

\$194,717,385



FannieMae

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 1999-61**

The Certificates

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

Payments to Certificateholders

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

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

We may pay principal at rates that vary from time to time. We may not pay principal to certain classes for long periods of time.

The Fannie Mae Guaranty

We will guarantee that required payments of principal and interest on the certificates are distributed to investors on time.

The Trust and its Assets

The trust will own

- Fannie Mae MBS and
- underlying REMIC certificates backed directly or indirectly by Fannie Mae MBS.

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

Class	Group	Original Class Balance	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
DA	1	\$93,427,000	SEQ	7.0%	FIX	31359XEA3	February 2027
DV	1	20,823,000	SEQ/AD	7.0	FIX	31359XEB1	June 2015
DZ	1	10,750,000	SEQ	7.0	FIX/Z	31359XEC9	December 2029
FB	2	10,417,365	PT	(1)	FLT	31359XED7	February 2025
SB	2	10,417,365 (2)	NTL	(1)	INV/IO	31359XEE5	February 2025
FG	3	25,864,238	SC/PT	(1)	FLT	31359XEF2	June 2029
SG	3	12,932,119	SC/PT	(1)	INV	31359XEG0	June 2029
FM	4	13,669,108	SC/PT	(1)	FLT	31359XEH8	June 2029
SM	4	6,834,555	SC/PT	(1)	INV	31359XEJ4	June 2029
R		0	NPR	0	NPR	31359XEK1	December 2029

(1) Based on LIBOR.

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

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be November 24, 1999 for the Group 1 and Group 2 Classes and November 26, 1999 for the remaining classes.

Carefully consider the risk factors starting on page S-7 of this prospectus supplement and on page 10 of the REMIC prospectus. Unless you understand and are able to tolerate these risks, you should not invest in the certificates.

You should read the REMIC prospectus as well as this prospectus supplement.

The certificates, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any agency or instrumentality thereof other than Fannie Mae.

The certificates are exempt from registration under the Securities Act of 1933 and are "exempted securities" under the Securities Exchange Act of 1934.

Goldman, Sachs & Co.

The date of this Prospectus Supplement is October 26, 1999.

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AVAILABLE INFORMATION

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

- our Prospectus for Guaranteed REMIC Pass-Through Certificates dated September 18, 1998 (the “REMIC Prospectus”);
- our Prospectus for Guaranteed Mortgage Pass-Through Certificates dated October 1, 1999 (the “MBS Prospectus”);
- our Information Statement dated March 31, 1999 and its supplements (the “Information Statement”); and
- the disclosure documents relating to the underlying REMIC certificates (together, the “Underlying REMIC Disclosure Documents”).

You can obtain the Disclosure Documents by writing or calling us at:

Fannie Mae
MBS Helpline
3900 Wisconsin Avenue, N.W., Area 2H-3S
Washington, D.C. 20016
(telephone 1-800-237-8627 or 202-752-6547).

Most of the Disclosure Documents, together with the class factors, are available on our website located at <http://www.fanniemae.com>.

You also can obtain the Disclosure Documents, other than the Underlying REMIC Disclosure Documents, by writing or calling the dealer at:

Goldman, Sachs & Co.
Prospectus Department
85 Broad Street, SC Level
New York, New York 10004
(telephone 212-902-1171).

REFERENCE SHEET

This reference sheet is not a summary of the transaction and does not contain complete information about the certificates. You should purchase the certificates only after reading this prospectus supplement and each of the additional disclosure documents listed on page S-3.

Assets underlying each Group of Classes

<u>Group</u>	<u>Assets</u>
1	Group 1 MBS
2	Group 2 MBS
3	Class 1999-30-A REMIC Certificate
4	Class 1999-29-MA REMIC Certificate

Assumed Characteristics of the Mortgage Loans underlying the Group 1 and Group 2 MBS (as of November 1, 1999)

	<u>Approximate Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>Approximate Weighted Average Remaining Term to Maturity (in months)</u>	<u>Approximate Calculated Loan Age (in months)</u>	<u>Approximate Weighted Average Coupon</u>
Group 1 MBS	\$125,000,000	360	324	30	7.65%
Group 2 MBS	\$ 10,417,365	360	192	164	10.59%

The actual remaining terms to maturity, calculated loan ages and interest rates of most of the mortgage loans will differ from the weighted averages shown above, perhaps significantly.

Characteristics of the Underlying REMIC Certificates

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

Class Factors

The class factors are numbers that, when multiplied by the initial principal balance of a certificate, can be used to calculate the current principal balance of that certificate (after taking into account distributions in the same month). We publish the class factors on or shortly after the 11th day of each month.

Settlement Date

We expect to issue the Group 1 and Group 2 Classes on November 24, 1999 and the remaining classes on November 26, 1999.

Distribution Dates

We will make payments on the Group 1 and Group 2 Classes on the 18th day of each calendar month, or on the next business day if the 18th day is not a business day. We will make payments on the Group 3 and Group 4 Classes on the 25th day of each calendar month, or on the next business day if the 25th day is not a business day.

Book-Entry and Physical Certificates

We will issue the book-entry certificates through the U.S. Federal Reserve Banks, which will electronically track ownership of the certificates and payments on them. We will issue physical certificates in registered, certificated form.

We will issue the classes of certificates in the following forms:

<u>Fed Book-Entry</u>	<u>Physical</u>
All classes other than the R Class	R Class

Interest Rates

During each interest accrual period, the fixed rate classes will bear interest at the applicable annual interest rates listed on the cover.

