

Prospectus Supplement
(To Prospectus dated December 29, 1992)

\$1,280,000,000
Federal National Mortgage Association



Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 1993-122

The Guaranteed REMIC Pass-Through Certificates offered hereby (the "Certificates") will represent beneficial ownership interests in Fannie Mae REMIC Trust 1993-122 (the "Trust"). The assets of the Trust will consist of (i) a single SMBS Class of Fannie Mae Stripped Mortgage-Backed Security which evidences the beneficial ownership interest in certain distributions of principal and interest made in respect of certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the "MBS"), held in the form of a Fannie Mae Guaranteed MBS Pass-Through Certificate (the "Mega Certificate") and included in Fannie Mae Stripped Mortgage-Backed Security Trust 000231-CL (the "SMBS Trust"), (ii) a non-interest bearing cash deposit of \$999.99 (the "AA Class Cash Deposit") and (iii) a non-interest bearing cash deposit of \$999.99 (the "BB Class Cash Deposit") to be applied as described herein. Each MBS 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"), its Prospectus for Stripped Mortgage-Backed Securities (the "SMBS Prospectus") and its Prospectus for Guaranteed MBS Pass-Through Certificates (the "Mega Prospectus"), each available as described herein, and its Prospectus for Guaranteed REMIC Pass-Through Certificates (the "REMIC Prospectus"), accompanying this Prospectus Supplement.

Prospective investors in the AA and BB Classes should consider carefully, as should prospective investors in any Class of Certificates, whether such an investment is appropriate for their investment objectives. See "Description of the Certificates—The Retail Certificates" herein.

An election will be made to treat the Trust as a "real estate mortgage investment conduit" ("REMIC") pursuant to the Internal Revenue Code of 1986, as amended (the "Code"). The R Class will be subject to transfer restrictions. See "Description of the Certificates—Characteristics of the R Class" 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.

(Cover continued on next page)

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	Class	Original Principal Balance	Principal Type(1)	Interest Rate	Interest Type(1)	Final Distribution Date
A	\$400,000,000	SCH	6.5%	FIX	September 2020	H	\$400,000,000	SEQ	6.5%	FIX	February 2019
B	63,623,000	SCH	6.5	FIX	February 2022	J	77,926,000	SEQ	6.5	FIX	October 2020
C	54,205,000	SCH	6.5	FIX	February 2023	AA	25,000,000	RTL/SEQ	6.5	FIX	April 2022
D	16,783,000	SCH	6.5	FIX	June 2023	BB	25,000,000	RTL/SEQ	6.5	FIX	April 2022
E	6,897,000	SCH	6.5	FIX	July 2023	K	31,372,000	SEQ	6.5	FIX	April 2022
F	69,209,400	SUP	(2)	FLT	July 2023	L	43,468,000	SEQ	6.5	FIX	January 2023
S	22,245,879	SUP	(2)	INV	July 2023	M	37,234,000	SEQ	6.5	FIX	July 2023
N	7,035,721	SUP	(3)	PO	July 2023	R	1,000	SUP	(3)	PO	July 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) These Classes will bear interest based on "LIBOR," 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.
- (3) The N and R Classes will be Principal Only Classes and will bear no interest.

The Certificates, other than the AA and BB Classes, will be offered by Shearson Lehman Brothers Inc., including Lehman Government Securities Inc. ("Lehman Brothers"), and the AA and BB Classes will be offered by the dealers named below (the "Dealers"), from time to time in negotiated transactions, at varying prices to be determined at the time of sale.

The Certificates, other than the AA and BB Classes, will be offered by Lehman Brothers, and the AA and BB Classes will be offered by the Dealers subject to receipt and acceptance of applicable Classes by Lehman Brothers and of the AA and BB Classes by the Dealers and subject to their rights to reject any order in whole or in part. It is expected that the Certificates, except for the AA, BB and R Classes, will be available through the book-entry system of the Federal Reserve Banks on or about July 30, 1993 (the "Settlement Date"). It is expected that the R Class in registered, certificated form will be available for delivery at the offices of Lehman Brothers, New York, New York, on or about the Settlement Date. It is expected that the AA and BB Classes will be available for delivery through the book-entry facilities of The Depository Trust Company on or about such date.

LEHMAN BROTHERS

LA SALLE NATIONAL BANK
BROKER/DEALER SERVICES DIVISION

DAIN BOSWORTH INCORPORATED
RAYMOND JAMES & ASSOCIATES, INC.
MORGAN KEEGAN & COMPANY, INC.
WHEAT FIRST BUTCHER & SINGER
CAPITAL MARKETS

J.C. BRADFORD & CO.
KEMPER SECURITIES
STIFEL SECURITIES

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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). 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, particularly if the interest rate thereon fluctuates as a multiple of such Index.

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 AA and BB Certificates (the “Retail Certificates”) may not be appropriate investments for all prospective investors. The Retail Certificates would not be an appropriate investment for any investor requiring a particular distribution of principal on a specific date or an otherwise predictable stream of principal distributions. Any investor who purchases a Retail Certificate at a premium (or a discount) should consider the risk that relatively early (or late) principal distributions following issuance of the Certificates could result in an actual yield that is lower than such investor’s anticipated yield. In addition, although certain Dealers intend to make a secondary market in Retail Certificates, they have no obligation to do so, and any such market making may be discontinued at any time. Finally, there can be no assurance that the price at which an investor may be able to sell a Retail Certificate will be the same as the price at which such investor purchased such Certificate. See “Description of the Certificates—The Retail Certificates” herein.

The Dealers intend to make a market for the Certificates but are 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, the SMBS Prospectus, the Mega 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 May 1, 1993, the SMBS Prospectus dated December 1, 1992, the Mega Prospectus dated December 1, 1992 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 Lehman Brothers by writing or calling its Registration Department at 250 West Street, 3rd Floor, New York, New York 10013 (telephone 212-464-6929).

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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 SMBS Prospectus, the Mega 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, the SMBS Prospectus, the Mega Prospectus, or the Trust Agreement (as the context may require).

General

Structure. The Trust will be created pursuant to a trust agreement dated as of September 1, 1987, as supplemented by an issue supplement thereto, dated as of July 1, 1993 (together, 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 Class) 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 assets of the Trust will consist of (i) the SMBS, (ii) a non-interest bearing cash deposit of \$999.99 relating to the AA Class (the “AA Class Cash Deposit”) and (iii) a non-interest bearing cash deposit of \$999.99 relating to the BB Class (the “BB Class Cash Deposit”). The Certificates will in the aggregate evidence the entire beneficial ownership interest in the distributions of principal and interest on the SMBS. The AA Class Cash Deposit and BB Class Cash Deposit (the “Retail Cash Deposits”) will be used, if necessary, to round the amount of any principal distribution of the AA Class or the BB Class, respectively, to an amount equal to an integral multiple of \$1,000, as described herein. The Retail Cash Deposits will not be available for application toward any distributions on the other Classes of Certificates offered hereby.

SMBS Distributions. The SMBS 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 SMBS (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 guaranty obligations of Fannie Mae with respect to the SMBS and the Mega Certificate are described in the SMBS Prospectus and the Mega Prospectus, respectively. 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 AA, BB and R Certificates, will be issued and maintained and may be transferred by Holders only on the book-entry system of the Federal Reserve Banks. The AA and BB Certificates will be represented by one certificate for each such Class to be registered at all times in the name of the nominee of the Depository (as defined herein), which Depository will maintain the AA and BB Certificates through its book-entry facilities. When used herein, the terms “Holders” and “Certificateholders” refer to (i) such entities whose

names appear on the book-entry records of a Federal Reserve Bank as the entities for whose accounts such Certificates (other than the AA, BB or R Certificates) have been deposited and (ii) the nominee of the Depository, in the case of the AA and BB Certificates. 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 Certificate will not be issued in book-entry form but will be issued in fully registered, certificated form. As to the R Certificate, “Holder” or “Certificateholder” refers to the registered owner thereof. The R Certificate will be transferable and exchangeable, if applicable, 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 exchange or registration of transfer of the R 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 Class” herein.

