

Pricing Supplement

(To Prospectus Supplement dated May 7, 2007)

\$169,512,195



FannieMae®

Guaranteed REMIC Pass-Through Certificates Fannie Mae Benchmark REMICTM Trust 2007-B2 (VA, VB and ZA Classes Only)

The Certificates

We, the Federal National Mortgage Association (Fannie Mae), have issued and guaranteed the certificates listed in the chart on this page. The certificates are being offered by this pricing supplement and the related prospectus supplement and the REMIC prospectus.

Payments to Certificateholders

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

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

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

The Fannie Mae Guaranty

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

Class	Certificate Offered Amount	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
VA	\$49,440,755	SEQ/AD	5.5%	FIX	31396V 2 J 6	April 2018
VB	58,674,217	SEQ/AD	5.5	FIX	31396V 2 K 3	January 2026
ZA	61,397,223	SEQ	5.5	FIX/Z	31396V 2 L 1	June 2037

Carefully consider the risk factors starting on page S-7 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.

This pricing supplement is intended to be used only together with the prospectus supplement and the REMIC prospectus.

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 of its agencies or instrumentalities 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 dealer listed below will offer the certificates listed in the chart above from time to time in negotiated transactions at varying prices.

UBS Investment Bank

May 16, 2007

GENERAL

The Prospectus Supplement dated May 7, 2007 (the “Prospectus Supplement”) and the REMIC Prospectus dated May 1, 2002 (the “REMIC Prospectus”) describe the Guaranteed REMIC Pass-Through Certificates, Fannie Mae Benchmark REMICTM Trust 2007-B2. Capitalized terms used and not otherwise defined in this pricing supplement have the meanings ascribed to them in the Prospectus Supplement.

PLAN OF DISTRIBUTION

We will sell \$169,512,195 in principal amount of the VA, VB and ZA Class Certificates to the dealer named on the cover of this pricing supplement (the “Dealer”) on or about May 21, 2007 for cash proceeds (including accrued interest) estimated to be approximately \$163,256,305. The Dealer intends to offer the VA, VB and ZA Class Certificates 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.

Pricing Supplement

(To Prospectus Supplement dated May 7, 2007)

\$50,000,000



FannieMae®

Guaranteed REMIC Pass-Through Certificates Fannie Mae Benchmark REMICTM Trust 2007-B2 (B Class Only)

The Certificates

We, the Federal National Mortgage Association (Fannie Mae), have issued and guaranteed the certificates listed in the chart on this page. The certificates are being offered by this pricing supplement and the related prospectus supplement and the REMIC prospectus.

Payments to Certificateholders

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

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

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

The Fannie Mae Guaranty

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

Class	Certificate Offered Amount	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
B(1)	\$50,000,000	SEQ	5.5%	FIX	31396V2Q0	June 2037

(1) The B Class is an RCR class as described in the prospectus supplement.

Carefully consider the risk factors starting on page S-7 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.

This pricing supplement is intended to be used only together with the prospectus supplement and the REMIC prospectus.

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 of its agencies or instrumentalities 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 dealers listed below will offer the certificates listed in the chart above from time to time in negotiated transactions at varying prices.

Citi

JPMorgan

May 11, 2007

GENERAL

The Prospectus Supplement dated May 7, 2007 (the “Prospectus Supplement”) and the REMIC Prospectus dated May 1, 2002 (the “REMIC Prospectus”) describe the Guaranteed REMIC Pass-Through Certificates, Fannie Mae Benchmark REMICTM Trust 2007-B2. Capitalized terms used and not otherwise defined in this pricing supplement have the meanings ascribed to them in the Prospectus Supplement.

PLAN OF DISTRIBUTION

We will sell \$50,000,000 in principal amount of the B Class Certificates to the dealers named on the cover of this pricing supplement (the “Dealers”) on or about May 16, 2007 for cash proceeds (including accrued interest) estimated to be approximately \$48,376,302. The Dealers intend to offer the B Class Certificates to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. The Dealers may effect these transactions to or through other dealers.

PRICING SUPPLEMENT
(To Prospectus Supplement dated May 7, 2007)

\$1,000,000,000



FannieMae®

Guaranteed REMIC Pass-Through Certificates
Fannie Mae Benchmark REMIC™ Trust 2007-B2
(AB Class Only)

The Certificates

We, the Federal National Mortgage Association (Fannie Mae), have issued and guaranteed the certificates listed in the chart on this page. The certificates are being offered by this pricing supplement and the related prospectus supplement and the REMIC prospectus.

Payments to Certificateholders

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

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

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

The Fannie Mae Guaranty

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

<u>Class</u>	<u>Outstanding Class Balance</u>	<u>Principal Type</u>	<u>Interest Rate</u>	<u>Interest Type</u>	<u>Price to Public (1)</u>	<u>CUSIP Number</u>	<u>Guaranteed Maturity Date</u>
AB.....	\$1,000,000,000	GMC/SEQ	5.5%	FIX	99.921875%	31396V2P2	December 2020

(1) Plus accrued interest from May 1, 2007

Carefully consider the risk factors starting on page S-7 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.

This pricing supplement is intended to be used only together with the prospectus supplement and the REMIC prospectus.

