

Prospectus Supplement
(To Prospectus dated December 29, 1992)

\$410,000,000
Federal National Mortgage Association



Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 1993-70

The Guaranteed REMIC Pass-Through Certificates offered hereby (the "Certificates") will represent beneficial ownership interests in one of two trust funds. The Certificates, other than the RL Class, will represent beneficial ownership interests in Fannie Mae REMIC Trust 1993-70 (the "Trust"). The assets of the Trust will consist of the "regular interests" in a separate trust fund (the "Lower Tier REMIC"). The assets of the Lower Tier REMIC will consist of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the "MBS"), each of which will represent a beneficial interest in a pool (the "Pool") of first lien, single-family, fixed-rate residential mortgage loans (the "Mortgage Loans") having the characteristics described herein. The Certificates will be issued and guaranteed as to timely distribution of principal and interest by Fannie Mae and offered by Fannie Mae pursuant to its Prospectus for Guaranteed Mortgage Pass-Through Certificates (the "MBS Prospectus"), available as described herein, and its Prospectus for Guaranteed REMIC Pass-Through Certificates (the "REMIC Prospectus"), accompanying this Prospectus Supplement.

Elections will be made to treat the Lower Tier REMIC and the Trust as "real estate mortgage investment conduits" ("REMICs") pursuant to the Internal Revenue Code of 1986, as amended (the "Code"). The R and RL Classes will be subject to transfer restrictions. See "Description of the Certificates—Characteristics of the R and RL Classes" and "Certain Additional Federal Income Tax Consequences" herein, and "Description of the Certificates—Additional Characteristics of Residual Certificates" and "Certain Federal Income Tax Consequences" in the REMIC Prospectus.

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THE CERTIFICATES, TOGETHER WITH ANY INTEREST THEREON, ARE NOT GUARANTEED BY THE UNITED STATES. THE OBLIGATIONS OF FANNIE MAE UNDER ITS GUARANTY OF THE CERTIFICATES ARE OBLIGATIONS SOLELY OF FANNIE MAE AND DO NOT CONSTITUTE AN OBLIGATION OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY THEREOF OTHER THAN FANNIE MAE. THE CERTIFICATES ARE EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933 AND ARE "EXEMPTED SECURITIES" WITHIN THE MEANING OF THE SECURITIES EXCHANGE ACT OF 1934.

Class	Original Principal Balance	Principal Type (1)	Interest Rate	Interest Type (1)	Final Distribution Date
A	\$110,000,000	STP	(2)	PO	May 2023
B	99,775,075	SEQ	5.75%	FIX	April 2016
C	38,237,800	SEQ	6.90	FIX	March 2018
F	54,638,725	SEQ	(3)	FLT	April 2016
S	(4)	NTL	(3)	INV/IO	April 2016
FA	57,217,923	SEQ	(3)	FLT	May 2021
SA	13,835,958	SEQ	(3)	INV	May 2021
SB	7,724,419	SEQ	(3)	INV	May 2021
FC	(4)	NTL	(3)	FLT/IO	May 2023
SC	(4)	NTL	(3)	INV/IO	May 2023
D	8,679,000	AD	6.90	FIX	December 2003
E	11,751,600	AD	6.90	FIX	August 2011
Z	8,139,500	SEQ	6.90	Z	May 2023
R	0	NPR	0	NPR	May 2023
RL	0	NPR	0	NPR	May 2023

- (1) See "Description of the Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus and "Description of the Certificates—Distributions of Interest" and "—Distributions of Principal" herein.
- (2) The A Class will be a Principal Only Class and will not bear interest.
- (3) The F and S Classes will bear interest based on "LIBOR," the FA, SA and SB Classes will bear interest based on the "COFI," the FC Class will bear interest based on the difference between the "10-Year Treasury Index" and the "2-Year Treasury Index" and the SC Class will bear interest based on the difference between the "2-Year Treasury Index" and the "10-Year Treasury Index," as described under "Description of the Certificates—Distributions of Interest" herein and "Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes" in the REMIC Prospectus.
- (4) The S, FC and SC Classes will be Notional Classes, will have no principal balances and will bear interest on their notional principal balances (initially, \$10,927,745, \$100,000,000 and \$100,000,000, respectively). The notional principal balance of the S Class will be calculated based on the principal balance of a Sequential Class. The notional principal balances of the FC and SC Classes will each be calculated based on the principal balance of all Classes. See "Description of the Certificates—General—Notional Classes."

The Certificates will be offered by Bear, Stearns & Co. Inc. (the "Dealer") from time to time in negotiated transactions, at varying prices to be determined at the time of sale.

The Certificates will be offered by the Dealer, subject to issuance by Fannie Mae and to prior sale or to withdrawal or modification of the offer without notice, when, as and if delivered to and accepted by the Dealer, and subject to approval of certain legal matters by counsel. It is expected that the Certificates, except for the R and RL Classes, will be available through the book-entry system of the Federal Reserve Banks on or about May 28, 1993 (the "Settlement Date"). It is expected that the R and RL Classes in registered, certificated form will be available for delivery at the offices of Bear, Stearns & Co. Inc., 245 Park Avenue, New York, New York 10167, on or about the Settlement Date.

Bear, Stearns & Co. Inc.
April 7, 1993

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THE CERTIFICATES MAY NOT BE SUITABLE INVESTMENTS FOR ALL INVESTORS. NO INVESTOR SHOULD PURCHASE CERTIFICATES UNLESS SUCH INVESTOR UNDERSTANDS AND IS ABLE TO BEAR THE PREPAYMENT, YIELD, LIQUIDITY AND OTHER RISKS ASSOCIATED WITH SUCH CERTIFICATES.

The yield to investors in each Class will be sensitive in varying degrees to the rate of principal payments of the Mortgage Loans, the characteristics of the Mortgage Loans actually included in the Pool, the purchase price paid for the related Class and, in the case of any Floating Rate and Inverse Floating Rate Classes, the level of the applicable Index (as defined herein) or the difference between certain specified Indices. Accordingly, investors should consider the following risks:

- The Mortgage Loans generally may be prepaid at any time without penalty, and, accordingly, the rate of principal payments thereon is likely to vary considerably from time to time.
- Slight variations in Mortgage Loan characteristics could substantially affect the weighted average lives and yields of some or all of the Classes.
- In the case of any Certificates purchased at a discount to their principal amounts, a slower than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Certificates purchased at a premium to their principal amounts, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield.
- In the case of any Interest Only Class, a faster than anticipated rate of principal payments is likely to result in a lower than anticipated yield and, in certain cases, an actual loss on the investment.
- The yield on any Floating Rate or Inverse Floating Rate Class will be sensitive to the level of the applicable Index (or to the difference between certain specified Indices), particularly if the interest rate thereon fluctuates as a multiple of such Index (or such difference).

See “Description of the Certificates—Yield Considerations” herein.

