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

$312,182,167

FannieMae®

Guaranteed REMIC Pass-Through Certificates
Fannie Mae Trust 2007-38
(Group 1, 2, 3 and 4 Classes and Residual Classes Only)

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 will pay principal at rates that may 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*
AO	1	$ 12,738,096	PT	(1)	PO	31396VW87	May 2037
FA	1	51,428,571	PT	(2)	FLT	31396VW95	May 2037
FB	1	50,000,000	PT	(2)	FLT	31396VX29	May 2037
SA	1	51,428,571(3)	NTL	(2)	INV/IO	31396VX37	May 2037
SB	1	50,000,000(3)	NTL	(2)	INV/IO	31396VX45	May 2037
A	2	25,000,000	PT	(4)	T	31396VX52	May 2037
AI	2	25,000,000(3)	NTL	(4)(5)	T/IO	31396VX60	April 2009
PO	2	1,562,500	PT	(1)	PO	31396VX78	May 2037
B	3	100,000,000	SEQ/AD	6.0%	FIX	31396VX86	November 2033
ZB	3	6,973,000	SEQ	6.0	FIX/Z	31396VX94	May 2037
C	4	40,000,000	SEQ/AD	5.7	FIX	31396VY28	January 2037
FC	4	24,180,000	PT	(2)	FLT	31396VY36	May 2037
SC	4	24,180,000(3)	NTL	(2)	INV/IO	31396VY44	May 2037
ZC	4	300,000	SEQ	5.7	FIX/Z	31396VY51	May 2037
R	(6)	0	NPR	0	NPR	31396VY77	May 2037
RA	(6)	0	NPR	0	NPR	31396VY93	May 2037
RL	(6)	0	NPR	0	NPR	31396VY85	May 2037

(1) Principal only classes.
(2) Based on LIBOR.
(3) Notional balances. These classes are interest only classes. See page S-8 for a description of how their notional balances are calculated.
(4) These classes are toggle classes. See pages S-7 and S-8 for a description of their interest rates.
(5) After the first 24 interest accrual periods, the notional principal balance of the AI Class will be equal to zero. As a result, no distributions will be made on that class following the distribution date in April 2009.
(6) The R, RA and RL Classes relate to the Group 1, 2, 3 and 4 Classes only.

Only the classes specified on this page are offered by this prospectus supplement. The Group 5 Classes are offered by a separate 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 April 30, 2007.

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.

March 19, 2007

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AVAILABLE INFORMATION

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

- our Prospectus for Fannie Mae Guaranteed REMIC Pass-Through Certificates dated May 1, 2002 (the "REMIC Prospectus");
- our Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated January 1, 2006 (the "MBS Prospectus"); and
- any information incorporated by reference in this prospectus supplement as discussed below under the heading "Incorporation by Reference."

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

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

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

You also can obtain copies of the REMIC Prospectus and 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 and 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, 2004 ("2004 10-K"), which includes consolidated financial statements for 2004 and a restatement of previously issued financial information for 2002, 2003, and the first two quarters of 2004;
- 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 2004 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 subsequently initiated an extensive restatement and re-audit of our financial statements with our new independent auditor, Deloitte & Touche LLP.

On December 6, 2006, we filed our 2004 10-K, which includes consolidated financial statements for 2004 and a restatement of previously issued financial information for 2002, 2003, and the first two quarters of 2004. Restatement adjustments relating to periods prior to January 1, 2002 are presented in our 2004 10-K as adjustments to retained earnings as of December 31, 2001.

Our Board and management initiated numerous internal and external reviews of our accounting processes and controls, our financial reporting processes, and our application of GAAP, including an external investigation 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. In addition, Fannie Mae, as trustee for its mortgage-backed securities, invests collections on mortgage loans underlying our mortgage-backed securities in highly rated financial instruments, which may include Fannie Mae's senior debt securities or other debt securities if certain rating requirements are satisfied.

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 filed our 2004 10-K with the SEC on December 6, 2006. We have not filed Quarterly Reports on Form 10-Q for the first, second and third quarters of 2005 or the first, second and third quarters of 2006, nor have we filed our Annual Report on Form 10-K for the year ended December 31, 2005. Subject to the foregoing, 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
4	Group 4 MBS

Assumed Characteristics of the Mortgage Loans Underlying the MBS (as of April 1, 2007)

	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	Approximate Weighted Average Remaining Term to Expiration of Interest Only Period (in months)
Group 1 MBS	$114,166,667*	360	354	6	6.717%	114
Group 2 MBS	$ 25,732,500*	360	353	7	6.817%	113
	$ 830,000	360	357	3	6.650%	N/A
Group 3 MBS	$106,973,000*	360	355	5	6.750%	115
Group 4 MBS	$ 64,480,000*	360	352	8	6.600%	112

* As further described in this prospectus supplement, all of the mortgage loans underlying the Group 1, Group 3 and Group 4 MBS, and approximately $25,732,500 in principal amount of the mortgage loans underlying the Group 2 MBS, provide for interest only periods that may range from at least 7 to no more than 10 years following origination. The approximate weighted average remaining terms to expiration of the interest only periods for those mortgage loans are set forth above.

