

Second Supplement
(To Prospectus Supplement dated July 23, 2008)

\$326,606,415



**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2008-72**

This is a supplement to the prospectus supplement dated July 23, 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-7 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.

Banc of America Securities LLC

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.

\$326,606,415



FannieMae®

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2008-72**

This is a supplement to the prospectus supplement dated July 23, 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-7 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.

Banc of America Securities LLC

The date of this Supplement is July 31, 2008

\$326,606,415



**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2008-72**

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, 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
AF	1	\$100,000,000	PT	(2)	FLT/IRC	31397MJC2	August 2028
EF	1	35,000,000	PT	(2)	FLT/IRC	31397MJD0	August 2028
VF	1	123,666,415	PT	(2)	FLT/IRC	31397MJE8	August 2028
IO	1	3,069,665(3)	NTL	5.00%	FIX/IO	31397MJF5	August 2028
BG	2	50,000,000	SEQ	5.25	FIX	31397MJG3	March 2035
BI	2	2,272,727(3)	NTL	5.50	FIX/IO	31397MJH1	March 2035
BX	2	17,940,000	SEQ	5.50	FIX	31397MJJ7	August 2038
R		0	NPR	0	NPR	31397MJK4	August 2038
RL		0	NPR	0	NPR	31397MJL2	August 2038

- (1) See "Description of the Certificates—Class Definitions and Abbreviations" in the REMIC prospectus.
(2) Based on LIBOR and subject to the limitations described in this prospectus supplement.

- (3) Notional balances. These classes are interest only classes. See page S-6 for a description of how their notional balances are calculated.

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-7 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.

Banc of America Securities LLC

July 23, 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:

Banc of America Securities LLC
Capital Markets Operations
100 W. 33rd Street, 3rd Floor
New York, New York 10001
(telephone 646-733-4166).

In addition, if you are purchasing certificates of the AF, EF or VF Class, you may obtain a copy of the swap agreement applicable to that class by writing or calling the dealer at the address or telephone number shown above.

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

<u>Group</u>	<u>Assets</u>
1	Group 1 MBS
2	Group 2 MBS

Group 1 and Group 2

Characteristics of the MBS

	<u>Approximate Principal Balance</u>	<u>Pass- Through Rate</u>	<u>Range of Weighted Average Coupons or WACs (annual percentages)</u>	<u>Range of Weighted Average Remaining Terms to Maturity or WAMs (in months)</u>
Group 1 MBS	\$258,666,415	5.00%	5.25% to 7.50%	174 to 240
Group 2 MBS	\$ 67,940,000	5.50%	5.75% to 8.00%	241 to 360

Assumed Characteristics of the Underlying Mortgage Loans

	<u>Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>Remaining Term to Maturity (in months)</u>	<u>Loan Age (in months)</u>	<u>Interest Rate</u>
Group 1 MBS	\$258,666,415	240	179	56	5.509%
Group 2 MBS	\$ 67,940,000	360	302	50	5.880%

The actual remaining terms to maturity, loan ages and interest rates 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:

<u>Fed Book-Entry</u>	<u>DTC Book-Entry</u>	<u>Physical</u>
All classes of certificates other than the AF, EF, VF, R and RL Classes	AF, EF and VF Classes	R and RL Classes

Interest Rates

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

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

<u>Class</u>	<u>Initial Interest Rate</u>	<u>Maximum Interest Rate</u>	<u>Minimum Interest Rate</u>	<u>Formula for Calculation of Interest Rate(1)</u>
AF (2)	2.71%	(5)	0.25%	LIBOR + 25 basis points
EF (3)	2.64%	(5)	0.18%	LIBOR + 18 basis points
VF (4)	2.76%	(5)	0.30%	LIBOR + 30 basis points

- (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, any interest accrued on the AF Class in excess of 4.915% will **not** be guaranteed by Fannie Mae and will be paid solely from available proceeds under the related swap agreement as described under “Description of the Certificates—The Swap Agreements” in this prospectus supplement. In addition, interest payable on the AF Class may be subject to reduction as a result of an early termination payment under the related swap agreement as described under “Description of the Certificates—Distributions of Interest—*Effect of Early Termination Payments on the AF, EF and VF Classes*” in this prospectus supplement.
- (3) The interest rate payable on the EF Class is subject to the limitations set forth under “Description of the Certificates—Distributions of Interest—*The EF Class*” in this prospectus supplement. In particular, any interest accrued on the EF Class in excess of 4.875% will **not** be guaranteed by Fannie Mae and will be paid solely from available proceeds under the related swap agreement as described under “Description of the Certificates—The Swap Agreements” in this prospectus supplement. In addition, interest payable on the EF Class may be subject to reduction as a result of an early termination payment under the related swap agreement as described under “Description of the Certificates—Distributions of Interest—*Effect of Early Termination Payments on the AF, EF and VF Classes*” in this prospectus supplement.
- (4) The interest rate payable on the VF Class is subject to the limitations set forth under “Description of the Certificates—Distributions of Interest—*The VF Class*” in this prospectus supplement. In particular, any interest accrued on the VF Class in excess of 4.980% will **not** be guaranteed by Fannie Mae and will be paid solely from available proceeds under the related swap agreement as described under “Description of the Certificates—The Swap Agreements” in this prospectus supplement. In addition, interest payable on the VF Class may be subject to reduction as a result of an early termination payment under the related swap agreement as described under “Description of the Certificates—Distributions of Interest—*Effect of Early Termination Payments on the AF, EF and VF Classes*” in this prospectus supplement.
- (5) Unless the floating rate of interest on the AF, EF or VF Class, as applicable, converts to a fixed rate as described under “Description of the Certificates—Distributions of Interest—*The AF Class*,” “*The EF Class*” and “*The VF Class*,” respectively, in this prospectus supplement, the AF, EF and VF Classes have no maximum interest rates.