During the initial interest accrual period, the floating rate and inverse floating rate classes will bear interest at the initial interest rates listed below. During subsequent interest accrual periods, the floating rate and inverse floating rate classes will bear interest based on the formulas indicated below, but always subject to the specified maximum and minimum interest rates:

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate(1)</u>
FB	5.65%	10.00%	0.25%	LIBOR + 25 basis points
SB	4.35%	9.75%	0.00%	9.75% – LIBOR
FG	5.90%	9.00%	0.50%	LIBOR + 50 basis points
SG	6.20%	17.00%	0.00%	17% – (2 × LIBOR)
FM	6.01%	9.00%	0.60%	LIBOR + 60 basis points
SM	5.98%	16.80%	0.00%	16.8% – (2 × LIBOR)

(1) We will establish LIBOR on the basis of the “BBA Method.”

Notional Class

The notional class will not receive any principal. Its notional principal balance is the balance used to calculate accrued interest. The notional principal balance will equal the percentage of the outstanding balance specified below immediately before the related distribution date:

<u>Class</u>	
SB	100% of the FB Class

Distributions of Principal

Group 1 Principal Distribution Amount

DZ Accrual Amount

To the DV Class to zero, and thereafter to the DZ Class.

Group 1 Cash Flow Distribution Amount

To the DA, DV and DZ Classes, in that order, to zero.

Group 2 Principal Distribution Amount

To the FB Class to zero.

Group 3 Principal Distribution Amount

To the FG and SG Classes, pro rata, to zero.

Group 4 Principal Distribution Amount

To the FM and SM Classes, pro rata, to zero.

Weighted Average Lives (years) *

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>161%</u>	<u>250%</u>	<u>500%</u>
DA	18.8	6.7	4.6	3.1	1.5
DV	9.1	9.1	8.6	7.1	4.2
DZ	28.7	20.8	18.0	14.4	8.2
<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>150%</u>	<u>339%</u>	<u>450%</u>	<u>600%</u>
FB and SB	11.1	6.2	3.7	2.9	2.1
<u>Group 3 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>125%</u>	<u>250%</u>	<u>500%</u>
FG and SG	24.1	7.2	3.8	1.9	1.1
<u>Group 4 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>125%</u>	<u>250%</u>	<u>500%</u>
FM and SM	24.5	8.1	4.5	2.0	1.2

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

ADDITIONAL RISK FACTORS

The rate of principal payments on the certificates will be affected by the rate of principal payments on the underlying mortgage loans. The rate at which you receive principal payments on the certificates will be sensitive to the rate of principal payments on the mortgage loans underlying the related MBS, including prepayments. Because borrowers generally may prepay their mortgage loans at any time without penalty, the rate of principal payments on the mortgage loans is likely to vary over time. It is highly unlikely that the mortgage loans will prepay

- at any of the prepayment rates we assumed in this prospectus supplement, or
- at any constant prepayment rate until maturity.

Principal payments on the Group 3 and Group 4 Classes will also be affected by payment priorities affecting the underlying REMIC certificates. If you invest in any Group 3 or Group 4 Classes, the rate at which you receive principal payments on your certificates will also be affected by the priority sequences governing principal payments on the related underlying REMIC certificates.

As described in the related disclosure documents, the underlying REMIC certificates are subsequent in payment priority to certain other classes issued from the related underlying REMIC trusts. As a result, such other classes may receive principal before principal is paid on the related underlying REMIC certificates, possibly for long periods.

In addition, the underlying REMIC certificates have principal balance schedules and, as a result, may receive principal payments at rates faster or slower than would otherwise have been the case. In some cases, they may receive no principal payments for extended periods. Prepayments on the related mortgage loans may have occurred at rates faster or slower than the rates initially assumed. This prospectus supplement contains no information as to whether

- such classes have adhered to their principal balance schedules,
- any related support classes remain outstanding, or

- such classes otherwise have performed as originally anticipated.

You may obtain additional information about the underlying REMIC certificates by reviewing our current class factors in light of other information available in the related disclosure documents. You may obtain these documents from us as described on page S-3.

Yields may be lower than expected due to unexpected rate of principal payments. The actual yield on your certificates probably will be lower than you expect:

- if you bought your certificates at a premium and principal payments are faster than you expected, or
- if you bought your certificates at a discount and principal payments are slower than you expected.

Furthermore, in the case of interest only certificates and certificates purchased at a premium, you could lose money on your investment if prepayments occur at a rapid rate.

You must make your own decisions about the various applicable assumptions, including prepayment assumptions, when deciding whether to purchase the certificates.

Weighted average lives and yields on the certificates are affected by actual characteristics of the underlying mortgage loans. We have assumed that the mortgage loans underlying the MBS have certain characteristics. However, the actual mortgage loans probably will have different characteristics from those we assumed. As a result, your yields could be lower than you expect, even if the mortgage loans prepay at the indicated constant prepayment rates. In addition, slight differences between the assumed mortgage loan characteristics and the actual mortgage loans could affect the weighted average lives of the classes of certificates.

Level of floating rate index affects yields on certain certificates. The yield on any floating rate or inverse floating rate certificate will be affected by the level of its interest rate index. If the level of the index differs from the level you

expect, then your actual yield may be lower than you expect.

Delay classes have lower yields and market values. Since certain classes do not receive interest immediately following each interest accrual period, these classes have lower yields and lower market values than they would if there were no such delay.

Reinvestment of certificate payments may not achieve same yields as certificates. The rate of principal payments of the certificates is uncertain. You may be unable to reinvest the payments on the certificates at the same yields provided by the certificates.

Unpredictable timing of last payment affects yields on certificates. The actual final payment of your class is likely to occur earlier, and could occur much earlier, than the final distribution date listed on the cover page. If you assumed the actual final payment will occur on the final distribution date specified, your yield could be lower than you expect.

