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

$720,676,625

FannieMae®

Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2003-116

The Certificates

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

Payments to Certificateholders

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

- interest accrued on the balance of your certificate, and
- principal to the extent available for payment on your class.

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

The Fannie Mae Guaranty

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

The Trust and its Assets

The trust will own

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

The mortgage loans underlying the Fannie Mae MBS and Fannie Mae Stripped 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
SI	1	$128,764,000(1)	NTL	(2)	INV/IO	31393TV52	November 2033
F	1	150,224,666	PAC	(2)	FLT	31393T4R4	November 2033
S	1	10,730,334	PAC	(2)	INV	31393T4S2	November 2033
A	1	360,000	PAC	7.00%	FIX	31393T4T0	November 2033
B	1	18,685,000	SUP	7.00	FIX	31393T4U7	November 2033
FA	1	280,000,000	PT	(2)	FLT	31393T4V5	November 2033
SB(3) ..	1	280,000,000(1)	NTL	(2)	INV/IO	31393T4W3	November 2033
PO(3) ..	1	40,000,000	PT	(4)	PO	31393T4X1	November 2033
HF	2	170,676,625	PT	(2)	FLT	31393T4Y9	November 2033
SH(3) ..	2	170,676,625(1)	NTL	(2)	INV/IO	31393T4Z6	November 2033
HT(3) ..	2	170,676,625(1)	NTL	(2)	INV/IO	31393T5A0	November 2033
KA(3) ..	3	17,125,000	PAC	3.75	FIX	31393T5B8	September 2033
KC(3) ..	3	17,125,000	PAC	4.25	FIX	31393T5C6	September 2033
KL	3	778,000	PAC	4.00	FIX	31393T5D4	November 2033
FK	3	7,985,066	SUP	(2)	FLT	31393T5E2	November 2033
SK	3	6,986,934	SUP	(2)	INV	31393T5F9	November 2033
R.......	(5)	0	NPR	0	NPR	31393T5G7	November 2033
RL	(5)	0	NPR	0	NPR	31393T5H5	November 2033
RA	(6)	0	NPR	0	NPR	31393E7L7	November 2033

(1) Notional balances. These classes are interest only classes.
(2) Based on LIBOR.
(3) Exchangeable classes.
(4) Principal only class.
(5) The R and RL Classes relate to Groups 1 and 2 only.
(6) The RA Class relates to Group 3 only.

If you own certificates of certain classes, you can exchange them for the corresponding RCR certificates to be issued at the time of the exchange. The SA, HS and K Classes are the RCR classes, as further described in this prospectus supplement.

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

Goldman, Sachs & Co.

The date of this Prospectus Supplement is October 10, 2003

TABLE OF CONTENTS

AVAILABLE INFORMATION

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

- our Prospectus for Fannie Mae Guaranteed REMIC Pass-Through Certificates dated May 1, 2002 (the "REMIC Prospectus");
- our Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated April 1, 2003 (the "MBS Prospectus");
- if you are purchasing any Group 2 or Group 3 Class or the R, RL or RA Class, our Prospectus for Fannie Mae Stripped Mortgage-Backed Securities dated May 1, 2002 (the "SMBS 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).

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:

Goldman, Sachs & Co.
Prospectus Department
85 Broad Street, Concourse Level
New York, New York 10004
(telephone 212-902-1171).

In the first quarter of 2003, we began filing periodic reports with the SEC under the Securities Exchange Act of 1934. These filings will include the Form 10-Ks, Form 10-Qs and Form 8-Ks. Our SEC filings are available at the SEC's Web site 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 Web site solely for the information of prospective investors. We do not intend the Web 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 Securities Exchange Act of 1934, 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

Group	Assets
1	MBS
2	SMBS
3	SMBS

Assumed Characteristics of the Mortgage Loans Underlying the Group 1 MBS and the SMBS (as of October 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	332	24	7.507%
Group 2 SMBS*	$170,676,625	360	356	4	5.452%
Group 3 SMBS**	$ 50,000,000	360	348	10	6.510%

* The Group 2 SMBS will represent ownership of (i) interest payments at a pass-through rate of 5.0% on an initial notional principal amount of $273,082,601 and (ii) principal payments on an initial principal amount of $170,676,625 of MBS. See "Description of the Certificates—The SMBS—*The Group 2 SMBS*" in this prospectus supplement.

** The Group 3 SMBS will represent ownership of (i) interest payments at a pass-through rate of 6.0% on an initial notional principal amount of $33,333,334 and (ii) principal payments on an initial principal amount of $50,000,000 of MBS. See "Description of the Certificates—The SMBS—*The Group 3 SMBS*" in this prospectus supplement.

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

Class Factors

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

Settlement Date

We expect to issue the certificates on October 30, 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:

Fed Book-Entry	Physical
All classes of certificates other than the R, RL and RA Classes	R, RL and RA 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:

Class	Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate (1)
SI	5.95000%	7.05000%	0.00%	7.05% − LIBOR
F	1.55000%	7.50000%	0.45%	LIBOR + 45 basis points
S	11.89999%	14.09999%	0.00%	14.09999% − (1.99999981 × LIBOR)
FA	1.50000%	8.00000%	0.40%	LIBOR + 40 basis points
SB	6.50000%	7.60000%	0.00%	7.6% − LIBOR
HF	1.67000%	8.00000%	0.55%	LIBOR + 55 basis points
SH	5.88000%	7.00000%	0.00%	7.0% − LIBOR
HT	0.45000%	0.45000%	0.00%	7.45% − LIBOR
FK	2.57000%	7.50000%	1.45%	LIBOR + 145 basis points
SK	5.63428%	6.91428%	0.00%	6.91428% − (1.14285694 × LIBOR)
SA	11.37500%	13.30000%	0.00%	13.3% − (1.75 × LIBOR)
HS	6.33000%	7.45000%	0.00%	7.45% − 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

The notional classes will not receive any principal. Their notional principal balances are the balances used to calculate accrued interest. The notional principal balances will equal the percentages of the outstanding balances specified below immediately before the related distribution date:

Class	
SI	85.7142860947% of the F Class
SB	100% of the FA Class
SH	100% of the HF Class
HT	100% of the HF Class
HS	100% of the HF Class

Distributions of Principal

Group 1 Principal Distribution Amount

(a) 36% of that amount as follows:

first, to Aggregate Group I to its Planned Balance;

second, to the B Class to zero;

third, to Aggregate Group I to zero, and

(b) 56% of that amount to the FA Class to zero, and

(c) 8% of that amount to the PO Class 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

To the HF Class to zero.

Group 3 Principal Distribution Amount

1. To Aggregate Group II to its Planned Balance.
2. To the FK and SK Classes, pro rata, to zero.
3. To Aggregate Group II to zero.

