

\$281,535,000



**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2005-49**

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.

Class	Group	Original Class Balance	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
AL(1)	1	\$56,105,000	PAC	5.5%	FIX	31394DWX4	November 2017
PD	1	27,852,000	PAC	5.5	FIX	31394DWY2	April 2021
TJ	1	13,133,000	PAC	5.5	FIX	31394DWZ9	August 2022
TH	1	33,334,000	PAC	5.5	FIX	31394DXA3	June 2025
TX	1	20,000,000	TAC/AD	5.0	FIX	31394DXB1	June 2025
TF	1	6,666,666	TAC/AD	(2)	FLT	31394DXC9	June 2025
TS	1	6,666,666(3)	NTL	(2)	INV/IO	31394DXD7	June 2025
ZT	1	171,334	TAC/AD	5.5	FIX/Z	31394DXE5	June 2025
TZ	1	14,273,000	SUP	5.5	FIX/Z	31394DXF2	June 2025
AJ(1)	2	74,800,000	SEQ	5.0	FIX	31394DXG0	December 2030
AK(1)	2	13,200,000	SEQ	5.0	FIX	31394DXH8	November 2032
VC(1)	2	6,360,640	SEQ/AD	5.0	FIX	31394DXJ4	June 2016
VD(1)	2	6,875,360	SEQ/AD	5.0	FIX	31394DXK1	December 2023
ZB(1)	2	8,764,000	SEQ	5.0	FIX/Z	31394DXL9	June 2035
R		0	NPR	0	NPR	31394DXM7	June 2035
RL		0	NPR	0	NPR	31394DXN5	June 2035

- (1) Exchangeable classes.
- (2) Based on LIBOR.
- (3) Notional balance. This class is an interest only class.

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.

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 IH, MA, MB, A and B 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 May 27, 2005.

Carefully consider the risk factors starting on page S-10 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.

Merrill Lynch & Co.

The date of this Prospectus Supplement is April 27, 2005.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
AVAILABLE INFORMATION	S- 3	<i>Group 2 Principal Distribution Amount</i> ..	S-18
INCORPORATION BY REFERENCE ...	S- 3	<i>ZB Accrual Amount</i>	S-18
RECENT DEVELOPMENTS	S- 4	<i>Group 2 Cash Flow Distribution</i>	
REFERENCE SHEET	S- 7	<i>Amount</i>	S-18
ADDITIONAL RISK FACTORS	S-10	STRUCTURING ASSUMPTIONS	S-18
DESCRIPTION OF THE		<i>Pricing Assumptions</i>	S-18
CERTIFICATES	S-11	<i>Prepayment Assumptions</i>	S-18
GENERAL	S-11	<i>Structuring Range and Rate</i>	S-18
<i>Structure</i>	S-11	<i>Initial Effective Range</i>	S-19
<i>Fannie Mae Guaranty</i>	S-12	YIELD TABLES	S-20
<i>Characteristics of Certificates</i>	S-12	<i>General</i>	S-20
<i>Authorized Denominations</i>	S-12	<i>The Inverse Floating Rate Class</i>	S-20
<i>Distribution Dates</i>	S-12	<i>Fixed Rate Interest Only Class</i>	S-21
<i>Record Date</i>	S-12	WEIGHTED AVERAGE LIVES OF THE	
<i>Class Factors</i>	S-13	CERTIFICATES	S-22
<i>No Optional Termination</i>	S-13	DECREMENT TABLES	S-22
COMBINATION AND RECOMBINATION	S-13	CHARACTERISTICS OF THE R AND	
<i>General</i>	S-13	RL CLASSES	S-26
<i>Procedures</i>	S-13	CERTAIN ADDITIONAL FEDERAL	
<i>Additional Considerations</i>	S-13	INCOME TAX CONSEQUENCES	S-27
THE MBS	S-14	REMIC ELECTIONS AND SPECIAL TAX	
FINAL DATA STATEMENT	S-14	ATTRIBUTES	S-27
DISTRIBUTIONS OF INTEREST	S-15	TAXATION OF BENEFICIAL OWNERS OF	
<i>Categories of Classes</i>	S-15	REGULAR CERTIFICATES	S-27
<i>General</i>	S-15	TAXATION OF BENEFICIAL OWNERS OF	
<i>Interest Accrual Periods</i>	S-15	RESIDUAL CERTIFICATES	S-28
<i>Accrual Classes</i>	S-15	TAXATION OF BENEFICIAL OWNERS OF	
<i>Notional Classes</i>	S-16	RCR CERTIFICATES	S-28
<i>Floating Rate and Inverse Floating Rate</i>		<i>General</i>	S-28
<i>Classes</i>	S-16	<i>Strip RCR Classes</i>	S-29
CALCULATION OF LIBOR	S-16	<i>Combination RCR Classes</i>	S-30
DISTRIBUTIONS OF PRINCIPAL	S-16	<i>Exchanges</i>	S-30
<i>Categories of Classes</i>	S-16	TAX RETURN DISCLOSURE REQUIREMENTS ..	S-30
<i>Principal Distribution Amount</i>	S-17	PLAN OF DISTRIBUTION	S-30
<i>Group 1 Principal Distribution Amount</i> ..	S-17	<i>General</i>	S-30
<i>ZT Accrual Amount</i>	S-17	<i>Increase in Certificates</i>	S-31
<i>TZ Accrual Amount</i>	S-17	LEGAL MATTERS	S-31
<i>Group 1 Cash Flow Distribution</i>		SCHEDULE 1	A- 1
<i>Amount</i>	S-17	PRINCIPAL BALANCE SCHEDULES ..	B- 1

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:

Merrill Lynch, Pierce, Fenner & Smith Incorporated
Prospectus Department
44B Colonial Drive
Piscataway, New Jersey 08854
(telephone 732-885-2760).

INCORPORATION BY REFERENCE

In this prospectus supplement, we are incorporating by reference the MBS Prospectus described above. In addition, we are incorporating by reference 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 this prospectus supplement, the REMIC Prospectus and the MBS Prospectus 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 Web 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.

RECENT DEVELOPMENTS

On December 21, 2004, our Board of Directors (the "Board") announced the retirement of Chairman and Chief Executive Officer Franklin D. Raines and the resignation of Vice Chairman and Chief Financial Officer J. Timothy Howard. A member of the Board, Stephen B. Ashley, currently is serving as the non-executive chairman of the Board, Vice Chairman and Chief Operating Officer Daniel H. Mudd currently is serving as interim chief executive officer, and Executive Vice President Robert Levin currently is serving as interim chief financial officer. The Board further announced that the Audit Committee of the Board dismissed KPMG LLP as our independent auditor. On January 4, 2005, the Audit Committee of the Board approved the engagement of Deloitte & Touche LLP ("Deloitte") as our independent auditor. Deloitte will serve as our auditor for each of the fiscal years 2001, 2002, 2003 and 2004.

