Second Supplement
(To Prospectus Supplement dated July 24, 2008)

$865,756,903

FannieMae®

Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2008-64

This is a supplement to the prospectus supplement dated July 24, 2008 (the “Prospectus Supplement”). If we use a capitalized term in this supplement without defining it, you will find the definition of that term in the Prospectus Supplement.

The section of the Prospectus Supplement titled “Recent Developments” is replaced in its entirety with the following:

RECENT DEVELOPMENTS

On September 6, 2008, the Federal Housing Finance Agency, or FHFA, placed Fannie Mae and Freddie Mac into conservatorship. As the conservator, FHFA succeeded to all rights, titles, powers and privileges of Fannie Mae, and of any stockholder, officer, or director of Fannie Mae with respect to Fannie Mae and the assets of Fannie Mae. The conservator selected Herbert M. Allison, former Vice Chairman of Merrill Lynch and Chairman of TIAA-CREF, as the new CEO of Fannie Mae. A copy of the statement issued by FHFA Director James B. Lockhart regarding FHFA’s placement of Fannie Mae into conservatorship, the selection of Mr. Allison, and a copy of a Fact Sheet discussing questions and answers about the conservatorship are available on FHFA’s website at www.ofheo.gov.

On September 7, 2008, the U.S. Department of the Treasury, or U.S. Treasury, announced three additional steps taken by it in connection with the conservatorship.

First, the U.S. Treasury entered into a Senior Preferred Stock Purchase Agreement with us pursuant to which the U.S. Treasury will purchase up to an aggregate of $100 billion to maintain a positive net worth on a U.S. GAAP basis. This agreement contains covenants that significantly restrict our operations. In exchange for entering into this agreement, the U.S. Treasury received $1 billion of our senior preferred stock and warrants to purchase 79.9% of our common stock.

(continued on the next page)

Carefully consider the risk factors on page S-8 of the Prospectus Supplement and starting on page 10 of the REMIC Prospectus. Unless you understand and are able to tolerate these risks, you should not invest in the certificates.

The certificates, together with any interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any 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.

LEHMAN BROTHERS

The date of this Supplement is September 29, 2008

Second, the U.S. Treasury announced the establishment of a new secured lending credit facility which will be available to Fannie Mae, Freddie Mac, and the Federal Home Loan Banks as a liquidity backstop.

Third, the U.S. Treasury announced that it is initiating a temporary program to purchase mortgage-backed securities issued by Fannie Mae and Freddie Mac. The secured lending credit facility and the mortgage-backed securities purchase program are currently scheduled to expire in December 2009.

Details regarding these steps are available on the U.S. Treasury's website at www.ustreas.gov.

We are continuing to operate as a going concern while in conservatorship and remain liable for all of our obligations, including our guaranty obligations, associated with mortgage-backed securities issued by us. The secured lending credit facility and the Senior Preferred Stock Purchase Agreement described above are intended to enhance our ability to meet our obligations.

Under the Federal Housing Finance Regulatory Reform Act of 2008 (the "Regulatory Reform Act"), FHFA, as conservator or receiver, has the power to repudiate any contract entered into by Fannie Mae prior to FHFA's appointment as conservator or receiver, as applicable, if FHFA determines, in its sole discretion, that performance of the contract is burdensome and that repudiation of the contract promotes the orderly administration of Fannie Mae's affairs. The Regulatory Reform Act requires FHFA to exercise its right to repudiate any contract within a reasonable period of time after its appointment as conservator or receiver.

FHFA as conservator has advised us that it has no intention to repudiate our guaranty obligation under the trust documents because it views repudiation as incompatible with the goals of the conservatorship. In the event that FHFA, as conservator or receiver, were to repudiate our guaranty obligation under the related trust documents, the conservatorship or receivership estate, as applicable, would be liable for actual direct compensatory damages in accordance with the provisions of the Regulatory Reform Act. Any such liability could be satisfied only to the extent of our assets available therefor.

In the event of repudiation, the payments of principal and/or interest to certificateholders would be reduced if payments on the underlying mortgage loans are not made by the related borrowers or a direct servicer fails to remit borrower payments to us. Any actual direct compensatory damages for repudiating our guaranty obligation may not be sufficient to offset any shortfalls experienced by certificateholders.

Further, in its capacity as conservator or receiver, FHFA has the right to transfer or sell any asset or liability of Fannie Mae without any approval, assignment or consent. Although we have been advised that it has no present intention to do so, if FHFA, as conservator or receiver, were to transfer our guaranty obligation to another party, certificateholders would have to rely on that party for satisfaction of the guaranty obligation and would be exposed to the credit risk of that party.

In addition, certain rights provided to certificateholders under the trust documents may not be enforced against FHFA, or enforcement of such rights may be delayed, during the conservatorship or if we are placed into receivership. The trust documents provide that upon the occurrence of a guarantor event of default, which includes the appointment of a conservator or receiver, certificateholders have the right to replace Fannie Mae as trustee if the requisite percentage of certificateholders consent. The Regulatory Reform Act prevents certificateholders from enforcing their rights to replace Fannie Mae as trustee if the event of default arises solely because a conservator or receiver has been appointed. The Regulatory Reform Act also provides that no person may exercise any right or power to terminate, accelerate or declare an event of default under certain contracts to which Fannie Mae is a party, or obtain possession of or exercise control over any property of Fannie Mae, or affect any contractual rights of Fannie Mae, without the approval of FHFA, as conservator or receiver, for a period of 45 or 90 days following the appointment of FHFA as conservator or receiver, respectively.

Supplement
(To Prospectus Supplement dated July 24, 2008)

$865,756,903

FannieMae

Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2008-64

This is a supplement to the prospectus supplement dated July 24, 2008 (the "Prospectus Supplement"). If we use a capitalized term in this supplement without defining it, you will find the definition of that term in the Prospectus Supplement.

The section of the Prospectus Supplement titled "Recent Developments" is replaced in its entirety with the following:

RECENT DEVELOPMENTS

On July 30, 2008, the President signed the Federal Housing Finance Regulatory Reform Act of 2008 (the "Reform Act") into law. The Reform Act establishes the Federal Housing Finance Agency ("FHFA") as our new safety, soundness and mission regulator, replacing OFHEO's and HUD's authorities in those areas. In general, the Reform Act strengthens our existing safety and soundness oversight, providing FHFA with safety and soundness authority that is comparable to and in a number of areas broader than that of the federal bank regulatory agencies. For example, FHFA will have enhanced powers to raise capital levels above statutory minimum levels, to regulate the size and content of our portfolio, and to approve new mortgage products. The Reform Act also increases the financial and administrative cost of our affordable housing mission.

In addition, the Reform Act provides the Secretary of the Treasury with temporary authority to purchase our obligations and other securities, on terms that Treasury may determine, subject to our agreement.

On July 25, 2008, Standard & Poor's Ratings Services ("S&P") announced that our "Risk-to-the-Government" rating of "A+" with a negative outlook, preferred stock rating of "AA–" with a negative outlook, and subordinated debt rating of "AA–" with a negative outlook were all under review for a possible downgrade. S&P also affirmed the "AAA/A-1+" rating on our senior unsecured debt with a stable outlook.

On July 17, 2008, Fitch Ratings ("Fitch") downgraded our preferred stock rating one notch to "A+" from "AA–". Our preferred stock rating remains on Rating Watch Negative until further evaluation. Fitch affirmed ratings of "AAA" on our senior unsecured debt and "AA–" on our subordinated debt.

