

\$426,692,196



FannieMae®

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2010-86**

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

- underlying REMIC and RCR certificates backed by Fannie Mae MBS, and
- Fannie Mae MBS.

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

Class	Group	Original Class Balance	Principal Type (1)	Interest Rate	Interest Type (1)	CUSIP Number	Final Distribution Date
FV	1	\$ 28,590,292	SC/PT	(2)	FLT	31398TSQ5	May 2028
SV	1	28,590,292(3)	NTL	(2)	INV/IO	31398TSR3	May 2028
VA(4) . . .	1	42,885,439	SC/PT	2.5%	FIX	31398TSS1	May 2028
VI(4) . . .	1	12,865,631(3)	NTL	5.0	FIX/IO	31398TST9	May 2028
DE(4) . . .	2	65,625,000	SEQ	2.5	FIX	31398TSU6	August 2025
FE(4) . . .	2	39,375,000	SEQ	(2)	FLT	31398TSV4	August 2025
SE(4) . . .	2	39,375,000(3)	NTL	(2)	INV/IO	31398TSW2	August 2025
DB	2	10,000	SEQ	4.0	FIX	31398TSX0	August 2025
PT	3	187,455,140	SC/PT	5.0	FIX	31398TSY8	May 2040
FB	4	47,063,493	SC/PT	(2)	FLT	31398TSZ5	November 2033
SB	4	47,063,493(3)	NTL	(2)	INV/IO	31398TTA9	November 2033
AC	4	15,687,832	SC/PT	3.0	FIX	31398TTB7	November 2033
R		0	NPR	0	NPR	31398TTC5	May 2040
RL		0	NPR	0	NPR	31398TTD3	May 2040

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

(2) Based on LIBOR.

(3) Notional balances. These classes are interest only classes. See page S-6 for a description of how their notional balances are calculated.

(4) Exchangeable classes.

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 VB, VC, V, DG, DH and DJ 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—The Certificates—Combination and Recombination” in the REMIC prospectus.

The dealer will offer the certificates (other than the PT Class) from time to time in negotiated transactions at varying prices. We expect the settlement date to be July 30, 2010.

Carefully consider the risk factors on page S-7 of this prospectus supplement and starting on page 11 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 July 26, 2010

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AVAILABLE INFORMATION

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

- our Prospectus for Fannie Mae Guaranteed REMIC Pass-Through Certificates dated May 1, 2010 (the “REMIC Prospectus”);
- our Prospectus for Fannie Mae Guaranteed Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated
 - June 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 a Group 1, Group 3 or Group 4 Class or the R or RL Class, the disclosure documents relating to the applicable underlying REMIC and RCR certificates (the “Underlying REMIC Disclosure Documents”); 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 June 1, 2009.

The MBS Prospectus and the Underlying REMIC Disclosure Documents 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 and the Underlying REMIC Disclosure Documents by writing or calling the dealer at:

Morgan Stanley & Co. Incorporated
c/o Broadridge Financial Solutions
Prospectus Department
1155 Long Island Avenue
Edgewood, NY 11717
(telephone 631-274-2740).

SUMMARY

This summary contains only limited information about the certificates. Statistical information in this summary is provided as of July 1, 2010. 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	Class 2010-48-GV REMIC Certificate Class 2010-48-VA REMIC Certificate Class 2010-57-VY REMIC Certificate
2	Group 2 MBS
3	Class 2010-48-LB RCR Certificate Class 2010-48-LC RCR Certificate
4	Class 2007-28-A REMIC Certificate Class 2007-38-B REMIC Certificate Class 2008-66-GD RCR Certificate

Group 1, Group 3 and Group 4

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

Group 2

Characteristics of the Group 2 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 2 MBS	\$105,010,000	4.00%	4.25% to 6.50%	121 to 180

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 2 MBS	\$105,010,000	180	157	19	4.572%

The actual remaining terms to maturity, loan ages and interest rates of most of the mortgage loans underlying the Group 2 MBS will differ from those shown above, perhaps significantly.

Settlement Date

We expect to issue the certificates on July 30, 2010.

