

\$1,380,726,302



FannieMae®

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2003-84**

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

The Fannie Mae Guaranty

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

The Trust and its Assets

The trust will own Fannie Mae MBS.

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

Class	Group	Original Class Balance	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
PA	1	\$ 31,799,000	PAC	5.0%	FIX	31393ELX5	February 2011
PM	1	19,000,000	PAC	3.0	FIX	31393ELY3	April 2018
PL	1	17,000,000	PAC	3.5	FIX	31393ELZ0	April 2018
PB	1	15,896,000	PAC	5.0	FIX	31393EMA4	April 2018
PW	1	46,152,000	PAC	3.0	FIX	31393EMB2	June 2022
PD	1	70,827,000	PAC	5.0	FIX	31393EMC0	January 2027
PE	1	33,385,000	PAC	5.0	FIX	31393EMD8	October 2028
PG	1	81,574,000	PAC	5.0	FIX	31393EME6	March 2032
PH	1	1,652,000	PAC	5.0	FIX	31393EMF3	September 2033
PU	1	6,860,569	PAC/AD	5.0	FIX	31393EMG1	March 2011
PV	1	18,918,715	PAC/AD	5.0	FIX	31393EMH9	August 2023
PZ	1	15,220,716	PAC	5.0	FIX/Z	31393EMJ5	September 2033
F	1	94,476,000	SUP	(1)	FLT	31393EMK2	September 2033
S	1	47,239,000	SUP	(1)	INV	31393EML0	September 2033
IK	1	31,160,800(2)	NTL	5.0	FIX/IO	31393EMM8	June 2022
GK	2	8,000,000	PAC	3.0	FIX	31393EMN6	April 2009
GA	2	47,804,715	PAC	4.5	FIX	31393EMP1	April 2009
GM	2	500,000	PAC	4.0	FIX	31393EMQ9	April 2013
GB	2	67,500,000	PAC	4.5	FIX	31393EMR7	April 2013
GC	2	95,538,000	PAC	4.5	FIX	31393EMS5	May 2015
GD	2	93,996,000	PAC	4.5	FIX	31393EMT3	March 2017
GE	2	91,663,000	PAC	4.5	FIX	31393EMU0	September 2018
G	2	143,999,000	SEG(TAC)/SUP/AD	4.5	FIX	31393EMV8	September 2018
GZ	2	50,034,000	SEG(TAC)/SUP	4.5	FIX/Z	31393EMW6	September 2018
AJ	2	50,000,000	PAC	3.0	FIX	31393EMX4	April 2013
AL	2	100,965,285	PAC	4.0	FIX	31393EMY2	April 2013
IN	2	30,607,253(2)	NTL	4.5	FIX/IO	31393EMZ9	April 2013
J	3	75,000,000	SEQ	4.5	FIX	31393ENA3	May 2017
JK	3	12,209,302	SEQ	4.5	FIX	31393ENB1	September 2018
CJ(3)	4	31,842,795	PAC	4.0	FIX	31393ENC9	September 2033
IT(3)	4	10,614,265(2)	NTL	6.0	FIX/IO	31393END7	September 2033
CK	4	11,648	PAC	4.0	FIX	31393ENE5	September 2033
IP(3)	4	3,882(2)	NTL	6.0	FIX/IO	31393ENF2	September 2033
CL	4	11,662,557	SUP	4.0	FIX	31393ENG0	September 2033
IM(3)	4	3,887,519(2)	NTL	6.0	FIX/IO	31393ENH8	September 2033
R		0	NPR	0	NPR	31393ENJ4	September 2033
RL		0	NPR	0	NPR	31393ENK1	September 2033

(1) Based on LIBOR.

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

(3) Exchangeable classes.

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 CB, CD, CG, CH, I and IQ 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 August 29, 2003.

Carefully consider the risk factors starting on page S-8 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.

Merrill Lynch & Co.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
AVAILABLE INFORMATION	S- 3	<i>Group 3 Principal Distribution</i>	
REFERENCE SHEET	S- 4	<i>Amount</i>	S-17
ADDITIONAL RISK FACTORS	S- 8	<i>Group 4 Principal Distribution</i>	
DESCRIPTION OF THE		<i>Amount</i>	S-17
CERTIFICATES	S- 9	STRUCTURING ASSUMPTIONS	S-17
GENERAL	S- 9	<i>Pricing Assumptions</i>	S-17
<i>Structure</i>	S- 9	<i>Prepayment Assumptions</i>	S-18
<i>Fannie Mae Guaranty</i>	S- 9	<i>Structuring Ranges and Rate</i>	S-18
<i>Characteristics of Certificates</i>	S-10	<i>Initial Effective Ranges</i>	S-18
<i>Authorized Denominations</i>	S-10	YIELD TABLES	S-19
<i>Distribution Dates</i>	S-10	<i>General</i>	S-19
<i>Record Date</i>	S-10	<i>The Fixed Rate Interest Only</i>	
<i>Class Factors</i>	S-10	<i>Classes</i>	S-19
<i>No Optional Termination</i>	S-10	<i>The Inverse Floating Rate Classes</i> ..	S-21
COMBINATION AND RECOMBINATION ..	S-10	WEIGHTED AVERAGE LIVES OF THE	
<i>General</i>	S-10	CERTIFICATES	S-22
<i>Procedures</i>	S-11	DECREMENT TABLES	S-22
<i>Additional Considerations</i>	S-11	CHARACTERISTICS OF THE R AND	
THE MBS	S-11	RL CLASSES	S-28
FINAL DATA STATEMENT	S-12	CERTAIN ADDITIONAL	
DISTRIBUTIONS OF INTEREST	S-13	FEDERAL INCOME TAX	
<i>Categories of Classes</i>	S-13	CONSEQUENCES	S-29
<i>General</i>	S-13	REMIC ELECTIONS AND SPECIAL	
<i>Interest Accrual Periods</i>	S-13	TAX ATTRIBUTES	S-29
<i>Accrual Classes</i>	S-14	TAXATION OF BENEFICIAL OWNERS OF	
<i>Notional Classes</i>	S-14	REGULAR CERTIFICATES	S-29
<i>Floating Rate and Inverse Floating</i>		TAXATION OF BENEFICIAL OWNERS OF	
<i>Rate Classes</i>	S-14	RESIDUAL CERTIFICATES	S-30
CALCULATION OF LIBOR	S-14	TAXATION OF BENEFICIAL OWNERS OF	
DISTRIBUTIONS OF PRINCIPAL	S-14	RCR CERTIFICATES	S-30
<i>Categories of Classes</i>	S-14	<i>General</i>	S-30
<i>Principal Distribution Amount</i>	S-15	<i>Combination RCR Classes</i>	S-30
<i>Group 1 Principal Distribution</i>		<i>Exchanges</i>	S-31
<i>Amount</i>	S-15	TAX RETURN DISCLOSURE	
<i>PZ Accrual Amount</i>	S-15	REQUIREMENTS	S-31
<i>Group 1 Cash Flow Distribution</i>		PLAN OF DISTRIBUTION	S-31
<i>Amount</i>	S-15	<i>General</i>	S-31
<i>Group 2 Principal Distribution</i>		<i>Increase in Certificates</i>	S-31
<i>Amount</i>	S-16	LEGAL MATTERS	S-31
<i>GZ Accrual Amount</i>	S-16	SCHEDULE 1	A- 1
<i>Group 2 Cash Flow Distribution</i>		PRINCIPAL BALANCE	
<i>Amount</i>	S-16	SCHEDULES	B- 1

AVAILABLE INFORMATION

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

- our Prospectus for Fannie Mae Guaranteed REMIC Pass-Through Certificates dated May 1, 2002 (the “REMIC Prospectus”);
- our Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated April 1, 2003 (the “MBS Prospectus”); and
- any Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K that we file with the SEC during the period specified in the final paragraph of this page.

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.

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

Merrill Lynch, Pierce, Fenner & Smith Incorporated
Prospectus Department
44B Colonial Drive
Piscataway, New Jersey 08854
(telephone 732-885-2760).

In the first quarter of 2003, we began filing periodic reports with the SEC under the Exchange Act. These filings will include Form 10-Ks, Form 10-Qs and Form 8-Ks. Our SEC filings are available at the SEC’s website at www.sec.gov. You may also read and copy any document we file with the SEC by visiting the SEC’s Public Reference Room at 450 Fifth Street, NW, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information about the operation of the Public Reference Room. We are providing the address of the SEC’s Internet site solely for the information of prospective investors. We do not intend the Internet address to be an active link.

Information contained in any Form 10-K, Form 10-Q and Form 8-K that we file with the SEC prior to the termination of the offering of the certificates is hereby incorporated by reference in this prospectus supplement. In cases where we “furnish” information to the SEC on Form 8-K, as provided under the Exchange Act, that information is not incorporated by reference in this prospectus supplement.

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

Assets

Group 1 MBS

Group 2 MBS

Group 3 MBS

Group 4 MBS

Assumed Characteristics of the Mortgage Loans Underlying the MBS (as of August 1, 2003)

	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 MBS	\$500,000,000	360	358	2	5.40%
Group 2 MBS	\$750,000,000	180	178	2	5.10%
Group 3 MBS	\$ 87,209,302	180	178	2	5.10%
Group 4 MBS	\$ 43,517,000	360	354	5	6.44%

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

Class Factors

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

Settlement Date

We expect to issue the certificates on August 29, 2003.

Distribution Dates

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

Book-Entry and Physical Certificates

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

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

<u>Fed Book-Entry</u>	<u>Physical</u>
All classes of certificates other than the R and RL 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 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 the initial interest accrual period, the floating rate and inverse floating rate classes will bear interest at the initial interest rates listed below. During subsequent interest accrual periods, the floating rate and inverse floating rate classes will bear interest based on the formulas indicated below, but always subject to the specified maximum and minimum interest rates:

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate (1)</u>
F	2.50000%	7.50000%	1.40000%	LIBOR + 140 basis points
S	9.99989%	12.19985%	0.00011%	12.19985% – (1.99995766 × LIBOR)

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

We will apply interest payments from exchanged REMIC 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:

<u>Class</u>	
IK	30% of the PL Class 40% of the PM Class 40% of the PW Class
IN	33.3333333333% of the GK Class 11.1111111111% of the GM Class 33.3333333333% of the AJ Class 11.1111111111% of the AL Class
IT	33.3333333333% of the CJ Class
IP	33.3333333333% of the CK Class
IM	33.3333333333% of the CL Class
I	33.3333333333% of the CJ Class 33.3333333333% of the CK Class 33.3333333333% of the CL Class
IQ	33.3333333333% of the CJ Class 33.3333333333% of the CK Class

Distributions of Principal

Group 1 Principal Distribution Amount

PZ Accrual Amount

To the PU and PV Classes, in that order, to zero, and thereafter to the PZ Class.

Group 1 Cash Flow Distribution Amount

1. To Aggregate Group I to its Planned Balance.
2. To the F and S Classes, pro rata, to zero.
3. To Aggregate Group I to zero.

For a description of Aggregate Group I, see “*Description of the Certificates—Distributions of Principal—Group 1 Principal Distribution Amount*” in this prospectus supplement.

Group 2 Principal Distribution Amount

GZ Accrual Amount

To Aggregate Group III to its Targeted Balance, and thereafter to the GZ Class.

Group 2 Cash Flow Distribution Amount

1. To Aggregate Group II to its Planned Balance.
2. To Aggregate Group III to its Targeted Balance.
3. To the GZ and G Classes, in that order, to zero.
4. To Aggregate Group II to zero.

For a description of Aggregate Groups II and III, see “*Description of the Certificates—Distributions of Principal—Group 2 Principal Distribution Amount*” in this prospectus supplement.

Group 3 Principal Distribution Amount

To the J and JK Classes, in that order, to zero.