In addition, investors should purchase Certificates only after considering the following:

- The actual final payment of any Class will likely occur earlier, and could occur much earlier, than the Final Distribution Date for such Class specified on the cover page. See “Description of the Certificates—Weighted Average Lives of the Certificates” herein and “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the REMIC Prospectus.
- The rate of principal distributions of the Certificates is uncertain and investors may be unable to reinvest the distributions thereon at yields equaling the yields on the Certificates. See “Description of the Certificates—Reinvestment Risk” in the REMIC Prospectus.
- Investors whose investment activities are subject to legal investment laws and regulations or to review by regulatory authorities may be subject to restrictions on investment in certain Classes of the Certificates. Investors should consult their legal advisors to determine whether and to what extent the Certificates constitute legal investments or are subject to restrictions on investment. See “Legal Investment Considerations” in the REMIC Prospectus.

The Dealer intends to make a market for the Certificates but is not obligated to do so. There can be no assurance that such a secondary market will develop or, if developed, that it will continue. Thus, investors may not be able to sell their Certificates readily or at prices that will enable them to realize their anticipated yield. No investor should purchase Certificates unless such investor understands and is able to bear the risk that the value of the Certificates will fluctuate over time and that the Certificates may not be readily salable.

These securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission nor has the Securities and Exchange Commission or any state securities commission passed upon the accuracy or adequacy of this Prospectus Supplement, the REMIC Prospectus or the MBS Prospectus. Any representation to the contrary is a criminal offense.

This Prospectus Supplement does not contain complete information about the Certificates. Investors should purchase Certificates only after reading this Prospectus Supplement, the REMIC Prospectus, the MBS Prospectus dated January 1, 1993 and the Fannie Mae Information Statement dated February 16, 1993 and any supplements thereto (the “Information Statement”). The MBS Prospectus and the Information Statement are incorporated herein by reference and may be obtained from Fannie Mae by writing or calling its MBS Helpline at 3900 Wisconsin Avenue, N.W., Area 2H-2N, Washington, D.C. 20016 (telephone 1-800-BEST-MBS or 202-752-6547). Such documents may also be obtained from Bear, Stearns & Co. Inc. by writing or calling its Prospectus Department at One MetroTech Center North, Brooklyn, New York 11201 (telephone 212-272-1581).

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DESCRIPTION OF THE CERTIFICATES

The following summaries describing certain provisions of the Certificates do not purport to be complete and are subject to, and are qualified in their entirety by reference to, the REMIC Prospectus, the MBS Prospectus and the provisions of the Trust Agreement (defined below). Capitalized terms used and not otherwise defined in this Prospectus Supplement have the respective meanings assigned to such terms in the REMIC Prospectus (including the Glossary contained therein), the MBS Prospectus or the Trust Agreement (as the context may require).

General

Structure. The Trust and the Lower Tier REMIC will be created pursuant to a trust agreement dated as of May 1, 1993 (the “Trust Agreement”), executed by the Federal National Mortgage Association (“Fannie Mae”) in its corporate capacity and in its capacity as Trustee, and the Certificates in the Classes and aggregate original principal balances set forth on the cover hereof will be issued by Fannie Mae pursuant thereto. A description of Fannie Mae and its business, together with certain financial statements and other financial information, is contained in the Information Statement.

The Certificates (other than the R and RL Classes) will be designated as the “regular interests,” and the R Class will be designated as the “residual interest,” in the REMIC constituted by the Trust. The interests in the Lower Tier REMIC other than the RL Class (the “Lower Tier Regular Interests”) will be designated as the “regular interests,” and the RL Class will be designated as the “residual interest,” in the Lower Tier REMIC.

The assets of the Trust will consist of the Lower Tier Regular Interests, and the Certificates, other than the RL Class, will evidence the entire beneficial ownership interest in the distributions of principal and interest on the Lower Tier Regular Interests.

The assets of the Lower Tier REMIC will consist of the MBS, and the Lower Tier Regular Interests and the RL Class (collectively, the “Lower Tier Interests”) will in the aggregate evidence the entire beneficial ownership interest in the distributions of principal and interest on the MBS.

MBS Distributions. The MBS will provide that principal and interest on the underlying Mortgage Loans will be passed through monthly, commencing on the 25th day of the month following the month of the initial issuance of the MBS (or, if such 25th day is not a business day, on the first business day next succeeding such 25th day).

Fannie Mae Guaranty. Fannie Mae guarantees to each holder of an MBS the timely payment of scheduled installments of principal of and interest on the underlying Mortgage Loans, whether or not received, together with the full principal balance of any foreclosed Mortgage Loan, whether or not such balance is actually recovered. In addition, Fannie Mae will be obligated to distribute on a timely basis to the Holders of Certificates required installments of principal and interest and to distribute the principal balance of each Class of Certificates in full no later than the applicable Final Distribution Date, whether or not sufficient funds are available in the MBS Account. The guaranties of Fannie Mae are not backed by the full faith and credit of the United States. See “Description of the Certificates—Fannie Mae’s Guaranty” in the REMIC Prospectus and “Description of Certificates—The Corporation’s Guaranty” in the MBS Prospectus.

Characteristics of Certificates. The Certificates, other than the R and RL Certificates, will be issued and maintained and may be transferred by Holders only on the book-entry system of the Federal Reserve Banks. Such entities whose names appear on the book-entry records of a Federal Reserve Bank as the entities for whose accounts such Certificates have been deposited are herein referred to as “Holders” or “Certificateholders.” A Holder is not necessarily the beneficial owner of a book-entry Certificate. Beneficial owners will ordinarily hold book-entry Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. See “Description of the Certificates—Denominations, Book-Entry Form” in the REMIC Prospectus.

The R and RL Certificates will not be issued in book-entry form but will be issued in fully registered, certificated form. As to the R or RL Certificate, “Holder” or “Certificateholder” refers to the registered owner thereof. The R and RL Certificates will be transferable at the corporate trust office of the Transfer Agent, or at the agency of the Transfer Agent in New York, New York. The Transfer Agent initially will be State Street Bank and Trust Company in Boston, Massachusetts (“State Street”). A service charge may be imposed for any registration of transfer of the R or RL Certificate and Fannie Mae may require payment of a sum sufficient to cover any tax or other governmental charge. See also “Characteristics of the R and RL Classes” herein.

The distribution to the Holder of the R or RL Certificate of the proceeds of any remaining assets of the Trust or the Lower Tier REMIC, as applicable, will be made only upon presentation and surrender of the related Certificate at the office of the Paying Agent. The Paying Agent initially will be State Street.

