

\$655,000,000



**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2004-75**

This is a supplement to the prospectus supplement dated August 23, 2004 (the "Prospectus Supplement"). If we use a capitalized term in this supplement without defining it, you will find the definition of that term in the Prospectus Supplement.

In addition to the Classes of REMIC Certificates listed in the Prospectus Supplement, the Classes of REMIC Certificates will include the FB and SB Classes (the "Group 4 Classes"). Furthermore, the assets of the Lower Tier REMIC will include one group of previously issued RCR and REMIC certificates (the "Group 4 Underlying REMIC Certificates").

The Group 4 Classes are offered by a separate prospectus supplement for Fannie Mae Guaranteed REMIC Pass-Through Certificates, Fannie Mae REMIC Trust 2004-75 (Group 4 Classes Only), dated August 23, 2004 (the "Related Prospectus Supplement"). For additional information about the Group 4 Classes and the Group 4 Underlying REMIC Certificates, please refer to the Related Prospectus Supplement.

In particular, if you are purchasing the R or RL Class, you should also read and understand the following documents (which are to be considered additional "Disclosure Documents"):

- the Related Prospectus Supplement; and
- the disclosure document relating to the Group 4 Underlying REMIC Certificates (the "Underlying Disclosure Document").

In addition, the following paragraph is hereby added to the section entitled "Certain Additional Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates" in the Prospectus Supplement:

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

Carefully consider the risk factors starting on page S-9 of the Prospectus Supplement and on page 10 of the REMIC Prospectus. Unless you understand and are able to tolerate these risks, you should not invest in the certificates.

The certificates, together with any 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.

MORGAN STANLEY

The date of this supplement is September 28, 2004

\$655,000,000



FannieMae®

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2004-75**

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
MA	1	\$177,832,913	SCH	5.50%	FIX	31394AU53	October 2034
CE	1	8,571,000	SCH	5.50	FIX	31394AU61	September 2034
CG	1	847,000	SCH	5.50	FIX	31394AU79	September 2034
CH	1	1,530,000	SCH	5.50	FIX	31394AU87	October 2034
CA	1	4,397,000	SUP	5.50	FIX	31394AU95	February 2034
CK	1	7,000,000	TAC	5.50	FIX	31394AV29	February 2034
CL	1	3,000,000	SUP	5.50	FIX	31394AV37	February 2034
CF	1	5,500,000	SUP	(1)	FLT	31394AV45	February 2034
CS	1	3,300,000	SUP	(1)	INV	31394AV52	February 2034
CB	1	1,756,000	SUP	5.50	FIX	31394AV60	April 2034
CD	1	5,656,544	SUP	5.50	FIX	31394AV78	October 2034
FC	1	14,509,000	TAC/AD	(1)	FLT	31394AV86	October 2034
SC	1	3,783,882	TAC/AD	(1)	INV	31394AV94	October 2034
SD	1	2,811,118	TAC/AD	(1)	INV	31394AW28	October 2034
CZ	1	5,000	TAC/AD	5.50	FIX/Z	31394AW36	October 2034
ZC	1	9,500,543	SUP	5.50	FIX/Z	31394AW44	October 2034
GA	2	108,000,000	SEQ	4.50	FIX	31394AW51	May 2030
GB(2)	2	17,500,000	SEQ/AD	4.50	FIX	31394AW69	November 2030
VK(2)	2	16,300,000	SEQ/AD	4.50	FIX	31394AW77	September 2022
ZG	2	13,200,000	SEQ	4.50	FIX/Z	31394AW85	October 2034
JC(2)	3	128,280,401	SEQ	4.00	FIX	31394AW93	May 2014
JL(2)	3	14,253,377 (3)	NTL	4.50	FIX/IO	31394AX27	May 2014
JE(2)	3	80,454,599	SEQ	4.00	FIX	31394AX35	March 2018
IJ(2)	3	8,939,399 (3)	NTL	4.50	FIX/IO	31394AX43	March 2018
KW	3	41,265,000	SEQ	4.50	FIX	31394AX50	October 2019
R		0	NPR	0	NPR	31394AX68	October 2034
RL		0	NPR	0	NPR	31394AX76	October 2034

(1) Based on LIBOR.

(2) Exchangeable classes.

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

If you own certificates of certain classes, you can exchange them for the corresponding RCR certificates to be issued at the time of the exchange. The VJ, JA, JB, JK, JH, KA, KL, KJ and KI 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 September 30, 2004.

Carefully consider the risk factors starting on page S-9 of this prospectus supplement and on page 10 of the REMIC prospectus. Unless you understand and are able to tolerate these risks, you should not invest in the certificates.

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

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

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

MORGAN STANLEY

The date of this Prospectus Supplement is August 23, 2004.

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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 July 1, 2004 (the “MBS Prospectus”); and
- any information incorporated by reference in this prospectus supplement as discussed below under the heading “Incorporation by Reference.”

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:

Morgan Stanley & Co. Incorporated
c/o ADP Financial Services
Prospectus Department
1155 Long Island Avenue
Edgewood, New York 11717
(telephone 631-254-7106).

INCORPORATION BY REFERENCE

We are incorporating by reference in this prospectus supplement the documents listed below. This means that we are disclosing information to you by referring you to these documents. These documents are considered part of this prospectus supplement, so you should read this prospectus supplement, and any applicable supplements or amendments, together with these documents.

You should rely only on the information provided or incorporated by reference in the REMIC Prospectus, the MBS Prospectus and this prospectus supplement and any applicable supplements or amendments.

We incorporate by reference the following documents we have filed, or may file, with the Securities and Exchange Commission (“SEC”):

- our Annual Report on Form 10-K for the fiscal year ended December 31, 2003 (“Form 10-K”);
- all other reports we have filed pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 since the end of the fiscal year covered by the Form 10-K until the date of this prospectus supplement, excluding any information “furnished” to the SEC on Form 8-K; and
- all proxy statements that we file with the SEC and all documents that we file with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 subsequent to the date of this prospectus supplement and prior to the completion of the offering of the certificates, excluding any information we “furnish” to the SEC on Form 8-K.

Any information incorporated by reference in this prospectus supplement is deemed to be modified or superseded for purposes of this prospectus supplement to the extent information contained or incorporated by reference in this prospectus supplement modifies or supersedes such information. In such case, the information will constitute a part of this prospectus supplement only as so modified or superseded.

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You can obtain copies of the periodic reports we file with the SEC without charge by calling or writing our Office of Investor Relations, Fannie Mae, 3900 Wisconsin Avenue, NW, Washington, DC 20016, telephone: (202) 752-7115. The periodic and current reports that we file with the SEC are also available on our Web site. Information appearing on our Web site is not incorporated in this prospectus supplement except as specifically stated in this prospectus supplement.

In addition, you may read our SEC filings and other information about Fannie Mae at the offices of the New York Stock Exchange, the Chicago Stock Exchange and the Pacific Exchange. Our SEC filings are also available at the SEC's Web site at www.sec.gov. You also may read and copy any document we file with the SEC by visiting the SEC's Public Reference Room at 450 Fifth Street, NW, Washington, DC 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 internet site solely for the information of prospective investors. Information appearing on the SEC's Web site is not incorporated in this prospectus supplement except as specifically stated 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

Assumed Characteristics of the Mortgage Loans Underlying the MBS (as of September 1, 2004)

	<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	\$250,000,000	360	342	16	5.92%
Group 2 MBS	\$155,000,000	360	346	13	5.10%
Group 3 MBS	\$250,000,000	180	160	18	5.01%

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 September 30, 2004.

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>
CF	3.10000%	7.00000%	1.50%	LIBOR + 150 basis points
CS	9.49999%	12.16666%	3.00%	12.16666% - (1.6666667 × LIBOR)
FC	2.05000%	8.00000%	0.45%	LIBOR + 45 basis points
SC	16.87145%	23.00653%	0.00%	23.00653% - (3.83442216 × LIBOR)
SD	8.00000%	8.00000%	0.00%	38.96774% - (5.16129032 × 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>	
JJ	11.111111111% of the JC Class
IJ	11.111111111% of the JE Class
KI	11.111111111% of JC and JE Classes

Distributions of Principal

Group 1 Principal Distribution Amount

CZ Accrual Amount

To the FC, SC and SD Classes, pro rata, to zero, and thereafter to the CZ Class.

ZC Accrual Amount

To Aggregate Group I to its Targeted Balance, and thereafter to the ZC Class.

Group 1 Cash Flow Distribution Amount

1. To the MA Class to its Scheduled Balance.
2. To Aggregate Group II to its Scheduled Balance.
3. (a) 50.0000008167% of the remaining amount as follows:
 - first*, (x) 43.1090227185% as follows:
 - first*, to the CK Class to its Targeted Balance;
 - second*, to the CL Class to zero; and
 - third*, to the CK Class to zero, and
 - (y) 56.8909772815% to the CA, CF and CS Classes, pro rata, to zero;
- and
 - second*, to the CB and CD Classes, in that order, to zero, and
- (b) 49.9999991833% of such remaining amount as follows:
 - first*, to Aggregate Group I to its Targeted Balance;
 - second*, to the ZC Class to zero; and
 - third*, to Aggregate Group I to zero.
4. To Aggregate Group II to zero.
5. To the MA Class to zero.

For a description of Aggregate Groups I and II, see “Description of the Certificates—Distributions of Principal—*Group 1 Principal Distribution Amount*” in this prospectus supplement.