Group 4 Principal Distribution Amount

1. To Aggregate Group IV to its Planned Balance.
2. To the CL Class to zero.
3. To Aggregate Group IV to zero.

For a description of Aggregate Group IV, see “*Description of the Certificates—Distributions of Principal—Group 4 Principal Distribution Amount*” in this prospectus supplement.

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

Weighted Average Lives (years) *

Group 1 Classes		PSA Prepayment Assumption						
		0%	100%	220%	250%	500%		
PA		3.1	1.0	1.0	1.0	1.0		
PM, PL and PB		9.0	2.5	2.5	2.5	2.4		
PW		13.8	4.0	4.0	4.0	3.0		
PD		17.8	6.0	6.0	6.0	3.7		
PE		20.6	8.0	8.0	8.0	4.5		
PG		23.1	11.0	11.0	11.0	6.0		
PH		25.5	18.5	18.5	18.5	10.3		
PU		4.0	4.0	4.0	4.0	4.0		
PV		14.3	13.0	13.0	13.0	8.3		
PZ		25.5	19.4	19.4	19.4	11.7		
F and S		28.1	19.8	5.4	3.2	1.5		
IK		11.8	3.4	3.4	3.4	2.7		
Group 2 Classes		PSA Prepayment Assumption						
		0%	100%	170%	200%	250%	350%	500%
GK and GA		2.9	2.0	2.0	2.0	2.0	2.0	1.9
GM and GB		6.4	4.0	4.0	4.0	4.0	3.5	2.8
GC		9.0	6.0	6.0	6.0	6.0	4.9	3.9
GD		10.7	8.0	8.0	8.0	8.0	6.5	5.1
GE		12.4	11.5	11.5	11.5	11.5	10.0	8.0
G		8.9	5.7	2.2	1.7	2.4	1.7	1.3
GZ		14.4	13.1	11.2	9.1	1.0	0.6	0.5
AJ and AL		4.8	3.1	3.1	3.1	3.1	2.8	2.4
IN		4.7	3.0	3.0	3.0	3.0	2.8	2.4
Group 3 Classes		PSA Prepayment Assumption						
		0%	100%	228%	350%	500%		
J		7.9	5.5	4.0	3.2	2.5		
JK		14.4	13.3	11.5	9.7	7.8		
Group 4 Classes		PSA Prepayment Assumption						
		0%	175%	320%	350%	500%	700%	
CJ, IT, CB, CD, CG and CH		18.0	5.1	5.1	5.1	4.3	3.2	
CK and IP		26.7	15.3	15.3	15.3	23.8	17.1	
CL and IM		28.4	16.1	5.2	3.8	1.5	1.1	
I		20.8	8.1	5.1	4.8	3.5	2.6	
IQ		18.0	5.1	5.1	5.1	4.3	3.2	

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

ADDITIONAL RISK FACTORS

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

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

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

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

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

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

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

mortgage loan characteristics and the actual mortgage loans could affect the weighted average lives of the classes of certificates.

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

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

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

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

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

Uncertain market for the certificates could make them difficult to sell and cause their values to fluctuate. We cannot be sure that a market for resale of the certificates will develop. Further, if a market develops, it may not continue or be sufficiently liquid to allow you to sell your certificates. Even if you are able to sell your certificates, the sale price may not be comparable to similar investments that have a developed market. Moreover, you may not be able to sell small

or large amounts of certificates at prices comparable to those available to other investors. You should purchase certificates only if you under-

stand and can tolerate the risk that the value of your certificates will vary over time and that your certificates may not be easily sold.

DESCRIPTION OF THE CERTIFICATES

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

General

Structure. We will create the Fannie Mae REMIC Trust specified on the cover of this prospectus supplement (the “Trust”) and a separate trust (the “Lower Tier REMIC”) pursuant to a trust agreement dated as of August 1, 2003 (the “Issue Date”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “REMIC Certificates”) pursuant to that trust agreement. We will issue the Combinable and Recombinable REMIC Certificates (the “RCR Certificates” and, together with the REMIC Certificates, the “Certificates”) pursuant to a separate trust agreement dated as of the Issue Date (together with the trust agreement relating to the REMIC 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 REMIC Certificates and RCR Certificates.

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

- The REMIC Certificates (except the R and RL Classes) will be “regular interests” in the Trust.
- The R Class will be “residual interest” in the Trust.
- The interests in the Lower Tier REMIC other than the RL Class (the “Lower Tier Regular Interests”) will be the “regular interests” in the Lower Tier REMIC.
- The RL Class will be the “residual interest” in the Lower Tier REMIC.

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

The assets of the Lower Tier REMIC will consist of four groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS,” “Group 2 MBS,” “Group 3 MBS” and “Group 4 MBS” and, together, the “MBS”).

Each MBS represents a beneficial ownership interest in a pool of first lien, one-to four-family (“single-family”), fixed-rate residential mortgage loans (the “Mortgage Loans”) having the characteristics described in this prospectus supplement.

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

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

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

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

Our guarantees are not backed by the full faith and credit of the United States. See “Description of the Certificates—The Fannie Mae Guaranty” in the REMIC Prospectus, and “Description of the Certificates—Fannie Mae Guaranty” in the MBS Prospectus.

Characteristics of Certificates. We will issue the Certificates (except the R and RL Classes) in book-entry form on the book-entry system of the U.S. Federal Reserve Banks. Entities whose names appear on the book-entry records of a Federal Reserve Bank as having had Certificates deposited in their accounts are “Holders” or “Certificateholders.” A Holder is not necessarily the beneficial owner of a Certificate. Beneficial owners ordinarily will hold Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. See “Description of Certificates—Denominations and Form” in the REMIC Prospectus.

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

The Holder of the R Class will receive the proceeds of any remaining assets of the Trust and the Holder of the RL Class will receive the proceeds of any remaining assets of the Lower Tier REMIC. US Bank will be the initial Paying Agent.

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

Distribution Dates. We will make monthly payments on the Certificates on the 25th day of each month (or, if the 25th is not a business day, on the first business day after the 25th). We refer to each of these dates as a “Distribution Date.” We will make the first payments to Certificateholders the month after we issue the Certificates.

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

Class Factors. On or shortly after the eleventh calendar day of each month, we will publish a factor (carried to eight decimal places) for each Class of Certificates. When the applicable class 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).

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

Combination and Recombination

General. You are permitted to exchange all or a portion of the CJ, IT, IP and IM Classes of REMIC Certificates for a proportionate interest in the related RCR Certificates in the combinations

shown on Schedule 1. You also may exchange all or a portion of the RCR Certificates for the related REMIC 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 REMIC Certificates and will receive a proportionate share of the distributions on the related REMIC Certificates.

The Classes of REMIC 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. REMIC Certificates and RCR Certificates may be exchanged only 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 REMIC 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 REMIC Certificates used to form those RCR Certificates. You should also consider a number of factors that will limit a Certificateholder’s ability to exchange REMIC 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 REMIC 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.

The MBS

The following table contains certain information about the MBS. The MBS included in each specified Group will have the aggregate unpaid principal balance and Pass-Through Rate shown below and the general characteristics described in the MBS Prospectus. The MBS provides that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the MBS are conventional, fixed-rate, fully-amortizing mortgage loans secured by first mortgages or deeds of trust on single-family residential properties. These Mortgage Loans have original maturities of up to 30 years in the case of the Group 1 and Group 4 MBS, and up to 15 years

in the case of the Group 2 and Group 3 MBS. See “The Mortgage Pools” and “Yield, Maturity, and Prepayment Considerations” in the MBS Prospectus. We expect the characteristics of the MBS and the related Mortgage Loans as of the Issue Date to be as follows:

Group 1 MBS

Aggregate Unpaid Principal Balance	\$500,000,000
MBS Pass-Through Rate	5.00%
Range of WACs (annual percentages)	5.25% to 7.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	358 months
Approximate Weighted Average WALA (weighted average loan age)	2 months

Group 2 MBS

Aggregate Unpaid Principal Balance	\$750,000,000
MBS Pass-Through Rate	4.50%
Range of WACs (annual percentages)	4.75% to 7.00%
Range of WAMs	121 months to 180 months
Approximate Weighted Average WAM	178 months
Approximate Weighted Average WALA	2 months

Group 3 MBS

Aggregate Unpaid Principal Balance	\$87,209,302
MBS Pass-Through Rate	4.50%
Range of WACs (annual percentages)	4.75% to 7.00%
Range of WAMs	121 months to 180 months
Approximate Weighted Average WAM	178 months
Approximate Weighted Average WALA	2 months

Group 4 MBS

Aggregate Unpaid Principal Balance	\$43,517,000
MBS Pass-Through Rate	6.00%
Range of WACs (annual percentages)	6.25% to 8.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	354 months
Approximate Weighted Average WALA	5 months

Final Data Statement

After issuing the Certificates, we will prepare a Final Data Statement containing certain information, including the Pool number, the current WAC (or original WAC, if the current WAC is not available) and the current WAM (or Adjusted WAM, if the current WAM is not available) of the Mortgage Loans underlying each of the MBS as of the Issue Date. The Final Data Statement also will include the weighted averages of all the current or original WACs and the weighted averages of all the current or Adjusted WAMs, based on the current unpaid principal balances of the Mortgage Loans underlying each of the MBS as of the Issue Date. You may obtain the Final Data Statement by telephoning us at 1-800-237-8627 or 202-752-6547. In addition, the Final Data Statement is available at our corporate web site at www.fanniemae.com.

Distributions of Interest

Categories of Classes

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

<u>Interest Type*</u>	<u>Classes</u>
Group 1 Classes	
Fixed Rate	PA, PM, PL, PB, PW, PD, PE, PG, PH, PU, PV, PZ and IK
Floating Rate	F
Inverse Floating Rate	S
Accrual	PZ
Interest Only	IK
Group 2 Classes	
Fixed Rate	GK, GA, GM, GB, GC, GD, GE, G, GZ, AJ, AL and IN
Accrual	GZ
Interest Only	IN
Group 3 Classes	
Fixed Rate	J and JK
Group 4 Classes	
Fixed Rate	CJ, IT, CK, IP, CL and IM
Interest Only	IT, IP and IM
RCR**	CB, CD, CG, CH, I and IQ
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 on the cover or described in this prospectus supplement. We calculate interest based on an assumed 360-day year consisting of twelve 30-day months. We pay interest monthly (except in the case of the Accrual 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 from exchanged REMIC 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”).

<u>Classes</u>	<u>Interest Accrual Periods</u>
The Fixed Rate Classes (collectively, the “Delay Classes”)	Calendar month preceding the month in which the Distribution Date occurs
The F and S Classes	One-month period beginning on the 25th day of the month preceding the month in which the Distribution Date occurs

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

Accrual Classes. The PZ and GZ 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 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 that Class. References in this prospectus supplement to the principal balances of the Certificates generally shall refer also to the notional principal balances of the Notional Classes.

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

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

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

Calculation of LIBOR

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

If we are unable to calculate LIBOR on the initial Index Determination Date, LIBOR for the following Interest Accrual Period will be equal to 1.10%.

Distributions of Principal

Categories of Classes

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

<u>Principal Type*</u>	<u>Classes</u>
Group 1 Classes	
PAC	PA, PM, PL, PB, PW, PD, PE, PG, PH, PU, PV and PZ
Support	F and S
Accretion Directed	PU and PV
Notional	IK

<u>Principal Type*</u>	<u>Classes</u>
Group 2 Classes	
PAC	GK, GA, GM, GB, GC, GD, GE, AJ and AL
Segment (TAC) /Support	G and GZ
Accretion Directed	G
Notional	IN
Group 3 Classes	
Sequential Pay	J and JK
Group 4 Classes	
PAC	CJ and CK
Support	CL
Notional	IT, IP and IM
RCR**	CB, CD, CG, CH, I and IQ
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 MBS (the “Group 1 Cash Flow Distribution Amount”), plus any interest then accrued and added to the principal balance of the PZ Class (the “PZ Accrual Amount,” and together with the Group 1 Cash Flow Distribution Amount, the “Group 1 Principal Distribution Amount”),
- the principal then paid on the Group 2 MBS (the “Group 2 Cash Flow Distribution Amount”), plus any interest then accrued and added to the principal balance of the GZ Class (the “GZ 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 MBS (the “Group 3 Principal Distribution Amount”), and
- the principal then paid on the Group 4 MBS (the “Group 4 Principal Distribution Amount”).