Some investors may be unable to buy certain classes. Investors whose investment activities are subject to legal investment laws and regulations, or to review by regulatory authorities, may be unable to buy certain certificates. You should get legal advice to determine whether you may purchase the certificates.

Uncertain market for the certificates could make them difficult to sell and cause their values to fluctuate. We cannot be sure that a market for resale of the certificates will develop. Further, if a market develops, it may not continue or be sufficiently liquid to allow you to sell your certificates. Even if you are able to sell your certificates, the sale price may not be comparable to similar investments that have a developed market. Moreover, you may not be able to sell small or large amounts of certificates at prices comparable to those available to other investors. You should purchase certificates only if you understand and can tolerate the risk that the value of your certificates will vary over time and that your certificates may not be easily sold.

DESCRIPTION OF THE CERTIFICATES

The material under this heading summarizes certain features of the Certificates. You will find additional information about the Certificates in the other sections of this Prospectus Supplement, as well as in the additional Disclosure Documents and the Trust Agreement. If we use a capitalized term in this Prospectus Supplement without defining it, you will find the definition of that term in the applicable Disclosure Document or in the Trust Agreement.

General

Structure. We will create the Fannie Mae REMIC Trust specified on the cover (the “Trust”) pursuant to a trust agreement dated as of November 1, 1999 (the “Trust Agreement”). We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “Certificates”) pursuant to the Trust Agreement.

The Trust will constitute a “real estate mortgage investment conduit” (“REMIC”) under the Internal Revenue Code of 1986, as amended (the “Code”).

- The Certificates (except the R Class) will be “regular interests” in the Trust.
- The R Class will be the “residual interest” in the Trust.

The assets of the Trust will consist of

- two groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS” and “Group 2 MBS” and, together, the “Trust MBS”), and
- certain previously issued REMIC certificates (the “Group 3 Underlying REMIC Certificate” and the “Group 4 Underlying REMIC Certificate” and, together, the “Underlying REMIC Certificates”) evidencing beneficial ownership interests in the related Fannie Mae REMIC trusts (the “Underlying REMIC Trusts”) as further described in Exhibit A.

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

Each MBS represents a beneficial ownership interest in a pool (each, a “Pool”) of first lien, single-family, fixed-rate residential mortgage loans (the “Mortgage Loans”) having the characteristics described herein.

Fannie Mae Guaranty. We guarantee that we will distribute to Certificateholders:

- required installments of principal and interest on the Certificates on time, and
- the principal balance of each Class of Certificates no later than its Final Distribution Date, whether or not we have received sufficient payments on the related MBS.

In addition, we guarantee that we will distribute to each holder of an MBS:

- scheduled installments of principal and interest on the underlying Mortgage Loans on time, whether or not the related borrowers pay us, and
- the full principal balance of any foreclosed Mortgage Loan, whether or not we recover it.

Our guaranty obligations with respect to the Underlying REMIC Certificates are described in the related Underlying REMIC Disclosure Documents. Our guarantees are not backed by the full faith and credit of the United States. See “Description of Certificates—The Fannie Mae Guaranty” in the REMIC Prospectus, “Description of Certificates—The Fannie Mae Guaranty” in the MBS Prospectus, and “Description of the Certificates—General—*Fannie Mae Guaranty*” in the Underlying REMIC Disclosure Documents.

Characteristics of Certificates. We will issue the Certificates, other than the R Certificate, in book-entry form on the book-entry system of the U.S. Federal Reserve Banks. Entities whose names appear on the book-entry records of a Federal Reserve Bank as having had Certificates deposited in their accounts are “Holders” or “Certificateholders.”

A Holder is not necessarily the beneficial owner of a Certificate. Beneficial owners ordinarily will hold Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. See “Description of Certificates—Denominations and Form” in the REMIC Prospectus.

We will issue the R Certificate in fully registered, certificated form. The “Holder” or “Certificateholder” of the R Certificate is its registered owner. The R Certificate can be transferred at the corporate trust office of the Transfer Agent, or at the office of the Transfer Agent in New York, New York. State Street Bank and Trust Company in Boston, Massachusetts (“State Street”) will be the initial Transfer Agent. We may impose a service charge for any registration of transfer of the R Certificate and may require payment to cover any tax or other governmental charge. See also “—Characteristics of the R Class” below.

The Holder of the R Class will receive the proceeds of any remaining assets of the Trust only by presenting and surrendering the related Certificate at the office of the Paying Agent. State Street will be the initial Paying Agent.

Authorized Denominations. We will issue the Certificates, other than the R Certificate, in minimum denominations of \$1,000 and whole dollar increments. We will issue the R Class as a single Certificate with no principal balance.

Distribution Dates. We will make monthly payments on the Group 1 and Group 2 Classes on the 18th day of each month (or, if the 18th day is not a business day, on the first business day after the 18th). We will make monthly payments on the Group 3 and Group 4 Classes on the 25th day of each month (or, if the 25th day is not a business day, on the first business day after the 25th). We refer to

each such date as a “Distribution Date.” We will make the first payments to Certificateholders the month after we issue the Certificates.

Record Date. On each Distribution Date, we will make each monthly payment on the Certificates to Holders of record on the last day of the preceding month.

Class Factors. On or shortly after the eleventh calendar day of each month, we will publish a factor (carried to eight decimal places) for each Class of Certificates. When the factor is multiplied by the original principal balance (or notional principal balance) of a Certificate of that Class, the product will equal the current principal balance (or notional principal balance) of that Certificate after taking into account payments on the Distribution Date in the same month (as well as any addition to principal in the case of the Accrual Class).

