Supplement
(To Prospectus Supplement dated September 6, 2006)

$577,193,781

FannieMae®

Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2006-101

This is a supplement to the prospectus supplement dated September 6, 2006 (the "Prospectus Supplement"). If we use a capitalized term in this supplement without defining it, you will find the definition of that term in the Prospectus Supplement.

The Group 1 MBS are backed by relocation mortgage loans. Accordingly, the Prospectus Supplement is hereby supplemented by adding the following immediately after the first paragraph under the heading "Additional Risk Factors":

> "*The rate of prepayment of relocation mortgage loans may be higher than that of non-relocation mortgage loans.* The mortgage loans underlying the Group 1 MBS are relocation mortgage loans made to borrowers whose employers frequently relocate their employees. Accordingly, the rate of prepayment of these mortgage loans will be influenced by:
>
> - the circumstances of individual employees and employers,
> - the characteristics of the relocation programs and
> - the occurrence and timing of the relocation of the borrowers.
>
> It is possible that borrowers under relocation mortgage loans are more likely than other borrowers to be transferred by their employers. If so, relocation mortgage loans would experience a higher rate of prepayment than non-relocation mortgage loans. Because many unpredictable factors affect the prepayment rate of relocation mortgage loans, we cannot estimate the prepayment experience of such mortgage loans. We are unaware of any conclusive data on the prepayment rate of relocation mortgage loans."

In addition, the Prospectus Supplement is hereby supplemented by adding the following immediately after the first paragraph under the heading "Description of the Certificates—The MBS":

> "In addition, the Mortgage Loans underlying the Group 1 MBS are relocation mortgage loans. This type of loan is originated pursuant to agreements between lenders and employers in connection with relocation programs maintained by employers that frequently relocate their employees."

Carefully consider the risk factor appearing in this supplement together with the risk factors starting on page S-10 of the 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.

The certificates, together with any 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.

The date of this supplement is September 25, 2006

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

$577,193,781

FannieMae®

Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2006-101

The Certificates

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

Payments to Certificateholders

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

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

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

The Fannie Mae Guaranty

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

The Trust and its Assets

The trust will own Fannie Mae MBS.

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

Class	*Group*	*Original Class Balance*	*Principal Type*	*Interest Rate*	*Interest Type*	*CUSIP Number*	*Final Distribution Date*
AJ	1	$ 22,175,240	SEQ/NAS	5.00%	FIX	31396 LHR 4	October 2036
MA	1	21,751,366	SEQ/AS/AD	5.00	FIX	31396 LHS 2	February 2028
MB	1	48,000,000	SEQ/AS/AD	5.00	FIX	31396 LHT 0	July 2036
MZ	1	470,229	SEQ/AS	5.00	FIX/Z	31396 LHU 7	October 2036
FA	2	225,767,891	PT	(1)	FLT	31396 LHV 5	October 2036
FC	2	60,000,000	TAC/AD	(1)	FLT	31396LHW3	July 2036
FD	2	49,160,000	TAC/AD	(1)	FLT	31396 LHX 1	July 2036
SA	2	225,767,891(2)	NTL	(1)	INV/IO	31396 LHY 9	October 2036
SB	2	109,160,000(2)	NTL	(1)	INV/IO	31396 LHZ 6	July 2036
ZA	2	3,160,000	SUP/AD	5.50	FIX/Z	31396 LJA 9	July 2036
ZB	2	563,946	SEQ	5.50	FIX/Z	31396 LJB 7	October 2036
BZ	3	2,981,491	SUP	5.75	FIX/Z	31396 LJC 5	October 2036
CA	3	40,000,000	TAC/AD	5.75	FIX	31396 LJD 3	October 2036
FE(3) ...	3	62,633,618	PT	(1)	FLT	31396 LJE 1	October 2036
PB(3) ...	3	40,530,000	PAC	5.75	FIX	31396 LJF 8	October 2036
SC(3) ...	3	62,633,618(2)	NTL	(1)	INV/IO	31396 LJG 6	October 2036
TE(3) ...	3	62,633,618(2)	NTL	(1)	INV/IO	31396 LJH 4	October 2036
R		0	NPR	0	NPR	31396 LJJ 0	October 2036
RL		0	NPR	0	NPR	31396 LJK 7	October 2036

(1) Based on LIBOR.
(2) Notional balance. This class is an interest only class. See page S-7 for a description of how its notional balance is calculated.
(3) Exchangeable classes.

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

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be September 29, 2006.

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

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

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

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

Bear, Stearns & Co. Inc.

September 6, 2006

TABLE OF CONTENTS

AVAILABLE INFORMATION

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

- our Prospectus for Fannie Mae Guaranteed REMIC Pass-Through Certificates dated May 1, 2002 (the "REMIC Prospectus");
- our Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated 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 REMIC Prospectus or the MBS Prospectus by writing or calling the dealer at:

Bear Stearns & Co. Inc.
c/o ADP Financial Services
Prospectus Department
1155 Long Island Avenue
Edgewood, New York 11717
(telephone 631-254-7106).

INCORPORATION BY REFERENCE

In this prospectus supplement, we are incorporating by reference the MBS Prospectus described above. 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, 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

Our safety and soundness regulator, the Office of Federal Housing Enterprise Oversight ("OFHEO"), announced in July 2003 that it was conducting a special examination of our accounting policies and practices, and in September 2004 issued a preliminary report of its findings to date. OFHEO subsequently identified additional accounting and internal control issues in February 2005, and issued its Report of the Special Examination of Fannie Mae (the "OFHEO Report") on May 23, 2006.

On December 22, 2004, we reported that the Audit Committee of our Board of Directors (the "Board") had determined that our previously filed interim and audited financial statements and the independent auditor's reports thereon for the period from January 2001 through the second quarter of 2004 should no longer be relied upon because such financial statements were prepared using accounting principles that did not comply with U.S. generally accepted accounting principles ("GAAP"). We have subsequently initiated an extensive restatement and re-audit of our financial statements with our new independent auditor, Deloitte & Touche LLP. We anticipate that the impact of the restatement will be material to Fannie Mae's financial statements for many, if not all, of the periods involved.

Our Board and management have initiated numerous internal and external reviews of our accounting processes and controls, our financial reporting processes, and our application of GAAP. See "Risk Factors—There are numerous ongoing internal reviews and external investigations of Fannie Mae" in the MBS Prospectus. One of these external investigations was conducted by the law firm of Paul, Weiss, Rifkind, Wharton & Garrison LLP ("Paul Weiss"), under the direction of former U.S. Senator Warren Rudman. On February 23, 2006, the Paul Weiss report to the Special Committee of the Board was publicly released, and included numerous findings about Fannie Mae's accounting policies, practices and systems, compensation practices, corporate governance, and internal controls. On February 24, 2006, we filed a Form 8-K with the U.S. Securities and Exchange Commission (the "SEC") that includes the Paul Weiss report.

The OFHEO Report presents OFHEO's findings about Fannie Mae's corporate culture, executive compensation programs, accounting policies and internal controls, internal and external auditors, senior management, and the Board. In conjunction with the release of the OFHEO Report, Fannie Mae entered into settlement agreements with both OFHEO and the SEC on May 23, 2006. The settlement agreements require Fannie Mae to pay civil penalties totaling $400 million. In addition, the settlement agreement with OFHEO requires Fannie Mae to undertake certain remedial actions within a specified time frame to address the recommendations contained in the OFHEO Report, including an undertaking by Fannie Mae not to increase its "mortgage portfolio" assets except as permitted by a plan to be submitted by Fannie Mae for approval by OFHEO. The settlement agreements constitute comprehensive settlements between Fannie Mae and both OFHEO and the SEC relating to the activities of Fannie Mae during the time period in question. Please refer to our Form 8-K filed with the SEC on May 30, 2006 for further information about the OFHEO Report and the settlement agreements. A complete copy of the OFHEO Report is available on OFHEO's website at www.ofheo.gov.

On July 20, 2006, the Federal Reserve Board implemented revisions to its payment systems risk policy requiring all government sponsored enterprises, including Fannie Mae, to fully fund their accounts with the Federal Reserve Banks before making payments to debt and mortgage-backed securities investors. Fannie Mae complied with this policy by entering into various funding agreements with market participants. In connection with this policy change, Fannie Mae also entered into a new fiscal agency agreement with the Federal Reserve Bank of New York.

On August 24, 2006, we announced that we had been advised by the United States Attorney's Office for the District of Columbia that it was discontinuing its investigation of Fannie Mae's accounting policies and practices, and did not plan to file charges against Fannie Mae. Please refer to our Form 8-K filed with the SEC on August 24, 2006 for further information.

