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

$5,279,648,029 (Approximate)

FannieMae®

Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2006-5

The Certificates

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

Payments to Certificateholders

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

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

We may pay principal at rates that vary from time to time.

The Fannie Mae Guaranty

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

The Trust and its Assets

The trust will own Fannie Mae MBS. The mortgage loans underlying the Fannie Mae MBS are first lien, single-family, adjustable-rate loans.

Class	*Group*	*Original Class Balance(1)*	*Principal Type*	*Interest Rate*	*Interest Type*	*CUSIP Number*	*Final Distribution Date*
1A	1	$2,687,389,932	PT	(2)	FLT	31394VL32	August 2034
N1	1	2,687,389,932(3)	NTL	(4)	WAC/IO	31394VL81	August 2034
2A1	2	1,301,674,000	SEQ	(2)	FLT	31394VL40	November 2028
2A2	2	781,709,770	SEQ	(2)	FLT	31394VL57	February 2035
N2	2	2,083,383,770(3)	NTL	(4)	WAC/IO	31394VL99	February 2035
3A1	3	216,496,000	SEQ	(2)	FLT	31394VL65	November 2024
3A2	3	292,378,327	SEQ	(5)	WAC	31394VL73	May 2035
N3	3	216,496,000(3)	NTL	(4)	WAC/IO	31394VM23	November 2024
R		0	NPR	0	NPR	31394VM31	May 2035
RL		0	NPR	0	NPR	31394VM49	May 2035

(1) Approximate. May vary by plus or minus 10%.
(2) Based on LIBOR as further described and subject to the limitations set forth in this prospectus supplement.
(3) Notional balances. These classes are interest only classes.
(4) Based on the weighted average pass-through rate of the related Fannie Mae MBS as further described and subject to the limitations set forth in this prospectus supplement.
(5) Based on the weighted average pass-through rate of the related Fannie Mae MBS as further described in this prospectus supplement.

The underwriter named below will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be January 31, 2006.

Carefully consider the risk factors starting on page S-9 of this prospectus supplement and on page 10 of the REMIC prospectus. Unless you understand and are able to tolerate these risks, you should not invest in the certificates.

You should read the REMIC prospectus as well as this prospectus supplement.

The certificates, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any agency or instrumentality thereof other than Fannie Mae.

The certificates are exempt from registration under the Securities Act of 1933 and are "exempted securities" under the Securities Exchange Act of 1934.

RBS Greenwich Capital

January 6, 2006

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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 January 1, 2006 (the "MBS Prospectus"); and
- any information incorporated by reference in this prospectus supplement as discussed below under the heading "Incorporation by Reference."

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

Fannie Mae
MBS Helpline
3900 Wisconsin Avenue, N.W., Area 2H-3S
Washington, D.C. 20016
(telephone 1-800-237-8627).

In addition, the Disclosure Documents, together with the class factors, are available on our corporate Web site at www.fanniemae.com.

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

Greenwich Capital Markets, Inc.
Prospectus Department
600 Steamboat Road
Greenwich, Connecticut 06380
(telephone 1-800-422-2006).

INCORPORATION BY REFERENCE

In this prospectus supplement, we are incorporating by reference the MBS Prospectus. In addition, we are incorporating by reference the documents listed below. This means that we are disclosing information to you by referring you to these documents. These documents are considered part of this prospectus supplement, so you should read this prospectus supplement, and any applicable supplements or amendments, together with these documents.

You should rely only on the information provided or incorporated by reference in this prospectus supplement, the REMIC Prospectus and the MBS Prospectus and any applicable supplements or amendments.

We incorporate by reference the following documents we have filed, or may file, with the Securities and Exchange Commission ("SEC"):

- our Annual Report on Form 10-K for the fiscal year ended December 31, 2003 ("Form 10-K");
- all other reports we have filed pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 since the end of the fiscal year covered by the Form 10-K until the date of this prospectus supplement, excluding any information "furnished" to the SEC on Form 8-K; and
- all proxy statements that we file with the SEC and all documents that we file with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 subsequent to the date of this prospectus supplement and prior to the completion of the offering of the certificates, excluding any information we "furnish" to the SEC on Form 8-K.

Any information incorporated by reference in this prospectus supplement is deemed to be modified or superseded for purposes of this prospectus supplement to the extent information contained or incorporated by reference in this prospectus supplement modifies or supersedes such information. In such case, the information will constitute a part of this prospectus supplement only as so modified or superseded.

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You can obtain copies of the periodic reports we file with the SEC without charge by calling or writing our Office of Investor Relations, Fannie Mae, 3900 Wisconsin Avenue, NW, Washington, DC 20016, telephone: (202) 752-7115. The periodic and current reports that we file with the SEC are also available on our Web site. Information appearing on our Web site is not incorporated in this prospectus supplement except as specifically stated in this prospectus supplement.

In addition, you may read our SEC filings and other information about Fannie Mae at the offices of the New York Stock Exchange, the Chicago Stock Exchange and the Pacific Exchange. Our SEC filings are also available at the SEC's Web site at www.sec.gov. We are providing the address of the SEC's Web site solely for the information of prospective investors. Information appearing on the SEC's Web site is not incorporated in this prospectus supplement except as specifically stated in this prospectus supplement.

RECENT DEVELOPMENTS

On December 21, 2004, our Board of Directors (the "Board") announced the retirement of Chairman and Chief Executive Officer Franklin D. Raines and the resignation of Vice Chairman and Chief Financial Officer J. Timothy Howard. The Board further announced that the Audit Committee of the Board dismissed KPMG LLP as our independent auditor. On January 4, 2005, the Audit Committee of the Board approved the engagement of Deloitte & Touche LLP ("Deloitte") as our independent auditor. Deloitte will serve as our auditor for each of the fiscal years 2001, 2002, 2003 and 2004.

Stephen B. Ashley, a member of the Board, currently is serving as the non-executive Chairman of the Board. On June 1, 2005, the Board announced that it had selected Daniel H. Mudd, the former Chief Operating Officer of Fannie Mae, to be the new President and Chief Executive Officer. Mr. Mudd had been serving as the interim Chief Executive Officer since the retirement of Mr. Raines. Executive Vice President Robert Levin currently is serving as the interim Chief Financial Officer.

On December 15, 2004, the Office of the Chief Accountant of the Securities and Exchange Commission ("SEC") issued a statement (the "Statement") regarding certain accounting issues relating to Fannie Mae, including determinations by the SEC that we should (i) restate our financial statements to eliminate the use of hedge accounting under Financial Accounting Standard No. 133, Accounting for Derivative Instruments and Hedging Activities ("FAS 133"), (ii) evaluate the accounting under Financial Accounting Standard No. 91, Accounting for Nonrefundable Fees and Costs Associated with Originating or Acquiring Loans and Initial Direct Costs of Leases ("FAS 91") and restate our financial statements filed with the SEC if the amounts required for correction are material, and (iii) re-evaluate the information prepared under generally accepted accounting principles ("GAAP") and non-GAAP information that we previously provided to investors. On December 16, 2004, we filed a Current Report on Form 8-K with the SEC that includes a copy of the Statement.

As a result of the SEC's findings, we will restate our financial results from 2001 through June 30, 2004 to comply fully with the SEC's determination. In a Form 12b-25 filed with the SEC on November 15, 2004, we estimated that a loss of hedge accounting under FAS 133 for all derivatives could result in recording into earnings a net cumulative loss on derivative transactions of approximately $9.0 billion as of September 30, 2004. (We estimate that as of December 31, 2004, this net cumulative after-tax loss was approximately $8.4 billion.) We also stated that there would be a corresponding decrease to retained earnings and, accordingly, regulatory capital. In a Form 12b-25 filed with the SEC on March 17, 2005, we stated that if we do not qualify for hedge accounting for mortgage commitments accounted for as derivatives since our July 1, 2003 adoption of Financial Accounting Standard No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities (''FAS 149''), we estimate that we would be required to record in earnings a net cumulative after-tax loss related to these commitments of approximately $2.4 billion as of December 31, 2004.

We are working to determine the effect of the restatement, including the effect on each prior reporting period. We expect that the impact will be material to our reported GAAP and core business results for many, if not all, periods and will vary substantially from period to period based on the amount and types of derivatives held and fluctuations in interest rates and volatility. Our restated financial statements also will reflect corrections as a result of our misapplication of FAS 91 for each prior reporting period described above. We also will consider the impact, if any, of the SEC's decision on FAS 91 for periods prior to those described above.

Accordingly, on December 17, 2004, the Audit Committee of the Board concluded that our previously filed interim and audited financial statements and the independent auditor's reports thereon for the periods from January 2001 through the second quarter of 2004 should no longer be relied upon because such financial statements were prepared applying accounting practices that did not comply with GAAP. We have not yet filed our quarterly reports on Form 10-Q for the quarters ended September 30, 2004, March 31, 2005 and June 30, 2005, or our annual report on Form 10-K for the year ended December 31, 2004. The financial information regarding our anticipated results of operations for the quarter ended September 30, 2004 that was contained in our Form 12b-25 filed on November 15, 2004 and in a Form 8-K filed on November 16, 2004 was prepared applying the same policies and practices, and, accordingly, should not be relied upon. The Audit Committee has discussed the matters described above and in a Form 8-K filed with the SEC on December 22, 2004 with KPMG LLP, our independent auditor through December 21, 2004.

On September 20, 2004, the Office of Federal Housing Enterprise Oversight (''OFHEO'') delivered its report to the Board of its findings to date of the agency's special examination. Among other matters, the OFHEO report raised a number of questions and concerns about our accounting policies and practices with respect to FAS 91 and FAS 133. On February 23, 2005, we announced that OFHEO notified our Board and management of several additional accounting and internal control issues and questions that OFHEO identified in its ongoing special examination, and directed that these matters be included in the internal reviews by the Board and management and reviewed by Deloitte. OFHEO indicated that it has not completed its review of all aspects of these issues, but has identified policies that it believes appear to be inconsistent with generally accepted accounting principles as well as internal control deficiencies that raise safety and soundness concerns. The issues and questions include the following areas: securities accounting, loan accounting, consolidations, accounting for commitments, and practices to smooth certain income and expense amounts. OFHEO also raised concerns regarding journal entry controls, systems limitations, and database modifications, as well as FAS 149 and new developments relating to FAS 91. A summary of the additional questions raised in OFHEO's ongoing special examination of Fannie Mae has been filed as an exhibit to a Form 8-K that we filed with the SEC on February 23, 2005.

Our Board and management are addressing the issues and questions raised by OFHEO. In addition, the Board designated its Special Review Committee to review the findings of OFHEO's September 2004 special examination report. This review, led by former Senator Warren Rudman of the law firm of Paul, Weiss, Rifkind, Wharton & Garrison (''Paul Weiss''), is focused on: accounting issues, including accounting policies, procedures and controls regarding FAS 91 and FAS 133; organization, structure and governance, including Board oversight and management responsibilities and resources; and executive compensation. Paul Weiss' work continues as it examines these areas and other issues that may arise in the course of its review, reporting regularly to the Board. We will report to OFHEO regarding each of these issues and will continue to work with OFHEO to resolve these matters as part of our ongoing internal reviews and restatement process. In light of the foregoing, management has initiated a comprehensive review of accounting routines and controls, the financial reporting process and the application of GAAP, which will include the issues OFHEO has identified, as well as issues identified by management and/or Deloitte. Management, working with accounting consultants, will develop a view on these issues, which then will be reviewed with the Audit Committee, Deloitte and OFHEO. Upon conclusion of this review, our financial statements will be restated where necessary and submitted to Deloitte for review as part of its audit. We are providing periodic updates to the SEC and the New York Stock Exchange on the restatement. In addition, the SEC and the U.S. Attorney's Office for the District of Columbia are conducting ongoing investigations into these matters.

OFHEO is required to review our capital classification quarterly, and as of September 30, 2004 and December 31, 2004, classified us as "significantly undercapitalized." As a result of this classification, we submitted a capital restoration plan to OFHEO in January 2005, and on February 23, 2005, we announced that OFHEO approved our proposed capital restoration plan. Under the plan, we detail how we expect to meet our minimum capital requirement on an ongoing basis, as well as achieve OFHEO's 30 percent surplus capital requirement by September 30, 2005. A summary of the capital restoration plan was filed as an exhibit to a Form 8-K that we filed with the SEC on February 23, 2005. On May 19, 2005, OFHEO classified us as "adequately capitalized" as of March 31, 2005. OFHEO has noted that this classification is subject to revision pending the outcome of ongoing accounting reviews, and that this classification does not amend any existing capital restoration plans currently in place between Fannie Mae and OFHEO.

In a Form 12b-25 filed with the SEC on August 9, 2005, we reported that, based on our current assessment, we are not likely to complete and file our Annual Report on Form 10-K for the year ended December 31, 2004, which will contain restated financial information, prior to the second half of 2006. We also reported in that Form 12b-25 that we are uncertain whether Deloitte will be able to opine on either the effectiveness of our internal control over financial reporting or management's process for assessing the effectiveness of internal control over financial reporting as of December 31, 2004 or December 31, 2005. We also reported in that Form 12b-25 that current NYSE listing standards allow the NYSE to continue to list the securities of a listed company for up to nine months after a company is delinquent in filing its Annual Report on Form 10-K (until December 16, 2005, in the case of Fannie Mae). The NYSE, in its sole discretion, also may extend the listing of a company's securities for another three months after that date, depending on the company's circumstances. Under the rules of the NYSE, Fannie Mae would have a right to a review of any decision to delist its securities by a committee of the NYSE Board of Directors.

Forms 8-K that we file with the SEC prior to the completion of the offering of the certificates are incorporated by reference in this prospectus supplement. This means that we are disclosing information to you by referring you to those documents. You should refer to "Incorporation by Reference" above for further details on the information that we incorporate by reference in this prospectus supplement and where to find it.

