

**\$347,796,757**



**FannieMae®**

**Guaranteed REMIC Pass-Through Certificates  
Fannie Mae REMIC Trust 2009-34**

**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, 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,
- underlying REMIC certificates backed by Fannie Mae MBS, and
- 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
GA . . . . .	1	\$300,000,000	TAC	4.0%	FIX	31397NC86	May 2039
GB . . . . .	1	300,000	TAC	4.0	FIX	31397NC94	May 2039
TI . . . . .	1	60,060,000 (2)	NTL	5.0	FIX/IO	31397ND28	May 2039
C . . . . .	1	26,113,040	SUP	5.0	FIX	31397ND36	May 2039
PT . . . . .	2	21,383,717	SC/PT	(3)	WAC	31397ND44	May 2039
R . . . . .		0	NPR	0	NPR	31397ND51	May 2039
RL . . . . .		0	NPR	0	NPR	31397ND69	May 2039

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

(2) Notional balance. This class is an interest only class. See page S-8 for a description of how its notional balance is calculated.

(3) Based on the amount of interest accrued on the related underlying REMIC and SMBS certificates 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 April 30, 2009.

Carefully consider the risk factors starting on page S-10 of this prospectus supplement and 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.

**MORGAN STANLEY**

The date of this Prospectus Supplement is April 23, 2009

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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 Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated
  - January 1, 2009, for all MBS issued on or after January 1, 2009,
  - April 1, 2008, for all MBS issued on or after June 1, 2007 and prior to January 1, 2009, or
  - January 1, 2006, for all other MBS(as applicable, the “MBS Prospectus”);
- if you are purchasing the Group 2 Class or the R or RL Class, the disclosure documents relating to the underlying REMIC certificates (the “Underlying REMIC Disclosure Documents”);
- if you are purchasing the Group 2 Class or the R or RL Class, our Prospectus for Fannie Mae Stripped Mortgage-Backed Securities dated
  - January 1, 2009, for all SMBS issued on or after January 1, 2009,
  - December 1, 2007, for all SMBS issued on or after December 1, 2007 and prior to January 1, 2009, or
  - May 1, 2002, for all other SMBS(as applicable, the “SMBS Prospectus”);
- if you are purchasing the Group 2 Class or the R or RL Class, the additional disclosure document relating to the Group 2 SMBS (the “Additional SMBS 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.

For a description of current servicing policies generally applicable to existing Fannie Mae MBS pools, see “Yield, Maturity, and Prepayment Considerations” in the MBS Prospectus dated January 1, 2009.

The MBS Prospectus, the Underlying REMIC Disclosure Documents, the SMBS Prospectus and the Additional SMBS 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](http://www.fanniemae.com).

You also can obtain copies of the REMIC Prospectus, the MBS Prospectus, the Underlying REMIC Disclosure Documents, the SMBS Prospectus and the Additional SMBS Disclosure Document by writing or calling the dealer at:

Morgan Stanley & Co. Incorporated  
c/o Broadridge Financial Solutions  
Prospectus Department  
1155 Long Island Avenue  
Edgewood, New York 11717  
(telephone 631-274-2635).

## 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](http://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.

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](http://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.

## SUMMARY

This summary contains only limited information about the certificates. Statistical information in this summary is provided as of April 1, 2009. 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
2	Group 2 SMBS Class 2003-39-IO REMIC Certificate Class 2007-84-DO REMIC Certificate Class 2008-26-AO REMIC Certificate

### Group 1 MBS

#### Characteristics of the Group 1 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>
\$325,833,129	5.00%	5.25% to 7.50%	220 to 360
\$ 579,911	5.00%	5.25% to 7.50%	220 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>
\$325,833,129	360	286	63	5.51%
\$ 579,911	360	302	51	5.52%

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

### Group 2 Underlying REMIC Certificates

Exhibit A describes the underlying REMIC certificates, 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 documents as described on page S-3.

### Group 2 SMBS

#### Characteristics of the Group 2 SMBS

<u>Notional Principal Balance</u>	<u>Pass- Through Rate</u>	<u>SMBS Trust and Class Designation</u>
\$13,095,256†	5.50%	348-8

† Notional principal balance. These are interest only SMBS certificates.

## 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>
\$13,095,256	360	284	66	6.02%

### Settlement Date

We expect to issue the certificates on April 30, 2009.