On July 15, 2008, Moody's Investors Service ("Moody's") downgraded our Bank Financial Strength Rating from "B" to "B–". Moody's also downgraded our preferred stock one notch to "A1" from "Aa3". Moody's placed our Bank Financial Strength Rating of "B–" and preferred stock rating of "A1" under review for possible downgrades. Moody's affirmed ratings of "Aaa" on our senior long-term debt, "Prime-1" on our short-term debt and "Aa2" on our subordinated debt with stable outlooks.

Although the certificates being offered hereby are not rated, the general market perception of our ability to satisfy our obligations, including our guaranty obligations on the certificates, will affect the liquidity and market value of the certificates. Accordingly, you should consider the potential effect of the recent announcements on the liquidity and market value of your certificates.

Carefully consider the risk factors on page S-8 of the Prospectus Supplement and starting on page 10 of the REMIC Prospectus. Unless you understand and are able to tolerate these risks, you should not invest in the certificates.

The certificates, together with any interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any 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.

LEHMAN BROTHERS

The date of this Supplement is July 31, 2008

Prospectus Supplement
(To REMIC Prospectus dated August 1, 2007)

$865,756,903

FannieMae®

Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2008-64

The Certificates

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

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	Group	Original Class Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date
HF	1	$100,000,000	PT	(2)	FLT	31397MFN2	August 2038
HO(3) . .	1	7,692,308	PT	0.0%	PO	31397MFP7	August 2038
HI(3) . .	1	100,000,000(4)	NTL	(2)	INV/IO	31397MFQ5	August 2038
DA	2	100,000,000	SEQ	4.0	FIX	31397MFR3	June 2022
DB	2	13,801,105	SEQ	4.0	FIX	31397MFS1	August 2023
EA	3	41,500,000	SEQ	5.0	FIX	31397MFT9	August 2021
EB	3	11,096,823	SEQ	5.0	FIX	31397MFU6	August 2023
CF	4	150,000,000	PT	(2)	FLT	31397MFV4	August 2038
CO(3) . .	4	25,000,000	PT	0.0	PO	31397MFW2	August 2038
CI(3). . .	4	150,000,000(4)	NTL	(2)	INV/IO	31397MFX0	August 2038
EF	5	100,000,000	PT	(2)	FLT	31397MFY8	August 2038
EO(3) . .	5	16,666,667	PT	0.0	PO	31397MFZ5	August 2038
EI(3). . .	5	100,000,000(4)	NTL	(2)	INV/IO	31397MGA9	August 2038
AF	6	257,538,461	SEQ/AD	(5)	FLT/IRC	31397MGB7	May 2034
AO	6	23,076,924	PT	0.0	PO	31397MGC5	August 2038
GI	6	257,538,461(4)	NTL	(2)	INV/IO	31397MGD3	May 2034
AZ	6	19,384,615	SEQ	6.5	FIX/Z	31397MGE1	August 2038
R		0	NPR	0	NPR	31397MGF8	August 2038
RL		0	NPR	0	NPR	31397MGG6	August 2038

(1) See "Description of the Certificates—Class Definitions and Abbreviations" in the REMIC prospectus.
(2) Based on LIBOR.
(3) Exchangeable classes.
(4) Notional balances. These classes are interest only classes. See page S-7 for a description of how their notional balances are calculated.
(5) Based on LIBOR and subject to the limitations described in this prospectus supplement.

If you own certificates of certain classes, you can exchange them for certificates of the corresponding RCR classes to be delivered at the time of exchange. The HS, CS and ES Classes are the RCR classes. For a more detailed description of the RCR classes, see Schedule 1 attached to this prospectus supplement and "Description of the Certificates—Combination and Recombination" in the REMIC prospectus.

The dealer will offer the certificates from time to time in negotiated transactions at varying prices. We expect the settlement date to be July 30, 2008.

Carefully consider the risk factors on page S-8 of this prospectus supplement and starting 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.

Lehman Brothers

July 24, 2008

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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 August 1, 2007 (the "REMIC Prospectus");
- our Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated January 1, 2006 (for all MBS issued prior to June 1, 2007) or dated April 1, 2008 (for all other MBS) (as applicable, the "MBS Prospectus"); and
- any information incorporated by reference in this prospectus supplement as discussed below and under the heading "Incorporation by Reference" in the REMIC Prospectus.

The MBS Prospectus is incorporated by reference in this prospectus supplement. This means that we are disclosing information in that document by referring you to it. That document is considered part of this prospectus supplement, so you should read this prospectus supplement, and any applicable supplements or amendments, together with that document.

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

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

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

You also can obtain copies of the REMIC Prospectus and the MBS Prospectus by writing or calling the dealer at:

Broadridge
c/o Lehman Brothers Inc.
Prospectus Department
1155 Long Island Avenue
Edgewood, NY 11717
(telephone 631-274-2637).

RECENT DEVELOPMENTS

On May 19, 2008, Standard & Poor's Ratings Services ("S&P") lowered our "Risk-to-the-Government" rating from "AA–" to "A+" with a negative outlook, and affirmed the "AA–" ratings on our preferred stock and subordinated debt with a negative outlook. S&P also affirmed the "AAA/A-1+" rating on our senior unsecured debt with a stable outlook.

On July 15, 2008, Moody's Investors Service ("Moody's") downgraded our Bank Financial Strength Rating from "B" to "B–." Moody's also downgraded our preferred stock one notch to "A1" from "Aa3." Moody's placed our Bank Financial Strength Rating of "B–" and preferred stock rating of "A1" under review for possible downgrades. Moody's affirmed ratings of "Aaa" on our senior long-term debt, "Prime–1" on our short-term debt and "Aa2" on our subordinated debt with stable outlooks.

On July 17, 2008, Fitch Ratings ("Fitch") downgraded our preferred stock rating one notch to "A+" from "AA–." Our preferred stock rating remains on Rating Watch Negative until further evaluation. Fitch affirmed ratings of "AAA" on our senior unsecured debt and "AA–" on our subordinated debt.

Although the certificates being offered hereby are not rated, the general market perception of our ability to satisfy our obligations, including our guaranty obligations on the certificates, will affect the liquidity and market value of the certificates. Accordingly, you should consider the potential effect of the recent announcements on the liquidity and market value of your certificates.

SUMMARY

This summary contains only limited information about the certificates. Statistical information in this summary is provided as of July 1, 2008. You should purchase the certificates only after reading this prospectus supplement and each of the additional disclosure documents listed on page S-3. In particular, please see the discussion of risk factors that appears in each of those additional disclosure documents.

Assets Underlying Each Group of Classes

Group	Assets
1	Group 1 MBS
2	Group 2 MBS
3	Group 3 MBS
4	Group 4 MBS
5	Group 5 MBS
6	Group 6 MBS

Group 1, Group 2, Group 3, Group 4, Group 5 and Group 6

Characteristics of the MBS

	Approximate Principal Balance	Pass-Through Rate	Range of Weighted Average Coupons or WACs (annual percentages)	Range of Weighted Average Remaining Terms to Maturity or WAMs (in months)
Group 1 MBS	$107,692,308	6.50%	6.75% to 9.00%	241 to 360
Group 2 MBS	$113,801,105	4.00%	4.25% to 6.50%	113 to 180
Group 3 MBS	$ 52,596,823	5.00%	5.25% to 7.50%	118 to 180
Group 4 MBS	$175,000,000	6.00%	6.25% to 8.50%	241 to 360
Group 5 MBS	$116,666,667	6.00%	6.25% to 8.50%	241 to 360
Group 6 MBS*	$300,000,000	6.00%	6.25% to 8.50%	241 to 360

* As further described in this prospectus supplement, the mortgage loans underlying the Group 6 MBS provide for interest only periods that may range from at least 7 to no more than 10 years following origination. The assumed remaining terms to expiration of the interest only periods for those mortgage loans are set forth below.

