

Supplement
(To Prospectus Supplement dated July 23, 2002)

\$822,901,302



Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2002-59
(The Group 2, 3, 4, 5, 6, 7, 8, 9 and Residual Classes Only)

This is a Supplement to the Prospectus Supplement dated July 23, 2002 (the "Prospectus Supplement"). Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Prospectus Supplement.

Notwithstanding anything set forth on S-18 of the Prospectus Supplement, the HF and HS Classes will accrue interest during the one month period beginning on the 17th day of the month preceding the month in which the Distribution Date occurs.

Carefully consider the risk factors starting on page S-9 of the 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.

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 date of this Supplement is September 5, 2002

\$822,901,302



FannieMae®

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2002-59
(The Group 2, 3, 4, 5, 6, 7, 8, 9 and Residual 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,
- Fannie Mae Stripped MBS,
- Ginnie Mae certificates and
- underlying RCR and REMIC certificates backed by Fannie Mae MBS.

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

In addition, the mortgage loans underlying the Ginnie Mae certificates are either insured or guaranteed by the Federal Housing Administration, the Department of Veterans Affairs or the Rural Housing Service.

Class	Group	Original Class Balance	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
F	2	\$ 49,934,084	PT	(1)	FLT	31392EST8	September 2032
S(2)	2	49,934,084(3)	NTL	(1)	INV/IO	31392ESU5	September 2032
PO(2)	2	10,700,161	PT	(4)	PO	31392ESV3	September 2032
A	3	139,621,621	SEQ	5.50%	FIX	31392ESW1	January 2014
B	3	82,000,000	SEQ	5.50	FIX	31392ESX9	September 2017
CF	4	50,000,000	PT	(1)	FLT	31392ESY7	September 2032
TS(2)	4	37,500,000(3)	NTL	(1)	INV/IO	31392ESZ4	October 2029
US(2)	4	12,500,000(3)	NTL	(1)	INV/IO	31392ETA8	September 2032
XI(2)	5	10,892,149(3)	NTL	5.50	FIX/IO	31392ETB6	March 2009
WA(2)	5	59,906,821	PAC	4.50	FIX	31392ETC4	March 2009
UI(2)	5	4,928,093(3)	NTL	5.50	FIX/IO	31392ETD2	March 2011
UL(2)	5	27,104,516	PAC	4.50	FIX	31392ETE0	March 2011
YI(2)	5	7,476,588(3)	NTL	5.50	FIX/IO	31392ETF7	August 2013
WH(2)	5	41,121,236	PAC	4.50	FIX	31392ETG5	August 2013
UJ(2)	5	42,342,743	PAC	5.50	FIX	31392ETH3	September 2015
UC	5	47,686,623	PAC	5.50	FIX	31392ETJ9	September 2017
LQ	5	55,000,000	NSJ/SUP/AD	5.50	FIX	31392ETK6	September 2017
ZQ	5	16,311,751	NSJ/SUP	5.50	FIX/Z	31392ETL4	September 2017
HF	6	25,000,000	PT	(1)	FLT	31392ETM2	August 2032
HS	6	25,000,000(3)	NTL	(1)	INV/IO	31392ETN0	August 2032
AO	6	1,666,667	PT	(4)	PO	31392ETP5	August 2032
JI	7	8,590,909(3)	NTL	5.50	FIX/IO	31392ETQ3	April 2016
JD	7	75,000,000	SEQ	4.87	FIX	31392ETR1	April 2016
JE	7	14,424,766	SEQ	5.50	FIX	31392ETS9	September 2017
VA(2)	8	22,014,332	SC/SEQ/AD	6.50	FIX	31392ETT7	April 2032
VB(2)	8	26,081,963	SC/SEQ/AD	6.50	FIX	31392ETU4	April 2032
Z(2)	8	22,000,000	SC/SEQ	6.50	FIX/Z	31392ETV2	April 2032
SB	9	14,984,018(3)	NTL	(1)	INV/IO	31392ETW0	May 2032
TB	9	14,984,018	SC/PT	(1)	INV	31392ETX8	May 2032
R		0	NPR	0	NPR	31392EUL2	September 2032
RL		0	NPR	0	NPR	31392EUM0	September 2032

(1) Based on LIBOR.

(2) Exchangeable classes.

(3) Notional balances. These classes are interest only classes.

(4) Principal only classes.

If you own certificates of certain classes, you can exchange them for the corresponding RCR certificates to be issued at the time of the exchange. The SA, CS, UA, KU, UM, UW, UH, UB, G and VC Classes are the RCR classes, as further described in this prospectus supplement. Only the classes listed in the chart above are offered by this prospectus supplement. The Group 1 Classes are offered by a separate prospectus supplement.

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be August 30, 2002.

Carefully consider the risk factors starting on page S-9 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

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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 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”);
- our Information Statement dated April 1, 2002 and its supplements (the “Information Statement”);
- if you are purchasing any Group 4 Class or the R or RL Class, our Prospectus for Fannie Mae Stripped Mortgage-Backed Securities dated May 1, 2002 (the “SMBS Prospectus”);
- if you are purchasing any Group 8 or Group 9 Class or the R or RL Class, the disclosure documents relating to the Group 8 and Group 9 underlying RCR and REMIC certificates (the “Underlying REMIC Disclosure Documents”); and
- if you are purchasing the R or RL Class, our Prospectus Supplement for Fannie Mae Guaranteed REMIC Pass-Through Certificates, Fannie Mae REMIC Trust 2002-59 (Group 1 Classes Only), dated July 23, 2002 (the “Related Prospectus Supplement”).

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 on our business to business web site at www.efanniemae.com.

You also can obtain copies of the Disclosure Documents, except the Underlying REMIC 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.

Assets Underlying Each Group of Classes

<u>Group</u>	<u>Assets</u>
2	Group 2 MBS
3	Group 3 MBS
4	Group 4 SMBS
5	Group 5 MBS
6	Group 6 Ginnie Mae Certificates
7	Group 7 MBS
8	Class 2002-22-G RCR Certificate
9	Class 2002-25-SL REMIC Certificate

Assumed Characteristics of the Mortgage Loans Underlying the Trust MBS, the Group 4 SMBS and the Group 6 Ginnie Mae Certificates (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 or WARM (in months)</u>	<u>Approximate Weighted Average Loan Age (in months)</u>	<u>Approximate Weighted Average Coupon</u>
Group 2 MBS	\$ 60,634,245	360	289	58	7.500%
Group 3 MBS	\$221,621,621	180	170	8	6.050%
Group 4 SMBS*	\$ 50,000,000	360	353	7	6.986%
Group 5 MBS	\$289,473,690	180	174	4	6.000%
Group 6 Ginnie Mae Certificates	\$ 26,666,667	360	249	100	8.000%
Group 7 MBS	\$ 89,424,766	180	174	4	6.000%

* The Group 4 SMBS will represent ownership of (i) interest payments at a pass-through rate of 6.5% on an initial notional principal amount of \$69,230,770 and (ii) principal payments on an initial principal amount of \$50,000,000 of MBS. See "Description of the Certificates—The Group 4 SMBS" in this prospectus supplement.

The actual remaining terms to maturity, weighted average loan ages and, except in the case of the Group 6 Ginnie Mae Certificates, interest rates of most of the mortgage loans will differ from the weighted averages shown above, perhaps significantly.

Characteristics of the Group 8 and Group 9 Underlying RCR and REMIC Certificates

Exhibit A describes the Group 8 and Group 9 Underlying RCR and REMIC Certificates, including certain information about the related mortgage loans. To learn more about the Group 8 and Group 9 Underlying RCR and REMIC Certificates, you should obtain from us the current class factors and the disclosure documents relating to the Group 8 and Group 9 Underlying RCR and 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 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 30, 2002.

Distribution Dates

We will make payments on the Group 2, 3, 4, 5, 7, 8 and 9 Classes on the 25th day of each calendar month, or on the next business day if the 25th day is not a business day. We will make payments on the Group 6 Classes on the 17th day of each calendar month, or on the next business day if the 17th day is not a business day.

Book-Entry and Physical Certificates

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

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

<u>Fed Book-Entry</u>	<u>DTC Book-Entry</u>	<u>Physical</u>
All classes of certificates other than the Group 6 Classes and the R and RL Classes	The Group 6 Classes	R and RL Classes

Exchanging Certificates Through Combination and Recombination

If you own certain certificates, you will be able to exchange them for a proportionate interest in the related RCR certificates as shown on Schedule 1. We will issue the RCR certificates upon such exchange. You can exchange your certificates by notifying us and paying an exchange fee. We use the principal and interest of the certificates exchanged to pay principal and interest on the related RCR certificates. Schedule 1 lists the available combinations of the certificates eligible for exchange and the related RCR certificates.

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 or on Schedule 1.

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 for the SB and TB Classes 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>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate (1)</u>
F	2.24000%	8.5000%	0.40%	LIBOR + 40 basis points
S	6.26000%	8.1000%	0.00%	8.1% – LIBOR
CF	2.84000%	9.0000%	1.00%	LIBOR + 100 basis points
TS	6.16000%	8.0000%	0.00%	8% – LIBOR
US	6.16000%	8.0000%	0.00%	8% – LIBOR
HF	2.17000%	8.0000%	0.35%	LIBOR + 35 basis points
HS	5.83000%	7.6500%	0.00%	7.65% – LIBOR
SB	11.59100%(2)	17.5125%	0.00%	17.5125% – (3.25 × LIBOR)
TB	8.00000%(2)	8.0000%	0.00%	25.5125% – (3.25 × LIBOR)
SA	29.21333%	37.8000%	0.00%	37.8% – (4.66666725 × LIBOR)
CS	6.16000%	8.0000%	0.00%	8% – 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 for the SB and TB Classes on August 22, 2002.

We will apply interest payments from exchanged REMIC certificates to the corresponding RCR certificates, on a pro rata basis, following any exchange.

Notional Classes

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

<u>Class</u>	
S	100% of the F Class
TS and US(1)	100% of the CF Class
CS	100% of the CF Class
HS	100% of the HF Class
JI	11.4545454545% of the JD Class
SB	100% of the TB Class
XI	18.1818177266% of the WA Class
UI	18.1818151632% of the UL Class
YI	18.1818172975% of the WH Class

(1) The sum of these notional principal balances will equal the applicable percentage of the specified balance. On each distribution date, reductions in the principal balance of the CF Class will be allocated, sequentially, in reduction of the notional principal balances of the TS and US Classes, in that order, until their notional principal balances are reduced to zero.

Distributions of Principal

Group 2 Principal Distribution Amount

To the F and PO Classes, pro rata, to zero.

Group 3 Principal Distribution Amount

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

Group 4 Principal Distribution Amount

To the CF Class to zero.

Group 5 Principal Distribution Amount

ZQ Accrual Amount

To the LQ Class to zero, and thereafter to the ZQ Class.

Group 5 Cash Flow Distribution Amount

1. To the WA, UL, WH, UJ and UC Classes, in that order, to their Planned Balances.
2. If the principal balance of the Group 5 MBS is less than the Group 5 MBS Targeted Balance for that date, to the ZQ Class to zero.
3. To the LQ and ZQ Classes, in that order, to zero.
4. To the WA, UL, WH, UJ and UC Classes, in that order, to zero.

Group 6 Principal Distribution Amount

To the HF and AO Classes, pro rata, to zero.

Group 7 Principal Distribution Amount

To the JD and JE Classes, in that order, to zero.

Group 8 Principal Distribution Amount

Z Accrual Amount

To the VA and VB Classes, in that order, to zero, and thereafter to the Z Class.

Group 8 Cash Flow Distribution Amount

To the VA, VB and Z Classes, in that order, to zero.

Group 9 Principal Distribution Amount

To the TB Class to zero.

We will apply principal payments from exchanged REMIC certificates to the corresponding RCR certificates, on a pro rata basis, following any exchange.

