deeds of trust on multifamily residential properties, each either fully amortizing or providing for a balloon payment at maturity. See “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. We expect the characteristics of the MBS and the related Mortgage Loans as of April 1, 1999 (the “Issue Date”) to be as follows:

MBS

Aggregate Unpaid Principal Balance	\$140,813,189
Weighted Average MBS Pass-Through Rate	6.874%

Related Mortgage Loans

WAC (per annum percentage)	7.768%
WAM	321 months
CAGE	21 months

Exhibit A contains certain information about the individual MBS and related mortgage loans as of April 1, 1999, including information about yield maintenance charges applicable to the mortgage loans.

Final Data Statement

After issuing the Certificates, we will prepare a Final Data Statement containing certain information, including the current unpaid principal balances of the Mortgage Loans underlying the MBS as of the Issue Date. You may obtain the Final Data Statement by telephoning us at 1-800-237-8627 or 202-752-6547. The contents of the Final Data Statement and other data specific to the Certificates are available in electronic form by calling us at 1-800-752-6440 or 202-752-6000.

Distributions of Interest

Categories of Classes

For the purpose of interest payments, the Classes will be categorized as follows:

<u>Interest Type*</u>	<u>Classes</u>
Weighted Average Coupon	A and B
No Payment Residual	R

* See "Description of the Certificates—Class Definitions and Abbreviations" in the Multifamily REMIC Prospectus.

General. We will pay interest on the interest-bearing Certificates at the applicable annual interest rates shown on the cover or described in this prospectus supplement. We calculate interest based on a 360-day year consisting of twelve 30-day months. We pay interest monthly on each Distribution Date, beginning in the month after the Settlement Date specified in the Reference Sheet.

Interest to be paid on each Certificate on a Distribution Date will consist of one month's interest on the outstanding balance of that Certificate immediately prior to such Distribution Date.

The Mortgage Loans provide for the payment of prepayment premiums in the form of yield maintenance charges. On any Distribution Date, we will pay any yield maintenance charges that we have collected and passed through to the Trust during the related Interest Accrual Period to the A and B Classes in pro rata proportions reflecting for each such Class an amount equal to any positive result of **subtracting**

- (A) the sum of (i) the Class Prepayment Amount (defined below) paid in respect of such Class and (ii) the present value (discounted at the applicable Class Discount Rate) of the aggregate principal and interest that would have been paid in respect of such Class from the Distribution Date in the following month until the principal balance of such Class is to be reduced to zero after taking account of receipt of the applicable Class Prepayment Amount

from

- (B) the present value (discounted at the applicable Class Discount Rate) of the aggregate principal and interest that would have been paid in respect of such Class from the

Distribution Date in the following month until the principal balance of such Class would have been reduced to zero had the related prepayment not occurred.

The foregoing calculations will be made on the basis of the Pricing Assumptions except that it will be assumed that no prepayments occur on the Mortgage Loans following the end of the period in which any prepayment was received.

The “Class Prepayment Amount” for each Class and each Distribution Date is the sum of all prepayments, including both principal and interest, but exclusive of any yield maintenance charges, paid in respect of that Class on that Distribution Date.

For each Class and each computation of present value, (i) the “Class Discount Rate” is the rate which, when compounded monthly, is equivalent to the Class Treasury Rate when compounded semi-annually and (ii) the “Class Treasury Rate” is the yield calculated by the linear interpolation of the yields, as reported in Federal Reserve Statistical Release H.15 — Selected Interest Rates under the heading “U.S. government securities/Treasury constant maturities” for the week ending on or before the Determination Date relating to the Distribution Date on which the yield maintenance charge will be paid, of U.S. Treasury constant maturities with a maturity date (one longer and one shorter) most nearly approximating the projected remaining weighted average life of such Class. If Release H.15 is no longer published, the Trustee will select a comparable publication to determine the Treasury Rate.

Solely for purposes of determining the Class Treasury Rate, the “Determination Date” for any Distribution Date is the date in any calendar month on which Fannie Mae calculates payments on the Certificates for such Distribution Date.

