

Built in Flexibility: RCRs, Re-REMICs and Recombinable SMBS

Fannie Mae continues to innovate and adapt our structured mortgage transactions business to meet investors' needs as market conditions change. Although related combinable and recombinable (RCR) classes, re-REMICs and recombinable classes of Stripped Mortgage-Backed Securities (SMBS) have been issued for many years, these securities continue to be important tools for banks, insurance companies, pension funds, money managers and other investors for constructing portfolios with tailored mortgage-backed securities (MBS) cash flows to meet their investment needs.

This edition of MBSenger discusses the built-in flexibility characteristics of RCR classes, re-REMICs and recombinable SMBS. We discuss the characteristics of RCRs and provide investors and dealers with an update of how previously-issued classes of REMICs and RCR certificates are commonly incorporated as collateral into other Fannie Mae REMICs. Such securities are commonly called re-REMICs. We also review specific transactions which have used these mortgage-related securities as collateral and review issuance statistics. Then, we discuss how specified SMBS classes can

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

\$425,509,785



FannieMae[®]

Guaranteed REMIC Pass-Through Certificates Fannie Mae REMIC Trust 2007-46

The Certificates

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

Payments to Certificateholders

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

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

We 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.

| Class | Group | Original Class Balance | Principal Type | Interest Rate | Interest Type | CUSIP Number | Final Distribution Date |
|-------|-------|------------------------|----------------|---------------|---------------|--------------|-------------------------|
| PA | 1 | \$ 25,000,000 | PAC/AD | (1) | T | 31396VZQ4 | April 2037 |
| TG | 1 | 25,000,000(2) | NTL | (1)(3) | T/IO | 31396VZR2 | April 2009 |
| FC(4) | 1 | 7,805,320 | SUP/AD | (5) | FLT | 31396VZS0 | May 2037 |
| SC(4) | 1 | 1,300,887 | SUP/AD | (5) | INV | 31396VZT8 | May 2037 |
| Z | 1 | 45,535 | SEQ | 6.0% | FIX/Z | 31396VZU5 | May 2037 |
| EA(4) | 2 | 31,739,307 | PT | (5) | FLT | 31396VZV3 | May 2037 |
| SK(4) | 2 | 31,739,307(2) | NTL | (5) | INV/IO | 31396VZW1 | May 2037 |
| SI(4) | 2 | 31,739,307(2) | NTL | (5) | INV/IO | 31396VZX9 | May 2037 |
| FB(4) | 3 | 38,791,635 | PT | (5) | FLT | 31396VZY7 | May 2037 |
| SL(4) | 3 | 38,791,635(2) | NTL | (5) | INV/IO | 31396VZZ4 | May 2037 |
| SJ(4) | 3 | 38,791,635(2) | NTL | (5) | INV/IO | 31396V124 | May 2037 |
| FM(4) | 4 | 167,851,801 | PT | (5) | FLT | 31396V132 | May 2037 |
| MT(4) | 4 | 6,216,733 | PT | (1) | T | 31396V140 | May 2037 |
| SD | 4 | 174,068,534(2) | NTL | (5) | INV/IO | 31396V157 | May 2037 |
| PO | 4 | 21,758,567 | PT | (6) | PO | 31396V165 | May 2037 |
| KA | 5 | 50,000,000 | SEQ | 5.5 | FIX | 31396V173 | June 2035 |
| KB(4) | 5 | 15,000,000 | SEQ | 5.5 | FIX | 31396V181 | August 2025 |
| KE(4) | 5 | 37,500,000 | SEQ | 5.5 | FIX | 31396V199 | June 2035 |
| VJ(4) | 5 | 7,500,000 | SEQ/AD | 5.5 | FIX | 31396VB23 | August 2017 |
| KO(4) | 5 | 5,000,000 | SEQ/AD | (6) | PO | 31396VB31 | March 2022 |
| VI(4) | 5 | 5,000,000(2) | NTL | 5.5 | FIX/IO | 31396VB49 | March 2022 |
| ZK | 5 | 10,000,000 | SEQ | 5.5 | FIX/Z | 31396VB56 | May 2037 |
| R | | 0 | NPR | 0 | NPR | 31396VB64 | May 2037 |
| RL | | 0 | NPR | 0 | NPR | 31396VB72 | May 2037 |

(1) These classes are toggle classes. See pages S-7 and S-8 for a description of their interest rates.

(2) Notional balances. These classes are interest only classes. See page S-8 for a description of how their notional balances are calculated.

(3) After the first 24 interest accrual periods, the notional principal balance of the TG Class will be equal to zero. As a result, no distributions will be made on this class following the distribution date in April 2009.

(4) Exchangeable classes.

(5) Based on LIBOR.

(6) Principal only classes.

Many Fannie Mae REMICs allow investors to exchange all or a portion of their securities for different RCR classes, which are backed by the same collateral, but have different payment characteristics and CUSIPs than the classes that were exchanged.

be exchanged for other pre-defined SMBS classes with a wide range of fixed-rate and floating-rate characteristics.