Group 2 Principal Distribution Amount

ZG Accrual Amount

To the VK and GB Classes, in that order, to zero, and thereafter to the ZG Class.

Group 2 Cash Flow Distribution Amount

To the GA, GB, VK and ZG Classes, in that order, to zero.

Group 3 Principal Distribution Amount

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

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

Weighted Average Lives (years) *

Group 1 Classes	PSA Prepayment Assumption									
	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%
MA	17.4	6.9	6.9	6.9	6.9	6.9	6.9	6.9	4.7	3.2
CE	26.4	10.6	2.9	2.9	2.9	2.9	2.9	2.8	1.7	1.1
CG	26.7	12.3	8.0	8.0	8.0	8.0	6.3	6.0	2.2	1.2
CH	26.8	12.6	9.4	9.4	9.4	9.4	7.0	6.4	2.2	1.3
CA, CF and CS	28.1	18.4	16.5	12.1	5.7	3.0	1.6	1.5	0.8	0.5
CK	27.8	16.7	14.6	9.2	2.6	2.6	1.9	1.8	1.0	0.6
CL	29.0	22.3	21.0	18.7	12.7	3.8	0.9	0.8	0.3	0.2
CB	29.4	24.6	23.6	21.9	17.4	12.9	3.5	3.4	1.5	0.9
CD	29.8	26.7	26.3	25.3	22.6	19.7	4.7	4.5	1.7	1.1
FC, SC and SD	12.7	11.2	10.3	7.0	8.2	8.9	2.9	2.8	1.3	0.8
CZ	21.3	16.4	15.2	13.2	17.5	28.4	6.0	5.6	2.0	1.2
ZC	28.5	22.1	21.2	19.9	12.2	1.6	0.8	0.8	0.4	0.2

Group 2 Classes	PSA Prepayment Assumption				
	0%	100%	143%	350%	500%
GA	16.4	6.1	4.7	2.3	1.7
GB	23.2	15.7	12.6	5.9	4.2
VK	10.2	10.2	9.8	6.5	4.9
ZG	28.2	22.7	20.5	12.1	8.8
VJ	16.9	13.0	11.3	6.2	4.5

Group 3 Classes	PSA Prepayment Assumption				
	0%	100%	188%	350%	500%
JC, JI, JA and JB	5.3	2.6	1.9	1.2	0.9
JE, IJ, JK and JH	11.6	7.7	6.0	4.0	3.0
KW	14.2	11.7	10.6	8.3	6.5
KA, KL, KJ and KI	7.7	4.6	3.5	2.3	1.7

* 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.

Terrorist activities and related military and political actions by the U.S. government could cause reductions in investor confidence and substantial market volatility in real estate and securities markets. It is impossible to predict the extent to which terrorist activities may occur or, if they do occur, the extent of the effect on the certificates. Moreover, it is uncertain what effects any past or future terrorist

activities or any related military or political actions on the part of the United States government and others will have on the United States and world financial markets, local, regional and national economies, real estate markets across the United States, or particular business sectors, including those affecting the performance of mortgage loan borrowers. Among other things, reduced investor confidence could result in substantial volatility in securities markets and a decline in real estate-related investments. In addition, defaults on the mortgage loans could increase, causing early payments of principal to you and, regardless of the performance of the underlying mortgage loans, the liquidity and market value of the certificates may be impaired.

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 September 1, 2004 (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 three groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS,” “Group 2 MBS” and “Group 3 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 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. 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 in the following denominations:

<u>Classes</u>	<u>Denomination</u>
The Interest Only and Inverse Floating Rate Classes	\$100,000 minimum plus whole dollar increments
All other Classes (except the R and RL Classes)	\$1,000 minimum plus 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 GB, VK, JC, JI, JE and IJ 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 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 provides 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 30 years in the case of the Group 1 and Group 2 MBS and up to 15 years in the case of the Group 3 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	\$250,000,000
MBS Pass-Through Rate	5.50%
Range of WACs (annual percentages)	5.75% to 8.00%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	342 months
Approximate Weighted Average WALA (weighted average loan age)	16 months

Group 2 MBS

Aggregate Unpaid Principal Balance	\$155,000,000
MBS Pass-Through Rate	4.50%
Range of WACs (annual percentages)	4.75% to 7.00%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	346 months
Approximate Weighted Average WALA	13 months

Group 3 MBS

Aggregate Unpaid Principal Balance	\$250,000,000
MBS Pass-Through Rate	4.50%
Range of WACs (annual percentages)	4.75% to 7.00%
Range of WAMs	121 months to 180 months
Approximate Weighted Average WAM	160 months
Approximate Weighted Average WALA	18 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	MA, CE, CG, CH, CA, CK, CL, CB, CD, CZ and ZC
Floating Rate	CF and FC
Inverse Floating Rate	CS, SC and SD
Accrual	CZ and ZC
Group 2 Classes	
Fixed Rate	GA, GB, VK and ZG
Accrual	ZG
RCR**	VJ
Group 3 Classes	
Fixed Rate	JC, JI, JE, IJ and KW
Interest Only	JI and IJ
RCR**	JA, JB, JK, JH, KA, KL, KJ and KI
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>
The Fixed Rate and the CF and CS Classes (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs
The FC, SC and SD 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 CZ, ZC and ZG 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 1.60%.

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	
Scheduled	MA, CE, CG and CH
TAC	CK, FC, SC, SD and CZ
Support	CA, CL, CF, CS, CB, CD and ZC
Accretion Directed	FC, SC, SD and CZ
Group 2 Classes	
Sequential Pay	GA, GB, VK and ZG
Accretion Directed	GB and VK
RCR**	VJ
Group 3 Classes	
Sequential Pay	JC, JE and KW
Notional	JI and IJ
RCR**	JA, JB, JK, JH, KA, KL, KJ and KI
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 Cash Flow Distribution Amount”) plus any interest then accrued and added to the principal balances of the CZ and ZC Classes (the “CZ Accrual Amount” and “ZC Accrual Amount,” respectively, and together with the Group 1 Cash Flow Distribution Amount, 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 ZG Class (the “ZG Accrual Amount” and, together with the Group 2 Cash Flow Distribution Amount, the “Group 2 Principal Distribution Amount”), and
- the principal then paid on the Group 3 MBS (the “Group 3 Principal Distribution Amount”).

Group 1 Principal Distribution Amount

CZ Accrual Amount

On each Distribution Date, we will pay the CZ Accrual Amount, concurrently, as principal of the FC, SC and SD Classes, pro rata (or 68.7500000000%, 17.9296910538% and 13.3203089462%, respectively), until their principal balances are reduced to zero. Thereafter, we will pay the CZ Accrual Amount as principal of the CZ Class.

}

Accretion Directed Classes and Accrual Class

ZC Accrual Amount

On each Distribution Date, we will pay the ZC Accrual Amount as principal of Aggregate Group I (described below), until the Aggregate I Balance (described below) is reduced to its Targeted Balance. Thereafter, we will pay the ZC Accrual Amount as principal of the ZC Class.

}

Accretion Directed Group and Accrual Class

Group 1 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 1 Cash Flow Distribution Amount as principal of the Group 1 Classes in the following priority:

(i) to the MA Class, until its principal balance is reduced to its Scheduled Balance for that Distribution Date; } Scheduled Class

(ii) to Aggregate Group II (described below), until the Aggregate II Balance is reduced to its Scheduled Balance for that Distribution Date; } Scheduled Group

(iii) (a) 50.0000008167% of the remaining amount as follows:

first, (x) 43.1090227185% as follows:

first, to the CK Class, until its principal balance is reduced to its Targeted Balance for that Distribution Date; } TAC Class

second, to the CL Class, until its principal balance is reduced to zero; and } Support Class

third, to the CK Class, without regard to its Targeted Balance and until its principal balance is reduced to zero, and } TAC Class

(y) 56.8909772815%, concurrently, to the CA, CF and CS Classes, pro rata (or 33.3181783739%, 41.6761385163% and 25.0056831098%, respectively), until their principal balances are reduced to zero; and } Support Classes

second, sequentially, to the CB and CD Classes, in that order, until their principal balances are reduced to zero, and }

(b) 49.9999991833% of such remaining amount as follows:

first, to Aggregate Group I, until the Aggregate I Balance is reduced to its Targeted Balance for that Distribution Date; } TAC Group

second, to the ZC Class, until its principal balance is reduced to zero; and } Support Class

third, to Aggregate Group I, without regard to its Targeted Balance and until the Aggregate I Balance is reduced to zero; } TAC Group

(iv) to Aggregate Group II, without regard to its Scheduled Balance and until the Aggregate II Balance is reduced to zero; and } Scheduled Group

(v) to the MA Class, without regard to its Scheduled Balance and until its principal balance is reduced to zero. } Scheduled Class

“Aggregate Group I” consists of the FC, SC, SD and CZ Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group I as follows:

first, concurrently, to the FC, SC and SD Classes, pro rata, until their principal balances are reduced to zero; and

second, to the CZ Class, until its principal balance is reduced to zero.

The “Aggregate I Balance” is equal to the aggregate of the principal balances of the Classes in Aggregate Group I. For determining principal payments on a Distribution Date, the Aggregate I Balance will include any increase in the principal balance of the CZ Class on that date.