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 other than the R and RL Classes	R and RL Classes

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 each subsequent interest accrual period, 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>
FV	0.73031%	6.50%	0.50%	LIBOR + 50 basis points
SV	5.76969%	6.00%	0.00%	6% – LIBOR
FE	0.68031%	6.50%	0.45%	LIBOR + 45 basis points
SE	5.81969%	6.05%	0.00%	6.05% – LIBOR
FB	0.53031%	7.00%	0.30%	LIBOR + 30 basis points
SB	6.46969%	6.70%	0.00%	6.7% – LIBOR

(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>	
SV	100% of the FV Class
VI	29.9999983677% of the VA Class
SE	100% of the FE Class
SB	100% of the FB 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)*

		PSA Prepayment Assumption							
Group 1 Classes		0%	100%	347%	500%	700%	950%	1200%	1700%
FV, SV, VA, VI, VB, VC and V . .		6.7	6.3	5.2	4.0	2.9	2.0	1.4	0.1
		PSA Prepayment Assumption							
Group 2 Classes		0%	100%	321%	475%	650%	1000%		
DE, FE, SE, DG, DH and DJ			8.7	5.6	3.4	2.6	1.9	1.2	
DB			15.0	13.1	13.1	13.1	12.9	10.0	
		PSA Prepayment Assumption							
Group 3 Classes		0%	100%	387%	600%	800%	1200%	1700%	
PT		20.0	9.1	3.5	2.2	1.5	0.8	0.1	
		PSA Prepayment Assumption							
Group 4 Classes		0%	100%	300%	527%	800%	1100%	1500%	2300%
FB, SB and AC		11.3	5.4	2.4	1.4	0.8	0.5	0.3	0.1

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

ADDITIONAL RISK FACTORS

Our purchases of delinquent loans from our single-family MBS trusts may result in increased rates of principal payments on your certificates. On February 10, 2010, we announced that we intend to increase significantly our purchases of delinquent loans from our single-family MBS trusts. If the MBS directly or indirectly backing your certificates hold delinquent loans, those MBS could as a result experience increased prepayments. In turn, this may result in an increase in the rate of principal payments on your certificates. You should refer to the MBS Prospectus for further information about our option to purchase delinquent loans from MBS pools and to our Web site at www.fanniemae.com for further information about our intention to increase our purchases of delinquent loans from our single-family MBS trusts.

Payments on the Group 1 Classes and Group 4 Classes also will be affected by the applicable payment priorities governing the related underlying REMIC and RCR certificates. If you invest in any Group 1 or Group 4 Class, the rate at which you receive payments will be affected by the applicable priority sequences governing principal payments on the related underlying REMIC and RCR certificates.

As described in the related Underlying REMIC Disclosure Documents, the underlying REMIC certificates in Group 1 may be subsequent in payment priority to other classes issued from the related underlying REMIC trusts. As a result, such other classes may receive principal before principal is paid on the related underlying REMIC certificates, possibly for long periods.

In addition, as described in the related Underlying REMIC Disclosure Document, the Class 2010-48-VA REMIC Certificate in Group 1 is governed by a principal balance schedule. As a result, that underlying REMIC certificate may receive principal payments faster or slower than would otherwise have been the case. In some cases, it may receive no principal payments for extended periods. Prepayments on the related mortgage loans may have occurred at rates faster or slower than the rates initially assumed. In certain high prepayment scenarios, it is possible that the effect of a principal balance schedule on principal payments over time may be eliminated. In such a case, the related underlying REMIC certificate would receive principal payments at rates that may vary widely from period to period. This prospectus supplement contains no information as to whether

- the applicable underlying REMIC certificate has adhered to the related principal balance schedule,
- any related support classes remain outstanding, or
- the applicable underlying REMIC certificate otherwise has performed as originally anticipated.

You may obtain additional information about the underlying REMIC and RCR certificates by reviewing their current class factors in light of other information available in the related Underlying REMIC Disclosure Documents. You may obtain those documents from us as described on page S-3.

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 May 1, 2010 and a supplement thereto dated as of July 1, 2010 (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 May 1, 2010 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:

- three groups of previously issued REMIC and RCR certificates (the “Group 1 Underlying REMIC Certificates,” “Group 3 Underlying RCR Certificates” and “Group 4 Underlying REMIC and RCR Certificates,” and together, the “Underlying REMIC Certificates”) issued from the related Fannie Mae REMIC trusts (the “Underlying REMIC Trusts”) as further described in Exhibit A, and
- a single group of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 2 MBS”).

