

Second Supplement
(To Prospectus Supplement dated July 25, 2008)

\$1,454,205,282



**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2008-68**

This is a supplement to the prospectus supplement dated July 25, 2008 (the "Prospectus Supplement"). If we use a capitalized term in this supplement without defining it, you will find the definition of that term in the Prospectus Supplement.

The section of the Prospectus Supplement titled "Recent Developments" is replaced in its entirety with the following:

RECENT DEVELOPMENTS

On September 6, 2008, the Federal Housing Finance Agency, or FHFA, placed Fannie Mae and Freddie Mac into conservatorship. As the conservator, FHFA succeeded to all rights, titles, powers and privileges of Fannie Mae, and of any stockholder, officer, or director of Fannie Mae with respect to Fannie Mae and the assets of Fannie Mae. The conservator selected Herbert M. Allison, former Vice Chairman of Merrill Lynch and Chairman of TIAA-CREF, as the new CEO of Fannie Mae. A copy of the statement issued by FHFA Director James B. Lockhart regarding FHFA's placement of Fannie Mae into conservatorship, the selection of Mr. Allison, and a copy of a Fact Sheet discussing questions and answers about the conservatorship are available on FHFA's website at www.ofheo.gov.

On September 7, 2008, the U.S. Department of the Treasury, or U.S. Treasury, announced three additional steps taken by it in connection with the conservatorship.

First, the U.S. Treasury entered into a Senior Preferred Stock Purchase Agreement with us pursuant to which the U.S. Treasury will purchase up to an aggregate of \$100 billion to maintain a positive net worth on a U.S. GAAP basis. This agreement contains covenants that significantly restrict our operations. In exchange for entering into this agreement, the U.S. Treasury received \$1 billion of our senior preferred stock and warrants to purchase 79.9% of our common stock.

(continued on the next page)

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

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

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



The date of this Supplement is September 29, 2008

Second, the U.S. Treasury announced the establishment of a new secured lending credit facility which will be available to Fannie Mae, Freddie Mac, and the Federal Home Loan Banks as a liquidity backstop.

Third, the U.S. Treasury announced that it is initiating a temporary program to purchase mortgage-backed securities issued by Fannie Mae and Freddie Mac. The secured lending credit facility and the mortgage-backed securities purchase program are currently scheduled to expire in December 2009.

Details regarding these steps are available on the U.S. Treasury's website at www.ustreas.gov.

We are continuing to operate as a going concern while in conservatorship and remain liable for all of our obligations, including our guaranty obligations, associated with mortgage-backed securities issued by us. The secured lending credit facility and the Senior Preferred Stock Purchase Agreement described above are intended to enhance our ability to meet our obligations.

Under the Federal Housing Finance Regulatory Reform Act of 2008 (the "Regulatory Reform Act"), FHFA, as conservator or receiver, has the power to repudiate any contract entered into by Fannie Mae prior to FHFA's appointment as conservator or receiver, as applicable, if FHFA determines, in its sole discretion, that performance of the contract is burdensome and that repudiation of the contract promotes the orderly administration of Fannie Mae's affairs. The Regulatory Reform Act requires FHFA to exercise its right to repudiate any contract within a reasonable period of time after its appointment as conservator or receiver.

FHFA as conservator has advised us that it has no intention to repudiate our guaranty obligation under the trust documents because it views repudiation as incompatible with the goals of the conservatorship. In the event that FHFA, as conservator or receiver, were to repudiate our guaranty obligation under the related trust documents, the conservatorship or receivership estate, as applicable, would be liable for actual direct compensatory damages in accordance with the provisions of the Regulatory Reform Act. Any such liability could be satisfied only to the extent of our assets available therefor.

In the event of repudiation, the payments of principal and/or interest to certificateholders would be reduced if payments on the underlying mortgage loans are not made by the related borrowers or a direct servicer fails to remit borrower payments to us. Any actual direct compensatory damages for repudiating our guaranty obligation may not be sufficient to offset any shortfalls experienced by certificateholders.

Further, in its capacity as conservator or receiver, FHFA has the right to transfer or sell any asset or liability of Fannie Mae without any approval, assignment or consent. Although we have been advised that it has no present intention to do so, if FHFA, as conservator or receiver, were to transfer our guaranty obligation to another party, certificateholders would have to rely on that party for satisfaction of the guaranty obligation and would be exposed to the credit risk of that party.

In addition, certain rights provided to certificateholders under the trust documents may not be enforced against FHFA, or enforcement of such rights may be delayed, during the conservatorship or if we are placed into receivership. The trust documents provide that upon the occurrence of a guarantor event of default, which includes the appointment of a conservator or receiver, certificateholders have the right to replace Fannie Mae as trustee if the requisite percentage of certificateholders consent. The Regulatory Reform Act prevents certificateholders from enforcing their rights to replace Fannie Mae as trustee if the event of default arises solely because a conservator or receiver has been appointed. The Regulatory Reform Act also provides that no person may exercise any right or power to terminate, accelerate or declare an event of default under certain contracts to which Fannie Mae is a party, or obtain possession of or exercise control over any property of Fannie Mae, or affect any contractual rights of Fannie Mae, without the approval of FHFA, as conservator or receiver, for a period of 45 or 90 days following the appointment of FHFA as conservator or receiver, respectively.

\$1,454,205,282



FannieMae®

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2008-68**

This is a supplement to the prospectus supplement dated July 25, 2008 (the "Prospectus Supplement"). If we use a capitalized term in this supplement without defining it, you will find the definition of that term in the Prospectus Supplement.

The section of the Prospectus Supplement titled "Recent Developments" is replaced in its entirety with the following:

RECENT DEVELOPMENTS

On July 30, 2008, the President signed the Federal Housing Finance Regulatory Reform Act of 2008 (the "Reform Act") into law. The Reform Act establishes the Federal Housing Finance Agency ("FHFA") as our new safety, soundness and mission regulator, replacing OFHEO's and HUD's authorities in those areas. In general, the Reform Act strengthens our existing safety and soundness oversight, providing FHFA with safety and soundness authority that is comparable to and in a number of areas broader than that of the federal bank regulatory agencies. For example, FHFA will have enhanced powers to raise capital levels above statutory minimum levels, to regulate the size and content of our portfolio, and to approve new mortgage products. The Reform Act also increases the financial and administrative cost of our affordable housing mission.

In addition, the Reform Act provides the Secretary of the Treasury with temporary authority to purchase our obligations and other securities, on terms that Treasury may determine, subject to our agreement.

On July 25, 2008, Standard & Poor's Ratings Services ("S&P") announced that our "Risk-to-the-Government" rating of "A+" with a negative outlook, preferred stock rating of "AA-" with a negative outlook, and subordinated debt rating of "AA-" with a negative outlook were all under review for a possible downgrade. S&P also affirmed the "AAA/A-1+" rating on our senior unsecured debt with a stable outlook.

On July 17, 2008, Fitch Ratings ("Fitch") downgraded our preferred stock rating one notch to "A+" from "AA-". Our preferred stock rating remains on Rating Watch Negative until further evaluation. Fitch affirmed ratings of "AAA" on our senior unsecured debt and "AA-" on our subordinated debt.

On July 15, 2008, Moody's Investors Service ("Moody's") downgraded our Bank Financial Strength Rating from "B" to "B-". Moody's also downgraded our preferred stock one notch to "A1" from "Aa3". Moody's placed our Bank Financial Strength Rating of "B-" and preferred stock rating of "A1" under review for possible downgrades. Moody's affirmed ratings of "Aaa" on our senior long-term debt, "Prime-1" on our short-term debt and "Aa2" on our subordinated debt with stable outlooks.

Although the certificates being offered hereby are not rated, the general market perception of our ability to satisfy our obligations, including our guaranty obligations on the certificates, will affect the liquidity and market value of the certificates. Accordingly, you should consider the potential effect of the recent announcements on the liquidity and market value of your certificates.

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

The certificates, together with any interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any of its agencies or instrumentalities 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.



Deutsche Bank Securities

\$1,454,205,282



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**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2008-68**

The Certificates

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

Payments to Certificateholders

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

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

We will pay principal at rates that may 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
- Fannie Mae Stripped MBS and
- underlying REMIC certificates backed by Fannie Mae Stripped MBS.