RCRs

In the mid-1990s, market participants expressed interest in having the flexibility to easily convert certain classes of Fannie Mae REMICs for other classes with different cash flows. Responding to the market, Fannie Mae created RCR classes, beginning in 1996.

Many Fannie Mae REMICs allow investors to exchange all or a portion of their securities for different RCR classes, which are issued by the same trust and are backed by the same collateral, but have different payment characteristics and CUSIPs than the classes that were exchanged. These RCR classes can be valuable tools for market participants looking for flexibility and enhanced liquidity in structured transactions investments.

Investors appreciate the cost savings which can be realized because of the relative easy exchange and resecuritization processes for these securities. RCRs are designed to anticipate shifts in market demand. As market conditions change, the flexibility offered by these classes enable investors to easily exchange existing REMIC classes for other pre-defined classes that meet their needs.

For example, specified floating-rate REMIC classes can be exchanged for pre-determined fixed-rate RCR classes. Fannie Mae REMIC Trust 2007-46 allows for such an exchange of all or portions of floating-rate classes FC (CUSIP 31396VZSO) and SC (CUSIP 31396VZT8) for fixed rate RCR class CA (CUSIP 31396VB80). **Exhibit 1** shows the original classes of this REMIC trust as listed on the front page of the prospectus supplement, and **Exhibit 2** shows pages A1 and A2 of the prospectus supplement which outline all the available recombinations allowed in this REMIC. The above example is only one of nine available recombinations in this REMIC. The full prospectus supplement for this security can be found on Fannie Mae's web site at <http://www.efanniemae.com/syndicated/documents/mbs/remicsupp/2007-046.pdf>

This process can easily work in reverse as well. All or a portion of an RCR class may be exchanged back for specified REMIC classes, and this process may occur repeatedly.

RCR Exchange Process

If an investor or dealer wishes to exchange a specified

REMIC class for an RCR class, he or she should notify Fannie Mae's Structured Transactions Department through one of our REMIC Dealer Group members in writing no later than two business days before the proposed exchange date. The exchange date can be any business day other than the first or last business day of the month. The notice should include the outstanding principal balance of both the certificates to be exchanged and the certificates to be received, and the proposed exchange date. After receiving the certificateholder's notice from the dealer, Fannie Mae will contact the dealer with confirmation and delivery and wire payment instructions. In connection with each exchange, Fannie Mae assesses a fee as described in the REMIC's prospectus supplement which is available on [fanniemae.com](http://www.fanniemae.com) for each security at <http://www.fanniemae.com/mbs/documents/remic/remicprospectussupplements.jhtml?p=Mortgage-Backed+Securities&s=Prospectuses+%26+Related+Documents&t=REMICs+%26+Structured+Transactions&q=Prospectus+Supplements>

Guaranty of RCR Classes

Like other Fannie Mae-issued mortgage-backed securities, RCR certificates carry a guaranty of timely payment of principal and interest to investors as described in the related REMIC Prospectus, which can be found on Fannie Mae's web site at <http://www.fanniemae.com/mbs/documents/remic/prospectus> The guaranty of Fannie Mae is not backed by the full faith and credit of the U.S. government.

Re-REMICs

Market participants know that almost any type of MBS can be used as collateral for Fannie Mae REMICs, allowing for the creation of classes which can be used to provide tailored cash flows to accomplish their investment goals. 30-year fixed rate fully amortizing MBS; 30-year fixed rate interest only MBS; 20-year fixed rate fully amortizing MBS; reduced servicing ARM MBS; 40-year fixed rate fully amortizing MBS; and MBS backed by relocation mortgages are commonly used as collateral for Fannie Mae REMICs. In addition to these and other types of MBS, previously-issued REMICs and RCR certificates are often used as collateral for Fannie Mae REMICs.

Individual or groups of previously-issued REMIC classes and/or RCR certificates, each with their own CUSIP, are easily used as underlying collateral for issuing new REMICs. The resulting security is commonly referred to as a re-REMIC, which has a new CUSIP. Just as with all REMICs, these re-REMICs allocate the cash flows from the

