

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

\$207,910,044



Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2004-69

The Certificates

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

Payments to Certificateholders

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

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

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

The Fannie Mae Guaranty

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

The Trust and its Assets

The trust will own

- underlying RCR and REMIC certificates backed by Fannie Mae MBS,
- 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.

<i>Class</i>	<i>Group</i>	<i>Original Class Balance</i>	<i>Principal Type</i>	<i>Interest Rate</i>	<i>Interest Type</i>	<i>CUSIP Number</i>	<i>Final Distribution Date</i>
AB	1	\$ 30,310,337	SC/SEQ/NSJ/AD	5.0%	FIX	31394AC95	June 2019
ZB	1	100,000	SC/SEQ/NSJ/AD	5.0	FIX/Z	31394AD29	June 2019
ZL(1) ...	1	1,000,000	SC/SEQ/NSJ/AD	5.0	FIX/Z	31394AD37	June 2019
ZM(1) ...	1	20,868,572	SC/SEQ/NSJ/AD	5.0	FIX/Z	31394AD45	June 2019
ZN(1) ...	1	4,132,949	SC/SEQ/NSJ/AD	5.0	FIX/Z	31394AD52	June 2019
CU	2	15,531,978	SEQ	4.5	FIX	31394AD60	September 2019
IJ(1)	2	9,205,444(2)	NTL	4.5	FIX/IO	31394AD78	October 2016
JD(1) ...	2	17,551,000	SEQ	4.5	FIX	31394AD86	June 2018
JN(1) ...	2	82,849,000	SEQ	4.0	FIX	31394AD94	October 2016
EA	3	12,624,327	SC/PT	6.5	FIX	31394AE28	May 2033
PO	3	9,257,841	SC/PT	(3)	PO	31394AE36	May 2033
IP(1)	4	84,461,014(2)	NTL	(4)	INV/IO	31394AE44	December 2033
OP(1) ...	4	84,461,014(2)	NTL	(4)	FLT/IO	31394AE51	December 2033
KA	5	7,894,638	SC/PT	6.5	FIX	31394AE69	March 2033
KO	5	5,789,402	SC/PT	(3)	PO	31394AE77	March 2033
R		0	NPR	0	NPR	31394AE85	December 2033
RL		0	NPR	0	NPR	31394AE93	December 2033

(1) Exchangeable classes.

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

(3) Principal only classes.

(4) Based on LIBOR.

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 AZ, CT, JL, JC and IC Classes are the RCR classes, as further described in this prospectus supplement.

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be August 30, 2004.

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.

Bear, Stearns & Co. Inc.
 July 29, 2004

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AVAILABLE INFORMATION

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

- our Prospectus for Fannie Mae Guaranteed REMIC Pass-Through Certificates dated May 1, 2002 (the “REMIC Prospectus”);
- our Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated July 1, 2004 (the “MBS Prospectus”);
- if you are purchasing any Group 1, Group 3 or Group 5 Class or the R or RL Class, the disclosure documents relating to the applicable underlying RCR and REMIC certificates (the “Underlying REMIC Disclosure Documents”);
- if you are purchasing any Group 4 Class or the R or RL 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, except the Underlying REMIC Disclosure Documents, by writing or calling the dealer at:

Bear, Stearns & Co. Inc.
Prospectus Department
One MetroTech Center North
Brooklyn, New York 11201
(telephone 347-643-1581).

In the first quarter of 2003, we began filing periodic reports with the SEC under the Securities Exchange Act of 1934. These filings 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

<u>Group</u>	<u>Assets</u>
1	Class 2004-37-PZ RCR Certificate Class 2004-37-YG REMIC Certificate Class 2004-37-YZ REMIC Certificate
2	Group 2 MBS
3	Class 2003-34-G REMIC Certificate
4	Group 4 SMBS
5	Class 2003-33-AB REMIC Certificate

Characteristics of the Underlying RCR and REMIC Certificates

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

Assumed Characteristics of the Mortgage Loans Underlying the Group 2 MBS and the Group 4 SMBS (as of August 1, 2004)

<u>Class Designation</u>	<u>Approximate Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>Approximate Weighted Average Remaining Term to Maturity (in months)</u>	<u>Approximate Weighted Average Loan Age (in months)</u>	<u>Approximate Weighted Average Coupon</u>
Group 2 MBS	\$115,931,978	180	163	15	4.900%
Group 4 SMBS	\$ 43,627,586*	360	341	16	5.649%
	348-4 40,833,428*	360	346	11	5.534%

* Notional principal balances

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

Class Factors

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

Settlement Date

We expect to issue the certificates on August 30, 2004.

Distribution Dates

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

Book-Entry and Physical Certificates

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

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

<u>Fed Book-Entry</u>	<u>Physical</u>
All classes of certificates other than the R and RL Classes	R and RL Classes

Exchanging Certificates Through Combination and Recombination

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

Interest Rates

During each interest accrual period, the fixed rate classes will bear interest at the applicable annual interest rates listed on the cover of this prospectus supplement or on Schedule 1.

During each interest accrual period, the floating rate and inverse floating rate classes will bear interest based on the formulas indicated below, but always subject to the specified maximum and minimum interest rates.

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate (1)</u>
IP	5.00%	5.00%	0.00%	(2)
OP	0.00%	5.00%	0.00%	(3)

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

(2) The applicable formula interest rate for the IP Class each month will be as follows:

<u>If LIBOR is:</u>	<u>Applicable Formula Rate</u>
Less than or equal to 6.50%	5.00%
Greater than 6.50%	0.00%

(3) The applicable formula interest rate for the OP Class each month will be as follows:

<u>If LIBOR is:</u>	<u>Applicable Formula Rate</u>
Less than or equal to 6.50%	0.00%
Greater than 6.50%	5.00%

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

Notional Classes

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

Class

IJ	11.1111111111% of the JN Class
IP	100% of the Group 4 SMBS
OP	100% of the Group 4 SMBS
IC	100% of the Group 4 SMBS

Distributions of Principal

Group 1 Principal Distribution Amount

ZB Accrual Amount

To the AB Class to zero, and thereafter to the ZB Class.

ZL Accrual Amount, ZM Accrual Amount, ZN Accrual Amount and Group 1 Cash Flow Distribution Amount

1. If and only if the principal balance of the Group 1 Underlying REMIC Certificates is *less* than the Second Specified Balance, to the ZL, ZM, ZN, AB and ZB Classes, in that order, to zero.

2. If and only if the principal balance of the Group 1 Underlying REMIC Certificates is *less* than the First Specified Balance *and* if and only if the principal balance of the ZL Class has not been reduced to zero, to the ZN, AB, ZB, ZL and ZM Classes, in that order, to zero.

3. To the AB, ZB, ZL, ZM and ZN Classes, in that order, to zero.

Group 2 Principal Distribution Amount

To the JN, JD and CU Classes, in that order, to zero.

Group 3 Principal Distribution Amount

To the EA and PO Classes, pro rata, to zero.

Group 5 Principal Distribution Amount

To the KA and KO Classes, pro rata, to zero.