We have not filed Quarterly Reports on Form 10-Q for the third quarter of 2004, the first, second and third quarters of 2005, or the first and second quarters of 2006, nor have we filed our Annual Reports on Form 10-K for the years ended December 31, 2004 and December 31, 2005. As we most recently reported in the Current Report on Form 8-K filed with the SEC on August 9, 2006, we currently estimate that we will complete our financial restatement and file our Annual Report on Form 10-K for the year ended December 31, 2004 by the end of 2006. See "Risk Factors—There is a lack of financial information about us available in the market" in the MBS Prospectus.

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 (as of September 1, 2006)

	Approximate Principal Balance	Original Term to Maturity (in months)	Approximate Weighted Average Remaining Term to Maturity (in months)	Approximate Weighted Average Loan Age (in months)	Approximate Weighted Average Coupon
Group 1 MBS	$ 92,396,835	360	355	5	5.550%
Group 2 MBS	$338,651,837	360	358	2	7.000%
Group 3 MBS	$146,145,109	360	292	58	6.972%

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

Class Factors

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

Settlement Date

We expect to issue the certificates on September 29, 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 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

Exchanging Certificates Through Combination and Recombination

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

Interest Rates

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

During the initial interest accrual period, the floating rate and inverse floating rate classes will bear interest at the initial interest rates listed below. During subsequent interest accrual periods, the floating rate and inverse floating rate classes will bear interest based on the formulas indicated below, but always subject to the specified maximum and minimum interest rates:

Class	Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate(1)
FA	5.6719%	7.00%	0.42%	LIBOR + 42 basis points
FC	5.5000%	5.50%	0.30%	LIBOR + 30 basis points
FD	5.5000%	5.50%	0.30%	LIBOR + 30 basis points
SA	1.3281%	6.58%	0.00%	6.58% − LIBOR
SB	0.0000%	5.20%	0.00%	5.20% − LIBOR
FE	5.5019%	7.50%	0.25%	LIBOR + 25 basis points
SC	1.9481%	7.20%	0.00%	7.20% − LIBOR
TE	0.0500%	0.05%	0.00%	7.25% − LIBOR
FB	5.5519%	7.50%	0.30%	LIBOR + 30 basis points
SE	1.9981%	7.25%	0.00%	7.25% − LIBOR

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

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

Notional Classes

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

Class	
SA	100% of the FA Class
SB	100% of the *sum* of the FD and FC Classes
SC	100% of the FE Class
TE	100% of the FE Class
IO	3.8461538462% of the PB Class
SE	100% of the FE Class

Distributions of Principal

Group 1 Principal Distribution Amount

MZ Accrual Amount

To the MA and MB Classes, in that order, to zero, and thereafter to the MZ Class.

Group 1 Cash Flow Distribution Amount

1. To the AJ Class, the amount specified under "Description of the Certificates—Distributions of Principal—*Group 1 Principal Distribution Amount"* in this prospectus supplement.

2. To the MA, MB and MZ Classes, in that order, to zero.

3. To the AJ Class to zero.

Group 2 Principal Distribution Amount

ZA Accrual Amount

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

ZB Accrual Amount

1. To the Aggregate Group to its Targeted Balance.

2. To the ZA Class to zero.

3. To the Aggregate Group to zero.

4. Thereafter to the ZB Class.

Group 2 Cash Flow Distribution Amount

(a) 33.3333334318% of that amount as follows:

first, to the Aggregate Group to its Targeted Balance;

second, to the ZA Class to zero;

third, to the Aggregate Group to zero; and

fourth, to the ZB Class to zero, and

(b) 66.6666665682% of that amount to the FA Class to zero.

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

Group 3 Principal Distribution Amount

BZ Accrual Amount

To the CA Class to its Targeted Balance, and thereafter to the BZ Class.

Group 3 Cash Flow Distribution Amount

(a) 57.1428572406% of that amount as follows:

first, to the PB Class to its Planned Balance;

second, to the CA Class to its Targeted Balance;

third, to the BZ Class to zero;

fourth, to the CA Class to zero; and

fifth, to the PB Class to zero, and

(b) 42.8571427594% of that amount to the FE Class to zero.

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

Weighted Average Lives (years)*

	PSA Prepayment Assumption				
Group 1 Classes	**0%**	**100%**	**250%**	**350%**	**500%**
AJ	9.2	6.4	6.0	6.1	6.4
MA	17.7	3.1	1.6	1.3	1.0
MB	26.0	16.0	7.9	5.4	3.2
MZ	29.9	28.8	24.5	20.5	6.1

	PSA Prepayment Assumption					
Group 2 Classes	**0%**	**100%**	**350%**	**389%**	**500%**	**600%**
FA and SA	21.1	11.5	5.0	4.6	3.7	3.2
FC, FD and SB	19.3	9.9	4.4	4.0	3.7	3.2
ZA	29.0	25.4	14.2	13.1	1.1	0.7
ZB	29.9	29.0	20.8	19.3	15.8	13.3

	PSA Prepayment Assumption					
Group 3 Classes	**0%**	**100%**	**150%**	**260%**	**400%**	**600%**
BZ	29.1	21.7	20.2	15.9	0.2	0.1
CA	22.9	11.0	7.6	3.2	1.6	0.8
FE, SC, TE, FB and SE	21.1	9.4	7.6	5.1	3.4	2.2
PB, IO and PC	15.3	5.4	5.4	5.4	5.4	3.7

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

ADDITIONAL RISK FACTORS

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

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

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

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

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

Hurricanes in the Gulf Coast region may present risk of increased mortgage loan prepayments. In August and September 2005, Hurricane Katrina and Hurricane Rita resulted in catastrophic damage to the Gulf Coast of the United States, including portions of coastal and inland Alabama, Florida, Louisiana, Mississippi and Texas. Hundreds of thousands of people were displaced and interruptions in the regional economy remain significant. A prolonged economic downturn in the Gulf Coast region could lead to increased borrower defaults on mortgage loans in the affected areas, 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 payments 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 or inverse floating rate certificate will be affected by the level of its interest rate index. If the level of the index differs from the level you expect, then your actual yield may be lower than you expect.

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

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

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

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

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

Terrorist activities and related military and political actions by the U.S. government could cause reductions in investor confidence and substantial market volatility in real estate and securities markets. It is impossible to predict the extent to which terrorist activities may occur or, if they do occur, the extent of the effect on the certificates. Moreover, it is uncertain what effects any past or future terrorist activities or any related military or political actions on the part of the United States government and others will have on the United States and world financial markets, local, regional and national economies, real estate markets across the United States, or particular business sectors, including those affecting the performance of mortgage loan borrowers. Among other things, reduced investor confidence could result in substantial volatility in securities markets and a decline in real estate-related investments. In addition, defaults on the mortgage loans could increase, causing early payments of principal to you and, regardless of the performance of the underlying mortgage loans, the liquidity and market value of the certificates may be impaired.

DESCRIPTION OF THE CERTIFICATES

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

General

Structure. We will create the Fannie Mae REMIC Trust specified on the cover of this prospectus supplement (the "Trust") and a separate trust (the "Lower Tier REMIC") pursuant to a trust agreement dated as of September 1, 2006 and a supplement thereto dated as of September 1, 2006 (the "Issue Date"). We will issue the Guaranteed REMIC Pass-Through Certificates (the "REMIC Certificates") pursuant to that trust agreement and supplement. We will issue the Combinable and Recombinable REMIC Certificates (the "RCR Certificates" and, together with the REMIC Certificates, the "Certificates") pursuant to a separate trust agreement dated as of September 1, 2006 and a supplement thereto dated as of the Issue Date (together with the trust agreement and supplement relating to the REMIC Certificates, the "Trust Agreement"). We will execute the Trust Agreement in our corporate capacity and as trustee (the "Trustee"). In general, the term "Classes" includes the Classes of REMIC Certificates and RCR Certificates.

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

- The REMIC Certificates (except the R and RL Classes) will be "regular interests" in the Trust.

- The R Class will be the "residual interest" in the Trust.
- The interests in the Lower Tier REMIC other than the RL Class (the "Lower Tier Regular Interests") will be the "regular interests" in the Lower Tier REMIC.
- The RL Class will be the "residual interest" in the Lower Tier REMIC.

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

The assets of the Lower Tier REMIC will consist of three groups of 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, one- to four-family ("single-family"), fixed-rate residential mortgage loans (the "Mortgage Loans") having the characteristics described in this prospectus supplement.

Fannie Mae Guaranty. We guarantee that the following amounts will be available for distribution to Certificateholders:

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

In addition, we guarantee that the following amounts will be available for distribution 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, "Description of the Certificates—Fannie Mae Guaranty" in the MBS Prospectus.

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

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

The Holder of the R Class will receive the proceeds of any remaining assets of the Trust, and the Holder of the RL Class will receive the proceeds of any remaining assets of the Lower Tier REMIC, 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 and Inverse Floating Rate Classes	$100,000 minimum plus whole dollar increments
All other Classes (except the R and RL Classes)	$1,000 minimum plus whole dollar increments

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

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

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

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

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

Combination and Recombination

General. You are permitted to exchange all or a portion of the FE, PB, SC and TE Classes of REMIC Certificates for a proportionate interest in the related RCR Certificates in the combinations shown on Schedule 1. You also may exchange all or a portion of the RCR Certificates for the related REMIC Certificates in the same manner. This process may occur repeatedly.