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

Class	Group	Original Class Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date
JA	1	\$250,000,000	SEQ	5.5%	FIX	31397MJM0	June 2035
VJ(2)	1	24,535,878	SEQ/AD	5.5	FIX	31397MJN8	July 2019
VK(2)	1	28,657,510	SEQ/AD	5.5	FIX	31397MJP3	March 2027
ZJ(2)	1	30,139,945	SEQ	5.5	FIX/Z	31397MJQ1	August 2038
MA	2	160,000,000	SEQ	5.5	FIX	31397MJR9	June 2035
VM(2)	2	15,702,962	SEQ/AD	5.5	FIX	31397MJS7	July 2019
VN(2)	2	18,340,806	SEQ/AD	5.5	FIX	31397MJT5	March 2027
ZM(2)	2	19,289,565	SEQ	5.5	FIX/Z	31397MJU2	August 2038
CG(2)	3	24,083,881	SEQ	4.5	FIX	31397MJV0	December 2017
CH(2)	3	2,675,987	SEQ	4.5	FIX	31397MJW8	August 2018
LC	3	1,000	SEQ	4.5	FIX	31397MJX6	August 2018
FA	4	100,000,000	PT	(3)	FLT	31397MJY4	August 2038
SA	4	100,000,000(4)	NLT	(3)	INV/IO	31397MJZ1	August 2038
DB(2)	5	117,119,636	SEQ	5.0	FIX	31397MKA4	December 2017
DC(2)	5	13,013,293	SEQ	5.0	FIX	31397MKB2	August 2018
LD	5	2,135	SEQ	5.0	FIX	31397MKC0	August 2018
FB	6	108,976,016	PT	(3)	FLT	31397MKD8	August 2038
SB	6	108,976,016(4)	NLT	(3)	INV/IO	31397MKE6	August 2038
DO(2)	7	20,833,334	PT	0.0	PO	31397MKF3	August 2038
FD(2)	7	125,000,000	PT	(3)	FLT	31397MKG1	August 2038
SD	7	125,000,000(4)	NLT	(3)	INV/IO	31397MKH9	August 2038
EO(2)	8	20,833,334	PT	0.0	PO	31397MKJ5	August 2038
FE(2)	8	125,000,000	PT	(3)	FLT	31397MKK2	August 2038
SE	8	125,000,000(4)	NLT	(3)	INV/IO	31397MKL0	August 2038
AB(2)	9	187,500,000	SEQ	6.0	FIX	31397MKM8	July 2035
VA	9	18,651,652	SEQ/AD	6.0	FIX	31397MKN6	June 2019
VB	9	23,254,658	SEQ/AD	6.0	FIX	31397MKP1	March 2027
Z	9	20,593,690	SEQ	6.0	FIX/Z	31397MKQ9	August 2038
IO	10	17,630,746(4)	NLT	5.5	FIX/IO	31397MKR7	March 2035
R		0	NPR	0	NPR	31397MKS5	August 2038

- (1) See "Description of the Certificates—Class Definitions and Abbreviations" in the REMIC prospectus.
 (2) Exchangeable classes.
 (3) Based on LIBOR.
 (4) Notional balances. These classes are interest only classes. See page S-8 for a description of how their notional balances are calculated.

Carefully consider the risk factors starting 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.

If you own certificates of certain classes, you can exchange them for certificates of the corresponding RCR classes to be delivered at the time of exchange. The LJ, LM, CA, DA, FC, CO, AJ, AH, AG, AE, AD, AC and AI Classes are the RCR classes. For a more detailed description of the RCR classes, see Schedule 1 attached to this prospectus supplement and "Description of the Certificates—Combination and Recombination" in the REMIC prospectus.

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be July 30, 2008.



Deutsche Bank Securities

July 25, 2008

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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 August 1, 2007 (the “REMIC Prospectus”);
- our Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated January 1, 2006 (for all MBS issued prior to June 1, 2007) or dated April 1, 2008 (for all other MBS) (as applicable, the “MBS Prospectus”);
- if you are purchasing any Group 1 Class or the R Class, our Prospectus for Fannie Mae Stripped Mortgage-Backed Securities dated May 1, 2002 (for all SMBS issued prior to December 1, 2007) or dated December 1, 2007 (for all other SMBS) (as applicable, the “SMBS Prospectus”);
- if you are purchasing the Group 10 Class or R Class, the disclosure document relating to the underlying REMIC certificates (the “Underlying REMIC Disclosure Document”); and
- any information incorporated by reference in this prospectus supplement as discussed below and under the heading “Incorporation by Reference” in the REMIC Prospectus.

The MBS Prospectus, the SMBS Prospectus and the Underlying REMIC Disclosure Document are incorporated by reference in this prospectus supplement. This means that we are disclosing information in those documents by referring you to them. Those documents are considered part of this prospectus supplement, so you should read this prospectus supplement, and any applicable supplements or amendments, together with those documents.

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, the MBS Prospectus, the SMBS Prospectus and the Underlying REMIC Disclosure Document by writing or calling the dealer at:

Deutsche Bank Securities Inc.
Syndicate Operations
60 Wall Street
New York, New York 10005
(telephone 212-469-5000).

RECENT DEVELOPMENTS

On May 19, 2008, Standard & Poor's Ratings Services ("S&P") lowered our "Risk-to-the-Government" rating from "AA-" to "A+" with a negative outlook, and affirmed the "AA-" ratings on our preferred stock and subordinated debt with a negative outlook. S&P also affirmed the "AAA/A-1+" rating on our senior unsecured debt with a stable outlook.

On July 15, 2008, Moody's Investors Service ("Moody's") downgraded our Bank Financial Strength Rating from "B" to "B-." Moody's also downgraded our preferred stock one notch to "A1" from "Aa3." Moody's placed our Bank Financial Strength Rating of "B-" and preferred stock rating of "A1" under review for possible downgrades. Moody's affirmed ratings of "Aaa" on our senior long-term debt, "Prime-1" on our short-term debt and "Aa2" on our subordinated debt with stable outlooks.

On July 17, 2008, Fitch Ratings ("Fitch") downgraded our preferred stock rating one notch to "A+" from "AA-." Our preferred stock rating remains on Rating Watch Negative until further evaluation. Fitch affirmed ratings of "AAA" on our senior unsecured debt and "AA-" on our subordinated debt.

Although the certificates being offered hereby are not rated, the general market perception of our ability to satisfy our obligations, including our guaranty obligations on the certificates, will affect the liquidity and market value of the certificates. Accordingly, you should consider the potential effect of the recent announcements on the liquidity and market value of your certificates.

SUMMARY

This summary contains only limited information about the certificates. Statistical information in this summary is provided as of July 1, 2008. You should purchase the certificates only after reading this prospectus supplement and each of the additional disclosure documents listed on page S-3. In particular, please see the discussion of risk factors that appears in each of those additional disclosure documents.

Assets Underlying Each Group of Classes

<u>Group</u>	<u>Assets</u>
1	Group 1 MBS Group 1 SMBS
2	Group 2 MBS
3	Group 3 MBS
4	Group 4 MBS
5	Group 5 MBS
6	Group 6 MBS
7	Group 7 MBS
8	Group 8 MBS
9	Group 9 MBS
10	Class 2005-38-FI REMIC Certificate Class 2005-38-SI REMIC Certificate

Group 1, Group 2, Group 3, Group 4, Group 5, Group 6, Group 7, Group 8 and Group 9

Characteristics of the Trust MBS

	<u>Approximate Principal Balance</u>	<u>Pass- Through Rate</u>	<u>Range of Weighted Average Coupons or WACs (annual percentages)</u>	<u>Range of Weighted Average Remaining Terms to Maturity or WAMs (in months)</u>
Group 1 MBS	\$281,730,276	5.50%	5.75% to 8.00%	241 to 360
Group 2 MBS	\$213,333,333	5.50%	5.75% to 8.00%	241 to 360
Group 3 MBS	\$ 26,760,868	4.50%	4.75% to 7.00%	61 to 120
Group 4 MBS	\$100,000,000	7.00%	7.25% to 9.50%	241 to 360
Group 5 MBS	\$130,135,064	5.00%	5.25% to 7.50%	50 to 120
Group 6 MBS	\$108,976,016	7.00%	7.25% to 9.50%	241 to 360
Group 7 MBS	\$145,833,334	6.00%	6.25% to 8.50%	241 to 360
Group 8 MBS	\$145,833,334	6.00%	6.25% to 8.50%	241 to 360
Group 9 MBS	\$250,000,000	6.00%	6.25% to 8.50%	241 to 360

Assumed Characteristics of the Underlying Mortgage Loans

	<u>Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>Remaining Term to Maturity (in months)</u>	<u>Loan Age (in months)</u>	<u>Interest Rate</u>
Group 1 MBS	\$281,730,276	360	311	41	6.025%
Group 2 MBS	\$213,333,333	360	330	27	6.130%
Group 3 MBS	\$ 26,760,868	120	118	2	5.035%
Group 4 MBS	\$100,000,000	360	347	12	7.589%
Group 5 MBS	\$130,135,064	120	119	1	5.493%
Group 6 MBS	\$108,976,016	360	357	2	7.471%
Group 7 MBS	\$145,833,334	360	358	2	6.456%
Group 8 MBS	\$145,833,334	360	358	2	6.456%
Group 9 MBS	\$250,000,000	360	330	25	6.526%

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

Group 1

Characteristics of the Group 1 SMBS

<u>Approximate Balance</u>	<u>Pass-Through Rate</u>	<u>Range of Weighted Average Coupons or WACs (annual percentages)</u>	<u>Range of Weighted Average Remaining Terms to Maturity or WAMs (in months)</u>
\$51,603,057*	—	5.75% to 8.00%	241 to 360
\$51,603,057†	5.50%		

* Principal balance. This is a principal only SMBS certificate.