### 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>DTC Book-Entry</u>	<u>Physical</u>
Group 1 Classes	Group 2 Class	R and RL

### 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.

During each interest accrual period, the weighted average coupon class will bear interest at the applicable annual rate described under the heading “Description of the Certificates—Distributions of Interest—*The Weighted Average Coupon Class*.”

### Notional Class

The notional principal balance of the notional class will equal the percentage of the outstanding balance specified below immediately before the related distribution date:

<u>Class</u>	
TI . . . . .	20% of the <i>sum</i> of the GA and GB Classes

### 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>180%</u>	<u>315%</u>	<u>454%</u>	<u>800%</u>	<u>1200%</u>
GA.....	19.4	7.9	5.4	4.5	3.1	1.6	0.9
GB.....	29.0	19.8	15.8	23.1	20.3	11.6	6.2
TI.....	19.4	7.9	5.4	4.5	3.2	1.6	0.9
C.....	29.5	21.8	19.1	0.5	0.2	0.1	0.1
<u>Group 2 Class</u>	<u>CPR Prepayment Assumption</u>						
	<u>0%</u>	<u>10%</u>	<u>18%</u>	<u>30%</u>	<u>40%</u>	<u>50%</u>	
PT†.....	19.6	7.0	4.5	2.7	1.9	1.4	

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

† The weighted average life information set forth for this class is based solely on assumed principal distributions.

## ADDITIONAL RISK FACTOR

*Principal and interest payments on the PT Class are derived from separate sources.* Interest payments on the PT Class will be based solely on interest payable on the Group 2 SMBS and the interest only Group 2 Underlying REMIC Certificate, while principal payments on that class will be based solely on principal payable on the principal only Group 2 Underlying REMIC Certificates. The Group 2 SMBS and the Group 2 Underlying REMIC Certificates are independent of one another. Accordingly, the interest payment rate and principal payment rate on the PT Class are unrelated, are likely to differ and may differ sharply. In addition, there is a risk that the

PT Class could in the future receive only interest payments in the event that the principal only Group 2 Underlying REMIC Certificates are retired while the Group 2 SMBS or the interest only Group 2 Underlying REMIC Certificate remain outstanding. Similarly, there is a risk that the PT Class could in the future receive only principal payments in the event that the Group 2 SMBS and the interest only Group 2 Underlying REMIC Certificate are retired while either of the principal only Group 2 Underlying REMIC certificates remains outstanding.

## 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 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 April 1, 2009 (the “Issue Date”). The trust agreement and supplement are collectively referred to as the “Trust Agreement.” We will issue the Guaranteed REMIC Pass-Through Certificates (the “Certificates”) pursuant to the Trust Agreement. We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”).

The assets of the Trust will include:

- certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS”),
- certain previously issued REMIC Certificates (the “Group 2 Underlying REMIC Certificates,”) issued from the related Fannie Mae REMIC trusts (the “Underlying REMIC Trusts”) as further described in Exhibit A, and
- certain Fannie Mae Stripped Mortgage-Backed Securities (the “Group 2 SMBS”).

The Group 2 Underlying REMIC Certificates evidence direct or indirect beneficial ownership interests in certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (together with the Group 1 MBS and the Fannie Mae Guaranteed Mortgage Pass-Through Certificates backing the Group 2 SMBS, the “MBS”).

The Group 2 SMBS represent beneficial ownership interests in certain principal and interest distributions on mortgage loans underlying certain 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.

The Trust will include the “Lower Tier REMIC” and “Upper Tier REMIC” as “real estate mortgage investment conduits” (each, a “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 each REMIC. The REMIC Certificates other than the R and RL Classes are collectively referred to as the “Regular Classes” or “Regular Certificates,” and the R and RL Classes are collectively referred to as the “Residual Classes” or “Residual Certificates.”

<u>REMIC Designation</u>	<u>Assets</u>	<u>Regular Interests</u>	<u>Residual Interest</u>
Lower Tier REMIC . . . . .	Group 1 MBS, Group 2 Underlying REMIC Certificates and Group 2 SMBS	Interests in the Lower Tier REMIC other than the RL Class (the “Lower Tier Regular Interests”)	RL
Upper Tier REMIC . . . . .	Lower Tier Regular Interests	All Classes of Certificates other than the R and RL Classes	R

*Fannie Mae Guaranty.* For a description of our guaranties of the Certificates, the Group 2 Underlying REMIC Certificates, the MBS and the Group 2 SMBS, see the applicable discussions appearing under the heading “Fannie Mae Guaranty” in the REMIC Prospectus, the Underlying REMIC Disclosure Documents, the MBS Prospectus, the SMBS Prospectus and the Additional SMBS 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.”