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

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

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.”

REMIC Designation	Assets	Regular Interests	Residual Interest
Lower Tier REMIC . . .	Underlying REMIC Certificates and Group 2 MBS	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 REMIC Certificates other than the R and RL Classes	R

Fannie Mae Guaranty. For a description of our guaranties of the Certificates, the MBS and the Underlying REMIC Certificates, see the applicable discussions appearing under the heading “Fannie Mae Guaranty” in the REMIC Prospectus, the MBS Prospectus and the Underlying REMIC Disclosure Documents. 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 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 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 Inverse Floating Rate Classes	\$100,000 minimum plus whole dollar increments
All other Classes (except the R and RL Classes)	\$1,000 minimum plus whole dollar increments

The Underlying REMIC Certificates

The Underlying REMIC Certificates represent beneficial ownership interests in the related Underlying REMIC Trusts. The assets of these 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.

In addition, the scheduled monthly payments on the Mortgage Loans backing the Group 4 Underlying REMIC and RCR Certificates represent accrued interest only for periods that may range from at least seven to no more than ten years following origination. See “Risk Factors—Prepayment Factors—*Refinance Environment*—Fixed-rate and adjustable-rate mortgage loans with long initial interest-only payment periods may be more likely to be refinanced or become delinquent than other mortgage loans” in the MBS Prospectus.

Distributions on the Underlying REMIC Certificates will be passed through monthly, beginning in the month after we issue the Certificates. The general characteristics of the Underlying REMIC Certificates are described in the applicable Underlying REMIC Disclosure Documents. See Exhibit A for certain additional information about the Underlying REMIC Certificates. Exhibit A is being provided in lieu of a Final Data Statement with respect to the Underlying REMIC Certificates.

For further information about the Underlying REMIC Certificates, telephone us at 1-800-237-8627. Additional information about the 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.

The Group 2 MBS

The Group 2 MBS provide that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the Group 2 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 15 years.

For additional information, see “Summary—Group 2—Characteristics of the Group 2 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.

Distributions of Interest

General. The Certificates will bear interest at the rates specified in this prospectus supplement. 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 Classes	Floating Rate and Inverse Floating Rate Classes

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

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 to FV and VA, pro rata, until retired. } Structured Collateral/Pass-Through Classes

The “Group 1 Principal Distribution Amount” is the principal then paid on the Group 1 Underlying REMIC Certificates.

- *Group 2*

The Group 2 Principal Distribution Amount in the following order of priority:

1. To DE and FE, pro rata, until retired.
 2. To DB until retired.
- } Sequential Pay Classes

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

- *Group 3*

The Group 3 Principal Distribution Amount to PT until retired. } Structured Collateral/Pass-Through Class

The “Group 3 Principal Distribution Amount” is the principal then paid on the Group 3 Underlying RCR Certificates.

- *Group 4*

The Group 4 Principal Distribution Amount to FB and AC, pro rata, until retired. } Structured Collateral/Pass-Through Classes

The “Group 4 Principal Distribution Amount” is the principal then paid on the Group 4 Underlying REMIC and RCR 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 Underlying REMIC Certificates, the applicable priority sequences affecting principal payments on the Underlying REMIC Certificates, and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Group 2 MBS have the original term to maturity, remaining term to maturity, loan age and interest rate specified under “Summary — Group 2 — Assumed Characteristics of the Underlying Mortgage Loans” in this prospectus supplement;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related tables;
- the settlement date for the Certificates is July 30, 2010; and
- each Distribution Date occurs on the 25th day of a month.

Prepayment Assumptions. The prepayment model used in this prospectus supplement is PSA. For a description of PSA, see “Yield, Maturity and Prepayment Considerations—Prepayment Models” in the REMIC Prospectus. It is highly unlikely that prepayments will occur at any *constant* PSA rate, or at any other *constant* rate.