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 of its agencies or instrumentalities 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.

Lead Underwriters

Citi

JPMorgan

UBS Investment Bank

Co-Underwriters

Banc of America Securities LLC

Credit Suisse

Lehman Brothers

The date of this Pricing Supplement is May 11, 2007.

GENERAL

The prospectus supplement dated May 7, 2007 (the “Prospectus Supplement”) and the REMIC Prospectus dated May 1, 2002 (the “REMIC Prospectus”) describe the Guaranteed REMIC Pass-Through Certificates, Fannie Mae Benchmark REMICTM Trust 2007-B2. Capitalized terms used and not otherwise defined in this pricing supplement have the meanings ascribed to them in the Prospectus Supplement.

PLAN OF DISTRIBUTION

We will sell the AB Class to the Underwriters on or about May 16, 2007 for aggregate cash proceeds (including accrued interest) estimated to be approximately \$1,001,510,416. In addition, we will pay the Underwriters aggregate underwriting fees in connection with the sale of the AB Class estimated to be approximately \$937,500.

The underwriting commitments of the Underwriters are as follows:

<u>Lead Underwriters</u>	<u>Underwriting Commitment</u>
Citigroup Global Markets Inc.	\$230,000,000
J.P. Morgan Securities, Inc.	230,000,000
UBS Securities LLC	240,000,000
 <u>Co-Underwriters</u>	 <u>Underwriting Commitment</u>
Banc of America Securities LLC	100,000,000
Credit Suisse Securities (USA) LLC	100,000,000
Lehman Brothers Inc.	100,000,000
Total	<u>\$1,000,000,000</u>

The Underwriters initially intend to offer the AB Class to the public at the offering price set forth on the cover of this pricing supplement. After the initial public offering, the Underwriters may offer Certificates of the AB Class at varying prices to be determined at the time of sale, plus accrued interest from the first day of the month of sale. The Underwriters are offering the Certificates of the AB Class subject to their sale by us and subject to the Underwriters’ right to reject any order. The Underwriters may make sales to or through other securities dealers. These dealers may receive compensation in the form of discounts, concessions or commissions from the Underwriters and commissions from any purchasers for which they act as agents. In lieu of such discounts, concessions or commissions from the Underwriters and purchasers, these dealers may receive compensation in an amount equal to the portion of the underwriting fees received by such Underwriters for the Certificates that are sold by those dealers.

Our agreement with the Underwriters provides that we will indemnify them against certain liabilities.

The Underwriters are permitted to engage in certain transactions that stabilize the price of the AB Class Certificates. In general, purchases of AB Class Certificates for the purpose of stabilization could cause their price to be higher than it might otherwise be.

\$1,219,512,195



Guaranteed REMIC Pass-Through Certificates
Fannie Mae Benchmark REMICTM Trust 2007-B2

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 class), 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	Original Class Balance	Principal Type	Interest Rate	Interest Type	CUSIP Number	Final Distribution Date
AB(1)(2)	\$1,000,000,000	GMC/SEQ	5.5%	FIX	31396V2P2	(3)
A(2)	1,000,000,000	SEQ	5.5	FIX	31396V2H0	April 2035
VA(1)	64,024,000	SEQ/AD	5.5	FIX	31396V2J6	April 2018
VB(1)	75,981,000	SEQ/AD	5.5	FIX	31396V2K3	January 2026
ZA(1)	79,507,195	SEQ	5.5	FIX/Z	31396V2L1	June 2037
R1	0	NPR	0	NPR	31396V2M9	June 2037
R2	0	NPR	0	NPR	31396V2N7	June 2037

(1) Exchangeable classes.

(2) The A Class will back the AB Class and will be transferred to the Upper Tier REMIC as described in this prospectus supplement. For so long as the AB Class remains outstanding, all principal and interest amounts allocable to the A Class will be paid to the AB Class.

(3) The guaranteed maturity date of the AB Class is the distribution date in December 2020.

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 AC, AI, AD, AE, AG, AH, AJ, AK, AL, AM, AO, AN, AP, AT, AU, AV, AX, AY and B Classes are the RCR classes, as further described in this prospectus supplement.

We expect the certificates to be issued on May 10, 2007. We initially will retain the certificates (other than the A Class). We expect to make certificates of the AB Class or certain RCR certificates available to the underwriters on May 16, 2007 (the settlement date). In addition, we may make certain other classes of certificates available to the underwriters on the settlement date.

Carefully consider the risk factors starting on page S-7 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.

Lead Underwriters

Citi

JPMorgan

UBS Investment Bank

Co-Underwriters

Banc of America Securities LLC

Credit Suisse

Lehman Brothers

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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 MBS Prospectus by writing or calling the lead underwriters at:

Citigroup Global Markets Inc.
Prospectus Department
Brooklyn Army Terminal
140 58th Street, Suite 8-G
Brooklyn, New York 11220
(telephone 718-765-6732)

or

J.P. Morgan Securities, Inc.
c/o Broadridge Financial Solutions
Prospectus Department
1155 Long Island Avenue
Edgewood, New York 11717
(telephone 631-254-7307)

or

UBS Securities LLC
Prospectus Department
1000 Harbor Boulevard
Weehawken, New Jersey 07086
(telephone 201-352-1075).