On December 15, 2004, the Office of the Chief Accountant of the Securities and Exchange Commission ("SEC") issued a statement (the "Statement") regarding certain accounting issues relating to Fannie Mae, including determinations by the SEC that we should (i) restate our financial statements to eliminate the use of hedge accounting under Financial Accounting Standard No. 133, Accounting for Derivative Instruments and Hedging Activities ("FAS 133"), (ii) evaluate the accounting under Financial Accounting Standard No. 91, Accounting for Nonrefundable Fees and Costs Associated with Originating or Acquiring Loans and Initial Direct Costs of Leases ("FAS 91") and restate our financial statements filed with the SEC if the amounts required for correction are material, and (iii) re-evaluate the information prepared under generally accepted accounting principles ("GAAP") and non-GAAP information that we previously provided to investors. On December 16, 2004, we filed a Current Report on Form 8-K with the SEC that includes a copy of the Statement.

As a result of the SEC's findings, we will restate our financial results from 2001 through June 30, 2004 to comply fully with the SEC's determination. In a Form 12b-25 filed with the SEC on November 15, 2004, we estimated that a loss of hedge accounting under FAS 133 for all derivatives could result in recording into earnings a net cumulative loss on derivative transactions of approximately \$9.0 billion as of September 30, 2004. (We estimate that as of December 31, 2004, this net cumulative after-tax loss was approximately \$8.4 billion.) We also stated that there would be a corresponding decrease to retained earnings and, accordingly, regulatory capital. In a Form 12b-25 filed with the SEC on March 17, 2005, we stated that if we do not qualify for hedge accounting for mortgage commitments accounted for as derivatives since our July 1, 2003 adoption of Financial

Accounting Standard No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities (“FAS 149”), we estimate that we would be required to record in earnings a net cumulative after-tax loss related to these commitments of approximately \$2.4 billion as of December 31, 2004. We are working to determine the effect of the restatement, including the effect on each prior reporting period. We expect that the impact will be material to our reported GAAP and core business results for many, if not all, periods and will vary substantially from period to period based on the amount and types of derivatives held and fluctuations in interest rates and volatility. Our restated financial statements also will reflect corrections as a result of our misapplication of FAS 91 for each prior reporting period described above. We also will consider the impact, if any, of the SEC’s decision on FAS 91 for periods prior to those described above.

Accordingly, on December 17, 2004, the Audit Committee of the Board concluded that our previously filed interim and audited financial statements and the independent auditor’s reports thereon for the periods from January 2001 through the second quarter of 2004 should no longer be relied upon because such financial statements were prepared applying accounting practices that did not comply with GAAP. We have not yet filed our quarterly reports on Form 10-Q for the quarters ended September 30, 2004 and March 31, 2005 or our annual report on Form 10-K for the year ended December 31, 2004. The financial information regarding our anticipated results of operations for the quarter ended September 30, 2004 that was contained in our Form 12b-25 filed on November 15, 2004 and in a Form 8-K filed on November 16, 2004 was prepared applying the same policies and practices, and, accordingly, should not be relied upon. The Audit Committee has discussed the matters described above and in a Form 8-K filed with the SEC on December 22, 2004 with KPMG LLP, our independent auditor through December 21, 2004.

On September 20, 2004, the Office of Federal Housing Enterprise Oversight (“OFHEO”) delivered its report to the Board of its findings to date of the agency’s special examination. Among other matters, the OFHEO report raised a number of questions and concerns about our accounting policies and practices with respect to FAS 91 and FAS 133. On February 23, 2005, we announced that OFHEO notified our Board and management of several additional accounting and internal control issues and questions that OFHEO identified in its ongoing special examination, and directed that these matters be included in the internal reviews by the Board and management and reviewed by Deloitte. OFHEO indicated that it has not completed its review of all aspects of these issues, but has identified policies that it believes appear to be inconsistent with generally accepted accounting principles as well as internal control deficiencies that raise safety and soundness concerns. The issues and questions include the following areas: securities accounting, loan accounting, consolidations, accounting for commitments, and practices to smooth certain income and expense amounts. OFHEO also raised concerns regarding journal entry controls, systems limitations, and database modifications, as well as FAS 149 and new developments relating to FAS 91. A summary of the additional questions raised in OFHEO’s ongoing special examination of Fannie Mae has been filed as an exhibit to a Form 8-K that we filed with the SEC on February 23, 2005.

Our Board and management are addressing the issues and questions raised by OFHEO. In addition, the Board designated its Special Review Committee to review the findings of OFHEO’s September 2004 special examination report. This review, led by former Senator Warren Rudman of the law firm of Paul, Weiss, Rifkind, Wharton & Garrison (“Paul Weiss”), is focused on: accounting issues, including accounting policies, procedures and controls regarding FAS 91 and FAS 133; organization, structure and governance, including Board oversight and management responsibilities and resources; and executive compensation. Paul Weiss’ work continues as it examines these areas and other issues that may arise in the course of its review, reporting regularly to the Board. We will report to OFHEO regarding each of these issues and will continue to work with OFHEO to resolve these matters as part of our ongoing internal reviews and restatement process. In light of the foregoing, management has initiated a comprehensive review of accounting routines and controls, the financial reporting process and the application of GAAP, which will include the issues OFHEO has identified, as well as issues identified by management and/or Deloitte. Management, working with accounting

consultants, will develop a view on these issues, which then will be reviewed with the Audit Committee, Deloitte and OFHEO. Upon conclusion of this review, our financial statements will be restated where necessary and submitted to Deloitte for review as part of its audit. We are providing periodic updates to the SEC and the New York Stock Exchange on the restatement. In addition, the SEC and the U.S. Attorney's Office for the District of Columbia are conducting ongoing investigations into these matters.

OFHEO is required to review our capital classification quarterly, and as of September 30, 2004 and December 31, 2004, classified us as "significantly undercapitalized." As a result of this classification, we submitted a capital restoration plan to OFHEO in January 2005, and on February 23, 2005, we announced that OFHEO approved our proposed capital restoration plan. Under the plan, we detail how we expect to meet our minimum capital requirement on an ongoing basis, as well as achieve OFHEO's 30 percent surplus capital requirement by September 30, 2005. A summary of the capital restoration plan was filed as an exhibit to a Form 8-K that we filed with the SEC on February 23, 2005. On May 19, 2005, OFHEO classified us as "adequately capitalized" as of March 31, 2005. OFHEO has noted that this classification is subject to revision pending the outcome of ongoing accounting reviews, and that this classification does not amend any existing capital restoration plans currently in place between Fannie Mae and OFHEO.

Forms 8-K that we file with the SEC prior to the completion of the offering of the certificates are incorporated by reference in this prospectus supplement. This means that we are disclosing information to you by referring you to those documents. You should refer to "Incorporation by Reference" above for further details on the information that we incorporate by reference in this prospectus supplement and where to find it.

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

Assumed Characteristics of the Mortgage Loans Underlying the MBS (as of May 1, 2005)

	<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	\$171,535,000	240	235	4	5.93%
Group 2 MBS	\$110,000,000	360	346	14	5.50%

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 May 27, 2005.

