

**\$43,965,152**



**Guaranteed REMIC Pass-Through Certificates  
Fannie Mae REMIC Trust 2002-26  
(Group 1 Classes Only)**

**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 certain classes for long periods of time.

**The Fannie Mae Guaranty**

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

**The Trust and its Assets**

The trust will own underlying REMIC certificates backed directly or indirectly by Fannie Mae MBS.

The mortgage loans underlying the Fannie Mae MBS are first lien, single-family, fixed-rate loans.

<i>Class</i>	<i>Group</i>	<i>Original Class Balance</i>	<i>Principal Type</i>	<i>Interest Rate</i>	<i>Interest Type</i>	<i>CUSIP Number</i>	<i>Final Distribution Date</i>
FB .....	1	\$32,973,864	SC/PT	(1)	FLT	31392A7J1	January 2032
SB .....	1	10,991,288	SC/PT	(1)	INV	31392A7K8	January 2032

(1) Based on LIBOR.

Only the classes listed in the chart above are offered by this prospectus supplement. Certain other classes representing interests in the REMIC Trust will be offered by one or more separate prospectus supplements.

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date for the certificates offered by this prospectus supplement to be April 25, 2002.

**Carefully consider the risk factors starting on page S-6 of this prospectus supplement and on page 10 of the REMIC prospectus. Unless you understand and are able to tolerate these risks, you should not invest in the certificates.**

You should read the 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.

## TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
<b>AVAILABLE INFORMATION</b> . . . . .	S- 3	<b>CALCULATION OF LIBOR</b> . . . . .	S- 9
<b>REFERENCE SHEET</b> . . . . .	S- 4	<b>DISTRIBUTIONS OF PRINCIPAL</b> . . . . .	S-10
<b>ADDITIONAL RISK FACTORS</b> . . . . .	S- 6	<i>Categories of Classes</i> . . . . .	S-10
<b>DESCRIPTION OF THE</b>		<i>Principal Distribution Amount</i> . . . . .	S-10
<b>CERTIFICATES</b> . . . . .	S- 7	<b>STRUCTURING ASSUMPTIONS</b> . . . . .	S-10
<b>GENERAL</b> . . . . .	S- 7	<i>Pricing Assumptions</i> . . . . .	S-10
<i>Structure</i> . . . . .	S- 7	<i>Prepayment Assumptions</i> . . . . .	S-10
<i>Fannie Mae Guaranty</i> . . . . .	S- 7	<b>YIELD TABLE</b> . . . . .	S-10
<i>Characteristics of Certificates</i> . . . . .	S- 8	<i>General</i> . . . . .	S-10
<i>Authorized Denominations</i> . . . . .	S- 8	<i>The Inverse Floating Rate Class</i> . . . . .	S-11
<i>Distribution Dates</i> . . . . .	S- 8	<b>WEIGHTED AVERAGE LIVES OF THE</b>	
<i>Record Date</i> . . . . .	S- 8	<b>CERTIFICATES</b> . . . . .	S-12
<i>Class Factors</i> . . . . .	S- 8	<b>DECREMENT TABLE</b> . . . . .	S-12
<i>No Optional Termination</i> . . . . .	S- 8	<b>CERTAIN ADDITIONAL</b>	
<i>Voting the Underlying REMIC</i>		<b>FEDERAL INCOME TAX</b>	
<i>Certificates</i> . . . . .	S- 8	<b>CONSEQUENCES</b> . . . . .	S-14
<b>THE UNDERLYING REMIC</b>		<b>REMIC ELECTION AND SPECIAL TAX</b>	
<b>CERTIFICATES</b> . . . . .	S- 8	<b>ATTRIBUTES</b> . . . . .	S-14
<b>FINAL DATA STATEMENT</b> . . . . .	S- 9	<b>TAXATION OF BENEFICIAL OWNERS</b>	
<b>DISTRIBUTIONS OF INTEREST</b> . . . . .	S- 9	<b>OF REGULAR CERTIFICATES</b> . . . . .	S-14
<i>Categories of Classes</i> . . . . .	S- 9	<b>PLAN OF DISTRIBUTION</b> . . . . .	S-15
<i>General</i> . . . . .	S- 9	<i>General</i> . . . . .	S-15
<i>Interest Accrual Period</i> . . . . .	S- 9	<b>LEGAL MATTERS</b> . . . . .	S-15
<i>Floating Rate and Inverse Floating</i>		<b>EXHIBIT A</b> . . . . .	A- 1
<i>Rate Classes</i> . . . . .	S- 9		