The actual remaining terms to maturity, loan ages interest rates and, if applicable, remaining terms to expiration of interest only period 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 April 30, 2007.

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, RA and RL Classes	R, RA and RL Classes

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.

During the initial interest accrual period, the floating rate, inverse floating rate and toggle classes will bear interest at the initial interest rates listed below. During subsequent interest accrual periods, the floating rate, inverse floating rate and toggle 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	5.590%	7.000%	0.27%	LIBOR + 27 basis points
FB	5.690%	6.500%	0.37%	LIBOR + 37 basis points
SA	1.410%	6.730%	0.00%	6.73% − LIBOR
SB	0.810%	6.130%	0.00%	6.13% − LIBOR
A	6.375%	6.375%	0.00%	(2)
AI	0.000%	6.375%	0.00%	(3)
FC	5.740%	6.500%	0.42%	LIBOR + 42 basis points
SC	0.760%	6.080%	0.00%	6.08% − LIBOR

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

(2) For each distribution date beginning with the distribution date in June 2007 through and including the distribution date in April 2009, the applicable interest rate for the A Class for the related interest accrual period will be determined as follows:

If the Applicable CPR is:	Applicable Rate
Less than or equal to 40.00%	6.375%
Greater than 40.00%	0.000%

For each interest accrual period thereafter, the applicable interest rate for the A Class will be 6.375%.

(3) For each distribution date beginning with the distribution date in June 2007 through and including the distribution date in April 2009, the applicable interest rate for the AI Class for the related interest accrual period will be determined as follows:

If the Applicable CPR is:	Applicable Rate
Less than or equal to 40.00%	0.000%
Greater than 40.00%	6.375%

For each interest accrual period thereafter, the notional principal balance of the AI Class will be equal to zero.

Applicable CPR for the A and AI Classes.

For any distribution date, the Applicable CPR is equal to

- 100%

  minus

- the percentage calculated by *dividing*

  - the aggregate principal balance of the Group 2 MBS as of the previous distribution date (after giving effect to distributions on that date)

    by

  - the *sum* of the aggregate principal balance of the Group 2 MBS as of the previous distribution date (after giving effect to distributions on that date) *plus* that portion of the Group 2 Principal Distribution Amount for such previous distribution date that represented unscheduled principal payments,

  such percentage being *raised* to the power of 12.

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:

SA	100% of the FA Class
SB	100% of the FB Class
AI	100% of the A Class*
SC	100% of the FC Class

* After the first 24 interest accrual periods, the notional principal balance of the AI Class will be equal to zero.

Distributions of Principal

Group 1 Principal Distribution Amount

To the AO, FA and FB Classes, pro rata, to zero.

Group 2 Principal Distribution Amount

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

Group 3 Principal Distribution Amount

To the B and ZB Classes, in that order, to zero.

Group 4 Principal Distribution Amount

ZC Accrual Amount

To the C Class to zero, and thereafter to the ZC Class.

Group 4 Cash Flow Distribution Amount

(a) 37.5% to the FC Class to zero, and

(b) 62.5% to the C and ZC Classes, in that order, to zero.

Weighted Average Lives (years)*

	PSA Prepayment Assumption				
Group 1 Classes	**0%**	**100%**	**200%**	**500%**	**800%**
AO, FA, FB, SA and SB	22.7	12.2	7.9	3.6	2.3

	PSA Prepayment Assumption				
Group 2 Classes	**0%**	**100%**	**300%**	**500%**	**800%**
A and PO	22.7	12.2	5.6	3.5	2.3
AI	2.0	1.9	1.8	1.7	1.5

	PSA Prepayment Assumption				
Group 3 Classes	**0%**	**100%**	**200%**	**500%**	**800%**
B	19.2	9.6	6.1	3.0	2.0
ZB	28.3	24.1	19.3	10.1	6.3

	PSA Prepayment Assumption				
Group 4 Classes	**0%**	**100%**	**400%**	**600%**	**800%**
C	22.3	11.7	4.1	2.8	2.1
FC and SC	22.7	12.1	4.3	2.9	2.2
ZC	29.8	28.3	17.8	12.4	9.1

* 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.

All of the mortgage loans underlying the Group 1, Group 3 and Group 4 MBS and substantially all of the mortgage loans underlying the Group 2 MBS provide for interest only payments for a lengthy initial period and thus may be more likely to be refinanced than other mortgage loans. As further described in this prospectus supplement under "Description of the Certificates—The Trust MBS," the scheduled monthly payments on all of the mortgage loans underlying the Group 1, Group 3 and Group 4 MBS, and substantially all of the mortgage loans underlying the Group 2 MBS, represent accrued interest only during periods that may range from seven to ten years following origination. Thereafter the scheduled monthly payments in each case are increased to amounts sufficient to pay current interest and to fully amortize each of these mortgage loans by its maturity date. As a result, borrowers may be more likely to refinance these mortgage loans on or before the date on which the scheduled monthly payments increase. In addition, absent a refinancing some borrowers may find it increasingly difficult to remain current in their scheduled monthly payments following the increase in monthly payment amounts.

