

**Prospectus Supplement**  
**(To REMIC Prospectus dated September 18, 1998)**

**\$238,395,839 (Notional)**



**FannieMae**

**Guaranteed REMIC Pass-Through Certificates**  
**Fannie Mae REMIC Trust 1999-63**

**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.

**The Fannie Mae Guaranty**

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

**The Trust and its Assets**

The trust will directly own underlying REMIC certificates backed indirectly by Fannie Mae MBS.

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

Class	Original Class Balance	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
A .....	\$238,395,839(1)	NTL	6.0%	FIX/IO	31359XEL9	May 2028
R .....	0	NPR	0	NPR	31359XEM7	May 2028

(1) 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 30, 1999.

**Carefully consider the risk factors starting on page S-6 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.

**Credit Suisse First Boston**

The date of this Prospectus Supplement is October 29, 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 (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, except the Underlying REMIC Disclosure Documents, by writing or calling the dealer at:

Credit Suisse First Boston Corporation  
Prospectus Department  
11 Madison Avenue  
New York, New York 10010  
(telephone 212-325-2580).

## 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 the Certificates

Class 1998-27-L REMIC Certificate  
Class 1998-27-M REMIC Certificate  
Class 1998-27-N REMIC Certificate  
Class 1998-37-L REMIC Certificate  
Class 1998-37-M REMIC Certificate  
Class 1998-37-N REMIC Certificate

### 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 class factors and disclosure documents for the underlying REMIC certificates as described on page S-3.

### Class Factors

The class factors are numbers that, when multiplied by the initial notional principal balance of a certificate, can be used to calculate the current notional 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 certificates on November 30, 1999.

### Distribution Dates

We will make payments on the certificates on the 25th day of each calendar month, or on the next business day if the 25th day is not a business day.

### Book-Entry and Physical Certificates

We issue 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:

#### Fed Book-Entry

A Class

#### Physical

R Class

### Interest Rate

During each interest accrual period, the A Class will bear interest at the annual interest rate listed on the cover.

**Notional Class**

The A 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>	
A .....	100% of the underlying REMIC certificates

**Weighted Average Life (years) \***

<u>Class</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>50%</u>	<u>100%</u>	<u>150%</u>	<u>300%</u>	<u>500%</u>
A .....	19.5	11.1	8.9	7.3	4.4	2.6

\* Determined as specified under “Description of the Certificates—Weighted Average Life of the Certificates” in this prospectus supplement.

## ADDITIONAL RISK FACTORS

*The rate of reductions in the notional principal balance of the A Class will be affected by the rate of principal payments on the underlying mortgage loans.* The rate of reductions in the notional principal balance of the A Class will be sensitive to the rate at which the notional principal balances of the underlying REMIC certificates are reduced, which in turn will be sensitive to the rate of principal payments on the related mortgage loans, 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.

The actual yield on your certificates probably will be lower than you expect if principal prepayments of the underlying mortgage loans are faster than you expected.

**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 life 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 life of the certificates.

*Delay classes have lower yields and market values.* Since the A Class does not receive interest immediately following each interest accrual period, this class has a lower yield and lower market value than it would if there were no such delay.

*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 assume that 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 such 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” or “Classes”) 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 A Class will be the “regular interest” in the Trust.
- The R Class will be the “residual interest” in the Trust.

The assets of the Trust will consist primarily of certain previously issued REMIC certificates (the “Underlying REMIC Certificates”) evidencing beneficial ownership interests in the related Fannie Mae REMIC trusts (each, an “Underlying REMIC Trust”) as further described in Exhibit A.

The assets of the Underlying REMIC Trusts evidence indirect beneficial ownership interests in certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (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 in this prospectus supplement.

*Fannie Mae Guaranty.* We guarantee that we will distribute to Certificateholders required installments of interest on the Certificates on time.

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 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 A Class 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. Fannie Mae will be the initial Paying Agent.

*Authorized Denominations.* We will issue the A Class 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 A Class on the 25th day of each month (or, if the 25th 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 the Certificates. When the factor is multiplied by the original notional principal balance of a Certificate of that Class, the product will equal the current notional principal balance of that Certificate after taking into account payments on the Distribution Date in the same month.

