

**\$431,698,976**



**FannieMae®**

**Guaranteed Pass-Through Certificates  
Fannie Mae Trust 2008-93**

**The Certificates**

We, the Federal National Mortgage Association (Fannie Mae), will issue the classes of certificates listed in the chart on this cover. We also will issue the SW Class in connection with the trust. The SW Class is not offered by this prospectus supplement.

**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 underlying REMIC and RCR certificates backed by Fannie Mae MBS.

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

Class	Group	Original Class Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date
FA . . . .	1	\$225,000,000	SC/PT	(2)	FLT/AFC	31397MP50	November 2037
BM(3) . .	2	9,324,046	SC/PT	5.50%	FIX	31397MP76	April 2037
BN(3) . .	2	14,789,887	SC/PT	6.00	FIX	31397MP84	April 2037
DM(3) . .	3	11,370,475	SC/SEQ/AD	5.50	FIX	31397MP92	June 2037
DN(3) . .	3	6,395,892	SC/SEQ/AD	6.00	FIX	31397MQ26	June 2037
Z . . . .	3	203,795	SC/SEQ	5.68	FIX/Z	31397MQ34	June 2037
EM(3) . .	4	6,456,220	SC/PT	5.50	FIX	31397MQ42	December 2036
EN(3) . .	4	2,510,751	SC/PT	6.00	FIX	31397MQ59	December 2036
FB . . . .	5	50,000,000	SC/PT	(4)	FLT	31397MQ67	July 2048
SB . . . .	5	50,000,000(5)	NTL	(4)	INV/IO	31397MQ75	July 2048
BA(3) . .	6	92,004,263	SC/PT	5.50	FIX	31397MQ83	March 2038
BI(3) . .	6	25,092,071(5)	NTL	5.50	FIX/IO	31397MQ91	March 2038
OA . . . .	7	13,643,647	SC/PT	0.00	PO	31397MR25	March 2036
R . . . .		0	NPR	0	NPR	31397MR41	July 2048

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

(2) Based on LIBOR and the weighted average pass-through rate of the related Underlying REMIC Certificates as further described in this prospectus supplement.

(3) Exchangeable classes.

(4) Based on LIBOR.

(5) Notional balances. These classes are interest only classes. See page S-8 for a description of how their notional balances are calculated.

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 AN, AM and BC 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 (other than the SW Class) from time to time in negotiated transactions at varying prices. We expect the settlement date to be December 30, 2008.

Carefully consider the risk factors on page S-9 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.

**Barclays Capital**

December 23, 2008

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## AVAILABLE INFORMATION

You should purchase the offered 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”);
- the disclosure documents relating to the applicable underlying REMIC and RCR certificates (the “Underlying REMIC Disclosure Documents”); 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 and the Underlying REMIC Disclosure Documents are incorporated by reference in this prospectus supplement. This means that we are disclosing information in those documents by referring you to them. Those documents are considered part of this prospectus supplement, so you should read this prospectus supplement, and any applicable supplements or amendments, together with those documents.

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](http://www.fanniemae.com).

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

Barclays Capital Inc.  
Attn: MBS Syndication Operations  
200 Cedar Knolls Road  
Whippany, New Jersey 07981  
(telephone 973-576-3006).

## 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](http://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.

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](http://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.

## SUMMARY

**This summary contains only limited information about the offered certificates. Statistical information in this summary is provided as of December 1, 2008. You should purchase the offered 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	Class 2007-103-HB REMIC Certificate Class 2007-103-HI REMIC Certificate
2	Class 2007-67-AK REMIC Certificate Class 2007-67-AL REMIC Certificate
3	Class 2007-50-YK REMIC Certificate
4	Class 2007-50-KU REMIC Certificate
5	Class 2008-53-QF REMIC Certificate Class 2008-53-QI REMIC Certificate
6	Class 2008-12-LF REMIC Certificate Class 2008-12-LS REMIC Certificate
7	Class 2003-69-NO REMIC Certificate Class 2004-53-EA RCR Certificate Class 2006-9-CO REMIC Certificate

### Group 1, Group 2, Group 3, Group 4, Group 5, Group 6 and Group 7

Exhibit A-1 describes the underlying REMIC and RCR certificates, including certain information about the related mortgage loans. To learn more about the underlying REMIC and RCR certificates, you should obtain from us the current class factors and the related disclosure documents as described on page S-3.

In addition, Exhibit A-2 of this prospectus supplement lists certain assumed characteristics of the mortgage loans backing the Group 1 Underlying REMIC Certificates. Those assumed characteristics are derived from multiple MBS pools on an aggregate basis and do not reflect the actual characteristics of the individual adjustable-rate mortgage loans included in the related pools. The actual characteristics of most of the related mortgage loans will differ, and may differ significantly, from those specified in Exhibit A-2.

### General

The certificates will consist of the classes listed on the cover of this prospectus supplement (including three classes of RCR certificates) and the SW Class, which represent the entire ownership interest in the trust.

The SW Class is not being offered by this prospectus supplement. On the settlement date, we also will issue the SW Class and deliver it to the dealer, which may sell it at any time thereafter in limited private offerings. We have included in this prospectus supplement certain information about the SW Class only to help you understand the other certificates that are offered by this prospectus supplement.

### Settlement Date

We expect to issue the offered certificates on December 30, 2008.

## Distribution Dates

We will make payments on the offered 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 offered certificates to holders of record on the last day of the preceding month.

## Book-Entry and Physical Certificates

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

<u>Fed Book-Entry</u>	<u>DTC Book-Entry</u>	<u>Physical</u>
All classes of offered certificates other than the FA and R Classes	FA Class	R Class

## 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 FA Class will bear interest at the applicable annual rate described under the heading “Description of the Offered Certificates—Distributions of Interest—*The FA Class*” in this prospectus supplement.