Group 1 Principal Distribution Amount

PZ Accrual Amount

On each Distribution Date, we will pay the PZ Accrual Amount, sequentially, to the PU and PV Classes, in that order, until their principal balances are reduced to zero. Thereafter, we will pay the PZ Accrual Amount as principal of the PZ Class.

} Accretion-Directed
Classes
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 Group 1 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;
- (ii) concurrently, to the F and S Classes, pro rata (or 66.6661962389% and 33.3338037611%, respectively), until their principal balances are reduced to zero; and

} PAC
Group

} Support
Classes

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

“Aggregate Group I” consists of the PA, PM, PL, PB, PW, PD, PE, PG, PH, PU, PV and PZ Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group I as follows:

first, to the PA Class, until its principal balance is reduced to zero;

second, concurrently, to the PM, PL and PB Classes, pro rata (or 36.6116849083%, 32.7578233390% and 30.6304917527%, respectively), until their principal balances are reduced to zero;

third, sequentially to the PW, PD, PE and PG Classes, in that order, until their principal balances are reduced to zero; and

fourth, (a) 3.8732064147% of the remaining amount to the PH Class, until its principal balance is reduced to zero, and

(b) 96.1267935853% of such remaining amount, sequentially, to the PU, PV and PZ Classes, in that order, until their principal balances are reduced to zero.

The “Aggregate I Balance” is equal to the aggregate of the principal balances of the Classes included in Aggregate Group I. For purposes of determining principal payments, the Aggregate I Balance will include any increase in the principal balance of the PZ Class on that date.

Group 2 Principal Distribution Amount

GZ Accrual Amount

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

Group 2 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 2 Cash Flow Distribution Amount as principal of the Group 2 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) to Aggregate Group III, until the Aggregate III Balance is reduced to its Targeted Balance for that Distribution Date; } TAC Group

(iii) sequentially, to the GZ and G Classes, in that order, until their principal balances are reduced to zero; and } Support Classes

(iv) to Aggregate Group II, without regard to its Planned Balance and until the Aggregate II Balance is reduced to zero. } PAC Group

“Aggregate Group II” consists of the GK, GA, GM, GB, GC, GD, GE, AJ and AL Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group II as follows:

first, concurrently, to the GK, GA, AJ and AL Classes, in the proportions of 6.4593224171%, 38.5982584051%, 18.1970375933% and 36.7453815845%, respectively, until the principal balances of the GK and GA Classes are reduced to zero;

second, concurrently, to the GM, GB, AJ and AL Classes, in the proportions of 0.3313057422%, 44.7262751957%, 18.1970374641% and 36.7453815980%, respectively, until their principal balances are reduced to zero; and

third, sequentially to the GC, GD and GE Classes, in that order, until their principal balances are reduced to zero.

The “Aggregate II Balance” is equal to the aggregate of the principal balances of the Classes included in Aggregate Group II.

The “Aggregate Group III” consists of the G and GZ Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group III, sequentially, to the G and GZ Classes, in that order, until their principal balances are reduced to zero.

The “Aggregate III Balance” is equal to the aggregate of the principal balances of the Classes included in Aggregate Group III. For determining principal payments on a Distribution Date, the Aggregate III Balance will include any increase in the principal balance of the GZ Class on that date.

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, sequentially, to the J and JK Classes, in that order, until their principal balances are reduced to zero. } Sequential Pay Classes

Group 4 Principal Distribution Amount

On each Distribution Date, we will pay the Group 4 Principal Distribution Amount as principal of the Group 4 Classes in the following priority:

- (i) to Aggregate Group IV (described below), until the Aggregate IV Balance (described below) is reduced to its Planned Balance for that Distribution Date; } PAC Group
- (ii) to the CL Class, until its principal balance is reduced to zero; and } Support Class
- (iii) to Aggregate Group IV, without regard to its Planned Balance and until the Aggregate IV Balance is reduced to zero. } PAC Group

“Aggregate Group IV” consists of the CJ and CK Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group IV, sequentially, to the CJ and CK Classes, in that order, until their principal balances are reduced to zero.

The “Aggregate IV Balance” is equal to the aggregate of the principal balances of the Classes included in Aggregate Group IV.

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

Structuring Assumptions

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

- the Mortgage Loans underlying the MBS have the original terms to maturity, remaining terms to maturity, WALAs and interest rates specified under “Reference Sheet—Assumed Characteristics of the Mortgage Loans Underlying the MBS” in this prospectus supplement;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related table;
- the settlement date for the sale of the Certificates is August 29, 2003; and

- each Distribution Date occurs on the 25th day of a month.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used in this prospectus supplement is The Bond Market Association’s standard prepayment model (“PSA”). To assume a specified rate of PSA is to assume a specified rate of prepayment each month of the then-outstanding principal balance of a pool of new mortgage loans computed as described under “Description of Certificates—Prepayment Models” in the REMIC Prospectus.

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

Structuring 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.

<u>Principal Balance Schedule References</u>	<u>Related Groups (1)</u>	<u>Structuring Ranges and Rate</u>
Planned Balances	Aggregate Group I	Between 100% and 250% PSA
Planned Balances	Aggregate Group II	Between 100% and 250% PSA
Targeted Balances	Aggregate Group III	200% PSA
Planned Balances	Aggregate Group IV	Between 175% and 350% PSA

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

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

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

<u>Group</u>	<u>Initial Effective Ranges</u>
Aggregate Group I	Between 100% and 250% PSA
Aggregate Group II	Between 100% and 250% PSA
Aggregate Group IV	Between 175% and 350% 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 Group might not be reduced to its scheduled balance 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 this range.

In addition, even if prepayments occur at rates falling within the actual Effective Ranges, principal distributions may be insufficient to reduce the applicable Group to its scheduled balance if such prepayments do not occur at a *constant* PSA rate. It is highly unlikely that the 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 Groups will be supported in part by the related TAC Group and Support Classes. When the related TAC Group and Support Classes are retired, the PAC 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 and, where specified, to changes in the Index. We calculated the yields set forth in the tables by

- determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on the applicable Classes, would cause the discounted present values of the assumed streams of cash flows to equal the assumed aggregate purchase prices of those Classes, and
- converting the monthly rates to corporate bond equivalent rates.

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

We cannot assure you that

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

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

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

***The Fixed Rate Interest Only Classes.* The yields to investors in the Fixed Rate Interest Only Classes 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 would be 0% if prepayments of the related Mortgage Loans were to occur at the constant rates shown in the table below:

<u>Class</u>	<u>% PSA</u>
IK	534%
IN	900%
IT	493%
IP	1,442%
IM	440%
I	532%
IQ	493%

For any Fixed Rate Interest Only Class, if the actual prepayment rate of the related Mortgage Loans were to exceed the level specified for as little as one month while equaling that level for the remaining months, the investors in the applicable Class would lose money on their initial investments.

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

<u>Class</u>	<u>Price*</u>
IK	12.7500%
IN	7.6548%
IT	25.4000%
IP	34.3750%
IM	10.0000%
I	19.5820%
IQ	25.4491%

* 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 IK Class to Prepayments

		<u>PSA Prepayment Assumption</u>				
		<u>50%</u>	<u>100%</u>	<u>220%</u>	<u>250%</u>	<u>500%</u>
Pre-Tax Yields to Maturity ...	28.6%		15.2%	15.2%	15.2%	2.6%

Sensitivity of the IN Class to Prepayments

	PSA Prepayment Assumption						
	<u>50%</u>	<u>100%</u>	<u>170%</u>	<u>200%</u>	<u>250%</u>	<u>350%</u>	<u>500%</u>
Pre-Tax Yields to Maturity ...	43.1%	37.1%	37.1%	37.1%	37.1%	33.9%	25.0%

Sensitivity of the IT Class to Prepayments

	PSA Prepayment Assumption					
	<u>50%</u>	<u>175%</u>	<u>320%</u>	<u>350%</u>	<u>500%</u>	<u>700%</u>
Pre-Tax Yields to Maturity ...	17.4%	5.0%	5.0%	5.0%	(0.4)%	(11.9)%

Sensitivity of the IP Class to Prepayments

	PSA Prepayment Assumption					
	<u>50%</u>	<u>175%</u>	<u>320%</u>	<u>350%</u>	<u>500%</u>	<u>700%</u>
Pre-Tax Yields to Maturity ...	17.3%	16.2%	16.2%	16.2%	17.5%	16.6%

Sensitivity of the IM Class to Prepayments

	PSA Prepayment Assumption					
	50%	175%	320%	350%	500%	700%
Pre-Tax Yields to Maturity ...	65.1%	65.0%	39.1%	30.9%	(15.7)%	(56.5)%

Sensitivity of the I Class to Prepayments

	PSA Prepayment Assumption					
	50%	175%	320%	350%	500%	700%
Pre-Tax Yields to Maturity ...	27.5%	20.7%	12.5%	10.8%	1.9%	(10.4)%

Sensitivity of the IQ Class to Prepayments

	PSA Prepayment Assumption					
	50%	175%	320%	350%	500%	700%
Pre-Tax Yields to Maturity ...	17.4%	5.0%	5.0%	5.0%	(0.4)%	(11.8)%

The Inverse Floating Rate Class. The yield on the Inverse Floating Rate Class will be sensitive 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.

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

- the interest rate for the Inverse Floating Rate Class for the initial Interest Accrual Period is the rate listed in the table under “Reference Sheet—Interest Rates” in this prospectus supplement and for each following Interest Accrual Period will be based on the specified level of the Index, and
- the aggregate purchase price of that Class (expressed as a percentage of original principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
S	88.0%

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

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

<u>LIBOR</u>	PSA Prepayment Assumption				
	50%	100%	220%	250%	500%
0.1%	14.1%	14.2%	16.6%	17.7%	22.4%
1.1%	11.7%	11.9%	14.3%	15.5%	20.2%
3.1%	7.2%	7.3%	9.6%	11.0%	15.8%
5.1%	2.7%	2.9%	5.0%	6.5%	11.4%
6.1%	0.6%	0.7%	2.7%	4.4%	9.3%

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by

- (a) multiplying the amount of the reduction, if any, of the principal balance of 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 Classes, and
- the payment of principal of certain Group 1, Group 2 and Group 4 Classes in accordance with the Principal Balance Schedules.

See “—Distributions of Principal” above.

The effect of these factors may differ as to various Classes and the effects on any Class may vary at different times during the life of that Class. Accordingly, we can give no assurance as to the weighted average life of any Class. Further, to the extent the prices of the Certificates represent discounts or premiums to their original principal balances, variability in the weighted average lives of those Classes of Certificates could result in variability in the related yields to maturity. For an example of how the weighted average lives of the Classes may be affected at various constant prepayment rates, see the Decrement Tables below.

Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each date shown at various constant PSA rates, and the corresponding weighted average lives of 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 Class under 0% PSA, we assumed that the underlying Mortgage Loans have the original and remaining terms to maturity and bear interest at the annual rates specified in the table below.