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%	171%	172%	200%	251%	252%	300%	400%	500%
AB	7.3	5.4	1.6	2.1	1.6	1.3	2.8	2.2	1.6	1.3
ZB	12.9	9.4	3.3	4.2	3.0	2.2	4.4	3.0	2.1	1.7
ZL	12.9	9.5	3.4	4.3	3.0	2.2	0.1	0.1	0.1	0.1
ZM	13.7	11.6	8.3	10.3	7.8	3.1	0.8	0.7	0.5	0.4
ZN	14.6	14.0	13.3	0.1	0.1	0.1	1.7	1.4	1.1	0.9
AZ	13.9	12.1	9.4	8.9	6.6	2.7	0.9	0.8	0.6	0.5
							CPR Prepayment Assumption			
							2.9%	3.0%	6.0%	
AB							7.7	6.5	8.8	
ZB							11.7	11.3	12.0	
ZL							11.7	0.1	0.1	
ZM							13.2	12.4	6.3	
ZN							0.1	14.2	14.0	
AZ							12.0	12.5	7.9	
PSA Prepayment Assumption										
Group 2 Classes	0%	100%	175%	300%	400%	500%	600%	800%	1000%	
CU	14.4	12.2	11.4	9.6	8.2	7.0				
IJ, JN, JC and JL	6.9	3.9	3.0	2.2	1.8	1.5				
JD	12.9	9.6	8.1	6.0	4.9	4.1				
CT	8.0	4.9	3.9	2.8	2.3	1.9				
PSA Prepayment Assumption										
Group 3 Classes	0%	100%	200%	300%	400%	500%	650%	800%	1000%	
EA and PO	18.9	10.0	6.4	4.5	3.4	2.6	1.9	1.5	1.1	
CPR Prepayment Assumption										
Group 4 Classes	0%	10%	20%	30%	40%					
IP, OP and IC						20.2	7.5	4.1	2.7	1.9
PSA Prepayment Assumption										
Group 5 Classes	0%	100%	200%	300%	400%	500%	650%	800%	1000%	
KA and KO	19.5	9.5	5.8	4.0	3.0	2.4	1.7	1.3	1.0	

* 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.

Payments on the Group 1, Group 3 and Group 5 Classes also will be affected by the payment priorities governing the related underlying RCR and REMIC certificates. If you invest in any Group 1, Group 3 or Group 5 Classes, the rate at which you receive payments also will be affected by the priority sequences governing payments on the related underlying RCR and REMIC certificates.

As described in the related underlying disclosure documents, the Group 1, Group 3 and Group 5 Underlying REMIC Certificates may be later in payment priority than certain other classes issued from the related underlying REMIC trusts. As a result, such other classes may receive principal before principal is paid on the related underlying RCR and REMIC certificates, possibly for long periods.

In particular, as described in the related underlying disclosure document, one of the Group 1 Underlying REMIC Certificates is a Support class. A Support class is entitled to receive principal payments on any distribution date only if scheduled payments of principal have been made on certain other classes in the related underlying REMIC trust. Accordingly, a Support class may receive no principal payments for extended periods or may receive principal payments that vary widely from period to period.

In addition, as described in the related underlying disclosure documents, principal pay-

ments on two of the Group 1 Underlying REMIC Certificates and on the Group 3 and Group 5 Underlying REMIC Certificates are governed by principal balance schedules. As a result, those underlying REMIC certificates may receive principal payments at rates faster or slower than would otherwise have been the case. In some cases, they may receive no principal payments for extended periods. Prepayments on the related mortgage loans may have occurred at rates faster or slower than the rates initially assumed. This prospectus supplement contains no information as to whether

- the applicable underlying REMIC certificates have adhered to their principal balance schedules,
- any related Support classes remain outstanding, or
- the applicable underlying REMIC certificates otherwise have performed as originally anticipated.

You may obtain additional information about the underlying RCR and REMIC certificates by reviewing their current class factors in light of other information available in the related disclosure documents. You may obtain these documents from us as described on page S-3.

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

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

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

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

Weighted average lives of the Non-Sticky Jump Classes are especially sensitive to prepayments under certain scenarios. The weighted average lives of the Non-Sticky Jump Classes are especially sensitive to the rate of principal payments, including prepayments, of the related mortgage loans. This sensitivity to prepayments is not necessarily proportional to the changes in prepayment rates. In some scenarios, small changes in prepayment rates of the related mortgage loans may have a dramatic effect on the weighted average lives of the Non-Sticky Jump Classes. For an illustration of this sensitivity, see the related decrement tables for these classes in this prospectus supplement.

Any change in principal priority of a Non-Sticky Jump Class may remain in effect for an extended period. Once a change in principal priority of a Non-Sticky Jump Class occurs, under many prepayment scenarios the new payment priority will continue in effect for subsequent periods. Moreover, it is possible that under various prepayment scenarios the change in payment priority would remain in effect indefinitely.

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 2 MBS and the Group 4 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 none of the interest-bearing classes receives interest immediately following each interest accrual period, those 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.

Terrorist activities and related military and political actions by the U.S. government could cause reductions in investor confidence and substantial market volatility in real estate and securities markets. It is impossible to predict the extent to which terrorist activities may occur or, if they do occur, the extent of the effect on the certificates. Moreover, it is uncertain what effects any past or future terrorist activities or any related military or political actions on the part

of the United States government and others will have on the United States and world financial markets, local, regional and national economies, real estate markets across the United States, or particular business sectors, including those affecting the performance of mortgage loan borrowers. Among other things, reduced investor confidence could result in substantial volatility

in securities markets and a decline in real estate-related investments. In addition, defaults on the mortgage loans could increase, causing early payments of principal to you and, regardless of the performance of the underlying mortgage loans, the liquidity and market value of the certificates may be impaired.

DESCRIPTION OF THE CERTIFICATES

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

General

Structure. We will create the Fannie Mae REMIC Trust specified on the cover of this prospectus supplement (the “Trust”) and a separate trust (the “Lower Tier REMIC”) pursuant to a trust agreement dated as of August 1, 2004 (the “Issue Date”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “REMIC Certificates”) pursuant to that trust agreement. We will issue the Combinable and Recombinable REMIC Certificates (the “RCR Certificates” and, together with the REMIC Certificates, the “Certificates”) pursuant to a separate trust agreement dated as of the Issue Date (together with the trust agreement relating to the REMIC Certificates, the “Trust Agreement”). We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”). In general, the term “Classes” includes the Classes of REMIC Certificates and RCR Certificates.

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

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

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

The assets of the Lower Tier REMIC will consist of

- three groups of previously issued RCR and REMIC certificates (the “Group 1 Underlying REMIC Certificates,” “Group 3 Underlying REMIC Certificate” and “Group 5 Underlying REMIC Certificate,” and together, the “Underlying REMIC Certificates”) evidencing beneficial ownership interests in the related Fannie Mae REMIC trusts (the “Underlying REMIC Trusts”) as further described in Exhibit A,
- certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 2 MBS”), and
- certain Fannie Mae Stripped Mortgage-Backed Securities (the “Group 4 SMBS”).

The assets of the Underlying REMIC Trusts evidence direct or indirect beneficial ownership interests in certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates.

The Group 4 SMBS represent beneficial ownership interests in certain interest distributions on mortgage loans underlying certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (together with the Group 2 MBS and the Fannie Mae Guaranteed Mortgage Pass-Through Certificates backing the Underlying REMIC Certificates, the “MBS”).

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

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

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

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

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

Our guaranty obligations with respect to the Underlying REMIC Certificates are described in the Underlying REMIC Disclosure Documents. Our guarantees are not backed by the full faith and credit of the United States. See “Description of Certificates—The Fannie Mae Guaranty” in the REMIC Prospectus, “Description of the Certificates—Fannie Mae Guaranty” in the MBS Prospectus, “Description of the Certificates—General—*Fannie Mae Guaranty*” in the Underlying REMIC Disclosure Documents and “The SMBS Certificates—Fannie Mae Obligations” in the SMBS Prospectus.

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

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

The Holder of the R Class will receive the proceeds of any remaining assets of the Trust, and the Holder of the RL Class will receive the proceeds of any remaining assets of the Lower Tier REMIC, 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 in the following denominations:

<u>Classes</u>	<u>Denomination</u>
The Interest Only, Principal Only, Inverse Floating Rate and Non- Sticky Jump Classes	\$100,000 minimum plus whole dollar increments
All other Classes (except the R and RL Classes)	\$1,000 minimum plus whole dollar increments

We will issue the R and RL Classes as single Certificates with no principal balances.

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

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

Class Factors. On or shortly after the eleventh calendar day of each month, we will publish a factor (carried to eight decimal places) for each Class of Certificates. When the applicable class factor is multiplied by the original principal balance (or notional principal balance) of a Certificate of any Class, the product will equal the current principal balance (or notional principal balance) of that Certificate after taking into account payments on the Distribution Date in the same month (as well as any addition to principal in the case of the Accrual Classes).