Distributions on the R Class will be made by check mailed by the Paying Agent to the address of each person entitled thereto as it appears on the Certificate Register maintained by the Certificate Registrar (initially State Street) not later than each Distribution Date; provided, however, that the final distribution to the Holder of the R Class of the proceeds of any remaining assets of the Trust will be made only upon presentation and surrender of the respective Certificates at the office of the Paying Agent. The Paying Agent initially will be State Street.

Authorized Denominations. The Certificates, other than the AA, BB and R Certificates, will be issued in minimum denominations of \$1,000 and integral multiples of \$1 in excess thereof. The AA and BB Certificates will be issued in minimum denominations of \$1,000 and integral multiples thereof; and the R Certificate will be issued as a single certificate in a denomination of \$1,000.

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 (i) in the case of each such Class other than the Retail Certificates, when multiplied by the original principal balance of a Certificate of such Class, will equal the amount of principal remaining to be distributed with respect to such Certificate and (ii) in the case of the Retail Certificates, when multiplied by the aggregate original principal balance of such

Class, will equal the aggregate amount of principal remaining to be distributed with respect to such Class, in each case 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 Certificates on such Distribution Date. As a result, the factors for the Retail Certificates will reflect the reduction in aggregate principal balance of such Class taken as a whole, and will not reflect the reduction in principal balance of the Retail Certificates owned by any particular investor. For purposes of determining the factor for the Retail Certificates, any rounding of the distribution of principal thereof will be disregarded.

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 Retail Certificates

General

The AA and BB Certificates will be Retail Certificates. The Retail Certificates will be represented by one certificate for each such Class to be registered at all times in the name of the nominee of The Depository Trust Company, a New York-chartered limited purpose trust company, or any successor depository selected or approved by Fannie Mae (the “Depository”). The Depository will maintain each Class of Retail Certificates in integral multiples of \$1,000 through its book-entry facilities. In accordance with its normal procedures, the Depository will record the positions held by each Depository participating firm (each, a “Depository Participant”) in the Retail Certificates, whether held for its own account or as a nominee for another person. State Street will act as paying agent for, and perform certain administrative functions with respect to, the Retail Certificates.

No person acquiring a beneficial ownership interest in the Retail Certificates (a “beneficial owner” or an “investor”) will be entitled to receive a physical certificate representing such ownership interest. An investor’s interest in a Retail Certificate will be recorded, in integral multiples of \$1,000, on the records of the brokerage firm, bank, thrift institution or other financial intermediary (a “financial intermediary”) that maintains such investor’s account for such purpose. In turn, the financial intermediary’s record ownership of such Certificate will be recorded, in integral multiples of \$1,000, on the records of the Depository (or of a Depository Participant that acts as agent for the financial intermediary if such intermediary is not a Depository Participant). Therefore, the investor must rely on the foregoing arrangements to evidence its interest in the Retail Certificates. Beneficial ownership of Retail Certificates may be transferred only by compliance with the procedures of an investor’s financial intermediary and of Depository Participants. In general, beneficial ownership of Retail Certificates will be subject to the rules, regulations and procedures governing the Depository and Depository Participants as in effect from time to time.

Method of Distribution

Each distribution of principal and interest on the Retail Certificates will be distributed by State Street to the Depository in immediately available funds. The Depository will be responsible for crediting the amount of such distributions to the accounts of the Depository Participants entitled thereto, in accordance with the Depository’s normal procedures, which currently provide for distributions in next-day funds settled through the New York Clearing House. Each Depository Participant and each financial intermediary will be responsible for disbursing such distributions to the beneficial owners of the Retail Certificates that it represents.

Retail Interest Distributions

Interest to be distributed on the Retail Certificates on each Distribution Date will consist of one month's interest at the per annum rate of 6.50% on the outstanding principal balance of such Certificates immediately prior to such Distribution Date. For further discussion, see "Distributions of Interest" herein.

Retail Principal Distributions

General. Distributions of principal of the Retail Certificates on any Distribution Date (collectively, a "Retail Principal Distribution") will be made, in each case in integral multiples of \$1,000, in accordance with the priorities and limitations set forth herein. On each Distribution Date, the Depository will determine the portion of the Retail Principal Distribution, if any, to be made on Retail Certificates held for the account of each Depository Participant. Each Depository Participant and each financial intermediary will in turn determine the portion of the Retail Principal Distribution to be made on the Retail Certificates held for the account of each investor that it represents.

Rounding of Retail Principal Distributions. On each Distribution Date on which amounts are available for the distribution of principal of a Class of Retail Certificates (as described under "Distributions of Principal" herein), the amount of such distribution will be rounded, as necessary, to an amount equal to an integral multiple of \$1,000. Such rounding will be accomplished on the first Distribution Date on which a Retail Principal Distribution is made by withdrawing from the AA Class or BB Class Cash Deposit the amount of funds, if any, needed to round the amount otherwise allocable as principal of the applicable Retail Certificates to the next higher integral multiple of \$1,000. On each succeeding Distribution Date on which a Retail Principal Distribution is to be made for such Class, the aggregate amount allocable to such Retail Certificates will be applied first to repay any funds withdrawn from the applicable Cash Deposit on the preceding Distribution Date, and then the remainder of such allocable amount, if any, will be similarly rounded upward and applied as a Retail Principal Distribution. This procedure will continue on succeeding Distribution Dates until the principal balance of such Class of Retail Certificates has been reduced to zero. Thus, the Retail Principal Distribution for such Class on any Distribution Date may be slightly more or less than would be the case in the absence of such rounding procedures, but such difference will in no event exceed \$999.99 on any Distribution Date. The aggregate of all Retail Principal Distributions made through any Distribution Date will in no event be less than would have been the case in the absence of such rounding procedures.

Retail Principal Distribution by Random Lot. On each Distribution Date on which a Retail Principal Distribution is to be made, the Retail Certificates in respect of which distributions of principal are to be made (in integral multiples of \$1,000) will be determined in accordance with the then applicable random lot procedures of the Depository and the established procedures of the Depository Participants and financial intermediaries. Accordingly, a Depository Participant or financial intermediary may elect to allot such Retail Principal Distribution to the accounts of some investors (which could include such Depository Participant or financial intermediary) without allotting such distributions to the accounts of other investors.

Tax Information. Information allowing beneficial owners of the Retail Certificates to calculate properly the taxable income attributable to the Retail Certificates will be made available by Fannie Mae to Depository Participants and financial intermediaries as required by federal income tax law. Financial intermediaries, in turn, will be obligated to supply such information to individuals and other beneficial owners who are not "exempt recipients." Beneficial owners should be aware, however, that generally such information need not be furnished before March 15 of any calendar year following a calendar year in which income accrues on a Retail Certificate. Prospective investors in the Retail Certificates also should be aware that beneficial owners of Retail Certificates should treat any premium and any market discount with respect to such Certificates in the same manner as beneficial owners of other "regular interests" in a REMIC. See "Certain Federal Income Tax Conse-

quences—Taxation of Beneficial Owners of Regular Certificates” in the REMIC Prospectus. Because the Retail Certificates will not receive payments of principal on a pro rata basis, however, a payment in full of a Retail Certificate may be treated as a prepayment for purposes of the premium and market discount rules. Additional tax consequences affecting beneficial owners of Retail Certificates are discussed under “Certain Additional Federal Income Tax Consequences” herein and “Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates” in the REMIC Prospectus.

