

\$217,863,058



**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2002-59
(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 (except in the case of the accrual classes), 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 Fannie Mae MBS. The mortgage loans underlying the Fannie Mae MBS are first lien, single-family, fixed-rate loans.

Class	Original Class Balance	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
FN	\$ 47,400,000	SEQ/AD	(1)	FLT	31392DZ62	August 2021
SN	47,400,000(2)	NTL	(1)	INV/IO	31392DZ70	August 2021
NZ	5,100,000	SEQ/AD	8.00%	FIX/Z	31392DZ88	September 2027
AB	140,000,000	SEQ/AD	5.25	FIX	31392DZ96	September 2027
AC	9,023,329	SEQ/AD	6.00	FIX	31392D2A9	March 2028
ZB	16,339,729	SEQ	6.00	FIX/Z	31392D2B7	September 2032

(1) Based on LIBOR.

(2) Notional balance. This class is an interest only class.

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 dealers will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be August 23, 2002.

Carefully consider the risk factors starting on page S-7 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.

Credit Suisse First Boston

The date of this Prospectus Supplement is July 23, 2002

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
AVAILABLE INFORMATION	S- 3	DISTRIBUTIONS OF PRINCIPAL	S-11
REFERENCE SHEET	S- 4	<i>Categories of Classes</i>	S-11
ADDITIONAL RISK FACTORS	S- 7	<i>Principal Distribution Amount</i>	S-11
DESCRIPTION OF THE CERTIFICATES	S- 8	<i>NZ Accrual Amount</i>	S-11
GENERAL	S- 8	<i>ZB Accrual Amount</i>	S-12
<i>Structure</i>	S- 8	<i>Cash Flow Distribution Amount</i>	S-12
<i>Fannie Mae Guaranty</i>	S- 8	STRUCTURING ASSUMPTIONS	S-12
<i>Characteristics of Certificates</i>	S- 8	<i>Pricing Assumptions</i>	S-12
<i>Authorized Denominations</i>	S- 9	<i>Prepayment Assumptions</i>	S-12
<i>Distribution Dates</i>	S- 9	YIELD TABLE	S-13
<i>Record Date</i>	S- 9	<i>General</i>	S-13
<i>Class Factors</i>	S- 9	<i>The Inverse Floating Rate Class</i>	S-13
<i>No Optional Termination</i>	S- 9	WEIGHTED AVERAGE LIVES OF THE CERTIFICATES	S-14
THE MBS	S- 9	DECREMENT TABLES	S-14
FINAL DATA STATEMENT	S- 9	CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES ...	S-17
DISTRIBUTIONS OF INTEREST	S-10	REMIC ELECTION AND SPECIAL TAX ATTRIBUTES	S-17
<i>Categories of Classes</i>	S-10	TAXATION OF BENEFICIAL OWNERS OF REGULAR CERTIFICATES	S-17
<i>General</i>	S-10	PLAN OF DISTRIBUTION	S-18
<i>Interest Accrual Periods</i>	S-10	<i>General</i>	S-18
<i>Accrual Classes</i>	S-10	<i>Increase in Certificates</i>	S-18
<i>Notional Class</i>	S-10	LEGAL MATTERS	S-18
<i>Floating Rate and Inverse Floating Rate Classes</i>	S-11		
CALCULATION OF LIBOR	S-11		

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 Fannie Mae Guaranteed REMIC Pass-Through Certificates dated May 1, 2002 (the “REMIC Prospectus”);
- our Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated May 1, 2002 (the “MBS Prospectus”); and
- our Information Statement dated April 1, 2002 and its supplements (the “Information Statement”).

You can obtain copies of 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).

In addition, the Disclosure Documents, together with the class factors, are available on our corporate web site at www.fanniemae.com and our business to business web site at www.efanniemae.com.

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

Credit Suisse First Boston Corporation
Prospectus Department
11 Madison Avenue
New York, New York 10010
(telephone 212-325-2580).

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.

