

\$752,027,638



Guaranteed REMIC Pass-Through Certificates Fannie Mae REMIC Trust 2003-123

The Certificates

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

Payments to Certificateholders

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

- interest accrued on the balance of your certificate (except in the case of the accrual classes), and
- principal to the extent available for payment on your class.

We may pay principal at rates that vary from time to time. We may not pay principal to certain classes for long periods of time.

The Fannie Mae Guaranty

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

The Trust and its Assets

The trust will own Fannie Mae MBS.

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

Class	Group	Original Class Balance	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
AB	1	\$204,000,000	SEQ	4.00%	FIX	31393UAA1	October 2016
AY	1	56,748,568	SEQ	4.00	FIX	31393UAB9	December 2018
FA	2	75,392,031	PAC/AD	(1)	FLT	31393UAC7	July 2025
SB	2	75,392,031 (2)	NTL	(1)	INV/IO	31393UAS2	July 2025
BS	2	75,392,031 (2)	NTL	(1)	INV/IO	31393UAT0	July 2025
PD(3)	2	64,621,741	PAC/AD	4.25	FIX	31393UAU7	July 2025
EF	2	63,739,671	SUP/AD	(1)	FLT	31393UAV5	February 2028
ES	2	21,246,557	SUP/AD	(1)	INV	31393UAW3	February 2028
ZU	2	25,000,000	SEQ	6.00	FIX/Z	31393UAX1	December 2033
NF(3)	3	32,475,145	PAC	(1)	FLT	31393UAY9	January 2030
NS(3)	3	32,475,145 (2)	NTL	(1)	INV/IO	31393UAZ6	January 2030
NH(3)	3	21,650,097	PAC	3.75	FIX	31393UBA0	January 2030
NC(3)	3	20,402,841	PAC	6.00	FIX	31393UBB8	June 2033
ND(3)	3	4,059,632	PAC	6.00	FIX	31393UBC6	December 2033
DT	3	17,691,355	TAC/AD	6.00	FIX	31393UBD4	December 2033
ZN	3	20,000,000	SUP	6.00	FIX/Z	31393UBE2	December 2033
YF	4	36,442,530	PAC/AD	(1)	FLT	31393UBF9	March 2024
YS	4	36,442,530 (2)	NTL	(1)	INV/IO	31393UBG7	March 2024
YE(3)	4	31,236,455	PAC/AD	4.25	FIX	31393UBH5	March 2024
MF	4	31,740,761	SUP/AD	(1)	FLT	31393UB J 1	February 2027
MS	4	10,580,254	SUP/AD	(1)	INV	31393UBK8	February 2027
ZY	4	15,000,000	SEQ	6.00	FIX/Z	31393UBL6	December 2033
R		0	NPR	0	NPR	31393UBM4	December 2033
RL		0	NPR	0	NPR	31393UBN2	December 2033

(1) Based on LIBOR.

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

(3) Exchangeable 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 PN, PI, PU, NJ, NG, NK, MK, MI, ML, LI, IY, YG and YH Classes are the RCR classes, as further described in this 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 November 28, 2003.

Carefully consider the risk factors starting on page S-8 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 October 23, 2003

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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 April 1, 2003 (the “MBS Prospectus”); and
- any Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K that we file with the SEC during the period specified in the final paragraph of this page.

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).

In addition, the Disclosure Documents, together with the class factors, are available on our corporate Web site at www.fanniemae.com.

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

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

In the first quarter of 2003, we began filing periodic reports with the SEC under the Securities Exchange Act of 1934. These filings will include Form 10-Ks, Form 10-Qs and Form 8-Ks. Our SEC filings are available at the SEC’s Web site at www.sec.gov. You may also read and copy any document we file with the SEC by visiting the SEC’s Public Reference Room at 450 Fifth Street, NW, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information about the operation of the Public Reference Room. We are providing the address of the SEC’s Web site solely for the information of prospective investors. We do not intend the Internet address to be an active link.

Information contained in any Form 10-K, Form 10-Q and Form 8-K that we file with the SEC prior to the termination of the offering of the certificates is hereby incorporated by reference in this prospectus supplement. In cases where we “furnish” information to the SEC on Form 8-K, as provided under the Securities Exchange Act of 1934, that information is not incorporated by reference in this prospectus supplement.

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>
1	Group 1 MBS
2	Group 2 MBS
3	Group 3 MBS
4	Group 4 MBS

Assumed Characteristics of the Mortgage Loans Underlying the MBS (as of November 1, 2003)

	<u>Approximate Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>Approximate Weighted Average Remaining Term to Maturity (in months)</u>	<u>Approximate Weighted Average Loan Age (in months)</u>	<u>Approximate Weighted Average Coupon</u>
Group 1 MBS	\$260,748,568	180	174	5	4.54%
Group 2 MBS	\$250,000,000	360	351	8	6.44%
Group 3 MBS	\$116,279,070	360	356	3	6.40%
Group 4 MBS	\$125,000,000	360	356	3	6.45%

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

Class Factors

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

Settlement Date

We expect to issue the certificates on November 28, 2003.

Distribution Dates

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

Book-Entry and Physical Certificates

We will issue the book-entry certificates through the U.S. Federal Reserve Banks, which will electronically track ownership of the certificates and payments on them. 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>Physical</u>
All classes of certificates other than the R and RL 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. 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>
FA	1.47%	7.50%	0.35%	LIBOR + 35 basis points
SB	5.98%	7.10%	0.00%	7.1% – LIBOR
BS	0.05%	0.05%	0.00%	7.15% – LIBOR
EF	1.77%	8.00%	0.65%	LIBOR + 65 basis points
ES	18.69%	22.05%	0.00%	22.05% – (3 × LIBOR)
NF	1.52%	7.50%	0.40%	LIBOR + 40 basis points
NS	5.98%	7.10%	0.00%	7.1% – LIBOR
YF	1.52%	7.50%	0.40%	LIBOR + 40 basis points
YS	5.98%	7.10%	0.00%	7.1% – LIBOR
MF	1.77%	8.00%	0.65%	LIBOR + 65 basis points
MS	18.69%	22.05%	0.00%	22.05% – (3 × LIBOR)

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

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>	
SB	100% of the FA Class
BS	100% of the FA Class
PI	8.3333333333% of the PD Class
NS	100% of the NF Class
MI	16.6666666667% of the NC Class
LI	16.6666666667% of the ND Class
YS	100% of the YF Class
IY	8.3333333333% of the YE Class

Distributions of Principal

Group 1 Principal Distribution Amount

To the AB and AY Classes, in that order, to zero.

Group 2 Principal Distribution Amount

ZU Accrual Amount

1. To Aggregate Group I to its Planned Balance.
2. To the EF and ES Classes, pro rata, to zero.
3. To Aggregate Group I to zero.
4. Thereafter to the ZU Class.

Group 2 Cash Flow Distribution Amount

1. To Aggregate Group I to its Planned Balance.
2. To the EF and ES Classes, pro rata, to zero.
3. To Aggregate Group I to zero.
4. To the ZU Class to zero.

For a description of Aggregate Group I, see “Description of the Certificates—Distributions of Principal—*Group 2 Principal Distribution Amount*” in this prospectus supplement.

Group 3 Principal Distribution Amount

ZN Accrual Amount

To the DT Class to its Targeted Balance, and thereafter to the ZN Class.

Group 3 Cash Flow Distribution Amount.

1. To Aggregate Group II to its Planned Balance.
2. To the DT Class to its Targeted Balance.
3. To the ZN Class to zero.
4. To the DT Class to zero.
5. To Aggregate Group II to zero.

For a description of Aggregate Group II, see “Description of the Certificates—Distributions of Principal—*Group 3 Principal Distribution Amount*” in this prospectus supplement.

Group 4 Principal Distribution Amount

ZY Accrual Amount

1. To Aggregate Group III to its Planned Balance.
2. To the MF and MS Classes, pro rata, to zero.
3. To Aggregate Group III to zero.
4. Thereafter to the ZY Class.

Group 4 Cash Flow Distribution Amount

1. To Aggregate Group III to its Planned Balance.
2. To the MF and MS Classes, pro rata, to zero.
3. To Aggregate Group III to zero.
4. To the ZY Class to zero.

For a description of Aggregate Group III, see “Description of the Certificates—Distributions of Principal—*Group 4 Principal Distribution Amount*” in this prospectus supplement.