Certain Principal Distribution Considerations

Because the rate of Retail Principal Distributions is dependent upon the rate of principal distributions (including prepayments) on the Mortgage Loans, no assurance can be given as to the Distribution Date on which any Class of Retail Certificates will begin to receive principal distributions, as to the rate at which such distributions will continue thereafter or as to the date on which the principal balance of any Class of Retail Certificates will be distributed in full. In addition, it is possible that certain investors in the Retail Certificates may not receive Retail Principal Distributions until the Final Distribution Date for such Class. Any investor who purchases a Retail Certificate at a premium (or a discount) should consider the risk that relatively early (or late) principal distributions following issuance of the Certificates could result in an actual yield that is lower than such investor’s anticipated yield. See “Distributions of Principal” and “Weighted Average Lives of the Certificates” herein.

As described under “Distributions of Principal” herein, the amount of principal allocated on each Distribution Date to a Class of Retail Certificates primarily will depend on the sufficiency of the Principal Distribution Amount (as defined herein) to reduce the principal balances of those Classes of Certificates that have higher principal payment priorities than such Class of Retail Certificates to zero. As a result, the amount of principal distributable on a Class of Retail Certificates on any Distribution Date will be very sensitive to the level of prepayments of the Mortgage Loans.

The following table shows the amounts that would be available for distributions of principal of the Classes of Retail Certificates during the periods indicated at various constant percentages of PSA (as defined under “Structuring Assumptions—PSA Assumptions” herein), based on the allocations of principal described under “Distributions of Principal” herein. The amounts shown have been calculated on the basis of the Pricing Assumptions (as defined herein) and on the assumption that principal distributions on the Retail Certificates are not rounded to integral multiples of \$1,000 and are made on the 25th day of each month in which such distributions are required to be made. *Because of the distribution priorities and allocations described above and because investors in the Retail Certificates will receive principal distributions in integral multiples of \$1,000, there is no assurance that any investor will receive a distribution of principal on any particular Distribution Date.*

Aggregate Retail Principal Distributions of the AA Class or BB Class
(for illustrative purposes only)
(Amounts in thousands)

Twelve Consecutive Months Through	PSA Prepayment Assumption				
	50%	100%	235%	350%	500%
July 1994	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
July 1995	0	0	0	0	0
July 1996	0	0	0	0	0
July 1997	0	0	0	0	0
July 1998	0	0	0	0	5,428
July 1999	0	0	0	0	13,732
July 2000	0	0	0	6,250	5,840
July 2001	0	0	0	9,710	0
July 2002	0	0	0	7,589	0
July 2003	0	0	6,546	1,451	0
July 2004	0	0	6,919	0	0
July 2005	0	0	5,887	0	0
July 2006	0	0	5,004	0	0
July 2007	0	0	645	0	0
July 2008	0	0	0	0	0
July 2009	0	0	0	0	0
July 2010	0	0	0	0	0
July 2011	0	4,370	0	0	0
July 2012	0	5,078	0	0	0
July 2013	0	4,817	0	0	0
July 2014	0	4,573	0	0	0
July 2015	0	4,343	0	0	0
July 2016	4,805	1,818	0	0	0
July 2017	6,675	0	0	0	0
July 2018	6,747	0	0	0	0
July 2019	6,773	0	0	0	0
July 2020	0	0	0	0	0
Total Principal Payments*	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,000</u>

* Total principal payments may not equal the sums of the respective columns due to rounding.

There can be no assurance that the Mortgage Loans will have the assumed characteristics or will prepay at any of the *constant* rates shown in the table or at any other particular rate, or that the amounts available for distribution of principal of the Retail Certificates will correspond to any of the amounts shown herein. The rates of Retail Principal Distributions will be directly related to the actual amortization and prepayments of the Mortgage Loans, which will likely include Mortgage Loans that have remaining terms to maturity shorter or longer than those assumed and interest rates higher or lower than those assumed. As a result, the amounts available for distribution of principal of the Retail Certificates are likely to differ from those shown in the table above even if all the Mortgage Loans prepay at the indicated constant percentages of PSA. In particular, the diverse remaining terms to maturity of the Mortgage Loans could produce lower yields than those produced by Mortgage Loans having the assumed characteristics. In addition, it is not likely that the Mortgage Loans will prepay at a constant level of PSA until maturity or that all of such Mortgage Loans will prepay at the same rate. The timing of changes in the rate of prepayments may significantly affect the actual amounts available for distribution of principal to an investor (and the resulting yield to maturity), even if the average rate of principal prepayments is consistent with an investor's expectation. In general, the earlier the payment of principal of the Mortgage Loans, the greater the effect on an investor's yield to maturity. As a result, the effect on an investor's yield of principal prepayments occurring at a rate slower (or faster) than the rate anticipated by the investor during the period immediately following the issuance

of the Retail Certificates will not be equally offset by a subsequent like increase (or decrease) in the rate of principal prepayments. Investors must make their own decisions as to the appropriate prepayment assumption to be used in deciding whether to purchase the Retail Certificates.

The weighted average lives of the Retail Certificates shown in the table referenced under “Decrement Tables” herein apply to such Classes taken as a whole; as a result of the distribution priorities and allocations described above, the weighted average lives of a Class of Retail Certificates beneficially owned by individual investors may vary significantly from the weighted average life of such Class as a whole. Although distributions of principal and interest on the Retail Certificates are guaranteed by Fannie Mae as described herein, Fannie Mae can give no assurance as to any particular principal distribution scenario, as to any particular weighted average life for the Retail Certificates or as to the date or dates on which any particular investor will receive distributions of principal. In addition, there is no assurance that procedures of the financial intermediaries or the Depository will not change. Investors in the Retail Certificates should understand, as should investors in the other Classes of Certificates, that they are assuming all risks and benefits associated with the rate of principal distributions on such Certificates, whether such rate is rapid or slow, and with variations in such rate from time to time. Investors in the Retail Certificates should also consider the fact, described under “Distributions of Interest” herein, that the effective yields to Holders of the Retail Certificates will be lower than the yields otherwise produced because interest distributable with respect to an Interest Accrual Period will not be distributed until the 25th day following the end of such Interest Accrual Period and will not bear interest during such delay.

Investment Determination

The Retail Certificates may not be appropriate investments for all prospective investors. The Retail Certificates, like the other Classes of Certificates, would not be an appropriate investment for any investor requiring a particular distribution of principal on a specific date or an otherwise predictable stream of principal distributions. There is no assurance that any investor in any Class of Retail Certificates will receive a principal distribution (in integral multiples of \$1,000) on any particular Distribution Date. Any investor who purchases a Retail Certificate at a premium (or a discount) should consider the risk that relatively early (or late) principal distributions following issuance of the Certificates could result in an actual yield that is lower than such investor’s anticipated yield. In addition, although certain of the Dealers intend to make a secondary market in the Retail Certificates, they have no obligation to do so, and any such market making may be discontinued at any time. There is no assurance that such a secondary market will develop, that any such market will continue or that information on any such secondary market will be as readily available as information regarding certain other types of investments. The price of the Retail Certificates in any such secondary market will be affected by various factors, and the volatility of such price may differ from that evidenced by certain other types of investments. Finally, there can be no assurance that the price at which an investor may be able to sell a Retail Certificate will be the same as the purchase price at which such investor purchased such Certificate.

