

**PROSPECTUS SUPPLEMENT**  
**(To REMIC Prospectus dated May 1, 2002)**

**\$511,479,693**



**FannieMae®**

**Guaranteed REMIC Pass-Through Certificates**  
**Fannie Mae REMIC Trust 2002-39**

**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, 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.

Class	Group	Original Class Balance	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
FD .....	1	\$300,000,000	PT	(1)	FLT	31392DPW6	March 2032
SD .....	1	300,000,000(2)	NTL	(1)	INV/IO	31392DPX4	March 2032
FU .....	2	50,058,824	PT	(1)	FLT	31392DPY2	June 2017
SU .....	2	27,304,813	PT	(1)	INV	31392DPZ9	June 2017
FB .....	3	101,532,736	PT	(1)	FLT	31392DQA3	March 2032
SB .....	3	101,532,736(2)	NTL	(1)	INV/IO	31392DQB1	March 2032
FR .....	4	17,732,453	PT	(1)	FLT	31392DQC9	June 2032
SR .....	4	17,732,453(2)	NTL	(1)	INV/IO	31392DQD7	June 2032
FT .....	5	14,850,867	PT	(1)	FLT	31392DQE5	June 2032
ST .....	5	14,850,867(2)	NTL	(1)	INV/IO	31392DQF2	June 2032
R .....		0	NPR	0	NPR	31392DQG0	June 2032

(1) Based on LIBOR.

(2) Notional balances. These classes are interest only classes.

**The Trust and its Assets**

The trust will own

- Fannie Mae Stripped MBS, and
- Fannie Mae MBS.

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

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be May 30, 2002.

**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 April 24, 2002.

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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 Fannie Mae Guaranteed REMIC Pass-Through Certificates dated May 1, 2002 (the “REMIC Prospectus”);
- our Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated May 1, 2002 (the “MBS Prospectus”);
- our Information Statement dated April 1, 2002 and its supplements (the “Information Statement”); and
- if you are purchasing any Group 1 or Group 3 Class or the R Class, our Prospectus for Fannie Mae Stripped Mortgage-Backed Securities dated May 1, 2002 (the “SMBS Prospectus”).

You can obtain copies of 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).

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

You also can obtain copies of the Disclosure Documents by writing or calling the dealer at:

Goldman, Sachs & Co.  
Prospectus Department  
85 Broad Street, Concourse 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 SMBS
2	Group 2 MBS
3	Group 3 SMBS
4	Group 4 MBS
5	Group 5 MBS

### Assumed Characteristics of the Mortgage Loans Underlying the SMBS and the Trust MBS (as of May 1, 2002)

	<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 Weighted Average Loan Age (in months)</u>	<u>Approximate Weighted Average Coupon</u>
Group 1 SMBS*	\$300,000,000	360	353	5	7.491%
Group 2 MBS	\$ 77,363,637	180	176	3	6.000%
Group 3 SMBS**	\$101,532,736	360	353	5	7.491%
Group 4 MBS	\$ 17,732,453	360	168	177	9.730%
Group 5 MBS	\$ 14,850,867	360	229	111	9.050%

\* The Group 1 SMBS will represent ownership of (i) interest payments at a pass-through rate of 7.0% on an initial notional principal amount of \$385,714,285 and (ii) principal payments on an initial principal amount of \$300,000,000 of MBS. See "Description of the Certificates—The SMBS" in this prospectus supplement.

\*\* The Group 3 SMBS will represent ownership of (i) interest payments at a pass-through rate of 7.0% on an initial notional principal amount of \$123,289,750 and (ii) principal payments on an initial principal amount of \$101,532,736 of MBS. See "Description of the Certificates—The SMBS" in this prospectus supplement.

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

### 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 principal payments 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 May 30, 2002.