Yield Tables

General. The tables below illustrate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the applicable Classes to various constant percentages of PSA and, where specified, to changes in the Index. **The tables below are provided for illustrative purposes only and are not intended as a forecast or prediction of the actual yields on the applicable Classes.** We calculated the yields set forth in the tables by

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

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

We cannot assure you that

- the pre-tax yields on the applicable Certificates will correspond to any of the pre-tax yields shown here, or
- the aggregate purchase prices of the applicable Certificates will be as assumed.

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

- the Mortgage Loans will prepay at a constant PSA rate until maturity,

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

The Inverse Floating Rate Classes. The yields on the Inverse Floating Rate Classes will be sensitive in varying degrees to the rate of principal payments, including prepayments, of the related Mortgage Loans and to the level of the Index. The Mortgage Loans generally can be prepaid at any time without penalty. In addition, the rate of principal payments (including prepayments) of the Mortgage Loans is likely to vary, and may vary considerably, from pool to pool. As illustrated in the applicable 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 these Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
SV	16.000%
SE	11.625%
SB	6.750%

* 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 SV 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>347%</u>	<u>500%</u>	<u>700%</u>	<u>950%</u>	<u>1200%</u>	<u>1700%</u>
0.12000%	28.6%	28.4%	25.9%	19.1%	4.3%	(24.0)%	(64.5)%	*
0.23031%	27.8%	27.5%	25.0%	18.1%	3.1%	(25.3)%	(65.9)%	*
2.23031%	12.1%	11.5%	7.4%	(2.0)%	(20.1)%	(51.2)%	(91.7)%	*
4.23031%	(6.3)%	(7.9)%	(14.8)%	(28.1)%	(50.6)%	(84.5)%	*	*
6.00000%	*	*	*	*	*	*	*	*

**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>321%</u>	<u>475%</u>	<u>650%</u>	<u>1000%</u>
0.12000%	44.5%	41.1%	25.4%	13.7%	(0.6)%	(33.1)%
0.23031%	43.4%	40.0%	24.3%	12.6%	(1.6)%	(34.0)%
2.23031%	22.8%	19.6%	4.8%	(6.2)%	(19.7)%	(50.8)%
4.23031%	0.4%	(2.6)%	(16.3)%	(26.5)%	(39.1)%	(69.3)%
6.05000%	*	*	*	*	*	*

**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>300%</u>	<u>527%</u>	<u>800%</u>	<u>1100%</u>	<u>1500%</u>	<u>2300%</u>
0.12000%	109.8%	103.2%	73.1%	30.8%	(28.9)%	(98.9)%	*	*
0.23031%	107.6%	101.0%	71.0%	28.8%	(30.7)%	*	*	*
2.23031%	68.9%	62.7%	33.4%	(8.0)%	(64.0)%	*	*	*
4.23031%	32.1%	25.8%	(5.1)%	(47.1)%	(99.3)%	*	*	*
6.23031%	(10.9)%	(19.3)%	(58.1)%	*	*	*	*	*
6.70000%	*	*	*	*	*	*	*	*

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

<u>Class</u>	<u>% PSA</u>
VI	437%

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

<u>Class</u>	<u>Price*</u>
VI	22.0%

* 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.

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

Sensitivity of the VI Class to Prepayments

	<u>PSA Prepayment Assumption</u>							
	<u>50%</u>	<u>100%</u>	<u>347%</u>	<u>500%</u>	<u>700%</u>	<u>950%</u>	<u>1200%</u>	<u>1700%</u>
Pre-Tax Yields to Maturity	10.2%	9.6%	5.2%	(4.5)%	(23.0)%	(54.4)%	(94.9)%	*

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,
- the applicable priority sequence of distributions of principal of the Group 2 Classes, and
- in the case of the Group 1 and Group 4 Classes, the applicable priority sequences affecting principal payments on the related Underlying REMIC Certificates.

See “—Distributions of Principal” above and “Description of the Certificates—Distributions of Principal” in the applicable Underlying REMIC Disclosure Documents.

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

Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each date shown at various constant PSA rates and the corresponding weighted average lives of those Classes. The tables have been prepared on the basis of the Pricing Assumptions.