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 combination 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>
TF	3.4%	7.00%	0.35%	LIBOR + 35 basis points
TS	3.6%	6.65%	0.00%	6.65% – 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>	
TS	100% of the TF Class
IH	18.18181818% of the AL Class

Distributions of Principal

Group 1 Principal Distribution Amount

ZT Accrual Amount

To the TF and TX Classes, pro rata, to zero, and thereafter to the ZT Class.

TZ Accrual Amount

To Aggregate Group II to its Targeted Balance, and thereafter to the TZ Class.

Group 1 Cash Flow Distribution Amount

1. To Aggregate Group I to its Planned Balance.
2. To Aggregate Group II to its Targeted Balance.
3. To the TZ Class to zero.
4. To Aggregate Group II to zero.

5. To Aggregate Group I 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

ZB Accrual Amount

To the VC and VD Classes, in that order, to zero, and thereafter to the ZB Class.

Group 2 Cash Flow Distribution Amount

To the AJ, AK, VC, VD and ZB 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) *

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>						
	<u>0%</u>	<u>100%</u>	<u>157%</u>	<u>168%</u>	<u>250%</u>	<u>300%</u>	<u>500%</u>
AL, IH, MA and MB	5.9	2.6	2.6	2.6	2.6	2.5	2.0
PD	12.0	6.0	6.0	6.0	6.0	5.3	3.6
TJ	14.1	8.0	8.0	8.0	8.0	7.0	4.7
TH	16.2	12.3	12.3	12.3	12.3	11.0	7.5
TX, TF and TS	11.1	8.7	4.3	4.3	3.2	2.4	1.5
ZT	17.5	12.6	11.2	11.2	6.9	3.8	2.1
TZ	18.8	16.1	15.1	15.2	1.8	1.3	0.7

<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>180%</u>	<u>275%</u>	<u>350%</u>	<u>500%</u>
AJ	16.6	6.0	3.8	2.7	2.2	1.6
AK	26.5	15.4	10.3	7.2	5.7	4.0
VC	6.0	6.0	6.0	5.7	5.1	4.0
VD	15.0	14.9	12.7	9.5	7.9	5.7
ZB	28.8	22.7	18.7	14.7	12.2	8.9
A	18.1	7.4	4.8	3.4	2.7	2.0
B	28.8	22.5	17.4	12.9	10.4	7.3

* 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 May 1, 2005 (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 two groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS” and “Group 2 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 AL, AJ, AK, VC, VD and ZB Classes of REMIC Certificates for a proportionate interest in the related RCR Certificates in the combination 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.
- If, as a result of a proposed exchange, a Certificateholder would hold a REMIC Certificate or RCR Certificate of a Class in an amount less than the applicable minimum denomination for that Class, the Certificateholder will be unable to effect the proposed exchange.

- 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 combination listed on Schedule 1 is permitted.

The MBS

The following table contains certain information about the MBS. The MBS included in each specified Group will have the aggregate unpaid principal balance and Pass-Through Rate shown below and the general characteristics described in the MBS Prospectus. The MBS provide that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the MBS are conventional, fixed-rate, fully-amortizing mortgage loans secured by first mortgages or deeds of trust on single-family residential properties. These Mortgage Loans have original maturities of up to 20 years in the case of the Group 1 MBS and 30 years in the case of the Group 2 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	\$171,535,000
MBS Pass-Through Rate	5.50%
Range of WACs (annual percentages)	5.75% to 8.00%
Range of WAMs	181 months to 240 months
Approximate Weighted Average WAM	235 months
Approximate Weighted Average WALA (weighted average loan age)	4 months

Group 2 MBS

Aggregate Unpaid Principal Balance	\$110,000,000
MBS Pass-Through Rate	5.00%
Range of WACs (annual percentages)	5.25% to 7.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	346 months
Approximate Weighted Average WALA	14 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	AL, PD, TJ, TH, TX, ZT and TZ
Floating Rate	TF
Inverse Floating Rate	TS
Accrual	ZT and TZ
Interest Only	TS
RCR**	IH, MA and MB
Group 2 Classes	
Fixed Rate	AJ, AK, VC, VD and ZB
Accrual	ZB
RCR**	A and B
No Payment Residual	R and RL

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

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

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

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

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

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

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

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

Accrual Classes. The ZT, TZ and ZB Classes are Accrual Classes. Interest will accrue on the Accrual Classes at the applicable annual rates specified on the cover of this prospectus supplement. However, we will not pay any interest on the Accrual Classes. Instead, interest accrued on the Accrual Classes will be added as principal to their 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 3.05%.

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	
PAC	AL, PD, TJ and TH
TAC	TX, TF and ZT
Support	TZ
Accretion Directed	TX, TF and ZT
Notional	TS
RCR**	IH, MA and MB
Group 2 Classes	
Sequential Pay	AJ, AK, VC, VD and ZB
Accretion Directed	VC and VD
RCR**	A and B
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 ZT and TZ Classes (the “ZT Accrual Amount” and “TZ Accrual Amount,” respectively, and together with the Group 1 Cash Flow Distribution Amount, the “Group 1 Principal Distribution Amount”), and
- 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 ZB Class (the “ZB Accrual Amount,” and together with the Group 2 Cash Flow Distribution Amount, the “Group 2 Principal Distribution Amount”).

Group 1 Principal Distribution Amount

ZT Accrual Amount

On each Distribution Date, we will pay the ZT Accrual Amount, concurrently, as principal of the TF and TX Classes, pro rata (or 24.9999981250% and 75.0000018750%, respectively), until their principal balances are reduced to zero. Thereafter, we will pay the ZT Accrual Amount as principal of the ZT Class. } Accretion Directed Classes and Accrual Class

TZ Accrual Amount

On each Distribution Date, we will pay the TZ Accrual Amount as principal of the Aggregate Group II (described below), until the Aggregate II Balance (described below) is reduced to its Targeted Balance for that Distribution Date. Thereafter, we will pay the TZ Accrual Amount as principal of the TZ Class. } TAC/Accretion Directed Group and Accrual Class

Group 1 Cash Flow Distribution Amount

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

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

“Aggregate Group I” consists of the AL, PD, TJ and TH Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group I, sequentially, to the AL, PD, TJ and TH Classes, in that order, until their principal balances are reduced to zero.

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

“Aggregate Group II” consists of the TF, TX and ZT Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group II as follows:

first, concurrently, to the TF and TX Classes, pro rata, until their principal balances are reduced to zero; and

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

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

Group 2 Principal Distribution Amount

ZB Accrual Amount

On each Distribution Date, we will pay the ZB Accrual Amount, sequentially, as principal of the VC and VD Classes, in that order, until their principal balances are reduced to zero. Thereafter, we will pay the ZB Accrual Amount as principal of the ZB 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, sequentially, as principal of the AJ, AK, VC, VD and ZB 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 May 27, 2005; 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 or at any other *constant* rate.

Structuring Range and Rate. The Principal Balance Schedules are found beginning on page B-1 of this prospectus supplement. The Principal Balance Schedules have been prepared on the basis of

the Pricing Assumptions and the assumption that the related Mortgage Loans will prepay at a constant PSA rate within the Structuring Range or at the PSA rate set forth below.