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:

<u>Class</u>	
IO	1.1867273144% of the <i>sum</i> of the AF, EF and VF Classes
BI	4.5454540000% of the BG 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)*

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>175%</u>	<u>300%</u>	<u>500%</u>
AF, EF, VF and IO	12.4	6.3	5.1	3.7	2.4
<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>				
	<u>0%</u>	<u>100%</u>	<u>200%</u>	<u>300%</u>	<u>500%</u>
BG and BI	17.7	6.0	3.5	2.4	1.4
BX	28.4	18.9	13.8	10.1	6.2

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

ADDITIONAL RISK FACTORS

Limitations affecting our guaranties of interest on the AF, EF and VF Classes may adversely affect their respective yields. Our guaranty of monthly interest in respect of the AF Class is limited to interest accrued up to a maximum rate of 4.915%. Any monthly interest accrued on the AF Class in excess of 4.915% (the AF Class additional interest amount) will be paid to the related certificateholders on the current distribution date solely from proceeds, if any, received under the AF Class swap agreement. **Our guaranty does not cover any AF Class additional interest amount, or any failure of the swap provider to make payments to the trust as required under the AF Class swap agreement.**

Similarly, our guaranty of monthly interest in respect of the EF Class is limited to interest accrued up to a maximum rate of 4.875%. Any monthly interest accrued on the EF Class in excess of 4.875% (the EF Class additional interest amount) will be paid to the related certificateholders on the current distribution date solely from proceeds, if any, received under the EF Class swap agreement. **Our guaranty does not cover any EF Class additional interest amount, or any failure of the swap provider to make payments to the trust as required under the EF Class swap agreement.**

Likewise, our guaranty of monthly interest in respect of the VF Class is limited to interest accrued up to a maximum rate of 4.980%. Any monthly interest accrued on the VF Class in excess of 4.980% (the VF Class additional interest amount) will be paid to the related certificateholders on the current distribution date solely from proceeds, if any, received under the VF Class swap agreement. **Our guaranty does not cover any VF Class additional interest amount, or any failure of the swap provider to make payments to the trust as**

required under the VF Class swap agreement.

Interest on the AF, EF and VF Classes is subject to the credit risk of the swap provider. The early termination of a swap agreement may reduce the yield to the affected class. Each swap agreement is subject to early termination if, among other things, the credit ratings of the swap provider are downgraded below certain levels. In addition, distribution of the AF Class additional interest amount, the EF Class additional interest amount and the VF Class additional interest amount is dependent *solely* on the swap provider's performance under the related swap agreement. As a result, certain interest distributions to holders of the AF, EF and VF Classes are subject to the credit risk of the swap provider.

Payments required to be made in connection with the early termination of a swap agreement may adversely affect the yield of the affected class. In the event of the early termination of a swap agreement, we, in our capacity as trustee of the trust, could be obligated to pay to the swap provider an early termination payment. The amount of interest otherwise payable on the affected class will be reduced to the extent of such early termination payment, and any such reduction in the interest payable on that class will **not** be covered by our guaranty. Moreover, it is possible in certain circumstances that investors in the affected class would receive no interest for an extended period until the early termination payment is paid in full.

In addition, subject to the preceding paragraph, on each distribution date following the designation of a date for early termination of a swap agreement, we will pay interest on the affected class at a fixed annual rate of 4.915% in the case of the AF Class, 4.875% in the case of the EF Class and 4.980% in the case of the VF Class.

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”). The trust agreement and supplement are collectively referred to as the “Trust Agreement.” We will issue the Guaranteed REMIC Pass-Through Certificates (the “Certificates”) pursuant to the Trust Agreement. We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”).

The assets of the Trust will include two groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS” and “Group 2 MBS,” and together, the “MBS”).

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

The 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 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.”

<u>REMIC Designation</u>	<u>Assets</u>	<u>Regular Interests</u>	<u>Residual Interest</u>
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	IO, BG, BI and BX Classes and the uncertificated regular interests corresponding to the AF, EF and VF Classes	R

The Swap Agreements (defined under “—The Swap Agreements” below) will not be included in either 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 Amounts (described below). Investors in the AF Class will be entitled to receive AF Class Additional Interest Amounts only to the extent described below under “—Distributions of Interest—*The AF Class*.” Furthermore, our guaranty will **not** cover any amounts due under the related Swap Agreement that are not received by the Trust.