<u>Mortgage Loans Relating to Trust Assets Specified Below</u>	<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 1 MBS	360 months	360 months	7.50%
Group 2 MBS	180 months	180 months	7.00%
Group 3 MBS	180 months	180 months	7.00%
Group 4 MBS	360 months	360 months	8.50%

It is unlikely

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

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

Percent of Original Principal Balances Outstanding

Date	PA Class					PM, PL and PB Classes					PW Class					PD Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%
Initial Percent.....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2004.....	86	52	52	52	52	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005.....	70	0	0	0	0	100	80	80	80	80	100	100	100	100	100	100	100	100	100	100
August 2006.....	53	0	0	0	0	100	15	15	15	0	100	100	100	100	35	100	100	100	100	100
August 2007.....	35	0	0	0	0	100	0	0	0	0	100	47	47	47	0	100	100	100	100	15
August 2008.....	15	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	88	88	88	0
August 2009.....	0	0	0	0	0	97	0	0	0	0	100	0	0	0	0	100	48	48	48	0
August 2010.....	0	0	0	0	0	83	0	0	0	0	100	0	0	0	0	100	10	10	10	0
August 2011.....	0	0	0	0	0	68	0	0	0	0	100	0	0	0	0	100	0	0	0	0
August 2012.....	0	0	0	0	0	51	0	0	0	0	100	0	0	0	0	100	0	0	0	0
August 2013.....	0	0	0	0	0	34	0	0	0	0	100	0	0	0	0	100	0	0	0	0
August 2014.....	0	0	0	0	0	15	0	0	0	0	100	0	0	0	0	100	0	0	0	0
August 2015.....	0	0	0	0	0	0	0	0	0	0	94	0	0	0	0	100	0	0	0	0
August 2016.....	0	0	0	0	0	0	0	0	0	0	70	0	0	0	0	100	0	0	0	0
August 2017.....	0	0	0	0	0	0	0	0	0	0	44	0	0	0	0	100	0	0	0	0
August 2018.....	0	0	0	0	0	0	0	0	0	0	15	0	0	0	0	100	0	0	0	0
August 2019.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	90	0	0	0	0
August 2020.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	68	0	0	0	0
August 2021.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45	0	0	0	0
August 2022.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20	0	0	0	0
August 2023.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**.....	3.1	1.0	1.0	1.0	1.0	9.0	2.5	2.5	2.5	2.4	13.8	4.0	4.0	4.0	3.0	17.8	6.0	6.0	6.0	3.7

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

Date	PE Class					PG Class					PH Class					PU Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2004	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	89	89	89	89	89
August 2005	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	77	77	77	77	77
August 2006	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	64	64	64	64	64
August 2007	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	51	51	51	51	51
August 2008	100	100	100	100	0	100	100	100	100	90	100	100	100	100	100	37	37	37	37	37
August 2009	100	100	100	100	0	100	100	100	100	45	100	100	100	100	100	23	23	23	23	23
August 2010	100	100	100	100	0	100	100	100	100	14	100	100	100	100	100	7	7	7	7	7
August 2011	100	47	47	47	0	100	100	100	100	0	100	100	100	100	87	0	0	0	0	0
August 2012	100	0	0	0	0	100	91	91	91	0	100	100	100	100	60	0	0	0	0	0
August 2013	100	0	0	0	0	100	66	66	66	0	100	100	100	100	41	0	0	0	0	0
August 2014	100	0	0	0	0	100	45	45	45	0	100	100	100	100	28	0	0	0	0	0
August 2015	100	0	0	0	0	100	28	28	28	0	100	100	100	100	19	0	0	0	0	0
August 2016	100	0	0	0	0	100	14	14	14	0	100	100	100	100	13	0	0	0	0	0
August 2017	100	0	0	0	0	100	2	2	2	0	100	100	100	100	9	0	0	0	0	0
August 2018	100	0	0	0	0	100	0	0	0	0	100	84	84	84	6	0	0	0	0	0
August 2019	100	0	0	0	0	100	0	0	0	0	100	68	68	68	4	0	0	0	0	0
August 2020	100	0	0	0	0	100	0	0	0	0	100	55	55	55	3	0	0	0	0	0
August 2021	100	0	0	0	0	100	0	0	0	0	100	44	44	44	2	0	0	0	0	0
August 2022	100	0	0	0	0	100	0	0	0	0	100	35	35	35	1	0	0	0	0	0
August 2023	86	0	0	0	0	100	0	0	0	0	100	28	28	28	1	0	0	0	0	0
August 2024	24	0	0	0	0	100	0	0	0	0	100	22	22	22	*	0	0	0	0	0
August 2025	0	0	0	0	0	83	0	0	0	0	100	17	17	17	*	0	0	0	0	0
August 2026	0	0	0	0	0	53	0	0	0	0	100	13	13	13	*	0	0	0	0	0
August 2027	0	0	0	0	0	22	0	0	0	0	100	10	10	10	*	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	77	7	7	7	*	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	7	5	5	5	*	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	3	3	3	3	*	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	2	2	2	2	*	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	1	1	1	1	*	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	20.6	8.0	8.0	8.0	4.5	23.1	11.0	11.0	11.0	6.0	25.5	18.5	18.5	18.5	10.3	4.0	4.0	4.0	4.0	4.0

Date	PV Class					PZ Class					F and S Classes					IK† Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%	0%	100%	220%	250%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2004	100	100	100	100	100	105	105	105	105	105	100	100	93	91	76	100	100	100	100	100
August 2005	100	100	100	100	100	110	110	110	110	110	100	100	77	71	26	100	92	92	92	92
August 2006	100	100	100	100	100	116	116	116	116	116	100	100	58	48	0	100	65	65	65	21
August 2007	100	100	100	100	100	122	122	122	122	122	100	100	43	30	0	100	28	28	28	0
August 2008	100	100	100	100	100	128	128	128	128	128	100	100	32	17	0	100	0	0	0	0
August 2009	100	100	100	100	100	135	135	135	135	135	100	100	24	8	0	99	0	0	0	0
August 2010	100	100	100	100	100	142	142	142	142	142	100	100	19	3	0	93	0	0	0	0
August 2011	97	97	97	97	69	149	149	149	149	149	100	100	16	*	0	87	0	0	0	0
August 2012	91	91	91	91	3	157	157	157	157	157	100	100	15	*	0	80	0	0	0	0
August 2013	84	84	84	84	0	165	165	165	165	109	100	99	14	*	0	73	0	0	0	0
August 2014	77	77	77	77	0	173	173	173	173	74	100	96	13	*	0	65	0	0	0	0
August 2015	70	70	70	70	0	182	182	182	182	50	100	92	12	*	0	56	0	0	0	0
August 2016	63	63	63	63	0	191	191	191	191	34	100	88	11	*	0	41	0	0	0	0
August 2017	55	55	55	55	0	201	201	201	201	23	100	83	10	*	0	26	0	0	0	0
August 2018	47	12	12	12	0	211	211	211	211	15	100	77	9	*	0	9	0	0	0	0
August 2019	38	0	0	0	0	222	184	184	184	10	100	71	8	*	0	0	0	0	0	0
August 2020	29	0	0	0	0	234	148	148	148	7	100	66	7	*	0	0	0	0	0	0
August 2021	19	0	0	0	0	246	119	119	119	5	100	60	6	*	0	0	0	0	0	0
August 2022	9	0	0	0	0	258	95	95	95	3	100	54	5	*	0	0	0	0	0	0
August 2023	0	0	0	0	0	269	75	75	75	2	100	48	4	*	0	0	0	0	0	0
August 2024	0	0	0	0	0	269	59	59	59	1	100	42	3	*	0	0	0	0	0	0
August 2025	0	0	0	0	0	269	45	45	45	1	100	37	3	*	0	0	0	0	0	0
August 2026	0	0	0	0	0	269	35	35	35	*	100	31	2	*	0	0	0	0	0	0
August 2027	0	0	0	0	0	269	26	26	26	*	100	26	2	*	0	0	0	0	0	0
August 2028	0	0	0	0	0	207	19	19	19	*	100	21	1	*	0	0	0	0	0	0
August 2029	0	0	0	0	0	18	13	13	13	*	100	16	1	*	0	0	0	0	0	0
August 2030	0	0	0	0	0	8	8	8	8	*	78	12	1	*	0	0	0	0	0	0
August 2031	0	0	0	0	0	5	5	5	5	*	54	7	*	*	0	0	0	0	0	0
August 2032	0	0	0	0	0	2	2	2	2	*	28	3	*	*	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	14.3	13.0	13.0	13.0	8.3	25.5	19.4	19.4	19.4	11.7	28.1	19.8	5.4	3.2	1.5	11.8	3.4	3.4	3.4	2.7

* 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	GK and GA Classes							GM and GB Classes							GC Class						
	PSA Prepayment Assumption							PSA Prepayment Assumption							PSA Prepayment Assumption						
	0%	100%	170%	200%	250%	350%	500%	0%	100%	170%	200%	250%	350%	500%	0%	100%	170%	200%	250%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2004	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	75	49	49	49	49	49	49	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2006	47	0	0	0	0	0	0	100	93	93	93	93	85	31	100	100	100	100	100	100	100
August 2007	18	0	0	0	0	0	0	100	48	48	48	48	14	0	100	100	100	100	100	100	31
August 2008	0	0	0	0	0	0	0	89	6	6	6	6	0	0	100	100	100	100	100	38	0
August 2009	0	0	0	0	0	0	0	62	0	0	0	0	0	0	100	47	47	47	47	0	0
August 2010	0	0	0	0	0	0	0	32	0	0	0	0	0	0	100	0	0	0	0	0	0
August 2011	0	0	0	0	0	0	0	*	0	0	0	0	0	0	100	0	0	0	0	0	0
August 2012	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	0	0	0	0	0	0
August 2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2015	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2017	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	2.9	2.0	2.0	2.0	2.0	2.0	1.9	6.4	4.0	4.0	4.0	4.0	3.5	2.8	9.0	6.0	6.0	6.0	6.0	4.9	3.9

Date	GD Class							GE Class							G Class						
	PSA Prepayment Assumption							PSA Prepayment Assumption							PSA Prepayment Assumption						
	0%	100%	170%	200%	250%	350%	500%	0%	100%	170%	200%	250%	350%	500%	0%	100%	170%	200%	250%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2004	100	100	100	100	100	100	100	100	100	100	100	100	100	100	78	66	60	57	75	81	68
August 2005	100	100	100	100	100	100	100	100	100	100	100	100	100	100	76	64	46	38	63	37	*
August 2006	100	100	100	100	100	100	100	100	100	100	100	100	100	100	75	62	29	16	33	0	0
August 2007	100	100	100	100	100	100	100	100	100	100	100	100	100	100	73	61	17	0	14	0	0
August 2008	100	100	100	100	100	100	51	100	100	100	100	100	100	100	71	59	9	0	4	0	0
August 2009	100	100	100	100	100	74	0	100	100	100	100	100	100	98	69	57	4	0	*	0	0
August 2010	100	92	92	92	92	26	0	100	100	100	100	100	100	62	67	53	0	0	*	0	0
August 2011	100	46	46	46	46	0	0	100	100	100	100	100	89	39	65	44	0	0	*	0	0
August 2012	100	9	9	9	9	0	0	100	100	100	100	100	62	24	62	33	0	0	*	0	0
August 2013	89	0	0	0	0	0	0	100	79	79	79	79	41	14	60	19	0	0	*	0	0
August 2014	27	0	0	0	0	0	0	100	55	55	55	55	27	8	57	2	0	0	*	0	0
August 2015	0	0	0	0	0	0	0	58	35	35	35	35	16	4	55	0	0	0	*	0	0
August 2016	0	0	0	0	0	0	0	20	20	20	20	20	8	2	30	0	0	0	*	0	0
August 2017	0	0	0	0	0	0	0	8	8	8	8	8	3	1	0	0	0	0	*	0	0
August 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	10.7	8.0	8.0	8.0	8.0	6.5	5.1	12.4	11.5	11.5	11.5	11.5	10.0	8.0	8.9	5.7	2.2	1.7	2.4	1.7	1.3

* 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.