† Notional principal balance. This is an interest only SMBS certificate.

Assumed Characteristics of the Underlying Mortgage Loans

<u>Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>Remaining Term to Maturity (in months)</u>	<u>Loan Age (in months)</u>	<u>Interest Rate</u>
\$51,603,057 (1)	360	292	58	5.941%

(1) In addition, we have assumed that monthly interest accrues on a notional principal balance initially equal to \$51,603,057 and declining in proportion to the principal balance of the loan.

The actual remaining terms to maturity, loan ages and interest rates of most of the mortgage loans underlying the Group 1 SMBS will differ from that shown above, perhaps significantly.

Group 10

Exhibit A-1 describes the underlying REMIC certificates in Group 10, including certain information about the related mortgage loans. To learn more about the underlying REMIC certificates, you should obtain from us the current class factors and the related disclosure document as described on page S-3.

Settlement Date

We expect to issue the certificates on July 30, 2008.

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.

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.

Book-Entry and Physical Certificates

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

<u>Fed Book-Entry</u>	<u>Physical</u>
All classes of certificates other than the R Class	R Class

Exchanging Certificates Through Combination and Recombination

If you own certificates of a class designated as “exchangeable” on the cover of this prospectus supplement, you will be able to exchange them for a proportionate interest in the related RCR certificates. Schedule 1 lists the available combinations of the certificates eligible for exchange and the related RCR certificates. You can exchange your certificates by notifying us and paying an exchange fee. We will deliver the RCR certificates upon such exchange.

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

Interest Rates

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

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

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate(1)</u>
FA	3.68%	7.00%	1.03%	LIBOR + 103 basis points
SA	3.32%	5.97%	0.00%	5.97% – LIBOR
FB	3.37%	7.00%	0.90%	LIBOR + 90 basis points
SB	3.63%	6.10%	0.00%	6.10% – LIBOR
FD	3.43%	7.00%	0.97%	LIBOR + 97 basis points
SD	3.57%	6.03%	0.00%	6.03% – LIBOR
FE	3.43%	7.00%	0.97%	LIBOR + 97 basis points
SE	3.57%	6.03%	0.00%	6.03% – LIBOR
FC	3.43%	7.00%	0.97%	LIBOR + 97 basis points

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

Notional Classes

The notional principal balances of the notional classes will equal the percentages of the outstanding balances specified below immediately before the related distribution date:

<u>Class</u>	
SA	100% of the FA Class
SB	100% of the FB Class
SD	100% of the FD Class
SE	100% of the FE Class
IO	63.6363636364% of the aggregate notional principal balance of the Group 10 Underlying REMIC Certificates
AI	25% of the AB Class

Distributions of Principal

For a description of the principal payment priorities, see “Description of the Certificates—Distributions of Principal” in this prospectus supplement.

Weighted Average Lives (years)*

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>177%</u>	<u>350%</u>	<u>500%</u>
JA	17.8	6.2	4.1	2.1	1.5
VJ	6.0	6.0	6.0	4.5	3.4
VK	15.0	14.2	11.2	6.8	4.9
ZJ	28.5	20.2	17.0	11.2	8.2
LJ	28.5	19.5	15.3	9.1	6.3

<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>195%</u>	<u>350%</u>	<u>500%</u>
MA	17.8	6.5	3.8	2.2	1.5
VM	6.0	6.0	5.9	4.6	3.5
VN	15.0	14.4	10.8	6.9	4.9
ZM	28.5	21.3	16.9	11.4	8.2
LM	28.5	20.7	15.0	9.2	6.4

<u>Group 3 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>236%</u>	<u>375%</u>	<u>500%</u>
CG	5.2	4.1	3.3	2.8	2.4
CH	9.7	9.2	8.7	7.8	7.0
LC	10.0	9.8	9.8	9.8	9.8
CA	5.6	4.6	3.9	3.3	2.9

<u>Group 4 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>275%</u>	<u>550%</u>	<u>775%</u>	<u>1100%</u>
FA and SA	21.3	11.0	5.5	2.9	2.0	1.4

<u>Group 5 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>200%</u>	<u>300%</u>	<u>450%</u>	<u>600%</u>
DB	5.2	4.2	3.6	3.1	2.6	2.3
DC	9.7	9.3	8.9	8.4	7.4	6.5
LD	10.0	9.9	9.9	9.9	9.9	9.9
DA	5.6	4.7	4.1	3.6	3.1	2.7

<u>Group 6 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>275%</u>	<u>565%</u>	<u>775%</u>	<u>1100%</u>
FB and SB	21.3	11.6	6.1	3.4	2.6	2.0

<u>Group 7 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>200%</u>	<u>318%</u>	<u>475%</u>	<u>650%</u>
DO, FD and SD	20.8	11.3	7.6	5.4	3.9	3.0
<u>Group 8 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>200%</u>	<u>318%</u>	<u>475%</u>	<u>650%</u>
EO, FE and SE.....	20.8	11.3	7.6	5.4	3.9	3.0
<u>Group 9 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>200%</u>	<u>318%</u>	<u>475%</u>	<u>650%</u>
AB, AJ, AH, AG, AE, AD, AC and AI.....	18.2	6.6	3.8	2.4	1.6	1.1
VA.....	6.0	6.0	5.9	4.9	3.6	2.7
VB.....	15.0	14.5	10.8	7.6	5.3	3.8
Z.....	28.5	21.4	16.9	12.6	8.9	6.4
<u>Group 10 Class</u>	<u>CPR Prepayment Assumption</u>					
	<u>0%</u>	<u>5%</u>	<u>10%</u>	<u>15%</u>	<u>20%</u>	<u>30%</u>
IO	17.6	10.3	7.1	5.3	4.1	2.7
<u>Group 7/Group 8 Classes(1)</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>200%</u>	<u>318%</u>	<u>475%</u>	<u>650%</u>
FC and CO	20.8	11.3	7.6	5.4	3.9	3.0

* Determined as specified under “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

(1) These classes are RCR Classes formed from combinations of two or more REMIC classes in different groups. For additional information, see Schedule 1 attached to this prospectus supplement.

DESCRIPTION OF THE CERTIFICATES

The material under this heading describes the principal 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 August 1, 2007 and a supplement thereto dated as of July 1, 2008 (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 August 1, 2007 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 assets of the Trust will include:

- nine groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS,” “Group 2 MBS,” “Group 3 MBS,” “Group 4 MBS,” “Group 5 MBS,” “Group 6 MBS,” “Group 7 MBS,” “Group 8 MBS” and “Group 9 MBS,” and together, the “Trust MBS”),
- certain Fannie Mae Stripped Mortgage-Backed Securities (the “Group 1 SMBS”) and
- certain previously issued REMIC certificates (the “Group 10 Underlying REMIC Certificates”) issued from the related Fannie Mae REMIC trust (the “Underlying REMIC Trust”) as further described in Exhibit A-1.

The Group 10 Underlying REMIC Certificates evidence direct or indirect beneficial ownership interests in certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates.

The Group 1 SMBS represent beneficial ownership interests in certain principal and interest distributions on mortgage loans underlying certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (together with the Trust MBS and the Fannie Mae Guaranteed Mortgage Pass-Through Certificates backing the Group 10 Underlying REMIC Certificates, the “MBS”).

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

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

The following chart contains information about the assets, the “regular interests” and the “residual interests” of the REMIC. The REMIC Certificates other than the R Class are collectively referred to as the “Regular Classes” or “Regular Certificates,” and the R Class is referred to as the “Residual Class” or “Residual Certificate.”

	<u>Assets</u>	<u>Regular Interests</u>	<u>Residual Interest</u>
REMIC	Trust MBS, Group 1 SMBS and Group 10 Underlying REMIC Certificates	All Classes of REMIC Certificates other than the R Class	R

Fannie Mae Guaranty. For a description of our guaranties of the Certificates, the MBS, the Group 1 SMBS and the Group 10 Underlying REMIC Certificates, see “Description of the Certificates—Fannie Mae Guaranty” in the REMIC Prospectus, “Description of the Certificates—Fannie Mae Guaranty” in the MBS Prospectus, “Description of the SMBS Certificates—Fannie Mae Guaranty” in the SMBS Prospectus and “Description of the Certificates—General—*Fannie Mae Guaranty*” in the Underlying REMIC Disclosure Document. Our guaranties are not backed by the full faith and credit of the United States.

Characteristics of Certificates. Except as specified below, we will issue the Certificates 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.”

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

Authorized Denominations. We will issue the Certificates in the following denominations:

<u>Classes</u>	<u>Denominations</u>
Interest Only, Principal Only and Inverse Floating Rate Classes	\$100,000 minimum plus whole dollar increments
All other Classes (except the R Class)	\$1,000 minimum plus whole dollar increments

The Trust MBS

The Trust MBS provide that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the Trust MBS are conventional, fixed-rate, fully-amortizing mortgage loans secured by first mortgages or deeds of trust on single-family residential properties. These Mortgage Loans have original maturities of up to 30 years in the case of the Group 1, Group 2, Group 4, Group 6, Group 7, Group 8 and Group 9 MBS and up to 10 years in the case of the Group 3 and Group 5 MBS.