Our guaranty also will not cover any EF Class Additional Interest Amounts (described below). Investors in the EF Class will be entitled to receive EF Class Additional Interest Amounts only to the extent described below under “—Distributions of Interest—*The EF Class*.” Furthermore,

our guaranty will **not** cover any amounts due under the related Swap Agreement that are not received by the Trust.

Our guaranty also will not cover any VF Class Additional Interest Amounts (described below). Investors in the VF Class will be entitled to receive VF Class Additional Interest Amounts only to the extent described below under “—Distributions of Interest—*The VF Class*.” Furthermore, our guaranty will **not** cover any amounts due under the related Swap Agreement that are not received by the Trust.

In addition, on an Early Termination Date with respect to a Swap Agreement, we, in our capacity as Trustee of the Trust, may be obligated to pay to the Swap Provider an Early Termination Payment (as described under “—The Swap Agreements” below). **The amount of any such Early Termination Payment will reduce the interest payable on the affected Class to the extent of such Early Termination Payment, and any such reduction in the interest payable on that Class will not be covered by our guaranty.** See “—Distributions of Interest—*Effect of Early Termination Payments on the AF, EF and VF Classes*” below.

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.”

The AF, EF and VF Classes each will be represented by a single certificate (the “DTC Certificates”) to be registered at all times in the name of the nominee of The Depository Trust Company (“DTC”), a New York-chartered limited purpose trust company, or any successor or depository selected or approved by us. We refer to the nominee of DTC as the “Holder” or “Certificateholder” of the DTC Certificates. DTC will maintain the DTC Certificates through its book-entry facilities.

We will issue the Residual Certificates 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:

<u>Classes</u>	<u>Denominations</u>
Interest Only Classes and the AF, EF and VF Classes	\$100,000 minimum plus whole dollar increments
BG and BX 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 20 years in the case of the Group 1 MBS and up to 30 years in the case of the Group 2 MBS.

For additional information, see “Summary—Group 1 and Group 2—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 on a Distribution Date will consist of one month's interest on the outstanding balance of that Certificate immediately prior to that Distribution Date.

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

<u>Delay Classes</u>	<u>No-Delay Classes</u>
Fixed Rate Classes	Floating Rate Classes

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

The AF Class. Certain of the capitalized terms used in this discussion are defined under “—The Swap Agreements” below.

On each Distribution Date prior to the AF Class First Fixed Rate Distribution Date (defined below), 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
- 4.915%.

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 such Distribution Date, we will pay to the AF Class the AF Class Additional Interest Amount, if any, for that date from proceeds received from the Swap Provider under the AF Class Swap Agreement as described under “—The Swap Agreements” below.

The “AF Class Additional Interest Amount” for each such 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 each such Distribution Date will be equal to one month's interest at an annual rate equal to the *sum* of LIBOR *plus* 25 basis points.

The “AF Class First Fixed Rate Distribution Date” is the Distribution Date immediately following a Designation Date with respect to the AF Class Swap Agreement.

On the AF Class First Fixed Rate Distribution Date and each Distribution Date thereafter, we will pay interest on the AF Class at an annual rate of 4.915%, subject to the effect of any Early Termination Payment under the AF Class Swap Agreement. See “—*Effect of Early Termination Payments on the AF, EF and VF Classes*” below.

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

The EF Class. Certain of the capitalized terms used in this discussion are defined under “—The Swap Agreements” below.

On each Distribution Date prior to the EF Class First Fixed Rate Distribution Date (defined below), we will pay interest on the EF Class in an amount (the “EF Class Guaranteed Interest Amount”) equal to one month’s interest at an annual rate equal to the *lesser* of

- the *sum* of LIBOR *plus* 18 basis points, and
- 4.875%.

For purposes of calculating LIBOR for the EF 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 such Distribution Date, we will pay to the EF Class the EF Class Additional Interest Amount, if any, for that date from proceeds received from the Swap Provider under the EF Class Swap Agreement as described under “—The Swap Agreements” below.

The “EF Class Additional Interest Amount” for each such Distribution Date will be equal to the *excess*, if any, of the EF Class Optimal Interest Amount for that Distribution Date *over* the EF Class Guaranteed Interest Amount for that Distribution Date.

The “EF Class Optimal Interest Amount” for each such Distribution Date will be equal to one month’s interest at an annual rate equal to the *sum* of LIBOR *plus* 18 basis points.

The “EF Class First Fixed Rate Distribution Date” is the Distribution Date immediately following a Designation Date with respect to the EF Class Swap Agreement.

On the EF Class First Fixed Rate Distribution Date and each Distribution Date thereafter, we will pay interest on the EF Class at an annual rate of 4.875%, subject to the effect of any Early Termination Payment under the EF Class Swap Agreement. See “—*Effect of Early Termination Payments on the AF, EF and VF Classes*” below.

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

The VF Class. Certain of the capitalized terms used in this discussion are defined under “—The Swap Agreements” below.