Weighted Average Lives (years) *

		PSA Prepayment Assumption								
<u>Group 2 Classes</u>		<u>0%</u>	<u>250%</u>	<u>495%</u>	<u>700%</u>	<u>900%</u>				
F, S, PO and SA		21.3	5.3	2.7	1.8	1.3				
		PSA Prepayment Assumption								
<u>Group 3 Classes</u>		<u>0%</u>	<u>100%</u>	<u>262%</u>	<u>450%</u>	<u>600%</u>				
A		6.5	3.7	2.3	1.7	1.4				
B		13.2	10.7	8.0	5.7	4.6				
		PSA Prepayment Assumption								
<u>Group 4 Classes</u>		<u>0%</u>	<u>250%</u>	<u>525%</u>	<u>700%</u>	<u>900%</u>				
CF and CS		21.1	6.2	3.3	2.5	2.0				
TS		18.5	3.7	2.1	1.6	1.4				
US		28.6	13.5	6.8	5.1	3.9				
		PSA Prepayment Assumption								
<u>Group 5 Classes</u>		<u>0%</u>	<u>100%</u>	<u>154%</u>	<u>155%</u>	<u>156%</u>	<u>217%</u>	<u>250%</u>	<u>450%</u>	<u>600%</u>
XI, WA and KU ...		3.3	2.0	2.0	2.0	2.0	2.0	2.0	1.9	1.7
UI, UL and UM....		6.3	3.6	3.6	3.6	3.6	3.6	3.6	2.8	2.3
YI, WH and UH ...		8.2	5.0	5.0	5.0	5.0	5.0	5.0	3.5	2.9
UJ		10.2	7.0	7.0	7.0	7.0	7.0	7.0	4.7	3.8
UC		12.2	10.7	10.7	10.7	10.7	10.7	10.7	7.9	6.3
LQ		9.6	6.4	3.2	3.2	7.7	4.2	2.5	1.3	1.0
ZQ		14.5	12.9	11.8	11.8	0.5	0.4	0.4	0.3	0.3
		PSA Prepayment Assumption								
		<u>0%</u>	<u>100%</u>	<u>217%</u>	<u>250%</u>	<u>450%</u>	<u>600%</u>			
UA and UW		4.2	2.5	2.5	2.5	2.1	1.9			
UB		9.2	6.0	6.0	6.0	4.1	3.3			
		PSA Prepayment Assumption								
<u>Group 6 Classes</u>		<u>0%</u>	<u>250%</u>	<u>500%</u>	<u>700%</u>	<u>900%</u>				
HF, HS and AO		20.5	5.0	2.6	1.8	1.3				
		PSA Prepayment Assumption								
<u>Group 7 Classes</u>		<u>0%</u>	<u>100%</u>	<u>262%</u>	<u>450%</u>	<u>600%</u>				
JI and JD		8.0	5.3	3.5	2.5	2.1				
JE		14.3	12.8	10.5	7.9	6.4				
		PSA Prepayment Assumption								
<u>Group 8 Classes</u>		<u>0%</u>	<u>250%</u>	<u>499%</u>	<u>700%</u>	<u>900%</u>				
VA		6.0	6.0	4.7	3.7	3.0				
VB		14.6	11.8	6.9	5.0	3.9				
Z		28.8	17.2	10.2	7.3	5.6				
G		28.8	15.7	8.4	5.9	4.5				
VC		10.7	9.2	5.9	4.4	3.5				
		PSA Prepayment Assumption								
<u>Group 9 Classes</u>		<u>0%</u>	<u>250%</u>	<u>559%</u>	<u>700%</u>	<u>900%</u>				
SB and TB		27.0	3.9	1.2	1.0	0.8				

* 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 or Ginnie Mae Certificates, 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 Group 8 and Group 9 Classes also will be affected by the payment priorities governing the Group 8 and Group 9 Underlying RCR and REMIC Certificates. If you invest in any Group 8 or Group 9 Class, the rate at which you receive payments also will be affected by the priority sequence governing principal payments on the Group 8 and Group 9 Underlying RCR and REMIC Certificates, respectively.

As described in the related disclosure document, the Group 8 and Group 9 Underlying RCR and REMIC Certificates are subsequent in payment priority to certain other classes issued from the related underlying REMIC trust. As a result, such other classes may receive principal before principal is paid on the Group 8 and Group 9 Underlying RCR and REMIC Certificates, possibly for long periods.

In particular, one of the Group 9 Underlying REMIC Certificates has a principal balance schedule. As a result, that underlying REMIC certificate may receive principal payments at a rate faster or slower than would otherwise have been the case. In some cases, it may receive no principal payments for extended periods. Prepayments on the related mortgage loans may have occurred at a rate faster or slower than the

rate initially assumed. This prospectus supplement contains no information as to whether

- that underlying REMIC certificate has adhered to its principal balance schedule,
- any related Support classes remain outstanding, or
- that underlying REMIC certificate otherwise has performed as originally anticipated.

You may obtain additional information about the Group 8 and Group 9 Underlying RCR and REMIC Certificates by reviewing their current class factors in light of other information available in the related disclosure document. You may obtain this 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 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 of the Non-Sticky Jump classes are especially sensitive to prepayments under certain scenarios. The weighted average lives of the Non-Sticky Jump classes are especially sensitive to the rate of principal payments, including prepayments, of the related mortgage loans. This sensitivity to prepayments is not necessarily proportional to the changes in prepayment rates. In some scenarios, small changes in prepayment rates of the related mortgage loans may have a dramatic effect on

the weighted average lives of the Non-Sticky Jump classes. For an illustration of this sensitivity, see the decrement tables for the LQ and ZQ Classes in this prospectus supplement.

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 Trust MBS, the Group 4 SMBS and the Group 6 Ginnie Mae Certificates 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, these 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 un-

certain. 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 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 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”) and a separate trust (the “Lower Tier REMIC”) pursuant to a trust agreement dated as of August 1, 2002 (the “Issue Date”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “REMIC Certificates”) pursuant to that trust agreement. We will

issue the Combinable and Recombinable REMIC Certificates (the “RCR Certificates” and, together with the REMIC Certificates, the “Certificates”) pursuant to a separate trust agreement dated as of the Issue Date (together with the trust agreement relating to the REMIC Certificates, the “Trust Agreement”). We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”). In general, the term “Classes” includes the Classes of REMIC Certificates and RCR Certificates.

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

- The REMIC Certificates (except the R and RL Classes) will be “regular interests” in the Trust.
- The R Class will be the “residual interest” in the Trust.
- The interests in the Lower Tier REMIC other than the RL Class (the “Lower Tier Regular Interests”) will be the “regular interests” in the Lower Tier REMIC.
- The RL Class will be the “residual interest” in the Lower Tier REMIC.

The assets of the Trust will consist of the Lower Tier Regular Interests.

The assets of the Lower Tier REMIC will include

- four groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 2 MBS,” “Group 3 MBS,” “Group 5 MBS” and “Group 7 MBS” and, together, the “Trust MBS”),
- certain Fannie Mae Stripped Mortgage-Backed Securities (the “Group 4 SMBS”),
- certain “fully modified pass-through” mortgage-backed securities guaranteed by Ginnie Mae as to timely payment of principal and interest (the “Group 6 Ginnie Mae Certificates”), and
- certain previously issued RCR and REMIC Certificates (the “Group 8 Underlying RCR Certificate” and the “Group 9 Underlying REMIC Certificate” and, together, the “Underlying REMIC Certificates”) evidencing beneficial ownership interests in the related Fannie Mae REMIC trusts (the “Underlying REMIC Trusts”) as further described in Exhibit A.

The assets of the Underlying REMIC Trusts evidence direct or indirect beneficial ownership interests in certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (together with the Trust MBS and the Fannie Mae Guaranteed Mortgage Pass-Through Certificates underlying the Group 4 SMBS, the “MBS”).

The Group 4 SMBS represent beneficial ownership interests in certain interest and principal distributions on certain 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.

Each Ginnie Mae Certificate is based on and backed by a pool of mortgage loans (together with the mortgage loans underlying the MBS, the “Mortgage Loans”) which are either insured or guaranteed by the Federal Housing Administration (“FHA”), the Department of Veterans Affairs (“VA”) or the Rural Housing Service (“FmHA”).

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 or the Group 6 Ginnie Mae Certificates.

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 related Underlying REMIC Disclosure Documents. 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, “The SMBS Certificates—Fannie Mae Obligations” in the SMBS Prospectus and “Description of the Certificates—General—Fannie Mae Guaranty” in the Underlying REMIC Disclosure Documents.

Characteristics of Certificates. We will issue the Certificates (except the Group 6 Classes and the R and RL Classes) in book-entry form on the book-entry system of the U.S. Federal Reserve Banks (the “Fed Book-Entry Certificates”). 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.” The Group 6 Classes will be represented by one or more certificates (the “DTC Certificates”) to be registered at all times in the name of the nominee of the Depository Trust Company (“DTC”), a New York-chartered limited purpose trust company, or any successor or depository selected or approved by us. We refer to the nominee of DTC as the “Holder” or “Certificateholder” of the Certificates. DTC will maintain the DTC Certificates through its book-entry facilities.

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.

We will issue the R and RL Certificates in fully registered, certificated form. The “Holder” or “Certificateholder” of the R or RL Certificate is its registered owner. The R or RL 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 or RL Certificate and may require payment to cover any tax or other governmental charge. See also “—Characteristics of the R and RL Classes” below.

The Holder of the R Class will receive the proceeds of any remaining assets of the Trust, and the Holder of the RL Class will receive the proceeds of any remaining assets of the Lower Tier REMIC, in each case only by presenting and surrendering the related Certificate at the office of the Paying Agent. State Street will be the initial Paying Agent.

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

Distribution Dates. We will make monthly payments on the Group 2, Group 3, Group 4, Group 5, Group 7, Group 8 and Group 9 Classes 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 will make monthly payments on the Group 6 Classes on the 17th day of each month (or, if the 17th is not a business day, on the first

business day after the 17th). 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 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 the Accrual Classes).

No Optional Termination. We have no option to effect an early termination of the Lower Tier REMIC or 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.

Voting the Group 4 SMBS and the Underlying REMIC Certificates. Holders of the Group 4 SMBS and the Underlying REMIC Certificates may be asked to vote on issues arising under the related trust agreements. If so, the Trustee will vote the Group 4 SMBS or the related Underlying REMIC Certificates, as applicable, as instructed by Holders of Certificates of the Classes backed by the Group 4 SMBS or the related Underlying REMIC Certificates, as applicable. 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.

Combination and Recombination

General. You are permitted to exchange all or a portion of the S, PO, TS, US, XI, WA, UI, UL, YI, WH, UJ, VA, VB and Z Classes of REMIC Certificates for a proportionate interest in the related RCR Certificates in the combinations shown on Schedule 1. You also may exchange all or a portion of the RCR Certificates for the related REMIC Certificates in the same manner. This process may occur repeatedly.

Holders of RCR Certificates will be the beneficial owners of a proportionate interest in the related REMIC Certificates and will receive a proportionate share of the distributions on the related REMIC Certificates.

The Classes of REMIC Certificates and RCR Certificates that are outstanding at any given time, and the outstanding principal balances (or notional principal balances) of these Classes, will depend upon any related distributions of principal, as well as any exchanges that occur. REMIC Certificates and RCR Certificates in any combination may be exchanged only in the proportions shown on Schedule 1.

Procedures. If a Certificateholder wishes to exchange Certificates, the Certificateholder must notify our Structured Transactions Department through one of our “REMIC Dealer Group” dealers in writing or by telefax no later than two business days before the proposed exchange date. The exchange date can be any business day other than the first or last business day of the month subject to our approval. The notice must include the outstanding principal balance of both the Certificates to be exchanged and the Certificates to be received, and the proposed exchange date. After receiving the Holder’s notice, we will telephone the dealer with delivery and wire payment instructions. Notice becomes irrevocable on the second business day before the proposed exchange date.

In connection with each exchange, the Holder must pay us a fee equal to 1/32 of 1% of the outstanding principal balance (exclusive of any notional principal balance) of the Certificates to be exchanged. In no event, however, will our fee be less than \$2,000.

We will make the first distribution on a REMIC Certificate or an RCR Certificate received in an exchange transaction on the Distribution Date in the following month. We will make that distribution to the Holder of record as of the close of business on the last day of the month of the exchange.

Additional Considerations. The characteristics of RCR Certificates will reflect the characteristics of the REMIC Certificates used to form those RCR Certificates. You should also consider a number of factors that will limit a Certificateholder's ability to exchange REMIC Certificates for RCR Certificates or vice versa:

- At the time of the proposed exchange, a Certificateholder must own Certificates of the related Class or Classes in the proportions necessary to make the desired exchange.
- A Certificateholder that does not own the Certificates may be unable to obtain the necessary REMIC Certificates or RCR Certificates.
- The Certificateholder of needed Certificates may refuse to sell them at a reasonable price (or any price) or may be unable to sell them.
- Certain Certificates may have been purchased and placed into other financial structures and thus be unavailable.
- Principal distributions will decrease the amounts available for exchange over time.
- Only the combinations listed on Schedule 1 are permitted.