Assumed Characteristics of the Underlying Mortgage Loans

	Principal Balance	Original Term to Maturity (in months)	Remaining Term to Maturity (in months)	Loan Age (in months)	Interest Rate	Remaining Term to Expiration of Interest Only Period (in months)
Group 1 MBS	$107,692,308	360	358	2	6.962%	N/A
Group 2 MBS	$113,801,105	180	115	60	4.490%	N/A
Group 3 MBS	$ 52,596,823	180	134	42	5.410%	N/A
Group 4 MBS	$175,000,000	360	359	1	6.510%	N/A
Group 5 MBS	$116,666,667	360	358	2	6.554%	N/A
Group 6 MBS	$300,000,000	360	351	9	6.537%	111

The actual remaining terms to maturity, loan ages, interest rates and, if applicable, remaining terms to expiration of interest only period of most of the mortgage loans underlying the MBS will differ from those shown above, perhaps significantly.

Settlement Date

We expect to issue the certificates on July 30, 2008.

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.

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.

Book-Entry and Physical Certificates

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

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

Exchanging Certificates Through Combination and Recombination

If you own certificates of a class designated as "exchangeable" on the cover of this prospectus supplement, you will be able to exchange them for a proportionate interest in the related RCR certificates. Schedule 1 lists the available combinations of the certificates eligible for exchange and the related RCR certificates. You can exchange your certificates by notifying us and paying an exchange fee. We will deliver the RCR certificates upon such exchange.

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

Interest Rates

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

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

Class	Initial Interest Rate	Maximum Interest Rate	Minimum Interest Rate	Formula for Calculation of Interest Rate(1)
HF	3.230%	7.000%	0.93%	LIBOR + 93 basis points
HI	3.770%	6.070%	0.00%	6.07% – LIBOR
CF	3.290%	7.000%	0.90%	LIBOR + 90 basis points
CI	3.710%	6.100%	0.00%	6.1% – LIBOR
EF	3.270%	7.000%	0.97%	LIBOR + 97 basis points
EI	3.730%	6.030%	0.00%	6.03% – LIBOR
AF(2)	2.550%	(3)	0.25%	LIBOR + 25 basis points
GI	3.950%	6.250%	0.00%	6.25% – LIBOR
HS	18.850%	30.350%	0.00%	30.35% – (4.99999974 × LIBOR)
CS	22.260%	36.600%	0.00%	36.6% – (6 × LIBOR)
ES	17.904%	28.944%	0.00%	28.944% – (4.7999999 × LIBOR)

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

(2) The interest rate payable on the AF Class is subject to the limitations set forth under "Description of the Certificates—Distributions of Interest—*The AF Class*" in this prospectus supplement. In particular, we will guaranty that monthly interest accrued only up to an annual rate of 6.50% will be available for distribution on the AF Class. Any interest accrued on the AF Class in excess of 6.50% will **not** be guaranteed by Fannie Mae and will be paid solely from available proceeds, if any, under the related cap contract as described under "Description of the Certificates—The AF Class Cap Contract in this prospectus supplement.
(3) The AF Class has no maximum interest rate.

Notional Classes

The notional principal balances of the notional classes will equal the percentages of the outstanding balances specified below immediately before the related distribution date:

Class	
HI	100% of the HF Class
CI	100% of the CF Class
EI	100% of the EF Class
GI	100% of the AF Class

Distributions of Principal

For a description of the principal payment priorities, see "Description of the Certificates—Distributions of Principal" in this prospectus supplement.

Weighted Average Lives (years)*

	PSA Prepayment Assumption						
Group 1 Classes	**0%**	**100%**	**300%**	**478%**	**600%**	**800%**	**1000%**
HF, HO, HI and HS	21.1	11.5	5.6	3.9	3.2	2.5	2.1

	PSA Prepayment Assumption				
Group 2 Classes	**0%**	**100%**	**183%**	**300%**	**400%**
DA	7.9	3.6	3.0	2.3	1.9
DB	14.4	8.8	8.4	7.6	6.8

	PSA Prepayment Assumption				
Group 3 Classes	**0%**	**100%**	**169%**	**300%**	**400%**
EA	7.5	3.7	3.0	2.1	1.7
EB	14.0	9.6	8.9	7.5	6.4

	PSA Prepayment Assumption				
Group 4 Classes	**0%**	**100%**	**315%**	**500%**	**700%**
CF, CO, CI and CS	20.8	11.4	5.5	3.8	2.9

	PSA Prepayment Assumption				
Group 5 Classes	**0%**	**100%**	**317%**	**500%**	**700%**
EF, EO, EI and ES	20.8	11.4	5.4	3.7	2.8

	PSA Prepayment Assumption						
Group 6 Classes	**0%**	**100%**	**250%**	**375%**	**500%**	**650%**	**800%**
AF and GI	18.5	9.1	4.8	3.5	2.7	2.1	1.8
AO	22.7	12.0	6.4	4.5	3.4	2.6	2.1
AZ	28.0	23.3	16.4	12.3	9.6	7.4	5.9

* Determined as specified under "Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates" in the REMIC Prospectus.

ADDITIONAL RISK FACTOR

Limitations affecting our guaranty of interest on the AF Class may adversely affect its yield. Our guaranty of monthly interest in respect of the AF Class is limited to interest accrued up to a maximum rate of 6.50%. Any monthly interest accrued on the AF Class in excess of such maximum rate (an additional interest amount) will be paid to the related certificateholders on the current distribution date solely from proceeds, if any, received under the related cap contract. **Our guaranty does not cover any additional interest amount, or any failure of the cap contract provider to make payments to the trust as required under the cap contract.**

DESCRIPTION OF THE CERTIFICATES

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

General

Structure. We will create the Fannie Mae REMIC Trust specified on the cover of this prospectus supplement (the "Trust") pursuant to a trust agreement dated as of August 1, 2007 and a supplement thereto dated as of July 1, 2008 (the "Issue Date"). We will issue the Guaranteed REMIC Pass-Through Certificates (the "REMIC Certificates") pursuant to that trust agreement and supplement. We will issue the Combinable and Recombinable REMIC Certificates (the "RCR Certificates" and, together with the REMIC Certificates, the "Certificates") pursuant to a separate trust agreement dated as of August 1, 2007 and a supplement thereto dated as of the Issue Date (together with the trust agreement and supplement relating to the REMIC Certificates, the "Trust Agreement"). We will execute the Trust Agreement in our corporate capacity and as trustee (the "Trustee"). In general, the term "Classes" includes the Classes of REMIC Certificates and RCR Certificates.

The assets of the Trust will include six groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the "Group 1 MBS," "Group 2 MBS," "Group 3 MBS," "Group 4 MBS," "Group 5 MBS" and "Group 6 MBS" and together, the "MBS").

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

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

The following chart contains information about the assets, the "regular interests" and the "residual interests" of each REMIC. The REMIC Certificates other than the R and RL Classes are collectively referred to as the "Regular Classes" or "Regular Certificates," and the R and RL Classes are collectively referred to as the "Residual Classes" or "Residual Certificates."