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

During the initial interest accrual period, the FB and SB Classes will bear interest at the initial interest rates listed below. During each subsequent interest accrual period, the FB and SB 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>
FB .....	3.89%	7.00%	2.00%	LIBOR + 200 basis points
SB .....	3.11%	5.00%	0.00%	5% – LIBOR

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



## 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

SB .....	100% of the FB Class
BI .....	27.2727264823% of the BA Class

## Distributions of Principal

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

## Weighted Average Lives (years)\*

<u>Group 1 Class</u>	<u>CPR Prepayment Assumption</u>					
	<u>0%</u>	<u>10%</u>	<u>20%</u>	<u>25%</u>	<u>35%</u>	<u>50%</u>
FA .....	21.4	9.1	4.9	3.9	2.6	1.6
<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>300%</u>	<u>600%</u>	<u>900%</u>	<u>1200%</u>
BM and BN .....	19.2	9.7	4.2	2.0	1.2	0.8
<u>Group 3 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>300%</u>	<u>600%</u>	<u>900%</u>	<u>1200%</u>
DM and DN .....	18.9	9.8	4.4	2.2	1.4	0.9
Z .....	28.1	26.5	19.4	10.9	6.7	4.3
<u>Group 4 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>300%</u>	<u>600%</u>	<u>900%</u>	<u>1200%</u>
EM and EN .....	18.9	9.8	4.4	2.2	1.4	0.9
<u>Group 5 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>300%</u>	<u>650%</u>	<u>1000%</u>	<u>1300%</u>
FB and SB .....	29.9	13.0	5.3	2.4	1.5	1.1
<u>Group 6 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>375%</u>	<u>650%</u>	<u>1000%</u>	<u>1300%</u>
BA, BI and BC .....	19.8	9.7	3.6	2.0	1.1	0.7
<u>Group 7 Class</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>375%</u>	<u>650%</u>	<u>1000%</u>	<u>1300%</u>
OA .....	23.0	17.1	5.5	2.4	0.8	0.5
<u>Group 2/Group 3/Group 4 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>300%</u>	<u>600%</u>	<u>900%</u>	<u>1200%</u>
AM† .....	19.0	9.7	4.3	2.1	1.3	0.9
AN† .....	19.1	9.7	4.3	2.1	1.3	0.8

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

† These classes are RCR classes formed from combinations of REMIC classes in three different groups. For additional information, see Schedule 1 attached to this prospectus supplement.



## ADDITIONAL RISK FACTOR

*Payments on the Group 1, Group 2, Group 4 and Group 7 Classes will be affected by the applicable payment priorities governing the related underlying REMIC and RCR certificates.* If you invest in any Group 1, Group 2, Group 4 or Group 7 Class, the rate at which you receive payments will be affected by the applicable priority sequences governing principal payments on the related underlying REMIC and RCR certificates.

As described in the related underlying disclosure documents, the underlying REMIC and RCR certificates may be subsequent in payment priority to certain other classes issued from the related underlying REMIC trusts. As a result, such other classes may receive principal before principal is paid (or before the notional balance is reduced, as applicable) on the related underlying REMIC and RCR certificates, possibly for long periods.

In particular, as described in the related underlying disclosure documents, the Group 7 Underlying REMIC and RCR Certificates are support classes. A support class is entitled to receive principal payments on a distribution date only if scheduled payments of principal have been made on certain other classes in the related underlying REMIC trust. Accordingly, a support class may receive no principal payments for extended periods or may receive principal payments that vary widely from period to period.

You may obtain additional information about any of the underlying REMIC and RCR certificates by reviewing their current class factors in light of other information available in the related underlying disclosure documents. You may obtain those documents from us as described on page S-3.

## DESCRIPTION OF THE OFFERED CERTIFICATES

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

### General

**Structure.** We will create the Fannie Mae Trust specified on the cover of this prospectus supplement (the “Trust”) pursuant to a trust agreement dated as of August 1, 2007 and a supplement thereto dated as of December 1, 2008 (the “Issue Date”). We will issue the Guaranteed Pass-Through Certificates (the “Trust Certificates”) pursuant to that trust agreement and supplement. We will issue the Combinable and Recombinable REMIC Certificates (the “RCR Certificates” and, together with the Trust 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 Trust 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 Trust Certificates and RCR Certificates.

The assets of the Trust will include seven groups of previously issued REMIC and RCR certificates (the “Group 1 Underlying REMIC Certificates,” “Group 2 Underlying REMIC Certificates,” “Group 3 Underlying REMIC Certificate,” “Group 4 Underlying REMIC Certificate,” “Group 5 Underlying REMIC Certificates,” “Group 6 Underlying REMIC Certificates” and “Group 7 Underlying REMIC and RCR Certificates,” and together, the “Underlying REMIC Certificates”) issued from the related Fannie Mae REMIC trusts (the “Underlying REMIC Trusts”) as further described in Exhibit A.

The Underlying REMIC Certificates evidence direct or indirect beneficial ownership interests in certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “MBS”).

Each MBS represents a beneficial ownership interest in a pool of first lien, one- to four-family (“single-family”), fixed-rate or (in the case of the mortgage loans backing the Group 1 Underlying REMIC Certificates), adjustable-rate residential mortgage loans (the “Mortgage Loans”) having the characteristics described in this prospectus supplement.

The Trust will include a “real estate mortgage investment conduit” (“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 interest” of the REMIC. The portions of the Offered Certificates that evidence beneficial ownership interests in the REMIC, other than the R Class, are collectively referred to as the “Regular Classes” or “Regular Certificates,” and the R Class is referred to as the “Residual Class” or “Residual Certificate.” The Regular Certificates and the Residual Certificate are collectively referred to as the “REMIC Certificates.”

	<u>Assets</u>	<u>Regular Interests</u>	<u>Residual Interest</u>
REMIC . . . . .	Group 2, Group 3, Group 4, Group 5 and Group 6 Underlying REMIC Certificates, Group 7 Underlying REMIC and RCR Certificates and the REMIC regular interest portion of the Group 1 Underlying REMIC Certificates	The portion of the FA Class that evidences a beneficial ownership interest in the REMIC, and the Group 2, 3, 4, 5, 6 and 7 Classes	R

The right of Holders of the FA Class to receive any termination payment made by Lehman Brothers International (Europe) as a result of the termination of a cap contract related to the Class 2007-103-HB REMIC Certificate will not be included in any REMIC. See “—Distributions of Interest—*The FA Class*” below.

*Fannie Mae Guaranty.* For a description of our guaranties of the Offered Certificates, the MBS and the Underlying REMIC Certificates, see “Description of the Certificates—Fannie Mae Guaranty” in the REMIC Prospectus, “Description of the Certificates—Fannie Mae Guaranty” in the MBS Prospectus and “Description of the Certificates—General—*Fannie Mae Guaranty*” in the Underlying REMIC Disclosure Documents. Our guaranties are not backed by the full faith and credit of the United States.