Interest Accrual Period. Interest to be paid on each Distribution Date will accrue on the interest-bearing Certificates during the one-month period set forth below (the “Interest Accrual Period”).

<u>Classes</u>	<u>Interest Accrual Period</u>
All Classes of interest-bearing Certificates (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs

See “Additional Risk Factors.”

Weighted Average Coupon Classes. The A and B Classes each will bear interest during each Interest Accrual Period at an annual rate equal to the weighted average MBS Pass-Through Rate.

Our determination of the rates of interest for these Classes for the related Interest Accrual Periods shall (in the absence of manifest error) be final and binding. You may obtain each such rate of interest by telephoning us at 1-800-237-8627 or 202-752-6547.

Distributions of Principal

Categories of Classes

For the purpose of principal payments, the Classes fall into the following categories:

<u>Principal Type*</u>	<u>Classes</u>
Sequential Pay	A and B
No Payment Residual	R

* See “Description of the Certificates—Class Definitions and Abbreviations” in the Multifamily REMIC Prospectus.

Principal Distribution Amount

On the Distribution Date in each month, we will pay principal on the Certificates in an aggregate amount (the “Principal Distribution Amount”) equal to the principal then paid on the MBS.

On each Distribution Date, we will pay the Principal Distribution Amount, sequentially, as principal of the A and B Classes, in that order, until their principal balances are reduced to zero. } Sequential Pay Classes

Structuring Assumptions

Pricing Assumptions. Except where otherwise noted, the information in the tables in this prospectus supplement has been prepared based on the actual characteristics of the MBS (as described in Exhibit A) and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- we pay all payments (including prepayments) on the Mortgage Loans on the Distribution Date relating to the month in which we receive them;
- the Mortgage Loans underlying the MBS prepay at the percentages of CPR specified in the related tables, provided that no prepayments occur through the related yield maintenance charge end dates;
- payments on the Certificates are always received on the 25th of the month, whether or not a business day;
- no yield maintenance charges are received on the MBS; and
- the settlement date for the sale of the Certificates is April 26, 1999.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used here is the “Constant Prepayment Rate” or “CPR” model. The CPR model represents an assumed constant rate of prepayment each month, expressed as an annual percentage of the then outstanding principal balance of the pool of mortgage loans.

It is highly unlikely that prepayments will occur at any particular level of CPR, or at any other *constant* rate.

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by

- (a) multiplying the amount of the reduction, if any, of the principal balance of such Certificate from one Distribution Date to the next Distribution Date by the number of years from the Settlement Date to the second such Distribution Date,
- (b) summing the results, and
- (c) dividing the sum by the aggregate amount of the reductions in principal balance of such Certificate referred to in clause (a).

For a description of the factors which may influence the weighted average life of a Certificate, see “Description of the Certificates—Weighted Average Lives and Final Distribution Dates” in the Multifamily REMIC Prospectus.

In general, the weighted average lives of the Certificates will be shortened if the level of prepayments of principal of the Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including

- the timing of changes in such rate of principal payments, and
- the priority sequence of distributions of principal of the Certificates.

See “Distributions of Principal” in this prospectus supplement.

The effect of these factors may differ as to various Classes and the effects on any Class may vary at different times during the life of that Class. Accordingly, we can give no assurance as to the weighted average life of any Class. Further, to the extent the prices of the Certificates represent discounts or premiums to their original principal balances, variability in the weighted average lives of such Classes of Certificates could result in variability in the related yields to maturity. For an example of how the weighted average lives of the Classes may be affected at various constant prepayment rates, see the Decrement Tables below.

Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each date shown at the constant percentages of CPR and the corresponding weighted average lives of such Classes. The tables have been prepared on the basis of the Pricing Assumptions.

It is unlikely that the underlying Mortgage Loans will prepay at any *constant* CPR level. We do not represent that the Mortgage Loans will prepay at the CPRs shown or at any other constant prepayment rate.