Book-Entry Procedures

General. The Fed Book-Entry Certificates will be issued and maintained only on the book-entry system of the Federal Reserve Banks. The Fed Book-Entry Certificates may be held of record only by entities eligible to maintain book-entry accounts with the Federal Reserve Banks. Beneficial owners ordinarily will hold Fed Book-Entry Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. A Holder that is not the beneficial owner of a Fed Book-Entry Certificate, and each other financial intermediary in the chain to the beneficial owner, will have to establish and maintain accounts for their respective customers. A beneficial owner's rights with respect to us and the Federal Reserve Banks may be exercised only through the Holder of such Certificate. Neither we nor the Federal Reserve Banks will have any direct obligation to a beneficial owner of a Fed Book-Entry Certificate that is not the Holder of such Certificate. The Federal Reserve Banks will act only upon the instructions of the Holder in recording transfers of a Fed Book-Entry Certificate. See "Description of Certificates—Denominations and Form" in the REMIC Prospectus.

The DTC Certificates will be registered at all times in the name of the nominee of DTC. Under its normal procedures DTC will record the amount of DTC Certificates held by each firm which participates in the book-entry system of DTC (each, a "DTC Participant"), whether held for its own account or on behalf of another person.

A "beneficial owner" or an "investor" is anyone who acquires a beneficial ownership interest in the DTC Certificates. As an investor, you will not receive a physical certificate. Instead, your interest will be recorded on the records of the brokerage firm, bank, thrift institution or other financial intermediary (a "financial intermediary") that maintains an account for you. In turn, the record ownership of the financial intermediary that holds your DTC Certificates will be recorded by DTC. If the intermediary is not a DTC Participant, the record ownership of the intermediary will be recorded by a DTC Participant acting on its behalf. Therefore, you must rely on these various arrangements to record your ownership of the DTC Certificates and to relay the payments to your account. You may transfer your beneficial ownership interest in the DTC Certificates only under the procedures of your financial intermediary and of DTC Participants. In general, ownership of DTC Certificates will be subject to the prevailing rules, regulations and procedures governing the DTC and DTC Participants.

Method of Payment. Our fiscal agent for the Fed Book-Entry Certificates is the Federal Reserve Bank of New York. On each applicable Distribution Date, the Federal Reserve Banks will make payments on such Certificates on our behalf by crediting Holders' accounts at the Federal Reserve Banks.

We will direct payments on the DTC Certificates to DTC in immediately available funds. In turn, DTC will credit the payments to the accounts of the appropriate DTC Participants, in accordance with the DTC's procedures. These procedures currently provide for payments made in same-day funds to be settled through the New York Clearing House. DTC Participants and financial intermediaries will direct the payments to the investors in DTC Certificates that they represent.

The Trust MBS

The following table contains certain information about the Trust MBS. The Trust MBS included in each specified Group will have the aggregate unpaid principal balance and Pass-Through Rate shown below and the general characteristics described in the MBS Prospectus. The Trust MBS provides that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the Trust 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 in the case of the Group 2 MBS and up to 15 years in the case of the Group 3, Group 5 and Group 7 MBS. See "Mortgage Loan Pools" and "Yield Considerations, Maturity and Prepayment Assumptions" in the MBS Prospectus. We expect the characteristics of the Trust MBS and the related Mortgage Loans as of the Issue Date to be as follows:

Group 2 MBS

Aggregate Unpaid Principal Balance	\$60,634,245
MBS Pass-Through Rate	7.00%
Range of WACs (annual percentages)	7.25% to 9.50%
Range of WAMs	99 months to 360 months
Approximate Weighted Average WAM	289 months
Approximate Weighted Average WALA (weighted average loan age)	58 months

Group 3 MBS

Aggregate Unpaid Principal Balance	\$221,621,621
MBS Pass-Through Rate	5.50%
Range of WACs (annual percentages)	5.75% to 8.00%
Range of WAMs	121 months to 180 months
Approximate Weighted Average WAM	170 months
Approximate Weighted Average WALA	8 months

Group 5 MBS

Aggregate Unpaid Principal Balance	\$289,473,690
MBS Pass-Through Rate	5.50%
Range of WACs (annual percentages)	5.75% to 8.00%
Range of WAMs	121 months to 180 months
Approximate Weighted Average WAM	174 months
Approximate Weighted Average WALA	4 months

Group 7 MBS

Aggregate Unpaid Principal Balance	\$89,424,766
MBS Pass-Through Rate	5.50%
Range of WACs (annual percentages)	5.75% to 8.00%
Range of WAMs	121 months to 180 months
Approximate Weighted Average WAM	174 months
Approximate Weighted Average WALA	4 months

The Group 4 SMBS

The general characteristics of the Group 4 SMBS are described in the SMBS Prospectus. The Group 4 SMBS provide that certain principal and interest payments on the related MBS are passed through monthly. The general characteristics of the MBS are described in the MBS Prospectus. Each MBS evidences beneficial ownership interests in a pool of conventional Level Payment Mortgage Loans secured by first mortgages or deed of trust on single-family residential properties, as described under “Mortgage Loan Pools” and “Yield Considerations, Maturity and Prepayment Assumptions” in the MBS Prospectus.

The Group 4 SMBS represent ownership of

- interest payments at a pass-through rate of 6.5% on an initial notional principal amount of \$69,230,770, and
- principal payments on an initial principal amount of \$50,000,000 of MBS.

We expect the characteristics of the Mortgage Loans underlying the Group 4 SMBS as of the Issue Date to be as follows:

Range of WACs (annual percentages)	6.75% to 9.00%
Approximate Weighted Average WAM	353 months
Approximate Weighted Average WALA	7 months

The Group 6 Ginnie Mae Certificates

The Group 6 Ginnie Mae Certificates will have the aggregate unpaid principal balance and Pass-Through Rate shown below and the general characteristics described in the REMIC Prospectus. All of the Group 6 Ginnie Mae Certificates are Ginnie Mae I Certificates. See “Ginnie Mae and the Ginnie Mae Programs” in the REMIC Prospectus. We expect the characteristics of the Group 6 Ginnie Mae Certificates and the related Mortgage Loans as of the Issue Date to be as follows:

Aggregate Unpaid Principal Balance	\$26,666,667
Ginnie Mae Pass-Through Rate	7.50%
WAC (annual percentage)	8.00%
Range of WARMS	100 months to 360 months
Approximate Weighted Average WARM	249 months
Approximate Weighted Average WALA	100 months

The Underlying REMIC Certificates

The Underlying REMIC Certificates represent beneficial ownership interests in the related Underlying REMIC Trusts. The assets of those 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 applicable Underlying REMIC Disclosure Documents. 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 dates we prepared the Underlying REMIC Disclosure Documents. 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 those documents 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 and, (a) with respect to the Trust MBS and the Group 4 SMBS, 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 Trust MBS and the Group 4 SMBS as of the Issue Date, and (b) with respect to each Group 6 Ginnie Mae Certificate, the Pool number, the original unpaid principal balance, the unpaid principal balance as of the Issue Date, and the remaining term to maturity of the latest maturity Mortgage Loan underlying that Group 6 Ginnie Mae Certificate 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 Trust MBS and the Group 4 SMBS 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>
Group 2 Classes	
Floating Rate	F
Inverse Floating Rate	S
Interest Only	S
Principal Only	PO
RCR**	SA
Group 3 Classes	
Fixed Rate	A and B
Group 4 Classes	
Floating Rate	CF
Inverse Floating Rate	TS and US
Interest Only	TS and US
RCR**	CS
Group 5 Classes	
Fixed Rate	XI, WA, UI, UL, YI, WH, UJ, UC, LQ and ZQ
Accrual	ZQ
Interest Only	XI, UI and YI
RCR**	UA, KU, UM, UW, UH and UB
Group 6 Classes	
Floating Rate	HF
Inverse Floating Rate	HS
Interest Only	HS
Principal Only	AO

<u>Interest Type*</u>	<u>Classes</u>
Group 7 Classes	
Fixed Rate	JI, JD and JE
Interest Only	JI
Group 8 Classes	
Fixed Rate	VA, VB and Z
Accrual	Z
RCR**	G and VC
Group 9 Classes	
Inverse Floating Rate	SB and TB
Interest Only	SB
No Payment Residual	R and RL

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

** See “—Combination and Recombination” above and Schedule 1 for a further description of the RCR Classes.

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.

We will apply interest payments from exchanged REMIC Certificates to the corresponding RCR Certificates, on a pro rata basis, following any exchange.

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 other than the HF and HS Classes	One-month period beginning on the 25th day of the month preceding the month in which the Distribution Date occurs
The HF and HS Classes	One-month period beginning on the 17th day of the month in which the Distribution Date occurs

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

The Dealer will treat the PO and AO Classes as Delay Classes for the sole purpose of facilitating trading.

Accrual Classes. The ZQ and Z 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 respective principal balances on each Distribution Date. We will pay principal on the Accrual Classes as described under “—Distributions of Principal” below.

Notional Classes. The Notional Classes will not have principal balances. During each Interest Accrual Period, the Notional Classes will bear interest on their notional principal balances at their applicable interest rates. The notional principal balances of the Notional Classes will be calculated as specified under “Reference Sheet—Notional Classes” 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 balances of the Notional Classes.

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 1.840% in the case of the F, SA, S, CF, TS, US and CS Classes, 1.820% in the case of the HF and HS Classes, and will be equal to LIBOR as determined for that Interest Accrual Period for the Group 9 Underlying REMIC Certificate in the case of the SB and TB Classes.

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>
Group 2 Classes	
Pass-Through	F and PO
Notional	S
RCR**	SA
Group 3 Classes	
Sequential Pay	A and B
Group 4 Classes	
Pass-Through	CF
Notional	TS and US
RCR**	CS

<u>Principal Type*</u>	<u>Classes</u>
Group 5 Classes	
PAC	WA, UL, WH, UJ and UC
Support	LQ and ZQ
Non-Sticky Jump	LQ and ZQ
Accretion Directed	LQ
Notional	XI, UI and YI
RCR**	UA, KU, UM, UW, UH and UB
Group 6 Classes	
Pass-Through	HF and AO
Notional	HS
Group 7 Classes	
Sequential Pay	JD and JE
Notional	JI
Group 8 Classes	
Structured Collateral/Sequential Pay	VA, VB and Z
Accretion Directed	VA and VB
RCR**	G and VC
Group 9 Classes	
Structured Collateral/Pass-Through	TB
Notional	SB
No Payment Residual	R and RL

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

** See “—Combination and Recombination” above and Schedule 1 for a further description of the RCR Classes.

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 Group 2 MBS (the “Group 2 Principal Distribution Amount”),
- the principal then paid on the Group 3 MBS (the “Group 3 Principal Distribution Amount”),
- the principal then paid on the Group 4 SMBS (the “Group 4 Principal Distribution Amount”).
- the principal then paid on the Group 5 MBS (the “Group 5 Cash Flow Distribution Amount”) plus any interest then accrued and added to the principal balance of the ZQ Class (the “ZQ Accrual Amount” and, together with the Group 5 Cash Flow Distribution Amount, the “Group 5 Principal Distribution Amount”),
- the principal payable on the Group 6 Ginnie Mae Certificates, calculated as described below (the “Group 6 Principal Distribution Amount”),
- the principal then paid on the Group 7 MBS (the “Group 7 Principal Distribution Amount”),
- the principal then paid on the Group 8 Underlying RCR Certificate (the “Group 8 Cash Flow Distribution Amount”) plus any interest then accrued and added to the principal balance of the Z Class (the “Z Accrual Amount” and, together with the Group 8 Cash Flow Distribution Amount, the “Group 8 Principal Distribution Amount”), and
- the principal then paid on the Group 9 Underlying REMIC Certificate (the “Group 9 Principal Distribution Amount”).

The portion of each class of Underlying REMIC Certificates held by the Lower Tier REMIC is set forth in Exhibit A.

Certain Calculations Relating to the Group 6 Ginnie Mae Certificates

On or about the fifth business day of each month, we will aggregate the amount of principal reported to be payable on the Group 6 Ginnie Mae Certificates that month based on published Ginnie Mae factors applicable to the Group 6 Ginnie Mae Certificates.

For any Group 6 Ginnie Mae Certificate for which a factor is not then available, we will calculate the amount of scheduled principal payments distributable in respect of that Certificate during that month based on the assumed amortization schedules of the related Mortgage Loans. The amortization schedules will be prepared on the assumptions that:

- each Mortgage Loan underlying a Group 6 Ginnie Mae Certificate amortizes on a level installment basis, had an original term to maturity of 360 months, and a remaining term to maturity equal to the remaining term to maturity of the latest maturing Mortgage Loan underlying that Group 6 Ginnie Mae Certificate at its origination, adjusted to the Issue Date; and
- each Mortgage Loan underlying a Group 6 Ginnie Mae Certificate bears an annual interest rate of 8.00%.