*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 agreements. If so, the Trustee will vote the Underlying REMIC Certificates as instructed by Holders of Certificates of the A Class. The Trustee must receive instructions from Holders of Certificates having notional principal balances totaling at least 51% of the aggregate notional principal balance of such Class. 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 Underlying REMIC Certificates**

The Underlying REMIC Certificates are Interest Only certificates representing beneficial ownership interests in the related Underlying REMIC Trusts. The assets of those trusts evidence direct beneficial ownership interests in certain Fannie Mae Stripped Mortgage-Backed Securities representing beneficial ownership interests in the interest distributions on certain MBS held in the form of a Mega Certificate. The MBS have 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. 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 related 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 notional principal balance of the Underlying REMIC Certificates as of their applicable issue dates. 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>
Fixed Rate	A
Interest Only	A
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 rate 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 on each Distribution Date, beginning in the month after the Settlement Date specified in the Reference Sheet.

Interest to be paid on each Certificate on a Distribution Date will consist of one month’s interest on the outstanding balance of that Certificate immediately prior to such Distribution Date.

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

<u>Class</u>	<u>Interest Accrual Period</u>
A Class (the “Delay Class”)	Calendar month preceding the month in which the Distribution Date occurs

See “Additional Risk Factors” in this prospectus supplement.

*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 indicated 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.

## 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 and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- 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 30, 1999.

*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 Table

*General.* The table below illustrates the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the A Class to various constant percentages of PSA. 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 A Class, would cause the discounted present values of such assumed streams of cash flows to equal the assumed aggregate purchase price 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 A Class will correspond to any of the pre-tax yields shown here or
- the aggregate purchase price of the A Class will be as assumed.

Moreover, it is unlikely that

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

***The A Class.* The yield to investors in the A Class will be very sensitive to the rate of principal payments (including prepayments) of the Mortgage Loans. The Mortgage Loans generally can be prepaid at any time without penalty. On the basis of the assumptions described below, the yield to maturity on the A Class would be 0% if prepayments of the Mortgage Loans were to occur at a constant rate of 266% PSA. If the actual prepayment rate of the Mortgage Loans were to exceed the level specified for as little as one month while equaling such level for the remaining months, the investors in the A Class would lose money on their initial investments.**

The information shown in the yield table has been prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase price of the A Class (expressed as a percentage of the original notional principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
A .....	28.75%

\* 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 A Class to Prepayments

	PSA Prepayment Assumption				
	50%	100%	150%	300%	500%
Pre-Tax Yields to Maturity . . . . .	14.6%	11.3%	8.0%	(2.4)%	(17.2)%

### Weighted Average Life of the Certificates

The weighted average life of a Certificate is determined by

- (a) multiplying the amount of the reduction, if any, of the notional principal balance of such Certificate from one Distribution Date to the next Distribution Date by the number of years from the 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 notional 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 life of A Class will be shortened if the level of prepayments of principal of the related Mortgage Loans increases. However, the weighted average life will depend upon a variety of other factors, including the timing of changes in such rate of principal payments

The effect of these factors on the A 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 the A Class. Further, to the extent the prices of the Certificates represent discounts or premiums to their original notional principal balances, variability in the weighted average life of such Certificates could result in variability in the related yields to maturity. For an example of how the weighted average life of the A Class may be affected at various constant prepayment rates, see the Decrement Table below.

### Decrement Table

The following table indicates the percentage of original notional principal balance of the A Class that would be outstanding after each date shown at various constant PSA rates and the corresponding weighted average lives of that Class. The table has been prepared on the basis of the Pricing Assumptions. However, in the case of the information set forth 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>
Underlying REMIC Certificates	360 months	341 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 reductions in notional principal balance than indicated in the table 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 Notional Principal Balance Outstanding

