Prospectus Supplement
(To REMIC Prospectus dated May 1, 2002)

$948,258,978 (Approximate)

FannieMae

Guaranteed Pass-Through Certificates
Fannie Mae Trust 2002-80

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 classes), and
- principal to the extent available for payment on your class.

We may pay principal in amounts 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 Stripped MBS,
- underlying REMIC and RCR certificates backed by Fannie Mae Stripped MBS, and
- one group of fixed-rate, single-family mortgage loans insured by the FHA or partially guaranteed by the VA, having the characteristics described in this prospectus supplement.

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

Class	*Group*	*Original Class Balance(1)*	*Principal Type*	*Interest Rate*	*Interest Type*	*CUSIP Number*	*Final Distribution Date*
A	1	$130,042,000	TAC/NSJ/AD	5.0%	FIX	31392FLA3	April 2032
PB(2)	1	117,121,000	PAC	4.0	FIX	31392FLB1	April 2032
PI(2)	1	16,731,571(3)	NTL	7.0	FIX/IO	31392FLC9	April 2032
Z	1	12,594,172	SUP/NSJ/AD	5.0	FIX/Z	31392FLD7	April 2032
ZB	1	325,000	SUP/NSJ/AD	5.0	FIX/Z	31392FLE5	April 2032
BI(2)	2	17,749,750(3)	NTL	6.0	FIX/IO	31392FLF2	January 2032
CB(2)	2	212,997,000	PAC/AD	4.0	FIX	31392FLG0	January 2032
CE(2)	2	14,817,000	PAC/AD	4.0	FIX	31392FLH8	September 2032
CZ	2	90,000	SEQ	4.5	FIX/Z	31392FLJ4	September 2032
DI(2)	2	1,234,750(3)	NTL	6.0	FIX/IO	31392FLK1	September 2032
FL	2	33,470,667	SUP/AD	(4)	FLT	31392FLL9	September 2032
JS	2	1,635,300	SUP/AD	(4)	INV	31392FLM7	September 2032
OC	2	18,024,000	SUP/AD	(5)	PO	31392FLN5	September 2032
SG	2	13,333,333	SUP/AD	(4)	INV	31392FLP0	September 2032
SJ	2	5,632,700	SUP/AD	(4)	INV	31392FLQ8	September 2032
EO(2)	3	9,160,584	SUP/AD	(5)	PO	31392FLR6	February 2032
ES(2)	3	37,495,062	PAC/AD	(4)	INV	31392FLS4	February 2032
EZ	3	300,000	SEQ	4.5	FIX/Z	31392FLT2	February 2032
FT(2)	3	48,207,938	PAC/AD	(4)	FLT	31392FLU9	February 2032
FU	3	20,611,314	SUP/AD	(4)	FLT	31392FLV7	February 2032
SU(2)	3	6,870,438	SUP/AD	(4)	INV	31392FLW5	February 2032
A1	4	261,514,129	PT	6.5	FIX	31392FLX3	(6)
X1	4	265,531,470(3)	NTL	(7)	WAC/IO	31392FLY1	(6)
P1	4	4,017,341	PT	(5)	PO	31392FLZ8	(6)
R	(8)	0	NPR	0	NPR	31392FMA2	September 2032
RL	(8)	0	NPR	0	NPR	31392FMB0	September 2032

(1) Approximate. May vary by plus or minus 5%.
(2) Exchangeable classes.
(3) Notional balances. These classes are interest only classes.
(4) Based on LIBOR.
(5) Principal only classes.
(6) The assumed maturity date for each of the A1, X1 and P1 Classes occurs in May 2030. However, we will **not** guarantee payment in full of the principal balances of the Group 4 Classes on their assumed maturity date. We will guarantee payment in full of the principal balances of the Group 4 Classes on their Final Distribution Date occurring in November 2042.
(7) This class will bear interest as described in this prospectus supplement.
(8) The R and RL Classes relate to Groups 1, 2 and 3 only.

If you own certificates of certain classes, you can exchange them for the corresponding RCR certificates to be issued at the time of the exchange. The PA, PD, CJ, CG, CH, CK, CA, CD, CM, IO, ST, SW, EA, EB and EI Classes are the RCR classes, as further described in this prospectus supplement.

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

Carefully consider the risk factors starting on page S-9 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.

Bear, Stearns & Co. Inc.

September 30, 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 Information Statement dated April 1, 2002 and its supplements (the "Information Statement");
- if you are purchasing any Group 1, Group 2 or Group 3 Class or the R or RL Class, our Prospectus for Fannie Mae Guaranteed REMIC Pass-Through Certificates dated May 1, 2002 (the "REMIC Prospectus");
- if you are purchasing any Group 1, Group 2 or Group 3 Class or the R or RL Class, our Prospectus for Fannie Mae Stripped Mortgage-Backed Securities dated May 1, 2002 (the "SMBS Prospectus");
- if you are purchasing any Group 1, Group 2 or Group 3 Class or the R or RL Class, our Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated May 1, 2002 (the "MBS Prospectus");
- if you are purchasing any Group 3 Class or the R or RL Class, the disclosure document relating to the underlying REMIC and RCR Certificates (the "Underlying REMIC Disclosure Document"); and
- if you are purchasing any Group 4 Class, the portions of the REMIC Prospectus under the headings "Fannie Mae," "Additional Information About Fannie Mae," "Risk Factors," and "Description of Certificates—Class Definitions and Abbreviations," "Legal Investment Considerations," "Legal Opinion" and "ERISA Considerations."

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, except the Underlying Disclosure Document, by writing or calling the dealer at:

Bear, Stearns & Co. Inc.
Prospectus Department
One Metro Tech Center North
Brooklyn, New York 11201
(telephone 212-272-1581).

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

Group	Assets
1	Group 1 SMBS
2	Group 2 SMBS
3	Class 319-1 SMBS Certificate
	Class 2002-11-JF REMIC Certificate
	Class 2002-11-DB RCR Certificate
4	Group 4 Mortgage Loans

Assumed Characteristics of the Mortgage Loans Underlying the Group 1 and Group 2 SMBS (as of October 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
Group 1 SMBS(1)	$260,082,172	360	348	10	7.49%
Group 2 SMBS(2)	$300,000,000	360	353	6	6.62%

(1) 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 $185,772,980 and (ii) principal payments on an initial principal amount of $260,082,172 of MBS. See "Description of the Certificates—*The SMBS—The Group 1 SMBS*" in this prospectus supplement.

(2) The Group 2 SMBS will represent ownership of (i) interest payments at a pass-through rate of 6.0% on an initial notional principal amount of $225,000,000 and (ii) principal payments on an initial principal amount of $300,000,000 of MBS. See "Description of the Certificates—*The SMBS—The Group 2 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.

Characteristics of the Group 3 SMBS and Group 3 Underlying REMIC and RCR Certificates

Exhibit A describes the Group 3 SMBS and Group 3 Underlying REMIC and RCR Certificates, including certain information about the related mortgage loans. To learn more about the Group 3 SMBS and Group 3 Underlying REMIC and RCR Certificates, you should obtain from us the current class factors and the disclosure documents relating to the Group 3 SMBS and Group 3 Underlying REMIC and RCR Certificates as described on page S-3.

Certain Characteristics of the Group 4 Mortgage Loans

Each of the Group 4 Mortgage Loans was originated in accordance with the underwriting guidelines of the FHA or VA. Each Group 4 Mortgage Loan was included in a Ginnie Mae pool and was subsequently repurchased after a delinquency was not cured for at least 90 days or after a period of four consecutive months during which the loan remained at least 30 days delinquent. The mortgage loans are now reperforming as and to the extent described in the section of this prospectus supplement entitled "Description of the Certificates—The FHA/VA Loans."

The tables appearing in Exhibit B set forth certain summary information regarding the assumed characteristics of the Group 4 Mortgage Loans.

Class Factors

The class factors are numbers that, when multiplied by the initial principal balance or notional balance of a certificate, can be used to calculate the current principal balance or notional balance of that certificate (after taking into account principal payments in the same month). We will publish the class factors for the Group 1, Group 2, and Group 3 Classes on or shortly after the 11th day of each month and for the Group 4 Classes on or shortly after the 23rd day of each month.

Settlement Date

We expect to issue the certificates on October 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 and DTC, as applicable, 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	DTC Book-Entry	Physical
All Group 1, Group 2 and Group 3 Classes and the RCR Classes	The Group 4 Classes	R and RL Classes

Exchanging Certificates Through Combination and Recombination

If you own certain certificates, you will be able to exchange them for a proportionate interest in the related RCR certificates as shown on Schedule 1. We will issue the RCR certificates upon such exchange. You can exchange your certificates by notifying us and paying an exchange fee. We use the principal and interest of the certificates exchanged to pay principal and interest on the related RCR certificates. Schedule 1 lists all the available combinations of the certificates eligible for exchange and the related RCR certificates.

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 or on Schedule 1.

During each interest accrual period, the X1 Class will bear interest at the rate described in 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, except that the initial interest rates for the ES, FT, FU, SU, ST and SW Classes are assumed rates. 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)
FL	3.05000%	8.00000%	1.25%	LIBOR + 125 basis points
JS	10.00000%	10.00000%	0.00%	90% − (13.33333 × LIBOR)
SG	8.58125%	10.15625%	4.25%	10.15625% − (0.875 × LIBOR)
SJ	16.25806%	23.22581%	0.00%	23.22581% − (3.87097 × LIBOR)
ES	7.31089%(2)	9.64286%	0.00%	9.64286% − (1.2857143 × LIBOR)

Class	Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate(1)
FT	2.31375%(2)	8.00000%	0.50%	LIBOR + 50 basis points
FU	2.96375%(2)	8.00000%	1.15%	LIBOR + 115 basis points
SU	15.10875%(2)	20.55000%	0.00%	20.55% − (3 × LIBOR)
ST	5.43694%(2)	6.21429%	3.00%	6.21429% − (0.428572 × LIBOR)
SW	6.47511%(2)	8.80714%	0.00%	8.80714% − (1.285714 × LIBOR)

(1) We will establish LIBOR on the basis of the "BBA Method."
(2) Assumed initial interest rates. We will calculate the actual initial interest rates for these classes on October 23, 2002, using the applicable formulas.

We will apply interest payments from exchanged trust certificates to the corresponding RCR certificates, on a pro rata basis, following any exchange.

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:

Class	
PI	14.2857142871% of the PB Class
BI	8.3333333333% of the CB Class
DI	8.3333333333% of the CE Class
IO	8.3333333333% of the CB and CE Classes
X1	100% of the Group 4 Mortgage Loans
EI	7.6923076923% of the FT and ES Classes

Distributions of Principal

Group 1 Principal Distribution Amount

ZB Accrual Amount

1. If and only if the principal balance of the Group 1 SMBS is *less* than the Group 1 SMBS Specified Balance, to the A Class to zero, and thereafter to the ZB Class.

2. To the A Class to its Targeted Balance.

3. To the Z Class to zero.

4. To the A Class to zero.

5. Thereafter, to the ZB Class.

Group 1 Cash Flow Distribution Amount

To the PB Class to its Planned Balance

Z Accrual Amount and Remaining Group 1 Cash Flow Distribution Amount

1. If and only if the principal balance of the Group 1 SMBS is *less* than the Group 1 SMBS Specified Balance, to the Z, A and ZB Classes, in that order, to zero.

2. To the A Class to its Targeted Balance.

3. To the Z Class to zero.

4. To the A Class to zero.

5. To the ZB Class to zero.

6. To the PB Class to zero.

Group 2 Principal Distribution Amount

1. To Aggregate Group I to its Planned Balance.

2. To the FL, JS, OC, and SG and SJ Classes, pro rata, to zero.

3. To Aggregate Group I to zero.

4. To the CZ Class to zero.

For a description of Aggregate Group I, see ‘‘Description of the Certificates—Distribution of Principal—*Group 2 Principal Distribution ‘‘Amount’’* in this prospectus supplement.

Group 3 Principal Distribution Amount

1. To Aggregate Group II to its Planned Balance.

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

3. To Aggregate Group II to zero.

4. To the EZ Class to zero.

For a description of Aggregate Group II, see ‘‘Description of the Certificates—Distribution of Principal—*Group 3 Principal Distribution Amount’’* in this prospectus supplement.

Group 4 Principal Distribution Amount

The P1 Principal Distribution Amount to the P1 Class to zero.

The Non-Discount Principal Distribution Amount and the Non-P1 Principal Distribution Amount to the A1 Class to zero.

For a description of the P1 Principal Distribution Amount, the Non-Discount Principal Distribution Amount and the Non-P1 Principal Distribution Amount, see "Description of the Certificates—Certain Definitions Relating to Payments on the Group 4 Classes" in this prospectus supplement.

We will apply principal payments from exchanged trust certificates to the corresponding RCR certificates, on a pro rata basis, following any exchange.

Weighted Average Lives (years)*

	PSA Prepayment Assumption							
Group 1 Classes	**0%**	**175%**	**400%**	**501%**	**502%**	**750%**	**800%**	**1000%**
A	22.5	9.6	3.7	2.6	3.8	1.8	1.5	1.1
PB, PI, PA and PD	14.4	2.8	2.8	2.8	2.8	2.8	2.8	2.4
Z	28.4	21.0	12.2	9.9	0.3	0.2	0.2	0.1
ZB	29.4	28.4	22.0	18.4	18.4	12.3	11.4	2.1

	PSA Prepayment Assumption					
Group 2 Classes	**0%**	**100%**	**285%**	**450%**	**525%**	**700%**
BI, CB, CG and CJ	17.6	6.9	3.3	3.3	3.3	2.7
CE, DI, CH and CK	26.5	16.1	10.1	10.1	10.1	7.9
CZ	29.8	29.4	28.3	23.4	20.8	15.8
FL, JS, OC, SG and SJ	28.4	22.4	11.4	4.0	2.0	1.1
CA, CD, CM and IO	18.2	7.5	3.7	3.7	3.7	3.0

	PSA Prepayment Assumption				
Group 3 Classes	**0%**	**200%**	**350%**	**400%**	**600%**
EO, FU, SU and SW	27.5	13.4	4.7	3.0	1.0
ES, FT, EA, EB, EI and ST	17.3	4.2	4.2	4.2	3.3
EZ	29.2	27.3	22.4	20.5	14.3

	CPR Prepayment Assumption				
Group 4 Classes	**0%**	**9%**	**18%**	**27%**	**36%**
A1	17.9	8.1	4.6	3.1	2.2
X1	17.9	8.1	4.6	3.1	2.2
P1	17.9	8.1	4.6	3.0	2.2

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

ADDITIONAL RISK FACTORS

General

The rate of principal payments on the certificates will be affected by the rate of principal payments on the related 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 related underlying mortgage loans, including scheduled amortization payments or prepayments. Because borrowers generally may prepay their mortgage loans at any time without penalty, the rate of principal payments on the underlying 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, as well as the Group 4 Mortgage Loans, 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 related classes of 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.

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.

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.

Additional Risk Factors Affecting the Group 4 Classes

The X1 Class is especially sensitive to prepayments. If you buy certificates of the X1 Class and a disproportionately high rate of prepayments occurs on Group 4 Mortgage Loans with net mortgage rates above 6.50% relative to Group 4 Mortgage Loans with net mortgage rates below that rate, the yield on your certificates will decrease and may be lower than you expect.

The rates of prepayment of the Group 4 Mortgage Loans will be affected by additional FHA and VA considerations. In addition to the factor described above, the rates of prepayment of the Group 4 Mortgage Loans are likely to vary considerably from time to time as a result of the liquidation of foreclosed mortgage loans and the receipt of FHA insurance payments and VA guarantee payments, as well as because borrowers generally may prepay their loans at any time without penalty. Prepayment rates also may be influenced by changes in FHA or VA program guidelines. In addition, both the FHA and VA have historically permitted borrowers to sell a mortgaged property without requiring the buyer to assume the mortgage and, at times, without verifying the buyer's creditworthiness. In this manner, property sales by borrowers can affect the rate of prepayment.

The weighted average lives of the Group 4 Classes may be extended if the servicer takes certain actions. The servicer has the right under certain circumstances to recast the amortization schedule (based on a 30-year term) and/or extend the scheduled date of final payment on Group 4 Mortgage Loans (but not beyond November 2042). To the extent that the servicer recasts the amortization schedule or extends the term of a Group 4 Mortgage Loan, the weighted average lives of the Group 4 Classes could be extended.

Exercise of the optional clean-up call on the Group 4 Mortgage Loans will result in the payment in full of the Group 4 Classes. If the servicer exercises its options to purchase the Group 4 Mortgage Loans, as described in this prospectus supplement, it would have the same effect as a prepayment in full of all the Group 4 Mortgage Loans.

Repurchases of certain modified Group 4 Mortgage Loans will have the same effect as borrower prepayments. Under the limited circumstances described in this prospectus supplement, we have the option to repurchase from the trust any Group 4 Mortgage Loan whose interest rate has been reduced. Any repurchase of Group 4 Mortgage Loans will have the same effect on the Group 4 Classes as borrower prepayments of those loans.

The Group 4 Mortgage Loans have experienced significant delinquency rates. Approximately 41.93% of the Group 4 Mortgage Loans were 60 or more days contractually delinquent as of the issue date. Under the limited circumstances described in this prospectus supplement, EMC Mortgage Corporation will be required to repurchase from the trust delinquent Group 4 Mortgage Loans. Any repurchase of loans will have the same effect on the Group 4 Classes as borrower repayment of those loans.

Concentration of mortgaged properties securing the Group 4 Mortgage Loans could affect delinquency rates. As of the issue date, approximately 11.63% of the Group 4 Mortgage Loans are secured by mortgaged properties located in California. If the California residential real estate market experiences an overall decline in property values, the rate of loan delinquencies in California probably will increase and may increase substantially.

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 Trust specified on the cover of this prospectus supplement (the ''Trust'') and a separate trust (the ''Upper Tier REMIC'') pursuant to a trust agreement dated as of October 1, 2002 (the ''Issue Date''). We will issue the Guaranteed Pass-Through Certificates (the ''Trust Certificates'') pursuant to that trust agreement. We will issue the Combinable and Recombinable Certificates (the ''RCR Certificates'' and, together with the Trust Certificates, the ''Certificates'') pursuant to a separate trust agreement dated as of the Issue Date (together with the trust agreement relating to the Trust Certificates, the ''Trust Agreement''). We will execute the Trust Agreement in our corporate capacity and as trustee (the ''Trustee''). In general, the term ''Classes'' includes the Classes of Trust Certificates and RCR Certificates.

The assets of the Trust will consist of

- two groups of Fannie Mae Stripped Mortgage-Backed Securities (the ''Group 1 SMBS'' and ''Group 2 SMBS''),
- certain previously issued REMIC and RCR certificates (together, the ''Group 3 Underlying REMIC Certificates'') evidencing beneficial ownership interests in the related Fannie Mae REMIC trust (the ''Underlying REMIC Trust'') as further described in Exhibit A,
- certain Fannie Mae Stripped Mortgage-Backed Securities (the ''Group 3 SMBS'' and, together with the Group 1 and Group 2 SMBS and the Fannie Mae Stripped Mortgage-Backed Securities backing the Group 3 Underlying REMIC Certificates, the ''SMBS'') as further described in Exhibit A, and
- certain fixed-rate mortgage loans that are insured by the FHA or partially guaranteed by the VA and that, as a result of past delinquency, have been repurchased from Ginnie Mae pools (the ''FHA/VA Loans'').

The assets of the Underlying REMIC Trust evidence indirect beneficial ownership interests in certain SMBS.

The SMBS represent beneficial ownership interests in certain interest and principal distributions on 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 having the characteristics described in this prospectus supplement.