REFERENCE SHEET

This reference sheet is not a summary of the transaction and does not contain complete information about the certificates. You should purchase the certificates only after reading this prospectus supplement and each of the additional disclosure documents listed on page S-3.

Assets Underlying Each Group of Classes

Group	Assets
1	Group 1 MBS
2	Group 2 MBS
3	Group 3 MBS

Assumed Characteristics of the Mortgage Loans Underlying the MBS

The table in Exhibit A of this prospectus supplement lists certain assumed characteristics of the mortgage loans underlying the MBS as of January 1, 2006. The assumed characteristics appearing in Exhibit A are derived from multiple MBS pools on an aggregate basis and do not reflect the actual characteristics of the individual mortgage loans included in the related pools. The actual characteristics of most of the mortgage loans will differ from the weighted averages in Exhibit A, 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 January 31, 2006.

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 the physical certificates in registered, certificated form.

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

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

Interest Rates

During each interest accrual period, the floating rate classes will bear interest at the applicable rates based on One-Month LIBOR calculated as further described, and subject to the limitations set forth, under "Description of the Certificates—Distributions of Interest" in this prospectus supplement.

During each interest accrual period, the weighted average coupon classes will bear interest at the variable rates based on the weighted average pass-through rates of the related MBS as further described, and subject to the limitations set forth, in this prospectus supplement.

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	
N1	100% of the 1A Class
N2	100% of the *sum* of the 2A1 and 2A2 Classes
N3	100% of the 3A1 Class

Distributions of Principal

Group 1 Principal Distribution Amount

To the 1A Class to zero.

Group 2 Principal Distribution Amount

To the 2A1 and 2A2 Classes, in that order, to zero.

Group 3 Principal Distribution Amount

To the 3A1 and 3A2 Classes, in that order, to zero.

Weighted Average Lives (years)*

	PPC Prepayment Assumption				
Group 1 Classes	75%	85%	100%	115%	125%
1A and N1	2.5	2.2	1.8	1.5	1.4

	PPC Prepayment Assumption				
Group 2 Classes	75%	85%	100%	115%	125%
2A1	1.3	1.1	1.0	0.8	0.8
2A2	5.0	4.4	3.7	3.1	2.8
N2	2.7	2.3	2.0	1.7	1.5

	PPC Prepayment Assumption				
Group 3 Classes	75%	85%	100%	115%	125%
3A1 and N3	1.3	1.1	0.9	0.8	0.7
3A2	5.5	5.0	4.4	3.9	3.6

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

ADDITIONAL RISK FACTORS

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

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

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

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

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

Recent hurricanes in the Gulf Coast region may present risk of increased mortgage loan prepayments. In August and September 2005, Hurricane Katrina and Hurricane Rita and related events caused catastrophic damage to extensive areas along the Gulf Coast of the United States, including portions of coastal and inland Alabama, Florida, Louisiana, Mississippi, and Texas. The full extent of the physical damage resulting from severe flooding, high winds and environmental contamination remains uncertain at this time. Hundreds of thousands of people have been displaced and interruptions in the regional economy have been significant. Although the long-term effects are unclear, these events could lead to a general economic downturn in the Gulf Coast region, including job losses and declines in real estate values. Accordingly, defaults on any mortgage loans in the affected areas may increase, in turn resulting in early payments of principal of the certificates backed by those mortgage loans. Additionally, casualty losses on mortgage properties with hurricane or flood damage may result in early payment of principal of the related certificates.

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

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

Level of floating rate index affects yields on certain certificates. The yield on any floating rate certificate generally 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.

Absence of correlation between one-month LIBOR and the indices applicable to the underlying mortgage loans may adversely affect the yields on certain classes. The interest rates on the 1A, 2A1, 2A2 and 3A1 Classes are based on one-month LIBOR, while the interest rates on the mortgage loans underlying the related MBS are based on a variety of other indices. As a result, the one-month LIBOR-based interest rates on these classes may be more likely to be affected by the related weighted average MBS pass-through rate cap discussed below.

Application of the related weighted average MBS pass-through rate cap to certain classes may adversely affect their yields. The interest rates on the 1A, 2A1, 2A2 and 3A1 Classes are subject to an interest rate cap based on the weighted average pass-through rate of the related MBS. As a result, the interest rates on the 1A, 2A1, 2A2 and 3A1 Classes may be lower than would otherwise be the case. The amount of any such reduction, which is referred to as an interest carryover amount, will be paid to the related certificateholders on the current distribution date or future distribution dates to the extent of any proceeds received under the related yield maintenance agreement or from amounts otherwise payable to the N1, N2 or N3 Class, as applicable. However, we cannot assure you that funds from the yield maintenance agreements will be received or that any such funds will be adequate to cover the related interest carryover amounts. In particular, it is possible that over time the balances used for calculating payments under the yield maintenance agreements will be less than the principal balances of the related classes. **The Fannie Mae guaranty does not cover any interest carryover amounts or any failure of the trust to receive payments under the yield maintenance agreements.**

Interest distributions on the interest only classes may be reduced by interest carryover amounts. Interest distributions on the N1, N2 and N3 Classes may be reduced by payments of interest carryover amounts on the 1A, 2A1, 2A2 and 3A1 Classes, as applicable, not otherwise covered by payments under the related yield maintenance agreements. As a result, you could lose money on your investment.

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

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

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

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

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

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") pursuant to a trust agreement (the "Trust Agreement") dated as of January 1, 2006 (the "Issue Date"). We will issue the Guaranteed REMIC Pass-Through Certificates (the "Certificates") pursuant to the Trust Agreement. We will execute the Trust Agreement in our corporate capacity and as trustee (the "Trustee").

The assets of the Trust will consist of three groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the "Group 1 MBS," "Group 2 MBS" and "Group 3 MBS" and, together, the "MBS"). Each MBS represents a beneficial ownership interest in a pool of first lien, single-family, adjustable-rate residential mortgage loans (the "Mortgage Loans") having the characteristics described in this prospectus supplement. In addition, four yield maintenance agreements (the "Yield Maintenance Agreements") will be assigned to the Trust as described below under the heading "—The Yield Maintenance Agreements."

We will designate portions of the Trust (the "Upper Tier REMIC" and "Lower Tier REMIC") as "real estate mortgage investment conduits" (each, a "REMIC") under the Internal Revenue Code of 1986, as amended (the "Code"). The Yield Maintenance Agreements will not be included in either REMIC.

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

REMIC Designation	Assets	Regular Interests	Residual Interest
Upper Tier REMIC	Lower Tier REMIC Regular Interests	1A, 2A1, 2A2, 3A1, 3A2, N1, N2 and N3 Classes	R Class
Lower Tier REMIC	The MBS	Interests in the Lower Tier REMIC other than the RL Class (the "Lower Tier REMIC Regular Interests")	RL Class

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.

Our guaranty will not cover your receipt of any Interest Carryover Amounts or any failure to receive amounts due under the Yield Maintenance Agreements.

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

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

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

Characteristics of Certificates. We will issue the Certificates (except the R and RL Classes) in book-entry form on the book-entry system of the U.S. Federal Reserve Banks. Entities whose names appear on the book-entry records of a Federal Reserve Bank as having had Certificates deposited in their accounts are "Holders" or "Certificateholders." A Holder is not necessarily the beneficial owner of a Certificate. Beneficial owners ordinarily will hold Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. See "Description of Certificates—Denominations and Forms" 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 Upper Tier REMIC, and the Holder of the RL Class will receive the proceeds of any remaining assets of the Lower Tier REMIC, in each case only by presenting and surrendering the related Certificate at the office of the Paying Agent. US Bank will be the initial Paying Agent.

Authorized Denominations. We will issue the Certificates in the following denominations:

Classes	Denominations
The Interest Only 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.

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

The MBS

We expect the MBS to have the characteristics listed on Exhibit A to this prospectus supplement and the general characteristics described in the MBS Prospectus. The MBS generally provide that principal and interest on the Mortgage Loans are passed through monthly, beginning in the month after we issue the MBS. The Mortgage Loans are conventional, fully-amortizing, adjustable-rate mortgage loans secured by first mortgages or deeds of trust on single-family residential properties. The Mortgage Loans have original maturities of up to 30 years. See "Description of the Certificates," "The Mortgage Pools," "The Mortgage Loans—Adjustable Rate Mortgages (ARMs)" and "Yield, Maturity and Prepayment Considerations" in the MBS Prospectus.

For the Group 1 MBS, Group 2 MBS and Group 3 MBS, a small portion of the underlying pools with a non-interest only subtype designation (in each case representing less than 1% of the unpaid balance of the related group) consists of Mortgage Loans that have initial interest only payment periods. Additionally, in the case of the Group 1 MBS, a similar portion of the underlying pools with a non-prepayment premium subtype designation consists of Mortgage Loans that provide for prepayment premiums under certain circumstances.

Certain Characteristics of the Mortgage Loans

Mortgage Interest Rates

During initial fixed-rate periods, the Mortgage Loans will bear interest at fixed rates. Thereafter, they bear interest at rates that adjust

- annually based on the One-Year Treasury Index or the One-Year WSJ LIBOR Index, or
- semiannually based on the Six-Month WSJ LIBOR Index,

in each case as available 20, 30 or 45 days, as applicable, prior to the related interest rate change date. See "The Mortgage Loans—Adjustable Rate Mortgages (ARMs)" in the MBS Prospectus for descriptions of these indices. If any of these indices becomes unavailable, an alternative index will be determined in accordance with the terms of the related mortgage note (the "Mortgage Note").

Following its initial fixed-rate period and subject to the applicable interest rate caps, the interest rate on each Mortgage Loan (a "Mortgage Interest Rate") at any time generally will be equal to the sum of a specified percentage, or "Mortgage Margin," and the index level then applicable to that loan, which sum then may be rounded to the nearest or next highest one-eighth of 1%.

Interest Rate Change Caps

On the first interest rate change date for a Mortgage Loan, the Mortgage Interest Rate will be adjusted to equal the sum of the related Mortgage Margin and the then applicable index level (and rounded as provided above), *provided* that the Mortgage Interest Rate as adjusted generally may not be more than two or five percentage points (2% or 5%), as applicable, greater or less than the initial Mortgage Interest Rate. On each interest rate change date thereafter, the Mortgage Interest Rate as adjusted generally may not be more than two percentage points (2%) greater or less than the Mortgage Interest Rate in effect immediately prior to that date.

Maximum and Minimum Mortgage Interest Rates

The maximum Mortgage Interest Rate of each Mortgage Loan is generally equal to its initial Mortgage Interest Rate *plus* five or six percentage points (5% or 6%), as applicable. The minimum Mortgage Interest Rate of each Mortgage Loan is equal to its Mortgage Margin.

Monthly Payments

The amount of a borrower's monthly payment (the "Monthly Payment Amount") is subject to change:

- in the case of Mortgage Loans that adjust based on the One-Year Treasury Index or the One-Year WSJ LIBOR Index, on each anniversary of the date specified in the related Mortgage Note, and

- in the case of Mortgage Loans that adjust based on the Six-Month WSJ LIBOR Index, on the first payment change date specified in the related Mortgage Note and every six months thereafter.

Each new Monthly Payment Amount will be calculated to equal an amount necessary to pay interest at the new Interest Rate, adjusted as described above, and to fully amortize the outstanding principal balance of the Mortgage Loan on a level debt service basis over the remainder of its term.

Final Data Statement

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

Distributions of Interest

Categories of Classes

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

Interest Type*	Classes
Group 1 Classes	
Floating Rate	1A†
Weighted Average Coupon	N1
Available Funds	1A and N1
Interest Only	N1
Group 2 Classes	
Floating Rate	2A1 and 2A2††
Weighted Average Coupon	N2
Available Funds	2A1, 2A2 and N2
Interest Only	N2
Group 3 Classes	
Floating Rate	3A1
Weighted Average Coupon	3A2 and N3
Available Funds	3A1 and N3
Interest Only	N3
No Payment Residual	R and RL

* See "Description of Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus.
† On and after the 1A Class Coupon Step-up Date (defined below), the 1A Class will be categorized as a Weighted Average Coupon Class.
†† On and after the 2A2 Class Coupon Step-up Date (defined below), the 2A2 Class will be categorized as a Weighted Average Coupon Class.

General. We will pay interest on the Certificates at the applicable annual interest rates described in this prospectus supplement. We pay interest monthly on each Distribution Date, beginning in the month after the Settlement Date specified in the Reference Sheet. Interest to be paid on each Certificate on a Distribution Date will consist of one month's interest on the outstanding balance of that Certificate immediately prior to that Distribution Date.

We calculate interest

- in the case of the 1A, 2A1, 2A2 and 3A1 Classes, based on an assumed 360-day year and the actual number of days elapsed in the applicable Interest Accrual Period, and
- in the case of the 3A2, N1, N2 and N3 Classes, based on an assumed 360-day year consisting of twelve 30-day months.

We define certain capitalized terms used in the following subsections under the heading "—Certain Definitions Relating to Interest Distributions" below.

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

Classes	Interest Accrual Periods
The 1A, 2A1, 2A2 and 3A1 Classes	The actual number of days from the previous Distribution Date (or, in the case of the first Distribution Date, the Settlement Date) through the day prior to the current Distribution Date
The 3A2, N1, N2 and N3 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.

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, subject to the limitations described in this prospectus supplement. 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.

The Floating Rate Classes. Subject to the applicable interest rate cap, changes in the specified interest rate index (the "Index") will affect the yields with respect to the Floating Rate 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.

