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

$300,000,000

FannieMae®

Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2002-61

The Certificates

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

Payments to Certificateholders

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

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

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

The Fannie Mae Guaranty

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

The Trust and its Assets

The trust will own Fannie Mae MBS.

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
PA	$ 26,680,000	PAC	5.0%	FIX	31392EXX3	July 2006
PB	56,178,000	PAC	5.0	FIX	31392EXY1	December 2010
PC	28,308,000	PAC	5.0	FIX	31392EXZ8	September 2012
PD	38,208,000	PAC	5.5	FIX	31392EYA2	September 2014
PE	36,784,000	PAC	5.5	FIX	31392EYB0	May 2016
PG	36,171,000	PAC	5.5	FIX	31392EYC8	October 2017
PI	10,106,000(1)	NTL	5.5	FIX/IO	31392EYD6	September 2012
A	40,818,181	TAC/AD	5.5	FIX	31392EYE4	October 2017
F	15,000,000	TAC/AD	(2)	FLT	31392EYF1	October 2017
S	8,181,819	TAC/AD	(2)	INV	31392EYG9	October 2017
Z	13,671,000	SUP	5.5	FIX/Z	31392EYH7	October 2017
R	0	NPR	0	NPR	31392EYJ3	October 2017
RL	0	NPR	0	NPR	31392EYK0	October 2017

(1) Notional balance. The class is an interest only class.
(2) Based on LIBOR.

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

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.

NOMURA

The date of this Prospectus Supplement is August 8, 2002

TABLE OF CONTENTS

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''); and
- our Information Statement dated April 1, 2002 and its supplements (the ''Information Statement'').

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 corporate web site at www.fanniemae.com and our business to business web site at www.efanniemae.com.

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

Nomura Securities International, Inc.
Prospectus Department
2 World Financial Center
New York, New York 10021
(telephone 212-667-1120).

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.

Assumed Characteristics of the Mortgage Loans Underlying the MBS (as of September 1, 2002)

Approximate Principal Balance	Original Term to Maturity (in months)	Approximate Weighted Average Remaining Term to Maturity (in months)	Approximate Weighted Average Loan Age (in months)	Approximate Weighted Average Coupon
$300,000,000	180	175	4	6.00%

The actual remaining terms to maturity, weighted average loan ages, 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 September 30, 2002.

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 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:

Fed Book-Entry	Physical
All Classes of certificates other than the R and RL Classes	R and RL Classes

Interest Rates

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

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:

Class	Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate (1)
F	2.28000%	8.50000%	0.5%	LIBOR + 50 basis points
S	11.40333%	14.66666%	0.0%	14.66666% − (1.8333333 × LIBOR)

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

Notional Class

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

Class	
PI	9.0909090909% of the PA, PB and PC Classes

Distributions of Principal

Principal Distribution Amount

Z Accrual Amount

To Aggregate Group II to its Targeted Balance, and thereafter to the Z Class.

Cash Flow Distribution Amount

1. To Aggregate Group I to its Planned Balance.
2. To Aggregate Group II to its Targeted Balance.
3. To the Z Class to zero.
4. To Aggregate Group II to zero.
5. To Aggregate Group I to zero.

For a description of the Aggregate Groups, see "Description of the Certificates—Distributions of Principal" in this prospectus supplement.

Weighted Average Lives (years)*

	PSA Prepayment Assumption					
	0%	100%	150%	220%	250%	500%
PA	2.1	1.5	1.5	1.5	1.5	1.5
PB	5.0	3.0	3.0	3.0	3.0	2.3
PC	7.5	4.6	4.6	4.6	4.6	3.0
PD	9.2	6.0	6.0	6.0	6.0	3.8
PE	10.8	8.0	8.0	8.0	8.0	5.0
PG	12.4	11.4	11.4	11.4	11.4	8.0
PI	5.0	3.0	3.0	3.0	3.0	2.3
A, F and S	10.0	6.6	4.6	3.5	2.2	1.1
Z	14.6	13.3	13.3	1.3	1.1	0.5

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

Level of floating rate index affects yields on certain certificates. The yield on any floating rate or inverse floating rate certificate will be affected by the level of its interest rate index. If the level of the index differs from the level you expect, then your actual yield may be lower than you expect.

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

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

Unpredictable timing of last payment affects yields on certificates. The actual final payment of your class is likely to occur earlier, and could occur much earlier, than the final distribution date listed on the cover page 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'') and a separate trust (the ''Lower Tier REMIC'') pursuant to a trust agreement (the ''Trust Agreement'') dated as of September 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 and the Lower Tier REMIC each 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 and RL Classes) will be ''regular interests'' in the Trust.
- The R Class will be the ''residual interest'' in the Trust.
- The interests in the Lower Tier REMIC other than the RL Class (the ''Lower Tier Regular Interests'') will be the ''regular interests'' in the Lower Tier REMIC.
- The RL Class will be the ''residual interest'' in the Lower Tier REMIC.