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 and the MBS Prospectus and any applicable supplements or amendments.

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

- our Annual Report on Form 10-K for the fiscal year ended December 31, 2005 (“2005 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 2005 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.

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.

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

<u>Approximate Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>Approximate Weighted Average Remaining Term to Maturity (in months)</u>	<u>Approximate Weighted Average Loan Age (in months)</u>	<u>Approximate Weighted Average Coupon</u>
\$1,219,512,195	360	338	19	6.00277%

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 make certificates of the AB Class or certain RCR certificates available to the underwriters on May 16, 2007. In addition, we may make certain other classes of certificates available to the underwriters on that date.

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

All classes of certificates other than
the R1 and R2 Classes

Physical

R1 and R2 Classes

Guaranteed Maturity Class

The AB Class is a Guaranteed Maturity Class. On each distribution date for so long as the AB Class remains outstanding, holders of the AB Class will receive all interest and principal amounts allocable to the A Class as described in this prospectus supplement. In addition, on the guaranteed maturity date of the AB Class, we guarantee that the remaining principal balance, if any, of the AB Class will be available for distribution to the holders of the AB Class. The guaranteed maturity date of the AB Class is the distribution date in December 2020.

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 interest-bearing classes will bear interest at the applicable annual interest rates listed on the cover of this prospectus supplement or on Schedule 1.

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

Notional Class

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

Class

AI 18.18181818% of the AB Class

Distributions of Principal

ZA Accrual Amount

To the VA and VB Classes, in that order, to zero, and thereafter to the ZA Class.

Cash Flow Distribution Amount

To the A*, VA, VB and ZA Classes, in that order, to zero.

* On each distribution date for so long as the AB Class remains outstanding, holders of the AB Class will receive all principal payments allocable to the A Class as described above. On each distribution date thereafter, all principal payments allocable to the A Class will be paid to the holders of the A Class.

Weighted Average Lives (years)*

<u>Class</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>202%</u>	<u>350%</u>	<u>500%</u>
AB, AC, AI, AD, AE, AG, AH, AJ, AK, AL, AM, AO, AN, AP, AT, AU, AV, AX and AY	12.3	7.2	4.4	2.7	1.9
A	18.7	7.6	4.4	2.7	1.9
VA	6.0	6.0	6.0	5.2	4.1
VB	15.0	15.0	12.3	8.2	5.9
ZA	29.0	22.8	18.0	12.6	9.2
B	29.0	22.7	16.6	10.7	7.4
The MBS	20.5	10.3	6.6	4.1	2.9

* 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 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.

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.

Delay classes have lower yields and market values. Since the interest-bearing 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 (or guaranteed maturity date in the case of the AB Class) listed on the cover page of this prospectus supplement. If you assume that the actual final payment will occur on the final distribution date (or guaranteed maturity date in the case of the AB Class) specified on the cover, 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 mar-

kets. 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.

Additional Risk Factors Relating to the AB Class

You will bear any market risk associated with the AB Class. If in the future interest rates are lower than the level prevailing at the time you purchase the certificates of the AB Class, the market value of your certificates may be less than it would be if the guaranteed maturity date of the AB Class had not been set to occur prior to the final distribution date of the A Class.

Any failure by Fannie Mae to perform its obligations under the forward purchase contract would have an adverse effect on the AB Class. If we were unable to perform our obligations under the forward purchase contract to pay the outstanding principal balance of the AB Class on its guaranteed maturity date, the holders of the certificates of the AB Class would continue to receive all payments of interest and principal that are allocable to the A Class that backs the AB Class, but would lose any economic benefit deriving from the guaranteed maturity date of the AB Class having been set earlier than the final distribution date of the A Class.

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 Benchmark REMICTM Trust specified on the cover of this prospectus supplement (the “Base REMIC”) and a separate trust (the “Upper Tier REMIC”) pursuant to a trust agreement dated as of May 1, 2007 (the “Issue Date”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “REMIC Certificates”) pursuant to that trust agreement. We will issue the Combinable and Recombinable REMIC Certificates (the “RCR Certificates” and, together with the REMIC Certificates, the “Certificates”) pursuant to a separate trust agreement dated as of September 1, 2006 and a supplement thereto dated as of the Issue Date (together with the trust agreement relating to the REMIC Certificates, the “Trust Agreement”). We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”). In general, the term “Classes” includes the Classes of REMIC Certificates and RCR Certificates.

The Base REMIC and the Upper 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 AB, R1 and R2 Classes) will be “regular interests” in the Base REMIC.
- The R1 Class will be the “residual interest” in the Base REMIC.
- The AB Class will be the “regular interest” in the Upper Tier REMIC.

- The R2 Class will be the “residual interest” in the Upper Tier REMIC.

The assets of the Base REMIC will consist of certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “MBS”).

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

The assets of the Upper Tier REMIC will consist of the Certificates of the A Class.

Simultaneously with the issuance of the Certificates, Fannie Mae in its corporate capacity and Fannie Mae in its capacity as Trustee of the Upper Tier REMIC will enter into the Forward Purchase Contract (described below) with respect to the A Class.