Optional Termination. We will not terminate the Trust by exercising our right to repurchase the Mortgage Loans underlying any MBS unless

- only one Mortgage Loan remains in the related Pool, or
- the principal balance of the Pool is less than one percent of its original level.

See “Description of Certificates—Termination” in the MBS Prospectus.

Voting the Underlying REMIC Certificates. Holders of certificates of the Underlying REMIC Trusts may be asked to vote on issues arising under the applicable trust agreement. If so, the Trustee will vote the related Underlying REMIC Certificates as instructed by Holders of Certificates of the Classes backed by such Underlying REMIC Certificates. The Trustee must receive instructions from Holders of Certificates having principal balances totaling at least 51% of the aggregate principal balance of all such Classes outstanding. In the absence of such instructions, the Trustee will vote in a manner consistent, in its sole judgment, with the best interests of Certificateholders.

The Trust MBS

The following table contains certain information about the Trust MBS. The Trust MBS included in each specified Group will have the aggregate unpaid principal balance and Pass-Through Rate shown below and the general characteristics described in the MBS Prospectus. The Trust MBS will provide that principal and interest on the related Mortgage Loans will be passed through monthly, beginning in the month after we issue the Trust MBS. The Mortgage Loans underlying the Trust MBS will be conventional Level Payment Mortgage Loans secured by first mortgages or deeds of trust on one- to four-family (“single-family”) residential properties and will have original maturities of up to 30 years. See “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. We expect the characteristics of the Group 1 MBS, Group 2 MBS and the related Mortgage Loans as of November 1, 1999 (the “Issue Date”) to be as follows:

Group 1 MBS

Aggregate Unpaid Principal Balance	\$125,000,000
MBS Pass-Through Rate	7.00%

Related Mortgage Loans

Range of WACs (per annum percentages)	7.25% to 9.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	324 months
Approximate Weighted Average CAGE	30 months

Group 2 MBS

Aggregate Unpaid Principal Balance	\$10,417,365
MBS Pass-Through Rate	10.00%

Related Mortgage Loans

Range of WACs (per annum percentages)	10.25% to 12.50%
Range of WAMs	148 months to 201 months
Approximate Weighted Average WAM	192 months
Approximate Weighted Average CAGE	164 months

The Underlying REMIC Certificates

The Underlying REMIC Certificates represent beneficial ownership interests in the related Underlying REMIC Trusts. The assets of those trusts evidence direct or indirect beneficial ownership interests in certain MBS having the general characteristics set forth in the MBS Prospectus. Each MBS evidences beneficial ownership interests in a Pool of conventional Level Payment Mortgage Loans secured by first mortgages or deeds of trust on single-family residential properties, as described under “The Mortgage Pools” and “Yield Considerations” in the MBS Prospectus. Distributions on the Underlying REMIC Certificates will be passed through monthly, beginning in the month after we issue the Certificates. The general characteristics of the Underlying REMIC Certificates are described in the related Underlying REMIC Disclosure Documents.

See Exhibit A for additional information about the Underlying REMIC Certificates.

For further information about the Underlying REMIC Certificates, telephone us at 1-800-237-8627 or 202-752-6547. You also may obtain certain information in electronic form by calling us at 1-800-752-6440 or 202-752-6000. There may have been material changes in facts and circumstances since the dates we prepared the Underlying REMIC Disclosure Documents. These may include changes in prepayment speeds, prevailing interest rates and other economic factors. As a result, the usefulness of the information set forth in those documents may be limited.

Final Data Statement

After issuing the Certificates, we will prepare a Final Data Statement containing certain information, including the principal balances of the Underlying REMIC Certificates as of the Issue Date and, with respect to the Trust MBS, 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 the Trust MBS. The Final Data Statement will also include the weighted averages of all the current or original WACs and the weighted averages of all the current or Adjusted WAMs, based on the current unpaid principal balances of the Mortgage Loans underlying each of the Trust MBS as of the Issue Date. You may obtain the Final Data Statement by telephoning us at 1-800-237-8627 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 us at 1-800-752-6440 or 202-752-6000.

Distributions of Interest

Categories of Classes

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

<u>Interest Type*</u>	<u>Classes</u>
Group 1 Classes	
Fixed Rate	DA, DV and DZ
Accrual	DZ
Group 2 Classes	
Floating Rate	FB
Inverse Floating Rate	SB
Interest Only	SB
Group 3 Classes	
Floating Rate	FG
Inverse Floating Rate	SG
Group 4 Classes	
Floating Rate	FM
Inverse Floating Rate	SM
No Payment Residual	R

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

General. We will pay interest on the interest-bearing Certificates at the applicable annual interest rates shown on the cover or described in this prospectus supplement. We calculate interest based on a 360-day year consisting of twelve 30-day months. We pay interest monthly (except in the case of the Accrual Class) on each Distribution Date, beginning in the month after the settlement dates specified in the Reference Sheet.

Interest to be paid (or added to principal, in the case of the Accrual Class) on each Certificate on a Distribution Date will consist of one month’s interest on the outstanding balance of that Certificate immediately prior to such Distribution Date. For a description of the Accrual Class, see “—Accrual Class” below.

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

<u>Classes</u>	<u>Interest Accrual Periods</u>
All Fixed Rate Classes (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs
FB and SB Classes	One-month period beginning on the 18th day of the month preceding the month in which the Distribution Date occurs
FG, SG, FM and SM Classes	One-month period beginning on the 25th day of the month preceding the month in which the Distribution Date occurs

See “Additional Risk Factors” in this Prospectus Supplement.