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

Slight changes in the rate of prepayments on the mortgage loans underlying the Group 2 MBS may significantly affect the interest rates of the toggle classes. For the first 24 interest accrual periods, interest rates on the toggle classes are determined by reference to a formula based on the prepayment rate of the related mortgage loans during the specified monthly period (CPR). Accordingly, the toggle classes may be extremely sensitive to certain changes in the prepayment rate of those loans. In particular, the toggle classes may experience dramatic declines in their respective interest rates and yields as a result of certain changes in the prepayment rate of the related mortgage loans, even if those changes are slight. For an illustration of this sensitivity, see the related yield tables in this prospectus supplement.

In addition, the notional principal balance of the AI Class will be equal to zero following the first 24 interest accrual periods. As a result, no distributions will be made on that class following the distribution date in April 2009.

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

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

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

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

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

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

DESCRIPTION OF THE REMIC CERTIFICATES

The material under this heading summarizes certain features of the REMIC Certificates. You will find additional information about the REMIC 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 Trust specified on the cover of this prospectus supplement (the "Trust") and three separate trusts (the "Upper Tier REMIC," "Middle Tier

REMIC" and "Lower Tier REMIC") pursuant to a trust agreement dated as of September 1, 2006 and a supplement thereto dated as of April 1, 2007 (the "Issue Date"). We will issue the Guaranteed REMIC Pass-Through Certificates (the "REMIC Certificates") pursuant to that trust agreement and supplement (the "Trust Agreement"). We will execute the Trust Agreement in our corporate capacity and as trustee (the "Trustee").

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

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

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

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

REMIC Designation	Assets	Regular Interests	Residual Interest
Lower Tier REMIC	MBS	Interests in the Lower Tier REMIC other than the RL Class (the "Lower Tier Regular Interests")	RL
Middle Tier REMIC	Lower Tier Regular Interests	Interests in the Middle Tier REMIC other than the RA Class (the "Middle Tier Regular Interests")	RA
Upper Tier REMIC	Middle Tier Regular Interests	The Group 1, 2, 3 and 4 Classes	R

Fannie Mae Guaranty. We guarantee that the following amounts will be available for distribution to Holders of the REMIC Certificates:

- required installments of principal and interest on the REMIC Certificates on time, and
- the principal balance of each Class of REMIC 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 and "Description of the Certificates—Fannie Mae Guaranty" in the MBS Prospectus.

Characteristics of REMIC Certificates. We will issue the REMIC Certificates (except the R, RA 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 REMIC Certificates deposited in their accounts are "Holders" or "Certificateholders." A Holder is not necessarily the beneficial owner of a REMIC Certificate. Beneficial owners ordinarily will hold REMIC 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, RA and RL Certificates in fully registered, certificated form. The "Holder" or "Certificateholder" of the R, RA or RL Certificate is its registered owner. The R, RA 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, RA or RL Certificate and may require payment to cover any tax or other governmental charge. See also "—Characteristics of the R, RA and RL Classes" below.

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

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

Classes	Denominations
The Interest Only, Principal Only, Inverse Floating Rate and Toggle Classes	$100,000 minimum plus whole dollar increments
All other Classes (except the R, RA and RL Classes)	$1,000 minimum plus whole dollar increments

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

Distribution Dates. We will make monthly payments on the REMIC 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 REMIC Certificates.

Record Date. On each Distribution Date, we will make each monthly payment on the REMIC 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 REMIC Certificates. When the applicable class factor is multiplied by the original principal balance (or notional principal balance) of a REMIC Certificate of any Class, the product will equal the current principal balance (or notional principal balance) of that REMIC 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 Trust, the Upper Tier REMIC, the Middle Tier REMIC or the Lower Tier REMIC. Further, we will not repurchase the Mortgage Loans underlying any MBS in a "clean-up call." See "Description of the Certificates—Termination" in the MBS Prospectus.

The MBS

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.

In addition, the scheduled monthly payments on all of the Mortgage Loans underlying the Group 1, Group 3 and Group 4 MBS, and substantially all of the Mortgage Loans underlying the Group 2 MBS, represent accrued interest only for periods that may range from at least seven to no more than ten years following origination. Beginning with the first monthly payment following the expiration of the applicable interest only period, the scheduled monthly payment on each of those Mortgage Loans will be increased by an amount sufficient to pay accrued interest and to fully amortize the Mortgage Loan by its scheduled maturity date.