We will designate the Upper Tier REMIC and a portion of the Trust (the ''Lower Tier REMIC'') as ''real estate mortgage investment conduits'' (each, a ''REMIC'') under the Internal Revenue Code of 1986, as amended (the ''Code''). The assets of the Upper Tier REMIC will consist of the Lower Tier Regular Interests. The assets of the Lower Tier REMIC will consist of the Group 1, Group 2 and Group 3 SMBS and the Group 3 Underlying REMIC Certificates. The Lower Tier REMIC will not include the FHA/VA Loans.

- The Group 1, Group 2 and Group 3 Classes will be the ''regular interests'' in the Upper Tier REMIC.
- The R Class will be the ''residual interest'' in the Upper Tier REMIC.

- 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.

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 no later than its Final Distribution Date, whether or not we have received sufficient payments on the MBS or the FHA/VA Loans, as applicable.

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, "The SMBS Certificates—Fannie Mae Obligations" in the SMBS Prospectus, "Description of the Certificates—General—Fannie Mae Guaranty" in the Underlying REMIC Disclosure Document and "Description of the Certificates—Fannie Mae Guaranty" in the MBS Prospectus.

Characteristics of Certificates. We will issue the Certificates of the Group 1, Group 2 and Group 3 Classes and the RCR Classes in book-entry form on the book-entry system of the U.S. Federal Reserve Banks (the "Fed Book-Entry Certificates"). Entities whose names appear on the book-entry records of a Federal Reserve Bank as having had Fed Book-Entry Certificates deposited in their accounts are "Holders" or "Certificateholders."

The Group 4 Classes will be represented by one or more certificates (the "DTC Certificates") to be registered at all times in the name of the nominee of The Depository Trust Company ("DTC"), a New York-chartered limited purpose trust company, or any successor depository selected or approved by Fannie Mae. We refer to the nominee of DTC as the "Holder" or "Certificateholder" of the DTC Certificates. DTC will maintain the DTC Certificates through its book-entry facilities.

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.

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 Upper Tier REMIC 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 Date. We will make monthly payments on the Certificates on the 25th day of each month (or, if the 25th day is not a business day, on the first business day after the 25th). We refer to each such date as a "Distribution Date." We will make the first payments to Certificateholders the month after we issue the Certificates.

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

Class Factors. On or shortly after the 11th calendar day of each month in the case of the Group 1, Group 2 and Group 3 Classes, and on or shortly after the 23rd calendar day of each month in the case of the Group 4 Classes, we will publish a factor (carried to eight decimal places) for each related 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 Classes).

Optional Repurchase of Remaining FHA/VA Loans. The servicer may purchase all the remaining FHA/VA Loans from the Trust under the circumstances described in this prospectus supplement under "Additional Trust Agreement Provisions Relating to the Group 4 Classes—Termination."

No Optional Termination of REMICs. We have no option to effect an early termination of the Upper Tier REMIC or the Lower Tier REMIC. 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.

Voting the SMBS and the Group 3 Underlying REMIC Certificates. Holders of the SMBS and the Group 3 Underlying REMIC Certificates may be asked to vote on issues arising under the related trust agreements. If so, the Trustee will vote the related SMBS and the Group 3 Underlying REMIC Certificates, as applicable, as instructed by Holders of Certificates of the Classes backed by SMBS or the Group 3 Underlying REMIC Certificates. The Trustee must receive instructions from Holders of Certificates having principal balances totaling at least 51% of the aggregate principal balance of 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.

Combination and Recombination

General. You are permitted to exchange all or a portion of the PB, PI, BI, CB, CE, DI, EO, ES, FT and SU Classes of REMIC Certificates for a proportionate interest in the related Combinable and Recombinable Certificates ("RCR Certificates") in the combinations shown on Schedule 1. You also may exchange all or a portion of the RCR Certificates for the related Trust Certificates in the same manner. This process may occur repeatedly.

Holders of RCR Certificates will be the beneficial owners of a proportionate interest in the related Trust Certificates and will receive a proportionate share of the distributions on the related Trust Certificates.

The Classes of Trust Certificates and RCR Certificates that are outstanding at any given time, and the outstanding principal balances (or notional principal balances) of these Classes, will depend upon any related distributions of principal, as well as any exchanges that occur. Trust Certificates and RCR Certificates in any combination may only be exchanged in the proportions shown on Schedule 1.

Procedures. If a Certificateholder wishes to exchange Certificates, the Certificateholder must notify our Structured Transactions Department through one of our "REMIC Dealer Group" dealers in writing or by telefax no later than two business days before the proposed exchange date. The exchange date can be any business day other than the first or last business day of the month subject to our approval. The notice must include the outstanding principal balance of both the Certificates to be exchanged and the Certificates to be received, and the proposed exchange date. After receiving the

Holder's notice, we will telephone the dealer with delivery and wire payment instructions. Notice becomes irrevocable on the second business day before the proposed exchange date.

In connection with each exchange, the Holder must pay us a fee equal to 1/32 of 1% of the outstanding principal balance (exclusive of any notional principal balance) of the Certificates to be exchanged. In no event, however, will our fee be less than $2,000.

We will make the first distribution on a Trust Certificate or an RCR Certificate received in an exchange transaction on the Distribution Date in the following month. We will make that distribution to the Holder of record as of the close of business on the last day of the month of the exchange.

Additional Considerations. The characteristics of RCR Certificates will reflect the characteristics of the Trust Certificates used to form those RCR Certificates. You should also consider a number of factors that will limit a Certificateholder's ability to exchange Trust Certificates for RCR Certificates or vice versa:

- At the time of the proposed exchange, a Certificateholder must own Certificates of the related Class or Classes in the proportions necessary to make the desired exchange.
- A Certificateholder that does not own the Certificates may be unable to obtain the necessary Trust Certificates or RCR Certificates.
- The Certificateholder of needed Certificates may refuse to sell them at a reasonable price (or any price) or may be unable to sell them.
- Certain Certificates may have been purchased and placed into other financial structures and thus be unavailable.
- Principal distributions will decrease the amounts available for exchange over time.
- Only the combinations listed on Schedule 1 are permitted.

Book-Entry Procedures

General. The Fed Book-Entry Certificates will be issued and maintained only on the book-entry system of the Federal Reserve Banks. The Fed Book-Entry Certificates may be held of record only by entities eligible to maintain book-entry accounts with the Federal Reserve Banks. Beneficial owners ordinarily will hold Fed Book-Entry Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. A Holder that is not the beneficial owner of a Fed Book-Entry Certificate, and each other financial intermediary in the chain to the beneficial owner, will have to establish and maintain accounts for their respective customers. A beneficial owner's rights with respect to the Federal Reserve Banks and Fannie Mae may be exercised only through the Holder of such Certificate. Neither the Federal Reserve Banks nor Fannie Mae will have any direct obligation to a beneficial owner of a Fed Book-Entry Certificate that is not the Holder of that Certificate. The Federal Reserve Banks will act only upon the instructions of the Holder in recording transfers of a Fed Book-Entry Certificate. See "Description of Certificates—Denominations and Form" in the REMIC Prospectus.

The DTC Certificates will be registered at all times in the name of the nominee of DTC. Under its normal procedures DTC will record the amount of DTC Certificates held by each firm which participates in the book-entry system of DTC (each, a "DTC Participant"), whether held for its own account or on behalf of another person.

A "beneficial owner" or an "investor" is anyone who acquires a beneficial ownership interest in the DTC Certificates. As an investor, you will not receive a physical certificate. Instead, your interest will be recorded on the records of the brokerage firm, bank, thrift institution or other financial intermediary (a "financial intermediary") that maintains an account for you. In turn, the record ownership of the financial intermediary that holds your DTC Certificates will be recorded by DTC. If the intermediary is not a DTC Participant, the record ownership of the intermediary will be recorded by a DTC Participant acting on its behalf. Therefore, you must rely on these various arrangements to record your ownership of the DTC Certificates and to relay the payments to your account. You may transfer your beneficial ownership interest in the DTC Certificates only under the procedures of your financial intermediary and of DTC Participants. In general, ownership of DTC Certificates will be subject to the prevailing rules, regulations and procedures governing DTC and DTC Participants.

Method of Payment. Our fiscal agent for the Fed Book-Entry Certificates is the Federal Reserve Bank of New York. On each applicable Distribution Date, the Federal Reserve Banks will make payments on the Fed Book-Entry Certificates on our behalf by crediting Holders' accounts at the Federal Reserve Banks.

We will direct payments on the DTC Certificates to DTC in immediately available funds. In turn, DTC will credit the payments to the accounts of the appropriate DTC Participants, in accordance with DTC's procedures. These procedures currently provide for payments made in same-day funds to be settled through the New York Clearing House. DTC Participants and financial intermediaries will direct the payments to the investors in DTC Certificates that they represent.

The Group 1 SMBS and Group 2 SMBS

The general characteristics of the SMBS are described in the SMBS Prospectus. The SMBS provide that certain principal and interest payments on the related MBS are passed through monthly. The general characteristics of the MBS are described in the MBS Prospectus. Each MBS evidences beneficial ownership interests in a pool of conventional, fixed-rate, fully amortizing Mortgage Loans secured by first mortgages or deed of trust on single-family residential properties, as described under "Mortgage Loan Pools" and "Yield Considerations, Maturity and Prepayment Assumptions" in the MBS Prospectus.

The 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 $185,772,980, and
- principal payments on an initial principal amount of $260,082,172 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%
Approximate Weighted Average WAM	348 months
Approximate Weighted Average WALA (weighted average loan age)	10 months

The Group 2 SMBS

The Group 2 SMBS represent ownership of

- interest payments at a pass-through rate of 6.0% on an initial notional principal amount of $225,000,000, 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 2 SMBS as of the Issue Date to be as follows:

Range of WACs (annual percentages)	6.25% to 8.50%
Approximate Weighted Average WAM	353 months
Approximate Weighted Average WALA	6 months

The Group 3 SMBS and Group 3 Underlying REMIC Certificates

The general characteristics of the SMBS are described in the SMBS Prospectus. The SMBS provide that certain principal and interest payments on the related MBS are passed through monthly. See Exhibit A for additional information about the Group 3 SMBS. For further information about the Group 3 SMBS, telephone us at 1-800-237-8627 or 202-752-6547. You may also obtain certain information in electronic form by calling us at 1-800-752-6440 or 202-752-6000.

The Group 3 Underlying REMIC Certificates represent beneficial ownership interests in the Underlying REMIC Trust. The assets of that trust evidence indirect beneficial ownership interests in certain MBS. Distributions on the Group 3 Underlying REMIC Certificates will be passed through monthly, beginning in the month after we issue the Certificates. The general characteristics of the Group 3 Underlying REMIC Certificates are described in the Underlying REMIC Disclosure Document. See Exhibit A for additional information about the Group 3 Underlying REMIC Certificates.

Each MBS evidences beneficial ownership interests in a pool of conventional, fixed-rate, fully amortizing mortgage loans secured by first mortgages or deeds of trust on single-family residential properties, as described under "Mortgage Loan Pools" and "Yield Considerations, Maturity and Prepayment Assumptions" in the MBS Prospectus. The general characteristics of the MBS are described in the MBS Prospectus.

For further information about the Group 3 SMBS and the Group 3 Underlying REMIC Certificates, telephone us at 1-800-237-8627 or 202-752-6547. You also may obtain certain information in electronic form by calling us at 1-800-752-6440 or 202-762-6000. There may have been material changes in facts and circumstances since the date we prepared the Underlying REMIC Disclosure Document. These may include changes in prepayment speeds, prevailing interest rates and other economic factors. As a result, the usefulness of the information set forth in that document may be limited.

The FHA / VA Loans

General

We expect that the Trust will include approximately 2,868 FHA/VA Loans, having aggregate principal balances of approximately $265,531,470 as of the Issue Date. This aggregate amount may vary by plus or minus 10%. Fannie Mae and EMC Mortgage Corporation, as seller (the "Seller") and servicer (in such capacity, together with its subservicers, the "Servicer"), will be parties to a sale and servicing agreement dated as of the Issue Date (the "Sale and Servicing Agreement").

The FHA/VA Loans are first lien, single-family, fully amortizing, fixed-rate mortgage loans insured by the FHA or partially guaranteed by the VA. Each FHA/VA Loan is evidenced by a promissory note or similar evidence of indebtedness (a "Mortgage Note") that is secured by a first mortgage or deed of trust on a single-family residential property. Each Mortgage Note requires the borrower to make monthly payments of principal and interest. We refer to the property that secures repayment of an FHA/VA Loan as the "Mortgaged Property."

The FHA/VA Loans generally have terms not more than 30 years in length, although the Servicer has the right under certain circumstances to extend their terms (but not beyond November 2042).

Each FHA/VA Loan provides that the obligor on the related Mortgage Note (the "borrower") must make payments by a scheduled day of each month. This day is fixed at the time of origination. In addition, each FHA/VA Loan provides that the borrower must pay interest on the outstanding principal balance at the rate specified or described in the related Mortgage Note (the "Mortgage Interest Rate"). Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months. If a borrower makes a payment earlier or later than the scheduled due date, the amortization schedule will not change, nor will the relative application of such payment to principal and interest.

The information shown on Exhibit B summarizes certain assumed characteristics of the FHA/VA Loans as of the Issue Date. The information in the table is presented in aggregated form, on the basis of the characteristics specified in the tables, and does not reflect actual or assumed characteristics of any individual FHA/VA Loan. The information in the tables does not give effect to prepayments received on the FHA/VA Loans on or after the Issue Date.

Each of the FHA/VA Loans was originated in accordance with the underwriting guidelines of the FHA or VA, as the case may be, and was eligible to be included in a Ginnie Mae pool at the time of origination as permitted by Ginnie Mae's rules. Each of the FHA/VA Loans was pooled with Ginnie Mae and then repurchased when the loan had a delinquency that was not cured for at least 90 days or after a period of four consecutive months when the loan remained at least 30 days delinquent.

The table below shows the contractual delinquency of the FHA/VA Loans as of the Issue Date. An FHA/VA Loan is "contractually delinquent" as of the Issue Date if delinquencies that occurred at any time during the term of the related loan have not been cured.

Contractually Delinquent	FHA/VA Loans
Less than 30 Days	18.27%
30–59 Days	39.81%
60–89 Days	21.60%
90–119 Days	10.51%
120 Days	9.82%

As of the Issue Date, no FHA/VA Loan was more than 120 days contractually delinquent. Neither the Servicer nor Fannie Mae has the right to repurchase a FHA/VA Loan from the Trust based upon the Issue Date contractual delinquency of that loan. However, if at any time the aggregate principal balance of the FHA/VA Loans which are 90 days or more delinquent ("90+ Delinquent Loans") exceeds 49.00% of the aggregate principal balance of the FHA/VA Loans taken as a whole, the Seller is required to repurchase sufficient 90+ Delinquent Loans to cause the percentage of 90+ Delinquent Loans to be less than or equal to 49.00% (but not less than 45.00%).

The following tables set forth certain information, as of the Issue Date, as to the FHA/VA Loans. References to "Aggregate Principal Balance Outstanding" mean the aggregate of the Stated Principal Balances of the FHA/VA Loans as of the Issue Date. References to "Percent of Mortgage Loans" means a fraction, the numerator of which is the aggregate of the Stated Principal Balance of the FHA/VA Loans in the applicable category and the denominator of which is the aggregate of the Stated Principal Balances of all the FHA/VA Loans (in each case, as of the Issue Date), expressed as a percentage. The sum of the columns in the following tables may not equal the totals due to rounding.

Issue Date Principal Balances (1)

Issue Date Mortgage Loan Principal Balances	Number of Loans	Aggregate Principal Balance Outstanding	Percent of Mortgage Loans
\$ 1–\$ 50,000	419	\$ 15,194,547	5.72%
\$ 50,001–\$100,000	1,344	100,687,969	37.92
\$100,001–\$150,000	838	102,181,324	38.48
\$150,001–\$200,000	222	37,355,145	14.07
\$200,001–\$250,000	39	8,380,844	3.16
\$250,001–\$300,000	4	1,071,668	0.40
\$300,001–\$350,000	1	307,745	0.12
\$350,001–\$400,000	1	352,229	0.13
Total	2,868	\$265,531,470	100.00%

(1) As of the Issue Date, the average principal balance of the FHA/VA Loans is expected to be approximately \$92,584.

Mortgage Interest Rates (1)

Mortgage Interest Rates (%)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	Percent of Mortgage Loans
7.000 or Less	846	\$ 88,293,506	33.25%
7.001– 7.500	804	78,607,917	29.60
7.501– 8.000	537	48,370,707	18.22
8.001– 8.500	328	26,246,618	9.88
8.501– 9.000	206	16,595,877	6.25
9.001– 9.500	84	5,200,646	1.96
9.501–10.000	24	943,665	0.36
10.001–10.500	22	807,584	0.30
10.501–11.000	5	162,755	0.06
11.001 or Greater	12	302,194	0.11
Total	2,868	\$265,531,470	100.00%

(1) As of the Issue Date, the weighted average Mortgage Interest Rate of the FHA/VA Loans is expected to be approximately 7.560%.

Net Mortgage Rates (1)

Net Mortgage Interest Rates (%)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	Percent of Mortgage Loans
6.500 or Less	847	\$ 88,409,790	33.30%
6.501– 7.000	822	80,024,222	30.14
7.001– 7.500	531	47,742,594	17.98
7.501– 8.000	324	26,074,371	9.82
8.001– 8.500	204	16,564,655	6.24
8.501– 9.000	77	4,499,640	1.69
9.001– 9.500	24	943,665	0.36
9.501–10.000	22	807,584	0.30
10.001 –10.500	5	162,755	0.06
10.501 or Greater	12	302,194	0.11
Total	2,868	\$265,531,470	100.00%

(1) As of the Issue Date, the weighted average Net Mortgage Rate of the FHA/VA Loans is expected to be approximately 6.949%.

Original Terms to Stated Maturity (1)

Original Terms to Stated Maturity (Months)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	Percent of Mortgage Loans
121–180	32	$ 1,210,958	0.46%
181–240	3	135,473	0.05
241–300	7	564,398	0.21
301–360	2,817	262,817,939	98.98
361–420	6	649,796	0.24
421–480	3	152,906	0.06
Total	2,868	$265,531,470	100.00%

(1) As of the Issue Date, the weighted average original term to stated maturity of the FHA/VA Loans is expected to be approximately 359 months.

Remaining Terms to Stated Maturity (1)

Remaining Terms to Stated Maturity (Months)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	Percent of Mortgage Loans
60 or Less	12	$ 98,386	0.04%
61–120	27	720,233	0.27
121–180	65	2,797,529	1.05
181–240	117	5,427,572	2.04
241–300	364	23,909,812	9.00
301–360	2,283	232,577,938	87.59
Total	2,868	$265,531,470	100.00%

(1) As of the Issue Date, the weighted average remaining term to stated maturity of the FHA/VA Loans is expected to be approximately 325 months.

Geographic Distribution

State	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	Percent of Mortgage Loans
California	255	$ 30,894,229	11.63%
Illinois	206	21,536,972	8.11
Ohio	197	18,378,290	6.92
Maryland	146	16,052,441	6.05
Florida	175	15,934,186	6.00
Texas	210	15,632,322	5.89
Michigan	200	13,328,405	5.02
Oklahoma	223	12,279,181	4.62
Virginia	113	11,504,702	4.33
Indiana	160	10,927,175	4.12
Arizona	107	9,613,612	3.62
North Carolina	91	9,054,573	3.41
Nevada	75	8,150,844	3.07
Other (31 States)	710	72,244,537	27.21
Total	2,868	$265,531,470	100.00%

Fannie Mae Mortgage Purchase Program

General. We summarize below certain aspects of our program for purchasing residential mortgage loans for inclusion in a given pool. We may grant exceptions to the requirements of the program for a particular transaction. In several instances, the characteristics of the FHA/VA Loans do not match the criteria described below. For more specific details regarding the FHA/VA Loans, see the preceding tables.