The assets of the Trust will consist of the Lower Tier Regular Interests.

The assets of the Lower Tier REMIC will consist of certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the ''MBS'').

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 and ''Description of the Certificates—Fannie Mae Guaranty'' in the MBS Prospectus.

Characteristics of Certificates. We will issue the Certificates (except the R and RL Classes) 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 and RL Certificates in fully registered, certificated form. The "Holder" or "Certificateholder" of the R or RL Certificate is its registered owner. The R or RL 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 or RL Certificate and may require payment to cover any tax or other governmental charge. See also "—Characteristics of the R and RL Classes" below.

The Holder of the R Class will receive the proceeds of any remaining assets of the Trust, and the Holder of the RL Class will receive the proceeds of any remaining assets of the Lower Tier REMIC, in each case 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 and RL Classes, in minimum denominations of $1,000 and whole dollar increments. We will issue the R and RL Classes as single Certificates with no principal balances.

Distribution Dates. We will make monthly payments on the Certificates 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 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 (as well as any addition to principal in the case of the Accrual Class).

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

The MBS

The following table contains certain information about the MBS. The MBS will have the aggregate unpaid principal balance and Pass-Through Rate shown below and the general characteristics described in the MBS Prospectus. The MBS provides that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the 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. See "Mortgage Loan Pools" and "Yield Considerations, Maturity and Prepayment Assumptions" in the

MBS Prospectus. We expect the characteristics of the MBS and the related Mortgage Loans as of the Issue Date to be as follows:

Aggregate Unpaid Principal Balance	$300,000,000
MBS Pass-Through Rate	5.50%
Range of WACs (annual percentages)	5.75% to 8.00%
Range of WAMs	121 months to 180 months
Approximate Weighted Average WAM	175 months
Approximate Weighted Average WALA (Weighted Average Loan Age)	4 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 each of the 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 each of the 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:

Interest Type*	Classes
Fixed Rate	PA, PB, PC, PD, PE, PG, PI, A and Z
Floating Rate	F
Inverse Floating Rates	S
Accrual	Z
Interest Only	PI
No Payment Residual	R and RL

* 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 (except in the case of the Accrual Class) on each Distribution Date, beginning in the month after the Settlement Date specified in the Reference Sheet.

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

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

Classes	Interest Accrual Periods
All Fixed Rate Classes (collectively, the "Delay Classes")	Calendar month preceding the month in which the Distribution Date occurs
All Floating Rate and Inverse Floating Rate Classes	One-month period beginning on the 25th day of the month preceding the month in which the Distribution Date occurs

See "Additional Risk Factors—*Delay classes have lower yields and market values*" in this prospectus supplement.

Accrual Class. The Z Class is an Accrual Class. Interest will accrue on the Accrual Class at the applicable annual rate specified on the cover of this prospectus supplement. However, we will not pay any interest on the Accrual Class. Instead, interest accrued on the Accrual Class will be added as principal to its principal balance on each Distribution Date. We will pay principal on the Accrual Class as described under "—Distributions of Principal" below.

Notional Class. The Notional Class will not have a principal balance. During each Interest Accrual Period, the Notional Class will bear interest on its notional principal balance at its applicable interest rate. The notional principal balance of the Notional Class will be calculated as specified under "Reference Sheet—Notional Class" 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 1.78%.

Distributions of Principal

Categories of Classes

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

Principal Type*	Classes
PAC	PA, PB, PC, PD, PE and PG
TAC	A, F and S
Support	Z
Notional	PI
Accretion Directed	A, F and S
No Payment Residual	R and RL

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

Principal Distribution Amount

On the Distribution Date in each month, we will pay principal on the Certificates in an aggregate amount (the "Principal Distribution Amount") equal to the sum of the principal then paid on the MBS (the "Cash Flow Distribution Amount") plus any interest then accrued and added to the principal balance of the Z Class (the "Z Accrual Amount").

