Prospectus Supplement
(To REMIC Prospectus dated May 1, 2002)

$376,330,066

Fannie Mae®

Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2006-98

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, and
- principal to the extent available for payment on your class.

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

The Fannie Mae Guaranty

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

The Trust and its Assets

The trust will own Fannie Mae MBS.

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

Class	Group	Original Class Balance	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
FA	1	$125,000,000	PT	(1)	FLT	31396K5N8	October 2036
SQ(2)	1	125,000,000(3)	NTL	(1)	INV/IO	31396K5P3	October 2036
NO(2)	1	5,705,000	PAC	(4)	PO	31396K5Q1	October 2036
QO(2)	1	3,910,385	SUP	(4)	PO	31396K5R9	October 2036
FB	2	100,000,000	PT	(1)	FLT	31396K5S7	October 2036
FJ	2	500,000(3)	NTL	(5)	T/IO	31396K5T5	October 2036
SB(2)	2	100,000,000(3)	NTL	(1)	INV/IO	31396K5U2	October 2036
ST	2	9,696,970	PT	(1)	INV	31396K5V0	October 2036
LO(2)	2	18,985,000	PAC	(4)	PO	31396K5W8	October 2036
MO(2)	2	7,681,666	SUP	(4)	PO	31396K5X6	October 2036
NA(2)	3	35,000,000	NAS/SEQ	5.5%	FIX	31396K5Y4	October 2030
AC(2)	3	45,000,000	AS/SEQ	5.5	FIX	31396K5Z1	September 2033
B	3	25,351,045	SEQ	5.5	FIX	31396K6A5	October 2036
R		0	NPR	0	NPR	31396K6B3	October 2036

(1) Based on LIBOR.
(2) Exchangeable classes.
(3) Notional balances. These classes are interest only classes. See page S-7 for a description of how their notional balances are calculated.
(4) Principal only classes.
(5) This class is a toggle class. See page S-7 for a description of its interest rate.

If you own certificates of certain classes, you can exchange them for the corresponding RCR certificates to be issued at the time of the exchange. The SA, PO, SC, KO, AB, IB, AD, ID and A Classes are the RCR classes, as further described in this prospectus supplement.

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be September 29, 2006.

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

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

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

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

Citigroup

The date of this Prospectus Supplement is August 31, 2006

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AVAILABLE INFORMATION

You should purchase the certificates only if you have read and understood this prospectus supplement and the following documents (the "Disclosure Documents"):

- our Prospectus for Fannie Mae Guaranteed REMIC Pass-Through Certificates dated May 1, 2002 (the "REMIC Prospectus");
- our Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated January 1, 2006 (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 REMIC Prospectus and the MBS Prospectus by writing or calling the dealer at:

Citigroup Global Markets Inc.
Prospectus Department
Brooklyn Army Terminal
140 58th Street, Suite 8-G
Brooklyn, New York 11220
(telephone 718-765-6732).

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, 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. 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

Our safety and soundness regulator, the Office of Federal Housing Enterprise Oversight ("OFHEO"), announced in July 2003 that it was conducting a special examination of our accounting policies and practices, and in September 2004 issued a preliminary report of its findings to date. OFHEO subsequently identified additional accounting and internal control issues in February 2005, and issued its Report of the Special Examination of Fannie Mae (the "OFHEO Report") on May 23, 2006.

On December 22, 2004, we reported that the Audit Committee of our Board of Directors (the "Board") had determined that our previously filed interim and audited financial statements and the independent auditor's reports thereon for the period from January 2001 through the second quarter of 2004 should no longer be relied upon because such financial statements were prepared using accounting principles that did not comply with U.S. generally accepted accounting principles ("GAAP"). We have subsequently initiated an extensive restatement and re-audit of our financial statements with our new independent auditor, Deloitte & Touche LLP. We anticipate that the impact of the restatement will be material to Fannie Mae's financial statements for many, if not all, of the periods involved.

Our Board and management have initiated numerous internal and external reviews of our accounting processes and controls, our financial reporting processes, and our application of GAAP. See "Risk Factors—There are numerous ongoing internal reviews and external investigations of Fannie Mae" in the MBS Prospectus. One of these external investigations was conducted by the law firm of Paul, Weiss, Rifkind, Wharton & Garrison LLP ("Paul Weiss"), under the direction of former U.S. Senator Warren Rudman. On February 23, 2006, the Paul Weiss report to the Special Committee of the Board was publicly released, and included numerous findings about Fannie Mae's accounting policies, practices and systems, compensation practices, corporate governance, and internal controls. On February 24, 2006, we filed a Form 8-K with the U.S. Securities and Exchange Commission (the "SEC") that includes the Paul Weiss report.

The OFHEO Report presents OFHEO's findings about Fannie Mae's corporate culture, executive compensation programs, accounting policies and internal controls, internal and external auditors, senior management, and the Board. In conjunction with the release of the OFHEO Report, Fannie Mae entered into settlement agreements with both OFHEO and the SEC on May 23, 2006. The settlement agreements require Fannie Mae to pay civil penalties totaling $400 million. In addition, the settlement agreement with OFHEO requires Fannie Mae to undertake certain remedial actions within a specified time frame to address the recommendations contained in the OFHEO Report, including an undertaking by Fannie Mae not to increase its ''mortgage portfolio'' assets except as permitted by a plan to be submitted by Fannie Mae for approval by OFHEO. The settlement agreements constitute comprehensive settlements between Fannie Mae and both OFHEO and the SEC relating to the activities of Fannie Mae during the time period in question. Please refer to our Form 8-K filed with the SEC on May 30, 2006 for further information about the OFHEO Report and the settlement agreements. A complete copy of the OFHEO Report is available on OFHEO's website at www.ofheo.gov.

On July 20, 2006, the Federal Reserve Board implemented revisions to its payment systems risk policy requiring all government sponsored enterprises, including Fannie Mae, to fully fund their accounts with the Federal Reserve Banks before making payments to debt and mortgage-backed securities investors. Fannie Mae complied with this policy by entering into various funding agreements with market participants. In connection with this policy change, Fannie Mae also entered into a new fiscal agency agreement with the Federal Reserve Bank of New York.

On August 24, 2006, we announced that we had been advised by the United States Attorney's Office for the District of Columbia that it was discontinuing its investigation of Fannie Mae's accounting policies and practices, and did not plan to file charges against Fannie Mae. Please refer to our Form 8-K filed with the SEC on August 24, 2006 for further information.

We have not filed Quarterly Reports on Form 10-Q for the third quarter of 2004, the first, second and third quarters of 2005, or the first and second quarters of 2006, nor have we filed our Annual Reports on Form 10-K for the years ended December 31, 2004 and December 31, 2005. As we most recently reported in the Current Report on Form 8-K filed with the SEC on August 9, 2006, we currently estimate that we will complete our financial restatement and file our Annual Report on Form 10-K for the year ended December 31, 2004 by the end of 2006. See ''Risk Factors—There is a lack of financial information about us available in the market'' in the MBS Prospectus.

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

Group	Assets
1	Group 1 MBS
2	Group 2 MBS
3	Group 3 MBS

Assumed Characteristics of the Mortgage Loans Underlying the MBS (as of September 1, 2006)

	Approximate Principal Balance	Original Term to Maturity (in months)	Approximate Weighted Average Remaining Term to Maturity (in months)	Approximate Weighted Average Loan Age (in months)	Approximate Weighted Average Coupon
Group 1 MBS	$134,615,385	360	355	4	6.980%
Group 2 MBS	$136,363,636	360	334	22	5.930%
Group 3 MBS	$105,351,045	360	358	2	6.183%

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

Class Factors

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

Settlement Date

We expect to issue the certificates on September 29, 2006.

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:

Fed Book-Entry	Physical
All classes of certificates other than the R Class	R Class

Exchanging Certificates Through Combination and Recombination

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

Interest Rates

During each interest accrual period, the fixed rate classes will bear interest at the applicable annual interest rates listed on the cover of this prospectus supplement or on Schedule 1.