The mortgage loans we purchase must meet standards required by the law under which we were chartered, which we refer to as the Charter Act. These standards require that the mortgage loans be, in our judgment, of a quality, type and class consistent with the purchase standards imposed by private institutional mortgage investors. Consistent with those requirements, and with the purposes for which we were chartered, we establish eligibility criteria and policies for the mortgage loans we purchase, for the sellers from whom we purchase loans, and for the servicers who service our mortgage loans.

Selling and Servicing Guides

Our eligibility criteria and policies, summarized below, are set forth in our Selling and Servicing Guides and updates and amendments to these Guides. We amend our Guides and our eligibility criteria and policies from time to time. This means it is possible that not all the mortgage loans in a particular pool will be subject to the same eligibility standards. It also means that the standards described in the Guides may not be the same as the standards that applied when loans in a particular pool were originated. We may also waive or modify our eligibility and loan underwriting requirements or policies when we purchase mortgage loans.

Mortgage Loan Eligibility Standards—Government Insured Loans

Dollar Limitations. The Charter Act sets no maximum dollar limitations on the loans that we can purchase if the loans are FHA-insured or VA-guaranteed.

The maximum loan amount for FHA-insured single-family mortgage loans is established by statute. As of January 2002, the basic maximum loan amount for most FHA-insured single-family mortgage loans is $144,336 for a one-unit dwelling, $184,752 for a two-unit dwelling, $223,296 for a three-unit dwelling, and $277,512 for a four-unit dwelling. In high-cost areas, as designated by HUD/FHA, the maximum loan amount may be increased up to $261,609 for a one-unit dwelling, $334,863 for a two-unit dwelling, $404,724 for a three-unit dwelling, and $502,990 for a four-unit dwelling. In addition, the maximum loan amount for FHA-insured mortgages secured by property located in Alaska, Guam, Hawaii and the Virgin Islands may be adjusted up to 150% of HUD/FHA's high-cost area limits. We purchase FHA-insured mortgages up to the maximum original principal amount that the FHA will insure for the area in which the property is located.

The VA does not establish a maximum loan amount for VA-guaranteed loans secured by single-family one- to four-unit properties. We will purchase VA mortgages up to our current maximum original principal amount for conventional loans secured by similar one- to four-unit properties.

Loan-to-Value Ratios. The maximum loan-to-value ratio for FHA-insured and VA-guaranteed mortgage loans we purchase is the maximum established by the FHA or VA for the particular program under which the mortgage was insured or guaranteed.

Underwriting Guidelines. FHA-insured and VA-guaranteed mortgage loans that we purchase must be originated in accordance with the applicable requirements and underwriting standards of the agency providing the insurance or guaranty. Each FHA-insured or VA-guaranteed loan that we purchase must have in effect a valid mortgage insurance certificate or loan guaranty certificate. In the case of VA loans, the unguaranteed portion of the VA loan amount cannot be greater than 75% of the purchase price of the property or 75% of the VA's valuation estimate, whichever is less.

Final Data Statement

After issuing the Certificates, we will prepare a Final Data Statement containing certain information, including the principal or notional principal balances of the Group 3 Underlying REMIC Certificates and the Group 3 SMBS as of the Issue Date and, with respect to the Group 1 and Group 2 SMBS, 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 Group 1 and Group 2 SMBS 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 Group 1 and Group 2 SMBS 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
Group 1 Classes	
Fixed Rate	A, PB, PI, Z and ZB
Accrual	Z and ZB
Interest Only	PI
RCR**	PA and PD
Group 2 Classes	
Fixed Rate	BI, CB, CE, CZ and DI
Floating Rate	FL
Inverse Floating Rate	JS, SG and SJ
Accrual	CZ
Interest Only	BI and DI
Principal Only	OC
RCR**	CA, CD, CG, CH, CJ, CK, CM and IO
Group 3 Classes	
Fixed Rate	EZ
Floating Rate	FT and FU
Inverse Floating Rate	ES and SU
Accrual	EZ
Principal Only	EO
RCR**	EA, EB, EI, ST and SW
Group 4 Classes	
Fixed Rate	A1
Weighted Average Coupon	X1
Interest Only	X1
Principal Only	P1
No Payment Residual	R and RL

* See "Description of Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus.
** See "—Combination and Recombination" above and Schedule 1 for a further description of the RCR Classes.

General. We will pay interest on the Certificates at the applicable annual interest rates specified or described on the cover or otherwise described in this prospectus supplement. We calculate interest based on a 360-day year consisting of twelve 30-day months. We pay interest monthly (except in the case of the Accrual Classes) 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 Classes) 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 Classes, see "—*Accrual Classes*" below.

We will apply interest payments on exchangeable Trust Certificates to the corresponding RCR Certificates, on a pro rata basis, following any exchange.

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 and the FL, JS, SJ, FU, SG, SU, SW and X1 Classes (collectively, the "Delay Classes")	Calendar month preceding the month in which the Distribution Date occurs
The ES, FT and ST 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.

The Dealer will treat the OC, EO and P1 Classes as Delay Classes for the sole purpose of facilitating trading.

Accrual Classes. The Z, ZB, CZ and EZ Classes are Accrual Classes. Interest will accrue on the Accrual Classes at the applicable annual rates specified on the cover of this prospectus supplement. However, we will not pay any interest on the Accrual Classes. Instead, interest accrued on the Accrual Classes will be added as principal to their respective principal balances on each Distribution Date. We will pay principal on the Accrual Classes as described under "—Distributions of Principal" below.

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 each Notional 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.

Weighted Average Coupon Class. During the initial Interest Accrual Period, we expect the X1 Class to bear interest at the approximate annual rate of 0.54747%. During each subsequent Interest Accrual Period, the X1 Class will bear interest at an annual rate equal to the weighted average of the *excess*, if any, of the Net Mortgage Rate of each FHA/VA Loan, weighted on the basis of their Stated Principal Balances as of the beginning of that period, *over* 6.50%.

Our determination of the interest rate for the X1 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.

As of the Issue Date, the Mortgage Interest Rates of the FHA/VA Loans ranged from 4.50% to 13.50%, with a weighted average of 7.560%, weighted on the basis of their Stated Principal Balances as of the Issue Date. As of the Issue Date, the combined servicing and guaranty fee rate for the FHA/VA Loans ranged from 0.600% to 0.660%, with a weighted average of 0.611%, weighted on the basis of their Stated Principal Balances as of the Issue Date.

A disproportionately high rate of prepayments of FHA/VA Loans with Net Mortgage Rates above 6.50% relative to FHA/VA Loans with Net Mortgage Rates below that rate will have the effect of reducing the rate at which interest accrues on the X1 Class during each related Interest Accrual Period.

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 1.80% in the case of the FL, JS, SG and SJ Classes; and will be equal to LIBOR as determined for that Interest Accrual Period for the Group 3 Underlying REMIC Certificates in the case of the ES, FT, FU, SU, ST and SW Classes.

Distributions of Principal

Categories of Classes

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

Principal Type*	Classes
Group 1 Classes	
PAC	PB
TAC	A
Support	Z and ZB
Non-Sticky Jump	A, Z and ZB
Accretion Directed	A, Z and ZB
Notional	PI
RCR**	PA and PD

Principal Type*	Classes
Group 2 Classes	
PAC	CB and CE
Sequential Pay	CZ
Support	FL, JS, OC, SG and SJ
Accretion Directed	CB, CE, FL, JS, OC, SG and SJ
Notional	BI and DI
RCR**	CJ, CG, CH, CK, CA, CD, CM and IO
Group 3 Classes	
PAC	ES and FT
Sequential Pay	EZ
Support	EO, FU and SU
Accretion Directed	EO, ES, FT, FU and SU
RCR**	ST, SW, EA, EB and EI
Group 4 Classes	
Pass-Through	A1 and P1
Notional	X1
No Payment Residual	R and RL

* See "Description of Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus.
** See "—Combination and Recombination" above and Schedule 1 for a further description of the RCR Classes.

Principal Distribution Amount

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

- the principal then paid on the Group 1 SMBS (the "Group 1 Cash Flow Distribution Amount") plus any interest then accrued and added to the principal balances of the Z and ZB Classes (the "Z Accrual Amount" and "ZB Accrual Amount," respectively, and, together with the Group 1 Cash Flow Distribution Amount, the "Group 1 Principal Distribution Amount"),

- the principal then paid on the Group 2 SMBS (the "Group 2 Cash Flow Distribution Amount") plus any interest then accrued and added to the principal balance of the CZ Class (the "CZ Accrual Amount" and, together with the Group 2 Cash Flow Distribution Amount, the "Group 2 Principal Distribution Amount"),

- the principal then paid on the Group 3 SMBS and Group 3 Underlying REMIC Certificates (the "Group 3 Cash Flow Distribution Amount") plus any interest then accrued and added to the principal balance of the EZ Class (the "EZ Accrual Amount" and, together with the Group 3 Cash Flow Distribution Amount, the "Group 3 Principal Distribution Amount"), and

- an aggregate amount (the "Group 4 Principal Distribution Amount") equal to the sum of the P1 Principal Distribution Amount, the Non-P1 Principal Distribution Amount, and the Non-Discount Principal Distribution Amount (each as defined under "—Certain Definitions Relating to Payments on the Group 4 Classes" below).

We will include principal prepayments (including net liquidation proceeds) on the FHA/VA Loans in amounts paid as principal of the Group 4 Classes as long as the Servicer provides us information about these principal prepayments in time for the published class factors to reflect these payments. See "Reference Sheet—Class Factors" in this prospectus supplement. If we do not receive the information on time, we will pay those principal prepayments on the next Distribution Date.

Group 1 Principal Distribution Amount

ZB Accrual Amount

On each Distribution Date, we will pay the ZB Accrual Amount as principal of the Group 1 Classes specified below in the following priority:

(i) if and only if the principal balance of the Group 1 SMBS (after giving effect to the distributions thereon on that Distribution Date) is *less* than the Group 1 SMBS Specified Balance for that date, in the following priority:

first, to the A Class, without regard to its Targeted Balance and until its principal balance is reduced to zero; and

second, to the ZB Class;

(ii) to the A Class, until its principal balance is reduced to its Targeted Balance for that Distribution Date;

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

(iv) to the A Class, without regard to its Targeted Balance and until its principal balance is reduced to zero; and

(v) thereafter, to the ZB Class.

Accretion Directed / Non-Sticky Jump Class and Accrual Class

Group 1 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 1 Cash Flow Distribution Amount as principal of the PB Class, until its principal balance is reduced to its Planned Balance for that Distribution Date. **PAC Class**

Z Accrual Amount and Remaining Group 1 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Z Accrual Amount, together with the Group 1 Cash Flow Distribution Amount remaining after all payments described above, as principal of the Group 1 Classes, in the following priority:

(i) if and only if the principal balance of Group 1 SMBS (after giving effect to the distributions thereon on that Distribution Date) is *less* than the Group 1 SMBS Specified Balance for that date, sequentially, to the Z, A and ZB Classes, in that order, without regard to the Targeted Balance of the A Class and until their principal balances are reduced to zero; **Non-Sticky Jump Classes**

(ii) to the A Class, until its principal balance is reduced to its Targeted Balance for that Distribution Date; **TAC Class**

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

(iv) to the A Class, without regard to its Targeted Balance and until its principal balance is reduced to zero; **TAC Class**

(v) to the ZB Class, until its principal balance is reduced to zero; and **Support Class**

(vi) to the PB Class, without regard to its Planned Balance and until its principal balance is reduced to zero. — PAC Class

Group 2 Principal Distribution Amount

On each Distribution Date, we will pay the Group 2 Principal Distribution Amount as principal of the Group 2 Classes in the following priority:

(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) concurrently, to the FL, JS, OC, SG and SJ Classes, pro rata (or 46.4251373169%, 2.2682256991%, 25%, 18.4938595761% and 7.8127774079%, respectively), until their principal balances are reduced to zero; — Support Classes

(iii) to Aggregate Group I, without regard to its Planned Balance and until the Aggregate I Balance is reduced to zero; and — PAC Group

(iv) to the CZ Class, until its principal balance is reduced to zero. — Sequential Pay Class

"Aggregate Group I" consists of the CB and CE Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group I, sequentially, to the CB and CE Classes, in that order, until their principal balances are reduced to zero.

The "Aggregate I Balance" for any Distribution Date is equal to $227,814,000 *minus* the sum of all amounts applied to it as specified above.

Group 3 Principal Distribution Amount

On each Distribution Date, we will pay the Group 3 Principal Distribution Amount as principal of the Group 3 Classes in the following priority:

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

(ii) concurrently, to the FU, SU and EO Classes, pro rata (or 56.25%, 18.75% and 25.00%, respectively), until their principal balances are reduced to zero; — Support Classes

(iii) to Aggregate Group II, without regard to its Planned Balance and until the Aggregate II Balance is reduced to zero; and — PAC Group

(iv) to the EZ Class, until its principal balance is reduced to zero. — Sequential Pay Class

"Aggregate Group II" consists of the FT and ES Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group II, concurrently, to the FT and ES Classes, pro rata (or 56.2500005834% and 43.7499994166%, respectively), until their principal balances are reduced to zero.

The "Aggregate II Balance" for any Distribution Date is equal to $85,703,000 *minus* the sum of all amounts applied to it as specified above.

We will apply principal payments on exchangeable Trust Certificates to the corresponding RCR Certificates, on a pro rata basis, following any exchange.

Group 4 Principal Distribution Amount

On each Distribution Date, we will pay the P1 Principal Distribution Amount as principal of the P1 Class, until its principal balance is reduced to zero.

On each Distribution Date, we will pay the sum of the Non-Discount Principal Distribution Amount and the Non-P1 Principal Distribution Amount as principal of the A1 Class, until its principal balance is reduced to zero.

Pass-Through Classes

For definitions of the terms "P1 Principal Distribution Amount," "Non-Discount Principal Distribution Amount" and "Non-P1 Principal Distribution Amount", see "—Certain Definitions Relating to Payments on the Group 4 Classes" below.

Certain Definitions Relating to Payments on the Group 4 Classes

Discount Loans. FHA/VA Loans having Net Mortgage Rates lower than 6.50%.

Due Date. For any Distribution Date, the first day of the calendar month in which that Distribution Date occurs.

Due Period. For any Distribution Date, the period beginning on the second day of the month immediately preceding the month in which that Distribution Date occurs and ending on the first day of the month in which that Distribution Date occurs.

Liquidated Loan. A defaulted FHA/VA Loan with respect to which the Servicer has concluded that the full amount finally recoverable on account of that loan has been received, whether or not this amount is equal to the principal balance of that loan.

Net Mortgage Rate. For any FHA/VA Loan, the applicable Mortgage Interest Rate *minus* the sum of (i) the Servicing Fee Rate and (ii) the applicable rate at which the guaranty fee is calculated.

Non-Discount Loan. FHA/VA Loans that are not Discount Loans.

Non-Discount Principal Distribution Amount. For any Distribution Date, the aggregate of the following amounts for all Non-Discount Loans, without duplication:

- the monthly payment of principal due on each Non-Discount Loan during the related Due Period, *plus*
- the Stated Principal Balance of each Non-Discount Loan that is purchased by Fannie Mae or the Servicer during the related Due Period, *plus*
- the Stated Principal Balance of each Non-Discount Loan that was reported as having become a Liquidated Loan during the related Due Period, *plus*
- any partial or full prepayment of each Non-Discount Loan that was reported as received by the Servicer during the related Due Period.

The related subservicer may apply the foregoing amounts in respect of unscheduled principal received during the calendar month immediately preceding the Distribution Date rather than during the related Due Period.

Non-P1 Percentage. For any Discount Loan, the related Net Mortgage Rate *divided by* 6.50%, expressed as a percentage.

Non-P1 Principal Distribution Amount. For any Distribution Date, the aggregate of the following amounts for all Discount Loans, without duplication:

- the Non-P1 Percentage of the monthly payment of principal due on each Discount Loan during the related Due Period, *plus*
- the Non-P1 Percentage of the Stated Principal Balance of each Discount Loan that is purchased by Fannie Mae or the Servicer during the related Due Period, *plus*
- the Non-P1 Percentage of the Stated Principal Balance of each Discount Loan that was reported as having become a Liquidated Loan during the related Due Period, *plus*
- the Non-P1 Percentage of any partial or full prepayment of each Discount Loan that was reported as received by the Servicer during the related Due Period.

The related subservicer may apply the foregoing amounts in respect of unscheduled principal received during the calendar month immediately preceding the Distribution Date rather than during the related Due Period.

P1 Percentage. For any Discount Loan, 6.50% *minus* the related Net Mortgage Rate, *divided by* 6.50%, expressed as a percentage.

P1 Principal Distribution Amount. For any Distribution Date, the aggregate of the following amounts for all Discount Loans, without duplication:

- the P1 Percentage of the monthly payment of principal due on each Discount Loan during the related Due Period, *plus*
- the P1 Percentage of the Stated Principal Balance of each Discount Loan that is purchased by Fannie Mae or the Servicer during the related Due Period, *plus*
- the P1 Percentage of the Stated Principal Balance of each Discount Loan that was reported as having become a Liquidated Loan during the related Due Period, *plus*
- the P1 Percentage of any partial or full principal prepayment of each Discount Loan that was reported as received by the Servicer during the related Due Period.

The related subservicer may apply the foregoing amounts in respect of unscheduled principal received during the calendar month immediately preceding the Distribution Date rather than during the related Due Period.

Servicing Fee Rate. The percentage identified for each FHA/VA Loan on the Mortgage Loan Schedule.

Stated Principal Balance. The unpaid principal balance of an FHA/VA Loan (or the scheduled unpaid principal balance thereof, if the loan is delinquent) as of the Issue Date reduced by all amounts representing principal received or advanced by the Servicer and previously paid to Certificateholders with respect to that loan.

Structuring Assumptions

Pricing Assumptions. Except where otherwise noted, the information in the tables in this prospectus supplement has been prepared based on the actual characteristics of each pool of Mortgage Loans backing the Group 3 SMBS and the Group 3 Underlying REMIC Certificates and the following assumptions (such characteristics and assumptions, collectively, the "Pricing Assumptions"):

- the Mortgage Loans underlying the Group 1 and Group 2 SMBS 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 Group 1 and Group 2 SMBS";

- the FHA/VA Loans have the respective assumed characteristics set forth in Exhibit B and payments on all FHA/VA Loans are due and received on the first day of each month;
- the Group 4 Classes have the following assumed Original Class Balances:

A1	$261,514,129
X1	265,531,470*
P1	4,017,341

* Notional principal balance.

- the Mortgage Loans prepay at the constant percentages of PSA or CPR specified in the related table;
- the settlement date for the sale of the Certificates is October 30, 2002;
- each Distribution Date occurs on the 25th day of a month;
- in the case of the FHA/VA Loans, the Servicer does not exercise its option to purchase those loans.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model.

The model used in this prospectus supplement with respect to the Group 1, Group 2 and Group 3 Classes 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.

The model used in this prospectus supplement with respect to the Group 4 Classes is the constant prepayment rate model ("CPR") which represents the annual rate of prepayments relative to the then outstanding principal balance of a pool of new mortgage loans. Thus, "0% CPR" means no prepayments, "15% CPR" means an annual prepayment rate of 15%, and so forth.