REMIC Designation	Assets	Regular Interests	Residual Interest
Lower Tier REMIC	MBS	Interests in the Lower Tier REMIC other than the RL Class (the "Lower Tier Regular Interests")	RL
Upper Tier REMIC	Lower Tier Regular Interests	The uncertificated regular interest corresponding to the AF Class and all Classes of REMIC Certificates other than the AF, R and RL Classes	R

The Cap Contract (defined under "—The Cap Contract" below) will not be included in any REMIC.

Fannie Mae Guaranty. For a description of our guaranties of the Certificates and the MBS, see "Description of the Certificates—Fannie Mae Guaranty" in the REMIC Prospectus and "Description of the Certificates—Fannie Mae Guaranty" in the MBS Prospectus. Our guaranties are not backed by the full faith and credit of the United States.

Our guaranty will not cover any AF Class Additional Interest Amount. Investors in the AF Class will be entitled to receive the AF Class Additional Interest Amount only to the extent described below under the heading "—Distributions of Interest—*The AF Class*". Furthermore, our guaranty will not cover any amounts due under the Cap Contract that are not received by the Trust.

Characteristics of Certificates. Except as specified below, we will issue the Certificates 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."

We will issue each Residual Certificate in fully registered, certificated form. The "Holder" or "Certificateholder" of a Residual Certificate is its registered owner. A Residual 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 a Residual Certificate and may require payment to cover any tax or other governmental charge. See also "—Characteristics of the Residual Classes" below.

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

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

The MBS

The MBS provide that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the MBS are conventional, fixed-rate, fully-amortizing mortgage loans secured by first mortgages or deeds of trust on single-family residential properties. These Mortgage Loans have original maturities of up to 30 years in the case of the Group 1, Group 4, Group 5 and Group 6 MBS, and up to 15 years in the case of the Group 2 and Group 3 MBS.

In addition, the scheduled monthly payments on the Mortgage Loans underlying the Group 6 MBS represent accrued interest only for periods that may range from at least seven to no more than ten years following origination. Beginning with the first monthly payment following the expiration of the applicable interest only period, the scheduled monthly payment on each of those Mortgage Loans will be increased by an amount sufficient to pay accrued interest and to fully amortize the Mortgage Loan by its scheduled maturity date. See "Risk Factors—Prepayment Factors—*Refinance Environment*—Fixed-rate and adjustable-rate mortgage loans with long initial interest-only periods may be more likely to be refinanced than other mortgage loans" in the MBS Prospectus.

For additional information, see "Summary—Group 1, Group 2, Group 3, Group 4, Group 5 and Group 6—Characteristics of the MBS" and "—Assumed Characteristics of the Underlying Mortgage Loans" in this prospectus supplement and "The Mortgage Pools" and "Yield, Maturity, and Prepayment Considerations" in the MBS Prospectus.

Distributions of Interest

General. The certificates will bear interest at the rates specified in this prospectus supplement on a 30/360 basis. 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.

Delay Classes and No-Delay Classes. The "delay" Classes and "no-delay" Classes are set forth in the following table:

Delay Classes	No-Delay Classes
Fixed Rate Classes	Floating Rate and Inverse Floating Rate Classes

See "Description of the Certificates—Distributions on Certificates—*Interest Distributions*" in the REMIC Prospectus.

The Dealer will treat the Principal Only Classes as no-delay Classes, solely for the purpose of facilitating trading.

Accrual Class. The AZ 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.

The AF Class. On each Distribution Date, we will pay interest on the AF Class in an amount (the "AF Class Guaranteed Interest Amount") equal to one month's interest at an annual rate equal to the *lesser* of

- the *sum* of LIBOR *plus* 25 basis points, and
- 6.50%.

For purposes of calculating LIBOR for the AF Class on each index determination date, the term "business day" means a day on which banks are open for dealing in foreign currency and exchange in London.

In addition, on each Distribution Date, we will pay to the AF Class the AF Class Additional Interest Amount, if any, for that date from proceeds received in respect of the Cap Contract described below under "—The Cap Contract."

The "AF Class Additional Interest Amount" for any Distribution Date will be equal to the *excess,* if any, of the AF Class Optimal Interest Amount for that Distribution Date *over* the AF Class Guaranteed Interest Amount for that Distribution Date.

The "AF Class Optimal Interest Amount" for any Distribution Date will be equal to one month's interest at an annual rate equal to the *sum* of LIBOR *plus* 25 basis points.

Our determination of the interest rate for the AF Class will be final and binding in the absence of manifest error. You may obtain each such interest rate by telephoning us at 1-800-237-8627.

Distributions of Principal

On the Distribution Date in each month, we will make payments of principal on the Certificates as described below.

- *Group 1*

The Group 1 Principal Distribution Amount to HF and HO, pro rata, until retired. **Pass-Through Classes**

The "Group 1 Principal Distribution Amount" is the principal then paid on the Group 1 MBS.

- *Group 2*

The Group 2 Principal Distribution Amount to DA and DB, in that order, until retired. **Sequential Pay Classes**

The "Group 2 Principal Distribution Amount" is the principal then paid on the Group 2 MBS.

- *Group 3*

The Group 3 Principal Distribution Amount to EA and EB, in that order, until retired. **Sequential Pay Classes**

The "Group 3 Principal Distribution Amount" is the principal then paid on the Group 3 MBS.

- *Group 4*

The Group 4 Principal Distribution Amount to CF and CO, pro rata, until retired. **Pass-Through Classes**

The "Group 4 Principal Distribution Amount" is the principal then paid on the Group 4 MBS.

- *Group 5*

The Group 5 Principal Distribution Amount to EF and EO, pro rata, until retired. **Pass-Through Classes**

The "Group 5 Principal Distribution Amount" is the principal then paid on the Group 5 MBS.

- *Group 6*

The AZ Accrual Amount to AF until retired, and thereafter to AZ. **Accretion Directed Class and Accrual Class**

The Group 6 Cash Flow Distribution Amount as follows:

—7.692308% to AO until retired, and **Pass-Through Class**

—92.307692% to AF and AZ, in that order, until retired. **Sequential Pay Classes**

The "AZ Accrual Amount" is any interest then accrued and added to the principal balance of the AZ Class.

The "Group 6 Cash Flow Distribution Amount" is the principal then paid on the Group 6 MBS.

The Cap Contract

Lehman Brothers Special Financing Inc. ("LBSF"), an affiliate of the Dealer, has entered into a cap contract (the "Cap Contract") with Swiss Re Financial Products Corporation (the "Counterparty") for the benefit of the AF Class only. Pursuant to the Cap Contract, the terms of an ISDA Master Agreement were incorporated into the related confirmation as if the ISDA Master Agreement had been executed by LBSF and the Counterparty on the date that Cap Contract was executed. On the Settlement Date specified under "Summary" in this prospectus supplement, LBSF will assign to the Trustee, on behalf of the Trust, the rights of LBSF under the Cap Contract. The Cap Contract will not be an asset of any REMIC created under the Trust Agreement.

The Cap Contract is scheduled to remain in effect until the Distribution Date on which the principal balance of the AF Class is reduced to zero (the "Termination Date"). The Cap Contact will be subject to early termination only in limited circumstances. Such circumstances generally include certain insolvency or bankruptcy events in relation to the Counterparty or the Trust, the failure by the Counterparty (three business days after notice of such failure is received by the Counterparty) to make a payment due under the Cap Contract, the failure by the Counterparty (30 days after notice of such failure is received) to perform any other agreement made by it under the Cap Contract, and the Cap Contract becoming illegal or subject to certain kinds of taxation.