During the initial interest accrual period, the floating rate, inverse floating rate and toggle classes will bear interest at the initial interest rates listed below. During subsequent interest accrual periods, the floating rate, inverse floating rate, and toggle classes will bear interest based on the formulas indicated below, but always subject to the specified maximum and minimum interest rates:

Class	Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate(1)
FA	5.7500%	7.0000%	0.43%	LIBOR + 43 basis points
SQ	1.2500%	6.5700%	0.00%	6.57% − LIBOR
FB	5.6300%	7.5000%	0.31%	LIBOR + 31 basis points
FJ	0.0000%	8.0000%	0.00%	(2)
SB	1.2300%	6.5500%	0.00%	6.55% − LIBOR
ST	6.6000%	6.6000%	0.00%	78.65% − (11 × LIBOR)
SA	16.2500%	85.4100%	0.00%	85.41% − (13.00000028 × LIBOR)
SC	4.6125%	24.5625%	0.00%	24.5625% − (3.75 × LIBOR)

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

(2) The applicable interest rate for the FJ Class during each interest accrual period will be determined as follows:

If LIBOR is:	Applicable Rate or Formula
Less than or equal to 6.55%	0.0%
Greater than 6.55% and less than or equal to 7.15%	(13.33333333 × LIBOR) − 87.33333%
Greater than 7.15% and less than 7.19%	1,438% − (200 × LIBOR)
Greater than or equal to 7.19%	0.0%

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:

Class	
SQ	100% of the FA Class
FJ	0.50% of the FB Class
SB	100% of the FB Class
IB	9.0909088889% of the AC Class
ID	9.09090875% of the *sum* of the NA and AC Classes

Distributions of Principal

Group 1 Principal Distribution Amount

(a) 92.8571425918% of that amount to the FA Class to zero, and

(b) 7.1428574082% of that amount as follows:

first, to the NO Class to its Planned Balance;

second, to the QO Class to zero; and

third, to the NO Class to zero.

Group 2 Principal Distribution Amount

(a) 80.4444448812% of that amount to the FB and ST Classes, pro rata, to zero, and

(b) 19.5555551188% of that amount as follows:

first, to the LO Class to its Planned Balance;

second, to the MO Class to zero; and

third, to the LO Class to zero.

Group 3 Principal Distribution Amount

1. To the NA Class, the amount specified under "Description of the Certificates—Distributions of Principal—*Group 3 Principal Distribution Amount"* in this prospectus supplement.

2. To the AC Class to zero.

3. To the NA Class to zero.

4. To the B Class to zero.

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

Weighted Average Lives (years)*

	PSA Prepayment Assumption						
Group 1 Classes	**0%**	**100%**	**213%**	**350%**	**500%**	**650%**	**800%**
FA, SQ, SA and PO	21.1	11.3	7.2	4.8	3.6	2.9	2.4
NO	16.6	6.3	6.3	6.3	4.8	3.9	3.2
QO	27.6	18.6	8.4	2.7	1.8	1.4	1.2

	PSA Prepayment Assumption				
Group 2 Classes	**0%**	**100%**	**184%**	**250%**	**400%**
FB, FJ, SB, ST, SC and KO	20.5	10.1	7.0	5.5	3.5
LO	17.4	6.7	6.7	6.7	4.6
MO	28.2	18.5	7.5	2.3	0.9

	PSA Prepayment Assumption				
Group 3 Classes	**0%**	**175%**	**350%**	**500%**	**700%**
NA	13.1	5.3	4.4	3.4	2.7
AC, AB and IB	21.7	5.2	2.2	1.7	1.4
B	28.5	17.6	10.5	7.6	5.5
AD, ID and A	18.0	5.3	3.2	2.5	2.0

* 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.

The rate of prepayment of relocation mortgage loans may be higher than that of nonrelocation mortgage loans. All of the mortgage loans underlying the Group 3 MBS are relocation mortgage loans made to borrowers whose employers frequently relocate their employees. Accordingly, the rate of prepayment of these mortgage loans will be influenced by:

- the circumstances of individual employees and employers,
- the characteristics of the relocation programs and
- the occurrence and timing of the relocation of the borrowers.

It is possible that borrowers under relocation mortgage loans are more likely than other borrowers to be transferred by their employers. If so, relocation mortgage loans would experience a higher rate of prepayment than non-relocation mortgage loans. Because many unpredictable factors affect the prepayment rate of relocation mortgage loans, we cannot estimate the prepayment experience of such mortgage loans. We are unaware of any conclusive data on the prepayment rate of relocation mortgage loans.

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.

Hurricanes in the Gulf Coast region may present risk of increased mortgage loan prepayments. In August and September 2005, Hurricane Katrina and Hurricane Rita resulted in catastrophic damage to the Gulf Coast of the United States, including portions of coastal and inland Alabama, Florida, Louisiana, Mississippi and Texas. Hundreds of thousands of people were displaced and interruptions in the regional economy remain significant. A prolonged economic downturn in the Gulf Coast region could lead to increased borrower defaults on mortgage loans in the affected areas, in turn resulting in early payments of principal of the certificates backed by those mortgage loans. Additionally, casualty losses on mortgage properties with hurricane or flood damage may result in early payments of principal of the related certificates.

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.

Slight changes in LIBOR may significantly affect the interest rates of the toggle class. The toggle class may be extremely sensitive to certain changes in monthly LIBOR values. In particular, it may experience dramatic declines in its interest rate and yield as a result of certain changes in LIBOR, even if those changes are slight. For an illustration of this sensitivity, see the related yield table in this prospectus supplement.

Delay classes have lower yields and market values. Since certain classes do not receive interest immediately following each interest accrual period, those classes have lower yields and lower market values than they would if there were no such delay.

Reinvestment of certificate payments may not achieve same yields as certificates. The rate of principal payments of the certificates is uncertain. You may be unable to reinvest the payments on the certificates at the same yields provided by the certificates.

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

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

Uncertain market for the certificates could make them difficult to sell and cause their values to fluctuate. We cannot be sure that a market for resale of the certificates will develop. Further, if a market develops, it may not continue or be sufficiently liquid to allow you to sell your certificates. Even if you are able to sell your certificates, the sale price may not be comparable to similar investments that have a developed market. Moreover, you may not be able to sell small or large amounts of certificates at prices 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") pursuant to a trust agreement dated as of September 1, 2006 and a supplement thereto dated as of September 1, 2006 (the "Issue Date"). We will issue the Guaranteed REMIC Pass-Through Certificates (the "REMIC Certificates") pursuant to that trust agreement and supplement. 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 September 1, 2006 and a supplement thereto dated as of the Issue Date (together with the trust agreement and supplement 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 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 Class) will be "regular interests" in the Trust.
- The R Class will be the "residual interest" in the Trust.

The assets of the Trust will consist of three groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the "Group 1 MBS," "Group 2 MBS" and "Group 3 MBS" and, together, the "MBS").

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

Fannie Mae Guaranty. We guarantee that the following amounts will be available for distribution 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 the following amounts will be available for distribution 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 Class) 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 Certificate in fully registered, certificated form. The "Holder" or "Certificateholder" of the R Certificate is its registered owner. The R 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 Certificate and may require payment to cover any tax or other governmental charge. See also "—Characteristics of the R Class" below.

The Holder of the R Class will receive the proceeds of any remaining assets of the Trust 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:

Classes	Denominations
The Inverse Floating Rate, Interest Only, Principal Only and Toggle Classes	$100,000 minimum plus whole dollar increments
All other Classes (except the R Class)	$1,000 minimum plus whole dollar increments

We will issue the R Class as a single Certificate with no principal balance.

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.

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

Combination and Recombination

General. You are permitted to exchange all or a portion of the SQ, NO, QO, SB, LO, MO, NA and AC Classes of REMIC Certificates for a proportionate interest in the related RCR Certificates in the combinations shown on Schedule 1. You also may exchange all or a portion of the RCR Certificates for the related REMIC Certificates in the same manner. This process may occur repeatedly.

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

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

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

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

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

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

- At the time of the proposed exchange, a Certificateholder must own Certificates of the related Class or Classes in the proportions necessary to make the desired exchange.
- A Certificateholder that does not own the Certificates may be unable to obtain the necessary REMIC Certificates or RCR Certificates.
- 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 combinations listed on Schedule 1 are permitted.

The MBS

The following table contains certain information about the MBS. The MBS included in each specified Group will have the aggregate unpaid principal balance and Pass-Through Rate shown below and the general characteristics described in the MBS Prospectus. The MBS provide that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the MBS are conventional, fixed-rate, fully-amortizing mortgage loans secured by first mortgages or deeds of trust on single-family residential properties. The Mortgage Loans have original maturities of up to 30 years.

In addition, all of the Mortgage Loans underlying the Group 3 MBS are relocation mortgage loans. This type of loan is originated pursuant to agreements between lenders and employers in connection with relocation programs maintained by employers that frequently relocate their employees.

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	$134,615,385
MBS Pass-Through Rate	6.50%
Range of WACs (annual percentages)	6.75% to 9.00%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	355 months
Approximate Weighted Average WALA (weighted average loan age)	4 months
Group 2 MBS	
Aggregate Unpaid Principal Balance	$136,363,636
MBS Pass-Through Rate	5.50%
Range of WACs (annual percentages)	5.75% to 8.00%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	334 months
Approximate Weighted Average WALA	22 months
Group 3 MBS	
Aggregate Unpaid Principal Balance	$105,351,045
MBS Pass-Through Rate	5.50%
Range of WACs (annual percentages)	5.75% to 8.00%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	358 months
Approximate Weighted Average WALA	2 months

Final Data Statement

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

Interest Type*	Classes
Group 1 Classes	
Floating Rate	FA
Inverse Floating Rate	SQ
Interest Only	SQ
Principal Only	NO and QO
RCR**	SA and PO

Interest Type*	Classes
Group 2 Classes	
Floating Rate	FB
Inverse Floating Rate	SB and ST
Toggle†	FJ
Interest Only	FJ and SB
Principal Only	LO and MO
RCR**	SC and KO
Group 3 Classes	
Fixed Rate	NA, AC and B
RCR**	AB, IB, AD, ID and A
No Payment Residual	R

* 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.