For additional information, see “Summary—Group 1, Group 2, Group 3, Group 4, Group 5, Group 6, Group 7, Group 8 and Group 9—Characteristics of the Trust MBS” and “—Assumed Characteristics of the Underlying Mortgage Loans” in this prospectus supplement and “The Mortgage Pools” and “Yield, Maturity, and Prepayment Considerations” in the MBS Prospectus.

The Group 1 SMBS

The general characteristics of the Group 1 SMBS are described in the SMBS Prospectus. The Group 1 SMBS provide that principal and interest on the Mortgage Loans underlying the related

MBS are passed through monthly. The general characteristics of the MBS are described in the MBS Prospectus. Each MBS evidences beneficial ownership interest in a pool of conventional, fixed-rate, fully-amortizing Mortgage Loans secured by first mortgages or deeds of trust on single-family residential properties. These Mortgage Loans have original maturities of up to 30 years. For additional information see “Summary—Group 1—Characteristics of the Group 1 SMBS” and “—Assumed Characteristics of the Underlying Mortgage Loans” in this prospectus supplement, and “The Mortgage Pools” and “Yield, Maturity, and Prepayment Considerations” in the MBS Prospectus.

The Group 10 Underlying REMIC Certificates

The Group 10 Underlying REMIC Certificates represent beneficial ownership interests in the Underlying REMIC Trust. The assets of that trust consist of MBS (or beneficial ownership interests in MBS) having the general characteristics set forth in the MBS Prospectus. Each MBS evidences beneficial ownership interests in a pool of conventional, fixed-rate, fully-amortizing mortgage loans secured by first mortgages or deeds of trust on single-family residential properties, as described under “The Mortgage Pools” and “Yield, Maturity, and Prepayment Considerations” in the MBS Prospectus.

Distributions on the Group 10 Underlying REMIC Certificates will be passed through monthly, beginning in the month after we issue the Certificates. The general characteristics of the Group 10 Underlying REMIC Certificates are described in the Underlying REMIC Disclosure Document. See Exhibit A-1 for certain additional information about the Group 10 Underlying REMIC Certificates.

For further information about the Group 10 Underlying REMIC Certificates, telephone us at 1-800-237-8627. Additional information about the Group 10 Underlying REMIC Certificates is also available at <http://sls.fanniemae.com/slsSearch/Home.do>. There may have been material changes in facts and circumstances since the date we prepared the Underlying REMIC Disclosure Document. These may include changes in prepayment speeds, prevailing interest rates and other economic factors. As a result, the usefulness of the information set forth in that document may be limited.

Distributions of Interest

General. The certificates will bear interest at the rates specified in this prospectus supplement on a 30/360 basis. Interest to be paid on each Certificate (or added to principal, in the case of the Accrual Classes) on a Distribution Date will consist of one month’s interest on the outstanding balance of that Certificate immediately prior to that Distribution Date. For a description of the Accrual Classes, see “—*Accrual Classes*” below.

Delay Classes and No-Delay Classes. The “delay” Classes and “no-delay” Classes are set forth in the following table:

<u>Delay Classes</u>	<u>No-Delay Classes</u>
Fixed Rate Classes	Floating Rate and Inverse Floating Rate Classes

See “Description of the Certificates—Distributions on Certificates—*Interest Distributions*” in the REMIC Prospectus.

The Dealer will treat the Principal Only Classes as delay Classes solely for the purpose of facilitating trading.

Accrual Classes. The ZJ, ZM and Z Classes are Accrual Classes. Interest will accrue on each Accrual Class at the applicable annual rate specified on the cover of this prospectus supplement. However, we will not pay any interest on the Accrual Classes. Instead, interest accrued on an Accrual Class will be added as principal to its principal balance on each Distribution Date. We will pay principal on each Accrual Class as described under “—Distributions of Principal” below.

Distributions of Principal

On the Distribution Date in each month, we will make payments of principal on the Certificates as described below.

- *Group 1*

The ZJ Accrual Amount to VJ and VK, in that order, until retired, and thereafter to ZJ. } **Accretion Directed Classes and Accrual Class**

The Group 1 Cash Flow Distribution Amount to JA, VJ, VK and ZJ, in that order, until retired. } **Sequential Pay Classes**

The “ZJ Accrual Amount” is any interest then accrued and added to the principal balance of the ZJ Class.

The “Group 1 Cash Flow Distribution Amount” is the aggregate principal then paid on the Group 1 MBS and Group 1 SMBS.

- *Group 2*

The ZM Accrual Amount to VM and VN, in that order, until retired, and thereafter to ZM. } **Accretion Directed Classes and Accrual Class**

The Group 2 Cash Flow Distribution Amount to MA, VM, VN and ZM, in that order, until retired. } **Sequential Pay Classes**

The “ZM Accrual Amount” is any interest then accrued and added to the principal balance of the ZM Class.

The “Group 2 Cash Flow Distribution Amount” is the principal then paid on the Group 2 MBS.

- *Group 3*

The Group 3 Principal Distribution Amount to CG, CH and LC, in that order, until retired. } **Sequential Pay Classes**

The “Group 3 Principal Distribution Amount” is the principal then paid on the Group 3 MBS.

- *Group 4*

The Group 4 Principal Distribution Amount to FA until retired. } **Pass-Through Class**

The “Group 4 Principal Distribution Amount” is the principal then paid on the Group 4 MBS.

- *Group 5*

The Group 5 Principal Distribution Amount to DB, DC and LD, in that order, until retired. } **Sequential Pay Classes**

The “Group 5 Principal Distribution Amount” is the principal then paid on the Group 5 MBS.

- *Group 6*

The Group 6 Principal Distribution Amount to FB until retired. } **Pass-Through Class**

The “Group 6 Principal Distribution Amount” is the principal then paid on the Group 6 MBS.

- *Group 7*

The Group 7 Principal Distribution Amount to DO and FD, pro rata, until retired. } **Pass-Through Classes**

The “Group 7 Principal Distribution Amount” is the principal then paid on the Group 7 MBS.

- *Group 8*

The Group 8 Principal Distribution Amount to EO and FE, pro rata, until retired. } **Pass-Through Classes**

The “Group 8 Principal Distribution Amount” is the principal then paid on the Group 8 MBS.

- *Group 9*

The Z Accrual Amount to VA and VB, in that order, until retired, and thereafter to Z. } **Accretion Directed Classes and Accrual Class**

The Group 9 Cash Flow Distribution Amount to AB, VA, VB and Z, in that order, until retired. } **Sequential Pay Classes**

The “Z Accrual Amount” is any interest then accrued and added to the principal balance of the Z Class.

The “Group 9 Cash Flow Distribution Amount” is the principal then paid on the Group 9 MBS.

Structuring Assumptions

Pricing Assumptions. Except where otherwise noted, the information in the tables in this prospectus supplement has been prepared based on the actual characteristics of each pool of Mortgage Loans backing the Group 10 Underlying REMIC Certificates and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Trust MBS and the Group 1 SMBS have the original terms to maturity, remaining terms to maturity, loan ages and interest rates specified under “Summary—Group 1, Group 2, Group 3, Group 4, Group 5, Group 6, Group 7, Group 8 and Group 9—Assumed Characteristics of the Underlying Mortgage Loans” and “—Group 1—Assumed Characteristics of the Underlying Mortgage Loans” in this prospectus supplement;
- the Mortgage Loans prepay at the constant percentages of PSA or CPR, as applicable, specified in the related tables;
- the settlement date for the Certificates is July 30, 2008; and
- each Distribution Date occurs on the 25th day of a month.

Prepayment Assumptions. The prepayment model used in this prospectus supplement with respect to the Group 1, Group 2, Group 3, Group 4, Group 5, Group 6, Group 7, Group 8 and Group 9 Classes is PSA. For a description of PSA, see “Yield, Maturity and Prepayment Considerations—Prepayment Models” in the REMIC Prospectus.

The prepayment model used in this prospectus supplement with respect to the Group 10 Class is CPR. For a description of CPR, see “Yield, Maturity and Prepayment Considerations—Prepayment Models” in the REMIC Prospectus.

It is highly unlikely that prepayments will occur at any *constant* PSA or CPR rate, as applicable, or at any other *constant* rate.

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 or CPR, as

applicable, 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 or CPR, as applicable. Moreover, it is unlikely that

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

***The Inverse Floating Rate Classes.* The yields on the Inverse Floating Rate Classes will be sensitive in varying degrees to the rate of principal payments, including prepayments, of the related Mortgage Loans and to the level of the Index. The related Mortgage Loans generally can be prepaid at any time without penalty. In addition, the rate of principal payments (including prepayments) of the Mortgage Loans is likely to vary, and may vary considerably, from pool to pool. As illustrated in the tables below, it is possible that investors in the Inverse Floating Rate 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 following yield tables has been prepared on the basis of the Pricing Assumptions and the assumptions that

- the interest rates for the Inverse Floating Rate Classes for the initial Interest Accrual Period are the rates listed in the table under “Summary—Interest Rates” in this prospectus supplement and for each following Interest Accrual Period will be based on the specified level of the Index, and

- the aggregate purchase prices of those Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
SA	5.484375%
SB	5.375000%
SD	6.187500%
SE	6.187500%

* 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.