It is highly unlikely that prepayments will occur at any *constant* PSA or CPR rate or at any other *constant* rate.

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

Principal Balance Schedule References	Related Classes and Groups (1)	Structuring Ranges and Rate
Specified Balances	Group 1 SMBS	501% PSA
Targeted Balances	A	(2)
Planned Balances	PB	Between 175% and 800% PSA
Planned Balances	Aggregate Group I	Between 285% and 525% PSA
Planned Balances	Aggregate Group II	Between 200% and 400% PSA

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

(2) The Targeted Balances for the A Class have been structured at 800% PSA but do not hold at any constant percentage of PSA.

We cannot assure you that the balance of any Class or 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 Class or 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 Class or Group to its scheduled balance on a Distribution Date. Accordingly, the ability to reduce a Class or 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 related Mortgage Loans prepay at rates falling within the applicable Structuring Ranges principal distributions may be insufficient to reduce the applicable Classes and Groups to their scheduled balances if the prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the related Mortgage Loans, which may include recently originated Mortgage Loans, the Classes and 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 Ranges. The Effective Range for a Class or Group is the range of prepayment rates (measured by *constant* PSA rates) which would reduce that Class or Group to its scheduled balance on each Distribution Date. The Initial Effective Ranges shown in the table below are based upon the assumed characteristics of the related Mortgage Loans specified in the Pricing Assumptions.

Class and Groups	Initial Effective Ranges
PB	Between 175% and 800% PSA
Aggregate Group I	Between 285% and 525% PSA
Aggregate Group II	Between 200% and 428% PSA

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

- all of the Mortgage Loans will prepay at a constant PSA or CPR rate, as applicable, until maturity, or
- all of the Mortgage Loans will prepay at the same rate.

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

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

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

- the interest rates for the Inverse Floating Rate Classes for the initial Interest Accrual Period are the rates listed in the table under "Reference Sheet—Interest Rates" 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 their original principal balance) are as follows:

Class	Price
JS	99.75%
SG	99.75%
SJ	98.75%
ES	100.50%
SU	101.25%
ST	100.75%
SW	97.75%

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

	PSA Prepayment Assumption					
LIBOR	**50%**	**100%**	**285%**	**450%**	**525%**	**700%**
6.00% and below	10.2%	10.2%	10.1%	10.1%	10.0%	9.8%
6.40%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
6.75%	0.0%	0.0%	0.0%	0.1%	0.1%	0.3%

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

LIBOR	PSA Prepayment Assumption 50%	100%	285%	450%	525%	700%
0.80%	9.6%	9.6%	9.6%	9.5%	9.4%	9.3%
1.80%	8.7%	8.7%	8.7%	8.6%	8.5%	8.4%
3.80%	6.9%	6.9%	6.9%	6.9%	6.8%	6.7%
5.80%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%
6.75%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%

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

LIBOR	PSA Prepayment Assumption 50%	100%	285%	450%	525%	700%
0.8%	21.0%	21.0%	21.0%	20.9%	20.9%	20.9%
1.8%	16.8%	16.8%	16.9%	16.9%	16.9%	17.0%
3.8%	8.7%	8.7%	8.8%	8.9%	9.1%	9.4%
5.8%	0.8%	0.8%	0.9%	1.1%	1.4%	1.9%
6.0% and above	0.1%	0.1%	0.1%	0.3%	0.7%	1.2%

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

LIBOR	PSA Prepayment Assumption 50%	200%	350%	400%	600%
0.81375%	8.6%	8.6%	8.6%	8.6%	8.5%
1.81375%	7.3%	7.3%	7.3%	7.3%	7.2%
3.81375%	4.7%	4.7%	4.7%	4.7%	4.7%
5.81375%	2.2%	2.1%	2.1%	2.1%	2.1%
7.50000%	0.0%	0.0%	0.0%	0.0%	0.0%

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

LIBOR	PSA Prepayment Assumption 50%	200%	350%	400%	600%
0.81375%	18.3%	18.3%	17.8%	17.4%	16.0%
1.81375%	15.2%	15.2%	14.7%	14.4%	13.1%
3.81375%	9.1%	9.0%	8.7%	8.5%	7.4%
5.81375%	3.0%	3.0%	2.8%	2.6%	1.7%
6.85000%	(0.0)%	(0.1)%	(0.3)%	(0.4)%	(1.1)%

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

LIBOR	PSA Prepayment Assumption 50%	200%	350%	400%	600%
0.81375%	5.8%	5.7%	5.7%	5.7%	5.7%
1.81375%	5.4%	5.3%	5.3%	5.3%	5.2%
3.81375%	4.5%	4.4%	4.4%	4.4%	4.4%
5.81375%	3.7%	3.6%	3.6%	3.6%	3.5%
7.50000%	2.9%	2.9%	2.9%	2.9%	2.8%

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

LIBOR	PSA Prepayment Assumption 50%	200%	350%	400%	600%
0.81375%	8.1%	8.1%	8.4%	8.6%	9.7%
1.81375%	6.7%	6.8%	7.1%	7.3%	8.5%
3.81375%	4.1%	4.1%	4.5%	4.7%	6.0%
5.81375%	1.4%	1.5%	1.8%	2.1%	3.5%
6.85000%	0.1%	0.2%	0.5%	0.8%	2.2%

The Fixed Rate Interest Only Classes and the X1 Class. **The yields to investors in the Fixed Rate Interest Only Classes and the X1 Class will be very sensitive to the rate of principal payments (including prepayments) of the related 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 Fixed Rate Interest Only Classes and the X1 Class would be 0% if prepayments of the related Mortgage Loans were to occur at the following constant rates:**

Class	0% Yield Prepayment Rate
PI	958% PSA
BI	623% PSA
DI	771% PSA
X1	29% CPR
IO	655% PSA
EI	780% PSA

For any of the Classes specified in the table above, if the actual prepayment rate of the related Mortgage Loans were to exceed the level specified for as little as one month while equaling such level for the remaining months, the investors in the applicable Classes would lose money on their initial investments.

The information shown in the yield tables has been prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase prices of the Fixed Rate Interest Only Classes and the X1 Class (expressed in each case as a percentage of their original principal balance) are as follows:

Class	Price*
PI	17.0000%
BI	17.1875%
DI	42.2500%
X1	1.5260%
IO	18.7500%
EI	16.0625%

* 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 PI Class to Prepayments

	PSA Prepayment Assumption 50%	175%	400%	501%	502%	750%	800%	1000%
Pre-Tax Yields to Maturity	32.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	(2.5)%

Sensitivity of the BI Class to Prepayments

	PSA Prepayment Assumption					
	50%	100%	285%	450%	525%	700%
Pre-Tax Yields to Maturity	30.0%	25.3%	5.0%	5.0%	5.0%	(5.1)%

Sensitivity of the DI Class to Prepayments

	PSA Prepayment Assumption					
	50%	100%	285%	450%	525%	700%
Pre-Tax Yields to Maturity	13.6%	12.3%	7.3%	7.3%	7.3%	2.7%

Sensitivity of the X1 Class to Prepayments

	CPR Prepayment Assumption				
	3%	9%	18%	27%	36%
Pre-Tax Yields to Maturity	32.5%	25.4%	14.2%	2.4%	(10.2)%

Sensitivity of the IO Class to Prepayments

	PSA Prepayment Assumption					
	50%	100%	285%	450%	525%	700%
Pre-Tax Yields to Maturity	27.3%	22.9%	5.8%	5.8%	5.8%	(2.6)%

Sensitivity of the EI Class to Prepayments

	PSA Prepayment Assumption				
	50%	200%	350%	400%	600%
Pre-Tax Yields to Maturity	35.7%	19.4%	19.4%	19.4%	12.0%

The Principal Only Classes. **The Principal Only Classes will not bear interest. As indicated in the tables below, a low rate of principal payments (including prepayments) on the related Mortgage Loans will have a negative effect on the yields to investors in the Principal Only Classes.**

The information shown in the yield tables has been prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase prices of the Principal Only Classes (expressed in each case as a percentage of the original principal balance) are as follows:

Class	Price
OC	86.00%
EO	96.75%
P1	70.00%

Sensitivity of the OC Class to Prepayments

	PSA Prepayment Assumption					
	50%	100%	285%	450%	525%	700%
Pre-Tax Yields to Maturity	0.6%	0.7%	1.3%	4.2%	8.3%	14.4%

Sensitivity of the EO Class to Prepayments

	PSA Prepayment Assumption				
	50%	200%	350%	400%	600%
Pre-Tax Yields to Maturity	0.1%	0.2%	0.7%	1.1%	3.2%

Sensitivity of the P1 Class to Prepayments

	CPR Prepayment Assumption				
	3%	9%	18%	27%	36%
Pre-Tax Yields to Maturity	2.9%	5.1%	9.4%	14.4%	20.3%

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by

(a) multiplying the amount of the reduction, if any, of the principal balance of 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,
- the priority sequences of payments of principal of the Group 1, Group 2 and Group 3 Classes, and
- in the case of the Group 1, Group 2 and Group 3 Classes, 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 or CPR rates and the corresponding weighted average lives of those Classes. The tables have been prepared on the basis of the Pricing Assumptions. However, in the case of the information set forth for each Group 1, Group 2 and Group 3 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.

Mortgage Loans Relating to Trust Assets Specified Below	Original Terms to Maturity	Remaining Terms to Maturity	Interest Rates
Group 1 SMBS	360 months	353 months	9.5%
Group 2 SMBS	360 months	358 months	8.5%
Group 3 SMBS	360 months	351 months	9.0%
Group 3 Underlying REMIC Certificates	360 months	351 months	9.0%

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 or CPR level, as applicable.

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 and CPR rates, as applicable. 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

A Class — PSA Prepayment Assumption

Date	0%	175%	400%	501%	502%	750%	800%	1000%
Initial Percent	100	100	100	100	100	100	100	100
October 2003	99	99	85	78	88	72	68	55
October 2004	99	99	65	50	61	29	23	1
October 2005	98	98	50	33	44	9	3	0
October 2006	98	98	42	24	35	4	*	0
October 2007	97	92	33	16	28	3	*	0
October 2008	97	83	23	8	21	2	*	0
October 2009	96	73	15	2	16	1	*	0
October 2010	95	63	8	0	11	1	*	0
October 2011	94	53	2	0	8	1	*	0
October 2012	94	44	0	0	5	*	0	0
October 2013	93	35	0	0	4	0	0	0
October 2014	92	27	0	0	2	0	0	0
October 2015	91	21	0	0	1	0	0	0
October 2016	90	14	0	0	1	0	0	0
October 2017	89	8	0	0	*	0	0	0
October 2018	88	3	0	0	*	0	0	0
October 2019	87	0	0	0	0	0	0	0
October 2020	86	0	0	0	0	0	0	0
October 2021	84	0	0	0	0	0	0	0
October 2022	83	0	0	0	0	0	0	0
October 2023	82	0	0	0	0	0	0	0
October 2024	78	0	0	0	0	0	0	0
October 2025	66	0	0	0	0	0	0	0
October 2026	53	0	0	0	0	0	0	0
October 2027	38	0	0	0	0	0	0	0
October 2028	23	0	0	0	0	0	0	0
October 2029	5	0	0	0	0	0	0	0
October 2030	0	0	0	0	0	0	0	0
October 2031	0	0	0	0	0	0	0	0
October 2032	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	22.5	9.6	3.7	2.6	3.8	1.8	1.5	1.1

PB, PI†, PA and PD Classes — PSA Prepayment Assumption

Date	0%	175%	400%	501%	502%	750%	800%	1000%
Initial Percent	100	100	100	100	100	100	100	100
October 2003	99	85	85	85	85	85	85	85
October 2004	97	63	63	63	63	63	63	63
October 2005	95	42	42	42	42	42	42	25
October 2006	93	23	23	23	23	23	23	10
October 2007	91	11	11	11	11	11	11	4
October 2008	89	6	6	6	6	6	6	2
October 2009	86	3	3	3	3	3	3	1
October 2010	83	1	1	1	1	1	1	*
October 2011	80	*	*	*	*	*	*	*
October 2012	77	0	0	0	0	0	0	*
October 2013	73	0	0	0	0	0	0	*
October 2014	69	0	0	0	0	0	0	*
October 2015	65	0	0	0	0	0	0	*
October 2016	60	0	0	0	0	0	0	*
October 2017	54	0	0	0	0	0	0	*
October 2018	48	0	0	0	0	0	0	*
October 2019	42	0	0	0	0	0	0	*
October 2020	34	0	0	0	0	0	0	*
October 2021	26	0	0	0	0	0	0	*
October 2022	18	0	0	0	0	0	0	*
October 2023	8	0	0	0	0	0	0	0
October 2024	0	0	0	0	0	0	0	0
October 2025	0	0	0	0	0	0	0	0
October 2026	0	0	0	0	0	0	0	0
October 2027	0	0	0	0	0	0	0	0
October 2028	0	0	0	0	0	0	0	0
October 2029	0	0	0	0	0	0	0	0
October 2030	0	0	0	0	0	0	0	0
October 2031	0	0	0	0	0	0	0	0
October 2032	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	14.4	2.8	2.8	2.8	2.8	2.8	2.8	2.4

Z Class — PSA Prepayment Assumption

Date	0%	175%	400%	501%	502%	750%	800%	1000%
Initial Percent	100	100	100	100	100	100	100	100
October 2003	105	105	105	105	0	0	0	0
October 2004	110	110	110	110	0	0	0	0
October 2005	116	116	116	116	0	0	0	0
October 2006	122	122	122	122	0	0	0	0
October 2007	128	128	128	128	0	0	0	0
October 2008	135	135	135	135	0	0	0	0
October 2009	142	142	142	142	0	0	0	0
October 2010	149	149	149	117	0	0	0	0
October 2011	157	157	157	83	0	0	0	0
October 2012	165	165	129	57	0	0	0	0
October 2013	173	173	94	37	0	0	0	0
October 2014	182	182	68	24	0	0	0	0
October 2015	191	191	49	14	0	0	0	0
October 2016	201	201	34	8	0	0	0	0
October 2017	211	211	23	3	0	0	0	0
October 2018	222	222	15	*	0	0	0	0
October 2019	234	216	9	0	0	0	0	0
October 2020	246	182	5	0	0	0	0	0
October 2021	258	152	1	0	0	0	0	0
October 2022	271	125	0	0	0	0	0	0
October 2023	285	101	0	0	0	0	0	0
October 2024	300	80	0	0	0	0	0	0
October 2025	315	62	0	0	0	0	0	0
October 2026	331	45	0	0	0	0	0	0
October 2027	348	31	0	0	0	0	0	0
October 2028	366	18	0	0	0	0	0	0
October 2029	385	7	0	0	0	0	0	0
October 2030	266	0	0	0	0	0	0	0
October 2031	74	0	0	0	0	0	0	0
October 2032	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.4	21.0	12.2	9.9	0.3	0.2	0.2	0.1

ZB Class — PSA Prepayment Assumption

Date	0%	175%	400%	501%	502%	750%	800%	1000%
Initial Percent	100	100	100	100	100	100	100	100
October 2003	105	105	105	105	105	105	105	105
October 2004	110	110	110	110	110	110	110	110
October 2005	116	116	116	116	116	116	116	0
October 2006	122	122	122	122	122	122	122	0
October 2007	128	128	128	128	128	128	128	0
October 2008	135	135	135	135	135	135	135	0
October 2009	142	142	142	142	142	142	142	0
October 2010	149	149	149	149	149	149	149	0
October 2011	157	157	157	157	157	157	157	0
October 2012	165	165	165	165	165	165	149	0
October 2013	173	173	173	173	173	135	76	0
October 2014	182	182	182	182	182	72	38	0
October 2015	191	191	191	191	191	38	19	0
October 2016	201	201	201	201	201	20	10	0
October 2017	211	211	211	211	211	11	5	0
October 2018	222	222	222	222	222	6	2	0
October 2019	234	234	234	151	149	3	1	0
October 2020	246	246	246	100	99	2	1	0
October 2021	258	258	258	66	65	1	*	0
October 2022	271	271	214	43	42	*	*	0
October 2023	285	285	149	27	27	*	*	0
October 2024	300	300	103	17	17	*	*	0
October 2025	315	315	69	11	11	*	*	0
October 2026	331	331	45	7	6	*	*	0
October 2027	348	348	29	4	4	*	*	0
October 2028	366	366	17	2	2	*	*	0
October 2029	385	385	9	1	1	*	*	0
October 2030	404	309	3	*	*	*	*	0
October 2031	425	0	0	0	0	0	0	0
October 2032	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	29.4	28.4	22.0	18.4	18.4	12.3	11.4	2.1

* 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.

BI†, CB, CG and CJ Classes

Date	PSA Prepayment Assumption 0%	100%	285%	450%	525%	700%
Initial Percent	100	100	100	100	100	100
October 2003	99	95	88	88	88	88
October 2004	98	87	69	69	69	67
October 2005	96	77	49	49	49	35
October 2006	95	69	33	33	33	17
October 2007	94	61	20	20	20	7
October 2008	92	53	11	11	11	1
October 2009	90	46	5	5	5	0
October 2010	88	39	1	1	1	0
October 2011	86	32	0	0	0	0
October 2012	84	26	0	0	0	0
October 2013	81	21	0	0	0	0
October 2014	78	15	0	0	0	0
October 2015	75	10	0	0	0	0
October 2016	72	5	0	0	0	0
October 2017	69	1	0	0	0	0
October 2018	65	0	0	0	0	0
October 2019	61	0	0	0	0	0
October 2020	56	0	0	0	0	0
October 2021	51	0	0	0	0	0
October 2022	46	0	0	0	0	0
October 2023	40	0	0	0	0	0
October 2024	33	0	0	0	0	0
October 2025	26	0	0	0	0	0
October 2026	19	0	0	0	0	0
October 2027	10	0	0	0	0	0
October 2028	1	0	0	0	0	0
October 2029	0	0	0	0	0	0
October 2030	0	0	0	0	0	0
October 2031	0	0	0	0	0	0
October 2032	0	0	0	0	0	0
Weighted Average Life (years)**	17.6	6.9	3.3	3.3	3.3	2.7

CE, DI†, CH and CK Classes

Date	PSA Prepayment Assumption 0%	100%	285%	450%	525%	700%
Initial Percent	100	100	100	100	100	100
October 2003	100	100	100	100	100	100
October 2004	100	100	100	100	100	100
October 2005	100	100	100	100	100	100
October 2006	100	100	100	100	100	100
October 2007	100	100	100	100	100	100
October 2008	100	100	100	100	100	100
October 2009	100	100	100	100	100	64
October 2010	100	100	100	100	100	36
October 2011	100	100	69	69	69	20
October 2012	100	100	43	43	43	11
October 2013	100	100	25	25	25	6
October 2014	100	100	13	13	13	3
October 2015	100	100	5	5	5	1
October 2016	100	100	0	0	0	*
October 2017	100	100	0	0	0	0
October 2018	100	54	0	0	0	0
October 2019	100	0	0	0	0	0
October 2020	100	0	0	0	0	0
October 2021	100	0	0	0	0	0
October 2022	100	0	0	0	0	0
October 2023	100	0	0	0	0	0
October 2024	100	0	0	0	0	0
October 2025	100	0	0	0	0	0
October 2026	100	0	0	0	0	0
October 2027	100	0	0	0	0	0
October 2028	100	0	0	0	0	0
October 2029	0	0	0	0	0	0
October 2030	0	0	0	0	0	0
October 2031	0	0	0	0	0	0
October 2032	0	0	0	0	0	0
Weighted Average Life (years)**	26.5	16.1	10.1	10.1	10.1	7.9