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,
- the principal balance of the AB Class no later than its Guaranteed Maturity Date, and
- the principal balance of each remaining 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 and “Description of the Certificates—Fannie Mae Guaranty” in the MBS Prospectus.

Characteristics of Certificates. We will issue the Certificates (except the R1 and R2 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 R1 and R2 Certificates in fully registered, certificated form. The “Holder” or “Certificateholder” of the R1 or R2 Certificate is its registered owner. The R1 or R2 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 R1 or R2 Certificate and may require payment to cover any tax or other governmental charge. See also “—Characteristics of the R1 and R2 Classes” below.

The Holder of the R1 Class will receive the proceeds of any remaining assets of the Base REMIC, and the Holder of the R2 Class will receive the proceeds of any remaining assets of the Upper Tier REMIC, in each case only by presenting and surrendering the related Certificate at the office of the Paying Agent. US Bank will be the initial Paying Agent.

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

<u>Classes</u>	<u>Denomination</u>
The Interest Only and Principal Only Classes	\$100,000 minimum plus whole dollar increments
All other Classes (except the R1 and R2 Classes)	\$1,000 minimum plus whole dollar increments

We will issue the R1 and R2 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 Class).

With respect to each Distribution Date prior to the Guaranteed Maturity Date of the AB Class, the class factors for the AB and A Classes will be identical. On the Guaranteed Maturity Date of the AB Class, the class factor for the AB Class will be zero.

No Optional Termination. We have no option to effect an early termination of the Base REMIC or the Upper 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.

Guaranteed Maturity Date of the AB Class and Mandatory Termination of the Upper Tier REMIC. Under an agreement dated as of the Issue Date and executed by Fannie Mae in its corporate capacity and as Trustee of the Upper Tier REMIC (the “Forward Purchase Contract”), Fannie Mae in its corporate capacity will purchase the A Class from the Upper Tier REMIC on or about December 1, 2020. The purchase price will be equal to the principal balance of the A Class on that date (after giving effect to all distributions otherwise payable on the Distribution Date in December 2020) and the amount of the purchase price will be included in the principal payment on the AB Class on the Guaranteed Maturity Date of the AB Class, which is the Distribution Date in December 2020. Simultaneously with the transaction described above, the Upper Tier REMIC will be liquidated and the ownership of the A Class will be transferred to Fannie Mae in its corporate capacity.

Combination and Recombination

General. You are permitted to exchange all or a portion of all of the AB, VA, VB and ZA 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 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 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 Mortgage Loans as of the Issue Date to be as follows:

Aggregate Unpaid Principal Balance	\$1,219,512,195
MBS Pass-Through Rate.....	5.50%
Range of WACs (annual percentages)	5.75% to 8.00%
Range of WAMs	241 months to 360 months
Approximate Weighted Average WAM.....	338 months
Approximate Weighted Average WALA (weighted average loan age)	19 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 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:

<u>Interest Type*</u>	<u>Classes</u>
Fixed Rate	AB, A, VA, VB and ZA
Accrual	ZA
RCR**	AC, AI, AD, AE, AG, AH, AJ, AK, AL, AM, AO, AN, AP, AT, AU, AV, AX, AY and B
No Payment Residual	R1 and R2

* 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 of this prospectus supplement or on Schedule 1. 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 Class) 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 Class) 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 Class, see "*—Accrual Class*" below.

On each Distribution Date for as long as the AB Class remains outstanding, Holders of the AB Class will receive all interest amounts allocable to the A Class. On each Distribution Date following reduction of the principal balance of the AB Class to zero, all interest amounts allocable to the A Class will be paid to the Holders of the A Class.

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

Interest Accrual Period. Interest to be paid on each Distribution Date will accrue on the Certificates (collectively, the “Delay Classes”) during the calendar month preceding the month in which the Distribution Date occurs (the “Interest Accrual Period”). See “Additional Risk Factors—*Delay classes have lower yields and market values*” in this prospectus supplement.

The Underwriters will treat the AO Class as a Delay Class for the sole purpose of facilitating trading.

Accrual Class. The ZA Class is an Accrual Class. Interest will accrue on the 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 Class. Instead, interest accrued on the Accrual Class will be added as principal to its principal balance on each Distribution Date. We will pay principal on the Accrual Class as described under “— Distributions of Principal” below.

Notional Class. The Notional Class will not have a principal balance. During each Interest Accrual Period, the Notional Class will bear interest on its notional principal balance at its applicable interest rate. The notional principal balance of the Notional Class will be calculated as specified under “Reference Sheet—Notional Class” in this prospectus supplement.

We use the notional principal balance of the Notional Class to determine interest payments on that Class. Although the 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 balance of the Notional Class.

Distributions of Principal

Categories of Classes

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

<u>Principal Type*</u>	<u>Classes</u>
Guaranteed Maturity†	AB
Sequential Pay	AB, A, VA, VB and ZA
Accretion Directed	VA and VB
RCR**	AC, AI, AD, AE, AG, AH, AJ, AK, AL, AM, AO, AN, AP, AT, AU, AV, AX, AY and B
No Payment Residual	R1 and R2

† The “Guaranteed Maturity” or “GMC” designation refers to a Class with a Guaranteed Maturity Date that is earlier than the latest date by which that Class would be retired if the Mortgage Loans underlying the related MBS were paid solely in accordance with their amortization schedules. We guarantee payment of any remaining principal balance of a GMC Class on its Guaranteed Maturity Date.