Assumed Characteristics of the Mortgage Loans Underlying the MBS (as of August 1, 2002)

<u>Approximate Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>Approximate Weighted Average Remaining Term to Maturity (in months)</u>	<u>Approximate Weighted Average Loan Age (in months)</u>	<u>Approximate Weighted Average Coupon</u>
\$217,863,058	360	357	2	6.52%

The actual remaining terms to maturity, weighted average loan ages, interest rates of most of the mortgage loans will differ from the weighted averages shown above, perhaps significantly.

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 principal 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 August 23, 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 book-entry certificates through the U.S. Federal Reserve Banks, which will electronically track ownership of the certificates and payments on them.

Interest Rates

During each interest accrual period, the fixed rate classes will bear interest at the applicable annual interest rates listed on the cover of this prospectus supplement.

During the initial interest accrual period, the floating rate and inverse floating rate classes will bear interest at the initial interest rates listed below. 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>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate (1)</u>
FN	2.22%	8.0%	0.4%	LIBOR + 40 basis points
SN	5.78%	7.6%	0.0%	7.6% – LIBOR

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

Notional Class

The notional class will not receive any principal. Its notional principal balance is the balance used to calculate accrued interest. Its notional principal balance will equal the percentage of the outstanding balance specified below immediately before the related distribution date:

<u>Class</u>	
SN	100% of the FN Class

Distributions of Principal

Principal Distribution Amount

NZ Accrual Amount

To the FN Class to zero, and thereafter to the NZ Class.

ZB Accrual Amount

1. (a) 72.7272727273% of such amount to the AB Class to zero, and
 (b) 27.2727272727% of such amount to the FN and NZ Classes, in that order, to zero.
2. To the AC Class to zero.
3. To the ZB Class.

Cash Flow Distribution Amount

1. (a) 72.7272727273% of such amount to the AB Class to zero, and
 (b) 27.2727272727% of such amount to the FN and NZ Classes, in that order, to zero.
2. To the AC and ZB Classes, in that order, to zero.

Weighted Average Lives (years) *

<u>Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>307%</u>	<u>450%</u>	<u>600%</u>
FN and SN	11.7	6.0	3.3	2.6	2.2
NZ	22.2	14.4	7.8	5.9	4.7
AB	16.3	8.0	4.0	3.1	2.5
AC	25.3	17.5	9.6	7.2	5.7
ZB	27.9	23.2	14.2	10.5	8.1

* 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 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.

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 interest only certificates and 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.

Weighted average lives and yields on the certificates are affected by actual characteristics of the underlying mortgage loans. We have assumed that the mortgage loans underlying the MBS have certain characteristics. However, the actual mortgage loans probably will have different characteristics from those we assumed. As a result, your yields could be lower than you expect, even if the mortgage loans prepay at the indicated constant prepayment rates. In addition, slight differences between the assumed mortgage loan characteristics and the actual

mortgage loans could affect the weighted average lives of the classes of 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 certain classes do not receive interest immediately following each interest accrual period, those classes 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 of this prospectus supplement. If you assume that 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 obtain 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 compa-

nable 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 that term in the applicable Disclosure Document or in the Trust Agreement.

General

Structure. We will create the Fannie Mae REMIC Trust specified on the cover of this prospectus supplement (the “Trust”) pursuant to a trust agreement (the “Trust Agreement”) dated as of August 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 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 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 and “Description of the Certificates—Fannie Mae Guaranty” in the MBS Prospectus.

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 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 applicable class factor is multiplied by the original principal balance (or notional principal balance) of a Certificate of any Class, the product will equal the current principal balance (or notional principal balance) of that Certificate after taking into account payments on the Distribution Date in the same month (as well as any addition to principal in the case of an Accrual Class).