**Our guaranty will not cover any payment to the Holders of the FA or SW Classes as a result of the termination of the cap contract related to the Class 2007-103-HB REMIC Certificate.**

*Characteristics of Offered Certificates.* Except as specified below, we will issue the Offered 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 Offered Certificates deposited in their accounts are “Holders” or “Certificateholders.”

The FA Class will be represented by a single certificate (the “DTC Certificate”) 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 Certificate. DTC will maintain the DTC Certificate through its book-entry facilities.

We will issue the 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 Class” below.

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

<u>Classes</u>	<u>Denominations</u>
Interest Only, Principal Only and Inverse Floating Rate Classes and the FA Class	\$100,000 minimum plus whole dollar increments
All other Classes (except the R Class)	\$1,000 minimum plus whole dollar increments

## **The Underlying REMIC Certificates**

### *Group 1*

The Group 1 Underlying REMIC Certificates represent beneficial ownership interests in the related Underlying REMIC Trust. The assets of that trust consist of MBS (or beneficial ownership interests in MBS) having the general characteristics described in the MBS Prospectus and under the heading “Description of the Certificates—The Group 1 MBS (Backed by Hybrid ARM Loans)” in the related Underlying REMIC Disclosure Document. In addition, we have assumed that the MBS backing the Group 1 Underlying REMIC Certificates have the particular characteristics listed on Exhibit A-2 to this prospectus supplement. The underlying Mortgage Loans are conventional, adjustable-rate mortgage loans secured by first mortgages or deeds of trust on single-family residential properties, having original maturities of up to 30 years. See “Description of the Certificates,” “The Mortgage Pools,” “The Mortgage Loans—Adjustable Rate Mortgages (ARMs)” and “Yield, Maturity, and Prepayment Considerations” in the MBS Prospectus.

Furthermore, approximately 87% of the Mortgage Loans backing the Group 1 Underlying REMIC Certificates (by principal balance at the Issue Date) provide for interest only periods that may range from at least 7 to no more than 10 years following origination. See “Risk Factors—Prepayment Factors—*Refinance Environment*—Fixed-rate and adjustable-rate mortgage loans with long initial interest-only payment periods may be more likely to be refinanced than other mortgage loans” in the MBS Prospectus.

Finally, approximately 73% of the related Mortgage Loans (by principal balance as of the Issue Date) are subject to prepayment premiums if the borrower makes a full or partial prepayment during prepayment premium periods of 4, 5, 6, 12, 24 or 36 months, as applicable. The prepayment premium is generally equal to 6 months’ interest on that portion of all prepayments during any 12-month period (or such shorter prepayment premium period as may apply) in excess of 20% of the original principal amount of the loan.

### *Groups 2, 3, 4, 5, 6 and 7*

The Group 2, Group 3, Group 4, Group 5 and Group 6 Underlying REMIC Certificates and the Group 7 Underlying REMIC and RCR Certificates represent beneficial ownership interests in the related Underlying REMIC Trusts. The assets of those trusts consist of MBS (or beneficial ownership interests in MBS) having the general characteristics set forth in the MBS Prospectus. Each MBS evidences beneficial ownership interests in a pool of conventional, fixed-rate, fully-amortizing mortgage loans secured by first mortgages or deeds of trust on single-family residential properties, as described under “The Mortgage Pools” and “Yield, Maturity, and Prepayment Considerations” in the MBS Prospectus.

### *General*

Distributions on the Underlying REMIC Certificates will be passed through monthly, beginning in the month after we issue the Offered Certificates. The general characteristics of the Underlying REMIC Certificates are described in the related Underlying REMIC Disclosure Documents. See Exhibit A-1 for certain additional information about all of the Underlying REMIC Certificates.

For further information about the Underlying REMIC Certificates telephone us at 1-800-237-8627. Additional information about the Underlying REMIC Certificates is also available at <http://sls.fanniemae.com/slsSearch/Home.do>. There may have been material changes in facts and circumstances since the dates we prepared the Underlying REMIC Disclosure Documents. These may include changes in prepayment speeds, prevailing interest rates and other economic factors. As a result, the usefulness of the information set forth in those documents may be limited.

### **Distributions of Interest**

*General.* The Offered Certificates will bear interest at the rates specified in this prospectus supplement on a 30/360 basis. Interest to be paid on each Offered 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:

<u>Delay Classes</u>	<u>No-Delay Classes</u>
Fixed Rate Classes and the FA Class	FB and SB Classes

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

The Dealer will treat the Principal Only Class as a delay Class solely for the purpose of facilitating trading.

*Accrual Class.* The Z 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 FA Class.* On each Distribution Date through and including the Distribution Date in August 2012, we will pay interest on the FA Class at a rate equal to the *lesser* of

- the *sum* of LIBOR *plus* 200 basis points and
- the Weighted Average Group 1 Underlying REMIC Certificate Rate (described below).

We will pay any remaining interest received from the Group 1 Underlying REMIC Certificates to the SW Class, which is not offered by this prospectus supplement.

On each Distribution Date following August 2012, we will pay interest on the FA Class at a rate equal to the Weighted Average Group 1 Underlying REMIC Certificate Rate.

The “Weighted Average Group 1 Underlying REMIC Certificate Rate” with respect to any Distribution Date is equal to

- the aggregate amount of interest paid on the Group 1 Underlying REMIC Certificates on that Distribution Date

*divided by*

- the principal balance of the Class 2007-103-HB REMIC Certificate held in the Trust immediately prior to that Distribution Date

*multiplied by*

- 12.

Our determination of the interest rate for the FA 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.

As noted above under “Summary,” the FA Class is backed in part by the Class 2007-103-HB REMIC Certificate. That Underlying REMIC Certificate was the beneficiary of a cap contract with Lehman Brothers International (Europe) as counterparty (the “Counterparty”). On October 1, 2008, in our capacity as trustee for Underlying REMIC Trust 2007-103, we terminated that cap contract as a result of an event of default of the Counterparty. As trustee, we have demanded from the Counterparty a termination payment in the amount of \$804,658.59 payable in a lump sum. We have no information about when or whether any portion of the termination payment will be made. If and to the extent we receive any portion of this amount prior to August 2012, we will distribute that amount on the Distribution Date immediately following the month in which that amount is received, as follows:

*first*, as interest on the FA Class, to the extent that the interest otherwise payable on the FA Class on that Distribution Date would be *less than* interest calculated at the rate of LIBOR + 200 basis points, and

*second*, to the SW Class.