“Aggregate Group II” consists of the CE, CG and CH Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group II, sequentially, to the CE, CG and CH 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 2 Principal Distribution Amount

ZG Accrual Amount

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

Group 2 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 2 Cash Flow Distribution Amount as principal of the Group 2 Classes, sequentially, to the GA, GB, VK and ZG Classes, in that order, until their principal balances are reduced to zero. } Sequential Pay Classes

Group 3 Principal Distribution Amount

On each Distribution Date, we will pay the Group 3 Principal Distribution Amount, sequentially, as principal of the JC, JE and KW Classes, in that order, until their principal balances are reduced to zero. } Sequential Pay Classes

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 September 30, 2004; 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 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 Rates. The Principal Balance Schedules are found beginning on page B-1 of this prospectus supplement. The Principal Balance Schedules have been prepared on the basis of the Pricing Assumptions and the assumption that the related Mortgage Loans will prepay at a

constant PSA rate within the applicable Structuring Range or at the applicable PSA rates set forth below.

<u>Principal Balance Schedule References</u>	<u>Related Classes and Groups (1)</u>	<u>Structuring Ranges and Rates</u>
Scheduled Balances	MA Class	Between 100% and 250% PSA
Scheduled Balances	Aggregate Group II	Between 114% and 200% PSA
Targeted Balances	CK Class	175% PSA
Targeted Balances	Aggregate Group I	135% PSA

(1) The Structuring Range and Rate for the Aggregate Groups are associated with the related Aggregate Balance but not with the individual balances of the related Classes.

We cannot assure you that the balance of any Class or Group listed above will conform on any Distribution Date to the specified balance in the Principal Balance Schedules. As a result, we cannot assure you that payments of principal of any Class or Group listed above will begin or end on the Distribution Dates specified in the Principal Balance Schedules. We will distribute any excess of principal payments over the amount needed to reduce a Class or Group to its scheduled balance on a Distribution Date. Accordingly, the ability to reduce a Class or Group 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 Class and Group to their scheduled balances if the prepayments do not occur at *constant* PSA rates. Moreover, because of the diverse remaining terms to maturity of the related Mortgage Loans, which may include recently originated Mortgage Loans, the Classes and Groups 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 rates specified above.

Initial Effective Ranges. The Effective Range for a Class or Group is the range of prepayment rates (measured by *constant* PSA rates) which would reduce that Class or 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>Class or Group</u>	<u>Initial Effective Ranges</u>
MA Class	Between 100% and 250% PSA
Aggregate Group II	Between 114% and 200% 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 Class or Group might not be reduced to its 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 Class or Group to its 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 Classes specified below will be supported by the corresponding supporting Classes as indicated in the following table:

<u>Classes</u>	<u>Supporting Classes</u>
Group 1	
MA	Aggregate Group II, TAC and Support
Aggregate Group II	TAC and Support

When the supporting Classes are retired, the Classes they support, 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.**

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>
CS	100.0%
SC	98.0%
SD	100.0%

* 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 CS 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>114%</u>	<u>135%</u>	<u>175%</u>	<u>200%</u>	<u>250%</u>	<u>253%</u>	<u>400%</u>	<u>600%</u>
0.6%	11.3%	11.3%	11.3%	11.3%	11.2%	11.1%	10.9%	10.9%	10.4%	9.7%
1.6%	9.6%	9.6%	9.6%	9.6%	9.5%	9.4%	9.2%	9.2%	8.8%	8.3%
3.6%	6.2%	6.2%	6.2%	6.2%	6.1%	6.1%	6.0%	6.0%	5.7%	5.4%
5.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	2.9%	2.9%	2.8%	2.6%

**Sensitivity of the SC 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>114%</u>	<u>135%</u>	<u>175%</u>	<u>200%</u>	<u>250%</u>	<u>253%</u>	<u>400%</u>	<u>600%</u>
0.6%	22.1%	22.1%	22.1%	22.2%	22.2%	22.2%	22.6%	22.6%	23.4%	24.3%
1.6%	17.9%	17.9%	18.0%	18.1%	18.1%	18.1%	18.5%	18.5%	19.4%	20.5%
3.6%	9.8%	9.8%	9.8%	10.0%	9.9%	9.9%	10.5%	10.5%	11.7%	13.0%
5.6%	1.8%	1.8%	1.9%	2.0%	2.0%	1.9%	2.7%	2.7%	4.1%	5.6%
6.0% and above	0.3%	0.3%	0.3%	0.5%	0.4%	0.4%	1.1%	1.2%	2.6%	4.2%

**Sensitivity of the SD 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>114%</u>	<u>135%</u>	<u>175%</u>	<u>200%</u>	<u>250%</u>	<u>253%</u>	<u>400%</u>	<u>600%</u>
6.00% and below ...	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%
6.50%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.6%	5.6%	5.6%	5.7%
7.00%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	3.0%	3.0%	3.2%	3.3%
7.55%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%	0.4%	0.7%

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>
JI	213% PSA
IJ	268% PSA
KI	279% PSA

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 (in each case expressed as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
JI	7.625%
IJ	21.625%
KI	12.000%

* 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 JI Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>188%</u>	<u>350%</u>	<u>500%</u>
Pre-Tax Yields to Maturity ...	36.3%	26.0%	5.9%	(33.4)%	(67.8)%

Sensitivity of the IJ Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>188%</u>	<u>350%</u>	<u>500%</u>
Pre-Tax Yields to Maturity ...	15.2%	12.8%	6.9%	(8.4)%	(26.1)%

Sensitivity of the KI Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>188%</u>	<u>350%</u>	<u>500%</u>
Pre-Tax Yields to Maturity ...	24.0%	19.4%	10.4%	(8.9)%	(29.1)%

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by

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

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

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

- the timing of changes in the rate of principal payments,
- the priority sequences of payments of principal of the Classes, and
- in the case of the Group 1 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	360 months	360 months	8.00%
Group 2 MBS	360 months	360 months	7.00%
Group 3 MBS	180 months	180 months	7.00%

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	MA Class										CE Class									
	PSA Prepayment Assumption										PSA Prepayment Assumption									
	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2005	99	92	92	92	92	92	92	92	92	92	100	100	82	82	82	82	82	82	82	82
September 2006	98	82	82	82	82	82	82	82	82	64	100	100	61	61	61	61	61	61	37	0
September 2007	96	73	73	73	73	73	73	73	64	40	100	100	43	43	43	43	43	43	0	0
September 2008	95	64	64	64	64	64	64	64	48	25	100	100	28	28	28	28	28	28	0	0
September 2009	93	56	56	56	56	56	56	56	35	16	100	100	17	17	17	17	17	17	0	0
September 2010	91	48	48	48	48	48	48	48	26	10	100	100	7	7	7	7	5	0	0	0
September 2011	89	41	41	41	41	41	41	41	20	6	100	100	*	*	*	*	0	0	0	0
September 2012	87	34	34	34	34	34	34	34	15	4	100	100	0	0	0	0	0	0	0	0
September 2013	85	29	29	29	29	29	29	28	11	2	100	92	0	0	0	0	0	0	0	0
September 2014	83	24	24	24	24	24	24	23	8	2	100	72	0	0	0	0	0	0	0	0
September 2015	80	19	19	19	19	19	19	19	6	1	100	42	0	0	0	0	0	0	0	0
September 2016	77	16	16	16	16	16	16	16	4	1	100	5	0	0	0	0	0	0	0	0
September 2017	74	13	13	13	13	13	13	13	3	*	100	0	0	0	0	0	0	0	0	0
September 2018	71	11	11	11	11	11	11	10	2	*	100	0	0	0	0	0	0	0	0	0
September 2019	67	9	9	9	9	9	9	8	2	*	100	0	0	0	0	0	0	0	0	0
September 2020	63	7	7	7	7	7	7	7	1	*	100	0	0	0	0	0	0	0	0	0
September 2021	59	6	6	6	6	6	6	5	1	*	100	0	0	0	0	0	0	0	0	0
September 2022	55	4	4	4	4	4	4	4	1	*	100	0	0	0	0	0	0	0	0	0
September 2023	50	4	4	4	4	4	4	3	*	*	100	0	0	0	0	0	0	0	0	0
September 2024	44	3	3	3	3	3	3	3	*	*	100	0	0	0	0	0	0	0	0	0
September 2025	39	2	2	2	2	2	2	2	*	*	100	0	0	0	0	0	0	0	0	0
September 2026	32	2	2	2	2	2	2	2	*	*	100	0	0	0	0	0	0	0	0	0
September 2027	26	1	1	1	1	1	1	1	*	*	100	0	0	0	0	0	0	0	0	0
September 2028	18	1	1	1	1	1	1	1	*	*	100	0	0	0	0	0	0	0	0	0
September 2029	10	1	1	1	1	1	1	1	*	*	100	0	0	0	0	0	0	0	0	0
September 2030	2	*	*	*	*	*	*	*	*	*	100	0	0	0	0	0	0	0	0	0
September 2031	*	*	*	*	*	*	*	*	*	*	0	0	0	0	0	0	0	0	0	0
September 2032	*	*	*	*	*	*	*	*	*	*	0	0	0	0	0	0	0	0	0	0
September 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	17.4	6.9	6.9	6.9	6.9	6.9	6.9	6.9	4.7	3.2	26.4	10.6	2.9	2.9	2.9	2.9	2.9	2.8	1.7	1.1

* 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.