CZ Class

Date	PSA Prepayment Assumption 0%	100%	285%	450%	525%	700%
Initial Percent	100	100	100	100	100	100
October 2003	105	105	105	105	105	105
October 2004	109	109	109	109	109	109
October 2005	114	114	114	114	114	114
October 2006	120	120	120	120	120	120
October 2007	125	125	125	125	125	125
October 2008	131	131	131	131	131	131
October 2009	137	137	137	137	137	137
October 2010	143	143	143	143	143	143
October 2011	150	150	150	150	150	150
October 2012	157	157	157	157	157	157
October 2013	164	164	164	164	164	164
October 2014	171	171	171	171	171	171
October 2015	179	179	179	179	179	179
October 2016	188	188	188	188	188	188
October 2017	196	196	196	196	196	108
October 2018	205	205	205	205	205	60
October 2019	215	215	215	215	215	33
October 2020	224	224	224	224	224	18
October 2021	235	235	235	235	201	10
October 2022	246	246	246	246	128	5
October 2023	257	257	257	257	81	3
October 2024	269	269	269	192	50	2
October 2025	281	281	281	125	31	1
October 2026	294	294	294	80	18	*
October 2027	307	307	307	49	11	*
October 2028	321	321	321	28	6	*
October 2029	336	336	336	15	3	*
October 2030	352	352	212	7	1	*
October 2031	368	368	53	1	*	*
October 2032	0	0	0	0	0	0
Weighted Average Life (years)**	29.8	29.4	28.3	23.4	20.8	15.8

FL, JS, OC, SG and SJ Classes

Date	PSA Prepayment Assumption 0%	100%	285%	450%	525%	700%
Initial Percent	100	100	100	100	100	100
October 2003	100	100	100	83	75	57
October 2004	100	100	100	56	37	0
October 2005	100	100	100	37	11	0
October 2006	100	100	100	29	3	0
October 2007	100	100	98	26	2	0
October 2008	100	100	92	23	2	0
October 2009	100	100	83	19	2	0
October 2010	100	100	73	16	2	0
October 2011	100	100	63	13	2	0
October 2012	100	100	54	11	2	0
October 2013	100	100	45	9	2	0
October 2014	100	100	38	7	2	0
October 2015	100	100	31	6	2	0
October 2016	100	100	26	5	2	0
October 2017	100	100	21	3	1	0
October 2018	100	100	16	2	1	0
October 2019	100	99	13	1	*	0
October 2020	100	88	10	1	*	0
October 2021	100	78	8	*	0	0
October 2022	100	68	6	*	0	0
October 2023	100	59	4	*	0	0
October 2024	100	50	3	0	0	0
October 2025	100	42	2	0	0	0
October 2026	100	34	2	0	0	0
October 2027	100	27	1	0	0	0
October 2028	100	20	*	0	0	0
October 2029	96	14	*	0	0	0
October 2030	65	8	0	0	0	0
October 2031	30	2	0	0	0	0
October 2032	0	0	0	0	0	0
Weighted Average Life (years)**	28.4	22.4	11.4	4.0	2.0	1.1

EO, FU, SU and SW Classes

Date	PSA Prepayment Assumption 0%	200%	350%	400%	600%
Initial Percent	100	100	100	100	100
October 2003	100	100	82	76	51
October 2004	100	100	60	47	0
October 2005	100	100	45	28	0
October 2006	100	100	36	19	0
October 2007	100	100	32	15	0
October 2008	100	97	30	14	0
October 2009	100	92	26	12	0
October 2010	100	85	23	10	0
October 2011	100	77	19	8	0
October 2012	100	69	16	7	0
October 2013	100	61	13	5	0
October 2014	100	54	10	4	0
October 2015	100	47	8	3	0
October 2016	100	40	6	2	0
October 2017	100	34	5	2	0
October 2018	100	29	4	1	0
October 2019	100	24	3	1	0
October 2020	100	20	1	0	0
October 2021	100	16	1	0	0
October 2022	100	13	0	0	0
October 2023	100	10	0	0	0
October 2024	100	7	0	0	0
October 2025	100	5	0	0	0
October 2026	100	3	0	0	0
October 2027	100	1	0	0	0
October 2028	89	0	0	0	0
October 2029	63	0	0	0	0
October 2030	35	0	0	0	0
October 2031	5	0	0	0	0
October 2032	0	0	0	0	0
Weighted Average Life (years)**	27.5	13.4	4.7	3.0	1.0

* 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.

Date	ES, FT, EA, EB, EI† and ST Classes PSA Prepayment Assumption 0%	200%	350%	400%	600%
Initial Percent	100	100	100	100	100
October 2003	99	88	88	88	88
October 2004	98	72	72	72	72
October 2005	96	57	57	57	45
October 2006	95	43	43	43	28
October 2007	94	32	32	32	18
October 2008	92	23	23	23	11
October 2009	90	16	16	16	7
October 2010	88	11	11	11	4
October 2011	86	8	8	8	2
October 2012	84	5	5	5	1
October 2013	81	4	4	4	1
October 2014	78	2	2	2	*
October 2015	75	2	2	2	0
October 2016	72	1	1	1	0
October 2017	68	1	1	1	0
October 2018	64	*	*	*	0
October 2019	59	0	0	0	0
October 2020	54	0	0	0	0
October 2021	49	0	0	0	0
October 2022	43	0	0	0	0
October 2023	37	0	0	0	0
October 2024	30	0	0	0	0
October 2025	22	0	0	0	0
October 2026	14	0	0	0	0
October 2027	5	0	0	0	0
October 2028	0	0	0	0	0
October 2029	0	0	0	0	0
October 2030	0	0	0	0	0
October 2031	0	0	0	0	0
October 2032	0	0	0	0	0
Weighted Average Life (years)**	17.3	4.2	4.2	4.2	3.3

Date	EZ Class PSA Prepayment Assumption 0%	200%	350%	400%	600%
Initial Percent	100	100	100	100	100
October 2003	105	105	105	105	105
October 2004	109	109	109	109	109
October 2005	114	114	114	114	114
October 2006	120	120	120	120	120
October 2007	125	125	125	125	125
October 2008	131	131	131	131	131
October 2009	137	137	137	137	137
October 2010	143	143	143	143	143
October 2011	150	150	150	150	150
October 2012	157	157	157	157	157
October 2013	164	164	164	164	164
October 2014	171	171	171	171	171
October 2015	179	179	179	179	120
October 2016	188	188	188	188	74
October 2017	196	196	196	196	45
October 2018	205	205	205	205	28
October 2019	215	215	215	215	17
October 2020	224	224	224	204	10
October 2021	235	235	235	145	6
October 2022	246	246	217	102	4
October 2023	257	257	157	71	2
October 2024	269	269	111	48	1
October 2025	281	281	77	32	1
October 2026	294	294	52	21	*
October 2027	307	307	34	13	*
October 2028	321	317	20	8	*
October 2029	336	185	11	4	*
October 2030	352	74	4	1	*
October 2031	368	1	*	*	0
October 2032	0	0	0	0	0
Weighted Average Life (years)**	29.2	27.3	22.4	20.5	14.3

Date	A1 Class CPR Prepayment Assumption 0%	9%	18%	27%	36%
Initial Percent	100	100	100	100	100
October 2003	99	90	81	72	63
October 2004	98	81	66	52	40
October 2005	96	72	53	37	25
October 2006	95	65	43	27	16
October 2007	93	58	35	19	10
October 2008	91	52	28	14	6
October 2009	90	46	22	10	4
October 2010	88	41	18	7	2
October 2011	86	37	14	5	2
October 2012	83	32	11	4	1
October 2013	81	29	9	3	1
October 2014	78	25	7	2	*
October 2015	75	22	6	1	*
October 2016	72	19	4	1	*
October 2017	69	17	3	1	*
October 2018	65	14	3	*	*
October 2019	61	12	2	*	*
October 2020	57	10	2	*	*
October 2021	52	9	1	*	*
October 2022	47	7	1	*	*
October 2023	42	6	1	*	*
October 2024	36	5	*	*	*
October 2025	30	3	*	*	*
October 2026	24	2	*	*	*
October 2027	17	2	*	*	*
October 2028	9	1	*	*	*
October 2029	1	*	*	*	*
October 2030	0	0	0	0	0
October 2031	0	0	0	0	0
October 2032	0	0	0	0	0
Weighted Average Life (years)**	17.9	8.1	4.6	3.1	2.2

Date	X1† Class CPR Prepayment Assumption 0%	9%	18%	27%	36%
Initial Percent	100	100	100	100	100
October 2003	99	90	81	72	63
October 2004	98	81	66	52	40
October 2005	96	72	53	37	25
October 2006	95	65	43	27	16
October 2007	93	58	35	19	10
October 2008	91	52	28	14	6
October 2009	90	46	22	10	4
October 2010	88	41	18	7	2
October 2011	85	37	14	5	2
October 2012	83	32	11	4	1
October 2013	81	29	9	3	1
October 2014	78	25	7	2	*
October 2015	75	22	6	1	*
October 2016	72	19	4	1	*
October 2017	69	17	3	1	*
October 2018	65	14	3	*	*
October 2019	61	12	2	*	*
October 2020	57	10	2	*	*
October 2021	52	9	1	*	*
October 2022	47	7	1	*	*
October 2023	42	6	1	*	*
October 2024	36	5	*	*	*
October 2025	30	3	*	*	*
October 2026	24	2	*	*	*
October 2027	17	2	*	*	*
October 2028	9	1	*	*	*
October 2029	2	*	*	*	*
October 2030	0	0	0	0	0
October 2031	0	0	0	0	0
October 2032	0	0	0	0	0
Weighted Average Life (years)**	17.9	8.1	4.6	3.1	2.2

Date	P1 Class CPR Prepayment Assumption 0%	9%	18%	27%	36%
Initial Percent	100	100	100	100	100
October 2003	99	90	81	72	63
October 2004	97	81	65	52	40
October 2005	96	72	53	37	25
October 2006	94	65	43	27	16
October 2007	93	58	34	19	10
October 2008	91	52	28	14	6
October 2009	89	46	22	10	4
October 2010	87	41	18	7	2
October 2011	85	36	14	5	2
October 2012	82	32	11	4	1
October 2013	80	28	9	3	1
October 2014	77	25	7	2	*
October 2015	74	22	6	1	*
October 2016	71	19	4	1	*
October 2017	68	16	3	1	*
October 2018	64	14	3	*	*
October 2019	61	12	2	*	*
October 2020	57	10	2	*	*
October 2021	52	9	1	*	*
October 2022	48	7	1	*	*
October 2023	43	6	1	*	*
October 2024	37	5	*	*	*
October 2025	32	4	*	*	*
October 2026	26	3	*	*	*
October 2027	19	2	*	*	*
October 2028	12	1	*	*	*
October 2029	5	*	*	*	*
October 2030	*	*	*	*	*
October 2031	*	*	*	*	*
October 2032	0	0	0	0	0
Weighted Average Life (years)**	17.9	8.1	4.6	3.0	2.2

Date	CA, CD, CM and IO Classes PSA Prepayment Assumption 0%	100%	285%	450%	525%	700%
Initial Percent	100	100	100	100	100	100
October 2003	99	95	89	89	89	89
October 2004	98	88	71	71	71	69
October 2005	97	79	52	52	52	40
October 2006	95	71	37	37	37	23
October 2007	94	63	25	25	25	13
October 2008	92	56	16	16	16	7
October 2009	91	49	11	11	11	4
October 2010	89	43	7	7	7	2
October 2011	87	37	5	5	5	1
October 2012	85	31	3	3	3	1
October 2013	82	26	2	2	2	*
October 2014	80	21	1	1	1	*
October 2015	77	16	*	*	*	*
October 2016	74	12	0	0	0	*
October 2017	71	7	0	0	0	0
October 2018	67	3	0	0	0	0
October 2019	63	0	0	0	0	0
October 2020	59	0	0	0	0	0
October 2021	54	0	0	0	0	0
October 2022	49	0	0	0	0	0
October 2023	44	0	0	0	0	0
October 2024	38	0	0	0	0	0
October 2025	31	0	0	0	0	0
October 2026	24	0	0	0	0	0
October 2027	16	0	0	0	0	0
October 2028	8	0	0	0	0	0
October 2029	0	0	0	0	0	0
October 2030	0	0	0	0	0	0
October 2031	0	0	0	0	0	0
October 2032	0	0	0	0	0	0
Weighted Average Life (years)**	18.2	7.5	3.7	3.7	3.7	3.0

* 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 Upper Tier REMIC remain after the principal balances of the Group 1, Group 2 and Group 3 Classes are reduced to zero, we will pay the proceeds of those assets to the Holder of the R Class. 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 Holder of the RL Class the proceeds from those assets. Fannie Mae does not expect that any material assets will remain in either of these cases.

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 related 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 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 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 Upper Tier REMIC and the Holder of the RL Class will be considered to be the holder of the ''residual interest'' in 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.

ADDITIONAL TRUST AGREEMENT PROVISIONS RELATING TO THE GROUP 4 CLASSES

Certain provisions of the Trust Agreement are summarized under the heading "The Trust Agreement'' in the REMIC Prospectus. We summarize below certain additional provisions of the Trust Agreement applicable to the FHA/VA Loans and to Holders of the Group 4 Classes.

Transfer of FHA/VA Loans to the Trust

The Trust Agreement will contain a mortgage loan schedule that will identify the FHA/VA Loans that are being transferred to the Trust. As Trustee, we will hold on behalf of the Certificateholders the original Mortgage Notes, endorsed in blank, and assignments of the mortgage instruments to us in recordable form. Usually assignments are in a form suitable for recording but they are not recorded. However, a blanket assignment may be used for the transfer of a large number of mortgage loans, even if the properties are not located in the same recording jurisdiction, depending on the applicable Lender's servicing experience and its financial condition.

At our option, we may choose to maintain the documents described above with one or more custodial institutions supervised and regulated by the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Office of Thrift Supervision, the FDIC or the NCUA. We will review the mortgage loan schedule before we issue the Certificates and will conduct random spot checks after issuing the Certificates to confirm that we have all the documents we need. We may change these document custody requirements at any time, as long as we determine that any such change will not have a materially adverse effect on the interests of Certificateholders.

If a liquidation, reorganization, or similar proceeding involving our assets or the assets of a Lender were to occur, it is not clear what law would be applicable. As a result, we cannot render a legal opinion about the Certificateholders' rights to the FHA/VA Loans in the event of a proceeding of this type.

Servicing Through Lenders

Under the Trust Agreement, we are responsible for servicing and administering the FHA/VA Loans. We are permitted, in our discretion, to contract with the originator of each FHA/VA Loan, or another eligible servicing institution, to perform those functions under our supervision as more fully described below (each, a "Lender''). Any servicing contract or arrangement by us with a Lender for the direct servicing of FHA/VA Loans is a contract solely between us and the Lender. Therefore, Certificateholders will not be deemed to be parties to the contract and will have no claims, rights, obligations, duties, or liabilities with respect to the Lender.

Unless we agree otherwise, Lenders will be obligated to perform diligently all services and duties customary to the servicing of mortgages in accordance with the applicable guide. We will monitor each Lender's performance and we have the right to remove any Lender for cause at any time we consider its removal to be in the best interest of Certificateholders. The duties performed by Lenders include general loan servicing responsibilities, collection and remittance of principal and interest payments, administration of mortgage escrow accounts, collection of insurance claims, and, if necessary, foreclosure.

Servicing Compensation and Payment of Certain Expenses by Fannie Mae

We will be entitled to retain an amount based on the principal balance of each FHA/VA Loan for Trust expenses and as compensation for our activities and obligations under the Trust Agreement. In addition, we may retain that portion of the proceeds from the liquidation of an FHA/VA Loan which exceeds (i) the principal balance of that loan and (ii) interest owed through the end of the month of such liquidation at the applicable Mortgage Interest Rate. We will pay all expenses incurred in connection with our servicing activities, including the fees to Lenders and any payments to cover mortgage insurance premiums, and we are not entitled to be reimbursed for those expenses out of Trust assets.

We will retain as additional servicing compensation any prepayment premiums, assumption fees, late payment charges and similar charges to the extent they are collected from borrowers.

Collection and Other Servicing Procedures

We are responsible for servicing the FHA/VA Loans and may, as set forth above, conduct servicing through Lenders or through other Fannie Mae approved mortgage servicers. In connection with our servicing activities, we have full power to do anything we deem necessary or appropriate, including the foreclosure or comparable conversion of defaulted FHA/VA Loans.

With respect to each FHA/VA Loan, the applicable Lender makes certain warranties to Fannie Mae concerning the following matters:

- the recordation of the original mortgage,
- the validity of the FHA/VA Loan as a first lien on the related Mortgaged Property, and
- compliance by the FHA/VA Loan with applicable state and federal laws.

In the event of a material breach of any warranty or a material defect in the mortgage loan documentation, we may repurchase the FHA/VA Loan from the Trust at a price equal to its stated principal balance together with interest thereon at the Net Mortgage Rate.

Subject to the limitations discussed below, we may:

- enforce or waive enforcement of any term of any FHA/VA Loan,
- enter into an agreement to modify any term of any FHA/VA Loan, or
- take any action or refrain from taking any action in servicing any FHA/VA Loan.

We may waive any assumption fee or late payment charge, or may exercise or refrain from exercising any "call option rider." If we decide to take or refrain from taking any of the actions discussed above, our decision must be consistent with the then-current policies or practices that we follow for comparable mortgage loans held in our own portfolio. In making our decisions, generally we may not take into account the ownership status of the related FHA/VA Loan.

Each FHA/VA Loan provides that it will be assumable upon the sale of the related Mortgaged Property, subject generally to the purchaser's compliance with credit and underwriting guidelines.

Repurchase by Seller of Certain Delinquent FHA/VA Loans

Under the limited circumstances described above under "Description of the Certificates—The FHA/VA Loans," the Seller is required to repurchase from the Trust certain FHA/VA Loans that are 90 days or more delinquent.

Optional Repurchase by Fannie Mae of Certain Modified FHA/VA Loans

Under certain limited circumstances, the Mortgage Interest Rates on the FHA/VA Loans may be reduced. In the event of any such reduction, the Seller will be obligated to pay the difference between the original Mortgage Interest Rate and the Mortgage Interest Rate as modified. If the Seller defaults on this obligation, Fannie Mae, acting in its corporate capacity, will have the option of repurchasing from the Trust the related FHA/VA Loan. Any such repurchase of an FHA/VA Loan from the Trust by Fannie Mae will occur at a price equal to its Stated Principal Balance plus one month's interest at the applicable Mortgage Interest Rate.

Early Termination

The Servicer has the right to purchase all of the FHA/VA Loans when their aggregate Stated Principal Balance is less than or equal to 5% of their aggregate principal balance as of the Issue Date. The purchase price for such optional purchase will be equal to the aggregate Stated Principal Balance of the FHA/VA Loans plus one month's interest at the applicable Mortgage Interest Rates.

If the Servicer's option to repurchase the FHA/VA Loans is exercised, the A1, X1 and P1 Classes will be paid in full, and the Trust Agreement will terminate with respect to those Classes.

Additional Fannie Mae Matters

In the event that we are unable to fulfill our continuing guaranty obligations, the Trust Agreement may be modified to provide for monthly distributions to be made from then-available FHA/VA Loan payments, as applicable, and other recoveries in a manner similar to practices and procedures followed in the servicing of comparable whole loans for institutional investors. See "The Trust Agreement—Rights upon Event of Default" in the REMIC Prospectus.