Accrual Class. The DZ Class is an Accrual Class. Interest will accrue on the Accrual Class at the applicable annual rate listed on the cover. However, we will not pay any interest on the Accrual Class.

Instead interest accrued on the Accrual Class will be added as principal to its principal balance on each Distribution Date. We will pay principal on the Accrual Class as described under “—Distributions of Principal” below.

Notional Class. The Notional Class will not have a principal balance. During each Interest Accrual Period, the Notional Class will bear interest on its notional principal balance at its applicable interest rate. The notional principal balance of the Notional Class will be calculated as described under “Reference Sheet—Notional Class.”

We use the notional principal balance of the Notional Class to determine interest payments on that Class. Although the Notional Class will not have a principal balance and will not be entitled to any principal payments, we will publish a class factor for that Class. References in this prospectus supplement to the principal balances of the Certificates generally shall refer also to the notional principal balance of the Notional Class.

Floating Rate and Inverse Floating Rate Classes. During each Interest Accrual Period, the Floating Rate and Inverse Floating Rate Classes will bear interest at rates determined as described under “Reference Sheet—Interest Rates.”

Changes in the specified interest rate index (the “Index”) will affect the yields with respect to the related Classes. These changes may not correspond to changes in mortgage interest rates. Lower mortgage interest rates could occur while an increase in the level of the Index occurs. Similarly, higher mortgage interest rates could occur while a decrease in the level of the Index occurs.

Our establishment of each Index value and our determination of the interest rate for each applicable Class for the related Interest Accrual Period will be final and binding in the absence of manifest error. You may obtain each such interest rate by telephoning us at 1-800-237-8627 or 202-752-6547.

Calculation of LIBOR

On each Index Determination Date, we will calculate LIBOR for the related Interest Accrual Period. We will calculate LIBOR on the basis of the “BBA Method,” as described in the REMIC Prospectus under “Description of the Certificates—Indexes for Floating Rate Classes and Inverse Floating Rate Classes—*LIBOR*.”

If we are unable to calculate LIBOR on the initial Index Determination Date, LIBOR for the following Interest Accrual Period will be equal to 5.40% in the case of the FB, SB, FG and SG Classes and 5.41% in the case of the FM and SM Classes.

Distributions of Principal

Categories of Classes

For the purpose of principal payments, the Classes fall into the following categories:

<u>Principal Type*</u>	<u>Classes</u>
Group 1 Classes	
Sequential Pay	DA, DV and DZ
Accretion Directed	DV
Group 2 Classes	
Pass-Through	FB
Notional	SB
Group 3 Classes	
Structured Collateral/Pass-Through	FG and SG
Group 4 Classes	
Structured Collateral/Pass-Through	FM and SM
No Payment Residual	R

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

Principal Distribution Amount

On the Distribution Date in each month, we will pay principal on the Certificates in an aggregate amount (the “Principal Distribution Amount”) equal to the sum of

- the principal then paid on the Group 1 MBS (the “Group 1 Cash Flow Distribution Amount”) plus any interest then accrued and added to the principal balance of the DZ Class (the “DZ Accrual Amount,” and together with the Group 1 Cash Flow Distribution Amount, the “Group 1 Principal Distribution Amount”),
- the principal then paid on the Group 2 MBS (the “Group 2 Principal Distribution Amount”),
- the principal then paid on the Group 3 Underlying REMIC Certificate (the “Group 3 Principal Distribution Amount”), and
- the principal then paid on the Group 4 Underlying REMIC Certificate (the “Group 4 Principal Distribution Amount”).

The portion of each class of Underlying REMIC Certificates held by the Trust will be set forth in Exhibit A.

Group 1 Principal Distribution Amount

DZ Accrual Amount

On each Distribution Date, we will pay the DZ Accrual Amount as principal of the DV Class, until its principal balance is reduced to zero. Thereafter, we will pay the DZ Accrual Amount as principal of the DZ Class.

} Accretion
Directed
Class and
Accrual
Class

Group 1 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 1 Cash Flow Distribution Amount, sequentially, as principal of the DA, DV and DZ Classes, in that order, until their principal balances are reduced to zero.

} Sequential
Pay
Classes

Group 2 Principal Distribution Amount

On each Distribution Date, we will pay the Group 2 Principal Distribution Amount as principal of the FB Class, until its principal balance is reduced to zero.

} Pass-Through
Class

Group 3 Principal Distribution Amount

On each Distribution Date, we will pay the Group 3 Principal Distribution Amount, concurrently, as principal of the FG and SG Classes, pro rata (or 66.6666666667% and 33.3333333333%, respectively), until their principal balances are reduced to zero.

} Structured
Collateral /
Pass-Through
Classes

Group 4 Principal Distribution Amount

On each Distribution Date, we will pay the Group 4 Principal Distribution Amount, concurrently, as principal of the FM and SM Classes, pro rata (or 66.6666634152% and 33.3333365848%, respectively), until their principal balances are reduced to zero.

} Structured
Collateral /
Pass-Through
Classes

Structuring Assumptions

Pricing Assumptions. Except where otherwise noted, the information in the tables in this prospectus supplement has been prepared based on the actual characteristics of each Pool of Mortgage Loans underlying the Underlying REMIC Certificates, the priority sequences affecting the principal payments on the Underlying REMIC Certificates and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Trust MBS have the original terms to maturity, remaining terms to maturity, CAGEs and interest rates specified under “Reference Sheet—Assumed Characteristics of the Mortgage Loans underlying the Group 1 and Group 2 MBS”;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related table; and
- the settlement date for the sale of the Certificates is November 24, 1999 in the case of the Group 1 and Group 2 Classes and November 26, 1999 in the case of the Group 3 and Group 4 Classes.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used here is The Bond Market Association’s standard prepayment model (“PSA”). To assume a specified rate of 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 Certificates—Prepayment Models” in the REMIC Prospectus. It is highly unlikely that prepayments will occur at any *constant* PSA rate or at any other constant rate.