<u>Principal Balance Schedule References</u>	<u>Related Groups (1)</u>	<u>Structuring Range and Rate</u>
Planned Balances	Aggregate Group I	Between 100% and 250% PSA
Targeted Balances	Aggregate Group II	168% PSA

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

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

Initial Effective Range. The Effective Range for a Group is the range of prepayment rates (measured by *constant* PSA rates) which would reduce that Group to its scheduled balance on each Distribution Date. The Initial Effective Range shown in the table below is based upon the assumed characteristics of the related Mortgage Loans specified in the Pricing Assumptions.

<u>Group</u>	<u>Initial Effective Range</u>
Aggregate Group I	Between 100% and 250% PSA

The actual Effective Range 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 Range calculated on the basis of the actual characteristics is likely to differ from the Initial Effective Range. As a result, the applicable Group might not be reduced to its scheduled balance even if prepayments were to occur at a *constant* PSA rate within the Initial Effective Range. 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 Range, principal distributions may be insufficient to reduce the applicable Group to its scheduled balance 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 Range 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>
PAC	TAC and Support

When the supporting Classes are retired, the Classes they support, if still outstanding, may no longer have an Effective Range 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 of the Mortgage Loans prepay at the indicated constant percentages of PSA. Moreover, it is unlikely that

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

***The Inverse Floating Rate Class.* The yield on the Inverse Floating Rate Class will be sensitive to the rate of principal payments, including prepayments, of the related Mortgage Loans and to the level of the Index. The Mortgage Loans generally can be prepaid at any time without penalty. In addition, the rate of principal payments (including prepayments) of the Mortgage Loans is likely to vary, and may vary considerably, from pool to pool. As illustrated in the table below, it is possible that investors in the Inverse Floating Rate Class would lose money on their initial investments under certain Index and prepayment scenarios.**

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

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

- the interest rate for the Inverse Floating Rate Class for the initial Interest Accrual Period is the rate listed in the table under “Reference Sheet—Interest Rates” in this prospectus supplement and for each following Interest Accrual Period will be based on the specified level of the Index, and

- the aggregate purchase price of that Class (expressed as a percentage of original principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
TS	4.35%

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

Sensitivity of the TS 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>157%</u>	<u>168%</u>	<u>250%</u>	<u>300%</u>	<u>500%</u>
1.05%	156.6%	156.6%	141.9%	141.9%	141.2%	136.8%	108.1%
3.05%	93.7%	93.7%	77.9%	77.9%	75.7%	67.8%	32.3%
5.05%	36.6%	36.0%	18.6%	18.6%	10.3%	(4.8)%	(48.6)%
6.65%	*	*	*	*	*	*	*

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

The Fixed Rate Interest Only Class. **The yield to investors in the Fixed Rate Interest Only Class 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 Class would be 0% if prepayments of the related Mortgage Loans were to occur at the constant rate shown in the table below:**

<u>Class</u>	<u>% PSA</u>
IH	490% PSA

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 IH Class would lose money on their initial investments.

The information shown in the yield table has been prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase price of the Fixed Rate Interest Only Class (expressed as a percentage of original principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
IH	11.0%

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

Sensitivity of the IH Class to Prepayments

	<u>PSA Prepayment Assumption</u>						
	<u>50%</u>	<u>100%</u>	<u>157%</u>	<u>168%</u>	<u>250%</u>	<u>300%</u>	<u>500%</u>
Pre-Tax Yields to Maturity	26.9%	14.3%	14.3%	14.3%	14.3%	13.7%	(0.8)%

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 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	240 months	240 months	8.00%
Group 2 MBS	360 months	360 months	7.50%

It is unlikely

- that all of the underlying Mortgage Loans will have the interest rates, WALAs or remaining terms to maturity assumed or
- that all of 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	AL, IH†, MA and MB Classes							PD Class							TJ Class							
	PSA Prepayment Assumption							PSA Prepayment Assumption							PSA Prepayment Assumption							
	0%	100%	157%	168%	250%	300%	500%	0%	100%	157%	168%	250%	300%	500%	0%	100%	157%	168%	250%	300%	500%	
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2006	94	85	85	85	85	85	85	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2007	87	64	64	64	64	64	64	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2008	79	39	39	39	39	39	3	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2009	71	16	16	16	16	14	0	100	100	100	100	100	100	17	100	100	100	100	100	100	100	100
May 2010	62	0	0	0	0	0	0	100	89	89	89	89	65	0	100	100	100	100	100	100	8	8
May 2011	52	0	0	0	0	0	0	100	48	48	48	48	15	0	100	100	100	100	100	100	0	0
May 2012	42	0	0	0	0	0	0	100	9	9	9	9	0	0	100	100	100	100	100	47	0	
May 2013	31	0	0	0	0	0	0	100	0	0	0	0	0	0	100	46	46	46	46	0	0	0
May 2014	18	0	0	0	0	0	0	100	0	0	0	0	0	0	100	0	0	0	0	0	0	0
May 2015	5	0	0	0	0	0	0	100	0	0	0	0	0	0	100	0	0	0	0	0	0	0
May 2016	0	0	0	0	0	0	0	81	0	0	0	0	0	0	100	0	0	0	0	0	0	0
May 2017	0	0	0	0	0	0	0	50	0	0	0	0	0	0	100	0	0	0	0	0	0	0
May 2018	0	0	0	0	0	0	0	16	0	0	0	0	0	0	100	0	0	0	0	0	0	0
May 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	56	0	0	0	0	0	0	0
May 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	5.9	2.6	2.6	2.6	2.6	2.5	2.0	12.0	6.0	6.0	6.0	6.0	5.3	3.6	14.1	8.0	8.0	8.0	8.0	7.0	4.7	4.7