In the case of the information set forth for each Class under 0% PSA, 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 Underlying REMIC Certificates	360 months	(1)	7.50%
Group 2 MBS	180 months	180 months	6.50%
Group 3 Underlying RCR Certificates	360 months	357 months	7.50%
Group 4 Underlying REMIC and RCR Certificates	360 months	(2)	8.50%

(1) The Mortgage Loans backing the Group 1 Underlying REMIC Certificates specified below are assumed to have the following remaining terms to maturity:

<u>Class</u>	<u>Remaining Terms to Maturity</u>
2010-48-GV	357 months
2010-48-VA	357 months
2010-57-VY	355 months

- (2) The Mortgage Loans backing the Group 4 Underlying REMIC and RCR Certificates specified below are assumed to have the following remaining terms to maturity and remaining terms to expiration of interest only period:

<u>Class</u>	<u>Remaining Terms to Maturity</u>	<u>Remaining Terms to Expiration of Interest Only Period</u>
2007-28-A	320 months	80 months
2007-38-B	321 months	81 months
2008-66-GD	336 months	96 months

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

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

Percent of Original Principal Balances Outstanding

<u>Date</u>	<u>FV, SV†, VA, VI†, VB, VC and V Classes</u>							
	<u>PSA Prepayment Assumption</u>							
	<u>0%</u>	<u>100%</u>	<u>347%</u>	<u>500%</u>	<u>700%</u>	<u>950%</u>	<u>1200%</u>	<u>1700%</u>
Initial Percent	100	100	100	100	100	100	100	100
July 2011	94	94	94	94	94	94	94	0
July 2012	87	87	87	87	87	56	0	0
July 2013	80	80	80	80	52	0	0	0
July 2014	72	72	72	69	2	0	0	0
July 2015	64	64	64	23	0	0	0	0
July 2016	56	56	48	0	0	0	0	0
July 2017	47	47	21	0	0	0	0	0
July 2018	38	38	8	0	0	0	0	0
July 2019	28	28	0	0	0	0	0	0
July 2020	18	14	0	0	0	0	0	0
July 2021	10	0	0	0	0	0	0	0
July 2022	8	0	0	0	0	0	0	0
July 2023	7	0	0	0	0	0	0	0
July 2024	6	0	0	0	0	0	0	0
July 2025	4	0	0	0	0	0	0	0
July 2026	3	0	0	0	0	0	0	0
July 2027	1	0	0	0	0	0	0	0
July 2028	0	0	0	0	0	0	0	0
July 2029	0	0	0	0	0	0	0	0
July 2030	0	0	0	0	0	0	0	0
July 2031	0	0	0	0	0	0	0	0
July 2032	0	0	0	0	0	0	0	0
July 2033	0	0	0	0	0	0	0	0
July 2034	0	0	0	0	0	0	0	0
July 2035	0	0	0	0	0	0	0	0
July 2036	0	0	0	0	0	0	0	0
July 2037	0	0	0	0	0	0	0	0
July 2038	0	0	0	0	0	0	0	0
July 2039	0	0	0	0	0	0	0	0
July 2040	0	0	0	0	0	0	0	0
Weighted Average Life (years)*	6.7	6.3	5.2	4.0	2.9	2.0	1.4	0.1

* 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.

DE, FE, SE†, DG, DH and DJ Classes							DB Class					
Date	PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	321%	475%	650%	1000%	0%	100%	321%	475%	650%	1000%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100
July 2011	96	89	79	71	63	46	100	100	100	100	100	100
July 2012	92	79	60	48	36	17	100	100	100	100	100	100
July 2013	87	69	45	32	20	6	100	100	100	100	100	100
July 2014	82	60	33	21	11	2	100	100	100	100	100	100
July 2015	77	51	24	14	6	1	100	100	100	100	100	100
July 2016	71	43	18	9	3	*	100	100	100	100	100	100
July 2017	65	35	12	5	2	*	100	100	100	100	100	100
July 2018	59	28	9	3	1	*	100	100	100	100	100	100
July 2019	52	22	6	2	*	*	100	100	100	100	100	100
July 2020	45	16	4	1	*	0	100	100	100	100	100	39
July 2021	37	10	2	1	*	0	100	100	100	100	100	11
July 2022	28	5	1	*	*	0	100	100	100	100	100	2
July 2023	20	*	*	*	0	0	100	100	100	100	16	*
July 2024	10	0	0	0	0	0	100	0	0	0	0	0
July 2025	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	8.7	5.6	3.4	2.6	1.9	1.2	15.0	13.1	13.1	13.1	12.9	10.0