If and to the extent we receive any portion of this amount subsequent to July 2012, we will distribute that amount as interest on the FA Class on the Distribution Date immediately following the month in which that amount is received.

**In no event do we guarantee that any portion of the termination payment will be distributed to Holders of the FA or SW Classes.**

### **Distributions of Principal**

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

- *Group 1*

The Group 1 Principal Distribution Amount to FA until retired.

} Structured  
Collateral/  
Pass-Through  
Class

The “Group 1 Principal Distribution Amount” is the principal then paid on the Group 1 Underlying REMIC Certificates.

- *Group 2*

The Group 2 Principal Distribution Amount to BM and BN, pro rata, until retired.

} Structured  
Collateral/  
Pass-Through  
Classes

The “Group 2 Principal Distribution Amount” is the principal then paid on the Group 2 Underlying REMIC Certificates.

- *Group 3*

The Z Accrual Amount to DM and DN, pro rata, until retired, and thereafter to Z. } Accretion Directed Classes and Accrual Class

The Group 3 Cash Flow Distribution Amount in the following priority:

1. To DM and DN, pro rata, until retired.
  2. To Z until retired.
- } Structured Collateral/ Sequential Pay Classes

The “Z Accrual Amount” is any interest then accrued and added to the principal balance of the Z Class.

The “Group 3 Cash Flow Distribution Amount” is the principal then paid on the Group 3 Underlying REMIC Certificate.

- *Group 4*

The Group 4 Principal Distribution Amount to EM and EN, pro rata, until retired. } Structured Collateral/ Pass-Through Classes

The “Group 4 Principal Distribution Amount” is the principal then paid on the Group 4 Underlying REMIC Certificate.

- *Group 5*

The Group 5 Principal Distribution Amount to FB until retired. } Structured Collateral/ Pass-Through Class

The “Group 5 Principal Distribution Amount” is the principal then paid on the Group 5 Underlying REMIC Certificates.

- *Group 6*

The Group 6 Principal Distribution Amount to BA until retired. } Structured Collateral/ Pass-Through Class

The “Group 6 Principal Distribution Amount” is the principal then paid on the Group 6 Underlying REMIC Certificates.

- *Group 7*

The Group 7 Principal Distribution Amount to OA until retired. } Structured Collateral/ Pass-Through Class

The “Group 7 Principal Distribution Amount” is the principal then paid on the Group 7 Underlying REMIC and RCR Certificates.

## Structuring Assumptions

*Pricing Assumptions.* Except where otherwise noted, the information in the tables in this prospectus supplement has been prepared based on the actual characteristics of each pool of Mortgage Loans backing the Group 2, 3, 4, 5 and 6 Underlying REMIC Certificates and the Group 7 Underlying REMIC and RCR Certificates, the priority sequences affecting principal payments on the Group 1, Group 2, and Group 4 Underlying REMIC Certificates and the Group 7 Underlying REMIC and RCR Certificates, and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans backing the Group 1 Underlying REMIC Certificates have the characteristics set forth in Exhibit A-2 to this prospectus supplement;



- with respect to the Mortgage Loans backing the Group 1 Underlying REMIC Certificates, the One-Year WSJ LIBOR Index and Six-Month WSJ LIBOR Index values are and remain 3.00%;
- the Mortgage Loans prepay at the constant percentages of PSA or CPR, as applicable, specified in the related tables;
- the settlement date for the Offered Certificates is December 30, 2008; and
- each Distribution Date occurs on the 25th day of a month.

*Prepayment Assumptions.* The prepayment model used in this prospectus supplement with respect to the FA Class is CPR. For a description of CPR, see “Yield, Maturity and Prepayment Considerations—Prepayment Models” in the REMIC Prospectus.

The prepayment model used in this prospectus supplement with respect to the Group 2, Group 3, Group 4, Group 5, Group 6 and Group 7 Classes 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 or CPR rate, as applicable, or at any other *constant* rate.

## Yield Tables

*General.* The tables below illustrate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the applicable Classes to various constant percentages of PSA 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 Offered Certificates. Accordingly, these calculations do not illustrate the return on any investment in the Offered Certificates when reinvestment rates are taken into account.

We cannot assure you that

- the pre-tax yields on the applicable Offered Certificates will correspond to any of the pre-tax yields shown here, or
- the aggregate purchase prices of the applicable Offered 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 Offered 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 Inverse Floating Rate Class.* The yield on the Inverse Floating Rate Class will be sensitive to the rate of principal payments, including prepayments, of the related Mortgage Loans and to the level of the Index. The Mortgage Loans generally can be prepaid at any time without penalty. In addition, the rate of principal payments (including**



prepayments) of the Mortgage Loans is likely to vary, and may vary considerably, from pool to pool. As illustrated in the table below, it is possible that investors in the Inverse Floating Rate Class 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 table has been prepared on the basis of the Pricing Assumptions and the assumptions that

- the interest rate for the Inverse Floating Rate Class for the initial Interest Accrual Period is the rate 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 price of that Class (expressed as a percentage of original principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
SB.....	4.5%

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

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

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

<u>LIBOR</u>	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>300%</u>	<u>650%</u>	<u>1000%</u>	<u>1300%</u>
0.89% .....	104.6%	101.2%	87.1%	60.5%	30.5%	0.9%
1.89% .....	76.0%	72.7%	59.1%	33.3%	4.1%	(25.0)%
3.89% .....	23.1%	20.0%	7.1%	(17.7)%	(46.4)%	(76.0)%
5.00% .....	*	*	*	*	*	*

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

<u>Class</u>	<u>% PSA</u>
BI.....	798%

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

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

<u>Class</u>	<u>Price*</u>
BI . . . . .	8.0%

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

#### Sensitivity of the BI Class to Prepayments

	PSA Prepayment Assumption					
	<u>50%</u>	<u>100%</u>	<u>375%</u>	<u>650%</u>	<u>1000%</u>	<u>1300%</u>
Pre-Tax Yields to Maturity . . . . .	69.1%	65.1%	41.8%	15.6%	(23.7%)	(67.4%)

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

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

<u>Class</u>	<u>Price</u>
OA . . . . .	82.0%

#### Sensitivity of the OA Class to Prepayments

	PSA Prepayment Assumption					
	<u>50%</u>	<u>100%</u>	<u>375%</u>	<u>650%</u>	<u>1000%</u>	<u>1300%</u>
Pre-Tax Yields to Maturity . . . . .	1.0%	1.2%	3.9%	9.4%	26.0%	46.7%

#### Weighted Average Lives of the Offered Certificates

For a description of how the weighted average life of an Offered 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 Offered 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,
- the priority sequence of distributions of principal of the Group 3 Classes, and
- in the case of the Group 1, Group 2, Group 4 and Group 7 Classes, the applicable priority sequences affecting principal payments on the related Underlying REMIC or RCR Certificates.