The Group 2 Class will be represented by a single certificate (the “DTC Certificate”) to be registered at all times in the name of the nominee of The Depository Trust Company (“DTC”), a New York-chartered limited purpose trust company, or any successor or depository selected or approved by us. We refer to the nominee of DTC as the “Holder” or “Certificateholder” of the DTC Certificate. DTC will maintain the DTC Certificate through its book-entry facilities.

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

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

<u>Classes</u>	<u>Denominations</u>
Interest Only and Weighted Average Coupon Classes	\$100,000 minimum plus whole dollar increments
All other Classes (except the R and RL Classes)	\$1,000 minimum plus whole dollar increments

## **The Group 1 MBS**

The Group 1 MBS provide that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the Group 1 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.

For additional information, see “Summary—Group 1 MBS—Characteristics of the Group 1 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 2 Underlying REMIC Certificates and SMBS**

### *Group 2 Underlying REMIC Certificates*

The Group 2 Underlying REMIC Certificates represent beneficial ownership interests in the related Underlying REMIC Trusts. The assets of those trusts 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 2 Underlying REMIC Certificates will be passed through monthly, beginning in the month after we issue the Certificates. The general characteristics of the Group 2 Underlying REMIC Certificates are described in the related Underlying REMIC Disclosure Documents. See Exhibit A for certain additional information about the Group 2 Underlying REMIC Certificates.

For further information about the Group 2 Underlying REMIC Certificates telephone us at 1-800-237-8627. Additional information about the Group 2 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 dates we prepared the Underlying REMIC Disclosure Documents. 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 those documents may be limited.

### *Group 2 SMBS*

The general characteristics of the Group 2 SMBS are described in the SMBS Prospectus and the Additional SMBS Disclosure Document. The Group 2 SMBS provide that certain interest amounts 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 2 SMBS—Characteristics of the Group 2 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.

## **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 on a Distribution Date will consist of one month’s interest on the outstanding balance of that Certificate immediately prior to that Distribution Date.

*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 and Weighted Average Coupon Classes	—

*Weighted Average Coupon Class*

On each Distribution Date, we will pay interest on the PT Class in an amount equal to the aggregate amount of interest accrued during that interest accrual period on the Group 2 SMBS and the interest only Group 2 Underlying REMIC Certificate. Accordingly, the amount of interest payable on the Certificates of the PT Class will not be determined on the basis of their principal balances.

On the initial Distribution Date, we expect to pay interest on the PT Class at an annual rate of approximately 6.00% (calculated based on the amount of interest payable on that date and the initial principal balance of the PT Class).

If either of the principal only Group 2 Underlying REMIC Certificates remains outstanding after the aggregate notional principal balance of the Group 2 SMBS and the interest only Group 2 Underlying REMIC Certificate has been reduced to zero, the PT Class will no longer bear interest.

Our determination of the interest rate for the PT Class for each Distribution Date 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.

## 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 Group 1 Principal Distribution Amount in the following priority:

- |  |                 |
|--|-----------------|
| 1. To the Aggregate Group to its Targeted Balance. | } TAC Group     |
| 2. To C until retired.                             | } Support Class |
| 3. To the Aggregate Group to zero.                 | } TAC Group     |

The “Group 1 Principal Distribution Amount” is the principal then paid on the Group 1 MBS.

The “Aggregate Group” consists of the GA and GB Classes. On each Distribution Date, we will apply payments of principal of the Aggregate Group to the GA and GB Classes, in that order, until retired.

The Aggregate Group has a principal balance equal to the aggregate principal balance of the Classes included in the Aggregate Group.

- *Group 2*

The Group 2 Principal Distribution Amount to PT until retired.

} Structured Collateral/Pass-Through Class

The “Group 2 Principal Distribution Amount” is the principal then paid on the principal only Group 2 Underlying REMIC Certificates.

## 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 2 Underlying REMIC Certificates and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Group 1 MBS have the original term to maturity, remaining term to maturity, loan age and interest rate specified under “Summary—Group 1 MBS—Assumed Characteristics of the Underlying Mortgage Loans” in this prospectus supplement;
- the Mortgage Loans underlying the Group 2 SMBS have the original term to maturity, remaining term to maturity, loan age and interest rate specified under “Summary—Group 2 SMBS—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 April 30, 2009; 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 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 2 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.