The 1A Class. On each Distribution Date prior to the 1A Class Coupon Step-up Date (defined below), we will pay interest on the 1A Class in an amount equal to one month's interest at an annual rate equal to the *lesser* of

- the Formula Rate (defined below) for the 1A Class and
- the Weighted Average MBS Pass-Through Rate (defined below) of the Group 1 MBS (adjusted to an actual/360 basis).

On each Distribution Date on or after the 1A Class Coupon Step-up Date, we will pay interest on the 1A Class at an annual rate equal to the Weighted Average MBS Pass-Through Rate of the Group 1 MBS (adjusted to an actual/360 basis).

In addition, on each Distribution Date, we will pay to the 1A Class an amount up to the Interest Carryover Amount (defined below), if any, for that Class and Distribution Date to the extent that funds are available, *first,* from proceeds received in respect of the related Yield Maintenance Agreement as described under "—The Yield Maintenance Agreements" in this prospectus supplement and, *second,* from interest otherwise distributable to the N1 Class on that Distribution Date.

The N1 Class. On each Distribution Date prior to 1A Class Coupon Step-up Date, we will pay interest on the N1 Class at an annual rate equal to the *excess,* if any, of

- the Weighted Average MBS Pass-Through Rate of the Group 1 MBS

over

- the annual rate of the 1A Class (adjusted to a 30/360 basis) in effect during the related Interest Accrual Period;

provided, however, that the amount of interest so calculated will be (x) reduced by any Interest Carryover Amount for the 1A Class not otherwise covered by the related Yield Maintenance Agreement and (y) increased by any payments under the related Yield Maintenance Agreement on that Distribution Date in excess of the Interest Carryover Amount for the 1A Class on that date. No interest will be paid on the N1 Class on or after the 1A Class Coupon Step-up Date (except for any payments under the related Yield Maintenance Agreement).

The 2A1 Class. On each Distribution Date, we will pay interest on the 2A1 Class in an amount equal to one month's interest at an annual rate equal to the *lesser* of

- the Formula Rate for the 2A1 Class and
- the Weighted Average MBS Pass-Through Rate of the Group 2 MBS (adjusted to an actual/360 basis).

In addition, on each Distribution Date, we will pay to the 2A1 Class an amount up to the Interest Carryover Amount, if any, for that Class and Distribution Date to the extent that funds are available, *first,* from proceeds received in respect of the related Yield Maintenance Agreement as described under "—The Yield Maintenance Agreements" in this prospectus supplement, and, *second,* from interest otherwise distributable to the N2 Class on that Distribution Date.

The 2A2 Class. On each Distribution Date prior to the 2A2 Class Coupon Step-up Date (as defined below), we will pay interest on the 2A2 Class in an amount equal to one month's interest at an annual rate equal to the *lesser* of

- the Formula Rate for the 2A2 Class and
- the Weighted Average MBS Pass-Through Rate of the Group 2 MBS (adjusted to an actual/360 basis).

On each Distribution Date on or after the 2A2 Class Coupon Step-up Date, we will pay interest on the 2A2 Class at an annual rate equal to the Weighted Average MBS Pass-Through Rate of the Group 2 MBS (adjusted to an actual/360 basis).

In addition, on each Distribution Date, we will pay to the 2A2 Class an amount up to the Interest Carryover Amount, if any, for that Class and Distribution Date to the extent that funds are available, *first,* from proceeds received in respect of the related Yield Maintenance Agreement as described under "—The Yield Maintenance Agreements" in this prospectus supplement, and, *second,* from interest otherwise distributable to the N2 Class on the Distribution Date.

The N2 Class. On each Distribution Date prior to the 2A2 Class Coupon Step-up Date, we will pay interest on the N2 Class at an annual rate equal to the *excess,* if any, of

- the Weighted Average MBS Pass-Through Rate of the Group 2 MBS

over

- the weighted average of the annual rates of the 2A1 and 2A2 Classes (adjusted to a 30/360 basis) in effect during the related Interest Accrual Period;

provided, however, that the amount of interest so calculated will be (x) reduced by any Interest Carryover Amount for the 2A1 or 2A2 Class not otherwise covered by the related Yield Maintenance Agreement and (y) increased by any payment under the related Yield Maintenance Agreement on that Distribution Date in excess of the Interest Carryover Amount for the 2A1 or 2A2 Class, as applicable, on that date. If on any Distribution Date the amount of interest otherwise payable on the N2 Class is insufficient to pay in full the Interest Carryover Amounts for the 2A1 and 2A2 Classes remaining after application of payments under the related Yield Maintenance Agreements, such amounts will be paid to the 2A1 and 2A2 Classes in proportion to the remaining Interest Carryover Amounts for the 2A1 and 2A2 Classes. No interest will be paid on the N2 Class on or after the 2A2 Class Coupon Step-up Date (except for any payments under the related Yield Maintenance Agreements).

The 3A1 Class. On each Distribution Date, we will pay interest on the 3A1 Class in an amount equal to one month's interest at an annual rate equal to the *lesser* of

- the Formula Rate for the 3A1 Class and
- the Weighted Average MBS Pass-Through Rate of the Group 3 MBS (adjusted to an actual/360 basis).

In addition, on each Distribution Date, we will pay to the 3A1 Class an amount up to the Interest Carryover Amount, if any, for that Class and Distribution Date to the extent that funds are available, *first,* from proceeds received in respect of the related Yield Maintenance Agreement as described under "—The Yield Maintenance Agreements" in this prospectus supplement and, *second,* from interest otherwise distributable to the N3 Class on that Distribution Date.

The 3A2 Class. On each Distribution Date, we will pay interest on the 3A2 Class at an annual rate equal to the Weighted Average MBS Pass-Through Rate of the Group 3 MBS (on a 30/360 basis).

The N3 Class. On each Distribution Date, we will pay interest on the N3 Class at an annual rate equal to the *excess,* if any, of

- the Weighted Average MBS Pass-Through Rate of the Group 3 MBS

over

- the annual rate of the 3A1 Class (adjusted to a 30/360 basis) during the related Interest Accrual Period;

provided, however, that the amount of interest so calculated will be (x) reduced by any Interest Carryover Amount for the 3A1 Class not otherwise covered by the related Yield Maintenance Agreement and (y) increased by any payments under the related Yield Maintenance Agreement on that Distribution Date in excess of the Interest Carryover Amount for the 3A1 Class on that date.

Calculation of One-Month LIBOR

On each Index Determination Date, we will calculate One-Month LIBOR for the related Interest Accrual Period. We will calculate One-Month 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 One-Month LIBOR on the initial Index Determination Date, One-Month LIBOR for the following Interest Accrual Period will be equal to 4.419%.

Certain Definitions Relating to Interest Distributions

1A Class Coupon Step-up Date. With respect to the 1A Class, the first Distribution Date after which the aggregate principal balance of the Group 1 MBS (after giving effect to distributions made on that date) is less than 5% of the aggregate principal balance of the Group 1 MBS at the Issue Date.

2A2 Class Coupon Step-up Date. With respect to the 2A2 Class, the first Distribution Date after which the aggregate principal balance of the Group 2 MBS (after giving effect to distributions made on that date) is less than 5% of the aggregate principal balance of the Group 2 MBS at the Issue Date.

Formula Rate. With respect to each of the 1A, 2A1, 2A2 and 3A1 Classes and any Distribution Date, the lesser of (x) the *sum* of One-Month LIBOR *plus* the related Pass-Through Margin and (y) 10.00%.

Interest Carryover Amount. With respect to each of the 1A, 2A1, 2A2 and 3A1 Classes and any Distribution Date, an amount equal to the *sum* of

- the *excess* (x) of the amount of interest that the Class would have been entitled to receive had its interest rate been calculated at the related Formula Rate *over* (y) the amount calculated using the related Weighted Average MBS Pass-Through Rate

plus

- the unpaid portion of the Interest Carryover Amount from the prior Distribution Date and interest thereon at the related Formula Rate for the current Distribution Date.

Pass-Through Margin. With respect to each of the Classes listed below as follows:

Class	Basis Points
1A	13
2A1	5
2A2	14
3A1	6

Weighted Average MBS Pass-Through Rate. With respect to any Distribution Date and the Group 1, Group 2 or Group 3 MBS, as applicable, the weighted average of the Pass-Through Rates of the related MBS in effect for calculating distributions on that Distribution Date, weighted on the basis of the principal balances of such related MBS after giving effect to distributions of principal made on the immediately preceding Distribution Date and, in the case of the 1A, 2A1, 2A2 and 3A1 Classes only, adjusted for the related Interest Accrual Period.

Distributions of Principal

Categories of Classes

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

Principal Type*	Classes
Group 1 Classes	
Pass-Through	1A
Notional	N1
Group 2 Classes	
Sequential Pay	2A1 and 2A2
Notional	N2

Principal Type*	Classes
Group 3 Classes	
Sequential Pay	3A1 and 3A2
Notional	N3
No Payment Residual	R and RL

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

Group 1 Principal Distribution Amount

On each Distribution Date, we will pay an amount equal to the principal then paid on the Group 1 MBS as principal of the 1A Class, until its principal balance is reduced to zero. **Pass-Through Class**

Group 2 Principal Distribution Amount

On each Distribution Date, we will pay an amount equal to the principal then paid on the Group 2 MBS, sequentially, as principal of the 2A1 and 2A2 Classes, in that order, until their principal balances are reduced to zero. **Sequential Pay Classes**

Group 3 Principal Distribution Amount

On each Distribution Date, we will pay an amount equal to the principal then paid on the Group 3 MBS, sequentially, as principal of the 3A1 and 3A2 Classes, in that order, until their principal balances are reduced to zero. **Sequential Pay Classes**

The Yield Maintenance Agreements

General

Friedman, Billings, Ramsey Group, Inc. ("FBR"), the transferor of the MBS to Fannie Mae, has entered into four yield maintenance agreements with The Royal Bank of Scotland plc (the "Yield Maintenance Provider").

The Yield Maintenance Provider is the principal operating subsidiary of The Royal Bank of Scotland Group plc ("RBS Group"). RBS Group, together with its subsidiaries, is a diversified financial services group engaged in a wide range of banking, financial and finance-related activities in the United Kingdom and internationally. As of the date of this prospectus supplement, the short-term unsecured and unguaranteed debt obligations of the Yield Maintenance Provider are rated "A-1+" by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"), "P-1" by Moody's Investors Service, Inc. (Moody's"), and "F1+" by Fitch, Inc. ("Fitch"). As of the date of this prospectus supplement, the long-term, unsecured, unsubordinated and unguaranteed debt obligations of the Yield Maintenance Provider are rated "AA" by S&P, "Aa1" by Moody's and "AA+" by Fitch. Except for the information contained in this paragraph, neither the Yield Maintenance Provider nor RBS Group has been involved in the preparation of, or accepts responsibility for, this prospectus supplement or the prospectus. The Yield Maintenance Provider is an affiliate of Greenwich Capital Markets, Inc.

The Yield Maintenance Agreements are evidenced by confirmations between FBR and the Yield Maintenance Provider. Pursuant to the Yield Maintenance Agreements, the terms of an ISDA Master Agreement were incorporated into the respective confirmations as if the ISDA Master Agreement had been executed by FBR and the Yield Maintenance Provider on the date the Yield Maintenance Agreements were executed. On the Settlement Date specified above under "Reference Sheet" in this prospectus supplement, FBR will assign to the Trustee, on behalf of the Trust, FBR's rights under the

Yield Maintenance Agreements. The Yield Maintenance Agreements will not be an asset of either REMIC created under the Trust Agreement.

The Yield Maintenance Agreements are scheduled to remain in effect until their respective termination dates as described below. The Yield Maintenance Agreements will be subject to early termination only in limited circumstances. Such circumstances generally include certain insolvency or bankruptcy events in relation to the Yield Maintenance Provider or the Trust, the failure by the Yield Maintenance Provider (three business days after notice of such failure is received by the Yield Maintenance Provider) to make a payment due under a Yield Maintenance Agreement, the failure by the Yield Maintenance Provider (30 days after notice of such failure is received) to perform any other agreement made by it under a Yield Maintenance Agreement, and a Yield Maintenance Agreement becoming illegal or subject to certain kinds of taxation.

If a Yield Maintenance Agreement is terminated early, the Yield Maintenance Provider may owe a termination payment to the Trustee, payable in a lump sum to be held by the Trustee until the related termination date, to pay any related Interest Carryover Amount as described in this prospectus supplement. However, if such termination occurs, there can be no assurance that any such termination payment will be owing to the Trustee or that the termination payment will be sufficient to cover any related Interest Carryover Amount. In addition, Fannie Mae does not intend to obtain a replacement yield maintenance agreement if any Yield Maintenance Agreement is terminated early.

None of the 1A, N1, 2A1, 2A2, N2, 3A1 or N3 Class Certificates represents an obligation of the Yield Maintenance Provider. The Holders of the 1A, N1, 2A1, 2A2, N2, 3A1 and N3 Class Certificates are not parties to any Yield Maintenance Agreement and will not have any right to proceed directly against the Yield Maintenance Provider in respect of its obligations under the Yield Maintenance Agreements. **The Fannie Mae guaranty will not cover any Interest Carryover Amounts or any failure of the Trust to receive payments under the Yield Maintenance Agreements.**

The 1A Class

On or prior to the Distribution Date in April 2013 (the "1A Class YMA Termination Date"), proceeds (if any) received by the Trustee under the related Yield Maintenance Agreement will be applied as payments to the 1A Class as described above under "—Distributions of Interest—*The 1A Class*." On any Distribution Date, after such application of any proceeds received under the related Yield Maintenance Agreement, any remaining proceeds will be paid to the N1 Class, unless such proceeds are received in connection with an early termination of the related Yield Maintenance Agreement, in which case such proceeds will be held by the Trustee until the 1A Class YMA Termination Date for distribution as described in this prospectus supplement.