In the following yield tables, the symbol * is used to represent a yield of less than (99.9)%.

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>275%</u>	<u>550%</u>	<u>775%</u>	<u>1100%</u>
0.65%	110.7%	107.3%	95.4%	75.5%	57.9%	30.0%
2.65%	64.1%	61.0%	49.6%	30.5%	13.6%	(13.6)%
4.65%	21.3%	18.3%	7.2%	(11.4)%	(28.2)%	(55.8)%
5.97%	*	*	*	*	*	*

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>275%</u>	<u>565%</u>	<u>775%</u>	<u>1100%</u>
0.47%	123.1%	121.1%	113.8%	101.5%	92.3%	77.7%
2.47%	74.2%	71.9%	64.1%	50.7%	40.8%	25.0%
4.47%	29.2%	26.7%	17.6%	2.0%	(9.8)%	(28.8)%
6.10%	*	*	*	*	*	*

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>318%</u>	<u>475%</u>	<u>650%</u>
0.46%	102.2%	100.1%	95.8%	90.7%	83.9%	76.2%
2.46%	61.2%	58.9%	54.3%	48.8%	41.3%	32.8%
4.46%	23.0%	20.4%	15.2%	8.8%	0.2%	(9.8)%
6.03%	*	*	*	*	*	*

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>318%</u>	<u>475%</u>	<u>650%</u>
0.46%	102.2%	100.1%	95.8%	90.7%	83.9%	76.2%
2.46%	61.2%	58.9%	54.3%	48.8%	41.3%	32.8%
4.46%	23.0%	20.4%	15.2%	8.8%	0.2%	(9.8)%
6.03%	*	*	*	*	*	*

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 following 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:

<u>Class</u>	<u>Price</u>
DO	69.125%
EO	69.125%
CO	69.125%

Sensitivity of the DO Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>318%</u>	<u>475%</u>	<u>650%</u>
Pre-Tax Yields to Maturity	2.7%	3.6%	5.6%	7.9%	10.8%	13.9%

Sensitivity of the EO Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>318%</u>	<u>475%</u>	<u>650%</u>
Pre-Tax Yields to Maturity	2.7%	3.6%	5.6%	7.9%	10.8%	13.9%

Sensitivity of the CO Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>318%</u>	<u>475%</u>	<u>650%</u>
Pre-Tax Yields to Maturity	2.7%	3.6%	5.6%	7.9%	10.8%	13.9%

The Fixed Rate Interest Only Classes. **The yields to investors in the Fixed Rate Interest Only Classes will be very sensitive to the rate of principal payments (including prepayments) of the related Mortgage Loans. The Mortgage Loans generally can be prepaid at any time without penalty. On the basis of the assumptions described below, the yield to**

maturity on each Fixed Rate Interest Only Class would be 0% if prepayments of the related Mortgage Loans were to occur at the following constant rates:

<u>Class</u>	<u>% CPR or PSA</u>
IO	20% CPR
AI	440% 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 the original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
IO	21.65625%
AI	10.00000%

* 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 IO Class to Prepayments

	<u>CPR Prepayment Assumption</u>					
	<u>2%</u>	<u>5%</u>	<u>10%</u>	<u>15%</u>	<u>20%</u>	<u>30%</u>
Pre-Tax Yields to Maturity	21.3%	18.0%	12.3%	6.4%	0.3%	(12.4)%

Sensitivity of the AI Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>318%</u>	<u>475%</u>	<u>650%</u>
Pre-Tax Yields to Maturity	57.3%	51.7%	39.1%	21.4%	(6.6)%	(41.2)%

Weighted Average Lives of the Certificates

For a description of how the weighted average life of a Certificate is determined, see “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” 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 distributions, and
- the priority sequences of distributions of principal of the Group 1, Group 2, Group 3, Group 5 and Group 9 Classes.

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 or CPR rates, as applicable, and the corresponding weighted average lives of those Classes. The tables have been prepared on the basis of the Pricing Assumptions.

In the case of the information set forth for each Class under 0% PSA or 0% CPR, as applicable, however, we assumed that the Mortgage Loans have the original and remaining terms to maturity and bear interest at the annual rates specified in the table below.

<u>Mortgage Loans Relating to Trust Assets Specified Below</u>	<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 1 MBS and Group 1 SMBS	360 months	360 months	8.00%
Group 2 MBS	360 months	360 months	8.00%
Group 3 MBS	120 months	120 months	7.00%
Group 4 MBS	360 months	360 months	9.50%
Group 5 MBS	120 months	120 months	7.50%
Group 6 MBS	360 months	360 months	9.50%
Group 7 MBS	360 months	360 months	8.50%
Group 8 MBS	360 months	360 months	8.50%
Group 9 MBS	360 months	360 months	8.50%
Group 10 Underlying REMIC Certificates	360 months	317 months	8.00%

It is unlikely that all of the Mortgage Loans will have the interest rates, loan ages or remaining terms to maturity assumed or that the Mortgage Loans will prepay at any *constant* PSA or CPR level, as applicable.

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 or CPR rates, as applicable, 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

Date	JA Class					VJ Class					VK Class					ZJ Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	177%	350%	500%	0%	100%	177%	350%	500%	0%	100%	177%	350%	500%	0%	100%	177%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2009	99	90	84	70	58	93	93	93	93	93	100	100	100	100	100	106	106	106	106	106
July 2010	98	80	69	47	30	86	86	86	86	86	100	100	100	100	100	112	112	112	112	112
July 2011	96	71	57	29	10	78	78	78	78	78	100	100	100	100	100	118	118	118	118	118
July 2012	95	63	45	15	0	70	70	70	70	32	100	100	100	100	100	125	125	125	125	125
July 2013	93	55	35	4	0	61	61	61	61	0	100	100	100	100	38	132	132	132	132	132
July 2014	92	48	27	0	0	52	52	52	4	0	100	100	100	100	0	139	139	139	139	115
July 2015	90	41	19	0	0	42	42	42	0	0	100	100	100	37	0	147	147	147	147	78
July 2016	88	34	12	0	0	32	32	32	0	0	100	100	100	0	0	155	155	155	140	53
July 2017	86	28	6	0	0	22	22	22	0	0	100	100	100	0	0	164	164	164	107	36
July 2018	84	22	*	0	0	10	10	10	0	0	100	100	100	0	0	173	173	173	81	24
July 2019	81	17	0	0	0	0	0	0	0	0	98	98	60	0	0	183	183	183	62	16
July 2020	78	12	0	0	0	0	0	0	0	0	88	88	12	0	0	193	193	193	47	11
July 2021	76	7	0	0	0	0	0	0	0	0	76	76	0	0	0	204	204	174	35	7
July 2022	72	3	0	0	0	0	0	0	0	0	64	64	0	0	0	216	216	147	26	5
July 2023	69	0	0	0	0	0	0	0	0	0	51	37	0	0	0	228	228	123	19	3
July 2024	65	0	0	0	0	0	0	0	0	0	38	0	0	0	0	241	230	103	14	2
July 2025	61	0	0	0	0	0	0	0	0	0	23	0	0	0	0	254	199	85	10	1
July 2026	57	0	0	0	0	0	0	0	0	0	8	0	0	0	0	269	170	69	7	1
July 2027	52	0	0	0	0	0	0	0	0	0	0	0	0	0	0	276	143	55	5	1
July 2028	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	276	118	43	4	*
July 2029	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	276	94	32	2	*
July 2030	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	276	71	23	2	*
July 2031	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	276	50	16	1	*
July 2032	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	276	30	9	*	*
July 2033	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	276	14	4	*	*
July 2034	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	276	0	0	0	0
July 2035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	259	0	0	0	0
July 2036	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	179	0	0	0	0
July 2037	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	93	0	0	0	0
July 2038	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	17.8	6.2	4.1	2.1	1.5	6.0	6.0	6.0	4.5	3.4	15.0	14.2	11.2	6.8	4.9	28.5	20.2	17.0	11.2	8.2