For a description of Aggregate Group II, see "Description of the Certificates—Distributions of Principal—*Group 3 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)*

	PSA Prepayment Assumption					
Group 1 Classes	0%	100%	430%	520%	550%	1100%
SI, F and S	20.4	8.7	2.6	2.6	2.6	1.1
A	28.9	21.9	16.9	16.9	16.9	6.7
B	29.5	24.7	8.3	2.4	0.9	0.1
FA, SB, PO and SA	21.3	10.4	3.3	2.7	2.5	1.0

Group 2 Classes	PSA Prepayment Assumption				
	0%	100%	213%	350%	500%
HF, SH, HT and HS	20.2	10.9	7.0	4.8	3.6

Group 3 Classes	PSA Prepayment Assumption					
	0%	100%	250%	453%	550%	1100%
KA, KC and K	17.4	6.4	3.3	3.3	3.3	1.8
KL	26.1	14.8	12.8	12.8	12.8	5.4
FK and SK	28.2	20.8	11.6	3.5	1.5	0.6

* 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 (including the principal only class) 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 Group 1 MBS and the SMBS have certain characteristics. However, the actual mortgage loans probably will have different characteristics from those we assumed. As a result, your yields could be lower than you expect, even if the mortgage loans prepay at the indicated constant prepayment rates. In addition, slight differences between the assumed mortgage loan characteristics and the actual mortgage loans could affect the weighted average lives of the classes of certificates.

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

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

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

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

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

Uncertain market for the certificates could make them difficult to sell and cause their values to fluctuate. We cannot be sure that a market for resale of the certificates will develop. Further, if a market develops, it may not continue or be sufficiently liquid to allow you to sell your certificates. Even if you are able to sell your certificates, the sale price may not be comparable to similar investments that have a developed market. Moreover, you may not be able to sell small or large amounts of certificates at prices comparable to those available to other investors. You should purchase certificates only if you understand and can tolerate the risk that the value of your certificates will vary over time and that your certificates may not be easily sold.

DESCRIPTION OF THE CERTIFICATES

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

General

Structure. We will create the Fannie Mae REMIC Trust specified on the cover of this prospectus supplement (the "Trust") pursuant to a trust agreement dated as of October 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 assets of the Trust will consist of

- certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the "Group 1 MBS"), and

- two groups of Fannie Mae Stripped Mortgage-Backed Securities (the "Group 2 SMBS" and "Group 3 SMBS" and, together, the "SMBS").

The SMBS represent beneficial ownership interests in certain interest and principal distributions on certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (together with the Group 1 MBS, 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.

The Trust will include "Lower Tier REMIC I," "Upper Tier REMIC I" and "REMIC II" as "real estate mortgage investment conduits" (each, a "REMIC" under the Internal Revenue Code of 1986, as amended (the "Code")).

The following chart contains information about the assets, the "regular interests" and the "residual interests" of each REMIC.

REMIC Designation	Assets	Regular Interests	Residual Interest
Lower Tier REMIC I	The Group 1 MBS and Group 2 SMBS	Interests in Lower Tier REMIC I other than the RL Class (the "Lower Tier REMIC I Regular Interests")	RL
Upper Tier REMIC I	Lower Tier Regular Interests	Group 1 and 2 Classes	R
REMIC II	Group 3 SMBS	Group 3 Classes	RA

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, "Description of the Certificates—Fannie Mae Guaranty" in the MBS Prospectus, and "The SMBS Certificates—Fannie Mae Obligations" in the SMBS Prospectus.

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

The Holder of the R Class will receive the proceeds of any remaining assets of Upper Tier REMIC I, the Holder of the RL Class will receive the proceeds of any remaining assets of Lower Tier REMIC I, and the Holder of the RA Class will receive the proceeds of any remaining assets of REMIC II, in each case only by presenting and surrendering the related Certificate at the office of the Paying Agent. US Bank will be the initial Paying Agent.

Authorized Denominations. We will issue the Certificates, other than the R, RL and RA Classes, in minimum denominations of $1,000 and whole dollar increments. We will issue the R, RL and RA 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.

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

Voting the SMBS. Holders of the SMBS may be asked to vote on issues arising under the applicable trust indenture. If so, the Trustee will vote the related SMBS as instructed by Holders of Certificates of the related Classes. The Trustee must receive instructions from Holders of Certificates having principal balances totaling at least 51% of the aggregate principal balance of the related Classes. In the absence of such instructions, the Trustee will vote in a manner consistent, in its sole judgment, with the best interests of Certificateholders.

Combination and Recombination

General. You are permitted to exchange all or a portion of the SB, PO, SH, HT, KA and KC 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 Group 1 MBS

The following table contains certain information about the Group 1 MBS. The Group 1 MBS will have the aggregate unpaid principal balance and Pass-Through Rate shown below and the general characteristics described in the MBS Prospectus. The Group 1 MBS provides that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the Group 1 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. See "The Mortgage Pools" and "Yield, Maturity, and Prepayment Considerations" in the MBS Prospectus. We expect the characteristics of the Group 1 MBS and the related Mortgage Loans as of the Issue Date to be as follows:

Aggregate Unpaid Principal Balance	$500,000,000
MBS Pass-Through Rate	7.00%
Range of WACs (annual percentages)	7.25% to 9.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	332 months
Approximate Weighted Average WALA (weighted average loan age)	24 months

The SMBS

General

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

The Group 2 SMBS

The Group 2 SMBS represent ownership of

- interest payments at a pass-through rate of 5.0% on an initial notional principal amount of $273,082,601, and

- principal payments on an initial principal amount of $170,676,625 of MBS.

We expect the characteristics of the Mortgage Loans underlying the Group 2 SMBS as of the Issue Date to be as follows:

Range of WACs (annual percentages)	5.25% to 7.50%
Approximate Weighted Average WAM	356 months
Approximate Weighted Average WALA	4 months

The Group 3 SMBS

The Group 3 SMBS represent ownership of

- interest payments at a pass-through rate of 6.0% on an initial notional principal amount of $33,333,334, and

- principal payments on an initial principal amount of $50,000,000 of MBS.

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

Range of WACs (annual percentages)	6.25% to 8.50%
Approximate Weighted Average WAM	348 months
Approximate Weighted Average WALA	10 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 Group 1 MBS and the SMBS as of the Issue Date. The Final Data Statement also will include the weighted averages of all the current or original WACs and the weighted averages of all the current or Adjusted WAMs, based on the current unpaid principal balances of the Mortgage Loans underlying each of the Group 1 MBS and SMBS as of the Issue Date. You may obtain the Final Data Statement by telephoning us at 1-800-237-8627. In addition, the Final Data Statement is available on 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:

Interest Type*	Classes
Group 1 Classes	
Fixed Rate	A and B
Floating Rate	F and FA
Inverse Floating Rate	SI, S and SB
Interest Only	SI and SB
Principal Only	PO
RCR**	SA
Group 2 Classes	
Floating Rate	HF
Inverse Floating Rate	SH and HT
Interest Only	SH and HT
RCR**	HS
Group 3 Classes	
Fixed Rate	KA, KC and KL
Floating Rate	FK
Inverse Floating Rate	SK
RCR**	K
No Payment Residual	R, RL and RA

* 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 on each Distribution Date, beginning in the month after the Settlement Date specified in the Reference Sheet.

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

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").

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

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

The Dealer will treat the PO Class as a No-Delay Class for the sole purpose of facilitating trading.

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 balances of the Notional Classes to determine interest payments on those Classes. Although the Notional Classes will not have principal balances and will not be entitled to any principal payments, we will publish class factors for those Classes. 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.

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 1.10% in the case of the SI, F, S, FA, SB and SA Classes and 1.12% in the case of all other Floating Rate and Inverse Floating Rate Classes.