Date	CG Class										CH Class									
	PSA Prepayment Assumption										PSA Prepayment Assumption									
	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2005	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2006	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2007	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2008	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2009	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2010	100	100	100	100	100	100	100	100	100	29	0	0	0	0	0	0	0	0	0	0
September 2011	100	100	100	100	100	100	0	0	0	0	0	0	0	0	0	0	40	0	0	0
September 2012	100	100	54	54	54	54	0	0	0	0	0	0	0	0	0	0	*	0	0	0
September 2013	100	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	75	75	75	*
September 2014	100	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	2	2	2
September 2015	100	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2016	100	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2017	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2018	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2019	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2020	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2021	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2022	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2023	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2024	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2025	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2026	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2027	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2028	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2029	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2030	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
September 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	*
Weighted Average Life (years)**	26.7	12.3	8.0	8.0	8.0	8.0	6.3	6.0	2.2	1.2	26.8	12.6	9.4	9.4	9.4	9.4	7.0	6.4	2.2	1.3

Date	CA, CF and CS Classes										CK Class									
	PSA Prepayment Assumption										PSA Prepayment Assumption									
	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2005	100	100	100	95	85	79	67	67	31	0	0	0	0	0	0	0	0	0	0	0
September 2006	100	100	100	89	69	57	32	31	0	0	0	0	0	0	0	0	0	0	0	0
September 2007	100	100	100	85	56	39	6	4	0	0	0	0	0	0	0	0	0	0	0	0
September 2008	100	100	100	81	46	26	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2009	100	100	100	78	39	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2010	100	100	100	76	34	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2011	100	100	100	74	30	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2012	100	100	100	73	28	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2013	100	100	100	72	28	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2014	100	100	98	71	27	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2015	100	100	93	66	23	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2016	100	100	86	60	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2017	100	98	79	53	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2018	100	90	71	46	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2019	100	81	63	40	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2020	100	72	55	33	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2021	100	62	46	26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2022	100	53	38	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2023	100	44	30	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2024	100	34	22	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2025	100	26	14	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2026	100	17	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2027	100	8	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2028	100	*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2029	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2030	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2031	93	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2032	55	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2033	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.1	18.4	16.5	12.1	5.7	3.0	1.6	1.5	0.8	0.5	27.8	16.7	14.6	9.2	2.6	2.6	1.9	1.8	1.0	0.6

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

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

Date	CL Class										CB Class									
	PSA Prepayment Assumption										PSA Prepayment Assumption									
	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2005	100	100	100	100	100	80	40	38	0	0	100	100	100	100	100	100	100	100	100	0
September 2006	100	100	100	100	100	59	0	0	0	0	100	100	100	100	100	100	100	100	100	0
September 2007	100	100	100	100	100	43	0	0	0	0	100	100	100	100	100	100	100	100	0	0
September 2008	100	100	100	100	100	32	0	0	0	0	100	100	100	100	100	100	0	0	0	0
September 2009	100	100	100	100	100	25	0	0	0	0	100	100	100	100	100	100	0	0	0	0
September 2010	100	100	100	100	100	21	0	0	0	0	100	100	100	100	100	100	0	0	0	0
September 2011	100	100	100	100	100	19	0	0	0	0	100	100	100	100	100	100	0	0	0	0
September 2012	100	100	100	100	95	15	0	0	0	0	100	100	100	100	100	100	0	0	0	0
September 2013	100	100	100	100	93	14	0	0	0	0	100	100	100	100	100	100	0	0	0	0
September 2014	100	100	100	100	90	14	0	0	0	0	100	100	100	100	100	100	0	0	0	0
September 2015	100	100	100	100	77	5	0	0	0	0	100	100	100	100	100	100	0	0	0	0
September 2016	100	100	100	100	63	0	0	0	0	0	100	100	100	100	100	84	0	0	0	0
September 2017	100	100	100	100	48	0	0	0	0	0	100	100	100	100	100	45	0	0	0	0
September 2018	100	100	100	100	34	0	0	0	0	0	100	100	100	100	100	7	0	0	0	0
September 2019	100	100	100	100	19	0	0	0	0	0	100	100	100	100	100	0	0	0	0	0
September 2020	100	100	100	100	5	0	0	0	0	0	100	100	100	100	100	0	0	0	0	0
September 2021	100	100	100	86	0	0	0	0	0	0	100	100	100	100	67	0	0	0	0	0
September 2022	100	100	100	64	0	0	0	0	0	0	100	100	100	100	16	0	0	0	0	0
September 2023	100	100	99	43	0	0	0	0	0	0	100	100	100	100	0	0	0	0	0	0
September 2024	100	100	73	23	0	0	0	0	0	0	100	100	100	100	0	0	0	0	0	0
September 2025	100	85	48	3	0	0	0	0	0	0	100	100	100	100	0	0	0	0	0	0
September 2026	100	56	24	0	0	0	0	0	0	0	100	100	100	41	0	0	0	0	0	0
September 2027	100	28	*	0	0	0	0	0	0	0	100	100	100	0	0	0	0	0	0	0
September 2028	100	1	0	0	0	0	0	0	0	0	100	100	14	0	0	0	0	0	0	0
September 2029	100	0	0	0	0	0	0	0	0	0	100	2	0	0	0	0	0	0	0	0
September 2030	100	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	0	0
September 2031	100	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	0	0
September 2032	100	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	0	0
September 2033	45	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	0	0
September 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	29.0	22.3	21.0	18.7	12.7	3.8	0.9	0.8	0.3	0.2	29.4	24.6	23.6	21.9	17.4	12.9	3.5	3.4	1.5	0.9

Date	CD Class										FC, SC and SD Classes									
	PSA Prepayment Assumption										PSA Prepayment Assumption									
	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2005	100	100	100	100	100	100	100	100	100	62	97	97	97	92	92	92	92	92	70	17
September 2006	100	100	100	100	100	100	100	100	0	0	95	95	95	83	83	83	71	69	0	0
September 2007	100	100	100	100	100	100	100	100	0	0	92	92	92	75	75	75	42	40	0	0
September 2008	100	100	100	100	100	80	72	0	0	0	89	89	89	68	68	63	22	19	0	0
September 2009	100	100	100	100	100	29	20	0	0	0	86	86	86	61	61	53	8	5	0	0
September 2010	100	100	100	100	100	100	0	0	0	0	82	82	82	56	56	46	0	0	0	0
September 2011	100	100	100	100	100	100	0	0	0	0	79	79	79	50	51	42	0	0	0	0
September 2012	100	100	100	100	100	100	0	0	0	0	75	75	75	46	48	40	0	0	0	0
September 2013	100	100	100	100	100	100	0	0	0	0	71	71	71	41	46	40	0	0	0	0
September 2014	100	100	100	100	100	100	0	0	0	0	67	67	65	35	44	40	0	0	0	0
September 2015	100	100	100	100	100	100	0	0	0	0	63	63	55	25	39	37	0	0	0	0
September 2016	100	100	100	100	100	100	0	0	0	0	58	58	43	14	33	34	0	0	0	0
September 2017	100	100	100	100	100	100	0	0	0	0	53	51	30	2	27	31	0	0	0	0
September 2018	100	100	100	100	100	100	0	0	0	0	48	37	16	0	21	27	0	0	0	0
September 2019	100	100	100	100	100	91	0	0	0	0	42	21	2	0	15	24	0	0	0	0
September 2020	100	100	100	100	100	80	0	0	0	0	37	6	0	0	9	21	0	0	0	0
September 2021	100	100	100	100	100	69	0	0	0	0	31	0	0	0	3	19	0	0	0	0
September 2022	100	100	100	100	100	60	0	0	0	0	24	0	0	0	0	16	0	0	0	0
September 2023	100	100	100	100	90	51	0	0	0	0	17	0	0	0	0	14	0	0	0	0
September 2024	100	100	100	100	77	43	0	0	0	0	10	0	0	0	0	11	0	0	0	0
September 2025	100	100	100	100	64	35	0	0	0	0	2	0	0	0	0	9	0	0	0	0
September 2026	100	100	100	100	52	28	0	0	0	0	0	0	0	0	0	8	0	0	0	0
September 2027	100	100	100	92	42	22	0	0	0	0	0	0	0	0	0	6	0	0	0	0
September 2028	100	100	100	72	32	17	0	0	0	0	0	0	0	0	0	4	0	0	0	0
September 2029	100	100	79	54	23	12	0	0	0	0	0	0	0	0	0	3	0	0	0	0
September 2030	100	70	54	37	16	8	0	0	0	0	0	0	0	0	0	2	0	0	0	0
September 2031	100	41	32	21	9	5	0	0	0	0	0	0	0	0	0	1	0	0	0	0
September 2032	100	13	10	7	3	1	0	0	0	0	0	0	0	0	*	0	0	0	0	0
September 2033	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	29.8	26.7	26.3	25.3	22.6	19.7	4.7	4.5	1.7	1.1	12.7	11.2	10.3	7.0	8.2	8.9	2.9	2.8	1.3	0.8

* 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.