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

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

Procedures. If a Certificateholder wishes to exchange Certificates, the Certificateholder must notify our Structured Transactions Department through one of our "REMIC Dealer Group" dealers in writing or by telefax no later than two business days before the proposed exchange date. The exchange date can be any business day other than the first or last business day of the month subject to our approval. The notice must include the outstanding principal balance of both the Certificates to be exchanged and the Certificates to be received, and the proposed exchange date. After receiving the Holder's notice, we will telephone the dealer with delivery and wire payment instructions. Notice becomes irrevocable on the second business day before the proposed exchange date.

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

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

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

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

The MBS

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

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

Group 1 MBS	
Aggregate Unpaid Principal Balance	$92,396,835
MBS Pass-Through Rate	5.00%
Range of WACs (annual percentages)	5.25% to 7.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	355 months
Approximate Weighted Average WALA (weighted average loan age)	5 months

Group 2 MBS

Aggregate Unpaid Principal Balance	$338,651,837
MBS Pass-Through Rate	6.50%
Range of WACs (annual percentages)	6.75% to 9.00%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	358 months
Approximate Weighted Average WALA	2 months

Group 3 MBS

Aggregate Unpaid Principal Balance	$146,145,109
MBS Pass-Through Rate	6.50%
Range of WACs (annual percentages)	6.75% to 9.00%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	292 months
Approximate Weighted Average WALA	58 months

Final Data Statement

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

Distributions of Interest

Categories of Classes

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

Interest Type*	Classes
Group 1 Classes	
Fixed Rate	AJ, MA, MB and MZ
Accrual	MZ
Group 2 Classes	
Fixed Rate	ZA and ZB
Floating Rate	FA, FC and FD
Inverse Floating Rate	SA and SB
Interest Only	SA and SB
Accrual	ZA and ZB
Group 3 Classes	
Fixed Rate	BZ, CA and PB
Floating Rate	FE
Inverse Floating Rate	SC and TE
Interest Only	SC and TE
Accrual	BZ
RCR**	FB, IO, PC and SE
No Payment Residual	R and RL

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

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

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

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

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

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

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

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

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

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

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

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

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

Calculation of LIBOR

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

If we are unable to calculate LIBOR on the initial Index Determination Date, LIBOR for the following Interest Accrual Period will be equal to 5.2519%.

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	
Sequential Pay	AJ, MA, MB and MZ
NAS†	AJ
AS††	MA, MB and MZ
Accretion Directed	MA and MB
Group 2 Classes	
Pass-Through	FA
TAC	FC and FD
Support	ZA
Sequential Pay	ZB
Accretion Directed	FC, FD and ZA
Notional	SA and SB
Group 3 Classes	
Pass-Through	FE
PAC	PB
TAC	CA
Support	BZ
Accretion Directed	CA
Notional	SC and TE
RCR**	FB, IO, PC and SE
No Payment Residual	R and RL

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

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

† The "NAS" designation refers to a "non-accelerated security" that is designed to receive limited or no principal payments prior to a designated date and thereafter to receive principal payments and an increasing percentage of principal prepayments.

†† The "AS" designation refers to an "accelerated security" that is generally expected to receive principal payments more rapidly than the related NAS Class during the period in which the NAS Class is receiving limited or no principal payments.

Principal Distribution Amount

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

- the principal then paid on the Group 1 MBS (the "Group 1 Cash Flow Distribution Amount") plus any interest then accrued and added to the principal balance of the MZ Class (the "MZ Accrual Amount" and together with the Group 1 Cash Flow Distribution Amount, the "Group 1 Principal Distribution Amount"),

- the principal then paid on the Group 2 MBS (the "Group 2 Cash Flow Distribution Amount") plus any interest then accrued and added to principal balances of the ZA and ZB Classes (the "ZA Accrual Amount" and "ZB Accrual Amount," respectively, and together with the Group 2 Cash Flow Distribution Amount, the "Group 2 Principal Distribution Amount"), and

- the principal then paid on the Group 3 MBS (the "Group 3 Cash Flow Distribution Amount") plus any interest then accrued and added to the principal balance of the BZ Class (the "BZ Accrual Amount" and together with the Group 3 Cash Flow Distribution Amount, the "Group 3 Principal Distribution Amount").

Group 1 Principal Distribution Amount

MZ Accrual Amount

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

Accretion Directed Classes and Accrual Class

Group 1 Cash Flow Distribution Amount

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

(i) to the AJ Class, in an amount equal to the *lesser* of

- 99.5% of the Group 1 Cash Flow Distribution Amount for that Distribution Date

and

- the *sum* of

(A) the *product* of

- the aggregate amount of scheduled payments of principal included in the Group 1 Cash Flow Distribution Amount for that Distribution Date *multiplied* by
- the Basic Principal Percentage *multiplied* by
- 3.25

plus

(B) the *product* of

- the aggregate amount of unscheduled payments of principal included in the Group 1 Cash Flow Distribution Amount for that Distribution Date *multiplied* by
- Basic Principal Percentage *multiplied* by
- 100% minus the NAS Lockout Percentage for that date;

NAS Class

(ii) sequentially, to the MA, MB and MZ Classes, in that order, until their principal balances are reduced to zero; and

AS Classes

(iii) to the AJ Class, until its principal balance is reduced to zero.

Sequential Pay Classes

The "Basic Principal Percentage" for any Distribution Date will be equal to the *lesser* of

- 100%

  or

- the quotient (converted to a percentage) of (A) the sum of the principal balance of the AJ Class on that Distribution Date (before giving effect to distributions on that date) and $11,087,620 *divided* by (B) the aggregate principal balance of the Group 1 MBS (before giving effect to distributions on that date).

The "NAS Lockout Percentage" for any Distribution Date during the periods specified below will be as follows:

Distribution Date in	NAS Lockout Percentage
October 2006 through August 2013	100%
September 2013 and thereafter	0%

Group 2 Principal Distribution Amount

ZA Accrual Amount

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

ZB Accrual Amount

On each Distribution Date, we will pay the ZB Accrual Amount as principal of the Group 2 Classes specified below in the following priority: **Accretion Directed Group and Class**

(i) to the Aggregate Group, until the Aggregate Balance is reduced to its Targeted Balance for that Distribution Date; **TAC Group**

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

(iii) to the Aggregate Group, without regard to its Targeted Balance and until the Aggregate Balance is reduced to zero; and **TAC Group**

(iv) thereafter to the ZB Class. **Accrual Class**

Group 2 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 2 Cash Flow Distribution Amount as principal of the Group 2 Classes as follows:

(a) 33.3333334318% of that amount as follows:

first, to the Aggregate Group, until the Aggregate Balance is reduced to its Targeted Balance for that Distribution Date; **TAC Group**

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

third, to the Aggregate Group, without regard to its Targeted Balance and until the Aggregate Balance is reduced to zero; and **TAC Group**

fourth, to the ZB Class, until its principal balance is reduced to zero, and **Sequential Pay Class**

(b) 66.6666665682% of that amount to the FA Class, until its principal balance is reduced to zero. **Pass-Through Class**

The "Aggregate Group" consists of the FC and FD Classes. On each Distribution Date, we will apply payments of principal of the Aggregate Group, concurrently, to the FC and FD Classes, pro rata (or 54.9651887138% and 45.0348112862%, respectively), until their principal balances are reduced to zero.

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

Group 3 Principal Distribution Amount

BZ Accrual Amount

On each Distribution Date, we will pay the BZ Accrual Amount as principal of the CA Class, until its principal balance is reduced to its Targeted Balance for that Distribution Date. Thereafter, we will pay the BZ Accrual Amount as principal to the BZ Class. **Accretion Directed/TAC Class and Accrual Class**

Group 3 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 3 Cash Flow Distribution Amount as principal of the Group 3 Classes as follows:

(a) 57.1428572406% of that amount as follows:

first, to the PB Class, until its principal balance is reduced to its Planned Balance for that Distribution Date; **PAC Class**

second, to the CA Class, until its principal balance is reduced to its Targeted Balance for that Distribution Date; **TAC Class**

third, to the BZ Class, until its principal balance is reduced to zero; **Support Class**

fourth, to the CA Class, without regard to its Targeted Balance and until its principal balance is reduced to zero; and **TAC Class**

fifth, to the PB Class, without regard to its Planned Balance and until its principal balance is reduced to zero, and **PAC Class**

(b) 42.8571427594% of that amount to the FE Class, until its principal balance is reduced to zero. **Pass-Through Class**

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

Structuring Assumptions

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

- the Mortgage Loans underlying the MBS have the original terms to maturity, remaining terms to maturity, WALAs and interest rates specified under "Reference Sheet—Assumed Characteristics of the Mortgage Loans Underlying the MBS" in this prospectus supplement;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related tables;

- the settlement date for the sale of the Certificates is September 29, 2006; and
- each Distribution Date occurs on the 25th day of a month.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used in this prospectus supplement with respect to all Classes and Principal Balances Schedules is The Bond Market Association's standard prepayment model ("PSA"). To assume a specified rate of PSA is to assume a specified rate of prepayment each month of the then-outstanding principal balance of a pool of new mortgage loans computed as described under "Description of Certificates—Prepayment Models" in the REMIC Prospectus. It is highly unlikely that prepayments will occur at any *constant* PSA rate or at any other *constant* rate.