Distributions of Principal

Categories of Classes

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

Principal Type*	Classes
Group 1 Classes	
PAC	F, S and A
Support	B
Pass-Through	FA and PO
Notional	SI and SB
RCR**	SA
Group 2 Classes	
Pass-Through	HF
Notional	SH and HT
RCR**	HS

Principal Type*	Classes
Group 3 Classes	
PAC	KA, KC and KL
Support	FK and SK
RCR**	K
No Payment Residual	R, RL and RA

* 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 Principal Distribution Amount"),
- the principal then paid on the Group 2 SMBS (the "Group 2 Principal Distribution Amount"), and
- the principal then paid on the Group 3 SMBS (the "Group 3 Principal Distribution Amount").

Group 1 Principal Distribution Amount

On each Distribution Date, we will pay the Group 1 Principal Distribution Amount as principal of the Group 1 Classes as follows:

(a) 36% of that amount as follows:

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

second, to the B Class, until its principal balance is reduced to zero; **Support Class**

third, to Aggregate Group I, without regard to its Planned Balance and until the Aggregate I Balance is reduced to zero, and **PAC Group**

(b) 56% of that amount to the FA Class, until its principal balance is reduced to zero, and

(c) 8% of that amount to the PO Class, until its principal balance is reduced to zero. **Pass-Through Classes**

"Aggregate Group I" consists of the F, S and A Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group I as follows:

first, concurrently, to the F and S Classes, pro rata (or 93.3333329191% and 6.6666670809%, respectively), until their principal balances are reduced to zero; and

second, to the A Class, until its principal balance is reduced to zero.

The "Aggregate I Balance" is equal to the aggregate of the principal balances of the Classes in Aggregate Group I.

Group 2 Principal Distribution Amount

On each Distribution Date, we will pay the Group 2 Principal Distribution Amount as principal of the HF Class, until its principal balance is reduced to zero. **Pass-Through Class**

Group 3 Principal Distribution Amount

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

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

(ii) concurrently, to the FK and SK Classes, pro rata (or 53.3333288806% and 46.6666711194%, respectively), until their principal balances are reduced to zero; and **Support Classes**

(iii) 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 KA, KC and KL Classes. On each Distribution Date, we will apply payments of principal of Aggregate Group II as follows:

first, concurrently, to the KA and KC Classes, pro rata (or 50% and 50%, respectively), until their principal balances are reduced to zero; and

second, to the KL Class, until its principal balance is reduced to zero.

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

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 Group 1 MBS and the SMBS have the original terms to maturity, remaining terms to maturity, WALAs and interest rates specified under "Reference Sheet—Assumed Characteristics of the Mortgage Loans Underlying the Group 1 MBS and the SMBS" 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 October 30, 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. 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 set forth below.

Principal Balance Schedule References	Related Groups (1)	Structuring Ranges
Planned Balances	Aggregate Group I	(2)
Planned Balances	Aggregate Group II	Between 250% and 550% PSA

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

(2) The Planned Balances for Aggregate Group I have been structured between 430% and 550% PSA, but will have an Initial Effective Range between 431% and 550% PSA.

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 Groups to their scheduled balances if the prepayments do not occur at a *constant* PSA rate. Moreover, because of the diverse remaining terms to maturity of the related Mortgage Loans, which may include recently originated Mortgage Loans, the Groups specified above may not be reduced to their scheduled balances, even if prepayments occur at a *constant* rate within the applicable Structuring Ranges.

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.

Groups	Initial Effective Ranges
Aggregate Group I	Between 431% and 550% PSA
Aggregate Group II	Between 250% and 550% 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 Groups might not be reduced to their scheduled balances even if prepayments were to occur at a *constant* PSA rate within the Initial Effective Ranges. This is so particularly if the rate were at the lower or higher end of 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 Groups to their scheduled balances if such prepayments do not occur at a *constant* PSA rate. It is highly unlikely that the related Mortgage Loans will prepay at any *constant* PSA rate. In general, the actual Effective Ranges may narrow, widen or shift upward or downward to reflect actual prepayment experience over time. The stability in principal payment of the PAC Groups will be supported by the related Support Classes. When the related 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 Inverse Floating Rate Classes. **The yields on the Inverse Floating Rate Classes will be sensitive in varying degrees to the rate of principal payments, including prepayments, of the related Mortgage Loans and to the level of the Index. The Mortgage Loans generally can be prepaid at any time without penalty. In addition, the rate of principal payments (including prepayments) of the Mortgage Loans is likely to vary, and may vary considerably, from pool to pool. As illustrated in the tables below, it is possible that investors in the SI, SB, SH, HT and HS Classes would lose money on their initial investments under certain Index and prepayment scenarios.**

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

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

- the interest rates for the Inverse Floating Rate Classes for the initial Interest Accrual Period are the rates listed in the table under "Reference Sheet—Interest Rates" in this prospectus supplement and for each following Interest Accrual Period will be based on the specified level of the Index, and

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

Class	Price*
SI	8.750000%
S	99.750000%
SB	9.546875%
SH	15.250000%
HT	1.000000%
SK	80.218750%
SA	99.750000%
HS	16.250000%

* 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 SI Class to Prepayments and LIBOR
(Pre-Tax Yields to Maturity)

	PSA Prepayment Assumption					
LIBOR	50%	100%	430%	520%	550%	1100%
0.10%	86.5%	81.8%	47.3%	47.3%	47.3%	(14.4)%
1.10%	72.1%	67.6%	34.2%	34.2%	34.2%	(26.2)%
3.10%	44.6%	40.3%	8.9%	8.9%	8.9%	(49.5)%
5.10%	18.1%	14.0%	(16.3)%	(16.3)%	(16.3)%	(74.8)%
7.05%	*	*	*	*	*	*

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

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

	PSA Prepayment Assumption					
LIBOR	50%	100%	430%	520%	550%	1100%
0.10%	14.3%	14.3%	14.4%	14.4%	14.4%	14.4%
1.10%	12.2%	12.3%	12.3%	12.3%	12.3%	12.5%
3.10%	8.1%	8.1%	8.3%	8.3%	8.3%	8.6%
5.10%	4.0%	4.1%	4.3%	4.3%	4.3%	4.7%
7.05%	0.1%	0.1%	0.4%	0.4%	0.4%	1.0%

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

	PSA Prepayment Assumption					
LIBOR	50%	100%	430%	520%	550%	1100%
0.1%	86.1%	82.0%	53.0%	44.5%	41.6%	(21.4)%
1.1%	72.9%	69.0%	41.1%	32.9%	30.0%	(30.6)%
3.1%	47.6%	43.9%	18.1%	10.5%	7.9%	(48.3)%
5.1%	23.4%	20.0%	(3.8)%	(10.8)%	(13.2)%	(65.0)%
7.1%	(3.0)%	(6.0)%	(27.4)%	(33.7)%	(35.9)%	(84.5)%
7.6%	*	*	*	*	*	*

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

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

LIBOR	PSA Prepayment Assumption 50%	100%	213%	350%	500%
0.12%	44.9%	42.3%	36.5%	29.2%	21.1%
1.12%	37.3%	34.7%	28.7%	21.3%	13.0%
3.12%	22.3%	19.6%	13.4%	5.7%	(3.1)%
5.12%	7.1%	4.3%	(2.1)%	(10.2)%	(19.5)%
7.00%	*	*	*	*	*

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

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

LIBOR	PSA Prepayment Assumption 50%	100%	213%	350%	500%
7.00%	45.0%	42.4%	36.6%	29.3%	21.2%
7.25%	16.2%	13.5%	7.2%	(0.7)%	(9.7)%
7.45%	*	*	*	*	*