Notional Classes. The S, FC and SC Classes will be Notional Classes. A Notional Class will have no principal balance and will bear interest at the per annum interest rate set forth on the cover or described herein during each Interest Accrual Period on the related notional principal balance. The notional principal balance of each Notional Class will be equal to the indicated percentage of the outstanding principal balance of the following Classes immediately prior to the related Distribution Date:

<u>Class</u>	<u>Percentage of Principal Balance of Specified Class</u>
S	20% of F Class
FC	24.3902439024% of All Classes
SC	24.3902439024% of All Classes

The notional principal balance of a Notional Class is used for purposes of the determination of interest distributions thereon and does not represent an interest in the principal distributions of the MBS or the underlying Mortgage Loans. Although a Notional Class will not have a principal balance, a REMIC Trust Factor (as described herein) will be published with respect to any such Class that will be applicable to the notional principal balance thereof, and references herein to the principal balances of the Certificates generally shall be deemed to refer also to the notional principal balance of any Notional Class.

Authorized Denominations. The Certificates, other than the R and RL Certificates, will be issued in minimum denominations of \$1,000 and integral multiples of \$1 in excess thereof. Each of the R and RL Classes will be issued as a single certificate and will not have a principal balance.

Distribution Dates. Distributions on the Certificates will be made on the 25th day of each month (or, if such 25th day is not a business day, on the first business day next succeeding such 25th day), commencing in the month following the Settlement Date.

Calculation of Distributions. Interest on the interest-bearing Certificates is calculated on the basis of a 360-day year consisting of twelve 30-day months and is distributable monthly on each Distribution Date, commencing (except with respect to the Accrual Classes, if any) in the month after the Settlement Date. Interest to be distributed or, in the case of any Accrual Classes, added to principal on each interest-bearing Certificate on a Distribution Date will consist of one month’s interest on the outstanding principal balance of such Certificate immediately prior to such Distribution Date. Interest to be distributed or, in the case of any Accrual Classes, added to principal on a Distribution Date will accrue on the interest-bearing Certificates during the one month periods set forth herein under “Distributions of Interest—*Interest Accrual Periods.*” Principal on the Certificates will be distributed on each Distribution Date in an amount equal to the sum of the aggregate distributions of principal concurrently made on the MBS and any interest accrued and added on such

Distribution Date to the principal balances of the Accrual Classes, if any. See “Distributions of Principal” herein.

Record Date. Each monthly distribution on the Certificates will be made to Holders of record on the last day of the preceding month.

REMIC Trust Factors. As soon as practicable following the eleventh calendar day of each month, Fannie Mae will publish or otherwise make available for each Class of Certificates the factor (carried to eight decimal places) which, when multiplied by the original principal balance of a Certificate of such Class, will equal the remaining principal balance of such Certificate after giving effect to the distribution of principal to be made on the following Distribution Date and any interest to be added as principal to the principal balances of any Accrual Classes on such Distribution Date.

Optional Termination. Consistent with its policy described under “Description of Certificates—Termination” in the MBS Prospectus, Fannie Mae will agree not to effect indirectly an early termination of the Trust or the Lower Tier REMIC through the exercise of its right to repurchase the Mortgage Loans underlying any MBS unless only one Mortgage Loan remains in the related Pool or the principal balance of such Pool at the time of repurchase is less than one percent of the original principal balance thereof.

The MBS

The MBS underlying the Certificates will have the aggregate unpaid principal balance and Pass-Through Rate set forth below and the general characteristics described in the MBS Prospectus. The Mortgage Loans will be conventional Level Payment Mortgage Loans secured by a first mortgage or deed of trust on a one- to four-family (“single-family”) residential property, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. The characteristics of the MBS and Mortgage Loans as of May 1, 1993 (the “Issue Date”) are expected to be as follows:

MBS

Aggregate Unpaid Principal Balance	\$410,000,000
Pass-Through Rate	7.00%

Mortgage Loans

Range of WACs (per annum percentages)	7.25% to 9.50%
Range of WAMs	180 months to 360 months
Approximate Weighted Average WAM	357 months
Approximate Weighted Average CAGE	3 months

Following the issuance of the Certificates, Fannie Mae will prepare a Final Data Statement setting forth the Pool number, the current WAC (or original WAC, if the current WAC is not available) and the current WAM (or Adjusted WAM, if the current WAM is not available) of the Mortgage Loans underlying each MBS, along with the weighted average of all the current or original WACs and the weighted average of all the current or Adjusted WAMs, based on the current unpaid principal balances of the Mortgage Loans underlying the MBS as of the Issue Date. The Final Data Statement will not accompany this Prospectus Supplement but will be made available by Fannie Mae. To request the Final Data Statement, telephone Fannie Mae at 1-800-BEST-MBS or 202-752-6547. The contents of the Final Data Statement and other data specific to the Certificates are available in electronic form by calling Fannie Mae at 1-800-752-6440 or 202-752-6000.

Distributions of Interest

Categories of Classes

For the purpose of payments of interest, the Classes will be categorized as follows:

<u>Interest Type*</u>	<u>Classes</u>
Fixed Rate	B, C, D, E and Z
Floating Rate	F, FA and FC
Inverse Floating Rate	S, SA, SB and SC
Interest Only	S, FC and SC
Principal Only	A
Accrual	Z
No Payment Residual	R and RL

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

General. The interest-bearing Certificates will bear interest at the respective per annum interest rates set forth on the cover or described herein. Interest on the interest-bearing Certificates is calculated on the basis of a 360-day year consisting of twelve 30-day months and is distributable monthly on each Distribution Date, commencing (except with respect to any Accrual Classes) in the month after the Settlement Date. Interest to be distributed or, in the case of any Accrual Classes, added to principal on each interest-bearing Certificate on a Distribution Date will consist of one month’s interest on the outstanding principal balance of such Certificate immediately prior to such Distribution Date.

Interest Accrual Periods. Interest to be distributed or added to principal on a Distribution Date will accrue on the interest-bearing Certificates during the one-month periods set forth below (each, an “Interest Accrual Period”).

<u>Classes</u>	<u>Interest Accrual Period</u>
F and S (collectively, the “No Delay Classes”)	One month period beginning on the 25th day of the month preceding the month of the Distribution Date and ending on the 24th day of the month of the Distribution Date
All other interest-bearing Classes (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs

See “Yield Considerations” herein.

Accrual Classes. The Z Class is an Accrual Class. Interest will accrue on the Accrual Class at the per annum rate set forth on the cover hereof. However, such interest will not be distributed until the Distribution Date following the Distribution Date on which such Class receives its first payment of principal. Interest so accrued and unpaid on the Accrual Class will be added as principal to the principal balance thereof on each Distribution Date. Distributions of principal of the Accrual Class will be distributed as described herein.