If the Cap Contract is terminated early, the Counterparty may owe a termination payment to the Trustee, payable in a lump sum. Fannie Mae does not intend to obtain a replacement cap contract if the Cap Contract is terminated early. Any such termination payment will be paid to the Holders of the AF Class on the Distribution Date in the month immediately following the month in which the payment is received by the Trustee.

The AF Class Certificates do not represent obligations of the Counterparty. The Holders of the AF Class Certificates are not parties to the Cap Contract and will not have any right to proceed directly against the Counterparty in respect of its obligations under the Cap Contract. The Fannie Mae guaranty will not cover any failure of the Trust to receive payments due under the Cap Contract.

On or prior to the Termination Date, proceeds (if any) received by the Trustee under the Cap Contract will be applied as payments to Holders of the AF Class as described above under "—Distributions of Interest—*The AF Class*." On any Distribution Date, after such application of any proceeds received under the Cap Contract, any remaining proceeds also will be paid to Holders of the AF Class. We do not expect that material remaining proceeds under the Cap Contract will be available for payment to the AF Class.

With respect to any Distribution Date on or prior to the Termination Date, the amount payable by the Counterparty under the Cap Contract will equal

- the excess (if any) of LIBOR (as determined by the Counterparty) over 6.25%

multiplied by

- the principal balance of the AF Class immediately prior to that Distribution Date

multiplied by

- a fraction, the numerator of which is 30 and the denominator of which is 360.

The Counterparty

The Counterparty is Swiss Re Financial Products Corporation ("SRFP"). SRFP is an indirect, wholly-owned subsidiary of Swiss Reinsurance Company Ltd ("Swiss Re"), a Swiss corporation. The obligations of SRFP under the Cap Contract are fully and unconditionally guaranteed by Swiss Re.

SRFP has been assigned a long-term counterparty credit rating of "AA-" and a short-term debt rating of "A-1+" by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S & P").

Swiss Re has been assigned long-term counterparty credit, financial strength and senior unsecured debt ratings of "AA-" and a short-term counterparty credit rating of "A-1+" by S & P, insurance financial strength and senior debt ratings of "Aa2" and a short-term rating of "P-1" by Moody's Investors Service, and insurer financial strength and long-term issuer ratings of "AA-" by Fitch Ratings.

Structuring Assumptions

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

- the Mortgage Loans underlying the MBS have the original terms to maturity, remaining terms to maturity, loan ages and interest rates specified under "Summary—Group 1, Group 2, Group 3, Group 4, Group 5 and Group 6—Assumed Characteristics of the Underlying Mortgage Loans" in this prospectus supplement;
- all of the Mortgage Loans underlying the Group 6 MBS have the remaining terms to expiration of their interest only periods specified under "Summary—Group 1, Group 2, Group 3, Group 4, Group 5 and Group 6—Assumed Characteristics of the Underlying Mortgage Loans" in this prospectus supplement;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related tables;
- the settlement date for the Certificates is July 30, 2008; and
- each Distribution Date occurs on the 25th day of a month.

Prepayment Assumptions. The prepayment model used in this prospectus supplement is PSA. For a description of PSA, see "Yield, Maturity and Prepayment Considerations—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 and, where specified, to changes in the Index. We calculated the yields set forth in the tables by

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

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

We cannot assure you that

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

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

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

- the Mortgage Loans will prepay at a constant PSA rate until maturity,

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

- the level of the Index will remain constant.

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

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

Class	Price
HO	73.656250%
CO	69.093750%
EO	69.390625%
AO	68.125000%

Sensitivity of the HO Class to Prepayments

	PSA Prepayment Assumption						
	50%	100%	300%	478%	600%	800%	1000%
Pre-Tax Yields to Maturity	2.2%	2.9%	6.1%	8.8%	10.5%	13.2%	15.7%

Sensitivity of the CO Class to Prepayments

	PSA Prepayment Assumption				
	50%	100%	315%	500%	700%
Pre-Tax Yields to Maturity	2.7%	3.6%	7.7%	11.0%	14.3%

Sensitivity of the EO Class to Prepayments

	PSA Prepayment Assumption				
	50%	100%	317%	500%	700%
Pre-Tax Yields to Maturity	2.7%	3.6%	7.8%	11.2%	14.5%

Sensitivity of the AO Class to Prepayments

	PSA Prepayment Assumption						
	50%	100%	250%	375%	500%	650%	800%
Pre-Tax Yields to Maturity	2.6%	3.5%	6.9%	10.1%	13.3%	17.1%	20.9%

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

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

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

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

Class	Price*
HI	5.656250000%
CI	6.265625000%
EI	6.468750000%
GI	5.343750000%
HS	101.937500000%
CS	106.687500000%
ES	100.440624379%

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

In the following yield tables, the symbol * is used to represent a yield of less than (99.9)%.

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

	PSA Prepayment Assumption						
LIBOR	50%	100%	300%	478%	600%	800%	1000%
0.30%	119.2%	117.1%	108.7%	101.2%	95.9%	87.1%	78.2%
2.30%	72.9%	70.7%	61.6%	53.4%	47.7%	38.2%	28.5%
4.30%	30.2%	27.7%	17.4%	7.9%	1.2%	(10.0)%	(21.5)%
6.07%	*	*	*	*	*	*	*

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

LIBOR	PSA Prepayment Assumption				
	50%	100%	315%	500%	700%
0.39%	103.9%	101.9%	93.4%	85.9%	77.6%
2.39%	63.2%	61.1%	51.6%	43.3%	34.1%
4.39%	25.4%	22.8%	11.8%	2.0%	(9.0)%
6.10%	*	*	*	*	*

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

LIBOR	PSA Prepayment Assumption				
	50%	100%	317%	500%	700%
0.30%	100.3%	98.2%	88.9%	80.9%	72.0%
2.30%	61.2%	58.9%	48.8%	40.1%	30.4%
4.30%	24.6%	22.1%	10.6%	0.6%	(10.8)%
6.03%	*	*	*	*	*

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

LIBOR	PSA Prepayment Assumption						
	50%	100%	250%	375%	500%	650%	800%
0.30%	132.4%	129.1%	118.9%	110.0%	100.6%	88.9%	76.6%
2.30%	82.3%	79.1%	68.9%	59.9%	50.3%	38.1%	25.4%
4.30%	36.4%	33.0%	21.8%	11.5%	0.5%	(13.3)%	(27.4)%
6.25%	*	*	*	*	*	*	*

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

LIBOR	PSA Prepayment Assumption						
	50%	100%	300%	478%	600%	800%	1000%
0.30%	29.7%	29.6%	29.4%	29.2%	29.1%	28.9%	28.7%
2.30%	19.1%	19.1%	18.9%	18.8%	18.7%	18.5%	18.4%
4.30%	8.8%	8.8%	8.7%	8.6%	8.5%	8.4%	8.3%
6.07%	0.0%	(0.1)%	(0.1)%	(0.2)%	(0.2)%	(0.2)%	(0.3)%

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

LIBOR	PSA Prepayment Assumption				
	50%	100%	315%	500%	700%
0.39%	33.8%	33.6%	33.0%	32.4%	31.9%
2.39%	21.5%	21.4%	20.8%	20.3%	19.8%
4.39%	9.6%	9.5%	8.9%	8.5%	8.0%
6.10%	(0.3)%	(0.4)%	(0.9)%	(1.3)%	(1.7)%

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

	PSA Prepayment Assumption				
LIBOR	**50%**	**100%**	**317%**	**500%**	**700%**
0.30%	28.8%	28.7%	28.6%	28.5%	28.4%
2.30%	18.5%	18.5%	18.4%	18.4%	18.4%
4.30%	8.5%	8.5%	8.5%	8.5%	8.5%
6.03%	0.1%	0.1%	0.2%	0.2%	0.3%

Weighted Average Lives of the Certificates

For a description of how the weighted average life of a Certificate is determined, see "Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates" in the REMIC Prospectus.