Date	LJ Class					MA Class					VM Class					VN Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	177%	350%	500%	0%	100%	195%	350%	500%	0%	100%	195%	350%	500%	0%	100%	195%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2009	100	100	100	100	100	99	90	83	71	59	93	93	93	93	93	100	100	100	100	100
July 2010	100	100	100	100	100	98	81	68	48	30	86	86	86	86	86	100	100	100	100	100
July 2011	100	100	100	100	100	96	72	54	30	10	78	78	78	78	78	100	100	100	100	100
July 2012	100	100	100	100	89	95	64	43	15	0	70	70	70	70	37	100	100	100	100	100
July 2013	100	100	100	100	61	93	57	32	4	0	61	61	61	61	0	100	100	100	100	42
July 2014	100	100	100	86	41	92	49	24	0	0	52	52	52	10	0	100	100	100	100	0
July 2015	100	100	100	66	28	90	43	16	0	0	42	42	42	0	0	100	100	100	42	0
July 2016	100	100	100	50	19	88	36	9	0	0	32	32	32	0	0	100	100	100	0	0
July 2017	100	100	100	39	13	86	30	3	0	0	22	22	22	0	0	100	100	100	0	0
July 2018	100	100	100	29	9	84	25	0	0	0	10	10	0	0	0	100	100	89	0	0
July 2019	100	100	87	22	6	81	19	0	0	0	0	0	0	0	0	98	98	39	0	0
July 2020	100	100	74	17	4	78	14	0	0	0	0	0	0	0	0	88	88	0	0	0
July 2021	100	100	63	13	3	76	10	0	0	0	0	0	0	0	0	76	76	0	0	0
July 2022	100	100	53	9	2	72	5	0	0	0	0	0	0	0	0	64	64	0	0	0
July 2023	100	95	45	7	1	69	1	0	0	0	0	0	0	0	0	51	51	0	0	0
July 2024	100	83	37	5	1	65	0	0	0	0	0	0	0	0	0	38	15	0	0	0
July 2025	100	72	31	4	*	61	0	0	0	0	0	0	0	0	0	23	0	0	0	0
July 2026	100	62	25	3	*	57	0	0	0	0	0	0	0	0	0	8	0	0	0	0
July 2027	100	52	20	2	*	52	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2028	100	43	16	1	*	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2029	100	34	12	1	*	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2030	100	26	8	1	*	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2031	100	18	6	*	*	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2032	100	11	3	*	*	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2033	100	5	1	*	*	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2034	100	0	0	0	0	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2035	94	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2036	65	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2037	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2038	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.5	19.5	15.3	9.1	6.3	17.8	6.5	3.8	2.2	1.5	6.0	6.0	5.9	4.6	3.5	15.0	14.4	10.8	6.9	4.9

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

** Determined as specified under "Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates" in the REMIC Prospectus.

Date	ZM Class					LM Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	195%	350%	500%	0%	100%	195%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100
July 2009	106	106	106	106	106	100	100	100	100	100
July 2010	112	112	112	112	112	100	100	100	100	100
July 2011	118	118	118	118	118	100	100	100	100	100
July 2012	125	125	125	125	125	100	100	100	100	90
July 2013	132	132	132	132	132	100	100	100	100	62
July 2014	139	139	139	139	117	100	100	100	88	42
July 2015	147	147	147	147	80	100	100	100	68	29
July 2016	155	155	155	144	55	100	100	100	52	20
July 2017	164	164	164	111	37	100	100	100	40	13
July 2018	173	173	173	85	25	100	100	93	31	9
July 2019	183	183	183	65	17	100	100	80	23	6
July 2020	193	193	187	49	12	100	100	68	18	4
July 2021	204	204	159	37	8	100	100	57	14	3
July 2022	216	216	134	28	5	100	100	48	10	2
July 2023	228	228	112	21	3	100	100	41	8	1
July 2024	241	241	94	16	2	100	92	34	6	1
July 2025	254	225	78	12	2	100	81	28	4	1
July 2026	269	197	64	9	1	100	71	23	3	*
July 2027	276	170	52	6	1	100	62	19	2	*
July 2028	276	145	42	4	*	100	52	15	2	*
July 2029	276	122	33	3	*	100	44	12	1	*
July 2030	276	100	25	2	*	100	36	9	1	*
July 2031	276	79	19	1	*	100	29	7	1	*
July 2032	276	59	13	1	*	100	21	5	*	*
July 2033	276	41	9	1	*	100	15	3	*	*
July 2034	276	24	5	*	*	100	9	2	*	*
July 2035	259	8	1	*	*	94	3	1	*	*
July 2036	179	0	0	0	0	65	0	0	0	0
July 2037	93	0	0	0	0	34	0	0	0	0
July 2038	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.5	21.3	16.9	11.4	8.2	28.5	20.7	15.0	9.2	6.4

Date	CG Class					CH Class					LC Class					CA Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	236%	375%	500%	0%	100%	236%	375%	500%	0%	100%	236%	375%	500%	0%	100%	236%	375%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2009	92	89	87	84	82	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2010	84	76	69	62	56	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2011	74	62	51	40	31	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2012	65	49	35	23	15	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2013	54	37	23	12	4	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2014	43	26	12	3	0	100	100	100	100	79	100	100	100	100	100	100	100	100	100	100
July 2015	31	15	4	0	0	100	100	100	76	42	100	100	100	100	100	100	100	100	100	100
July 2016	18	5	0	0	0	100	100	78	39	19	100	100	100	100	100	100	100	100	100	100
July 2017	4	0	0	0	0	100	64	31	14	6	100	100	100	100	100	100	100	100	100	100
July 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	5.2	4.1	3.3	2.8	2.4	9.7	9.2	8.7	7.8	7.0	10.0	9.8	9.8	9.8	9.8	5.6	4.6	3.9	3.3	2.9

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

** Determined as specified under "Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates" in the REMIC Prospectus.

FA and SA† Classes						
Date	PSA Prepayment Assumption					
	0%	100%	275%	550%	775%	1100%
Initial Percent	100	100	100	100	100	100
July 2009	99	95	89	79	70	58
July 2010	99	89	74	53	39	21
July 2011	98	83	61	35	20	7
July 2012	97	77	50	23	11	2
July 2013	96	71	41	15	6	1
July 2014	95	66	34	10	3	*
July 2015	94	61	28	7	2	*
July 2016	93	56	23	4	1	*
July 2017	92	52	19	3	*	*
July 2018	90	47	15	2	*	*
July 2019	89	43	12	1	*	*
July 2020	87	40	10	1	*	*
July 2021	85	36	8	1	*	*
July 2022	83	33	7	*	*	*
July 2023	81	30	5	*	*	*
July 2024	78	27	4	*	*	*
July 2025	75	24	3	*	*	*
July 2026	72	21	3	*	*	0
July 2027	69	19	2	*	*	0
July 2028	65	16	2	*	*	0
July 2029	61	14	1	*	*	0
July 2030	56	12	1	*	*	0
July 2031	51	10	1	*	*	0
July 2032	46	8	1	*	*	0
July 2033	40	6	*	*	*	0
July 2034	33	5	*	*	*	0
July 2035	26	3	*	*	0	0
July 2036	18	1	*	*	0	0
July 2037	10	0	0	0	0	0
July 2038	0	0	0	0	0	0
Weighted Average Life (years)**	21.3	11.0	5.5	2.9	2.0	1.4

Date	DB Class PSA Prepayment Assumption						DC Class PSA Prepayment Assumption						LD Class PSA Prepayment Assumption					
	0%	100%	200%	300%	450%	600%	0%	100%	200%	300%	450%	600%	0%	100%	200%	300%	450%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2009	92	90	88	87	84	82	100	100	100	100	100	100	100	100	100	100	100	100
July 2010	84	77	72	68	61	54	100	100	100	100	100	100	100	100	100	100	100	100
July 2011	75	63	55	47	36	27	100	100	100	100	100	100	100	100	100	100	100	100
July 2012	65	50	40	31	19	10	100	100	100	100	100	100	100	100	100	100	100	100
July 2013	55	38	27	18	8	*	100	100	100	100	100	100	100	100	100	100	100	100
July 2014	43	27	16	9	*	0	100	100	100	100	100	55	100	100	100	100	100	100
July 2015	31	16	7	1	0	0	100	100	100	100	57	27	100	100	100	100	100	100
July 2016	18	6	0	0	0	0	100	100	99	61	28	12	100	100	100	100	100	100
July 2017	4	0	0	0	0	0	100	72	43	25	10	4	100	100	100	100	100	100
July 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	5.2	4.2	3.6	3.1	2.6	2.3	9.7	9.3	8.9	8.4	7.4	6.5	10.0	9.9	9.9	9.9	9.9	9.9

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

** Determined as specified under “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

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

Date	DA Class					
	PSA Prepayment Assumption					
	0%	100%	200%	300%	450%	600%
Initial Percent	100	100	100	100	100	100
July 2009	93	91	89	88	86	84
July 2010	85	79	75	71	64	58
July 2011	77	67	59	52	43	34
July 2012	69	55	46	38	27	19
July 2013	59	44	34	26	17	10
July 2014	49	34	25	18	10	5
July 2015	38	25	17	11	6	3
July 2016	26	16	10	6	3	1
July 2017	14	7	4	2	1	*
July 2018	0	0	0	0	0	0
Weighted Average Life (years)**	5.6	4.7	4.1	3.6	3.1	2.7