Floating Rate and Inverse Floating Rate Classes. Each of the following Classes will bear interest during its initial Interest Accrual Period (or, in the case of the F and S Classes, during their initial twelve Interest Accrual Periods) at the Initial Interest Rate set forth below, and will bear interest

during each Interest Accrual Period thereafter, subject to the applicable Maximum and Minimum Interest Rates, at the rate determined as described below:

Class	Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate
F*	4.00000%	9.00000%	0.50000%	LIBOR + 50 basis points
S*	25.00000%	42.50000%	0.00000%	42.5% - (5 × LIBOR)
FA	5.48000%	9.50000%	1.15000%	COFI + 115 basis points
SA	11.04165%	28.94815%	0.00000%	28.948156% - (4.135451 × COFI)
SB**	10.00000%	10.00000%	0.00000%	61.851856% - (7.407408 × COFI)
FC**	8.00000%	8.00000%	0.00000%	((10-Year Treasury Index - 2-Year Treasury Index) × 4.571429) - 0.685715%
SC**	0.00000%	8.00000%	0.00000%	((2-Year Treasury Index - 10-Year Treasury Index) × 4.571429) + 8.685715%

* The F and S Classes will bear interest during their initial twelve Interest Accrual Periods at the Initial Interest Rate set forth in the table.

** The Initial Interest Rates of the FC and SB Classes are their Maximum Interest Rates, and the Initial Interest Rate of the SC Class is its Minimum Interest Rate.

The yields with respect to such Classes will be affected by changes in the applicable index (each, an “Index”) and, in the case of the FC and SC Classes, to changes in the difference between two Indices, as set forth in the table above, which changes may not correlate with changes in mortgage interest rates. It is possible that lower mortgage interest rates could occur concurrently with an increase in the level of an Index. Conversely, higher mortgage interest rates could occur concurrently with a decrease in the level of an Index.

Each Index value (except COFI) will be established as described herein by Fannie Mae two business days prior to the commencement of the related Interest Accrual Period. See “—COFI” below for a description of how COFI is established. The establishment of each Index value by Fannie Mae and Fannie Mae’s determination of the rate of interest for the applicable Classes for the related Interest Accrual Period shall (in the absence of manifest error) be final and binding. Each such rate of interest may be obtained by telephoning Fannie Mae at 1-800-BEST-MBS or 202-752-6547.

Calculation of LIBOR

On each LIBOR Determination Date, commencing in May 1994, until the principal balances of the F and S Classes (the “LIBOR Classes”) have been reduced to zero, Fannie Mae will establish LIBOR for the related Interest Accrual Period in the manner described in the REMIC Prospectus under “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—LIBOR.”

If on the initial LIBOR Determination Date, Fannie Mae is unable to determine LIBOR in the manner specified in the REMIC Prospectus, LIBOR for the next succeeding Interest Accrual Period will be 3.1875%.

COFI

Except as otherwise specified below, the amount of interest which will accrue in respect of the FA, SA and SB Classes (the “COFI Classes”) during each Interest Accrual Period following their initial Interest Accrual Period will be determined on the basis of the Eleventh District Cost of Funds Index for the second month next preceding the month in which such Interest Accrual Period commences if such Eleventh District Cost of Funds Index for such second preceding month is published on or before the tenth day of the month in which such Interest Accrual Period commences. For example, if the Eleventh District Cost of Funds Index for May is announced on or before July 10, interest accrued on the COFI Classes for the Interest Accrual Period commencing in July and distributable in August will be based on the Eleventh District Cost of Funds Index relating to May. If the Eleventh District Cost of Funds Index for the applicable month is not published on or before the tenth day of the second following month, interest will accrue on the COFI Classes at a rate determined as provided in the REMIC Prospectus under “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—COFI.” Under certain circumstances, an alternative index may be

applicable to the COFI Classes. A change of index from the Eleventh District Cost of Funds Index to an alternative index will result in a change in the index level, and, particularly if LIBOR is the alternative index, could increase its volatility.

For information regarding historical values of the Eleventh District Cost of Funds Index as reported by the Federal Home Loan Bank of San Francisco (“FHLBSF”), see “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—*COFI*” in the REMIC Prospectus.

The values of the Eleventh District Cost of Funds Index as reported by the FHLBSF for December 1992, January 1993 and February 1993 were 4.432%, 4.360% and 4.333%, respectively.

Calculation of the 2-Year Treasury Index

On each Treasury Index Determination Date, until the principal balances of the FC and SC Classes have been reduced to zero, Fannie Mae will ascertain the average yield on U.S. Treasury securities, adjusted to a constant maturity of two years, in effect for the week ending on the last Friday immediately preceding the related Treasury Index Determination Date in the manner described in the REMIC Prospectus under “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—*Treasury Index*” with respect to yields on U.S. Treasury securities at “constant maturity.”

Calculation of the 10-Year Treasury Index

On each Treasury Index Determination Date, until the principal balances of the FC and SC Classes have been reduced to zero, Fannie Mae will ascertain the average yield on U.S. Treasury securities, adjusted to a constant maturity of ten years, in effect for the week ending on the last Friday immediately preceding the related Treasury Index Determination Date in the manner described in the REMIC Prospectus under “Description of the Certificates—Indices Applicable to Floating Rate and Inverse Floating Rate Classes—*Treasury Index*” with respect to yields on U.S. Treasury securities at “constant maturity.”

Distributions of Principal

Categories of Classes

For the purpose of payments of principal, the Classes will be categorized as follows:

<u>Principal Type*</u>	<u>Classes</u>
Notional	S, FC and SC
Accretion Directed	D and E
Sequential	B, C, F, FA, SA, SB and Z
Strip	A
No Payment Residual	R and RL

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

Principal Distribution Amount

Principal will be distributed monthly on the Certificates in an amount (the “Principal Distribution Amount”) equal to the sum of (i) the aggregate distributions of principal concurrently made on the MBS (the “Cash Flow Distribution Amount”) and (ii) any interest accrued and added on such Distribution Date to the principal balance of the Accrual Class (the “Accrual Amount”).

Accrual Amount

On each Distribution Date, the Accrual Amount will be distributed, sequentially, as principal of the D and E Classes, until the respective principal balances thereof are reduced to zero. } **Accretion Directed Classes**

Cash Flow Distribution Amount

On each Distribution Date, the A Class will receive 26.8292682927% of the Cash Flow Distribution Amount, which percentage is equal to the proportion that the original principal balance of the A Class bears to the aggregate original principal balance of all of the Certificates. } **Strip Class**

Adjusted Principal Distribution Amount

On each Distribution Date, the excess of the Principal Distribution Amount over the amounts applied pursuant to the two preceding paragraphs (the “Adjusted Principal Distribution Amount”) will be distributed as principal of the Classes in the following order of priority:

- (i) concurrently, to the B and F Classes, in the proportions of 64.6153873553% and 35.3846126447%, respectively, until the principal balances thereof have been reduced to zero;
 - (ii) to the C Class, until the principal balance thereof is reduced to zero;
 - (iii) concurrently, to the FA, SA and SB Classes, in the proportions of 72.6315787469%, 17.5631588902% and 9.8052623629%, respectively, until the principal balances thereof are reduced to zero; and
 - (iv) sequentially, to the D, E and Z Classes, in alphabetical order, until the principal balances thereof are reduced to zero.
- } **Sequential Classes**

Structuring Assumptions

Pricing Assumptions. Unless otherwise specified, the information in the tables in this Prospectus Supplement has been prepared on the basis of the following assumptions (the “Pricing Assumptions”):

- each Mortgage Loan bears interest at a rate of 7.625% per annum and has an original term to maturity of 360 months, a CAGE of 3 months and a remaining term to maturity of 357 months;
- the Mortgage Loans prepay at the *constant* percentages of PSA specified in the related table;
- the closing date for the sale of the Certificates is the Settlement Date; and
- the first Distribution Date for the Certificates occurs in the month following the Settlement Date.