See “—Distributions of Principal” above and “Description of the Certificates—Distributions of Principal” in the applicable Underlying REMIC Disclosure Documents.

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 Offered Certificates represent discounts or premiums to their original principal balances, variability in the weighted average lives of those Classes of Offered 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 CPR or PSA rates, as applicable, 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 Backing Trust Assets Specified Below</u>	<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 2 Underlying REMIC Certificates	360 months	342 months	8.50%
Group 3 Underlying REMIC Certificate	360 months	341 months	8.50%
Group 4 Underlying REMIC Certificate	360 months	341 months	8.50%
Group 5 Underlying REMIC Certificates	480 months	474 months	9.50%
Group 6 Underlying REMIC Certificates	360 months	350 months	8.00%
Group 7 Underlying REMIC and RCR Certificates	360 months	(1)	8.00%

(1) The Mortgage Loans backing the Group 7 Underlying REMIC and RCR Certificates listed below are assumed to have the following remaining terms to maturity:

2003-69-NO	294 months
2004-53-EA	306 months
2006-9-CO	326 months

It is unlikely that all of the Mortgage Loans will have the loan ages, interest rates, remaining terms to maturity or other characteristics assumed, or that the Mortgage Loans will prepay at any *constant* CPR or 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 CPR or 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

Date	FA Class						BM and BN Classes						DM and DN Classes					
	CPR Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	10%	20%	25%	35%	50%	0%	100%	300%	600%	900%	1200%	0%	100%	300%	600%	900%	1200%
Initial Percent . . . . .	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
December 2009 . . . . .	100	100	90	85	73	56	99	93	81	64	47	29	99	93	83	67	52	36
December 2010 . . . . .	100	91	72	63	48	28	98	86	65	39	19	6	98	86	67	42	23	9
December 2011 . . . . .	100	82	58	47	31	14	97	79	52	23	7	0	97	80	54	26	9	1
December 2012 . . . . .	100	74	46	35	20	7	96	73	41	13	1	0	96	74	43	16	3	0
December 2013 . . . . .	100	66	37	27	13	3	95	67	33	7	0	0	94	68	34	9	1	0
December 2014 . . . . .	100	59	29	20	8	2	93	62	25	3	0	0	93	62	27	5	0	0
December 2015 . . . . .	100	53	23	15	5	1	92	56	20	1	0	0	91	57	21	3	0	0
December 2016 . . . . .	100	48	19	11	4	*	90	51	15	0	0	0	90	52	17	1	0	0
December 2017 . . . . .	100	42	15	8	2	*	88	47	11	0	0	0	88	48	13	0	0	0
December 2018 . . . . .	100	37	11	6	1	*	86	42	8	0	0	0	86	43	10	0	0	0
December 2019 . . . . .	100	32	9	4	1	*	84	38	6	0	0	0	84	39	7	0	0	0
December 2020 . . . . .	99	28	7	3	1	*	82	35	4	0	0	0	81	35	5	0	0	0
December 2021 . . . . .	95	24	5	2	*	*	80	31	2	0	0	0	79	32	3	0	0	0
December 2022 . . . . .	91	21	4	2	*	*	77	27	1	0	0	0	76	28	2	0	0	0
December 2023 . . . . .	87	18	3	1	*	*	74	24	*	0	0	0	73	25	1	0	0	0
December 2024 . . . . .	83	15	2	1	*	*	71	21	0	0	0	0	69	22	0	0	0	0
December 2025 . . . . .	78	13	2	1	*	*	67	18	0	0	0	0	66	19	0	0	0	0
December 2026 . . . . .	73	11	1	*	*	*	64	16	0	0	0	0	62	16	0	0	0	0
December 2027 . . . . .	68	9	1	*	*	*	59	13	0	0	0	0	58	13	0	0	0	0
December 2028 . . . . .	62	8	1	*	*	*	55	11	0	0	0	0	53	11	0	0	0	0
December 2029 . . . . .	56	6	1	*	*	*	50	9	0	0	0	0	48	8	0	0	0	0
December 2030 . . . . .	50	5	*	*	*	*	45	6	0	0	0	0	43	6	0	0	0	0
December 2031 . . . . .	43	4	*	*	*	*	39	4	0	0	0	0	37	4	0	0	0	0
December 2032 . . . . .	37	3	*	*	*	*	33	3	0	0	0	0	30	2	0	0	0	0
December 2033 . . . . .	29	2	*	*	*	0	26	1	0	0	0	0	23	0	0	0	0	0
December 2034 . . . . .	22	1	*	*	*	0	18	0	0	0	0	0	16	0	0	0	0	0
December 2035 . . . . .	14	1	*	*	*	0	10	0	0	0	0	0	7	0	0	0	0	0
December 2036 . . . . .	5	*	*	*	*	0	1	0	0	0	0	0	0	0	0	0	0	0
December 2037 . . . . .	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
December 2038 . . . . .	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** . . . . .	21.4	9.1	4.9	3.9	2.6	1.6	19.2	9.7	4.2	2.0	1.2	0.8	18.9	9.8	4.4	2.2	1.4	0.9

\* 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.