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) *

<u>Group 1 Classes</u>		<u>PSA Prepayment Assumption</u>						
		<u>0%</u>	<u>100%</u>	<u>156%</u>	<u>250%</u>	<u>350%</u>		
AB		7.3	4.7	4.0	3.2	2.6		
AY		13.9	12.2	11.3	9.8	8.3		
<u>Group 2 Classes</u>		<u>PSA Prepayment Assumption</u>						
		<u>0%</u>	<u>100%</u>	<u>150%</u>	<u>365%</u>	<u>400%</u>	<u>550%</u>	<u>700%</u>
FA, SB, BS, PD, PN, PU and PI	11.8	4.5	3.5	3.5	3.5	2.9	2.4	2.1
EF and ES.....	21.8	12.4	10.1	2.7	2.1	1.3	1.1	0.9
ZU	27.4	21.8	19.3	11.3	10.5	7.9	6.2	5.0
<u>Group 3 Classes</u>		<u>PSA Prepayment Assumption</u>						
		<u>0%</u>	<u>120%</u>	<u>200%</u>	<u>285%</u>	<u>320%</u>	<u>550%</u>	<u>700%</u>
NF, NS, NH, NJ, NG and NK.....	14.3	4.0	4.0	4.0	4.0	2.9	2.5	2.2
NC, MI and MK	23.7	10.5	10.5	10.5	10.5	6.4	5.0	4.2
ND, LI and ML	25.6	18.7	18.7	18.7	18.7	11.4	8.8	7.1
DT.....	5.9	5.8	2.1	2.1	2.1	1.8	1.6	1.4
ZN	28.1	18.7	13.4	6.3	3.4	1.3	1.0	0.8
<u>Group 4 Classes</u>		<u>PSA Prepayment Assumption</u>						
		<u>0%</u>	<u>100%</u>	<u>150%</u>	<u>365%</u>	<u>400%</u>	<u>550%</u>	<u>700%</u>
YF, YS, YE, IY, YG and YH	11.0	4.5	3.6	3.6	3.6	3.1	2.6	2.3
MF and MS	20.8	11.9	9.6	3.0	2.4	1.7	1.3	1.1
ZY	26.9	21.4	18.8	11.0	10.2	7.8	6.2	5.1

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

ADDITIONAL RISK FACTORS

The rate of principal payments on the certificates will be affected by the rate of principal payments on the underlying mortgage loans. The rate at which you receive principal payments on the certificates will be sensitive to the rate of principal payments on the mortgage loans underlying the related MBS, including prepayments. Because borrowers generally may prepay their mortgage loans at any time without penalty, the rate of principal payments on the mortgage loans is likely to vary over time. It is highly unlikely that the mortgage loans will prepay

- at any of the prepayment rates we assumed in this prospectus supplement, or
- at any constant prepayment rate until maturity.

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

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

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

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

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

mortgage loans could affect the weighted average lives of the classes of certificates.

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

Delay classes have lower yields and market values. Since certain classes do not receive interest immediately following each interest accrual period, 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 uncertain. You may be unable to reinvest the payments on the certificates at the same yields provided by the certificates.

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

Some investors may be unable to buy certain classes. Investors whose investment activities are subject to legal investment laws and regulations, or to review by regulatory authorities, may be unable to buy certain certificates. You should obtain legal advice to determine whether you may purchase the certificates.

Uncertain market for the certificates could make them difficult to sell and cause their values to fluctuate. We cannot be sure that a market for resale of the certificates will develop. Further, if a market develops, it may not continue or be sufficiently liquid to allow you to sell your certificates. Even if you are able to sell your certificates, the sale price may not be comparable to similar investments that have a developed market. Moreover, you may not be able to sell small or large amounts of certificates at prices 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 November 1, 2003 (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 consist of four groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS,” “Group 2 MBS,” “Group 3 MBS” and “Group 4 MBS” and, together, the “MBS”).

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

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

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

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

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

Our guarantees are not backed by the full faith and credit of the United States. See “Description of the Certificates—The Fannie Mae Guaranty” in the REMIC Prospectus and “Description of the Certificates—Fannie Mae Guaranty” in the MBS Prospectus.

Characteristics of Certificates. We will issue the Certificates (except 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.” 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. U.S. Bank National Association (“US Bank”) in Boston, Massachusetts 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. US Bank 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 Certificates on the 25th day of each month (or, if the 25th is not a business day, on the first business day after the 25th). We refer to each of these dates as a “Distribution Date.” We will make the first payments to Certificateholders the month after we issue the Certificates.

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

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

Combination and Recombination

General. You are permitted to exchange all or a portion of the PD, NF, NS, NH, NC, ND and YE 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 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 $\frac{1}{32}$ 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.

The MBS

The following table contains certain information about the MBS. The 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 MBS provide that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the MBS are conventional, fixed-rate, fully-amortizing mortgage loans secured by first mortgages or deeds of trust on single-family residential properties. These Mortgage Loans have original maturities of up to 15 years in the case of the Group 1 MBS and up to 30 years in the case of the Group 2, Group 3 and Group 4 MBS. See “The Mortgage Pools” and “Yield, Maturity, and Prepayment

Considerations” in the MBS Prospectus. We expect the characteristics of the MBS and the related Mortgage Loans as of the Issue Date to be as follows:

Group 1 MBS

Aggregate Unpaid Principal Balance	\$260,748,568
MBS Pass-Through Rate	4.00%
Range of WACs (annual percentages)	4.25% to 6.50%
Range of WAMs	121 months to 180 months
Approximate Weighted Average WAM	174 months
Approximate Weighted Average WALA (weighted average loan age)	5 months

Group 2 MBS

Aggregate Unpaid Principal Balance	\$250,000,000
MBS Pass-Through Rate	6.00%
Range of WACs (annual percentages)	6.25% to 8.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	351 months
Approximate Weighted Average WALA	8 months

Group 3 MBS

Aggregate Unpaid Principal Balance	\$116,279,070
MBS Pass-Through Rate	6.00%
Range of WACs (annual percentages)	6.25% to 8.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	356 months
Approximate Weighted Average WALA	3 months

Group 4 MBS

Aggregate Unpaid Principal Balance	\$125,000,000
MBS Pass-Through Rate	6.00%
Range of WACs (annual percentages)	6.25% to 8.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	356 months
Approximate Weighted Average WALA	3 months

Final Data Statement

After issuing the Certificates, we will prepare a Final Data Statement containing certain information, including the Pool number, the current WAC (or original WAC, if the current WAC is not available) and the current WAM (or Adjusted WAM, if the current WAM is not available) of the Mortgage Loans underlying each of the MBS as of the Issue Date. The Final Data Statement also will include the weighted averages of all the current or original WACs and the weighted averages of all the current or Adjusted WAMs, based on the current unpaid principal balances of the Mortgage Loans underlying each of the MBS as of the Issue Date. You may obtain the Final Data Statement by telephoning us at 1-800-237-8627. In addition, the Final Data Statement is available on our corporate Web site at www.fanniemae.com.

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 1 Classes	
Fixed Rate	AB and AY
Group 2 Classes	
Fixed Rate	PD and ZU
Floating Rate	FA and EF
Inverse Floating Rate	SB, BS and ES
Interest Only	SB and BS
Accrual	ZU
RCR**	PN, PI and PU
Group 3 Classes	
Fixed Rate	NH, NC, ND, DT and ZN
Floating Rate	NF
Inverse Floating Rate	NS
Interest Only	NS
Accrual	ZN
RCR**	NJ, NG, NK, MK, MI, ML and LI
Group 4 Classes	
Fixed Rate	YE and ZY
Floating Rate	YF and MF
Inverse Floating Rate	YS and MS
Interest Only	YS
Accrual	ZY
RCR**	IY, YG and YH
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	One-month period beginning on the 25th day of the month preceding the month in which the Distribution Date occurs

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

Accrual Classes. The ZU, ZN and ZY 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.

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 1.12%.

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 1 Classes	
Sequential Pay	AB and AY
Group 2 Classes	
PAC	FA and PD
Support	EF and ES
Sequential Pay	ZU
Notional	SB and BS
Accretion Directed	FA, PD, EF and ES
RCR**	PN, PI and PU
Group 3 Classes	
PAC	NF, NH, NC and ND
TAC	DT
Support	ZN
Notional	NS
Accretion Directed	DT
RCR**	NJ, NG, NK, MK, MI, ML and LI
Group 4 Classes	
PAC	YF and YE
Support	MF and MS
Sequential Pay	ZY
Notional	YS
Accretion Directed	YF, YE, MF and MS
RCR**	IY, YG and YH
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 1 MBS (the “Group 1 Principal Distribution Amount”),
- the principal then paid on the Group 2 MBS (the “Group 2 Cash Flow Distribution Amount”), plus any interest then accrued and added to the principal balance of the ZU Class (the “ZU Accrual Amount” and, together with the Group 2 Cash Flow Distribution Amount, the “Group 2 Principal Distribution Amount”),
- the principal then paid on the Group 3 MBS (the “Group 3 Cash Flow Distribution Amount”), plus any interest then accrued and added to the principal balance of the ZN Class (the “ZN Accrual Amount” and, together with the Group 3 Cash Flow Distribution Amount, the “Group 3 Principal Distribution Amount”), and
- the principal then paid on the Group 4 MBS (the “Group 4 Cash Flow Distribution Amount”), plus any interest then accrued and added to the principal balance of the ZY Class (the “ZY Accrual Amount” and, together with the Group 4 Cash Flow Distribution Amount, the “Group 4 Principal Distribution Amount”).

Group 1 Principal Distribution Amount

On each Distribution Date, we will pay the Group 1 Principal Distribution Amount, sequentially, as principal of the AB and AY Classes, in that order, until their principal balances are reduced to zero. } Sequential Pay Classes

Group 2 Principal Distribution Amount

ZU Accrual Amount

On each Distribution Date, we will pay the ZU Accrual Amount as principal of the Group 2 Classes specified below in the following priority:

- | | | | | |
|---|---|-----------------|--|----------------------|
| (i) to Aggregate Group I (described below), until the Aggregate I Balance (described below) is reduced to its Planned Balance for that Distribution Date; | } | PAC Group | | |
| (ii) concurrently, to the EF and ES Classes, pro rata (or 75% and 25%, respectively), until their principal balances are reduced to zero; | } | Support Classes | | } Accretion Directed |
| (iii) to Aggregate Group I, without regard to its Planned Balance and until the Aggregate I Balance is reduced to zero; and | } | PAC Group | | |
| (iv) thereafter to the ZU Class. | } | Accrual Class | | |

Group 2 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 2 Cash Flow Distribution Amount to the Group 2 Classes in the following priority:

- | | | | | |
|---|---|-----------------|--|------------------------|
| (i) to Aggregate Group I, until the Aggregate I Balance is reduced to its Planned Balance for that Distribution Date; | } | PAC Group | | |
| (ii) concurrently, to the EF and ES Classes, pro rata, until their principal balances are reduced to zero; | } | Support Classes | | } Sequential Pay Class |
| (iii) to Aggregate Group I, without regard to its Planned Balance and until the Aggregate I Balance is reduced to zero; and | } | PAC Group | | |
| (iv) to the ZU Class, until its principal balance is reduced to zero. | } | | | |

“Aggregate Group I” consists of the FA and PD Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group I, concurrently, to the FA and PD Classes, pro rata (or 53.8461537912% and 46.1538462088%, respectively), until their principal balances are reduced to zero.