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

The Certificates and payments on the Certificates generally are not exempt from taxation. Therefore, you should consider the tax consequences of holding a Certificate before you acquire one. The following discussion describes certain U.S. federal income tax consequences to beneficial owners of Certificates. The discussion is general and does not purport to deal with all aspects of federal taxation that may be relevant to particular investors. This discussion may not apply to your particular circumstances for one of the following, or other, reasons:

- This discussion is based on federal tax laws in effect as of the date of this prospectus supplement. Changes to any of these laws after the date of this prospectus supplement may affect the tax consequences discussed below.

- This discussion addresses only Certificates acquired at original issuance and held as "capital assets" (generally, property held for investment).

- This discussion does not address tax consequences to beneficial owners subject to special rules, such as dealers in securities, certain traders in securities, banks, tax-exempt organizations, life insurance companies, persons that hold Certificates as part of a hedging transaction or as a position in a straddle or conversion transaction, or persons whose functional currency is not the U.S. dollar.

- This discussion does not address taxes imposed by any state, local or foreign taxing jurisdiction.

For these reasons, 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.

The discussions under the captions "—REMIC Elections and Special Tax Attributes for the Group 1, Group 2 and Group 3 Classes," "—Taxation of Beneficial Owners of REMIC Regular Certificates," "—Taxation of Beneficial Owners of the R and RL Certificates" and "Taxation of Beneficial Owners of RCR Certificates" supplement the discussion under the caption "Certain Federal Income Tax Consequences" in the REMIC Prospectus. When read together, these discussions describe the current federal income tax treatment of beneficial owners of Certificates of the Group 1, Group 2 and Group 3 Classes and the R and RL Classes (the "REMIC Certificates").

For a discussion of the current federal income tax treatment of beneficial owners of Certificates of the Group 4 Classes, see "—Taxation of Beneficial Owners of Certificates of the Group 4 Classes" below.

REMIC Elections and Special Tax Attributes for the Group 1, Group 2 and Group 3 Classes

We will elect to treat the Upper Tier REMIC and Lower Tier REMIC as REMICs for federal income tax purposes. The Group 1, Group 2 and Group 3 Classes will be designated as "regular interests," (the "REMIC Regular Certificates") and the R Class will be designated as the "residual interest," in the Upper Tier REMIC. The Lower Tier Regular Interests will be designated as "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 Upper Tier REMIC will qualify as REMICs, the REMIC Regular Certificates and any related RCR 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 REMIC Regular Certificates

The PI, Z, ZB, BI, CZ, DI, OC, EO and EZ Classes will be issued with original issue discount ("OID"), and certain other Classes of REMIC Regular 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 REMIC Regular 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 with respect to the Group 1, Group 2 and Group 3 Classes will be as follows:

Group	Prepayment Assumption
1	750% PSA
2	450% PSA
3	350% 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 SMBS or the Group 3 Underlying REMIC Certificates 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 the R and RL Certificates

For purposes of determining the portion of the taxable income of the Upper Tier REMIC (or Lower Tier REMIC) that generally will not be treated as excess inclusions, the rate to be used is 5.77% (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.

Taxation of Beneficial Owners of RCR Certificates

General. The RCR Classes will be created, sold and administered pursuant to an arrangement that will be classified as a grantor trust under subpart E, part I of subchapter J of the Code. The REMIC Regular Certificates that are exchanged for RCR Certificates (including any exchanges effective on the Settlement Date) will be the assets of the trust, and the RCR Certificates will represent an ownership interest in those REMIC Regular Certificates. For a general discussion of the federal income tax treatment of beneficial owners of REMIC Regular Certificates, see "Certain Federal Income Tax Consequences" in the REMIC Prospectus.

The RCR Classes will represent the beneficial ownership of the underlying REMIC Regular Certificates set forth in Schedule 1. The ownership interest represented by RCR Certificates will be one of two types. A Certificate of a Strip RCR Class (a "Strip RCR Certificate") will represent the right to receive a disproportionate part of the principal or interest payments on one or more underlying REMIC Regular Certificates. A Certificate of a Combination RCR Class (a "Combination RCR Certificate") will represent beneficial ownership of undivided interests in two or more underlying REMIC Regular Certificates.

The EB and EI Classes are Strip RCR Classes. The remaining RCR Classes are Combination RCR Classes.

Strip RCR Classes. The tax consequences to a beneficial owner of a Strip RCR Certificate will be determined under section 1286 of the Code, except as discussed below. Under section 1286, a beneficial owner of a Strip RCR Certificate will be treated as owning "stripped bonds" to the extent of its share of principal payments and "stripped coupons" to the extent of its share of interest payments on the underlying REMIC Regular Certificates. If a Strip RCR Certificate entitles the holder to payments of principal and interest on an underlying REMIC Regular Certificate, the IRS could contend that the Strip RCR Certificate should be treated (i) as an interest in the underlying REMIC Regular Certificate to the extent that the Strip RCR Certificate represents an equal pro rata portion of principal and interest on the underlying REMIC Regular Certificate, and (ii) with respect to the remainder, as an installment obligation consisting of "stripped bonds" to the extent of its share of principal payments or "stripped coupons" to the extent of its share of interest payments. For purposes of information reporting, however, Fannie Mae intends to treat each Strip RCR Certificate as a single debt instrument, regardless of whether it entitles the holder to payments of principal and interest. You should consult your own tax advisors as to the proper treatment of a Strip RCR Certificate in this regard.

Under section 1286, the beneficial owner of a Strip RCR Certificate must treat the Strip RCR Certificate as a debt instrument originally issued on the date the owner acquires it and as having OID equal to the excess, if any, of its "stated redemption price at maturity" over the price paid by the owner to acquire it. The stated redemption price at maturity for a Strip RCR Certificate is determined in the same manner as described with respect to Regular Certificates under "Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount" in the REMIC Prospectus.

If a Strip RCR Certificate has OID, the beneficial owner must include the OID in its ordinary income for federal income tax purposes as the OID accrues, which may be prior to the receipt of the cash attributable to that income. Although the matter is not entirely clear, a beneficial owner should accrue OID using a method similar to that described with respect to the accrual of OID on a Regular Certificate under "Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Treatment of Original Issue Discount" in the REMIC Prospectus. A beneficial owner, however, determines its yield to maturity based on its purchase price. For a particular beneficial owner, it is not clear whether the prepayment assumption used for calculating OID would be one determined at the time the Strip RCR Certificate is acquired or would be the original Prepayment Assumption for the underlying REMIC Regular Certificates. For purposes of information reporting, Fannie Mae will use the original yield to maturity of the Strip RCR Certificate, calculated based on the original Prepayment Assumption. You should consult your own tax advisors regarding the proper method for accruing OID on a Strip RCR Certificate.

The rules of section 1286 of the Code also apply if (i) a beneficial owner of REMIC Regular Certificates exchanges them for Strip RCR Certificates, (ii) the beneficial owner sells some, but not all, of the Strip RCR Certificates, and (iii) the combination of retained Strip RCR Certificates cannot be exchanged for the related REMIC Regular Certificates. As of the date of such a sale, the beneficial owner must allocate its basis in the REMIC Regular Certificates between the part of the REMIC Regular Certificates underlying the Strip RCR Certificates sold and the part of the REMIC Regular Certificates underlying the Strip RCR Certificates retained in proportion to their relative fair market values. Section 1286 of the Code treats the beneficial owner as purchasing the Strip RCR Certificates retained for the amount of the basis allocated to the retained Certificates, and the beneficial owner must then accrue any OID with respect to the retained Certificates as described above. Section 1286 does not apply, however, if a beneficial owner exchanges REMIC Regular Certificates for the related RCR Certificates and retains all the RCR Certificates, see "—*Exchanges*" below.

Upon the sale of a Strip RCR Certificate, a beneficial owner will realize gain or loss on the sale in an amount equal to the difference between the amount realized and its adjusted basis in the Certificate. The owner's adjusted basis generally is equal to the owner's cost of the Certificate (or portion of the cost of REMIC Regular Certificates allocable to the RCR Certificate), increased by income previously included, and reduced (but not below zero) by distributions previously received and by any amortized premium. If the beneficial owner holds the Certificate as a capital asset, any gain or loss realized will be capital gain or loss, except to the extent provided under "Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Sales and Other Dispositions of Regular Certificates" in the REMIC Prospectus.

Although the matter is not free from doubt, if a beneficial owner acquires in one transaction (other than an exchange described under "—Taxation of Beneficial Owners of RCR Certificates—*Exchanges*") a combination of Strip RCR Certificates that may be exchanged for underlying REMIC Regular Certificates, the owner should be treated as owning the underlying REMIC Regular Certificates, in which case section 1286 would not apply. If a beneficial owner acquires such a combination in separate transactions, the law is unclear as to whether the combination should be aggregated or each Strip RCR Certificate should be treated as a separate debt instrument. You should consult your tax advisors regarding the proper treatment of Strip RCR Certificates in this regard. For the treatment of Strip RCR Certificates received in exchange for REMIC Regular Certificates, see "—*Exchanges*" below.

Combination RCR Classes. A beneficial owner of a Combination RCR Certificate will be treated as the beneficial owner of a proportionate interest in the REMIC Regular Certificates underlying that Combination RCR Certificate. Except in the case of a beneficial owner that acquires a Combination RCR Certificate in an exchange described under "—*Exchanges*" below, a beneficial owner of a Combination RCR Certificate must allocate its cost to acquire that Certificate among the underlying REMIC Regular Certificates in proportion to their relative fair market values at the time of acquisition. Such an owner should account for its ownership interest in each underlying REMIC Regular Certificate as described under "—Taxation of Beneficial Owners of REMIC Regular Certificates" in this prospectus supplement and "Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*" in the REMIC Prospectus. When a beneficial owner sells a

Combination RCR Certificate, the owner must allocate the sale proceeds among the underlying REMIC Regular Certificates in proportion to their relative fair market values at the time of sale.

Exchanges. If a beneficial owner exchanges one or more REMIC Regular Certificates for the related RCR Certificate or Certificates in the manner described under "Description of the Certificates—Combination and Recombination" in this prospectus supplement, the exchange will not be taxable. Likewise, if a beneficial owner exchanges one or more RCR Certificates for the related REMIC Regular Certificate or Certificates in the manner described in that discussion, the exchange will not be a taxable exchange. In each of these cases, the beneficial owner will be treated as continuing to own after the exchange the same combination of interests in the related REMIC Regular Certificates that it owned immediately prior to the exchange.

Taxation of Beneficial Owners of Certificates of the Group 4 Classes

Taxation of the Trust. Dewey Ballantine LLP, special tax counsel to Fannie Mae, will deliver its opinion that, assuming compliance with the Trust Agreement, the portion of the Trust with respect to the Group 4 Classes will be classified as a trust under subpart E, part I of subchapter J of the Code and not as an association taxable as a corporation.

The X1 and P1 Classes. A beneficial owner of a Certificate of the X1 or P1 Class will be treated as owning, pursuant to section 1286 of the Code, "stripped bonds" to the extent of its share of principal payments and "stripped coupons" to the extent of its share of interest payments. Fannie Mae intends to treat each such Certificate as a single debt instrument representing rights to future cashflows from the FHA/VA Loans for purposes of information reporting. You should consult your own tax advisor as to the proper treatment of a Certificate of the X1 or P1 Class in this regard.

Under section 1286 of the Code, a beneficial owner of a Certificate of the X1 or P1 Class must treat the Certificate as a debt instrument originally issued on the date the owner acquires it and as having original issue discount ("OID") equal to the *excess*, if any, of its "stated redemption price at maturity" *over* the price paid by the owner to acquire it. For information reporting purposes, we intend to treat all amounts to be distributed on each Certificate of the X1 or P1 Class as included in the stated redemption price at maturity and, as a result, each Certificate of the X1 or P1 Class will be treated as if issued with OID.

The beneficial owner of a Certificate of the X1 or P1 Class must include in its ordinary income for federal income tax purposes, generally in advance of receipt of the cash attributable to that income, the sum of the "daily portions" of OID on its Certificate for each day during its taxable year on which it held that Certificate. The daily portions of OID are determined as follows:

- first, the portion of OID that accrued during each "accrual period" is calculated;
- then, the OID accruing during an accrual period is allocated ratably to each day during the period to determine the daily portion of OID.

Final regulations issued by the Treasury Department relating to the tax treatment of debt instruments with OID (the "OID Regulations") provide that a holder of a debt instrument may use an accrual period of any length, up to one year, as long as each distribution of principal or interest occurs on either the final day or the first day of an accrual period. We intend to report OID based on accrual periods of one month. Each of these accrual periods will begin on a Distribution Date and end on the day before the next Distribution Date.

Although the matter is not entirely clear, a beneficial owner of a Certificate of the X1 or P1 Class should determine the amount of OID accruing during any accrual period with respect to that Certificate using the method described in section 1272(a)(6) of the Code. Under section 1272(a)(6), the portion of OID treated as accruing with respect to a Certificate of the X1 or P1 Class for any accrual period equals the *excess*, if any, of

- the sum of (A) the present values of all the distributions remaining to be made on that Certificate, if any, as of the end of the accrual period, and (B) the distributions made on that Certificate during the accrual period of amounts included in the stated redemption price at maturity

over

- the sum of the present values of all the distributions remaining to be made on that Certificate as of the beginning of the accrual period.

The present values of the remaining distributions with respect to a Certificate of the X1 or P1 Class are calculated based on the following:

- an assumption that the FHA/VA Loans prepay at a specified rate (the "Prepayment Assumption"),
- the yield to maturity of the Certificate giving effect to the Prepayment Assumption, and
- events (including actual prepayments) that have occurred prior to the end of the accrual period.

Each beneficial owner of a Certificate of the X1 or P1 Class determines its yield to maturity based on its purchase price. For a particular beneficial owner of a Certificate of the X1 or P1 Class, it is not clear whether the Prepayment Assumption used for calculating OID would be one determined at the time that Certificate is acquired or would be the original Prepayment Assumption for that Certificate. For information reporting purposes, we will use the original yield to maturity of that Certificate, calculated based on the original Prepayment Assumption. You should consult your own tax advisor regarding the proper method for accruing OID on a Certificate of the X1 or P1 Class.

The Code requires that the Prepayment Assumption be determined in the manner prescribed in Treasury Regulations. To date, no such regulations have been promulgated. For information reporting purposes, we will assume a Prepayment Assumption equal to 18% CPR. We make no representation, however, that the FHA/VA Loans will prepay at that rate or any other rate. You must make your own decision as to the appropriate prepayment assumption to be used in deciding whether or not to purchase a Certificate of the X1 or P1 Class.

The A1 Class. Interest paid on a Certificate of the A1 Class is taxable as ordinary interest income. A beneficial owner of a Certificate of the A1 Class must report this income when it accrues or is paid, consistent with the beneficial owner's method of accounting.

A beneficial owner that acquires a Certificate of the A1 Class for less than its principal amount generally has market discount in the amount of the difference between the principal amount and the beneficial owner's basis in that Certificate. In general, three consequences arise if a beneficial owner acquires an interest in such a Certificate with market discount. First, the beneficial owner must treat any principal payment with respect to that Certificate as ordinary income to the extent of the market discount that accrued while the beneficial owner held an interest in that Certificate. Second, the beneficial owner must treat gain on the disposition or retirement of that Certificate as ordinary income under the circumstances discussed below under "*—Sales and Other Dispositions of Certificates of the Group 4 Classes.*" Third, if the beneficial owner incurs or continues indebtedness to acquire that Certificate, the beneficial owner may be required to defer the deduction of all or a portion of the interest on the indebtedness until the corresponding amount of market discount is included in income. Alternatively, a beneficial owner may elect to include market discount in income on a current basis as it accrues, in which case the three consequences discussed above will not apply. If a beneficial owner makes this election, the beneficial owner must also apply the election to all debt instruments acquired by the beneficial owner on or after the beginning of the first taxable year to which the election applies. A beneficial owner may revoke the election only with the consent of the IRS.

A beneficial owner of a Certificate of the A1 Class must determine the amount of accrued market discount for a period using a straight-line method, based on the maturity of that Certificate, unless the beneficial owner elects to determine accrued market discount using a constant yield method. The IRS has authority to provide regulations for determining the accrual of market discount in the case of debt instruments that provide for more than one principal payment, but has not yet issued such regulations. In addition, the legislative history to the Tax Reform Act of 1986 states that market discount on certain types of debt instruments may be treated as accruing in proportion to remaining accruals of OID, if any, or if none, in proportion to remaining distributions of interest. You should consult your own tax advisors regarding the method a beneficial owner should use to determine accrued market discount.

Notwithstanding the above rules, market discount on a Certificate of the A1 Class is considered to be zero if the discount is less than 0.25% of the principal balance of that Certificate multiplied by the number of complete years from the date the beneficial owner acquires that Certificate to the maturity of that Certificate ("*de minimis* market discount"). The IRS has authority to provide regulations to adjust the computation of *de minimis* market discount in the case of debt instruments that provide for more than one principal payment, but has not yet issued such regulations. The IRS could assert, nonetheless, that *de minimis* market discount should be calculated using the remaining weighted average life of that Certificate rather than its final maturity. You should consult your own tax advisors regarding the ability to compute *de minimis* market discount based on the final maturity of a Certificate of the A1 Class.

If a beneficial owner acquires a Certificate of the A1 Class for more than its principal amount, the beneficial owner generally will have premium with respect to that Certificate in the amount of the excess. In that event, the beneficial owner may elect to treat such premium as "amortizable bond premium." If the election is made, a beneficial owner must also apply the election to all debt instruments the interest on which is not excludible from gross income ("fully taxable bonds") held by the beneficial owner at the beginning of the first taxable year to which the election applies and to all fully taxable bonds thereafter acquired by the beneficial owner. A beneficial owner may revoke the election only with the consent of the IRS.

If a beneficial owner makes this election, the beneficial owner reduces the amount of any interest payment that must be included in the beneficial owner's income by the portion of the premium allocable to the period based on the yield to maturity of that Certificate. Correspondingly, a beneficial owner must reduce its basis in that Certificate by the amount of premium applied to reduce any interest income.

If a beneficial owner does not elect to amortize premium, (i) the beneficial owner must include the full amount of each interest payment in income, and (ii) the premium must be allocated to the principal distributions on that Certificate and, when each principal distribution is received, a loss equal to the premium allocated to that distribution will be recognized. Any tax benefit from premium not previously recognized will be taken into account in computing gain or loss upon the sale or disposition of that Certificate. See "*—Sales and Other Dispositions of Certificates of the Group 4 Classes.*"

A beneficial owner may elect to include in income its entire return on a Certificate of the A1 Class (*i.e.*, the *excess* of all remaining payments to be received on the A1 Certificate *over* the amount of the beneficial owner's basis in that Certificate) based on the compounding of interest at a constant yield. Such an election for a Certificate of the A1 Class with amortizable bond premium (or market discount) will result in a deemed election to amortize premium for all the beneficial owner's debt instruments with amortizable bond premium (or to accrue market discount currently for all the beneficial owner's debt instruments with market discount) as discussed above.