† The "Toggle" or "T" designation refers to a Floating Rate or Inverse Floating Rate class whose interest rate changes significantly if the designated index meets one or more thresholds. For example, when the index meets a threshold, the interest rate may shift from a predetermined rate or formula to a different predetermined rate or formula. Accordingly, the change in interest rate may not be a continuous function of changes in the index.

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 on each Distribution Date, beginning in the month after the Settlement Date specified in the Reference Sheet.

Interest to be paid on each Certificate on a Distribution Date will consist of one month's interest on the outstanding balance of that Certificate immediately prior to that Distribution Date.

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").

Classes	Interest Accrual Periods
All Fixed Rate Classes (collectively, the "Delay Classes")	Calendar month preceding the month in which the Distribution Date occurs
All Floating Rate, Inverse Floating Rate and Toggle Classes (collectively, the "No-Delay 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.

The dealer will treat the LO, MO and KO Classes as Delay Classes, and the NO, QO and PO Classes as No-Delay Classes, for the sole purpose of facilitating trading.

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, Inverse Floating Rate and Toggle Classes. During each Interest Accrual Period, the Floating Rate, Inverse Floating Rate and Toggle 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 5.32%.

Distributions of Principal

Categories of Classes

For the purpose of principal payments, the Classes fall into the following categories:

Principal Type*	Classes
Group 1 Classes	
Pass-Through	FA
PAC	NO
Support	QO
Notional	SQ
RCR**	SA and PO
Group 2 Classes	
Pass-Through	FB and ST
PAC	LO
Support	MO
Notional	FJ and SB
RCR**	SC and KO
Group 3 Classes	
NAS†	NA
AS††	AC
Sequential Pay	NA, AC and B
RCR**	AB, IB, AD, ID and A
No Payment Residual	R

* 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.

† The "NAS" designation refers to a "non-accelerated security" that is designed to receive limited or no principal payments prior to a designated date and thereafter to receive principal payments and an increasing percentage of principal prepayments.

†† The "AS" designation refers to an "accelerated security" that is generally expected to receive principal payments more rapidly than the related NAS Class during the period in which the NAS Class is receiving limited or no principal payments.

Principal Distribution Amount

On the Distribution Date in each month, we will pay principal on the Certificates in an aggregate amount (the "Principal Distribution Amount") equal to the sum of

- the principal then paid on the Group 1 MBS (the "Group 1 Principal Distribution Amount"),
- the principal then paid on the Group 2 MBS (the "Group 2 Principal Distribution Amount"), and
- the principal then paid on the Group 3 MBS (the "Group 3 Principal Distribution Amount").

Group 1 Principal Distribution Amount

On each Distribution Date, we will pay the Group 1 Principal Distribution Amount as principal of the Group 1 Classes as follows:

(a) 92.8571425918% of that amount to the FA Class, until its principal balance is reduced to zero, and
Pass-Through Class

(b) 7.1428574082% of that amount as follows:

first, to the NO Class, until its principal balance is reduced to its Planned Balance for that Distribution Date;
PAC Class

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

third, to the NO Class, without regard to its Planned Balance and until its principal balance is reduced to zero.
PAC Class

Group 2 Principal Distribution Amount

On each Distribution Date, we will pay the Group 2 Principal Distribution Amount as principal of the Group 2 Classes as follows:

(a) 80.4444448812% of that amount, concurrently, to the FB and ST Classes, pro rata (or 91.1602207427% and 8.8397792573% respectively), until their principal balances are reduced to zero, and
Pass-Through Classes

(b) 19.5555551188% of that amount as follows:

first, to the LO Class, until its principal balance is reduced to its Planned Balance for that Distribution Date;
PAC Class

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

third, to the LO Class, without regard to its Planned Balance and until its principal balance is reduced to zero.
PAC Class

Group 3 Principal Distribution Amount

On each Distribution Date, we will pay the Group 3 Principal Distribution Amount as principal of the Group 3 Classes in the following priority:

(i) to the NA Class, until its principal balance is reduced to zero, an amount equal to

- the *sum* of

  (A) the *product* of

  - the aggregate amount of scheduled payments of principal included in the Group 3 Principal Distribution Amount for that Distribution Date *multiplied* by

  - 0.78

  plus

  (B) the *product* of

  - the aggregate amount of unscheduled payments of principal included in the Group 3 Principal Distribution Amount for that Distribution Date (but in no event greater than 0.75% of the aggregate principal balance of the Group 3 MBS after giving effect to the distribution thereon on such Distribution Date) *multiplied* by

  - 0.78 *multiplied* by

  - the Group 3 Prepayment Percentage (described below) for that date;

NAS / Sequential Pay Class

(ii) to the AC Class, until its principal balance is reduced to zero;

(iii) to the NA Class, until its principal balance is reduced to zero; and

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

Sequential Pay Classes

AS Class

The "Group 3 Prepayment Percentage" for any Distribution Date during the periods specified below will be as follows:

Distribution Date in	Group 3 Prepayment Percentage
October 2006 through September 2007	0%
October 2007 through September 2008	30%
October 2008 through September 2009	40%
October 2009 through September 2010	60%
October 2010 through September 2011	80%
October 2011 and thereafter	100%

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 (collectively, 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 tables;
- the settlement date for the Certificates is September 29, 2006; and
- each Distribution Date occurs on the 25th day of a month.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used in this prospectus supplement is The Bond Market Association's standard prepayment model ("PSA"). To assume a specified rate of PSA is to assume a specified rate of prepayment each month of the then-outstanding principal balance of a pool of new mortgage loans computed as described under "Description of Certificates—Prepayment Models" in the REMIC Prospectus. It is highly unlikely that prepayments will occur at any *constant* PSA rate or at any other *constant* rate.

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

Principal Balance Schedule References	Related Classes	Structuring Ranges
Planned Balances	NO	Between 100% and 350% PSA
Planned Balances	LO	Between 100% and 250% PSA

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

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

Classes	Initial Effective Ranges
NO	Between 100% and 350% PSA
LO	Between 100% and 250% PSA

The actual Effective Ranges at any time will be based upon the actual characteristics of the related Mortgage Loans at that time, which are likely to vary (and may vary considerably) from the Pricing Assumptions. The actual Effective Ranges calculated on the basis of the actual characteristics are likely to differ from the Initial Effective Ranges. As a result, the applicable Classes might not be reduced to their scheduled balances even if prepayments were to occur at a *constant* PSA rate within the Initial Effective Ranges. This is so particularly if the rate were at the lower or higher end of this range. In addition, even if prepayments occur at rates falling within the actual Effective Ranges, principal distributions may be insufficient to reduce the applicable Classes to their scheduled balances if such prepayments do not occur at a *constant* PSA rate. It is highly unlikely that the related Mortgage Loans will prepay at any *constant* PSA rate. In general, the actual Effective Ranges may narrow, widen or shift upward or downward to reflect actual prepayment experience over time.

The stability in principal payment of the Classes specified below will be supported by the corresponding supporting Classes as indicated in the following table:

Classes	Supporting Classes
Group 1 Classes	
PAC	Support
Group 2 Classes	
PAC	Support

When the supporting Classes are retired, the Classes they support, if still outstanding, may no longer have Effective Ranges and will be more sensitive to prepayments.

Yield Tables

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

- determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on the applicable Classes, would cause the discounted present values of the assumed streams of cash flows to equal the assumed aggregate purchase prices of those Classes, and

- converting the monthly rates to corporate bond equivalent rates.

These calculations do not take into account variations in the interest rates at which you could reinvest distributions on the Certificates. Accordingly, these calculations do not illustrate the return on any investment in the Certificates when reinvestment rates are taken into account.

We cannot assure you that

- the pre-tax yields on the applicable Certificates will correspond to any of the pre-tax yields shown here, or

- the aggregate purchase prices of the applicable Certificates will be as assumed.