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

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

Principal Distribution Amount

On the Distribution Date in each month, we will pay principal on the Certificates in an amount equal to the principal then paid on the MBS (the “Cash Flow Distribution Amount”) plus any interest then accrued and added to the principal balance of the ZA Class (the “ZA Accrual Amount,” and together with the Cash Flow Distribution Amount, the “Principal Distribution Amount”).

ZA Accrual Amount

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

} Accretion
Directed
Classes
and Accrual
Class

Cash Flow Distribution Amount

On each Distribution Date, we will pay the Cash Flow Distribution Amount, sequentially, as principal of the A*, VA, VB and ZA Classes, in that order, until their principal balances are reduced to zero.

} Sequential
Pay Classes

* On each Distribution Date for so long as the AB Class remains outstanding, Holders of the AB Class will receive all principal amounts allocable to the A Class. On each Distribution Date following reduction of the principal balance of the AB Class to zero, all principal amounts allocable to the A Class will be paid to the Holders of the A 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, loan ages 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 table;
- the settlement date for the sale of the Certificates is May 16, 2007;
- each Distribution Date occurs on the 25th day of a month; and
- the Guaranteed Maturity Date of the AB Class is December 25, 2020.

Prepayment Assumptions. Prepayments of mortgage loans commonly are measured relative to a prepayment standard or model. The model used in this prospectus supplement is the 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. It is highly unlikely that prepayments will occur at any *constant* PSA rate 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. 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 yield 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, 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, or
- all of the Mortgage Loans will prepay at the same rate.

The Interest Only Class. The yield to investors in the Interest Only Class will be very sensitive to the rate of principal payments (including prepayments) of the 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 Interest Only Class would be 0% if prepayments of the Mortgage Loans were to occur at the constant rate shown in the table below:

<u>Class</u>	<u>% PSA</u>
AI	305%

If the actual prepayment rate of the 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 Interest Only Class would lose money on their initial investments.

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

<u>Class</u>	<u>Price*</u>
AI	16.5%

* 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 AI Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>202%</u>	<u>350%</u>	<u>500%</u>
Pre-Tax Yields to Maturity	27.9%	23.5%	12.9%	(6.1)%	(28.1)%

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

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

<u>Class</u>	<u>Price</u>
AO	82.5%

Sensitivity of the AO Class to Prepayments

	PSA Prepayment Assumption				
	<u>50%</u>	<u>100%</u>	<u>202%</u>	<u>350%</u>	<u>500%</u>
Pre-Tax Yields to Maturity	2.2%	2.8%	4.6%	7.6%	10.9%

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 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 sequence of payments of principal of the 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 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.

<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>
360 months	360 months	8.00%

It is unlikely

- that each underlying Mortgage Loan will have the interest rate, loan age or remaining term to maturity of the related MBS 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

		AB, AC, AI†, AD, AE, AG, AH, AJ, AK, AL, AM, AO, AN, AP, AT, AU, AV, AX and AY Classes					A Class					VA Class					VB Class				
		PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
Date		0%	100%	202%	350%	500%	0%	100%	202%	350%	500%	0%	100%	202%	350%	500%	0%	100%	202%	350%	500%
Initial Percent	.....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2008	.....	99	92	86	77	68	99	92	86	77	68	93	93	93	93	93	100	100	100	100	100
May 2009	.....	98	84	71	55	40	98	84	71	55	40	86	86	86	86	86	100	100	100	100	100
May 2010	.....	97	76	59	38	21	97	76	59	38	21	78	78	78	78	78	100	100	100	100	100
May 2011	.....	95	68	48	24	7	95	68	48	24	7	70	70	70	70	70	100	100	100	100	100
May 2012	.....	94	61	38	14	0	94	61	38	14	0	61	61	61	61	32	100	100	100	100	100
May 2013	.....	92	55	30	6	0	92	55	30	6	0	52	52	52	52	0	100	100	100	100	36
May 2014	.....	91	48	22	0	0	91	48	22	0	0	42	42	42	34	0	100	100	100	100	0
May 2015	.....	89	43	16	0	0	89	43	16	0	0	32	32	32	0	0	100	100	100	56	0
May 2016	.....	87	37	11	0	0	87	37	11	0	0	21	21	21	0	0	100	100	100	0	0
May 2017	.....	85	32	6	0	0	85	32	6	0	0	9	9	9	0	0	100	100	100	0	0
May 2018	.....	83	27	2	0	0	83	27	2	0	0	0	0	0	0	0	98	98	98	0	0
May 2019	.....	80	23	0	0	0	80	23	0	0	0	0	0	0	0	0	87	87	62	0	0
May 2020	.....	78	18	0	0	0	78	18	0	0	0	0	0	0	0	0	75	75	10	0	0
May 2021	.....	0	0	0	0	0	75	14	0	0	0	0	0	0	0	0	63	63	0	0	0
May 2022	.....	0	0	0	0	0	72	11	0	0	0	0	0	0	0	0	51	51	0	0	0
May 2023	.....	0	0	0	0	0	68	7	0	0	0	0	0	0	0	0	37	37	0	0	0
May 2024	.....	0	0	0	0	0	65	4	0	0	0	0	0	0	0	0	23	23	0	0	0
May 2025	.....	0	0	0	0	0	61	1	0	0	0	0	0	0	0	0	8	8	0	0	0
May 2026	.....	0	0	0	0	0	56	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2027	.....	0	0	0	0	0	52	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2028	.....	0	0	0	0	0	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2029	.....	0	0	0	0	0	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2030	.....	0	0	0	0	0	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2031	.....	0	0	0	0	0	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2032	.....	0	0	0	0	0	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2033	.....	0	0	0	0	0	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2034	.....	0	0	0	0	0	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2035	.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 2036	.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
May 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)**	.....	12.3	7.2	4.4	2.7	1.9	18.7	7.6	4.4	2.7	1.9	6.0	6.0	6.0	5.2	4.1	15.0	15.0	12.3	8.2	5.9