Expenses of the Trust. Each beneficial owner of a Certificate of the Group 4 Classes may be allowed to deduct its allocable share of the expenses paid by the Trust, with respect to the related FHA/VA Loans. Each beneficial owner of a Certificate of the Group 4 Classes can deduct its allocable share of such expenses as provided in section 162 or section 212 of the Code, consistent with its method of accounting. Fannie Mae intends to allocate expenses to beneficial owners in each monthly period in proportion to the respective amounts of income (including any OID) accrued for each Certificate of the Group 4 Classes. A beneficial owner's ability to deduct its share of these expenses is limited under section 67 of the Code in the case of (i) estates and trusts, and (ii) individuals owning an interest in a Certificate of the Group 4 Classes directly or through an investment in a "pass-through entity" (other than in connection with such individual's trade or business). Pass-through entities include partnerships, S corporations, grantor trusts, certain limited liability companies and non-publicly offered regulated investment companies, but do not include estates, non-grantor trusts, cooperatives, real estate investment trusts and publicly offered regulated investment companies. Generally, such a beneficial owner can deduct its share of these costs only to the extent that these costs, when aggregated with certain of the beneficial owner's other miscellaneous itemized deductions, exceed 2% of the beneficial owner's adjusted gross income. For this purpose, an estate or nongrantor trust computes adjusted gross income in the same manner as in the case of an individual, except that deductions for administrative expenses of the estate or trust that would not have been incurred if the property were not held in the trust or estate are treated as allowable in arriving at adjusted gross income. In addition, section 68 of the Code may provide for certain limitations on certain itemized deductions otherwise allowable for a beneficial owner who is an individual. Further, a beneficial owner may not be able to deduct any portion of these costs in computing its alternative minimum tax liability.

Sales and Other Dispositions of Certificates of the Group 4 Classes. Upon the sale, exchange or other disposition of a Certificate of the Group 4 Classes, a beneficial owner generally will recognize gain or loss equal to the difference between the amount realized upon the disposition and the beneficial owner's adjusted basis in that Certificate. The adjusted basis of a Certificate of the Group 4 Classes generally will equal the cost of that Certificate to the beneficial owner, increased by any amounts of OID and market discount included in the beneficial owner's gross income with respect to that Certificate, and reduced by distributions on that Certificate previously received by the beneficial owner as principal (or as amounts constituting stated redemption price at maturity in the case of an X1 or P1 Certificate) and by any premium that has reduced the beneficial owner's interest income with respect to that Certificate. Any such gain or loss generally will be capital gain or loss, except (i) as provided in section 582(c) of the Code (which generally applies to banks) or (ii) to the extent any gain represents OID or accrued market discount not previously included in income (to which extent such gain would be treated as ordinary income). Any capital gain (or loss) recognized upon the sale, exchange or other disposition of a Certificate of the Group 4 Classes will be long-term capital gain (or loss) if at the time of disposition the beneficial owner held that Certificate for more than one year. The ability to deduct capital losses is subject to limitations.

Special Tax Attributes. A Certificate of the Group 4 Classes may not constitute:

- a "real estate asset" within the meaning of section 856(c)(5)(B) of the Code,
- a "qualified mortgage" within the meaning of section 860G(a)(3) of the Code or a "permitted investment" within the meaning of section 860G(a)(5) of the Code, or
- an asset described in section 7701(a)(19)(C)(v) of the Code.

In addition, distributions of interest may not constitute income described in section 856(c)(3)(B) of the Code with respect to a real estate investment trust. As a result, Certificates of the Group 4 Classes may not be a suitable investment for real estate investment trusts and generally will not be a suitable investment for REMICs.

Modifications of FHA/VA Loans. FHA/VA Loans that are in default (or FHA/VA Loans for which a default is reasonably foreseeable) may be modified. If a modification is a "significant modification" under section 1001 of the Code, the Trust will be deemed to have exchanged the old unmodified FHA/VA Loan for the new modified FHA/VA Loan. Gain or loss may be recognized by beneficial owners of the Certificates of the Group 4 Classes upon such exchange. Information will be made available to assist Holders in determining their share of any gain or loss due to a significant modification of an FHA/VA Loan or to enable Holders to make such information available to beneficial owners or other financial intermediaries for which Holders hold Certificates as nominees.

Information Reporting and Backup Withholding. Within a reasonable time after the end of each calendar year, we will furnish or make available to each Holder of a Certificate of the Group 4 Classes that received a distribution on that Certificate during that year a statement setting forth such information as is required by the Code or Treasury Regulations and such other information as we deem necessary or desirable to assist Holders in preparing their federal income tax returns, or to enable Holders to make such information available to beneficial owners or other financial intermediaries for which the Holders hold Certificates as nominees.

Payments of interest and principal, as well as payments of proceeds from the sale of Certificates of the Group 4 Classes, may be subject to the "backup withholding tax" under section 3406 of the Code if recipients of the payments fail to furnish to the payor certain information, including their taxpayer identification numbers, or otherwise fail to establish an exemption from this tax. Any amounts deducted and withheld from a payment to a recipient would be allowed as a credit against the recipient's federal income tax. The IRS may impose certain penalties on a recipient of payments required to supply information who does not do so in the proper manner.

Foreign Investors. Additional rules apply to a beneficial owner of a Certificate of the Group 4 Classes that is not a U.S. Person (a "Non-U.S. Person"). The term "U.S. Person" means:

- a citizen or resident of the United States,
- a corporation, partnership or other entity created or organized in or under the laws of the United States or any State thereof (including the District of Columbia),
- an estate the income of which is subject to U.S. federal income tax regardless of the source of its income, or
- a trust if a court within the United States can exercise primary supervision over its administration and at least one U.S. Person has the authority to control all substantial decisions of the trust.

Payments on a Certificate of the Group 4 Classes to, or on behalf of, a beneficial owner that is a Non-U.S. Person generally will be exempt from U.S. federal income and withholding taxes, provided the following conditions are satisfied:

- the beneficial owner is not subject to U.S. tax as a result of a connection to the United States other than ownership of that Certificate,
- the beneficial owner signs a statement under penalties of perjury that certifies that the beneficial owner is a Non-U.S. Person, and provides for the name and address of the beneficial owner, and
- the last U.S. Person in the chain of payment to the beneficial owner receives the statement from the beneficial owner or a financial institution holding on its behalf and does not have actual knowledge that the statement is false.

You should be aware that the IRS might take the position that this exemption does not apply to a beneficial owner that also owns 10% or more of the voting stock of Fannie Mae, or to a beneficial owner that is a "controlled foreign corporation" described in section 881(c)(3)(C) of the Code.

PLAN OF DISTRIBUTION

General. We are obligated to deliver the Certificates to Bear, Stearns & Co. Inc. (the "Dealer") in exchange for the SMBS, the Group 3 Underlying REMIC Certificates and the FHA/VA Loans. 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 1 or Group 2 Classes in addition to those contemplated as of the date of this prospectus supplement. In this event, we will increase the related Group 1 or Group 2 SMBS, as applicable, in principal balance, but we expect that all these additional Group 1 or Group 2 SMBS, as applicable, will have the same characteristics as described under "Description of the Certificates—The SMBS" in this prospectus supplement. The proportion that the original principal balance of each Group 1 or Group 2 Class bears to the aggregate original principal balance of all Group 1 or Group 2 Classes, respectively, will remain the same.

LEGAL MATTERS

Sidley Austin Brown & Wood LLP and, with respect to federal income tax matters, Dewey Ballantine LLP will provide legal representation for Fannie Mae. Stroock & Stroock & Lavan LLP will provide legal representation for the Dealer.

Exhibit A

Group 3 SMBS and Group 3 Underlying REMIC Certificates

SMBS Trust or Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal or Notional Principal Balance of Class	October 2002 Class Factor	Principal or Notional Principal Balance in the Lower Tier REMIC	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)	Underlying Security Type
319	PO1	January 2002	3136FAHA1	(2)	PO	February 2032	PT	$2,450,000,000	0.86070513	$57,715,452	6.973%	345	12	MBS
2002-011	JF	February 2002	31392BV86	(3)	FLT	March 2032	PT	150,000,000	0.86573179	64,929,884	6.973	345	12	MBS
2002-011	DB	February 2002	31392BX84	(3)	INV/IO	March 2032	NTL	75,000,000	0.86573179	64,929,884	6.973	345	12	MBS

(1) See "Description of the Certificates — Definitions and Abbreviations" in the REMIC Prospectus.
(2) This class is a principal only class and bears no interest.
(3) These classes bear interest during their respective interest accrual periods, subject to the applicable maximum and minimum interest rates, as further described in the related Underlying REMIC Disclosure Document.

Exhibit B

Certain Assumed Characteristics of the FHA/VA Loans
(As of October 1, 2002)

	Issue Date Unpaid Principal Balance	Weighted Average Net Mortgage Rate	Weighted Average Mortgage Rate	Weighted Average Remaining Term to Maturity (in months) ("WARM")	Weighted Average Loan Age (in months) ("WALA")
Discount Loans	$ 88,409,789.78	6.20464%	6.81033%	331	28
Non-Discount Loans	177,121,680.45	7.32074	7.93440	322	38

Schedule 1

Available Recombinations (1)

Trust Certificates		RCR Certificates						
Classes	Original Principal or Notional Principal Balances	RCR Class	Original Principal or Notional Principal Balances	Interest Rate	Interest Type (2)	Principal Type (2)	CUSIP Number	Final Distribution Date
Recombination 1								
PB	$117,121,000	PA	$117,121,000	5.00%	FIX	PAC	31392FMD6	April 2032
PI	16,731,571 (3)							
Recombination 2								
PB	117,121,000	PD	117,121,000	4.50	FIX	PAC	31392FME4	April 2032
PI	8,365,786 (3)							
Recombination 3								
CB	212,997,000	CJ	212,997,000	4.50	FIX	PAC/AD	31392FMK0	January 2032
BI	17,749,750 (3)							
Recombination 4								
CB	212,997,000	CG	212,997,000	4.25	FIX	PAC/AD	31392FMH7	January 2032
BI	8,874,875 (3)							
Recombination 5								
CE	14,817,000	CH	14,817,000	4.50	FIX	PAC/AD	31392FMJ3	September 2032
DI	1,234,750 (3)							
Recombination 6								
CE	14,817,000	CK	14,817,000	4.25	FIX	PAC/AD	31392FML8	September 2032
DI	617,375 (3)							
Recombination 7								
CB	212,997,000	CA	227,814,000	4.50	FIX	PAC/AD	31392FMF1	September 2032
BI	17,749,750 (3)							
CE	14,817,000							
DI	1,234,750 (3)							
Recombination 8								
CB	212,997,000	CD	227,814,000	4.25	FIX	PAC/AD	31392FMG9	September 2032
BI	8,874,875 (3)							
CE	14,817,000							
DI	617,375 (3)							
Recombination 9								
CB	212,997,000	CM	227,814,000	4.00	FIX	PAC/AD	31392FMM6	September 2032
CE	14,817,000							

Trust Certificates		RCR Certificates						
Classes	Original Principal or Notional Principal Balances	RCR Class	Original Principal or Notional Principal Balances	Interest Rate	Interest Type (2)	Principal Type (2)	CUSIP Number	Final Distribution Date
Recombination 10								
BI	$ 17,749,750(3)	IO	$ 18,984,500(3)	6.00%	FIX/IO	NTL	31392FMN4	September 2032
DI	1,234,750(3)							
Recombination 11								
FT	22,497,037	ST	59,992,099	(4)	INV	PAC/AD	31392FMS3	February 2032
ES	37,495,062							
Recombination 12								
SU	6,870,438	SW	16,031,022	(4)	INV	SUP/AD	31392FMT1	February 2032
EO	9,160,584							
Recombination 13								
FT	48,207,938	EA	85,703,000	4.50	FIX	PAC/AD	31392FMP9	February 2032
ES	37,495,062							
Recombination 14								
FT	48,207,938	EB	85,703,000	4.00	FIX	PAC/AD	31392FMQ7	February 2032
ES	37,495,062	EI	6,592,538(3)	6.50	FIX/IO	NTL	31392FMR5	February 2032

(1) Trust Certificates and RCR Certificates in any recombination may be exchanged only in the proportions shown above.
(2) See "Description of Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus and "Description of the Certificates—Distributions of Interest" and "—Distributions of Principal" in this prospectus supplement.
(3) Notional principal balance.
(4) For a description of these interest rates, see "Description of the Certificates—Distributions of Interest" in this prospectus supplement.

Principal Balance Schedules

A Class Targeted Balances

Distribution Date	Targeted Balance
Initial Balance	$130,042,000.00
November 2002	126,678,375.52
December 2002	123,051,538.12
January 2003	119,174,217.46
February 2003	115,060,581.54
March 2003	110,726,178.25
April 2003	106,187,865.48
May 2003	101,463,730.07
June 2003	96,572,995.80
July 2003	91,535,921.04
August 2003	86,373,686.52
September 2003	$ 81,108,273.86
October 2003	75,762,335.78
November 2003	70,359,058.78
December 2003	64,922,019.40
January 2004	59,475,035.10
February 2004	54,042,010.98
March 2004	48,646,783.62
April 2004	43,312,963.52
May 2004	38,063,777.22
June 2004	32,921,911.00
July 2004	28,155,572.09
August 2004	$ 23,743,607.21
September 2004	19,666,006.38
October 2004	15,903,841.56
November 2004	12,439,208.71
December 2004	9,255,172.76
January 2005	6,335,715.72
February 2005	3,665,687.40
March 2005	1,230,758.90
April 2005 and thereafter	0.00

PB Class Planned Balances

Distribution Date	Planned Balance
Initial Balance	$117,121,000.00
November 2002	116,061,817.75
December 2002	114,927,091.80
January 2003	113,717,557.04
February 2003	112,434,016.44
March 2003	111,077,340.32
April 2003	109,648,465.40
May 2003	108,148,393.90
June 2003	106,578,192.37
July 2003	104,938,990.55
August 2003	103,231,980.04
September 2003	101,458,412.96
October 2003	99,619,600.44
November 2003	97,716,911.04
December 2003	95,751,769.12
January 2004	93,725,653.05
February 2004	91,640,093.40
March 2004	89,496,671.00
April 2004	87,297,014.96
May 2004	85,042,800.61
June 2004	82,735,747.33
July 2004	80,450,553.59
August 2004	78,187,016.36
September 2004	75,944,934.45
October 2004	73,724,108.55
November 2004	71,524,341.19
December 2004	69,345,436.71
January 2005	67,187,201.25
February 2005	65,049,442.77
March 2005	62,931,970.97
April 2005	60,834,597.32
May 2005	58,757,135.04
June 2005	56,699,399.06
July 2005	54,661,206.02
August 2005	52,642,374.26
September 2005	50,642,723.80
October 2005	48,662,076.30
November 2005	46,700,255.09
December 2005	44,757,085.13
January 2006	$ 42,832,392.98
February 2006	40,926,006.80
March 2006	39,037,756.37
April 2006	37,167,473.01
May 2006	35,314,989.60
June 2006	33,480,140.57
July 2006	31,662,761.88
August 2006	29,911,460.13
September 2006	28,254,653.49
October 2006	26,687,254.28
November 2006	25,204,448.28
December 2006	23,801,679.98
January 2007	22,474,638.73
February 2007	21,219,245.62
March 2007	20,031,640.99
April 2007	18,908,172.72
May 2007	17,845,385.05
June 2007	16,840,008.07
July 2007	15,888,947.72
August 2007	14,989,276.34
September 2007	14,138,223.78
October 2007	13,333,168.89
November 2007	12,571,631.57
December 2007	11,851,265.13
January 2008	11,169,849.19
February 2008	10,525,282.86
March 2008	9,915,578.32
April 2008	9,338,854.76
May 2008	8,793,332.63
June 2008	8,277,328.16
July 2008	7,789,248.29
August 2008	7,327,585.72
September 2008	6,890,914.34
October 2008	6,477,884.84
November 2008	6,087,220.62
December 2008	5,717,713.83
January 2009	5,368,221.74
February 2009	5,037,663.16
March 2009	4,725,015.18
April 2009	$ 4,429,310.04
May 2009	4,149,632.14
June 2009	3,885,115.22
July 2009	3,634,939.77
August 2009	3,398,330.43
September 2009	3,174,553.68
October 2009	2,962,915.56
November 2009	2,762,759.54
December 2009	2,573,464.51
January 2010	2,394,442.89
February 2010	2,225,138.78
March 2010	2,065,026.31
April 2010	1,913,607.97
May 2010	1,770,413.13
June 2010	1,634,996.55
July 2010	1,506,937.05
August 2010	1,385,836.19
September 2010	1,271,317.04
October 2010	1,163,023.04
November 2010	1,060,616.90
December 2010	963,779.54
January 2011	872,209.13
February 2011	785,620.17
March 2011	703,742.56
April 2011	626,320.83
May 2011	553,113.30
June 2011	483,891.40
July 2011	418,438.87
August 2011	356,551.18
September 2011	298,034.86
October 2011	242,706.92
November 2011	190,394.24
December 2011	140,933.10
January 2012	94,168.64
February 2012	49,954.37
March 2012	8,151.73
April 2012 and thereafter	0.00

Group 1 SMBS Specified Balances

Distribution Date	Specified Balance	Distribution Date	Specified Balance	Distribution Date	Specified Balance
Initial Balance	$260,082,172.00	June 2007	$ 57,124,317.05	February 2012	$ 9,898,501.70
November 2002	257,355,087.39	July 2007	55,380,274.02	March 2012	9,589,990.83
December 2002	254,414,923.64	August 2007	53,688,991.88	April 2012	9,290,954.24
January 2003	251,266,936.04	September 2007	52,048,885.40	May 2012	9,001,104.07
February 2003	247,916,948.42	October 2007	50,458,416.72	June 2012	8,720,161.14
March 2003	244,371,338.33	November 2007	48,916,093.95	July 2012	8,447,854.70
April 2003	240,637,019.52	December 2007	47,420,469.81	August 2012	8,183,922.14
May 2003	236,721,422.02	January 2008	45,970,140.30	September 2012	7,928,108.80
June 2003	232,632,469.58	February 2008	44,563,743.39	October 2012	7,680,167.68
July 2003	228,378,554.73	March 2008	43,199,957.81	November 2012	7,439,859.24
August 2003	223,968,511.57	April 2008	41,877,501.80	December 2012	7,206,951.16
September 2003	219,411,586.17	May 2008	40,595,131.94	January 2013	6,981,218.15
October 2003	214,717,405.03	June 2008	39,351,642.03	February 2013	6,762,441.71
November 2003	209,895,941.43	July 2008	38,145,861.95	March 2013	6,550,409.92
December 2003	204,957,480.02	August 2008	36,976,656.61	April 2013	6,344,917.31
January 2004	199,912,579.72	September 2008	35,842,924.89	May 2013	6,145,764.55
February 2004	194,772,035.14	October 2008	34,743,598.64	June 2013	5,952,758.40
March 2004	189,546,836.76	November 2008	33,677,641.67	July 2013	5,765,711.40
April 2004	184,248,129.89	December 2008	32,644,048.85	August 2013	5,584,441.80
May 2004	178,887,172.89	January 2009	31,641,845.12	September 2013	5,408,773.32
June 2004	173,475,294.66	February 2009	30,670,084.65	October 2013	5,238,535.02
July 2004	168,226,024.45	March 2009	29,727,849.93	November 2013	5,073,561.12
August 2004	163,134,501.72	April 2009	28,814,250.94	December 2013	4,913,690.87
September 2004	158,196,010.64	May 2009	27,928,424.34	January 2014	4,758,768.38
October 2004	153,405,975.81	June 2009	27,069,532.64	February 2014	4,608,642.46
November 2004	148,759,958.07	July 2009	26,236,763.48	March 2014	4,463,166.52
December 2004	144,253,650.46	August 2009	25,429,328.84	April 2014	4,322,198.39
January 2005	139,882,874.30	September 2009	24,646,464.31	May 2014	4,185,600.23
February 2005	135,643,575.38	October 2009	23,887,428.43	June 2014	4,053,238.34
March 2005	131,531,820.26	November 2009	23,151,501.97	July 2014	3,924,983.09
April 2005	127,543,792.72	December 2009	22,437,987.24	August 2014	3,800,708.80
May 2005	123,675,790.20	January 2010	21,746,207.53	September 2014	3,680,293.55
June 2005	119,924,220.50	February 2010	21,075,506.40	October 2014	3,563,619.15
July 2005	116,285,598.46	March 2010	20,425,247.12	November 2014	3,450,571.00
August 2005	112,756,542.81	April 2010	19,794,812.06	December 2014	3,341,037.95
September 2005	109,333,773.05	May 2010	19,183,602.16	January 2015	3,234,912.24
October 2005	106,014,106.49	June 2010	18,591,036.30	February 2015	3,132,089.37
November 2005	102,794,455.32	July 2010	18,016,550.83	March 2015	3,032,468.02
December 2005	99,671,823.78	August 2010	17,459,599.05	April 2015	2,935,949.94
January 2006	96,643,305.49	September 2010	16,919,650.64	May 2015	2,842,439.87
February 2006	93,706,080.70	October 2010	16,396,191.23	June 2015	2,751,845.44
March 2006	90,857,413.78	November 2010	15,888,721.91	July 2015	2,664,077.09
April 2006	88,094,650.72	December 2010	15,396,758.75	August 2015	2,579,047.96
May 2006	85,415,216.65	January 2011	14,919,832.38	September 2015	2,496,673.86
June 2006	82,816,613.56	February 2011	14,457,487.52	October 2015	2,416,873.15
July 2006	80,296,417.95	March 2011	14,009,282.59	November 2015	2,339,566.67
August 2006	77,852,278.66	April 2011	13,574,789.29	December 2015	2,264,677.67
September 2006	75,481,914.69	May 2011	13,153,592.18	January 2016	2,192,131.72
October 2006	73,183,113.14	June 2011	12,745,288.35	February 2016	2,121,856.68
November 2006	70,953,727.15	July 2011	12,349,486.99	March 2016	2,053,782.59
December 2006	68,791,673.98	August 2011	11,965,809.04	April 2016	1,987,841.64
January 2007	66,694,933.05	September 2011	11,593,886.88	May 2016	1,923,968.05
February 2007	64,661,544.15	October 2011	11,233,363.92	June 2016	1,862,098.08
March 2007	62,689,605.58	November 2011	10,883,894.33	July 2016	1,802,169.91
April 2007	60,777,272.48	December 2011	10,545,142.68	August 2016	1,744,123.62
May 2007	58,922,755.07	January 2012	10,216,783.64	September 2016	1,687,901.10