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	$114,166,667
MBS Pass-Through Rate	6.00%
Range of WACs (annual percentages)	6.25% to 8.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	354 months
Approximate Weighted Average WALA (weighted average loan age)	6 months
Group 2 MBS*	
Aggregate Unpaid Principal Balance	$26,562,500
MBS Pass-Through Rate	6.00%
Range of WACs (annual percentages)	6.25% to 8.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	353 months
Approximate Weighted Average WALA	7 months
Group 3 MBS*	
Aggregate Unpaid Principal Balance	$106,973,000
MBS Pass-Through Rate	6.00%
Range of WACs (annual percentages)	6.25% to 8.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	355 months
Approximate Weighted Average WALA	5 months

Group 4 MBS*

Aggregate Unpaid Principal Balance	$64,480,000
MBS Pass-Through Rate	6.00%
Range of WACs (annual percentages)	6.25% to 8.50%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM	352 months
Approximate Weighted Average WALA	8 months

* All of the Mortgage Loans underlying the Group 1, Group 3 and Group 4 MBS, and substantially all of the Mortgage Loans underlying the Group 2 MBS, provide for initial interest only periods. For additional information about those Mortgage Loans, including the approximate weighted average remaining terms to expiration of their interest only periods, see "Reference Sheet—Assumed Characteristics of the Mortgage Loans Underlying the MBS" in this prospectus supplement.

Final Data Statement

After issuing the REMIC Certificates, we will prepare a Final Data Statement containing certain information, including the Pool number, the current WAC and the current WAM of the Mortgage Loans underlying each of the MBS as of the Issue Date. If the current WAC is not available, the Final Data Statement will contain the most recently published WAC. If the current WAM is not available, the Final Data Statement will contain a WAM that we have calculated by subtracting from the most recently published WAM the number of months that have elapsed between the month in which the WAM was most recently published and the month of the Issue Date. The Final Data Statement also will include the weighted averages of all the WACs and the weighted averages of all the WAMs, based on the current unpaid principal balances of the Mortgage Loans underlying each of the MBS as of the Issue Date. You may obtain the Final Data Statement by telephoning us at 1-800-237-8627. In addition, the Final Data Statement is available on our corporate Web site at www.fanniemae.com.

Distributions of Interest

Categories of Classes

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

Interest Type*	Classes
Group 1 Classes	
Floating Rate	FA and FB
Inverse Floating Rate	SA and SB
Interest Only	SA and SB
Principal Only	AO
Group 2 Classes	
Toggle†	A and AI
Interest Only	AI
Principal Only	PO
Group 3 Classes	
Fixed Rate	B and ZB
Accrual	ZB
Group 4 Classes	
Fixed Rate	C and ZC
Floating Rate	FC
Inverse Floating Rate	SC
Interest Only	SC
Accrual	ZC

No Payment Residual	R, RA and RL

* See "Description of Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus.
† The "Toggle" or "T" designation refers to a class having an interest rate that changes significantly if the designated index meets one or more thresholds. For example, when the index meets a threshold, the interest rate may shift from one predetermined rate or formula to a different predetermined rate or formula. Accordingly, the change in interest rate may not be a continuous function of changes in the index.

General. We will pay interest on the REMIC 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 REMIC 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 REMIC Certificate immediately prior to that Distribution Date. For a description of the Accrual Classes, see "—*Accrual Classes*" below.

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

Classes	Interest Accrual Periods
All Fixed Rate and Toggle 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.

The Dealer will treat the Principal Only Classes as Delay Classes for the sole purpose of facilitating trading.

Accrual Classes. The ZB and ZC Classes are Accrual Classes. Interest will accrue on each Accrual Class at the applicable annual rate specified on the cover of this prospectus supplement. However, we will not pay any interest on the Accrual Classes. Instead, interest accrued on an Accrual Class will be added as principal to its principal balance on each Distribution Date. We will pay principal on each Accrual Class 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.

The notional principal balance of the AI Class will be equal to zero following the first 24 Interest Accrual Periods. As a result, no distributions will be made on that Class following the Distribution Date in April 2009.

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 REMIC Certificates generally shall refer also to the notional principal balances of the Notional Classes.

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

Changes in LIBOR will affect the yields on the Floating Rate and Inverse Floating Rate Classes. These changes may not correspond to changes in mortgage interest rates. Lower mortgage interest rates could occur while an increase in the level of LIBOR occurs. Similarly, higher mortgage interest rates could occur while a decrease in the level of LIBOR occurs.

Changes in the Applicable CPR will affect the yields on the Toggle Classes during the first 24 Interest Accrual Periods.

Our establishment of each LIBOR 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 5.32%.

Distributions of Principal

Categories of Classes

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

Principal Type*	Classes
Group 1 Classes	
Pass-Through	AO, FA and FB
Notional	SA and SB
Group 2 Classes	
Pass-Through	A and PO
Notional	AI
Group 3 Classes	
Sequential Pay	B and ZB
Accretion Directed	B
Group 4 Classes	
Pass-Through	FC
Sequential Pay	C and ZC
Accretion Directed	C
Notional	SC
No Payment Residual	R, RA and RL

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

Principal Distribution Amount

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

- the principal then paid on the Group 1 MBS (the "Group 1 Principal Distribution Amount"),
- the principal then paid on the Group 2 MBS (the "Group 2 Principal Distribution Amount"),

- the principal then paid on the Group 3 MBS *plus* any interest then accrued and added to the principal balance of the ZB Class (the "Group 3 Principal Distribution Amount"), and
- the principal then paid on the Group 4 MBS (the "Group 4 Cash Flow Distribution Amount") *plus* any interest then accrued and added to the principal balance of the ZC Class (the "ZC Accrual Amount" and, together with the Group 4 Cash Flow Distribution Amount, the "Group 4 Principal Distribution Amount").