The “Aggregate I Balance” is equal to the aggregate of the principal balances of the Classes in Aggregate Group I.

Group 3 Principal Distribution Amount

ZN Accrual Amount

On each Distribution Date, we will pay the ZN Accrual Amount as principal of the DT Class, until its principal balance is reduced to its Targeted Balance for that Distribution Date. Thereafter, we will pay the ZN Accrual Amount as principal of the ZN Class. } Accretion Directed/
TAC Class
and
Accrual Class

Group 3 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 3 Cash Flow Distribution Amount to the Group 3 Classes in the following priority:

- (i) to Aggregate Group II (defined below), until the Aggregate II Balance (defined below) is reduced to its Planned Balance for that Distribution Date; } PAC Group
- (ii) to the DT Class, until its principal balance is reduced to its Targeted Balance for that Distribution Date; } TAC Class
- (iii) to the ZN Class, until its principal balance is reduced to zero; } Support Class
- (iv) to the DT Class, without regard to its Targeted Balance and until its principal balance is reduced to zero; and } TAC Class
- (v) to Aggregate Group II, without regard to its Planned Balance and until the Aggregate II Balance is reduced to zero. } PAC Group

“Aggregate Group II” consists of the NF, NH, NC and ND Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group II as follows:

first, concurrently, to the NF and NH Classes, pro rata (or 59.9999996305% and 40.0000003695%, respectively), until their principal balances are reduced to zero; and

second, sequentially, to the NC and ND Classes, in that order, until their principal balances are reduced to zero.

The “Aggregate II Balance” is equal to the aggregate of the principal balances of the Classes in Aggregate Group II.

Group 4 Principal Distribution Amount

ZY Accrual Amount

On each Distribution Date, we will pay the ZY Accrual Amount as principal of the Group 4 Classes specified below in the following priority:

- (i) to Aggregate Group III (defined below), until the Aggregate III Balance (defined below) is reduced to its Planned Balance for that Distribution Date; } PAC Group
 - (ii) concurrently, to the MF and MS Classes, pro rata (or 74.9999994093% and 25.0000005907%, respectively), until their principal balances are reduced to zero; } Support Classes
 - (iii) to Aggregate Group III, without regard to its Planned Balance and until the Aggregate III Balance is reduced to zero; and } PAC Group
- }
- Accretion Directed

(iv) thereafter to the ZY Class.

} Accrual
Class

Group 4 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 4 Cash Flow Distribution Amount to the Group 4 Classes in the following priority:

(i) to Aggregate Group III, until the Aggregate III Balance is reduced to its Planned Balance for that Distribution Date;

} PAC
Group

(ii) concurrently, to the MF and MS Classes, pro rata, until their principal balances are reduced to zero;

} Support
Classes

(iii) to Aggregate Group III, without regard to its Planned Balance and until the Aggregate III Balance is reduced to zero; and

} PAC
Group

(iv) to the ZY Class, until its principal balance is reduced to zero.

} Sequential
Pay Class

“Aggregate Group III” consists of the YF and YE Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group III, concurrently, to the YF and YE Classes, pro rata (or 53.8461532779% and 46.1538467221%, respectively), until their principal balances are reduced to zero.

The “Aggregate III Balance” is equal to the aggregate of the principal balances of the Classes in Aggregate Group III.

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 following assumptions (the “Pricing Assumptions”):

- the Mortgage Loans underlying the MBS 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 MBS” in this prospectus supplement;
- 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 November 28, 2003; and
- each Distribution Date occurs on the 25th day of a month.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used in this prospectus supplement with respect to all Classes and Principal Balances Schedules 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 Ranges 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 Ranges or at the applicable PSA rate set forth below.

<u>Principal Balance Schedule References</u>	<u>Related Groups (1) and Class</u>	<u>Structuring Ranges and Rate</u>
Planned Balances	Aggregate Group I	Between 150% and 400% PSA
Planned Balances	Aggregate Group II	Between 120% and 320% PSA
Targeted Balances	DT Class	200% PSA
Planned Balances	Aggregate Group III	Between 150% and 400% PSA

(1) The Structuring Ranges for the Aggregate Groups are associated with the related Aggregate Balances but not with the individual balances of the related Classes.

We cannot assure you that the balance of any Group or 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 Group or 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 Group or Class to its scheduled balance on a Distribution Date. Accordingly, the ability to reduce a Group or 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 applicable Structuring Ranges, principal distributions may be insufficient to reduce the applicable Groups and Class to their scheduled balances if the prepayments do not occur at a *constant* PSA rate, as applicable. Moreover, because of the diverse remaining terms to maturity of the related Mortgage Loans, which may include recently originated Mortgage Loans, the Groups and Class specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the applicable Structuring Ranges or at the applicable rate specified above.

Initial Effective Ranges. The Effective Range for a Group is the range of prepayment rates (measured by *constant* PSA rates) which would reduce that Group 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>Groups</u>	<u>Initial Effective Ranges</u>
Aggregate Group I	Between 150% and 400% PSA
Aggregate Group II	Between 120% and 320% PSA
Aggregate Group III	Between 150% and 400% 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 Groups 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 Groups 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 Groups will be supported in part by the related TAC and Support Classes. When the related TAC and Support Classes are retired, the PAC Groups, 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 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 SB, BS, ES, NS, YS and MS 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:

<u>Class</u>	<u>Price*</u>
SB	13.00000%
BS	0.09375%
ES	103.06250%
NS	9.75000%
YS	9.75000%
MS	103.62500%

* 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 SB Class to Prepayments and LIBOR (Pre-Tax Yields to Maturity)

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>							
	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>365%</u>	<u>400%</u>	<u>550%</u>	<u>700%</u>	<u>850%</u>
0.12%	49.0%	42.3%	35.0%	35.0%	35.0%	29.0%	19.7%	9.2%
1.12%	39.6%	32.6%	24.8%	24.8%	24.8%	17.9%	7.9%	(3.2)%
3.12%	20.7%	12.5%	3.5%	3.5%	3.5%	(5.6)%	(17.5)%	(29.9)%
5.12%	(0.3)%	(10.7)%	(21.7)%	(21.7)%	(21.7)%	(34.3)%	(48.5)%	(62.4)%
7.10%	*	*	*	*	*	*	*	*

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

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>							
	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>365%</u>	<u>400%</u>	<u>550%</u>	<u>700%</u>	<u>850%</u>
7.100%	48.9%	42.2%	34.9%	34.9%	34.9%	28.9%	19.6%	9.1%
7.125%	15.9%	7.2%	(2.1)%	(2.1)%	(2.1)%	(12.0)%	(24.4)%	(37.1)%
7.150%	*	*	*	*	*	*	*	*

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

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>							
	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>365%</u>	<u>400%</u>	<u>550%</u>	<u>700%</u>	<u>850%</u>
0.12%	21.9%	21.9%	21.8%	20.8%	20.5%	19.6%	18.9%	18.2%
1.12%	18.8%	18.8%	18.7%	17.8%	17.5%	16.6%	16.0%	15.3%
3.12%	12.6%	12.6%	12.5%	11.8%	11.5%	10.8%	10.2%	9.7%
5.12%	6.6%	6.5%	6.5%	5.9%	5.7%	5.1%	4.6%	4.2%
7.12%	0.6%	0.5%	0.5%	0.1%	(0.1)%	(0.6)%	(0.9)%	(1.3)%
7.35%	(0.1)%	(0.1)%	(0.2)%	(0.6)%	(0.8)%	(1.2)%	(1.6)%	(1.9)%

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>							
	<u>50%</u>	<u>120%</u>	<u>200%</u>	<u>285%</u>	<u>320%</u>	<u>550%</u>	<u>700%</u>	<u>850%</u>
0.12%	73.3%	64.8%	64.8%	64.8%	64.8%	58.2%	51.2%	43.7%
1.12%	60.4%	51.2%	51.2%	51.2%	51.2%	43.4%	35.5%	27.4%
3.12%	34.9%	23.8%	23.8%	23.8%	23.8%	12.3%	2.5%	(7.1)%
5.12%	8.5%	(6.6)%	(6.6)%	(6.6)%	(6.6)%	(24.2)%	(36.7)%	(48.0)%
7.10%	*	*	*	*	*	*	*	*

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

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>							
	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>365%</u>	<u>400%</u>	<u>550%</u>	<u>700%</u>	<u>850%</u>
0.12%	72.4%	67.2%	61.6%	61.6%	61.6%	58.4%	52.8%	46.3%
1.12%	59.4%	53.9%	47.9%	47.9%	47.9%	44.0%	37.6%	30.6%
3.12%	33.8%	27.1%	20.0%	20.0%	20.0%	14.1%	5.8%	(2.7)%
5.12%	6.9%	(2.1)%	(11.5)%	(11.5)%	(11.5)%	(20.7)%	(31.6)%	(42.1)%
7.10%	*	*	*	*	*	*	*	*