### Distribution Dates

We will make payments on the Group 2 Classes on the 25th day of each calendar month, or on the next business day if the 25th day is not a business day. We will make payments on all other classes of certificates on the 18th day of each calendar month, or on the next business day if the 18th 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 of certificates other than the R Class	R Class

## Interest Rates

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>
FD .....	2.85000%	9.00%	1.00%	LIBOR + 100 basis points
SD .....	6.15000%	8.00%	0.00%	8.00% – LIBOR
FU .....	2.24000%	8.50%	0.40%	LIBOR + 40 basis points
SU .....	11.47667%	14.85%	0.00%	14.85% – (1.83333333 × LIBOR)
FB .....	2.40000%	8.50%	0.55%	LIBOR + 55 basis points
SB .....	6.10000%	7.95%	0.00%	7.95% – LIBOR
FR .....	2.04000%	9.00%	0.20%	LIBOR + 20 basis points
SR .....	6.96000%	8.80%	0.00%	8.80% – LIBOR
FT .....	2.19000%	8.50%	0.35%	LIBOR + 35 basis points
ST .....	6.31000%	8.15%	0.00%	8.15% – LIBOR

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

## Notional Classes

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

<u>Class</u>	
SD .....	100% of the FD Class
SB .....	100% of the FB Class
SR .....	100% of the FR Class
ST .....	100% of the FT Class

**Distributions of Principal***Group 1 Principal Distribution Amount*

To the FD Class to zero.

*Group 2 Principal Distribution Amount*

To the FU and SU Classes, pro rata, to zero.

*Group 3 Principal Distribution Amount*

To the FB Class to zero.

*Group 4 Principal Distribution Amount*

To the FR Class to zero.

*Group 5 Principal Distribution Amount*

To the FT Class to zero.

**Weighted Average Lives (years)\***

		<b>PSA Prepayment Assumption</b>				
<u>Group 1 Classes</u>		<u>0%</u>	<u>200%</u>	<u>396%</u>	<u>600%</u>	<u>800%</u>
FD and SD .....	21.1	7.4	4.3	3.0	2.3	
		<b>PSA Prepayment Assumption</b>				
<u>Group 2 Classes</u>		<u>0%</u>	<u>100%</u>	<u>179%</u>	<u>300%</u>	<u>500%</u>
FU and SU .....	9.0	6.6	5.5	4.4	3.2	
		<b>PSA Prepayment Assumption</b>				
<u>Group 3 Classes</u>		<u>0%</u>	<u>200%</u>	<u>441%</u>	<u>600%</u>	<u>800%</u>
FB and SB .....	21.1	7.4	3.9	3.0	2.3	
		<b>PSA Prepayment Assumption</b>				
<u>Group 4 Classes</u>		<u>0%</u>	<u>200%</u>	<u>440%</u>	<u>600%</u>	<u>800%</u>
FR and SR .....	22.3	4.8	2.8	2.0	1.4	
		<b>PSA Prepayment Assumption</b>				
<u>Group 5 Classes</u>		<u>0%</u>	<u>200%</u>	<u>445%</u>	<u>600%</u>	<u>800%</u>
FT and ST .....	22.0	5.7	2.9	2.1	1.5	

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

## 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.

*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 buy your certificates at a premium and principal payments are faster than you expect, or
- if you buy your certificates at a discount and principal payments are slower than you expect.

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 SMBS and the Trust 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.

*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 of this prospectus supplement. 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 obtain 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 of this prospectus supplement (the “Trust”) pursuant to a trust agreement (the “Trust Agreement”) dated as of May 1, 2002 (the “Issue Date”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “Certificates”) pursuant to that trust agreement. We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”).

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 Stripped Mortgage-Backed Securities (the “Group 1 SMBS” and “Group 3 SMBS” and, together, the “SMBS”), and
- three groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 2 MBS,” “Group 4 MBS” and “Group 5 MBS” and, together, the “Trust MBS”).

The SMBS represent beneficial ownership interests in certain interest and principal distributions on certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (together with the Trust MBS, the “MBS”). The SMBS are further described in Exhibit A.

Each MBS represents a beneficial ownership interest in a pool of first lien, one- to four-family (“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 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 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 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—Fannie Mae Guaranty” in the MBS Prospectus and “The SMBS Certificates—Fannie Mae Obligations” in the SMBS Prospectus.

*Characteristics of Certificates.* We will issue the Certificates (except the R 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. State Street will be the initial Paying Agent.

*Authorized Denominations.* We will issue the Certificates, other than the R 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 Group 2 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 will make monthly payments on all other Classes of Certificates on the 18th day of each month (or, if the 18th is not a business day, on the first business day after the 18th). We refer to each of these dates 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 any 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.

*No Optional Termination.* We have no option to effect an early termination of the Trust. Further, we will not repurchase the Mortgage Loans underlying any MBS in a “clean-up call.” See “Description of Certificates—Termination” in the MBS Prospectus.