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

Voting the Underlying REMIC Certificates and the Group 4 SMBS. Holders of the Underlying REMIC Certificates and the Group 4 SMBS may be asked to vote on issues arising under the related trust agreements. If so, the Trustee will vote the related Underlying REMIC Certificates or the Group 4 SMBS, as applicable, 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 ZL, ZM, ZN, IJ, JD, JN, IP and OP 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 Underlying REMIC Certificates

The Underlying REMIC Certificates represent beneficial ownership interests in the related Underlying REMIC Trusts. The assets of those trusts evidence direct or indirect beneficial ownership interests in certain MBS having the general characteristics set forth in the MBS Prospectus. Distributions on the Underlying REMIC Certificates will be passed through monthly, beginning in the month after we issue the Certificates. The general characteristics of the Underlying REMIC Certificates are described in the related Underlying REMIC Disclosure Documents. See Exhibit A for additional information about the Underlying REMIC Certificates.

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

For further information about the Underlying REMIC Certificates, telephone us at 1-800-237-8627. There may have been material changes in facts and circumstances since the dates we prepared the Underlying REMIC Disclosure Documents. These may include changes in prepayment speeds, prevailing interest rates and other economic factors. As a result, the usefulness of the information set forth in those documents may be limited.

The Group 2 MBS

The following table contains certain information about the Group 2 MBS. The Group 2 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 2 MBS provide that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the Group 2 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 15 years. See “The Mortgage Pools” and “Yield, Maturity, and Prepayment Considerations” in the MBS Prospectus.

We expect the characteristics of the Group 2 MBS and the related Mortgage Loans as of the Issue Date to be as follows:

Aggregate Unpaid Principal Balance	\$115,931,978
MBS Pass-Through Rate	4.50%
Range of WACs (annual percentages)	4.75% to 7.00%
Range of WAMs	121 months to 180 months
Approximate Weighted Average WAM.....	163 months
Approximate Weighted Average WALA (weighted average loan age)	15 months

The Group 4 SMBS

The general characteristics of the Group 4 SMBS are described in the SMBS Prospectus. The Group 4 SMBS provide that certain interest payments on the Mortgage Loans underlying 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.

The Group 4 SMBS represent ownership of interest payments at a pass-through rate of 5.0% on an initial notional principal amount of \$84,461,014 of MBS. We expect that the related Mortgage Loans as of the Issue Date will have the characteristics specified under “Reference Sheet— Assumed Characteristics of the Mortgage Loans Underlying the Group 2 MBS and the Group 4 SMBS.”

Final Data Statement

After issuing the Certificates, we will prepare a Final Data Statement containing certain information, including the principal balances (or notional principal balances) of the Underlying REMIC Certificates as of the Issue Date and, with respect to the Group 2 MBS and the Group 4 SMBS, the Pool number, the current WAC (or original WAC, if the current WAC is not available) and the current WAM (or Adjusted WAM, if the current WAM is not available) of the Mortgage Loans underlying each of the Group 2 MBS and the Group 4 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 2 MBS and the Group 4 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:

<u>Interest Type*</u>	<u>Classes</u>
Group 1 Classes	
Fixed Rate	AB, ZB, ZL, ZM and ZN
Accrual	ZB, ZL, ZM and ZN
RCR**	AZ
Group 2 Classes	
Fixed Rate	CU, IJ, JD and JN
Interest Only	IJ
RCR**	CT, JC and JL
Group 3 Classes	
Fixed Rate	EA
Principal Only	PO
Group 4 Classes	
Floating Rate	OP
Inverse Floating Rate	IP
Interest Only	IP and OP
RCR**	IC
Group 5 Classes	
Fixed Rate	KA
Principal Only	KO
No Payment Residual	R and RL

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

** See “—Combination and Recombination” above and Schedule 1 for a further description of the RCR Classes.

General. We will pay interest on the Certificates at the applicable annual interest rates specified on the cover or on Schedule 1 or described in this prospectus supplement. We calculate interest based on an assumed 360-day year consisting of twelve 30-day months. We pay interest monthly (except in the case of the Accrual Classes) on each Distribution Date, beginning in the month after the Settlement Date specified in the Reference Sheet.

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

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

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

<u>Classes</u>	<u>Interest Accrual Period</u>
All Fixed Rate, Floating Rate and Inverse Floating Rate Classes (collectively, the “Delay Classes”)	Calendar 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 and KO Classes as Delay Classes for the sole purpose of facilitating trading.

Accrual Classes. The ZB, ZL, ZM, ZN and AZ Classes are Accrual Classes. Interest will accrue on the Accrual Classes at the applicable annual rates specified on the cover of this prospectus supplement or on Schedule 1. However, we will not pay any interest on the Accrual Classes. Instead, interest accrued on the Accrual Classes will be added as principal to their respective principal balances on each Distribution Date. We will pay principal on the Accrual Classes as described under “—Distributions of Principal” below.

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

We use the notional principal balance of a Notional Class to determine interest payments on that Class. Although a Notional Class will not have a principal balance and will not be entitled to any principal payments, we will publish a class factor for that Class. References in this prospectus supplement to the principal balances of the Certificates generally shall refer also to the notional principal balances of the Notional Classes.

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

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

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

Calculation of LIBOR

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

If we are unable to calculate LIBOR on the initial Index Determination Date, LIBOR for the following Interest Accrual Period will be equal to 1.50%.

Distributions of Principal

Categories of Classes

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

<u>Principal Type*</u>	<u>Classes</u>
Group 1 Classes	
Structured Collateral/Sequential Pay	AB, ZB, ZL, ZM and ZN
Non-Sticky Jump	AB, ZB, ZL, ZM and ZN
Accretion Directed	AB, ZB, ZL, ZM and ZN
RCR**	AZ
Group 2 Classes	
Sequential Pay	CU, JD and JN
Notional	IJ
RCR**	CT, JC and JL
Group 3 Classes	
Structured Collateral/Pass-Through	EA and PO
Group 4 Classes	
Notional	IP and OP
RCR**	IC
Group 5 Classes	
Structured Collateral/Pass-Through	KA and KO
No Payment Residual	R and RL

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

** See “—Combination and Recombination” above and Schedule 1 for a further description of the RCR Classes.

Principal Distribution Amount

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

- the principal then paid on the Group 1 Underlying REMIC Certificates (the “Group 1 Cash Flow Distribution Amount”), plus any interest then accrued and added to the principal balances of the ZB, ZL, ZM and ZN Classes (the “ZB Accrual Amount,” “ZL Accrual Amount,” “ZM Accrual Amount” and “ZN Accrual Amount,” respectively, and together with the Group 1 Cash Flow Distribution Amount, the “Group 1 Principal Distribution Amount”),
- the principal then paid on the Group 2 MBS (the “Group 2 Principal Distribution Amount”),
- the principal then paid on the Group 3 Underlying REMIC Certificate (the “Group 3 Principal Distribution Amount”), and
- the principal then paid on the Group 5 Underlying REMIC Certificate (the “Group 5 Principal Distribution Amount”).

Group 1 Principal Distribution Amount

ZB Accrual Amount

On each Distribution Date, we will pay the ZB Accrual Amount as principal of the AB Class, until its principal balance is reduced to zero. Thereafter, we will pay the ZB Accrual Amount as principal of the ZB Class.