Date	CZ Class										ZC Class									
	PSA Prepayment Assumption										PSA Prepayment Assumption									
	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%	0%	100%	114%	135%	175%	200%	250%	253%	400%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2005	106	106	106	106	106	106	106	106	106	106	106	106	106	106	82	68	38	37	0	0
September 2006	112	112	112	112	112	112	112	112	112	0	0	112	112	112	62	32	0	0	0	0
September 2007	118	118	118	118	118	118	118	118	0	0	118	118	118	118	48	7	0	0	0	0
September 2008	125	125	125	125	125	125	125	125	0	0	125	125	125	125	40	0	0	0	0	0
September 2009	132	132	132	132	132	132	132	132	0	0	132	132	132	132	36	0	0	0	0	0
September 2010	139	139	139	139	139	139	0	0	0	0	139	139	139	139	36	0	0	0	0	0
September 2011	147	147	147	147	147	147	0	0	0	0	147	147	147	147	38	0	0	0	0	0
September 2012	155	155	155	155	155	155	0	0	0	0	155	155	155	155	40	0	0	0	0	0
September 2013	164	164	164	164	164	164	0	0	0	0	164	164	164	164	43	0	0	0	0	0
September 2014	173	173	173	173	173	173	0	0	0	0	173	173	173	173	45	0	0	0	0	0
September 2015	183	183	183	183	183	183	0	0	0	0	183	183	183	183	47	0	0	0	0	0
September 2016	193	193	193	193	193	193	0	0	0	0	193	193	193	193	50	0	0	0	0	0
September 2017	204	204	204	204	204	204	0	0	0	0	204	204	204	204	53	0	0	0	0	0
September 2018	216	216	216	0	216	216	0	0	0	0	216	216	216	191	56	0	0	0	0	0
September 2019	228	228	228	0	228	228	0	0	0	0	228	228	228	175	59	0	0	0	0	0
September 2020	241	241	0	0	241	241	0	0	0	0	241	241	211	158	62	0	0	0	0	0
September 2021	254	0	0	0	254	254	0	0	0	0	254	230	191	141	66	0	0	0	0	0
September 2022	269	0	0	0	0	269	0	0	0	0	269	207	171	125	63	0	0	0	0	0
September 2023	284	0	0	0	0	284	0	0	0	0	284	185	151	109	54	0	0	0	0	0
September 2024	300	0	0	0	0	300	0	0	0	0	300	162	132	95	46	0	0	0	0	0
September 2025	317	0	0	0	0	317	0	0	0	0	317	140	113	80	38	0	0	0	0	0
September 2026	0	0	0	0	0	334	0	0	0	0	322	119	95	67	31	0	0	0	0	0
September 2027	0	0	0	0	0	353	0	0	0	0	322	99	78	55	25	0	0	0	0	0
September 2028	0	0	0	0	0	373	0	0	0	0	322	79	62	43	19	0	0	0	0	0
September 2029	0	0	0	0	0	394	0	0	0	0	322	60	47	32	14	0	0	0	0	0
September 2030	0	0	0	0	0	417	0	0	0	0	322	42	32	22	9	0	0	0	0	0
September 2031	0	0	0	0	0	440	0	0	0	0	306	24	19	13	5	0	0	0	0	0
September 2032	0	0	0	0	0	465	0	0	0	0	213	8	6	4	2	0	0	0	0	0
September 2033	0	0	0	0	0	0	0	0	0	0	111	0	0	0	0	0	0	0	0	0
September 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	21.3	16.4	15.2	13.2	17.5	28.4	6.0	5.6	2.0	1.2	28.5	22.1	21.2	19.9	12.2	1.6	0.8	0.8	0.4	0.2

Date	GA Class					GB Class					VK Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	143%	350%	500%	0%	100%	143%	350%	500%	0%	100%	143%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2005	99	92	90	78	70	100	100	100	100	100	100	100	100	100	100
September 2006	97	82	77	52	36	100	100	100	100	100	100	100	100	100	100
September 2007	95	73	64	31	11	100	100	100	100	100	100	100	100	100	100
September 2008	94	63	53	14	0	100	100	100	100	62	84	84	84	84	84
September 2009	92	55	43	1	0	100	100	100	100	0	80	80	80	80	68
September 2010	90	47	34	0	0	100	100	100	43	0	75	75	75	75	10
September 2011	87	40	26	0	0	100	100	100	0	0	70	70	70	64	0
September 2012	85	33	18	0	0	100	100	100	0	0	65	65	65	19	0
September 2013	82	26	11	0	0	100	100	100	0	0	60	60	60	0	0
September 2014	80	20	5	0	0	100	100	100	0	0	54	54	54	0	0
September 2015	77	14	0	0	0	100	100	96	0	0	48	48	48	0	0
September 2016	74	9	0	0	0	100	100	65	0	0	42	42	42	0	0
September 2017	70	4	0	0	0	100	100	37	0	0	36	36	36	0	0
September 2018	67	0	0	0	0	100	94	11	0	0	29	29	29	0	0
September 2019	63	0	0	0	0	100	67	0	0	0	22	22	10	0	0
September 2020	59	0	0	0	0	100	41	0	0	0	15	15	0	0	0
September 2021	54	0	0	0	0	100	18	0	0	0	7	7	0	0	0
September 2022	49	0	0	0	0	99	0	0	0	0	0	0	0	0	0
September 2023	44	0	0	0	0	91	0	0	0	0	0	0	0	0	0
September 2024	39	0	0	0	0	83	0	0	0	0	0	0	0	0	0
September 2025	33	0	0	0	0	75	0	0	0	0	0	0	0	0	0
September 2026	27	0	0	0	0	66	0	0	0	0	0	0	0	0	0
September 2027	20	0	0	0	0	57	0	0	0	0	0	0	0	0	0
September 2028	12	0	0	0	0	47	0	0	0	0	0	0	0	0	0
September 2029	5	0	0	0	0	37	0	0	0	0	0	0	0	0	0
September 2030	0	0	0	0	0	4	0	0	0	0	0	0	0	0	0
September 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	16.4	6.1	4.7	2.3	1.7	23.2	15.7	12.6	5.9	4.2	10.2	10.2	9.8	6.5	4.9

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

Date	ZG Class					VJ Class					JC, JI†, JA and JB Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	143%	350%	500%	0%	100%	143%	350%	500%	0%	100%	188%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2005	105	105	105	105	105	98	98	98	98	98	92	80	72	58	44
September 2006	109	109	109	109	109	96	96	96	96	96	84	60	45	18	0
September 2007	114	114	114	114	114	94	94	94	94	94	75	41	21	0	0
September 2008	120	120	120	120	120	92	92	92	92	73	66	23	0	0	0
September 2009	125	125	125	125	125	90	90	90	90	33	56	6	0	0	0
September 2010	131	131	131	131	131	88	88	88	58	5	45	0	0	0	0
September 2011	137	137	137	137	98	86	86	86	31	0	34	0	0	0	0
September 2012	143	143	143	143	67	83	83	83	9	0	21	0	0	0	0
September 2013	150	150	150	128	45	81	81	81	0	0	8	0	0	0	0
September 2014	157	157	157	98	31	78	78	78	0	0	0	0	0	0	0
September 2015	164	164	164	75	21	75	75	73	0	0	0	0	0	0	0
September 2016	171	171	171	57	14	72	72	54	0	0	0	0	0	0	0
September 2017	179	179	179	43	10	69	69	36	0	0	0	0	0	0	0
September 2018	188	188	188	33	6	66	63	20	0	0	0	0	0	0	0
September 2019	196	196	196	25	4	62	45	5	0	0	0	0	0	0	0
September 2020	205	205	180	19	3	59	29	0	0	0	0	0	0	0	0
September 2021	215	215	156	14	2	55	13	0	0	0	0	0	0	0	0
September 2022	224	217	133	10	1	51	0	0	0	0	0	0	0	0	0
September 2023	235	190	113	8	1	47	0	0	0	0	0	0	0	0	0
September 2024	246	164	95	5	1	43	0	0	0	0	0	0	0	0	0
September 2025	257	140	79	4	*	39	0	0	0	0	0	0	0	0	0
September 2026	269	118	65	3	*	34	0	0	0	0	0	0	0	0	0
September 2027	281	97	52	2	*	29	0	0	0	0	0	0	0	0	0
September 2028	294	77	40	1	*	24	0	0	0	0	0	0	0	0	0
September 2029	307	59	30	1	*	19	0	0	0	0	0	0	0	0	0
September 2030	321	42	21	*	*	2	0	0	0	0	0	0	0	0	0
September 2031	253	26	12	*	*	0	0	0	0	0	0	0	0	0	0
September 2032	174	11	5	*	*	0	0	0	0	0	0	0	0	0	0
September 2033	90	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.2	22.7	20.5	12.1	8.8	16.9	13.0	11.3	6.2	4.5	5.3	2.6	1.9	1.2	0.9

Date	JE, IJ†, JK and JH Classes					KW Class					KA, KL, KJ and KI† Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	188%	350%	500%	0%	100%	188%	350%	500%	0%	100%	188%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2005	100	100	100	100	100	100	100	100	100	100	95	88	83	74	66
September 2006	100	100	100	100	95	100	100	100	100	100	90	75	66	50	36
September 2007	100	100	100	82	44	100	100	100	100	100	85	64	51	32	17
September 2008	100	100	100	46	10	100	100	100	100	100	79	53	38	18	4
September 2009	100	100	71	19	0	100	100	100	100	77	73	43	27	7	0
September 2010	100	86	47	0	0	100	100	100	97	48	66	33	18	0	0
September 2011	100	62	25	0	0	100	100	100	68	30	59	24	10	0	0
September 2012	100	41	7	0	0	100	100	100	46	18	52	16	3	0	0
September 2013	100	21	0	0	0	100	100	85	30	11	43	8	0	0	0
September 2014	90	2	0	0	0	100	100	59	19	6	35	1	0	0	0
September 2015	65	0	0	0	0	100	70	38	11	3	25	0	0	0	0
September 2016	39	0	0	0	0	100	39	20	5	1	15	0	0	0	0
September 2017	11	0	0	0	0	100	9	4	1	*	4	0	0	0	0
September 2018	0	0	0	0	0	63	0	0	0	0	0	0	0	0	0
September 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
September 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	11.6	7.7	6.0	4.0	3.0	14.2	11.7	10.6	8.3	6.5	7.7	4.6	3.5	2.3	1.7

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

Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Regular Certificates Purchased at a Premium” in the REMIC Prospectus.