*Voting the SMBS.* Holders of the SMBS may be asked to vote on issues arising under the related trust indenture. If so, the Trustee will vote the related SMBS, as instructed by Holders of Certificates of the Classes backed by the related SMBS. The Trustee must receive instructions from Holders of Certificates having principal balances totaling at least 51% of the aggregate principal balance of the related Classes. 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 provides that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the Trust MBS are conventional Level Payment Mortgage Loans secured by first mortgages or deeds of trust on single-family residential properties. These Mortgage Loans have original maturities of up to 15 years in the case of the Group 2 MBS,

and up to 30 years in the case of the Group 4 and Group 5 MBS. See “Mortgage Loan Pools” and “Yield Considerations, Maturity and Prepayment Assumptions” in the MBS Prospectus. We expect the characteristics of the Trust MBS and the related Mortgage Loans as of the Issue Date to be as follows:

#### **Group 2 MBS**

Aggregate Unpaid Principal Balance .....	\$77,363,637
MBS Pass-Through Rate .....	5.50%
Range of WACs (annual percentages).....	5.75% to 8.00%
Range of WAMs .....	100 months to 180 months
Approximate Weighted Average WAM .....	176 months
Approximate Weighted Average WALA (weighted average loan age) .....	3 months

#### **Group 4 MBS**

Aggregate Unpaid Principal Balance .....	\$17,732,453
MBS Pass-Through Rate .....	9.00%
Range of WACs (annual percentages).....	9.25% to 11.50%
Approximate Weighted Average WAM .....	168 months
Approximate Weighted Average WALA .....	177 months

#### **Group 5 MBS**

Aggregate Unpaid Principal Balance .....	\$14,850,867
MBS Pass-Through Rate .....	8.50%
Range of WACs (annual percentages).....	8.75% to 11.00%
Approximate Weighted Average WAM .....	229 months
Approximate Weighted Average WALA .....	111 months

### **The SMBS**

The general characteristics of the SMBS are described in the SMBS Prospectus. The SMBS provide that certain payments on the related MBS will be passed through monthly. 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.

#### *Group 1 SMBS*

The Group 1 SMBS represent ownership of:

- interest payments at a pass-through rate of 7.0% on an initial notional principal amount of \$385,714,285, and
- principal payments on an initial principal amount of \$300,000,000 of MBS.

We expect the characteristics of the Mortgage Loans underlying the Group 1 SMBS as of the Issue Date to be as follows:

Range of WACs (annual percentages).....	7.25% to 9.50%
Range of WAMs .....	241 months to 360 months
Approximate Weighted Average WAM .....	353 months
Approximate Weighted Average WALA .....	5 months

### *Group 3 SMBS*

The Group 3 SMBS represents ownership of:

- interest payments at a pass-through rate of 7.0% on an initial notional principal amount of \$123,289,750, and
- principal payments on an initial principal amount of \$101,532,736 of MBS.

We expect the characteristics of the Mortgage Loans underlying the Group 3 SMBS as of the Issue Date to be as follows:

Range of WAC (annual percentages) .....	7.25% to 9.50%
Range of WAMs .....	241 months to 360 months
Approximate Weighted Average WAM .....	353 months
Approximate Weighted Average WALA .....	5 months

### **Final Data Statement**

After issuing the Certificates, we will prepare a Final Data Statement containing certain information, including 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 SMBS and the Trust MBS as of the Issue Date. The Final Data Statement also will 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 the SMBS and 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>
<b>Group 1 Classes</b>	
Floating Rate	FD
Inverse Floating Rate	SD
Interest Only	SD
<b>Group 2 Classes</b>	
Floating Rate	FU
Inverse Floating Rate	SU
<b>Group 3 Classes</b>	
Floating Rate	FB
Inverse Floating Rate	SB
Interest Only	SB
<b>Group 4 Classes</b>	
Floating Rate	FR
Inverse Floating Rate	SR
Interest Only	SR

<u>Interest Type*</u>	<u>Classes</u>
<b>Group 5 Classes</b>	
Floating Rate	FT
Inverse Floating Rate	ST
Interest Only	ST
<b>No Payment Residual</b>	R

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

*General.* We will pay interest on the Certificates at the applicable annual interest rates specified on the cover or described in this prospectus supplement. We calculate interest based on an assumed 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 that Distribution Date.