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

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

Date	TH Class							TX, TF and TS† Classes							ZT Class						
	PSA Prepayment Assumption							PSA Prepayment Assumption							PSA Prepayment Assumption						
	0%	100%	157%	168%	250%	300%	500%	0%	100%	157%	168%	250%	300%	500%	0%	100%	157%	168%	250%	300%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2006	100	100	100	100	100	100	100	97	97	91	91	91	91	91	106	106	106	106	106	106	106
May 2007	100	100	100	100	100	100	100	94	94	74	74	74	74	6	112	112	112	112	112	112	112
May 2008	100	100	100	100	100	100	100	90	90	55	55	55	28	0	118	118	118	118	118	118	0
May 2009	100	100	100	100	100	100	100	87	87	41	41	30	0	0	125	125	125	125	125	0	0
May 2010	100	100	100	100	100	100	100	83	83	30	30	12	0	0	132	132	132	132	132	0	0
May 2011	100	100	100	100	100	100	69	79	79	24	24	3	0	0	139	139	139	139	139	0	0
May 2012	100	100	100	100	100	46	46	75	75	20	20	0	0	0	147	147	147	147	9	0	0
May 2013	100	100	100	100	92	30	30	70	68	17	17	0	0	0	155	155	155	155	1	0	0
May 2014	100	94	94	94	71	20	20	65	58	13	13	0	0	0	164	164	164	164	1	0	0
May 2015	100	74	74	74	54	13	13	60	45	7	7	0	0	0	173	173	173	173	1	0	0
May 2016	100	58	58	58	41	8	8	55	28	1	1	0	0	0	183	183	183	183	1	0	0
May 2017	100	45	45	45	30	5	5	50	10	0	0	0	0	0	193	193	0	0	1	0	0
May 2018	100	34	34	34	22	3	3	44	0	0	0	0	0	0	204	0	0	0	1	0	0
May 2019	100	25	25	25	16	2	2	37	0	0	0	0	0	0	216	0	0	0	1	0	0
May 2020	89	18	18	18	11	1	1	31	0	0	0	0	0	0	228	0	0	0	1	0	0
May 2021	53	12	12	12	7	1	1	24	0	0	0	0	0	0	241	0	0	0	1	0	0
May 2022	14	8	8	8	4	*	*	16	0	0	0	0	0	0	254	0	0	0	1	0	0
May 2023	4	4	4	4	2	*	*	0	0	0	0	0	0	0	0	0	0	0	1	0	0
May 2024	1	1	1	1	1	*	*	0	0	0	0	0	0	0	0	0	0	0	1	0	0
May 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	16.2	12.3	12.3	12.3	12.3	11.0	7.5	11.1	8.7	4.3	4.3	3.2	2.4	1.5	17.5	12.6	11.2	11.2	6.9	3.8	2.1

Date	TZ Class							AJ Class					AK Class							
	PSA Prepayment Assumption							PSA Prepayment Assumption					PSA Prepayment Assumption							
	0%	100%	157%	168%	250%	300%	500%	0%	100%	180%	275%	350%	500%	0%	100%	180%	275%	350%	500%	
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2006	106	106	103	100	80	67	18	99	92	87	81	77	68	100	100	100	100	100	100	100
May 2007	112	112	108	100	42	8	0	97	82	71	59	50	33	100	100	100	100	100	100	100
May 2008	118	118	113	100	5	0	0	96	72	56	40	28	8	100	100	100	100	100	100	100
May 2009	125	125	117	100	0	0	0	94	63	44	24	11	0	100	100	100	100	100	47	0
May 2010	132	132	120	100	0	0	0	92	54	32	11	0	0	100	100	100	100	90	0	0
May 2011	139	139	121	100	0	0	0	90	46	22	1	0	0	100	100	100	100	32	0	0
May 2012	147	147	122	100	0	0	0	88	39	13	0	0	0	100	100	100	54	0	0	0
May 2013	155	155	122	100	0	0	0	86	31	6	0	0	0	100	100	100	13	0	0	0
May 2014	164	164	121	100	0	0	0	83	25	0	0	0	0	100	100	92	0	0	0	0
May 2015	173	173	120	100	0	0	0	81	19	0	0	0	0	100	100	58	0	0	0	0
May 2016	183	183	118	100	0	0	0	78	13	0	0	0	0	100	100	27	0	0	0	0
May 2017	193	193	107	90	0	0	0	75	7	0	0	0	0	100	100	*	0	0	0	0
May 2018	204	188	92	77	0	0	0	71	2	0	0	0	0	100	100	0	0	0	0	0
May 2019	216	160	76	64	0	0	0	68	0	0	0	0	0	100	84	0	0	0	0	0
May 2020	228	132	61	51	0	0	0	64	0	0	0	0	0	100	59	0	0	0	0	0
May 2021	241	103	46	39	0	0	0	60	0	0	0	0	0	100	35	0	0	0	0	0
May 2022	254	74	32	27	0	0	0	55	0	0	0	0	0	100	12	0	0	0	0	0
May 2023	212	45	19	16	0	0	0	50	0	0	0	0	0	100	0	0	0	0	0	0
May 2024	112	16	7	6	0	0	0	45	0	0	0	0	0	100	0	0	0	0	0	0
May 2025	0	0	0	0	0	0	0	40	0	0	0	0	0	100	0	0	0	0	0	0
May 2026	0	0	0	0	0	0	0	34	0	0	0	0	0	100	0	0	0	0	0	0
May 2027	0	0	0	0	0	0	0	27	0	0	0	0	0	100	0	0	0	0	0	0
May 2028	0	0	0	0	0	0	0	20	0	0	0	0	0	100	0	0	0	0	0	0
May 2029	0	0	0	0	0	0	0	12	0	0	0	0	0	100	0	0	0	0	0	0
May 2030	0	0	0	0	0	0	0	4	0	0	0	0	0	100	0	0	0	0	0	0
May 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	74	0	0	0	0	0	0
May 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	21	0	0	0	0	0	0
May 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	18.8	16.1	15.1	15.2	1.8	1.3	0.7	16.6	6.0	3.8	2.7	2.2	1.6	26.5	15.4	10.3	7.2	5.7	4.0	0

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

Date	VC Class						VD Class						ZB Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	180%	275%	350%	500%	0%	100%	180%	275%	350%	500%	0%	100%	180%	275%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2006	93	93	93	93	93	93	100	100	100	100	100	100	100	105	105	105	105	105
May 2007	86	86	86	86	86	86	100	100	100	100	100	100	100	110	110	110	110	110
May 2008	78	78	78	78	78	78	100	100	100	100	100	100	100	116	116	116	116	116
May 2009	70	70	70	70	70	70	100	100	100	100	100	100	100	122	122	122	122	122
May 2010	61	61	61	61	61	20	100	100	100	100	100	100	100	128	128	128	128	128
May 2011	52	52	52	52	52	0	100	100	100	100	100	21	135	135	135	135	135	135
May 2012	42	42	42	42	14	0	100	100	100	100	100	0	142	142	142	142	142	104
May 2013	32	32	32	32	0	0	100	100	100	100	37	0	149	149	149	149	149	71
May 2014	22	22	22	0	0	0	100	100	100	81	0	0	157	157	157	157	137	48
May 2015	11	11	11	0	0	0	100	100	100	18	0	0	165	165	165	165	105	33
May 2016	0	0	0	0	0	0	99	99	99	0	0	0	173	173	173	145	80	22
May 2017	0	0	0	0	0	0	88	88	88	0	0	0	182	182	182	117	61	15
May 2018	0	0	0	0	0	0	76	76	31	0	0	0	191	191	191	94	47	10
May 2019	0	0	0	0	0	0	64	64	0	0	0	0	201	201	185	75	35	7
May 2020	0	0	0	0	0	0	51	51	0	0	0	0	211	211	157	60	27	5
May 2021	0	0	0	0	0	0	37	37	0	0	0	0	222	222	133	48	20	3
May 2022	0	0	0	0	0	0	22	22	0	0	0	0	234	234	112	38	15	2
May 2023	0	0	0	0	0	0	7	0	0	0	0	0	246	237	94	29	11	1
May 2024	0	0	0	0	0	0	0	0	0	0	0	0	251	208	78	23	8	1
May 2025	0	0	0	0	0	0	0	0	0	0	0	0	251	180	64	18	6	1
May 2026	0	0	0	0	0	0	0	0	0	0	0	0	251	154	52	13	4	*
May 2027	0	0	0	0	0	0	0	0	0	0	0	0	251	129	42	10	3	*
May 2028	0	0	0	0	0	0	0	0	0	0	0	0	251	106	32	7	2	**
May 2029	0	0	0	0	0	0	0	0	0	0	0	0	251	85	25	5	1	*
May 2030	0	0	0	0	0	0	0	0	0	0	0	0	251	65	18	4	1	*
May 2031	0	0	0	0	0	0	0	0	0	0	0	0	251	46	12	2	1	*
May 2032	0	0	0	0	0	0	0	0	0	0	0	0	251	29	7	1	*	*
May 2033	0	0	0	0	0	0	0	0	0	0	0	0	195	13	3	*	*	*
May 2034	0	0	0	0	0	0	0	0	0	0	0	0	101	0	0	0	0	0
May 2035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	6.0	6.0	6.0	5.7	5.1	4.0	15.0	14.9	12.7	9.5	7.9	5.7	28.8	22.7	18.7	14.7	12.2	8.9