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

- the timing of changes in the rate of principal distributions, and
- the priority sequences of distributions of principal of the Group 2, Group 3 and Group 6 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.

In the case of the information set forth for each Class under 0% PSA, however, we assumed that the Mortgage Loans have the original and remaining terms to maturity and bear interest at the annual rates specified in the table below.

Mortgage Loans Relating to Trust Assets Specified Below	Original and Remaining Terms to Maturity	Interest Rates
Group 1 MBS	360 months	9.00%
Group 2 MBS	180 months	6.50%
Group 3 MBS	180 months	7.50%
Group 4 MBS	360 months	8.50%
Group 5 MBS	360 months	8.50%
Group 6 MBS	360 months*	8.50%

* In addition, we have assumed that the Mortgage Loans underlying the Group 6 MBS have remaining interest only periods of 120 months.

It is unlikely that all of the Mortgage Loans will have the interest rates, loan ages, remaining terms to maturity or, if applicable, remaining interest only periods assumed or that the Mortgage Loans will prepay at any *constant* PSA level.

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

Percent of Original Principal Balances Outstanding

	HF, HO, HI† and HS Classes						
	PSA Prepayment Assumption						
Date	0%	100%	300%	478%	600%	800%	1000%
Initial Percent	100	100	100	100	100	100	100
July 2009	99	97	94	91	89	85	82
July 2010	99	92	81	72	66	57	47
July 2011	98	86	66	51	42	29	19
July 2012	97	80	54	36	27	15	8
July 2013	96	74	43	25	17	8	3
July 2014	95	68	35	18	11	4	1
July 2015	94	63	28	12	7	2	*
July 2016	92	58	23	9	4	1	*
July 2017	91	54	18	6	3	1	*
July 2018	89	49	15	4	2	*	*
July 2019	88	45	12	3	1	*	*
July 2020	86	41	9	2	1	*	*
July 2021	84	38	7	1	*	*	*
July 2022	82	34	6	1	*	*	*
July 2023	79	31	5	1	*	*	*
July 2024	77	28	4	*	*	*	*
July 2025	74	25	3	*	*	*	*
July 2026	71	22	2	*	*	*	*
July 2027	67	20	2	*	*	*	*
July 2028	64	18	1	*	*	*	*
July 2029	59	15	1	*	*	*	0
July 2030	55	13	1	*	*	*	0
July 2031	50	11	1	*	*	*	0
July 2032	45	9	*	*	*	*	0
July 2033	39	7	*	*	*	*	0
July 2034	32	6	*	*	*	*	0
July 2035	25	4	*	*	*	0	0
July 2036	18	3	*	*	*	0	0
July 2037	9	1	*	*	*	0	0
July 2038	0	0	0	0	0	0	0
Weighted Average Life (years)**	21.1	11.5	5.6	3.9	3.2	2.5	2.1

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

** Determined as specified under "Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates" in the REMIC Prospectus.

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

Date	DA Class PSA Prepayment Assumption					DB Class PSA Prepayment Assumption				
	0%	100%	183%	300%	400%	0%	100%	183%	300%	400%
Initial Percent	100	100	100	100	100	100	100	100	100	100
July 2009	95	84	79	72	65	100	100	100	100	100
July 2010	90	69	61	49	40	100	100	100	100	100
July 2011	85	55	45	32	23	100	100	100	100	100
July 2012	80	43	32	19	10	100	100	100	100	100
July 2013	74	31	20	9	2	100	100	100	100	100
July 2014	67	20	10	1	0	100	100	100	100	68
July 2015	60	9	2	0	0	100	100	100	64	38
July 2016	53	0	0	0	0	100	99	64	33	18
July 2017	45	0	0	0	0	100	35	21	10	5
July 2018	37	0	0	0	0	100	0	0	0	0
July 2019	28	0	0	0	0	100	0	0	0	0
July 2020	19	0	0	0	0	100	0	0	0	0
July 2021	8	0	0	0	0	100	0	0	0	0
July 2022	0	0	0	0	0	83	0	0	0	0
July 2023	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	7.9	3.6	3.0	2.3	1.9	14.4	8.8	8.4	7.6	6.8

Date	EA Class PSA Prepayment Assumption					EB Class PSA Prepayment Assumption				
	0%	100%	169%	300%	400%	0%	100%	169%	300%	400%
Initial Percent	100	100	100	100	100	100	100	100	100	100
July 2009	95	84	80	70	63	100	100	100	100	100
July 2010	90	70	61	47	36	100	100	100	100	100
July 2011	85	56	46	28	17	100	100	100	100	100
July 2012	79	43	32	14	3	100	100	100	100	100
July 2013	72	31	20	3	0	100	100	100	100	75
July 2014	65	20	9	0	0	100	100	100	77	49
July 2015	58	10	0	0	0	100	100	100	53	31
July 2016	50	*	0	0	0	100	100	70	34	18
July 2017	41	0	0	0	0	100	66	44	19	10
July 2018	32	0	0	0	0	100	34	22	9	4
July 2019	22	0	0	0	0	100	5	3	1	*
July 2020	11	0	0	0	0	100	0	0	0	0
July 2021	0	0	0	0	0	98	0	0	0	0
July 2022	0	0	0	0	0	51	0	0	0	0
July 2023	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	7.5	3.7	3.0	2.1	1.7	14.0	9.6	8.9	7.5	6.4

Date	CF, CO, CI† and CS Classes PSA Prepayment Assumption					EF, EO, EI† and ES Classes PSA Prepayment Assumption				
	0%	100%	315%	500%	700%	0%	100%	317%	500%	700%
Initial Percent	100	100	100	100	100	100	100	100	100	100
July 2009	99	97	94	91	88	99	97	94	90	87
July 2010	98	92	82	73	63	98	92	80	71	61
July 2011	98	86	66	51	37	98	86	64	49	35
July 2012	97	80	53	35	21	97	79	51	34	20
July 2013	95	74	42	24	12	95	73	41	23	12
July 2014	94	68	33	17	7	94	68	33	16	7
July 2015	93	63	27	11	4	93	63	26	11	4
July 2016	92	58	21	8	2	92	58	21	8	2
July 2017	90	53	17	5	1	90	53	16	5	1
July 2018	89	49	13	4	1	89	49	13	4	1
July 2019	87	45	11	3	*	87	45	10	2	*
July 2020	85	41	8	2	*	85	41	8	2	*
July 2021	83	37	7	1	*	83	37	6	1	*
July 2022	81	34	5	1	*	81	34	5	1	*
July 2023	78	31	4	1	*	78	31	4	1	*
July 2024	75	28	3	*	*	75	28	3	*	*
July 2025	72	25	2	*	*	72	25	2	*	*
July 2026	69	22	2	*	*	69	22	2	*	*
July 2027	66	20	1	*	*	66	19	1	*	*
July 2028	62	17	1	*	*	62	17	1	*	*
July 2029	58	15	1	*	*	58	15	1	*	*
July 2030	53	13	1	*	*	53	13	1	*	*
July 2031	49	11	*	*	*	49	11	*	*	*
July 2032	43	9	*	*	*	43	9	*	*	*
July 2033	37	7	*	*	*	37	7	*	*	*
July 2034	31	6	*	*	*	31	6	*	*	*
July 2035	24	4	*	*	*	24	4	*	*	*
July 2036	17	3	*	*	*	17	2	*	*	*
July 2037	9	1	*	*	*	9	1	*	*	*
July 2038	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	20.8	11.4	5.5	3.8	2.9	20.8	11.4	5.4	3.7	2.8