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

<u>Classes</u>	<u>Interest Accrual Periods</u>
FU and SU Classes	One-month period beginning on the 25th day of the month preceding the month in which the Distribution Date occurs
All interest-bearing Classes other than the FU and SU Classes	One-month period beginning on the 18th day of the month preceding the month in which the Distribution Date occurs

*Notional Classes.* The Notional Classes will not have principal balances. During each Interest Accrual Period, the Notional Classes will bear interest on their notional principal balances at their applicable interest rates. The notional principal balances of the Notional Classes will be calculated as specified under “Reference Sheet—Notional Classes” in this prospectus supplement.

We use the notional principal balance of a Notional Class to determine interest payments on that Class. Although a 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 balances of the Notional Classes.

*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” in this prospectus supplement.

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 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 1.85% for the FD, SD, FB and SB Classes and 1.84% for the FU, SU, FR, SR, FT and ST 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>
<b>Group 1 Classes</b>	
Pass-Through	FD
Notional	SD
<b>Group 2 Classes</b>	
Pass-Through	FU and SU
<b>Group 3 Classes</b>	
Pass-Through	FB
Notional	SB
<b>Group 4 Classes</b>	
Pass-Through	FR
Notional	SR
<b>Group 5 Classes</b>	
Pass-Through	FT
Notional	ST
<b>No Payment Residual</b>	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 to be paid on the Group 1 SMBS in the month of such Distribution Date (the “Group 1 Principal Distribution Amount”);
- the principal then paid on the Group 2 MBS (the “Group 2 Principal Distribution Amount”);
- the principal to be paid on the Group 3 SMBS in the month of such Distribution Date (the “Group 3 Principal Distribution Amount”);
- the principal to be paid on the Group 4 MBS in the month of such Distribution Date (the “Group 4 Principal Distribution Amount”); and
- the principal to be paid on the Group 5 MBS in the month of such Distribution Date (the “Group 5 Principal Distribution Amount”).

#### *Group 1 Principal Distribution Amount*

On each Distribution Date, we will pay the Group 1 Principal Distribution Amount as principal of the FD Class, until its principal balance is reduced to zero. } Pass-Through Class

#### *Group 2 Principal Distribution Amount*

On each Distribution Date, we will pay the Group 2 Principal Distribution Amount, concurrently, as principal of the FU and SU Classes, pro rata (or 64.7058824290% and 35.2941175710%, respectively), until their principal balances are reduced to zero. } Pass-Through Classes

#### *Group 3 Principal Distribution Amount*

On each Distribution Date, we will pay the Group 3 Principal Distribution Amount as principal of the FB Class, until its principal balance is reduced to zero. } Pass-Through Class

#### *Group 4 Principal Distribution Amount*

On each Distribution Date, we will pay the Group 4 Principal Distribution Amount as principal of the FR Class, until its principal balance is reduced to zero. } Pass-Through Class

#### *Group 5 Principal Distribution Amount*

On each Distribution Date, we will pay the Group 5 Principal Distribution Amount as principal of the FT Class, until its principal balance is reduced to zero. } Pass-Through Class

### **Structuring Assumptions**

*Pricing Assumptions.* Except where otherwise noted, the information in the tables in this prospectus supplement has been prepared based on the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the SMBS and the Trust MBS have the original terms to maturity, remaining terms to maturity, WALAs and interest rates specified under “Reference Sheet—Assumed Characteristics of the Mortgage Loans Underlying the SMBS and the Trust MBS” in this prospectus supplement;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related tables;
- the settlement date for the sale of the Certificates is May 30, 2002; and
- each Distribution Date occurs on the 25th day of a month in the case of the Group 2 Classes, and on the 18th day of a month in the case of all other Classes of Certificates.