The Prepayment Assumptions that will be used in determining the rate of accrual of OID will be as follows:

<u>Group</u>	<u>Prepayment Assumption</u>
1	253% PSA
2	143% PSA
3	188% 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 5.92% (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 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 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. In addition, under the Regulations an inducement fee shall be treated as income from sources within the United States. The Regulations, which are effective for taxable years ending on or after May 11, 2004, contain additional details regarding their application. You should consult your own tax advisor regarding the application of the Regulations to the transfer of a Residual Certificate.

Taxation of Beneficial Owners of RCR Certificates

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

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

Combination RCR Classes. A beneficial owner of a Combination RCR Certificate will be treated as the beneficial owner of a proportionate interest in the REMIC Certificates underlying that Combination RCR Certificate. Except in the case of a beneficial owner that acquires a Combination RCR Certificate in an exchange described under “—*Exchanges*” below, a beneficial owner of a

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

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

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 own 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 Morgan Stanley & Co. Incorporated (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 Certificates 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 or 3 Class bears to the aggregate original principal balance of all Group 1, 2 or 3 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. Cleary, Gottlieb, Steen & Hamilton will provide legal representation for the Dealer.

Available Recombinations (1)

REMIC Certificates			RCR Certificates					
Classes	Original Principal or Notional Balances	RCR Classes	Original Principal or Notional Balances	Interest Rate	Interest Type (2)	Principal Type (2)	CUSIP Number	Final Distribution Date
Recombination 1								
GB	\$ 17,500,000	VJ	\$ 33,800,000	4.50%	FIX	SEQ/AD	31394AX84	November 2030
VK	16,300,000							
Recombination 2								
JC	128,280,401	JA	128,280,401	4.50	FIX	SEQ	31394AX92	May 2014
JI	14,253,377(3)							
Recombination 3								
JC	128,280,401	JB	128,280,401	4.25	FIX	SEQ	31394AY26	May 2014
JI	7,126,689(3)							
Recombination 4								
JE	80,454,599	JK	80,454,599	4.50	FIX	SEQ	31394AY34	March 2018
IJ	8,939,399(3)							
Recombination 5								
JE	80,454,599	JH	80,454,599	4.25	FIX	SEQ	31394AY42	March 2018
IJ	4,469,700(3)							
Recombination 6								
JC	128,280,401	KA	208,735,000	4.50	FIX	SEQ	31394AY59	March 2018
JI	14,253,377(3)							
JE	80,454,599							
IJ	8,939,399(3)							
Recombination 7								
JC	128,280,401	KL	208,735,000	4.25	FIX	SEQ	31394AY67	March 2018
JI	7,126,689(3)							
JE	80,454,599							
IJ	4,469,700(3)							
Recombination 8								
JC	128,280,401	KJ	208,735,000	4.00	FIX	SEQ	31394AY75	March 2018
JE	80,454,599							

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 9								
JI	\$ 14,253,377 (3)	KI	\$ 23,192,776 (3)	4.50%	FIX/IO	NTL	31394A2B1	March 2018
IJ	8,939,399 (3)							

(1) In any exchange under Recombination 1, 6, 7, 8 or 9, the relative proportions of the REMIC Certificates to be delivered (or, if applicable, received) in such exchange will equal the proportions reflected by the outstanding principal or notional principal balances of the related REMIC Classes at the time of exchange. In any exchange under Recombination 2, 3, 4 or 5, REMIC Certificates and RCR Certificates may be exchanged only in the proportions shown in this Schedule 1.

(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

MA Class Scheduled Balances

<u>Distribution Date</u>	<u>Scheduled Balance</u>	<u>Distribution Date</u>	<u>Scheduled Balance</u>	<u>Distribution Date</u>	<u>Scheduled Balance</u>
Initial Balance	\$177,832,913.00	December 2008	\$110,406,279.26	March 2013	\$ 55,836,822.61
October 2004	176,832,648.50	January 2009	109,186,171.94	April 2013	54,965,351.78
November 2004	175,791,861.42	February 2009	107,972,405.74	May 2013	54,106,637.19
December 2004	174,710,993.36	March 2009	106,764,948.01	June 2013	53,260,498.37
January 2005	173,590,506.41	April 2009	105,563,766.30	July 2013	52,426,757.36
February 2005	172,430,882.87	May 2009	104,368,828.32	August 2013	51,605,238.67
March 2005	171,232,624.92	June 2009	103,180,101.94	September 2013	50,795,769.24
April 2005	169,996,254.23	July 2009	101,997,555.19	October 2013	49,998,178.41
May 2005	168,722,311.63	August 2009	100,821,156.29	November 2013	49,212,297.89
June 2005	167,411,356.69	September 2009	99,650,873.59	December 2013	48,437,961.75
July 2005	166,063,967.34	October 2009	98,486,675.63	January 2014	47,675,006.32
August 2005	164,680,739.41	November 2009	97,328,531.09	February 2014	46,923,270.25
September 2005	163,262,286.24	December 2009	96,176,408.83	March 2014	46,182,594.39
October 2005	161,809,238.19	January 2010	95,030,277.85	April 2014	45,452,821.83
November 2005	160,322,242.21	February 2010	93,890,107.34	May 2014	44,733,797.84
December 2005	158,842,960.54	March 2010	92,755,866.62	June 2014	44,025,369.82
January 2006	157,371,353.49	April 2010	91,627,525.18	July 2014	43,327,387.30
February 2006	155,907,381.58	May 2010	90,505,052.66	August 2014	42,639,701.92
March 2006	154,451,005.52	June 2010	89,388,418.86	September 2014	41,962,167.36
April 2006	153,002,186.23	July 2010	88,277,593.73	October 2014	41,294,639.35
May 2006	151,560,884.83	August 2010	87,172,547.40	November 2014	40,636,975.61
June 2006	150,127,062.64	September 2010	86,073,250.12	December 2014	39,989,035.86
July 2006	148,700,681.19	October 2010	84,979,672.32	January 2015	39,350,681.77
August 2006	147,281,702.17	November 2010	83,891,784.55	February 2015	38,721,776.91
September 2006	145,870,087.52	December 2010	82,809,557.54	March 2015	38,102,186.79
October 2006	144,465,799.34	January 2011	81,732,962.16	April 2015	37,491,778.75
November 2006	143,068,799.93	February 2011	80,661,969.43	May 2015	36,890,422.01
December 2006	141,679,051.79	March 2011	79,596,550.53	June 2015	36,297,987.60
January 2007	140,296,517.61	April 2011	78,536,676.77	July 2015	35,714,348.34
February 2007	138,921,160.28	May 2011	77,482,319.61	August 2015	35,139,378.83
March 2007	137,552,942.86	June 2011	76,433,450.67	September 2015	34,572,955.43
April 2007	136,191,828.63	July 2011	75,390,041.71	October 2015	34,014,956.20
May 2007	134,837,781.03	August 2011	74,352,064.63	November 2015	33,465,260.90
June 2007	133,490,763.71	September 2011	73,319,491.49	December 2015	32,923,751.00
July 2007	132,150,740.50	October 2011	72,292,294.46	January 2016	32,390,309.58
August 2007	130,817,675.40	November 2011	71,270,445.89	February 2016	31,864,821.38
September 2007	129,491,532.61	December 2011	70,253,918.25	March 2016	31,347,172.74
October 2007	128,172,276.53	January 2012	69,242,684.17	April 2016	30,837,251.59
November 2007	126,859,871.70	February 2012	68,236,716.40	May 2016	30,334,947.42
December 2007	125,554,282.89	March 2012	67,235,987.84	June 2016	29,840,151.25
January 2008	124,255,475.03	April 2012	66,240,471.54	July 2016	29,352,755.65
February 2008	122,963,413.21	May 2012	65,250,140.67	August 2016	28,872,654.67
March 2008	121,678,062.74	June 2012	64,264,968.54	September 2016	28,399,743.84
April 2008	120,399,389.08	July 2012	63,284,928.61	October 2016	27,933,920.16
May 2008	119,127,357.87	August 2012	62,309,994.47	November 2016	27,475,082.08
June 2008	117,861,934.94	September 2012	61,343,959.14	December 2016	27,023,129.43
July 2008	116,603,086.29	October 2012	60,392,016.40	January 2017	26,577,963.48
August 2008	115,350,778.08	November 2012	59,453,967.27	February 2017	26,139,486.86
September 2008	114,104,976.67	December 2012	58,529,615.51	March 2017	25,707,603.56
October 2008	112,865,648.57	January 2013	57,618,767.59	April 2017	25,282,218.94
November 2008	111,632,760.48	February 2013	56,721,232.69	May 2017	24,863,239.66

MA Class (Continued)