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

** Determined as specified under "Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates" in the REMIC Prospectus.

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

Date	AF and GI† Classes							AO Class							AZ Class						
	PSA Prepayment Assumption							PSA Prepayment Assumption							PSA Prepayment Assumption						
	0%	100%	250%	375%	500%	650%	800%	0%	100%	250%	375%	500%	650%	800%	0%	100%	250%	375%	500%	650%	800%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2009	99	96	91	87	83	78	73	100	97	92	88	84	80	75	107	107	107	107	107	107	107
July 2010	99	90	77	67	58	47	37	100	92	80	70	62	52	42	114	114	114	114	114	114	114
July 2011	98	84	64	50	37	25	15	100	86	68	55	43	32	22	121	121	121	121	121	121	121
July 2012	98	77	52	36	23	11	3	100	81	58	42	30	19	11	130	130	130	130	130	130	130
July 2013	97	71	42	25	12	2	0	100	76	49	33	21	12	6	138	138	138	138	138	138	85
July 2014	96	66	34	16	5	0	0	100	72	42	25	15	7	3	148	148	148	148	148	102	44
July 2015	96	60	26	9	0	0	0	100	67	35	20	10	4	2	157	157	157	157	148	62	23
July 2016	95	55	20	4	0	0	0	100	63	30	15	7	3	1	168	168	168	168	104	38	12
July 2017	94	50	14	0	0	0	0	100	59	26	12	5	2	*	179	179	179	169	72	23	6
July 2018	93	45	9	0	0	0	0	100	55	21	9	3	1	*	191	191	191	128	50	14	3
July 2019	90	39	4	0	0	0	0	98	50	18	7	2	1	*	204	204	204	97	34	8	2
July 2020	87	33	0	0	0	0	0	96	46	15	5	2	*	*	218	218	208	73	23	5	1
July 2021	83	27	0	0	0	0	0	93	42	12	4	1	*	*	232	232	171	55	16	3	*
July 2022	79	22	0	0	0	0	0	91	38	10	3	1	*	*	248	248	140	41	11	2	*
July 2023	75	17	0	0	0	0	0	88	34	8	2	*	*	*	264	264	114	30	7	1	*
July 2024	70	12	0	0	0	0	0	85	31	7	2	*	*	*	282	282	93	23	5	1	*
July 2025	65	7	0	0	0	0	0	82	27	5	1	*	*	*	301	301	75	17	3	*	*
July 2026	60	2	0	0	0	0	0	78	24	4	1	*	*	*	321	321	60	12	2	*	*
July 2027	54	0	0	0	0	0	0	74	21	3	1	*	*	*	343	306	48	9	1	*	*
July 2028	48	0	0	0	0	0	0	70	19	3	*	*	*	*	366	267	38	6	1	*	*
July 2029	41	0	0	0	0	0	0	65	16	2	*	*	*	*	390	231	30	5	1	*	*
July 2030	34	0	0	0	0	0	0	60	14	2	*	*	*	*	416	196	23	3	*	*	*
July 2031	25	0	0	0	0	0	0	55	11	1	*	*	*	*	444	164	17	2	*	*	*
July 2032	17	0	0	0	0	0	0	49	9	1	*	*	*	*	474	134	13	1	*	*	*
July 2033	7	0	0	0	0	0	0	42	7	1	*	*	*	*	506	105	9	1	*	*	*
July 2034	0	0	0	0	0	0	0	35	5	*	*	*	*	*	503	78	6	1	*	*	*
July 2035	0	0	0	0	0	0	0	27	4	*	*	*	*	0	393	52	4	*	*	*	*
July 2036	0	0	0	0	0	0	0	19	2	*	*	*	*	0	273	28	2	*	*	*	*
July 2037	0	0	0	0	0	0	0	10	*	*	*	*	*	0	142	5	*	*	*	*	0
July 2038	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	18.5	9.1	4.8	3.5	2.7	2.1	1.8	22.7	12.0	6.4	4.5	3.4	2.6	2.1	28.0	23.3	16.4	12.3	9.6	7.4	5.9

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

** Determined as specified under "Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates" in the REMIC Prospectus.

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

Characteristics of the Residual Classes

A Residual Certificate will be subject to certain transfer restrictions. See "Description of the Certificates—Special Characteristics of the Residual Certificates" and "Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates" in the REMIC Prospectus.

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. A Residual Certificate will constitute a noneconomic residual interest under the Regulations. Having a significant purpose to impede the assessment or collection of tax means that the transferor of a Residual Certificate had "improper knowledge" at the time of the transfer. See "Description of the Certificates—Special Characteristics of the Residual Certificates" in the REMIC Prospectus. You should consult your own tax advisor regarding the application of the Regulations to a transfer of a Residual Certificate.

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 "Material 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 "Material 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 make a REMIC election with respect to each REMIC set forth in the chart under "Description of the Certificates—General—*Structure*." The Regular Classes (other than the AF Class) will be designated as "regular interests" and the Residual Classes will be designated as the "residual interests" in the REMICs as set forth in that chart. In addition, the Upper Tier REMIC will issue an uncertificated regular interest corresponding to the AF Class. Thus, the REMIC Certificates (other than the AF Class), the REMIC regular interests corresponding to the AF Class, 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 Residual Classes, as "qualified mortgages" for other REMICs. See "Material Federal Income Tax Consequences—REMIC Election and Special Tax Attributes" in the REMIC Prospectus.

The REMIC regular interest corresponding to the AF Class will be entitled to receive interest and principal payments at the times and in the amounts equal to those made to the AF Class, except that the maximum interest rate on this REMIC regular interest will be a per annum rate of 6.50% and will be determined without regard to payments received under the Cap Contract. A beneficial owner of an AF Class Certificate will be treated for federal income tax purposes as the beneficial owner of a pro rata interest in the related REMIC regular interest. Any excess of the amount of interest actually payable to the AF Class over the amount of interest payable on the related REMIC regular interest will be treated as having been received by the beneficial owners of such class pursuant to the related notional principal contract discussed under "Taxation of the Cap Contract" below.

For purposes of the remainder of this discussion and the discussion under "Material Federal Income Tax Consequences" in the REMIC Prospectus, references to "Regular Certificates" and "Regular Classes" should be read to include the AF Certificates and Class only to the extent of the corresponding REMIC regular interest represented thereby.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes, the Principal Only Classes and 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 "Material 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 "Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates—*Regular Certificates Purchased at a Premium*" in the REMIC Prospectus.

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

Group	Prepayment Assumption
1	478% PSA
2	183% PSA
3	169% PSA
4	315% PSA
5	317% PSA
6	375% PSA

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

Taxation of Beneficial Owners of the AF Class Certificates

General

A beneficial owner of an AF Class Certificate will be treated:

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

Consequently, each beneficial owner of an AF Class Certificate will be required to report its pro rata share of income accruing with respect to the corresponding REMIC regular interest as discussed under "—REMIC Elections and Special Tax Attributes" above. In addition, each beneficial owner of an AF Class Certificate will be required to report its pro rata share of net income with respect to the Cap Contract, and will be permitted to recognize its share of a net deduction with respect to the Cap Contract, subject to the discussion under "—Taxation of the Cap Contract" below.