All such amounts (whether reported in Ginnie Mae factors or calculated by us) will be reflected in the class factors for the Distribution Date in that month. We will pay those amounts to Holders of Certificates of the Group 6 Classes on that Distribution Date, whether or not we receive them. The class factors will also reflect (and we will also pay) the *excess* of

- the distributions of principal of the Group 6 Ginnie Mae Certificates that we receive during the month prior to the month of that Distribution Date

over

- the amount of principal that we calculated and paid previously in accordance with the Ginnie Mae factors and the assumed distribution schedules specified above.

Group 2 Principal Distribution Amount

On each Distribution Date, we will pay the Group 2 Principal Distribution Amount, concurrently, as principal of the F and PO Classes, pro rata (or 82.3529409824% and 17.6470590176%, respectively), until their principal balances are reduced to zero. } Pass-Through Classes

Group 3 Principal Distribution Amount

On each Distribution Date, we will pay the Group 3 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

Group 4 Principal Distribution Amount

On each Distribution Date, we will pay the Group 4 Principal Distribution Amount as principal of the CF Class, until its principal balance is reduced to zero. } Pass-Through Class

Group 5 Principal Distribution Amount

ZQ Accrual Amount

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

Group 5 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 5 Cash Flow Distribution Amount as principal of the Group 5 Classes in the following priority:

- (i) sequentially, to the WA, UL, WH, UJ and UC Classes, in that order, until their principal balances are reduced to their Planned Balances for that Distribution Date; } PAC Classes
- (ii) if, and only if, the aggregate principal balance of the Group 5 MBS (after giving effect to the distribution thereon on that Distribution Date) is *less than* the Group 5 MBS Targeted Balance for that date, to the ZQ Class, until its principal balance is reduced to zero; } Non-Sticky Jump / Support Classes
- (iii) sequentially, to the LQ and ZQ Classes, in that order, until their principal balances are reduced to zero; and }
- (iv) sequentially, to the WA, UL, WH, UJ and UC Classes, in that order, without regard to their Planned Balances and until their principal balances are reduced to zero. } PAC Classes

Group 6 Principal Distribution Amount

On each Distribution Date, we will pay the Group 6 Principal Distribution Amount, concurrently, as principal of the HF and AO Classes, pro rata (or 93.7499988281% and 6.2500011719%, respectively), until their principal balances are reduced to zero. } Pass-Through Classes

Group 7 Principal Distribution Amount

On each Distribution Date, we will pay the Group 7 Principal Distribution Amount, sequentially, as principal of the JD and JE Classes, in that order, until their principal balances are reduced to zero. } Sequential Pay Classes

Group 8 Principal Distribution Amount

Z Accrual Amount

On each Distribution Date, we will pay the Z Accrual Amount, sequentially, as principal of the VA and VB Classes, in that order, until their principal balances are reduced to zero. Thereafter, we will pay the Z Accrual Amount as principal of the Z Class. } Accretion Directed Classes and Accrual Class

Group 8 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 8 Cash Flow Distribution Amount, sequentially, as principal of the VA, VB and Z Classes, in that order, until their principal balances are reduced to zero. } Sequential Pay Classes

Group 9 Principal Distribution Amount

On each Distribution Date, we will pay the Group 9 Principal Distribution Amount as principal of the TB Class, until its principal balance is reduced to zero. } Pass-Through Class

We will apply principal payments from exchanged REMIC certificates to the corresponding RCR certificates, on a pro rata basis, following any exchange.

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 sequences affecting principal payments on the Underlying REMIC Certificates and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Trust MBS, the Group 4 SMBS and the Group 6 Ginnie Mae Certificates have the original terms to maturity, remaining terms to maturity, WALAs and interest rates specified under “Reference Sheet—Assumed Characteristics of the Mortgage Loans Underlying the Trust MBS, the Group 4 SMBS and the Group 6 Ginnie Mae Certificates” in this prospectus supplement;
- we distribute all payments (including prepayments) on the Mortgage Loans underlying the Group 6 Ginnie Mae Certificates in the month we receive them;
- 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 August 30, 2002; and
- each Distribution Date occurs on the 25th day of a month in the case of the Group 2, Group 3, Group 4, Group 5, Group 7, Group 8 and Group 9 Classes and on the 17th day of a month in the case of the Group 6 Classes.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used in this prospectus supplement with respect to all Classes 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.

Structuring Range and Rate. The Principal Balance Schedules are found beginning on page B-1 of this prospectus supplement. The Principal Balance Schedules have been prepared on the basis of the Pricing Assumptions and the assumption that the related Mortgage Loans will prepay at a constant PSA rate within the applicable Structuring Range or at the applicable rate set forth below.

<u>Principal Balance Schedule References</u>	<u>Related Classes and Group</u>	<u>Structuring Range and Rate</u>
Planned Balances	WA, UL, WH, UJ, UC, UA, KU, UM, UW, UH and UB	Between 100% and 250% PSA
Targeted Balances	Group 5 MBS	155% PSA

We cannot assure you that the balance of any Class listed above will conform on any Distribution Date to the specified balance in the Principal Balance Schedules. As a result, we cannot assure you that payments of principal of any Class listed above will begin or end on the Distribution Dates specified in the Principal Balance Schedules. We will distribute any excess of principal payments over the amount needed to reduce a Class to its scheduled balance on a Distribution Date. Accordingly, the ability to reduce a Class to its scheduled balance will not be improved by the averaging of high and low principal payments from month to month. In addition, even if the related Mortgage Loans prepay at rates falling within the Structuring Range, principal distributions may be insufficient to reduce the applicable Classes to their scheduled balances if the prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the related Mortgage Loans, which may include recently originated Mortgage Loans, the Classes specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the applicable Structuring Range or at the applicable rate specified above.

Initial Effective Ranges. The Effective Range for a Class is the range of prepayment rates (measured by *constant* PSA rates) which would reduce that Class to its scheduled balance on each

Distribution Date. The Initial Effective Ranges shown in the table below are based upon the assumed characteristics of the related Mortgage Loans specified in the Pricing Assumptions.

<u>Class</u>	<u>Initial Effective Ranges</u>
WA	Between 100% and 319% PSA
UL	Between 100% and 271% PSA
WH	Between 100% and 250% PSA
UJ	Between 100% and 250% PSA
UC	Between 86% and 250% PSA

The actual Effective Ranges at any time will be based upon the actual characteristics of the related Mortgage Loans at that time, which are likely to vary (and may vary considerably) from the Pricing Assumptions. The actual Effective Ranges calculated on the basis of the actual characteristics are likely to differ from the Initial Effective Ranges. As a result, the applicable Classes might not be reduced to their scheduled balances even if prepayments were to occur at a *constant* PSA rate within the Initial Effective Ranges. This is so particularly if the rate were at the lower or higher end of this range. In addition, even if prepayments occur at rates falling within the actual Effective Ranges, principal distributions may be insufficient to reduce the applicable Classes to their scheduled balances if such prepayments do not occur at a *constant* PSA rate. It is highly unlikely that the related Mortgage Loans will prepay at any *constant* PSA rate. In general, the actual Effective Ranges may narrow, widen or shift upward or downward to reflect actual prepayment experience over time. The stability in principal payment of the PAC Classes will be supported in part by the related Support Classes. When the related Support Classes are retired, the PAC Classes, if still outstanding, may no longer have Effective Ranges and will be more sensitive to prepayments.

Yield Tables

General. The tables below illustrate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the applicable Classes to various constant percentages of PSA and, where specified, to changes in the Index. We calculated the yields set forth in the tables by

- determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on the applicable Classes, would cause the discounted present values of the assumed streams of cash flows to equal the assumed aggregate purchase prices of those Classes, 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 Fixed Rate Interest Only Classes. **The yields to investors in the Fixed Rate Interest Only Classes will be very sensitive to the rate of principal payments (including prepayments) of the related Mortgage Loans. The Mortgage Loans generally can be prepaid at any time without penalty. On the basis of the assumptions described below, the yields to maturity on the Fixed Rate Interest Only Classes would be 0% if prepayments of the related Mortgage Loans were to occur at the constant rates shown in the table below:**

<u>Class</u>	<u>% PSA</u>
XI	522%
UI	957%
YI	526%
JI	410%

For any Fixed Rate Interest Only Class, if the actual prepayment rate of the related Mortgage Loans were to exceed the level specified for as little as one month while equaling that level for the remaining months, the investors in the applicable Class would lose money on their initial investments.

The information shown in the yield tables has been prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase prices of the Fixed Rate Interest Only Classes (expressed in each case as a percentage of the original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
XI	9.3125%
UI	9.3750%
YI	16.8750%
JI	14.3750%

* The prices do not include accrued interest. Accrued interest has been added to the prices in calculating the yields set forth in the tables below.

Sensitivity of the XI Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>217%</u>	<u>250%</u>	<u>450%</u>	<u>600%</u>
Pre-Tax Yields to Maturity ...	22.4%	11.3%	11.3%	11.3%	5.0%	(5.8)%

Sensitivity of the UI Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>217%</u>	<u>250%</u>	<u>450%</u>	<u>600%</u>
Pre-Tax Yields to Maturity ...	55.1%	49.4%	49.4%	49.4%	36.7%	24.9%

Sensitivity of the YI Class to Prepayments

	PSA Prepayment Assumption					
	50%	100%	217%	250%	450%	600%
Pre-Tax Yields to Maturity ...	25.7%	21.0%	21.0%	21.0%	6.1%	(5.9)%

Sensitivity of the JI Class to Prepayments

	PSA Prepayment Assumption				
	50%	100%	262%	450%	600%
Pre-Tax Yields to Maturity ...	28.1%	24.6%	12.3%	(3.4)%	(16.1)%

The Inverse Floating Rate Classes. The yields on the Inverse Floating Rate Classes will be sensitive in varying degrees to the rate of principal payments, including prepayments, of the related 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. As illustrated in the tables below, it is possible that investors in the S, TS, US, HS, SB, SA and CS Classes would lose money on their initial investments under certain Index and prepayment scenarios.

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 tables has been prepared on the basis of the Pricing Assumptions and the assumptions that

- the interest rates for the Inverse Floating Rate Classes for the initial Interest Accrual Period are the rates 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 prices of those Classes (expressed in each case as a percentage of original principal balance) are as follows:

Class	Price*
S	9.7500%
TS	7.5000%
US	17.9375%
HS	9.0000%
SB	8.0000%
TB	100.0000%
SA	130.0000%
CS	9.9375%

* The prices do not include accrued interest. Accrued interest has been added to the prices in calculating the yields set forth in the tables below.

**Sensitivity of the S Class to Prepayments and LIBOR
(Pre-Tax Yields to Maturity)**

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>250%</u>	<u>495%</u>	<u>700%</u>	<u>900%</u>
0.84%	79.9%	62.9%	40.2%	19.2%	(3.6)%
1.84%	67.2%	50.9%	29.1%	9.0%	(12.9)%
3.84%	42.7%	27.7%	7.7%	(10.8)%	(30.9)%
5.84%	19.1%	5.3%	(13.0)%	(29.8)%	(48.1)%
8.10%	*	*	*	*	*

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

**Sensitivity of the TS Class to Prepayments and LIBOR
(Pre-Tax Yields to Maturity)**

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>250%</u>	<u>525%</u>	<u>700%</u>	<u>900%</u>
0.84%	109.4%	93.7%	68.7%	51.7%	32.5%
1.84%	91.7%	75.6%	49.9%	32.6%	13.3%
3.84%	57.7%	40.4%	11.9%	(6.3)%	(26.0)%
5.84%	25.5%	4.4%	(29.4)%	(49.3)%	(69.3)%
8.00%	*	*	*	*	*

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

**Sensitivity of the US Class to Prepayments and LIBOR
(Pre-Tax Yields to Maturity)**

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>250%</u>	<u>525%</u>	<u>700%</u>	<u>900%</u>
0.84%	43.2%	42.6%	37.6%	31.9%	23.5%
1.84%	36.9%	36.0%	30.1%	23.8%	14.6%
3.84%	24.5%	22.6%	14.1%	6.3%	(4.3)%
5.84%	11.9%	7.7%	(4.3)%	(14.0)%	(26.7)%
8.00%	*	*	*	*	*