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

The MBS

The following table contains certain information about the MBS. The MBS will have the aggregate unpaid principal balance and Pass-Through Rate shown below and the general characteristics described in the MBS Prospectus. The MBS provides that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the MBS are conventional Level Payment Mortgage Loans secured by first mortgages or deeds of trust on single-family residential properties. These Mortgage Loans have original maturities of up to 30 years. See “Mortgage Loan Pools” and “Yield Considerations, Maturity and Prepayment Assumptions” in the MBS Prospectus. We expect the characteristics of the MBS and the related Mortgage Loans as of the Issue Date to be as follows:

Aggregate Unpaid Principal Balance	\$217,863,058
MBS Pass-Through Rate	6.00%
Range of WACs (annual percentages)	6.25% to 8.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM.....	357 months
Approximate Weighted Average WALA (Weighted Average Loan Age)	2 months

Final Data Statement

After issuing the Certificates, we will prepare a Final Data Statement containing certain information, including the Pool number, the current WAC (or original WAC, if the current WAC is not available) and the current WAM (or Adjusted WAM, if the current WAM is not available) of the Mortgage Loans underlying each of the MBS as of the Issue Date. The Final Data Statement also will include the weighted averages of all the current or original WACs and the weighted averages of all the current or Adjusted WAMs, based on the current unpaid principal balances of the Mortgage Loans underlying each of 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>
Fixed Rate	AB, AC, NZ and ZB
Floating Rate	FN
Inverse Floating Rate	SN
Interest Only	SN
Accrual	NZ and ZB

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

General. We will pay interest on the Certificates at the applicable annual interest rates specified on the cover or described in this prospectus supplement. We calculate interest based on an assumed 360-day year consisting of twelve 30-day months. We pay interest monthly (except in the case of the Accrual Classes) on each Distribution Date, beginning in the month after the Settlement Date specified in the Reference Sheet.

Interest to be paid on each Certificate (or added to principal, in the case of the Accrual Classes) on a Distribution Date will consist of one month’s interest on the outstanding balance of that Certificate immediately prior to that Distribution Date. For a description of the Accrual Classes, see “—*Accrual Classes*” below.

Interest Accrual Periods. Interest to be paid on each Distribution Date will accrue on the Certificates during the applicable one-month periods set forth below (each, an “Interest Accrual Period”).

<u>Classes</u>	<u>Interest Accrual Periods</u>
All Fixed Rate Classes (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs
All Floating Rate and Inverse Floating Rate Classes	One-month period beginning on the 25th day of the 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.

Accrual Classes. The NZ and ZB Classes are Accrual Classes. Interest will accrue on the Accrual Classes at the applicable annual rates specified on the cover of this prospectus supplement. However, we will not pay any interest on the Accrual Classes. Instead, interest accrued on the Accrual Classes will be added as principal to their principal balances on each Distribution Date. We will pay principal on the Accrual Classes as described under “—Distributions of Principal” below.

Notional Class. The Notional Class will not have a principal balance. During each Interest Accrual Period, the Notional Class will bear interest on its notional principal balance at its applicable interest rate. The notional principal balance of the Notional Class will be calculated as specified under “Reference Sheet—Notional Class” in this prospectus supplement.

We use the notional principal balance of a Notional Class to determine interest payments on that Class. Although a Notional Class will not have a principal balance and will not be entitled to any principal payments, we will publish a class factor for that Class. References in this prospectus supplement to the principal balances of the Certificates generally shall refer also to the notional principal balance of the Notional Class.

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 1.82%.

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	AB, FN, NZ, AC and ZB
Notional	SN
Accretion Directed	AB, FN, NZ and AC

* 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 sum of the principal then paid on the MBS (the “Cash Flow Distribution Amount”) plus any interest then accrued and added to the principal balances of the NZ and ZB Classes (the “NZ Accrual Amount” and “ZB Accrual Amount,” respectively and, together with the Cash Flow Distribution Amount, the “Principal Distribution Amount”).

NZ Accrual Amount

On each Distribution Date, we will pay the NZ Accrual Amount as principal of the FN Class, until its principal balance is reduced to zero. Thereafter, we will pay the NZ Accrual Amount as principal of the NZ Class. } Accretion Directed Class and Accrual Class

ZB Accrual Amount

On each Distribution Date, we will pay the ZB Accrual Amount as principal of the Classes specified below in the following priority:

- (i) (a) 72.7272727273% of such amount to the AB Class, until its principal balance is reduced to zero, and
- (b) 27.2727272727% of such amount, sequentially, to the FN and NZ Classes, in that order, until their principal balances are reduced to zero;
- (ii) to the AC Class, until its principal balance is reduced to zero; and
- (iii) thereafter to the ZB Class.