In addition, it is unlikely that the Index will correspond to the levels shown here. Furthermore, because some of the Mortgage Loans are likely to have remaining terms to maturity shorter or longer than those assumed and interest rates higher or lower than those assumed, the principal payments on the Certificates are likely to differ from those assumed. This would be the case even if all Mortgage Loans prepay at the indicated constant percentages of PSA. Moreover, it is unlikely that

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

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

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

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

- the interest rates for the Inverse Floating Rate and Toggle Classes for the initial Interest Accrual Period are the rates listed in the table under "Reference Sheet—Interest Rates" in this prospectus supplement and for each following Interest Accrual Period will be based on the specified level of the Index, and
- the aggregate purchase prices of those Classes (expressed in each case as a percentage of original principal balance) are as follows:

Class	Price*
SQ	4.67188%
FJ	7.50000%
SB	5.87500%
ST	98.04688%
SA	136.09375%
SC	94.90625%

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

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

LIBOR	PSA Prepayment Assumption						
	50%	100%	213%	350%	500%	650%	800%
1.32%	128.8%	126.5%	121.1%	114.6%	107.3%	99.9%	92.2%
3.32%	73.9%	71.5%	65.9%	59.1%	51.4%	43.5%	35.5%
5.32%	24.0%	21.3%	15.1%	7.4%	(1.4)%	(10.4)%	(19.8)%
6.57%	*	*	*	*	*	*	*

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

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

LIBOR	PSA Prepayment Assumption				
	50%	100%	184%	250%	400%
6.550%	*	*	*	*	*
6.750%	31.8%	28.4%	22.5%	17.7%	6.5%
6.950%	72.2%	68.4%	61.7%	56.4%	43.8%
7.150%	116.1%	111.7%	104.3%	98.3%	84.2%
7.165%	67.0%	63.2%	56.6%	51.4%	38.9%
7.180%	22.1%	18.8%	13.1%	8.5%	(2.4)%
7.190%	*	*	*	*	*

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

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

LIBOR	PSA Prepayment Assumption				
	50%	100%	184%	250%	400%
1.32%	95.4%	91.3%	84.3%	78.6%	65.2%
3.32%	54.4%	50.7%	44.4%	39.4%	27.4%
5.32%	16.2%	12.9%	7.4%	2.8%	(7.8)%
6.55%	*	*	*	*	*

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

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

LIBOR	PSA Prepayment Assumption				
	50%	100%	184%	250%	400%
6.55%	7.0%	7.0%	7.1%	7.2%	7.4%
6.85%	3.5%	3.6%	3.7%	3.8%	4.0%
7.15%	0.2%	0.2%	0.4%	0.5%	0.7%

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

LIBOR	PSA Prepayment Assumption 50%	100%	213%	350%	500%	650%	800%
1.32%	53.0%	52.3%	50.7%	48.8%	46.8%	44.7%	42.7%
3.32%	31.5%	30.8%	29.2%	27.3%	25.3%	23.3%	21.4%
5.32%	10.9%	10.3%	8.7%	6.8%	4.8%	2.9%	1.0%
6.57%	(1.9)%	(2.5)%	(3.8)%	(5.5)%	(7.5)%	(9.4)%	(11.3)%

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

LIBOR	PSA Prepayment Assumption 50%	100%	184%	250%	400%
1.32%	21.6%	21.7%	21.9%	22.1%	22.6%
3.32%	13.3%	13.4%	13.7%	13.9%	14.4%
5.32%	5.3%	5.4%	5.7%	5.9%	6.5%
6.55%	0.4%	0.6%	0.8%	1.0%	1.6%

The Fixed Rate Interest Only Classes. **The yields to investors in the Fixed Rate Interest Only Classes will be very sensitive to the rate of principal payments (including prepayments) of the related Mortgage Loans. The Mortgage Loans generally can be prepaid at any time without penalty. On the basis of the assumptions described below, the yield to maturity on each Fixed Rate Interest Only Class would be 0% if prepayments of the related Mortgage Loans were to occur at the following constant rates:**

Class	% PSA
IB	251% PSA
ID	325% PSA

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

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

Class	Price*
IB	16.32307%
ID	18.12098%

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

Sensitivity of the IB Class to Prepayments

	PSA Prepayment Assumption 50%	175%	350%	500%	700%
Pre-Tax Yields to Maturity	31.0%	17.7%	(20.0)%	(42.6)%	(65.1)%

Sensitivity of the ID Class to Prepayments

	PSA Prepayment Assumption 50%	175%	350%	500%	700%
Pre-Tax Yields to Maturity	25.6%	14.9%	(2.5)%	(17.2)%	(34.9)%

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

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

Class	Price
NO	76.125%
QO	76.125%
LO	72.875%
MO	72.875%
PO	76.125%
KO	72.875%

Sensitivity of the NO Class to Prepayments

	PSA Prepayment Assumption						
	50%	100%	213%	350%	500%	650%	800%
Pre-Tax Yields to Maturity	3.3%	4.7%	4.7%	4.7%	6.0%	7.5%	9.0%

Sensitivity of the QO Class to Prepayments

	PSA Prepayment Assumption						
	50%	100%	213%	350%	500%	650%	800%
Pre-Tax Yields to Maturity	1.2%	1.5%	3.6%	10.7%	16.3%	20.5%	24.3%

Sensitivity of the LO Class to Prepayments

	PSA Prepayment Assumption				
	50%	100%	184%	250%	400%
Pre-Tax Yields to Maturity	3.7%	5.3%	5.3%	5.3%	7.8%

Sensitivity of the MO Class to Prepayments

	PSA Prepayment Assumption				
	50%	100%	184%	250%	400%
Pre-Tax Yields to Maturity	1.4%	1.7%	5.1%	15.7%	38.7%

Sensitivity of the PO Class to Prepayments

	PSA Prepayment Assumption						
	50%	100%	213%	350%	500%	650%	800%
Pre-Tax Yields to Maturity	2.0%	2.6%	4.2%	6.2%	8.4%	10.5%	12.4%

Sensitivity of the KO Class to Prepayments

	PSA Prepayment Assumption				
	50%	100%	184%	250%	400%
Pre-Tax Yields to Maturity	2.6%	3.5%	5.2%	6.8%	10.7%

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 and Group 2 Classes, the payment of principal of certain Classes in accordance with the Principal Balance Schedules.

See "—Distributions of Principal" above.

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

Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each date shown at various constant PSA rates, and the corresponding weighted average lives of those Classes. The tables have been prepared on the basis of the Pricing Assumptions. However, in the case of the information set forth for each Class under 0% PSA, we assumed that the underlying Mortgage Loans have the original and remaining terms to maturity and bear interest at the annual rates specified in the table below.

Mortgage Loans Relating to Trust Assets Specified Below	Original Terms to Maturity	Remaining Terms to Maturity	Interest Rates
Group 1 MBS	360 months	360 months	9.00%
Group 2 MBS	360 months	360 months	8.00%
Group 3 MBS	360 months	360 months	8.00%

It is unlikely

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

In addition, the diverse remaining terms to maturity of the Mortgage Loans could produce slower or faster principal distributions than indicated in the tables at the specified constant PSA rates, even if the weighted average remaining term to maturity and the weighted average loan age of the Mortgage Loans are identical to the weighted averages specified in the Pricing Assumptions. This is the case because pools of loans with identical weighted averages are nonetheless likely to reflect differing dispersions of the related characteristics.