		ZA Class					B Class					The MBS				
		PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
Date		0%	100%	202%	350%	500%	0%	100%	202%	350%	500%	0%	100%	202%	350%	500%
Initial Percent	.....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
May 2008	.....	106	106	106	106	106	100	100	100	100	100	99	94	88	81	73
May 2009	.....	112	112	112	112	112	100	100	100	100	100	98	87	77	63	51
May 2010	.....	118	118	118	118	118	100	100	100	100	100	97	80	66	49	35
May 2011	.....	125	125	125	125	125	100	100	100	100	100	96	74	57	38	24
May 2012	.....	132	132	132	132	132	100	100	100	100	92	95	68	49	29	16
May 2013	.....	139	139	139	139	139	100	100	100	100	63	94	63	42	23	11
May 2014	.....	147	147	147	147	119	100	100	100	98	43	92	58	36	18	8
May 2015	.....	155	155	155	155	81	100	100	100	75	29	91	53	31	14	5
May 2016	.....	164	164	164	160	55	100	100	100	58	20	89	48	27	10	4
May 2017	.....	173	173	173	123	38	100	100	100	45	14	88	44	23	8	2
May 2018	.....	183	183	183	94	25	100	100	100	34	9	86	40	19	6	2
May 2019	.....	193	193	193	72	17	100	100	92	26	6	84	37	16	5	1
May 2020	.....	204	204	204	55	12	100	100	77	20	4	82	33	14	4	1
May 2021	.....	216	216	180	41	8	100	100	65	15	3	79	30	12	3	1
May 2022	.....	228	228	151	31	5	100	100	55	11	2	77	27	10	2	*
May 2023	.....	241	241	126	23	3	100	100	46	8	1	74	24	8	2	*
May 2024	.....	254	254	104	17	2	100	100	38	6	1	71	21	7	1	*
May 2025	.....	269	269	86	13	1	100	100	31	5	1	68	19	6	1	*
May 2026	.....	276	248	70	9	1	100	90	25	3	*	64	16	5	1	*
May 2027	.....	276	213	56	7	1	100	77	20	2	*	60	14	4	*	*
May 2028	.....	276	181	44	5	*	100	66	16	2	*	56	12	3	*	*
May 2029	.....	276	150	35	3	*	100	54	13	1	*	52	10	2	*	*
May 2030	.....	276	122	26	2	*	100	44	9	1	*	47	8	2	*	*
May 2031	.....	276	95	19	2	*	100	34	7	1	*	42	6	1	*	*
May 2032	.....	276	70	13	1	*	100	25	5	*	*	36	5	1	*	*
May 2033	.....	276	46	8	1	*	100	17	3	*	*	30	3	1	*	*
May 2034	.....	276	24	4	*	*	100	9	1	*	*	23	2	*	*	*
May 2035	.....	249	3	1	*	*	90	1	*	*	*	16	*	*	*	*
May 2036	.....	129	0	0	0	0	47	0	0	0	0	8	0	0	0	0
May 2037	.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	.....	29.0	22.8	18.0	12.6	9.2	29.0	22.7	16.6	10.7	7.4	20.5	10.3	6.6	4.1	2.9

* 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 R1 and R2 Classes

The R1 and R2 Classes will not have principal balances and will not bear interest. If any assets of the Upper Tier REMIC remain after the principal balance of the AB Class is reduced to zero, we will pay the Holder of the R2 Class the proceeds from those assets. If any assets of the Base REMIC remain after the principal balances of the A, VA, VB and ZA Classes are reduced to zero, we will pay the proceeds of those assets to the Holder of the R1 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 R1 and R2 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 R1 Class will be considered to be the holder of the “residual interest” in the Base REMIC, and the Holder of the R2 Class will be considered to be the holder of the “residual interest” in the Upper 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 R1 or R2 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 Base REMIC and the Upper Tier REMIC as REMICs for federal income tax purposes. The REMIC Certificates, other than the AB, R1 and R2 Classes, will be designated as the “regular interests,” and the R1 Class will be designated as the “residual interest,” in the Base REMIC. The AB Class will be designated as the “regular interest” and the R2 Class will be designated as the “residual interest” in the Upper Tier REMIC.