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

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

LIBOR	PSA Prepayment Assumption 50%	100%	250%	453%	550%	1100%
0.12%	8.9%	9.0%	9.9%	16.0%	23.7%	50.6%
1.12%	7.5%	7.6%	8.5%	14.6%	22.3%	49.2%
3.12%	4.8%	4.9%	5.8%	11.6%	19.6%	46.4%
5.12%	2.1%	2.3%	3.2%	8.7%	16.9%	43.7%
6.05%	0.9%	1.1%	2.0%	7.3%	15.6%	42.4%

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

LIBOR	PSA Prepayment Assumption 50%	100%	430%	520%	550%	1100%
0.1%	13.5%	13.5%	13.5%	13.6%	13.6%	13.6%
1.1%	11.7%	11.7%	11.8%	11.8%	11.8%	11.9%
3.1%	8.1%	8.1%	8.2%	8.2%	8.2%	8.6%
5.1%	4.5%	4.5%	4.7%	4.7%	4.8%	5.2%
7.1%	1.0%	1.0%	1.2%	1.3%	1.3%	1.9%
7.6%	0.1%	0.1%	0.3%	0.4%	0.4%	1.0%

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

	PSA Prepayment Assumption				
LIBOR	**50%**	**100%**	**213%**	**350%**	**500%**
0.12%	44.9%	42.3%	36.5%	29.2%	21.1%
1.12%	37.7%	35.1%	29.2%	21.8%	13.5%
3.12%	23.7%	21.0%	14.8%	7.1%	(1.6)%
5.12%	9.6%	6.8%	0.4%	(7.7)%	(16.9)%
7.45%	*	*	*	*	*

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

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

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

Class	**Price**
PO	81.765625%

Sensitivity of the PO Class to Prepayments

	PSA Prepayment Assumption					
	50%	**100%**	**430%**	**520%**	**550%**	**1100%**
Pre-Tax Yields to Maturity	1.5%	2.1%	6.9%	8.5%	9.1%	23.1%

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by

(a) multiplying the amount of the reduction, if any, of the principal balance of the Certificate from one Distribution Date to the next Distribution Date by the number of years from the Settlement Date to the second such Distribution Date,

(b) summing the results, and

(c) dividing the sum by the aggregate amount of the reductions in principal balance of the Certificate referred to in clause (a).

For a description of the factors which may influence the weighted average life of a Certificate, see "Description of Certificates—Weighted Average Life and Final Distribution Date" in the REMIC Prospectus.

In general, the weighted average lives of the Certificates will be shortened if the level of prepayments of principal of the related Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including

- the timing of changes in the rate of principal payments,
- the priority sequences of payments of principal of the Group 1 and Group 3 Classes, and
- the payment of principal of certain Group 1 and Group 3 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.

Mortgage Loans Relating to Trust Assets Specified Below	Original Terms to Maturity	Remaining Terms to Maturity	Interest Rates
Group 1 MBS	360 months	360 months	9.50%
Group 2 SMBS	360 months	360 months	7.50%
Group 3 SMBS	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

	SI†, F and S Classes						A Class						B Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
Date	0%	100%	430%	520%	550%	1100%	0%	100%	430%	520%	550%	1100%	0%	100%	430%	520%	550%	1100%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
October 2004	99	92	71	71	71	40	100	100	100	100	100	100	100	100	100	51	34	0
October 2005	99	85	49	49	49	13	100	100	100	100	100	100	100	100	100	28	6	0
October 2006	98	78	33	33	33	4	100	100	100	100	100	100	100	100	100	23	*	0
October 2007	97	71	22	22	22	1	100	100	100	100	100	100	100	100	93	21	*	0
October 2008	96	65	14	14	14	*	100	100	100	100	100	100	100	100	81	17	*	0
October 2009	95	59	9	9	9	0	100	100	100	100	100	76	100	100	68	14	*	0
October 2010	93	54	6	6	6	0	100	100	100	100	100	25	100	100	55	11	*	0
October 2011	92	48	4	4	4	0	100	100	100	100	100	8	100	100	44	8	*	0
October 2012	91	44	2	2	2	0	100	100	100	100	100	3	100	100	34	6	*	0
October 2013	89	39	2	2	2	0	100	100	100	100	100	1	100	100	26	5	*	0
October 2014	87	34	1	1	1	0	100	100	100	100	100	*	100	100	20	3	*	0
October 2015	85	30	1	1	1	0	100	100	100	100	100	*	100	100	15	2	*	0
October 2016	83	26	*	*	*	0	100	100	100	100	100	*	100	100	11	2	*	0
October 2017	81	23	*	*	*	0	100	100	100	100	100	*	100	100	8	1	*	0
October 2018	78	19	0	0	0	0	100	100	88	88	88	*	100	100	6	1	*	0
October 2019	75	16	0	0	0	0	100	100	56	56	56	*	100	100	4	1	*	0
October 2020	72	13	0	0	0	0	100	100	35	35	35	*	100	100	3	*	*	0
October 2021	69	10	0	0	0	0	100	100	22	22	22	*	100	100	2	*	*	0
October 2022	65	7	0	0	0	0	100	100	14	14	14	*	100	100	2	*	*	0
October 2023	61	4	0	0	0	0	100	100	8	8	8	*	100	100	1	*	*	0
October 2024	56	2	0	0	0	0	100	100	5	5	5	*	100	100	1	*	*	0
October 2025	51	0	0	0	0	0	100	3	3	3	3	*	100	98	*	*	*	0
October 2026	46	0	0	0	0	0	100	2	2	2	2	0	100	78	*	*	*	0
October 2027	40	0	0	0	0	0	100	1	1	1	1	0	100	60	*	*	*	0
October 2028	33	0	0	0	0	0	100	*	*	*	*	0	100	43	*	*	*	0
October 2029	26	0	0	0	0	0	100	*	*	*	*	0	100	26	*	*	*	0
October 2030	18	0	0	0	0	0	100	0	0	0	0	0	100	10	*	*	*	0
October 2031	9	0	0	0	0	0	100	0	0	0	0	0	100	0	0	0	0	0
October 2032	0	0	0	0	0	0	0	0	0	0	0	0	92	0	0	0	0	0
October 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	20.4	8.7	2.6	2.6	2.6	1.1	28.9	21.9	16.9	16.9	16.9	6.7	29.5	24.7	8.3	2.4	0.9	0.1

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

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

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

FA, SB†, PO and SA Classes

Date	PSA Prepayment Assumption					
	0%	100%	430%	520%	550%	1100%
Initial Percent	100	100	100	100	100	100
October 2004	99	93	74	69	68	36
October 2005	99	87	55	47	45	12
October 2006	98	80	40	32	30	4
October 2007	97	74	29	22	20	1
October 2008	96	69	21	15	13	*
October 2009	95	64	16	10	8	*
October 2010	94	59	11	7	6	*
October 2011	93	54	8	5	4	*
October 2012	92	49	6	3	2	*
October 2013	90	45	4	2	2	*
October 2014	89	41	3	1	1	*
October 2015	87	38	2	1	1	*
October 2016	85	34	2	1	*	*
October 2017	83	31	1	*	*	*
October 2018	81	28	1	*	*	*
October 2019	78	25	1	*	*	*
October 2020	75	22	*	*	*	0
October 2021	72	19	*	*	*	0
October 2022	69	17	*	*	*	0
October 2023	65	15	*	*	*	0
October 2024	61	12	*	*	*	0
October 2025	56	10	*	*	*	0
October 2026	51	8	*	*	*	0
October 2027	46	6	*	*	*	0
October 2028	40	4	*	*	*	0
October 2029	33	3	*	*	*	0
October 2030	26	1	*	*	*	0
October 2031	18	0	0	0	0	0
October 2032	10	0	0	0	0	0
October 2033	0	0	0	0	0	0
Weighted Average Life (years)**	21.3	10.4	3.3	2.7	2.5	1.0