Group 1 Principal Distribution Amount

On each Distribution Date, we will pay the Group 1 Principal Distribution Amount, concurrently, as principal of the AO, FA and FB Classes, pro rata (or 11.1574563178%, 45.0469233721% and 43.7956203101%, respectively), until their principal balances are reduced to zero.

Pass-Through Classes

Group 2 Principal Distribution Amount

On each Distribution Date, we will pay the Group 2 Principal Distribution Amount, concurrently, as principal of the A and PO Classes, pro rata (or 94.1176470588% and 5.8823529412%, respectively), until their principal balances are reduced to zero.

Pass-Through Classes

Group 3 Principal Distribution Amount

On each Distribution Date, we will pay the Group 3 Principal Distribution Amount, sequentially, to the B and ZB Classes, in that order, until their principal balances are reduced to zero.

Sequential Pay Classes

Group 4 Principal Distribution Amount

ZC Accrual Amount

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

Accretion Directed Class and Accrual Class

Group 4 Cash Flow Distribution Amount

On each Distribution Date, we will pay the Group 4 Cash Flow Distribution Amount as principal of the Group 4 Classes as follows:

(a) 37.5% of that amount to the FC Class, until its principal balance is reduced to zero, and

Pass-Through Class

(b) 62.5% of that amount, sequentially, to the C and ZC Classes, in that order, until their principal balances are reduced to zero.

Sequential Pay Classes

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, loan ages and interest rates specified under "Reference Sheet—Assumed Characteristics of the Mortgage Loans Underlying the Trust MBS" in this prospectus supplement;

- all of the Mortgage Loans underlying the Group 1, Group 3 and Group 4 MBS, and approximately $25,732,500 in principal amount of the Mortgage Loans underlying the Group 2 MBS, have the remaining terms to expiration of their interest only periods 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 or CPR, as applicable, specified in the related tables;

- the settlement date for the REMIC Certificates is April 30, 2007; 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. One model used in this prospectus supplement is the Securities Industry and Financial Markets 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.

An additional model used in this prospectus supplement for the Group 2 Classes is the constant prepayment model (''CPR''), which represents the annual rate of prepayments relative to the then outstanding principal balance of a pool of new mortgage loans. Thus, ''0% CPR'' means no prepayments, ''15% CPR'' means an annual prepayment rate of 15% and so forth.

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

Yield Tables

General. The tables below illustrate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the applicable Classes to various constant percentages of PSA or CPR, as applicable, and, where specified, to changes in LIBOR. 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 REMIC Certificates. Accordingly, these calculations do not illustrate the return on any investment in the REMIC Certificates when reinvestment rates are taken into account.

We cannot assure you that

- the pre-tax yields on the applicable REMIC Certificates will correspond to any of the pre-tax yields shown here, or

- the aggregate purchase prices of the applicable REMIC Certificates will be as assumed.

In addition, it is unlikely that LIBOR 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 REMIC 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 or CPR, as applicable. Moreover, it is unlikely that

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

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

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

Class	Price
AO	84.484375%
PO	83.968750%

Sensitivity of the AO Class to Prepayments

	PSA Prepayment Assumption				
	50%	100%	200%	500%	800%
Pre-Tax Yields to Maturity	1.1%	1.4%	2.3%	5.0%	7.7%

Sensitivity of the PO Class to Prepayments

	PSA Prepayment Assumption				
	50%	100%	300%	500%	800%
Pre-Tax Yields to Maturity	1.1%	1.5%	3.3%	5.3%	8.2%

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

Changes in LIBOR 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 LIBOR 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 LIBOR, and

- the aggregate purchase prices of the Inverse Floating Rate Classes (expressed in each case as a percentage of original principal balance) are as follows:

Class	Price*
SA	4.215625%
SB	2.568750%
SC	2.896875%

* 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)

	PSA Prepayment Assumption				
LIBOR	50%	100%	200%	500%	800%
1.32%	153.3%	150.7%	145.3%	128.8%	111.4%
3.32%	89.8%	87.2%	81.8%	65.3%	47.7%
5.32%	33.0%	30.2%	24.5%	6.8%	(12.4)%
6.32%	5.2%	2.3%	(3.5)%	(22.3)%	(43.3)%
6.73%	*	*	*	*	*

* 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)

	PSA Prepayment Assumption				
LIBOR	50%	100%	200%	500%	800%
1.32%	241.8%	239.0%	233.4%	216.0%	197.8%
3.32%	126.9%	124.3%	119.0%	102.5%	85.2%
5.32%	30.7%	28.0%	22.3%	4.4%	(14.9)%
6.13%	*	*	*	*	*

* 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)

	PSA Prepayment Assumption				
LIBOR	50%	100%	400%	600%	800%
1.32%	204.7%	201.7%	182.7%	169.4%	155.6%
3.32%	107.5%	104.6%	86.8%	74.3%	61.2%
5.32%	24.5%	21.6%	3.3%	(9.8)%	(23.8)%
6.08%	*	*	*	*	*

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

The Toggle Classes. **The yields on the Toggle Classes will be sensitive in varying degrees to the rate of principal payments, including prepayments, of the related Mortgage Loans. In particular, the yield on the AI Class will be extremely sensitive to the rate of prepayments. 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 table below, it is possible that investors in the AI Class would lose money on their initial investments under certain prepayment scenarios.