Z Accrual Amount

On each Distribution Date, we will pay the Z Accrual Amount as principal of Aggregate Group II (described below), until the Aggregate II Balance (described below) is reduced to its Targeted Balance for that Distribution Date. Thereafter, we will pay the Z Accrual Amount as principal of the Z Class. **Accretion Directed Group and Accrual Class**

Cash Flow Distribution Amount

On each Distribution Date, we will pay the Cash Flow Distribution Amount as principal of the Classes as follows:

(i) to Aggregate Group I (described below), until the Aggregate I Balance (described below) is reduced to its Planned Balance for that Distribution Date; **PAC Group**

(ii) to Aggregate Group II, until the Aggregate II Balance is reduced to its Targeted Balance for that Distribution Date; **TAC Group**

(iii) to the Z Class, until its principal balance is reduced to zero; **Support Class**

(iv) to Aggregate Group II, without regard to its Targeted Balance and until the Aggregate II Balance is reduced to zero; and **TAC Group**

(v) to Aggregate Group I, without regard to its Planned Balance and until the Aggregate I Balance is reduced to zero. **PAC Group**

"Aggregate Group I" consists of the PA, PB, PC, PD, PE and PG Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group I, sequentially, to the PA, PB, PC, PD, PE and PG Classes, in that order, until their principal balances are reduced to zero.

The "Aggregate I Balance" for any Distribution Date is equal to $222,329,000 *minus* the sum of all amounts applied to it as specified above.

"Aggregate Group II" consists of the A, F and S Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group II, concurrently, to the A, F and S Classes, pro rata (or 63.7784078125%, 23.4375000000% and 12.7840921875%, respectively), until their principal balances are reduced to zero.

The "Aggregate II Balance" for any Distribution Date is equal to $64,000,000 *minus* the sum of all amounts applied to it as specified above.

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 (the "Pricing Assumptions"):

- the Mortgage Loans underlying the MBS have the original term to maturity, remaining term to maturity, WALA and interest rate specified under "Reference Sheet—Assumed Characteristics of the Mortgage Loans Underlying the 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 September 30, 2002; and
- each Distribution Date occurs on the 25th day of a month.

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.

Structuring Range and Rate. The Principal Balance Schedules are found beginning on page A-1 of this prospectus supplement. The Principal Balance Schedules have been prepared on the basis of the Pricing Assumptions and the assumption that the Mortgage Loans will prepay at a constant PSA rate within the applicable Structuring Range or at the applicable rate set forth below.

Principal Balance Schedule References	Related Groups (1)	Structuring Range and Rate
Planned Balances	Aggregate Group I	Between 100% and 250%
Targeted Balances	Aggregate Group II	150%

(1) The Structuring Range and Rate for the Aggregate Groups are associated with the related Aggregate Balances but not with the individual balances of the related Classes.

We cannot assure you that the balance of any Group listed above will conform on any Distribution Date to the specified balance in the Principal Balance Schedules. As a result, we cannot assure you that payments of principal of any Group listed above will begin or end on the Distribution Dates specified in the Principal Balance Schedules. We will distribute any excess of principal payments over the amount needed to reduce a Group to its scheduled balance on a Distribution Date. Accordingly, the ability to reduce a Group to its scheduled balance will not be improved by the averaging of high and low principal payments from month to month. In addition, even if the Mortgage Loans prepay at rates falling within the applicable Structuring Range, principal distributions may be insufficient to reduce the applicable Group to its scheduled balance if the prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the Mortgage Loans, which may include recently originated Mortgage Loans, the Groups specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the applicable Structuring Range or at the applicable rate specified above.

Initial Effective Range. The Effective Range for a Group is the range of prepayment rates (measured by *constant* PSA rates) which would reduce that Group to its scheduled balance on each Distribution Date. The Initial Effective Range shown in the table below is based upon the assumed characteristics of the Mortgage Loans specified in the Pricing Assumptions.

Group	Initial Effective Range
Aggregate Group I	Between 100% and 250%

The actual Effective Range at any time will be based upon the actual characteristics of the Mortgage Loans at that time, which are likely to vary (and may vary considerably) from the Pricing Assumptions. The actual Effective Range calculated on the basis of the actual characteristics is likely to differ from the Initial Effective Range. As a result, the applicable Group might not be reduced to its scheduled balance even if prepayments were to occur at a *constant* PSA rate within the Initial Effective Range. This is so particularly if the rate were at the lower or higher end of that range. In addition, even if prepayments occur at rates falling within the actual Effective Range, principal distributions may be insufficient to reduce the applicable Group to its scheduled balance if such prepayments do not occur at a *constant* PSA rate. It is highly unlikely that the Mortgage Loans will prepay at any *constant* PSA rate. In general, the actual Effective Range may narrow, widen or shift upward or downward to reflect actual prepayment experience over time. The stability in principal payment of the PAC Group will be supported in part by the related TAC Group and Support Class. When the related TAC Group and Support Class are retired, the PAC Group, if still outstanding, may no longer have an Effective Range and will be more sensitive to prepayments.