## 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 REMIC Pass-Through Certificates dated September 18, 1998 (the “REMIC Prospectus”);
- the disclosure document relating to the underlying REMIC certificates (the “Underlying REMIC Disclosure Document”);
- our Prospectus for Guaranteed Mortgage Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated March 1, 2002 (the “MBS Prospectus”); and
- our Information Statement dated April 1, 2002 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 also can obtain the Disclosure Documents, except the Underlying REMIC Disclosure Document, 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.**

**Characteristics of the Underlying REMIC Certificates**

Exhibit A describes the Underlying REMIC Certificates, including certain information about the related mortgage loans. To learn more about the Underlying REMIC Certificates, you should obtain from us the current class factors and the disclosure document for the Underlying REMIC Certificates as described on page S-3.

**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 distributions 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 25, 2002.

**Distribution Dates**

We will make payments on the 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 Certificates**

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

**Interest Rates**

During the initial interest accrual period, the floating rate and inverse floating rate classes will bear interest at the initial interest rates listed below, except that the initial interest rates listed are assumed rates. During subsequent interest accrual periods, the floating rate and inverse floating rate classes will bear interest based on the formulas indicated below, but always subject to the specified maximum and minimum interest rates:

<u>Class</u>	<u>Assumed Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate (1)</u>
FB .....	3.45% (2)	8.00%	1.55%	LIBOR + 155 basis points
SB .....	13.65% (2)	19.35%	0.00%	19.35% - (3 × LIBOR)

(1) We will establish LIBOR on the basis of the "BBA Method."

(2) Assumed initial interest rates. We will calculate the actual interest rates on April 23, 2002 using the applicable formulas.

**Distributions of Principal**

*Principal Distribution Amount*

To the FB and SB Classes, pro rata, to zero.

**Weighted Average Lives (years) \***

<u>Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>196%</u>	<u>350%</u>	<u>500%</u>
<u>FB and SB</u> .....	28.5	22.4	8.9	1.7	1.2

\* Determined as specified under “Description of the Certificates—Weighted Average Lives of the Certificates” in this prospectus supplement.

## 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 at which you receive principal payments on the certificates will be sensitive to the rate of principal payments on the mortgage loans underlying the related MBS, including prepayments. Because borrowers generally may prepay their mortgage loans at any time without penalty, 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 any of the prepayment rates we assumed in this prospectus supplement, or
- at any constant prepayment rate until maturity.

*Payments on the certificates also will be affected by the payment priorities governing the underlying REMIC certificates.* The rate at which you receive payments also will be affected by the priority sequence governing principal payments on the underlying REMIC certificates.

As described in the underlying REMIC disclosure document, the underlying REMIC certificates are Support classes. A Support class is entitled to receive principal payments on any distribution date only if scheduled payments have been made on other securities in the related underlying REMIC trust. Accordingly, a Support class may receive no principal payments for extended periods or may receive principal payments that vary widely from period to period.

You may obtain additional information about the underlying REMIC certificates by reviewing their current class factors in light of other information available in the underlying REMIC disclosure document. You may obtain that document from us as described on page S-3.

*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 buy your certificates at a premium and principal payments are faster than you expect, or

- if you buy your certificates at a discount and principal payments are slower than you expect.

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

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

*Level of floating rate index affects yields on certain certificates.* The yield on any floating rate or inverse floating rate certificate will be affected by the level of its interest rate index. If the level of the index differs from the level you expect, then your actual yield may be lower than you expect.

*Delay classes have lower yields and market values.* Since the certificates 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 certificates. 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 Documents or in the Trust Agreement.