Date	GZ Class							AJ and AL Classes							IN† Class						
	PSA Prepayment Assumption							PSA Prepayment Assumption							PSA Prepayment Assumption						
	0%	100%	170%	200%	250%	350%	500%	0%	100%	170%	200%	250%	350%	500%	0%	100%	170%	200%	250%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2004	105	105	105	105	40	0	0	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	109	109	109	109	0	0	0	89	77	77	77	77	77	77	87	75	75	75	75	75	75
August 2006	114	114	114	114	0	0	0	76	51	51	51	51	46	17	74	46	46	46	46	43	16
August 2007	120	120	120	119	0	0	0	63	26	26	26	26	8	0	59	24	24	24	24	7	0
August 2008	125	125	125	96	0	0	0	49	3	3	3	3	0	0	45	3	3	3	3	0	0
August 2009	131	131	131	85	0	0	0	34	0	0	0	0	0	0	31	0	0	0	0	0	0
August 2010	137	137	136	81	0	0	0	18	0	0	0	0	0	0	16	0	0	0	0	0	0
August 2011	143	143	124	73	0	0	0	*	0	0	0	0	0	0	*	0	0	0	0	0	0
August 2012	150	150	109	63	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2013	157	157	91	52	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2014	164	164	72	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2015	171	129	53	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2016	179	84	34	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2017	141	38	15	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	14.4	13.1	11.2	9.1	1.0	0.6	0.5	4.8	3.1	3.1	3.1	3.1	2.8	2.4	4.7	3.0	3.0	3.0	3.0	2.8	2.4

Date	J Class					JK Class					CJ, IT†, CB, CD, CG and CH Classes				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	228%	350%	500%	0%	100%	228%	350%	500%	0%	175%	320%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2004	95	93	90	88	85	100	100	100	100	100	99	93	93	93	93
August 2005	91	83	75	68	60	100	100	100	100	100	98	81	81	81	75
August 2006	85	72	59	47	35	100	100	100	100	100	97	67	67	67	43
August 2007	80	61	44	31	17	100	100	100	100	100	95	55	55	55	24
August 2008	74	51	32	18	5	100	100	100	100	100	94	44	44	44	14
August 2009	67	42	22	9	0	100	100	100	100	86	92	34	34	34	8
August 2010	60	34	14	2	0	100	100	100	100	54	91	26	26	26	4
August 2011	53	26	7	0	0	100	100	100	78	34	89	19	19	19	3
August 2012	45	18	1	0	0	100	100	100	54	21	87	14	14	14	1
August 2013	37	11	0	0	0	100	100	79	36	12	84	10	10	10	1
August 2014	27	5	0	0	0	100	100	56	23	7	82	7	7	7	*
August 2015	18	0	0	0	0	100	92	36	14	4	79	5	5	5	*
August 2016	7	0	0	0	0	100	57	21	7	2	77	3	3	3	*
August 2017	0	0	0	0	0	74	25	8	3	1	73	1	1	1	*
August 2018	0	0	0	0	0	0	0	0	0	0	70	*	*	*	*
August 2019	0	0	0	0	0	0	0	0	0	0	66	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	62	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	58	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	53	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	48	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	42	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	36	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	30	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	22	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	15	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	6	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	7.9	5.5	4.0	3.2	2.5	14.4	13.3	11.5	9.7	7.8	18.0	5.1	5.1	5.1	4.3

* 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	CK and IP† Classes						CL and IM† Classes					
	PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	175%	320%	350%	500%	700%	0%	175%	320%	350%	500%	700%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100
August 2004	100	100	100	100	100	100	100	100	88	85	72	55
August 2005	100	100	100	100	100	100	100	100	66	59	25	0
August 2006	100	100	100	100	100	100	100	100	45	35	0	0
August 2007	100	100	100	100	100	100	100	100	32	20	0	0
August 2008	100	100	100	100	100	100	100	100	25	12	0	0
August 2009	100	100	100	100	100	100	100	100	21	9	0	0
August 2010	100	100	100	100	100	100	100	99	20	9	0	0
August 2011	100	100	100	100	100	100	100	96	19	9	0	0
August 2012	100	100	100	100	100	100	100	92	18	9	0	0
August 2013	100	100	100	100	100	100	100	86	17	9	0	0
August 2014	100	100	100	100	100	100	100	80	16	9	0	0
August 2015	100	100	100	100	100	100	100	73	15	9	0	0
August 2016	100	100	100	100	100	100	100	67	14	9	0	0
August 2017	100	100	100	100	100	100	100	61	13	9	0	0
August 2018	100	100	100	100	100	100	100	55	12	9	0	0
August 2019	100	0	0	0	100	70	100	47	10	7	0	0
August 2020	100	0	0	0	100	38	100	40	8	5	0	0
August 2021	100	0	0	0	100	21	100	34	6	4	0	0
August 2022	100	0	0	0	100	12	100	29	5	3	0	0
August 2023	100	0	0	0	100	6	100	24	3	2	0	0
August 2024	100	0	0	0	100	3	100	20	3	2	0	0
August 2025	100	0	0	0	91	2	100	16	2	1	0	0
August 2026	100	0	0	0	57	1	100	13	1	1	0	0
August 2027	100	0	0	0	35	*	100	10	1	1	0	0
August 2028	100	0	0	0	20	*	100	8	1	*	0	0
August 2029	100	0	0	0	11	*	100	5	*	*	0	0
August 2030	0	0	0	0	6	*	91	4	*	*	0	0
August 2031	0	0	0	0	3	*	63	2	*	*	0	0
August 2032	0	0	0	0	1	*	33	1	*	*	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	26.7	15.3	15.3	15.3	23.8	17.1	28.4	16.1	5.2	3.8	1.5	1.1

Date	I† Class						IQ† Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	175%	320%	350%	500%	700%	0%	175%	320%	350%	500%	700%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100
August 2004	99	95	92	91	87	83	99	93	93	93	93	93
August 2005	98	86	77	75	66	55	98	81	81	81	81	75
August 2006	98	76	61	58	46	31	97	67	67	67	62	43
August 2007	97	67	49	45	31	18	95	55	55	55	43	24
August 2008	95	59	39	35	22	10	94	44	44	44	30	14
August 2009	94	52	31	27	15	6	92	34	34	34	20	8
August 2010	93	45	24	21	10	3	91	26	26	26	14	5
August 2011	92	40	19	16	7	2	89	19	19	19	10	3
August 2012	90	35	15	13	5	1	87	14	14	14	7	1
August 2013	89	30	12	10	3	1	84	10	10	10	4	1
August 2014	87	27	9	8	2	*	82	7	7	7	3	*
August 2015	85	23	7	6	2	*	79	5	5	5	2	*
August 2016	83	20	6	4	1	*	77	3	3	3	1	*
August 2017	81	17	5	3	1	*	73	1	1	1	1	*
August 2018	78	15	4	3	*	*	70	*	*	*	1	*
August 2019	75	13	3	2	*	*	66	0	0	0	*	*
August 2020	72	11	2	1	*	*	62	0	0	0	*	*
August 2021	69	9	2	1	*	*	58	0	0	0	*	*
August 2022	66	8	1	1	*	*	53	0	0	0	*	*
August 2023	62	6	1	1	*	*	48	0	0	0	*	*
August 2024	58	5	1	*	*	*	42	0	0	0	*	*
August 2025	53	4	*	*	*	*	36	0	0	0	*	*
August 2026	49	3	*	*	*	*	30	0	0	0	*	*
August 2027	43	3	*	*	*	*	22	0	0	0	*	*
August 2028	37	2	*	*	*	*	15	0	0	0	*	*
August 2029	31	1	*	*	*	*	6	0	0	0	*	*
August 2030	24	1	*	*	*	*	0	0	0	0	*	*
August 2031	17	1	*	*	*	*	0	0	0	0	*	*
August 2032	9	*	*	*	*	0	0	0	0	0	*	*
August 2033	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	20.8	8.1	5.1	4.8	3.5	2.6	18.0	5.1	5.1	5.1	4.3	3.2

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

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

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

Characteristics of the R and RL Classes

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

A Residual Certificate will be subject to certain transfer restrictions. We will not permit transfer of record or beneficial ownership of a Residual Certificate to a “disqualified organization.” In addition, we will not permit transfer of record or beneficial ownership of a Residual Certificate to any person that is not a “U.S. Person” or a foreign person subject to United States income taxation on a net basis on income derived from that Certificate. Any transferee of a Residual Certificate must execute and deliver an affidavit and an Internal Revenue Service Form W-9 (or, if applicable, a Form W-8ECI) on which the transferee provides its taxpayer identification number. See “Description of Certificates—Special Characteristics of Residual Certificates” and “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*” in the REMIC Prospectus. The affidavit must also state that the transferee is a “U.S. Person” or a foreign person subject to United States income taxation on a net basis on income derived from that Certificate and that, if the transferee is a partnership for U.S. federal income tax purposes, each person or entity that holds an interest (directly, or indirectly through a pass-through entity) in the partnership is a “U.S. Person” or a foreign person subject to United States income taxation on a net basis on income derived from that Certificate. In addition, the transferee must receive an affidavit containing these same representations from any new transferee. Transferors of a Residual Certificate should consult with their own tax advisors for further information regarding such transfers.

Treasury Department regulations (the “Regulations”) provide that a transfer of a “noneconomic residual interest” will be disregarded for all federal tax purposes unless no significant purpose of the transfer is to impede the assessment or collection of tax. The R and RL Classes will constitute noneconomic residual interests under the Regulations. Having a significant purpose to impede the assessment or collection of tax means that the transferor of a Residual Certificate knew or should have known that the transferee would be unwilling or unable to pay taxes due on its share of the taxable income of the REMIC trust (that is, the transferor had “improper knowledge”).

As discussed under the caption “Special Characteristics of Residual Certificates” in the REMIC Prospectus, the Regulations presume that a transferor does not have improper knowledge if two conditions are met. The Treasury Department has amended the Regulations to provide additional requirements that a transferor must satisfy to avail itself of the safe harbor regarding the presumed lack of improper knowledge. For transfers occurring on or after August 19, 2002, a transferor of a Residual Certificate is presumed not to have improper knowledge if, in addition to meeting the two conditions discussed in the REMIC Prospectus, both (i) the transferee represents that it will not cause income from the Residual Certificate to be attributed to a foreign permanent establishment or fixed base of the transferee or another taxpayer and (ii) the transfer satisfies either the “asset test” or the “formula test.” The representation described in (i) will be included in the affidavit discussed above. See “Description of Certificates—Special Characteristics of Residual Certificates” and “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*” in the REMIC Prospectus.

A transfer satisfies the asset test if (i) the transferee’s gross assets exceed \$100 million and its net assets exceed \$10 million (in each case, at the time of the transfer and at the close of each of the transferee’s two fiscal years preceding the year of transfer), (ii) the transferee is an “eligible corporation” and the transferee agrees in writing that any subsequent transfer of the Residual Certificate will be to an eligible corporation and will comply with the safe harbor and satisfy the asset test, and (iii) the facts and circumstances known to the transferor do not reasonably indicate that the

taxes associated with the Residual Certificate will not be paid. A transfer satisfies the formula test if the present value of the anticipated tax liabilities associated with holding the Residual Certificate is less than or equal to the present value of the sum of (i) any consideration given to the transferee to acquire the Residual Certificate, (ii) expected future distributions on the Residual Certificate, and (iii) anticipated tax savings associated with holding the Residual Certificate as the related REMIC trust generates losses. The Regulations contain additional details regarding their application and you should consult your own tax advisor regarding the application of the Regulations to a transfer of a Residual Certificate.