*Principal Balance Schedule.* The Principal Balance Schedule for the Aggregate Group is set forth beginning on page B-1 of this prospectus supplement. The Principal Balance Schedule was prepared based on the Pricing Assumptions and the assumption that the related Mortgage Loans prepay at the Structuring Speed specified in the chart below. We have not provided separate schedules for the individual Classes included in the Aggregate Group. However, those Classes are designed to receive principal distributions in the same fashion as if separate schedules had been provided (with schedules based on the same underlying assumptions that apply to the Aggregate Group schedule).

<u>Group</u>	<u>Structuring Speed</u>
Aggregate Group Targeted Balances	180% PSA

The Aggregate Group listed above consists of the following Classes:

Aggregate Group . . . . . GA and GB

See “—Decrement Tables” below for the percentages of original principal balances of the individual Classes included in the Aggregate Group that would be outstanding at various *constant* PSA rates, including the applicable Structuring Speed, based on the Pricing Assumptions.

**We cannot assure you that the balance of the Aggregate Group will conform on any Distribution Date to the balance specified in the Principal Balance Schedule or that distributions of principal of the Aggregate Group will begin or end on the Distribution Dates specified in the Principal Balance Schedule.**



If you are considering the purchase of a TAC Class, you should first take into account the considerations set forth below.

- We will distribute any excess of principal distributions over the amount necessary to reduce the Aggregate Group to its scheduled balance in any month. As a result, the likelihood of reducing the Aggregate Group to its scheduled balance each month will not be improved by the averaging of high and low principal distributions from month to month.
- The principal payment stability of the Aggregate Group will be supported by one other Class. When the supporting Class is retired, the Aggregate Group, if still outstanding, will be much more sensitive to prepayments of the related Mortgage Loans.

**Yield Table for the Fixed Rate Interest Only Class**

The table below illustrates the sensitivity of the pre-tax corporate bond equivalent yield to maturity of the applicable Class to various constant percentages of PSA. We calculated the yields set forth in the table by

- determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on the applicable Class, would cause the discounted present values of the assumed streams of cash flows to equal the assumed aggregate purchase price of that Class, 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, 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, or
- all of the Mortgage Loans will prepay at the same rate.

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

<u>Class</u>	<u>% PSA</u>
TI .....	663% PSA

**If the actual prepayment rate of the related Mortgage Loans were to exceed the level specified for as little as one month while equaling that level for the remaining months, the**

**investors in the Fixed Rate Interest Only Class would lose money on their initial investments.**

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

<u>Class</u>	<u>Price*</u>
TI . . . . .	10.0%

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

#### **Sensitivity of the TI Class to Prepayments**

	<u>PSA Prepayment Assumption</u>						
	<u>50%</u>	<u>100%</u>	<u>180%</u>	<u>315%</u>	<u>454%</u>	<u>800%</u>	<u>1200%</u>
Pre-Tax Yields to Maturity . . . . .	46.2%	42.1%	35.0%	30.0%	18.8%	(13.6)%	(61.6)%

#### **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 sequence of distributions of principal of the Group 1 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 CPR, 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 Backing Trust Assets Specified Below</u>	<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 1 MBS	360 months	360 months	7.50%
Group 2 Underlying REMIC Certificates	360 months	(1)	8.50%
(1) The Mortgage Loans backing the Group 2 Underlying REMIC Certificates listed below are assumed to have the following remaining terms to maturity:			

<u>Class</u>	<u>Remaining Terms To Maturity</u>
2007-84-DO	339 months
2008-26-AO	347 months