Percent of Original Principal Balances Outstanding†

Date	A Class					B Class				
	CPR Prepayment Assumption					CPR Prepayment Assumption				
	0%	20%	35%	50%	75%	0%	20%	35%	50%	75%
Initial Percent.....	100	100	100	100	100	100	100	100	100	100
April 2000.....	98	98	98	98	98	100	100	100	100	100
April 2001.....	96	96	96	96	96	100	100	100	100	100
April 2002.....	94	94	94	94	94	100	100	100	100	100
April 2003.....	92	92	92	92	92	100	100	100	100	100
April 2004.....	90	90	90	90	90	100	100	100	100	100
April 2005.....	86	86	86	86	86	100	100	100	100	100
April 2006.....	68	67	67	66	64	100	100	100	100	100
April 2007.....	54	45	39	33	22	100	100	100	100	100
April 2008.....	50	35	26	19	12	100	100	100	100	100
April 2009.....	47	28	19	13	8	100	100	100	100	100
April 2010.....	44	21	12	7	4	100	100	100	100	100
April 2011.....	41	16	7	4	2	100	100	100	100	100
April 2012.....	38	11	4	1	*	100	100	100	100	100
April 2013.....	35	7	1	0	0	100	100	100	99	98
April 2014.....	27	2	0	0	0	100	100	92	87	80
April 2015.....	23	0	0	0	0	100	82	61	48	28
April 2016.....	19	0	0	0	0	100	64	42	29	15
April 2017.....	10	0	0	0	0	100	46	27	18	12
April 2018.....	5	0	0	0	0	100	36	20	14	11
April 2019.....	0	0	0	0	0	100	29	15	11	9
April 2020.....	0	0	0	0	0	86	21	9	5	2
April 2021.....	0	0	0	0	0	71	15	6	2	*
April 2022.....	0	0	0	0	0	62	11	3	1	*
April 2023.....	0	0	0	0	0	53	8	2	*	*
April 2024.....	0	0	0	0	0	44	5	1	*	*
April 2025.....	0	0	0	0	0	34	3	1	*	*
April 2026.....	0	0	0	0	0	23	2	*	*	*
April 2027.....	0	0	0	0	0	16	1	*	*	*
April 2028.....	0	0	0	0	0	8	*	*	*	*
April 2029.....	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**.....	10.8	8.5	7.9	7.6	7.3	24.5	18.8	17.3	16.7	16.1

* Indicates an outstanding balance greater than 0% and less than 0.5% of the original principal balance.

** Determined as specified under “Weighted Average Lives of the Certificates” herein.

† Assumes no prepayments before any applicable yield maintenance charge end dates.

Characteristics of the R Class

The R Class will not have a principal balance and will not bear interest. If any assets of the Trust remain after the principal balances of all Classes are reduced to zero, we will pay the Holder of the R Class the proceeds from those assets. Fannie Mae does not expect that any material assets will remain in such case.

The R Class will be subject to certain transfer restrictions. We will not permit transfer of record or beneficial ownership of an R Certificate to a “disqualified organization.” In addition, we will not permit transfer of record or beneficial ownership of an R Certificate to any person that is not a “U.S. Person” without our written consent. Treasury Department regulations (the “Regulations”) provide that a transfer of a “noneconomic residual interest” to a U.S. Person will be disregarded for all federal tax purposes unless no significant purpose of the transfer is to impede the assessment or collection of tax. The R Class will constitute a noneconomic residual interest under the Regulations. Any transferee of an R Certificate must execute and deliver an affidavit and an Internal Revenue Service Form W-9 on which the transferee provides its taxpayer identification number. See “Description of the Certificates—Special Characteristics of Residual Certificates” and “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*” in the Multifamily REMIC Prospectus. Transferors of an R Certificate should consult with their own tax advisors for further information regarding such transfers.

The Holder of the R Class will be considered to be the holder of the “residual interest” in the REMIC constituted by the Trust. See “Certain Federal Income Tax Consequences” in the Multifamily REMIC Prospectus. Pursuant to the Trust Agreement, we will be obligated to provide to such Holder (i) information necessary to enable it to prepare its federal income tax returns and (ii) any reports regarding the R Class that may be required under the Code.