<u>Distribution Date</u>	<u>Scheduled Balance</u>	<u>Distribution Date</u>	<u>Scheduled Balance</u>	<u>Distribution Date</u>	<u>Scheduled Balance</u>
June 2017	\$ 24,450,573.67	November 2021	\$ 9,611,756.91	April 2026	\$ 3,222,442.54
July 2017	24,044,130.26	December 2021	9,433,364.48	May 2026	3,148,007.07
August 2017	23,643,819.94	January 2022	9,257,793.27	June 2026	3,074,839.78
September 2017	23,249,554.50	February 2022	9,085,001.69	July 2026	3,002,921.32
October 2017	22,861,246.96	March 2022	8,914,948.78	August 2026	2,932,232.63
November 2017	22,478,811.56	April 2022	8,747,594.13	September 2026	2,862,754.91
December 2017	22,102,163.73	May 2022	8,582,897.92	October 2026	2,794,469.64
January 2018	21,731,220.11	June 2022	8,420,820.90	November 2026	2,727,358.56
February 2018	21,365,898.48	July 2022	8,261,324.36	December 2026	2,661,403.68
March 2018	21,006,117.79	August 2022	8,104,370.17	January 2027	2,596,587.28
April 2018	20,651,798.13	September 2022	7,949,920.70	February 2027	2,532,891.88
May 2018	20,302,860.71	October 2022	7,797,938.89	March 2027	2,470,300.26
June 2018	19,959,227.82	November 2022	7,648,388.20	April 2027	2,408,795.47
July 2018	19,620,822.87	December 2022	7,501,232.61	May 2027	2,348,360.76
August 2018	19,287,570.35	January 2023	7,356,436.60	June 2027	2,288,979.68
September 2018	18,959,395.78	February 2023	7,213,965.17	July 2027	2,230,635.96
October 2018	18,636,225.75	March 2023	7,073,783.82	August 2027	2,173,313.63
November 2018	18,317,987.88	April 2023	6,935,858.53	September 2027	2,116,996.89
December 2018	18,004,610.79	May 2023	6,800,155.78	October 2027	2,061,670.22
January 2019	17,696,024.12	June 2023	6,666,642.51	November 2027	2,007,318.30
February 2019	17,392,158.49	July 2023	6,535,286.15	December 2027	1,953,926.04
March 2019	17,092,945.51	August 2023	6,406,054.59	January 2028	1,901,478.56
April 2019	16,798,317.74	September 2023	6,278,916.17	February 2028	1,849,961.22
May 2019	16,508,208.68	October 2023	6,153,839.68	March 2028	1,799,359.57
June 2019	16,222,552.79	November 2023	6,030,794.38	April 2028	1,749,659.38
July 2019	15,941,285.43	December 2023	5,909,749.95	May 2028	1,700,846.63
August 2019	15,664,342.88	January 2024	5,790,676.49	June 2028	1,652,907.50
September 2019	15,391,662.32	February 2024	5,673,544.57	July 2028	1,605,828.39
October 2019	15,123,181.80	March 2024	5,558,325.14	August 2028	1,559,595.87
November 2019	14,858,840.28	April 2024	5,444,989.58	September 2028	1,514,196.72
December 2019	14,598,577.53	May 2024	5,333,509.69	October 2028	1,469,617.92
January 2020	14,342,334.20	June 2024	5,223,857.65	November 2028	1,425,846.63
February 2020	14,090,051.77	July 2024	5,116,006.08	December 2028	1,382,870.21
March 2020	13,841,672.56	August 2024	5,009,927.94	January 2029	1,340,676.19
April 2020	13,597,139.67	September 2024	4,905,596.62	February 2029	1,299,252.30
May 2020	13,356,397.04	October 2024	4,802,985.88	March 2029	1,258,586.44
June 2020	13,119,389.37	November 2024	4,702,069.83	April 2029	1,218,666.69
July 2020	12,886,062.16	December 2024	4,602,823.00	May 2029	1,179,481.29
August 2020	12,656,361.68	January 2025	4,505,220.24	June 2029	1,141,018.68
September 2020	12,430,234.95	February 2025	4,409,236.79	July 2029	1,103,267.46
October 2020	12,207,629.74	March 2025	4,314,848.24	August 2029	1,066,216.39
November 2020	11,988,494.56	April 2025	4,222,030.52	September 2029	1,029,854.40
December 2020	11,772,778.65	May 2025	4,130,759.92	October 2029	994,170.59
January 2021	11,560,431.97	June 2025	4,041,013.06	November 2029	959,154.20
February 2021	11,351,405.19	July 2025	3,952,766.91	December 2029	924,794.66
March 2021	11,145,649.65	August 2025	3,865,998.76	January 2030	891,081.53
April 2021	10,943,117.43	September 2025	3,780,686.22	February 2030	858,004.53
May 2021	10,743,761.24	October 2025	3,696,807.25	March 2030	825,553.54
June 2021	10,547,534.48	November 2025	3,614,340.10	April 2030	793,718.58
July 2021	10,354,391.22	December 2025	3,533,263.35	May 2030	762,489.83
August 2021	10,164,286.17	January 2026	3,453,555.88	June 2030	731,857.61
September 2021	9,977,174.67	February 2026	3,375,196.88	July 2030	701,812.36
October 2021	9,793,012.71	March 2026	3,298,165.84	August 2030	672,344.71

MA Class (Continued)

<u>Distribution Date</u>	<u>Scheduled Balance</u>	<u>Distribution Date</u>	<u>Scheduled Balance</u>	<u>Distribution Date</u>	<u>Scheduled Balance</u>
September 2030	\$ 643,445.38	August 2031	\$ 360,548.11	July 2032	\$ 134,345.82
October 2030	615,105.26	September 2031	337,794.64	August 2032	116,255.18
November 2030	587,315.36	October 2031	315,500.94	September 2032	98,547.68
December 2030	560,066.82	November 2031	293,659.52	October 2032	81,216.98
January 2031	533,350.94	December 2031	272,262.98	November 2032	64,256.81
February 2031	507,159.11	January 2032	251,304.05	December 2032	47,661.01
March 2031	481,482.88	February 2032	230,775.54	January 2033	31,423.51
April 2031	456,313.90	March 2032	210,670.39	February 2033	15,538.33
May 2031	431,643.96	April 2032	190,981.65	March 2033 and thereafter	0.00
June 2031	407,464.98	May 2032	171,702.46		
July 2031	383,768.98	June 2032	152,826.07		

Aggregate Group II Scheduled Balances

<u>Distribution Date</u>	<u>Scheduled Balance</u>	<u>Distribution Date</u>	<u>Scheduled Balance</u>	<u>Distribution Date</u>	<u>Scheduled Balance</u>
Initial Balance	\$10,948,000.00	October 2007	\$ 5,942,776.60	November 2010	\$ 2,895,476.18
October 2004	10,845,522.08	November 2007	5,830,461.40	December 2010	2,841,414.27
November 2004	10,737,703.35	December 2007	5,719,987.43	January 2011	2,788,670.36
December 2004	10,624,654.74	January 2008	5,611,338.51	February 2011	2,737,232.24
January 2005	10,506,493.07	February 2008	5,504,498.63	March 2011	2,687,087.83
February 2005	10,383,340.89	March 2008	5,399,451.85	April 2011	2,638,225.11
March 2005	10,255,326.32	April 2008	5,296,182.38	May 2011	2,590,632.20
April 2005	10,122,582.94	May 2008	5,194,674.55	June 2011	2,544,297.26
May 2005	9,985,249.58	June 2008	5,094,912.78	July 2011	2,499,208.57
June 2005	9,843,470.21	July 2008	4,996,881.65	August 2011	2,455,354.49
July 2005	9,697,393.72	August 2008	4,900,565.82	September 2011	2,412,723.46
August 2005	9,547,173.77	September 2008	4,805,950.08	October 2011	2,371,304.04
September 2005	9,392,968.59	October 2008	4,713,019.34	November 2011	2,331,084.86
October 2005	9,234,940.77	November 2008	4,621,758.61	December 2011	2,292,054.63
November 2005	9,073,257.09	December 2008	4,532,153.03	January 2012	2,254,202.16
December 2005	8,913,841.22	January 2009	4,444,187.83	February 2012	2,217,516.33
January 2006	8,756,673.80	February 2009	4,357,848.37	March 2012	2,181,986.14
February 2006	8,601,735.64	March 2009	4,273,120.13	April 2012	2,147,600.62
March 2006	8,449,007.67	April 2009	4,189,988.67	May 2012	2,114,348.94
April 2006	8,298,470.99	May 2009	4,108,439.68	June 2012	2,082,220.33
May 2006	8,150,106.81	June 2009	4,028,458.96	July 2012	2,051,204.10
June 2006	8,003,896.49	July 2009	3,950,032.41	August 2012	2,021,289.64
July 2006	7,859,821.54	August 2009	3,873,146.02	September 2012	1,988,647.15
August 2006	7,717,863.61	September 2009	3,797,785.93	October 2012	1,948,046.27
September 2006	7,578,004.46	October 2009	3,723,938.34	November 2012	1,899,649.61
October 2006	7,440,226.00	November 2009	3,651,589.60	December 2012	1,843,617.26
November 2006	7,304,510.29	December 2009	3,580,726.12	January 2013	1,780,106.83
December 2006	7,170,839.51	January 2010	3,511,334.45	February 2013	1,709,273.40
January 2007	7,039,195.97	February 2010	3,443,401.20	March 2013	1,635,193.98
February 2007	6,909,562.12	March 2010	3,376,913.13	April 2013	1,559,254.45
March 2007	6,781,920.54	April 2010	3,311,857.06	May 2013	1,481,515.13
April 2007	6,656,253.93	May 2010	3,248,219.94	June 2013	1,402,035.16
May 2007	6,532,545.14	June 2010	3,185,988.81	July 2013	1,320,872.47
June 2007	6,410,777.12	July 2010	3,125,150.81	August 2013	1,238,083.83
July 2007	6,290,932.97	August 2010	3,065,693.16	September 2013	1,153,724.86
August 2007	6,172,995.92	September 2010	3,007,603.20	October 2013	1,067,850.06
September 2007	6,056,949.31	October 2010	2,950,868.36	November 2013	980,512.82