*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 the assumed streams of cash flows to equal the assumed aggregate purchase prices of those Classes, and
- converting the 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 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 the 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 tables below, it is possible that investors in the SD, SB, SR and ST Classes 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” in this prospectus supplement and for each following Interest Accrual Period will be based on the specified level of the Index, and



- the aggregate purchase prices of those Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
SD .....	10.0%
SU .....	100.0%
SB .....	9.5%
SR .....	11.0%
ST .....	8.5%

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

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>200%</u>	<u>396%</u>	<u>600%</u>	<u>800%</u>
0.85% .....	78.6%	70.8%	60.4%	49.2%	37.8%
1.85% .....	65.9%	58.1%	47.6%	36.2%	24.6%
3.85% .....	41.7%	33.6%	22.6%	10.8%	(1.4)%
5.85% .....	18.5%	10.0%	(1.6)%	(14.3)%	(27.5)%
8.00% .....	*	*	*	*	*

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

**Sensitivity of the SU 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>179%</u>	<u>300%</u>	<u>500%</u>
0.84% .....	13.7%	13.7%	13.6%	13.6%	13.6%
1.84% .....	11.8%	11.8%	11.8%	11.8%	11.8%
3.84% .....	8.0%	8.0%	8.0%	8.0%	8.0%
5.84% .....	4.3%	4.3%	4.3%	4.3%	4.4%
8.10% .....	0.1%	0.1%	0.1%	0.2%	0.2%

**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>200%</u>	<u>441%</u>	<u>600%</u>	<u>800%</u>
0.85% .....	82.9%	75.1%	62.4%	53.6%	42.3%
1.85% .....	69.4%	61.6%	48.7%	39.8%	28.3%
3.85% .....	43.7%	35.6%	22.2%	12.9%	0.8%
5.85% .....	19.2%	10.8%	(3.5)%	(13.5)%	(26.7)%
7.95% .....	*	*	*	*	*

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

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

<b>LIBOR</b>	<b>PSA Prepayment Assumption</b>				
	<b>50%</b>	<b>200%</b>	<b>440%</b>	<b>600%</b>	<b>800%</b>
0.84% .....	74.0%	61.4%	39.8%	24.2%	2.9%
1.84% .....	62.6%	50.5%	29.8%	14.7%	(5.8)%
3.84% .....	40.5%	29.3%	10.2%	(3.7)%	(22.6)%
5.84% .....	18.4%	8.2%	(9.3)%	(22.0)%	(39.2)%
7.84% .....	(7.7)%	(16.8)%	(32.3)%	(43.5)%	(58.8)%
8.80% .....	*	*	*	*	*

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

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

<b>LIBOR</b>	<b>PSA Prepayment Assumption</b>				
	<b>50%</b>	<b>200%</b>	<b>445%</b>	<b>600%</b>	<b>800%</b>
0.84% .....	94.6%	81.2%	57.6%	41.4%	18.5%
1.84% .....	79.3%	66.5%	44.1%	28.6%	6.9%
3.84% .....	50.2%	38.6%	18.3%	4.3%	(15.3)%
5.84% .....	22.3%	11.9%	(6.3)%	(18.8)%	(36.4)%
8.15% .....	*	*	*	*	*

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

**Weighted Average Lives of the Certificates**

The weighted average life of a Certificate is determined by

- (a) multiplying the amount of the reduction, if any, of the principal balance of the 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 principal balance of the 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 the rate of principal payments. See “—Distributions of Principal” above.

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 those 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 SMBS	360 months	357 months	9.5%
Group 2 MBS	180 months	180 months	8.0%
Group 3 SMBS	360 months	357 months	9.5%
Group 4 MBS	360 months	360 months	11.5%
Group 5 MBS	360 months	360 months	11.0%

It is unlikely

- that all of the underlying Mortgage Loans will have the interest rates, WALAs 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 WALAs of the Mortgage Loans are identical to the dispersion specified in the Pricing Assumptions.