Because the Base REMIC and the Upper Tier REMIC 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 R1 and R2 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 Accrual Class 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 Assumption that will be used in determining the rate of accrual of OID will be 202% PSA. For purposes of determining the accrual of any OID with respect to a Guaranteed Maturity Class, the Guaranteed Maturity Date of that Class will be taken into account. 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 the rate reflected in the Prepayment Assumption or at 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 Base REMIC (or the Upper 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 Base REMIC or the Upper Tier REMIC that generally will not be treated as excess inclusions, the rate to be used is 5.77% (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 B Class is a Combination RCR Class and all other RCR Classes are Strip 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 Class. 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

We will provide the MBS and transfer them to the Base REMIC. We expect the Certificates to be issued on May 10, 2007. We initially will retain the Certificates (other than the A Class). We expect that on the Settlement Date we will make Certificates of the AB Class or certain RCR Certificates available to the underwriters listed on the cover of this prospectus supplement (the “Underwriters”). In addition, we may make certain other Classes of Certificates available to the Underwriters on the Settlement Date. The terms of

our agreement with the Underwriters will be specified in the pricing supplement to this prospectus supplement.

SELLING RESTRICTIONS

The Certificates may be offered or sold only where it is legal to do so. The Underwriters have represented and agreed that they will comply with all applicable laws and regulations in each jurisdiction in which they may purchase, offer, sell or deliver the Certificates or distribute the pricing supplement, this prospectus supplement and the REMIC Prospectus, or any other offering material. The Underwriters also have agreed to comply with selling restrictions relating to specific countries. We and the Underwriters may modify the selling restrictions at any time. Some of the restrictions that may be applicable to the offer and sale of the Certificates are set forth below.

China

The Underwriters acknowledge that the Certificates have not been and will not be registered under the relevant laws of the People's Republic of China. Accordingly, the Underwriters represent, warrant and agree to and with Fannie Mae that they have not made, and will not make, any offer, promotion, solicitation for sales or sale of or for, as the case may be, any Certificates in the People's Republic of China, except where permitted by the China Securities Regulatory Commission or where the activity otherwise is permitted under the laws of the People's Republic of China.

Hong Kong

Each of the Underwriters has represented and agreed that:

(1) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Certificates other than (i) to "professional" investors as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and (2) it has not issued or had in its possession for the purposes of issue and will not issue or have in its possession for the purposes of issue any advertisement, invitation or document relating to the Certificates, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined by the Securities and Futures Ordinance and any rules made under that Ordinance.

Japan

The Underwriters have represented and agreed that they will not offer or sell any Certificates, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan except in compliance with or pursuant to an exemption from, the registration requirements of the Securities and Exchange Law of Japan and in compliance with any other applicable laws and regulations of Japan.

Korea

The Certificates have not been and will not be registered with the Financial Supervisory Service of Korea for public offering in Korea under the Securities and Exchange Act. The Certificates may not be offered, sold and delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the Securities and Exchange Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder. For a period of one year from the issue date of the Certificates, no holder of the Certificates who is in Korea or a resident of Korea may transfer the Certificates in Korea or to any resident of Korea unless such transfer involves all of the Certificates held by it. Furthermore, the Certificates may not be resold to Korean residents unless the purchaser of the Certificates complies with all applicable regulatory requirements (including but not limited to government approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with the purchase of the Certificates.

Singapore

The Underwriters have acknowledged that the Disclosure Documents have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Underwriters have represented and agreed that they have not offered or sold, and will not offer or sell, any Certificates or cause any Certificates to be made the subject of an invitation for subscription or purchase, nor have they circulated or distributed, and nor will they circulate or distribute the Disclosure Documentation or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Certificates, whether directly or indirectly, to the public or any member of the public in Singapore other than (i) to an institutional investor or other person specified in Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a sophisticated investor, and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Taiwan

The Underwriters have acknowledged that the Certificates have not and will not be registered under the Securities and Exchange Law of the Republic of China. Accordingly, the Underwriters have represented and agreed that they have not made, and will not make, any offers, promotion, solicitation for sales and sales of any Certificates in Taiwan.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Underwriter has represented and agreed, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Certificates to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Certificates to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Certificates which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of the Certificates to the public” in relation to any Certificates in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

LEGAL MATTERS

Sidley Austin LLP will provide legal representation for Fannie Mae. Cleary Gottlieb Steen & Hamilton LLP will provide legal representation for the Underwriters.