The Holder of the R Class will be considered to be the holder of the “residual interest” in the REMIC constituted by the Trust, and the Holder of the RL Class will be considered to be the holder of the “residual interest” in the REMIC constituted by the Lower Tier REMIC. See “Certain Federal Income Tax Consequences” in the REMIC Prospectus. Pursuant to the Trust Agreement, we will be obligated to provide to these Holders (i) information necessary to enable them to prepare their federal income tax returns and (ii) any reports regarding the R or RL Class that may be required under the Code.

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

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

REMIC Elections and Special Tax Attributes

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

Because the Lower Tier REMIC and the Trust will qualify as REMICs, the REMIC 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 Regular Certificates

The Notional Classes, the Accrual Classes and the S and CL Classes will be issued with original issue discount (“OID”), and certain other Classes of REMIC 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 Certificates may be treated as having been issued at a premium. See “Certain Federal

Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*—Regular Certificates Purchased at a Premium” in the REMIC Prospectus.

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

<u>Group</u>	<u>Prepayment Assumption</u>
1	220% PSA
2	170% PSA
3	228% PSA
4	320% PSA

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

Taxation of Beneficial Owners of Residual Certificates

For purposes of determining the portion of the taxable income of the Trust (or the Lower Tier REMIC) that generally will not be treated as excess inclusions, the rate to be used is 5.14% (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.

The Treasury Department recently issued proposed regulations providing that, to clearly reflect income, an inducement fee paid to a transferee of a noneconomic residual interest in a REMIC must be included in income over a period that is reasonably related to the period during which the applicable REMIC is expected to generate taxable income or net loss allocable to the transferee. The proposed regulations set forth two safe harbor methods under which a taxpayer’s accounting for the inducement fee will be considered to clearly reflect income for these purposes. The proposed regulations also provide that an inducement fee shall be treated as income from sources within the United States. If finalized as proposed, the regulations would be effective for taxable years ending on or after the publication of the final regulations in the Federal Register. The proposed regulations contain additional details regarding their application and you should consult your own tax advisor regarding the application of the proposed regulations.

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 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 Certificates. For a general discussion of the federal income tax treatment of beneficial owners of REMIC Certificates, see “Certain Federal Income Tax Consequences” in the REMIC Prospectus.

The RCR Classes (each, a “Combination RCR Class”) will represent the beneficial ownership of the underlying REMIC Certificates set forth in Schedule 1. Each Certificate of a Combination RCR Class (a “Combination RCR Certificate”) will represent beneficial ownership of undivided interests in two or more underlying REMIC Certificates.

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 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 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 Certificate as described under “—Taxation of Beneficial Owners of Regular Certificates” above 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 Certificates in proportion to their relative fair market values at the time of sale.

Exchanges. If a beneficial owner exchanges one or more REMIC 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 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 Certificates (or the same interest in the related REMIC Certificate) that it owned immediately prior to the exchange.

Tax Return Disclosure Requirements

The Treasury Department recently issued Regulations directed at “tax shelters” that could be read to apply to transactions generally not considered to be tax shelters. These Regulations require that taxpayers that participate in a “reportable transaction” disclose such transaction on their tax returns by attaching IRS Form 8886, and retain information related to the transaction. A transaction may be a “reportable transaction” based upon any of several indicia, one or more of which may be present with respect to the Certificates. You should consult your tax advisor concerning any possible disclosure obligation with respect to your investment in the Certificates.

PLAN OF DISTRIBUTION

General. We are obligated to deliver the Certificates to Merrill Lynch, Pierce, Fenner & Smith Incorporated (the “Dealer”) in exchange for the MBS. The Dealer proposes to offer the Certificates directly to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. The Dealer may effect these transactions to or through other dealers.

Increase in Certificates. Before the Settlement Date, we and the Dealer may agree to offer Classes in addition to those contemplated as of the date of this prospectus supplement. In this event, we will increase the related MBS in principal balance, but we expect that all these additional MBS will have the same characteristics as described under “Description of the Certificates—The MBS” in this prospectus supplement. The proportion that the original principal balance of each Group 1, 2, 3 or 4 Class bears to the aggregate original principal balance of all Group 1, 2, 3 or 4 Classes, respectively, will remain the same. In addition, the dollar amounts shown in the Principal Balance Schedules will be increased to correspond to the increase of the principal balances of the applicable Classes.

LEGAL MATTERS

Sidley Austin Brown & Wood LLP will provide legal representation for Fannie Mae. Milbank, Tweed, Hadley & McCloy LLP will provide legal representation for the Dealer.

Available Recombinations (1)

REMIC Certificates		RCR Certificates						
Classes	Original Principal Balances	RCR Classes	Original Principal Balance	Interest Rate	Interest Type (2)	Principal Type (2)	CUSIP Number	Final Distribution Date
Recombination 1								
CJ	\$31,842,795	CB	\$31,842,795	4.50%	FIX	PAC	31393ENL9	September 2033
IT	2,653,566 (3)							
Recombination 2								
CJ	31,842,795	CD	31,842,795	4.75	FIX	PAC	31393ENM7	September 2033
IT	3,980,349 (3)							
Recombination 3								
CJ	31,842,795	CG	31,842,795	4.25	FIX	PAC	31393ENN5	September 2033
IT	1,326,783 (3)							
Recombination 4								
CJ	31,842,795	CH	31,842,795	5.00	FIX	PAC	31393ENP0	September 2033
IT	5,307,132 (3)							
Recombination 5								
IT	10,614,265 (3) (4)	I	14,505,666 (3)	6.00	FIX /IO	NTL	31393ENQ8	September 2033
IM	3,887,519 (3) (4)							
IP	3,882 (3) (4)							
Recombination 6								
IT	10,614,265 (3) (4)	IQ	10,618,147 (3)	6.00	FIX /IO	NTL	31393ENR6	September 2033
IP	3,882 (3) (4)							

(1) REMIC Certificates and RCR Certificates in any recombination may be exchanged only in the proportions shown above, except as described in footnote (4) below with respect to Recombinations 5 and 6.

(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) In any exchange under Recombination 5 or 6, the relative proportions of the REMIC Certificates to be delivered (or if applicable, received) in that exchange will equal the proportions reflected by the outstanding principal balances of the related REMIC Classes at the time of exchange.

Principal Balance Schedules

Aggregate Group I Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance	\$358,285,000.00	November 2007	\$242,314,254.45	February 2012	\$127,921,787.35
September 2003	357,470,647.69	December 2007	239,760,034.43	March 2012	125,975,241.23
October 2003	356,570,810.97	January 2008	237,219,336.61	April 2012	124,039,079.14
November 2003	355,585,767.22	February 2008	234,692,091.18	May 2012	122,113,247.42
December 2003	354,515,838.10	March 2008	232,178,228.70	June 2012	120,214,145.21
January 2004	353,361,389.40	April 2008	229,677,680.08	July 2012	118,342,900.68
February 2004	352,122,830.95	May 2008	227,190,376.59	August 2012	116,499,118.27
March 2004	350,800,616.34	June 2008	224,716,249.86	September 2012	114,682,407.92
April 2004	349,395,242.77	July 2008	222,255,231.86	October 2012	112,892,385.00
May 2004	347,907,250.74	August 2008	219,807,254.92	November 2012	111,128,670.24
June 2004	346,337,223.75	September 2008	217,372,251.71	December 2012	109,390,889.66
July 2004	344,685,787.94	October 2008	214,950,155.25	January 2013	107,678,674.49
August 2004	342,953,611.75	November 2008	212,540,898.91	February 2013	105,991,661.09
September 2004	341,141,405.47	December 2008	210,144,416.40	March 2013	104,329,490.91
October 2004	339,249,920.79	January 2009	207,760,641.76	April 2013	102,691,810.37
November 2004	337,279,950.30	February 2009	205,389,509.38	May 2013	101,078,270.86
December 2004	335,232,326.98	March 2009	203,030,953.99	June 2013	99,488,528.59
January 2005	333,107,923.61	April 2009	200,684,910.64	July 2013	97,922,244.60
February 2005	330,907,652.21	May 2009	198,351,314.75	August 2013	96,379,084.64
March 2005	328,632,463.37	June 2009	196,030,102.03	September 2013	94,858,719.13
April 2005	326,283,345.57	July 2009	193,721,208.54	October 2013	93,360,823.10
May 2005	323,861,324.53	August 2009	191,424,570.67	November 2013	91,885,076.10
June 2005	321,367,462.44	September 2009	189,140,125.14	December 2013	90,431,162.16
July 2005	318,802,857.19	October 2009	186,867,808.98	January 2014	88,998,769.74
August 2005	316,168,641.59	November 2009	184,607,559.57	February 2014	87,587,591.62
September 2005	313,465,982.52	December 2009	182,359,314.59	March 2014	86,197,324.90
October 2005	310,696,080.09	January 2010	180,123,012.05	April 2014	84,827,670.90
November 2005	307,860,166.75	February 2010	177,898,590.27	May 2014	83,478,335.11
December 2005	304,959,506.37	March 2010	175,685,987.90	June 2014	82,149,027.16
January 2006	302,074,156.15	April 2010	173,485,143.90	July 2014	80,839,460.71
February 2006	299,204,037.09	May 2010	171,295,997.54	August 2014	79,549,353.44
March 2006	296,349,070.59	June 2010	169,118,488.41	September 2014	78,278,426.97
April 2006	293,509,178.46	July 2010	166,952,556.41	October 2014	77,026,406.84
May 2006	290,684,282.91	August 2010	164,798,141.75	November 2014	75,793,022.39
June 2006	287,874,306.57	September 2010	162,655,184.93	December 2014	74,578,006.78
July 2006	285,079,172.43	October 2010	160,523,626.78	January 2015	73,381,096.90
August 2006	282,298,803.90	November 2010	158,403,408.43	February 2015	72,202,033.30
September 2006	279,533,124.78	December 2010	156,294,471.30	March 2015	71,040,560.20
October 2006	276,782,059.27	January 2011	154,196,757.12	April 2015	69,896,425.38
November 2006	274,045,531.95	February 2011	152,110,207.92	May 2015	68,769,380.15
December 2006	271,323,467.78	March 2011	150,034,766.03	June 2015	67,659,179.31
January 2007	268,615,792.13	April 2011	147,970,374.07	July 2015	66,565,581.11
February 2007	265,922,430.73	May 2011	145,916,974.97	August 2015	65,488,347.17
March 2007	263,243,309.72	June 2011	143,874,511.93	September 2015	64,427,242.45
April 2007	260,578,355.58	July 2011	141,842,928.46	October 2015	63,382,035.24
May 2007	257,927,495.20	August 2011	139,822,168.37	November 2015	62,352,497.03
June 2007	255,290,655.85	September 2011	137,812,175.72	December 2015	61,338,402.55
July 2007	252,667,765.14	October 2011	135,812,894.90	January 2016	60,339,529.68
August 2007	250,058,751.09	November 2011	133,824,270.57	February 2016	59,355,659.43
September 2007	247,463,542.07	December 2011	131,846,247.67	March 2016	58,386,575.86
October 2007	244,882,066.82	January 2012	129,878,771.43	April 2016	57,432,066.08

Aggregate Group I (Continued)