| REMIC Certificates | | Available Recombinations (1) (2) | | | | | | | |
|------------------------|--|----------------------------------|--|---------------|------------------|--------------------|--------------|-------------------------|--|
| Classes | Original Principal or Notional Principal Balance | RCR Class | Original Principal or Notional Principal Balance | Interest Rate | Interest Type(3) | Principal Type (3) | CUSIP Number | Final Distribution Date | |
| Recombination 1 | | | | | | | | | |
| FC | \$ 7,805,320 | CA | \$ 9,106,207 | 6.0% | FIX | SUP/AD | 31396VB80 | May 2037 | |
| SC | 1,300,887 | | | | | | | | |
| Recombination 2 | | | | | | | | | |
| SK | 31,739,307 (4) | SA | 31,739,307 (4) | (5) | INV/IO | NTL | 31396VB98 | May 2037 | |
| SI | 31,739,307 (4) | | | | | | | | |
| Recombination 3 | | | | | | | | | |
| SL | 38,791,635 (4) | SB | 38,791,635 (4) | (5) | INV/IO | NTL | 31396VC22 | May 2037 | |
| SJ | 38,791,635 (4) | | | | | | | | |
| Recombination 4 | | | | | | | | | |
| FA | 31,739,307 | FL(6) | 70,530,942 | (5) | FLT | PT | 31396VC48 | May 2037 | |
| FB | 38,791,635 | | | | | | | | |
| SI | 31,739,307 (4) | | | | | | | | |
| SJ | 38,791,635 (4) | | | | | | | | |
| Recombination 5 | | | | | | | | | |
| FA | 31,739,307 | FK(7) | 70,530,942 | (5) | FLT | PT | 31396VC30 | May 2037 | |
| FB | 38,791,635 | | | | | | | | |
| Recombination 6 | | | | | | | | | |
| FM | 167,851,801 | FD | 174,068,534 | (5) | FLT | PT | 31396VC55 | May 2037 | |
| MT | 6,216,733 | | | | | | | | |
| Recombination 7 | | | | | | | | | |
| KO | 5,000,000 | VK | 5,000,000 | 5.5 | FIX | SEQ/AD | 31396VC63 | March 2022 | |
| VI | 5,000,000 (4) | | | | | | | | |
| Recombination 8 | | | | | | | | | |
| KB | 15,000,000 | KC | 52,500,000 | 5.5 | FIX | SEQ | 31396VC71 | June 2035 | |
| KE | 37,500,000 | | | | | | | | |
| Recombination 9 | | | | | | | | | |
| VJ | 7,500,000 | VH | 12,500,000 | 5.5 | FIX | SEQ/AD | 31396VC89 | March 2022 | |
| KO | 5,000,000 | | | | | | | | |
| VI | 5,000,000 (4) | | | | | | | | |

(1) REMIC Certificates and RCR Certificates in Recombinations 1, 2, 3, 6 and 7 may be exchanged only in the proportions shown in this Schedule 1. In any exchange under any other Recombination, the relative proportions of the REMIC Certificates to be delivered (or if applicable, received) in such exchange will equal the proportions reflected by the outstanding principal or notional principal balances the related REMIC Classes at the time of exchange.

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

(3) See "Description of Certificates – Class Definitions and Abbreviations" in the REMIC Prospectus and "Description of the Certificates- Distributions of Interest" and "Distributions of Principal" in this prospectus supplement.

(4) Notional balances. These Classes are Interest Only Classes. See page S-8 for a description of how their notional balances are calculated.

(5) For a description of these interest rates, see "Description of the Certificates – Distributions of Interest" in the prospectus supplement.

(6) The FL Class is formed from a combination of FA and SI Classes in Group 2 and the FB and SJ Classes in Group 3.

Exhibit 2

underlying REMIC classes as set forth in the rules outlined in the security's prospectus supplement and provide investors with securities that have desired cash flow characteristics. Some classes of the re-REMIC will typically have more duration, convexity and/or prepayment risk than the underlying collateral and some classes will have less. Each class of a re-REMIC is tradable and has its own CUSIP, maturity, coupon and other traditional features.

Exhibit 3 graphically depicts an example of how previously-issued REMICs and RCR classes can be used as collateral

for a new REMIC. In this example, certain MBS pools are specified as collateral for REMIC #1 and other MBS pools are specified as collateral for REMIC #2. Specified REMIC Classes B and C from REMIC #1 are exchanged for the pre-defined related RCR Class D which has a different set of cash flow characteristics from Classes B and C. REMIC #3 is created using RCR Class D from REMIC #1 and REMIC classes E and F from REMIC #2. This re-REMIC (REMIC #3) will allocate the cash flows from these underlying REMIC and RCR Classes as set forth in

Individual or groups of previously-issued REMIC classes and/or RCR certificates, each with their own CUSIP, are easily used as underlying collateral for issuing new REMICs.

REMIC #3's prospectus supplement.

An example of one such re-REMIC is Fannie Mae REMIC Trust 2007-99. This REMIC has groups which are backed by both previously-issued REMIC Classes and RCR certificates. See Exhibit 4. The Group 1 and Group 4 Classes of this re-REMIC are backed by Classes 2007-21-FE and 2007-21-FE REMIC certificates, respectively. Group 2 is backed by Class 2007-46-FD RCR certificate. Notably, this

re-REMIC also provides investors with the flexibility of having Classes FB and FC exchanged for Class FA as described on page A-2 of the prospectus supplement.