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

**Sensitivity of the HS Class to Prepayments and LIBOR
(Pre-Tax Yields to Maturity)**

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>250%</u>	<u>500%</u>	<u>700%</u>	<u>900%</u>
0.82%	81.2%	63.8%	40.2%	19.4%	(3.8)%
1.82%	67.2%	50.6%	28.1%	8.2%	(13.9)%
3.82%	40.4%	25.3%	4.9%	(13.1)%	(33.1)%
5.82%	14.5%	0.9%	(17.5)%	(33.7)%	(51.7)%
7.65%	*	*	*	*	*

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

**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>250%</u>	<u>559%</u>	<u>700%</u>	<u>900%</u>
0.822000%	264.3%	239.1%	194.3%	157.9%	98.6%
1.822000%	196.1%	173.3%	120.0%	83.7%	28.6%
3.822000%	77.4%	56.7%	(22.7)%	(55.8)%	(97.3)%
5.388462% and above	*	*	*	*	*

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

**Sensitivity of the TB Class to Prepayments and LIBOR
(Pre-Tax Yields to Maturity)**

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>250%</u>	<u>559%</u>	<u>700%</u>	<u>900%</u>
5.388462% and below	8.1%	8.1%	8.1%	8.1%	8.1%
6.250000%	5.3%	5.3%	5.4%	5.5%	5.5%
7.850000%	0.0%	0.1%	0.4%	0.6%	0.7%

**Sensitivity of the SA Class to Prepayments and LIBOR
(Pre-Tax Yields to Maturity)**

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>250%</u>	<u>495%</u>	<u>700%</u>	<u>900%</u>
0.84%	26.1%	22.8%	18.1%	13.5%	8.1%
1.84%	22.2%	19.0%	14.4%	9.9%	4.6%
3.84%	14.5%	11.5%	7.1%	2.8%	(2.2)%
5.84%	6.8%	4.1%	(0.0)%	(4.1)%	(8.9)%
8.10%	(2.0)%	(4.2)%	(7.9)%	(11.8)%	(16.3)%

**Sensitivity of the CS Class to Prepayments and LIBOR
(Pre-Tax Yields to Maturity)**

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>250%</u>	<u>525%</u>	<u>700%</u>	<u>900%</u>
0.84%	78.8%	67.8%	51.8%	41.2%	28.5%
1.84%	66.3%	55.2%	39.1%	28.4%	15.6%
3.84%	42.1%	30.8%	14.3%	3.2%	(10.1)%
5.84%	18.8%	7.1%	(10.0)%	(21.7)%	(35.9)%
8.00%	*	*	*	*	*

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

The Principal Only Classes. **The Principal Only Classes will not bear interest. As indicated in the tables below, a low rate of principal payments (including prepayments) on the related Mortgage Loans will have a negative effect on the yields to investors in the Principal Only Classes.**

The information shown in the yield tables has been prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase prices of the Principal Only Classes (expressed in each case as a percentage of its original principal balance) are as follows:

<u>Class</u>	<u>Price</u>
AO	86.5%
PO	87.5%

Sensitivity of the AO Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>250%</u>	<u>500%</u>	<u>700%</u>	<u>900%</u>
Pre-Tax Yields to Maturity ...	1.4%	3.1%	6.0%	9.0%	12.8%

Sensitivity of the PO Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>250%</u>	<u>495%</u>	<u>700%</u>	<u>900%</u>
Pre-Tax Yields to Maturity ...	1.1%	2.7%	5.3%	8.0%	11.4%

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by

- multiplied 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,
- summing the results, and
- 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,
- the priority sequences of payments of principal of the Group 3, Group 5, Group 7 and Group 8 Classes,
- in the case of the Group 5 Classes, the payment of principal of certain Classes in accordance with the Principal Balance Schedules, and
- in the case of the Group 8 and Group 9 Classes, the priority sequences affecting principal payments on the related Underlying REMIC Certificates.

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

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 those 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 terms to maturity and bear interest at the annual rates specified in the table below.

<u>Mortgage Loans Relating to Trust Assets Specified Below</u>	<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 2 MBS	360 months	360 months	9.50%
Group 3 MBS	180 months	180 months	8.00%
Group 4 SMBS	360 months	360 months	9.00%
Group 5 MBS	180 months	180 months	8.00%
Group 6 Ginnie Mae Certificates	360 months	360 months	8.00%
Group 7 MBS	180 months	180 months	8.00%
Group 8 Underlying RCR Certificate	360 months	355 months	9.00%
Group 9 Underlying REMIC Certificate	360 months	356 months	9.00%

It is unlikely

- that all of the underlying Mortgage Loans will have the interest rates (except in the case of the Mortgage Loans underlying the Group 6 Ginnie Mae Certificates), 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 rate. 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	F, S†, PO and SA Classes					A Class					B Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	250%	495%	700%	900%	0%	100%	262%	450%	600%	0%	100%	262%	450%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2003	99	84	69	57	45	94	88	81	73	66	100	100	100	100	100
August 2004	99	70	48	33	20	88	73	56	37	22	100	100	100	100	100
August 2005	98	58	33	19	9	81	58	32	7	0	100	100	100	100	83
August 2006	97	49	23	11	4	74	44	13	0	0	100	100	100	76	50
August 2007	96	40	16	6	2	66	31	0	0	0	100	100	95	52	30
August 2008	95	33	11	3	1	58	18	0	0	0	100	100	74	34	17
August 2009	94	28	7	2	*	49	7	0	0	0	100	100	56	23	10
August 2010	93	23	5	1	*	39	0	0	0	0	100	93	42	15	6
August 2011	92	19	3	1	*	28	0	0	0	0	100	75	30	9	3
August 2012	90	15	2	*	*	16	0	0	0	0	100	59	21	6	2
August 2013	89	13	2	*	*	3	0	0	0	0	100	43	14	3	1
August 2014	87	10	1	*	*	0	0	0	0	0	82	29	8	2	*
August 2015	85	8	1	*	*	0	0	0	0	0	57	15	4	1	*
August 2016	83	7	*	*	*	0	0	0	0	0	30	2	*	*	*
August 2017	81	5	*	*	*	0	0	0	0	0	0	0	0	0	0
August 2018	78	4	*	*	*	0	0	0	0	0	0	0	0	0	0
August 2019	75	3	*	*	*	0	0	0	0	0	0	0	0	0	0
August 2020	72	2	*	*	*	0	0	0	0	0	0	0	0	0	0
August 2021	69	2	*	*	*	0	0	0	0	0	0	0	0	0	0
August 2022	65	1	*	*	*	0	0	0	0	0	0	0	0	0	0
August 2023	61	1	*	*	*	0	0	0	0	0	0	0	0	0	0
August 2024	56	*	*	*	*	0	0	0	0	0	0	0	0	0	0
August 2025	51	*	*	*	*	0	0	0	0	0	0	0	0	0	0
August 2026	46	*	*	*	0	0	0	0	0	0	0	0	0	0	0
August 2027	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	26	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	10	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)**	21.3	5.3	2.7	1.8	1.3	6.5	3.7	2.3	1.7	1.4	13.2	10.7	8.0	5.7	4.6

* 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.

Date	CF and CS† Classes					TS† Class					US† Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	250%	525%	700%	900%	0%	250%	525%	700%	900%	0%	250%	525%	700%	900%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2003	99	92	85	80	75	99	90	80	73	66	100	100	100	100	100
August 2004	99	80	61	51	40	98	73	49	34	20	100	100	100	100	100
August 2005	98	67	42	29	18	97	56	22	6	0	100	100	100	100	72
August 2006	97	56	28	17	8	96	41	4	0	0	100	100	100	67	33
August 2007	96	47	19	10	4	95	29	0	0	0	100	100	76	38	15
August 2008	95	39	13	5	2	93	19	0	0	0	100	100	51	22	7
August 2009	94	33	9	3	1	92	10	0	0	0	100	100	34	12	3
August 2010	92	27	6	2	*	90	3	0	0	0	100	100	23	7	1
August 2011	91	23	4	1	*	88	0	0	0	0	100	91	15	4	1
August 2012	89	19	3	1	*	86	0	0	0	0	100	75	10	2	*
August 2013	88	16	2	*	*	84	0	0	0	0	100	63	7	1	*
August 2014	86	13	1	*	*	81	0	0	0	0	100	52	5	1	*
August 2015	84	11	1	*	*	79	0	0	0	0	100	43	3	*	*
August 2016	82	9	1	*	*	76	0	0	0	0	100	35	2	*	*
August 2017	79	7	*	*	*	72	0	0	0	0	100	29	1	*	*
August 2018	77	6	*	*	*	69	0	0	0	0	100	23	1	*	*
August 2019	74	5	*	*	*	65	0	0	0	0	100	19	1	*	*
August 2020	71	4	*	*	*	61	0	0	0	0	100	15	*	*	*
August 2021	67	3	*	*	*	56	0	0	0	0	100	12	*	*	*
August 2022	64	2	*	*	*	51	0	0	0	0	100	10	*	*	*
August 2023	59	2	*	*	*	46	0	0	0	0	100	8	*	*	*
August 2024	55	1	*	*	*	40	0	0	0	0	100	6	*	*	*
August 2025	50	1	*	*	*	33	0	0	0	0	100	4	*	*	*
August 2026	45	1	*	*	0	26	0	0	0	0	100	3	*	*	*
August 2027	39	1	*	*	0	18	0	0	0	0	100	2	*	*	0
August 2028	32	*	*	*	0	10	0	0	0	0	100	2	*	*	0
August 2029	25	*	*	*	0	*	0	0	0	0	100	1	*	*	0
August 2030	18	*	*	*	0	0	0	0	0	0	70	1	*	*	0
August 2031	9	*	*	0	0	0	0	0	0	0	37	*	*	*	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	21.1	6.2	3.3	2.5	2.0	18.5	3.7	2.1	1.6	1.4	28.6	13.5	6.8	5.1	3.9

Date	XI†, WA and KU Classes									UI†, UL and UM Classes								
	PSA Prepayment Assumption									PSA Prepayment Assumption								
	0%	100%	154%	155%	156%	217%	250%	450%	600%	0%	100%	154%	155%	156%	217%	250%	450%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2003	96	91	91	91	91	91	91	91	91	100	100	100	100	100	100	100	100	100
August 2004	77	49	49	49	49	49	49	49	15	100	100	100	100	100	100	100	100	100
August 2005	56	3	3	3	3	3	3	0	0	100	100	100	100	100	100	100	0	0
August 2006	34	0	0	0	0	0	0	0	0	100	12	12	12	12	12	12	0	0
August 2007	10	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	0
August 2008	0	0	0	0	0	0	0	0	0	66	0	0	0	0	0	0	0	0
August 2009	0	0	0	0	0	0	0	0	0	4	0	0	0	0	0	0	0	0
August 2010	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2011	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2012	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2015	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2017	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	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	0	0	0
August 2029	0	0	0	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	0	0	0
August 2031	0	0	0	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	0	0	0
Weighted Average Life (years)**	3.3	2.0	2.0	2.0	2.0	2.0	2.0	1.9	1.7	6.3	3.6	3.6	3.6	3.6	3.6	3.6	2.8	2.3

* 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.