Date	Z Class						EM and EN Classes					
	PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	300%	600%	900%	1200%	0%	100%	300%	600%	900%	1200%
Initial Percent . . . . .	100	100	100	100	100	100	100	100	100	100	100	100
December 2009 . . . . .	106	106	106	106	106	106	99	93	83	67	52	36
December 2010 . . . . .	112	112	112	112	112	112	98	86	67	42	23	9
December 2011 . . . . .	119	119	119	119	119	119	97	80	54	26	10	1
December 2012 . . . . .	125	125	125	125	125	67	96	74	43	16	3	0
December 2013 . . . . .	133	133	133	133	133	18	94	68	34	9	1	0
December 2014 . . . . .	140	140	140	140	87	5	93	62	27	5	0	0
December 2015 . . . . .	149	149	149	149	39	1	91	57	21	3	0	0
December 2016 . . . . .	157	157	157	157	18	*	90	52	17	1	0	0
December 2017 . . . . .	167	167	167	144	8	*	88	48	13	0	0	0
December 2018 . . . . .	176	176	176	90	4	*	86	43	10	0	0	0
December 2019 . . . . .	187	187	187	56	2	*	84	39	7	0	0	0
December 2020 . . . . .	197	197	197	35	1	*	81	35	5	0	0	0
December 2021 . . . . .	209	209	209	21	*	*	79	32	4	0	0	0
December 2022 . . . . .	221	221	221	13	*	0	76	28	2	0	0	0
December 2023 . . . . .	234	234	234	8	*	0	73	25	1	0	0	0
December 2024 . . . . .	248	248	246	5	*	0	70	22	*	0	0	0
December 2025 . . . . .	262	262	190	3	*	0	66	19	0	0	0	0
December 2026 . . . . .	277	277	146	2	*	0	62	16	0	0	0	0
December 2027 . . . . .	293	293	111	1	*	0	58	13	0	0	0	0
December 2028 . . . . .	311	311	84	1	*	0	53	11	0	0	0	0
December 2029 . . . . .	329	329	62	*	*	0	48	9	0	0	0	0
December 2030 . . . . .	348	348	45	*	0	0	43	6	0	0	0	0
December 2031 . . . . .	368	368	32	*	0	0	37	4	0	0	0	0
December 2032 . . . . .	390	390	22	*	0	0	30	2	0	0	0	0
December 2033 . . . . .	412	411	14	*	0	0	23	*	0	0	0	0
December 2034 . . . . .	436	269	8	*	0	0	16	0	0	0	0	0
December 2035 . . . . .	462	136	3	*	0	0	7	0	0	0	0	0
December 2036 . . . . .	336	11	*	*	0	0	0	0	0	0	0	0
December 2037 . . . . .	0	0	0	0	0	0	0	0	0	0	0	0
December 2038 . . . . .	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average												
Life (years)** . . . . .	28.1	26.5	19.4	10.9	6.7	4.3	18.9	9.8	4.4	2.2	1.4	0.9

\* 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.

Date	FB and SB† Classes					
	PSA Prepayment Assumption					
	0%	100%	300%	650%	1000%	1300%
Initial Percent . . . . .	100	100	100	100	100	100
December 2009 . . . . .	100	96	88	74	60	48
December 2010 . . . . .	99	90	72	46	25	12
December 2011 . . . . .	99	84	59	28	10	3
December 2012 . . . . .	99	78	48	17	4	1
December 2013 . . . . .	99	73	39	10	2	*
December 2014 . . . . .	98	68	32	6	1	*
December 2015 . . . . .	98	64	26	4	*	*
December 2016 . . . . .	97	60	21	2	*	*
December 2017 . . . . .	97	56	17	1	*	*
December 2018 . . . . .	96	52	14	1	*	*
December 2019 . . . . .	96	48	11	1	*	*
December 2020 . . . . .	95	45	9	*	*	*
December 2021 . . . . .	94	42	7	*	*	0
December 2022 . . . . .	93	39	6	*	*	0
December 2023 . . . . .	92	36	5	*	*	0
December 2024 . . . . .	91	33	4	*	*	0
December 2025 . . . . .	90	31	3	*	*	0
December 2026 . . . . .	89	28	3	*	*	0
December 2027 . . . . .	88	26	2	*	*	0
December 2028 . . . . .	86	24	2	*	0	0
December 2029 . . . . .	85	22	1	*	0	0
December 2030 . . . . .	83	20	1	*	0	0
December 2031 . . . . .	81	18	1	*	0	0
December 2032 . . . . .	79	17	1	*	0	0
December 2033 . . . . .	76	15	1	*	0	0
December 2034 . . . . .	74	13	*	*	0	0
December 2035 . . . . .	71	12	*	*	0	0
December 2036 . . . . .	68	11	*	*	0	0
December 2037 . . . . .	65	9	*	*	0	0
December 2038 . . . . .	61	8	*	*	0	0
December 2039 . . . . .	57	7	*	*	0	0
December 2040 . . . . .	52	6	*	*	0	0
December 2041 . . . . .	47	5	*	*	0	0
December 2042 . . . . .	42	4	*	0	0	0
December 2043 . . . . .	36	3	*	0	0	0
December 2044 . . . . .	29	2	*	0	0	0
December 2045 . . . . .	22	1	*	0	0	0
December 2046 . . . . .	14	1	*	0	0	0
December 2047 . . . . .	5	*	*	0	0	0
December 2048 . . . . .	0	0	0	0	0	0
Weighted Average						
Life (years)** . . . . .	29.9	13.0	5.3	2.4	1.5	1.1