} Accretion
Directed
Class and
Accrual
Class

ZL Accrual Amount, ZM Accrual Amount, ZN Accrual Amount and Group 1 Cash Flow Distribution Amount

On each Distribution Date, we will pay the ZL Accrual Amount, ZM Accrual Amount, ZN Accrual Amount and Group 1 Cash Flow Distribution Amount as principal of the Group 1 Classes in the following priority:

- | | | |
|---|--|---|
| <p>(i) if and only if the aggregate principal balance of the Group 1 Underlying REMIC Certificates (after giving effect to distributions made on that date) is <i>less</i> than the Second Specified Balance for that date, sequentially, to the ZL, ZM, ZN, AB and ZB Classes, in that order, until their principal balances are reduced to zero;</p> <p>(ii) if and only if the aggregate principal balance of the Group 1 Underlying REMIC Certificates (after giving effect to distributions made on that date) is <i>less</i> than the First Specified Balance for that date <i>and</i> if and only if the principal balance of the ZL Class has not been reduced to zero on a prior Distribution Date, sequentially, to the ZN, AB, ZB, ZL and ZM Classes, in that order, until their principal balances are reduced to zero; and</p> <p>(iii) sequentially, to the AB, ZB, ZL, ZM and ZN Classes, in that order, until their principal balances are reduced to zero.</p> | <p>} Non-Sticky
Jump
Classes</p> | <p>} Sequential
Pay
Classes</p> |
|---|--|---|

Group 2 Principal Distribution Amount

<p>On each Distribution Date, we will pay the Group 2 Principal Distribution Amount, sequentially, as principal of the JN, JD and CU Classes, in that order, until their principal balances are reduced to zero.</p>	<p>} Sequential Pay Classes</p>
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Group 3 Principal Distribution Amount

<p>On each Distribution Date, we will pay the Group 3 Principal Distribution Amount, concurrently, as principal of the EA and PO Classes, pro rata (or 57.6923045285% and 42.3076954715%, respectively), until their principal balances are reduced to zero.</p>	<p>} Structured Collateral/ Pass- Through Classes</p>
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Group 5 Principal Distribution Amount

<p>On each Distribution Date, we will pay the Group 5 Principal Distribution Amount, concurrently, as principal of the KA and KO Classes, pro rata (or 57.6923043195% and 42.3076956805%, respectively), until their principal balances are reduced to zero.</p>	<p>} Structured Collateral/ Pass- Through Classes</p>
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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 actual characteristics of each pool of Mortgage Loans backing the Underlying REMIC Certificates, the priority sequences affecting principal payments on the Underlying REMIC Certificates, and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Group 2 MBS and the Group 4 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 2 MBS and the Group 4 SMBS” in this prospectus supplement;

- the Mortgage Loans prepay at the constant percentages of PSA or CPR, as applicable, specified in the related table;
- the settlement date for the sale of the Certificates is August 30, 2004; 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 with respect to the Group 1, Group 2, Group 3 and Group 5 Classes is The Bond Market Association’s standard prepayment model (“PSA”). To assume a specified rate of PSA is to assume a specified rate of prepayment each month of the then-outstanding principal balance of a pool of new mortgage loans computed as described under “Description of Certificates—Prepayment Models” in the REMIC Prospectus.

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

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

Structuring Rates. 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 the applicable PSA rates set forth below.

<u>Principal Balance Schedule References</u>	<u>Related Assets</u>	<u>Structuring Rates</u>
First Specified Balances	Group 1 Underlying REMIC Certificates	171% PSA
Second Specified Balances	Group 1 Underlying REMIC Certificates	251% PSA

We cannot assure you that the aggregate principal balance of the Group 1 Underlying REMIC Certificates will conform on any Distribution Date to any specified balance in the Principal Balance Schedules.

Yield Tables

General. The tables below illustrate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the applicable Classes to various constant percentages of PSA or CPR, as applicable 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 of the Mortgage Loans prepay at the indicated constant percentages of PSA or CPR, as applicable. Moreover, it is unlikely that

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

The Fixed Rate Interest Only Classes. The yields to investors in the Fixed Rate Interest Only Classes will be very sensitive to the rate of principal payments (including prepayments) of the related Mortgage Loans. The Mortgage Loans generally can be prepaid at any time without penalty. On the basis of the assumptions described below, the yield to maturity on the Fixed Rate Interest Only Classes would be 0% if prepayments of the related Mortgage Loans were to occur at the constant rates shown in the tables below:

<u>Class</u>	<u>% PSA or CPR</u>
IJ	223% PSA
IC	14.3% CPR

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

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

<u>Class</u>	<u>Price*</u>
IJ	11.53125%
IC	27.75000%

* 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 IJ Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>175%</u>	<u>300%</u>	<u>400%</u>	<u>500%</u>
Pre-Tax Yields to Maturity	22.7%	16.7%	6.8%	(11.7)%	(27.4)%	(43.2)%

Sensitivity of the IC Class to Prepayments

	<u>CPR Prepayment Assumption</u>				
	<u>5%</u>	<u>10%</u>	<u>20%</u>	<u>30%</u>	<u>40%</u>
Pre-Tax Yields to Maturity	10.5%	4.9%	(6.6)%	(19.0)%	(32.2)%

The IP and OP Classes. The yields on the IP and OP Classes will be sensitive to the rate of principal payments, including prepayments, of the related Mortgage Loans and to the level of the Index. The Mortgage Loans generally can be prepaid at any time without penalty. 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 IP and OP 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 IP and OP Classes for the initial Interest Accrual Period are the applicable 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 the IP and OP Classes (expressed in each case as a percentage of original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
IP	21.50%
OP	6.25%

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

<u>LIBOR</u>	<u>CPR Prepayment Assumption</u>				
	<u>5%</u>	<u>10%</u>	<u>20%</u>	<u>30%</u>	<u>40%</u>
6.50000% and below	16.2%	10.5%	(1.3)%	(14.0)%	(27.5)%
Above 6.50000%	*	*	*	*	*

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

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

<u>LIBOR</u>	<u>CPR Prepayment Assumption</u>				
	<u>5%</u>	<u>10%</u>	<u>20%</u>	<u>30%</u>	<u>40%</u>
6.50000% and below	*	*	*	*	*
Above 6.50000%	80.0%	72.9%	58.0%	42.1%	25.0%

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

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

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

<u>Class</u>	<u>Price</u>
PO	86.62500%
KO	88.46875%

Sensitivity of the PO Class to Prepayments

		PSA Prepayment Assumption								
		<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>300%</u>	<u>400%</u>	<u>500%</u>	<u>650%</u>	<u>800%</u>	<u>1000%</u>
Pre-Tax Yields to Maturity	1.1%	1.5%	2.4%	3.4%	4.6%	5.9%	8.1%	10.6%	14.8%

Sensitivity of the KO Class to Prepayments

		PSA Prepayment Assumption								
		<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>300%</u>	<u>400%</u>	<u>500%</u>	<u>650%</u>	<u>800%</u>	<u>1000%</u>
Pre-Tax Yields to Maturity	1.0%	1.3%	2.2%	3.2%	4.3%	5.5%	7.6%	9.9%	13.8%

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by

- 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,
- summing the results, and
- 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 2 Classes,
- in the case of the Group 1, Group 3 and Group 5 Classes, the priority sequences affecting principal payments on the related Underlying REMIC Certificates.

See “—Distributions of Principal” above and “Description of the Certificates—Distributions of Principal” in the Underlying REMIC Disclosure Documents.

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

Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each date shown at various constant PSA or CPR rates, as applicable, and the corresponding weighted average lives of those Classes. The tables have been prepared on the basis of the Pricing Assumptions. However, in the case of the information set forth for each Class

under 0% PSA, we assumed that the underlying Mortgage Loans have the original and remaining terms to maturity and bear interest at the annual rates specified in the table below.

<u>Mortgage Loans Relating to Trust Assets Specified Below</u>	<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 1 Underlying REMIC Certificates	180 months	177 months	7.50%
Group 2 MBS	180 months	180 months	7.00%
Group 3 Underlying REMIC Certificate	360 months	(1)	9.00%
Group 4 SMBS	360 months	360 months	7.50%
Group 5 Underlying REMIC Certificate	360 months	344 months	9.00%

(1) The Group 3 Underlying REMIC Certificate is backed by Fannie Mae SMBS, Class 319-PO1, Class 319-IO2, Class 321-PO1, Class 321-IO2, Class 324-PO1 and Class 324-IO2, and the related Mortgage Loans are assumed to have remaining terms to maturity of 329 months, 329 months, 331 months, 331 months, 334 months and 334 months, respectively.