HF, SH†, HT† and HS† Classes

Date	PSA Prepayment Assumption				
	0%	100%	213%	350%	500%
Initial Percent	100	100	100	100	100
October 2004	99	97	94	91	88
October 2005	98	91	84	76	67
October 2006	97	84	72	59	46
October 2007	96	78	62	46	32
October 2008	95	72	53	35	22
October 2009	93	66	45	27	15
October 2010	92	61	39	21	10
October 2011	90	56	33	16	7
October 2012	89	51	28	13	5
October 2013	87	47	24	10	3
October 2014	85	43	20	7	2
October 2015	83	39	17	6	2
October 2016	80	35	14	4	1
October 2017	78	32	12	3	1
October 2018	75	29	10	3	*
October 2019	73	26	8	2	*
October 2020	70	23	7	1	*
October 2021	66	20	6	1	*
October 2022	63	18	5	1	*
October 2023	59	16	4	1	*
October 2024	55	14	3	*	*
October 2025	50	12	2	*	*
October 2026	46	10	2	*	*
October 2027	40	8	1	*	*
October 2028	35	6	1	*	*
October 2029	29	5	1	*	*
October 2030	22	3	*	*	*
October 2031	16	2	*	*	*
October 2032	8	1	*	*	*
October 2033	0	0	0	0	0
Weighted Average Life (years)**	20.2	10.9	7.0	4.8	3.6

KA, KC and K Classes

Date	PSA Prepayment Assumption					
	0%	100%	250%	453%	550%	1100%
Initial Percent	100	100	100	100	100	100
October 2004	99	93	86	86	86	86
October 2005	98	84	67	67	67	33
October 2006	96	75	48	48	48	9
October 2007	95	66	33	33	33	2
October 2008	93	57	21	21	21	0
October 2009	92	49	13	13	13	0
October 2010	90	42	8	8	8	0
October 2011	88	35	4	4	4	0
October 2012	86	28	2	2	2	0
October 2013	83	22	1	1	1	0
October 2014	81	16	0	0	0	0
October 2015	78	11	0	0	0	0
October 2016	75	5	0	0	0	0
October 2017	72	1	0	0	0	0
October 2018	68	0	0	0	0	0
October 2019	64	0	0	0	0	0
October 2020	60	0	0	0	0	0
October 2021	55	0	0	0	0	0
October 2022	50	0	0	0	0	0
October 2023	45	0	0	0	0	0
October 2024	39	0	0	0	0	0
October 2025	32	0	0	0	0	0
October 2026	25	0	0	0	0	0
October 2027	17	0	0	0	0	0
October 2028	9	0	0	0	0	0
October 2029	0	0	0	0	0	0
October 2030	0	0	0	0	0	0
October 2031	0	0	0	0	0	0
October 2032	0	0	0	0	0	0
October 2033	0	0	0	0	0	0
Weighted Average Life (years)**	17.4	6.4	3.3	3.3	3.3	1.8

KL Class

Date	PSA Prepayment Assumption					
	0%	100%	250%	453%	550%	1100%
Initial Percent	100	100	100	100	100	100
October 2004	100	100	100	100	100	100
October 2005	100	100	100	100	100	100
October 2006	100	100	100	100	100	100
October 2007	100	100	100	100	100	100
October 2008	100	100	100	100	100	58
October 2009	100	100	100	100	100	19
October 2010	100	100	100	100	100	6
October 2011	100	100	100	100	100	2
October 2012	100	100	100	100	100	1
October 2013	100	100	100	100	100	*
October 2014	100	100	81	81	81	*
October 2015	100	100	52	52	52	*
October 2016	100	100	34	34	34	*
October 2017	100	100	22	22	22	*
October 2018	100	14	14	14	14	*
October 2019	100	9	9	9	9	*
October 2020	100	6	6	6	6	*
October 2021	100	4	4	4	4	*
October 2022	100	2	2	2	2	*
October 2023	100	1	1	1	1	*
October 2024	100	1	1	1	1	0
October 2025	100	*	*	*	*	0
October 2026	100	*	*	*	*	0
October 2027	100	*	*	*	*	0
October 2028	100	*	*	*	*	0
October 2029	80	*	*	*	*	0
October 2030	0	0	0	0	0	0
October 2031	0	0	0	0	0	0
October 2032	0	0	0	0	0	0
October 2033	0	0	0	0	0	0
Weighted Average Life (years)**	26.1	14.8	12.8	12.8	12.8	5.4

FK and SK Classes

Date	PSA Prepayment Assumption					
	0%	100%	250%	453%	550%	1100%
Initial Percent	100	100	100	100	100	100
October 2004	100	100	100	78	67	6
October 2005	100	100	100	50	28	0
October 2006	100	100	100	33	7	0
October 2007	100	100	100	26	*	0
October 2008	100	100	98	23	*	0
October 2009	100	100	91	20	*	0
October 2010	100	100	82	16	*	0
October 2011	100	100	72	13	*	0
October 2012	100	100	63	10	*	0
October 2013	100	100	54	8	*	0
October 2014	100	100	46	6	*	0
October 2015	100	100	38	4	*	0
October 2016	100	100	32	3	*	0
October 2017	100	100	26	2	*	0
October 2018	100	95	22	2	*	0
October 2019	100	86	18	1	*	0
October 2020	100	77	14	1	*	0
October 2021	100	68	12	1	*	0
October 2022	100	60	9	*	*	0
October 2023	100	52	7	*	*	0
October 2024	100	45	6	*	*	0
October 2025	100	38	4	*	*	0
October 2026	100	32	3	*	*	0
October 2027	100	26	2	*	*	0
October 2028	100	20	2	*	*	0
October 2029	100	14	1	*	*	0
October 2030	81	9	1	*	*	0
October 2031	56	5	*	*	*	0
October 2032	29	0	0	0	0	0
October 2033	0	0	0	0	0	0
Weighted Average Life (years)**	28.2	20.8	11.6	3.5	1.5	0.6

* 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, RL and RA Classes

The R, RL and RA Classes will not have principal balances and will not bear interest. If any assets of Upper Tier REMIC I remain after the principal balances of the Group 1 and 2 Classes are reduced to zero, we will pay the Holder of the R Class the proceeds from those assets. If any assets of Lower Tier REMIC I 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. If any assets of REMIC II remain after the principal balances of the Group 3 Classes are reduced to zero, we will pay the proceeds of those assets to the Holder of the RA Class. Fannie Mae does not expect that any material assets will remain in any of those cases.