PSA Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used in this Prospectus Supplement is the Public Securities Association's standard prepayment model ("PSA"). To assume a specified rate of PSA (for example, 175% PSA) is to assume a specified rate of prepayment each month of the then outstanding principal balance of a pool of new mortgage loans computed as described under "Description of the Certificates—Prepayment Considerations and Risks" in the REMIC Prospectus. There is no assurance that prepayments will occur at any PSA rate or at any other constant rate.

Characteristics of the R and RL Classes

The R and RL Certificates will not have principal balances and will not bear interest. The Holder of the R Certificate will be entitled to receive the proceeds of the remaining assets of the Trust, if any, after the principal balances of all Classes have been reduced to zero, and the Holder of the RL Certificate will be entitled to receive the proceeds of the remaining assets of the Lower Tier REMIC, if any, after the principal balances of the Lower Tier Interests have been reduced to zero. It is not anticipated that there will be any material assets remaining in either such circumstance.

The R Class and the RL Class will be subject to certain transfer restrictions. No transfer of record or beneficial ownership of an R or RL Certificate will be allowed to a "disqualified organization." In addition, no transfer of record or beneficial ownership of an R or RL Certificate will be allowed to any person that is not a "U.S. Person" without the written consent of Fannie Mae. Under regulations issued by the Treasury Department on December 23, 1992 (the "Regulations"), a transfer of a "noneconomic residual interest" to a U.S. Person will be disregarded for all federal tax purposes unless no significant purpose of the transfer is to impede the assessment or collection of tax. The R and RL Certificates will constitute noneconomic residual interests under the Regulations. Any transferee of an R or RL Certificate must execute and deliver an affidavit and an Internal Revenue Service Form W-9 on which the transferee provides its taxpayer identification number. See "Description of the Certificates—Additional Characteristics of Residual Certificates" and "Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates" in the REMIC Prospectus. Transferors of an R or RL Certificate should consult with their own tax advisors for further information regarding such transfers.

The Holder of the R Certificate will be considered to be the holder of the "residual interest" in the REMIC constituted by the Trust, and the Holder of the RL Certificate will be considered to be the holder of the "residual interest" in the REMIC constituted by the Lower Tier REMIC. See "Certain Federal Income Tax Consequences" in the REMIC Prospectus. Pursuant to the Trust Agreement, Fannie Mae will be obligated to provide to such Holders (i) such information as is necessary to enable them to prepare their federal income tax returns and (ii) any reports regarding the Certificates that may be required under the Code.

Yield Considerations

General. There can be no assurance that the Mortgage Loans will have the characteristics assumed herein or will prepay at any of the rates assumed herein or at any other particular rate, that the pre-tax yields on the Certificates will correspond to any of the pre-tax yields shown herein or that the aggregate purchase prices of the Certificates will be as assumed. In addition, there can be no assurance that the applicable Index (or the difference between certain specified Indices) will correspond to the levels shown herein. Because the rate of principal distributions on the Certificates will be related to the amortization of the Mortgage Loans in each Pool, which are likely to include Mortgage Loans that have remaining terms to maturity shorter or longer than those assumed and interest rates higher or lower than those assumed, the principal distributions on the Certificates are likely to differ from those assumed, even if all Mortgage Loans prepay at the indicated constant percentages of PSA. In addition, it is not likely that the Mortgage Loans will prepay at a constant PSA rate until maturity, that all of such Mortgage Loans will prepay at the same rate or that the level of the applicable Index (or the difference between certain specified Indices) will remain constant.

The timing of changes in the rate of prepayments, the level of the applicable Index or the difference between certain specified Indices may significantly affect the actual yield to maturity to investors, even if the average rate of principal prepayments, the average level of such Index or the average amount of such difference is consistent with the expectations of investors. In general, the earlier the payment of principal of the Mortgage Loans, the change in the level of an Index or the change in the difference between certain specified Indices, the greater the effect on an investor's yield to maturity. As a result, the effect on an investor's yield of principal prepayments, the level of an Index or the difference between certain specified Indices occurring at a rate, level or amount higher (or lower) than the rate, level or amount anticipated by the investor during the period immediately following the issuance of the Certificates will not be offset by a subsequent like reduction (or increase) in the rate of principal prepayments, the level of such Index or the amount of such difference.

The effective yield on the Delay Classes will be reduced below the yield otherwise produced because principal and interest payable on a Distribution Date will not be distributed until the 25th day following the end of the related Interest Accrual Period and will not bear interest during such delay. No interest at all will be paid on any Class after its principal balance has been reduced to zero. As a result of the foregoing, the market value of the Delay Classes will be lower than would have been the case if there were no such delay. Investors must make their own decisions as to the appropriate assumptions, including prepayment assumptions, to be used in deciding whether to purchase the Certificates.

The tables below indicate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of certain Classes to various constant percentages of PSA and, where specified, to changes in the applicable Index or the difference between certain specified Indices. The yields set forth in the tables were calculated 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 value of such assumed streams of cash flows to equal the assumed aggregate purchase prices of such Classes and converting such monthly rates to corporate bond equivalent rates. Such calculations do not take into account variations that may occur in the interest rates at which investors may be able to reinvest funds received by them as distributions on the Certificates and consequently do not purport to reflect the return on any investment in the Certificates when such reinvestment rates are considered.

The Principal Only Class. **The A Class will be principal only certificates and will not bear interest. As indicated in the table below, a low rate of principal payments (including prepayments) will have a negative effect on the yield to investors in the A Class.**

The information set forth in the following table has been prepared on the basis of the Pricing Assumptions and on the assumption that the aggregate purchase price (expressed as a percentage of original principal balance) of the A Class is 63%.

Sensitivity of the A Class to Prepayments

PSA Percentages	<u>50%</u>	<u>100%</u>	<u>175%</u>	<u>300%</u>	<u>500%</u>
Pre-Tax Yields to Maturity	3.4%	4.6%	6.5%	9.8%	14.8%

The S, SA and SB Classes. **The yields to investors in the S, SA and SB Classes will be sensitive in varying degrees to the level of the applicable Index and to the rate of principal payments (including prepayments) of the Mortgage Loans, which generally can be prepaid at any time. As indicated in the tables below, a high level of the applicable Index (in the case of the S Class, after its initial twelve Interest Accrual Periods) will have a negative effect on the yields to investors in the S, SA and SB Classes. It is possible that, under certain high Index or high prepayment scenarios, investors in the S and SB Classes would not fully recoup their initial investments.**

Changes in the applicable Index may not correlate with 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 concurrently with an increased level of such Index.