Percent of Original Principal Balances Outstanding

	FA, SQ†, SA and PO Classes							NO Class							QO Class						
	PSA Prepayment Assumption							PSA Prepayment Assumption							PSA Prepayment Assumption						
Date	0%	100%	213%	350%	500%	650%	800%	0%	100%	213%	350%	500%	650%	800%	0%	100%	213%	350%	500%	650%	800%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2007	99	97	95	92	88	85	82	99	95	95	95	95	95	95	100	100	94	87	79	72	64
September 2008	99	91	84	76	68	60	52	98	86	86	86	86	86	86	100	100	83	63	42	22	2
September 2009	98	85	73	60	47	36	27	96	75	75	75	75	61	45	100	100	70	38	6	0	0
September 2010	97	79	63	46	32	22	14	95	64	64	64	55	36	23	100	100	60	21	0	0	0
September 2011	96	73	54	36	22	13	7	93	54	54	54	38	22	12	100	100	53	10	0	0	0
September 2012	95	67	46	28	15	8	4	91	45	45	45	26	13	6	100	100	48	3	0	0	0
September 2013	94	62	40	22	11	5	2	89	37	37	37	18	8	3	100	100	44	*	0	0	0
September 2014	92	57	34	17	7	3	1	87	28	28	28	12	5	2	100	100	42	*	0	0	0
September 2015	91	53	29	13	5	2	*	85	22	22	22	8	3	1	100	98	39	*	0	0	0
September 2016	89	49	25	10	3	1	*	82	17	17	17	6	2	*	100	95	36	*	0	0	0
September 2017	88	45	21	8	2	1	*	79	13	13	13	4	1	*	100	90	33	*	0	0	0
September 2018	86	41	18	6	2	*	*	76	10	10	10	3	1	*	100	86	29	*	0	0	0
September 2019	84	37	15	5	1	*	*	73	8	8	8	2	*	*	100	80	26	*	0	0	0
September 2020	82	34	13	3	1	*	*	69	6	6	6	1	*	*	100	74	23	*	0	0	0
September 2021	79	31	11	3	*	*	*	65	4	4	4	1	*	*	100	69	20	*	0	0	0
September 2022	77	28	9	2	*	*	*	61	3	3	3	1	*	*	100	63	17	*	0	0	0
September 2023	74	25	7	2	*	*	*	56	3	3	3	*	*	*	100	57	15	*	0	0	0
September 2024	71	22	6	1	*	*	*	51	2	2	2	*	*	*	100	51	12	*	0	0	0
September 2025	67	20	5	1	*	*	*	45	1	1	1	*	*	*	100	46	10	*	0	0	0
September 2026	64	17	4	1	*	*	*	39	1	1	1	*	*	*	100	41	9	*	0	0	0
September 2027	59	15	3	*	*	*	*	32	1	1	1	*	*	*	100	35	7	*	0	0	0
September 2028	55	13	3	*	*	*	*	24	1	1	1	*	*	*	100	31	6	*	0	0	0
September 2029	50	11	2	*	*	*	*	16	*	*	*	*	*	*	100	26	5	*	0	0	0
September 2030	45	9	2	*	*	*	*	7	*	*	*	*	*	*	100	21	4	*	0	0	0
September 2031	39	7	1	*	*	*	*	*	*	*	*	*	*	*	95	17	3	*	0	0	0
September 2032	32	5	1	*	*	*	*	*	*	*	*	*	*	*	79	13	2	*	0	0	0
September 2033	25	4	1	*	*	*	0	*	*	*	*	*	*	*	62	9	1	*	0	0	0
September 2034	18	2	*	*	*	*	0	*	*	*	*	*	*	0	43	5	1	*	0	0	0
September 2035	9	1	*	*	*	*	0	0	0	0	0	*	*	0	23	2	*	*	0	0	0
September 2036	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)**	21.1	11.3	7.2	4.8	3.6	2.9	2.4	16.6	6.3	6.3	6.3	4.8	3.9	3.2	27.6	18.6	8.4	2.7	1.8	1.4	1.2

* 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	FB, FJ†, SB†, ST, SC and KO Classes					LO Class					MO Class					NA Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	184%	250%	400%	0%	100%	184%	250%	400%	0%	100%	184%	250%	400%	0%	175%	350%	500%	700%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2007	99	93	89	85	77	99	90	90	90	90	100	100	84	72	43	98	97	97	97	97
September 2008	98	86	78	71	57	98	81	81	81	81	100	100	70	48	*	96	90	89	90	90
September 2009	97	80	68	59	43	96	71	71	71	60	100	100	59	30	0	94	80	81	76	34
September 2010	96	73	59	50	32	95	63	63	63	45	100	100	50	17	0	91	68	71	30	0
September 2011	95	68	52	41	24	93	55	55	55	33	100	100	44	8	0	88	55	39	0	0
September 2012	94	62	45	34	18	91	47	47	47	25	100	100	40	3	0	86	41	14	0	0
September 2013	92	57	39	29	13	89	40	40	40	18	100	100	37	*	0	82	28	0	0	0
September 2014	91	52	34	24	10	87	33	33	33	14	100	100	36	*	0	79	17	0	0	0
September 2015	89	48	29	20	7	85	27	27	27	10	100	99	34	*	0	75	7	0	0	0
September 2016	88	44	25	16	5	83	23	23	23	7	100	96	32	*	0	71	0	0	0	0
September 2017	86	40	22	13	4	80	19	19	19	5	100	92	30	*	0	67	0	0	0	0
September 2018	84	36	19	11	3	77	15	15	15	4	100	87	27	*	0	62	0	0	0	0
September 2019	82	33	16	9	2	74	12	12	12	3	100	82	25	*	0	57	0	0	0	0
September 2020	79	29	14	7	2	71	10	10	10	2	100	77	22	*	0	51	0	0	0	0
September 2021	77	26	12	6	1	67	8	8	8	2	100	71	20	*	0	45	0	0	0	0
September 2022	74	23	10	5	1	64	7	7	7	1	100	65	17	*	0	39	0	0	0	0
September 2023	71	21	8	4	1	59	5	5	5	1	100	58	15	*	0	32	0	0	0	0
September 2024	68	18	7	3	*	55	4	4	4	1	100	52	13	*	0	24	0	0	0	0
September 2025	64	16	6	2	*	50	3	3	3	*	100	46	11	*	0	16	0	0	0	0
September 2026	60	13	4	2	*	44	3	3	3	*	100	40	9	*	0	7	0	0	0	0
September 2027	56	11	4	1	*	39	2	2	2	*	100	34	8	*	0	0	0	0	0	0
September 2028	52	9	3	1	*	32	1	1	1	*	100	29	6	*	0	0	0	0	0	0
September 2029	47	7	2	1	*	26	1	1	1	*	100	23	5	*	0	0	0	0	0	0
September 2030	42	6	2	1	*	18	1	1	1	*	100	18	4	*	0	0	0	0	0	0
September 2031	36	4	1	*	*	10	*	*	*	*	100	13	2	*	0	0	0	0	0	0
September 2032	30	3	1	*	*	2	*	*	*	*	100	8	1	*	0	0	0	0	0	0
September 2033	23	1	*	*	*	*	*	*	*	*	81	4	1	*	0	0	0	0	0	0
September 2034	16	0	0	0	0	0	0	0	0	0	56	0	0	0	0	0	0	0	0	0
September 2035	8	0	0	0	0	0	0	0	0	0	29	0	0	0	0	0	0	0	0	0
September 2036	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	20.5	10.1	7.0	5.5	3.5	17.4	6.7	6.7	6.7	4.6	28.2	18.5	7.5	2.3	0.9	13.1	5.3	4.4	3.4	2.7

Date	AC, AB and IB† Classes					B Class					AD, ID† and A Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	175%	350%	500%	700%	0%	175%	350%	500%	700%	0%	175%	350%	500%	700%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2007	100	92	86	80	71	100	100	100	100	100	99	95	91	87	83
September 2008	99	80	58	40	16	100	100	100	100	100	98	84	72	62	49
September 2009	99	63	24	0	0	100	100	100	100	100	96	71	49	33	15
September 2010	98	51	0	0	0	100	100	100	100	84	95	58	31	13	0
September 2011	97	42	0	0	0	100	100	100	97	48	94	48	17	0	0
September 2012	97	36	0	0	0	100	100	100	67	27	92	38	6	0	0
September 2013	96	31	0	0	0	100	100	93	46	16	90	30	0	0	0
September 2014	95	26	0	0	0	100	100	72	31	9	88	22	0	0	0
September 2015	95	22	0	0	0	100	100	55	22	5	86	15	0	0	0
September 2016	94	17	0	0	0	100	100	43	15	3	84	9	0	0	0
September 2017	93	7	0	0	0	100	100	33	10	2	81	4	0	0	0
September 2018	92	0	0	0	0	100	98	25	7	1	79	0	0	0	0
September 2019	91	0	0	0	0	100	85	19	5	1	76	0	0	0	0
September 2020	89	0	0	0	0	100	73	15	3	*	73	0	0	0	0
September 2021	88	0	0	0	0	100	63	11	2	*	69	0	0	0	0
September 2022	87	0	0	0	0	100	54	8	1	*	66	0	0	0	0
September 2023	85	0	0	0	0	100	46	6	1	*	62	0	0	0	0
September 2024	83	0	0	0	0	100	39	5	1	*	58	0	0	0	0
September 2025	82	0	0	0	0	100	33	4	*	*	53	0	0	0	0
September 2026	80	0	0	0	0	100	28	3	*	*	48	0	0	0	0
September 2027	76	0	0	0	0	100	23	2	*	*	43	0	0	0	0
September 2028	65	0	0	0	0	100	19	1	*	*	37	0	0	0	0
September 2029	54	0	0	0	0	100	15	1	*	*	30	0	0	0	0
September 2030	42	0	0	0	0	100	12	1	*	*	23	0	0	0	0
September 2031	28	0	0	0	0	100	9	*	*	*	16	0	0	0	0
September 2032	14	0	0	0	0	100	7	*	*	*	8	0	0	0	0
September 2033	0	0	0	0	0	97	4	*	*	*	0	0	0	0	0
September 2034	0	0	0	0	0	67	3	*	*	*	0	0	0	0	0
September 2035	0	0	0	0	0	35	1	*	*	*	0	0	0	0	0
September 2036	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	21.7	5.2	2.2	1.7	1.4	28.5	17.6	10.5	7.6	5.5	18.0	5.3	3.2	2.5	2.0

* 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.