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
May 2016	\$ 56,491,920.19	October 2020	\$ 22,655,735.89	March 2025	\$ 8,017,748.97
June 2016	55,565,931.23	November 2020	22,248,192.94	April 2025	7,846,280.97
July 2016	54,653,895.15	December 2020	21,847,058.42	May 2025	7,677,692.75
August 2016	53,755,610.78	January 2021	21,452,237.78	June 2025	7,511,940.41
September 2016	52,870,879.75	February 2021	21,063,637.81	July 2025	7,348,980.69
October 2016	51,999,506.50	March 2021	20,681,166.64	August 2025	7,188,770.94
November 2016	51,141,298.22	April 2021	20,304,733.70	September 2025	7,031,269.15
December 2016	50,296,064.82	May 2021	19,934,249.71	October 2025	6,876,433.90
January 2017	49,463,618.85	June 2021	19,569,626.67	November 2025	6,724,224.39
February 2017	48,643,775.53	July 2021	19,210,777.83	December 2025	6,574,600.41
March 2017	47,836,352.66	August 2021	18,857,617.68	January 2026	6,427,522.32
April 2017	47,041,170.64	September 2021	18,510,061.94	February 2026	6,282,951.07
May 2017	46,258,052.35	October 2021	18,168,027.52	March 2026	6,140,848.17
June 2017	45,486,823.21	November 2021	17,831,432.52	April 2026	6,001,175.72
July 2017	44,727,311.06	December 2021	17,500,196.22	May 2026	5,863,896.32
August 2017	43,979,346.20	January 2022	17,174,239.05	June 2026	5,728,973.17
September 2017	43,242,761.29	February 2022	16,853,482.56	July 2026	5,596,369.97
October 2017	42,517,391.38	March 2022	16,537,849.45	August 2026	5,466,050.96
November 2017	41,803,073.83	April 2022	16,227,263.51	September 2026	5,337,980.90
December 2017	41,099,648.29	May 2022	15,921,649.62	October 2026	5,212,125.08
January 2018	40,406,956.68	June 2022	15,620,933.74	November 2026	5,088,449.27
February 2018	39,724,843.15	July 2022	15,325,042.90	December 2026	4,966,919.77
March 2018	39,053,154.05	August 2022	15,033,905.16	January 2027	4,847,503.35
April 2018	38,391,737.89	September 2022	14,747,449.61	February 2027	4,730,167.27
May 2018	37,740,445.33	October 2022	14,465,606.38	March 2027	4,614,879.29
June 2018	37,099,129.14	November 2022	14,188,306.57	April 2027	4,501,607.61
July 2018	36,467,644.17	December 2022	13,915,482.28	May 2027	4,390,320.92
August 2018	35,845,847.30	January 2023	13,647,066.61	June 2027	4,280,988.35
September 2018	35,233,597.47	February 2023	13,382,993.58	July 2027	4,173,579.51
October 2018	34,630,755.58	March 2023	13,123,198.18	August 2027	4,068,064.43
November 2018	34,037,184.53	April 2023	12,867,616.34	September 2027	3,964,413.60
December 2018	33,452,749.12	May 2023	12,616,184.89	October 2027	3,862,597.91
January 2019	32,877,316.10	June 2023	12,368,841.58	November 2027	3,762,588.72
February 2019	32,310,754.09	July 2023	12,125,525.07	December 2027	3,664,357.79
March 2019	31,752,933.57	August 2023	11,886,174.87	January 2028	3,567,877.30
April 2019	31,203,726.84	September 2023	11,650,731.38	February 2028	3,473,119.82
May 2019	30,663,008.05	October 2023	11,419,135.86	March 2028	3,380,058.35
June 2019	30,130,653.08	November 2023	11,191,330.41	April 2028	3,288,666.28
July 2019	29,606,539.62	December 2023	10,967,257.97	May 2028	3,198,917.39
August 2019	29,090,547.05	January 2024	10,746,862.29	June 2028	3,110,785.85
September 2019	28,582,556.49	February 2024	10,530,087.95	July 2028	3,024,246.20
October 2019	28,082,450.73	March 2024	10,316,880.31	August 2028	2,939,273.36
November 2019	27,590,114.24	April 2024	10,107,185.53	September 2028	2,855,842.64
December 2019	27,105,433.11	May 2024	9,900,950.54	October 2028	2,773,929.69
January 2020	26,628,295.05	June 2024	9,698,123.05	November 2028	2,693,510.53
February 2020	26,158,589.38	July 2024	9,498,651.50	December 2028	2,614,561.53
March 2020	25,696,206.98	August 2024	9,302,485.10	January 2029	2,537,059.42
April 2020	25,241,040.28	September 2024	9,109,573.79	February 2029	2,460,981.26
May 2020	24,792,983.23	October 2024	8,919,868.22	March 2029	2,386,304.47
June 2020	24,351,931.32	November 2024	8,733,319.77	April 2029	2,313,006.77
July 2020	23,917,781.49	December 2024	8,549,880.50	May 2029	2,241,066.26
August 2020	23,490,432.16	January 2025	8,369,503.20	June 2029	2,170,461.32
September 2020	23,069,783.20	February 2025	8,192,141.31	July 2029	2,101,170.68

Aggregate Group I (Continued)

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
August 2029	\$ 2,033,173.36	December 2030	\$ 1,105,159.24	April 2032	\$ 429,647.26
September 2029	1,966,448.72	January 2031	1,056,226.26	May 2032	394,393.49
October 2029	1,900,976.41	February 2031	1,008,258.43	June 2032	359,879.47
November 2029	1,836,736.38	March 2031	961,240.01	July 2032	326,092.87
December 2029	1,773,708.90	April 2031	915,155.49	August 2032	293,021.53
January 2030	1,711,874.50	May 2031	869,989.58	September 2032	260,653.47
February 2030	1,651,214.04	June 2031	825,727.24	October 2032	228,976.91
March 2030	1,591,708.63	July 2031	782,353.65	November 2032	197,980.23
April 2030	1,533,339.67	August 2031	739,854.21	December 2032	167,652.01
May 2030	1,476,088.87	September 2031	698,214.53	January 2033	137,980.98
June 2030	1,419,938.16	October 2031	657,420.46	February 2033	108,956.06
July 2030	1,364,869.79	November 2031	617,458.04	March 2033	80,566.34
August 2030	1,310,866.24	December 2031	578,313.55	April 2033	52,801.05
September 2030	1,257,910.27	January 2032	539,973.45	May 2033	25,649.62
October 2030	1,205,984.89	February 2032	502,424.42	June 2033 and thereafter	0.00
November 2030	1,155,073.38	March 2032	465,653.33		

Aggregate Group II Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance through August 2004	\$555,967,000.00	March 2007	\$380,701,207.88	November 2009	\$216,296,719.90
September 2004	551,267,756.67	April 2007	375,098,589.00	December 2009	211,731,499.13
October 2004	546,456,150.17	May 2007	369,527,426.61	January 2010	207,243,018.77
November 2004	541,534,388.02	June 2007	363,987,556.52	February 2010	202,830,104.58
December 2004	536,504,735.84	July 2007	358,478,815.37	March 2010	198,491,599.42
January 2005	531,369,515.63	August 2007	353,001,040.65	April 2010	194,226,363.03
February 2005	526,131,103.99	September 2007	347,554,070.70	May 2010	190,033,271.77
March 2005	520,791,930.32	October 2007	342,137,744.68	June 2010	185,911,218.40
April 2005	515,354,474.92	November 2007	336,751,902.57	July 2010	181,859,111.83
May 2005	509,821,267.11	December 2007	331,396,385.20	August 2010	177,875,876.91
June 2005	504,194,883.22	January 2008	326,071,034.20	September 2010	173,960,454.19
July 2005	498,477,944.59	February 2008	320,775,692.03	October 2010	170,111,799.72
August 2005	492,673,115.56	March 2008	315,510,201.95	November 2010	166,328,884.79
September 2005	486,783,101.32	April 2008	310,274,408.03	December 2010	162,610,695.75
October 2005	480,810,645.84	May 2008	305,068,155.17	January 2011	158,956,233.78
November 2005	474,758,529.67	June 2008	299,891,289.03	February 2011	155,364,514.69
December 2005	468,629,567.76	July 2008	294,743,656.10	March 2011	151,834,568.68
January 2006	462,534,808.31	August 2008	289,625,103.63	April 2011	148,365,440.19
February 2006	456,474,072.97	September 2008	284,535,479.69	May 2011	144,956,187.66
March 2006	450,447,184.29	October 2008	279,474,633.10	June 2011	141,605,883.32
April 2006	444,453,965.76	November 2008	274,442,413.50	July 2011	138,313,613.03
May 2006	438,494,241.77	December 2008	269,438,671.27	August 2011	135,078,476.08
June 2006	432,567,837.60	January 2009	264,463,257.57	September 2011	131,899,584.96
July 2006	426,674,579.45	February 2009	259,516,024.35	October 2011	128,776,065.21
August 2006	420,814,294.41	March 2009	254,596,824.29	November 2011	125,707,055.25
September 2006	414,986,810.46	April 2009	249,705,510.86	December 2011	122,691,706.12
October 2006	409,191,956.48	May 2009	244,841,938.26	January 2012	119,729,181.40
November 2006	403,429,562.21	June 2009	240,005,961.45	February 2012	116,818,656.96
December 2006	397,699,458.27	July 2009	235,197,436.16	March 2012	113,959,320.81
January 2007	392,001,476.18	August 2009	230,416,218.83	April 2012	111,150,372.91
February 2007	386,335,448.31	September 2009	225,662,166.67	May 2012	108,391,025.05
		October 2009	220,939,872.68	June 2012	105,680,500.61

Aggregate Group II (Continued)

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
July 2012	\$103,018,034.45	August 2014	\$ 50,053,523.29	August 2016	\$ 18,175,538.22
August 2012	100,402,872.72	September 2014	48,405,921.09	September 2016	17,151,696.29
September 2012	97,834,272.70	October 2014	46,789,503.19	October 2016	16,148,842.90
October 2012	95,311,502.65	November 2014	45,203,766.58	November 2016	15,166,628.91
November 2012	92,833,841.66	December 2014	43,648,215.78	December 2016	14,204,710.48
December 2012	90,400,579.46	January 2015	42,122,362.75	January 2017	13,262,749.02
January 2013	88,011,016.31	February 2015	40,625,726.78	February 2017	12,340,411.09
February 2013	85,664,462.84	March 2015	39,157,834.35	March 2017	11,437,368.35
March 2013	83,360,239.87	April 2015	37,718,219.08	April 2017	10,553,297.46
April 2013	81,097,678.31	May 2015	36,306,421.61	May 2017	9,687,880.03
May 2013	78,876,118.97	June 2015	34,921,989.46	June 2017	8,840,802.52
June 2013	76,694,912.46	July 2015	33,564,476.99	July 2017	8,011,756.22
July 2013	74,553,419.04	August 2015	32,233,445.26	August 2017	7,200,437.13
August 2013	72,451,008.44	September 2015	30,928,461.93	September 2017	6,406,545.88
September 2013	70,387,059.79	October 2015	29,649,101.22	October 2017	5,629,787.75
October 2013	68,360,961.43	November 2015	28,394,943.74	November 2017	4,869,872.49
November 2013	66,372,110.82	December 2015	27,165,576.45	December 2017	4,126,514.33
December 2013	64,419,914.38	January 2016	25,960,592.54	January 2018	3,399,431.89
January 2014	62,503,787.37	February 2016	24,779,591.37	February 2018	2,688,348.13
February 2014	60,623,153.76	March 2016	23,622,178.35	March 2018	1,992,990.25
March 2014	58,777,446.13	April 2016	22,487,964.86	April 2018	1,313,089.68
April 2014	56,966,105.51	May 2016	21,376,568.17	May 2018	648,381.97
May 2014	55,188,581.27	June 2016	20,287,611.37	June 2018 and thereafter	0.00
June 2014	53,444,331.01	July 2016	19,220,723.24		
July 2014	51,732,820.45				