Date	A Class						B Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	180%	275%	350%	500%	0%	100%	180%	275%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100
May 2006	99	93	89	84	80	73	100	100	100	100	100	100
May 2007	98	84	75	65	57	43	100	100	100	100	100	100
May 2008	96	76	63	49	39	22	100	100	100	100	100	100
May 2009	95	68	52	36	25	7	100	100	100	100	100	100
May 2010	93	61	42	25	13	0	100	100	100	100	100	88
May 2011	92	54	34	16	5	0	100	100	100	100	100	60
May 2012	90	48	26	8	0	0	100	100	100	100	92	41
May 2013	88	42	20	2	0	0	100	100	100	100	71	28
May 2014	86	36	14	0	0	0	100	100	100	88	54	19
May 2015	83	31	9	0	0	0	100	100	100	71	42	13
May 2016	81	26	4	0	0	0	100	100	100	58	32	9
May 2017	78	21	*	0	0	0	100	100	100	46	24	6
May 2018	76	17	0	0	0	0	100	100	86	37	19	4
May 2019	73	13	0	0	0	0	100	100	74	30	14	3
May 2020	69	9	0	0	0	0	100	100	63	24	11	2
May 2021	66	5	0	0	0	0	100	100	53	19	8	1
May 2022	62	2	0	0	0	0	100	100	45	15	6	1
May 2023	58	0	0	0	0	0	100	95	38	12	4	1
May 2024	53	0	0	0	0	0	100	83	31	9	3	*
May 2025	49	0	0	0	0	0	100	72	26	7	2	**
May 2026	43	0	0	0	0	0	100	61	21	5	2	*
May 2027	38	0	0	0	0	0	100	52	17	4	1	*
May 2028	32	0	0	0	0	0	100	42	13	3	1	*
May 2029	26	0	0	0	0	0	100	34	10	2	1	*
May 2030	19	0	0	0	0	0	100	26	7	1	*	*
May 2031	11	0	0	0	0	0	100	19	5	1	*	*
May 2032	3	0	0	0	0	0	100	12	3	*	*	*
May 2033	0	0	0	0	0	0	78	5	1	*	*	*
May 2034	0	0	0	0	0	0	40	0	0	0	0	0
May 2035	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	18.1	7.4	4.8	3.4	2.7	2.0	28.8	22.5	17.4	12.9	10.4	7.3

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

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

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 Class 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	157% PSA
2	180% 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 either 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 5.68% (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 Class will be created, sold and administered pursuant to an arrangement that will be classified as a grantor trust under subpart E, part I of subchapter J of the Code. The REMIC Certificates that are exchanged for RCR Certificates (including any exchanges effective on the Settlement Date) will be the assets of the trust, and the RCR Certificates will represent an ownership interest in those REMIC Certificates. For a general discussion of the federal income tax treatment of beneficial owners of REMIC Certificates, see “Certain Federal Income Tax Consequences” in the REMIC Prospectus.

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

The MA, IH and MB Classes are Strip RCR Classes. The remaining RCR Classes are Combination RCR Classes.

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

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

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

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

Upon the sale of a Strip RCR Certificate, a beneficial owner will realize gain or loss on the sale in an amount equal to the difference between the amount realized and its adjusted basis in the Certificate. The owner’s adjusted basis generally is equal to the owner’s cost of the Certificate (or portion of the cost of REMIC Certificates allocable to the RCR Certificate), increased by income previously included, and reduced (but not below zero) by distributions previously received and by any

amortized premium. If the beneficial owner holds the Certificate as a capital asset, any gain or loss realized will be capital gain or loss, except to the extent provided under “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Sales and Other Dispositions of Regular Certificates” in the REMIC Prospectus.

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

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

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

Tax Return Disclosure Requirements

The Treasury Department recently issued Regulations directed at “tax shelters” that could be read to apply to transactions generally not considered to be tax shelters. These Regulations require that taxpayers that participate in a “reportable transaction” disclose such transaction on their tax returns by attaching IRS Form 8886 and retain information related to the transaction. A transaction may be a “reportable transaction” based upon any of several indicia, one or more of which may be present with respect to the Certificates. You should consult your 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 Merrill Lynch, Pierce, Fenner & Smith 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 Classes in addition to those contemplated as of the date of this prospectus supplement. In this event, we will increase the related MBS in principal balance, but we expect that all these additional MBS will have the same characteristics as described under “Description of the Certificates—The MBS” in this prospectus supplement. The proportion that the original principal balance of each Group 1 or Group 2 Class bears to the aggregate original principal balance of all Group 1 or Group 2 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. Milbank Tweed, Hadley & McCloy LLP will provide legal representation for the Dealer.

Available Recombination (1) (2)

REMIC Certificates		RCR Certificates						
Classes	Original Principal or Notional Principal Balances	RCR Class	Original Principal Balance	Interest Rate	Interest Type(3)	Principal Type(3)	CUSIP Number	Final Distribution Date
Recombination 1								
AL	\$56,105,000	MA	\$56,105,000	5.00%	FIX	PAC	31394DXQ8	November 2017
		IH	5,100,455(4)	5.50%	FIX/IO	NTL	31394DXP0	November 2017
Recombination 2								
AL	56,105,000	MB	56,105,000	4.50%	FIX	PAC	31394DXXR6	November 2017
		IH	10,200,909(4)	5.50%	FIX/IO	NTL	31394DXP0	November 2017
Recombination 3								
AJ	74,800,000	A	88,000,000	5.00%	FIX	SEQ	31394DXXS4	November 2032
AK	13,200,000							
Recombination 4								
VC	6,360,640	B(5)	22,000,000	5.00%	FIX	SEQ	31394DXT2	June 2035
VD	6,875,360							
ZB	8,764,000							

(1) REMIC Certificates and RCR Certificates in Recombination 1 or 2 may be exchanged only in the proportions shown in this Schedule 1. In any exchange under Recombination 3 or 4, 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 balances of the related REMIC Classes at the time of exchange.