Date	YI†, WH and UH Classes									UJ Class								
	PSA Prepayment Assumption									PSA Prepayment Assumption								
	0%	100%	154%	155%	156%	217%	250%	450%	600%	0%	100%	154%	155%	156%	217%	250%	450%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2003	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2004	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	100	100	100	100	100	100	100	99	27	100	100	100	100	100	100	100	100	100
August 2006	100	100	100	100	100	100	100	0	0	100	100	100	100	100	100	100	99	31
August 2007	100	49	49	49	49	49	49	0	0	100	100	100	100	100	100	100	31	0
August 2008	100	0	0	0	0	0	0	0	0	100	94	94	94	94	94	94	0	0
August 2009	100	0	0	0	0	0	0	0	0	100	46	46	46	46	46	46	0	0
August 2010	58	0	0	0	0	0	0	0	0	100	8	8	8	8	8	8	0	0
August 2011	10	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	0
August 2012	0	0	0	0	0	0	0	0	0	59	0	0	0	0	0	0	0	0
August 2013	0	0	0	0	0	0	0	0	0	5	0	0	0	0	0	0	0	0
August 2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2015	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2017	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	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	0	0	0
August 2029	0	0	0	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	0	0	0
August 2031	0	0	0	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	0	0	0
Weighted Average Life (years)**	8.2	5.0	5.0	5.0	5.0	5.0	5.0	3.5	2.9	10.2	7.0	7.0	7.0	7.0	7.0	7.0	4.7	3.8

Date	UC Class									LQ Class								
	PSA Prepayment Assumption									PSA Prepayment Assumption								
	0%	100%	154%	155%	156%	217%	250%	450%	600%	0%	100%	154%	155%	156%	217%	250%	450%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2003	100	100	100	100	100	100	100	100	100	84	74	68	68	99	93	89	68	52
August 2004	100	100	100	100	100	100	100	100	100	83	72	56	55	88	70	60	3	0
August 2005	100	100	100	100	100	100	100	100	100	81	70	43	42	77	47	31	0	0
August 2006	100	100	100	100	100	100	100	100	100	79	68	33	32	68	31	13	0	0
August 2007	100	100	100	100	100	100	100	100	76	77	66	26	25	63	23	3	0	0
August 2008	100	100	100	100	100	100	100	86	45	74	64	21	20	61	20	0	0	0
August 2009	100	100	100	100	100	100	100	57	26	72	59	16	15	58	18	0	0	0
August 2010	100	100	100	100	100	100	100	37	15	70	50	8	8	53	16	0	0	0
August 2011	100	79	79	79	79	79	79	23	8	67	37	0	0	46	14	0	0	0
August 2012	100	57	57	57	57	57	57	14	4	64	22	0	0	39	11	0	0	0
August 2013	100	39	39	39	39	39	39	8	2	61	4	0	0	30	9	0	0	0
August 2014	52	24	24	24	24	24	24	5	1	58	0	0	0	22	6	0	0	0
August 2015	13	13	13	13	13	13	13	2	*	40	0	0	0	13	4	0	0	0
August 2016	4	4	4	4	4	4	4	1	*	0	0	0	0	4	1	0	0	0
August 2017	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	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	0	0	0
August 2029	0	0	0	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	0	0	0
August 2031	0	0	0	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	0	0	0
Weighted Average Life (years)**	12.2	10.7	10.7	10.7	10.7	10.7	10.7	7.9	6.3	9.6	6.4	3.2	3.2	7.7	4.2	2.5	1.3	1.0

* 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.

Date	ZQ Class									HF, HS† and AO Classes					JI† and JD Classes				
	PSA Prepayment Assumption									PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	154%	155%	156%	217%	250%	450%	600%	0%	250%	500%	700%	900%	0%	100%	262%	450%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2003	106	106	106	106	*	0	0	0	0	99	83	69	57	45	96	92	88	84	80
August 2004	112	112	112	112	0	0	0	0	0	98	69	47	32	20	91	82	71	59	50
August 2005	118	118	118	118	0	0	0	0	0	97	57	32	18	9	86	71	53	35	22
August 2006	125	125	125	125	0	0	0	0	0	96	48	22	10	4	81	60	38	18	6
August 2007	132	132	132	132	0	0	0	0	0	95	39	15	6	2	75	50	25	6	0
August 2008	139	139	139	139	0	0	0	0	0	94	32	10	3	1	68	41	15	0	0
August 2009	147	147	147	147	0	0	0	0	0	92	26	7	2	*	61	32	7	0	0
August 2010	155	155	155	155	0	0	0	0	0	91	22	5	1	*	54	23	1	0	0
August 2011	164	164	161	159	0	0	0	0	0	89	17	3	1	*	46	16	0	0	0
August 2012	173	173	134	132	0	0	0	0	0	88	14	2	*	*	37	8	0	0	0
August 2013	183	183	105	104	0	0	0	0	0	86	11	1	*	*	27	2	0	0	0
August 2014	193	144	75	74	0	0	0	0	0	84	9	1	*	*	17	0	0	0	0
August 2015	204	87	44	44	0	0	0	0	0	82	7	1	*	*	6	0	0	0	0
August 2016	184	29	15	14	0	0	0	0	0	79	5	*	*	*	0	0	0	0	0
August 2017	0	0	0	0	0	0	0	0	0	77	4	*	*	*	0	0	0	0	0
August 2018	0	0	0	0	0	0	0	0	0	74	3	*	*	*	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	71	2	*	*	*	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	68	1	*	*	*	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	64	1	*	*	*	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	60	*	*	*	*	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	56	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	52	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	47	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	42	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	36	0	0	0	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	30	0	0	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	23	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	16	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	8	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	0	0	0	0
Weighted Average Life (years)**	14.5	12.9	11.8	11.8	0.5	0.4	0.4	0.3	0.3	20.5	5.0	2.6	1.8	1.3	8.0	5.3	3.5	2.5	2.1

Date	JE Class					VA Class					VB Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	262%	450%	600%	0%	250%	499%	700%	900%	0%	250%	499%	700%	900%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2003	100	100	100	100	100	93	93	93	93	93	100	100	100	100	100
August 2004	100	100	100	100	100	86	86	86	86	86	100	100	100	100	100
August 2005	100	100	100	100	100	79	79	79	79	79	100	100	100	100	100
August 2006	100	100	100	100	100	70	70	70	70	0	100	100	100	100	31
August 2007	100	100	100	100	77	62	62	62	0	0	100	100	100	46	0
August 2008	100	100	100	87	46	52	52	25	0	0	100	100	100	0	0
August 2009	100	100	100	58	26	43	43	0	0	0	100	100	36	0	0
August 2010	100	100	100	38	15	32	32	0	0	0	100	100	0	0	0
August 2011	100	100	75	24	8	21	21	0	0	0	100	100	0	0	0
August 2012	100	100	54	15	5	9	9	0	0	0	100	100	0	0	0
August 2013	100	100	36	9	2	0	0	0	0	0	97	96	0	0	0
August 2014	100	75	22	5	1	0	0	0	0	0	85	38	0	0	0
August 2015	100	43	12	2	*	0	0	0	0	0	73	0	0	0	0
August 2016	68	14	3	1	*	0	0	0	0	0	60	0	0	0	0
August 2017	0	0	0	0	0	0	0	0	0	0	46	0	0	0	0
August 2018	0	0	0	0	0	0	0	0	0	0	31	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	15	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	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)**	14.3	12.8	10.5	7.9	6.4	6.0	6.0	4.7	3.7	3.0	14.6	11.8	6.9	5.0	3.9

* 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.

Date	Z Class					SB† and TB Classes					UA and UW Classes					
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					
	0%	250%	499%	700%	900%	0%	250%	559%	700%	900%	0%	100%	217%	250%	450%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2003	107	107	107	107	107	100	88	88	53	0	97	94	94	94	94	94
August 2004	114	114	114	114	114	100	75	0	0	0	84	65	65	65	65	41
August 2005	121	121	121	121	121	100	63	0	0	0	70	34	34	34	0	0
August 2006	130	130	130	130	130	100	54	0	0	0	55	4	4	4	0	0
August 2007	138	138	138	138	75	100	33	0	0	0	38	0	0	0	0	0
August 2008	148	148	148	110	34	100	14	0	0	0	20	0	0	0	0	0
August 2009	157	157	157	63	15	100	4	0	0	0	1	0	0	0	0	0
August 2010	168	168	138	36	7	100	1	0	0	0	0	0	0	0	0	0
August 2011	179	179	94	20	3	100	1	0	0	0	0	0	0	0	0	0
August 2012	191	191	65	11	1	100	1	0	0	0	0	0	0	0	0	0
August 2013	204	204	44	6	1	100	1	0	0	0	0	0	0	0	0	0
August 2014	218	218	30	4	*	100	1	0	0	0	0	0	0	0	0	0
August 2015	232	216	20	2	*	100	1	0	0	0	0	0	0	0	0	0
August 2016	248	177	14	1	*	100	1	0	0	0	0	0	0	0	0	0
August 2017	264	145	9	1	*	100	*	0	0	0	0	0	0	0	0	0
August 2018	282	118	6	*	*	100	*	0	0	0	0	0	0	0	0	0
August 2019	301	95	4	*	*	100	*	0	0	0	0	0	0	0	0	0
August 2020	319	77	3	*	*	100	*	0	0	0	0	0	0	0	0	0
August 2021	319	61	2	*	*	100	*	0	0	0	0	0	0	0	0	0
August 2022	319	48	1	*	*	100	*	0	0	0	0	0	0	0	0	0
August 2023	319	38	1	*	*	100	*	0	0	0	0	0	0	0	0	0
August 2024	319	29	*	*	*	100	*	0	0	0	0	0	0	0	0	0
August 2025	319	22	*	*	*	100	*	0	0	0	0	0	0	0	0	0
August 2026	319	16	*	*	*	100	*	0	0	0	0	0	0	0	0	0
August 2027	319	12	*	*	*	100	*	0	0	0	0	0	0	0	0	0
August 2028	319	8	*	*	*	100	*	0	0	0	0	0	0	0	0	0
August 2029	319	5	*	*	0	49	*	0	0	0	0	0	0	0	0	0
August 2030	291	2	*	*	0	0	*	0	0	0	0	0	0	0	0	0
August 2031	112	*	*	*	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	0
Weighted Average Life (years)**	28.8	17.2	10.2	7.3	5.6	27.0	3.9	1.2	1.0	0.8	4.2	2.5	2.5	2.5	2.1	1.9

Date	UB Class						G Class					VC Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption					PSA Prepayment Assumption					
	0%	100%	217%	250%	450%	600%	0%	250%	499%	700%	900%	0%	250%	499%	700%	900%	
Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2003	100	100	100	100	100	100	100	100	100	100	100	97	97	97	97	97	97
August 2004	100	100	100	100	100	100	100	100	100	100	100	94	94	94	94	94	94
August 2005	100	100	100	100	100	64	100	100	100	100	100	90	90	90	90	90	90
August 2006	100	100	100	100	50	16	100	100	100	100	52	86	86	86	86	17	0
August 2007	100	75	75	75	16	0	100	100	100	61	24	82	82	82	25	0	0
August 2008	100	48	48	48	0	0	100	100	91	35	11	78	78	66	0	0	0
August 2009	100	24	24	24	0	0	100	100	63	20	5	74	74	20	0	0	0
August 2010	79	4	4	4	0	0	100	100	43	11	2	69	69	0	0	0	0
August 2011	56	0	0	0	0	0	100	100	30	6	1	64	64	0	0	0	0
August 2012	30	0	0	0	0	0	100	100	20	4	*	58	58	0	0	0	0
August 2013	2	0	0	0	0	0	100	100	14	2	*	52	52	0	0	0	0
August 2014	0	0	0	0	0	0	100	82	9	1	*	46	20	0	0	0	0
August 2015	0	0	0	0	0	0	100	68	6	1	*	39	0	0	0	0	0
August 2016	0	0	0	0	0	0	100	56	4	*	*	32	0	0	0	0	0
August 2017	0	0	0	0	0	0	100	45	3	*	*	25	0	0	0	0	0
August 2018	0	0	0	0	0	0	100	37	2	*	*	17	0	0	0	0	0
August 2019	0	0	0	0	0	0	100	30	1	*	*	8	0	0	0	0	0
August 2020	0	0	0	0	0	0	100	24	1	*	*	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	100	19	1	*	*	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	100	15	*	*	*	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	100	12	*	*	*	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	100	9	*	*	*	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	100	7	*	*	*	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	100	5	*	*	*	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	100	4	*	*	*	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	100	2	*	*	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	100	1	*	*	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	91	1	*	*	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	35	*	*	*	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	9.2	6.0	6.0	6.0	4.1	3.3	28.8	15.7	8.4	5.9	4.5	10.7	9.2	5.9	4.4	3.5	

* 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.

Characteristics of the R and RL Classes

The R and RL Classes will not have principal balances and will not bear interest. If any assets of the Trust remain after the principal balances of all Classes, including the Group 1 Classes, are reduced to zero, we will pay the Holder of the R Class the proceeds from those assets. If any assets of the Lower Tier REMIC remain after the principal balances of the Lower Tier Regular Interests, including the Lower Tier Regular Interests relating to the Group 1 Classes, are reduced to zero, we will pay the proceeds of those assets to the Holder of the RL Class. Fannie Mae does not expect that any material assets will remain in either case. Since this prospectus supplement does not describe the Group 1 Classes, an investor in the R or RL Class should also read the Related Prospectus Supplement for information about those Classes and the related assets.

A Residual Certificate will be subject to certain transfer restrictions. We will not permit transfer of record or beneficial ownership of a Residual Certificate to a “disqualified organization.” In addition, we will not permit transfer of record or beneficial ownership of a Residual Certificate to any person that is not a “U.S. Person” or a foreign person subject to United States income taxation on a net basis on income derived from that Certificate. Any transferee of a Residual Certificate must execute and deliver an affidavit and an Internal Revenue Service Form W-9 (or, if applicable, a Form W-8ECI) on which the transferee provides its taxpayer identification number. See “Description of Certificates—Special Characteristics of Residual Certificates” and “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*” in the REMIC Prospectus. The affidavit must also state that the transferee is a “U.S. Person” or a foreign person subject to United States income taxation on a net basis on income derived from that Certificate and that, if the transferee is a partnership for U.S. federal income tax purposes, each person or entity that holds an interest (directly, or indirectly through a pass-through entity) in the partnership is a “U.S. Person” or a foreign person subject to United States income taxation on a net basis on income derived from that Certificate. In addition, the transferee must receive an affidavit containing these same representations from any new transferee. Transferors of a Residual Certificate should consult with their own tax advisors for further information regarding such transfers.