## Percent of Original Principal Balances Outstanding

Date	FD and SD† Classes					FU and SU Classes					FB and SB† Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	200%	396%	600%	800%	0%	100%	179%	300%	500%	0%	200%	441%	600%	800%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2003 .....	99	94	90	85	81	96	94	92	90	86	99	94	89	85	81
May 2004 .....	99	85	72	60	50	93	85	81	75	65	99	85	70	60	50
May 2005 .....	98	74	55	38	25	88	76	69	58	43	98	74	51	38	25
May 2006 .....	97	64	41	24	13	84	67	57	45	28	97	64	37	24	13
May 2007 .....	96	56	31	15	7	79	59	48	34	18	96	56	27	15	7
May 2008 .....	95	48	23	10	3	73	51	39	26	12	95	48	19	10	3
May 2009 .....	94	42	17	6	2	68	43	32	19	8	94	42	14	6	2
May 2010 .....	93	36	13	4	1	61	36	25	14	5	93	36	10	4	1
May 2011 .....	91	31	10	2	*	55	30	20	10	3	91	31	7	2	*
May 2012 .....	90	27	7	1	*	47	24	15	7	2	90	27	5	1	*
May 2013 .....	88	23	5	1	*	39	18	11	5	1	88	23	4	1	*
May 2014 .....	87	20	4	1	*	30	13	7	3	1	87	20	3	1	*
May 2015 .....	85	17	3	*	*	21	8	4	2	*	85	17	2	*	*
May 2016 .....	82	14	2	*	*	11	3	2	1	*	82	14	1	*	*
May 2017 .....	80	12	2	*	*	0	0	0	0	0	80	12	1	*	*
May 2018 .....	77	10	1	*	*	0	0	0	0	0	77	10	1	*	*
May 2019 .....	75	9	1	*	*	0	0	0	0	0	75	9	*	*	*
May 2020 .....	71	7	1	*	*	0	0	0	0	0	71	7	*	*	*
May 2021 .....	68	6	*	*	*	0	0	0	0	0	68	6	*	*	*
May 2022 .....	64	5	*	*	*	0	0	0	0	0	64	5	*	*	*
May 2023 .....	60	4	*	*	*	0	0	0	0	0	60	4	*	*	*
May 2024 .....	55	3	*	*	*	0	0	0	0	0	55	3	*	*	*
May 2025 .....	50	3	*	*	*	0	0	0	0	0	50	3	*	*	*
May 2026 .....	45	2	*	*	*	0	0	0	0	0	45	2	*	*	*
May 2027 .....	39	1	*	*	*	0	0	0	0	0	39	1	*	*	*
May 2028 .....	32	1	*	*	*	0	0	0	0	0	32	1	*	*	*
May 2029 .....	24	1	*	*	*	0	0	0	0	0	24	1	*	*	*
May 2030 .....	16	*	*	*	*	0	0	0	0	0	16	*	*	*	*
May 2031 .....	7	*	*	*	0	0	0	0	0	0	7	*	*	*	0
May 2032 .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	21.1	7.4	4.3	3.0	2.3	9.0	6.6	5.5	4.4	3.2	21.1	7.4	3.9	3.0	2.3

Date	FR and SR† Classes					FT and ST† Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	200%	440%	600%	800%	0%	200%	445%	600%	800%
Initial Percent .....	100	100	100	100	100	100	100	100	100	100
May 2003 .....	100	85	71	62	50	100	86	72	63	51
May 2004 .....	99	72	50	38	25	99	74	51	39	26
May 2005 .....	99	60	35	23	12	98	64	37	24	13
May 2006 .....	98	50	25	14	6	98	54	26	15	7
May 2007 .....	97	41	17	8	3	97	46	19	9	3
May 2008 .....	97	34	12	5	1	96	39	13	6	2
May 2009 .....	96	27	8	3	1	96	33	9	4	1
May 2010 .....	95	21	5	2	*	95	28	6	2	*
May 2011 .....	94	16	3	1	*	93	23	4	1	*
May 2012 .....	93	12	2	*	*	92	19	3	1	*
May 2013 .....	92	8	1	*	*	91	15	2	*	*
May 2014 .....	90	5	1	*	*	89	12	1	*	*
May 2015 .....	89	2	*	*	*	88	10	1	*	*
May 2016 .....	87	0	0	0	0	86	7	1	*	*
May 2017 .....	85	0	0	0	0	84	6	*	*	*
May 2018 .....	83	0	0	0	0	81	4	*	*	*
May 2019 .....	80	0	0	0	0	79	2	*	*	*
May 2020 .....	77	0	0	0	0	76	1	*	*	*
May 2021 .....	74	0	0	0	0	73	*	*	*	*
May 2022 .....	70	0	0	0	0	69	0	0	0	0
May 2023 .....	66	0	0	0	0	65	0	0	0	0
May 2024 .....	62	0	0	0	0	61	0	0	0	0
May 2025 .....	57	0	0	0	0	56	0	0	0	0
May 2026 .....	51	0	0	0	0	50	0	0	0	0
May 2027 .....	45	0	0	0	0	44	0	0	0	0
May 2028 .....	38	0	0	0	0	37	0	0	0	0
May 2029 .....	30	0	0	0	0	29	0	0	0	0
May 2030 .....	21	0	0	0	0	20	0	0	0	0
May 2031 .....	11	0	0	0	0	11	0	0	0	0
May 2032 .....	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** .....	22.3	4.8	2.8	2.0	1.4	22.0	5.7	2.9	2.1	1.5

\* 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” above.