It is unlikely

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

In addition, the diverse remaining terms to maturity of the Mortgage Loans could produce slower or faster principal distributions than indicated in the tables at the specified constant PSA or CPR 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

<u>Date</u>	<u>AB Class</u> <u>PSA Prepayment</u> <u>Assumption</u>										<u>AB Class</u> <u>CPR Prepayment</u> <u>Assumption</u>		
	<u>0%</u>	<u>100%</u>	<u>171%</u>	<u>172%</u>	<u>200%</u>	<u>251%</u>	<u>252%</u>	<u>300%</u>	<u>400%</u>	<u>500%</u>	<u>2.9%</u>	<u>3.0%</u>	<u>6.0%</u>
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	87	81	66	81	75	64	100	100	100	89	89	81	100
August 2006	82	76	36	50	35	7	86	60	8	0	85	76	90
August 2007	77	71	7	22	0	0	37	0	0	0	81	72	88
August 2008	72	66	0	2	0	0	7	0	0	0	77	67	86
August 2009	67	60	0	0	0	0	0	0	0	0	72	62	83
August 2010	61	55	0	0	0	0	0	0	0	0	68	57	81
August 2011	55	49	0	0	0	0	0	0	0	0	63	51	78
August 2012	49	32	0	0	0	0	0	0	0	0	57	46	76
August 2013	42	9	0	0	0	0	0	0	0	0	52	40	72
August 2014	36	0	0	0	0	0	0	0	0	0	46	33	51
August 2015	28	0	0	0	0	0	0	0	0	0	28	12	26
August 2016	21	0	0	0	0	0	0	0	0	0	0	0	0
August 2017	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2018	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	7.3	5.4	1.6	2.1	1.6	1.3	2.8	2.2	1.6	1.3	7.7	6.5	8.8

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

Date	ZB Class										ZB Class		
	PSA Prepayment Assumption										CPR Prepayment Assumption		
	0%	100%	171%	172%	200%	251%	252%	300%	400%	500%	2.9%	3.0%	6.0%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	105	105	105	105	105	105	105	105	105	105	105	105	105
August 2006	110	110	110	110	110	110	110	110	110	110	110	110	110
August 2007	116	116	116	116	0	0	116	0	0	0	116	116	116
August 2008	122	122	0	122	0	0	122	0	0	0	122	122	122
August 2009	128	128	0	0	0	0	0	0	0	0	128	128	128
August 2010	135	135	0	0	0	0	0	0	0	0	135	135	135
August 2011	142	142	0	0	0	0	0	0	0	0	142	142	142
August 2012	149	149	0	0	0	0	0	0	0	0	149	149	149
August 2013	157	157	0	0	0	0	0	0	0	0	157	157	157
August 2014	165	0	0	0	0	0	0	0	0	0	165	165	165
August 2015	173	0	0	0	0	0	0	0	0	0	173	173	173
August 2016	182	0	0	0	0	0	0	0	0	0	0	0	0
August 2017	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2018	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	12.9	9.4	3.3	4.2	3.0	2.2	4.4	3.0	2.1	1.7	11.7	11.3	12.0

Date	ZL Class										ZL Class		
	PSA Prepayment Assumption										CPR Prepayment Assumption		
	0%	100%	171%	172%	200%	251%	252%	300%	400%	500%	2.9%	3.0%	6.0%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	105	105	105	105	105	105	0	0	0	0	105	0	0
August 2006	110	110	110	110	110	110	0	0	0	0	110	0	0
August 2007	116	116	116	116	52	0	0	0	0	0	116	0	0
August 2008	122	122	0	122	0	0	0	0	0	0	122	0	0
August 2009	128	128	0	0	0	0	0	0	0	0	128	0	0
August 2010	135	135	0	0	0	0	0	0	0	0	135	0	0
August 2011	142	142	0	0	0	0	0	0	0	0	142	0	0
August 2012	149	149	0	0	0	0	0	0	0	0	149	0	0
August 2013	157	157	0	0	0	0	0	0	0	0	157	0	0
August 2014	165	0	0	0	0	0	0	0	0	0	165	0	0
August 2015	173	0	0	0	0	0	0	0	0	0	173	0	0
August 2016	182	0	0	0	0	0	0	0	0	0	0	0	0
August 2017	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2018	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	12.9	9.5	3.4	4.3	3.0	2.2	0.1	0.1	0.1	0.1	11.7	0.1	0.1

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

Date	ZM Class										ZM Class		
	PSA Prepayment Assumption										CPR Prepayment Assumption		
	0%	100%	171%	172%	200%	251%	252%	300%	400%	500%	2.9%	3.0%	6.0%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	105	105	105	105	105	105	37	23	0	0	105	101	35
August 2006	110	110	110	110	110	110	0	0	0	0	110	106	36
August 2007	116	116	116	116	116	56	0	0	0	0	116	111	38
August 2008	122	122	108	122	87	12	0	0	0	0	122	117	40
August 2009	128	128	94	118	70	0	0	0	0	0	128	123	42
August 2010	135	135	88	113	65	0	0	0	0	0	135	129	45
August 2011	142	142	82	108	62	0	0	0	0	0	142	136	47
August 2012	149	149	71	99	57	0	0	0	0	0	149	143	49
August 2013	157	157	57	86	49	0	0	0	0	0	157	150	52
August 2014	165	145	40	71	40	0	0	0	0	0	165	158	54
August 2015	173	107	22	55	30	0	0	0	0	0	173	166	57
August 2016	182	66	3	38	21	0	0	0	0	0	165	126	58
August 2017	181	23	0	22	11	0	0	0	0	0	101	62	18
August 2018	61	0	0	6	3	0	0	0	0	0	33	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	13.7	11.6	8.3	10.3	7.8	3.1	0.8	0.7	0.5	0.4	13.2	12.4	6.3

Date	ZN Class										ZN Class		
	PSA Prepayment Assumption										CPR Prepayment Assumption		
	0%	100%	171%	172%	200%	251%	252%	300%	400%	500%	2.9%	3.0%	6.0%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	105	105	105	0	0	0	105	105	72	0	0	105	105
August 2006	110	110	110	0	0	0	0	0	0	0	0	110	110
August 2007	116	116	116	0	0	0	0	0	0	0	0	116	116
August 2008	122	122	122	0	0	0	0	0	0	0	0	122	122
August 2009	128	128	128	0	0	0	0	0	0	0	0	128	128
August 2010	135	135	135	0	0	0	0	0	0	0	0	135	135
August 2011	142	142	142	0	0	0	0	0	0	0	0	142	142
August 2012	149	149	149	0	0	0	0	0	0	0	0	149	149
August 2013	157	157	157	0	0	0	0	0	0	0	0	157	157
August 2014	165	165	165	0	0	0	0	0	0	0	0	165	165
August 2015	173	173	173	0	0	0	0	0	0	0	0	173	173
August 2016	182	182	182	0	0	0	0	0	0	0	0	182	182
August 2017	191	191	113	0	0	0	0	0	0	0	0	191	191
August 2018	201	96	31	0	0	0	0	0	0	0	0	163	88
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	14.6	14.0	13.3	0.1	0.1	0.1	1.7	1.4	1.1	0.9	0.1	14.2	14.0

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

Date	AZ Class										AZ Class		
	PSA Prepayment Assumption										CPR Prepayment Assumption		
	0%	100%	171%	172%	200%	251%	252%	300%	400%	500%	2.9%	3.0%	6.0%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	105	105	105	88	88	88	47	35	11	0	88	98	45
August 2006	110	110	110	93	93	93	0	0	0	0	93	102	47
August 2007	116	116	116	98	95	45	0	0	0	0	98	108	49
August 2008	122	122	106	103	70	10	0	0	0	0	103	113	52
August 2009	128	128	96	95	56	0	0	0	0	0	108	119	54
August 2010	135	135	92	91	52	0	0	0	0	0	113	125	57
August 2011	142	142	88	87	50	0	0	0	0	0	119	132	60
August 2012	149	149	81	79	45	0	0	0	0	0	125	138	63
August 2013	157	157	70	69	39	0	0	0	0	0	132	145	66
August 2014	165	142	58	57	32	0	0	0	0	0	139	153	70
August 2015	173	113	45	44	24	0	0	0	0	0	146	161	73
August 2016	182	82	31	31	17	0	0	0	0	0	132	130	76
August 2017	176	49	18	18	9	0	0	0	0	0	81	80	45
August 2018	81	15	5	5	2	0	0	0	0	0	26	26	14
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	13.9	12.1	9.4	8.9	6.6	2.7	0.9	0.8	0.6	0.5	12.0	12.5	7.9