With respect to any Distribution Date on or prior to the 1A Class YMA Termination Date, the amount payable by the Yield Maintenance Provider under the related Yield Maintenance Agreement will equal the *product* of

- the *excess* (if any) of

  (x) the lesser of (a) One-Month LIBOR (as determined by the Yield Maintenance Provider) and (b) the applicable 1A Class YMA Ceiling Rate

  over

  (y) the applicable 1A Class YMA Strike Rate

multiplied by

- the *lesser* of (a) the 1A Class YMA Notional Balance for that Distribution Date and (b) the principal balance of the 1A Class on that Distribution Date (before giving effect to payments made on that date)

multiplied by

- a fraction, the numerator of which is the actual number of days in the related Interest Accrual Period and the denominator of which is 360.

The "1A Class YMA Notional Balance," "1A Class YMA Strike Rate" and "1A Class YMA Ceiling Rate" for each Distribution Date are specified in the following table:

Month of Distribution Date	1A Class YMA Notional Balances ($)	1A Class YMA Strike Rate (%)	1A Class YMA Ceiling Rate (%)
February 2006	2,687,593,556.08	3.87320000	10.00000000
March 2006	2,604,815,306.93	3.73030000	10.00000000
April 2006	2,519,502,162.24	3.64770000	10.00000000
May 2006	2,431,982,082.09	3.57680000	10.00000000
June 2006	2,342,565,832.09	3.44650000	10.00000000
July 2006	2,251,597,821.35	3.86490000	10.00000000
August 2006	2,159,363,315.38	3.65670000	10.00000000
September 2006	2,066,192,869.77	3.69480000	10.00000000
October 2006	1,972,409,207.42	3.94540000	10.00000000
November 2006	1,878,379,324.18	3.70970000	10.00000000
December 2006	1,784,435,490.34	4.53290000	10.00000000
January 2007	1,695,287,513.95	4.49940000	10.05130725
February 2007	1,610,625,170.04	4.36360000	10.16004130
March 2007	1,530,235,584.29	5.14650000	10.11291945
April 2007	1,453,889,312.83	4.99130000	10.22122830
May 2007	1,381,386,045.70	5.14520000	10.26979486
June 2007	1,312,523,406.54	5.32570000	10.30747934
July 2007	1,247,171,060.35	5.70180000	10.28984179
August 2007	1,185,107,110.39	5.24620000	10.48634419
September 2007	1,126,136,462.63	6.03100000	10.33806175
October 2007	1,070,096,093.93	5.94810000	10.43152915
November 2007	1,016,849,583.54	5.70760000	10.58230031
December 2007	966,258,154.26	6.37990000	10.41954961
January 2008	918,197,831.14	6.50220000	10.43702153
February 2008	872,527,946.18	6.44710000	10.52095665
March 2008	829,131,289.92	7.03400000	10.33823815
April 2008	787,893,636.87	6.76140000	10.51110013
May 2008	748,708,648.13	6.68960000	10.60389190
June 2008	711,472,343.46	7.76810000	10.13832169
July 2008	676,098,346.78	7.69760000	10.21205684
August 2008	642,484,505.79	7.52510000	10.34449252
September 2008	610,537,979.76	7.56330000	10.36791625
October 2008	580,175,084.58	7.43710000	10.48635271
November 2008	551,317,521.82	8.37490000	10.00000000
December 2008	523,890,855.72	8.09900000	10.16284839
January 2009	497,824,322.96	8.21700000	10.11756129
February 2009	473,050,651.85	8.65870000	10.00000000
March 2009	449,505,890.36	9.42300000	10.00000000
April 2009	427,129,242.63	8.10830000	10.29125193
May 2009	405,862,913.53	9.34720000	10.00000000
June 2009	385,651,960.81	9.28240000	10.00000000
July 2009	366,444,154.58	8.83200000	10.00000000
August 2009	348,189,843.69	9.79220000	10.00000000
September 2009	330,841,828.63	9.15140000	10.00000000
October 2009	314,355,240.73	9.15140000	10.00000000
November 2009	298,687,427.35	9.46110000	10.00000000
December 2009	283,797,842.57	8.58830000	10.11793837

Month of Distribution Date	1A Class YMA Notional Balances ($)	1A Class YMA Strike Rate (%)	1A Class YMA Ceiling Rate (%)
January 2010	0.00	0.00000000	0.00000000
February 2010	256,201,091.07	9.15140000	10.00000000
March 2010	0.00	0.00000000	0.00000000
April 2010	231,278,934.01	8.86110000	10.00000000
May 2010	219,739,050.62	9.79220000	10.00000000
June 2010	208,772,891.18	9.15140000	10.00000000
July 2010	198,352,018.74	9.15140000	10.00000000
August 2010	188,449,402.21	9.46120000	10.00000000
September 2010	179,039,347.00	8.58830000	10.35539688
October 2010	0.00	0.00000000	0.00000000
November 2010	161,600,432.33	8.86110000	10.04090795
December 2010	153,526,288.87	9.15150000	10.00000000
January 2011	145,854,022.45	9.79230000	10.00000000
February 2011	138,563,694.58	9.15150000	10.00000000
March 2011	0.00	0.00000000	0.00000000
April 2011	320,423,651.51	9.29150000	9.50000000
May 2011	0.00	0.00000000	0.00000000
June 2011	298,611,386.98	8.72840000	9.50000000
July 2011	0.00	0.00000000	0.00000000
August 2011	278,273,991.44	9.29150000	9.50000000
September 2011	268,627,092.71	9.00110000	9.50000000
October 2011	0.00	0.00000000	0.00000000
November 2011	250,318,028.04	9.29150000	9.50000000
December 2011	241,633,512.28	9.00110000	9.50000000
January 2012	0.00	0.00000000	0.00000000
February 2012	225,151,469.01	8.72840000	9.50000000
March 2012	0.00	0.00000000	0.00000000
April 2012	0.00	0.00000000	0.00000000
May 2012	0.00	0.00000000	0.00000000
June 2012	195,460,474.57	9.29150000	9.50000000
July 2012	0.00	0.00000000	0.00000000
August 2012	182,106,213.44	8.72840000	9.50000000
September 2012	0.00	0.00000000	0.00000000
October 2012	0.00	0.00000000	0.00000000
November 2012	163,753,122.60	9.00120000	9.50000000
December 2012	0.00	0.00000000	0.00000000
January 2013	0.00	0.00000000	0.00000000
February 2013	147,235,509.15	9.29150000	9.50000000
March 2013	0.00	0.00000000	0.00000000
April 2013	137,152,569.91	9.29150000	9.50000000
May 2013	0.00	0.00000000	0.00000000

The 2A1 Class

On or prior to the Distribution Date in January 2008 (the "2A1 Class YMA Termination Date"), proceeds (if any) received by the Trustee under the related Yield Maintenance Agreement will be applied as payments to the 2A1 Class as described above under "—Distributions of Interest—*The 2A1 Class*." On any Distribution Date, after such application of any proceeds received under the related Yield Maintenance Agreement, any remaining proceeds will be paid to the N2 Class, unless such proceeds are received in connection with an early termination of the related Yield Maintenance

Agreement, in which case such proceeds will be held by the Trustee until the 2A1 Class YMA Termination Date for distribution as described in this prospectus supplement.

With respect to any Distribution Date on or prior to the 2A1 Class YMA Termination Date, the amount payable by the Counterparty under the related Yield Maintenance Agreement will equal the *product* of

- the *excess* (if any) of

  (x) the lesser of (a) One-Month LIBOR (as determined by the Yield Maintenance Provider) and (b) the applicable 2A1 Class YMA Ceiling Rate

  over

  (y) the applicable 2A1 Class YMA Strike Rate

multiplied by

- the *lesser* of (a) the 2A1 Class YMA Notional Balance for that Distribution Date and (b) the principal balance of the 2A1 Class on that Distribution Date (before giving effect to payments made on that date)

multiplied by

- a fraction, the numerator of which is the actual number of days in the related Interest Accrual Period and the denominator of which is 360.

The "2A1 Class YMA Notional Balance," "2A1 Class YMA Strike Rate" and "2A1 Class YMA Ceiling Rate" for each Distribution Date are specified in the following table:

Month of Distribution Date	2A1 Class YMA Notional Balances ($)	2A1 Class YMA Strike Rate (%)	2A1 Class YMA Ceiling Rate (%)
February 2006	1,308,493,000.00	4.59100000	10.00000000
March 2006	1,244,347,946.51	4.42450000	10.00000000
April 2006	1,180,618,300.09	4.26950000	10.00000000
May 2006	1,117,375,658.98	4.12490000	10.00000000
June 2006	1,054,689,334.43	3.86270000	10.00000000
July 2006	992,626,211.11	4.26950000	10.00000000
August 2006	931,250,616.61	3.98960000	10.00000000
September 2006	870,624,200.71	3.98960000	10.00000000
October 2006	810,805,824.47	4.12490000	10.00000000
November 2006	751,851,459.75	3.74350000	10.00000000
December 2006	693,814,099.32	4.26950000	10.00000000
January 2007	636,743,677.73	4.12490000	10.00000000
February 2007	580,687,003.24	3.86270000	10.00000000
March 2007	525,687,700.91	4.42450000	10.00000000
April 2007	471,786,166.85	4.12490000	10.00000000
May 2007	419,019,533.83	4.12490000	10.00000000
June 2007	367,421,648.00	3.98960000	10.00000000
July 2007	317,023,056.93	4.12490000	10.00000000
August 2007	267,851,008.55	3.74350000	10.00000000
September 2007	219,929,461.10	4.26960000	10.00000000
October 2007	173,279,103.67	4.17400000	10.00000000
November 2007	127,927,210.54	4.14400000	10.00000000
December 2007	83,925,101.06	4.67740000	10.00000000
January 2008	41,276,860.69	5.01820000	10.00000000
February 2008	0.00	0.00000000	0.00000000

The 2A2 Class

On or prior to the Distribution Date in May 2011 (the "2A2 Class YMA Termination Date"), proceeds (if any) received by the Trustee under the related Yield Maintenance Agreement will be applied as payments to the 2A2 Class as described above under "—Distributions of Interest—*The 2A2 Class*." On any Distribution Date, after such application of any proceeds received under the related Yield Maintenance Agreement, any remaining proceeds will be paid to the N2 Class, unless such proceeds are received in connection with an early termination of the related Yield Maintenance Agreement, in which case such proceeds will be held by the Trustee until the 2A2 Class YMA Termination Date for distribution as described in this prospectus supplement.

With respect to any Distribution Date on or prior to the 2A2 Class YMA Termination Date, the amount payable by the Yield Maintenance Provider under the related Yield Maintenance Agreement will equal the *product* of

- the *excess* (if any) of
  - (x) the lesser of (a) One-Month LIBOR (as determined by the Yield Maintenance Provider) and (b) the applicable 2A2 Class YMA Ceiling Rate

  over

  - (y) the applicable 2A2 Class YMA Strike Rate

multiplied by

- the *lesser* of (a) the 2A2 Class YMA Notional Balance for that Distribution Date and (b) the principal balance of the 2A2 Class on that Distribution Date (before giving effect to payments made on that date)

multiplied by

- a fraction, the numerator of which is the actual number of days in the related Interest Accrual Period and the denominator of which is 360.

The "2A2 Class YMA Notional Balance," "2A2 Class YMA Strike Rate" and "2A2 Class YMA Ceiling Rate" for each Distribution Date are specified in the following table:

Month of Distribution Date	2A2 Class YMA Notional Balances ($)	2A2 Class YMA Strike Rate (%)	2A2 Class YMA Ceiling Rate (%)
February 2006	785,824,604.91	4.49100000	10.00000000
March 2006	785,824,604.91	4.32450000	10.00000000
April 2006	785,824,604.91	4.16950000	10.00000000
May 2006	785,824,604.91	4.02490000	10.00000000
June 2006	785,824,604.91	3.76270000	10.00000000
July 2006	785,824,604.91	4.16950000	10.00000000
August 2006	785,824,604.91	3.88960000	10.00000000
September 2006	785,824,604.91	3.88960000	10.00000000
October 2006	785,824,604.91	4.02490000	10.00000000
November 2006	785,824,604.91	3.64350000	10.00000000
December 2006	785,824,604.91	4.16950000	10.00000000
January 2007	785,824,604.91	4.02490000	10.00000000
February 2007	785,824,604.91	3.76270000	10.00000000
March 2007	785,824,604.91	4.32450000	10.00000000
April 2007	785,824,604.91	4.02490000	10.00000000
May 2007	785,824,604.91	4.02490000	10.00000000
June 2007	785,824,604.91	3.88960000	10.00000000
July 2007	785,824,604.91	4.02490000	10.00000000
August 2007	785,824,604.91	3.64350000	10.00000000