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

Principal Balance Schedule References	Related Group (1) and Classes	Structuring Rates and Range
Targeted Balances	Aggregate Group	(2)
Planned Balance	PB Class	Between 100% and 400% PSA
Targeted Balances	CA Class	260% PSA

(1) The Structuring Rate for the Aggregate Group is associated with the Aggregate Balance but not with the individual balances of the related Classes.
(2) The Targeted Balances of the Aggregate Group have been structured at 389% PSA but do not hold at any *constant* rate.

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

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

Class	Initial Effective Range
PB	Between 100% and 400% PSA

The actual Effective Range at any time will be based upon the actual characteristics of the related Mortgage Loans at that time, which are likely to vary (and may vary considerably) from the Pricing Assumptions. The actual Effective Range calculated on the basis of the actual characteristics is likely to differ from the Initial Effective Range. As a result, the applicable Class might not be reduced to its scheduled balance even if prepayments were to occur at a *constant* PSA rate within the Initial Effective Range. This is so particularly if the rate were at the lower or higher end of this range. In addition, even if prepayments occur at rates falling within the actual Effective Range, principal distributions may be insufficient to reduce the applicable Class to its scheduled balance if such prepayments do not occur at a *constant* PSA rate. It is highly unlikely that the related Mortgage Loans will prepay at any *constant* PSA rate. In general, the actual Effective Range may narrow, widen or shift upward or downward to reflect actual prepayment experience over time.

The stability in principal payment of the Class specified below will be supported by the corresponding supporting Classes as indicated in the following table:

Class	Supporting Classes
Group 3	
PB	TAC and Support

When the supporting Classes are retired, the Class they support, if still outstanding, may no longer have an Effective Range and will be more sensitive to prepayments.

Yield Tables

General. The tables below illustrate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the applicable Classes to various constant percentages of PSA and, where specified, to changes in the Index. We calculated the yields set forth in the tables by

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

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

We cannot assure you that

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

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

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

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

Class	% PSA
IO	618% PSA

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

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

Class	Price*
IO	22.74995%

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

Sensitivity of the IO Class to Prepayments

	PSA Prepayment Assumption					
	50%	100%	150%	260%	400%	600%
Pre-Tax Yields to Maturity	18.7%	13.2%	13.2%	13.2%	13.2%	1.4%

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

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

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

- the interest rates for the Inverse Floating Rate Classes for the initial Interest Accrual Period are the rates listed in the table under "Reference Sheet—Interest Rates" in this prospectus supplement and for each following Interest Accrual Period will be based on the specified level of the Index, and
- the aggregate purchase prices of those Classes (expressed in each case as a percentage of original principal balance) are as follows:

Class	Price*
SA	5.171875%
SB	1.640625%
SC	6.843750%
TE	0.670873%
SE	6.914623%

* The prices do not include accrued interest. Accrued interest has been added to the prices in calculating the yields set forth in the tables below.

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

LIBOR	PSA Prepayment Assumption					
	50%	100%	350%	389%	500%	600%
1.2519%	116.5%	114.5%	104.0%	102.3%	97.6%	93.2%
3.2519%	67.7%	65.5%	54.0%	52.2%	47.0%	42.3%
5.2519%	22.9%	20.3%	6.9%	4.8%	(1.4)%	(7.1)%
6.5800%	*	*	*	*	*	*

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

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

LIBOR	PSA Prepayment Assumption					
	50%	100%	350%	389%	500%	600%
1.2519%	319.8%	317.7%	307.1%	305.5%	303.6%	301.5%
3.2519%	134.4%	132.3%	121.5%	119.8%	117.6%	114.2%
5.2000%	*	*	*	*	*	*

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

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

LIBOR	PSA Prepayment Assumption					
	50%	100%	150%	260%	400%	600%
1.2519%	92.8%	88.5%	84.1%	74.2%	61.0%	40.6%
3.2519%	57.5%	53.6%	49.7%	40.8%	29.0%	10.9%
5.2519%	24.2%	20.8%	17.3%	9.5%	(1.0)%	(17.0)%
7.2000%	*	*	*	*	*	*

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

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

LIBOR	PSA Prepayment Assumption					
	50%	100%	150%	260%	400%	600%
7.200%	(1.4)%	(4.5)%	(7.6)%	(14.6)%	(24.0)%	(38.4)%
7.225%	(8.2)%	(11.2)%	(14.2)%	(21.0)%	(30.1)%	(44.1)%
7.250%	*	*	*	*	*	*

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

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

	PSA Prepayment Assumption					
LIBOR	**50%**	**100%**	**150%**	**260%**	**400%**	**600%**
1.2519%	92.7%	88.4%	84.0%	74.0%	60.8%	40.5%
3.2519%	57.7%	53.8%	49.9%	41.0%	29.2%	11.0%
5.2519%	24.7%	21.3%	17.8%	9.9%	(0.6)%	(16.6)%
7.2500%	*	*	*	*	*	*

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

Weighted Average Lives of the Certificates

The weighted average life of a Certificate is determined by

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

(b) summing the results, and

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

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

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

- the timing of changes in the rate of principal payments,
- the priority sequences of payments of principal of the Classes, and
- in the case of the Group 2 and Group 3 Classes, the payment of principal of certain Classes in accordance with the Principal Balance Schedules.

See "—Distributions of Principal" above.

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

Decrement Tables

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

Mortgage Loans Relating to Trust Assets Specified Below	Original Terms to Maturity	Remaining Terms to Maturity	Interest Rates
Group 1 MBS	360 months	360 months	7.50%
Group 2 MBS	360 months	360 months	9.00%
Group 3 MBS	360 months	360 months	9.00%

It is unlikely

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

In addition, the diverse remaining terms to maturity of the Mortgage Loans could produce slower or faster principal distributions than indicated in the tables at the specified constant PSA rates, even if the weighted average remaining terms to maturity and the weighted average loan ages of the Mortgage Loans are identical to the weighted averages specified in the Pricing Assumptions. This is the case because pools of loans with identical weighted averages are nonetheless likely to reflect differing dispersions of the related characteristics.

Percent of Original Principal Balances Outstanding

	AJ Class					MA Class					MB Class					MZ Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
Date	0%	100%	250%	350%	500%	0%	100%	250%	350%	500%	0%	100%	250%	350%	500%	0%	100%	250%	350%	500%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2007	96	93	93	93	93	100	91	77	67	52	100	100	100	100	100	105	105	105	105	105
September 2008	92	87	87	87	87	100	73	32	5	0	100	100	100	100	85	110	110	110	110	110
September 2009	88	80	80	80	80	100	51	0	0	0	100	100	92	74	49	116	116	116	116	116
September 2010	83	73	73	73	73	99	31	0	0	0	100	100	74	52	25	122	122	122	122	122
September 2011	78	66	66	66	66	99	13	0	0	0	100	100	59	36	10	128	128	128	128	128
September 2012	72	58	58	58	58	99	0	0	0	0	100	98	47	24	0	135	135	135	135	133
September 2013	66	51	50	50	42	99	0	0	0	0	100	92	39	16	0	142	142	142	142	0
September 2014	60	38	29	30	29	99	0	0	0	0	100	88	38	16	0	149	149	149	149	0
September 2015	53	26	11	15	20	98	0	0	0	0	100	85	36	16	0	157	157	157	157	0
September 2016	47	15	0	3	13	97	0	0	0	0	100	81	34	16	0	165	165	165	165	0
September 2017	40	6	0	0	9	95	0	0	0	0	100	78	28	12	0	173	173	173	173	0
September 2018	33	0	0	0	6	94	0	0	0	0	100	73	23	9	0	182	182	182	182	0
September 2019	26	0	0	0	4	91	0	0	0	0	100	66	18	6	0	191	191	191	191	0
September 2020	18	0	0	0	3	88	0	0	0	0	100	59	14	4	0	201	201	201	201	0
September 2021	11	0	0	0	2	84	0	0	0	0	100	53	11	3	0	211	211	211	211	0
September 2022	4	0	0	0	1	79	0	0	0	0	100	47	9	1	0	222	222	222	222	0
September 2023	0	0	0	0	1	70	0	0	0	0	100	42	6	*	0	234	234	234	234	0
September 2024	0	0	0	0	1	55	0	0	0	0	100	37	5	0	0	246	246	246	204	0
September 2025	0	0	0	0	*	40	0	0	0	0	100	32	3	0	0	258	258	258	151	0
September 2026	0	0	0	0	*	24	0	0	0	0	100	27	2	0	0	271	271	271	111	0
September 2027	0	0	0	0	*	6	0	0	0	0	100	23	1	0	0	285	285	285	80	0
September 2028	0	0	0	0	*	0	0	0	0	0	94	19	0	0	0	300	300	270	58	0
September 2029	0	0	0	0	*	0	0	0	0	0	85	15	0	0	0	315	315	204	41	0
September 2030	0	0	0	0	*	0	0	0	0	0	75	12	0	0	0	331	331	151	28	0
September 2031	0	0	0	0	*	0	0	0	0	0	64	9	0	0	0	348	348	108	19	0
September 2032	0	0	0	0	*	0	0	0	0	0	52	5	0	0	0	366	366	74	12	0
September 2033	0	0	0	0	*	0	0	0	0	0	40	3	0	0	0	385	385	46	7	0
September 2034	0	0	0	0	*	0	0	0	0	0	26	0	0	0	0	404	381	25	3	0
September 2035	0	0	0	0	*	0	0	0	0	0	11	0	0	0	0	425	136	8	1	0
September 2036	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	9.2	6.4	6.0	6.1	6.4	17.7	3.1	1.6	1.3	1.0	26.0	16.0	7.9	5.4	3.2	29.9	28.8	24.5	20.5	6.1