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

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>							
	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>365%</u>	<u>400%</u>	<u>550%</u>	<u>700%</u>	<u>850%</u>
0.12%	21.8%	21.7%	21.7%	20.7%	20.4%	19.6%	19.1%	18.6%
1.12%	18.7%	18.6%	18.6%	17.6%	17.4%	16.7%	16.1%	15.7%
3.12%	12.5%	12.5%	12.4%	11.6%	11.4%	10.8%	10.3%	9.9%
5.12%	6.5%	6.4%	6.4%	5.7%	5.5%	5.0%	4.6%	4.3%
7.12%	0.5%	0.5%	0.4%	(0.1)%	(0.2)%	(0.7)%	(1.0)%	(1.3)%
7.35%	(0.1)%	(0.2)%	(0.2)%	(0.7)%	(0.9)%	(1.3)%	(1.6)%	(1.9)%

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 yield 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>
PI	703%
MI	833%
LI	1,143%
IY	831%

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>
PI	14.1250%
MI	25.0625%
LI	29.2500%
IY	13.7500%

* 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 PI Class to Prepayments

	<u>PSA Prepayment Assumption</u>							
	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>365%</u>	<u>400%</u>	<u>550%</u>	<u>700%</u>	<u>850%</u>
Pre-Tax Yields to Maturity ..	33.7%	26.4%	18.3%	18.3%	18.3%	10.8%	0.2%	(11.2)%

Sensitivity of the MI Class to Prepayments

	<u>PSA Prepayment Assumption</u>							
	<u>50%</u>	<u>120%</u>	<u>200%</u>	<u>285%</u>	<u>320%</u>	<u>550%</u>	<u>700%</u>	<u>850%</u>
Pre-Tax Yields to Maturity ..	24.0%	21.5%	21.5%	21.5%	21.5%	13.6%	6.8%	(0.9)%

Sensitivity of the LI Class to Prepayments

	<u>PSA Prepayment Assumption</u>							
	<u>50%</u>	<u>120%</u>	<u>200%</u>	<u>285%</u>	<u>320%</u>	<u>550%</u>	<u>700%</u>	<u>850%</u>
Pre-Tax Yields to Maturity ..	20.6%	20.4%	20.4%	20.4%	20.4%	17.8%	14.8%	10.8%

Sensitivity of the IY Class to Prepayments

	<u>PSA Prepayment Assumption</u>							
	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>365%</u>	<u>400%</u>	<u>550%</u>	<u>700%</u>	<u>850%</u>
Pre-Tax Yields to Maturity ..	35.1%	28.4%	21.3%	21.3%	21.3%	15.5%	7.4%	(1.1)%

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by

- multiplying the amount of the reduction, if any, of the principal balance of the Certificate from one Distribution Date to the next Distribution Date by the number of years from the Settlement Date to the second such Distribution Date,
- 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 Classes, and
- in the case of the Group 2, Group 3 and Group 4 Classes the payment of principal of certain Classes in accordance with the Principal Balance Schedules.

See “—Distributions of Principal” above.

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

Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each date shown at various constant PSA rates, and the corresponding weighted average lives of 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 1 MBS	180 months	180 months	6.50%
Group 2 MBS	360 months	360 months	8.50%
Group 3 MBS	360 months	360 months	8.50%
Group 4 MBS	360 months	360 months	8.50%

It is unlikely

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

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

Percent of Original Principal Balances Outstanding

Date	AB Class					AY Class					FA, SB†, BS†, PD, PN, PU and PI† Classes							
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption							
	0%	100%	156%	250%	350%	0%	100%	156%	250%	350%	0%	100%	150%	365%	400%	550%	700%	850%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 2004	95	91	89	87	84	100	100	100	100	100	98	92	89	89	89	89	89	89
November 2005	89	79	75	68	60	100	100	100	100	100	95	79	73	73	73	73	67	52
November 2006	83	67	59	48	38	100	100	100	100	100	92	66	56	56	56	47	29	13
November 2007	77	55	46	33	20	100	100	100	100	100	89	54	40	40	40	23	6	0
November 2008	70	44	34	20	7	100	100	100	100	100	86	42	26	26	26	6	0	0
November 2009	63	34	23	9	0	100	100	100	100	91	82	31	12	12	12	0	0	0
November 2010	55	24	14	*	0	100	100	100	100	65	78	20	1	1	1	0	0	0
November 2011	47	16	6	0	0	100	100	100	76	45	74	10	0	0	0	0	0	0
November 2012	38	8	0	0	0	100	100	94	56	31	70	*	0	0	0	0	0	0
November 2013	29	0	0	0	0	100	100	72	40	20	65	0	0	0	0	0	0	0
November 2014	19	0	0	0	0	100	75	52	27	13	60	0	0	0	0	0	0	0
November 2015	9	0	0	0	0	100	51	34	17	7	54	0	0	0	0	0	0	0
November 2016	0	0	0	0	0	90	30	19	9	4	48	0	0	0	0	0	0	0
November 2017	0	0	0	0	0	46	9	6	3	1	42	0	0	0	0	0	0	0
November 2018	0	0	0	0	0	0	0	0	0	0	35	0	0	0	0	0	0	0
November 2019	0	0	0	0	0	0	0	0	0	0	27	0	0	0	0	0	0	0
November 2020	0	0	0	0	0	0	0	0	0	0	19	0	0	0	0	0	0	0
November 2021	0	0	0	0	0	0	0	0	0	0	11	0	0	0	0	0	0	0
November 2022	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0
November 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	7.3	4.7	4.0	3.2	2.6	13.9	12.2	11.3	9.8	8.3	11.8	4.5	3.5	3.5	3.5	2.9	2.4	2.1

Date	EF and ES Classes								ZU Class							
	PSA Prepayment Assumption								PSA Prepayment Assumption							
	0%	100%	150%	365%	400%	550%	700%	850%	0%	100%	150%	365%	400%	550%	700%	850%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 2004	100	100	100	82	79	66	53	40	106	106	106	106	106	106	106	106
November 2005	100	100	100	54	47	18	0	0	113	113	113	113	113	113	113	113
November 2006	100	100	100	33	23	0	0	0	120	120	120	120	120	120	120	120
November 2007	100	100	100	19	9	0	0	0	127	127	127	127	127	127	127	94
November 2008	100	100	100	12	2	0	0	0	135	135	135	135	135	135	91	45
November 2009	100	100	100	10	0	0	0	0	143	143	143	143	143	110	52	22
November 2010	100	100	98	9	0	0	0	0	152	152	152	152	152	72	30	10
November 2011	100	100	82	0	0	0	0	0	161	161	161	144	118	47	17	5
November 2012	100	100	65	0	0	0	0	0	171	171	171	110	88	31	10	2
November 2013	100	85	49	0	0	0	0	0	182	182	182	84	65	20	5	1
November 2014	100	70	34	0	0	0	0	0	193	193	193	64	48	13	3	1
November 2015	100	55	19	0	0	0	0	0	205	205	205	48	35	9	2	*
November 2016	100	41	6	0	0	0	0	0	218	218	218	36	26	6	1	*
November 2017	100	27	0	0	0	0	0	0	231	231	209	27	19	4	1	*
November 2018	100	13	0	0	0	0	0	0	245	245	183	21	14	2	*	*
November 2019	100	*	0	0	0	0	0	0	261	261	159	15	10	1	*	*
November 2020	100	0	0	0	0	0	0	0	277	234	138	11	7	1	*	*
November 2021	100	0	0	0	0	0	0	0	294	208	118	8	5	1	*	*
November 2022	100	0	0	0	0	0	0	0	312	183	101	6	4	*	*	*
November 2023	85	0	0	0	0	0	0	0	331	160	85	4	3	*	*	*
November 2024	67	0	0	0	0	0	0	0	351	138	71	3	2	*	*	*
November 2025	47	0	0	0	0	0	0	0	373	117	59	2	1	*	*	*
November 2026	26	0	0	0	0	0	0	0	396	98	47	2	1	*	*	*
November 2027	4	0	0	0	0	0	0	0	421	80	37	1	1	*	*	*
November 2028	0	0	0	0	0	0	0	0	375	63	28	1	*	*	*	*
November 2029	0	0	0	0	0	0	0	0	312	46	20	*	*	*	*	*
November 2030	0	0	0	0	0	0	0	0	244	31	13	*	*	*	*	*
November 2031	0	0	0	0	0	0	0	0	169	17	7	*	*	*	*	0
November 2032	0	0	0	0	0	0	0	0	88	3	1	*	*	*	*	0
November 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	21.8	12.4	10.1	2.7	2.1	1.3	1.1	0.9	27.4	21.8	19.3	11.3	10.5	7.9	6.2	5.0

* 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	NF, NS†, NH, NJ, NG and NK Classes								NC, MI† and MK Classes							
	PSA Prepayment Assumption								PSA Prepayment Assumption							
	0%	120%	200%	285%	320%	550%	700%	850%	0%	120%	200%	285%	320%	550%	700%	850%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 2004	98	93	93	93	93	93	93	93	100	100	100	100	100	100	100	100
November 2005	97	79	79	79	79	79	79	66	100	100	100	100	100	100	100	100
November 2006	95	63	63	63	63	50	28	9	100	100	100	100	100	100	100	100
November 2007	93	48	48	48	48	17	0	0	100	100	100	100	100	100	91	49
November 2008	90	34	34	34	34	0	0	0	100	100	100	100	100	90	43	13
November 2009	88	21	21	21	21	0	0	0	100	100	100	100	100	52	16	0
November 2010	85	9	9	9	9	0	0	0	100	100	100	100	100	28	1	0
November 2011	82	0	0	0	0	0	0	0	100	94	94	94	94	11	0	0
November 2012	79	0	0	0	0	0	0	0	100	70	70	70	70	1	0	0
November 2013	76	0	0	0	0	0	0	0	100	51	51	51	51	0	0	0
November 2014	72	0	0	0	0	0	0	0	100	36	36	36	36	0	0	0
November 2015	68	0	0	0	0	0	0	0	100	24	24	24	24	0	0	0
November 2016	63	0	0	0	0	0	0	0	100	14	14	14	14	0	0	0
November 2017	58	0	0	0	0	0	0	0	100	7	7	7	7	0	0	0
November 2018	53	0	0	0	0	0	0	0	100	1	1	1	1	0	0	0
November 2019	47	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0
November 2020	41	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0
November 2021	34	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0
November 2022	27	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0
November 2023	18	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0
November 2024	10	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0
November 2025	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0
November 2026	0	0	0	0	0	0	0	0	72	0	0	0	0	0	0	0
November 2027	0	0	0	0	0	0	0	0	42	0	0	0	0	0	0	0
November 2028	0	0	0	0	0	0	0	0	9	0	0	0	0	0	0	0
November 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	14.3	4.0	4.0	4.0	4.0	2.9	2.5	2.2	23.7	10.5	10.5	10.5	10.5	6.4	5.0	4.2