Process for Creating Re-REMICs

The process for the creation of re-REMICs and publication of disclosure documents for these securities is similar to that for creating any Fannie Mae REMIC security. Early in the month, approved REMIC dealers and Fannie Mae typically have a dialogue about structure, collateral characteristics, size and other factors to determine pricing of a REMIC. The final due date for an approved REMIC dealer to provide Fannie Mae's Structured Transactions group with the deal structure and assumed collateral characteristics and pricing is mid-month. Typically, Fannie Mae publishes the prospectus supplement for the re-REMIC on fanniemae.com five business days prior to the settlement date for REMICs during any given month. The last business day of the month is typically the REMIC settlement date. On the first business day after settlement we publish the final data statement on fanniemae.com. The first day of the month of settlement is listed as the issue date for the security.

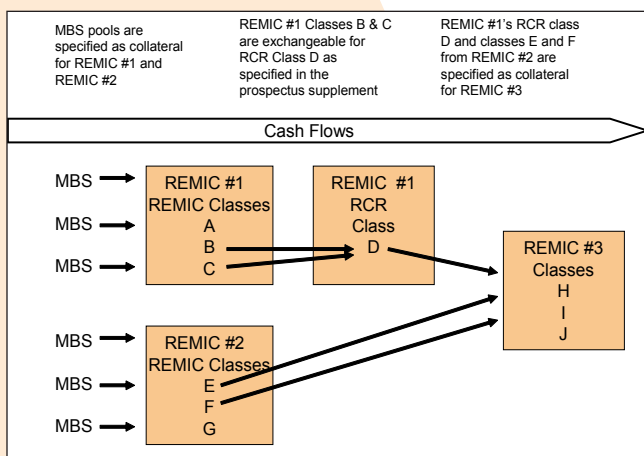


Exhibit 3

Guaranty of Re-REMICs

Like other Fannie Mae-issued mortgage-backed securities,

Prospectus Supplement
(To REMIC Prospectus dated August 1, 2007)

\$348,478,254



Guaranteed REMIC Pass-Through Certificates Fannie Mae REMIC Trust 2007-99

The Certificates

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

Payments to Certificateholders

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

- interest accrued on the balance of your certificate (except in the case of the accrual class), 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

| Class | Group | Original Class Balance | Principal Type (1) | Interest Rate | Interest Type (1) | CUSIP Number | Final Distribution Date |
|-------|-------|------------------------|--------------------|---------------|-------------------|--------------|-------------------------|
| FC(2) | 1 | \$ 49,045,470 | SC/PT | (3) | FLT | 31396XYC2 | March 2037 |
| MU | 1 | 5,449,496 | SC/PT | (4) | T | 31396XYD0 | March 2037 |
| FB(2) | 2 | 150,954,530 | SC/PT | (3) | FLT | 31396XYE8 | May 2037 |
| MT | 2 | 16,772,725 | SC/PT | (4) | T | 31396XYF5 | May 2037 |
| FD | 3 | 50,000,000 | PT | (3) | FLT | 31396XYG3 | October 2037 |
| SD | 3 | 50,000,000 (5) | NPL | (3) | INV/IO | 31396XYH1 | October 2037 |
| FE | 4 | 70,591,299 | SC/TAC/AD | (3) | FLT | 31396XYJ7 | March 2037 |
| FZ | 4 | 2,941,305 | SC/SUP | (3) | FLT/Z | 31396XYK4 | March 2037 |
| ME | 4 | 2,723,429 | SC/PT | (4) | T | 31396XYL2 | March 2037 |
| R | | 0 | NPR | 0 | NPR | 31396XYM0 | October 2037 |

(1) See "Description of the Certificates—Class Definitions and Abbreviations" in the REMIC prospectus.
(2) Exchangeable classes.
(3) Based on LIBOR.

(4) These classes are toggle classes. See pages S-5 and S-6 for a description of their interest rates.
(5) Notional balance. This class is an interest only class. See page S-6 for a description of how its notional balance is calculated.