Yield Tables

General. The tables below illustrate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the applicable Classes to various constant percentages of PSA and, where specified, to changes in the Index. We calculated the yields set forth in the tables by

- determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on the applicable Classes, would cause the discounted present values of 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.

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

We cannot assure you that

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

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

- the Mortgage Loans will prepay at a constant PSA rate until maturity,
- all of such Mortgage Loans will prepay at the same rate or
- the level of the Index will remain constant.

The Inverse Floating Rate Classes. The yields on the Inverse Floating Rate Classes will be sensitive in varying degrees to the rate of principal payments, including prepayments, of the related Mortgage Loans and to the level of the Index. The Mortgage Loans generally can be prepaid at any time without penalty. In addition, the rate of principal payments (including prepayments) of the Mortgage Loans is likely to vary, and may vary considerably, from Pool to Pool. As illustrated in the applicable table below, it is possible that investors in the SB Class would lose money on their initial investments under certain Index and prepayment scenarios.

Changes in the Index may not correspond to changes in prevailing mortgage interest rates. It is possible that lower prevailing mortgage interest rates, which might be expected to result in faster prepayments, could occur while the level of the Index increased.

The information shown in the yield tables has been prepared on the basis of the Pricing Assumptions and the assumptions that

- the interest rates for the Inverse Floating Rate Classes for the initial Interest Accrual Period are the rates listed in the table under “Reference Sheet—Interest Rates” and for each following Interest Accrual Period will be based on the specified level of the Index, and
- the aggregate purchase prices of such Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
SB	8.5%
SG	90.0%
SM	90.0%

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

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>150%</u>	<u>339%</u>	<u>450%</u>	<u>600%</u>
3.40%	77.8%	69.5%	52.9%	42.6%	27.9%
5.40%	49.2%	41.6%	26.6%	17.2%	3.9%
7.40%	21.4%	14.6%	1.0%	(7.4)%	(19.4)%
9.75%	*	*	*	*	*

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

**Sensitivity of the SG 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>125%</u>	<u>250%</u>	<u>500%</u>
3.4%	12.3%	13.2%	14.9%	17.5%	20.9%
5.4%	7.7%	8.6%	10.3%	13.0%	16.6%
7.4%	3.2%	4.1%	5.7%	8.6%	12.5%
8.5%	0.8%	1.6%	3.2%	6.3%	10.2%

**Sensitivity of the SM 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>125%</u>	<u>250%</u>	<u>500%</u>
3.41%	11.9%	13.0%	14.2%	16.4%	19.8%
5.41%	7.4%	8.3%	9.6%	12.1%	15.5%
7.41%	2.9%	3.7%	5.0%	7.8%	11.3%
8.40%	0.7%	1.5%	2.7%	5.7%	9.3%

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 applicable settlement date 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 Certificates—Weighted Average Life and Final Distribution Date” in the REMIC Prospectus.

In general, the weighted average lives of the Certificates will be shortened if the level of prepayments of principal of the related Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including

- the timing of changes in such rate of principal payments,
- the priority sequence of distributions of principal of the Group 1 Classes, and
- in the case of the Group 3 and Group 4 Classes, the priority sequences affecting distributions on the related Underlying REMIC Certificates.

The effect of these factors may differ as to various Classes and the effects on any Class may vary at different times during the life of that Class. Accordingly, we can give no assurance as to the weighted average life of any Class. Further, to the extent the prices of the Certificates represent discounts or premiums to their original principal balances, variability in the weighted average lives of 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 date shown at various constant PSA rates and the corresponding weighted average lives of such Classes. The tables have been prepared on the basis of the Pricing Assumptions. However, in the case of the information set forth for each Class under 0% PSA, we assumed that the underlying Mortgage Loans have the original and remaining terms to maturity and bear interest at the annual rates specified in the table below.

<u>Mortgage Loans Relating to Trust Assets Specified Below</u>	<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 1 MBS	360 months	360 months	9.5%
Group 2 MBS	360 months	201 months	12.5%
Group 3 Underlying REMIC Certificate	360 months	354 months	8.5%
Group 4 Underlying REMIC Certificate	360 months	354 months	8.5%

It is unlikely

- that all of the underlying Mortgage Loans will have the interest rates, CAGEs or remaining terms to maturity assumed, or
- that the underlying Mortgage Loans will prepay at any *constant* PSA level.

In addition, the diverse remaining terms to maturity of the Mortgage Loans could produce slower or faster principal distributions than indicated in the tables at the specified constant PSA rates. This is the case even if the dispersion of weighted average remaining terms to maturity and the weighted average CAGEs of the Mortgage Loans are identical to the dispersion specified in the Pricing Assumptions.