The information set forth in the following tables was prepared on the basis of the Pricing Assumptions and the assumptions that (i) the interest rates applicable to the S, SA and SB Classes for each Interest Accrual Period subsequent to their initial Interest Accrual Period (or, in the case of the S Class, subsequent to its initial twelve Interest Accrual Periods) will be based on the indicated level of the applicable Index and (ii) the aggregate purchase prices of the S, SA and SB Classes (expressed as percentages of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
S	52.9325%
SA	86.4253%
SB	100.7949%

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

Sensitivity of the S 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>175%</u>	<u>300%</u>	<u>500%</u>
1.1875%	59.6%	53.9%	44.1%	26.9%	1.2%
3.1875%	46.4%	40.3%	30.0%	12.2%	(13.3)%
5.1875%	30.4%	23.5%	12.1%	(6.7)%	(31.6)%
6.1875%	20.4%	12.9%	0.5%	(19.0)%	(43.5)%
8.5000%	(96.4)%	(97.1)%	(98.2)%	*	*

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

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

<u>COFI</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>175%</u>	<u>300%</u>	<u>500%</u>
2.33%	23.1%	23.1%	23.3%	23.7%	24.6%
4.33%	13.1%	13.2%	13.5%	14.1%	15.0%
6.33%	3.7%	3.8%	4.2%	4.8%	5.8%
7.00% and above	0.7%	0.8%	1.1%	1.8%	2.8%

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

<u>COFI</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>175%</u>	<u>300%</u>	<u>500%</u>
7.00% and below	10.0%	10.0%	10.0%	9.9%	9.8%
8.00%	2.6%	2.5%	2.5%	2.5%	2.4%
8.35%	0.0%	0.0%	(0.1)%	(0.1)%	(0.1)%

The FC and SC Classes. The yields to investors in the FC and SC Classes will be sensitive to the difference between the 10-Year Treasury Index and the 2-Year Treasury Index and to the rate of principal payments (including prepayments) of the Mortgage Loans, which generally can be prepaid at any time. It is possible that, under certain 10-Year Treasury Index minus 2-Year Treasury Index scenarios, investors in the FC Class would not fully

recoup their initial investments. In addition, it is possible that, under certain 2-Year Treasury Index minus 10-Year Treasury Index scenarios, investors in the SC Class would not fully recoup their initial investments.

Changes in the difference between the 10-Year Treasury Index and the 2-Year Treasury Index may bear no relationship to prevailing mortgage interest rates.

The information set forth in the following tables was prepared on the basis of the Pricing Assumptions and the assumptions that (i) the interest rates applicable to the FC and SC Classes for each Interest Accrual Period subsequent to their initial Interest Accrual Period will be based on the differences between the Treasury Indices shown and (ii) the aggregate purchase prices of the FC and SC Classes (expressed as percentages of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
FC	27.2051%
SC	13.5000%

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

**Sensitivity of the FC Class to Prepayments and the Difference Between the
10-Year Treasury Index and the 2-Year Treasury Index
(Pre-Tax Yields to Maturity)**

<u>10-Year Treasury Index minus 2-Year Treasury Index</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>175%</u>	<u>300%</u>	<u>500%</u>
0.15%	*	*	*	*	*
0.50%	(1.3)%	(4.1)%	(8.3)%	(15.7)%	(28.1)%
1.00%	9.7%	6.9%	2.7%	(4.5)%	(16.5)%
1.50%	19.2%	16.5%	12.4%	5.4%	(6.1)%
1.90% and above	26.6%	24.0%	20.0%	13.2%	2.1%

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

**Sensitivity of the SC Class to Prepayments and the Difference Between the
2-Year Treasury Index and the 10-Year Treasury Index
(Pre-Tax Yields to Maturity)**

<u>2-Year Treasury Index minus 10-Year Treasury Index</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>175%</u>	<u>300%</u>	<u>500%</u>
(0.15)%	60.3%	57.9%	54.3%	48.2%	38.2%
(0.50)%	46.7%	44.2%	40.5%	34.1%	23.8%
(1.00)%	27.7%	25.1%	21.1%	14.4%	3.3%
(1.50)%	8.8%	6.0%	1.8%	(5.4)%	(17.5)%
(1.90)% and below	*	*	*	*	*

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

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by (a) multiplying the amount of the reduction, if any, of the principal balance of such Certificate from one Distribution Date to the next Distribution Date by the number of years from the date of issuance to the second such Distribution Date, (b) summing the results and (c) dividing the sum by the aggregate amount of the reductions in principal balance of such Certificate referred to in clause (a). For a description of the factors which may influence the weighted average life of a Certificate, see “Description of the Certificates—Weighted Average Life 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 Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including the timing of changes in such rate of principal payments and the priority sequence of distributions of principal of the Classes.

The interaction of the foregoing factors may have different effects on various Classes and the effects on any Class may vary at different times during the life of such Class. Accordingly, no assurance can be given as to the weighted average life of any Class. Further, to the extent the prices of the Certificates represent discounts or premiums to their respective original principal balances, variability in the weighted average lives of such 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 of the dates shown at various *constant* PSA levels and the corresponding weighted average lives of such Classes. The tables have been prepared on the basis of the Pricing Assumptions, except that with respect to the information set forth for each such Class under 0% PSA it has been assumed that each underlying Mortgage Loan bears an interest rate of 9.50% per annum and has an original and remaining term to maturity of 360 months. It is not likely that (i) all of the underlying Mortgage Loans will have the interest rates, CAGEs or remaining terms to maturity assumed or (ii) the underlying Mortgage Loans will prepay at a *constant* PSA level. In addition, the diverse remaining terms to maturity of the Mortgage Loans (which will include recently originated Mortgage Loans) could produce slower or faster principal distributions than indicated in the tables at the specified *constant* PSA levels, even if the weighted average remaining term to maturity and the weighted average CAGE of the Mortgage Loans are identical to the remaining term to maturity and CAGE specified in the Pricing Assumptions.