Month of Distribution Date	2A2 Class YMA Notional Balances ($)	2A2 Class YMA Strike Rate (%)	2A2 Class YMA Ceiling Rate (%)
September 2007	785,824,604.91	4.16960000	10.00000000
October 2007	785,824,604.91	4.07400000	10.00000000
November 2007	785,824,604.91	4.04400000	10.00000000
December 2007	785,824,604.91	4.57740000	10.00000000
January 2008	785,824,604.91	4.91820000	10.00000000
February 2008	785,823,785.69	5.05580000	10.00000000
March 2008	746,650,226.05	5.56640000	10.00000000
April 2008	709,445,667.15	5.34170000	10.00000000
May 2008	674,111,223.22	5.33960000	10.00000000
June 2008	640,556,080.60	6.04660000	10.00000000
July 2008	608,684,479.63	5.92950000	10.00000000
August 2008	578,404,465.65	5.94190000	10.00000000
September 2008	549,650,056.16	5.94200000	10.00000000
October 2008	522,320,903.10	5.86870000	10.00000000
November 2008	496,358,871.36	6.75350000	10.00000000
December 2008	471,703,803.98	6.57250000	10.00000000
January 2009	448,290,841.11	6.93350000	10.00000000
February 2009	426,063,484.03	7.53260000	10.00000000
March 2009	404,960,517.90	8.23820000	10.00000000
April 2009	384,909,266.49	7.07830000	10.00000000
May 2009	365,855,746.28	8.21950000	10.00000000
June 2009	347,750,644.46	8.06100000	10.00000000
July 2009	330,546,194.11	7.56410000	10.00000000
August 2009	314,191,581.75	8.40160000	10.00000000
September 2009	298,645,460.17	7.84860000	10.00000000
October 2009	283,866,368.60	7.96990000	10.00000000
November 2009	269,821,888.03	8.49280000	10.00000000
December 2009	256,478,985.90	7.93410000	10.00000000
January 2010	243,802,273.80	9.74690000	10.00000000
February 2010	231,760,948.73	9.08610000	10.00000000
March 2010	0.00	0.00000000	0.00000000
April 2010	209,450,237.71	9.00590000	10.00000000
May 2010	0.00	0.00000000	0.00000000
June 2010	189,291,292.83	9.44350000	10.00000000
July 2010	179,952,750.88	9.46150000	10.00000000
August 2010	171,074,123.47	9.78260000	10.00000000
September 2010	162,632,345.59	8.87780000	10.00000000
October 2010	0.00	0.00000000	0.00000000
November 2010	146,976,004.21	9.22370000	10.00000000
December 2010	139,721,517.98	9.52670000	10.00000000
January 2011	0.00	0.00000000	0.00000000
February 2011	126,266,148.29	9.54170000	10.00000000
March 2011	0.00	0.00000000	0.00000000
April 2011	114,103,458.25	9.54180000	10.00000000
May 2011	108,467,475.41	9.86550000	10.00000000
June 2011	0.00	0.00000000	0.00000000

The 3A1 Class

On or prior to the Distribution Date in January 2008 (the "3A1 Class YMA Termination Date"), proceeds (if any) received by the Trustee under the related Yield Maintenance Agreement will be applied as payments to the 3A1 Class as described above under "—Distributions of Interest—*The 3A1 Class*." On any Distribution Date, after such application of any proceeds received under the related Yield Maintenance Agreement, any remaining proceeds will be paid to the N3 Class, unless such proceeds are received in connection with an early termination of the related Yield Maintenance Agreement, in which case such proceeds will be held by the Trustee until the 3A1 Class YMA Termination Date for distribution as described in this prospectus supplement.

With respect to any Distribution Date on or prior to the 3A1 Class YMA Termination Date, the amount payable by the Yield Maintenance Provider under the related Yield Maintenance Agreement will equal the *product* of

- the *excess* (if any) of

  (x) the lesser of (a) One-Month LIBOR (as determined by the Yield Maintenance Provider) and (b) the applicable 3A1 Class YMA Ceiling Rate

  over

  (y) the applicable 3A1 Class YMA Strike Rate

multiplied by

- the *lesser* of (a) the 3A1 Class YMA Notional Balance for that Distribution Date and (b) the principal balance of the 3A1 Class on that Distribution Date (before giving effect to payments made on that date)

multiplied by

- a fraction, the numerator of which is the actual number of days in the related Interest Accrual Period and the denominator of which is 360.

The "3A1 Class YMA Notional Balance," "3A1 Class YMA Strike Rate" and "3A1 Class YMA Ceiling Rate" for each Distribution Date are specified in the following table:

Month of Distribution Date	3A1 Class YMA Notional Balances ($)	3A1 Class YMA Strike Rate (%)	3A1 Class YMA Ceiling Rate (%)
February 2006	218,064,000.00	5.12710000	10.00000000
March 2006	206,406,854.91	4.94110000	10.00000000
April 2006	195,011,427.99	4.76800000	10.00000000
May 2006	183,871,898.86	4.60640000	10.00000000
June 2006	172,982,575.66	4.31350000	10.00000000
July 2006	162,337,892.24	4.76800000	10.00000000
August 2006	151,932,405.39	4.45520000	10.00000000
September 2006	141,760,792.12	4.45520000	10.00000000
October 2006	131,817,847.05	4.60640000	10.00000000
November 2006	122,098,479.83	4.18040000	10.00000000
December 2006	112,597,712.57	4.76800000	10.00000000
January 2007	103,310,677.42	4.60640000	10.00000000
February 2007	94,232,614.11	4.31350000	10.00000000
March 2007	85,358,867.60	4.94120000	10.00000000
April 2007	76,684,885.79	4.60650000	10.00000000
May 2007	68,206,217.21	4.60650000	10.00000000
June 2007	59,918,508.85	4.45530000	10.00000000
July 2007	51,817,503.98	4.60650000	10.00000000
August 2007	43,899,040.02	4.18040000	10.00000000

Month of Distribution Date	3A1 Class YMA Notional Balances ($)	3A1 Class YMA Strike Rate (%)	3A1 Class YMA Ceiling Rate (%)
September 2007	36,159,046.49	4.76810000	10.00000000
October 2007	28,593,542.98	4.60650000	10.00000000
November 2007	21,198,637.14	4.31360000	10.00000000
December 2007	13,970,522.80	4.60650000	10.00000000
January 2008	6,905,478.02	4.60650000	10.00000000
February 2008	0.00	0.00000000	0.00000000

Structuring Assumptions

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

- the Mortgage Loans have the aggregate characteristics set forth in Exhibit A to this prospectus supplement;
- the One-Year Treasury Index, One-Year WSJ LIBOR Index and Six-Month WSJ LIBOR Index values are and remain 4.350%, 4.787% and 4.680%, respectively;
- One-Month LIBOR is and remains equal to 4.419%;
- the Mortgage Loans prepay at the constant percentages of PPC specified in the related tables;
- the settlement date for the sale of the Certificates is January 31, 2006;
- interest accrues on the 1A, 2A1, 2A2 and 3A1 Classes on an actual/360 basis; and
- each Distribution Date occurs on the 25th day of a month.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used in this prospectus supplement is the "PPC" model (the "Prepayment Assumption").

In the case of the Group 1 MBS, a 100% PPC Prepayment Assumption assumes a CPR of 30% for the related Mortgage Loans in the first month and an additional 1.66667% (precisely 0.15/9) of CPR for each month thereafter, building to 45% CPR in the tenth month. Beginning in the tenth month and in each month thereafter, 100% PPC assumes a 45% CPR each month.

In the case of the Group 2 MBS, a 100% PPC Prepayment Assumption assumes a CPR of 30% for the related Mortgage Loans in the first month and an additional 0.65217% (precisely 0.15/23) of CPR for each month thereafter, building to 45% CPR in the 24th month. Beginning in the 24th month and in each month thereafter, 100% PPC assumes a 45% CPR each month.

In the case of the Group 3 MBS, a 100% PPC Prepayment Assumption assumes a CPR of 23% for the related Mortgage Loans in the first month through the 44th month and a 45% CPR beginning in the 45th month and in each month thereafter.

The Prepayment Assumption for each Class of Certificates is the applicable 100% PPC Prepayment Assumption.

The Constant Prepayment Rate or CPR represents an assumed constant rate of prepayment each month, expressed as an annual rate, relative to the then outstanding principal balance of a pool of new mortgage loans. Thus, "0% CPR" means no prepayments, "30% CPR" means an annual prepayment rate of 30%, and so forth.

These models do not purport to be an historical description of the prepayment experience of any pool of mortgage loans or a prediction of the anticipated rate of prepayment of any pool of mortgage loans, including the Mortgage Loans. It is highly unlikely that the Mortgage Loans underlying the

Group 1, Group 2 or Group 3 MBS will prepay at any constant percentage of the related Prepayment Assumption or at any other constant rate.

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 the related Prepayment Assumption. 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.

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 the related Mortgage Loans prepay at the indicated constant percentages of the related Prepayment Assumption. Moreover, it is unlikely that

- all of the related Mortgage Loans will prepay at a constant percentage of the related Prepayment Assumption until maturity,

- all of the related Mortgage Loans will prepay at the same rate, or

- the level of One-Month LIBOR will remain constant.

The N1, N2 and N3 Classes. **The yields to investors in the N1, N2 and N3 Classes will be very sensitive to the rate of principal payments (including prepayments) of the related Mortgage Loans and to the level of One-Month LIBOR relative to the related Weighted Average MBS Pass-Through rate. The Mortgage Loans generally can be prepaid at any time without penalty. In particular, if Mortgage Loans underlying the Group 1, Group 2 and Group 3 MBS with relatively high interest rates prepay more rapidly than Mortgage Loans with relatively low interest rates, the yields to investors in the N1, N2 and N3 Classes will decrease. Under certain interest rate and prepayment scenarios, it is possible that investors in the N1, N2 and N3 Classes would lose money on their initial investments.**

The information shown in the yield tables has been prepared on the basis of the Pricing Assumptions and the assumption that the aggregate purchase prices of the N1, N2 and N3 Classes (expressed in each case as a percentage of the original notional principal balance) are as follows:

Class	Price*
N1	0.609375%
N2	0.468750%
N3	0.031250%

* The prices do not include accrued interest. Accrued interest has been added to the prices of the N2 and N3 Classes in calculating the yields set forth in the applicable tables below.

Sensitivity of the N1 Class to Prepayments

	PPC Prepayment Assumption				
	75%	85%	100%	115%	125%
Pre-Tax Yields to Maturity	51.7%	43.9%	31.2%	16.2%	4.8%

Sensitivity of the N2 Class to Prepayments

	PPC Prepayment Assumption				
	75%	85%	100%	115%	125%
Pre-Tax Yields to Maturity	39.2%	31.9%	20.3%	6.1%	(4.4)%

Sensitivity of the N3 Class to Prepayments

	PPC Prepayment Assumption				
	75%	85%	100%	115%	125%
Pre-Tax Yields to Maturity	713.6%	695.0%	665.7%	629.4%	604.4%

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by

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

(b) summing the results, and

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

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

In general, the weighted average lives of the Certificates will be shortened if the level of prepayments of principal of the related Mortgage Loans increases. However, the weighted average lives will depend upon a variety of other factors, including the timing of changes in the rate of principal payments on the related Mortgage Loans. See "—Distributions of Principal" above.

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

Decrement Tables

The following tables indicate the percentages of original principal balances or notional principal balances of the specified Classes that would be outstanding after each date shown at various constant percentages of the related Prepayment Assumption and the corresponding weighted average lives of those Classes. The tables have been prepared on the basis of the Pricing Assumptions.

It is unlikely

- that the related Mortgage Loans will have the characteristics set forth in Exhibit A to this prospectus supplement or
- that all of the related Mortgage Loans will prepay at any *constant* percentage of the related Prepayment Assumption.

In addition, the diverse remaining terms to maturity of the related Mortgage Loans could produce slower or faster principal distributions than indicated in the tables at the specified constant percentages of PPC. This is the case even if the dispersion of weighted average remaining terms and the weighted average calculated loan ages of the related Mortgage Loans is identical to the dispersion specified in the Pricing Assumptions.

Percent of Original Principal Balances Outstanding

Date	1A and N1† Classes PPC Prepayment Assumption				
	75%	85%	100%	115%	125%
Initial Percent	100	100	100	100	100
January 2007	70	66	60	54	50
January 2008	45	40	32	26	22
January 2009	30	24	18	12	9
January 2010	19	15	10	6	4
January 2011	13	9	5	3	2
January 2012	8	5	3	1	1
January 2013	5	3	2	1	*
January 2014	3	2	1	*	*
January 2015	2	1	*	*	*
January 2016	1	1	*	*	*
January 2017	1	*	*	*	*
January 2018	1	*	*	*	*
January 2019	*	*	*	*	*
January 2020	*	*	*	*	*
January 2021	*	*	*	*	*
January 2022	*	*	*	*	*
January 2023	*	*	*	*	*
January 2024	*	*	*	*	*
January 2025	*	*	*	*	*
January 2026	*	*	*	*	*
January 2027	*	*	*	*	*
January 2028	*	*	*	*	0
January 2029	*	*	*	*	0
January 2030	*	*	*	0	0
January 2031	*	*	*	0	0
January 2032	*	*	*	0	0
January 2033	*	*	0	0	0
January 2034	*	*	0	0	0
January 2035	0	0	0	0	0
January 2036	0	0	0	0	0
Weighted Average Life (years)**	2.5	2.2	1.8	1.5	1.4

Date	2A1 Class PPC Prepayment Assumption				
	75%	85%	100%	115%	125%
Initial Percent	100	100	100	100	100
January 2007	58	52	44	36	31
January 2008	20	11	0	0	0
January 2009	0	0	0	0	0
January 2010	0	0	0	0	0
January 2011	0	0	0	0	0
January 2012	0	0	0	0	0
January 2013	0	0	0	0	0
January 2014	0	0	0	0	0
January 2015	0	0	0	0	0
January 2016	0	0	0	0	0
January 2017	0	0	0	0	0
January 2018	0	0	0	0	0
January 2019	0	0	0	0	0
January 2020	0	0	0	0	0
January 2021	0	0	0	0	0
January 2022	0	0	0	0	0
January 2023	0	0	0	0	0
January 2024	0	0	0	0	0
January 2025	0	0	0	0	0
January 2026	0	0	0	0	0
January 2027	0	0	0	0	0
January 2028	0	0	0	0	0
January 2029	0	0	0	0	0
January 2030	0	0	0	0	0
January 2031	0	0	0	0	0
January 2032	0	0	0	0	0
January 2033	0	0	0	0	0
January 2034	0	0	0	0	0
January 2035	0	0	0	0	0
January 2036	0	0	0	0	0
Weighted Average Life (years)**	1.3	1.1	1.0	0.8	0.8