Group 1 SMBS Specified Balances (Continued)

Distribution Date	Specified Balance	Distribution Date	Specified Balance	Distribution Date	Specified Balance
October 2016	$ 1,633,446.03	August 2021	$ 229,074.77	June 2026	$ 25,128.06
November 2016	1,580,703.80	September 2021	221,129.03	July 2026	24,079.22
December 2016	1,529,621.46	October 2021	213,444.99	August 2026	23,068.42
January 2017	1,480,147.68	November 2021	206,014.31	September 2026	22,094.37
February 2017	1,432,232.71	December 2021	198,828.89	October 2026	21,155.83
March 2017	1,385,828.31	January 2022	191,880.91	November 2026	20,251.60
April 2017	1,340,887.71	February 2022	185,162.78	December 2026	19,380.50
May 2017	1,297,365.57	March 2022	178,667.14	January 2027	18,541.43
June 2017	1,255,217.94	April 2022	172,386.89	February 2027	17,733.27
July 2017	1,214,402.23	May 2022	166,315.11	March 2027	16,954.99
August 2017	1,174,877.11	June 2022	160,445.13	April 2027	16,205.56
September 2017	1,136,602.56	July 2022	154,770.48	May 2027	15,483.99
October 2017	1,099,539.76	August 2022	149,284.88	June 2027	14,789.33
November 2017	1,063,651.08	September 2022	143,982.26	July 2027	14,120.66
December 2017	1,028,900.05	October 2022	138,856.74	August 2027	13,477.08
January 2018	995,251.32	November 2022	133,902.63	September 2027	12,857.73
February 2018	962,670.61	December 2022	129,114.39	October 2027	12,261.77
March 2018	931,124.70	January 2023	124,486.69	November 2027	11,688.40
April 2018	900,581.39	February 2023	120,014.35	December 2027	11,136.83
May 2018	871,009.46	March 2023	115,692.35	January 2028	10,606.31
June 2018	842,378.65	April 2023	111,515.84	February 2028	10,096.10
July 2018	814,659.65	May 2023	107,480.11	March 2028	9,605.50
August 2018	787,824.01	June 2023	103,580.60	April 2028	9,133.83
September 2018	761,844.19	July 2023	99,812.91	May 2028	8,680.43
October 2018	736,693.48	August 2023	96,172.75	June 2028	8,244.65
November 2018	712,345.99	September 2023	92,656.00	July 2028	7,825.88
December 2018	688,776.62	October 2023	89,258.63	August 2028	7,423.52
January 2019	665,961.07	November 2023	85,976.78	September 2028	7,036.99
February 2019	643,875.76	December 2023	82,806.68	October 2028	6,665.74
March 2019	622,497.84	January 2024	79,744.70	November 2028	6,309.22
April 2019	601,805.17	February 2024	76,787.31	December 2028	5,966.92
May 2019	581,776.30	March 2024	73,931.09	January 2029	5,638.32
June 2019	562,390.41	April 2024	71,172.74	February 2029	5,322.95
July 2019	543,627.37	May 2024	68,509.06	March 2029	5,020.32
August 2019	525,467.63	June 2024	65,936.96	April 2029	4,729.98
September 2019	507,892.25	July 2024	63,453.43	May 2029	4,451.50
October 2019	490,882.89	August 2024	61,055.57	June 2029	4,184.45
November 2019	474,421.77	September 2024	58,740.57	July 2029	3,928.41
December 2019	458,491.65	October 2024	56,505.70	August 2029	3,683.00
January 2020	443,075.83	November 2024	54,348.33	September 2029	3,447.82
February 2020	428,158.13	December 2024	52,265.91	October 2029	3,222.50
March 2020	413,722.86	January 2025	50,255.96	November 2029	3,006.68
April 2020	399,754.83	February 2025	48,316.10	December 2029	2,800.03
May 2020	386,239.30	March 2025	46,444.00	January 2030	2,602.20
June 2020	373,162.00	April 2025	44,637.43	February 2030	2,412.87
July 2020	360,509.11	May 2025	42,894.22	March 2030	2,231.73
August 2020	348,267.22	June 2025	41,212.26	April 2030	2,058.48
September 2020	336,423.33	July 2025	39,589.53	May 2030	1,892.83
October 2020	324,964.88	August 2025	38,024.05	June 2030	1,734.48
November 2020	313,879.66	September 2025	36,513.92	July 2030	1,583.18
December 2020	303,155.86	October 2025	35,057.30	August 2030	1,438.66
January 2021	292,782.03	November 2025	33,652.41	September 2030	1,300.67
February 2021	282,747.09	December 2025	32,297.51	October 2030	1,168.96
March 2021	273,040.27	January 2026	30,990.93	November 2030	1,043.29
April 2021	263,651.16	February 2026	29,731.05	December 2030	923.44
May 2021	254,569.69	March 2026	28,516.32	January 2031	809.19
June 2021	245,786.06	April 2026	27,345.22	February 2031	700.32
July 2021	237,290.81	May 2026	26,216.27	March 2031	596.63

Group 1 SMBS Specified Balances (Continued)

Distribution Date	Specified Balance	Distribution Date	Specified Balance
April 2031	$ 497.92	August 2031	$ 149.16
May 2031	404.00	September 2031	72.62
June 2031	314.69	October 2031 and thereafter	0.00
July 2031	229.80		

Aggregate Group I Planned Balances

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
Initial Balance	$227,814,000.00	November 2006	$ 81,525,100.70	December 2010	$ 14,942,642.63
November 2002	226,521,633.09	December 2006	78,948,575.86	January 2011	14,401,909.65
December 2002	225,085,514.06	January 2007	76,413,948.43	February 2011	13,878,697.63
January 2003	223,506,880.61	February 2007	73,920,549.12	March 2011	13,372,443.82
February 2003	221,787,182.52	March 2007	71,482,922.38	April 2011	12,882,603.40
March 2003	219,928,080.21	April 2007	69,123,395.96	May 2011	12,408,648.95
April 2003	217,931,442.77	May 2007	66,839,483.11	June 2011	11,950,069.89
May 2003	215,799,345.54	June 2007	64,628,775.84	July 2011	11,506,371.90
June 2003	213,534,067.03	July 2007	62,488,942.49	August 2011	11,077,076.49
July 2003	211,138,085.51	August 2007	60,417,725.30	September 2011	10,661,720.42
August 2003	208,614,074.90	September 2007	58,412,938.05	October 2011	10,259,855.24
September 2003	205,964,900.31	October 2007	56,472,463.85	November 2011	9,871,046.84
October 2003	203,193,612.96	November 2007	54,594,252.92	December 2011	9,494,874.98
November 2003	200,303,444.73	December 2007	52,776,320.48	January 2012	9,130,932.83
December 2003	197,297,802.09	January 2008	51,016,744.69	February 2012	8,778,826.58
January 2004	194,180,259.75	February 2008	49,313,664.68	March 2012	8,438,175.01
February 2004	190,954,553.68	March 2008	47,665,278.59	April 2012	8,108,609.06
March 2004	187,624,573.85	April 2008	46,069,841.75	May 2012	7,789,771.51
April 2004	184,194,356.45	May 2008	44,525,664.84	June 2012	7,481,316.54
May 2004	180,668,075.79	June 2008	43,031,112.14	July 2012	7,182,909.41
June 2004	177,050,035.84	July 2008	41,584,599.87	August 2012	6,894,226.07
July 2004	173,344,661.31	August 2008	40,184,594.51	September 2012	6,614,952.86
August 2004	169,556,488.61	September 2008	38,829,611.23	October 2012	6,344,786.14
September 2004	165,690,156.29	October 2008	37,518,212.35	November 2012	6,083,432.02
October 2004	161,750,395.41	November 2008	36,249,005.86	December 2012	5,830,605.99
November 2004	157,874,256.60	December 2008	35,020,643.93	January 2013	5,586,032.67
December 2004	154,060,727.83	January 2009	33,831,821.57	February 2013	5,349,445.50
January 2005	150,308,812.98	February 2009	32,681,275.25	March 2013	5,120,586.47
February 2005	146,617,531.67	March 2009	31,567,781.59	April 2013	4,899,205.80
March 2005	142,985,918.96	April 2009	30,490,156.08	May 2013	4,685,061.77
April 2005	139,413,025.10	May 2009	29,447,251.87	June 2013	4,477,920.37
May 2005	135,897,915.36	June 2009	28,437,958.56	July 2013	4,277,555.11
June 2005	132,439,669.70	July 2009	27,461,201.06	August 2013	4,083,746.77
July 2005	129,037,382.62	August 2009	26,515,938.47	September 2013	3,896,283.15
August 2005	125,690,162.89	September 2009	25,601,162.99	October 2013	3,714,958.87
September 2005	122,397,133.34	October 2009	24,715,898.87	November 2013	3,539,575.13
October 2005	119,157,430.63	November 2009	23,859,201.42	December 2013	3,369,939.52
November 2005	115,970,205.04	December 2009	23,030,155.99	January 2014	3,205,865.82
December 2005	112,834,620.27	January 2010	22,227,877.05	February 2014	3,047,173.76
January 2006	109,749,853.20	February 2010	21,451,507.26	March 2014	2,893,688.88
February 2006	106,715,093.69	March 2010	20,700,216.56	April 2014	2,745,242.34
March 2006	103,729,544.42	April 2010	19,973,201.32	May 2014	2,601,670.70
April 2006	100,792,420.62	May 2010	19,269,683.51	June 2014	2,462,815.78
May 2006	97,902,949.92	June 2010	18,588,909.86	July 2014	2,328,524.50
June 2006	95,060,372.16	July 2010	17,930,151.12	August 2014	2,198,648.69
July 2006	92,263,939.14	August 2010	17,292,701.26	September 2014	2,073,044.95
August 2006	89,512,914.51	September 2010	16,675,876.75	October 2014	1,951,574.49
September 2006	86,806,573.55	October 2010	16,079,015.84	November 2014	1,834,103.00
October 2006	84,144,202.95	November 2010	15,501,477.87	December 2014	1,720,500.48

Aggregate Group I Planned Balances (Continued)

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
January 2015	$ 1,610,641.12	September 2015	$ 852,701.96	May 2016	$ 273,604.69
February 2015	1,504,403.16	October 2015	771,497.26	June 2016	211,598.90
March 2015	1,401,668.77	November 2015	692,980.40	July 2016	151,653.60
April 2015	1,302,323.91	December 2015	617,063.66	August 2016	93,701.34
May 2015	1,206,258.21	January 2016	543,662.15	September 2016	37,676.86
June 2015	1,113,364.87	February 2016	472,693.71	October 2016 and thereafter	0.00
July 2015	1,023,540.53	March 2016	404,078.86		
August 2015	936,685.16	April 2016	337,740.67		

Aggregate Group II Planned Balances

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
Initial Balance	$85,703,000.00	July 2006	$39,921,809.10	April 2010	$11,601,530.61
November 2002	85,060,067.39	August 2006	39,013,206.46	May 2010	11,268,631.26
December 2002	84,377,167.56	September 2006	38,114,688.01	June 2010	10,944,757.12
January 2003	83,654,826.24	October 2006	37,226,144.70	July 2010	10,629,666.32
February 2003	82,893,610.08	November 2006	36,347,468.61	August 2010	10,323,123.41
March 2003	82,094,126.00	December 2006	35,478,553.00	September 2010	10,024,899.22
April 2003	81,257,020.42	January 2007	34,619,292.25	October 2010	9,734,770.63
May 2003	80,382,978.57	February 2007	33,769,581.91	November 2010	9,452,520.51
June 2003	79,472,723.63	March 2007	32,929,318.60	December 2010	9,177,937.44
July 2003	78,527,016.36	April 2007	32,098,400.07	January 2011	8,910,815.68
August 2003	77,546,653.55	May 2007	31,276,725.16	February 2011	8,650,954.93
September 2003	76,532,482.36	June 2007	30,464,193.80	March 2011	8,398,160.23
October 2003	75,485,392.47	July 2007	29,660,706.97	April 2011	8,152,241.80
November 2003	74,407,009.68	August 2007	28,866,166.74	May 2011	7,913,014.93
December 2003	73,300,254.38	September 2007	28,080,476.20	June 2011	7,680,299.81
January 2004	72,167,382.63	October 2007	27,303,539.50	July 2011	7,453,921.43
February 2004	71,013,805.44	November 2007	26,547,123.79	August 2011	7,233,709.43
March 2004	69,843,709.45	December 2007	25,811,041.29	September 2011	7,019,497.98
April 2004	68,659,305.19	January 2008	25,094,750.44	October 2011	6,811,125.70
May 2004	67,463,424.14	February 2008	24,397,724.00	November 2011	6,608,435.48
June 2004	66,258,704.25	March 2008	23,719,448.68	December 2011	6,411,274.41
July 2004	65,058,866.82	April 2008	23,059,424.77	January 2012	6,219,493.65
August 2004	63,872,258.58	May 2008	22,417,165.79	February 2012	6,032,948.34
September 2004	62,698,736.85	June 2008	21,792,198.14	March 2012	5,851,497.47
October 2004	61,538,160.48	July 2008	21,184,060.76	April 2012	5,675,003.79
November 2004	60,390,389.82	August 2008	20,592,304.78	May 2012	5,503,333.73
December 2004	59,255,286.70	September 2008	20,016,493.22	June 2012	5,336,357.26
January 2005	58,132,714.46	October 2008	19,456,200.70	July 2012	5,173,947.83
February 2005	57,022,537.87	November 2008	18,911,013.07	August 2012	5,015,982.28
March 2005	55,924,623.16	December 2008	18,380,527.18	September 2012	4,862,340.72
April 2005	54,838,837.97	January 2009	17,864,350.55	October 2012	4,712,906.48
May 2005	53,765,051.37	February 2009	17,362,101.09	November 2012	4,567,565.98
June 2005	52,703,133.84	March 2009	16,873,406.85	December 2012	4,426,208.70
July 2005	51,652,957.23	April 2009	16,397,905.75	January 2013	4,288,727.05
August 2005	50,614,394.74	May 2009	15,935,245.28	February 2013	4,155,016.35
September 2005	49,587,320.97	June 2009	15,485,082.31	March 2013	4,024,974.67
October 2005	48,571,611.82	July 2009	15,047,082.78	April 2013	3,898,502.86
November 2005	47,567,144.53	August 2009	14,620,921.51	May 2013	3,775,504.37
December 2005	46,573,797.67	September 2009	14,206,281.93	June 2013	3,655,885.26
January 2006	45,591,451.08	October 2009	13,802,855.90	July 2013	3,539,554.11
February 2006	44,619,985.90	November 2009	13,410,343.42	August 2013	3,426,421.93
March 2006	43,659,284.53	December 2009	13,028,452.47	September 2013	3,316,402.11
April 2006	42,709,230.65	January 2010	12,656,898.78	October 2013	3,209,410.37
May 2006	41,769,709.15	February 2010	12,295,405.63	November 2013	3,105,364.69
June 2006	40,840,606.18	March 2010	11,943,703.65	December 2013	3,004,185.24

Aggregate Group II Planned Balances (Continued)

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
January 2014	$ 2,905,794.31	December 2015	$ 1,261,544.76	November 2017	$ 403,599.79
February 2014	2,810,116.32	January 2016	1,211,444.78	December 2017	377,593.15
March 2014	2,717,077.66	February 2016	1,162,743.34	January 2018	352,323.27
April 2014	2,626,606.73	March 2016	1,115,402.18	February 2018	327,769.77
May 2014	2,538,633.84	April 2016	1,069,384.07	March 2018	303,912.85
June 2014	2,453,091.17	May 2016	1,024,652.79	April 2018	280,733.26
July 2014	2,369,912.71	June 2016	981,173.10	May 2018	258,212.24
August 2014	2,289,034.25	July 2016	938,910.70	June 2018	236,331.58
September 2014	2,210,393.26	August 2016	897,832.23	July 2018	215,073.52
October 2014	2,133,928.92	September 2016	857,905.23	August 2018	194,420.82
November 2014	2,059,582.04	October 2016	819,098.09	September 2018	174,356.70
December 2014	1,987,295.01	November 2016	781,380.09	October 2018	154,864.82
January 2015	1,917,011.77	December 2016	744,721.33	November 2018	135,929.30
February 2015	1,848,677.77	January 2017	709,092.71	December 2018	117,534.70
March 2015	1,782,239.93	February 2017	674,465.92	January 2019	99,665.99
April 2015	1,717,646.59	March 2017	640,813.42	February 2019	82,308.54
May 2015	1,654,847.48	April 2017	608,108.41	March 2019	65,448.14
June 2015	1,593,793.69	May 2017	576,324.82	April 2019	49,070.96
July 2015	1,534,437.61	June 2017	545,437.29	May 2019	33,163.54
August 2015	1,476,732.93	July 2017	515,421.13	June 2019	17,712.79
September 2015	1,420,634.58	August 2017	486,252.35	July 2019	2,705.99
October 2015	1,366,098.69	September 2017	457,907.58	August 2019 and thereafter	0.00
November 2015	1,313,082.59	October 2017	430,364.10		

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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$948,258,978
(Approximate)

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Pass-Through Certificates
Fannie Mae Trust 2002-80

PROSPECTUS SUPPLEMENT

Bear, Stearns & Co. Inc.

September 30, 2002