Characteristics of the R Class

The R Class will not have a principal balance 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. Fannie Mae does not expect that any material assets will remain in that 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 Class will constitute a noneconomic residual interest 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. See "Certain Federal Income Tax Consequences" in the REMIC Prospectus. Pursuant to the Trust Agreement, we will be obligated to provide to that Holder (i) information necessary to enable it to prepare its federal income tax returns and (ii) any reports regarding the R 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.

U.S. Treasury Circular 230 Notice

The tax discussions contained in the REMIC Prospectus (including the sections entitled "Certain Federal Income Tax Consequences" and "ERISA Considerations") and this prospectus supplement were not intended or written to be used, and cannot be used, for the purpose of avoiding United States federal tax penalties. These discussions were written to support the promotion or marketing of the transactions or matters addressed in this prospectus supplement. You should seek advice based on your particular circumstances from an independent tax advisor.

REMIC Election and Special Tax Attributes

We will elect to treat the Trust as a REMIC for federal income tax purposes. The REMIC Certificates, other than the R Class, 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.

Because the Trust will qualify as a REMIC, 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 Class, as "qualified mortgages" for other REMICs. See "Certain Federal Income Tax Consequences—*REMIC Election and Special Tax Attributes*" in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes and the Principal Only 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:

Group	Prepayment Assumption
1	213% PSA
2	184% PSA
3	350% PSA

See "Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount—*Daily Portions of Original Issue Discount*" in the REMIC Prospectus. No representation is made as to whether the Mortgage Loans underlying the MBS will prepay at any of those rates or any other rate. See "Description of the Certificates—Weighted Average Lives of the Certificates" in this prospectus supplement and "Description of Certificates—Weighted Average Life and Final Distribution Date" in the REMIC Prospectus.

Taxation of Beneficial Owners of Residual Certificates

Effective generally for Residual Certificates first held on or after August 1, 2006, Temporary Regulations issued by the Treasury Department have modified the general rule that the taxable income of the Trust is not includible in the income of a foreign person (or, if excess inclusions, subject to withholding tax) until paid or distributed. 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. Under the Temporary Regulations, the amount of taxable income allocable to a foreign partner in a domestic partnership that is the beneficial owner of a Residual Certificate must be taken into account by the foreign partner on the last day of the partnership's taxable year, except to the extent that some or all of that amount is required to be taken into account at an earlier time as a result of a distribution to the foreign partner or a disposition of the foreign partner's indirect interest in the Residual Certificate. Similar rules apply to excess inclusions allocable to a foreign person that holds an interest in a real estate investment trust, regulated investment company, common trust fund or certain cooperatives.

For purposes of determining the portion of the taxable income of the Trust that generally will not be treated as excess inclusions, the rate to be used is 6.12% (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 has 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. You should consult your own tax advisor regarding the application of the Regulations to the transfer of a Residual Certificate.

Taxation of Beneficial Owners of RCR Certificates

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

The RCR Classes 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 AB, IB, AD and ID Classes are Strip RCR Classes. The other 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

Treasury Department Regulations that are directed at "tax shelters" 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 Citigroup Global Markets, Inc. (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, Group 2 or Group 3 Class bears to the aggregate original principal balance of all Group 1, Group 2 or Group 3 Classes, respectively, will remain the same. In addition, the dollar amounts shown in the Principal Balance Schedules will be increased to correspond to the increase of the principal balances of the applicable Classes.

LEGAL MATTERS

Sidley Austin LLP will provide legal representation for Fannie Mae. Cleary Gottlieb Steen & Hamilton LLP will provide legal representation for the Dealer.

Schedule 1

Available Recombinations (1) (2)

REMIC Certificates		RCR Certificates						
Classes	Original Principal or Notional Principal Balances	RCR Classes	Original Principal or Notional Principal Balances	Interest Rate	Interest Type (3)	Principal Type (3)	CUSIP Number	Final Distribution Date
Recombination 1								
SQ	$125,000,000 (4)	SA	$ 9,615,385	(5)	INV	PT	31396K6D9	October 2036
NO	5,705,000							
QO	3,910,385							
Recombination 2								
NO	5,705,000	PO	9,615,385	(6)	PO	PT	31396K6E7	October 2036
QO	3,910,385							
Recombination 3								
SB	100,000,000 (4)	SC	26,666,666	(5)	INV	PT	31396K6F4	October 2036
LO	18,985,000							
MO	7,681,666							
Recombination 4								
LO	18,985,000	KO	26,666,666	(6)	PO	PT	31396K6G2	October 2036
MO	7,681,666							
Recombination 5								
AC	45,000,000	AB	45,000,000	5.0%	FIX	AS/SEQ	31396K6H0	September 2033
		IB	4,090,909 (4)	5.5	FIX/IO	NTL	31396K6J6	September 2033
Recombination 6								
NA	35,000,000	AD	80,000,000	5.0	FIX	SEQ	31396K6K3	September 2033
AC	45,000,000	ID	7,272,727 (4)	5.5	FIX/IO	NTL	31396K6L1	September 2033
Recombination 7								
NA	35,000,000	A	80,000,000	5.5	FIX	SEQ	31396K6M9	September 2033
AC	45,000,000							

(1) In any exchange under Recombination 1, 2, 3, 4 or 7, the relative proportions of the REMIC Certificates to be delivered (or if applicable, received) in such exchange will equal the proportions reflected by the outstanding principal or notional principal balances of the related REMIC Classes at the time of exchange. REMIC Certificates and RCR Certificates in Recombinations 5 and 6 may be exchanged only in the proportions shown in this Schedule 1.
(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 balances. These Classes are Interest Only Classes. See page S-7 for a description of how their notional balances are calculated.
(5) For a description of these interest rates, see "Description of the Certificates—Distributions of Interest" in this prospectus supplement.
(6) Principal only classes.

Principal Balance Schedules

NO Class Planned Balances

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
Initial Balance	$5,705,000.00	December 2010	$3,518,343.31	March 2015	$1,429,284.35
October 2006	5,688,777.39	January 2011	3,471,238.39	April 2015	1,399,018.84
November 2006	5,670,912.92	February 2011	3,424,370.00	May 2015	1,369,375.66
December 2006	5,651,412.20	March 2011	3,377,736.92	June 2015	1,340,342.23
January 2007	5,630,281.67	April 2011	3,331,337.94	July 2015	1,311,906.24
February 2007	5,607,528.62	May 2011	3,285,171.85	August 2015	1,284,055.62
March 2007	5,583,161.20	June 2011	3,239,237.45	September 2015	1,256,778.53
April 2007	5,557,188.38	July 2011	3,193,533.55	October 2015	1,230,063.39
May 2007	5,529,619.99	August 2011	3,148,058.95	November 2015	1,203,898.83
June 2007	5,500,466.66	September 2011	3,102,812.47	December 2015	1,178,273.72
July 2007	5,469,739.87	October 2011	3,057,792.94	January 2016	1,153,177.14
August 2007	5,437,451.90	November 2011	3,012,999.18	February 2016	1,128,598.40
September 2007	5,403,615.85	December 2011	2,968,430.03	March 2016	1,104,527.02
October 2007	5,368,245.62	January 2012	2,924,084.33	April 2016	1,080,952.73
November 2007	5,331,355.90	February 2012	2,879,960.93	May 2016	1,057,865.46
December 2007	5,292,962.17	March 2012	2,836,058.68	June 2016	1,035,255.35
January 2008	5,253,080.67	April 2012	2,792,376.44	July 2016	1,013,112.73
February 2008	5,211,728.40	May 2012	2,748,913.07	August 2016	991,428.13
March 2008	5,168,923.13	June 2012	2,705,667.45	September 2016	970,192.26
April 2008	5,124,683.35	July 2012	2,662,638.45	October 2016	949,396.02
May 2008	5,079,028.29	August 2012	2,619,824.95	November 2016	929,030.49
June 2008	5,031,977.87	September 2012	2,577,225.84	December 2016	909,086.94
July 2008	4,983,552.72	October 2012	2,534,840.02	January 2017	889,556.81
August 2008	4,933,774.15	November 2012	2,492,666.38	February 2017	870,431.70
September 2008	4,882,664.13	December 2012	2,450,703.83	March 2017	851,703.39
October 2008	4,830,245.29	January 2013	2,408,951.28	April 2017	833,363.82
November 2008	4,776,540.89	February 2013	2,367,407.65	May 2017	815,405.09
December 2008	4,723,107.06	March 2013	2,326,071.86	June 2017	797,819.46
January 2009	4,669,942.41	April 2013	2,284,942.83	July 2017	780,599.35
February 2009	4,617,045.54	May 2013	2,244,019.50	August 2017	763,737.32
March 2009	4,564,415.08	June 2013	2,203,300.81	September 2017	747,226.09
April 2009	4,512,049.65	July 2013	2,162,785.70	October 2017	731,058.53
May 2009	4,459,947.88	August 2013	2,122,473.12	November 2017	715,227.64
June 2009	4,408,108.42	September 2013	2,082,362.02	December 2017	699,726.57
July 2009	4,356,529.91	October 2013	2,042,451.37	January 2018	684,548.60
August 2009	4,305,211.01	November 2013	2,002,740.12	February 2018	669,687.15
September 2009	4,254,150.37	December 2013	1,963,227.25	March 2018	655,135.77
October 2009	4,203,346.67	January 2014	1,923,911.74	April 2018	640,888.14
November 2009	4,152,798.58	February 2014	1,884,792.57	May 2018	626,938.06
December 2009	4,102,504.78	March 2014	1,845,868.72	June 2018	613,279.47
January 2010	4,052,463.96	April 2014	1,807,139.19	July 2018	599,906.42
February 2010	4,002,674.82	May 2014	1,769,121.69	August 2018	586,813.08
March 2010	3,953,136.06	June 2014	1,731,882.83	September 2018	573,993.75
April 2010	3,903,846.38	July 2014	1,695,406.93	October 2018	561,442.83
May 2010	3,854,804.51	August 2014	1,659,678.61	November 2018	549,154.83
June 2010	3,806,009.16	September 2014	1,624,682.81	December 2018	537,124.38
July 2010	3,757,459.06	October 2014	1,590,404.76	January 2019	525,346.22
August 2010	3,709,152.95	November 2014	1,556,830.00	February 2019	513,815.19
September 2010	3,661,089.57	December 2014	1,523,944.34	March 2019	502,526.24
October 2010	3,613,267.66	January 2015	1,491,733.88	April 2019	491,474.41
November 2010	3,565,685.99	February 2015	1,460,185.00	May 2019	480,654.84