The SMBS

The SMBS underlying the Certificates will have the aggregate of interest and principal payments at a Pass-Through Rate of 6.50% on a principal amount of \$1,280,000,000 of SMBS having the general characteristics described in the SMBS Prospectus. The MBS underlying the SMBS have a Pass-Through Rate of 7.50% and are held in the form of Mega Certificate 190231-CL, the general characteristics of which are described in the Mega 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 and having an original maturity of up to 30 years, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. The characteristics of the MBS and Mortgage Loans as of July 1, 1993 (the “Issue Date”) are expected to be as follows:

Range of WACs (per annum percentages)	7.75% to 8.50%
Range of WAMs	340 months to 360 months
Approximate Weighted Average WAM	354 months
Approximate Weighted Average CAGE	4 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	All Classes except F, S, N and R
Floating Rate	F
Inverse Floating Rate	S
Principal Only	N and R

* 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 Classes (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs

See “Yield Considerations” herein.

Floating Rate and Inverse Floating Rate Classes. Each of the following Classes will bear interest during its initial Interest Accrual Period 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:

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate</u>
F	4.58750%	9.25000%	1.40000%	LIBOR + 140 basis points
S	14.50604%	24.42271%	0.00049%	$24.42271\% - (3.11111111 \times \text{LIBOR})$

The yields with respect to such Classes will be affected by changes in the applicable index as set forth in the table above (each, an “Index”), 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 will be established as described herein by Fannie Mae two business days prior to the commencement of the related Interest Accrual Period. 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, 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%.

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>
Scheduled	A, B, C, D and E
Support	F, S, N and R
Sequential Pay	H, J, AA, BB, K, L and M
Retail	AA and BB

* 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 aggregate distributions of principal concurrently made on the SMBS.

On each Distribution Date, 50% of the Principal Distribution Amount will be distributed as principal of the Classes in the following order of priority:

(i) sequentially, to the Scheduled Classes, in alphabetical order, until the principal balances thereof have been reduced to their respective Scheduled Balances for such Distribution Date; } **Scheduled Classes**

(ii) concurrently, to the F, S, R and N Classes, in proportion to their original principal balances (or 70.2690573854%, 22.5864831661%, 0.0010153109% and 7.1434441376%, respectively), until the principal balances thereof have been reduced to zero; and } **Support Classes**

(iii) sequentially, to the Scheduled Classes, in alphabetical order, without regard to the Scheduled Balances and until the principal balances thereof have been reduced to zero. } **Scheduled Classes**

On each Distribution Date, the excess of the Principal Distribution Amount over the amount distributed pursuant to the preceding paragraph will be distributed as principal of the Classes in the following order of priority:

(i) sequentially, to the H and J Classes, in that order, until the principal balances thereof have been reduced to zero; } **Sequential Pay and Retail Classes**

(ii) concurrently, to the AA, BB and K Classes, in the proportions of 30.7230988546%, 30.7230988546% and 38.5538022908%, respectively, until the principal balances thereof have been reduced to zero; and

(iii) sequentially, to the L and M Classes, until the respective principal balances thereof have been reduced to zero.

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 8.05% per annum and has an original term to maturity of 360 months, a CAGE of 4 months and a remaining term to maturity of 354 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, 235% 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.

The Principal Balance Schedules have been prepared on the basis of the Pricing Assumptions and the assumption that the Mortgage Loans prepay at the approximate *constant* levels set forth in the following table.

<u>Principal Balance Schedule References</u>	<u>Related Classes</u>	<u>PSA Levels</u>
Scheduled Balances	Scheduled	Between 235% and 350%

There is no assurance that the principal balances of the Classes listed above will conform on any Distribution Date to the applicable balances specified for such Distribution Date in the Principal Balance Schedules below, or that distributions of principal on the related Classes will begin or end on the respective Distribution Dates specified therein. Because any excess of the principal available for distribution on any Distribution Date over the amount necessary to reduce the principal balances of the applicable Classes to their respective scheduled balances will be distributed, the ability to so reduce the principal balances of such Classes will not be enhanced by the averaging of high and low principal payments. In addition, even if prepayments remain within the range specified above, the principal available for distribution may be insufficient to reduce the applicable Classes to such respective balances, if prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the Mortgage Loans (which may include recently originated Mortgage Loans), the Classes specified above may not be reduced to their respective scheduled amounts, even if prepayments occur at a *constant* level within the range specified above.

Principal Balance Schedules

<u>Distribution Date</u>	<u>A Class Scheduled Balance</u>	<u>B Class Scheduled Balance</u>	<u>C Class Scheduled Balance</u>	<u>D Class Scheduled Balance</u>	<u>E Class Scheduled Balance</u>
Initial Balance	\$400,000,000.00	\$63,623,000.00	\$54,205,000.00	\$16,783,000.00	\$6,897,000.00
August 1993	398,290,041.81	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
September 1993	396,324,998.64	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
October 1993	394,106,477.27	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
November 1993	391,635,903.69	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
December 1993	388,915,010.65	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
January 1994	385,945,836.69	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
February 1994	382,730,724.54	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
March 1994	379,272,318.90	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
April 1994	375,573,563.60	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
May 1994	371,637,698.19	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
June 1994	367,468,253.85	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
July 1994	363,069,048.69	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
August 1994	358,444,182.55	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
September 1994	353,598,031.04	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
October 1994	348,535,239.16	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
November 1994	343,260,714.23	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
December 1994	337,779,618.26	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
January 1995	332,097,359.88	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
February 1995	326,219,585.64	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
March 1995	320,152,170.79	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
April 1995	313,901,209.63	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
May 1995	307,473,005.40	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
June 1995	300,874,059.59	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
July 1995	294,111,061.01	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
August 1995	287,190,874.31	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
September 1995	280,120,528.21	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
October 1995	273,141,762.28	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
November 1995	266,253,408.44	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
December 1995	259,454,313.42	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
January 1996	252,743,338.55	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
February 1996	246,119,359.58	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
March 1996	239,581,266.52	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
April 1996	233,127,963.40	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
May 1996	226,758,368.17	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
June 1996	220,471,412.47	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
July 1996	214,266,041.48	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
August 1996	208,141,213.73	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
September 1996	202,095,900.97	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
October 1996	196,129,087.96	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
November 1996	190,239,772.33	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
December 1996	184,426,964.40	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
January 1997	178,689,687.05	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
February 1997	173,026,975.54	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
March 1997	167,437,877.33	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
April 1997	161,921,451.99	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
May 1997	156,476,770.97	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
June 1997	151,102,917.54	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
July 1997	145,798,986.53	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
August 1997	140,564,084.30	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
September 1997	135,397,328.49	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
October 1997	130,297,847.96	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00