Date	ND, LI† and ML Classes								DT Class							
	PSA Prepayment Assumption								PSA Prepayment Assumption							
	0%	120%	200%	285%	320%	550%	700%	850%	0%	120%	200%	285%	320%	550%	700%	850%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 2004	100	100	100	100	100	100	100	100	93	93	83	83	83	83	83	83
November 2005	100	100	100	100	100	100	100	100	86	86	55	55	55	55	6	0
November 2006	100	100	100	100	100	100	100	100	78	78	23	23	23	0	0	0
November 2007	100	100	100	100	100	100	100	100	69	69	0	0	0	0	0	0
November 2008	100	100	100	100	100	100	100	100	61	61	0	0	0	0	0	0
November 2009	100	100	100	100	100	100	100	81	51	51	0	0	0	0	0	0
November 2010	100	100	100	100	100	100	100	39	41	41	0	0	0	0	0	0
November 2011	100	100	100	100	100	100	58	19	31	30	0	0	0	0	0	0
November 2012	100	100	100	100	100	100	33	9	19	14	0	0	0	0	0	0
November 2013	100	100	100	100	100	67	19	4	7	0	0	0	0	0	0	0
November 2014	100	100	100	100	100	44	11	2	0	0	0	0	0	0	0	0
November 2015	100	100	100	100	100	28	6	1	0	0	0	0	0	0	0	0
November 2016	100	100	100	100	100	18	3	*	0	0	0	0	0	0	0	0
November 2017	100	100	100	100	100	12	2	*	0	0	0	0	0	0	0	0
November 2018	100	100	100	100	100	8	1	*	0	0	0	0	0	0	0	0
November 2019	100	80	80	80	80	5	1	*	0	0	0	0	0	0	0	0
November 2020	100	62	62	62	62	3	*	*	0	0	0	0	0	0	0	0
November 2021	100	47	47	47	47	2	*	*	0	0	0	0	0	0	0	0
November 2022	100	36	36	36	36	1	*	*	0	0	0	0	0	0	0	0
November 2023	100	27	27	27	27	1	*	*	0	0	0	0	0	0	0	0
November 2024	100	20	20	20	20	*	*	*	0	0	0	0	0	0	0	0
November 2025	100	15	15	15	15	*	*	*	0	0	0	0	0	0	0	0
November 2026	100	11	11	11	11	*	*	*	0	0	0	0	0	0	0	0
November 2027	100	8	8	8	8	*	*	*	0	0	0	0	0	0	0	0
November 2028	100	5	5	5	5	*	*	*	0	0	0	0	0	0	0	0
November 2029	3	3	3	3	3	*	*	*	0	0	0	0	0	0	0	0
November 2030	2	2	2	2	2	*	*	*	0	0	0	0	0	0	0	0
November 2031	1	1	1	1	1	*	*	*	0	0	0	0	0	0	0	0
November 2032	*	*	*	*	*	*	*	0	0	0	0	0	0	0	0	0
November 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	25.6	18.7	18.7	18.7	18.7	11.4	8.8	7.1	5.9	5.8	2.1	2.1	2.1	1.8	1.6	1.4

* 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	ZN Class								YF, YS†, YE, IY†, YG and YH Classes							
	PSA Prepayment Assumption								PSA Prepayment Assumption							
	0%	120%	200%	285%	320%	550%	700%	850%	0%	100%	150%	365%	400%	550%	700%	850%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 2004	106	106	106	97	93	68	51	34	97	93	91	91	91	91	91	91
November 2005	113	113	113	85	73	1	0	0	94	82	76	76	76	76	76	70
November 2006	120	120	120	72	53	0	0	0	91	68	58	58	58	55	36	20
November 2007	127	127	124	63	40	0	0	0	88	55	41	41	41	26	8	0
November 2008	135	135	112	43	18	0	0	0	84	42	26	26	26	6	0	0
November 2009	143	143	103	31	6	0	0	0	80	30	11	11	11	0	0	0
November 2010	152	152	98	25	1	0	0	0	76	18	0	0	0	0	0	0
November 2011	161	161	94	23	*	0	0	0	71	7	0	0	0	0	0	0
November 2012	171	171	89	21	*	0	0	0	66	0	0	0	0	0	0	0
November 2013	182	177	83	19	*	0	0	0	61	0	0	0	0	0	0	0
November 2014	188	169	76	16	*	0	0	0	55	0	0	0	0	0	0	0
November 2015	188	159	69	14	*	0	0	0	49	0	0	0	0	0	0	0
November 2016	188	148	62	12	*	0	0	0	42	0	0	0	0	0	0	0
November 2017	188	136	55	11	*	0	0	0	35	0	0	0	0	0	0	0
November 2018	188	125	48	9	*	0	0	0	27	0	0	0	0	0	0	0
November 2019	188	113	42	8	*	0	0	0	19	0	0	0	0	0	0	0
November 2020	188	102	37	6	*	0	0	0	10	0	0	0	0	0	0	0
November 2021	188	91	31	5	*	0	0	0	*	0	0	0	0	0	0	0
November 2022	188	81	27	4	*	0	0	0	0	0	0	0	0	0	0	0
November 2023	188	71	22	3	*	0	0	0	0	0	0	0	0	0	0	0
November 2024	188	61	18	3	*	0	0	0	0	0	0	0	0	0	0	0
November 2025	188	52	15	2	*	0	0	0	0	0	0	0	0	0	0	0
November 2026	188	44	12	2	*	0	0	0	0	0	0	0	0	0	0	0
November 2027	188	36	9	1	*	0	0	0	0	0	0	0	0	0	0	0
November 2028	188	28	7	1	*	0	0	0	0	0	0	0	0	0	0	0
November 2029	181	21	5	1	*	0	0	0	0	0	0	0	0	0	0	0
November 2030	141	15	3	*	*	0	0	0	0	0	0	0	0	0	0	0
November 2031	98	9	2	*	*	0	0	0	0	0	0	0	0	0	0	0
November 2032	51	3	1	*	*	0	0	0	0	0	0	0	0	0	0	0
November 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.1	18.7	13.4	6.3	3.4	1.3	1.0	0.8	11.0	4.5	3.6	3.6	3.6	3.1	2.6	2.3

Date	MF and MS Classes								ZY Class							
	PSA Prepayment Assumption								PSA Prepayment Assumption							
	0%	100%	150%	365%	400%	550%	700%	850%	0%	100%	150%	365%	400%	550%	700%	850%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 2004	100	100	100	88	86	78	69	61	106	106	106	106	106	106	106	106
November 2005	100	100	100	64	58	35	12	0	113	113	113	113	113	113	113	113
November 2006	100	100	100	39	30	0	0	0	120	120	120	120	120	120	120	120
November 2007	100	100	100	23	13	0	0	0	127	127	127	127	127	127	127	101
November 2008	100	100	100	14	4	0	0	0	135	135	135	135	135	135	92	49
November 2009	100	100	100	10	*	0	0	0	143	143	143	143	143	106	53	24
November 2010	100	100	97	7	0	0	0	0	152	152	152	152	146	69	30	11
November 2011	100	100	77	0	0	0	0	0	161	161	161	131	109	46	17	5
November 2012	100	95	59	0	0	0	0	0	171	171	171	100	81	30	10	3
November 2013	100	78	42	0	0	0	0	0	182	182	182	76	60	20	5	1
November 2014	100	62	26	0	0	0	0	0	193	193	193	58	44	13	3	1
November 2015	100	46	11	0	0	0	0	0	205	205	205	44	33	8	2	*
November 2016	100	31	0	0	0	0	0	0	218	218	207	33	24	5	1	*
November 2017	100	17	0	0	0	0	0	0	231	231	182	25	18	3	1	*
November 2018	100	2	0	0	0	0	0	0	245	245	159	19	13	2	*	*
November 2019	100	0	0	0	0	0	0	0	261	226	139	14	9	1	*	*
November 2020	100	0	0	0	0	0	0	0	277	202	121	11	7	1	*	*
November 2021	100	0	0	0	0	0	0	0	294	180	104	8	5	1	*	*
November 2022	84	0	0	0	0	0	0	0	312	159	89	6	4	*	*	*
November 2023	66	0	0	0	0	0	0	0	331	140	75	4	2	*	*	*
November 2024	46	0	0	0	0	0	0	0	351	121	63	3	2	*	*	*
November 2025	26	0	0	0	0	0	0	0	373	104	53	2	1	*	*	*
November 2026	3	0	0	0	0	0	0	0	396	87	43	1	1	*	*	*
November 2027	0	0	0	0	0	0	0	0	360	72	34	1	1	*	*	*
November 2028	0	0	0	0	0	0	0	0	312	57	26	1	*	*	*	*
November 2029	0	0	0	0	0	0	0	0	260	44	19	*	*	*	*	*
November 2030	0	0	0	0	0	0	0	0	203	31	13	*	*	*	*	*
November 2031	0	0	0	0	0	0	0	0	141	19	8	*	*	*	*	0
November 2032	0	0	0	0	0	0	0	0	73	7	3	*	*	*	*	0
November 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	20.8	11.9	9.6	3.0	2.4	1.7	1.3	1.1	26.9	21.4	18.8	11.0	10.2	7.8	6.2	5.1

* Indicates an outstanding balance greater than 0% and less than 0.5% of the original principal balance.
 ** Determined as specified under “—Weighted Average Lives of the Certificates” above.
 † In the case of a Notional Class, the Decrement Table indicates the percentage of the original notional principal balance outstanding.