PT Class								FB, SB† and AC Classes							
Date	PSA Prepayment Assumption							PSA Prepayment Assumption							
	0%	100%	387%	600%	800%	1200%	1700%	0%	100%	300%	527%	800%	1100%	1500%	2300%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2011	99	92	75	63	51	27	0	98	90	74	56	34	12	0	0
July 2012	98	85	57	39	26	8	0	96	80	52	25	3	0	0	0
July 2013	97	78	42	25	13	2	0	94	71	34	7	0	0	0	0
July 2014	96	71	32	15	7	1	0	91	62	19	0	0	0	0	0
July 2015	95	65	24	10	3	*	0	88	53	8	0	0	0	0	0
July 2016	93	59	18	6	2	*	0	86	44	1	0	0	0	0	0
July 2017	92	54	13	4	1	*	0	82	35	0	0	0	0	0	0
July 2018	90	49	10	2	*	*	0	77	25	0	0	0	0	0	0
July 2019	88	44	7	1	*	*	0	71	17	0	0	0	0	0	0
July 2020	87	40	5	1	*	*	0	64	10	0	0	0	0	0	0
July 2021	85	36	4	1	*	*	0	57	3	0	0	0	0	0	0
July 2022	82	32	3	*	*	*	0	49	*	0	0	0	0	0	0
July 2023	80	28	2	*	*	*	0	41	0	0	0	0	0	0	0
July 2024	78	24	1	*	*	0	0	32	0	0	0	0	0	0	0
July 2025	75	21	1	*	*	0	0	25	0	0	0	0	0	0	0
July 2026	72	18	1	*	*	0	0	18	0	0	0	0	0	0	0
July 2027	69	15	*	*	*	0	0	10	0	0	0	0	0	0	0
July 2028	66	13	*	*	*	0	0	2	0	0	0	0	0	0	0
July 2029	62	10	*	*	*	0	0	0	0	0	0	0	0	0	0
July 2030	58	8	*	*	*	0	0	0	0	0	0	0	0	0	0
July 2031	54	6	*	*	*	0	0	0	0	0	0	0	0	0	0
July 2032	49	4	*	*	*	0	0	0	0	0	0	0	0	0	0
July 2033	44	2	*	*	*	0	0	0	0	0	0	0	0	0	0
July 2034	39	*	*	*	0	0	0	0	0	0	0	0	0	0	0
July 2035	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2036	27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2037	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2038	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2039	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	20.0	9.1	3.5	2.2	1.5	0.8	0.1	11.3	5.4	2.4	1.4	0.8	0.5	0.3	0.1

* 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 Classes

A Residual Certificate will be subject to certain transfer restrictions. See “Description of the Certificates—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—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*.” 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 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 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 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	347% PSA
2	321% PSA
3	387% PSA
4	527% PSA

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 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.

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 Combination RCR Class (a “Combination RCR Certificate”) will represent beneficial ownership of undivided interests in one or more underlying Regular Certificates. 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. The Classes of 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 (other than the PT Class) to Morgan Stanley & Co. Incorporated (the “Dealer”) in exchange for the Underlying REMIC Certificates and the Group 2 MBS. The Dealer proposes to offer the Certificates (other than the PT Class) 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. On the Settlement Date, we expect to transfer the PT Class to Fannie Mae Mega Trust Number 310052 (CUSIP Number 31374CL95) and to deliver the related Mega certificates to the Dealer.