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

- the interest rates for the Toggle 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 PSA or CPR, as applicable; and
- the aggregate purchase prices of the Toggle Classes (expressed in each case as a percentage of original principal balance) are as follows:

Class	Price*
A	101.000000%
AI	2.209375%

* 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 A Class to Prepayments
(Pre-Tax Yields to Maturity)

	PSA Prepayment Assumption					CPR Prepayment Assumption	
	50%	100%	300%	500%	800%	40%	40.01%
Pre-Tax Yields to Maturity	6.3%	6.3%	6.1%	6.0%	5.1%	5.6%	1.7%

Sensitivity of the AI Class to Prepayments
(Pre-Tax Yields to Maturity)

	PSA Prepayment Assumption					CPR Prepayment Assumption	
	50%	100%	300%	500%	800%	40%	40.01%
Pre-Tax Yields to Maturity	*	*	*	*	(22.0)%	*	285.9%

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

Weighted Average Lives of the REMIC Certificates

The weighted average life of a REMIC Certificate is determined by

(a) multiplying the amount of the reduction, if any, of the principal balance of the REMIC 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 REMIC Certificate referred to in clause (a).

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

In general, the weighted average lives of the REMIC 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, and

- the priority sequences of payments of principal of the Group 3 and Group 4 Classes.

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 REMIC Certificates represent discounts or premiums to their original principal balances, variability in the weighted average lives of those Classes of REMIC 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	8.50%
Group 2 MBS	360 months	360 months	8.50%
Group 3 MBS	360 months	360 months	8.50%
Group 4 MBS	360 months	360 months	8.50%

In addition, in the case of the information set forth for each Class under 0% PSA, we assumed that all of the Mortgage Loans underlying the Group 1, Group 3 and Group 4 MBS, and approximately $25,732,500 in principal amount of the Mortgage Loans underlying the Group 2 MBS, have an original and a remaining interest only period of 120 months.

It is unlikely

- that all of the underlying Mortgage Loans will have the interest rates, loan ages, remaining terms to maturity or remaining interest only periods 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 term to maturity and the weighted average loan age 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

	AO, FA, FB, SA† and SB† Classes					A and PO Classes					AI† Class					B Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
Date	0%	100%	200%	500%	800%	0%	100%	300%	500%	800%	0%	100%	300%	500%	800%	0%	100%	200%	500%	800%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
April 2008	100	97	95	87	80	100	97	92	87	78	100	97	92	87	78	100	97	95	87	80
April 2009	100	93	86	66	48	100	92	78	65	46	0	0	0	0	0	99	92	85	64	46
April 2010	100	87	75	46	25	100	87	64	45	24	0	0	0	0	0	99	85	73	42	20
April 2011	100	82	66	32	13	100	82	52	32	13	0	0	0	0	0	98	79	63	27	6
April 2012	100	77	58	23	7	100	77	43	22	7	0	0	0	0	0	98	73	54	15	0
April 2013	100	72	51	16	4	100	72	35	15	3	0	0	0	0	0	97	68	45	7	0
April 2014	100	68	45	11	2	100	68	29	11	2	0	0	0	0	0	96	62	38	2	0
April 2015	100	64	40	8	1	100	64	24	8	1	0	0	0	0	0	96	57	32	0	0
April 2016	100	60	35	5	*	100	60	19	5	*	0	0	0	0	0	95	53	26	0	0
April 2017	100	56	30	4	*	100	55	16	4	*	0	0	0	0	0	94	47	20	0	0
April 2018	98	51	26	3	*	98	51	13	2	*	0	0	0	0	0	91	42	15	0	0
April 2019	96	47	22	2	*	96	46	10	2	*	0	0	0	0	0	88	36	10	0	0
April 2020	93	43	19	1	*	93	42	8	1	*	0	0	0	0	0	85	31	5	0	0
April 2021	91	39	16	1	*	91	38	6	1	*	0	0	0	0	0	81	26	1	0	0
April 2022	88	35	14	1	*	88	35	5	1	*	0	0	0	0	0	77	21	0	0	0
April 2023	85	31	12	*	*	85	31	4	*	*	0	0	0	0	0	73	16	0	0	0
April 2024	82	28	10	*	*	81	28	3	*	*	0	0	0	0	0	68	11	0	0	0
April 2025	78	25	8	*	*	78	25	2	*	*	0	0	0	0	0	63	7	0	0	0
April 2026	74	22	7	*	*	74	22	2	*	*	0	0	0	0	0	58	2	0	0	0
April 2027	70	19	5	*	*	70	19	1	*	*	0	0	0	0	0	52	0	0	0	0
April 2028	65	17	4	*	*	65	17	1	*	*	0	0	0	0	0	45	0	0	0	0
April 2029	60	14	4	*	*	60	14	1	*	*	0	0	0	0	0	38	0	0	0	0
April 2030	55	12	3	*	*	55	12	1	*	*	0	0	0	0	0	31	0	0	0	0
April 2031	49	10	2	*	*	49	10	*	*	*	0	0	0	0	0	23	0	0	0	0
April 2032	42	8	2	*	*	42	8	*	*	*	0	0	0	0	0	14	0	0	0	0
April 2033	35	6	1	*	*	35	6	*	*	*	0	0	0	0	0	5	0	0	0	0
April 2034	27	4	1	*	0	27	4	*	*	0	0	0	0	0	0	0	0	0	0	0
April 2035	19	2	*	*	0	19	2	*	*	0	0	0	0	0	0	0	0	0	0	0
April 2036	10	1	*	*	0	10	1	*	*	0	0	0	0	0	0	0	0	0	0	0
April 2037	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	22.7	12.2	7.9	3.6	2.3	22.7	12.2	5.6	3.5	2.3	2.0	1.9	1.8	1.7	1.5	19.2	9.6	6.1	3.0	2.0