(2) If, as a result of a proposed exchange, a Certificateholder would hold a REMIC Certificate or RCR Certificate of a Class in an amount less than the applicable minimum denomination for that Class, the Certificateholder will be unable to effect the proposed exchange. See "Description of the Certificates—General—Authorized Denominations" in this prospectus supplement.

(3) 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.

(4) Notional principal balance.

(5) Principal payments on the REMIC Certificates in Recombination 4 from the ZB Accrual Amount will be paid as interest on the related RCR Certificates and thus will not reduce the principal balances of those RCR Certificates.

Principal Balance Schedules

Aggregate Group I Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance	\$130,424,000.00	August 2009	\$ 80,183,670.76	November 2013	\$ 35,160,409.87
June 2005	129,892,758.84	September 2009	79,156,102.65	December 2013	34,502,348.51
July 2005	129,331,647.49	October 2009	78,133,910.90	January 2014	33,854,726.53
August 2005	128,740,886.57	November 2009	77,117,067.82	February 2014	33,217,389.88
September 2005	128,120,712.71	December 2009	76,105,545.90	March 2014	32,590,186.72
October 2005	127,471,378.39	January 2010	75,099,317.74	April 2014	31,972,967.36
November 2005	126,793,151.76	February 2010	74,098,356.09	May 2014	31,365,584.21
December 2005	126,086,316.53	March 2010	73,102,633.85	June 2014	30,767,891.82
January 2006	125,351,171.73	April 2010	72,112,124.06	July 2014	30,179,746.78
February 2006	124,588,031.55	May 2010	71,126,799.88	August 2014	29,601,007.74
March 2006	123,797,225.10	June 2010	70,146,634.62	September 2014	29,031,535.35
April 2006	122,979,096.20	July 2010	69,171,601.73	October 2014	28,471,192.26
May 2006	122,134,003.14	August 2010	68,201,674.80	November 2014	27,919,843.05
June 2006	121,262,318.40	September 2010	67,236,827.54	December 2014	27,377,354.25
July 2006	120,364,428.43	October 2010	66,277,033.80	January 2015	26,843,594.30
August 2006	119,440,733.34	November 2010	65,322,267.58	February 2015	26,318,433.49
September 2006	118,491,646.62	December 2010	64,372,503.01	March 2015	25,801,743.98
October 2006	117,517,594.82	January 2011	63,427,714.32	April 2015	25,293,399.75
November 2006	116,519,017.28	February 2011	62,487,875.92	May 2015	24,793,276.57
December 2006	115,496,365.74	March 2011	61,552,962.32	June 2015	24,301,252.00
January 2007	114,450,104.04	April 2011	60,622,948.18	July 2015	23,817,205.33
February 2007	113,380,707.76	May 2011	59,697,808.27	August 2015	23,341,017.59
March 2007	112,288,663.89	June 2011	58,777,517.51	September 2015	22,872,571.50
April 2007	111,174,470.40	July 2011	57,862,050.94	October 2015	22,411,751.47
May 2007	110,038,635.92	August 2011	56,951,383.72	November 2015	21,958,443.54
June 2007	108,881,679.30	September 2011	56,045,491.15	December 2015	21,512,535.41
July 2007	107,704,129.25	October 2011	55,144,348.66	January 2016	21,073,916.37
August 2007	106,532,727.45	November 2011	54,247,931.79	February 2016	20,642,477.28
September 2007	105,367,442.27	December 2011	53,356,216.22	March 2016	20,218,110.60
October 2007	104,208,242.21	January 2012	52,469,177.75	April 2016	19,800,710.30
November 2007	103,055,095.97	February 2012	51,586,792.30	May 2016	19,390,171.89
December 2007	101,907,972.39	March 2012	50,709,035.93	June 2016	18,986,392.35
January 2008	100,766,840.46	April 2012	49,835,884.81	July 2016	18,589,270.18
February 2008	99,631,669.37	May 2012	48,967,315.22	August 2016	18,198,705.30
March 2008	98,502,428.43	June 2012	48,103,303.59	September 2016	17,814,599.08
April 2008	97,379,087.11	July 2012	47,243,826.46	October 2016	17,436,854.30
May 2008	96,261,615.06	August 2012	46,395,874.20	November 2016	17,065,375.15
June 2008	95,149,982.07	September 2012	45,561,150.25	December 2016	16,700,067.19
July 2008	94,044,158.09	October 2012	44,739,461.05	January 2017	16,340,837.32
August 2008	92,944,113.23	November 2012	43,930,615.76	February 2017	15,987,593.82
September 2008	91,849,817.73	December 2012	43,134,426.26	March 2017	15,640,246.24
October 2008	90,761,242.01	January 2013	42,350,707.07	April 2017	15,298,705.47
November 2008	89,678,356.64	February 2013	41,579,275.34	May 2017	14,962,883.66
December 2008	88,601,132.32	March 2013	40,819,950.82	June 2017	14,632,694.24
January 2009	87,529,539.92	April 2013	40,072,555.81	July 2017	14,308,051.88
February 2009	86,463,550.45	May 2013	39,336,915.12	August 2017	13,988,872.47
March 2009	85,403,135.08	June 2013	38,612,856.04	September 2017	13,675,073.14
April 2009	84,348,265.12	July 2013	37,900,208.34	October 2017	13,366,572.19
May 2009	83,298,912.03	August 2013	37,198,804.15	November 2017	13,063,289.11
June 2009	82,255,047.42	September 2013	36,508,478.04	December 2017	12,765,144.55
July 2009	81,216,643.02	October 2013	35,829,066.87	January 2018	12,472,060.31

Aggregate Group I (Continued)

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
February 2018	\$ 12,183,959.30	June 2020	\$ 5,859,951.99	October 2022	\$ 2,062,850.75
March 2018	11,900,765.58	July 2020	5,687,387.56	November 2022	1,961,446.41
April 2018	11,622,404.28	August 2020	5,517,948.16	December 2022	1,862,037.61
May 2018	11,348,801.62	September 2020	5,351,584.85	January 2023	1,764,592.10
June 2018	11,079,884.89	October 2020	5,188,249.42	February 2023	1,669,078.10
July 2018	10,815,582.43	November 2020	5,027,894.38	March 2023	1,575,464.30
August 2018	10,555,823.62	December 2020	4,870,472.89	April 2023	1,483,719.87
September 2018	10,300,538.86	January 2021	4,715,938.86	May 2023	1,393,814.42
October 2018	10,049,659.58	February 2021	4,564,246.82	June 2023	1,305,718.04
November 2018	9,803,118.16	March 2021	4,415,352.01	July 2023	1,219,401.23
December 2018	9,560,848.01	April 2021	4,269,210.30	August 2023	1,134,834.97
January 2019	9,322,783.46	May 2021	4,125,778.23	September 2023	1,051,990.65
February 2019	9,088,859.84	June 2021	3,985,012.97	October 2023	970,840.10
March 2019	8,859,013.39	July 2021	3,846,872.32	November 2023	891,355.55
April 2019	8,633,181.29	August 2021	3,711,314.70	December 2023	813,509.68
May 2019	8,411,301.61	September 2021	3,578,299.16	January 2024	737,275.56
June 2019	8,193,313.35	October 2021	3,447,785.33	February 2024	662,626.66
July 2019	7,979,156.38	November 2021	3,319,733.45	March 2024	589,536.85
August 2019	7,768,771.47	December 2021	3,194,104.34	April 2024	517,980.42
September 2019	7,562,100.21	January 2022	3,070,859.41	May 2024	447,932.00
October 2019	7,359,085.08	February 2022	2,949,960.63	June 2024	379,366.64
November 2019	7,159,669.39	March 2022	2,831,370.54	July 2024	312,259.75
December 2019	6,963,797.25	April 2022	2,715,052.23	August 2024	246,587.11
January 2020	6,771,413.63	May 2022	2,600,969.34	September 2024	182,324.87
February 2020	6,582,464.27	June 2022	2,489,086.04	October 2024	119,449.54
March 2020	6,396,895.72	July 2022	2,379,367.04	November 2024	57,937.97
April 2020	6,214,655.30	August 2022	2,271,777.58	December 2024 and thereafter	0.00
May 2020	6,035,691.10	September 2022	2,166,283.40		