<u>Distribution Date</u>	<u>A Class Scheduled Balance</u>	<u>B Class Scheduled Balance</u>	<u>C Class Scheduled Balance</u>	<u>D Class Scheduled Balance</u>	<u>E Class Scheduled Balance</u>
November 1997	\$125,264,782.60	\$63,623,000.00	\$54,205,000.00	\$16,783,000.00	\$6,897,000.00
December 1997	120,297,283.21	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
January 1998	115,394,511.36	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
February 1998	110,555,639.23	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
March 1998	105,779,849.53	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
April 1998	101,066,335.31	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
May 1998	96,414,299.86	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
June 1998	91,822,956.57	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
July 1998	87,291,528.83	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
August 1998	82,819,249.84	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
September 1998	78,405,362.56	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
October 1998	74,049,119.54	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
November 1998	69,749,782.81	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
December 1998	65,506,623.78	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
January 1999	61,318,923.07	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
February 1999	57,185,970.46	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
March 1999	53,107,064.72	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
April 1999	49,081,513.53	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
May 1999	45,108,633.36	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
June 1999	41,195,204.84	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
July 1999	37,360,731.67	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
August 1999	33,603,641.57	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
September 1999	29,922,393.30	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
October 1999	26,315,476.07	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
November 1999	22,781,408.93	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
December 1999	19,318,740.20	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
January 2000	15,926,046.88	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
February 2000	12,601,934.08	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
March 2000	9,345,034.50	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
April 2000	6,154,007.83	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
May 2000	3,027,540.29	63,623,000.00	54,205,000.00	16,783,000.00	6,897,000.00
June 2000	0.00	63,587,344.05	54,205,000.00	16,783,000.00	6,897,000.00
July 2000	0.00	60,586,156.76	54,205,000.00	16,783,000.00	6,897,000.00
August 2000	0.00	57,645,741.02	54,205,000.00	16,783,000.00	6,897,000.00
September 2000	0.00	54,764,883.90	54,205,000.00	16,783,000.00	6,897,000.00
October 2000	0.00	51,942,396.46	54,205,000.00	16,783,000.00	6,897,000.00
November 2000	0.00	49,177,113.30	54,205,000.00	16,783,000.00	6,897,000.00
December 2000	0.00	46,467,892.05	54,205,000.00	16,783,000.00	6,897,000.00
January 2001	0.00	43,813,612.95	54,205,000.00	16,783,000.00	6,897,000.00
February 2001	0.00	41,213,178.40	54,205,000.00	16,783,000.00	6,897,000.00
March 2001	0.00	38,665,512.52	54,205,000.00	16,783,000.00	6,897,000.00
April 2001	0.00	36,169,560.74	54,205,000.00	16,783,000.00	6,897,000.00
May 2001	0.00	33,724,289.34	54,205,000.00	16,783,000.00	6,897,000.00
June 2001	0.00	31,328,685.08	54,205,000.00	16,783,000.00	6,897,000.00
July 2001	0.00	28,981,754.78	54,205,000.00	16,783,000.00	6,897,000.00
August 2001	0.00	26,682,524.92	54,205,000.00	16,783,000.00	6,897,000.00
September 2001	0.00	24,430,041.29	54,205,000.00	16,783,000.00	6,897,000.00
October 2001	0.00	22,223,368.54	54,205,000.00	16,783,000.00	6,897,000.00
November 2001	0.00	20,061,589.87	54,205,000.00	16,783,000.00	6,897,000.00
December 2001	0.00	17,943,806.65	54,205,000.00	16,783,000.00	6,897,000.00
January 2002	0.00	15,869,138.04	54,205,000.00	16,783,000.00	6,897,000.00
February 2002	0.00	13,836,720.67	54,205,000.00	16,783,000.00	6,897,000.00

<u>Distribution Date</u>	<u>A Class Scheduled Balance</u>	<u>B Class Scheduled Balance</u>	<u>C Class Scheduled Balance</u>	<u>D Class Scheduled Balance</u>	<u>E Class Scheduled Balance</u>
March 2002	\$ 0.00	\$11,845,708.29	\$54,205,000.00	\$16,783,000.00	\$6,897,000.00
April 2002.....	0.00	9,895,271.39	54,205,000.00	16,783,000.00	6,897,000.00
May 2002	0.00	7,984,596.94	54,205,000.00	16,783,000.00	6,897,000.00
June 2002	0.00	6,112,888.02	54,205,000.00	16,783,000.00	6,897,000.00
July 2002	0.00	4,279,363.51	54,205,000.00	16,783,000.00	6,897,000.00
August 2002	0.00	2,483,257.79	54,205,000.00	16,783,000.00	6,897,000.00
September 2002.....	0.00	723,820.42	54,205,000.00	16,783,000.00	6,897,000.00
October 2002	0.00	0.00	53,205,315.85	16,783,000.00	6,897,000.00
November 2002	0.00	0.00	51,517,023.13	16,783,000.00	6,897,000.00
December 2002	0.00	0.00	49,863,235.61	16,783,000.00	6,897,000.00
January 2003	0.00	0.00	48,243,260.66	16,783,000.00	6,897,000.00
February 2003	0.00	0.00	46,656,419.42	16,783,000.00	6,897,000.00
March 2003	0.00	0.00	45,102,046.48	16,783,000.00	6,897,000.00
April 2003.....	0.00	0.00	43,579,489.67	16,783,000.00	6,897,000.00
May 2003	0.00	0.00	42,088,109.75	16,783,000.00	6,897,000.00
June 2003	0.00	0.00	40,627,280.18	16,783,000.00	6,897,000.00
July 2003	0.00	0.00	39,196,386.87	16,783,000.00	6,897,000.00
August 2003	0.00	0.00	37,794,827.95	16,783,000.00	6,897,000.00
September 2003.....	0.00	0.00	36,422,013.46	16,783,000.00	6,897,000.00
October 2003	0.00	0.00	35,077,365.22	16,783,000.00	6,897,000.00
November 2003	0.00	0.00	33,760,316.50	16,783,000.00	6,897,000.00
December 2003	0.00	0.00	32,470,311.86	16,783,000.00	6,897,000.00
January 2004	0.00	0.00	31,206,806.89	16,783,000.00	6,897,000.00
February 2004	0.00	0.00	29,969,268.03	16,783,000.00	6,897,000.00
March 2004	0.00	0.00	28,757,172.29	16,783,000.00	6,897,000.00
April 2004.....	0.00	0.00	27,570,007.13	16,783,000.00	6,897,000.00
May 2004	0.00	0.00	26,407,270.17	16,783,000.00	6,897,000.00
June 2004	0.00	0.00	25,268,469.04	16,783,000.00	6,897,000.00
July 2004	0.00	0.00	24,153,121.19	16,783,000.00	6,897,000.00
August 2004	0.00	0.00	23,060,753.63	16,783,000.00	6,897,000.00
September 2004.....	0.00	0.00	21,990,902.82	16,783,000.00	6,897,000.00
October 2004	0.00	0.00	20,943,114.45	16,783,000.00	6,897,000.00
November 2004	0.00	0.00	19,916,943.24	16,783,000.00	6,897,000.00
December 2004	0.00	0.00	18,911,952.79	16,783,000.00	6,897,000.00
January 2005	0.00	0.00	17,927,715.39	16,783,000.00	6,897,000.00
February 2005	0.00	0.00	16,963,811.85	16,783,000.00	6,897,000.00
March 2005	0.00	0.00	16,019,831.34	16,783,000.00	6,897,000.00
April 2005.....	0.00	0.00	15,095,371.22	16,783,000.00	6,897,000.00
May 2005	0.00	0.00	14,190,036.86	16,783,000.00	6,897,000.00
June 2005	0.00	0.00	13,303,441.51	16,783,000.00	6,897,000.00
July 2005	0.00	0.00	12,435,206.15	16,783,000.00	6,897,000.00
August 2005	0.00	0.00	11,584,959.28	16,783,000.00	6,897,000.00
September 2005.....	0.00	0.00	10,752,336.84	16,783,000.00	6,897,000.00
October 2005	0.00	0.00	9,936,982.03	16,783,000.00	6,897,000.00
November 2005	0.00	0.00	9,138,545.17	16,783,000.00	6,897,000.00
December 2005	0.00	0.00	8,356,683.55	16,783,000.00	6,897,000.00
January 2006	0.00	0.00	7,591,061.31	16,783,000.00	6,897,000.00
February 2006	0.00	0.00	6,841,349.30	16,783,000.00	6,897,000.00
March 2006	0.00	0.00	6,107,224.93	16,783,000.00	6,897,000.00
April 2006.....	0.00	0.00	5,388,372.06	16,783,000.00	6,897,000.00
May 2006	0.00	0.00	4,684,480.88	16,783,000.00	6,897,000.00
June 2006	0.00	0.00	3,995,247.74	16,783,000.00	6,897,000.00