Date	CU Class						IJ†, JN, JC and JL Classes						JD Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	175%	300%	400%	500%	0%	100%	175%	300%	400%	500%	0%	100%	175%	300%	400%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	100	100	100	100	100	100	95	87	83	75	70	64	100	100	100	100	100	100
August 2006	100	100	100	100	100	100	89	72	63	49	39	29	100	100	100	100	100	100
August 2007	100	100	100	100	100	100	82	59	46	28	16	5	100	100	100	100	100	100
August 2008	100	100	100	100	100	100	76	46	32	12	0	0	100	100	100	100	97	49
August 2009	100	100	100	100	100	100	68	34	19	0	0	0	100	100	100	96	41	0
August 2010	100	100	100	100	100	63	61	23	8	0	0	0	100	100	100	48	*	0
August 2011	100	100	100	100	68	39	52	12	0	0	0	0	100	100	90	11	0	0
August 2012	100	100	100	80	45	24	43	3	0	0	0	0	100	100	50	0	0	0
August 2013	100	100	100	55	29	14	34	0	0	0	0	0	100	71	16	0	0	0
August 2014	100	100	84	36	17	8	24	0	0	0	0	0	100	32	0	0	0	0
August 2015	100	94	56	22	10	4	13	0	0	0	0	0	100	0	0	0	0	0
August 2016	100	56	31	11	5	2	1	0	0	0	0	0	100	0	0	0	0	0
August 2017	100	20	11	3	1	*	0	0	0	0	0	0	44	0	0	0	0	0
August 2018	78	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2024	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	14.4	12.2	11.4	9.6	8.2	7.0	6.9	3.9	3.0	2.2	1.8	1.5	12.9	9.6	8.1	6.0	4.9	4.1

* 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.

Date	CT Class						EA and PO Classes								
	PSA Prepayment Assumption						PSA Prepayment Assumption								
	0%	100%	175%	300%	400%	500%	0%	100%	200%	300%	400%	500%	650%	800%	1000%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	95	89	86	80	75	70	99	93	87	81	75	69	60	51	39
August 2006	91	77	70	58	49	41	98	86	75	65	56	47	36	26	15
August 2007	85	66	56	41	31	22	97	79	65	53	42	32	21	13	6
August 2008	80	55	44	27	17	9	96	73	56	42	31	22	13	6	2
August 2009	74	45	33	17	7	0	95	68	48	34	23	15	7	3	*
August 2010	68	36	24	8	*	0	93	62	42	27	17	10	4	1	0
August 2011	61	28	16	2	0	0	92	57	36	22	12	7	2	*	0
August 2012	53	20	9	0	0	0	90	52	31	17	9	4	1	0	0
August 2013	45	12	3	0	0	0	89	48	26	14	7	3	*	0	0
August 2014	37	6	0	0	0	0	87	44	22	11	5	2	0	0	0
August 2015	28	0	0	0	0	0	84	40	19	8	3	1	0	0	0
August 2016	18	0	0	0	0	0	82	36	16	6	2	*	0	0	0
August 2017	8	0	0	0	0	0	80	32	13	5	1	*	0	0	0
August 2018	0	0	0	0	0	0	77	29	11	4	1	0	0	0	0
August 2019	0	0	0	0	0	0	74	26	9	3	*	0	0	0	0
August 2020	0	0	0	0	0	0	70	23	8	2	*	0	0	0	0
August 2021	0	0	0	0	0	0	67	20	6	1	0	0	0	0	0
August 2022	0	0	0	0	0	0	63	17	5	1	0	0	0	0	0
August 2023	0	0	0	0	0	0	58	15	4	1	0	0	0	0	0
August 2024	0	0	0	0	0	0	54	13	3	*	0	0	0	0	0
August 2025	0	0	0	0	0	0	48	10	2	*	0	0	0	0	0
August 2026	0	0	0	0	0	0	43	8	1	0	0	0	0	0	0
August 2027	0	0	0	0	0	0	36	6	1	0	0	0	0	0	0
August 2028	0	0	0	0	0	0	30	4	*	0	0	0	0	0	0
August 2029	0	0	0	0	0	0	22	3	0	0	0	0	0	0	0
August 2030	0	0	0	0	0	0	14	1	0	0	0	0	0	0	0
August 2031	0	0	0	0	0	0	5	0	0	0	0	0	0	0	0
August 2032	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2033	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	8.0	4.9	3.9	2.8	2.3	1.9	18.9	10.0	6.4	4.5	3.4	2.6	1.9	1.5	1.1

Date	IP†, OP† and IC† Classes					KA and KO Classes								
	PSA Prepayment Assumption					PSA Prepayment Assumption								
	0%	10%	20%	30%	40%	0%	100%	200%	300%	400%	500%	650%	800%	1000%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100
August 2005	99	89	79	69	59	99	93	86	80	74	68	59	49	37
August 2006	98	79	62	48	35	98	85	74	64	54	45	34	23	12
August 2007	97	70	49	33	21	97	79	64	51	40	30	18	10	2
August 2008	96	61	38	22	12	96	72	55	40	29	19	9	3	0
August 2009	95	54	30	15	7	95	67	47	31	20	12	4	0	0
August 2010	93	48	24	11	4	94	61	40	24	14	7	1	0	0
August 2011	92	42	18	7	2	92	56	34	19	9	3	0	0	0
August 2012	90	37	14	5	1	91	51	28	14	6	1	0	0	0
August 2013	89	32	11	3	1	89	46	24	10	3	0	0	0	0
August 2014	87	28	9	2	*	87	42	20	7	1	0	0	0	0
August 2015	85	25	7	2	*	85	38	16	5	0	0	0	0	0
August 2016	83	21	5	1	*	83	34	13	3	0	0	0	0	0
August 2017	80	19	4	1	*	81	30	10	1	0	0	0	0	0
August 2018	78	16	3	*	*	78	27	8	*	0	0	0	0	0
August 2019	75	14	2	*	*	75	23	6	0	0	0	0	0	0
August 2020	73	12	2	*	*	72	20	4	0	0	0	0	0	0
August 2021	70	10	1	*	*	69	17	3	0	0	0	0	0	0
August 2022	66	8	1	*	*	65	15	1	0	0	0	0	0	0
August 2023	63	7	1	*	*	61	12	*	0	0	0	0	0	0
August 2024	59	6	1	*	*	57	10	0	0	0	0	0	0	0
August 2025	55	5	*	*	*	52	7	0	0	0	0	0	0	0
August 2026	50	4	*	*	*	46	5	0	0	0	0	0	0	0
August 2027	46	3	*	*	*	41	3	0	0	0	0	0	0	0
August 2028	40	2	*	*	*	34	1	0	0	0	0	0	0	0
August 2029	35	2	*	*	*	27	0	0	0	0	0	0	0	0
August 2030	29	1	*	*	*	20	0	0	0	0	0	0	0	0
August 2031	22	1	*	*	*	11	0	0	0	0	0	0	0	0
August 2032	16	*	*	*	*	2	0	0	0	0	0	0	0	0
August 2033	8	0	0	0	0	0	0	0	0	0	0	0	0	0
August 2034	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	20.2	7.5	4.1	2.7	1.9	19.5	9.5	5.8	4.0	3.0	2.4	1.7	1.3	1.0

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

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

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

Characteristics of the R and RL Classes

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

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

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

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

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

the present value of the anticipated tax liabilities associated with holding the Residual Certificate is less than or equal to the present value of the sum of (i) any consideration given to the transferee to acquire the Residual Certificate, (ii) expected future distributions on the Residual Certificate, and (iii) anticipated tax savings associated with holding the Residual Certificate as the related REMIC trust generates losses. The Regulations contain additional details regarding their application and you should consult your own tax advisor regarding the application of the Regulations to a transfer of a Residual Certificate.