In general, this treatment of an AF Class Certificate should not materially affect the timing or amount of income, for federal income tax purposes, of a beneficial owner of an AF Class certificate provided that:

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

In any event, you should consult your own tax advisor regarding the consequences to you in light of your particular circumstances of taxing separately the components comprising each AF Class Certificate (*i.e.*, the corresponding REMIC regular interest and the Cap Contract).

Allocations with Respect to an AF Class Certificate

A beneficial owner of an AF Class Certificate must allocate its cost to acquire the Certificate between the corresponding REMIC regular interest and the Cap Contract based on their relative fair market values. When a beneficial owner of an AF Class Certificate sells or disposes of the Certificate, the beneficial owner must allocate the sale proceeds between the corresponding REMIC regular interest and the Cap Contract based on their relative fair market values and must treat the sale or other disposition of the Certificate as a sale or other disposition of a pro rata portion of the corresponding REMIC regular interest and the Cap Contract.

For information reporting purposes, we intend to treat the Cap Contract as having an initial value of $4,828,846. Because the Cap Contract is expected to have more than nominal value, you should consider the income tax consequences to you of allocating a more than nominal portion of your purchase price for an AF Class Certificate to the premium for the Cap Contract. You should consult your own tax advisors regarding the consequences to you should the Cap Contract have a different value at the time you acquire an AF Class Certificate. See "—Taxation of the Cap Contract" below.

Tax Attributes of AF Class Certificates

Although the AF Class Certificates will represent beneficial ownership in a REMIC regular interest, which is afforded certain tax attributes under the Code (see "Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Regular Certificates" in the REMIC Prospectus), the interest in the Cap Contract represented by an AF Class Certificate will not constitute:

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

Income received under the Cap Contract will not constitute income described in section 856(c)(3)(B) with respect to a real estate investment trust. As a result of these rules, the AF Class may not be an appropriate investment for a REIT or a REMIC.

Taxation of the Cap Contract

General

Beneficial owners of an AF Class Certificate will be treated as having entered into a "notional principal contract" within the meaning of Treasury Department Regulations promulgated under section 446 of the Code (the "NPC Regulations"). Pursuant to this notional principal contract, the beneficial owners of the AF Class Certificates will be treated as agreeing to pay a premium for the right to receive the payments on the Cap Contract. Beneficial owners of an AF Class Certificate will be treated as having entered into the notional principal contract on the date the beneficial owner acquires the Certificate.

Treatment of Payments Under the Cap Contract

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

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

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

Disposition of the Cap Contract

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

Taxation of Beneficial Owners of Residual Certificates

The Holder of a Residual Certificate will be considered to be the holder of the "residual interest" in the related REMIC. Such Holder generally will be required to report its daily portion of the taxable income or net loss of the REMIC to which that Certificate relates. In certain periods, a Holder of a Residual Certificate may be required to recognize taxable income without being entitled to receive a corresponding amount of cash. Pursuant to the Trust Agreement, we will be obligated to provide to the Holder of a Residual Certificate (i) information necessary to enable it to prepare its federal income tax returns and (ii) any reports regarding the Residual Class that may be required under the Code. See "Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates" in the REMIC Prospectus.

Taxation of Beneficial Owners of RCR Certificates

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 Regular Certificates that are exchanged for RCR Certificates set forth in Schedule 1 (including any exchanges effective on the Settlement Date) will be the assets of the trust, and the RCR Certificates will represent an ownership interest of the underlying Regular Certificates. For a general discussion of the federal income tax treatment of beneficial owners of Regular Certificates, see "Material Federal Income Tax Consequences" in the REMIC Prospectus.

Generally, the ownership interest represented by an RCR certificate 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 Regular Certificates. A certificate of a Combination RCR Class (a "Combination RCR Certificate") will represent beneficial ownership of undivided interests in two or more underlying Regular Certificates. All of the RCR Certificates are Combination RCR Certificates. See "Material Federal Income Tax

Consequences—Taxation of Beneficial Owners of RCR Certificates" in the REMIC Prospectus for a general discussion of the federal income tax treatment of beneficial owners of RCR Certificates.

ADDITIONAL ERISA CONSIDERATIONS RELATING TO THE AF CLASS

Because the right to interest payable under the Cap Contract to Holders of the AF Class is not guaranteed by Fannie Mae, the "guaranteed governmental mortgage pool exemption" may or may not be applicable to the acquisition and holding of that right. Therefore, any Plan fiduciary considering an investment in an AF Class should consider the identity of the Counterparty in determining whether an investment in the AF Class would give rise to a prohibited transaction. Depending on the relevant facts and circumstances, certain prohibited transaction exemptions may apply to the acquisition of the AF Class and rights under the Cap Contract—for example, Prohibited Transaction Class Exemption ("PTCE") 84-14, which exempts certain transactions effected on behalf of a Plan by a "qualified professional asset manager," PTCE 90-1, which exempts certain transactions by insurance company pooled separate accounts, PTCE 91-38, which exempts certain transactions by bank collective investment funds, PTCE 95-60, which exempts certain transactions by insurance company general accounts, or PTCE 96-23, which exempts certain transactions effected on behalf of a Plan by an "in-house asset manager." In addition, a statutory exemption under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code may be available for a transaction that involves a service provider to a Plan investing in an AF Class if the transaction takes place for adequate consideration and the service provider is not the fiduciary with respect to the Plan's assets used to acquire the AF Class, an affiliate of such a fiduciary, or an affiliate of the employer sponsoring the Plan. Each Plan that invests in the AF Class, by its acceptance of the Certificate, will be deemed to make certain representations as provided in the Trust Agreement, including that its acquisition of the AF Class, and rights under the Cap Contract, does not give rise to a non-exempt prohibited transaction under section 406 of ERISA or section 4975 of the Code.

PLAN OF DISTRIBUTION

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

LEGAL MATTERS

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

Schedule 1

Available Recombinations(1)

REMIC Certificates		RCR Certificates						
Classes	Original Balances	RCR Classes	Original Balances	Principal Type(2)	Interest Rate	Interest Type(2)	CUSIP Number	Final Distribution Date
Recombination 1								
HO	$ 7,692,308	HS	$ 7,692,308	PT	(4)	INV	31397MGH4	August 2038
HI	38,461,538(3)							
Recombination 2								
CO	25,000,000	CS	25,000,000	PT	(4)	INV	31397MGJ0	August 2038
CI	150,000,000(3)							
Recombination 3								
EO	16,666,667	ES	16,666,667	PT	(4)	INV	31397MGK7	August 2038
EI	80,000,000(3)							

(1) REMIC Certificates and RCR Certificates in each Recombination may be exchanged only in the proportions of *original* principal or notional principal balances for the related Classes shown in this Schedule 1 (disregarding any retired Classes). For example, if a particular Recombination includes two REMIC Classes and one RCR Class whose *original* principal balances shown in the schedule reflect a 1:1:2 relationship, the same 1:1:2 relationship among the *original* principal balances of those REMIC and RCR Classes must be maintained in any exchange. This is true even if, as a result of the applicable payment priority sequence, the relationship between their *current* principal balances has changed over time. Moreover, 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.

(2) See "Description of the Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus.

(3) Notional balances. These Classes are Interest Only Classes. See page S-7 for a description of how their notional balances are calculated.

(4) For a description of these interest rates, see "Summary—Interest Rates" in this prospectus supplement.

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

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

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$865,756,903

FannieMae®

Guaranteed REMIC Pass-Through Certificates

Fannie Mae REMIC Trust 2008-64

PROSPECTUS SUPPLEMENT

LEHMAN BROTHERS

July 24, 2008