It is unlikely that all of the Mortgage Loans will have the loan ages, interest rates 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, 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	GA Class							GB Class							TI† Class						
	PSA Prepayment Assumption							PSA Prepayment Assumption							PSA Prepayment Assumption						
	0%	100%	180%	315%	454%	800%	1200%	0%	100%	180%	315%	454%	800%	1200%	0%	100%	180%	315%	454%	800%	1200%
Initial Percent . . . . .	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
April 2010 . . . . .	99	91	86	86	77	55	30	100	100	100	100	100	100	100	99	91	86	86	77	55	30
April 2011 . . . . .	98	83	74	68	55	28	8	100	100	100	100	100	100	100	98	83	74	68	55	28	8
April 2012 . . . . .	97	76	63	54	39	14	2	100	100	100	100	100	100	100	97	76	63	54	39	14	2
April 2013 . . . . .	95	68	54	43	28	7	1	100	100	100	100	100	100	100	96	68	54	43	28	7	1
April 2014 . . . . .	94	62	45	34	19	4	*	100	100	100	100	100	100	100	94	62	46	34	20	4	*
April 2015 . . . . .	93	55	38	26	14	2	0	100	100	100	100	100	100	45	93	55	38	26	14	2	*
April 2016 . . . . .	91	50	32	21	10	1	0	100	100	100	100	100	100	12	91	50	32	21	10	1	*
April 2017 . . . . .	89	44	26	16	7	*	0	100	100	100	100	100	100	3	89	44	26	16	7	*	*
April 2018 . . . . .	88	39	21	13	5	*	0	100	100	100	100	100	100	1	88	39	21	13	5	*	*
April 2019 . . . . .	86	34	17	10	3	*	0	100	100	100	100	100	100	*	86	34	17	10	3	*	*
April 2020 . . . . .	84	29	13	7	2	0	0	100	100	100	100	100	57	*	84	29	13	8	2	*	*
April 2021 . . . . .	81	25	9	6	1	0	0	100	100	100	100	100	28	*	81	25	9	6	2	*	*
April 2022 . . . . .	79	21	6	4	1	0	0	100	100	100	100	100	14	*	79	21	6	4	1	*	*
April 2023 . . . . .	76	17	4	3	1	0	0	100	100	100	100	100	7	*	76	17	4	3	1	*	*
April 2024 . . . . .	73	14	2	2	*	0	0	100	100	100	100	100	3	*	73	14	2	2	*	*	0
April 2025 . . . . .	70	11	0	2	*	0	0	100	100	0	100	100	1	*	70	11	0	2	*	*	0
April 2026 . . . . .	67	7	0	1	*	0	0	100	100	0	100	100	1	*	67	8	0	1	*	*	0
April 2027 . . . . .	63	5	0	1	*	0	0	100	100	0	100	100	*	*	63	5	0	1	*	*	0
April 2028 . . . . .	59	2	0	1	0	0	0	100	100	0	100	83	*	*	59	2	0	1	*	*	0
April 2029 . . . . .	55	0	0	*	0	0	0	100	0	0	100	49	*	0	55	0	0	*	*	*	0
April 2030 . . . . .	51	0	0	*	0	0	0	100	0	0	100	27	*	0	51	0	0	*	*	*	0
April 2031 . . . . .	46	0	0	*	0	0	0	100	0	0	100	13	*	0	46	0	0	*	*	*	0
April 2032 . . . . .	41	0	0	0	0	0	0	100	0	0	54	4	*	0	41	0	0	*	*	*	0
April 2033 . . . . .	35	0	0	0	0	0	0	100	0	0	*	*	*	0	35	0	0	*	*	0	0
April 2034 . . . . .	29	0	0	0	0	0	0	100	0	0	*	*	0	0	29	0	0	*	0	0	0
April 2035 . . . . .	23	0	0	0	0	0	0	100	0	0	0	0	0	0	23	0	0	0	0	0	0
April 2036 . . . . .	16	0	0	0	0	0	0	100	0	0	0	0	0	0	16	0	0	0	0	0	0
April 2037 . . . . .	8	0	0	0	0	0	0	100	0	0	0	0	0	0	8	0	0	0	0	0	0
April 2038 . . . . .	0	0	0	0	0	0	0	65	0	0	0	0	0	0	*	0	0	0	0	0	0
April 2039 . . . . .	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)** . . . . .	19.4	7.9	5.4	4.5	3.1	1.6	0.9	29.0	19.8	15.8	23.1	20.3	11.6	6.2	19.4	7.9	5.4	4.5	3.2	1.6	0.9