Percent of Original Principal Balances Outstanding

Date	A, FC† and SC† Classes					B, F and S† Classes					C Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	175%	300%	500%	0%	100%	175%	300%	500%	0%	100%	175%	300%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 1994	99	97	96	93	90	99	95	92	87	80	100	100	100	100	100
May 1995	99	92	88	81	70	97	85	76	62	41	100	100	100	100	100
May 1996	98	86	78	65	48	96	72	57	33	0	100	100	100	100	98
May 1997	97	80	69	53	33	94	60	39	9	0	100	100	100	100	0
May 1998	96	74	61	43	23	93	49	24	0	0	100	100	100	56	0
May 1999	95	68	54	35	16	91	39	10	0	0	100	100	100	0	0
May 2000	94	63	47	28	11	89	29	0	0	0	100	100	89	0	0
May 2001	93	58	42	23	8	86	19	0	0	0	100	100	45	0	0
May 2002	92	54	36	18	5	84	11	0	0	0	100	100	5	0	0
May 2003	90	50	32	15	4	81	2	0	0	0	100	100	0	0	0
May 2004	89	46	28	12	2	78	0	0	0	0	100	77	0	0	0
May 2005	87	42	24	9	2	74	0	0	0	0	100	47	0	0	0
May 2006	85	38	21	7	1	71	0	0	0	0	100	19	0	0	0
May 2007	83	35	18	6	1	67	0	0	0	0	100	0	0	0	0
May 2008	81	32	16	5	1	62	0	0	0	0	100	0	0	0	0
May 2009	78	29	14	4	*	57	0	0	0	0	100	0	0	0	0
May 2010	75	26	12	3	*	52	0	0	0	0	100	0	0	0	0
May 2011	72	23	10	2	*	46	0	0	0	0	100	0	0	0	0
May 2012	69	20	8	2	*	38	0	0	0	0	100	0	0	0	0
May 2013	65	18	7	1	*	30	0	0	0	0	100	0	0	0	0
May 2014	61	16	6	1	*	20	0	0	0	0	100	0	0	0	0
May 2015	56	14	5	1	*	10	0	0	0	0	100	0	0	0	0
May 2016	51	11	4	1	*	0	0	0	0	0	94	0	0	0	0
May 2017	46	10	3	*	*	0	0	0	0	0	44	0	0	0	0
May 2018	40	8	2	*	*	0	0	0	0	0	0	0	0	0	0
May 2019	33	6	2	*	*	0	0	0	0	0	0	0	0	0	0
May 2020	26	4	1	*	*	0	0	0	0	0	0	0	0	0	0
May 2021	18	3	1	*	*	0	0	0	0	0	0	0	0	0	0
May 2022	10	1	*	*	*	0	0	0	0	0	0	0	0	0	0
May 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	21.3	11.5	8.4	5.6	3.7	15.7	5.1	3.5	2.4	1.8	23.9	12.0	7.9	5.1	3.4

Date	FA, SA and SB Classes					D Class					E Class					Z Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	175%	300%	500%	0%	100%	175%	300%	500%	0%	100%	175%	300%	500%	0%	100%	175%	300%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 1994	100	100	100	100	100	93	93	93	93	93	100	100	100	100	100	107	107	107	107	107
May 1995	100	100	100	100	100	86	86	86	86	86	100	100	100	100	100	115	115	115	115	115
May 1996	100	100	100	100	100	78	78	78	78	78	100	100	100	100	100	123	123	123	123	123
May 1997	100	100	100	100	91	70	70	70	70	70	100	100	100	100	100	132	132	132	132	132
May 1998	100	100	100	100	52	61	61	61	61	61	100	100	100	100	100	141	141	141	141	141
May 1999	100	100	100	96	24	52	52	52	52	52	100	100	100	100	100	151	151	151	151	151
May 2000	100	100	100	70	6	42	42	42	42	42	100	100	100	100	100	162	162	162	162	162
May 2001	100	100	100	50	0	31	31	31	31	0	100	100	100	100	73	173	173	173	173	173
May 2002	100	100	100	33	0	20	20	20	20	0	100	100	100	100	4	186	186	186	186	186
May 2003	100	100	85	19	0	7	7	7	7	0	100	100	100	100	0	199	199	199	199	131
May 2004	100	100	70	8	0	0	0	0	0	0	95	95	95	95	0	213	213	213	213	90
May 2005	100	100	57	0	0	0	0	0	0	0	85	85	85	80	0	228	228	228	228	61
May 2006	100	100	45	0	0	0	0	0	0	0	74	74	74	21	0	245	245	245	245	42
May 2007	100	96	34	0	0	0	0	0	0	0	62	62	62	0	0	262	262	262	218	28
May 2008	100	84	24	0	0	0	0	0	0	0	49	49	49	0	0	281	281	281	173	19
May 2009	100	73	16	0	0	0	0	0	0	0	35	35	35	0	0	301	301	301	136	13
May 2010	100	62	8	0	0	0	0	0	0	0	20	20	20	0	0	322	322	322	107	9
May 2011	100	51	2	0	0	0	0	0	0	0	4	4	4	0	0	345	345	345	84	6
May 2012	100	40	0	0	0	0	0	0	0	0	0	0	0	0	0	370	370	312	65	4
May 2013	100	28	0	0	0	0	0	0	0	0	0	0	0	0	0	396	396	262	50	2
May 2014	100	16	0	0	0	0	0	0	0	0	0	0	0	0	0	424	424	217	38	2
May 2015	100	5	0	0	0	0	0	0	0	0	0	0	0	0	0	454	454	178	28	1
May 2016	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	487	423	144	21	1
May 2017	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	521	351	114	15	*
May 2018	95	0	0	0	0	0	0	0	0	0	0	0	0	0	0	558	282	87	11	*
May 2019	66	0	0	0	0	0	0	0	0	0	0	0	0	0	0	598	217	64	7	*
May 2020	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	641	155	43	4	*
May 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	675	96	26	2	*
May 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	353	40	10	1	*
May 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	26.5	18.1	12.9	8.3	5.3	5.9	5.9	5.9	5.9	5.4	14.8	14.8	14.8	12.5	8.4	29.1	25.9	22.7	17.4	11.7

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

** Determined as specified under “Weighted Average Lives of the Certificates” herein.

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

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

The following tax discussion, when read in conjunction with the discussion of “Certain Federal Income Tax Consequences” in the REMIC Prospectus, describes the current federal income tax treatment of investors in the Certificates. These two tax discussions do not purport to deal with all federal tax consequences applicable to all categories of investors, some of which may be subject to special rules. Investors should consult their own tax advisors in determining the federal, state, local and any other tax consequences to them of the purchase, ownership and disposition of the Certificates.

REMIC Elections and Special Tax Attributes

Elections will be made to treat the Lower Tier REMIC and the Trust as REMICs for federal income tax purposes. The Certificates, other than the R and RL Classes, will be designated as the “regular interests,” and the R Class will be designated as the “residual interest,” in the REMIC constituted by the Trust. The Lower Tier Regular Interests will be designated as the “regular interests,” and the RL Class will be designated as the “residual interest,” in the Lower Tier REMIC.

As a consequence of the qualification of the Trust and the Lower Tier REMIC as REMICs, the Certificates generally will be treated as “qualifying real property loans” for mutual savings banks and domestic building and loan associations, “regular or residual interests in a REMIC” for domestic building and loan associations, “real estate assets” for real estate investment trusts, and, except for the R and RL Classes, as “qualified mortgages” for other REMICs. See “Certain Federal Income Tax Consequences—Special Tax Attributes” in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes and the A, SA and Z Classes will be, and certain other Classes of Certificates may be, issued with original issue discount for federal income tax purposes, which generally will result in recognition of some taxable income in advance of the receipt of the cash attributable to such income. The Prepayment Assumption that will be used in determining the rate of accrual of original issue discount will be 175% PSA. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Original Issue Discount*” in the REMIC Prospectus. No representation is made as to whether the Mortgage Loans underlying the MBS will prepay at that or any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” herein and “Description of the Certificates—Weighted Average Life and Final Distribution Dates” in the REMIC Prospectus. In addition, certain Classes of Certificates may be treated as having been issued at a premium for federal income tax purposes. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Certificates Purchased at a Premium*” in the REMIC Prospectus.