Percent of Original Principal Balances Outstanding

Date	DA Class					DV Class					DZ Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	161%	250%	500%	0%	100%	161%	250%	500%	0%	100%	161%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 2000	99	91	86	79	59	96	96	96	96	96	107	107	107	107	107
November 2001	98	82	73	61	30	92	92	92	92	92	115	115	115	115	115
November 2002	97	73	61	45	10	88	88	88	88	88	123	123	123	123	123
November 2003	96	65	51	32	0	83	83	83	83	68	132	132	132	132	132
November 2004	95	58	41	22	0	78	78	78	78	21	142	142	142	142	142
November 2005	94	51	33	12	0	73	73	73	73	0	152	152	152	152	125
November 2006	92	44	25	5	0	67	67	67	67	0	163	163	163	163	86
November 2007	91	38	18	0	0	61	61	61	53	0	175	175	175	175	59
November 2008	89	32	12	0	0	55	55	55	22	0	187	187	187	187	40
November 2009	87	26	7	0	0	48	48	48	0	0	201	201	201	191	27
November 2010	85	21	2	0	0	40	40	40	0	0	215	215	215	157	19
November 2011	82	16	0	0	0	32	32	19	0	0	231	231	231	129	13
November 2012	80	11	0	0	0	24	24	0	0	0	248	248	233	106	8
November 2013	77	7	0	0	0	14	14	0	0	0	266	266	202	86	6
November 2014	74	3	0	0	0	5	5	0	0	0	285	285	174	70	4
November 2015	71	0	0	0	0	0	0	0	0	0	294	281	149	56	3
November 2016	67	0	0	0	0	0	0	0	0	0	294	248	126	45	2
November 2017	63	0	0	0	0	0	0	0	0	0	294	217	106	36	1
November 2018	58	0	0	0	0	0	0	0	0	0	294	188	88	28	1
November 2019	53	0	0	0	0	0	0	0	0	0	294	160	72	21	*
November 2020	48	0	0	0	0	0	0	0	0	0	294	133	58	16	*
November 2021	42	0	0	0	0	0	0	0	0	0	294	108	45	12	*
November 2022	35	0	0	0	0	0	0	0	0	0	294	84	34	8	*
November 2023	28	0	0	0	0	0	0	0	0	0	294	62	24	6	*
November 2024	20	0	0	0	0	0	0	0	0	0	294	40	15	3	*
November 2025	11	0	0	0	0	0	0	0	0	0	294	20	7	1	*
November 2026	1	0	0	0	0	0	0	0	0	0	294	0	0	0	0
November 2027	0	0	0	0	0	0	0	0	0	0	213	0	0	0	0
November 2028	0	0	0	0	0	0	0	0	0	0	112	0	0	0	0
November 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	18.8	6.7	4.6	3.1	1.5	9.1	9.1	8.6	7.1	4.2	28.7	20.8	18.0	14.4	8.2

Date	FB and SB† Classes					FG and SG Classes					FM and SM Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	150%	339%	450%	600%	0%	100%	125%	250%	500%	0%	100%	125%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 2000	98	89	78	71	62	96	75	70	64	64	97	85	82	81	68
November 2001	96	78	60	50	39	93	49	39	28	0	94	64	57	51	0
November 2002	94	69	46	36	24	93	49	34	19	0	92	45	35	13	0
November 2003	91	60	35	25	15	93	49	30	13	0	92	43	29	0	0
November 2004	88	53	27	17	9	93	49	27	8	0	92	40	25	0	0
November 2005	84	45	20	12	5	93	49	25	4	0	92	38	21	0	0
November 2006	80	39	15	8	3	93	49	23	1	0	92	36	17	0	0
November 2007	76	33	11	6	2	93	49	22	0	0	92	35	15	0	0
November 2008	71	27	8	4	1	93	49	20	0	0	92	33	13	0	0
November 2009	65	22	6	2	1	93	46	16	0	0	91	32	11	0	0
November 2010	58	18	4	2	*	93	41	12	0	0	91	31	10	0	0
November 2011	51	14	3	1	*	93	36	6	0	0	91	30	9	0	0
November 2012	43	10	2	1	*	93	29	*	0	0	91	29	9	0	0
November 2013	33	6	1	*	*	93	22	0	0	0	91	29	9	0	0
November 2014	22	3	*	*	*	93	14	0	0	0	91	28	9	0	0
November 2015	10	0	0	0	0	93	7	0	0	0	91	28	9	0	0
November 2016	0	0	0	0	0	93	0	0	0	0	91	27	9	0	0
November 2017	0	0	0	0	0	93	0	0	0	0	91	27	9	0	0
November 2018	0	0	0	0	0	93	0	0	0	0	91	27	8	0	0
November 2019	0	0	0	0	0	93	0	0	0	0	90	23	8	0	0
November 2020	0	0	0	0	0	93	0	0	0	0	90	16	4	0	0
November 2021	0	0	0	0	0	93	0	0	0	0	90	9	0	0	0
November 2022	0	0	0	0	0	93	0	0	0	0	90	2	0	0	0
November 2023	0	0	0	0	0	93	0	0	0	0	90	0	0	0	0
November 2024	0	0	0	0	0	70	0	0	0	0	84	0	0	0	0
November 2025	0	0	0	0	0	41	0	0	0	0	62	0	0	0	0
November 2026	0	0	0	0	0	9	0	0	0	0	38	0	0	0	0
November 2027	0	0	0	0	0	0	0	0	0	0	13	0	0	0	0
November 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
November 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	11.1	6.2	3.7	2.9	2.1	24.1	7.2	3.8	1.9	1.1	24.5	8.1	4.5	2.0	1.2

* 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.

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

Characteristics of the R Class

The R Class will not have a principal balance and will not bear interest. If any assets of the Trust remain after the principal balances of all Classes are reduced to zero, we will pay the Holder of the R Class the proceeds from those assets. Fannie Mae does not expect that any material assets will remain in that case.