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

Treasury Department regulations (the "Regulations") provide that a transfer of a "noneconomic residual interest" will be disregarded for all federal tax purposes unless no significant purpose of the transfer is to impede the assessment or collection of tax. The R, RL and RA 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 Upper Tier REMIC I, the Holder of the RL Class will be considered to be the holder of the "residual interest" in the REMIC constituted by Lower Tier REMIC I and the Holder of the RA Class will be considered to be the holder of the "residual interest" in the REMIC constituted by REMIC II. 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, RL or RA 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 Lower Tier REMIC I, Upper Tier REMIC I and REMIC II as REMICs for federal income tax purposes. The Group 1 and 2 Classes will be designated as the "regular interests" and the R Class will be designated as the "residual interest" in the Upper Tier REMIC I. The Group 3 Classes will be designated as the "regular interests" and the RA Class will be designated as the "residual interest" in REMIC II. The Lower Tier Regular Interests will be designated as the "regular interests" and the RL Class will be designated as the "residual interest" in Lower Tier REMIC I.

Because Lower Tier REMIC I, Upper Tier REMIC I and REMIC II 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, RL and RA 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 Principal Only Class and the KL and SK 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:

Group	Prepayment Assumption
1	520% PSA
2	213% PSA
3	453% 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 Upper Tier REMIC I, Lower Tier REMIC I and REMIC II that generally will not be treated as excess inclusions, the rate to be used is 6.14% (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. A 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 own 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 Goldman, Sachs & Co. (the "Dealer") in exchange for the Group 1 MBS and the SMBS. 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 Group 1 MBS or SMBS, as applicable, in principal balance, but we expect that all these additional Group 1 MBS or SMBS, as applicable, will have the same characteristics as described under "Description of the Certificates—The Group 1 MBS" and "—The SMBS" in this prospectus supplement. The proportion that the original principal balance of each Group 1, 2 or 3 Class bears to the aggregate original principal balance of all Group 1, 2 or 3 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. Cleary, Gottlieb, Steen & Hamilton also will provide legal representation for the Dealer.

Schedule 1

Available Recombinations (1)

REMIC Certificates		RCR Certificates						
Classes	Original Principal or Notional Principal Balances	RCR Class	Original Principal or Notional Principal Balance	Interest Rate	Interest Type (2)	Principal Type (2)	CUSIP Number	Final Distribution Date
Recombination 1								
PO	$ 40,000,000	SA	$ 40,000,000	(3)	INV	PT	31393T5J1	November 2033
SB	70,000,000 (4)							
Recombination 2								
SH	170,676,625 (4)	HS	170,676,625 (4)	(3)	INV/IO	NTL	31393T5K8	November 2033
HT	170,676,625 (4)							
Recombination 3								
KA	17,125,000	K	34,250,000	4.0%	FIX	PAC	31393T5L6	September 2033
KC	17,125,000							

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

Principal Balance Schedules

Aggregate Group I Planned Balances

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
Initial Balance	$161,315,000.00	January 2008	$ 31,655,720.13	April 2012	$ 5,314,550.86
November 2003	157,560,021.53	February 2008	30,576,249.34	May 2012	5,129,963.23
December 2003	153,723,908.09	March 2008	29,533,291.89	June 2012	4,951,705.47
January 2004	149,813,706.43	April 2008	28,525,620.34	July 2012	4,779,562.56
February 2004	145,836,592.05	May 2008	27,552,048.33	August 2012	4,613,326.72
March 2004	141,799,846.34	June 2008	26,611,429.18	September 2012	4,452,797.19
April 2004	137,710,833.18	July 2008	25,702,654.56	October 2012	4,297,779.98
May 2004	133,724,969.48	August 2008	24,824,653.28	November 2012	4,148,087.64
June 2004	129,839,671.61	September 2008	23,976,389.98	December 2012	4,003,539.07
July 2004	126,052,420.32	October 2008	23,156,863.95	January 2013	3,863,959.26
August 2004	122,360,759.14	November 2008	22,365,108.00	February 2013	3,729,179.12
September 2004	118,762,292.83	December 2008	21,600,187.33	March 2013	3,599,035.27
October 2004	115,254,685.86	January 2009	20,861,198.43	April 2013	3,473,369.84
November 2004	111,835,660.91	February 2009	20,147,268.07	May 2013	3,352,030.30
December 2004	108,502,997.45	March 2009	19,457,552.27	June 2013	3,234,869.29
January 2005	105,254,530.31	April 2009	18,791,235.32	July 2013	3,121,744.40
February 2005	102,088,148.30	May 2009	18,147,528.85	August 2013	3,012,518.06
March 2005	99,001,792.90	June 2009	17,525,670.91	September 2013	2,907,057.35
April 2005	95,993,456.92	July 2009	16,924,925.08	October 2013	2,805,233.83
May 2005	93,061,183.24	August 2009	16,344,579.65	November 2013	2,706,923.41
June 2005	90,203,063.58	September 2009	15,783,946.74	December 2013	2,612,006.22
July 2005	87,417,237.24	October 2009	15,242,361.58	January 2014	2,520,366.42
August 2005	84,701,889.96	November 2009	14,719,181.65	February 2014	2,431,892.09
September 2005	82,055,252.77	December 2009	14,213,786.02	March 2014	2,346,475.14
October 2005	79,475,600.82	January 2010	13,725,574.56	April 2014	2,264,011.08
November 2005	76,961,252.33	February 2010	13,253,967.30	May 2014	2,184,399.02
December 2005	74,510,567.49	March 2010	12,798,403.72	June 2014	2,107,541.44
January 2006	72,121,947.44	April 2010	12,358,342.12	July 2014	2,033,344.15
February 2006	69,793,833.23	May 2010	11,933,258.99	August 2014	1,961,716.15
March 2006	67,524,704.84	June 2010	11,522,648.38	September 2014	1,892,569.53
April 2006	65,313,080.21	July 2010	11,126,021.34	October 2014	1,825,819.34
May 2006	63,157,514.29	August 2010	10,742,905.34	November 2014	1,761,383.54
June 2006	61,056,598.13	September 2010	10,372,843.73	December 2014	1,699,182.86
July 2006	59,008,957.99	October 2010	10,015,395.18	January 2015	1,639,140.71
August 2006	57,013,254.43	November 2010	9,670,133.21	February 2015	1,581,183.12
September 2006	55,077,786.58	December 2010	9,336,645.67	March 2015	1,525,238.61
October 2006	53,207,562.50	January 2011	9,014,534.25	April 2015	1,471,238.16
November 2006	51,400,394.76	February 2011	8,703,414.04	May 2015	1,419,115.06
December 2006	49,654,168.95	March 2011	8,402,913.08	June 2015	1,368,804.88
January 2007	47,966,841.28	April 2011	8,112,671.91	July 2015	1,320,245.39
February 2007	46,336,436.19	May 2011	7,832,343.16	August 2015	1,273,376.47
March 2007	44,761,044.12	June 2011	7,561,591.14	September 2015	1,228,140.03
April 2007	43,238,819.25	July 2011	7,300,091.46	October 2015	1,184,479.98
May 2007	41,767,977.46	August 2011	7,047,530.66	November 2015	1,142,342.11
June 2007	40,346,794.22	September 2011	6,803,605.80	December 2015	1,101,674.09
July 2007	38,973,602.61	October 2011	6,568,024.18	January 2016	1,062,425.35
August 2007	37,646,791.42	November 2011	6,340,502.91	February 2016	1,024,547.03
September 2007	36,364,803.29	December 2011	6,120,768.67	March 2016	987,991.96
October 2007	35,126,132.93	January 2012	5,908,557.30	April 2016	952,714.57
November 2007	33,929,325.33	February 2012	5,703,613.58	May 2016	918,670.83
December 2007	32,772,974.17	March 2012	5,505,690.88	June 2016	885,818.23