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 PI Class. **The yield to investors in the PI 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 PI Class would be 0% if prepayments of the Mortgage Loans were to occur at the constant rate shown in the table below:**

Class	% PSA
PI	443%

If the actual prepayment rate of the Mortgage Loans were to exceed the level specified for as little as one month while equaling that level for the remaining months, the investors in the PI 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 PI Class (expressed as a percentage of the original principal balance) is as follows:

Class	Price*
PI	13.125%

* The price does not include accrued interest. Accrued interest has been added to the price in calculating the yields set forth in the table below.

Sensitivity of the PI Class to Prepayments

	PSA Prepayment Assumption					
	50%	100%	150%	220%	250%	500%
Pre-Tax Yields to Maturity	20.5%	12.9%	12.9%	12.9%	12.9%	(4.8%)

The S Class. **The yield on the S Class will be sensitive to the rate of principal payments, including prepayments, of the 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.**

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 table has been prepared on the basis of the Pricing Assumptions and the assumptions that

- the interest rate for the S Class for the initial Interest Accrual Period is the rate 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 price of that Class (expressed as a percentage of original principal balance) is as follows:

Class	Price*
S	100%

* The price does not include accrued interest. Accrued interest has been added to the price in calculating the yields set forth in the table below.

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

LIBOR	PSA Prepayment Assumption 50%	100%	150%	220%	250%	500%
0.78%	13.6%	13.6%	13.6%	13.5%	13.5%	13.5%
1.78%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%
3.78%	7.9%	7.9%	7.9%	8.0%	8.0%	8.1%
5.78%	4.2%	4.2%	4.2%	4.3%	4.4%	4.6%
8.00%	0.1%	0.1%	0.2%	0.2%	0.4%	0.7%

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 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,
- the priority sequence of payments of principal of the Classes, and
- the payment of principal of certain Classes in accordance with the Principal Balance Schedules.

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 term to maturity and bear interest at the annual rate specified in the table below.

Original Term to Maturity	Remaining Term to Maturity	Interest Rate
180 months	180 months	8.00%

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	PA Class: PSA Prepayment Assumption 0%	100%	150%	220%	250%	500%
Initial Percent	100	100	100	100	100	100
September 2003	97	93	93	93	93	93
September 2004	53	0	0	0	0	0
September 2005	5	0	0	0	0	0
September 2006	0	0	0	0	0	0
September 2007	0	0	0	0	0	0
September 2008	0	0	0	0	0	0
September 2009	0	0	0	0	0	0
September 2010	0	0	0	0	0	0
September 2011	0	0	0	0	0	0
September 2012	0	0	0	0	0	0
September 2013	0	0	0	0	0	0
September 2014	0	0	0	0	0	0
September 2015	0	0	0	0	0	0
September 2016	0	0	0	0	0	0
September 2017	0	0	0	0	0	0
Weighted Average Life (years)**	2.1	1.5	1.5	1.5	1.5	1.5

Date	PB Class: PSA Prepayment Assumption 0%	100%	150%	220%	250%	500%
Initial Percent	100	100	100	100	100	100
September 2003	100	100	100	100	100	100
September 2004	100	98	98	98	98	88
September 2005	100	48	48	48	48	0
September 2006	78	*	*	*	*	0
September 2007	52	0	0	0	0	0
September 2008	23	0	0	0	0	0
September 2009	0	0	0	0	0	0
September 2010	0	0	0	0	0	0
September 2011	0	0	0	0	0	0
September 2012	0	0	0	0	0	0
September 2013	0	0	0	0	0	0
September 2014	0	0	0	0	0	0
September 2015	0	0	0	0	0	0
September 2016	0	0	0	0	0	0
September 2017	0	0	0	0	0	0
Weighted Average Life (years)**	5.0	3.0	3.0	3.0	3.0	2.3

Date	PC Class: PSA Prepayment Assumption 0%	100%	150%	220%	250%	500%
Initial Percent	100	100	100	100	100	100
September 2003	100	100	100	100	100	100
September 2004	100	100	100	100	100	100
September 2005	100	100	100	100	100	49
September 2006	100	100	100	100	100	0
September 2007	100	12	12	12	12	0
September 2008	100	0	0	0	0	0
September 2009	84	0	0	0	0	0
September 2010	18	0	0	0	0	0
September 2011	0	0	0	0	0	0
September 2012	0	0	0	0	0	0
September 2013	0	0	0	0	0	0
September 2014	0	0	0	0	0	0
September 2015	0	0	0	0	0	0
September 2016	0	0	0	0	0	0
September 2017	0	0	0	0	0	0
Weighted Average Life (years)**	7.5	4.6	4.6	4.6	4.6	3.0