\* 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	BA, BI† and BC Classes						OA Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	375%	650%	1000%	1300%	0%	100%	375%	650%	1000%	1300%
Initial Percent . . . . .	100	100	100	100	100	100	100	100	100	100	100	100
December 2009 . . . . .	99	92	76	60	39	22	100	100	90	77	34	0
December 2010 . . . . .	98	85	58	36	15	5	100	100	80	36	0	0
December 2011 . . . . .	97	79	44	22	6	1	100	100	69	23	0	0
December 2012 . . . . .	96	73	34	13	2	*	100	100	64	22	0	0
December 2013 . . . . .	95	67	25	8	1	*	100	100	49	13	0	0
December 2014 . . . . .	93	61	19	5	*	*	100	100	37	8	0	0
December 2015 . . . . .	92	56	15	3	*	*	100	100	28	5	0	0
December 2016 . . . . .	90	51	11	2	*	*	100	100	21	3	0	0
December 2017 . . . . .	89	47	8	1	*	*	100	100	16	2	0	0
December 2018 . . . . .	87	42	6	1	*	*	100	100	12	1	0	0
December 2019 . . . . .	85	38	5	*	*	*	100	92	9	1	0	0
December 2020 . . . . .	83	35	3	*	*	0	100	84	6	*	0	0
December 2021 . . . . .	80	31	3	*	*	0	100	76	5	*	0	0
December 2022 . . . . .	78	28	2	*	*	0	100	69	3	*	0	0
December 2023 . . . . .	75	25	1	*	*	0	100	62	2	*	0	0
December 2024 . . . . .	72	22	1	*	*	0	100	56	2	*	0	0
December 2025 . . . . .	69	19	1	*	*	0	100	50	1	*	0	0
December 2026 . . . . .	65	16	1	*	*	0	100	44	1	*	0	0
December 2027 . . . . .	62	14	*	*	*	0	100	38	*	*	0	0
December 2028 . . . . .	57	12	*	*	0	0	92	30	*	*	0	0
December 2029 . . . . .	53	9	*	*	0	0	78	23	*	*	0	0
December 2030 . . . . .	48	7	*	*	0	0	63	16	*	*	0	0
December 2031 . . . . .	43	6	*	*	0	0	47	9	*	*	0	0
December 2032 . . . . .	37	4	*	*	0	0	29	5	0	0	0	0
December 2033 . . . . .	31	2	*	*	0	0	20	3	0	0	0	0
December 2034 . . . . .	25	1	*	*	0	0	15	1	0	0	0	0
December 2035 . . . . .	18	0	0	0	0	0	2	0	0	0	0	0
December 2036 . . . . .	10	0	0	0	0	0	0	0	0	0	0	0
December 2037 . . . . .	1	0	0	0	0	0	0	0	0	0	0	0
December 2038 . . . . .	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average												
Life (years)** . . . . .	19.8	9.7	3.6	2.0	1.1	0.7	23.0	17.1	5.5	2.4	0.8	0.5

\* 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	AM Class						AN Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	300%	600%	900%	1200%	0%	100%	300%	600%	900%	1200%
Initial Percent . . . . .	100	100	100	100	100	100	100	100	100	100	100	100
December 2009 . . . . .	99	93	82	66	50	33	99	93	82	65	49	32
December 2010 . . . . .	98	86	66	41	22	8	98	86	66	40	21	7
December 2011 . . . . .	97	80	53	25	9	1	97	79	53	24	8	1
December 2012 . . . . .	96	73	42	15	3	0	96	73	42	14	2	0
December 2013 . . . . .	94	68	34	9	*	0	95	67	33	8	*	0
December 2014 . . . . .	93	62	27	5	0	0	93	62	26	4	0	0
December 2015 . . . . .	91	57	21	2	0	0	92	57	20	1	0	0
December 2016 . . . . .	90	52	16	1	0	0	90	52	16	*	0	0
December 2017 . . . . .	88	47	12	0	0	0	88	47	12	0	0	0
December 2018 . . . . .	86	43	9	0	0	0	86	43	9	0	0	0
December 2019 . . . . .	84	39	7	0	0	0	84	39	6	0	0	0
December 2020 . . . . .	82	35	5	0	0	0	82	35	4	0	0	0
December 2021 . . . . .	79	31	3	0	0	0	79	31	3	0	0	0
December 2022 . . . . .	76	28	2	0	0	0	77	28	2	0	0	0
December 2023 . . . . .	73	25	1	0	0	0	74	25	1	0	0	0
December 2024 . . . . .	70	22	*	0	0	0	70	21	*	0	0	0
December 2025 . . . . .	66	19	0	0	0	0	67	19	0	0	0	0
December 2026 . . . . .	63	16	0	0	0	0	63	16	0	0	0	0
December 2027 . . . . .	58	13	0	0	0	0	59	13	0	0	0	0
December 2028 . . . . .	54	11	0	0	0	0	54	11	0	0	0	0
December 2029 . . . . .	49	9	0	0	0	0	49	9	0	0	0	0
December 2030 . . . . .	43	6	0	0	0	0	44	6	0	0	0	0
December 2031 . . . . .	37	4	0	0	0	0	38	4	0	0	0	0
December 2032 . . . . .	31	2	0	0	0	0	32	2	0	0	0	0
December 2033 . . . . .	24	*	0	0	0	0	25	1	0	0	0	0
December 2034 . . . . .	17	0	0	0	0	0	17	0	0	0	0	0
December 2035 . . . . .	8	0	0	0	0	0	9	0	0	0	0	0
December 2036 . . . . .	*	0	0	0	0	0	1	0	0	0	0	0
December 2037 . . . . .	0	0	0	0	0	0	0	0	0	0	0	0
December 2038 . . . . .	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)** . . . . .	19.0	9.7	4.3	2.1	1.3	0.9	19.1	9.7	4.3	2.1	1.3	0.8

\* 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.

## Characteristics of the Residual Class

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 Offered Certificates and payments on the Offered Certificates are not generally exempt from taxation. Therefore, you should consider the tax consequences of holding an Offered 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 Offered 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 Offered 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 the REMIC set forth in the table under “Description of the Offered Certificates—General—*Structure*” in this prospectus supplement. The Regular Classes (other than the FA Class) will be designated as “regular interests” and the Residual Class will be designated as the “residual interest” in the REMIC as set forth in that table. In addition, the REMIC Trust will issue an uncertificated regular interest corresponding to the FA Class. Thus, the REMIC Certificates (other than FA Class) and the REMIC regular interest corresponding to the FA Class 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 Class, 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 FA Class will be entitled to receive interest and principal payments at the times and in the amounts equal to those made to the FA Class, except that the interest rate on this REMIC regular interest will include all interest accrued on the REMIC regular interest portions of the Group 1 Underlying REMIC Certificates, and also will be determined without regard to any cap contract termination payment in respect of the Class 2007-103-HB REMIC Certificate, or any payments made to the SW Class in respect of a notional principal contract (the “FA Class Notional Principal Contract”). A beneficial owner of the FA 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 payable on the related REMIC regular interest and on the receipt of any cap contract termination payment in respect of the Class 2007-103-HB REMIC Certificate over the amount of interest actually payable to the FA Class will be treated as having been received by the beneficial owners of such class and then as having been paid by such beneficial owners pursuant to the obligation to make payments of HA Class Interest Carryover Amounts (as described in the Underlying REMIC Disclosure Document related to the Group 1 Classes) or pursuant to the FA Class Notional Principal Contract. For the avoidance of doubt, the pass-through rates of the REMIC regular interest portions of the Group 1 Underlying REMIC Certificates will include any deemed payments of HA Class Interest Carryover Amounts. The right to receive a cap contract termination payment in respect of the Class 2007-103-HB REMIC Certificate, and the obligation to pay HA Class Interest Carryover Amounts and to make payments to the SW Class pursuant to the FA Class Notional Principal Contract are collectively referred to as the “Notional Principal Contract Arrangement.”