† 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” or a foreign person subject to United States income taxation on a net basis on income derived from that Certificate. Any transferee of an R Certificate must execute and deliver an affidavit and an Internal Revenue Service Form W-9 (or, if applicable, a Form W-8ECI) 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. The affidavit must also state that the transferee is a “U.S. Person” or a foreign person subject to United States income taxation on a net basis on income derived from that Certificate and that, if the transferee is a partnership for U.S. federal income tax purposes, each person or entity that holds an interest (directly, or indirectly through a pass-through entity) in the partnership is a “U.S. Person” or a foreign person subject to United States income taxation on a net basis on income derived from that Certificate. In addition, the transferee must receive an affidavit containing these same representations from any new transferee. Transferors of an R Certificate should consult with their own tax advisors for further information regarding such transfers.

Treasury Department regulations (the “Regulations”) provide that a transfer of a “noneconomic residual interest” 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. Having a significant purpose to impede the assessment or collection of tax means that the transferor of a Residual Certificate knew or should have known that the transferee would be unwilling or unable to pay taxes due on its share of the taxable income of the REMIC trust (that is, the transferor had “improper knowledge”).

As discussed under the caption “Special Characteristics of Residual Certificates” in the REMIC Prospectus, the Regulations presume that a transferor does not have improper knowledge if two conditions are met. The Treasury Department has proposed an amendment to the Regulations that would add a third condition, effective February 4, 2000. According to the proposed amendment, a transferor of a Residual Certificate would be presumed not to have improper knowledge only if the present value of the anticipated tax liabilities associated with holding the Residual Certificate is less than or equal to the present value of the sum of (i) any consideration given to the transferee to acquire the Residual Certificate, (ii) expected future distributions on the Residual Certificate, and (iii) anticipated tax savings associated with holding the Residual Certificate as the related REMIC trust generates losses. The application of the proposed amendment to an actual transfer is uncertain, and you should consult your own tax advisor regarding its effect on the transfer of a Residual Certificate.

The IRS has since issued a Revenue Procedure creating a safe harbor that may be used for transfers of noneconomic residual interests pending the finalization of the proposed amendment. Under this safe harbor, a transferor of a noneconomic residual interest will be presumed not to have improper knowledge if, in addition to meeting the two conditions contained in the Regulations, either (i) the terms of the proposed amendment are complied with or (ii) the transferee’s gross assets exceed \$100 million and its net assets exceed \$10 million (in each case, at the time of the transfer and at the close of each of the transferee’s two fiscal years preceding the year of transfer), the transferee is an “eligible corporation” as defined in section 860L(a)(2) of the Code, the transferee agrees in writing that any subsequent transfer of the residual interest will be to an

eligible corporation and will comply with the safe harbor, and the facts and circumstances known to the transferor do not reasonably indicate that the taxes associated with the residual interest will not be paid. The Revenue Procedure contains additional details regarding its application and you should consult your own tax advisor regarding the application of the Revenue Procedure to an actual transfer of a Residual Certificate.

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 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>Prepayment Assumption</u>
1	396% PSA
2	179% PSA
3	441% PSA
4	440% PSA
5	445% 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 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 6.86% (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 SMBS and the Trust MBS. 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 Settlement Date, we and the Dealer may agree to offer Group Classes in addition to those contemplated as of the date of this prospectus supplement. In that event, we will increase the related SMBS or Trust MBS, as applicable, in principal balance, but we expect that all these additional SMBS or Trust MBS will have the same characteristics as described under “Description of the Certificates—The SMBS” and “—The Trust MBS” in this prospectus supplement. The proportion that the original principal balance of each Group Class bears to the aggregate original principal balance of all Group Classes, respectively, will remain the same.

### **LEGAL MATTERS**

Sidley Austin Brown & Wood LLP will provide legal representation for Fannie Mae. Cleary, Gottlieb, Steen & Hamilton will also provide legal representation for the Dealer.



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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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**\$511,479,693**



**Guaranteed REMIC  
Pass-Through Certificates  
Fannie Mae REMIC Trust 2002-39**

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**PROSPECTUS SUPPLEMENT**

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**Goldman, Sachs & Co.**

**April 24, 2002**

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