<u>Distribution Date</u>	<u>A Class Scheduled Balance</u>	<u>B Class Scheduled Balance</u>	<u>C Class Scheduled Balance</u>	<u>D Class Scheduled Balance</u>	<u>E Class Scheduled Balance</u>
July 2006	\$ 0.00	\$ 0.00	\$ 3,320,375.09	\$16,783,000.00	\$6,897,000.00
August 2006	0.00	0.00	2,659,571.32	16,783,000.00	6,897,000.00
September 2006	0.00	0.00	2,012,550.63	16,783,000.00	6,897,000.00
October 2006	0.00	0.00	1,379,032.95	16,783,000.00	6,897,000.00
November 2006	0.00	0.00	758,743.83	16,783,000.00	6,897,000.00
December 2006	0.00	0.00	151,414.28	16,783,000.00	6,897,000.00
January 2007	0.00	0.00	0.00	16,339,780.72	6,897,000.00
February 2007	0.00	0.00	0.00	15,757,584.81	6,897,000.00
March 2007	0.00	0.00	0.00	15,187,573.41	6,897,000.00
April 2007	0.00	0.00	0.00	14,629,498.44	6,897,000.00
May 2007	0.00	0.00	0.00	14,083,116.80	6,897,000.00
June 2007	0.00	0.00	0.00	13,548,190.24	6,897,000.00
July 2007	0.00	0.00	0.00	13,024,485.28	6,897,000.00
August 2007	0.00	0.00	0.00	12,511,773.15	6,897,000.00
September 2007	0.00	0.00	0.00	12,009,829.64	6,897,000.00
October 2007	0.00	0.00	0.00	11,518,435.03	6,897,000.00
November 2007	0.00	0.00	0.00	11,037,374.02	6,897,000.00
December 2007	0.00	0.00	0.00	10,566,435.63	6,897,000.00
January 2008	0.00	0.00	0.00	10,105,413.10	6,897,000.00
February 2008	0.00	0.00	0.00	9,654,103.84	6,897,000.00
March 2008	0.00	0.00	0.00	9,212,309.29	6,897,000.00
April 2008	0.00	0.00	0.00	8,779,834.90	6,897,000.00
May 2008	0.00	0.00	0.00	8,356,490.04	6,897,000.00
June 2008	0.00	0.00	0.00	7,942,087.88	6,897,000.00
July 2008	0.00	0.00	0.00	7,536,445.36	6,897,000.00
August 2008	0.00	0.00	0.00	7,139,383.09	6,897,000.00
September 2008	0.00	0.00	0.00	6,750,725.28	6,897,000.00
October 2008	0.00	0.00	0.00	6,370,299.70	6,897,000.00
November 2008	0.00	0.00	0.00	5,997,937.55	6,897,000.00
December 2008	0.00	0.00	0.00	5,633,473.44	6,897,000.00
January 2009	0.00	0.00	0.00	5,276,745.32	6,897,000.00
February 2009	0.00	0.00	0.00	4,927,594.38	6,897,000.00
March 2009	0.00	0.00	0.00	4,585,865.02	6,897,000.00
April 2009	0.00	0.00	0.00	4,251,404.76	6,897,000.00
May 2009	0.00	0.00	0.00	3,924,064.19	6,897,000.00
June 2009	0.00	0.00	0.00	3,603,696.93	6,897,000.00
July 2009	0.00	0.00	0.00	3,290,159.53	6,897,000.00
August 2009	0.00	0.00	0.00	2,983,311.44	6,897,000.00
September 2009	0.00	0.00	0.00	2,683,014.93	6,897,000.00
October 2009	0.00	0.00	0.00	2,389,135.07	6,897,000.00
November 2009	0.00	0.00	0.00	2,101,539.63	6,897,000.00
December 2009	0.00	0.00	0.00	1,820,099.05	6,897,000.00
January 2010	0.00	0.00	0.00	1,544,686.40	6,897,000.00
February 2010	0.00	0.00	0.00	1,275,177.29	6,897,000.00
March 2010	0.00	0.00	0.00	1,011,449.86	6,897,000.00
April 2010	0.00	0.00	0.00	753,384.71	6,897,000.00
May 2010	0.00	0.00	0.00	500,864.83	6,897,000.00
June 2010	0.00	0.00	0.00	253,775.60	6,897,000.00
July 2010	0.00	0.00	0.00	12,004.70	6,897,000.00
August 2010	0.00	0.00	0.00	0.00	6,672,442.10
September 2010	0.00	0.00	0.00	0.00	6,440,979.97
October 2010	0.00	0.00	0.00	0.00	6,214,512.67

<u>Distribution Date</u>	<u>A Class Scheduled Balance</u>	<u>B Class Scheduled Balance</u>	<u>C Class Scheduled Balance</u>	<u>D Class Scheduled Balance</u>	<u>E Class Scheduled Balance</u>
November 2010	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$5,992,936.72
December 2010	0.00	0.00	0.00	0.00	5,776,150.70
January 2011	0.00	0.00	0.00	0.00	5,564,055.26
February 2011	0.00	0.00	0.00	0.00	5,356,553.07
March 2011	0.00	0.00	0.00	0.00	5,153,548.75
April 2011.....	0.00	0.00	0.00	0.00	4,954,948.88
May 2011	0.00	0.00	0.00	0.00	4,760,661.91
June 2011	0.00	0.00	0.00	0.00	4,570,598.17
July 2011	0.00	0.00	0.00	0.00	4,384,669.77
August 2011	0.00	0.00	0.00	0.00	4,202,790.65
September 2011.....	0.00	0.00	0.00	0.00	4,024,876.46
October 2011	0.00	0.00	0.00	0.00	3,850,844.58
November 2011	0.00	0.00	0.00	0.00	3,680,614.07
December 2011	0.00	0.00	0.00	0.00	3,514,105.63
January 2012	0.00	0.00	0.00	0.00	3,351,241.56
February 2012	0.00	0.00	0.00	0.00	3,191,945.76
March 2012	0.00	0.00	0.00	0.00	3,036,143.67
April 2012.....	0.00	0.00	0.00	0.00	2,883,762.23
May 2012	0.00	0.00	0.00	0.00	2,734,729.90
June 2012	0.00	0.00	0.00	0.00	2,588,976.56
July 2012	0.00	0.00	0.00	0.00	2,446,433.55
August 2012	0.00	0.00	0.00	0.00	2,307,033.58
September 2012.....	0.00	0.00	0.00	0.00	2,170,710.75
October 2012	0.00	0.00	0.00	0.00	2,037,400.49
November 2012	0.00	0.00	0.00	0.00	1,907,039.57
December 2012	0.00	0.00	0.00	0.00	1,779,566.03
January 2013	0.00	0.00	0.00	0.00	1,654,919.17
February 2013	0.00	0.00	0.00	0.00	1,533,039.54
March 2013	0.00	0.00	0.00	0.00	1,413,868.91
April 2013.....	0.00	0.00	0.00	0.00	1,297,350.22
May 2013	0.00	0.00	0.00	0.00	1,183,427.59
June 2013	0.00	0.00	0.00	0.00	1,072,046.29
July 2013	0.00	0.00	0.00	0.00	963,152.68
August 2013	0.00	0.00	0.00	0.00	856,694.24
September 2013.....	0.00	0.00	0.00	0.00	752,619.53
October 2013	0.00	0.00	0.00	0.00	650,878.15
November 2013	0.00	0.00	0.00	0.00	551,420.73
December 2013	0.00	0.00	0.00	0.00	454,198.93
January 2014	0.00	0.00	0.00	0.00	359,165.37
February 2014	0.00	0.00	0.00	0.00	266,273.68
March 2014	0.00	0.00	0.00	0.00	175,478.40
April 2014.....	0.00	0.00	0.00	0.00	86,735.04
May 2014 and thereafter	0.00	0.00	0.00	0.00	0.00

Characteristics of the R Class

In addition to distributions of principal, the Holders of the R Class will be entitled to receive the proceeds of the remaining assets of the Trust, including the AA Class and BB Class Cash Deposits, after the principal balances of all Classes have been reduced to zero. It is not anticipated that there will be any material assets remaining in such circumstance.