### General

*Structure.* We will create the Fannie Mae REMIC Trust specified on the cover (the “Trust”) pursuant to a trust agreement (the “Trust Agreement”) dated as of April 1, 2002 (the “Issue Date”). We will issue the Guaranteed REMIC Pass-Through Certificates offered by this prospectus supplement (the “Certificates”) pursuant to that Trust Agreement. We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”).

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

- The Certificates will be “regular interests” in the Trust.
- A single non-offered class will be the “residual interest” in the Trust.

The assets of the Trust underlying the Classes will consist of “regular interests” in a separate REMIC trust, the assets of which will include certain previously issued REMIC Certificates (the “Underlying REMIC Certificates”) evidencing beneficial ownership interests in the related Fannie Mae REMIC trust (the “Underlying REMIC Trust”) as further described in Exhibit A.

The assets of the Underlying REMIC Trust evidence direct or indirect beneficial ownership interests in certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “MBS”).

Each MBS represents a beneficial ownership interest in a pool of first lien, one- to four-family (“single-family”), fixed-rate residential mortgage loans (the “Mortgage Loans”) having the characteristics described in this prospectus supplement.

*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 guaranty obligations with respect to the Underlying REMIC Certificates are described in the Underlying REMIC Disclosure Document. Our guarantees are not backed by the full faith and credit of the United States. See “Description of Certificates—The Fannie Mae Guaranty” in the REMIC Prospectus, “Description of the Certificates—Fannie Mae Guaranty” in the MBS Prospectus, and “Description of the Certificates—General—Fannie Mae Guaranty” in the Underlying REMIC Disclosure Document.

*Characteristics of Certificates.* We will issue the Certificates 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 Certificates—Denominations and Form” in the REMIC Prospectus.

*Authorized Denominations.* We will issue the Certificates in minimum denominations of \$1,000 and whole dollar increments.

*Distribution Dates.* We will make monthly payments on the Certificates 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 each of these dates as a “Distribution Date.” We will make the first payments to Certificateholders in 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.

*No Optional Termination.* We have no option to effect an early termination of the Trust. Further, we will not repurchase the Mortgage Loans underlying the MBS in a “clean-up call.” See “Description of the Certificates—Termination” in the MBS Prospectus.

*Voting the Underlying REMIC Certificates.* Holders of the Underlying REMIC Certificates may be asked to vote on issues arising under the related trust agreement. If so, the Trustee will vote the Underlying REMIC Certificates, as instructed by Holders of Certificates of the Classes backed by the Underlying REMIC Certificates. The Trustee must receive instructions from Holders of Certificates having principal balances totaling at least 51% of the aggregate principal balance of the related Classes. In the absence of such instructions, the Trustee will vote in a manner consistent, in its sole judgment, with the best interests of Certificateholders.

## **The Underlying REMIC Certificates**

The Underlying REMIC Certificates represent beneficial ownership interests in the Underlying REMIC Trust. The assets of that trust evidence direct or indirect beneficial ownership interests in certain MBS having the general characteristics set forth in the MBS Prospectus. Distributions on the Underlying REMIC Certificates will be passed through monthly, beginning in the month after we issue the Certificates. The general characteristics of the Underlying REMIC Certificates are described in the Underlying REMIC Disclosure Document. See Exhibit A for additional information about the Underlying REMIC Certificates.

Each MBS evidences beneficial ownership interests in a pool of conventional Level Payment Mortgage Loans secured by first mortgages or deeds of trust on single-family residential properties, as described under “Mortgage Loan Pools” and “Yield Considerations, Maturity and Prepayment Assumptions” in the MBS Prospectus.

For further information about the Underlying REMIC Certificates, telephone us at 1-800-237-8627 or 202-752-6547. You also may obtain certain information in electronic form by calling us at 1-800-752-6440 or 202-752-6000. There may have been material changes in facts and circumstances since the date we prepared the Underlying REMIC Disclosure Document. These may include changes in prepayment speeds, prevailing interest rates and other economic factors. As a result, the usefulness of the information set forth in that document may be limited.