On each Distribution Date prior to the VF Class First Fixed Rate Distribution Date (defined below), we will pay interest on the VF Class in an amount (the “VF Class Guaranteed Interest Amount”) equal to one month’s interest at an annual rate equal to the *lesser* of

- the *sum* of LIBOR *plus* 30 basis points, and
- 4.980%.

For purposes of calculating LIBOR for the VF 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 such Distribution Date, we will pay to the VF Class the VF Class Additional Interest Amount, if any, for that date from proceeds received from the Swap Provider under the VF Class Swap Agreement as described under “—The Swap Agreements” below.

The “VF Class Additional Interest Amount” for each such Distribution Date will be equal to the *excess*, if any, of the VF Class Optimal Interest Amount for that Distribution Date *over* the VF Class Guaranteed Interest Amount for that Distribution Date.

The “VF Class Optimal Interest Amount” for each such Distribution Date will be equal to one month’s interest at an annual rate equal to the *sum* of LIBOR *plus* 30 basis points.

The “VF Class First Fixed Rate Distribution Date” is the Distribution Date immediately following a Designation Date with respect to the VF Class Swap Agreement.

On the VF Class First Fixed Rate Distribution Date and each Distribution Date thereafter, we will pay interest on the VF Class at an annual rate of 4.980%, subject to the effect of any Early Termination Payment under the VF Class Swap Agreement. See “—*Effect of Early Termination Payments on the AF, EF and VF Classes*” below.

Our determination of the interest rate for the VF Class for each Distribution Date 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.

Effect of Early Termination Payments on the AF, EF and VF Classes. If on an Early Termination Date the Trustee is required to make an Early Termination Payment to the Swap Provider pursuant to a Swap Agreement, such payment will be made from funds that would otherwise be payable as interest to the Holders of Certificates of the affected Class on the Distribution Date immediately following that Early Termination Date, and on any succeeding Distribution Dates, until paid in full. Such reductions in interest payments to the affected Class will **not** be covered by our guaranty. If on an Early Termination Date the Swap Provider is required to make an Early Termination Payment to the Trustee pursuant to a Swap Agreement, the full amount of such payment actually received by the Trustee will be paid as additional interest to the Holders of Certificates of the affected Class on the Distribution Date immediately following that Early Termination Date. Any failure of the Swap Provider to make such Early Termination Payment will **not** be covered by our guaranty.

Distributions of Principal

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

- *Group 1*

The Group 1 Principal Distribution Amount to AF, EF and VF, 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 BG and BX, in that order, until retired. } **Sequential Pay Classes**

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

The Swap Agreements

On the Settlement Date, the Trustee (on behalf of the Trust) will enter into three interest rate swap agreements (the “AF Class Swap Agreement,” the “EF Class Swap Agreement” and the “VF Class Swap Agreement,” and together, the “Swap Agreements”) with BNP Paribas (the “Swap Provider”). The AF Class Swap Agreement is for the benefit of the AF Class only, the EF Class Swap Agreement is for the benefit of the EF Class only, and the VF Class Swap Agreement is for the benefit of the VF Class only. The Trustee will receive and distribute funds, and take or not take any action, with respect to the Swap Agreements on behalf of the Trust. The Swap Agreements will not be an asset of either REMIC.

Subject to the three following paragraphs, each Swap Agreement provides that on or before each Distribution Date commencing with the Distribution Date in August 2008:

- the Trustee will be obligated to pay to the Swap Provider an amount (the “Trustee Swap Payment”) equal to the product of (x) 4.915% in the case of the AF Class, 4.875% in the case

of the EF Class or 4.980% in the case of the VF Class, (y) a notional amount equal to the principal balance of the related Class (the “Swap Notional Amount”) and (z) a fraction, the numerator of which is 30 and the denominator of which is 360; and

- the Swap Provider will be obligated to pay to the Trustee for the benefit of the Holders of the Certificates of the related Class an amount (the “Swap Provider Payment”) equal to the product of (x) One-Month LIBOR as determined pursuant to the related Swap Agreement for the applicable Calculation Period (as defined in the Swap Agreement) plus 0.25% in the case of the AF Class, 0.18% in the case of the EF Class or 0.30% in the case of the VF Class, (y) the Swap Notional Amount, and (z) a fraction, the numerator of which is 30 and the denominator of which is 360.

A net payment will be required to be made on or prior to each Distribution Date (each such net payment, a “Net Swap Payment”) either by the Trustee to the Swap Provider, to the extent that the Trustee Swap Payment exceeds the corresponding Swap Provider Payment, or by the Swap Provider to the Trustee, to the extent that the Swap Provider Payment exceeds the corresponding Trustee Swap Payment for that Distribution Date. Any Net Swap Payment received by the Trustee from the Swap Provider will be distributed on that Distribution Date to the affected Class.

The AF Class Swap Agreement will terminate on the earlier of (i) the Distribution Date in August 2028 and (ii) the Distribution Date on which the AF Class is retired, unless the AF Class Swap Agreement is terminated as a result of the designation of a date for early termination following the occurrence of a Swap Event of Default, a Swap Termination Event or a Swap Additional Termination Event (each as defined below).