Aggregate Group I (Continued)

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
July 2016	$ 854,115.69	December 2020	$ 117,148.70	May 2025	$ 12,843.63
August 2016	823,523.55	January 2021	112,681.92	June 2025	12,259.97
September 2016	794,003.48	February 2021	108,377.89	July 2025	11,699.31
October 2016	765,518.49	March 2021	104,230.83	August 2025	11,160.76
November 2016	738,032.83	April 2021	100,235.16	September 2025	10,643.53
December 2016	711,511.97	May 2021	96,385.51	October 2025	10,146.80
January 2017	685,922.56	June 2021	92,676.70	November 2025	9,669.80
February 2017	661,232.41	July 2021	89,103.69	December 2025	9,211.81
March 2017	637,410.41	August 2021	85,661.68	January 2026	8,772.11
April 2017	614,426.52	September 2021	82,345.98	February 2026	8,350.00
May 2017	592,251.72	October 2021	79,152.09	March 2026	7,944.83
June 2017	570,858.00	November 2021	76,075.67	April 2026	7,555.95
July 2017	550,218.29	December 2021	73,112.52	May 2026	7,182.76
August 2017	530,306.45	January 2022	70,258.60	June 2026	6,824.66
September 2017	511,097.24	February 2022	67,510.01	July 2026	6,481.08
October 2017	492,566.30	March 2022	64,862.96	August 2026	6,151.47
November 2017	474,690.07	April 2022	62,313.83	September 2026	5,835.29
December 2017	457,445.83	May 2022	59,859.11	October 2026	5,532.04
January 2018	440,811.61	June 2022	57,495.41	November 2026	5,241.22
February 2018	424,766.23	July 2022	55,219.46	December 2026	4,962.36
March 2018	409,289.19	August 2022	53,028.12	January 2027	4,695.01
April 2018	394,360.74	September 2022	50,918.33	February 2027	4,438.71
May 2018	379,961.78	October 2022	48,887.16	March 2027	4,193.06
June 2018	366,073.88	November 2022	46,931.79	April 2027	3,957.63
July 2018	352,679.22	December 2022	45,049.48	May 2027	3,732.04
August 2018	339,760.62	January 2023	43,237.59	June 2027	3,515.90
September 2018	327,301.48	February 2023	41,493.58	July 2027	3,308.85
October 2018	315,285.77	March 2023	39,815.01	August 2027	3,110.55
November 2018	303,698.01	April 2023	38,199.49	September 2027	2,920.64
December 2018	292,523.26	May 2023	36,644.76	October 2027	2,738.81
January 2019	281,747.08	June 2023	35,148.59	November 2027	2,564.73
February 2019	271,355.55	July 2023	33,708.89	December 2027	2,398.11
March 2019	261,335.21	August 2023	32,323.58	January 2028	2,238.66
April 2019	251,673.06	September 2023	30,990.70	February 2028	2,086.09
May 2019	242,356.57	October 2023	29,708.33	March 2028	1,940.14
June 2019	233,373.64	November 2023	28,474.65	April 2028	1,800.54
July 2019	224,712.56	December 2023	27,287.87	May 2028	1,667.04
August 2019	216,362.05	January 2024	26,146.28	June 2028	1,539.41
September 2019	208,311.21	February 2024	25,048.24	July 2028	1,417.40
October 2019	200,549.53	March 2024	23,992.15	August 2028	1,300.81
November 2019	193,066.84	April 2024	22,976.47	September 2028	1,189.41
December 2019	185,853.34	May 2024	21,999.73	October 2028	1,082.99
January 2020	178,899.56	June 2024	21,060.50	November 2028	981.36
February 2020	172,196.36	July 2024	20,157.40	December 2028	884.32
March 2020	165,734.93	August 2024	19,289.10	January 2029	791.69
April 2020	159,506.73	September 2024	18,454.32	February 2029	703.30
May 2020	153,503.56	October 2024	17,651.83	March 2029	618.96
June 2020	147,717.46	November 2024	16,880.44	April 2029	538.53
July 2020	142,140.79	December 2024	16,139.00	May 2029	461.83
August 2020	136,766.15	January 2025	15,426.39	June 2029	388.72
September 2020	131,586.39	February 2025	14,741.57	July 2029	319.05
October 2020	126,594.62	March 2025	14,083.49	August 2029	252.68
November 2020	121,784.20	April 2025	13,451.16	September 2029	189.47

Aggregate Group I (Continued)

Distribution Date	Planned Balance	Distribution Date	Planned Balance
October 2029	$ 129.30	December 2029	$ 17.56
November 2029	72.04	January 2030 and thereafter	0.00

Aggregate Group II Planned Balances

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
Initial Balance	$35,028,000.00	July 2007	$13,292,441.89	April 2011	$ 2,786,583.70
November 2003	34,744,391.79	August 2007	12,875,794.23	May 2011	2,690,297.39
December 2003	34,440,234.31	September 2007	12,465,046.42	June 2011	2,597,304.14
January 2004	34,115,807.10	October 2007	12,060,116.70	July 2011	2,507,492.20
February 2004	33,771,416.24	November 2007	11,660,924.44	August 2011	2,420,753.59
March 2004	33,407,393.95	December 2007	11,267,390.11	September 2011	2,336,983.98
April 2004	33,024,098.10	January 2008	10,882,828.14	October 2011	2,256,082.55
May 2004	32,621,911.66	February 2008	10,511,294.54	November 2011	2,177,951.89
June 2004	32,201,242.12	March 2008	10,152,350.49	December 2011	2,102,497.88
July 2004	31,762,520.85	April 2008	9,805,571.88	January 2012	2,029,629.57
August 2004	31,306,202.37	May 2008	9,470,548.82	February 2012	1,959,259.08
September 2004	30,832,763.63	June 2008	9,146,885.17	March 2012	1,891,301.50
October 2004	30,342,703.16	July 2008	8,834,198.07	April 2012	1,825,674.79
November 2004	29,836,540.25	August 2008	8,532,117.51	May 2012	1,762,299.67
December 2004	29,314,814.01	September 2008	8,240,285.88	June 2012	1,701,099.55
January 2005	28,778,082.45	October 2008	7,958,357.59	July 2012	1,642,000.43
February 2005	28,226,921.48	November 2008	7,685,998.62	August 2012	1,584,930.80
March 2005	27,661,923.85	December 2008	7,422,886.19	September 2012	1,529,821.58
April 2005	27,083,698.09	January 2009	7,168,708.33	October 2012	1,476,606.01
May 2005	26,492,867.43	February 2009	6,923,163.55	November 2012	1,425,219.61
June 2005	25,890,068.60	March 2009	6,685,960.49	December 2012	1,375,600.05
July 2005	25,295,743.21	April 2009	6,456,817.57	January 2013	1,327,687.14
August 2005	24,709,774.32	May 2009	6,235,462.66	February 2013	1,281,422.71
September 2005	24,132,046.60	June 2009	6,021,632.78	March 2013	1,236,750.56
October 2005	23,562,446.27	July 2009	5,815,073.78	April 2013	1,193,616.39
November 2005	23,000,861.13	August 2009	5,615,540.05	May 2013	1,151,967.74
December 2005	22,447,180.50	September 2009	5,422,794.23	June 2013	1,111,753.93
January 2006	21,901,295.21	October 2009	5,236,606.95	July 2013	1,072,926.00
February 2006	21,363,097.58	November 2009	5,056,756.54	August 2013	1,035,436.64
March 2006	20,832,481.41	December 2009	4,883,028.78	September 2013	999,240.14
April 2006	20,309,341.95	January 2010	4,715,216.65	October 2013	964,292.35
May 2006	19,793,575.88	February 2010	4,553,120.11	November 2013	930,550.62
June 2006	19,285,081.29	March 2010	4,396,545.83	December 2013	897,973.73
July 2006	18,783,757.66	April 2010	4,245,306.99	January 2014	866,521.86
August 2006	18,289,505.85	May 2010	4,099,223.05	February 2014	836,156.55
September 2006	17,802,228.07	June 2010	3,958,119.56	March 2014	806,840.65
October 2006	17,321,827.87	July 2010	3,821,827.93	April 2014	778,538.25
November 2006	16,848,210.12	August 2010	3,690,185.24	May 2014	751,214.67
December 2006	16,381,280.99	September 2010	3,563,034.06	June 2014	724,836.42
January 2007	15,920,947.94	October 2010	3,440,222.27	July 2014	699,371.12
February 2007	15,467,119.68	November 2010	3,321,602.86	August 2014	674,787.51
March 2007	15,019,706.18	December 2010	3,207,033.77	September 2014	651,055.39
April 2007	14,578,618.64	January 2011	3,096,377.73	October 2014	628,145.58
May 2007	14,143,769.47	February 2011	2,989,502.10	November 2014	606,029.90
June 2007	13,715,072.29	March 2011	2,886,278.71	December 2014	584,681.11