The FC and SC Classes will qualify as regular interests under the Regulations because each such Class bears interest based on the difference between two weighted averages of interest rates on certain of the Lower Tier Regular Interests held by the Trust. Further, because the initial interest rate on the SC Class is zero and no reliable predictions can be made as to whether any payments will be made on such Class, Fannie Mae intends to determine the taxation of the SC Class as prescribed in the proposed Internal Revenue Service regulations governing contingent payments published in the Federal Register on April 8, 1986 (the “1986 Proposed Contingent Payment Regulations”). Under those regulations, no amount is includible in income, and no portion of the issue price may be deducted or amortized, except as actual payments (if any) occur. Any payment made will be treated first as a payment of interest to the extent that interest is deemed to have accrued (based on the “adjusted issue price” and the federal long-term rate) during the current and all prior accrual periods and has not been allocated to prior payments. Second, any remaining portion will be treated as return of basis, to the extent thereof, and then as interest. At the final maturity of the SC Class, any unrecovered basis would be a loss, which may be a capital loss. The 1986 Proposed Contingent Payment Regulations, however, are subject to change. In particular, proposed contingent payment

regulations containing rules that are substantially different from the 1986 Proposed Contingent Payment Regulations were filed with, but not published in, the Federal Register on January 19, 1993. Investors are urged to consult their own tax advisors on the application to the SC Class of the 1986 Proposed Contingent Payment Regulations and any amendments thereto. Further, the payment stream on the SC Class closely resembles the payment stream on an interest rate floor as described in the proposed IRS regulations relating to notional principal contracts. Consequently, another possible method of taxing the SC Class would be for owners to include each payment in income when the amount of such payment becomes fixed and to recover their basis in such Class in accordance with the approach suggested in those proposed regulations.

The F and S Classes will bear interest during their first twelve Interest Accrual Periods at fixed rates. During all subsequent Interest Accrual Periods, the F and S Classes will bear interest at variable rates that are determined by reference to LIBOR as described in “Description of the Certificates—Calculation of LIBOR” herein. Pursuant to the proposed original issue discount regulations that were published on December 22, 1992 (the “1992 Proposed OID Regulations”), Fannie Mae intends to treat all interest distributions on the F and S Classes as “qualified stated interest” because the respective values of the F and S Classes are approximately the same as they would be if the variable rates were in effect for the entire terms of such Classes.

The initial interest rate on the SB Class is its maximum stated interest rate. The 1992 Proposed OID Regulations provide, in effect, that a debt instrument bearing interest at a variable rate with a restriction on its minimum or maximum stated interest rate will be treated as a contingent debt instrument if the restriction causes the interest rate to be significantly greater or less than the instrument’s overall expected return. The 1992 Proposed OID Regulations are proposed to be effective for debt instruments issued on or after the date that is 60 days after the regulations are issued in final form. Although it is possible that the principles contained in the 1992 Proposed OID Regulations would be applied to debt instruments issued prior to that date, it is not clear whether those principles would apply to the SB Class. Fannie Mae, therefore, intends to treat the SB Class as a variable rate debt instrument and not as a contingent debt instrument. Investors are urged to consult with their own tax advisors regarding the possible treatment of the SB Class as a variable rate or contingent debt instrument and the consequences of either such treatment.

Taxation of Beneficial Owners of Residual Certificates

Under the Regulations, neither the R nor the RL Certificate will have significant value. As a result, an organization to which section 593 of the Code applies and which is the beneficial owner of the R or RL Certificate may not use its allowable deductions to offset any “excess inclusions” with respect to such Certificate. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Excess Inclusions*” in the REMIC Prospectus.

For purposes of determining the portion of the taxable income of the Trust (or the Lower Tier REMIC) that generally will not be treated as excess inclusions, the rate to be used is 120% of the “federal long-term rate.” The rate will be published on or about April 20, 1993. See “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates—*Excess Inclusions*” and “—Foreign Investors—*Residual Certificates*” in the REMIC Prospectus. The federal income tax consequences of any consideration paid to a transferee on the transfer of the R or RL Certificate are unclear; any transferee receiving such consideration should consult its own tax advisors.

Under the proposed IRS regulations relating to original issue discount, the Lower Tier Regular Interests would be treated as a single debt instrument for original issue discount purposes because they were issued to the Trust in a single transaction. Although there can be no assurance that final regulations will apply this aggregation rule to the Lower Tier Regular Interests, Fannie Mae intends to calculate the taxable income (or net loss) of the Trust and of the Lower Tier REMIC (and to report to the R and RL Certificateholders) by treating the Lower Tier Regular Interests as a single debt

instrument. A failure of the Lower Tier Regular Interests to qualify as a single debt instrument for original issue discount purposes could result in material adverse tax consequences to the beneficial owners of the RL Class.

PLAN OF DISTRIBUTION

General. The Dealer will receive the Certificates in exchange for the MBS pursuant to a Fannie Mae commitment. The Dealer proposes to offer the Certificates directly to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. The Dealer may effect such transactions to or through dealers.

Increase in Certificates. Fannie Mae and the Dealer may agree to offer hereby Certificates in addition to those contemplated as of the date hereof. In such event, the MBS will be increased in principal balance, but it is expected that all additional MBS will have the same characteristics as described herein under “Description of the Certificates—The MBS.” The proportion that the original principal balance of each Class (and any Components) bears to the aggregate original principal balance of all the Certificates will remain the same.

LEGAL MATTERS

Certain legal matters will be passed upon for the Dealer by Stroock & Stroock & Lavan, Seven Hanover Square, New York, New York 10004-2696.

No dealer, salesman or other person has been authorized to give any information or to make any representations in connection with this offering other than those contained in this Prospectus Supplement, the REMIC Prospectus, the MBS Prospectus and the Information Statement and, if given or made, such information or representations must not be relied upon as having been authorized. This Prospectus Supplement and the aforementioned documents do not constitute an offer to sell or a solicitation of an offer to buy any of the Certificates offered hereby in any state to any person to whom it is unlawful to make such offer or solicitation in such state. The delivery of this Prospectus Supplement and the aforementioned documents at any time does not imply that the information contained herein or therein is correct as of any time subsequent to the date hereof.

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\$410,000,000

**Federal National
Mortgage Association**



**Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 1993-70**

PROSPECTUS SUPPLEMENT

Bear, Stearns & Co. Inc.

April 7, 1993