Date	C Class							PT†† Class					
	PSA Prepayment Assumption							CPR Prepayment Assumption					
	0%	100%	180%	315%	454%	800%	1200%	0%	10%	18%	30%	40%	50%
Initial Percent . . . . .	100	100	100	100	100	100	100	100	100	100	100	100	100
April 2010 . . . . .	100	100	100	1	0	0	0	99	88	81	69	59	49
April 2011 . . . . .	100	100	100	0	0	0	0	98	78	65	47	35	24
April 2012 . . . . .	100	100	100	0	0	0	0	97	69	52	32	20	12
April 2013 . . . . .	100	100	100	0	0	0	0	96	61	42	22	12	6
April 2014 . . . . .	100	100	100	0	0	0	0	95	53	33	15	7	3
April 2015 . . . . .	100	100	100	0	0	0	0	94	47	27	10	4	1
April 2016 . . . . .	100	100	100	0	0	0	0	92	41	21	7	2	1
April 2017 . . . . .	100	100	100	0	0	0	0	91	35	17	5	1	*
April 2018 . . . . .	100	100	100	0	0	0	0	89	31	13	3	1	*
April 2019 . . . . .	100	100	100	0	0	0	0	87	27	10	2	*	*
April 2020 . . . . .	100	100	100	0	0	0	0	85	23	8	1	*	*
April 2021 . . . . .	100	100	100	0	0	0	0	83	20	6	1	*	*
April 2022 . . . . .	100	100	100	0	0	0	0	80	17	5	1	*	*
April 2023 . . . . .	100	100	100	0	0	0	0	78	14	4	*	*	*
April 2024 . . . . .	100	100	100	0	0	0	0	75	12	3	*	*	*
April 2025 . . . . .	100	100	96	0	0	0	0	72	10	2	*	*	*
April 2026 . . . . .	100	100	77	0	0	0	0	69	8	2	*	*	*
April 2027 . . . . .	100	100	60	0	0	0	0	65	6	1	*	*	*
April 2028 . . . . .	100	100	46	0	0	0	0	61	5	1	*	*	*
April 2029 . . . . .	100	94	33	0	0	0	0	57	4	1	*	*	*
April 2030 . . . . .	100	67	22	0	0	0	0	52	3	*	*	*	*
April 2031 . . . . .	100	42	13	0	0	0	0	47	2	*	*	*	0
April 2032 . . . . .	100	19	6	0	0	0	0	41	1	*	*	*	0
April 2033 . . . . .	100	*	*	0	0	0	0	35	*	*	*	*	0
April 2034 . . . . .	100	*	*	0	0	0	0	29	*	*	*	0	0
April 2035 . . . . .	100	0	0	0	0	0	0	22	*	*	0	0	0
April 2036 . . . . .	100	0	0	0	0	0	0	14	0	0	0	0	0
April 2037 . . . . .	100	0	0	0	0	0	0	6	0	0	0	0	0
April 2038 . . . . .	100	0	0	0	0	0	0	0	0	0	0	0	0
April 2039 . . . . .	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** . . . . .	29.5	21.8	19.1	0.5	0.2	0.1	0.1	19.6	7.0	4.5	2.7	1.9	1.4

\* 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.

†† The weighted average life information for this Class is based solely on assumed principal distributions.

## **Characteristics of the Residual Classes**

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 each REMIC set forth in the table under “Description of the Certificates—General—*Structure*” in this prospectus supplement. The Regular Classes will be designated as “regular interests” and the Residual Classes will be designated as the “residual interests” in the REMICs as set forth in that table. Thus, the 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 Classes, 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 Class will be issued with original issue discount (“OID”), and certain other Classes of Certificates may be issued with OID. In addition, because all payments will be treated as included in the stated redemption price at maturity, the Weighted Average Coupon Class will be treated as having been 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 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	454% PSA
2	18% 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 either 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 related REMIC. Such Holder generally will be required to report its daily portion of the taxable income or net loss of the REMIC to which that Certificate relates. 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.

## **PLAN OF DISTRIBUTION**

We are obligated to deliver the Certificates to Morgan Stanley & Co. Incorporated (the “Dealer”) in exchange for the Group 1 MBS, the Group 2 Underlying REMIC Certificates and the Group 2 SMBS. 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. Cleary Gottlieb Steen & Hamilton LLP will provide legal representation for the Dealer.

Group 2 Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal or Notional Principal Balance of Class	April 2009 Class Factor	Principal or Notional Principal Balance in the Lower Tier REMIC	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
2003-039	IO	April 2003	31393A5Z6	6.0%	FIX/IO	May 2033	NTL	\$92,600,494	0.16047447	\$ 9,379,732.77	6.386%	278	73
2007-084	DO	July 2007	31396XLE2	0.0	PO	August 2037	PT	12,500,000	0.77705056	9,713,132.00	6.460	285	65
2008-026	AO	March 2008	31396YQ54	0.0	PO	April 2038	PT	13,751,285	0.84869056	11,670,585.77	6.414	299	55

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

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.