Date	2A2 Class PPC Prepayment Assumption				
	75%	85%	100%	115%	125%
Initial Percent	100	100	100	100	100
January 2007	100	100	100	100	100
January 2008	100	100	100	83	72
January 2009	87	72	54	39	31
January 2010	57	44	29	19	13
January 2011	37	27	16	9	6
January 2012	24	16	9	4	2
January 2013	16	10	5	2	1
January 2014	10	6	2	1	*
January 2015	7	4	1	*	*
January 2016	4	2	1	*	*
January 2017	3	1	*	*	*
January 2018	2	1	*	*	*
January 2019	1	*	*	*	*
January 2020	1	*	*	*	*
January 2021	*	*	*	*	*
January 2022	*	*	*	*	*
January 2023	*	*	*	*	*
January 2024	*	*	*	*	*
January 2025	*	*	*	*	*
January 2026	*	*	*	*	*
January 2027	*	*	*	*	*
January 2028	*	*	*	*	*
January 2029	*	*	*	*	0
January 2030	*	*	*	*	0
January 2031	*	*	*	*	0
January 2032	*	*	*	0	0
January 2033	*	*	*	0	0
January 2034	*	*	0	0	0
January 2035	0	0	0	0	0
January 2036	0	0	0	0	0
Weighted Average Life (years)**	5.0	4.4	3.7	3.1	2.8

Date	N2† Class PPC Prepayment Assumption				
	75%	85%	100%	115%	125%
Initial Percent	100	100	100	100	100
January 2007	74	70	65	60	57
January 2008	50	45	38	31	27
January 2009	32	27	20	15	12
January 2010	21	17	11	7	5
January 2011	14	10	6	3	2
January 2012	9	6	3	2	1
January 2013	6	4	2	1	*
January 2014	4	2	1	*	*
January 2015	2	1	1	*	*
January 2016	2	1	*	*	*
January 2017	1	*	*	*	*
January 2018	1	*	*	*	*
January 2019	*	*	*	*	*
January 2020	*	*	*	*	*
January 2021	*	*	*	*	*
January 2022	*	*	*	*	*
January 2023	*	*	*	*	*
January 2024	*	*	*	*	*
January 2025	*	*	*	*	*
January 2026	*	*	*	*	*
January 2027	*	*	*	*	*
January 2028	*	*	*	*	0
January 2029	*	*	*	*	0
January 2030	*	*	*	*	0
January 2031	*	*	*	0	0
January 2032	*	*	*	0	0
January 2033	*	*	*	0	0
January 2034	*	*	0	0	0
January 2035	0	0	0	0	0
January 2036	0	0	0	0	0
Weighted Average Life (years)**	2.7	2.3	2.0	1.7	1.5

Date	3A1 and N3† Classes PPC Prepayment Assumption				
	75%	85%	100%	115%	125%
Initial Percent	100	100	100	100	100
January 2007	57	51	43	35	30
January 2008	21	12	0	0	0
January 2009	0	0	0	0	0
January 2010	0	0	0	0	0
January 2011	0	0	0	0	0
January 2012	0	0	0	0	0
January 2013	0	0	0	0	0
January 2014	0	0	0	0	0
January 2015	0	0	0	0	0
January 2016	0	0	0	0	0
January 2017	0	0	0	0	0
January 2018	0	0	0	0	0
January 2019	0	0	0	0	0
January 2020	0	0	0	0	0
January 2021	0	0	0	0	0
January 2022	0	0	0	0	0
January 2023	0	0	0	0	0
January 2024	0	0	0	0	0
January 2025	0	0	0	0	0
January 2026	0	0	0	0	0
January 2027	0	0	0	0	0
January 2028	0	0	0	0	0
January 2029	0	0	0	0	0
January 2030	0	0	0	0	0
January 2031	0	0	0	0	0
January 2032	0	0	0	0	0
January 2033	0	0	0	0	0
January 2034	0	0	0	0	0
January 2035	0	0	0	0	0
January 2036	0	0	0	0	0
Weighted Average Life (years)**	1.3	1.1	0.9	0.8	0.7

Date	3A2 Class PPC Prepayment Assumption				
	75%	85%	100%	115%	125%
Initial Percent	100	100	100	100	100
January 2007	100	100	100	100	100
January 2008	100	100	100	91	86
January 2009	94	86	76	66	60
January 2010	71	62	51	41	36
January 2011	46	38	28	20	15
January 2012	30	23	15	9	7
January 2013	20	14	8	4	3
January 2014	13	8	4	2	1
January 2015	8	5	2	1	1
January 2016	5	3	1	*	*
January 2017	3	2	1	*	*
January 2018	2	1	*	*	*
January 2019	1	1	*	*	*
January 2020	1	*	*	*	*
January 2021	1	*	*	*	*
January 2022	*	*	*	*	*
January 2023	*	*	*	*	*
January 2024	*	*	*	*	*
January 2025	*	*	*	*	*
January 2026	*	*	*	*	*
January 2027	*	*	*	*	*
January 2028	*	*	*	*	*
January 2029	*	*	*	*	*
January 2030	*	*	*	*	0
January 2031	*	*	*	*	0
January 2032	*	*	*	0	0
January 2033	*	*	*	0	0
January 2034	*	*	*	0	0
January 2035	*	*	0	0	0
January 2036	0	0	0	0	0
Weighted Average Life (years)**	5.5	5.0	4.4	3.9	3.6

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

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

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

Characteristics of the R and RL Classes

The R and RL Classes will not have principal balances and will not bear interest. If any assets of the Upper Tier REMIC remain after the principal balances of 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 Upper Tier REMIC, 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.

U.S. Treasury Circular 230 Notice

The tax discussions contained in the REMIC Prospectus (including the sections entitled "Certain Federal Income Tax Consequences" and "ERISA Considerations") and this prospectus supplement were not intended or written to be used, and cannot be used, for the purpose of avoiding United States federal tax penalties. These discussions were written to support the promotion or marketing of the transactions or matters addressed in this prospectus supplement. You should seek advice based on your particular circumstances from an independent tax advisor.

REMIC Elections and Special Tax Attributes

We will elect to treat the Lower Tier REMIC and the Upper Tier REMIC as REMICs for federal income tax purposes. The 3A2 Class and the REMIC regular interests corresponding to the 1A, 2A1, 2A2, 3A1, N1, N2 and N3 Classes (as described below) will be designated as the "regular interests," and the R Class will be designated as the "residual interest," in the Upper Tier REMIC. The Lower Tier Regular Interests will be designated as 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 Upper Tier REMIC will qualify as REMICs, the 3A2 Class, the REMIC regular interests corresponding to the 1A, 2A1, 2A2, 3A1, N1, N2 and N3 Classes, and the R and RL Classes 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.

The REMIC regular interest corresponding to the 1A, 2A1, 2A2 or 3A1 Class will be entitled to receive interest and principal payments at the times and in the amounts equal to those made to the 1A, 2A1, 2A2 or 3A1 Class, respectively, except that the interest rate on the REMIC regular interest will be determined without regard to the related Interest Carryover Amount. A beneficial owner of an 1A, 2A1, 2A2 or 3A1 Class Certificate will be treated for federal income tax purposes as the beneficial owner of a pro rata interest in the related REMIC regular interest. Any *excess* of the amount of interest actually payable to the 1A, 2A1, 2A2 or 3A1 Class *over* the amount of interest payable on the related REMIC regular interest will be deemed to have been received pursuant to the related notional principal contract discussed below under "—Taxation of the Interest Carryover Amounts." See also "—Taxation of the Yield Maintenance Agreements" below.

The REMIC regular interest corresponding to the N1, N2 or N3 Class will be taxed as if it were entitled to receive interest payments at the times and in the amounts equal to those made to the N1, N2 or N3 Class, respectively, except that the interest rate on the REMIC regular interest will be determined without regard to the related Interest Carryover Amount and Yield Maintenance Agreement. Any *excess* of the amount of interest payable on the REMIC regular interest *over* the amount of interest actually payable to the N1, N2 or N3 Class (exclusive of amounts attributable to a Yield Maintenance Agreement) will be deemed to have been paid by the N1, N2 or N3 Class pursuant to the notional principal contracts discussed under "—Taxation of the Interest Carryover Amounts." See also "—Taxation of the Yield Maintenance Agreements" below.

Alternative federal income tax characterizations of the right to receive payments under the notional principal contracts or the Yield Maintenance Agreements are possible, including treatment of the beneficial owners' rights under the contracts as debt of the Trust or an interest in a partnership. The amount, timing and character of the income and deductions for a beneficial owner of an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate could differ if the interests in the related notional principal contract or Yield Maintenance Agreement were determined to be indebtedness or an interest in a partnership. You should consult your own tax advisors regarding the tax treatment of income and deductions attributable to the related notional principal contract and Yield Maintenance Agreement.

The REMIC regular interest corresponding to the N1, N2 and N3 Classes will be issued with original issue discount ("OID"), and the 3A2 Class and the REMIC regular interest corresponding to the 1A, 2A1, 2A2 and 3A1 Classes may be issued with OID. If a regular interest is issued with OID, a beneficial owner of an interest in that regular interest 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. The 3A2 Class and the REMIC regular interests corresponding to the 1A, 2A1, 2A2 and 3A1 Classes may instead be treated as having been issued at a premium. See "Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Regular Certificates Purchased at a Premium*" in the REMIC Prospectus.

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

Group	Prepayment Assumption
1	100% PPC
2	100% PPC
3	100% PPC

For a description of the applicable Prepayment Assumptions, see "Description of the Certificates—Structuring Assumptions—*Prepayment Assumptions*" in this prospectus supplement. In addition, see "Certain Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Daily Portions of Original Issue Discount*" in the REMIC Prospectus. No representation is made as to whether the Mortgage Loans underlying the MBS will prepay at that rate or any other rate. See

"Description of the Certificates—Weighted Average Lives of the Certificates" in this prospectus supplement and "Description of the Certificates—Weighted Average Life and Final Distribution Date" in the REMIC Prospectus.

Taxation of Beneficial Owners of the 1A, 2A1, 2A2, 3A1, N1, N2 and N3 Class Certificates

General

A beneficial owner of an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate will be treated:

- as holding an undivided interest in a REMIC regular interest as described above, and
- as having entered into a notional principal contract as described below.

Also, a beneficial owner of an N1, N2 or N3 Class Certificate will be treated as holding an undivided interest in the related Yield Maintenance Agreement.

Consequently, each beneficial owner of an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate will be required to report its pro rata share of income accruing with respect to the corresponding REMIC regular interest as discussed under "—REMIC Elections and Special Tax Attributes" above. In addition, each beneficial owner of an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate will be required to report its pro rata share of net income with respect to the related notional principal contract and will be permitted to recognize its share of a net deduction with respect to the related notional principal contract, subject to the discussions under "—Taxation of the Interest Carryover Amounts" and "—Taxation of the Yield Maintenance Agreements" below.

In general, this treatment of an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate should not materially affect the timing or amount of income, for federal income tax purposes, of a beneficial owner of an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate provided that:

- any premium paid or received with respect to the related notional principal contract is amortized in the same manner as any offsetting premium or discount with respect to the corresponding REMIC regular interest is amortized, and
- the beneficial owner's ability to recognize a net deduction with respect to the related notional principal contract is not subject to sections 67 or 68 of the Code.

In any event, you should consult your own tax advisor regarding the consequences to you in light of your particular circumstances of taxing separately the components comprising each 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate (*i.e.*, the corresponding REMIC regular interest, the related notional principal contract and, in the case of the N1, N2 or N3 Class, the related Yield Maintenance Agreement).

Allocations with Respect to an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate

A beneficial owner of an 1A, 2A1, 2A2 or 3A1 Class Certificate must allocate its cost to acquire the Certificate between the corresponding REMIC regular interest and the related notional principal contract based on their relative fair market values. When a beneficial owner of an 1A, 2A1, 2A2 or 3A1 Class Certificate sells or disposes of the Certificate, the beneficial owner must allocate the sale proceeds between the corresponding REMIC regular interest and the related notional principal contract based on their relative fair market values and must treat the sale or other disposition of the Certificate as a sale or other disposition of a pro rata portion of the corresponding REMIC regular interest and the related notional principal contract.

A beneficial owner of an N1, N2 or N3 Class Certificate must allocate its cost to acquire the Certificate between the corresponding REMIC regular interest and the related Yield Maintenance Agreement based on their relative fair market values. Because a beneficial owner of an N1, N2 or N3 Class Certificate generally will be deemed to have received a premium for entering into the related notional principal contract, a beneficial owner of an N1, N2 or N3 Class Certificate may have a basis in the corresponding REMIC regular interest and the related Yield Maintenance Agreement that is greater than the beneficial owner's basis in the N1, N2 or N3 Class Certificate itself. Further, in connection with a sale or disposition of the N1, N2 or N3 Class Certificate, the beneficial owner may be deemed to have paid a termination payment to the new holder, in which case the beneficial owner may be treated as having received an amount for the corresponding REMIC regular interest and the related Yield Maintenance Agreement that is greater than the amount received for the N1, N2 or N3 Class Certificate itself. In any case, when a beneficial owner of an N1, N2 or N3 Class Certificate sells or disposes of the Certificate, the beneficial owner must treat the sale or other disposition of the Certificate as a sale or other disposition of a pro rata portion of the corresponding REMIC regular interest, the related Yield Maintenance Agreement and the obligation under the related notional principal contract.

Because the notional principal contract may have more than nominal value, you should consider the income tax consequences to you of either (i) allocating a more than nominal portion of your purchase price for an 1A, 2A1, 2A2 or 3A1 Class Certificate to the premium for the related notional principal contract or (ii) being treated as having received a more than nominal premium for the related notional principal contract in connection with your acquisition of an N1, N2 or N3 Class Certificate. You should consult your own tax advisors regarding the consequences to you should the related notional principal contract have more than nominal value at the time you acquire an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate. See "—Taxation of the Interest Carryover Amounts" below.