Available Recombinations(1) (2)

REMIC Certificates		RCR Certificates						
Classes	Original Principal Balance	RCR Classes	Original Principal or Notional Principal Balances	Interest Rate	Interest Type(3)	Principal Type(3)	CUSIP Number	Final Distribution Date
Recombination 1 AB	\$1,000,000,000	AC AI	\$1,000,000,000 181,818,181 (4)	4.500% 5.500	FIX FIX/IO	GMC/SEQ NTL	31396V2Z0 31396V2Y3	December 2020 December 2020
Recombination 2 AB	1,000,000,000	AD AI	1,000,000,000 159,090,909 (4)	4.625 5.500	FIX FIX/IO	GMC/SEQ NTL	31396V2X5 31396V2Y3	December 2020 December 2020
Recombination 3 AB	1,000,000,000	AE AI	1,000,000,000 136,363,636 (4)	4.750 5.500	FIX FIX/IO	GMC/SEQ NTL	31396V2W7 31396V2Y3	December 2020 December 2020
Recombination 4 AB	1,000,000,000	AG AI	1,000,000,000 113,636,363 (4)	4.875 5.500	FIX FIX/IO	GMC/SEQ NTL	31396V2V9 31396V2Y3	December 2020 December 2020
Recombination 5 AB	1,000,000,000	AH AI	1,000,000,000 90,909,090 (4)	5.000 5.500	FIX FIX/IO	GMC/SEQ NTL	31396V2U1 31396V2Y3	December 2020 December 2020
Recombination 6 AB	1,000,000,000	AJ AI	1,000,000,000 68,181,818 (4)	5.125 5.500	FIX FIX/IO	GMC/SEQ NTL	31396V2T4 31396V2Y3	December 2020 December 2020
Recombination 7 AB	1,000,000,000	AK AI	1,000,000,000 45,454,545 (4)	5.250 5.500	FIX FIX/IO	GMC/SEQ NTL	31396V2S6 31396V2Y3	December 2020 December 2020
Recombination 8 AB	1,000,000,000	AL AI	1,000,000,000 22,727,272 (4)	5.375 5.500	FIX FIX/IO	GMC/SEQ NTL	31396V2R8 31396V2Y3	December 2020 December 2020
Recombination 9 AB	1,000,000,000	AM AO	977,777,777 22,222,223	5.625 (5)	FIX PO	GMC/SEQ GMC/SEQ	31396V3C0 31396V3B2	December 2020 December 2020
Recombination 10 AB	1,000,000,000	AN AO	956,521,739 43,478,261	5.750 (5)	FIX PO	GMC/SEQ GMC/SEQ	31396V3J5 31396V3B2	December 2020 December 2020

REMIC Certificates			RCR Certificates					
Classes	Original Principal Balance	RCR Classes	Original Principal or Notional Principal Balances	Interest Rate	Interest Type(3)	Principal Type(3)	CUSIP Number	Final Distribution Date
Recombination 11								
AB	\$1,000,000,000	AP	\$ 936,170,212	5.875%	FIX	GMC/SEQ	31396V3H9	December 2020
		AO	63,829,788	(5)	PO	GMC/SEQ	31396V3B2	December 2020
Recombination 12								
AB	1,000,000,000	AT	916,666,666	6.000	FIX	GMC/SEQ	31396V3G1	December 2020
		AO	83,333,334	(5)	PO	GMC/SEQ	31396V3B2	December 2020
Recombination 13								
AB	1,000,000,000	AU	897,959,183	6.125	FIX	GMC/SEQ	31396V3F3	December 2020
		AO	102,040,817	(5)	PO	GMC/SEQ	31396V3B2	December 2020
Recombination 14								
AB	1,000,000,000	AV	880,000,000	6.250	FIX	GMC/SEQ	31396V3D8	December 2020
		AO	120,000,000	(5)	PO	GMC/SEQ	31396V3B2	December 2020
Recombination 15								
AB	1,000,000,000	AX	862,745,098	6.375	FIX	GMC/SEQ	31396V3E6	December 2020
		AO	137,254,902	(5)	PO	GMC/SEQ	31396V3B2	December 2020
Recombination 16								
AB	1,000,000,000	AY	846,153,846	6.500	FIX	GMC/SEQ	31396V3A4	December 2020
		AO	153,846,154	(5)	PO	GMC/SEQ	31396V3B2	December 2020
Recombination 17								
VA	64,024,000	B(6)	219,512,195	5.500	FIX	SEQ	31396V2Q0	June 2037
VB	75,981,000							
ZA	79,507,195							

- (1) REMIC Certificates and RCR Certificates in any Recombination other than Recombination 17 may be exchanged only in the proportions shown in this Schedule 1. In any exchange under Recombination 17, the relative proportions of the REMIC Certificates to be delivered (or if applicable, received) in such exchange will equal the proportions reflected by the outstanding principal balances of the related REMIC Classes at the time of exchange.
- (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 principal balance. This Class is an Interest Only Class. See page S-6 of this prospectus supplement for a description of how its notional principal balance is calculated.
- (5) Principal Only Classes.
- (6) Principal payments on the REMIC Certificates in Recombination 17 from the ZA Accrual Amount will be paid as interest on the related RCR Certificates and thus will not reduce the principal balances of those RCR Certificates.

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.

\$1,219,512,195



Guaranteed REMIC Pass-Through Certificates

Fannie Mae Benchmark REMIC™
Trust 2007-B2

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Lead Underwriters

Citi
JPMorgan
UBS Investment Bank

Co-Underwriters

Banc of America Securities LLC
Credit Suisse
Lehman Brothers

Prospectus Supplement
May 7, 2007