The EF Class Swap Agreement will terminate on the earlier of (i) the Distribution Date in August 2028 and (ii) the Distribution Date on which the EF Class is retired, unless the EF Class Swap Agreement is terminated as a result of the designation of a date for early termination following the occurrence of a Swap Event of Default, a Swap Termination Event or a Swap Additional Termination Event.

The VF Class Swap Agreement will terminate on the earlier of (i) the Distribution Date in August 2028 and (ii) the Distribution Date on which the VF Class is retired, unless the VF Class Swap Agreement is terminated as a result of the designation of a date for early termination following the occurrence of a Swap Event of Default, a Swap Termination Event or a Swap Additional Termination Event.

Under each Swap Agreement,

- upon the occurrence of a Swap Event of Default, the non-defaulting party will have the right to designate a date for early termination, and
- upon the occurrence of a Swap Termination Event or a Swap Additional Termination Event, one of the parties may designate a date for early termination as specified in the related Swap Agreement

(each, an “Early Termination Date”). In the event of the early termination of a Swap Agreement, the Trustee will not enter into any replacement swap agreement.

We refer to the date on which one of the parties under a Swap Agreement designates an Early Termination Date as the “Designation Date” with respect to that Swap Agreement.

The respective obligations of the Swap Provider and the Trustee to pay specified amounts due under each Swap Agreement (other than any Early Termination Payment) generally will be subject to the following conditions precedent: (1) no Swap Event of Default, or event that with the giving of notice or lapse of time or both would become a Swap Event of Default, will have occurred and be continuing with respect to the other party and (2) no Designation Date has occurred with respect to that Swap Agreement.

Events of default under each Swap Agreement (each, a “Swap Event of Default”) include the following:

- failure to make a payment as required under the terms of the Swap Agreement,
- failure by the Swap Provider to comply with or perform certain agreements or obligations required under the terms of the Swap Agreement,
- failure to comply with or perform certain agreements or obligations in connection with any credit support document as required under the terms of the Swap Agreement,
- certain representations by the Swap Provider or its credit support provider prove to have been incorrect or misleading in any material respect,
- repudiation or certain defaults by the Swap Provider or any credit support provider in respect of any derivative or similar transactions entered into between the Trustee and the Swap Provider and specified for this purpose in the Swap Agreement,
- cross-default by the Swap Provider or any credit support provider relating generally to its obligations in respect of borrowed money in excess of a threshold specified in the Swap Agreement,
- certain insolvency or bankruptcy events, and
- certain mergers, consolidations or asset transfers without an assumption of related obligations under the Swap Agreement,

each as further described in the applicable Swap Agreement.

Termination events under each Swap Agreement (each, a “Swap Termination Event”) include the following:

- illegality (which generally relates to changes in law causing it to become unlawful for either party to perform its obligations under the Swap Agreement),
- tax event (which generally relates to the application of certain withholding taxes to amounts payable under the Swap Agreement, as a result of a change in tax law or certain similar events), and
- tax event upon merger (which generally relates to the application of certain withholding taxes to amounts payable under the Swap Agreement as a result of a merger or similar transaction),

each as further described in the applicable Swap Agreement.

Additional termination events under each Swap Agreement (each a “Swap Additional Termination Event”) include the following:

- failure of the Swap Provider to maintain certain credit ratings or otherwise comply with the downgrade provisions of the Swap Agreement (including certain collateral posting requirements), in each case in certain circumstances as specified in the Swap Agreement,
- without the consent of the Swap Provider, amendment of the Trust Agreement in certain circumstances as specified in the Swap Agreement, and
- occurrence of a termination of the trust pursuant to the terms of the Trust Agreement,

each as further described in the applicable Swap Agreement.

If the Swap Provider’s credit ratings are withdrawn or reduced below certain ratings thresholds specified in the Swap Agreement, the Swap Provider will be required to use commercially reasonable efforts, at its own expense and in accordance with the requirements of the related Swap Agreement,

to do one or more of the following: (1) obtain a substitute swap provider, or (2) establish any other arrangement as may be specified for such purpose in that Swap Agreement.

After the Settlement Date, to the extent provided for in each Swap Agreement, the Swap Provider may transfer its rights and obligations under the Swap Agreement without the consent of the Trustee, if certain conditions specified in the Swap Agreement are satisfied.

The designation of an Early Termination Date with respect to a Swap Agreement may cause the Trustee or the Swap Provider to be liable to make an early termination payment (“Early Termination Payment”) to the other party on the Early Termination Date, regardless, in some cases, of which party caused the termination. The Early Termination Payment will be computed in accordance with the procedures set forth in the related Swap Agreement.

If the Trustee is required to make an Early Termination Payment to the Swap Provider pursuant to a Swap Agreement, such payment will be made from funds that would otherwise be payable as interest to the Holders of Certificates of the affected Class on the Distribution Date immediately following the related Early Termination Date, and on any subsequent Distribution Dates, until paid in full.

If the Swap Provider is required to make an Early Termination Payment to the Trustee pursuant to a Swap Agreement, the Trustee will pay any such Early Termination Payment actually received from the Swap Provider as interest to the Holders of the Certificates of the affected Class on the Distribution Date immediately following the related Early Termination Date.