## Final Data Statement

After issuing the Certificates, we will prepare a Final Data Statement containing certain information, including the principal balances of the Underlying REMIC Certificates 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>
Floating Rate	FB
Inverse Floating Rate	SB

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

*General.* We will pay interest on the interest-bearing Certificates at the applicable annual interest rates 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.

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

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

See “Additional Risk Factors—*Delay Classes have lower yields and market values*” in this prospectus supplement.

*Floating Rate and Inverse Floating Rate Classes.* During each Interest Accrual Period, the Floating Rate and Inverse Floating Rate Classes will bear interest at rates determined as described under “Reference Sheet—Interest Rates” in this prospectus supplement.

Changes in the specified interest rate index (the “Index”) will affect the yields with respect to the related Classes. These changes may not correspond to changes in mortgage interest rates. Lower mortgage interest rates could occur while an increase in the level of the Index occurs. Similarly, higher mortgage interest rates could occur while a decrease in the level of the Index occurs.

Our establishment of each Index value and our determination of the interest rate for each applicable Class for the related Interest Accrual Period will be final and binding in the absence of manifest error. You may obtain each such interest rate by telephoning us at 1-800-237-8627 or 202-752-6547.

## Calculation of LIBOR

On each Index Determination Date, we will calculate LIBOR for the related Interest Accrual Period. We will calculate LIBOR on the basis of the “BBA Method,” as described in the REMIC Prospectus under “Description of Certificates—Indexes for Floating Rate Classes and Inverse Floating Rate Classes—*LIBOR*.”

If we are unable to calculate LIBOR on the initial Index Determination Date, LIBOR for the following Interest Accrual Period will be equal to LIBOR as determined for that Interest Accrual Period for the Underlying REMIC Certificates.

## 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>
Structured Collateral/Pass-Through	FB and SB

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

The portion of each Class of Underlying REMIC Certificates held by the Trust will be set forth in Exhibit A.

On each Distribution Date, we will pay the Principal Distribution Amount, concurrently, as principal of the FB and SB Classes, pro rata (or 75% and 25%, respectively), until their principal balances are reduced to zero. } Structured Collateral/Pass-Through 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 each pool of Mortgage Loans backing the Underlying REMIC Certificates, the priority sequence affecting principal payments on the Underlying REMIC Certificates and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans prepay at the constant percentages of PSA specified in the related table;
- the settlement date for the sale of the Certificates is April 25, 2002; and
- each Distribution Date occurs on the 25th day of a month.

*Prepayment Assumptions.* Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used here is The Bond Market Association’s standard prepayment model (“PSA”). To assume a specified rate of PSA is to assume a specified rate of prepayment each month of the then-outstanding principal balance of a pool of new mortgage loans computed as described under “Description of Certificates—Prepayment Models” in the REMIC Prospectus. It is highly unlikely that prepayments will occur at any *constant* PSA rate or at any other constant rate.

## Yield Table

*General.* The table below illustrates the sensitivity to the pre-tax corporate bond equivalent yield to maturity of the applicable Class to various constant percentages of PSA and to changes in the Index. We calculated the yields set forth in the table by

- determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on the applicable Class, would cause the discounted present values of the assumed streams of cash flows to equal the assumed aggregate purchase price of that Class, and
- converting the monthly rates to corporate bond equivalent rates.

These calculations do not take into account variations in the interest rates at which you could reinvest distributions on the Certificates. Accordingly, these calculations do not illustrate the return on any investment in the Certificates when reinvestment rates are taken into account.

We cannot assure you that

- the pre-tax yields on the applicable Certificates will correspond to any of the pre-tax yields shown here, or
- the aggregate purchase price of the applicable Certificates will be as assumed.

In addition, it is unlikely that the Index will correspond to the levels shown here. Furthermore, because some of the Mortgage Loans are likely to have remaining terms to maturity shorter or longer than those assumed and interest rates higher or lower than those assumed, the principal payments on the Certificates are likely to differ from those assumed. This would be the case even if all Mortgage Loans prepay at the indicated constant percentages of PSA. Moreover, it is unlikely that

- the Mortgage Loans will prepay at a constant PSA rate until maturity,
- all of such Mortgage Loans will prepay at the same rate, or
- the level of the Index will remain constant.