Exhibit 4

| 2007 | | | |
|--|----------------|------------------------------------|------------------------|
| Trust # | Issuance Month | Issuance Amount (Re-remic Portion) | Issuance Amount (Deal) |
| 2007-005 | Jan-07 | \$ 11,852,978 | \$ 852,307,496 |
| 2007-007 | Jan-07 | \$ 256,531,260 | \$ 1,003,573,696 |
| 2007-013 | Feb-07 | \$ 27,422,920 | \$ 417,128,375 |
| 2007-016 | Feb-07 | \$ 46,801,569 | \$ 1,046,754,144 |
| 2007-018 | Feb-07 | \$ 214,096,263 | \$ 1,106,971,220 |
| 2007-038 | Apr-07 | \$ 379,964,000 | \$ 692,146,167 |
| 2007-050 | May-07 | \$ 65,144,042 | \$ 1,166,184,019 |
| 2007-054 | May-07 | \$ 500,845,693 | \$ 2,464,247,828 |
| 2007-057 | May-07 | \$ 50,686,955 | \$ 953,792,750 |
| 2007-058 | May-07 | \$ 34,777,027 | \$ 590,105,628 |
| 2007-063 | Jun-07 | \$ 42,940,000 | \$ 1,075,322,667 |
| 2007-064 | Jun-07 | \$ 379,295,521 | \$ 833,075,324 |
| 2007-068 | Jun-07 | \$ 100,207,772 | \$ 759,113,169 |
| 2007-072 | Jun-07 | \$ 38,425,289 | \$ 420,724,444 |
| 2007-087 | Aug-07 | \$ 95,724,165 | \$ 595,724,165 |
| 2007-088 | Aug-07 | \$ 298,183,400 | \$ 831,366,469 |
| 2007-091 | Sep-07 | \$ 80,110,720 | \$ 390,831,824 |
| 2007-092 | Aug-07 | \$ 280,141,177 | \$ 702,413,905 |
| 2007-093 | Aug-07 | \$ 26,785,714 | \$ 573,248,976 |
| 2007-096 | Sep-07 | \$ 125,426,965 | \$ 255,234,658 |
| 2007-097 | Sep-07 | \$ 319,683,464 | \$ 319,683,464 |
| 2007-098 | Oct-07 | \$ 42,864,034 | \$ 243,864,034 |
| 2007-099 | Sep-07 | \$ 298,478,254 | \$ 348,478,254 |
| 2007-103 | Oct-07 | \$ 253,161,017 | \$ 706,797,209 |
| 2007-104 | Oct-07 | \$ 89,492,783 | \$ 326,992,783 |
| 2007-105 | Oct-07 | \$ 56,560,887 | \$ 250,000,000 |
| 2007-107 | Nov-07 | \$ 297,675,933 | \$ 297,675,933 |
| 2007-108 | Nov-07 | \$ 88,222,446 | \$ 299,860,785 |
| 2007-109 | Nov-07 | \$ 490,523,925 | \$ 1,033,227,272 |
| 2007-110 | Nov-07 | \$ 116,680,698 | \$ 261,680,697 |
| 2007-111 | Nov-07 | \$ 147,749,706 | \$ 202,749,706 |
| 2007-112 | Nov-07 | \$ 85,318,639 | \$ 524,229,896 |
| Total Issuance YTD (Re-remic Portion) | | \$ 5,341,775,216 | |
| Total Issuance YTD (Re-remic Deals) | | \$ 21,545,506,957 | |
| Total Issuance YTD (All Deals) | | \$ 95,357,106,851 | |

re-REMICs carry a guaranty of timely payment of principal and interest to investors as described in the related REMIC Prospectus and Supplement which can be found on Fannie Mae's web site at <http://www.fanniemae.com/mbs/documents/remic/prospectus>. The guaranty of Fannie Mae is not backed by the full faith and credit of the U.S. government.

Re-REMIC Issuance Statistics

Year to date through November, Fannie Mae has issued 32 REMICs for a total of \$21.5 billion which were completely or in part collateralized by previously-issued REMIC and/or RCR certificates. This amount represents 23 percent of the \$95.4 billion in total REMIC issuance year to date. Exhibit 5 provides trust numbers, issuance month, issuance amounts for the re-REMIC portion of these trusts and total deal issuance amounts for these trusts year to date

| 2006 | | | |
|--|----------------|------------------------------------|------------------------|
| Trust # | Issuance Month | Issuance Amount (Re-remic Portion) | Issuance Amount (Deal) |
| 2006-001 | Jan-06 | \$ 432,743,391 | \$ 572,743,391 |
| 2006-002 | Jan-06 | \$ 592,071,492 | \$ 767,071,492 |
| 2006-003 | Feb-06 | \$ 103,159,033 | \$ 1,754,089,000 |
| 2006-004 | Jan-06 | \$ 5,201,942 | \$ 475,701,844 |
| 2006-006 | Jan-06 | \$ 292,064,898 | \$ 292,064,898 |
| 2006-009 | Feb-06 | \$ 682,657,528 | \$ 1,297,657,528 |
| 2006-012 | Feb-06 | \$ 40,948,655 | \$ 554,191,083 |
| 2006-011 | Feb-06 | \$ 184,714,781 | \$ 348,514,781 |
| 2006-016 | Feb-06 | \$ 36,429,077 | \$ 847,630,643 |
| 2006-020 | Mar-06 | \$ 117,151,462 | \$ 804,136,940 |
| 2006-021 | Mar-06 | \$ 20,262,409 | \$ 613,114,208 |
| 2006-027 | Mar-06 | \$ 137,062,668 | \$ 580,385,668 |
| 2006-035 | Apr-06 | \$ 145,594,038 | \$ 780,594,038 |
| 2006-044 | May-06 | \$ 658,412,486 | \$ 1,972,745,820 |
| 2006-047 | May-06 | \$ 422,469,769 | \$ 1,006,969,769 |
| 2006-048 | May-06 | \$ 29,767,466 | \$ 1,215,362,225 |
| 2006-056 | Jun-06 | \$ 44,448,000 | \$ 1,231,754,981 |
| 2006-059 | Jun-06 | \$ 130,687,041 | \$ 1,579,039,979 |
| 2006-062 | Jun-06 | \$ 35,336,943 | \$ 694,336,943 |
| 2006-071 | Jul-06 | \$ 510,010,153 | \$ 1,519,631,376 |
| 2006-070 | Jul-06 | \$ 73,640,886 | \$ 377,905,579 |
| 2006-080 | Jul-06 | \$ 140,301,441 | \$ 390,301,441 |
| 2006-086 | Aug-06 | \$ 96,737,729 | \$ 217,737,729 |
| 2006-091 | Aug-06 | \$ 54,809,591 | \$ 239,809,591 |
| 2006-097 | Sep-06 | \$ 249,866,731 | \$ 327,866,731 |
| 2006-102 | Sep-06 | \$ 125,661,972 | \$ 446,215,932 |
| 2006-104 | Oct-06 | \$ 74,820,673 | \$ 1,185,593,901 |
| 2006-105 | Oct-06 | \$ 36,695,610 | \$ 731,814,897 |
| 2006-106 | Oct-06 | \$ 47,747,251 | \$ 815,090,666 |
| 2006-109 | Oct-06 | \$ 30,763,415 | \$ 372,870,447 |
| 2006-111 | Oct-06 | \$ 49,844,304 | \$ 336,374,401 |
| 2006-127 | Dec-06 | \$ 135,832,882 | \$ 257,432,882 |
| Total Issuance (Re-remic Portion) | | \$ 5,737,915,717 | |
| Total Issuance (Re-remic Deals) | | \$ 24,606,750,804 | |
| Total Issuance (All Deals) | | \$102,479,527,012 | |