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

The Certificates and payments on the Certificates are not generally exempt from taxation. Therefore, you should consider the tax consequences of holding a Certificate before you acquire one. The following tax discussion supplements the discussion under the caption “Certain Federal Income Tax Consequences” in the Multifamily REMIC Prospectus. When read together, the two discussions describe the current federal income tax treatment of beneficial owners of Certificates. These two tax discussions do not purport to deal with all federal tax consequences applicable to all categories of beneficial owners, some of which may be subject to special rules. In addition, these discussions may not apply to your particular circumstances for one of the reasons explained in the Multifamily REMIC Prospectus. You should consult your own tax advisors regarding the federal income tax consequences of holding and disposing of Certificates as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

REMIC Election and Special Tax Attributes

We will elect to treat the Trust as a REMIC for federal income tax purposes. The Certificates, other than the R Class, will be designated as the “regular interests,” and the R Class will be designated as the “residual interest,” in the REMIC constituted by the Trust.

Because the Trust will qualify as a REMIC, the Certificates generally will be treated as “regular or residual interests in a REMIC” for domestic building and loan associations, “real estate assets” for real estate investment trusts, and, except for the R Class, as “qualified mortgages” for other REMICs. See “Certain Federal Income Tax Consequences—*REMIC Election and Special Tax Attributes*” in the Multifamily REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

Certain Classes of Certificates may be issued with original issue discount (“OID”). If a Class is issued with OID, a beneficial owner of a Certificate of that Class generally must recognize some taxable income in advance of the receipt of the cash attributable to that income. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount” in the Multifamily REMIC Prospectus. In addition, certain Classes of Certificates may be treated as having been issued at a premium. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Regular Certificates Purchased at a Premium” in the Multifamily REMIC Prospectus.

The Prepayment Assumption that will be used in determining the rate of accrual of OID will be applied on a pool-by-pool basis. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount—*Daily Portions of Original Issue Discount*” in the Multifamily REMIC Prospectus. The Prepayment Assumption that will be used for each pool will be 0% CPR until the yield maintenance end date for each such pool and 35% CPR thereafter. The yield maintenance end dates are provided on Exhibit A. Because the yield maintenance end date for each pool is not the same, during the period beginning on the earliest yield maintenance end date of the pools and ending on the last yield maintenance end date of the pools, the effective Prepayment Assumption will increase, from 0% CPR to 35% CPR, as each pool reaches its yield maintenance end date. No representation is made as to whether the Mortgage Loans underlying the MBS will prepay at the rate reflected in the Prepayment Assumption or any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” in this prospectus supplement and “Description of the Certificates—Weighted Average Lives and Final Distribution Dates” in the Multifamily REMIC Prospectus.

Taxation of Beneficial Owners of Residual Certificates

For purposes of determining the portion of the taxable income of the Trust that generally will not be treated as excess inclusions, the rate to be used is 120% of the “federal long-term rate.” The rate will be published on or about March 20, 1999. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*—Treatment of Excess Inclusions” and “—*Foreign Investors*—Residual Certificates” in the Multifamily REMIC Prospectus.

PLAN OF DISTRIBUTION

We are obligated to deliver the Certificates to Bear, Stearns & Co. Inc. (the “Dealer”) in exchange for the MBS. The Dealer proposes to offer the Certificates directly to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. The Dealer may effect these transactions to or through other dealers.

LEGAL MATTERS

Brown & Wood LLP will provide legal representation for Fannie Mae. Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038-4982 will provide legal representation for the Dealer.