Tax Attributes of 1A, 2A1, 2A2, 3A1, N1, N2 and N3 Class Certificates

Although the 1A, 2A1, 2A2, 3A1, N1, N2 and N3 Class Certificates will represent beneficial ownership in REMIC regular interests, which are afforded certain tax attributes under the Code (see "Taxation of REMIC Regular Interests—*Special Tax Attributes*" in the REMIC Prospectus), an interest in the related notional principal contract represented by an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate and the interest in the related Yield Maintenance Agreement represented by an N1, N2 or N3 Class Certificate will not constitute:

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

Income received under the notional principal contracts or the Yield Maintenance Agreements will not constitute income described in section 856(c)(3)(B) with respect to a real estate investment trust. As a result, the 1A, 2A1, 2A2, 3A1, N1, N2 and N3 Class generally will not be an appropriate investment for a REMIC.

Taxation of the Interest Carryover Amounts

General

A beneficial owner of an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate will be treated as having entered into a "notional principal contract" within the meaning of Treasury Department Regulations promulgated under section 446 of the Code (the "NPC Regulations"). Pursuant to these notional principal contracts, the beneficial owners of the 1A, 2A1, 2A2 and 3A1 Class Certificates will be treated as agreeing to pay a premium to the beneficial owners of the N1, N2 or N3 Class Certificates for the right to receive the related Interest Carryover Amount. A beneficial owner of an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate will be treated as having entered into the related notional principal contract on the date the beneficial owner acquires the Certificate.

Treatment of Payments Under the Notional Principal Contracts

Under the NPC Regulations, the premium that is deemed to have been paid for the related notional principal contract must be amortized over the life of the 1A, 2A1, 2A2 or 3A1 Class, taking into account the declining balance of the 1A, 2A1, 2A2 or 3A1 Class. For information reporting purposes, we intend to amortize the premium under a constant yield method, similar to that used to amortize OID. You should consult your tax advisor regarding the method for amortizing this premium.

Any payment made by the N1, N2 or N3 Class to the 1A, 2A1, 2A2 or 3A1 Class will be treated as a periodic payment under the NPC regulations. To the extent that the periodic payments in any year exceed the amount of the premium amortized in that year, such excess shall represent net income for that year in the case of a beneficial owner of an 1A, 2A1, 2A2 or 3A1 Class Certificate (and a net deduction for that year in the case of a beneficial owner of an N1, N2 or N3 Class Certificate). Conversely, to the extent that the amount of the premium amortized in any year exceeds the periodic payments in that year, such excess shall represent a net deduction for that year in the case of a beneficial owner of an 1A, 2A1, 2A2 or 3A1 Class Certificate (and net income for that year in the case of a beneficial owner of an N1, N2 or N3 Class Certificate). Although not clear, net income (or a net deduction) should be treated as ordinary income (or as an ordinary deduction).

A beneficial owner's ability to recognize a net deduction with respect to a notional principal contract is limited under section 67 of the Code in the case of (i) estates and trusts, and (ii) individuals owning an interest in an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate directly or through an investment in a "pass-thru entity" (other than in connection with such individual's trade or business). Pass-thru entities include partnerships, S corporations, grantor trusts, and non-publicly offered regulated investment companies, but do not include estates, non-grantor trusts, cooperatives, real estate investment trusts and publicly offered regulated investment companies. Generally, such a beneficial owner can recognize a net deduction only to the extent that these costs, when aggregated with certain of the beneficial owner's other miscellaneous itemized deductions, exceed 2% of the beneficial owner's adjusted gross income. For this purpose, an estate or non-grantor trust computes adjusted gross income in the same manner as in the case of an individual, except that deductions for administrative expenses of the estate or trust that would not have been incurred if the property were not held in the trust or estate are treated as allowable in arriving at adjusted gross income. In addition, section 68 of the Code may provide for certain limitations on itemized deductions otherwise allowable for a beneficial owner who is an individual. Further, such a beneficial owner will not be able to recognize a net deduction with respect to the notional principal contract in computing the beneficial owner's alternative minimum tax liability.

Special Consequences for Beneficial Owners of N1, N2 and N3 Class Certificates

Payments that are deemed to have been made by the N1, N2 or N3 Class to the 1A, 2A1, 2A2 or 3A1 Class pursuant to the related notional principal contract will be made through an "outside reserve fund" described in the Regulations, which will not be an asset of either the Upper Tier REMIC or Lower Tier REMIC for tax purposes. This outside reserve fund will be funded with interest payments on the REMIC regular interests corresponding to the N1, N2 and N3 Class Certificate, and the beneficial owners of the N1, N2 and N3 Classes will be treated for federal income tax purposes as the beneficial owners of this outside reserve fund. As a result, a beneficial owner of an N1, N2 or N3 Class Certificate will be required to accrue income with respect to interest payments on the corresponding REMIC regular interest and will be entitled to a net deduction with respect to payments made from the outside reserve fund to the 1A, 2A1, 2A2 or 3A1 Class pursuant to the related notional principal contract. Therefore, if your ability to recognize a net deduction with respect to the related notional principal contract were limited, you could be required to accrue more interest income than the amount of interest actually distributed on your N1, N2 or N3 Class Certificate. You should consult your own tax advisor regarding your ability to recognize a net deduction with respect to the related notional principal contract, regardless of whether you hold an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate.

Disposition of the Notional Principal Contracts

Any amount that is considered to be allocated to the related notional principal contract in connection with the sale or other disposition of an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate as described under "—Taxation of Beneficial Owners of the 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificates—*Allocations with Respect to an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate*" above will be considered a "termination payment" under the NPC Regulations. Under the NPC Regulations, a beneficial owner of an 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificate will have gain or loss from the disposition of the related notional principal contract equal to (i) the sum of the unamortized portion of any premium received or deemed to have been received by the beneficial owner upon entering into the related notional principal contract and any termination payment it receives or is deemed to have received, *less* (ii) the sum of the unamortized portion of any premium paid or deemed to have been paid by the beneficial owner upon entering into the related notional principal contract and any termination payment it makes or is deemed to have made. The gain or loss should be capital gain or loss, provided the notional principal contract is a capital asset to the beneficial owner. The ability to deduct capital losses is subject to limitations.

Taxation of the Yield Maintenance Agreements

The Yield Maintenance Agreements also will constitute notional principal contracts under the NPC Regulations. Pursuant to these notional principal contracts, a beneficial owner of an N1, N2 or N3 Class Certificate will be treated as agreeing to pay a premium for the right to receive the payments on the related Yield Maintenance Agreement. A beneficial owner of an N1, N2 or N3 Class Certificate will be treated as having entered into the related notional principal contract on the date the beneficial owner acquires the Certificate. A beneficial owner of an N1, N2 or N3 Class Certificate also will be treated as having entered into a notional principal contract represented by the obligation to pay the related Interest Carryover Amount from amounts otherwise payable on the N1, N2 or N3 Class. See "—Taxation of the Interest Carryover Amounts" above.

Treatment of Payments Under the Yield Maintenance Agreements

Under the NPC Regulations, the premium that is deemed to have been paid for the related Yield Maintenance Agreement must be amortized over the life of the N1, N2 or N3 Class, taking into account the declining balance of the N1, N2 or N3 Class. For information reporting purposes, we intend to amortize the premium under a constant yield method, similar to that used to amortize OID. You should consult your tax advisor regarding the method for amortizing this premium.

Any payment received by the N1, N2 or N3 Class pursuant to the related Yield Maintenance Agreement will be treated as a periodic payment under the NPC Regulations. To the extent that the periodic payments in any year exceed the amount of the premium amortized in that year, such excess shall represent net income for that year. Conversely, to the extent that the amount of the premium amortized in any year exceeds the periodic payments in that year, such excess shall represent a net deduction for that year. Although not clear, net income or a net deduction should be treated as ordinary income or as an ordinary deduction.

A beneficial owner's ability to recognize a net deduction with respect to the related Yield Maintenance Agreement is limited under section 67 of the Code in the case of (i) estates and trusts, and (ii) individuals owning an interest in an N1, N2 or N3 Class Certificate directly or through an investment in a "pass-thru entity" (other than in connection with such individual's trade or business). Pass-thru entities include partnerships, S corporations, grantor trusts, and non-publicly offered regulated investment companies, but do not include estates, non-grantor trusts, cooperatives, real estate investment trusts and publicly offered regulated investment companies. Generally, such a beneficial owner can recognize a net deduction only to the extent that these costs, when aggregated with certain of the beneficial owner's other miscellaneous itemized deductions, exceed 2% of the beneficial owner's adjusted gross income. For this purpose, an estate or non-grantor trust computes adjusted gross income in the same manner as in the case of an individual, except that deductions for administrative expenses of the estate or trust that would not have been incurred if the property were not held in such trust or estate are treated as allowable in arriving at adjusted gross income. In addition, section 68 of the Code may provide for certain limitations on itemized deductions otherwise allowable for a beneficial owner who is an individual. Further, such a beneficial owner will not be able to recognize a net deduction with respect to the related Yield Maintenance Agreement in computing the beneficial owner's alternative minimum tax liability.

Disposition of the Yield Maintenance Agreements

Any amount that is considered to be allocated to the related Yield Maintenance Agreement in connection with the sale or other disposition of an N1, N2 or N3 Class Certificate as described under "—Taxation of Beneficial Owners of the 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class Certificates—*Allocations with Respect to an 1A, 2A1, 2A2, 3A1, N1, N2 and N3 Class Certificate*" above will be considered a "termination payment" under the NPC Regulations. Under the NPC Regulations, a beneficial owner of an N1, N2 or N3 Class Certificate will have gain or loss from the disposition of the related Yield Maintenance Agreement equal to (i) the sum of the unamortized portion of any premium received or deemed to have been received by the beneficial owner upon entering into the related Yield Maintenance Agreement and any termination payment it receives or is deemed to have received, *less* (ii) the sum of the unamortized portion of any premium paid or deemed to have been paid by the beneficial owner upon entering into the related Yield Maintenance Agreement and any termination payment it makes or is deemed to have made. The gain or loss should be capital gain or loss, provided the related Yield Maintenance Agreement is a capital asset to the beneficial owner. The ability to deduct capital losses is subject to limitations.

Taxation of Beneficial Owners of Residual Certificates

For purposes of determining the portion of the taxable income of the Upper Tier REMIC or Lower Tier REMIC that generally will not be treated as excess inclusions, the rate to be used is 5.58% (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.

Tax Return Disclosure Requirements

Treasury Department Regulations that are directed at "tax shelters" 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.

CERTAIN ADDITIONAL ERISA CONSIDERATIONS

The following ERISA discussion supplements the discussion under the caption "ERISA Considerations" in the REMIC Prospectus.

Additional Considerations Relating to the 1A, 2A1, 2A2, 3A1, N1, N2 and N3 Classes. Because the right to interest payable under the Yield Maintenance Agreements to Holders of the 1A, 2A1, 2A2, 3A1, N1, N2 and N3 Classes are not guaranteed by Fannie Mae, the "guaranteed governmental mortgage pool exemption" may or may not be applicable to the acquisition and holding of those rights. Therefore, any Plan fiduciary considering an investment in the 1A, 2A1, 2A2, 3A1, N1, N2 and N3 Classes should consider the identity of the Yield Maintenance Provider in determining whether an investment in the 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class would give rise to a prohibited transaction. Depending on the relevant facts and circumstances, certain prohibited transaction exemptions may apply to the acquisition of the 1A, 2A1, 2A2, 3A1, N1, N2 and N3 Classes and rights under the related Yield Maintenance Agreements—for example, Prohibited Transaction Class Exemption ("PTCE") 84-14, which exempts certain transactions effected on behalf of a Plan by a "qualified professional asset manager," PTCE 90-1, which exempts certain transactions by insurance company pooled separate accounts, PTCE 91-38, which exempts certain transactions by bank collective investment funds, PTCE 95-60, which exempts certain transactions by insurance company general accounts, or PTCE 96-23, which exempts certain transactions effected on behalf of a Plan by an "in-house asset manager". Each Plan that invests in the 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class, by its acceptance of the related certificate, will be deemed to make certain representations as provided in the Trust Agreement, including that its acquisition of the 1A, 2A1, 2A2, 3A1, N1, N2 or N3 Class and rights under the related Yield Maintenance Agreement, do not give rise to a nonexempt prohibited transaction under section 406 of ERISA or section 4975 of the Code.

PLAN OF DISTRIBUTION

We will acquire the MBS from Friedman, Billings, Ramsey Group, Inc. ("FBR") in exchange for the Certificates. FBR has agreed to sell the Certificates to Greenwich Capital Markets, Inc. (the "Underwriter"). The Underwriter 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 Underwriter may effect these transactions to or through dealers. The Underwriter is an affiliate of the Yield Maintenance Provider.

LEGAL MATTERS

Sidley Austin LLP will provide legal representation for Fannie Mae. McKee Nelson LLP will provide legal representation for the Underwriter.