The R Class will be subject to certain transfer restrictions. No transfer of record or beneficial ownership of an R Certificate will be allowed to a “disqualified organization.” In addition, no transfer of record or beneficial ownership of an R 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. Any transferee of an R 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. Transferees of an R Certificate should consult with their own tax advisors for further information regarding such transfers.

The Holders of the R Class will be considered to be the holders of the “residual interest” in the REMIC constituted by the Trust. 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 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 will remain constant.

The timing of changes in the rate of prepayments or the level of the applicable Index may significantly affect the actual yield to maturity to investors, even if the average rate of principal prepayments or the average level of such Index is consistent with the expectations of investors. In general, the earlier the payment of principal of the Mortgage Loans or change in the level of an Index, the greater the effect on an investor’s yield to maturity. As a result, the effect on an investor’s yield of principal prepayments or the level of an Index occurring at a rate or level higher (or lower) than the rate or level 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 or level of such Index.

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 an Index. 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 Inverse Floating Rate Classes. The yield to investors in the S Class will be highly sensitive to the level of the Index and will be sensitive in varying degrees 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 Index will have a negative effect on the yield to investors in the S Class.

Changes in an 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 in the following table was prepared on the basis of the Pricing Assumptions and the assumptions that (i) the interest rates applicable to the Inverse Floating Rate Class for each Interest Accrual Period subsequent to its initial Interest Accrual Period will be based on the indicated level of the applicable Index and (ii) the aggregate purchase price of the Inverse Floating Rate Class (expressed as a percentage of original principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
S	100.0%

* The price does not include accrued interest. Accrued interest has been added to such price in calculating the yields set forth in the table 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>235%</u>	<u>350%</u>	<u>500%</u>
1.1875%	21.5%	21.5%	21.5%	21.4%	21.2%
3.1875%	15.0%	15.0%	15.0%	15.0%	15.0%
5.1875%	8.5%	8.5%	8.5%	8.6%	8.8%
7.1875%	2.1%	2.1%	2.1%	2.4%	2.8%
7.8500%	0.0%	0.0%	0.1%	0.3%	0.8%

The Principal Only Class. 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 N Class.

The information set forth in the following table has been prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase price of the N Class (expressed as a percentage of original principal balance) is 83.0%.

**Sensitivity of the N Class to Prepayments
(Pre-Tax Yields to Maturity)**

<u>Class</u>	<u>PSA Percentages</u>				
	<u>50%</u>	<u>100%</u>	<u>235%</u>	<u>350%</u>	<u>500%</u>
N	0.7%	0.7%	1.3%	7.4%	16.3%

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, the priority sequence of distributions of principal of the Classes and the distribution of principal of certain Classes in accordance with the Principal Balance Schedules herein. In particular, if the amount distributable as principal of the Certificates on any Distribution Date exceeds the amount required to reduce the principal balances of certain Classes with higher principal payment priorities to their respective scheduled amounts as set forth in the Principal Balance Schedules, such excess principal will be distributed on the remaining Classes on such Distribution Date. Conversely, if the principal distributable on any Distribution Date is less than the amount so required to reduce certain Classes to their respective scheduled amounts, no principal will be distributed on the remaining Classes on such Distribution Date. Accordingly, the rate of principal payments on the Mortgage Loans is expected to have a greater effect on the weighted average lives of the Support Classes and the Sequential Pay Classes than on the weighted average lives of the Scheduled Classes. See “Distributions of Principal” herein.

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 10.00% 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 Class					B Class					C Class					D Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	235%	350%	500%	0%	100%	235%	350%	500%	0%	100%	235%	350%	500%	0%	100%	235%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1994	99	95	91	91	91	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1995	98	87	74	74	73	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1996	97	77	54	54	40	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1997	96	67	36	36	17	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1998	95	58	22	22	1	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1999	93	49	9	9	0	100	100	100	100	34	100	100	100	100	100	100	100	100	100	100
July 2000	91	41	0	0	0	100	100	95	95	0	100	100	100	100	83	100	100	100	100	100
July 2001	90	34	0	0	0	100	100	46	46	0	100	100	100	100	44	100	100	100	100	100
July 2002	88	26	0	0	0	100	100	7	7	0	100	100	100	100	16	100	100	100	100	100
July 2003	86	20	0	0	0	100	100	0	0	0	100	100	72	72	0	100	100	100	100	92
July 2004	83	13	0	0	0	100	100	0	0	0	100	100	45	45	0	100	100	100	100	50
July 2005	80	7	0	0	0	100	100	0	0	0	100	100	23	23	0	100	100	100	100	21
July 2006	77	1	0	0	0	100	100	0	0	0	100	100	6	6	0	100	100	100	100	1
July 2007	74	0	0	0	0	100	74	0	0	0	100	100	0	0	0	100	100	78	78	0
July 2008	71	0	0	0	0	100	42	0	0	0	100	100	0	0	0	100	100	45	45	0
July 2009	67	0	0	0	0	100	11	0	0	0	100	100	0	0	0	100	100	20	20	0
July 2010	62	0	0	0	0	100	0	0	0	0	100	80	0	0	0	100	100	*	*	0
July 2011	57	0	0	0	0	100	0	0	0	0	100	47	0	0	0	100	100	0	0	0
July 2012	52	0	0	0	0	100	0	0	0	0	100	17	0	0	0	100	100	0	0	0
July 2013	46	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	61	0	0	0
July 2014	40	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2015	33	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2016	25	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2017	16	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2018	6	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2019	0	0	0	0	0	71	0	0	0	0	100	0	0	0	0	100	0	0	0	0
July 2020	0	0	0	0	0	0	0	0	0	0	96	0	0	0	0	100	0	0	0	0
July 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	97	0	0	0	0
July 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 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)**	17.7	6.3	3.4	3.4	2.7	26.3	14.8	8.0	8.0	5.8	27.5	18.0	11.0	11.0	8.0	28.2	20.2	15.0	15.0	11.2

* 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.