NO Class (Continued)

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
June 2019	$ 470,062.79	November 2023	$ 138,448.12	April 2028	$ 35,338.72
July 2019	459,693.59	December 2023	135,156.62	May 2028	34,354.01
August 2019	449,542.68	January 2024	131,937.11	June 2028	33,392.28
September 2019	439,605.58	February 2024	128,788.08	July 2028	32,453.03
October 2019	429,877.90	March 2024	125,708.05	August 2028	31,535.76
November 2019	420,355.36	April 2024	122,695.57	September 2028	30,640.00
December 2019	411,033.74	May 2024	119,749.22	October 2028	29,765.29
January 2020	401,908.92	June 2024	116,867.61	November 2028	28,911.16
February 2020	392,976.86	July 2024	114,049.38	December 2028	28,077.16
March 2020	384,233.60	August 2024	111,293.20	January 2029	27,262.85
April 2020	375,675.26	September 2024	108,597.76	February 2029	26,467.81
May 2020	367,298.04	October 2024	105,961.78	March 2029	25,691.61
June 2020	359,098.21	November 2024	103,384.01	April 2029	24,933.84
July 2020	351,072.13	December 2024	100,863.22	May 2029	24,194.09
August 2020	343,216.21	January 2025	98,398.21	June 2029	23,471.97
September 2020	335,526.96	February 2025	95,987.80	July 2029	22,767.09
October 2020	328,000.94	March 2025	93,630.84	August 2029	22,079.07
November 2020	320,634.80	April 2025	91,326.20	September 2029	21,407.54
December 2020	313,425.23	May 2025	89,072.77	October 2029	20,752.13
January 2021	306,369.01	June 2025	86,869.46	November 2029	20,112.49
February 2021	299,462.97	July 2025	84,715.22	December 2029	19,488.28
March 2021	292,704.02	August 2025	82,609.00	January 2030	18,879.15
April 2021	286,089.12	September 2025	80,549.79	February 2030	18,284.77
May 2021	279,615.29	October 2025	78,536.59	March 2030	17,704.81
June 2021	273,279.62	November 2025	76,568.42	April 2030	17,138.95
July 2021	267,079.25	December 2025	74,644.33	May 2030	16,586.87
August 2021	261,011.39	January 2026	72,763.38	June 2030	16,048.28
September 2021	255,073.29	February 2026	70,924.65	July 2030	15,522.87
October 2021	249,262.27	March 2026	69,127.24	August 2030	15,010.35
November 2021	243,575.70	April 2026	67,370.28	September 2030	14,510.43
December 2021	238,011.00	May 2026	65,652.90	October 2030	14,022.83
January 2022	232,565.65	June 2026	63,974.25	November 2030	13,547.27
February 2022	227,237.17	July 2026	62,333.51	December 2030	13,083.48
March 2022	222,023.14	August 2026	60,729.87	January 2031	12,631.20
April 2022	216,921.18	September 2026	59,162.54	February 2031	12,190.18
May 2022	211,928.96	October 2026	57,630.74	March 2031	11,760.16
June 2022	207,044.21	November 2026	56,133.71	April 2031	11,340.89
July 2022	202,264.69	December 2026	54,670.71	May 2031	10,932.13
August 2022	197,588.22	January 2027	53,241.00	June 2031	10,533.64
September 2022	193,012.66	February 2027	51,843.87	July 2031	10,145.20
October 2022	188,535.90	March 2027	50,478.63	August 2031	9,766.57
November 2022	184,155.89	April 2027	49,144.58	September 2031	9,397.54
December 2022	179,870.61	May 2027	47,841.06	October 2031	9,037.88
January 2023	175,678.09	June 2027	46,567.41	November 2031	8,687.39
February 2023	171,576.39	July 2027	45,322.99	December 2031	8,345.85
March 2023	167,563.63	August 2027	44,107.17	January 2032	8,013.06
April 2023	163,637.94	September 2027	42,919.33	February 2032	7,688.83
May 2023	159,797.51	October 2027	41,758.86	March 2032	7,372.95
June 2023	156,040.56	November 2027	40,625.18	April 2032	7,065.24
July 2023	152,365.34	December 2027	39,517.71	May 2032	6,765.51
August 2023	148,770.14	January 2028	38,435.88	June 2032	6,473.58
September 2023	145,253.29	February 2028	37,379.13	July 2032	6,189.27
October 2023	141,813.15	March 2028	36,346.92	August 2032	5,912.40

NO Class (Continued)

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
September 2032	$ 5,642.80	September 2033	$ 2,917.45	September 2034	$ 968.46
October 2032	5,380.31	October 2033	2,728.41	October 2034	834.64
November 2032	5,124.76	November 2033	2,544.60	November 2034	704.74
December 2032	4,875.99	December 2033	2,365.90	December 2034	578.67
January 2033	4,633.85	January 2034	2,192.19	January 2035	456.33
February 2033	4,398.18	February 2034	2,023.35	February 2035	337.63
March 2033	4,168.83	March 2034	1,859.26	March 2035	222.49
April 2033	3,945.65	April 2034	1,699.82	April 2035	110.81
May 2033	3,728.50	May 2034	1,544.91	May 2035	2.52
June 2033	3,517.24	June 2034	1,394.42	June 2035 and thereafter	0.00
July 2033	3,311.74	July 2034	1,248.25		
August 2033	3,111.85	August 2034	1,106.30		