## Principal Balance Schedule

### *Aggregate Group Targeted Balances*

<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>
Initial Balance . . . .	\$300,300,000.00	August 2013 . . . . .	\$153,045,162.82	December 2017 . . . .	\$ 67,785,099.14
May 2009 . . . . .	296,657,632.52	September 2013 . . .	150,922,890.95	January 2018 . . . . .	66,567,111.77
June 2009 . . . . .	293,052,494.32	October 2013 . . . . .	148,822,826.73	February 2018 . . . . .	65,362,286.53
July 2009 . . . . .	289,484,219.18	November 2013 . . . .	146,744,749.35	March 2018 . . . . .	64,170,490.69
August 2009 . . . . .	285,952,444.40	December 2013 . . . .	144,688,440.15	April 2018 . . . . .	62,991,592.81
September 2009 . . .	282,456,810.81	January 2014 . . . . .	142,653,682.58	May 2018 . . . . .	61,825,462.74
October 2009 . . . . .	278,996,962.69	February 2014 . . . .	140,640,262.18	June 2018 . . . . .	60,671,971.59
November 2009 . . . .	275,572,547.77	March 2014 . . . . .	138,647,966.61	July 2018 . . . . .	59,530,991.76
December 2009 . . . .	272,183,217.17	April 2014 . . . . .	136,676,585.57	August 2018 . . . . .	58,402,396.86
January 2010 . . . . .	268,828,625.39	May 2014 . . . . .	134,725,910.80	September 2018 . . .	57,286,061.77
February 2010 . . . .	265,508,430.27	June 2014 . . . . .	132,795,736.07	October 2018 . . . . .	56,181,862.57
March 2010 . . . . .	262,222,292.95	July 2014 . . . . .	130,885,857.14	November 2018 . . . .	55,089,676.56
April 2010 . . . . .	258,969,877.85	August 2014 . . . . .	128,996,071.79	December 2018 . . . .	54,009,382.24
May 2010 . . . . .	255,750,852.64	September 2014 . . .	127,126,179.73	January 2019 . . . . .	52,940,859.31
June 2010 . . . . .	252,564,888.18	October 2014 . . . . .	125,275,982.64	February 2019 . . . . .	51,883,988.64
July 2010 . . . . .	249,411,658.54	November 2014 . . . .	123,445,284.10	March 2019 . . . . .	50,838,652.26
August 2010 . . . . .	246,290,840.92	December 2014 . . . .	121,633,889.63	April 2019 . . . . .	49,804,733.36
September 2010 . . .	243,202,115.66	January 2015 . . . . .	119,841,606.62	May 2019 . . . . .	48,782,116.28
October 2010 . . . . .	240,145,166.18	February 2015 . . . .	118,068,244.36	June 2019 . . . . .	47,770,686.49
November 2010 . . . .	237,119,678.95	March 2015 . . . . .	116,313,613.95	July 2019 . . . . .	46,770,330.57
December 2010 . . . .	234,125,343.51	April 2015 . . . . .	114,577,528.38	August 2019 . . . . .	45,780,936.23
January 2011 . . . . .	231,161,852.36	May 2015 . . . . .	112,859,802.42	September 2019 . . .	44,802,392.28
February 2011 . . . .	228,228,901.00	June 2015 . . . . .	111,160,252.66	October 2019 . . . . .	43,834,588.60
March 2011 . . . . .	225,326,187.87	July 2015 . . . . .	109,478,697.47	November 2019 . . . .	42,877,416.16
April 2011 . . . . .	222,453,414.33	August 2015 . . . . .	107,814,956.98	December 2019 . . . .	41,930,767.01
May 2011 . . . . .	219,610,284.63	September 2015 . . .	106,168,853.09	January 2020 . . . . .	40,994,534.24
June 2011 . . . . .	216,796,505.87	October 2015 . . . . .	104,540,209.43	February 2020 . . . . .	40,068,612.01
July 2011 . . . . .	214,011,788.02	November 2015 . . . .	102,928,851.32	March 2020 . . . . .	39,152,895.50
August 2011 . . . . .	211,255,843.81	December 2015 . . . .	101,334,605.81	April 2020 . . . . .	38,247,280.92
September 2011 . . .	208,528,388.78	January 2016 . . . . .	99,757,301.63	May 2020 . . . . .	37,351,665.52
October 2011 . . . . .	205,829,141.23	February 2016 . . . .	98,196,769.17	June 2020 . . . . .	36,465,947.52
November 2011 . . . .	203,157,822.16	March 2016 . . . . .	96,652,840.48	July 2020 . . . . .	35,590,026.18
December 2011 . . . .	200,514,155.30	April 2016 . . . . .	95,125,349.23	August 2020 . . . . .	34,723,801.73
January 2012 . . . . .	197,897,867.04	May 2016 . . . . .	93,614,130.73	September 2020 . . .	33,867,175.36
February 2012 . . . .	195,308,686.42	June 2016 . . . . .	92,119,021.89	October 2020 . . . . .	33,020,049.27
March 2012 . . . . .	192,746,345.12	July 2016 . . . . .	90,639,861.21	November 2020 . . . .	32,182,326.60
April 2012 . . . . .	190,210,577.40	August 2016 . . . . .	89,176,488.75	December 2020 . . . .	31,353,911.43
May 2012 . . . . .	187,701,120.10	September 2016 . . .	87,728,746.15	January 2021 . . . . .	30,534,708.81
June 2012 . . . . .	185,217,712.63	October 2016 . . . . .	86,296,476.59	February 2021 . . . . .	29,724,624.71
July 2012 . . . . .	182,760,096.88	November 2016 . . . .	84,879,524.75	March 2021 . . . . .	28,923,566.01
August 2012 . . . . .	180,328,017.30	December 2016 . . . .	83,477,736.87	April 2021 . . . . .	28,131,440.52
September 2012 . . .	177,921,220.77	January 2017 . . . . .	82,090,960.67	May 2021 . . . . .	27,348,156.97
October 2012 . . . . .	175,539,456.65	February 2017 . . . .	80,719,045.34	June 2021 . . . . .	26,573,624.97
November 2012 . . . .	173,182,476.71	March 2017 . . . . .	79,361,841.56	July 2021 . . . . .	25,807,755.01
December 2012 . . . .	170,850,035.15	April 2017 . . . . .	78,019,201.47	August 2021 . . . . .	25,050,458.48
January 2013 . . . . .	168,541,888.53	May 2017 . . . . .	76,690,978.63	September 2021 . . .	24,301,647.64
February 2013 . . . .	166,257,795.79	June 2017 . . . . .	75,377,028.06	October 2021 . . . . .	23,561,235.60
March 2013 . . . . .	163,997,518.20	July 2017 . . . . .	74,077,206.18	November 2021 . . . .	22,829,136.35
April 2013 . . . . .	161,760,819.34	August 2017 . . . . .	72,791,370.81	December 2021 . . . .	22,105,264.69
May 2013 . . . . .	159,547,465.10	September 2017 . . .	71,519,381.15	January 2022 . . . . .	21,389,536.30
June 2013 . . . . .	157,357,223.63	October 2017 . . . . .	70,261,097.80	February 2022 . . . . .	20,681,867.65
July 2013 . . . . .	155,189,865.33	November 2017 . . . .	69,016,382.70	March 2022 . . . . .	19,982,176.08