	FA and SA† Classes						FC, FD and SB† Classes						ZA Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
Date	0%	100%	350%	389%	500%	600%	0%	100%	350%	389%	500%	600%	0%	100%	350%	389%	500%	600%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
September 2007	99	97	93	92	90	89	99	97	93	92	91	91	106	106	106	106	57	0
September 2008	99	92	79	77	71	66	98	92	78	76	73	68	112	112	112	112	0	0
September 2009	98	86	62	58	49	42	97	85	60	56	51	43	118	118	118	118	0	0
September 2010	97	80	48	44	34	27	96	78	46	41	35	27	125	125	125	125	0	0
September 2011	96	74	37	33	24	17	95	72	34	30	24	17	132	132	132	132	0	0
September 2012	95	68	29	25	16	11	93	66	25	21	16	10	139	139	139	139	0	0
September 2013	94	63	23	19	11	7	92	60	18	15	11	6	147	147	147	147	0	0
September 2014	92	58	18	14	8	4	90	55	13	9	7	4	155	155	155	155	0	0
September 2015	91	54	14	11	5	3	88	50	8	6	5	2	164	164	164	164	0	0
September 2016	89	49	11	8	4	2	87	45	5	2	3	1	173	173	173	173	0	0
September 2017	88	45	8	6	2	1	85	40	2	0	2	*	183	183	183	182	0	0
September 2018	86	41	6	4	2	1	82	36	0	0	1	0	193	193	188	126	0	0
September 2019	84	38	5	3	1	*	80	32	0	0	*	0	204	204	134	83	0	0
September 2020	82	34	4	2	1	*	77	28	0	0	0	0	216	216	92	50	0	0
September 2021	79	31	3	2	1	*	74	24	0	0	0	0	228	228	59	25	0	0
September 2022	77	28	2	1	*	*	71	21	0	0	0	0	241	241	32	5	0	0
September 2023	74	25	2	1	*	*	68	17	0	0	0	0	254	254	12	0	0	0
September 2024	71	23	1	1	*	*	64	14	0	0	0	0	269	269	0	0	0	0
September 2025	67	20	1	1	*	*	60	11	0	0	0	0	284	284	0	0	0	0
September 2026	64	18	1	*	*	*	55	8	0	0	0	0	300	300	0	0	0	0
September 2027	59	15	*	*	*	*	51	5	0	0	0	0	317	317	0	0	0	0
September 2028	55	13	*	*	*	*	45	2	0	0	0	0	334	334	0	0	0	0
September 2029	50	11	*	*	*	*	40	0	0	0	0	0	353	335	0	0	0	0
September 2030	45	9	*	*	*	*	33	0	0	0	0	0	373	264	0	0	0	0
September 2031	39	7	*	*	*	*	27	0	0	0	0	0	394	195	0	0	0	0
September 2032	32	6	*	*	*	*	19	0	0	0	0	0	417	130	0	0	0	0
September 2033	25	4	*	*	*	*	11	0	0	0	0	0	440	69	0	0	0	0
September 2034	18	3	*	*	*	*	2	0	0	0	0	0	465	10	0	0	0	0
September 2035	9	1	*	*	*	*	0	0	0	0	0	0	241	0	0	0	0	0
September 2036	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	21.1	11.5	5.0	4.6	3.7	3.2	19.3	9.9	4.4	4.0	3.7	3.2	29.0	25.4	14.2	13.1	1.1	0.7

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

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

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

ZB Class — PSA Prepayment Assumption

Date	0%	100%	350%	389%	500%	600%
Initial Percent	100	100	100	100	100	100
September 2007	106	106	106	106	106	106
September 2008	112	112	112	112	112	112
September 2009	118	118	118	118	118	118
September 2010	125	125	125	125	125	125
September 2011	132	132	132	132	132	132
September 2012	139	139	139	139	139	139
September 2013	147	147	147	147	147	147
September 2014	155	155	155	155	155	155
September 2015	164	164	164	164	164	164
September 2016	173	173	173	173	173	173
September 2017	183	183	183	183	183	183
September 2018	193	193	193	193	193	128
September 2019	204	204	204	204	204	79
September 2020	216	216	216	216	155	49
September 2021	228	228	228	228	104	30
September 2022	241	241	241	241	70	19
September 2023	254	254	254	198	47	11
September 2024	269	269	239	144	31	7
September 2025	284	284	178	104	21	4
September 2026	300	300	132	75	14	3
September 2027	317	317	97	53	9	1
September 2028	334	334	70	37	6	1
September 2029	353	353	50	26	4	1
September 2030	373	373	35	17	2	*
September 2031	394	394	23	11	1	*
September 2032	417	417	15	7	1	*
September 2033	440	440	9	4	*	*
September 2034	465	465	5	2	*	*
September 2035	491	229	2	1	*	*
September 2036	0	0	0	0	0	0
Weighted Average Life (years)**	29.9	29.0	20.8	19.3	15.8	13.3

BZ Class — PSA Prepayment Assumption

Date	0%	100%	150%	260%	400%	600%
Initial Percent	100	100	100	100	100	100
September 2007	106	106	106	106	0	0
September 2008	112	112	112	112	0	0
September 2009	119	119	119	119	0	0
September 2010	126	126	126	126	0	0
September 2011	133	133	133	133	0	0
September 2012	141	141	141	141	0	0
September 2013	149	149	149	149	0	0
September 2014	158	158	158	158	0	0
September 2015	168	168	168	168	0	0
September 2016	177	177	177	177	0	0
September 2017	188	188	188	188	0	0
September 2018	199	199	199	185	0	0
September 2019	211	211	211	154	0	0
September 2020	223	223	223	126	0	0
September 2021	236	236	236	102	0	0
September 2022	250	250	250	81	0	0
September 2023	265	265	263	64	0	0
September 2024	281	281	215	49	0	0
September 2025	297	297	171	37	0	0
September 2026	315	255	132	26	0	0
September 2027	334	191	96	18	0	0
September 2028	353	131	63	11	0	0
September 2029	374	73	34	6	0	0
September 2030	396	18	8	1	0	0
September 2031	420	0	0	0	0	0
September 2032	444	0	0	0	0	0
September 2033	471	0	0	0	0	0
September 2034	493	0	0	0	0	0
September 2035	258	0	0	0	0	0
September 2036	0	0	0	0	0	0
Weighted Average Life (years)**	29.1	21.7	20.2	15.9	0.2	0.1

CA Class — PSA Prepayment Assumption

Date	0%	100%	150%	260%	400%	600%
Initial Percent	100	100	100	100	100	100
September 2007	98	84	78	64	55	30
September 2008	98	83	72	49	30	0
September 2009	97	83	68	38	14	0
September 2010	97	82	64	29	5	0
September 2011	96	82	61	24	1	0
September 2012	96	81	59	21	*	0
September 2013	95	79	55	17	*	0
September 2014	94	75	51	14	*	0
September 2015	94	69	45	10	*	0
September 2016	93	63	39	6	*	0
September 2017	92	57	33	2	*	0
September 2018	91	50	27	0	*	0
September 2019	90	43	21	0	*	0
September 2020	89	36	16	0	*	0
September 2021	88	29	10	0	*	0
September 2022	87	22	5	0	*	0
September 2023	86	15	0	0	*	0
September 2024	85	8	0	0	*	0
September 2025	84	2	0	0	*	0
September 2026	83	0	0	0	*	0
September 2027	81	0	0	0	*	0
September 2028	80	0	0	0	*	0
September 2029	76	0	0	0	*	0
September 2030	64	0	0	0	*	0
September 2031	50	0	0	0	0	0
September 2032	34	0	0	0	0	0
September 2033	18	0	0	0	0	0
September 2034	0	0	0	0	0	0
September 2035	0	0	0	0	0	0
September 2036	0	0	0	0	0	0
Weighted Average Life (years)**	22.9	11.0	7.6	3.2	1.6	0.8