LO Class Planned Balances

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
Initial Balance	$18,985,000.00	September 2009	$13,544,972.59	September 2012	$ 8,925,314.20
October 2006	18,849,218.75	October 2009	13,404,604.81	October 2012	8,808,959.07
November 2006	18,709,321.96	November 2009	13,264,966.02	November 2012	8,693,209.37
December 2006	18,565,371.10	December 2009	13,126,052.47	December 2012	8,578,061.99
January 2007	18,417,429.65	January 2010	12,987,860.42	January 2013	8,463,513.83
February 2007	18,265,563.06	February 2010	12,850,386.17	February 2013	8,349,561.80
March 2007	18,109,838.69	March 2010	12,713,626.02	March 2013	8,236,202.84
April 2007	17,950,325.77	April 2010	12,577,576.29	April 2013	8,123,433.89
May 2007	17,787,095.34	May 2010	12,442,233.33	May 2013	8,011,251.92
June 2007	17,624,711.52	June 2010	12,307,593.51	June 2013	7,899,653.91
July 2007	17,463,169.97	July 2010	12,173,653.20	July 2013	7,788,636.86
August 2007	17,302,466.34	August 2010	12,040,408.81	August 2013	7,678,197.77
September 2007	17,142,596.33	September 2010	11,907,856.76	September 2013	7,568,333.67
October 2007	16,983,555.65	October 2010	11,775,993.48	October 2013	7,459,041.61
November 2007	16,825,340.03	November 2010	11,644,815.43	November 2013	7,350,318.63
December 2007	16,667,945.23	December 2010	11,514,319.08	December 2013	7,242,161.81
January 2008	16,511,367.02	January 2011	11,384,500.93	January 2014	7,134,568.24
February 2008	16,355,601.20	February 2011	11,255,357.49	February 2014	7,027,535.02
March 2008	16,200,643.60	March 2011	11,126,885.28	March 2014	6,921,059.26
April 2008	16,046,490.05	April 2011	10,999,080.86	April 2014	6,815,138.10
May 2008	15,893,136.42	May 2011	10,871,940.78	May 2014	6,709,768.68
June 2008	15,740,578.59	June 2011	10,745,461.63	June 2014	6,605,260.72
July 2008	15,588,812.47	July 2011	10,619,640.00	July 2014	6,502,280.75
August 2008	15,437,833.98	August 2011	10,494,472.52	August 2014	6,400,807.18
September 2008	15,287,639.07	September 2011	10,369,955.82	September 2014	6,300,818.70
October 2008	15,138,223.71	October 2011	10,246,086.54	October 2014	6,202,294.30
November 2008	14,989,583.89	November 2011	10,122,861.36	November 2014	6,105,213.27
December 2008	14,841,715.62	December 2011	10,000,276.97	December 2014	6,009,555.18
January 2009	14,694,614.93	January 2012	9,878,330.06	January 2015	5,915,299.89
February 2009	14,548,277.87	February 2012	9,757,017.36	February 2015	5,822,427.53
March 2009	14,402,700.51	March 2012	9,636,335.60	March 2015	5,730,918.51
April 2009	14,257,878.94	April 2012	9,516,281.54	April 2015	5,640,753.51
May 2009	14,113,809.28	May 2012	9,396,851.94	May 2015	5,551,913.49
June 2009	13,970,487.65	June 2012	9,278,043.60	June 2015	5,464,379.65
July 2009	13,827,910.21	July 2012	9,159,853.31	July 2015	5,378,133.48
August 2009	13,686,073.13	August 2012	9,042,277.90	August 2015	5,293,156.71

LO Class (Continued)

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
September 2015	$ 5,209,431.32	February 2020	$ 2,170,362.68	July 2024	$ 823,705.57
October 2015	5,126,939.56	March 2020	2,133,300.67	August 2024	807,640.01
November 2015	5,045,663.91	April 2020	2,096,804.64	September 2024	791,833.28
December 2015	4,965,587.09	May 2020	2,060,866.40	October 2024	776,281.52
January 2016	4,886,692.08	June 2020	2,025,477.87	November 2024	760,980.95
February 2016	4,808,962.08	July 2020	1,990,631.09	December 2024	745,927.82
March 2016	4,732,380.53	August 2020	1,956,318.20	January 2025	731,118.45
April 2016	4,656,931.09	September 2020	1,922,531.47	February 2025	716,549.21
May 2016	4,582,597.67	October 2020	1,889,263.27	March 2025	702,216.51
June 2016	4,509,364.38	November 2020	1,856,506.07	April 2025	688,116.82
July 2016	4,437,215.57	December 2020	1,824,252.45	May 2025	674,246.67
August 2016	4,366,135.80	January 2021	1,792,495.10	June 2025	660,602.63
September 2016	4,296,109.84	February 2021	1,761,226.80	July 2025	647,181.31
October 2016	4,227,122.68	March 2021	1,730,440.45	August 2025	633,979.38
November 2016	4,159,159.51	April 2021	1,700,129.04	September 2025	620,993.56
December 2016	4,092,205.73	May 2021	1,670,285.66	October 2025	608,220.61
January 2017	4,026,246.96	June 2021	1,640,903.49	November 2025	595,657.34
February 2017	3,961,268.99	July 2021	1,611,975.82	December 2025	583,300.61
March 2017	3,897,257.83	August 2021	1,583,496.03	January 2026	571,147.31
April 2017	3,834,199.68	September 2021	1,555,457.59	February 2026	559,194.39
May 2017	3,772,080.94	October 2021	1,527,854.06	March 2026	547,438.84
June 2017	3,710,888.18	November 2021	1,500,679.09	April 2026	535,877.69
July 2017	3,650,608.17	December 2021	1,473,926.43	May 2026	524,508.01
August 2017	3,591,227.87	January 2022	1,447,589.92	June 2026	513,326.92
September 2017	3,532,734.41	February 2022	1,421,663.47	July 2026	502,331.57
October 2017	3,475,115.10	March 2022	1,396,141.08	August 2026	491,519.17
November 2017	3,418,357.44	April 2022	1,371,016.85	September 2026	480,886.95
December 2017	3,362,449.10	May 2022	1,346,284.95	October 2026	470,432.19
January 2018	3,307,377.91	June 2022	1,321,939.64	November 2026	460,152.21
February 2018	3,253,131.88	July 2022	1,297,975.25	December 2026	450,044.36
March 2018	3,199,699.19	August 2022	1,274,386.21	January 2027	440,106.04
April 2018	3,147,068.18	September 2022	1,251,167.00	February 2027	430,334.68
May 2018	3,095,227.36	October 2022	1,228,312.21	March 2027	420,727.75
June 2018	3,044,165.39	November 2022	1,205,816.48	April 2027	411,282.75
July 2018	2,993,871.09	December 2022	1,183,674.54	May 2027	401,997.23
August 2018	2,944,333.45	January 2023	1,161,881.20	June 2027	392,868.76
September 2018	2,895,541.60	February 2023	1,140,431.33	July 2027	383,894.96
October 2018	2,847,484.83	March 2023	1,119,319.87	August 2027	375,073.47
November 2018	2,800,152.57	April 2023	1,098,541.85	September 2027	366,401.97
December 2018	2,753,534.41	May 2023	1,078,092.36	October 2027	357,878.17
January 2019	2,707,620.08	June 2023	1,057,966.56	November 2027	349,499.82
February 2019	2,662,399.45	July 2023	1,038,159.67	December 2027	341,264.70
March 2019	2,617,862.54	August 2023	1,018,667.00	January 2028	333,170.62
April 2019	2,573,999.50	September 2023	999,483.90	February 2028	325,215.42
May 2019	2,530,800.63	October 2023	980,605.81	March 2028	317,396.98
June 2019	2,488,256.35	November 2023	962,028.22	April 2028	309,713.21
July 2019	2,446,357.24	December 2023	943,746.69	May 2028	302,162.04
August 2019	2,405,093.98	January 2024	925,756.84	June 2028	294,741.43
September 2019	2,364,457.41	February 2024	908,054.35	July 2028	287,449.38
October 2019	2,324,438.48	March 2024	890,634.97	August 2028	280,283.92
November 2019	2,285,028.27	April 2024	873,494.51	September 2028	273,243.09
December 2019	2,246,217.99	May 2024	856,628.83	October 2028	266,324.98
January 2020	2,207,998.98	June 2024	840,033.86	November 2028	259,527.70

LO Class (Continued)

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
December 2028	$ 252,849.38	November 2030	$ 128,177.31	October 2032	$ 47,098.76
January 2029	246,288.19	December 2030	123,860.17	November 2032	44,337.36
February 2029	239,842.32	January 2031	119,623.30	December 2032	41,631.31
March 2029	233,509.98	February 2031	115,465.43	January 2033	38,979.71
April 2029	227,289.42	March 2031	111,385.31	February 2033	36,381.68
May 2029	221,178.90	April 2031	107,381.70	March 2033	33,836.34
June 2029	215,176.72	May 2031	103,453.39	April 2033	31,342.83
July 2029	209,281.20	June 2031	99,599.18	May 2033	28,900.30
August 2029	203,490.68	July 2031	95,817.89	June 2033	26,507.91
September 2029	197,803.53	August 2031	92,108.36	July 2033	24,164.84
October 2029	192,218.13	September 2031	88,469.45	August 2033	21,870.29
November 2029	186,732.91	October 2031	84,900.03	September 2033	19,623.45
December 2029	181,346.30	November 2031	81,398.99	October 2033	17,423.54
January 2030	176,056.76	December 2031	77,965.23	November 2033	15,269.78
February 2030	170,862.77	January 2032	74,597.68	December 2033	13,161.41
March 2030	165,762.84	February 2032	71,295.27	January 2034	11,097.68
April 2030	160,755.50	March 2032	68,056.96	February 2034	9,077.84
May 2030	155,839.30	April 2032	64,881.71	March 2034	7,101.17
June 2030	151,012.80	May 2032	61,768.51	April 2034	5,166.96
July 2030	146,274.60	June 2032	58,716.36	May 2034	3,274.49
August 2030	141,623.31	July 2032	55,724.27	June 2034	1,423.07
September 2030	137,057.56	August 2032	52,791.28	July 2034 and thereafter	0.00
October 2030	132,576.00	September 2032	49,916.42		

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.

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$376,330,066

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Fannie Mae REMIC Trust 2006-98

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Prospectus Supplement

August 31, 2006