The Swap Provider

The Swap Provider is BNP Paribas, a French corporation (société anonyme) and parent of the BNP Paribas Group (the “BNP Group”). The BNP Group is engaged in banking and financial services. The long-term senior debt of the BNP Group has been assigned a rating of “Aa1” (outlook stable) by Moody’s Investor Services, “AA+” (outlook stable) by Standard & Poors, a division of The McGraw-Hill Companies, Inc., and “AA” (outlook stable) 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 and Group 2—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. We calculated the yields set forth in the tables by

- determining the monthly discount rates that, when applied to the assumed streams of cash flows to be paid on the applicable Classes, would cause the discounted present values of the

assumed streams of cash flows to equal the assumed aggregate purchase prices of those Classes, and

- converting the monthly rates to corporate bond equivalent rates.

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

We cannot assure you that

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

Furthermore, because some of the Mortgage Loans are likely to have remaining terms to maturity shorter or longer than those assumed and interest rates higher or lower than those assumed, the principal payments on the Certificates are likely to differ from those assumed. This would be the case even if all 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 Fixed Rate Interest Only Classes.* The yields to investors in the Fixed Rate Interest Only Classes will be very sensitive to the rate of principal payments (including prepayments) of the related Mortgage Loans. The Mortgage Loans generally can be prepaid at any time without penalty. On the basis of the assumptions described below, the yield to maturity on each Fixed Rate Interest Only Class would be 0% if prepayments of the related Mortgage Loans were to occur at the following constant rates:**

<u>Class</u>	<u>% PSA</u>
IO	309%
BI	248%

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

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 Fixed Rate Interest Only Classes (expressed in each case as a percentage of the original principal balance) are as follows:

<u>Class</u>	<u>Price*</u>
IO	17.901563%
BI	15.578750%

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

Sensitivity of the IO Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>175%</u>	<u>300%</u>	<u>500%</u>
Pre-Tax Yields to Maturity	17.8%	14.5%	9.4%	0.7%	(14.3)%

Sensitivity of the BI Class to Prepayments

	PSA Prepayment Assumption				
	50%	100%	200%	300%	500%
Pre-Tax Yields to Maturity	28.2%	22.3%	8.0%	(9.2)%	(48.6)%

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 sequence of distributions of principal of the Group 2 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.

<u>Mortgage Loans Relating to Trust Assets Specified Below</u>	<u>Original and Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 1 MBS	240 months	7.50%
Group 2 MBS	360 months	8.00%

It is unlikely that all of the Mortgage Loans will have the interest rates, loan ages or remaining terms to maturity 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

AE, EF, VF and IO† Classes					
Date	PSA Prepayment Assumption				
	0%	100%	175%	300%	500%
Initial Percent	100	100	100	100	100
July 2009	98	90	86	78	67
July 2010	95	80	73	61	45
July 2011	93	71	62	47	29
July 2012	90	63	52	36	19
July 2013	87	55	43	28	13
July 2014	84	48	36	21	8
July 2015	80	41	29	16	5
July 2016	76	34	23	12	3
July 2017	72	28	18	8	2
July 2018	68	23	14	6	1
July 2019	63	18	10	4	1
July 2020	58	13	7	2	*
July 2021	53	8	4	1	*
July 2022	47	4	2	1	*
July 2023	40	0	0	0	0
July 2024	33	0	0	0	0
July 2025	26	0	0	0	0
July 2026	18	0	0	0	0
July 2027	9	0	0	0	0
July 2028	0	0	0	0	0
Weighted Average Life (years)**	12.4	6.3	5.1	3.7	2.4

BG and BI† Classes					
Date	PSA Prepayment Assumption				
	0%	100%	200%	300%	500%
Initial Percent	100	100	100	100	100
July 2009	99	90	82	74	58
July 2010	98	80	65	52	28
July 2011	96	71	51	35	8
July 2012	95	62	39	21	0
July 2013	93	54	29	9	0
July 2014	92	46	19	*	0
July 2015	90	39	11	0	0
July 2016	88	32	4	0	0
July 2017	86	26	0	0	0
July 2018	83	20	0	0	0
July 2019	81	14	0	0	0
July 2020	78	9	0	0	0
July 2021	75	4	0	0	0
July 2022	72	0	0	0	0
July 2023	68	0	0	0	0
July 2024	65	0	0	0	0
July 2025	61	0	0	0	0
July 2026	56	0	0	0	0
July 2027	51	0	0	0	0
July 2028	46	0	0	0	0
July 2029	41	0	0	0	0
July 2030	35	0	0	0	0
July 2031	28	0	0	0	0
July 2032	21	0	0	0	0
July 2033	13	0	0	0	0
July 2034	5	0	0	0	0
July 2035	0	0	0	0	0
July 2036	0	0	0	0	0
July 2037	0	0	0	0	0
July 2038	0	0	0	0	0
Weighted Average Life (years)**	17.7	6.0	3.5	2.4	1.4