through November 2007. \$5.3 billion was comprised of classes collateralized by previously-issued REMICs or RCR certificates.

In 2006, Fannie Mae issued 32 REMICs for a total of \$24.6 billion which were completely or in part collateralized by previously-issued REMIC and/or RCR certificates. This amount is approximately 24 percent of the \$102 billion in total REMIC issuance in 2006. Exhibit 6 provides trust numbers, issuance month, issuance amount for the re-REMIC portion of these trusts and total deal issuance amount for these trusts in 2006. \$5.7 billion, or approximately 24 percent, of that total deal amount was comprised of classes collateralized by previously-issued REMICs or RCR certificates.

Benefits of Resecuritizing Existing REMIC Classes and RCR Classes

Another example of built-in flexibility offered by Fannie Mae's Structured Mortgage Transaction Group is the ability to recombine SMBS classes.

Existing REMIC classes and RCR classes are easy to restructure and there are many benefits and advantages to the marketplace of having this type of execution available. In dynamic market conditions, market participants are not limited to using newly issued MBS as collateral for Fannie Mae REMICs, but have the additional flexibility to consider existing REMIC classes and/or RCR classes as collateral for new REMICs. In addition, analysts can model cash flows for RCR classes and re-REMICs classes, according to the characteristics of each class, as they can for other Fannie Mae REMIC classes. These re-REMICs and RCR classes can provide valuable flexibility for market participants looking to create securities that meet the needs of investors as market conditions change, for example, exchanging fixed-rate for floating-rate classes, exchanging a class earning a higher-rate coupon for a lower-rate coupon, or exchanging one class for another with shorter or longer durations.

Recombinable SMBS

Another example of built-in flexibility offered by Fannie Mae's Structured Mortgage Transaction Group is the ability to exchange SMBS classes. Exhibit 7 shows how Fannie Mae Stripped Mortgage-Backed Securities (SMBS) are often structured to provide investors with flexibility to respond to changing market conditions by recombining original IO and PO classes into pre-defined different classes, with their own CUSIPs, offering a wide range of fixed-rate and floating-rate characteristics. For example, cash flows from Fannie Mae MBS back a Mega security whose cash flows back payments to two original classes of an SMBS, one in-

terest only and one principal only. A market participant who owns the original PO class and/or the original IO class that pays a fixed pass-through rate can exchange these original classes in pre-determined proportions for discount and premium classes with higher or lower fixed pass-through rates if the market moves and grants greater liquidity for securities with higher or lower fixed-pass through rates. Additionally, the original PO and IO classes can also be exchanged for combinations of pre-defined classes that include floating-rate, inverse IOs, and other types of securities. The original classes generally can be exchanged for the Mega security as well. These recombinable SMBS classes are listed in the preliminary data statement or prospectus supplement for each SMBS which is available on fanniemae.com at <http://www.fanniemae.com/mbs/documents/smbs/preliminarydata/index.jhtml?p=Mortgage-backed+Securities&s=Prospectuses+%26+Related+Documents&t=SMBS&q=Preliminary+Data+Statements>