Aggregate Group III Targeted Balances

<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>
Initial Balance	\$194,033,000.00	July 2005	\$111,596,109.38	June 2007	\$ 62,490,318.31
September 2003	190,454,365.13	August 2005	109,079,945.54	July 2007	61,089,987.25
October 2003	186,619,090.81	September 2005	106,517,046.08	August 2007	59,747,175.17
November 2003	182,530,029.50	October 2005	103,912,158.15	September 2007	58,461,008.49
December 2003	178,190,307.33	November 2005	101,270,081.04	October 2007	57,230,624.39
January 2004	173,603,320.70	December 2005	98,595,656.85	November 2007	56,055,170.72
February 2004	168,772,732.38	January 2006	95,997,567.18	December 2007	54,933,805.81
March 2004	163,702,467.15	February 2006	93,474,708.86	January 2008	53,865,698.40
April 2004	158,396,706.91	March 2006	91,025,992.04	February 2008	52,850,027.52
May 2004	152,859,885.31	April 2006	88,650,340.10	March 2008	51,885,982.33
June 2004	147,096,681.99	May 2006	86,346,689.51	April 2008	50,972,762.07
July 2004	141,112,016.25	June 2006	84,113,989.61	May 2008	50,109,575.89
August 2004	134,911,040.39	July 2006	81,951,202.54	June 2008	49,295,642.76
September 2004	133,198,375.80	August 2006	79,857,303.06	July 2008	48,530,191.34
October 2004	131,392,738.61	September 2006	77,831,278.41	August 2008	47,812,459.92
November 2004	129,497,727.83	October 2006	75,872,128.17	September 2008	47,141,696.23
December 2004	127,517,086.20	November 2006	73,978,864.14	October 2008	46,517,157.41
January 2005	125,454,693.12	December 2006	72,150,510.15	November 2008	45,938,109.85
February 2005	123,314,557.32	January 2007	70,386,101.98	December 2008	45,403,829.11
March 2005	121,100,809.23	February 2007	68,684,687.18	January 2009	44,913,599.80
April 2005	118,817,692.98	March 2007	67,045,324.99	February 2009	44,466,715.48
May 2005	116,469,558.27	April 2007	65,467,086.15	March 2009	44,062,478.58
June 2005	114,060,851.96	May 2007	63,949,052.78	April 2009	43,700,200.25

Aggregate Group III (Continued)

<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>	<u>Distribution Date</u>	<u>Targeted Balance</u>
May 2009	\$ 43,379,200.31	June 2012	\$ 32,470,279.51	July 2015	\$ 15,266,702.79
June 2009	43,098,807.12	July 2012	32,042,106.75	August 2015	14,797,111.15
July 2009	42,858,357.50	August 2012	31,609,775.78	September 2015	14,328,752.19
August 2009	42,657,196.61	September 2012	31,173,505.68	October 2015	13,861,710.23
September 2009	42,494,677.89	October 2012	30,733,510.54	November 2015	13,396,067.11
October 2009	42,365,427.83	November 2012	30,289,999.51	December 2015	12,931,902.23
November 2009	42,221,291.72	December 2012	29,843,176.92	January 2016	12,469,292.64
December 2009	42,062,715.80	January 2013	29,393,242.40	February 2016	12,008,313.05
January 2010	41,890,137.29	February 2013	28,940,390.89	March 2016	11,549,035.87
February 2010	41,703,984.60	March 2013	28,484,812.79	April 2016	11,091,531.31
March 2010	41,504,677.43	April 2013	28,026,694.00	May 2016	10,635,867.36
April 2010	41,292,626.96	May 2013	27,566,216.05	June 2016	10,182,109.88
May 2010	41,068,235.95	June 2013	27,103,556.14	July 2016	9,730,322.61
June 2010	40,831,898.93	July 2013	26,638,887.23	August 2016	9,280,567.24
July 2010	40,584,002.34	August 2013	26,172,378.12	September 2016	8,832,903.44
August 2010	40,324,924.64	September 2013	25,704,193.53	October 2016	8,387,388.90
September 2010	40,055,036.46	October 2013	25,234,494.18	November 2016	7,944,079.37
October 2010	39,774,700.75	November 2013	24,763,436.85	December 2016	7,503,028.70
November 2010	39,484,272.91	December 2013	24,291,174.47	January 2017	7,064,288.88
December 2010	39,184,100.91	January 2014	23,817,856.17	February 2017	6,627,910.10
January 2011	38,874,525.43	February 2014	23,343,627.39	March 2017	6,193,940.73
February 2011	38,555,879.98	March 2014	22,868,629.88	April 2017	5,762,427.42
March 2011	38,228,491.02	April 2014	22,393,001.87	May 2017	5,333,415.11
April 2011	37,892,678.13	May 2014	21,916,878.03	June 2017	4,906,947.06
May 2011	37,548,754.05	June 2014	21,440,389.61	July 2017	4,483,064.89
June 2011	37,197,024.87	July 2014	20,963,664.48	August 2017	4,061,808.61
July 2011	36,837,790.12	August 2014	20,486,827.19	September 2017	3,643,216.68
August 2011	36,471,342.88	September 2014	20,009,999.04	October 2017	3,227,326.00
September 2011	36,097,969.92	October 2014	19,533,298.15	November 2017	2,814,171.98
October 2011	35,717,951.77	November 2014	19,056,839.49	December 2017	2,403,788.56
November 2011	35,331,562.86	December 2014	18,580,734.98	January 2018	1,996,208.22
December 2011	34,939,071.65	January 2015	18,105,093.53	February 2018	1,591,462.06
January 2012	34,540,740.68	February 2015	17,630,021.09	March 2018	1,189,579.79
February 2012	34,136,826.72	March 2015	17,155,620.71	April 2018	790,589.75
March 2012	33,727,580.84	April 2015	16,681,992.62	May 2018	394,518.99
April 2012	33,313,248.56	May 2015	16,209,234.24	June 2018 and thereafter	0.00
May 2012	32,894,069.90	June 2015	15,737,440.29		

Aggregate Group IV Planned Balances

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
Initial Balance	\$31,854,443.00	July 2004	\$29,863,119.16	June 2005	\$26,475,937.88
September 2003	31,736,288.61	August 2004	29,609,314.51	July 2005	26,108,227.01
October 2003	31,605,279.38	September 2004	29,344,051.27	August 2005	25,731,679.72
November 2003	31,461,485.61	October 2004	29,067,521.46	September 2005	25,346,583.37
December 2003	31,304,989.18	November 2004	28,779,927.20	October 2005	24,965,189.85
January 2004	31,135,883.51	December 2004	28,481,480.44	November 2005	24,587,464.46
February 2004	30,954,273.49	January 2005	28,172,402.68	December 2005	24,213,372.83
March 2004	30,760,275.37	February 2005	27,852,924.77	January 2006	23,842,880.91
April 2004	30,554,016.70	March 2005	27,523,286.56	February 2006	23,475,954.98
May 2004	30,335,636.16	April 2005	27,183,736.65	March 2006	23,112,561.60
June 2004	30,105,283.46	May 2005	26,834,532.05	April 2006	22,752,667.66

Aggregate Group IV (Continued)

<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>	<u>Distribution Date</u>	<u>Planned Balance</u>
May 2006	\$22,396,240.36	August 2010	\$ 8,216,471.56	November 2014	\$ 2,036,667.93
June 2006	22,043,247.20	September 2010	8,021,601.87	December 2014	1,969,773.47
July 2006	21,693,655.98	October 2010	7,830,735.71	January 2015	1,904,282.96
August 2006	21,347,434.79	November 2010	7,643,792.16	February 2015	1,840,167.65
September 2006	21,004,552.04	December 2010	7,460,691.95	March 2015	1,777,399.33
October 2006	20,664,976.41	January 2011	7,281,357.38	April 2015	1,715,950.40
November 2006	20,328,676.87	February 2011	7,105,712.32	May 2015	1,655,793.80
December 2006	19,995,622.70	March 2011	6,933,682.12	June 2015	1,596,903.00
January 2007	19,665,783.44	April 2011	6,765,193.68	July 2015	1,539,252.03
February 2007	19,339,128.93	May 2011	6,600,175.32	August 2015	1,482,815.44
March 2007	19,015,629.29	June 2011	6,438,556.81	September 2015	1,427,568.27
April 2007	18,695,254.90	July 2011	6,280,269.31	October 2015	1,373,486.11
May 2007	18,377,976.42	August 2011	6,125,245.39	November 2015	1,320,545.00
June 2007	18,063,764.81	September 2011	5,973,418.93	December 2015	1,268,721.48
July 2007	17,752,591.25	October 2011	5,824,725.16	January 2016	1,217,992.57
August 2007	17,444,427.24	November 2011	5,679,100.59	February 2016	1,168,335.74
September 2007	17,139,244.50	December 2011	5,536,483.02	March 2016	1,119,728.94
October 2007	16,837,015.05	January 2012	5,396,811.48	April 2016	1,072,150.55
November 2007	16,537,711.13	February 2012	5,260,026.23	May 2016	1,025,579.38
December 2007	16,241,305.27	March 2012	5,126,068.71	June 2016	979,994.69
January 2008	15,947,770.24	April 2012	4,994,881.56	July 2016	935,376.13
February 2008	15,657,079.08	May 2012	4,866,408.55	August 2016	891,703.79
March 2008	15,369,205.05	June 2012	4,740,594.57	September 2016	848,958.16
April 2008	15,084,121.68	July 2012	4,617,385.64	October 2016	807,120.11
May 2008	14,801,802.74	August 2012	4,496,728.85	November 2016	766,170.91
June 2008	14,522,222.24	September 2012	4,378,572.35	December 2016	726,092.20
July 2008	14,245,354.45	October 2012	4,262,865.32	January 2017	686,866.00
August 2008	13,971,173.85	November 2012	4,149,557.97	February 2017	648,474.69
September 2008	13,699,655.18	December 2012	4,038,601.52	March 2017	610,901.02
October 2008	13,430,773.41	January 2013	3,929,948.14	April 2017	574,128.07
November 2008	13,164,503.72	February 2013	3,823,550.99	May 2017	538,139.28
December 2008	12,900,821.55	March 2013	3,719,364.16	June 2017	502,918.42
January 2009	12,639,702.56	April 2013	3,617,342.64	July 2017	468,449.58
February 2009	12,381,122.63	May 2013	3,517,442.36	August 2017	434,717.19
March 2009	12,125,057.86	June 2013	3,419,620.11	September 2017	401,705.99
April 2009	11,871,484.58	July 2013	3,323,833.56	October 2017	369,401.02
May 2009	11,620,379.35	August 2013	3,230,041.23	November 2017	337,787.65
June 2009	11,371,718.93	September 2013	3,138,202.46	December 2017	306,851.51
July 2009	11,125,480.30	October 2013	3,048,277.42	January 2018	276,578.55
August 2009	10,881,640.66	November 2013	2,960,227.08	February 2018	246,955.01
September 2009	10,640,177.42	December 2013	2,874,013.20	March 2018	217,967.38
October 2009	10,401,068.18	January 2014	2,789,598.29	April 2018	189,602.45
November 2009	10,164,290.79	February 2014	2,706,945.63	May 2018	161,847.28
December 2009	9,929,823.27	March 2014	2,626,019.24	June 2018	134,689.18
January 2010	9,699,808.07	April 2014	2,546,783.85	July 2018	108,115.72
February 2010	9,474,505.82	May 2014	2,469,204.92	August 2018	82,114.74
March 2010	9,253,821.47	June 2014	2,393,248.58	September 2018	56,674.31
April 2010	9,037,661.84	July 2014	2,318,881.68	October 2018	31,782.74
May 2010	8,825,935.62	August 2014	2,246,071.69	November 2018	7,428.60
June 2010	8,618,553.35	September 2014	2,174,786.77	December 2018 and thereafter	0.00
July 2010	8,415,427.31	October 2014	2,104,995.71		

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.

\$1,380,726,302



**Guaranteed
REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2003-84**

TABLE OF CONTENTS

	<u>Page</u>
Table of Contents	S- 2
Available Information	S- 3
Reference Sheet	S- 4
Additional Risk Factors	S- 8
Description of the Certificates	S- 9
Certain Additional Federal Income Tax Consequences	S-29
Plan of Distribution	S-31
Legal Matters	S-31
Schedule 1	A- 1
Principal Balance Schedules	B- 1

PROSPECTUS SUPPLEMENT

Merrill Lynch & Co.

July 23, 2003