Date	PD Class: PSA Prepayment Assumption 0%	100%	150%	220%	250%	500%
Initial Percent	100	100	100	100	100	100
September 2003	100	100	100	100	100	100
September 2004	100	100	100	100	100	100
September 2005	100	100	100	100	100	100
September 2006	100	100	100	100	100	24
September 2007	100	100	100	100	100	0
September 2008	100	47	47	47	47	0
September 2009	100	0	0	0	0	0
September 2010	100	0	0	0	0	0
September 2011	60	0	0	0	0	0
September 2012	2	0	0	0	0	0
September 2013	0	0	0	0	0	0
September 2014	0	0	0	0	0	0
September 2015	0	0	0	0	0	0
September 2016	0	0	0	0	0	0
September 2017	0	0	0	0	0	0
Weighted Average Life (years)**	9.2	6.0	6.0	6.0	6.0	3.8

Date	PE Class: PSA Prepayment Assumption 0%	100%	150%	220%	250%	500%
Initial Percent	100	100	100	100	100	100
September 2003	100	100	100	100	100	100
September 2004	100	100	100	100	100	100
September 2005	100	100	100	100	100	100
September 2006	100	100	100	100	100	100
September 2007	100	100	100	100	100	47
September 2008	100	100	100	100	100	0
September 2009	100	92	92	92	92	0
September 2010	100	46	46	46	46	0
September 2011	100	9	9	9	9	0
September 2012	100	0	0	0	0	0
September 2013	37	0	0	0	0	0
September 2014	0	0	0	0	0	0
September 2015	0	0	0	0	0	0
September 2016	0	0	0	0	0	0
September 2017	0	0	0	0	0	0
Weighted Average Life (years)**	10.8	8.0	8.0	8.0	8.0	5.0

Date	PG Class: PSA Prepayment Assumption 0%	100%	150%	220%	250%	500%
Initial Percent	100	100	100	100	100	100
September 2003	100	100	100	100	100	100
September 2004	100	100	100	100	100	100
September 2005	100	100	100	100	100	100
September 2006	100	100	100	100	100	100
September 2007	100	100	100	100	100	100
September 2008	100	100	100	100	100	95
September 2009	100	100	100	100	100	61
September 2010	100	100	100	100	100	38
September 2011	100	100	100	100	100	23
September 2012	100	78	78	78	78	14
September 2013	100	54	54	54	54	8
September 2014	65	34	34	34	34	4
September 2015	18	18	18	18	18	2
September 2016	6	6	6	6	6	*
September 2017	0	0	0	0	0	0
Weighted Average Life (years)**	12.4	11.4	11.4	11.4	11.4	8.0

Date	PI† Class: PSA Prepayment Assumption 0%	100%	150%	220%	250%	500%
Initial Percent	100	100	100	100	100	100
September 2003	99	98	98	98	98	98
September 2004	89	75	75	75	75	70
September 2005	77	50	50	50	50	12
September 2006	65	26	26	26	26	0
September 2007	52	3	3	3	3	0
September 2008	37	0	0	0	0	0
September 2009	21	0	0	0	0	0
September 2010	4	0	0	0	0	0
September 2011	0	0	0	0	0	0
September 2012	0	0	0	0	0	0
September 2013	0	0	0	0	0	0
September 2014	0	0	0	0	0	0
September 2015	0	0	0	0	0	0
September 2016	0	0	0	0	0	0
September 2017	0	0	0	0	0	0
Weighted Average Life (years)**	5.0	3.0	3.0	3.0	3.0	2.3

Date	A, F and S Classes: PSA Prepayment Assumption 0%	100%	150%	220%	250%	500%
Initial Percent	100	100	100	100	100	100
September 2003	83	72	68	68	68	56
September 2004	82	70	59	59	54	0
September 2005	81	69	50	41	28	0
September 2006	79	68	43	27	12	0
September 2007	78	66	39	19	3	0
September 2008	76	64	37	16	*	0
September 2009	75	61	35	15	*	0
September 2010	73	53	30	13	*	0
September 2011	71	42	24	11	*	0
September 2012	69	29	16	9	*	0
September 2013	67	14	8	7	*	0
September 2014	65	*	*	5	*	0
September 2015	45	0	0	3	*	0
September 2016	2	0	0	1	*	0
September 2017	0	0	0	0	0	0
Weighted Average Life (years)**	10.0	6.6	4.6	3.5	2.2	1.1

Date	Z Class: PSA Prepayment Assumption 0%	100%	150%	220%	250%	500%
Initial Percent	100	100	100	100	100	100
September 2003	106	106	100	69	56	0
September 2004	112	112	100	13	0	0
September 2005	118	118	100	0	0	0
September 2006	125	125	100	0	0	0
September 2007	132	132	100	0	0	0
September 2008	139	139	100	0	0	0
September 2009	147	147	100	0	0	0
September 2010	155	155	100	0	0	0
September 2011	164	164	100	0	0	0
September 2012	173	173	100	0	0	0
September 2013	183	183	100	0	0	0
September 2014	193	182	100	0	0	0
September 2015	204	113	61	0	0	0
September 2016	216	42	22	0	0	0
September 2017	0	0	0	0	0	0
Weighted Average Life (years)**	14.6	13.3	13.3	1.3	1.1	0.5

* 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 and RL Classes

The R and RL Classes will not have principal balances 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. If any assets of the Lower Tier REMIC remain after the principal balances of the Lower Tier Regular Interests are reduced to zero, we will pay the proceeds of those assets to the Holder of the RL Class. Fannie Mae does not expect that any material assets will remain in either case.