SMBS Trust Number 380, issued on June 1, 2007, provides an example of how this flexibility works. See Exhibit 8. The original PO Class 1 (CUSIP 316FFAA7) has a balance of \$2,375,000,000 and the original IO Class 2 (CUSIP 316FFAB5) pays an annual pass-through rate of 6.5% and has a notional balance of \$2,375,000,000 as specified in the securities preliminary data statement available on efanniemae.com at <http://www.efanniemae.com/syndicated/documents/mbs/smbssprelim/380.pdf>

The cash flows in these classes are backed by a collection of Fannie Mae CL-prefix pools with a 6.5% pass through rate. The specific pools can be viewed in the final statement of the associated Mega pool CL-190380 available on fanniemae.com at <http://sls.fanniemae.com/slsSearch/fanniemae/Home.do>

In addition to these original classes of SMBS, 22 additional fixed-rate classes with annual pass-through rates ranging from 0.5% to 11% are authorized for issuance. An additional 60 combinations of fixed- and/or floating-rate classes are authorized for issuance in exchange for pre-defined proportions of the original IO and PO classes as specified in the same preliminary data statement as well. 262 additional classes in total are authorized for this security. Exhibit 9 illustrates a few of the possible exchanges of the SMBS classes.

For example, if the market moves such that a market par-

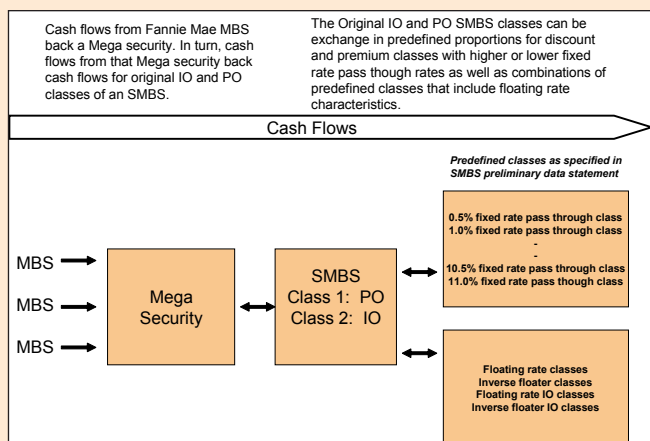


Exhibit 7

Preliminary Data Statement to Prospectus Dated May 1, 2002



Stripped Mortgage-Backed Securities Trust Number 380 CL

The SMBS Certificates

We, the Federal National Mortgage Association or Fannie Mae, will issue the classes of SMBS certificates listed below. The issue date for the certificates will be June 1, 2007.

| Class | Original Class Balance | Principal Type | Annual Pass-Through Rate | Interest Type | CUSIP Number |
|-------|---------------------------|----------------|--------------------------|---------------|-----------------|
| 1 | \$2,375,000,000 | PT | (1) | PO | 3136FFAA7 |
| 2 | 2,375,000,000(2) | NTL | 6.5% | FIX/IO | 3136FFAB5 |

(1) Principal only class.
(2) Notional balance. This class is an interest only class.

The Trust and Its Assets

SMBS Trust Number 380 CL will consist of one Fannie Mae Mega certificate (Mega Trust Number CL-190380). The Fannie Mae Mega certificate will be backed by Fannie Mae MBS either directly or indirectly through one or more other Fannie Mae Mega certificates. On the settlement date of June 28, 2007, the SMBS trust balance will be \$2,375,000,000.

Exhibit 8

participant would prefer to own a class with a coupon of 6.0% that pays principal and interest than the original IO Class 1 which has a 6.5% annual pass-through rate, they can exchange \$2,375,000,000 of the original Class 1 PO and \$2,192,307,692 (notional) of the original Class 2 IO for \$2,375,000,000 of Class 14 which is a pass-through class paying a fixed 6.0% annual pass-through rate. Descriptive information on Class 14, as well as other recombining SMBS classes can be accessed via Bloomberg by entering the security's CUSIP <mtg> DES. See Exhibit 10.

A second example, is that \$2,237,000,000 (notional) of the original Class 2 IO can be exchanged for \$2,205,357,142 (notional) floating interest rate IO Class FI1 and \$2,205,537,142 (notional) of inverse floating interest rate IO Class S1. Class FI1 will have an initial interest rate of 5.52%, a maximum interest rate of 7.00%, a minimum interest rate of 0.20%, with the interest rate determined as LIBOR + 20 basis points. Class S1 will have an initial interest rate of 1.48%, a maximum interest rate of 6.8% and a minimum interest rate of 0.00%, with the interest rate calculated as 6.80%-LIBOR.

The interest-rate characteristics of each recombining SMBS

class are described in the preliminary data statement which is available at the link above. SMBS classes generally can also be exchanged for one or more Mega certificate associated with this security. All of the possible exchanges are laid out in advance in the disclosure documents and provide valued flexibility for market participants.