Date	FB and SB† Classes						DO, FD and SD† Classes						EO, FE and SE† Classes					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	275%	565%	775%	1100%	0%	100%	200%	318%	475%	650%	0%	100%	200%	318%	475%	650%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2009	99	97	94	89	86	80	99	97	95	93	91	88	99	97	95	93	91	88
July 2010	99	92	83	68	58	43	98	92	87	80	72	64	98	92	87	80	72	64
July 2011	98	86	69	45	31	15	98	85	75	64	51	39	98	85	75	64	51	39
July 2012	97	80	57	29	16	5	97	79	65	51	36	23	97	79	65	51	36	23
July 2013	96	74	47	19	9	2	95	73	57	41	25	14	95	73	57	41	25	14
July 2014	95	69	38	12	5	1	94	68	49	33	18	8	94	68	49	33	18	8
July 2015	94	63	32	8	2	*	93	62	42	26	13	5	93	62	42	26	13	5
July 2016	93	59	26	5	1	*	92	58	36	20	9	3	92	58	36	20	9	3
July 2017	92	54	21	3	1	*	90	53	31	16	6	2	90	53	31	16	6	2
July 2018	90	50	17	2	*	*	89	49	27	13	4	1	89	49	27	13	4	1
July 2019	89	46	14	1	*	*	87	45	23	10	3	1	87	45	23	10	3	1
July 2020	87	42	12	1	*	*	85	41	20	8	2	*	85	41	20	8	2	*
July 2021	85	38	9	1	*	*	83	37	17	6	1	*	83	37	17	6	1	*
July 2022	83	35	8	*	*	*	81	34	14	5	1	*	81	34	14	5	1	*
July 2023	81	32	6	*	*	*	78	30	12	4	1	*	78	30	12	4	1	*
July 2024	78	29	5	*	*	*	75	27	10	3	*	*	75	27	10	3	*	*
July 2025	75	26	4	*	*	*	72	25	9	2	*	*	72	25	9	2	*	*
July 2026	72	23	3	*	*	0	69	22	7	2	*	*	69	22	7	2	*	*
July 2027	69	20	2	*	*	0	66	19	6	1	*	*	66	19	6	1	*	*
July 2028	65	18	2	*	*	0	62	17	5	1	*	*	62	17	5	1	*	*
July 2029	61	16	1	*	*	0	58	15	4	1	*	*	58	15	4	1	*	*
July 2030	56	13	1	*	*	0	53	13	3	1	*	*	53	13	3	1	*	*
July 2031	51	11	1	*	*	0	49	11	3	*	*	*	49	11	3	*	*	*
July 2032	46	9	1	*	*	0	43	9	2	*	*	*	43	9	2	*	*	*
July 2033	40	8	*	*	*	0	37	7	1	*	*	*	37	7	1	*	*	*
July 2034	33	6	*	*	*	0	31	5	1	*	*	*	31	5	1	*	*	*
July 2035	26	4	*	*	*	0	24	4	1	*	*	*	24	4	1	*	*	*
July 2036	18	3	*	*	0	0	17	2	*	*	*	*	17	2	*	*	*	*
July 2037	10	1	*	*	0	0	9	1	*	*	*	*	9	1	*	*	*	*
July 2038	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	21.3	11.6	6.1	3.4	2.6	2.0	20.8	11.3	7.6	5.4	3.9	3.0	20.8	11.3	7.6	5.4	3.9	3.0

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

** Determined as specified under “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

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

Date	AB, AJ, AH, AG, AE, AD, AC and AI† Classes						VA Class						VB Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	200%	318%	475%	650%	0%	100%	200%	318%	475%	650%	0%	100%	200%	318%	475%	650%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2009	99	91	83	74	62	48	93	93	93	93	93	93	100	100	100	100	100	100
July 2010	98	81	67	52	34	16	86	86	86	86	86	86	100	100	100	100	100	100
July 2011	97	73	54	35	14	0	78	78	78	78	78	39	100	100	100	100	100	100
July 2012	95	65	42	21	0	0	70	70	70	70	68	0	100	100	100	100	100	30
July 2013	94	57	32	10	0	0	61	61	61	61	0	0	100	100	100	100	68	0
July 2014	92	50	23	1	0	0	52	52	52	52	0	0	100	100	100	100	4	0
July 2015	91	43	15	0	0	0	43	43	43	0	0	0	100	100	100	83	0	0
July 2016	89	37	8	0	0	0	32	32	32	0	0	0	100	100	100	29	0	0
July 2017	87	31	2	0	0	0	21	21	21	0	0	0	100	100	100	0	0	0
July 2018	85	25	0	0	0	0	10	10	0	0	0	0	100	100	84	0	0	0
July 2019	82	20	0	0	0	0	0	0	0	0	0	0	98	98	38	0	0	0
July 2020	80	15	0	0	0	0	0	0	0	0	0	0	87	87	0	0	0	0
July 2021	77	10	0	0	0	0	0	0	0	0	0	0	76	76	0	0	0	0
July 2022	74	6	0	0	0	0	0	0	0	0	0	0	64	64	0	0	0	0
July 2023	71	2	0	0	0	0	0	0	0	0	0	0	51	51	0	0	0	0
July 2024	67	0	0	0	0	0	0	0	0	0	0	0	38	22	0	0	0	0
July 2025	63	0	0	0	0	0	0	0	0	0	0	0	24	0	0	0	0	0
July 2026	59	0	0	0	0	0	0	0	0	0	0	0	9	0	0	0	0	0
July 2027	54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2028	49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2029	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2030	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2031	31	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2032	24	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2033	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2034	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2036	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2037	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2038	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	18.2	6.6	3.8	2.4	1.6	1.1	6.0	6.0	5.9	4.9	3.6	2.7	15.0	14.5	10.8	7.6	5.3	3.8

Date	Z Class						IO+ Class						FC and CO Classes					
	PSA Prepayment Assumption						CPR Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	200%	318%	475%	650%	0%	5%	10%	15%	20%	30%	0%	100%	200%	318%	475%	650%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2009	106	106	106	106	106	106	99	93	88	84	79	69	99	97	95	93	91	88
July 2010	113	113	113	113	113	113	98	87	78	70	62	47	98	92	87	80	72	64
July 2011	120	120	120	120	120	120	96	81	69	58	48	32	98	85	75	64	51	39
July 2012	127	127	127	127	127	127	95	75	61	48	38	22	97	79	65	51	36	23
July 2013	135	135	135	135	135	96	93	70	53	40	30	15	95	73	57	41	25	14
July 2014	143	143	143	143	143	58	92	65	47	33	23	10	94	68	49	33	18	8
July 2015	152	152	152	152	104	34	90	60	41	27	18	7	93	62	42	26	13	5
July 2016	161	161	161	161	72	20	88	55	36	23	14	5	92	58	36	20	9	3
July 2017	171	171	171	153	50	12	85	50	31	19	11	3	90	53	31	16	6	2
July 2018	182	182	182	120	35	7	83	46	27	15	8	2	89	49	27	13	4	1
July 2019	193	193	193	94	24	4	81	42	23	12	6	1	87	45	23	10	3	1
July 2020	205	205	200	73	17	3	78	38	20	10	5	1	85	41	20	8	2	*
July 2021	218	218	170	57	11	1	75	34	17	8	4	1	83	37	17	6	1	*
July 2022	231	231	143	44	8	1	72	31	15	7	3	*	81	34	14	5	1	*
July 2023	245	245	120	34	5	*	68	28	12	5	2	*	78	30	12	4	1	*
July 2024	261	261	100	26	4	*	64	24	10	4	2	*	75	27	10	3	*	*
July 2025	277	252	82	20	2	*	60	21	8	3	1	*	72	25	9	2	*	*
July 2026	294	221	68	15	2	*	56	18	7	2	1	*	69	22	7	2	*	*
July 2027	303	191	55	11	1	*	51	15	6	2	1	*	66	19	6	1	*	*
July 2028	303	164	44	8	1	*	46	13	4	1	*	*	62	17	5	1	*	*
July 2029	303	137	34	6	*	*	40	10	3	1	*	*	58	15	4	1	*	*
July 2030	303	113	26	4	*	*	34	8	2	1	*	*	53	13	3	1	*	*
July 2031	303	89	20	3	*	*	27	5	2	*	*	*	49	11	3	*	*	*
July 2032	303	67	14	2	*	*	20	3	1	*	*	*	43	9	2	*	*	*
July 2033	303	47	9	1	*	*	12	1	*	*	*	*	37	7	1	*	*	*
July 2034	303	27	5	1	*	*	4	0	0	0	0	0	31	5	1	*	*	*
July 2035	296	9	1	*	*	*	0	0	0	0	0	0	24	4	1	*	*	*
July 2036	205	0	0	0	0	0	0	0	0	0	0	0	17	2	*	*	*	*
July 2037	107	0	0	0	0	0	0	0	0	0	0	0	9	1	*	*	*	*
July 2038	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.5	21.4	16.9	12.6	8.9	6.4	17.6	10.3	7.1	5.3	4.1	2.7	20.8	11.3	7.6	5.4	3.9	3.0

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

** Determined as specified under “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

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

Characteristics of the Residual Class

A Residual Certificate will be subject to certain transfer restrictions. See “Description of the Certificates—Special Characteristics of the Residual Certificates” and “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates” in the REMIC Prospectus.