	ZB Class					C Class					FC and SC† Classes					ZC Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
Date	0%	100%	200%	500%	800%	0%	100%	400%	600%	800%	0%	100%	400%	600%	800%	0%	100%	400%	600%	800%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
April 2008	106	106	106	106	106	100	97	88	82	76	100	97	88	82	77	106	106	106	106	106
April 2009	113	113	113	113	113	100	92	69	56	44	100	92	70	56	44	112	112	112	112	112
April 2010	120	120	120	120	120	100	86	53	35	22	100	86	53	36	23	119	119	119	119	119
April 2011	127	127	127	127	127	100	81	40	22	11	100	81	40	23	12	126	126	126	126	126
April 2012	135	135	135	135	109	100	76	30	14	5	100	76	31	15	6	133	133	133	133	133
April 2013	143	143	143	143	57	100	71	22	8	2	100	72	23	9	3	141	141	141	141	141
April 2014	152	152	152	152	30	100	67	17	5	1	100	68	18	6	2	149	149	149	149	149
April 2015	161	161	161	122	15	100	63	12	3	0	100	63	13	4	1	158	158	158	158	118
April 2016	171	171	171	85	8	99	59	9	1	0	100	60	10	2	*	167	167	167	167	61
April 2017	182	182	182	59	4	99	54	6	*	0	100	55	8	2	*	177	177	177	177	31
April 2018	193	193	193	40	2	97	49	4	0	0	98	50	6	1	*	187	187	187	131	16
April 2019	205	205	205	27	1	95	45	3	0	0	96	46	4	1	*	198	198	198	81	8
April 2020	218	218	218	19	1	93	41	2	0	0	93	42	3	*	*	209	209	209	50	4
April 2021	231	231	231	13	*	90	37	1	0	0	91	38	2	*	*	222	222	222	31	2
April 2022	245	245	213	8	*	87	33	0	0	0	88	34	2	*	*	235	235	221	19	1
April 2023	261	261	179	6	*	84	29	0	0	0	85	31	1	*	*	248	248	160	12	1
April 2024	277	277	150	4	*	80	26	0	0	0	82	28	1	*	*	263	263	116	7	*
April 2025	294	294	125	3	*	77	23	0	0	0	78	25	1	*	*	278	278	83	4	*
April 2026	312	312	104	2	*	73	20	0	0	0	74	22	*	*	*	295	295	59	3	*
April 2027	331	301	85	1	*	68	17	0	0	0	70	19	*	*	*	312	312	42	2	*
April 2028	351	261	69	1	*	63	14	0	0	0	65	16	*	*	*	330	330	29	1	*
April 2029	373	224	56	*	*	58	11	0	0	0	60	14	*	*	*	349	349	20	1	*
April 2030	396	188	44	*	*	52	9	0	0	0	55	12	*	*	*	370	370	14	*	*
April 2031	421	155	34	*	*	46	7	0	0	0	49	10	*	*	*	391	391	9	*	*
April 2032	446	123	25	*	*	40	4	0	0	0	42	8	*	*	*	414	414	6	*	*
April 2033	474	94	18	*	*	32	2	0	0	0	35	6	*	*	*	439	439	3	*	*
April 2034	422	66	12	*	*	24	*	0	0	0	27	4	*	*	0	464	464	2	*	*
April 2035	293	39	7	*	*	16	0	0	0	0	19	2	*	*	0	491	284	1	*	*
April 2036	153	14	2	*	0	6	0	0	0	0	10	1	*	*	0	520	69	*	*	*
April 2037	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.3	24.1	19.3	10.1	6.3	22.3	11.7	4.1	2.8	2.1	22.7	12.1	4.3	2.9	2.2	29.8	28.3	17.8	12.4	9.1