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 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 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.

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 advisor 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.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes, the Accrual Classes and the AY Class 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>Group</u>	<u>Prepayment Assumption</u>
1	156% PSA
2	365% PSA
3	285% PSA
4	365% PSA

See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount—*Daily Portions of Original Issue Discount*” in the REMIC Prospectus. No representation is made as to whether the Mortgage Loans underlying the MBS will prepay at 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

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 5.88% (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.

The Treasury Department recently issued proposed regulations providing that, to clearly reflect income, an inducement fee paid to a transferee of a noneconomic residual interest in a REMIC must be included in income over a period that is reasonably related to the period during which the applicable REMIC is expected to generate taxable income or net loss allocable to the transferee. The proposed regulations set forth two safe harbor methods under which a taxpayer’s accounting for the inducement fee will be considered to clearly reflect income for these purposes. The proposed regulations also provide that an inducement fee shall be treated as income from sources within the United States. If finalized as proposed, the regulations would be effective for taxable years ending on or after the publication of the final regulations in the Federal Register. The proposed regulations contain additional details regarding their application and you should consult your own tax advisor regarding the application of the proposed regulations.

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 will represent the beneficial ownership of the underlying REMIC Certificates set forth in Schedule 1. The ownership interest represented by RCR Certificates will be one of two types. A Certificate of a Strip RCR Class (a “Strip RCR Certificate”) will represent the right to receive a disproportionate part of the principal or interest payments on one or more underlying REMIC Certificates. A Certificate of a Combination RCR Class (a “Combination RCR Certificate”) will represent beneficial ownership of undivided interest in two or more underlying REMIC Certificates.

The PN, PI, PU, MK, MI, ML, LI, IY, YG and YH Classes are Strip RCR Classes. The remaining RCR Classes are Combination RCR Classes.

Strip RCR Classes. The tax consequences to a beneficial owner of a Strip RCR Certificate will be determined under section 1286 of the Code, except as discussed below. Under section 1286, a beneficial owner of a Strip RCR Certificate will be treated as owning “stripped bonds” to the extent of its share of principal payments and “stripped coupons” to the extent of its share of interest payments on the underlying REMIC Certificates. If a Strip RCR Certificate entitles the holder to payments of principal and interest on an underlying REMIC Certificate, the IRS could contend that the Strip RCR Certificate should be treated (i) as an interest in the underlying REMIC Certificate to the extent that the Strip RCR Certificate represents an equal pro rata portion of principal and interest on the underlying REMIC Certificate, and (ii) with respect to the remainder, as an installment obligation consisting of “stripped bonds” to the extent of its share of principal payments or “stripped coupons” to the extent of its share of interest payments. For purposes of information reporting, however, Fannie Mae intends to treat each Strip RCR Certificate as a single debt instrument, regardless of whether it entitles the holder to payments of principal and interest. You should consult your own tax advisors as to the proper treatment of a Strip RCR Certificate in this regard.

Under section 1286, the beneficial owner of a Strip RCR Certificate must treat the Strip RCR Certificate as a debt instrument originally issued on the date the owner acquires it and as having OID equal to the excess, if any, of its “stated redemption price at maturity” over the price paid by the owner to acquire it. The stated redemption price at maturity for a Strip RCR Certificate is determined in the same manner as described with respect to Regular Certificates under “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount” in the REMIC Prospectus.

If a Strip RCR Certificate has OID, the beneficial owner must include the OID in its ordinary income for federal income tax purposes as the OID accrues, which may be prior to the receipt of the cash attributable to that income. Although the matter is not entirely clear, a beneficial owner should accrue OID using a method similar to that described with respect to the accrual of OID on a Regular Certificate under “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount” in the REMIC Prospectus. A beneficial owner, however, determines its yield to maturity based on its purchase price. For a particular beneficial owner, it is not clear whether the prepayment assumption used for calculating OID would be one determined at the time the Strip RCR Certificate is acquired or would be the original Prepayment Assumption for the underlying REMIC Certificates. For purposes of information reporting, Fannie Mae will use the original yield to maturity of the Strip RCR Certificate, calculated based on the original Prepayment Assumption. You should consult your own tax advisors regarding the proper method for accruing OID on a Strip RCR Certificate.

The rules of section 1286 of the Code also apply if (i) a beneficial owner of REMIC Certificates exchanges them for Strip RCR Certificates, (ii) the beneficial owner sells some, but not all, of the Strip RCR Certificates, and (iii) the combination of retained Strip RCR Certificates cannot be exchanged for the related REMIC Certificates. As of the date of such a sale, the beneficial owner must allocate its basis in the REMIC Certificates between the part of the REMIC Certificates underlying the Strip RCR Certificates sold and the part of the REMIC Certificates underlying the Strip RCR Certificates retained in proportion to their relative fair market values. Section 1286 of the Code treats the beneficial owner as purchasing the Strip RCR Certificates retained for the amount of the basis allocated to the retained Certificates, and the beneficial owner must then accrue any OID with respect to the retained Certificates as described above. Section 1286 does not apply, however, if a beneficial owner exchanges REMIC Certificates for the related RCR Certificates and retains all the RCR Certificates, see “—*Exchanges*” below.

Upon the sale of a Strip RCR Certificate, a beneficial owner will realize gain or loss on the sale in an amount equal to the difference between the amount realized and its adjusted basis in the

Certificate. The owner's adjusted basis generally is equal to the owner's cost of the Certificate (or portion of the cost of REMIC Certificates allocable to the RCR Certificate), increased by income previously included, and reduced (but not below zero) by distributions previously received and by any amortized premium. If the beneficial owner holds the Certificate as a capital asset, any gain or loss realized will be capital gain or loss, except to the extent provided under "Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Sales and Other Dispositions of Regular Certificates" in the REMIC Prospectus.

Although the matter is not free from doubt, if a beneficial owner acquires in one transaction (other than an exchange described under "—Taxation of Beneficial Owners of RCR Certificates—*Exchanges*") a combination of Strip RCR Certificates that may be exchanged for underlying REMIC Certificates, the owner should be treated as owning the underlying REMIC Certificates, in which case section 1286 would not apply. If a beneficial owner acquires such a combination in separate transactions, the law is unclear as to whether the combination should be aggregated or each Strip RCR Certificate should be treated as a separate debt instrument. You should consult your tax advisors regarding the proper treatment of Strip RCR Certificates in this regard. For the treatment of Strip RCR Certificates received in exchange for REMIC Certificates, see "—*Exchanges*" below.

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.

Tax Return Disclosure Requirements

The Treasury Department recently issued Regulations directed at "tax shelters" that could be read to apply to transactions generally not considered to be tax shelters. These Regulations require that taxpayers that participate in a "reportable transaction" disclose such transaction on their tax returns by attaching IRS Form 8886 and retain information related to the transaction. A transaction may be a "reportable transaction" based upon any of several indicia, one or more of which may be present with respect to the Certificates. You should consult your tax advisor concerning any possible disclosure obligation with respect to your investment in the Certificates.

PLAN OF DISTRIBUTION

General. We are obligated to deliver the Certificates to Credit Suisse First Boston LLC (the “Dealer”) in exchange for the MBS. The Dealer proposes to offer the Certificates directly to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. The Dealer may effect these transactions to or through other dealers.

Increase in Certificates. Before the Settlement Date, we and the Dealer may agree to offer Group 1, 2, 3 or 4 Classes in addition to those contemplated as of the date of this prospectus supplement. In this event, we will increase the related MBS in principal balance, but we expect that all these additional MBS will have the same characteristics as described under “Description of the Certificates—The MBS” in this prospectus supplement. The proportion that the original principal balance of each Group 1, 2, 3 or 4 Class bears to the aggregate original principal balance of all Group 1, 2, 3 or 4 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.

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								
PD	\$64,621,741	PN PI	\$64,621,741 5,385,145 (3)	3.75% 6.00	FIX FIX/IO	PAC/AD NTL	31393UBP7 31393UBR3	July 2025 July 2025
Recombination 2								
PD	64,621,741	PU PI	64,621,741 2,692,572 (3)	4.00 6.00	FIX FIX/IO	PAC/AD NTL	31393UBQ5 31393UBR3	July 2025 July 2025
Recombination 3								
NH NF NS	21,650,097 1,546,435 1,546,435 (3)	NJ	23,196,532	4.00	FIX	PAC	31393UBS1	January 2030
Recombination 4								
NH NF NS	21,650,097 3,330,784 3,330,784 (3)	NG	24,980,881	4.25	FIX	PAC	31393UBT9	January 2030
Recombination 5								
NH NF NS	21,650,097 5,412,524 5,412,524 (3)	NK	27,062,621	4.50	FIX	PAC	31393UBU6	January 2030
Recombination 6								
NC	20,402,841	MK MI	20,402,841 3,400,473 (3)	5.00 6.00	FIX FIX/IO	PAC NTL	31393UBW2 31393UBV4	June 2033 June 2033
Recombination 7								
ND	4,059,632	ML LI	4,059,632 676,605 (3)	5.00 6.00	FIX FIX/IO	PAC NTL	31393UBY8 31393UBX0	December 2033 December 2033
Recombination 8								
YE	31,236,455	IY YG	2,603,038 (3) 31,236,455	6.00 3.75	FIX/IO FIX	NTL PAC/AD	31393UBZ5 31393UCA9	March 2024 March 2024
Recombination 9								
YE	31,236,455	IY YH	1,301,518 (3) 31,236,455	6.00 4.00	FIX/IO FIX	NTL PAC/AD	31393UBZ5 31393UCB7	March 2024 March 2024

(1) REMIC Certificates and RCR Certificates in any recombination may be exchanged only in the proportions shown above.