Date	A Class					
	PSA Prepayment Assumption					
	0%	50%	100%	150%	300%	500%
Initial Percent . . . . .	100	100	100	100	100	100
November 2000 . . . . .	99	95	92	89	80	69
November 2001 . . . . .	98	90	85	79	65	47
November 2002 . . . . .	97	86	78	71	52	32
November 2003 . . . . .	96	81	71	63	41	22
November 2004 . . . . .	95	76	65	55	33	15
November 2005 . . . . .	93	72	59	49	26	10
November 2006 . . . . .	92	67	54	43	21	7
November 2007 . . . . .	90	63	49	38	16	5
November 2008 . . . . .	89	58	44	33	13	3
November 2009 . . . . .	87	54	39	29	10	2
November 2010 . . . . .	85	50	35	25	8	1
November 2011 . . . . .	83	45	31	21	6	1
November 2012 . . . . .	80	41	27	18	5	1
November 2013 . . . . .	77	37	24	15	4	*
November 2014 . . . . .	75	33	20	13	3	*
November 2015 . . . . .	72	28	17	10	2	*
November 2016 . . . . .	68	24	14	8	1	*
November 2017 . . . . .	64	20	11	6	1	*
November 2018 . . . . .	60	16	9	5	1	*
November 2019 . . . . .	56	11	6	3	*	*
November 2020 . . . . .	51	7	4	2	*	*
November 2021 . . . . .	46	3	2	1	*	*
November 2022 . . . . .	40	*	*	*	*	*
November 2023 . . . . .	34	*	*	*	*	0
November 2024 . . . . .	28	0	0	0	0	0
November 2025 . . . . .	20	0	0	0	0	0
November 2026 . . . . .	12	0	0	0	0	0
November 2027 . . . . .	4	0	0	0	0	0
November 2028 . . . . .	0	0	0	0	0	0
Weighted Average						
Life (years)** . . . . .	19.5	11.1	8.9	7.3	4.4	2.6

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

\*\* Determined as specified under “—Weighted Average Life of the Certificates” above.

## **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 notional principal balance of the A Class is 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 such 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 such 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 A Class will be designated as the “regular interest,” 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 A Class will be issued with original issue discount (“OID”). As a result, 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.

The Prepayment Assumption that will be used in determining the rate of accrual of OID will be 150% PSA. 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 that rate or any other rate. See “Description of the Certificates—Weighted Average Life 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**

We are obligated to deliver the Certificates to Credit Suisse First Boston Corporation (the “Dealer”) in exchange for 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.

## **LEGAL MATTERS**

Brown & Wood LLP will provide legal representation for Fannie Mae. Brown & Wood LLP will also provide legal representation for the Dealer.

Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Notional Principal Balance of Class	November 1999 Class Factor	Notional Principal Balance in the Trust as of the Issue Date	Approximate Weighted Average WAC (in months)	Approximate Weighted Average WAM (in months)	Approximate Weighted Average CAGE (in months)	Underlying Security Type	Class Group
1998-27	L	April 1998	31359R6A5	6.0%	FIX / IO	March 2020	SC	\$78,154,000	0.66608948%	\$37,087,764	6.686%	272	73	MBS	1
1998-27	M	April 1998	31359R6B3	6.0	FIX / IO	May 2028	SC	91,839,000	1.00000000	65,429,563	6.686	272	73	MBS	1
1998-27	N	April 1998	31359R6C1	6.0	FIX / IO	May 2028	SC	80,007,000	0.73700220	44,859,126	6.686	272	73	MBS	1
1998-37	L	June 1998	31359T6Q6	6.0	FIX / IO	April 2028	SC	33,871,000	0.70004290	23,711,153	6.686	272	73	MBS	1
1998-37	M	June 1998	31359T6R4	6.0	FIX / IO	April 2028	SC	39,667,000	1.00000000	39,667,000	6.686	272	73	MBS	1
1998-37	N	June 1998	31359T6S2	6.0	FIX / IO	April 2028	SC	34,494,889	0.80131388	27,641,233	6.686	272	73	MBS	1

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



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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.

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**\$238,395,839  
(Notional)**



**Guaranteed  
REMIC Pass-Through  
Certificates**

**Fannie Mae REMIC Trust  
1999-63**

## *PROSPECTUS SUPPLEMENT*



**October 29, 1999**