Guaranty of Recombinable SMBS Classes

Like other Fannie Mae-issued mortgage-backed securities, SMBS carry a guaranty of timely payment of principal and interest to investors as described in the related SMBS Prospectus which can be found on Fannie Mae's web site at <http://www.fanniemae.com/mbs/documents/smbbs/prospectus/index.jhtml;jsessionid=YNMSG3C1F5GUVJ2FQSHSFGI?p=Mortgage-Backed+Securities&s=Prospectuses+%26+Related+Documents&t=SMBS&q=Prospectuses>

The guaranty of Fannie Mae is not backed by the full faith and credit of the U.S. government.

Process for Exchanging SMBS Classes

The following examples illustrate a few of the possible exchanges of SMBS certificates

| | Class Surrendered | Original Principal or Notional Principal Balance | Class Received | Original Principal or Notional Principal Balance | Principal Type | Interest Rate | Interest Type |
|------------------|----------------------|--|-------------------|--|-------------------|------------------|------------------|
| Example 1 | 1 | \$2,375,000,000 | 14 | \$2,375,000,000 | PT | 6.0% | FIX |
| | 2 | 2,192,307,692 | | | | | |
| Example 2 | 2 | 2,375,000,000 | F11 | 2,205,357,142 | NTL | * | FLT/IO |
| | | | S1 | 2,205,357,142 | NTL | * | INV/IO |
| Example 3 | 1 | 2,205,357,142 | F1 | 2,205,357,142 | PT | * | FLT |
| | F11 | 2,205,357,142 | | | | | |
| Example 4 | 1 | 169,642,858 | SA1 | 169,642,858 | PT | * | INV |
| | S1 | 2,205,357,142 | | | | | |

* See "-Interest Distributions- Interest Rates" below.

Exhibit 9

3136FFAP4 Mtge DES Mtge DES

Bloomberg SECURITY DESCRIPTION Page 1 of 2

FNS 380 14 6% 7/25/37 Pro

CUSIP: 3136FFAP4 Issuer: FANNIEMAE STRIP

Series 380 Class 14 Col Mtgy 7/25/37

STRIPS: EXCH,PT

| CURRENT | ORIGINAL ISSUE |
|---------------------|---------------------|
| Nov07 2,178,803,459 | USD 2,375,000,000 |
| " Fact .917390930 | WAL 7.4Yr @ 200PSA |
| Coupon 6% | 1st coupon 6% |
| Next Paymt 12/25/07 | 1st paymnt 7/25/07 |
| Rcd date 11/30/07 | 1st settle 6/28/07 |
| Beg accrue 11/1/07 | Dated date 6/1/07 |
| End accrue 11/30/07 | px 6/4/07 |
| Class/Deal Pct N/A | Class/Deal Pct 100% |

Monthly PAYMENT
pays 25th day
24 day delay
accrues 30/360

NON-CALLABLE
Lead Mgr: BS
Trustee: FNM
VOLATILITY
GRADE 2ED
FFIEC: "Fail"

65) Personal Notes 14) Identifiers FNCL 6.5 N 343wam 7.05wac

| | Dec07 | Nov | Oct | Sep | Aug | Jul | Jun07 |
|------|-------|------|------|------|------|------|-------|
| PSA | 541 | 631 | 621 | 705 | 890 | 1023 | - |
| CPR | 15.9 | 17.4 | 15.8 | 16.6 | 19.2 | 20.1 | - |
| FACT | - | .92 | .93 | .95 | .96 | .98 | 1.00 |
| CPN | - | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |

MinSize 100000 Incr 1

Australia 61 2 3277 8600 Brazil 5511 3048 4500 Europe 44 20 7230 7500 Germany 49 69 320410 Hong Kong 852 2577 6500 Japan 81 3 3201 8500 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2007 Bloomberg Finance L.P. 07-Dec-2007 11:22:51

Exhibit 10

Just as when exchanging existing REMIC classes for RCR classes, if an investor wishes to exchange a specified SMBS class, he or she should notify Fannie Mae's Structured Transactions Department through one of our REMIC Dealer Group members.

In connection with each exchange, Fannie Mae assesses a fee as described in the SMBS prospectus which is available on <http://www.fanniemae.com/mbs/documents/smbps/prospectus/index.jhtml;jsessionid=YNMSG3C1F5GUVJ2FQSHSFGI?p=Mortgage-Backed+Securities&s=Prospectuses+%26+Related+Documents&t=SMBS&q=Prospectuses>

Summary

In this edition of MBSenger, we review many of the flexible characteristics of Fannie Mae's structured mortgage transactions that provide market participants flexibility and enhanced liquidity which are valued in the market place. We remind dealers and investors who use REMICs about the characteristics of RCR certificates and discuss how they and other classes from previously-issued REMICs are commonly incorporated as collateral into newly-issued Fannie Mae REMICs. We also review specific examples of these re-REMICs issued in 2007 and issuance statistics for these types of securities. In addition, we discuss how recombining classes of SMBS can provide valued flexibility and enhanced liquidity to investors in these securities.

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