FE, SC†, TE†, FB and SE† Classes — PSA Prepayment Assumption

Date	0%	100%	150%	260%	400%	600%
Initial Percent	100	100	100	100	100	100
September 2007	99	92	90	83	75	63
September 2008	99	85	80	69	56	40
September 2009	98	79	71	57	42	25
September 2010	97	72	64	47	31	16
September 2011	96	67	57	39	23	10
September 2012	95	61	50	32	17	6
September 2013	94	56	44	26	13	4
September 2014	92	51	39	21	9	2
September 2015	91	46	34	17	7	1
September 2016	89	42	30	14	5	1
September 2017	88	38	26	11	4	1
September 2018	86	34	23	9	3	*
September 2019	84	30	20	7	2	*
September 2020	82	26	17	6	1	*
September 2021	79	23	14	5	1	*
September 2022	77	20	12	4	1	*
September 2023	74	17	10	3	*	*
September 2024	71	14	8	2	*	*
September 2025	67	12	6	2	*	*
September 2026	64	9	5	1	*	*
September 2027	59	7	3	1	*	*
September 2028	55	5	2	*	*	*
September 2029	50	3	1	*	*	*
September 2030	45	1	*	*	*	*
September 2031	39	0	0	0	0	0
September 2032	32	0	0	0	0	0
September 2033	25	0	0	0	0	0
September 2034	18	0	0	0	0	0
September 2035	9	0	0	0	0	0
September 2036	0	0	0	0	0	0
Weighted Average Life (years)**	21.1	9.4	7.6	5.1	3.4	2.2

PB, IO† and PC Classes — PSA Prepayment Assumption

Date	0%	100%	150%	260%	400%	600%
Initial Percent	100	100	100	100	100	100
September 2007	100	100	100	100	100	100
September 2008	98	85	85	85	85	82
September 2009	97	72	72	72	72	51
September 2010	95	59	59	59	59	32
September 2011	93	46	46	46	46	20
September 2012	91	35	35	35	35	13
September 2013	88	26	26	26	26	8
September 2014	86	19	19	19	19	5
September 2015	83	14	14	14	14	3
September 2016	80	10	10	10	10	2
September 2017	76	7	7	7	7	1
September 2018	72	5	5	5	5	1
September 2019	68	4	4	4	4	*
September 2020	64	3	3	3	3	*
September 2021	59	2	2	2	2	*
September 2022	53	1	1	1	1	*
September 2023	48	1	1	1	1	*
September 2024	41	1	1	1	1	*
September 2025	34	*	*	*	*	*
September 2026	26	*	*	*	*	*
September 2027	18	*	*	*	*	*
September 2028	9	*	*	*	*	*
September 2029	*	*	*	*	*	*
September 2030	*	*	*	*	*	*
September 2031	0	0	0	0	0	0
September 2032	0	0	0	0	0	0
September 2033	0	0	0	0	0	0
September 2034	0	0	0	0	0	0
September 2035	0	0	0	0	0	0
September 2036	0	0	0	0	0	0
Weighted Average Life (years)**	15.3	5.4	5.4	5.4	5.4	3.7

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

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

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

Characteristics of the R and RL Classes

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

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

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

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

A transfer satisfies the asset test if (i) the transferee's gross assets exceed $100 million and its net assets exceed $10 million (in each case, at the time of the transfer and at the close of each of the transferee's two fiscal years preceding the year of transfer), (ii) the transferee is an "eligible corporation" and the transferee agrees in writing that any subsequent transfer of the Residual Certificate will be to an eligible corporation and will comply with the safe harbor and satisfy the asset test, and (iii) the facts and circumstances known to the transferor do not reasonably indicate that the taxes associated with the Residual Certificate will not be paid. A transfer satisfies the formula test if the present value of the anticipated tax liabilities associated with holding the Residual Certificate is less than or equal to the present value of the sum of (i) any consideration given to the transferee to acquire the Residual Certificate, (ii) expected future distributions on the Residual Certificate, and (iii) anticipated tax savings associated with holding the Residual Certificate as the related REMIC trust generates losses. The Regulations contain additional details regarding their application and you should consult your own tax advisor regarding the application of the Regulations to a transfer of a Residual Certificate.

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

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

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

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

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

Taxation of Beneficial Owners of Regular Certificates

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

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

Group	Prepayment Assumption
1	250% PSA
2	350% PSA
3	150% PSA

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

Taxation of Beneficial Owners of Residual Certificates

Effective generally for Residual Certificates first held on or after August 1, 2006, Temporary Regulations issued by the Treasury Department have modified the general rule that the taxable income of the Trust (or the Lower Tier REMIC) is not includible in the income of a foreign person (or, if excess inclusions, subject to withholding tax) until paid or distributed. 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. Under the Temporary Regulations, the amount of taxable income allocable to a foreign partner in a domestic partnership that is the beneficial owner of a Residual Certificate must be taken into account by the foreign partner on the last day of the partnership's taxable year, except to the extent that some or all of that amount is required to be taken into account at an earlier time as a result of a distribution to the foreign partner or a disposition of the foreign partner's indirect interest in the Residual Certificate. Similar rules apply to excess inclusions allocable to a foreign person that holds an interest in a real estate investment trust, regulated investment company, common trust fund or certain cooperatives.

For purposes of determining the portion of the taxable income of the Trust (or the Lower Tier REMIC) that generally will not be treated as excess inclusions, the rate to be used is 6.12% (which is 120% of the "federal long-term rate"). See "Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*—Treatment of Excess Inclusions" and "—*Foreign Investors*—Residual Certificates" in the REMIC Prospectus.

The Treasury Department has 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. You should consult your own tax advisor regarding the application of the Regulations to the transfer of a Residual Certificate.

Taxation of Beneficial Owners of RCR Certificates

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

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

The IO and PC Classes are Strip RCR Classes. The other RCR Classes are Combination RCR Classes.

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

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

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

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

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

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

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

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

Tax Return Disclosure Requirements

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.

PLAN OF DISTRIBUTION

General. We are obligated to deliver the Certificates to Bear, Stearns & Co. Inc. (the "Dealer") in exchange for the MBS. The Dealer proposes to offer the Certificates directly to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. The Dealer may effect these transactions to or through other dealers.

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

LEGAL MATTERS

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

Schedule 1

Available Recombinations (1) (2)

REMIC Certificates		RCR Certificates						
Classes	Original Principal or Notional Principal Balances	RCR Classes	Original Principal or Notional Principal Balances	Interest Rate	Interest Type (3)	Principal Type (3)	CUSIP Number	Final Distribution Date
Recombination 1								
PB	$40,530,000	IO	$ 1,558,846 (4)	6.5%	FIX/IO	NTL	31396LJM3	October 2036
		PC	40,530,000	5.5	FIX	PAC	31396LJN1	October 2036
Recombination 2								
TE	62,633,618 (4)	FB	62,633,618	(5)	FLT	PT	31396LJL5	October 2036
FE	62,633,618							
Recombination 3								
TE	62,633,618 (4)	SE	62,633,618 (4)	(5)	INV/IO	NTL	31396LJP6	October 2036
SC	62,633,618 (4)							

(1) REMIC Certificates and RCR Certificates in any Recombination may be exchanged only in the proportions shown in this Schedule 1.
(2) If, as a result of a proposed exchange, a Certificateholder would hold a REMIC Certificate or RCR Certificate of a Class in an amount less than the applicable minimum denomination for that Class, the Certificateholder will be unable to effect the proposed exchange. See "Description of the Certificates—General—*Authorized Denominations*" in this prospectus supplement.
(3) See "Description of Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus and "Description of the Certificates—Distributions of Interest" and "—Distributions of Principal" in this prospectus supplement.
(4) Notional balances. These Classes are Interest Only Classes. See page S-7 for a description of how their notional balances are calculated.
(5) For a description of these interest rates, see "Description of the Certificates—Distributions of Interest" in this prospectus supplement.