Accretion
Directed
Classes
and
Accrual
Class

Cash Flow Distribution Amount

On each Distribution Date, we will pay the Cash Flow Distribution Amount as principal of the Classes in the following priority:

- (i) (a) 72.7272727273% of such amount to the AB Class, until its principal balance is reduced to zero, and
- (b) 27.2727272727% of such amount, sequentially, to the FN and NZ Classes, in that order, until their principal balances are reduced to zero; and
- (ii) sequentially, to the AC and ZB 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 following assumptions (collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the MBS have the original term to maturity, remaining term to maturity, WALA and interest rate specified under “Reference Sheet—Assumed Characteristics of the Mortgage Loans Underlying the MBS” in this prospectus supplement;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related tables;
- the settlement date for the sale of the Certificates is August 23, 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 of 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 prices 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 the 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” in this prospectus supplement 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>
SN	10.0%

* 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 SN 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>307%</u>	<u>450%</u>	<u>600%</u>
0.82%	69.8%	66.7%	53.0%	43.0%	32.7%
1.82%	57.6%	54.3%	39.6%	29.0%	18.2%
3.82%	33.4%	29.5%	11.9%	(0.3)%	(12.4)%
5.82%	8.0%	2.8%	(20.1)%	(35.0)%	(49.1)%
7.60%	*	*	*	*	*

* The pre-tax yield to maturity would be less than (99.9)%.

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 the 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 the 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 of payments of principal of the Classes.

See “—Distributions of Principal” above.

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 those 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 various constant PSA rates, and the corresponding weighted average lives of such Classes. The tables have 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 term to maturity and bear interest at the annual rate specified in the table below.

<u>Original Term to Maturity</u>	<u>Remaining Term to Maturity</u>	<u>Interest Rate</u>
360 months	360 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 tables 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	FN and SN† Classes					NZ Class					AB Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	307%	450%	600%	0%	100%	307%	450%	600%	0%	100%	307%	450%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2003	98	95	91	88	84	108	108	108	108	108	99	96	92	90	87
August 2004	95	87	73	64	54	117	117	117	117	117	97	90	77	69	60
August 2005	92	77	52	37	23	127	127	127	127	127	96	82	59	45	33
August 2006	89	67	34	16	1	138	138	138	138	138	94	74	44	28	15
August 2007	86	58	19	1	0	149	149	149	149	29	92	67	32	15	3
August 2008	82	49	6	0	0	161	161	161	161	57	90	60	21	6	0
August 2009	78	40	0	0	0	175	175	135	0	0	88	53	13	0	0
August 2010	74	31	0	0	0	189	189	63	0	0	85	47	6	0	0
August 2011	70	23	0	0	0	205	205	4	0	0	83	41	*	0	0
August 2012	65	15	0	0	0	222	222	0	0	0	80	35	0	0	0
August 2013	60	7	0	0	0	240	240	0	0	0	77	29	0	0	0
August 2014	54	0	0	0	0	260	246	0	0	0	74	24	0	0	0
August 2015	48	0	0	0	0	282	193	0	0	0	71	19	0	0	0
August 2016	41	0	0	0	0	305	142	0	0	0	67	14	0	0	0
August 2017	34	0	0	0	0	331	92	0	0	0	63	9	0	0	0
August 2018	26	0	0	0	0	358	43	0	0	0	59	4	0	0	0
August 2019	18	0	0	0	0	388	0	0	0	0	54	0	0	0	0
August 2020	9	0	0	0	0	420	0	0	0	0	49	0	0	0	0
August 2021	0	0	0	0	0	446	0	0	0	0	43	0	0	0	0
August 2022	0	0	0	0	0	385	0	0	0	0	37	0	0	0	0
August 2023	0	0	0	0	0	319	0	0	0	0	31	0	0	0	0
August 2024	0	0	0	0	0	248	0	0	0	0	24	0	0	0	0
August 2025	0	0	0	0	0	171	0	0	0	0	17	0	0	0	0
August 2026	0	0	0	0	0	88	0	0	0	0	9	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	11.7	6.0	3.3	2.6	2.2	22.2	14.4	7.8	5.9	4.7	16.3	8.0	4.0	3.1	2.5