A Residual Certificate will be subject to certain transfer restrictions. We will not permit transfer of record or beneficial ownership of a Residual Certificate to a "disqualified organization." In addition, we will not permit transfer of record or beneficial ownership of a Residual 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 a Residual 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 a Residual 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 and RL Classes will constitute noneconomic residual interests 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 amended the Regulations to provide additional requirements that a transferor must satisfy to avail itself of the safe harbor regarding the presumed lack of improper knowledge. For transfers occurring on or after August 19, 2002, a transferor of a Residual Certificate is presumed not to have improper knowledge if, in addition to meeting the two conditions discussed in the REMIC Prospectus, both (i) the transferee represents that it will not cause income from the Residual Certificate to be attributed to a foreign permanent establishment or fixed base of the transferee or another taxpayer and (ii) the transfer satisfies either the "asset test" or the "formula test." The representation described in (i) will be included in the affidavit discussed above. 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.

A transfer satisfies the asset test if (i) 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 the transfer), (ii) the transferee is an "eligible corporation" and the transferee agrees in writing that any subsequent transfer of the Residual Certificate will be to an eligible corporation and will comply with the safe harbor and satisfy the asset test, and (iii) the facts and circumstances known to the transferor do not reasonably indicate that the taxes associated with the Residual Certificate will not be paid. A transfer satisfies the formula test 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 Regulations contain additional details regarding their application and you should consult your own tax adviser regarding the application of the Regulations to a 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, and the Holder of the RL Class will be considered to be the holder of the "residual interest" in the REMIC constituted by the Lower Tier REMIC. See "Certain Federal Income Tax Consequences" in the REMIC Prospectus. Pursuant to the Trust Agreement, we will be obligated to provide to these Holders (i) information necessary to enable them to prepare their federal income tax returns and (ii) any reports regarding the R or RL 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 Elections and Special Tax Attributes

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

Because the Lower Tier REMIC and the Trust will qualify as REMICs, 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 and RL Classes, as "qualified mortgages" for other REMICs. See "Certain Federal Income Tax Consequences—*REMIC Election and Special Tax Attributes*" in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Class and the Accrual Class 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 Assumption that will be used in determining the rate of accrual of OID will be 220% 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 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 (or the Lower Tier REMIC) that generally will not be treated as excess inclusions, the rate to be used is 120% of the "federal long-term rate." The rate will be published on or about August 20, 2002. 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 Nomura Securities International, Inc. (the "Dealer") in exchange for the 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 Classes in addition to those contemplated as of the date of this prospectus supplement. In this event, we will increase the MBS in principal balance, but we expect that all these additional MBS will have the same characteristics as described under "Description of the Certificates—The MBS" in this prospectus supplement. The proportion that the original principal balance of each Class bears to the aggregate original principal balance of all Classes will remain the same. In addition, the dollar amounts shown in the Principal Balance Schedules will be increased to correspond to the increase of the principal balances of the applicable Classes.