***The Inverse Floating Rate Class.*** The yield on the Inverse Floating Rate Class will be sensitive to the rate of principal payments, including prepayments, of the Mortgage Loans and to the level of the Index. The Mortgage Loans generally can be prepaid at any time without penalty. In addition, the rate of principal payments (including prepayments) of the Mortgage Loans is likely to vary, and may vary considerably, from pool to pool.

Changes in the Index may not correspond to changes in prevailing mortgage interest rates. It is possible that lower prevailing mortgage interest rates, which might be expected to result in faster prepayments, could occur while the level of the Index increased.

The information shown in the yield table has been prepared on the basis of the Pricing Assumptions and the assumptions that

- the interest rate for the Inverse Floating Rate Class for the initial Interest Accrual Period is the rate listed in the table under “Reference Sheet—Interest Rates” above and for each following Interest Accrual Period will be based on the specified level of the Index, and
- the aggregate purchase price of that Class (expressed as a percentage of original principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
SB .....	76.0%

\* The price does not include accrued interest. Accrued interest has been added to the price in calculating the yields set forth in the table below.

### Sensitivity of the SB Class to Prepayments and LIBOR (Pre-Tax Yields to Maturity)

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>196%</u>	<u>350%</u>	<u>500%</u>
0.90% .....	22.6%	22.7%	26.1%	38.5%	46.9%
1.90% .....	18.5%	18.6%	22.0%	34.6%	43.1%
3.90% .....	10.5%	10.6%	13.8%	27.0%	35.5%
5.90% .....	3.0%	3.2%	5.7%	19.6%	28.0%
6.45% .....	1.1%	1.2%	3.5%	17.7%	26.0%

## 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 Certificates—Weighted Average Life and Final Distribution Date” in the REMIC Prospectus.

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

- the timing of changes in the rate of principal payments, and
- the priority sequence affecting principal payments on the Underlying REMIC Certificates.

See “—Distributions of Principal” above and “Description of the Certificates—Distributions of Principal” in the Underlying REMIC Disclosure Document.

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 Table below.

### Decrement Table

The following table indicates the percentages of original principal balances of the specified Classes that would be outstanding after each date shown at various constant PSA rates and the corresponding weighted average lives of those Classes. The table has been prepared on the basis of the Pricing Assumptions. However, in the case of the information set forth for each Class under 0% PSA, we assumed that the underlying Mortgage Loans have the original and remaining terms to maturity and bear interest at the annual rate specified in the table below.

<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>
360 months	356 months	8.50%

It is unlikely

- that all of the underlying Mortgage Loans will have the interest rates, WALAs or remaining terms to maturity assumed or
- that the underlying Mortgage Loans will prepay at any *constant* PSA level.

In addition, the diverse remaining terms to maturity of the Mortgage Loans could produce slower or faster principal distributions than indicated in the table at the specified constant PSA rates. This is the case even if the dispersion of weighted average remaining terms to maturity and the weighted average WALAs of the Mortgage Loans are identical to the dispersion specified in the Pricing Assumptions.

### Percent of Original Principal Balances Outstanding

Date	FB and SB Classes				
	PSA Prepayment Assumption				
	0%	100%	196%	350%	500%
Initial Percent .....	100	100	100	100	100
April 2003 .....	100	100	95	78	61
April 2004 .....	100	100	84	37	0
April 2005 .....	100	100	69	0	0
April 2006 .....	100	100	58	0	0
April 2007 .....	100	100	50	0	0
April 2008 .....	100	100	45	0	0
April 2009 .....	100	100	41	0	0
April 2010 .....	100	100	39	0	0
April 2011 .....	100	100	38	0	0
April 2012 .....	100	100	38	0	0
April 2013 .....	100	100	36	0	0
April 2014 .....	100	100	33	0	0
April 2015 .....	100	100	30	0	0
April 2016 .....	100	100	27	0	0
April 2017 .....	100	100	25	0	0
April 2018 .....	100	100	22	0	0
April 2019 .....	100	92	19	0	0
April 2020 .....	100	84	17	0	0
April 2021 .....	100	76	14	0	0
April 2022 .....	100	67	12	0	0
April 2023 .....	100	59	10	0	0
April 2024 .....	100	51	8	0	0
April 2025 .....	100	44	7	0	0
April 2026 .....	100	36	5	0	0
April 2027 .....	100	29	4	0	0
April 2028 .....	100	22	3	0	0
April 2029 .....	100	15	2	0	0
April 2030 .....	68	9	1	0	0
April 2031 .....	29	3	*	0	0
April 2032 .....	0	0	0	0	0
Weighted Average Life (years)** .....	28.5	22.4	8.9	1.7	1.2