The MBS and Mortgage Loans

Pool Number	City	State	Approximate Principal Balance as of Issue Date	MBS Pass-Through Rate	Mortgage Interest Rate	Maturity Date	Original Amortization Term (mos.)	Remaining Amortization Term (mos.)	Remaining Term to Maturity (mos.)	Remaining Term to Balloon (mos.)	Certificate Age (mos.)	Issue Date	Yield Maintenance End Date	Remaining Yield Maintenance Term (mos.)
381307*	Various**	**	\$ 5,614,131.55	6.150%	6.700%	02/01/14	360	358	178	178	2	02/01/99	02/01/09	118
381404	New York	NY	18,969,006.11	6.360	7.040	02/01/29	359	358	358	—	1	03/01/99	02/01/14	178
381405	San Jose	CA	6,694,773.33	6.500	7.250	03/01/29	360	359	359	—	1	03/01/99	03/01/19	239
381253	Flint	MI	3,295,007.46	6.620	7.420	02/01/29	360	358	358	—	2	01/01/99	02/01/14	178
381460	Boston	MA	8,993,185.83	6.750	7.400	03/01/29	360	359	359	—	1	03/01/99	03/01/14	179
375281	Arlington	TX	1,478,375.42	6.770	7.960	01/01/05	360	340	69	69	20	07/01/97	07/01/04	63
73376	Houston	TX	4,412,192.01	6.900	7.750	02/01/26	360	322	322	—	38	02/01/96	02/01/06	82
381463	Pacific	CA	6,262,550.00	6.920	7.720	03/01/29	359	359	359	—	0	04/01/99	03/01/14	179
73381	Stafford	TX	12,416,554.05	7.070	8.145	03/01/26	360	323	323	—	37	03/01/96	03/01/06	83
375179	Gahanna	OH	1,949,579.50	7.145	7.900	06/01/07	300	278	98	98	22	06/01/97	12/01/06	92
73247	Middle River	MD	4,763,094.60	7.210	8.285	11/01/20	299	259	259	—	40	12/01/95	11/01/05	79
73411	New York	NY	7,573,830.04	7.400	8.275	04/01/21	300	264	264	—	36	04/01/96	04/01/06	84
73488	Rockville	MD	12,700,190.54	7.700	8.775	06/01/21	300	266	266	—	34	06/01/96	06/01/06	86
73515	Silver Spring	MD	8,076,388.04	7.710	8.785	06/01/21	300	266	266	—	34	06/01/96	06/01/06	86
381343	South Bend	IN	4,193,189.14	6.170	7.070	02/01/17	360	358	214	214	2	03/01/99	02/01/14	178
381337	Brown Deer	WI	2,139,376.71	6.200	7.000	02/01/17	360	358	214	214	2	02/01/99	02/01/14	178
73443	Indianapolis	IN	17,153,937.57	6.870	7.825	04/01/06	360	324	84	84	36	04/01/96	10/01/05	78
73859	Richmond	VA	3,651,717.88	6.670	7.745	01/01/07	240	213	93	93	27	12/01/96	07/01/06	87
73855	Cincinnati	OH	10,476,109.88	6.630	7.705	01/01/07	360	333	93	93	27	01/01/97	07/01/06	87
Total/Weighted Average.....			\$140,813,189.66	6.874%	7.768%									

* These Mortgage Loans bear interest on the basis of a 360-day year and actual days elapsed.

** The related Mortgage Loans are secured by properties located in Garland, TX and Tucson, AZ.

NOTE:

The information with respect to the MBS and the Mortgage Loans set forth on this Exhibit A has been collected and summarized by the Dealer and provided to Fannie Mae. Fannie Mae has made no independent verification of such information and, therefore, does not warrant its truth or accuracy.

No one is authorized to give information or to make representations in connection with the Certificates other than the information and representations contained in this Prospectus Supplement and the additional Disclosure Documents. You must not rely on any unauthorized information or representation. This Prospectus Supplement and the additional Disclosure Documents do not constitute an offer or solicitation with regard to the Certificates if it is illegal to make such an offer or solicitation to you under state law. By delivering this Prospectus Supplement and the additional Disclosure Documents at any time, no one implies that the information contained herein or therein is correct after the date hereof or thereof.

The Securities and Exchange Commission has not approved or disapproved the Certificates or determined if this Prospectus Supplement is truthful and complete. Any representation to the contrary is a criminal offense.

\$140,813,189
(Approximate)



FannieMae

**Guaranteed REMIC
Pass-Through Certificates
Fannie Mae Multifamily
REMIC Trust 1999-M2**

PROSPECTUS SUPPLEMENT

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Bear, Stearns & Co. Inc.

March 8, 1999