Aggregate Group II (Continued)

<u>Distribution Date</u>	<u>Scheduled Balance</u>	<u>Distribution Date</u>	<u>Scheduled Balance</u>	<u>Distribution Date</u>	<u>Scheduled Balance</u>
December 2013	\$ 891,765.42	April 2014	\$ 523,683.08	August 2014	\$ 136,950.89
January 2014	801,659.09	May 2014	428,632.47	September 2014	37,694.53
February 2014	710,244.00	June 2014	332,463.61	October 2014 and thereafter	0.00
March 2014	617,569.29	July 2014	235,221.68		

CK 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	\$7,000,000.00	March 2007	\$3,210,480.93	August 2009	\$ 922,243.26
October 2004	6,902,571.23	April 2007	3,103,768.67	September 2009	869,637.95
November 2004	6,800,216.31	May 2007	2,999,276.51	October 2009	818,556.59
December 2004	6,693,070.36	June 2007	2,896,976.62	November 2009	768,978.90
January 2005	6,581,275.80	July 2007	2,796,841.47	December 2009	720,884.81
February 2005	6,464,982.12	August 2007	2,698,843.83	January 2010	674,254.48
March 2005	6,344,345.66	September 2007	2,602,956.75	February 2010	629,068.29
April 2005	6,219,529.35	October 2007	2,509,153.57	March 2010	585,306.81
May 2005	6,090,702.47	November 2007	2,417,407.93	April 2010	542,950.85
June 2005	5,958,040.35	December 2007	2,327,693.75	May 2010	501,981.44
July 2005	5,821,724.12	January 2008	2,239,985.22	June 2010	462,379.79
August 2005	5,681,940.39	February 2008	2,154,256.82	July 2010	424,127.33
September 2005	5,538,880.92	March 2008	2,070,483.29	August 2010	387,205.71
October 2005	5,392,742.37	April 2008	1,988,639.67	September 2010	351,596.75
November 2005	5,243,725.91	May 2008	1,908,701.25	October 2010	317,282.51
December 2005	5,097,451.39	June 2008	1,830,643.58	November 2010	284,245.22
January 2006	4,953,885.42	July 2008	1,754,442.50	December 2010	252,467.32
February 2006	4,812,994.96	August 2008	1,680,074.09	January 2011	221,931.44
March 2006	4,674,747.32	September 2008	1,607,514.69	February 2011	192,620.41
April 2006	4,539,110.17	October 2008	1,536,740.91	March 2011	164,517.23
May 2006	4,406,051.49	November 2008	1,467,729.61	April 2011	137,605.12
June 2006	4,275,539.65	December 2008	1,400,457.90	May 2011	111,867.47
July 2006	4,147,543.31	January 2009	1,334,903.13	June 2011	87,287.86
August 2006	4,022,031.50	February 2009	1,271,042.90	July 2011	63,850.04
September 2006	3,898,973.54	March 2009	1,208,855.07	August 2011	41,537.95
October 2006	3,778,339.12	April 2009	1,148,317.72	September 2011	20,335.73
November 2006	3,660,098.23	May 2009	1,089,409.18	October 2011	227.66
December 2006	3,544,221.17	June 2009	1,032,108.02	November 2011 and thereafter	0.00
January 2007	3,430,678.59	July 2009	976,393.04		
February 2007	3,319,441.42				

Aggregate Group I 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	\$21,109,000.00	June 2005	\$19,879,732.63	March 2006	\$18,427,729.55
October 2004	20,988,159.62	July 2005	19,725,124.66	April 2006	18,269,684.01
November 2004	20,863,147.09	August 2005	19,567,358.26	May 2006	18,113,253.68
December 2004	20,734,056.14	September 2005	19,406,567.34	June 2006	17,958,418.79
January 2005	20,600,985.54	October 2005	19,242,889.38	July 2006	17,805,159.69
February 2005	20,464,039.02	November 2005	19,076,465.26	August 2006	17,653,456.93
March 2005	20,323,325.09	December 2005	18,911,757.74	September 2006	17,503,291.19
April 2005	20,178,956.89	January 2006	18,748,746.22	October 2006	17,354,643.34
May 2005	20,031,052.08	February 2006	18,587,410.24	November 2006	17,207,494.36

Aggregate Group I (Continued)

<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>
December 2006	\$17,061,825.43	September 2010	\$11,760,619.35	May 2014	\$ 7,823,283.54
January 2007	16,917,617.84	October 2010	11,665,065.66	June 2014	7,713,299.78
February 2007	16,774,853.07	November 2010	11,570,257.79	July 2014	7,601,601.17
March 2007	16,633,512.72	December 2010	11,476,182.90	August 2014	7,488,214.50
April 2007	16,493,578.56	January 2011	11,382,828.26	September 2014	7,373,166.18
May 2007	16,355,032.48	February 2011	11,290,181.24	October 2014	7,225,229.67
June 2007	16,217,856.56	March 2011	11,198,229.29	November 2014	7,056,384.98
July 2007	16,082,032.98	April 2011	11,106,959.99	December 2014	6,885,524.85
August 2007	15,947,544.09	May 2011	11,016,360.97	January 2015	6,712,693.98
September 2007	15,814,372.38	June 2011	10,926,420.00	February 2015	6,537,936.24
October 2007	15,682,500.48	July 2011	10,837,124.92	March 2015	6,361,294.70
November 2007	15,551,911.14	August 2011	10,748,463.66	April 2015	6,182,811.66
December 2007	15,422,587.28	September 2011	10,660,424.27	May 2015	6,002,528.64
January 2008	15,294,511.94	October 2011	10,572,994.87	June 2015	5,820,486.39
February 2008	15,167,668.29	November 2011	10,486,163.66	July 2015	5,636,724.92
March 2008	15,042,039.66	December 2011	10,399,918.97	August 2015	5,451,283.51
April 2008	14,917,609.50	January 2012	10,314,249.17	September 2015	5,264,200.69
May 2008	14,794,361.37	February 2012	10,229,142.75	October 2015	5,075,514.29
June 2008	14,672,279.01	March 2012	10,144,588.29	November 2015	4,885,261.44
July 2008	14,551,346.24	April 2012	10,060,574.44	December 2015	4,693,478.54
August 2008	14,431,547.05	May 2012	9,977,089.94	January 2016	4,500,201.35
September 2008	14,312,865.53	June 2012	9,894,123.63	February 2016	4,305,464.93
October 2008	14,195,285.92	July 2012	9,811,664.41	March 2016	4,109,303.69
November 2008	14,078,792.57	August 2012	9,729,701.30	April 2016	3,911,751.35
December 2008	13,963,369.95	September 2012	9,648,223.35	May 2016	3,712,841.03
January 2009	13,849,002.69	October 2012	9,567,219.74	June 2016	3,512,605.20
February 2009	13,735,675.48	November 2012	9,486,679.70	July 2016	3,311,075.69
March 2009	13,623,373.19	December 2012	9,406,592.58	August 2016	3,108,283.74
April 2009	13,512,080.79	January 2013	9,326,947.75	September 2016	2,904,259.95
May 2009	13,401,783.36	February 2013	9,247,734.72	October 2016	2,699,034.36
June 2009	13,292,466.10	March 2013	9,166,980.88	November 2016	2,492,636.39
July 2009	13,184,114.35	April 2013	9,084,058.07	December 2016	2,285,094.89
August 2009	13,076,713.54	May 2013	8,998,999.79	January 2017	2,076,438.16
September 2009	12,970,249.23	June 2013	8,911,839.06	February 2017	1,866,693.91
October 2009	12,864,707.09	July 2013	8,822,608.42	March 2017	1,655,889.31
November 2009	12,760,072.89	August 2013	8,731,339.94	April 2017	1,444,050.97
December 2009	12,656,332.54	September 2013	8,638,065.20	May 2017	1,231,204.99
January 2010	12,553,472.04	October 2013	8,542,815.35	June 2017	1,017,376.92
February 2010	12,451,477.50	November 2013	8,445,621.05	July 2017	802,591.80
March 2010	12,350,335.16	December 2013	8,346,512.53	August 2017	586,874.14
April 2010	12,250,031.35	January 2014	8,245,519.57	September 2017	370,247.98
May 2010	12,150,552.50	February 2014	8,142,671.50	October 2017	152,736.81
June 2010	12,051,885.17	March 2014	8,037,997.23	November 2017 and thereafter	0.00
July 2010	11,954,016.02	April 2014	7,931,525.23		
August 2010	11,856,931.79				

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\$655,000,000



***Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 2004-75***

PROSPECTUS SUPPLEMENT

MORGAN STANLEY

August 23, 2004