(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” in this prospectus supplement.

(3) Notional principal balance.

Principal Balance Schedules

Aggregate Group I 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	\$140,013,772.00	May 2006	\$ 89,501,964.73	October 2008	\$ 37,554,666.85
December 2003	139,077,769.29	June 2006	87,526,595.05	November 2008	35,944,611.05
January 2004	138,078,338.46	July 2006	85,565,420.25	December 2008	34,345,558.88
February 2004	137,015,947.88	August 2006	83,618,318.40	January 2009	32,757,412.05
March 2004	135,891,114.47	September 2006	81,685,168.49	February 2009	31,180,072.99
April 2004	134,704,403.30	October 2006	79,765,850.43	March 2009	29,613,444.86
May 2004	133,456,427.11	November 2006	77,860,244.99	April 2009	28,057,431.51
June 2004	132,147,845.79	December 2006	75,968,233.87	May 2009	26,511,937.49
July 2004	130,779,365.75	January 2007	74,089,699.63	June 2009	24,976,868.07
August 2004	129,351,739.30	February 2007	72,224,525.71	July 2009	23,452,129.18
September 2004	127,865,763.90	March 2007	70,372,596.41	August 2009	21,937,627.46
October 2004	126,322,281.36	April 2007	68,533,796.91	September 2009	20,433,270.21
November 2004	124,722,177.06	May 2007	66,708,013.23	October 2009	18,938,965.40
December 2004	123,066,378.99	June 2007	64,895,132.23	November 2009	17,454,621.69
January 2005	121,355,856.83	July 2007	63,095,041.63	December 2009	15,990,564.92
February 2005	119,591,620.89	August 2007	61,307,629.97	January 2010	14,556,073.70
March 2005	117,774,721.13	September 2007	59,532,786.63	February 2010	13,150,430.43
April 2005	115,906,245.95	October 2007	57,770,401.78	March 2010	11,772,934.05
May 2005	113,987,321.07	November 2007	56,020,366.45	April 2010	10,422,899.62
June 2005	112,019,108.28	December 2007	54,282,572.43	May 2010	9,099,657.99
July 2005	110,002,804.21	January 2008	52,556,912.35	June 2010	7,802,555.41
August 2005	107,939,638.99	February 2008	50,843,279.59	July 2010	6,530,953.16
September 2005	105,830,874.87	March 2008	49,141,568.36	August 2010	5,284,227.26
October 2005	103,737,445.19	April 2008	47,451,673.63	September 2010	4,061,768.07
November 2005	101,659,219.46	May 2008	45,773,491.13	October 2010	2,862,979.98
December 2005	99,596,068.21	June 2008	44,106,917.40	November 2010	1,687,281.09
January 2006	97,547,862.92	July 2008	42,451,849.70	December 2010	534,102.90
February 2006	95,514,476.05	August 2008	40,808,186.06	January 2011 and thereafter	0.00
March 2006	93,495,781.00	September 2008	39,175,825.27		
April 2006	91,491,652.12				

Aggregate Group II 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	\$78,587,715.00	March 2005	\$72,555,619.74	July 2006	\$61,521,968.75
December 2003	78,384,477.58	April 2005	71,989,833.50	August 2006	60,791,864.04
January 2004	78,157,481.45	May 2005	71,403,271.25	September 2006	60,066,395.18
February 2004	77,906,805.64	June 2005	70,796,234.86	October 2006	59,345,533.31
March 2004	77,632,543.86	July 2005	70,169,038.56	November 2006	58,629,249.73
April 2004	77,334,804.52	August 2005	69,522,008.69	December 2006	57,917,515.93
May 2004	77,013,710.65	September 2005	68,855,483.44	January 2007	57,210,303.57
June 2004	76,669,399.82	October 2005	68,169,812.52	February 2007	56,507,584.49
July 2004	76,302,024.11	November 2005	67,465,356.91	March 2007	55,809,330.71
August 2004	75,911,749.96	December 2005	66,742,488.48	April 2007	55,115,514.41
September 2004	75,498,758.09	January 2006	66,001,589.72	May 2007	54,426,107.95
October 2004	75,063,243.38	February 2006	65,243,053.38	June 2007	53,741,083.86
November 2004	74,605,414.72	March 2006	64,489,329.95	July 2007	53,060,414.85
December 2004	74,125,494.85	April 2006	63,740,389.47	August 2007	52,384,073.79
January 2005	73,623,720.22	May 2006	62,996,202.14	September 2007	51,712,033.72
February 2005	73,100,340.77	June 2006	62,256,738.38	October 2007	51,044,267.85

Aggregate Group II (Continued)

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
November 2007	\$50,380,749.55	April 2012	\$20,986,647.55	September 2016	\$ 7,259,990.43
December 2007	49,721,452.37	May 2012	20,578,937.69	October 2016	7,112,422.90
January 2008	49,066,349.99	June 2012	20,178,879.21	November 2016	6,967,697.91
February 2008	48,415,416.31	July 2012	19,786,331.53	December 2016	6,825,762.38
March 2008	47,768,625.33	August 2012	19,401,156.63	January 2017	6,686,564.23
April 2008	47,125,951.27	September 2012	19,023,218.99	February 2017	6,550,052.29
May 2008	46,487,368.45	October 2012	18,652,385.53	March 2017	6,416,176.36
June 2008	45,852,851.41	November 2012	18,288,525.62	April 2017	6,284,887.15
July 2008	45,222,374.80	December 2012	17,931,510.95	May 2017	6,156,136.27
August 2008	44,595,913.45	January 2013	17,581,215.59	June 2017	6,029,876.23
September 2008	43,973,442.35	February 2013	17,237,515.84	July 2017	5,906,060.40
October 2008	43,354,936.63	March 2013	16,900,290.29	August 2017	5,784,643.00
November 2008	42,740,371.58	April 2013	16,569,419.72	September 2017	5,665,579.10
December 2008	42,129,722.66	May 2013	16,244,787.05	October 2017	5,548,824.60
January 2009	41,522,965.46	June 2013	15,926,277.36	November 2017	5,434,336.19
February 2009	40,920,075.73	July 2013	15,613,777.80	December 2017	5,322,071.37
March 2009	40,321,029.36	August 2013	15,307,177.57	January 2018	5,211,988.41
April 2009	39,725,802.42	September 2013	15,006,367.87	February 2018	5,104,046.37
May 2009	39,134,371.10	October 2013	14,711,241.91	March 2018	4,998,205.04
June 2009	38,546,711.75	November 2013	14,421,694.81	April 2018	4,894,424.95
July 2009	37,962,800.85	December 2013	14,137,623.61	May 2018	4,792,667.36
August 2009	37,382,615.06	January 2014	13,858,927.21	June 2018	4,692,894.25
September 2009	36,806,131.15	February 2014	13,585,506.36	July 2018	4,595,068.29
October 2009	36,233,326.06	March 2014	13,317,263.62	August 2018	4,499,152.84
November 2009	35,664,176.85	April 2014	13,054,103.30	September 2018	4,405,111.93
December 2009	35,098,660.74	May 2014	12,795,931.46	October 2018	4,312,910.25
January 2010	34,536,755.10	June 2014	12,542,655.89	November 2018	4,222,513.16
February 2010	33,978,437.40	July 2014	12,294,186.03	December 2018	4,133,886.64
March 2010	33,423,685.30	August 2014	12,050,432.98	January 2019	4,046,997.29
April 2010	32,872,476.57	September 2014	11,811,309.45	February 2019	3,961,812.35
May 2010	32,324,789.12	October 2014	11,576,729.76	March 2019	3,878,299.64
June 2010	31,780,601.00	November 2014	11,346,609.76	April 2019	3,796,427.59
July 2010	31,239,890.39	December 2014	11,120,866.87	May 2019	3,716,165.20
August 2010	30,702,635.63	January 2015	10,899,419.98	June 2019	3,637,482.05
September 2010	30,168,815.17	February 2015	10,682,189.47	July 2019	3,560,348.27
October 2010	29,638,407.60	March 2015	10,469,097.18	August 2019	3,484,734.57
November 2010	29,111,391.65	April 2015	10,260,066.37	September 2019	3,410,612.17
December 2010	28,587,746.16	May 2015	10,055,021.69	October 2019	3,337,952.83
January 2011	28,067,450.14	June 2015	9,853,889.17	November 2019	3,266,728.84
February 2011	27,550,482.69	July 2015	9,656,596.20	December 2019	3,196,912.99
March 2011	27,036,823.06	August 2015	9,463,071.48	January 2020	3,128,478.59
April 2011	26,526,450.64	September 2015	9,273,245.01	February 2020	3,061,399.42
May 2011	26,019,344.92	October 2015	9,087,048.09	March 2020	2,995,649.77
June 2011	25,517,415.16	November 2015	8,904,413.25	April 2020	2,931,204.38
July 2011	25,024,865.16	December 2015	8,725,274.25	May 2020	2,868,038.49
August 2011	24,541,523.06	January 2016	8,549,566.09	June 2020	2,806,127.76
September 2011	24,067,220.10	February 2016	8,377,224.92	July 2020	2,745,448.33
October 2011	23,601,790.59	March 2016	8,208,188.08	August 2020	2,685,976.78
November 2011	23,145,071.80	April 2016	8,042,394.05	September 2020	2,627,690.10
December 2011	22,696,904.00	May 2016	7,879,782.44	October 2020	2,570,565.73
January 2012	22,257,130.31	June 2016	7,720,293.95	November 2020	2,514,581.53
February 2012	21,825,596.71	July 2016	7,563,870.37	December 2020	2,459,715.75
March 2012	21,402,151.96	August 2016	7,410,454.56	January 2021	2,405,947.06