Principal Balance Schedules

Aggregate Group Targeted Balances

Distribution Date	Targeted Balance
Initial Balance	$109,160,000.00
October 2006	108,776,153.22
November 2006	108,317,676.41
December 2006	107,784,846.18
January 2007	107,178,087.25
February 2007	106,497,973.05
March 2007	105,745,225.81
April 2007	104,920,716.15
May 2007	104,025,462.18
June 2007	103,060,628.18
July 2007	102,027,522.64
August 2007	100,927,595.92
September 2007	99,762,437.38
October 2007	98,533,772.01
November 2007	97,243,456.55
December 2007	95,893,475.16
January 2008	94,485,934.62
February 2008	93,023,059.11
March 2008	91,507,184.42
April 2008	89,940,751.92
May 2008	88,326,302.00
June 2008	86,666,467.20
July 2008	84,963,964.91
August 2008	83,221,589.84
September 2008	81,442,206.15
October 2008	79,628,739.26
November 2008	77,784,167.50
December 2008	75,911,513.53
January 2009	74,057,884.46
February 2009	72,245,630.76
March 2009	70,473,822.98
April 2009	68,741,552.32
May 2009	67,047,930.25
June 2009	65,392,087.97
July 2009	63,773,176.07
August 2009	62,190,364.01
September 2009	60,642,839.77
October 2009	59,129,809.39
November 2009	57,650,496.62
December 2009	56,204,142.47
January 2010	54,790,004.87
February 2010	53,407,358.28
March 2010	52,055,493.32
April 2010	50,733,716.41
May 2010	49,441,349.44

Distribution Date	Targeted Balance
June 2010	$ 48,177,729.38
July 2010	46,942,208.02
August 2010	45,734,151.55
September 2010	44,552,940.32
October 2010	43,397,968.49
November 2010	42,268,643.70
December 2010	41,164,386.84
January 2011	40,084,631.67
February 2011	39,028,824.61
March 2011	37,996,424.40
April 2011	36,986,901.86
May 2011	35,999,739.63
June 2011	35,034,431.87
July 2011	34,090,484.04
August 2011	33,167,412.62
September 2011	32,264,744.88
October 2011	31,382,018.67
November 2011	30,518,782.10
December 2011	29,674,593.41
January 2012	28,849,020.69
February 2012	28,041,641.66
March 2012	27,252,043.48
April 2012	26,479,822.53
May 2012	25,724,584.18
June 2012	24,985,942.64
July 2012	24,263,520.72
August 2012	23,556,949.66
September 2012	22,865,868.95
October 2012	22,189,926.10
November 2012	21,528,776.53
December 2012	20,882,083.34
January 2013	20,249,517.16
February 2013	19,630,755.99
March 2013	19,025,485.02
April 2013	18,433,396.47
May 2013	17,854,189.45
June 2013	17,287,569.79
July 2013	16,733,249.90
August 2013	16,190,948.62
September 2013	15,660,391.08
October 2013	15,141,308.55
November 2013	14,633,438.31
December 2013	14,136,523.51
January 2014	13,650,313.08
February 2014	13,174,561.51

Distribution Date	Targeted Balance
March 2014	$ 12,709,028.84
April 2014	12,253,480.43
May 2014	11,807,686.92
June 2014	11,371,424.08
July 2014	10,944,472.68
August 2014	10,526,618.41
September 2014	10,117,651.75
October 2014	9,717,367.89
November 2014	9,325,566.57
December 2014	8,942,052.04
January 2015	8,566,632.92
February 2015	8,199,122.12
March 2015	7,839,336.73
April 2015	7,487,097.96
May 2015	7,142,230.99
June 2015	6,804,564.94
July 2015	6,473,932.74
August 2015	6,150,171.08
September 2015	5,833,120.29
October 2015	5,522,624.29
November 2015	5,218,530.48
December 2015	4,920,689.70
January 2016	4,628,956.12
February 2016	4,343,187.18
March 2016	4,063,243.50
April 2016	3,788,988.83
May 2016	3,520,290.00
June 2016	3,257,016.78
July 2016	2,999,041.89
August 2016	2,746,240.88
September 2016	2,498,492.11
October 2016	2,255,676.65
November 2016	2,017,678.24
December 2016	1,784,383.23
January 2017	1,555,680.50
February 2017	1,331,461.45
March 2017	1,111,619.88
April 2017	896,051.99
May 2017	684,656.31
June 2017	477,333.63
July 2017	273,986.96
August 2017	74,521.50
September 2017 and thereafter	0.00

CA Class Targeted Balances

Distribution Date	Targeted Balance
Initial Balance	$40,000,000.00
October 2006	38,705,667.71
November 2006	37,430,128.61
December 2006	36,173,110.22
January 2007	34,934,343.93
February 2007	33,713,564.96
March 2007	32,510,512.29
April 2007	31,324,928.63
May 2007	30,156,560.35
June 2007	29,005,157.43
July 2007	27,870,473.41
August 2007	26,752,265.34
September 2007	25,650,293.75
October 2007	25,071,332.81
November 2007	24,505,601.98
December 2007	23,952,884.96
January 2008	23,412,968.65
February 2008	22,885,643.12
March 2008	22,370,701.53
April 2008	21,867,940.11
May 2008	21,377,158.13
June 2008	20,898,157.81
July 2008	20,430,744.32
August 2008	19,974,725.72
September 2008	19,529,912.93
October 2008	19,096,119.67
November 2008	18,673,162.42
December 2008	18,260,860.41
January 2009	17,859,035.55
February 2009	17,467,512.40
March 2009	17,086,118.15
April 2009	16,714,682.53
May 2009	16,353,037.84
June 2009	16,001,018.88
July 2009	15,658,462.89
August 2009	15,325,209.58
September 2009	15,001,101.01
October 2009	14,685,981.64
November 2009	14,379,698.24
December 2009	14,082,099.86
January 2010	13,793,037.84
February 2010	13,512,365.71
March 2010	13,239,939.23
April 2010	12,975,616.30
May 2010	12,719,256.97
June 2010	12,470,723.37
July 2010	12,229,879.71
August 2010	11,996,592.24
September 2010	$11,770,729.23
October 2010	11,552,160.93
November 2010	11,340,759.52
December 2010	11,136,399.14
January 2011	10,938,955.80
February 2011	10,748,307.40
March 2011	10,564,333.65
April 2011	10,386,916.12
May 2011	10,215,938.14
June 2011	10,051,284.80
July 2011	9,892,842.95
August 2011	9,740,501.14
September 2011	9,594,149.60
October 2011	9,453,680.24
November 2011	9,318,986.60
December 2011	9,189,963.83
January 2012	9,066,508.68
February 2012	8,948,519.46
March 2012	8,835,896.04
April 2012	8,728,539.80
May 2012	8,626,353.63
June 2012	8,529,241.89
July 2012	8,435,097.89
August 2012	8,338,593.73
September 2012	8,239,844.34
October 2012	8,138,961.08
November 2012	8,036,051.78
December 2012	7,931,220.89
January 2013	7,824,569.52
February 2013	7,716,195.54
March 2013	7,606,193.72
April 2013	7,494,655.73
May 2013	7,381,670.29
June 2013	7,267,323.21
July 2013	7,151,697.50
August 2013	7,034,873.41
September 2013	6,916,928.55
October 2013	6,797,937.93
November 2013	6,677,974.01
December 2013	6,557,106.85
January 2014	6,435,404.09
February 2014	6,312,931.05
March 2014	6,189,750.82
April 2014	6,065,924.28
May 2014	5,941,510.17
June 2014	5,816,565.19
July 2014	5,691,143.99
August 2014	5,565,299.29
September 2014	$ 5,439,081.88
October 2014	5,312,540.73
November 2014	5,185,722.99
December 2014	5,058,674.07
January 2015	4,931,437.68
February 2015	4,804,055.89
March 2015	4,676,569.16
April 2015	4,549,016.39
May 2015	4,421,434.99
June 2015	4,293,860.87
July 2015	4,166,328.54
August 2015	4,038,871.11
September 2015	3,911,520.35
October 2015	3,784,306.72
November 2015	3,657,259.42
December 2015	3,530,406.43
January 2016	3,403,774.51
February 2016	3,277,389.27
March 2016	3,151,275.21
April 2016	3,025,455.72
May 2016	2,899,953.15
June 2016	2,774,788.80
July 2016	2,649,982.99
August 2016	2,525,555.07
September 2016	2,401,523.45
October 2016	2,277,905.63
November 2016	2,154,718.25
December 2016	2,031,977.06
January 2017	1,909,697.01
February 2017	1,787,892.23
March 2017	1,666,576.09
April 2017	1,545,761.20
May 2017	1,425,459.44
June 2017	1,305,681.97
July 2017	1,186,439.28
August 2017	1,067,741.21
September 2017	949,596.93
October 2017	832,015.00
November 2017	715,003.40
December 2017	598,569.49
January 2018	482,720.10
February 2018	367,461.50
March 2018	252,799.44
April 2018	138,739.15
May 2018	25,285.38
June 2018 and thereafter	0.00