LEGAL MATTERS

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

Principal Balance Schedules

Aggregate Group I Planned Balances

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
Initial Balance through August 2003	$222,329,000.00	March 2008	$102,466,056.66	November 2012	$ 26,695,117.50
September 2003	220,451,085.03	April 2008	100,508,648.55	December 2012	25,900,783.94
October 2003	218,527,663.44	May 2008	98,561,496.48	January 2013	25,120,843.43
November 2003	216,559,616.64	June 2008	96,624,547.69	February 2013	24,355,070.78
December 2003	214,547,849.76	July 2008	94,697,749.66	March 2013	23,603,244.09
January 2004	212,493,290.93	August 2008	92,781,050.16	April 2013	22,865,144.70
February 2004	210,396,890.60	September 2008	90,874,397.21	May 2013	22,140,557.17
March 2004	208,259,620.80	October 2008	88,984,382.52	June 2013	21,429,269.21
April 2004	206,082,474.42	November 2008	87,125,479.33	July 2013	20,731,071.66
May 2004	203,866,464.40	December 2008	85,297,220.68	August 2013	20,045,758.41
June 2004	201,612,622.96	January 2009	83,499,146.31	September 2013	19,373,126.40
July 2004	199,322,000.81	February 2009	81,730,802.54	October 2013	18,712,975.54
August 2004	196,995,666.32	March 2009	79,991,742.22	November 2013	18,065,108.70
September 2004	194,634,704.69	April 2009	78,281,524.61	December 2013	17,429,331.62
October 2004	192,240,217.05	May 2009	76,599,715.30	January 2014	16,805,452.93
November 2004	189,813,319.69	June 2009	74,945,886.12	February 2014	16,193,284.06
December 2004	187,399,094.27	July 2009	73,319,615.04	March 2014	15,592,639.25
January 2005	184,997,475.61	August 2009	71,720,486.12	April 2014	15,003,335.44
February 2005	182,608,398.82	September 2009	70,148,089.38	May 2014	14,425,192.29
March 2005	180,231,799.37	October 2009	68,602,020.74	June 2014	13,858,032.12
April 2005	177,867,613.07	November 2009	67,081,881.93	July 2014	13,301,679.88
May 2005	175,515,776.03	December 2009	65,587,280.44	August 2014	12,755,963.11
June 2005	173,176,224.72	January 2010	64,117,829.38	September 2014	12,220,711.89
July 2005	170,848,895.91	February 2010	62,673,147.46	October 2014	11,695,758.81
August 2005	168,533,726.71	March 2010	61,252,858.86	November 2014	11,180,938.96
September 2005	166,230,654.56	April 2010	59,856,593.19	December 2014	10,676,089.86
October 2005	163,939,617.20	May 2010	58,483,985.41	January 2015	10,181,051.43
November 2005	161,660,552.71	June 2010	57,134,675.74	February 2015	9,695,665.98
December 2005	159,393,399.48	July 2010	55,808,309.59	March 2015	9,219,778.16
January 2006	157,138,096.22	August 2010	54,504,537.50	April 2015	8,753,234.90
February 2006	154,894,581.95	September 2010	53,223,015.05	May 2015	8,295,885.45
March 2006	152,662,796.01	October 2010	51,963,402.81	June 2015	7,847,581.27
April 2006	150,442,678.05	November 2010	50,725,366.24	July 2015	7,408,176.04
May 2006	148,234,168.02	December 2010	49,508,575.66	August 2015	6,977,525.60
June 2006	146,037,206.20	January 2011	48,312,706.13	September 2015	6,555,487.97
July 2006	143,851,733.16	February 2011	47,137,437.46	October 2015	6,141,923.26
August 2006	141,677,689.78	March 2011	45,982,454.06	November 2015	5,736,693.68
September 2006	139,515,017.25	April 2011	44,847,444.91	December 2015	5,339,663.49
October 2006	137,363,657.05	May 2011	43,732,103.54	January 2016	4,950,698.98
November 2006	135,223,550.98	June 2011	42,636,127.89	February 2016	4,569,668.43
December 2006	133,094,641.11	July 2011	41,559,220.28	March 2016	4,196,442.11
January 2007	130,976,869.85	August 2011	40,501,087.37	April 2016	3,830,892.22
February 2007	128,870,179.86	September 2011	39,461,440.07	May 2016	3,472,892.85
March 2007	126,774,514.12	October 2011	38,439,993.49	June 2016	3,122,320.02
April 2007	124,689,815.92	November 2011	37,436,466.89	July 2016	2,779,051.58
May 2007	122,616,028.80	December 2011	36,450,583.59	August 2016	2,442,967.22
June 2007	120,553,096.62	January 2012	35,482,070.97	September 2016	2,113,948.43
July 2007	118,500,963.52	February 2012	34,530,660.35	October 2016	1,791,878.49
August 2007	116,459,573.93	March 2012	33,596,086.97	November 2016	1,476,642.44
September 2007	114,428,872.56	April 2012	32,678,089.92	December 2016	1,168,127.03
October 2007	112,408,804.41	May 2012	31,776,412.11	January 2017	866,220.73
November 2007	110,399,314.77	June 2012	30,890,800.19	February 2017	570,813.69
December 2007	108,400,349.19	July 2012	30,021,004.51	March 2017	281,797.70
January 2008	106,411,853.52	August 2012	29,166,779.05	April 2017 and thereafter	0.00
February 2008	104,433,773.87	September 2012	28,327,881.40		
		October 2012	27,504,072.68		