Treasury Department regulations (the “Regulations”) provide that a transfer of a “noneconomic residual interest” 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 and RL Classes will constitute noneconomic residual interests under the Regulations. Having a significant purpose to impede the assessment or collection of tax means that the transferor of a Residual Certificate knew or should have known that the transferee would be unwilling or unable to pay taxes due on its share of the taxable income of the REMIC trust (that is, the transferor had “improper knowledge”).

As discussed under the caption “Special Characteristics of Residual Certificates” in the REMIC Prospectus, the Regulations presume that a transferor does not have improper knowledge if two conditions are met. The Treasury Department has amended the Regulations to provide additional requirements that a transferor must satisfy to avail itself of the safe harbor regarding the presumed lack of improper knowledge. For transfers occurring on or after August 19, 2002, a transferor of a Residual Certificate is presumed not to have improper knowledge if, in addition to meeting the two conditions discussed in the REMIC Prospectus, both (i) the transferee represents that it will not cause income from the Residual Certificate to be attributed to a foreign permanent establishment or fixed base of the transferee or another taxpayer and (ii) the transfer satisfies either the “asset test” or the “formula test.” The representation described in (i) will be included in the affidavit discussed above. See “Description of Certificates—Special Characteristics of Residual Certificates” and “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*” in the REMIC Prospectus.

A transfer satisfies the asset test if (i) the transferee’s gross assets exceed \$100 million and its net assets exceed \$10 million (in each case, at the time of the transfer and at the close of each of the transferee’s two fiscal years preceding the year of transfer), (ii) the transferee is an “eligible

corporation” and the transferee agrees in writing that any subsequent transfer of the Residual Certificate will be to an eligible corporation and will comply with the safe harbor and satisfy the asset test, and (iii) the facts and circumstances known to the transferor do not reasonably indicate that the taxes associated with the Residual Certificate will not be paid. A transfer satisfies the formula test if the present value of the anticipated tax liabilities associated with holding the Residual Certificate is less than or equal to the present value of the sum of (i) any consideration given to the transferee to acquire the Residual Certificate, (ii) expected future distributions on the Residual Certificate, and (iii) anticipated tax savings associated with holding the Residual Certificate as the related REMIC trust generates losses. The Regulations contain additional details regarding their application and you should consult your own tax adviser regarding the application of the Regulations to a transfer of a Residual Certificate.

The Holder of the R Class will be considered to be the holder of the “residual interest” in the REMIC constituted by the Trust, and the Holder of the RL Class will be considered to be the holder of the “residual interest” in the REMIC constituted by the Lower Tier REMIC. See “Certain Federal Income Tax Consequences” in the REMIC Prospectus. Pursuant to the Trust Agreement, we will be obligated to provide to these Holders (i) information necessary to enable them to prepare their federal income tax returns and (ii) any reports regarding the R or RL 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 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 Elections and Special Tax Attributes

We will elect to treat the Lower Tier REMIC and the Trust as REMICs for federal income tax purposes. The REMIC Certificates, other than the R and RL Classes, 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. The Lower Tier Regular Interests will be designated as the “regular interests” and the RL Class will be designated as the “residual interest” in the Lower Tier REMIC.

Because the Lower Tier REMIC and the Trust will qualify as REMICs, the REMIC Certificates and any related RCR 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, except for the R and RL Classes, as “qualified mortgages” for other REMICs. See “Certain Federal Income Tax Consequences—*REMIC Election and Special Tax Attributes*” in the REMIC Prospectus.

Under the Regulations, a REMIC may issue its regular and residual interests over any ten-day period and designate any of those days as the REMIC’s startup day. Fannie Mae intends to designate August 30, 2002 as the startup day for the Trust and the Lower Tier REMIC.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes, the Principal Only Classes and the Accrual Classes will be issued with original issue discount (“OID”), and certain other Classes of REMIC 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 REMIC 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 Assumptions that will be used in determining the rate of accrual of OID will be as follows:

<u>Certificate Group</u>	<u>PSA Prepayment Assumption</u>
2	495%
3	262%
4	525%
5	217%
6	500%
7	262%
8	499%
9	559%

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 or the Group 6 Ginnie Mae Certificates will prepay at any of those rates 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.

Taxation of Beneficial Owners of Residual Certificates

In addition to the Trust MBS, the Group 4 SMBS and the Underlying REMIC Certificates described in this prospectus supplement, the assets of the Lower Tier REMIC include the MBS backing the Group 1 Classes (the “Group 1 MBS”). The Lower Tier REMIC will issue Lower Tier Regular Interests in respect of the Group 1 MBS. Likewise, the assets of the REMIC constituted by the Trust will include the Lower Tier Regular Interests in respect of the Group 1 MBS, and the REMIC constituted by the Trust will issue the Group 1 Classes, in addition to the Group 2, 3, 4, 5, 6, 7, 8 and 9 Classes described in this prospectus supplement. Therefore, in considering the tax consequences of holding a Residual Certificate, you should take into account the Group 1 MBS, Group 1 Classes, and the Lower Tier Regular Interests issued in respect of the Group 1 MBS and the Group 1 Classes. See the Related Prospectus Supplement for a description of the Group 1 MBS and the Group 1 Classes, and see the discussion under “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*” in the REMIC Prospectus for a discussion of certain federal income tax consequences of holding a Residual Certificate.

For purposes of determining the portion of the taxable income of the Trust (or the Lower Tier REMIC) that generally will not be treated as excess inclusions, the rate to be used is 6.42% (which is 120% of the “federal long-term rate”). See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*—Treatment of Excess Inclusions” and “—*Foreign Investors*—Residual Certificates” in the REMIC Prospectus.

Taxation of Beneficial Owners of RCR Certificates

General. The RCR Classes will be created, sold and administered pursuant to an arrangement that will be classified as a grantor trust under subpart E, part I of subchapter J of the Code. The REMIC Certificates that are exchanged for RCR Certificates (including any exchanges effective on the Settlement Date) will be the assets of the trust, and the RCR Certificates will represent an ownership interest in those REMIC Certificates. For a general discussion of the federal income tax treatment of beneficial owners of REMIC Certificates, see “Certain Federal Income Tax Consequences” in the REMIC Prospectus.

The RCR Classes (each, a “Combination RCR Class”) will represent the beneficial ownership of the underlying REMIC Certificates set forth in Schedule 1. Each Certificate of a Combination RCR Class (a “Combination RCR Certificate”) will represent beneficial ownership of undivided interests in two or more underlying REMIC Certificates.

Combination RCR Classes. A beneficial owner of a Combination RCR Certificate will be treated as the beneficial owner of a proportionate interest in the REMIC Certificates underlying that Combination RCR Certificate. Except in the case of a beneficial owner that acquires a Combination RCR Certificate in an exchange described under “—*Exchanges*” below, a beneficial owner of a Combination RCR Certificate must allocate its cost to acquire that Certificate among the underlying REMIC Certificates in proportion to their relative fair market values at the time of acquisition. Such an owner should account for its ownership interest in each underlying REMIC Certificate as described under “—Taxation of Beneficial Owners of Regular Certificates” above and “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*” in the REMIC Prospectus. When a beneficial owner sells a Combination RCR Certificate, the owner must allocate the sale proceeds among the underlying REMIC Certificates in proportion to their relative fair market values at the time of sale.

Exchanges. If a beneficial owner exchanges one or more REMIC Certificates for the related RCR Certificate or Certificates in the manner described under “Description of the Certificates—Combination and Recombination” in this prospectus supplement, the exchange will not be taxable. Likewise, if a beneficial owner exchanges one or more RCR Certificates for the related REMIC Certificate or Certificates in the manner described in that discussion, the exchange will not be a taxable exchange. In each of these cases, the beneficial owner will be treated as continuing to own after the exchange the same combination of interests in the related REMIC Certificates (or the same interest in the related REMIC Certificate) that it owned immediately prior to the exchange.

PLAN OF DISTRIBUTION

General. We are obligated to deliver the Certificates to Credit Suisse First Boston Corporation (the “Dealer”) in exchange for the Trust MBS, the Group 4 SMBS, the Group 6 Ginnie Mae Certificates and 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.

Increase in Certificates. Before the Settlement Date, we and the Dealer may agree to offer Group 2, 3, 4, 5, 6 or 7 Classes in addition to those contemplated as of the date of this prospectus supplement. In this event, we will increase the related Trust MBS, Group 4 SMBS or Group 6 Ginnie Mae Certificates, as applicable, in principal balance, but we expect that all these additional Trust MBS, Group 4 SMBS or Group 6 Ginnie Mae Certificates, as applicable, will have the same characteristics as described under “Description of the Certificates—The Trust MBS,” “—The Group 4 SMBS” and “—The Group 6 Ginnie Mae Certificates” in this prospectus supplement. The proportion that the original principal balance of each Group 2, 3, 4, 5, 6 or 7 Class bears to the aggregate original principal balance of all Group 2, 3, 4, 5, 6 or 7 Classes, respectively, will remain the

same. In addition, the dollar amounts shown in the Principal Balance Schedules will be increased to correspond to the increase of the principal balances of the applicable Classes.

LEGAL MATTERS

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

Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Balance of Class	August 2002 Class Factor	Principal Balance in the Lower Tier REMIC	Approximate Weighted Average WAC (in months)	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)	Underlying Security Type	Class Group
2002-022	G	March 2002	31392CDZ4	6.5%	FIX	April 2032	SEQ	\$114,000,000	1.00000000	\$70,096,295	6.966%	350	7	MBS	8
2002-025	SL	April 2002	31392C5Y6	(2)	INV	May 2032	PAC	15,384,616	0.97396119	14,984,018	7.060	343	13	MBS	9

(1) See “Description of Certificates—Definitions and Abbreviations” in the REMIC Prospectus.

(2) This Class bears interest during its interest accrual periods, subject to the applicable maximum and minimum interest rates, as further described in the related Underlying REMIC Disclosure Document.

Available Recombinations (1)

REMIC Certificates			RCR Certificates					
Classes	Original Principal or Notional Principal Balances	RCR Classes	Original Principal or Notional Principal Balances	Interest Rate	Interest Type (2)	Principal Type (2)	CUSIP Number	Final Distribution Date
Recombination 1	S	SA	\$49,934,084 (4)	(3)	INV	PT	31392ETY6	September 2032
	PO		10,700,161 (5)					
Recombination 2	TS	CS	37,500,000 (4)	(3)	INV/IO	NTL	31392ETZ3	September 2032
	US		12,500,000 (4)					
Recombination 3	XI	UA	10,892,149 (4)	5.50%	FIX	PAC	31392EUC2	March 2011
	WA		59,906,821					
	UI		4,928,093 (4)					
	UL		27,104,516					
Recombination 4	XI	KU	10,892,149 (4)	5.50	FIX	PAC	31392EUD0	March 2009
	WA		59,906,821					
Recombination 5	UI	UM	4,928,093 (4)	5.50	FIX	PAC	31392EUE8	March 2011
	UL		27,104,516					
Recombination 6	WA	UW	59,906,821	4.50	FIX	PAC	31392EUF5	March 2011
	UL		27,104,516					
Recombination 7	YI	UH	7,476,588 (4)	5.50	FIX	PAC	31392EUG3	August 2013
	WH		41,121,236					
Recombination 8	YI	UB	7,476,588 (4)	5.50	FIX	PAC	31392EUH1	September 2015
	WH		41,121,236					
	UJ		42,342,743					
Recombination 9	VA	G (6)	22,014,332	6.50	FIX	SC/PT	31392EUJ7	April 2032
	VB		26,081,963					
	Z		22,000,000					

REMIC Certificates		RCR Certificates						
Classes	Original Principal or Notional Principal Balances	RCR Classes	Original Principal or Notional Principal Balances	Interest Rate	Interest Type(2)	Principal Type(2)	CUSIP Number	Final Distribution Date
Recombination 10								
VA	\$22,014,332	VC	\$48,096,295	6.50%	FIX	SC/SEQ/AD	31392EUK4	April 2032
VB	26,081,963							

- (1) The principal and/or notional principal balances of the REMIC Certificates and RCR Certificates involved in any exchange will bear the same proportionate relationship as that borne by the original principal and/or original notional principal balances of the related Classes.
- (2) See “Description of Certificates—Class Definitions and Abbreviations” in the REMIC Prospectus and “Description of the Certificates—Distributions of Interest” and “—Distributions of Principal”. Same proportionate relationship as that borne by the original balances of the related Classes.
- (3) For a description of these interest rates, see “Description of the Certificates—Distributions of Interest” in this prospectus supplement.
- (4) Notional Principal Balance.
- (5) Principal Only Balance.
- (6) Principal payments on the REMIC Certificates in Recombination 9 from the Z Accrual Amount will be paid as interest on the related RCR Certificates and thus will not reduce the principal balances of those RCR Certificates.