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. A Residual Certificate 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 had “improper knowledge” at the time of the transfer. See “Description of the Certificates—Special Characteristics of the Residual Certificates” in the REMIC Prospectus. You should consult your own tax advisor regarding the application of the Regulations to a transfer of a Residual Certificate.

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 “Material 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 “Material 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 Elections and Special Tax Attributes

We will make a REMIC election with respect to the REMIC set forth in the table under “Description of the Certificates—General—*Structure*.” The Regular Classes will be designated as “regular interests” and the Residual Class will be designated as the “residual interest” in the REMIC as set forth in that table. Thus, 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 Residual Class, as “qualified mortgages” for other REMICs. See “Material Federal Income Tax Consequences—REMIC Election and Special Tax Attributes” in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes, the Principal Only Classes and the Accrual Classes will be issued with original issue discount (“OID”), and certain other Classes of REMIC Certificates may be issued with OID. If a Class is issued with OID, a beneficial owner of a Certificate of that Class generally must recognize some taxable income in advance of the receipt of the cash attributable to that income. See

“Material 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 “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Regular Certificates Purchased at a Premium*” in the REMIC Prospectus.

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

<u>Group</u>	<u>Prepayment Assumption</u>
1	177% PSA
2	195% PSA
3	236% PSA
4	550% PSA
5	300% PSA
6	565% PSA
7	318% PSA
8	318% PSA
9	318% PSA
10	15% CPR

See “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Treatment 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 “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus.

Taxation of Beneficial Owners of Residual Certificates

The Holder of a Residual Certificate will be considered to be the holder of the “residual interest” in the REMIC. Such Holder generally will be required to report its daily portion of the taxable income or net loss of the REMIC. In certain periods, a Holder of a Residual Certificate may be required to recognize taxable income without being entitled to receive a corresponding amount of cash. Pursuant to the Trust Agreement, we will be obligated to provide to the Holder of a Residual Certificate (i) information necessary to enable it to prepare its federal income tax returns and (ii) any reports regarding the Residual Class that may be required under the Code. See “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates” in the REMIC Prospectus.

Taxation of Beneficial Owners of RCR Certificates

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 Regular Certificates that are exchanged for RCR Certificates set forth in Schedule 1 (including any exchanges effective on the Settlement Date) will be the assets of the trust, and the RCR Certificates will represent an ownership interest of the underlying Regular Certificates. For a general discussion of the federal income tax treatment of beneficial owners of Regular Certificates, see “Material Federal Income Tax Consequences” in the REMIC Prospectus.

Generally, the ownership interest represented by an RCR certificate 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 Regular Certificates. A certificate of a Combination RCR Class (a “Combination RCR Certificate”) will represent beneficial ownership of undivided interests in two or more underlying Regular Certificates. The AJ, AI, AH, AG, AE, AD and AC RCR Certificates are Strip RCR Certificates, and the remaining RCR Certificates are Combination RCR Certificates. See “Material Federal Income Tax

Consequences—Taxation of Beneficial Owners of RCR Certificates” in the REMIC Prospectus for a general discussion of the federal income tax treatment of beneficial owners of RCR Certificates.

PLAN OF DISTRIBUTION

We are obligated to deliver the Certificates to Deutsche Bank Securities Inc. (the “Dealer”) in exchange for the Trust MBS, the Group 1 SMBS and the Underlying REMIC Certificates. The Dealer proposes to offer the Certificates directly to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. The Dealer may effect these transactions to or through other dealers.

LEGAL MATTERS

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

Group 10 Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Notional Principal Balance of Class	July 2008 Class Factor	Notional Principal Balance in the Trust	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
2005-038	FI	April 2005	31394DTG5	(2)	FLT/IO	March 2035	NTL	\$25,000,000	0.55410916	\$13,852,729	6.02%	305	55
2005-038	SI	April 2005	31394DTH3	(2)	INV/IO	March 2035	NTL	25,000,000	0.55410916	13,852,729	6.02	305	55

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

(2) These classes bear interest as further described in the Underlying REMIC Disclosure Document.

Note: For any pool of Mortgage Loans backing an Underlying REMIC Certificate, if a preliminary calculation indicated that the sum of the WAM and WALA for that pool exceeded the longest original term to maturity of any Mortgage Loan in the pool, the WALA used in determining the information shown in the related table was reduced as necessary to insure that the sum of the WAM and WALA does not exceed such original term to maturity.

Available Recombinations(1)

REMIC Certificates		RCR Certificates							Final Distribution Date
Classes	Original Balances	RCR Classes	Original Balances	Principal Type(2)	Interest Rate	Interest Type(2)	CUSIP Number	Final Distribution Date	
Recombination 1									
VJ	\$ 24,535,878	LJ(3)	\$ 83,333,333	SEQ	5.50%	FIX	31397MKT3	August 2038	
VK	28,657,510								
ZJ	30,139,945								
Recombination 2									
VM	15,702,962	LM(4)	53,333,333	SEQ	5.50	FIX	31397MKU0	August 2038	
VN	18,340,806								
ZM	19,289,565								
Recombination 3									
CG	24,083,881	CA	26,759,868	SEQ	4.50	FIX	31397MKV8	August 2018	
CH	2,675,987								
Recombination 4									
DB	117,119,636	DA	130,132,929	SEQ	5.00	FIX	31397MKW6	August 2018	
DC	13,013,293								
Recombination 5									
FD	125,000,000	FC(5)	250,000,000	PT	(6)	FLT	31397MKX4	August 2038	
FE	125,000,000								
Recombination 6									
DO	20,833,334	CO(7)	41,666,668	PT	0.00	PO	31397MKY2	August 2038	
EO	20,833,334								
Recombination 7									
AB	187,500,000	AJ	187,500,000	SEQ	4.50	FIX	31397MKZ9	July 2035	
		AI	46,875,000(8)	NTL	6.00	FIX/IO	31397MLF2	July 2035	
Recombination 8									
AB	187,500,000	AH	187,500,000	SEQ	4.75	FIX	31397MLA3	July 2035	
		AI	39,062,500(8)	NTL	6.00	FIX/IO	31397MLF2	July 2035	
Recombination 9									
AB	187,500,000	AG	187,500,000	SEQ	5.00	FIX	31397MLB1	July 2035	
		AI	31,250,000(8)	NTL	6.00	FIX/IO	31397MLF2	July 2035	

REMIC Certificates		RCR Certificates						Final Distribution Date
Classes	Original Balances	RCR Classes	Original Balances	Principal Type(2)	Interest Rate	Interest Type(2)	CUSIP Number	
Recombination 10								
AB	\$187,500,000	AE	\$187,500,000	SEQ	5.25%	FIX	31397MLC9	July 2035
		AI	23,437,500(8)	NTL	6.00	FIX/IO	31397MLF2	July 2035
Recombination 11								
AB	187,500,000	AD	187,500,000	SEQ	5.50	FIX	31397MLD7	July 2035
		AI	15,625,000(8)	NTL	6.00	FIX/IO	31397MLF2	July 2035
Recombination 12								
AB	187,500,000	AC	187,500,000	SEQ	5.75	FIX	31397MLE5	July 2035
		AI	7,812,500(8)	NTL	6.00	FIX/IO	31397MLF2	July 2035

(1) REMIC Certificates and RCR Certificates in each Recombination may be exchanged only in the proportions of *original* principal or notional principal balances for the related Classes shown in this Schedule 1 (disregarding any retired Classes). For example, if a particular Recombination includes two REMIC Classes and one RCR Class whose *original* principal balances shown in the schedule reflect a 1:1:2 relationship, the same 1:1:2 relationship among the *original* principal balances of those REMIC and RCR Classes must be maintained in any exchange. This is true even if, as a result of the applicable payment priority sequence, the relationship between their *current* principal balances has changed over time. Moreover, 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.

(2) See "Description of the Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus.

(3) Principal payments on the REMIC Certificates in Recombination 1 from the ZJ Accrual Amount will be paid as interest on the RCR Certificates and thus will not reduce the principal balance of those RCR Certificates.

(4) Principal payments on the REMIC Certificates in Recombination 2 from the ZM Accrual Amount will be paid as interest on the RCR Certificates and thus will not reduce the principal balance of those RCR Certificates.

(5) The FC Class is an RCR Class formed from a combination of the FD Class in Group 7 and the FE Class in Group 8.

(6) For a description of this interest rate, see "Summary—Interest Rates" in this prospectus supplement.

(7) The CO Class is an RCR Class formed from a combination of the DO Class in Group 7 and the EO Class in Group 8.

(8) Notional balances. This Class is an Interest Only Class. See page S-8 for a description of how its notional balance is calculated.

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.

\$1,454,205,282



**Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 2008-68**

PROSPECTUS SUPPLEMENT

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July 25, 2008