BX Class					
Date	PSA Prepayment Assumption				
	0%	100%	200%	300%	500%
Initial Percent	100	100	100	100	100
July 2009	100	100	100	100	100
July 2010	100	100	100	100	100
July 2011	100	100	100	100	100
July 2012	100	100	100	100	84
July 2013	100	100	100	100	57
July 2014	100	100	100	100	39
July 2015	100	100	100	80	26
July 2016	100	100	100	64	18
July 2017	100	100	95	50	12
July 2018	100	100	81	40	8
July 2019	100	100	68	31	5
July 2020	100	100	57	24	4
July 2021	100	100	48	19	2
July 2022	100	99	39	15	2
July 2023	100	87	32	11	1
July 2024	100	76	26	9	1
July 2025	100	65	21	6	*
July 2026	100	55	17	5	*
July 2027	100	46	13	3	*
July 2028	100	37	10	2	*
July 2029	100	29	7	2	*
July 2030	100	21	5	1	*
July 2031	100	14	3	1	*
July 2032	100	7	2	*	*
July 2033	100	1	*	*	*
July 2034	100	0	0	0	0
July 2035	89	0	0	0	0
July 2036	61	0	0	0	0
July 2037	32	0	0	0	0
July 2038	0	0	0	0	0
Weighted Average Life (years)**	28.4	18.9	13.8	10.1	6.2

* 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, EF and VF Classes) 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 three uncertificated regular interests, one corresponding to the AF Class, one corresponding to the EF Class and one corresponding to the VF Class. Thus, the Certificates (other than AF, EF and VF Classes) and the REMIC regular interests corresponding to the AF, EF and VF Classes generally will be treated as “regular or residual interests in a REMIC” for domestic building and loan associations, as “real estate assets” for real estate investment trusts, and, except for the 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 interests corresponding to the AF, EF and VF Classes will be entitled to receive interest and principal payments at the times and in the amounts equal to those made to the AF, EF and VF Classes, except that the interest rates on these REMIC regular interests will be

treated as equal to a per annum fixed rate of 4.915% in the case of the REMIC regular interest corresponding to the AF Class, 4.875% in the case of the REMIC regular interest corresponding to the EF Class, and 4.980% in the case of the REMIC regular interest corresponding to the VF Class, and will be determined without regard to payments made or received under any notional principal contract. A beneficial owner of an AF, EF or VF 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, EF or VF 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 classes pursuant to the related notional principal contract discussed under “—Taxation of the Swap Agreements” below. Further, any excess of the amount of interest payable on the related REMIC regular interest over the amount of interest actually payable to the AF, EF or VF Class will be treated as having been received by the beneficial owners of such classes and then as having been paid by such beneficial owners pursuant to the related notional principal contract discussed under “—Taxation of the Swap Agreements” 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, EF and VF Certificates and Classes only to the extent of the corresponding REMIC regular interest represented thereby.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes will be issued with original issue discount (“OID”), and certain other Classes of 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 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:

<u>Group</u>	<u>Prepayment Assumption</u>
1	175% PSA
2	200% 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 either 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, EF and VF Class Certificates

General

Beneficial owners of the AF, EF and VF Class Certificates will be treated:

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

Consequently, each beneficial owner of an AF, EF or VF 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, EF or VF Class Certificate will be required to report its pro rata share of net income with respect to the related Swap Agreement, and will be permitted to recognize its share of a net deduction with respect to the related Swap Agreement, subject to the discussions under “—Taxation of the Swap Agreements” below.

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

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

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

Allocations with Respect to the AF, EF and VF Class Certificates

If the beneficial owner of an AF, EF or VF Class Certificate is deemed to have paid a premium for entering into the related Swap Agreement, a beneficial owner of such certificate must allocate its cost to acquire the Certificate between the corresponding REMIC regular interest and the related Swap Agreement based on their relative fair market values. If the beneficial owner of an AF, EF or VF Class Certificate is deemed to have received a premium for entering into the obligation to make payments under the related Swap Agreement, a beneficial owner of such certificate may have a basis in the corresponding REMIC regular interest that is greater than the price paid by the beneficial owner for the Class AF, EF or VF Certificate itself.

When a beneficial owner of an AF, EF or VF Class Certificate sells or disposes of the Certificate, the beneficial owner must allocate the sale proceeds between the corresponding REMIC regular interest and the related Swap Agreement based on their relative fair market values and must treat the sale or other disposition of the Certificate as a sale or other disposition of a pro rata portion of the corresponding REMIC regular interest and the related Swap Agreement. In addition, the beneficial owner may be deemed to have paid a termination payment to the new holder, in which case the beneficial owner may be treated as having received an amount for the corresponding REMIC regular interest that is greater than the amount received for the Class AF, EF or VF Certificate itself.

For information reporting purposes, we intend to treat the Swap Agreements related to the AF, EF and VF Classes as having initial values of \$1,875,000, \$667,188 and \$1,777,705, respectively. Because each Swap Agreement 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, EF or VF Class Certificate to the premium for the related Swap Agreement. You should consult your own tax advisors regarding the consequences to you should the related Swap Agreement have a different value at the time you acquire an AF, EF or VF Class Certificate. See “—Taxation of the Swap Agreements” below.