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

** Determined as specified under "—Weighted Average Lives of the REMIC 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, RA and RL Classes

The R, RA and RL Classes will not have principal balances and will not bear interest. If any assets of the Upper Tier REMIC remain after the principal balances of the Group 1, Group 2, Group 3 and Group 4 Classes are reduced to zero, we will pay the Holder of the R Class the proceeds from those assets. If any assets of the Middle Tier REMIC remain after the principal balances of the Middle Tier REMIC Regular Interests are reduced to zero, we will pay the proceeds from those assets to the Holder of the RA Class. If any assets of the Lower Tier REMIC remain after the principal balances of the Lower Tier REMIC Regular Interests are reduced to zero, we will pay the proceeds from those assets to the Holder of the RL Class. Fannie Mae does not expect that any material assets will remain in any of those cases.

A Residual Certificate will be subject to certain transfer restrictions. We will not permit transfer of record or beneficial ownership of a Residual Certificate to a "disqualified organization." In addition, we will not permit transfer of record or beneficial ownership of a Residual Certificate to any person that is not a "U.S. Person" or a foreign person subject to United States income taxation on a net basis on income derived from that Certificate. Any transferee of a Residual Certificate must execute and deliver an affidavit and an Internal Revenue Service Form W-9 (or, if applicable, a Form W-8ECI) on which the transferee provides its taxpayer identification number. See "Description of Certificates—Special Characteristics of Residual Certificates" and "Certain Federal Income Tax Consequences—*Taxation of Beneficial Owners of Residual Certificates*" in the REMIC Prospectus. The affidavit must also state that the transferee is a "U.S. Person" or a foreign person subject to United States income taxation on a net basis on income derived from that Residual 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 Residual 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, RA 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 related REMIC (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 Upper Tier REMIC, the Holder of the RA Class will be considered to be the Holder of the ''residual interest'' in the Middle Tier REMIC, and the Holder of the RL Class will be considered to be the Holder of the ''residual interest'' in 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, RA and RL Class that may be required under the Code.

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

The REMIC Certificates and payments on the REMIC Certificates are not generally exempt from taxation. Therefore, you should consider the tax consequences of holding a REMIC 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 REMIC 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 REMIC 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, the Middle Tier REMIC and the Upper Tier REMIC as REMICs for federal income tax purposes. The REMIC Certificates, other than the R, RA and RL Classes, will be designated as the ''regular interests,'' and the R Class will be designated as the ''residual interest,'' in the Upper Tier REMIC. The Middle Tier Regular Interests will be designated as the ''regular interests,'' and the RA Class will be designated as the ''residual interest,'' in the Middle Tier REMIC. The Lower Tier Regular Interests will be designated as the ''regular interests,'' and the RL Class will be designated as the ''residual interest,'' in the Lower Tier REMIC.

Because the Lower Tier REMIC, the Middle Tier REMIC and the Upper Tier REMIC will qualify as REMICs, the REMIC 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, RA and RL Classes, as "qualified mortgages" for other REMICs. See "Certain Federal Income Tax Consequences—*REMIC Election and Special Tax Attributes*" in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes, the Principal Only Classes and the Accrual Classes will be issued with original issue discount ("OID"), and certain other Classes of REMIC Certificates may be issued with OID. If a Class is issued with OID, a beneficial owner of a REMIC 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	200% PSA
2	300% PSA
3	200% PSA
4	400% 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 REMIC Certificates—Weighted Average Lives of the REMIC 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 any of the REMICs 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 Upper Tier REMIC, Middle Tier REMIC or Lower Tier REMIC that generally will not be treated as excess inclusions, the rate to be used is 120% of the "federal long-term rate." The rate will be published on or about March 20, 2007. 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.

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 REMIC Certificates. You should consult your own tax advisor concerning any possible disclosure obligation with respect to your investment in the REMIC Certificates.

PLAN OF DISTRIBUTION

General. We are obligated to deliver the REMIC Certificates to Bear, Stearns & Co. Inc. (the "Dealer") in exchange for the MBS. The Dealer proposes to offer the REMIC 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 REMIC Certificates. Before the Settlement Date, we and the Dealer may agree to offer Classes in addition to those contemplated as of the date of this prospectus supplement. In that 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 REMIC Certificates—The MBS" in this prospectus supplement. The proportion that the original principal balance of each Group 1, Group 2, Group 3 or Group 4 Class bears to the aggregate original principal balance of all Group 1, Group 2, Group 3 or Group 4 Classes, respectively, will remain the same.

LEGAL MATTERS

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

No one is authorized to give information or to make representations in connection with the REMIC 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 REMIC 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 REMIC Certificates or determined if this Prospectus Supplement is truthful and complete. Any representation to the contrary is a criminal offense.

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$312,182,167

FannieMae®

Guaranteed REMIC Pass-Through Certificates Fannie Mae Trust 2007-38 (Group 1, 2, 3, 4 and Residual Classes Only)

PROSPECTUS SUPPLEMENT

Bear, Stearns & Co. Inc.

March 19, 2007