Aggregate Group II Targeted Balances

Distribution Date	Targeted Balance
Initial Balance	$64,000,000.00
October 2002	62,547,441.89
November 2002	61,017,187.39
December 2002	59,410,162.69
January 2003	57,727,356.94
February 2003	55,969,821.34
March 2003	54,138,668.11
April 2003	52,235,069.41
May 2003	50,260,256.16
June 2003	48,215,516.76
July 2003	46,102,195.77
August 2003	43,921,692.46
September 2003	43,553,374.29
October 2003	43,166,337.06
November 2003	42,761,253.49
December 2003	42,338,820.84
January 2004	41,899,759.89
February 2004	41,444,813.69
March 2004	40,974,746.43
April 2004	40,490,342.21
May 2004	39,992,403.73
June 2004	39,481,751.06
July 2004	38,959,220.24
August 2004	38,425,661.95
September 2004	37,881,940.11
October 2004	37,328,930.52
November 2004	36,767,519.31
December 2004	36,219,938.68
January 2005	35,686,037.43
February 2005	35,165,665.77
March 2005	34,658,675.29
April 2005	34,164,918.89
May 2005	33,684,250.87
June 2005	33,216,526.85
July 2005	32,761,603.79
August 2005	32,319,339.93
September 2005	31,889,594.84
October 2005	31,472,229.39
November 2005	31,067,105.70
December 2005	30,674,087.19
January 2006	30,293,038.52
February 2006	29,923,825.62
March 2006	29,566,315.64
April 2006	29,220,376.95
May 2006	28,885,879.17
June 2006	28,562,693.10
July 2006	28,250,690.73
August 2006	27,949,745.26
September 2006	27,659,731.04
October 2006	$27,380,523.62
November 2006	27,111,999.67
December 2006	26,854,037.03
January 2007	26,606,514.64
February 2007	26,369,312.63
March 2007	26,142,312.20
April 2007	25,925,395.64
May 2007	25,718,446.38
June 2007	25,521,348.93
July 2007	25,333,988.86
August 2007	25,156,252.81
September 2007	24,988,028.51
October 2007	24,829,204.70
November 2007	24,679,671.18
December 2007	24,539,318.80
January 2008	24,408,039.40
February 2008	24,285,725.88
March 2008	24,172,272.08
April 2008	24,067,572.90
May 2008	23,971,524.21
June 2008	23,884,022.84
July 2008	23,804,966.63
August 2008	23,734,254.33
September 2008	23,671,785.71
October 2008	23,610,818.04
November 2008	23,536,728.26
December 2008	23,449,834.71
January 2009	23,350,450.22
February 2009	23,238,882.23
March 2009	23,115,432.78
April 2009	22,980,398.69
May 2009	22,834,071.59
June 2009	22,676,738.00
July 2009	22,508,679.45
August 2009	22,330,172.48
September 2009	22,141,488.81
October 2009	21,942,895.33
November 2009	21,734,654.24
December 2009	21,517,023.07
January 2010	21,290,254.79
February 2010	21,054,597.84
March 2010	20,810,296.28
April 2010	20,557,589.76
May 2010	20,296,713.64
June 2010	20,027,899.06
July 2010	19,751,372.99
August 2010	19,467,358.29
September 2010	19,176,073.79
October 2010	18,877,734.35
November 2010	$18,572,550.92
December 2010	18,260,730.59
January 2011	17,942,476.68
February 2011	17,617,988.73
March 2011	17,287,462.67
April 2011	16,951,090.78
May 2011	16,609,061.77
June 2011	16,261,560.87
July 2011	15,908,769.88
August 2011	15,550,867.15
September 2011	15,188,027.75
October 2011	14,820,423.43
November 2011	14,448,222.70
December 2011	14,071,590.92
January 2012	13,690,690.27
February 2012	13,305,679.88
March 2012	12,916,715.84
April 2012	12,523,951.25
May 2012	12,127,536.28
June 2012	11,727,618.18
July 2012	11,324,341.38
August 2012	10,917,847.51
September 2012	10,508,275.43
October 2012	10,095,761.30
November 2012	9,680,438.60
December 2012	9,262,438.19
January 2013	8,841,888.37
February 2013	8,418,914.85
March 2013	7,993,640.88
April 2013	7,566,187.24
May 2013	7,136,672.27
June 2013	6,705,211.97
July 2013	6,271,919.95
August 2013	5,836,907.55
September 2013	5,400,283.83
October 2013	4,962,155.62
November 2013	4,522,627.54
December 2013	4,081,802.09
January 2014	3,639,779.63
February 2014	3,196,658.42
March 2014	2,752,534.65
April 2014	2,307,502.55
May 2014	1,861,654.31
June 2014	1,415,080.19
July 2014	967,868.51
August 2014	520,105.72
September 2014	71,876.39
October 2014 and thereafter	0.00

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.

TABLE OF CONTENTS

$300,000,000

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Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 2002-61

PROSPECTUS SUPPLEMENT

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August 8, 2002