Principal Balance Schedules

WA Class Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance through		March 2004	\$40,652,291.52	January 2005	\$17,918,097.98
May 2003	\$59,906,821.00	April 2004	38,505,363.62	February 2005	15,616,816.17
June 2003	58,176,052.84	May 2004	36,321,991.72	March 2005	13,327,555.04
July 2003	56,399,759.11	June 2004	34,103,194.13	April 2005	11,050,252.75
August 2003	54,578,747.28	July 2004	31,850,006.15	May 2005	8,784,847.76
September 2003	52,713,848.95	August 2004	29,563,479.28	June 2005	6,531,278.85
October 2003	50,805,919.23	September 2004	27,244,680.39	July 2005	4,289,485.11
November 2003	48,855,836.10	October 2004	24,894,690.88	August 2005	2,059,405.95
December 2003	46,864,499.74	November 2004	22,556,972.68	September 2005 and thereafter	0.00
January 2004	44,832,831.84	December 2004	20,231,462.65		
February 2004	42,761,774.90				

UL Class Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance through		January 2006	\$18,187,145.95	July 2006	\$ 5,389,193.41
August 2005	\$27,104,516.00	February 2006	16,026,099.22	August 2006	3,295,074.99
September 2005	26,945,497.10	March 2006	13,876,351.57	September 2006	1,211,911.25
October 2005	24,738,666.58	April 2006	11,737,844.86	October 2006 and thereafter	0.00
November 2005	22,543,370.73	May 2006	9,610,521.24		
December 2005	20,359,550.20	June 2006	7,494,323.17		

WH Class Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance through		May 2007	\$26,055,501.84	January 2008	\$10,447,239.74
September 2006	\$41,121,236.00	June 2007	24,068,428.01	February 2008	8,541,912.87
October 2006	40,260,881.82	July 2007	22,091,758.01	March 2008	6,646,569.16
November 2006	38,199,458.62	August 2007	20,125,438.32	April 2008	4,761,157.25
December 2006	36,148,821.86	September 2007	18,169,415.67	May 2008	2,885,626.01
January 2007	34,108,916.02	October 2007	16,223,637.07	June 2008	1,019,924.61
February 2007	32,079,685.90	November 2007	14,288,049.79	July 2008 and thereafter	0.00
March 2007	30,061,076.55	December 2007	12,362,601.41		
April 2007	28,053,033.32				

UJ Class Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance through		February 2009	\$29,154,724.41	November 2009	\$15,251,770.23
June 2008	\$42,342,743.00	March 2009	27,503,875.71	December 2009	13,833,683.62
July 2008	41,506,745.45	April 2009	25,880,492.06	January 2010	12,439,541.27
August 2008	39,660,552.22	May 2009	24,284,159.19	February 2010	11,068,979.61
September 2008	37,835,869.79	June 2009	22,714,468.81	March 2010	9,721,640.32
October 2008	36,041,267.75	July 2009	21,171,018.50	April 2010	8,397,170.24
November 2008	34,276,294.33	August 2009	19,653,411.61	May 2010	7,095,221.32
December 2008	32,540,504.19	September 2009	18,161,257.21	June 2010	5,815,450.51
January 2009	30,833,458.43	October 2009	16,694,170.00	July 2010	4,557,519.76

UJ Class (Continued)

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
August 2010	\$ 3,321,095.86	October 2010	\$ 911,459.89
September 2010.....	2,105,850.44	November 2010 and thereafter	0.00

UC Class Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance through		December 2012	\$23,907,631.70	February 2015	\$ 8,593,011.76
October 2010	\$47,686,623.00	January 2013	23,169,645.47	March 2015	8,144,081.71
November 2010	47,424,228.26	February 2013	22,445,133.83	April 2015	7,704,030.41
December 2010	46,270,595.24	March 2013	21,733,885.31	May 2015	7,272,714.23
January 2011	45,136,874.06	April 2013	21,035,691.54	June 2015	6,849,991.69
February 2011	44,022,759.42	May 2013	20,350,347.18	July 2015	6,435,723.39
March 2011	42,927,950.50	June 2013	19,677,649.94	August 2015	6,029,772.04
April 2011	41,852,150.78	July 2013	19,017,400.49	September 2015	5,632,002.38
May 2011	40,795,068.08	August 2013	18,369,402.42	October 2015	5,242,281.16
June 2011	39,756,414.46	September 2013	17,733,462.22	November 2015	4,860,477.14
July 2011	38,735,906.14	October 2013	17,109,389.24	December 2015	4,486,461.03
August 2011	37,733,263.49	November 2013	16,496,995.60	January 2016	4,120,105.48
September 2011	36,748,210.92	December 2013	15,896,096.22	February 2016	3,761,285.03
October 2011	35,780,476.86	January 2014	15,306,508.74	March 2016	3,409,876.12
November 2011	34,829,793.70	February 2014	14,728,053.49	April 2016	3,065,757.02
December 2011	33,895,897.70	March 2014	14,160,553.44	May 2016	2,728,807.84
January 2012	32,978,528.98	April 2014	13,603,834.19	June 2016	2,398,910.50
February 2012	32,077,431.45	May 2014	13,057,723.91	July 2016	2,075,948.65
March 2012	31,192,352.73	June 2014	12,522,053.30	August 2016	1,759,807.74
April 2012	30,323,044.14	July 2014	11,996,655.57	September 2016	1,450,374.90
May 2012	29,469,260.62	August 2014	11,481,366.42	October 2016	1,147,538.98
June 2012	28,630,760.69	September 2014	10,976,023.94	November 2016	851,190.51
July 2012	27,807,306.40	October 2014	10,480,468.66	December 2016	561,221.65
August 2012	26,998,663.26	November 2014	9,994,543.45	January 2017	277,526.19
September 2012	26,204,600.24	December 2014	9,518,093.52	February 2017 and thereafter	0.00
October 2012	25,424,889.65	January 2015	9,050,966.36		
November 2012	24,659,307.15				

Group 5 MBS Targeted Balances

<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>
Initial Balance	\$289,473,690.00	September 2003	\$265,258,812.66	October 2004	\$230,665,623.59
September 2002	288,050,971.01	October 2003	262,921,429.04	November 2004	227,749,373.89
October 2002	286,550,920.33	November 2003	260,523,578.95	December 2004	224,860,041.18
November 2002	284,974,473.22	December 2003	258,066,938.45	January 2005	221,997,397.04
December 2002	283,322,629.60	January 2004	255,553,229.05	February 2005	219,161,214.97
January 2003	281,596,453.14	February 2004	252,984,215.76	March 2005	216,351,270.30
February 2003	279,797,070.17	March 2004	250,361,705.00	April 2005	213,567,340.23
March 2003	277,925,668.58	April 2004	247,687,542.46	May 2005	210,809,203.79
April 2003	275,983,496.53	May 2004	244,963,610.89	June 2005	208,076,641.84
May 2003	273,971,861.17	June 2004	242,191,827.90	July 2005	205,369,437.04
June 2003	271,892,127.22	July 2004	239,374,143.65	August 2005	202,687,373.85
July 2003	269,745,715.47	August 2004	236,512,538.48	September 2005	200,030,238.50
August 2003	267,534,101.23	September 2004	233,609,020.59	October 2005	197,397,818.99

Group 5 MBS (Continued)

<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>
November 2005	\$194,789,905.07	September 2009	\$ 98,021,967.26	July 2013	\$ 36,306,815.73
December 2005	192,206,288.21	October 2009	96,357,820.39	August 2013	35,259,899.29
January 2006	189,646,761.62	November 2009	94,709,889.01	September 2013	34,223,829.51
February 2006	187,111,120.20	December 2009	93,078,033.17	October 2013	33,198,511.10
March 2006	184,599,160.57	January 2010	91,462,114.08	November 2013	32,183,849.54
April 2006	182,110,680.99	February 2010	89,861,994.08	December 2013	31,179,751.12
May 2006	179,645,481.42	March 2010	88,277,536.68	January 2014	30,186,122.89
June 2006	177,203,363.44	April 2010	86,708,606.50	February 2014	29,202,872.70
July 2006	174,784,130.31	May 2010	85,155,069.29	March 2014	28,229,909.16
August 2006	172,387,586.87	June 2010	83,616,791.93	April 2014	27,267,141.62
September 2006	170,013,539.59	July 2010	82,093,642.39	May 2014	26,314,480.24
October 2006	167,661,796.55	August 2010	80,585,489.74	June 2014	25,371,835.87
November 2006	165,332,167.41	September 2010	79,092,204.12	July 2014	24,439,120.15
December 2006	163,024,463.38	October 2010	77,613,656.78	August 2014	23,516,245.44
January 2007	160,738,497.26	November 2010	76,149,720.02	September 2014	22,603,124.84
February 2007	158,474,083.39	December 2010	74,700,267.19	October 2014	21,699,672.17
March 2007	156,231,037.62	January 2011	73,265,172.72	November 2014	20,805,801.97
April 2007	154,009,177.34	February 2011	71,844,312.07	December 2014	19,921,429.50
May 2007	151,808,321.47	March 2011	70,437,561.72	January 2015	19,046,470.72
June 2007	149,628,290.39	April 2011	69,044,799.21	February 2015	18,180,842.31
July 2007	147,468,905.98	May 2011	67,665,903.05	March 2015	17,324,461.62
August 2007	145,329,991.60	June 2011	66,300,752.81	April 2015	16,477,246.73
September 2007	143,211,372.06	July 2011	64,949,229.03	May 2015	15,639,116.38
October 2007	141,112,873.62	August 2011	63,611,213.25	June 2015	14,809,989.98
November 2007	139,034,323.98	September 2011	62,286,588.00	July 2015	13,989,787.64
December 2007	136,975,552.27	October 2011	60,975,236.79	August 2015	13,178,430.13
January 2008	134,936,389.03	November 2011	59,677,044.08	September 2015	12,375,838.88
February 2008	132,916,666.19	December 2011	58,391,895.31	October 2015	11,581,935.97
March 2008	130,916,217.08	January 2012	57,119,676.87	November 2015	10,796,644.16
April 2008	128,934,876.41	February 2012	55,860,276.08	December 2015	10,019,886.84
May 2008	126,972,480.26	March 2012	54,613,581.23	January 2016	9,251,588.02
June 2008	125,028,866.07	April 2012	53,379,481.50	February 2016	8,491,672.40
July 2008	123,103,872.61	May 2012	52,157,867.02	March 2016	7,740,065.26
August 2008	121,197,339.99	June 2012	50,948,628.83	April 2016	6,996,692.53
September 2008	119,309,109.66	July 2012	49,751,658.88	May 2016	6,261,480.77
October 2008	117,439,024.36	August 2012	48,566,850.00	June 2016	5,534,357.14
November 2008	115,586,928.14	September 2012	47,394,095.93	July 2016	4,815,249.42
December 2008	113,752,666.36	October 2012	46,233,291.30	August 2016	4,104,085.98
January 2009	111,936,085.63	November 2012	45,084,331.60	September 2016	3,400,795.82
February 2009	110,137,033.85	December 2012	43,947,113.21	October 2016	2,705,308.51
March 2009	108,355,360.18	January 2013	42,821,533.35	November 2016	2,017,554.23
April 2009	106,590,915.02	February 2013	41,707,490.13	December 2016	1,337,463.72
May 2009	104,843,550.01	March 2013	40,604,882.48	January 2017	664,968.34
June 2009	103,113,118.03	April 2013	39,513,610.18	February 2017 and thereafter	0.00
July 2009	101,399,473.18	May 2013	38,433,573.85		
August 2009	99,702,470.76	June 2013	37,364,674.95		

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.

\$822,901,302



**Guaranteed
REMIC Pass-Through
Certificates**

**Fannie Mae REMIC Trust 2002-59
(The Group 2, 3, 4, 5, 6, 7, 8, 9 and
Residual Classes Only)**

PROSPECTUS SUPPLEMENT

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July 23, 2002