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

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

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

REMIC Elections and Special Tax Attributes

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

Because the Lower Tier REMIC and the Trust will qualify as REMICs, the REMIC Certificates and any related RCR Certificates generally will be treated as “regular or residual interests in a REMIC” for domestic building and loan associations, as “real estate assets” for real estate investment trusts, and, except for the R and RL Classes, as “qualified mortgages” for other REMICs. See “Certain Federal Income Tax Consequences—*REMIC Election and Special Tax Attributes*” in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes, the Principal Only Classes and the Accrual Classes will be issued with original issue discount (“OID”), and certain other Classes of REMIC Certificates may be issued with OID. If a Class is issued with OID, a beneficial owner of a Certificate of that Class generally must recognize some taxable income in advance of the receipt of the cash attributable to that income. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates—Treatment of Original Issue Discount*” in the REMIC Prospectus. In addition, certain Classes of REMIC Certificates may be treated as having been issued at a premium. See “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates—Regular Certificates Purchased at a Premium*” in the REMIC Prospectus.

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

<u>Group</u>	<u>Prepayment Assumption</u>
1	200% PSA
2	175% PSA
3	300% PSA
4	10% CPR
5	300% PSA

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

Taxation of Beneficial Owners of Residual Certificates

For purposes of determining the portion of the taxable income of the Trust (or the Lower Tier REMIC) that generally will not be treated as excess inclusions, the rate to be used is 6.12% (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 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 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. In addition, under the Regulations an inducement fee shall be treated as income from sources within the United States. The Regulations, which are effective for taxable years ending on or after May 11, 2004, contain additional details regarding their application. You should consult your own tax advisor regarding the application of the Regulations to the transfer of a Residual Certificate.

Taxation of Beneficial Owners of RCR Certificates

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

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

Combination RCR Classes. A beneficial owner of a Combination RCR Certificate will be treated as the beneficial owner of a proportionate interest in the REMIC Certificates underlying that Combination RCR Certificate. Except in the case of a beneficial owner that acquires a Combination RCR Certificate in an exchange described under “—*Exchanges*” below, a beneficial owner of a Combination RCR Certificate must allocate its cost to acquire that Certificate among the underlying REMIC Certificates in proportion to their relative fair market values at the time of acquisition. Such an owner should account for its ownership interest in each underlying REMIC Certificate as described

under “—Taxation of Beneficial Owners of Regular Certificates” above and “Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates*” in the REMIC Prospectus. When a beneficial owner sells a Combination RCR Certificate, the owner must allocate the sale proceeds among the underlying REMIC Certificates in proportion to their relative fair market values at the time of sale.

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

Tax Return Disclosure Requirements

The Treasury Department recently issued Regulations directed at “tax shelters” that could be read to apply to transactions generally not considered to be tax shelters. These Regulations require that taxpayers that participate in a “reportable transaction” disclose such transaction on their tax returns by attaching IRS Form 8886 and retain information related to the transaction. A transaction may be a “reportable transaction” based upon any of several indicia, one or more of which may be present with respect to the Certificates. You should consult your 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 Bear, Stearns & Co. Inc. (the “Dealer”) in exchange for the Underlying REMIC Certificates, the Group 2 MBS and the Group 4 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 Group 2 or Group 4 Classes in addition to those contemplated as of the date of this prospectus supplement. In this event, we will increase the Group 2 MBS or the Group 4 SMBS, as applicable, in principal balance, but we expect that all these additional Group 2 MBS or the Group 4 SMBS, as applicable, will have the same characteristics as described under “Description of the Certificates—The Group 2 MBS” and “—The Group 4 SMBS” in this prospectus supplement. The proportion that the original principal balance of each Group 2 or 4 Class bears to the aggregate original principal balance of all Group 2 or 4 Classes, respectively, will remain the same. In addition, the dollar amounts shown in the Principal Balance Schedules will be increased to correspond to the increase of the principal balances of the applicable Classes.

LEGAL MATTERS

Sidley Austin Brown & Wood LLP will provide legal representation for Fannie Mae. Stroock & Stroock & Lavan LLP will provide legal representation for the Dealer.

Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type (1)	Final Distribution Date	Principal Type (1)	Original Principal or Notional Balance of Class	August 2004 Class Factor	Principal Balance or Notional Principal Balance in the REMIC Tier	Approximate Weighted Average WAC %	Approximate Weighted Average WALA (in months)	Approximate Weighted Average WALA (in months)
Group 1													
2004-37	YZ	May 2004	31393YH32	5.00%	FIX/Z	June 2019	NSJ/AD/TAC	\$ 100,000	1.01255216	\$ 97,897	5.432%	174	5
2004-37	YG	May 2004	31393YH24	5.00	FIX	June 2019	NSJ/AD/TAC	46,871,000	0.99997322	45,314,786	5.432	174	5
2004-37	PZ	May 2004	31393YN76	5.00	FIX/Z	June 2019	NSJ/SUP	19,960,000	0.56996528	10,999,176	5.432	174	5
Group 3													
2003-34	G	April 2003	31393CDH3	3.75	FIX	May 2033	PAC	50,000,000	0.43764337	21,882,168	(2)	(2)	(2)
Group 5													
2003-33	AB	April 2003	31393BFJ9	3.75	FIX	March 2033	PAC	123,400,000	0.41911303	13,684,040	6.964	326	28

(1) See “Description of the Certificates—Definitions and Abbreviations” in the REMIC Prospectus.

(2) The 2003-34-G REMIC Certificate is backed by the following Fannie Mae SMBS:

Class Designation	Approximate Weighted Average WAC %	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
319-PO1	6.960%	321	33
319-IO2	6.960	321	33
321-PO1	6.972	324	30
321-IO2	6.972	324	30
324-PO1	6.960	325	29
324-IO2	6.960	325	29

Available Recombinations (1)

REMIC Certificates		RCR Certificates						
Classes	Original Principal or Notional Principal Balances	RCR Class	Original Principal or Notional Principal Balances	Interest Rate	Interest Type (2)	Principal Type (2)	CUSIP Number	Final Distribution Date
Recombination 1								
ZL	\$ 1,000,000	AZ	\$ 26,001,521	5.00%	FIX /Z	SC/NSJ/SEQ	31394AF27	June 2019
ZM	20,868,572							
ZN	4,132,949							
Recombination 2								
JN	82,849,000	CT	100,400,000	4.50	FIX	SEQ	31394AF35	June 2018
IJ	9,205,444 (3)							
JD	17,551,000							
Recombination 3								
JN	82,849,000	JL	82,849,000	4.25	FIX	SEQ	31394AF50	October 2016
IJ	4,602,722 (3)							
Recombination 4								
JN	82,849,000	JC	82,849,000	4.50	FIX	SEQ	31394AF43	October 2016
IJ	9,205,444 (3)							
Recombination 5								
OP	84,461,014 (3)	IC	84,461,014 (3)	5.00	FIX/IO	NTL	31394AF68	December 2033
IP	84,461,014 (3)							

(1) In any exchange under Recombination 1 or 2, the relative proportions of the REMIC Certificates to be delivered (or if applicable, received) in such exchange will equal the proportions reflected by the outstanding principal balances of the related REMIC Classes at the time of exchange. REMIC Certificates and RCR Certificates in Recombinations 3, 4 and 5 may be exchanged only in the proportions shown in this Schedule 1.

(2) See "Description of Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus and "Description of the Certificates—Distributions of Interest" and "—Distributions of Principal" in this prospectus supplement.

(3) Notional principal balance.