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 1 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 Balance of Class	July 2010 Class Factor	Principal Balance in the Lower Tier REMIC	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
2010-48	GV	April 2010	31398PH36	5.0%	FIX	May 2021	SEQ/AD	\$14,842,000	0.98270326	\$12,619,875.26	5.526%	287	65
2010-48	VA	April 2010	31398PJ26	5.0	FIX	May 2028	PAC/AD	14,495,000	0.99134035	14,369,478.37	5.593	288	64
2010-57	VY	May 2010	31398RZQ1	5.0	FIX	December 2027	SC/SEQ/AD	45,004,858	0.98847946	44,486,377.73	(2)	(2)	(2)
(1) See “Description of the Certificates—The Certificates— <i>Class Definitions and Abbreviations</i> ” in the REMIC Prospectus.													
(2) The Class 2010-57-VY REMIC Certificate is formed from a combination of the Fannie Mae REMIC certificates listed below having the following characteristics:													
		Class	Approximate Weighted Average WAC	Interest Rate	Interest Type(1)	Final Distribution Date	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)					
		2010-23-GV	5.526%				287	65					
		2010-23-JV	5.649				295	58					

Group 3 Underlying RCR Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal Balance of Class	July 2010 Class Factor	Principal Balance in the Lower Tier REMIC	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
2010-48	LB	April 2010	31398PM48	5.0%	FIX	May 2040	SEQ	\$ 30,539,778	1.00000000	\$ 30,539,778.00	5.647%	289	63
2010-48	LC	April 2010	31398PM30	5.0	FIX	June 2038	SEQ	173,061,000	0.90670551	156,915,362.27	5.647	289	63
(1) See “Description of the Certificates—The Certificates— <i>Class Definitions and Abbreviations</i> ” in the REMIC Prospectus.													

Note: For any pool of Mortgage Loans backing an underlying REMIC or RCR 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.

Group 4 Underlying REMIC and RCR Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal Balance of Class	July 2010 Class Factor	Principal Balance in the Lower Tier REMIC	Approximate Weighted Average		Approximate Weighted Average WALA (in months)	Approximate Weighted Average Remaining Term to Expiration of Interest Only Period (in months)
											WAC	WAM		
2007-28	A	March 2007	31396VKJ6	6.0%	FIX	January 2033	SEQ/AD	\$450,000,000	0.36532131	\$36,532,131.00	6.713%	315	45	75
2007-38	B	April 2007	31396VX86	6.0	FIX	November 2033	SEQ/AD	100,000,000	0.35958291	14,581,087.00	6.744	314	45	75
2008-66	GD	July 2008	31397MEN3	6.0	FIX	June 2030	SEQ/AD	100,000,000	0.38793692	11,638,107.60	6.689	325	34	86

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

Note: For any pool of Mortgage Loans backing an underlying REMIC or RCR 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						
Classes	Original Balances	RCR Classes	Original Balances	Principal Type(2)	Interest Rate	Interest Type(2)	CUSIP Number	Final Distribution Date
Recombination 1								
VA	\$42,885,439	VB	\$ 42,885,439	SC/PT	3.0%	FIX	31398TTE1	May 2028
VI	4,288,544(3)							
Recombination 2								
VA	42,885,439	VC	42,885,439	SC/PT	3.5	FIX	31398TTF8	May 2028
VI	8,577,088(3)							
Recombination 3								
VA	42,885,439	V	42,885,439	SC/PT	4.0	FIX	31398TTG6	May 2028
VI	12,865,631(3)							
Recombination 4								
DE	65,625,000	DG	75,000,000	SEQ	3.0	FIX	31398TTH4	August 2025
FE	9,375,000							
SE	9,375,000(3)							
Recombination 5								
DE	65,625,000	DH	87,500,000	SEQ	3.5	FIX	31398TTJ0	August 2025
FE	21,875,000							
SE	21,875,000(3)							
Recombination 6								
DE	65,625,000	DJ	105,000,000	SEQ	4.0	FIX	31398TTK7	August 2025
FE	39,375,000							
SE	39,375,000(3)							

(1) REMIC Certificates and RCR Certificates in any 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—The Certificates—*Class Definitions and Abbreviations*" in the REMIC Prospectus.

(3) Notional balances. These Classes are Interest Only Classes. See page S-6 for a description of how their notional balances are 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 or incorporated into this Prospectus Supplement and the additional Disclosure Documents. We take no responsibility for 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.

Neither the Securities and Exchange Commission nor any state securities commission has 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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\$426,692,196



**Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 2010-86**

PROSPECTUS SUPPLEMENT

MORGAN STANLEY

July 26, 2010