\* 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” above.

## 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 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 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 will be designated as “regular interests” in the REMIC constituted by the Trust.

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

Under regulations issued by the Treasury Department (“the Regulations”), a REMIC may issue its regular and residual interests over any ten-day period and designate any of those ten days as the REMIC’s startup day. Fannie Mae intends to designate April 30, 2002 as the startup day for the REMIC constituted by the Trust. The Regulations provide that, where a REMIC so designates its startup day, all interests in the REMIC are treated as issued on that day. However, the Regulations do not address the consequences to a beneficial owner that acquires a Certificate of either Group 1 Class before the startup day of the REMIC constituted by the Trust, and you should consult your own tax advisors in this regard.

### Taxation of Beneficial Owners of Regular Certificates

The SB Class will be issued with OID and the FB Class may be issued with 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 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 REMIC Prospectus.

The Prepayment Assumption that will be used in determining the rate of accrual of OID will be 196% PSA. 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 REMIC Prospectus. No representation is made as to whether the Mortgage Loans underlying the MBS will prepay at that rate or any other rate. See “Description of the Certificates—*Weighted Average Lives of the Certificates*” in this prospectus supplement and “Description of Certificates—*Weighted Average Life and Final Distribution Date*” in the REMIC Prospectus.

## **PLAN OF DISTRIBUTION**

*General.* We are obligated to deliver the Certificates to Bear, Stearns & Co. Inc. (the “Dealer”) in exchange for the Underlying REMIC Certificates. 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**

Sidley Austin Brown & Wood LLP will provide legal representation for Fannie Mae. Stroock & Stroock & Lavan LLP will provide legal representation for the Dealer.

**Exhibit A**

**Underlying REMIC Certificates**

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type (1)	Final Distribution Date	Principal Type (1)	Original Principal Balance of Class	April 2002 Class Factor	Principal Balance in the Trust	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)	Underlying Security Type	Class Group
2001-81	FR	December 2001	31392BNNV4	(2)	FLT	January 2032	SUP	\$78,539,250	0.98314257	\$32,973,864	6.538%	353	5	MBS	Group 1
2001-81	SR	December 2001	31392BNW2	(2)	INV	January 2032	SUP	26,179,750	0.98314257	10,991,288	6.538%	353	5	MBS	Group 1

(1) See "Description of Certificates—Class Definitions and Abbreviations," in the REMIC Prospectus.

(2) These classes bear interest during their respective interest accrual periods, subject to the applicable maximum and minimum interest rates, as further described in the Underlying REMIC Disclosure Document.

---

---

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.

---

**TABLE OF CONTENTS**

	<u>Page</u>
Table of Contents .....	S- 2
Available Information .....	S- 3
Reference Sheet .....	S- 4
Additional Risk Factors .....	S- 6
Description of the Certificates .....	S- 7
Certain Additional Federal Income Tax Consequences .....	S-14
Plan of Distribution .....	S-15
Legal Matters .....	S-15
Exhibit A .....	A- 1

---

---

---

---

**\$43,965,152**



**Guaranteed REMIC  
Pass-Through Certificates  
Fannie Mae REMIC Trust 2002-26  
(Group 1 Classes Only)**

---

**PROSPECTUS SUPPLEMENT**

---

**Bear, Stearns & Co. Inc.**

**March 11, 2002**

---

---