PB Class Planned Balances

Distribution Date	Planned Balance
Initial Balance through September 2007	$40,530,000.00
October 2007	40,022,989.75
November 2007	39,518,517.07
December 2007	39,016,568.88
January 2008	38,517,132.15
February 2008	38,020,193.90
March 2008	37,525,741.26
April 2008	37,033,761.39
May 2008	36,544,241.53
June 2008	36,057,168.98
July 2008	35,572,531.11
August 2008	35,090,315.35
September 2008	34,610,509.21
October 2008	34,133,100.24
November 2008	33,658,076.08
December 2008	33,185,424.41
January 2009	32,715,132.98
February 2009	32,247,189.61
March 2009	31,781,582.19
April 2009	31,318,298.64
May 2009	30,857,326.98
June 2009	30,398,655.27
July 2009	29,942,271.63
August 2009	29,488,164.26
September 2009	29,036,321.40
October 2009	28,586,731.35
November 2009	28,139,382.50
December 2009	27,694,263.26
January 2010	27,251,362.12
February 2010	26,810,667.64
March 2010	26,372,168.41
April 2010	25,935,853.10
May 2010	25,501,710.43
June 2010	25,069,729.19
July 2010	24,639,898.21
August 2010	24,212,206.39
September 2010	23,786,642.68
October 2010	23,363,196.09
November 2010	22,941,855.69
December 2010	22,522,610.59
January 2011	22,105,449.98
February 2011	21,690,363.10
March 2011	21,277,339.22
April 2011	20,866,367.69
May 2011	20,457,437.92
June 2011	20,050,539.36
July 2011	19,645,661.50
August 2011	19,242,793.93
September 2011	18,841,926.24
October 2011	18,443,048.11
November 2011	$18,046,149.27
December 2011	17,651,219.48
January 2012	17,258,248.57
February 2012	16,867,226.43
March 2012	16,478,142.98
April 2012	16,090,988.20
May 2012	15,705,752.14
June 2012	15,322,424.87
July 2012	14,943,009.04
August 2012	14,572,730.02
September 2012	14,211,371.76
October 2012	13,858,723.28
November 2012	13,514,578.52
December 2012	13,178,736.22
January 2013	12,850,999.84
February 2013	12,531,177.43
March 2013	12,219,081.51
April 2013	11,914,529.02
May 2013	11,617,341.14
June 2013	11,327,343.25
July 2013	11,044,364.83
August 2013	10,768,239.32
September 2013	10,498,804.09
October 2013	10,235,900.30
November 2013	9,979,372.82
December 2013	9,729,070.18
January 2014	9,484,844.44
February 2014	9,246,551.12
March 2014	9,014,049.16
April 2014	8,787,200.76
May 2014	8,565,871.40
June 2014	8,349,929.67
July 2014	8,139,247.28
August 2014	7,933,698.92
September 2014	7,733,162.25
October 2014	7,537,517.77
November 2014	7,346,648.83
December 2014	7,160,441.48
January 2015	6,978,784.45
February 2015	6,801,569.12
March 2015	6,628,689.39
April 2015	6,460,041.67
May 2015	6,295,524.79
June 2015	6,135,039.99
July 2015	5,978,490.80
August 2015	5,825,783.04
September 2015	5,676,824.75
October 2015	5,531,526.12
November 2015	5,389,799.48
December 2015	5,251,559.20
January 2016	5,116,721.69
February 2016	$ 4,985,205.31
March 2016	4,856,930.35
April 2016	4,731,819.01
May 2016	4,609,795.28
June 2016	4,490,784.98
July 2016	4,374,715.66
August 2016	4,261,516.59
September 2016	4,151,118.70
October 2016	4,043,454.59
November 2016	3,938,458.39
December 2016	3,836,065.85
January 2017	3,736,214.20
February 2017	3,638,842.17
March 2017	3,543,889.93
April 2017	3,451,299.09
May 2017	3,361,012.61
June 2017	3,272,974.82
July 2017	3,187,131.37
August 2017	3,103,429.20
September 2017	3,021,816.50
October 2017	2,942,242.69
November 2017	2,864,658.40
December 2017	2,789,015.40
January 2018	2,715,266.66
February 2018	2,643,366.22
March 2018	2,573,269.22
April 2018	2,504,931.90
May 2018	2,438,311.48
June 2018	2,373,366.26
July 2018	2,310,055.49
August 2018	2,248,339.41
September 2018	2,188,179.20
October 2018	2,129,536.96
November 2018	2,072,375.70
December 2018	2,016,659.31
January 2019	1,962,352.53
February 2019	1,909,420.97
March 2019	1,857,831.03
April 2019	1,807,549.93
May 2019	1,758,545.65
June 2019	1,710,786.97
July 2019	1,664,243.39
August 2019	1,618,885.14
September 2019	1,574,683.18
October 2019	1,531,609.14
November 2019	1,489,635.36
December 2019	1,448,734.80
January 2020	1,408,881.11
February 2020	1,370,048.54
March 2020	1,332,211.98
April 2020	1,295,346.90

PB Class (Continued)

Distribution Date	Planned Balance
May 2020	$ 1,259,429.39
June 2020	1,224,436.08
July 2020	1,190,344.18
August 2020	1,157,131.44
September 2020	1,124,776.15
October 2020	1,093,257.12
November 2020	1,062,553.66
December 2020	1,032,645.61
January 2021	1,003,513.25
February 2021	975,137.36
March 2021	947,499.20
April 2021	920,580.44
May 2021	894,363.22
June 2021	868,830.11
July 2021	843,964.09
August 2021	819,748.56
September 2021	796,167.32
October 2021	773,204.56
November 2021	750,844.84
December 2021	729,073.12
January 2022	707,874.70
February 2022	687,235.25
March 2022	667,140.78
April 2022	647,577.65
May 2022	628,532.53
June 2022	609,992.43
July 2022	591,944.68
August 2022	574,376.90
September 2022	557,277.02
October 2022	540,633.27
November 2022	524,434.16
December 2022	508,668.47
January 2023	493,325.28
February 2023	478,393.90
March 2023	463,863.93
April 2023	449,725.22
May 2023	435,967.85
June 2023	422,582.16
July 2023	409,558.71
August 2023	396,888.32
September 2023	384,562.00
October 2023	372,571.00
November 2023	360,906.77
December 2023	349,561.00
January 2024	$ 338,525.55
February 2024	327,792.49
March 2024	317,354.09
April 2024	307,202.81
May 2024	297,331.30
June 2024	287,732.37
July 2024	278,399.03
August 2024	269,324.44
September 2024	260,501.96
October 2024	251,925.08
November 2024	243,587.48
December 2024	235,482.97
January 2025	227,605.52
February 2025	219,949.27
March 2025	212,508.49
April 2025	205,277.58
May 2025	198,251.09
June 2025	191,423.70
July 2025	184,790.25
August 2025	178,345.66
September 2025	172,085.02
October 2025	166,003.51
November 2025	160,096.45
December 2025	154,359.27
January 2026	148,787.51
February 2026	143,376.83
March 2026	138,123.00
April 2026	133,021.87
May 2026	128,069.43
June 2026	123,261.75
July 2026	118,594.99
August 2026	114,065.44
September 2026	109,669.44
October 2026	105,403.46
November 2026	101,264.03
December 2026	97,247.78
January 2027	93,351.43
February 2027	89,571.78
March 2027	85,905.69
April 2027	82,350.14
May 2027	78,902.14
June 2027	75,558.81
July 2027	72,317.33
August 2027	$ 69,174.95
September 2027	66,129.00
October 2027	63,176.86
November 2027	60,315.99
December 2027	57,543.91
January 2028	54,858.21
February 2028	52,256.53
March 2028	49,736.58
April 2028	47,296.12
May 2028	44,932.98
June 2028	42,645.03
July 2028	40,430.19
August 2028	38,286.47
September 2028	36,211.89
October 2028	34,204.53
November 2028	32,262.55
December 2028	30,384.11
January 2029	28,567.45
February 2029	26,810.85
March 2029	25,112.62
April 2029	23,471.14
May 2029	21,884.80
June 2029	20,352.06
July 2029	18,871.40
August 2029	17,441.35
September 2029	16,060.48
October 2029	14,727.39
November 2029	13,440.71
December 2029	12,199.13
January 2030	11,001.35
February 2030	9,846.12
March 2030	8,732.21
April 2030	7,658.43
May 2030	6,623.62
June 2030	5,626.66
July 2030	4,666.43
August 2030	3,741.87
September 2030	2,851.93
October 2030	1,995.61
November 2030	1,171.91
December 2030	379.87
January 2031 and thereafter	0.00

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

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

TABLE OF CONTENTS

$577,193,781

FannieMae®

Guaranteed REMIC Pass-Through Certificates Fannie Mae REMIC Trust 2006-101

PROSPECTUS SUPPLEMENT

Bear, Stearns & Co. Inc.

September 6, 2006