Aggregate Group II (Continued)

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
February 2021	\$ 2,353,254.52	May 2025	\$ 705,849.76	July 2029	\$ 161,051.87
March 2021	2,301,617.58	June 2025	688,014.92	August 2029	155,314.89
April 2021	2,251,016.07	July 2025	670,561.00	September 2029	149,714.82
May 2021	2,201,430.21	August 2025	653,480.46	October 2029	144,248.80
June 2021	2,152,840.55	September 2025	636,765.91	November 2029	138,914.03
July 2021	2,105,228.05	October 2025	620,410.11	December 2029	133,707.78
August 2021	2,058,573.98	November 2025	604,405.94	January 2030	128,627.35
September 2021	2,012,859.99	December 2025	588,746.42	February 2030	123,670.10
October 2021	1,968,068.06	January 2026	573,424.70	March 2030	118,833.44
November 2021	1,924,180.50	February 2026	558,434.07	April 2030	114,114.84
December 2021	1,881,179.96	March 2026	543,767.94	May 2030	109,511.82
January 2022	1,839,049.40	April 2026	529,419.85	June 2030	105,021.94
February 2022	1,797,772.11	May 2026	515,383.45	July 2030	100,642.80
March 2022	1,757,331.68	June 2026	501,652.53	August 2030	96,372.07
April 2022	1,717,712.03	July 2026	488,220.99	September 2030	92,207.45
May 2022	1,678,897.34	August 2026	475,082.84	October 2030	88,146.69
June 2022	1,640,872.13	September 2026	462,232.21	November 2030	84,187.58
July 2022	1,603,621.17	October 2026	449,663.35	December 2030	80,327.96
August 2022	1,567,129.54	November 2026	437,370.61	January 2031	76,565.71
September 2022	1,531,382.59	December 2026	425,348.44	February 2031	72,898.75
October 2022	1,496,365.94	January 2027	413,591.42	March 2031	69,325.05
November 2022	1,462,065.49	February 2027	402,094.21	April 2031	65,842.60
December 2022	1,428,467.39	March 2027	390,851.59	May 2031	62,449.45
January 2023	1,395,558.05	April 2027	379,858.42	June 2031	59,143.69
February 2023	1,363,324.15	May 2027	369,109.68	July 2031	55,923.42
March 2023	1,331,752.61	June 2027	358,600.44	August 2031	52,786.81
April 2023	1,300,830.59	July 2027	348,325.85	September 2031	49,732.05
May 2023	1,270,545.50	August 2027	338,281.18	October 2031	46,757.38
June 2023	1,240,884.97	September 2027	328,461.76	November 2031	43,861.05
July 2023	1,211,836.88	October 2027	318,863.03	December 2031	41,041.36
August 2023	1,183,389.34	November 2027	309,480.51	January 2032	38,296.65
September 2023	1,155,530.65	December 2027	300,309.82	February 2032	35,625.28
October 2023	1,128,249.38	January 2028	291,346.65	March 2032	33,025.66
November 2023	1,101,534.27	February 2028	282,586.76	April 2032	30,496.21
December 2023	1,075,374.29	March 2028	274,026.03	May 2032	28,035.40
January 2024	1,049,758.63	April 2028	265,660.39	June 2032	25,641.71
February 2024	1,024,676.65	May 2028	257,485.85	July 2032	23,313.68
March 2024	1,000,117.95	June 2028	249,498.51	August 2032	21,049.86
April 2024	976,072.30	July 2028	241,694.53	September 2032	18,848.83
May 2024	952,529.66	August 2028	234,070.17	October 2032	16,709.19
June 2024	929,480.20	September 2028	226,621.73	November 2032	14,629.60
July 2024	906,914.25	October 2028	219,345.60	December 2032	12,608.71
August 2024	884,822.35	November 2028	212,238.23	January 2033	10,645.21
September 2024	863,195.20	December 2028	205,296.16	February 2033	8,737.84
October 2024	842,023.67	January 2029	198,515.98	March 2033	6,885.32
November 2024	821,298.82	February 2029	191,894.34	April 2033	5,086.44
December 2024	801,011.87	March 2029	185,427.97	May 2033	3,339.99
January 2025	781,154.20	April 2029	179,113.66	June 2033	1,644.79
February 2025	761,717.37	May 2029	172,948.25	July 2033 and thereafter	0.00
March 2025	742,693.09	June 2029	166,928.67		
April 2025	724,073.21				

DT Class 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	\$17,691,355.00	April 2005	\$12,841,590.12	August 2006	\$ 5,447,032.96
December 2003	17,528,661.92	May 2005	12,431,380.97	September 2006	4,999,266.78
January 2004	17,349,864.68	June 2005	12,009,566.75	October 2006	4,558,038.05
February 2004	17,155,030.77	July 2005	11,576,613.01	November 2006	4,123,245.24
March 2004	16,944,253.36	August 2005	11,133,003.63	December 2006	3,694,788.00
April 2004	16,717,651.19	September 2005	10,679,239.90	January 2007	3,272,567.15
May 2004	16,475,368.59	October 2005	10,215,839.60	February 2007	2,856,484.62
June 2004	16,217,575.34	November 2005	9,743,336.11	March 2007	2,446,443.50
July 2004	15,944,466.46	December 2005	9,262,277.37	April 2007	2,042,348.00
August 2004	15,656,262.04	January 2006	8,773,224.88	May 2007	1,644,103.42
September 2004	15,353,206.92	February 2006	8,276,752.68	June 2007	1,251,616.16
October 2004	15,035,570.37	March 2006	7,787,562.53	July 2007	864,793.69
November 2004	14,703,645.72	April 2006	7,305,544.33	August 2007	483,544.56
December 2004	14,357,749.87	May 2006	6,830,589.25	September 2007	107,778.37
January 2005	13,998,222.86	June 2006	6,362,589.68	October 2007 and thereafter	0.00
February 2005	13,625,427.29	July 2006	5,901,439.30		
March 2005	13,239,747.75				

Aggregate Group III 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	\$67,678,985.00	April 2006	\$46,447,070.38	August 2008	\$20,001,054.31
December 2003	67,361,401.85	May 2006	45,411,195.86	September 2008	19,146,895.88
January 2004	67,011,626.86	June 2006	44,382,614.68	October 2008	18,298,421.60
February 2004	66,629,768.95	July 2006	43,361,263.44	November 2008	17,455,579.89
March 2004	66,215,961.56	August 2006	42,347,079.23	December 2008	16,618,319.56
April 2004	65,770,362.60	September 2006	41,339,999.58	January 2009	15,786,589.76
May 2004	65,293,154.40	October 2006	40,339,962.51	February 2009	14,960,340.03
June 2004	64,784,543.56	November 2006	39,346,906.47	March 2009	14,139,520.26
July 2004	64,244,760.85	December 2006	38,360,770.39	April 2009	13,324,080.72
August 2004	63,674,061.01	January 2007	37,381,493.64	May 2009	12,513,972.01
September 2004	63,072,722.57	February 2007	36,409,016.04	June 2009	11,709,145.11
October 2004	62,441,047.58	March 2007	35,443,277.85	July 2009	10,909,551.35
November 2004	61,779,361.40	April 2007	34,484,219.79	August 2009	10,115,142.39
December 2004	61,088,012.36	May 2007	33,531,782.98	September 2009	9,325,870.27
January 2005	60,367,371.45	June 2007	32,585,909.01	October 2009	8,541,687.33
February 2005	59,617,831.96	July 2007	31,646,539.87	November 2009	7,762,546.29
March 2005	58,839,809.10	August 2007	30,713,618.01	December 2009	6,988,400.19
April 2005	58,033,739.58	September 2007	29,787,086.26	January 2010	6,219,202.40
May 2005	57,200,081.15	October 2007	28,866,887.92	February 2010	5,454,906.64
June 2005	56,339,312.19	November 2007	27,952,966.66	March 2010	4,695,466.95
July 2005	55,451,931.10	December 2007	27,045,266.58	April 2010	3,944,165.08
August 2005	54,538,455.90	January 2008	26,143,732.20	May 2010	3,207,521.12
September 2005	53,599,423.57	February 2008	25,248,308.44	June 2010	2,485,176.45
October 2005	52,635,389.54	March 2008	24,358,940.60	July 2010	1,776,780.68
November 2005	51,646,927.05	April 2008	23,475,574.42	August 2010	1,081,991.48
December 2005	50,634,626.55	May 2008	22,598,156.00	September 2010	400,474.40
January 2006	49,599,095.04	June 2008	21,726,631.84	October 2010 and thereafter	0.00
February 2006	48,540,955.38	July 2008	20,860,948.85		
March 2006	47,490,302.11				

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.

\$752,027,638



**Guaranteed
REMIC Pass-Through
Certificates**

Fannie Mae REMIC Trust 2003-123

PROSPECTUS SUPPLEMENT

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October 23, 2003