Date	AC Class					ZB Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	307%	450%	600%	0%	100%	307%	450%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100
August 2003	100	100	100	100	100	106	106	106	106	106
August 2004	100	100	100	100	100	113	113	113	113	113
August 2005	100	100	100	100	100	120	120	120	120	120
August 2006	100	100	100	100	100	127	127	127	127	127
August 2007	100	100	100	100	100	135	135	135	135	135
August 2008	100	100	100	100	0	143	143	143	143	140
August 2009	100	100	100	67	0	152	152	152	152	88
August 2010	100	100	100	0	0	161	161	161	135	55
August 2011	100	100	100	0	0	171	171	171	96	35
August 2012	100	100	3	0	0	182	182	182	69	22
August 2013	100	100	0	0	0	193	193	146	49	13
August 2014	100	100	0	0	0	205	205	116	35	8
August 2015	100	100	0	0	0	218	218	92	25	5
August 2016	100	100	0	0	0	231	231	72	17	3
August 2017	100	100	0	0	0	245	245	57	12	2
August 2018	100	100	0	0	0	261	261	44	9	1
August 2019	100	92	0	0	0	277	277	34	6	1
August 2020	100	0	0	0	0	294	292	27	4	*
August 2021	100	0	0	0	0	312	258	20	3	**
August 2022	100	0	0	0	0	331	227	16	2	**
August 2023	100	0	0	0	0	351	197	12	1	**
August 2024	100	0	0	0	0	373	169	9	1	**
August 2025	100	0	0	0	0	396	142	6	1	**
August 2026	100	0	0	0	0	421	118	5	*	**
August 2027	96	0	0	0	0	446	94	3	*	**
August 2028	0	0	0	0	0	416	72	2	*	**
August 2029	0	0	0	0	0	325	51	1	*	**
August 2030	0	0	0	0	0	226	32	1	*	**
August 2031	0	0	0	0	0	118	13	*	*	**
August 2032	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	25.3	17.5	9.6	7.2	5.7	27.9	23.2	14.2	10.5	8.1

* 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” above.

† In the case of a Notional Class, the Decrement Table indicates the percentage of the original notional principal balance outstanding.

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 or residual 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 August 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 any 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 Notional Class and the Accrual Classes will be issued with original issue discount (“OID”), and certain other Classes of Certificates 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 307% 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 Credit Suisse First Boston Corporation (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.

Increase in Certificates. Before the Settlement Date, we and the Dealer may agree to offer Classes in addition to those contemplated as of the date of this prospectus supplement. In this event, we will increase the MBS in principal balance, but we expect that all these additional MBS will have the same characteristics as described under “Description of the Certificates—The MBS” in this prospectus supplement. The proportion that the original principal balance of each Class bears to the aggregate original principal balance of all Classes will remain the same.

LEGAL MATTERS

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

[THIS PAGE INTENTIONALLY LEFT BLANK]

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.

\$217,863,058



**Guaranteed
REMIC Pass-Through
Certificates**

**Fannie Mae REMIC Trust 2002-59
Group 1 Classes Only**

PROSPECTUS SUPPLEMENT

TABLE OF CONTENTS

	<u>Page</u>
Prospectus Supplement	
Table of Contents	S- 2
Available Information	S- 3
Reference Sheet	S- 4
Additional Risk Factors	S- 7
Description of the Certificates	S- 8
Certain Additional Federal Income Tax Consequences	S-17
Plan of Distribution	S-18
Legal Matters	S-18

**CREDIT
SUISSE** | **FIRST
BOSTON**

July 23, 2002