Principal Balance Schedules

Group 1 First Specified Balances

<u>Distribution Date</u>	<u>First Specified Balance</u>	<u>Distribution Date</u>	<u>First Specified Balance</u>	<u>Distribution Date</u>	<u>First Specified Balance</u>
Initial Balance	\$56,411,858.52	November 2008	\$26,805,545.83	February 2013	\$19,721,236.38
September 2004	54,860,419.90	December 2008	26,545,073.84	March 2013	19,492,363.28
October 2004	53,227,517.46	January 2009	26,298,241.17	April 2013	19,259,663.53
November 2004	51,514,287.22	February 2009	26,064,864.23	May 2013	19,023,280.11
December 2004	51,185,341.60	March 2009	25,844,761.42	June 2013	18,783,353.18
January 2005	50,827,434.47	April 2009	25,637,753.06	July 2013	18,540,020.01
February 2005	50,441,256.06	May 2009	25,443,661.36	August 2013	18,293,415.14
March 2005	50,027,539.98	June 2009	25,262,310.47	September 2013	18,043,670.33
April 2005	49,587,062.04	July 2009	25,093,526.40	October 2013	17,790,914.68
May 2005	49,120,638.99	August 2009	24,937,137.00	November 2013	17,535,274.63
June 2005	48,629,127.16	September 2009	24,792,972.01	December 2013	17,276,874.02
July 2005	48,113,421.07	October 2009	24,660,862.95	January 2014	17,015,834.12
August 2005	47,574,451.94	November 2009	24,540,643.16	February 2014	16,752,273.72
September 2005	47,013,186.09	December 2009	24,432,147.79	March 2014	16,486,309.09
October 2005	46,430,623.32	January 2010	24,335,213.73	April 2014	16,218,054.12
November 2005	45,827,795.19	February 2010	24,249,679.64	May 2014	15,947,620.27
December 2005	45,205,765.09	March 2010	24,175,385.92	June 2014	15,675,116.66
January 2006	44,565,624.73	April 2010	24,112,174.68	July 2014	15,400,650.12
February 2006	43,908,486.37	May 2010	24,059,889.73	August 2014	15,124,325.19
March 2006	43,235,490.26	June 2010	24,018,376.59	September 2014	14,846,244.17
April 2006	42,547,798.96	July 2010	23,987,482.42	October 2014	14,566,507.20
May 2006	41,846,968.53	August 2010	23,966,349.12	November 2014	14,285,212.23
June 2006	41,136,644.95	September 2010	23,935,229.64	December 2014	14,002,455.11
July 2006	40,419,856.97	October 2010	23,894,384.49	January 2015	13,718,329.60
August 2006	39,707,239.91	November 2010	23,844,069.38	February 2015	13,432,927.41
September 2006	39,005,163.09	December 2010	23,784,535.29	March 2015	13,146,338.23
October 2006	38,329,460.18	January 2011	23,716,028.58	April 2015	12,858,649.80
November 2006	37,662,215.49	February 2011	23,638,791.06	May 2015	12,569,947.89
December 2006	37,013,894.19	March 2011	23,553,060.01	June 2015	12,280,316.37
January 2007	36,384,257.09	April 2011	23,459,068.33	July 2015	11,989,837.22
February 2007	35,773,067.52	May 2011	23,357,044.56	August 2015	11,698,590.60
March 2007	35,180,091.23	June 2011	23,247,212.96	September 2015	11,406,654.84
April 2007	34,605,096.48	July 2011	23,129,793.59	October 2015	11,114,106.50
May 2007	34,047,853.89	August 2011	23,005,002.37	November 2015	10,821,020.36
June 2007	33,508,136.52	September 2011	22,873,051.14	December 2015	10,527,469.52
July 2007	32,985,719.80	October 2011	22,734,147.75	January 2016	10,233,525.36
August 2007	32,480,381.50	November 2011	22,588,496.08	February 2016	9,939,257.63
September 2007	31,991,901.73	December 2011	22,436,296.17	March 2016	9,644,734.42
October 2007	31,520,062.90	January 2012	22,277,744.21	April 2016	9,350,022.22
November 2007	31,064,649.71	February 2012	22,113,032.66	May 2016	9,055,185.98
December 2007	30,625,449.12	March 2012	21,942,350.29	June 2016	8,760,289.06
January 2008	30,202,250.34	April 2012	21,765,882.21	July 2016	8,465,393.33
February 2008	29,794,844.79	May 2012	21,583,809.99	August 2016	8,170,559.15
March 2008	29,403,026.08	June 2012	21,396,311.68	September 2016	7,875,845.42
April 2008	29,026,590.02	July 2012	21,203,561.85	October 2016	7,581,309.62
May 2008	28,665,334.56	August 2012	21,005,731.72	November 2016	7,287,007.79
June 2008	28,319,059.77	September 2012	20,802,989.10	December 2016	6,992,994.59
July 2008	27,987,567.87	October 2012	20,595,498.58	January 2017	6,699,323.32
August 2008	27,670,663.13	November 2012	20,383,421.46	February 2017	6,406,045.94
September 2008	27,368,151.93	December 2012	20,166,915.90	March 2017	6,113,213.09
October 2008	27,079,842.68	January 2013	19,946,136.89	April 2017	5,820,874.13

Group 1 (Continued)

<u>Distribution Date</u>	<u>First Specified Balance</u>	<u>Distribution Date</u>	<u>First Specified Balance</u>	<u>Distribution Date</u>	<u>First Specified Balance</u>
May 2017	\$ 5,529,077.13	February 2018	\$ 2,934,627.95	November 2018	\$ 505,442.27
June 2017	5,237,868.94	March 2018	2,650,632.27	December 2018	318,597.14
July 2017	4,947,295.18	April 2018	2,368,861.61	January 2019	195,261.27
August 2017	4,657,400.26	May 2018	2,089,564.66	February 2019	113,537.05
September 2017	4,368,227.41	June 2018	1,811,293.19	March 2019	113,537.05
October 2017	4,079,818.73	July 2018	1,536,608.84	April 2019	46,298.13
November 2017	3,792,215.16	August 2018	1,263,304.49	May 2019 and thereafter	0.00
December 2017	3,505,456.52	September 2018	994,271.88		
January 2018	3,219,581.57	October 2018	733,464.50		

Group 1 Second Specified Balances

<u>Distribution Date</u>	<u>Second Specified Balance</u>	<u>Distribution Date</u>	<u>Second Specified Balance</u>	<u>Distribution Date</u>	<u>Second Specified Balance</u>
Initial Balance	\$56,411,858.52	March 2006	\$33,651,389.74	October 2007	\$ 9,783,682.78
September 2004	54,631,980.28	April 2006	32,234,050.24	November 2007	8,903,142.52
October 2004	52,734,372.40	May 2006	30,792,099.47	December 2007	8,059,913.20
November 2004	50,720,858.29	June 2006	29,332,044.89	January 2008	7,253,320.85
December 2004	50,056,819.30	July 2006	27,859,461.69	February 2008	6,482,701.75
January 2005	49,329,858.16	August 2006	26,390,920.11	March 2008	5,747,402.26
February 2005	48,541,592.13	September 2006	24,936,638.35	April 2008	5,046,778.76
March 2005	47,693,757.95	October 2006	23,520,425.37	May 2008	4,380,197.42
April 2005	46,788,208.38	November 2006	22,135,637.93	June 2008	3,747,034.11
May 2005	45,826,908.47	December 2006	20,797,106.03	July 2008	3,146,674.23
June 2005	44,811,936.84	January 2007	19,504,020.32	August 2008	2,578,512.60
July 2005	43,745,469.43	February 2007	18,255,583.61	September 2008	2,041,953.32
August 2005	42,629,778.99	March 2007	17,051,010.77	October 2008	1,536,409.60
September 2005	41,467,236.30	April 2007	15,889,528.48	November 2008	1,061,303.70
October 2005	40,260,301.35	May 2007	14,770,375.14	December 2008	616,066.73
November 2005	39,011,517.97	June 2007	13,692,800.64	January 2009	200,138.55
December 2005	37,723,508.19	July 2007	12,656,066.22	February 2009 and thereafter	0.00
January 2006	36,398,966.39	August 2007	11,659,444.32		
February 2006	35,040,653.31	September 2007	10,702,218.40		

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.

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\$207,910,044



**Guaranteed
REMIC Pass-Through
Certificates
Fannie Mae REMIC Trust 2004-69**

PROSPECTUS SUPPLEMENT

Bear, Stearns & Co. Inc.

July 29, 2004