Tax Attributes of AF, EF and VF Class Certificates

Although the AF, EF and VF 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 related Swap Agreement represented by an AF, EF or VF 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 Swap Agreements will not constitute income described in section 856(c)(3)(B) with respect to a real estate investment trust. In addition, the Swap Agreements will not constitute “qualified mortgages” within the meaning of Section 860G(a)(3) of the Code or “permitted investments” within the meaning of section 860G(a)(5) of the Code. As a result of these rules, the AF, EF and VF Classes may not be an appropriate investment for a REIT or a REMIC.

Taxation of the Swap Agreements

General

A beneficial owner of an AF, EF or VF 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, EF and VF Class Certificates will be treated as agreeing to pay or receive a premium for entering into the related Swap Agreement. A beneficial owner of an AF, EF or VF Class Certificate will be treated as having entered into the related notional principal contract on the date the beneficial owner acquires the Certificate.

Treatment of Payments Under the Swap Agreements

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

Any payment made or received by the AF, EF or VF Class pursuant to the related Swap Agreement (other than an Early Termination Payment or an upfront premium) will be treated as a periodic payment under the NPC Regulations. To the extent that (1) the sum of (i) any Early Termination Payment and net periodic payments received in any year plus (ii) any received premium amortized in that year exceeds (2) the sum of (i) any Early Termination Payment and net periodic payments paid during the year plus (ii) any paid premium amortized in that year, such excess shall represent net income for that year. Conversely, to the extent that (1) the sum of (i) any Early Termination Payment and net periodic payments paid during the year plus (ii) any paid premium amortized in that year exceeds (2) the sum of (i) any Early Termination Payment and net periodic payments received in any year plus (ii) any received premium amortized in that year, such excess shall represent a net deduction for that year. Although not clear, net income or a net deduction should be treated as ordinary income or as an ordinary deduction.

A beneficial owner’s ability to recognize a net deduction with respect to the related Swap Agreement is limited under section 67 of the Code in the case of (i) estates and trusts, and (ii) individuals owning an interest in an AF, EF or VF Class Certificate, as applicable, directly or through an investment in a “pass-thru entity” (other than in connection with such individual’s trade or business). Pass-thru entities include partnerships, S corporations, grantor trusts, and non-publicly offered regulated investment companies but do not include estates, non-grantor trusts, cooperatives, real estate investment trusts and publicly offered regulated investment companies. Generally, such a beneficial owner can recognize a net deduction only to the extent that these costs, when aggregated with certain of the beneficial owner’s other miscellaneous itemized deductions, exceed 2% of the

beneficial owner's adjusted gross income. For this purpose, an estate or non-grantor trust computes adjusted gross income in the same manner as in the case of an individual, except that deductions for administrative expenses of the estate or trust that would not have been incurred if the property were not held in such trust or estate are treated as allowable in arriving at adjusted gross income. In addition, section 68 of the Code may provide for certain limitations on itemized deductions otherwise allowable for a beneficial owner who is an individual. Further such a beneficial owner will not be able to recognize a net deduction with respect to the related Swap Agreement in computing the beneficial owner's alternative minimum tax liability.

Payments that are deemed to have been made by the beneficial owners of the AF, EF or VF Class pursuant to the related Swap Agreement will be funded with interest payments on the REMIC regular interest corresponding to the AF, EF or VF Class Certificate. The beneficial owners of the AF, EF or VF Class will be required to accrue income with respect to interest payments on the corresponding REMIC regular interest and will be entitled to a net deduction with respect to payments made pursuant to the related Swap Agreement. Therefore, if your ability to recognize a net deduction with respect to the related Swap Agreement were limited, you could be required to accrue more interest income than the amount of interest actually distributed on your AF, EF or VF Class Certificate. You should consult your own tax advisor regarding your ability to recognize a net deduction with respect to the related Swap agreement if you hold an AF, EF or VF Class Certificate.

Disposition of the Swap Agreements

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

Taxation of Beneficial Owners of Residual Certificates

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.

ADDITIONAL ERISA CONSIDERATIONS RELATING TO THE AF, EF AND VF CLASSES

Because the right to interest payable under the Swap Agreements to Holders of the AF, EF and VF Classes 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 the AF, EF or VF Class should consider the identity of the Counterparty in determining whether an investment in the AF, EF or VF 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, EF or VF Class and rights under the related Swap Agreement—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 the AF, EF or VF 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, EF or VF Class, an affiliate of such a fiduciary, or an affiliate of the employer sponsoring the Plan. Each Plan that invests in the AF, EF or VF Class, by its acceptance of the related Certificate, will be deemed to make certain representations as provided in the Trust Agreement, including that its acquisition of the AF, EF or VF Class, and rights under the related Swap Agreement, 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 Banc of America Securities LLC (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. K & L Gates LLP will provide legal representation for the Dealer.

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.

\$326,606,415



**Guaranteed REMIC
Pass-Through Certificates**

Fannie Mae REMIC Trust 2008-72

PROSPECTUS SUPPLEMENT

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Banc of America Securities LLC

July 23, 2008