Aggregate Group II 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	\$26,838,000.00	January 2007	\$21,573,945.06	September 2008	\$13,418,503.29
June 2005	26,739,809.56	February 2007	21,157,485.81	October 2008	13,090,752.21
July 2005	26,622,444.24	March 2007	20,730,315.22	November 2008	12,771,215.95
August 2005	26,486,094.00	April 2007	20,293,067.24	December 2008	12,459,795.65
September 2005	26,330,976.11	May 2007	19,846,389.40	January 2009	12,156,393.47
October 2005	26,157,334.86	June 2007	19,390,941.76	February 2009	11,860,912.54
November 2005	25,965,441.29	July 2007	18,927,395.84	March 2009	11,573,256.99
December 2005	25,755,592.84	August 2007	18,473,674.29	April 2009	11,293,331.91
January 2006	25,528,112.91	September 2007	18,029,662.06	May 2009	11,021,043.37
February 2006	25,283,350.46	October 2007	17,595,245.24	June 2009	10,756,298.36
March 2006	25,021,679.46	November 2007	17,170,311.07	July 2009	10,499,004.86
April 2006	24,743,498.39	December 2007	16,754,747.92	August 2009	10,249,071.76
May 2006	24,449,229.61	January 2008	16,348,445.29	September 2009	10,006,408.87
June 2006	24,139,318.74	February 2008	15,951,293.77	October 2009	9,770,926.94
July 2006	23,814,233.98	March 2008	15,563,185.06	November 2009	9,542,537.62
August 2006	23,474,465.36	April 2008	15,184,011.96	December 2009	9,321,153.46
September 2006	23,120,524.01	May 2008	14,813,668.34	January 2010	9,106,687.90
October 2006	22,752,941.33	June 2008	14,452,049.13	February 2010	8,899,055.28
November 2006	22,372,268.11	July 2008	14,099,050.35	March 2010	8,698,170.80
December 2006	21,979,073.70	August 2008	13,754,569.04	April 2010	8,503,950.52

Aggregate Group II (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>
May 2010	\$ 8,316,311.39	July 2012	\$ 5,494,830.40	September 2014	\$ 3,215,047.26
June 2010	8,135,171.18	August 2012	5,449,394.85	October 2014	3,092,003.34
July 2010	7,960,448.51	September 2012	5,399,791.82	November 2014	2,967,060.19
August 2010	7,792,062.86	October 2012	5,346,130.38	December 2014	2,840,284.57
September 2010	7,629,934.50	November 2012	5,288,517.59	January 2015	2,711,741.90
October 2010	7,473,984.55	December 2012	5,227,058.60	February 2015	2,581,496.35
November 2010	7,324,134.92	January 2013	5,161,856.63	March 2015	2,449,610.85
December 2010	7,180,308.33	February 2013	5,093,013.02	April 2015	2,316,147.05
January 2011	7,042,428.30	March 2013	5,020,627.27	May 2015	2,181,165.43
February 2011	6,910,419.15	April 2013	4,944,797.03	June 2015	2,044,725.24
March 2011	6,784,205.95	May 2013	4,865,618.18	July 2015	1,906,884.58
April 2011	6,663,714.57	June 2013	4,783,184.82	August 2015	1,767,700.37
May 2011	6,548,871.63	July 2013	4,697,589.32	September 2015	1,627,228.41
June 2011	6,439,604.52	August 2013	4,608,922.35	October 2015	1,485,523.38
July 2011	6,335,841.38	September 2013	4,517,272.86	November 2015	1,342,638.85
August 2011	6,237,511.09	October 2013	4,422,728.19	December 2015	1,198,627.31
September 2011	6,144,543.27	November 2013	4,325,374.01	January 2016	1,053,540.19
October 2011	6,056,868.27	December 2013	4,225,294.42	February 2016	907,427.87
November 2011	5,974,417.16	January 2014	4,122,571.93	March 2016	760,339.71
December 2011	5,897,121.73	February 2014	4,017,287.48	April 2016	612,324.04
January 2012	5,824,914.48	March 2014	3,909,520.51	May 2016	463,428.21
February 2012	5,757,728.61	April 2014	3,799,348.94	June 2016	313,698.58
March 2012	5,695,498.03	May 2014	3,686,849.21	July 2016	163,180.55
April 2012	5,638,157.30	June 2014	3,572,096.33	August 2016	11,918.58
May 2012	5,585,641.71	July 2014	3,455,163.83	September 2016 and thereafter	0.00
June 2012	5,537,887.21	August 2014	3,336,123.89		

No one is authorized to give information or to make representations in connection with the Certificates other than the information and representations contained in this Prospectus Supplement and the additional Disclosure Documents. You must not rely on any unauthorized information or representation. This Prospectus Supplement and the additional Disclosure Documents do not constitute an offer or solicitation with regard to the Certificates if it is illegal to make such an offer or solicitation to you under state law. By delivering this Prospectus Supplement and the additional Disclosure Documents at any time, no one implies that the information contained herein or therein is correct after the date hereof or thereof.

The Securities and Exchange Commission has not approved or disapproved the Certificates or determined if this Prospectus Supplement is truthful and complete. Any representation to the contrary is a criminal offense.

\$281,535,000



**Guaranteed REMIC
Pass-Through Certificates**

Fannie Mae REMIC Trust 2005-49

PROSPECTUS SUPPLEMENT

TABLE OF CONTENTS

	<u>Page</u>
Table of Contents	S- 2
Available Information	S- 3
Incorporation By Reference	S- 3
Recent Developments	S- 4
Reference Sheet	S- 7
Additional Risk Factors	S-10
Description of the Certificates	S-11
Certain Additional Federal Income Tax Consequences	S-27
Plan of Distribution	S-30
Legal Matters	S-31
Schedule 1	A- 1
Principal Balance Schedules	B- 1

Merrill Lynch & Co.

April 27, 2005