Aggregate Group II (Continued)

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
January 2015	$ 564,072.91	June 2019	$ 81,150.59	November 2023	$ 10,198.93
February 2015	544,179.90	July 2019	78,165.01	December 2023	9,782.23
March 2015	524,977.53	August 2019	75,285.99	January 2024	9,381.15
April 2015	506,442.10	September 2019	72,509.79	February 2024	8,995.13
May 2015	488,550.70	October 2019	69,832.82	March 2024	8,623.62
June 2015	471,281.21	November 2019	67,251.59	April 2024	8,266.09
July 2015	454,612.26	December 2019	64,762.74	May 2024	7,922.04
August 2015	438,523.22	January 2020	62,363.03	June 2024	7,590.97
September 2015	422,994.14	February 2020	60,049.32	July 2024	7,272.41
October 2015	408,005.76	March 2020	57,818.60	August 2024	6,965.91
November 2015	393,539.49	April 2020	55,667.95	September 2024	6,671.03
December 2015	379,577.35	May 2020	53,594.55	October 2024	6,387.34
January 2016	366,101.99	June 2020	51,595.68	November 2024	6,114.43
February 2016	353,096.65	July 2020	49,668.71	December 2024	5,851.91
March 2016	340,545.13	August 2020	47,811.11	January 2025	5,599.40
April 2016	328,431.80	September 2020	46,020.44	February 2025	5,356.53
May 2016	316,741.55	October 2020	44,294.34	March 2025	5,122.95
June 2016	305,459.79	November 2020	42,630.52	April 2025	4,898.31
July 2016	294,572.43	December 2020	41,026.79	May 2025	4,682.29
August 2016	284,065.86	January 2021	39,481.02	June 2025	4,474.57
September 2016	273,926.93	February 2021	37,991.17	July 2025	4,274.84
October 2016	264,142.95	March 2021	36,555.25	August 2025	4,082.81
November 2016	254,701.66	April 2021	35,171.36	September 2025	3,898.20
December 2016	245,591.22	May 2021	33,837.65	October 2025	3,720.73
January 2017	236,800.18	June 2021	32,552.35	November 2025	3,550.14
February 2017	228,317.51	July 2021	31,313.74	December 2025	3,386.17
March 2017	220,132.53	August 2021	30,120.16	January 2026	3,228.58
April 2017	212,234.95	September 2021	28,970.02	February 2026	3,077.13
May 2017	204,614.81	October 2021	27,861.77	March 2026	2,931.59
June 2017	197,262.50	November 2021	26,793.92	April 2026	2,791.74
July 2017	190,168.75	December 2021	25,765.03	May 2026	2,657.37
August 2017	183,324.59	January 2022	24,773.72	June 2026	2,528.28
September 2017	176,721.37	February 2022	23,818.65	July 2026	2,404.26
October 2017	170,350.73	March 2022	22,898.53	August 2026	2,285.13
November 2017	164,204.60	April 2022	22,012.11	September 2026	2,170.71
December 2017	158,275.18	May 2022	21,158.19	October 2026	2,060.82
January 2018	152,554.95	June 2022	20,335.61	November 2026	1,955.29
February 2018	147,036.65	July 2022	19,543.25	December 2026	1,853.95
March 2018	141,713.25	August 2022	18,780.02	January 2027	1,756.65
April 2018	136,577.98	September 2022	18,044.89	February 2027	1,663.23
May 2018	131,624.29	October 2022	17,336.85	March 2027	1,573.55
June 2018	126,845.86	November 2022	16,654.93	April 2027	1,487.47
July 2018	122,236.59	December 2022	15,998.19	May 2027	1,404.85
August 2018	117,790.59	January 2023	15,365.73	June 2027	1,325.56
September 2018	113,502.17	February 2023	14,756.67	July 2027	1,249.48
October 2018	109,365.84	March 2023	14,170.18	August 2027	1,176.48
November 2018	105,376.29	April 2023	13,605.44	September 2027	1,106.44
December 2018	101,528.40	May 2023	13,061.67	October 2027	1,039.26
January 2019	97,817.22	June 2023	12,538.11	November 2027	974.82
February 2019	94,237.98	July 2023	12,034.04	December 2027	913.02
March 2019	90,786.07	August 2023	11,548.75	January 2028	853.75
April 2019	87,457.04	September 2023	11,081.57	February 2028	796.92
May 2019	84,246.60	October 2023	10,631.84	March 2028	742.44

Aggregate Group II (Continued)

Distribution Date	Planned Balance	Distribution Date	Planned Balance	Distribution Date	Planned Balance
April 2028	$ 690.22	December 2028	$ 343.83	August 2029	$ 99.38
May 2028	640.16	January 2029	308.36	September 2029	74.50
June 2028	592.19	February 2029	274.41	October 2029	50.72
July 2028	546.22	March 2029	241.91	November 2029	28.00
August 2028	502.18	April 2029	210.82	December 2029	6.29
September 2028	459.99	May 2029	181.07	January 2030 and thereafter	0.00
October 2028	419.58	June 2029	152.61		
November 2028	380.88	July 2029	125.40		

No one is authorized to give information or to make representations in connection with the Certificates other than the information and representations contained in this Prospectus Supplement and the additional Disclosure Documents. You must not rely on any unauthorized information or representation. This Prospectus Supplement and the additional Disclosure Documents do not constitute an offer or solicitation with regard to the Certificates if it is illegal to make such an offer or solicitation to you under state law. By delivering this Prospectus Supplement and the additional Disclosure Documents at any time, no one implies that the information contained herein or therein is correct after the date hereof or thereof.

The Securities and Exchange Commission has not approved or disapproved the Certificates or determined if this Prospectus Supplement is truthful and complete. Any representation to the contrary is a criminal offense.

TABLE OF CONTENTS

$720,676,625

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Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 2003-116

PROSPECTUS SUPPLEMENT

Goldman, Sachs & Co.

October 10, 2003