Date	E Class					F, S, N and R Classes					H Class					J Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	235%	350%	500%	0%	100%	235%	350%	500%	0%	100%	235%	350%	500%	0%	100%	235%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1994	100	100	100	100	100	100	100	100	84	64	99	95	91	87	82	100	100	100	100	100
July 1995	100	100	100	100	100	100	100	100	55	0	98	87	74	63	49	100	100	100	100	100
July 1996	100	100	100	100	100	100	100	100	28	0	97	77	54	36	15	100	100	100	100	100
July 1997	100	100	100	100	100	100	100	100	12	0	96	67	36	15	0	100	100	100	100	60
July 1998	100	100	100	100	100	100	100	100	5	0	95	58	22	0	0	100	100	100	92	0
July 1999	100	100	100	100	100	100	100	100	3	0	93	49	9	0	0	100	100	100	26	0
July 2000	100	100	100	100	100	100	100	98	3	0	91	41	0	0	0	100	100	93	0	0
July 2001	100	100	100	100	100	100	100	93	3	0	90	34	0	0	0	100	100	46	0	0
July 2002	100	100	100	100	100	100	100	86	3	0	88	26	0	0	0	100	100	7	0	0
July 2003	100	100	100	100	100	100	100	79	3	0	86	20	0	0	0	100	100	0	0	0
July 2004	100	100	100	100	100	100	100	71	3	0	83	13	0	0	0	100	100	0	0	0
July 2005	100	100	100	100	100	100	100	64	3	0	80	7	0	0	0	100	100	0	0	0
July 2006	100	100	100	100	100	100	100	57	3	0	77	1	0	0	0	100	100	0	0	0
July 2007	100	100	100	100	70	100	100	50	3	0	74	0	0	0	0	100	79	0	0	0
July 2008	100	100	100	100	47	100	100	43	3	0	71	0	0	0	0	100	53	0	0	0
July 2009	100	100	100	100	32	100	100	38	3	0	67	0	0	0	0	100	28	0	0	0
July 2010	100	100	100	100	21	100	100	32	3	0	62	0	0	0	0	100	4	0	0	0
July 2011	100	100	64	64	14	100	100	28	3	0	57	0	0	0	0	100	0	0	0	0
July 2012	100	100	35	35	9	100	100	24	3	0	52	0	0	0	0	100	0	0	0	0
July 2013	100	100	14	14	6	100	100	20	3	0	46	0	0	0	0	100	0	0	0	0
July 2014	100	33	0	0	4	100	100	17	3	0	40	0	0	0	0	100	0	0	0	0
July 2015	100	0	0	0	3	100	88	13	2	0	33	0	0	0	0	100	0	0	0	0
July 2016	100	0	0	0	2	100	74	10	2	0	25	0	0	0	0	100	0	0	0	0
July 2017	100	0	0	0	1	100	61	8	1	0	16	0	0	0	0	100	0	0	0	0
July 2018	100	0	0	0	1	100	49	6	1	0	6	0	0	0	0	100	0	0	0	0
July 2019	100	0	0	0	*	100	37	4	*	0	0	0	0	0	0	76	0	0	0	0
July 2020	100	0	0	0	*	100	26	2	*	0	0	0	0	0	0	15	0	0	0	0
July 2021	100	0	0	0	*	100	15	1	*	0	0	0	0	0	0	0	0	0	0	0
July 2022	0	0	0	0	*	65	5	*	*	0	0	0	0	0	0	0	0	0	0	0
July 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)**	28.4	20.9	18.6	18.6	15.6	29.3	25.1	15.0	3.0	1.2	17.7	6.3	3.4	2.5	2.0	26.5	15.2	8.0	5.7	4.1

Date	AA†, BB† and K Classes					L Class					M Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	235%	350%	500%	0%	100%	235%	350%	500%	0%	100%	235%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1994	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1995	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1996	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1997	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 1998	100	100	100	100	78	100	100	100	100	100	100	100	100	100	100
July 1999	100	100	100	100	23	100	100	100	100	100	100	100	100	100	100
July 2000	100	100	100	75	0	100	100	100	100	73	100	100	100	100	100
July 2001	100	100	100	36	0	100	100	100	100	23	100	100	100	100	100
July 2002	100	100	100	6	0	100	100	100	100	0	100	100	100	100	87
July 2003	100	100	74	0	0	100	100	100	66	0	100	100	100	100	60
July 2004	100	100	46	0	0	100	100	100	32	0	100	100	100	100	41
July 2005	100	100	23	0	0	100	100	100	5	0	100	100	100	100	28
July 2006	100	100	3	0	0	100	100	100	0	0	100	100	100	81	19
July 2007	100	100	0	0	0	100	100	73	0	0	100	100	100	62	13
July 2008	100	100	0	0	0	100	100	46	0	0	100	100	100	48	9
July 2009	100	100	0	0	0	100	100	23	0	0	100	100	100	36	6
July 2010	100	100	0	0	0	100	100	4	0	0	100	100	100	27	4
July 2011	100	83	0	0	0	100	100	0	0	0	100	100	85	21	3
July 2012	100	62	0	0	0	100	100	0	0	0	100	100	69	15	2
July 2013	100	43	0	0	0	100	100	0	0	0	100	100	56	11	1
July 2014	100	25	0	0	0	100	100	0	0	0	100	100	44	8	1
July 2015	100	7	0	0	0	100	100	0	0	0	100	100	35	6	*
July 2016	100	0	0	0	0	100	83	0	0	0	100	100	27	4	*
July 2017	100	0	0	0	0	100	53	0	0	0	100	100	20	3	*
July 2018	100	0	0	0	0	100	25	0	0	0	100	100	15	2	*
July 2019	100	0	0	0	0	100	0	0	0	0	100	98	10	1	*
July 2020	100	0	0	0	0	100	0	0	0	0	100	69	7	1	*
July 2021	50	0	0	0	0	100	0	0	0	0	100	40	4	*	*
July 2022	0	0	0	0	0	61	0	0	0	0	100	13	1	*	*
July 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.0	19.7	11.0	7.7	5.5	29.1	24.2	15.0	10.6	7.5	29.7	27.7	21.3	15.8	11.3

* 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.

† The weighted average lives shown in the table for the AA Class and the BB Class apply to each such Class taken as a whole. As a result of the distribution priorities and allocations applicable to the AA Class and the BB Class, respectively, the weighted average lives of each of the AA Class and the BB Class beneficially owned by individual investors may vary significantly from the weighted average lives of each such Class taken as a whole.

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

An election will be made to treat the Trust as a REMIC for federal income tax purposes. The Certificates, other than the R Class, 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.

As a consequence of the qualification of the Trust as a REMIC, 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 Class, 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 N Class 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 235% 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.

Additional tax consequences affecting beneficial owners of Retail Certificates are discussed under “Description of the Certificates—The Retail Certificates—*Retail Principal Distributions—Tax Information*” herein.

Taxation of Beneficial Owners of Residual Certificates

Under the Regulations, the R Certificate will not 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 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 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 June 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 Certificate are unclear; any transferee receiving such consideration should consult its own tax advisors.

PLAN OF DISTRIBUTION

General. Lehman Brothers will receive the Certificates in exchange for the SMBS pursuant to a Fannie Mae commitment. Lehman Brothers proposes to offer the Certificates (other than the AA and BB Classes) directly to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. Lehman Brothers may effect such transactions to or through dealers. The Dealers propose to offer the AA and BB Classes directly to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. The Dealers may effect such transactions to or through other dealers.

Increase in Certificates. Fannie Mae and the Dealers may agree to offer hereby Certificates in addition to those contemplated as of the date hereof. In such event, the SMBS 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 SMBS.” The proportion that the original principal balance of each Class bears to the aggregate original principal balance of all the Certificates will remain the same. The dollar amounts reflected in the Principal Balance Schedules will be increased in pro rata amounts that correspond to the increase of the principal balance of the Certificates.

LEGAL MATTERS

Certain legal matters will be passed upon for the Dealers by Skadden, Arps, Slate, Meagher & Flom.

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 and the REMIC Prospectus, the MBS Prospectus, the SMBS Prospectus, the Mega 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 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 or thereof.

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\$1,280,000,000

**Federal National
Mortgage Association**



**Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 1993-122**

PROSPECTUS SUPPLEMENT

**LEHMAN BROTHERS
LASALLE NATIONAL BANK
BROKER/DEALER SERVICES DIVISION
DAIN BOSWORTH INCORPORATED
J.C. BRADFORD & Co.
RAYMOND JAMES & ASSOCIATES, INC.
KEMPER SECURITIES
MORGAN KEEGAN & COMPANY, INC.
STIFEL SECURITIES
WHEAT FIRST BUTCHER & SINGER
CAPITAL MARKETS**

June 11, 1993