The R Class will be subject to certain transfer restrictions. We will not permit transfer of record or beneficial ownership of an R Certificate to a “disqualified organization.” In addition, we will not permit transfer of record or beneficial ownership of an R Certificate to any person that is not a “U.S. Person” without our written consent. Treasury Department regulations (the “Regulations”) provide that a transfer of a “noneconomic residual interest” to a U.S. Person will be disregarded for all federal tax purposes unless no significant purpose of the transfer is to impede the assessment or collection of tax. The R Class will constitute a noneconomic residual interest under the Regulations. 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 Certificates—Special Characteristics of Residual Certificates” and “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*” in the REMIC Prospectus. Transferors of an R Certificate should consult with their own tax advisors for further information regarding such transfers.

The Holder of the R Class will be considered to be the holder 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, we will be obligated to provide to this Holder (i) information necessary to enable it to prepare its federal income tax returns and (ii) any reports regarding the R Class that may be required under the Code.

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

The Certificates and payments on the Certificates are not generally exempt from taxation. Therefore, you should consider the tax consequences of holding a Certificate before you acquire one. The following tax discussion supplements the discussion under the caption “Certain Federal Income Tax Consequences” in the REMIC Prospectus. When read together, the two discussions describe the current federal income tax treatment of beneficial owners of Certificates. These two tax discussions do not purport to deal with all federal tax consequences applicable to all categories of beneficial owners, some of which may be subject to special rules. In addition, these discussions may not apply to your particular circumstances for one of the reasons explained in the REMIC Prospectus. You should consult your own tax advisors regarding the federal income tax consequences of holding and disposing of Certificates as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

REMIC Election and Special Tax Attributes

We will elect 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.

Because the Trust will qualify as a REMIC, the Certificates generally will be treated as “regular or residual interests in a REMIC” for domestic building and loan associations, as “real estate assets” for real estate investment trusts, and, except for the R Class, as “qualified mortgages” for other REMICs. See “Certain Federal Income Tax Consequences—*REMIC Election and Special Tax Attributes*” in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Class, the Accrual Class and the SG and SM Classes will be issued with original issue discount (“OID”), and certain other Classes of Certificates may be issued with OID. If a Class is issued with OID, a beneficial owner of a Certificate of that Class generally must recognize some taxable income in advance of the receipt of the cash attributable to that income. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount” in the REMIC Prospectus. In addition, certain Classes of Certificates may be treated as having been issued at a premium. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Regular Certificates Purchased at a Premium” in the REMIC Prospectus.

The Prepayment Assumptions that will be used in determining the rate of accrual of OID will be as follows:

<u>Certificate Group</u>	<u>PSA Prepayment Assumption</u>
1	161%
2	339%
3	125%
4	125%

See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount—*Daily Portions of Original Issue Discount*” in the REMIC Prospectus. No representation is made as to whether the Mortgage Loans underlying the MBS will prepay at any of those rates or any other rate. See “Description of the Certificates—Weighted Average Lives of the Certificates” in this prospectus supplement and “Description of Certificates—Weighted Average Life and Final Distribution Date” in the REMIC Prospectus.

Taxation of Beneficial Owners of Residual Certificates

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 7.48% (which is 120% of the “federal long-term rate”). See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*—Treatment of Excess Inclusions” and “—*Foreign Investors*—Residual Certificates” in the REMIC Prospectus.

PLAN OF DISTRIBUTION

General. We are obligated to deliver the Certificates to Goldman, Sachs & Co. (the “Dealer”) in exchange for the Trust MBS and the Underlying REMIC Certificates. The Dealer proposes to offer the Certificates directly to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. The Dealer may effect these transactions to or through other dealers.

Increase in Certificates. Before the November 24, 1999 settlement date, we and the Dealer may agree to offer Group 1 or Group 2 Classes in addition to those contemplated as of the date of this Prospectus Supplement. In this event, we will increase the related Trust MBS in principal balance, but we expect that all these additional Trust MBS will have the same characteristics as described under “Description of the Certificates—The Trust MBS.” The proportion that the original principal balance of each Group 1 or Group 2 Class bears to the aggregate original principal balance of all Group 1 or Group 2 Classes, respectively, will remain the same.

LEGAL MATTERS

Brown & Wood LLP will provide legal representation for Fannie Mae. Cadwalader, Wickersham & Taft will provide legal representation for the Dealer.

Exhibit A

Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type (1)	Final Distribution Date	Principal Type (1)	Original Principal Balance of Class	November 1999 Collateral Factor	Principal Balance in the Trust Issue Date	Approximate Weighted Average WAC (in months)	Approximate Weighted Average CAGE (in months)	Underlying Security Type	Class Group
1999-30	A	May 1999	31359V4Q3	6.0%	FIX	June 2029	SCH	\$139,223,000	0.89021272	\$38,796,357	6.719%	16	MBS	3
1999-29	MA	May 1999	31359VR62	6.0	FIX	June 2029	SEG(SCH)/TAC	78,064,500	0.95080635	20,503,663	6.677	11	MBS	4

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

No one is authorized to give information or to make representations in connection with the Certificates other than the information and representations contained in this Prospectus Supplement and the additional Disclosure Documents. You must not rely on any unauthorized information or representation. This Prospectus Supplement and the additional Disclosure Documents do not constitute an offer or solicitation with regard to the Certificates if it is illegal to make such an offer or solicitation to you under state law. By delivering this Prospectus Supplement and the additional Disclosure Documents at any time, no one implies that the information contained herein or therein is correct after the date hereof or thereof.

The Securities and Exchange Commission has not approved or disapproved the Certificates or determined if this Prospectus Supplement is truthful and complete. Any representation to the contrary is a criminal offense.

\$194,717,385



FannieMae

Guaranteed REMIC Pass-Through Certificates

Fannie Mae REMIC Trust 1999-61

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Goldman, Sachs & Co.

**Prospectus Supplement
October 26, 1999**