Exhibit A

Assumed Characteristics of the Pools Underlying the MBS
(As of January 1, 2006)

	Unpaid Principal Balance	Weighted Average Mortgage Interest Rate	Weighted Average MBS Pass-Through Rate	Weighted Average Mortgage Margin	Weighted Average Original Term (in Months)	Weighted Average Remaining Term (in Months)	Weighted Average Calculated Loan Age (in Months)	Index	Weighted Average Months To First Interest Rate Change Date	Initial Interest Rate Change Cap	Subsequent Interest Rate Change Cap	Ceiling/ Maximum Mortgage Interest Rate	Remaining Interest Only Periods (in Months)
Group 1 Loans	$ 681,886.48	5.46500%	4.85000%	2.80500%	360	312	48	One-Year Treasury	1	2.00000%	2.00000%	11.61300%	NA
	905,237.07	6.24900	5.68700	2.84300	360	303	57	One-Year Treasury	3	2.00000	2.00000	11.25000	NA
	1,623,820.47	6.27174	5.82357	2.77773	360	291	69	One-Year Treasury	4	2.00000	2.00000	12.18606	NA
	21,380,801.43	4.60719	4.08787	2.76087	360	324	36	One-Year Treasury	5	2.00000	2.00000	10.52209	NA
	37,088,986.08	4.17299	3.59506	2.74679	360	323	37	One-Year Treasury	6	2.00000	2.00000	10.16615	NA
	2,599,119.13	6.44377	5.84774	2.84056	360	304	56	One-Year Treasury	7	1.79264	1.79264	10.85932	NA
	7,579,306.61	3.87700	3.27900	2.75000	360	328	32	One-Year Treasury	8	2.00000	2.00000	9.86400	NA
	95,858,919.90	4.13725	3.57311	2.77691	360	333	27	One-Year Treasury	9	2.00000	2.00000	10.12337	NA
	94,864,674.32	4.28887	3.67243	2.77558	360	333	27	One-Year Treasury	10	2.00000	2.00000	10.28691	NA
	6,122,742.10	4.71871	4.23452	2.75000	360	328	32	One-Year Treasury	11	2.00000	2.00000	10.57705	NA
	12,864,686.69	4.90005	4.29198	2.75000	360	327	33	One-Year Treasury	12	2.00000	2.00000	10.62884	NA
	31,808,382.38	4.46409	3.86520	2.75656	360	333	27	One-Year Treasury	13	2.00000	2.00000	10.37844	NA
	12,422,814.45	4.18200	3.58400	2.75000	360	339	21	One-Year Treasury	15	2.00000	2.00000	10.18200	NA
	48,523,407.64	4.11255	3.51618	2.78037	360	340	20	One-Year Treasury	16	2.00000	2.00000	10.11279	NA
	15,157,533.06	4.21557	3.66442	2.81270	360	341	19	One-Year Treasury	17	2.00000	2.00000	10.22054	NA
	63,288,059.03	4.22349	3.57207	2.26637	360	326	34	One-Year WSJ LIBOR	2	2.00000	2.00000	10.20419	NA
	75,728,623.24	4.25502	3.65555	2.25077	360	326	34	One-Year WSJ LIBOR	3	2.00000	2.00000	10.24789	NA
	146,218,447.69	4.10264	3.44280	2.30691	360	328	32	One-Year WSJ LIBOR	4	2.00000	2.00000	10.04762	NA
	40,016,599.46	4.26769	3.65339	2.25172	360	328	32	One-Year WSJ LIBOR	5	2.00000	2.00000	10.26726	NA
	32,621,936.46	4.04233	3.39200	2.29148	360	330	30	One-Year WSJ LIBOR	6	2.00000	2.00000	10.03853	NA
	51,847,372.55	3.97103	3.31299	2.25365	360	331	29	One-Year WSJ LIBOR	7	2.00000	2.00000	9.96937	NA
	157,401,000.61	4.01935	3.36839	2.28236	360	332	28	One-Year WSJ LIBOR	8	2.00000	2.00000	10.00587	NA
	104,819,223.00	4.16003	3.53982	2.25456	360	333	27	One-Year WSJ LIBOR	9	2.00000	2.00000	10.14990	NA
	284,716,819.47	4.22639	3.58166	2.27546	360	334	26	One-Year WSJ LIBOR	10	2.00000	2.00000	10.22595	NA
	158,006,896.58	4.36367	3.73092	2.26003	360	335	25	One-Year WSJ LIBOR	11	2.00000	2.00000	10.36188	NA
	207,960,097.21	4.39625	3.76337	2.26566	360	336	24	One-Year WSJ LIBOR	12	2.00000	2.00000	10.39389	NA
	139,728,056.31	4.31464	3.69907	2.25184	360	337	23	One-Year WSJ LIBOR	13	2.00000	2.00000	10.31435	NA
	189,980,462.55	4.34192	3.69508	2.27047	360	338	22	One-Year WSJ LIBOR	14	2.00000	2.00000	10.34234	NA
	8,495,372.66	4.30400	3.73300	2.28900	360	338	22	One-Year WSJ LIBOR	14	2.00000	2.00000	10.33500	14
	119,325,228.76	4.22843	3.59081	2.26102	360	339	21	One-Year WSJ LIBOR	15	2.00000	2.00000	10.22636	NA
	291,866,770.59	4.15255	3.48710	2.29490	360	340	20	One-Year WSJ LIBOR	16	2.00000	2.00000	10.14015	NA
	184,032,759.21	4.35028	3.69366	2.26101	360	341	19	One-Year WSJ LIBOR	17	2.00000	2.00000	10.34923	NA
	41,853,889.74	4.39338	3.75091	2.25000	360	342	18	One-Year WSJ LIBOR	18	2.00000	2.00000	10.39801	NA

	Unpaid Principal Balance	Weighted Average Mortgage Interest Rate	Weighted Average MBS Pass-Through Rate	Weighted Average Mortgage Margin	Weighted Average Original Term (in Months)	Weighted Average Remaining Term (in Months)	Weighted Average Calculated Loan Age (in Months)	Index	Weighted Average Months To First Interest Rate Change Date	Initial Interest Rate Change Cap	Subsequent Interest Rate Change Cap	Ceiling/ Maximum Mortgage Interest Rate	Remaining Interest Only Periods (in Months)
Group 2 Loans	$ 32,183,882.89	4.55636%	3.84758%	2.75205%	360	345	15	One-Year Treasury	21	2.00000%	2.00000%	10.55482%	NA
	20,047,748.67	5.09112	4.52563	2.74875	360	333	27	One-Year Treasury	22	2.00000	2.00000	10.96255	NA
	8,019,052.55	4.75400	4.15400	2.75200	360	347	13	One-Year Treasury	23	2.00000	2.00000	10.74500	NA
	85,887,986.71	5.07807	4.52777	2.75219	360	329	31	One-Year Treasury	24	2.00000	2.00000	10.64904	NA
	15,664,651.94	5.08600	4.55100	2.73700	360	325	35	One-Year Treasury	25	2.00000	2.00000	11.04600	NA
	58,244,644.27	4.88112	4.32451	2.75167	360	325	35	One-Year Treasury	26	2.00000	2.00000	10.38075	NA
	75,817,009.09	4.66470	4.11982	2.74536	360	327	33	One-Year Treasury	27	2.00000	2.00000	10.05731	NA
	46,648,028.98	4.73771	4.04735	2.77367	360	328	32	One-Year Treasury	28	2.49596	2.00000	9.89973	NA
	16,695,936.52	5.16600	4.63100	2.75000	360	336	24	One-Year Treasury	36	2.00000	2.00000	11.14500	NA
	30,053,639.62	4.62000	4.12400	2.75000	360	329	31	Six-Month WSJ LIBOR	29	5.00000	1.00000	10.61700	NA
	4,237,515.55	4.80300	4.12800	2.25000	360	330	30	Six-Month WSJ LIBOR	30	6.00000	2.00000	10.80300	NA
	17,440.55	6.56300	5.96700	2.45900	360	308	52	One-Year WSJ LIBOR	8	2.00000	2.00000	12.56300	NA
	125,309.62	6.05700	5.52700	2.31400	360	310	50	One-Year WSJ LIBOR	10	2.00000	2.00000	12.06300	NA
	2,603,330.76	5.55300	4.94300	2.25000	360	311	49	One-Year WSJ LIBOR	11	2.00000	2.00000	11.55300	NA
	86,171.91	6.58600	5.72900	2.40800	360	312	48	One-Year WSJ LIBOR	12	2.00000	2.00000	12.24400	NA
	1,291,005.95	5.50601	4.96677	2.25000	360	316	44	One-Year WSJ LIBOR	16	2.00000	2.00000	10.55724	NA
	1,433,856.94	5.66100	5.12800	2.24800	360	317	43	One-Year WSJ LIBOR	17	2.00000	2.00000	10.65900	NA
	51,410,382.32	4.68550	4.08598	2.25000	360	344	16	One-Year WSJ LIBOR	20	2.00000	2.00000	10.68677	NA
	230,549,773.66	4.69997	4.06663	2.25085	360	345	15	One-Year WSJ LIBOR	21	2.00000	2.00000	10.69724	NA
	245,353,364.94	4.75807	4.12271	2.25712	360	344	16	One-Year WSJ LIBOR	22	2.00000	2.00000	10.75377	NA
	349,031,425.11	4.73974	4.11659	2.26384	360	347	13	One-Year WSJ LIBOR	23	2.00000	2.00000	10.73473	NA
	240,252,314.16	4.80273	4.18175	2.32654	360	348	12	One-Year WSJ LIBOR	24	2.00000	2.00000	10.78997	NA
	135,967,392.85	5.01420	4.36973	2.25603	360	342	18	One-Year WSJ LIBOR	25	2.00000	2.00000	11.00693	NA
	74,239,718.08	4.91854	4.28724	2.32092	360	339	21	One-Year WSJ LIBOR	26	2.69812	2.00000	10.68169	NA
	67,849,629.19	5.00943	4.26438	2.25658	360	336	24	One-Year WSJ LIBOR	27	3.37438	2.00000	10.55074	NA
	80,974,190.01	4.80326	4.15222	2.25479	360	328	32	One-Year WSJ LIBOR	28	2.00000	2.00000	10.79162	NA
	19,658,564.59	4.90200	4.25700	2.25000	360	329	31	One-Year WSJ LIBOR	29	2.00000	2.00000	10.90300	NA
	97,666,012.92	4.66153	4.17554	2.25000	360	329	31	One-Year WSJ LIBOR	30	4.40576	2.00000	9.85717	NA
	131,791.02	4.87400	4.22900	2.24700	360	332	28	One-Year WSJ LIBOR	32	2.00000	2.00000	10.84400	NA
	1,038,504.28	5.03000	4.38400	2.25100	360	333	27	One-Year WSJ LIBOR	33	2.00000	2.00000	11.03100	NA
	32,582,874.24	5.29107	4.26821	2.49204	360	334	26	One-Year WSJ LIBOR	34	2.84058	2.00000	10.70472	NA
	8,677,822.35	5.25089	4.54711	2.46109	360	335	25	One-Year WSJ LIBOR	35	4.56107	2.00000	10.39720	NA
	18,297,910.82	5.02594	4.35948	2.24259	360	336	24	One-Year WSJ LIBOR	36	4.37731	2.00000	10.04559	NA
	3,065,865.24	5.53397	4.21857	3.04330	360	337	23	One-Year WSJ LIBOR	37	2.00000	2.00000	11.53262	NA
	6,591,597.77	4.94643	4.37765	2.87543	360	338	22	One-Year WSJ LIBOR	38	2.00000	2.00000	10.94629	NA
	19,701,907.38	4.98669	4.14777	2.86461	360	339	21	One-Year WSJ LIBOR	39	2.00000	2.00000	10.92293	NA
	1,285,517.06	5.57000	3.92400	3.12600	360	340	20	One-Year WSJ LIBOR	40	2.00000	2.00000	11.57000	NA
Group 3 Loans	12,673,091.27	4.92200	4.28200	2.25100	360	337	23	One-Year WSJ LIBOR	37	5.00000	2.00000	9.90400	NA
	16,139,316.57	5.11600	4.46000	2.25000	360	338	22	One-Year WSJ LIBOR	38	2.00000	2.00000	11.11800	NA
	23,472,122.38	5.20800	4.39700	2.38900	360	340	20	One-Year WSJ LIBOR	40	2.00000	2.00000	11.02700	NA

Unpaid Principal Balance	Weighted Average Mortgage Interest Rate	Weighted Average MBS Pass-Through Rate	Weighted Average Mortgage Margin	Weighted Average Original Term (in Months)	Weighted Average Remaining Term (in Months)	Weighted Average Calculated Loan Age (in Months)	Index	Weighted Average Months To First Interest Rate Change Date	Initial Interest Rate Change Cap	Subsequent Interest Rate Change Cap	Ceiling/ Maximum Mortgage Interest Rate	Remaining Interest Only Periods (in Months)
$122,762,537.07	5.48665%	4.83399%	2.18683%	360	342	18	One-Year WSJ LIBOR	42	4.79370%	2.00000%	10.55023%	NA
34,724,198.27	5.61856	4.95973	2.25112	360	343	17	One-Year WSJ LIBOR	43	5.00000	2.00000	10.61712	NA
8,839,358.05	5.23700	4.61200	2.25000	360	344	16	One-Year WSJ LIBOR	44	5.00000	2.00000	10.22800	NA
26,612,682.58	5.48100	4.83500	2.25200	360	345	15	One-Year WSJ LIBOR	45	5.00000	2.00000	10.48600	NA
55,254,657.13	5.24700	4.59900	2.25000	360	346	14	One-Year WSJ LIBOR	46	5.00000	2.00000	10.24200	NA
137,206,972.67	5.26313	4.63127	2.25000	360	349	11	One-Year WSJ LIBOR	49	5.00000	2.00000	10.26197	NA
35,164,201.90	5.29200	4.64100	2.25100	360	350	10	One-Year WSJ LIBOR	50	5.00000	2.00000	10.29300	NA
36,025,189.60	5.33900	4.69000	2.25000	360	351	9	One-Year WSJ LIBOR	51	5.00000	2.00000	10.32800	NA

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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$5,279,648,029
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Guaranteed REMIC
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PROSPECTUS SUPPLEMENT

RBS Greenwich Capital

January 6, 2006