***Aggregate Group (Continued)***

<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>
April 2022 . . . . .	\$ 19,290,379.69	April 2023 . . . . .	\$ 11,575,925.33	April 2024 . . . . .	\$ 4,856,511.57
May 2022 . . . . .	18,606,397.44	May 2023 . . . . .	10,979,672.88	May 2024 . . . . .	4,337,715.90
June 2022. . . . .	17,930,149.05	June 2023. . . . .	10,390,250.68	June 2024. . . . .	3,824,948.43
July 2022 . . . . .	17,261,555.05	July 2023 . . . . .	9,807,588.21	July 2024 . . . . .	3,318,146.54
August 2022 . . . . .	16,600,536.74	August 2023 . . . . .	9,231,615.59	August 2024 . . . . .	2,817,248.24
September 2022 . . .	15,947,016.23	September 2023 . . .	8,662,263.66	September 2024 . . .	2,322,192.13
October 2022. . . . .	15,300,916.35	October 2023. . . . .	8,099,463.94	October 2024. . . . .	1,832,917.46
November 2022 . . . .	14,662,160.72	November 2023 . . . .	7,543,148.63	November 2024 . . . .	1,349,364.04
December 2022 . . . .	14,030,673.72	December 2023 . . . .	6,993,250.58	December 2024 . . . .	871,472.31
January 2023 . . . . .	13,406,380.46	January 2024 . . . . .	6,449,703.34	January 2025 . . . . .	399,183.28
February 2023. . . . .	12,789,206.80	February 2024. . . . .	5,912,441.09	February 2025 and thereafter . . . . .	0.00
March 2023 . . . . .	12,179,079.32	March 2024 . . . . .	5,381,398.67		



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*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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**\$347,796,757**



**Guaranteed REMIC  
Pass-Through Certificates  
Fannie Mae REMIC Trust 2009-34**

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## **PROSPECTUS SUPPLEMENT**

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**MORGAN STANLEY**

**April 23, 2009**

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