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 FA Certificates and Class only to the extent of the REMIC regular interest represented thereby.

## Taxation of Beneficial Owners of Regular Certificates

The Notional Classes, the Principal Only Class 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:

<u>Group</u>	<u>Prepayment Assumption</u>
1	25% CPR
2	600% PSA
3	600% PSA
4	600% PSA
5	650% PSA
6	375% PSA
7	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 Offered Certificates—Weighted Average Lives of the Offered 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 FA Class Certificates

### *General*

Beneficial owners of the FA 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 Arrangement.

Consequently, a beneficial owner of an FA 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, a beneficial owner of an FA Class Certificate will be required to report its pro rata share of net income with respect to the Notional Principal Contract Arrangement, and will be permitted to recognize its share of a net deduction with respect to the Notional Principal Contract Arrangement, subject to the discussions under “—Taxation of the Notional Principal Contract Arrangement” below.

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

- any premium paid or received with respect to the Notional Principal Contract Arrangement is amortized in the same manner as any offsetting premium or discount with respect to the REMIC regular interest is amortized, and

- the beneficial owner’s ability to recognize a net deduction with respect to the Notional Principal Contract Arrangement 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 the FA Class Certificate (*i.e.*, the REMIC regular interest and the Notional Principal Contract Arrangement).

#### *Allocations with Respect to the FA Class Certificates*

If the beneficial owner of an FA Class Certificate is deemed to have paid a premium for entering into the Notional Principal Contract Arrangement, a beneficial owner of such Certificate must allocate its cost to acquire the Certificate between the REMIC regular interest and the Notional Principal Contract Arrangement based on their relative fair market values. If the beneficial owner of an FA Class Certificate is deemed to have received a premium for entering into the obligation to make payments under the Notional Principal Contract Arrangement, a beneficial owner of such Certificate may have a basis in the REMIC regular interest that is greater than the price paid by the beneficial owner for the Class FA Certificate itself.

When a beneficial owner of an FA Class Certificate sells or disposes of the Certificate, if the Notional Principal Contract Arrangement has positive value, the beneficial owner must allocate the sale proceeds between the corresponding REMIC regular interest and the Notional Principal Contract Arrangement 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 REMIC regular interest and the Notional Principal Contract Arrangement. However, 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 REMIC regular interest that is greater than the amount received for the FA Class Certificate itself.

For information reporting purposes, we intend to treat the Notional Principal Contract Arrangement related to the FA Class as being a net obligation of that Class with an initial value of \$6,750,000. Because the Notional Principal Contract Arrangement is expected to have more than nominal value, you should consider the income tax consequences to you of being treated as having received a more than nominal amount as a premium for entering into the Notional Principal Contract Arrangement, with the result that you will be treated as having a basis in the REMIC regular interest portion of the FA Class that is greater than your purchase price for the FA Class Certificate itself. You should consult your own tax advisors regarding the consequences to you should the Notional Principal Contract Arrangement have a different value at the time you acquire an FA Class Certificate. See “—Taxation of the Notional Principal Contract Arrangement” below.

#### *Tax Attributes of FA Class Certificates*

Although the FA 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 Notional Principal Contract Arrangement represented by an FA 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 Notional Principal Contract Arrangement will not constitute income described in section 856(c)(3)(B) with respect to a real estate investment trust. In addition, the Notional Principal Contract Arrangement 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 FA Class may not be an appropriate investment for a REIT or a REMIC.

## **Taxation of the Notional Principal Contract Arrangement**

### *General*

A beneficial owner of an FA 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 FA Class Certificates will be treated as agreeing to pay or receive a premium for entering into the Notional Principal Contract Arrangement. A beneficial owner of an FA 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 Notional Principal Contract Arrangement*

Under the NPC Regulations, the premium that is deemed to have been paid or received for the Notional Principal Contract Arrangement must be amortized over the life of the FA Class, taking into account the declining balance of the FA 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 FA Class pursuant to the Notional Principal Contract Arrangement (other than a 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 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 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 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 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 Notional Principal Contract Arrangement is limited under section 67 of the Code in the case of (i) estates and trusts, and (ii) individuals owning an interest in an FA 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 Notional Principal Contract Arrangement in computing the beneficial owner’s alternative minimum tax liability.

Payments that are deemed to have been made by the beneficial owners of the FA Class pursuant to the Notional Principal Contract Arrangement will be funded with interest payments on the



REMIC regular interest corresponding to the FA Class Certificate. The beneficial owners of the FA Class will be required to accrue income with respect to interest payments on the corresponding REMIC regular interest and any cap contract termination payment and will be entitled to a net deduction with respect to payments made pursuant to the Notional Principal Contract Arrangement. Therefore, if your ability to recognize a net deduction with respect to the Notional Principal Contract Arrangement were limited, you could be required to accrue more interest income than the amount of interest actually distributed on your FA Class Certificate. You should consult your own tax advisor regarding your ability to recognize a net deduction with respect to the Notional Principal Contract Arrangement if you hold an FA Class Certificate.

#### *Disposition of the Notional Principal Contract Arrangement*

Any amount that is considered to be allocated to the related Notional Principal Contract Arrangement in connection with the sale or other disposition of the FA Class Certificate as described under “—Taxation of Beneficial Owners of the FA Class Certificates—*Allocations with Respect to the FA Class Certificates*” above will be considered a “termination payment” under the NPC Regulations. Under the NPC Regulations, a beneficial owner of an FA Class Certificate will have gain or loss from the disposition of the Notional Principal Contract Arrangement 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 Notional Principal Contract Arrangement 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 Notional Principal Contract Arrangement and any termination payment it makes or is deemed to have made. The gain or loss should be capital gain or loss, provided the Notional Principal Contract Arrangement 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.

### **PLAN OF DISTRIBUTION**

We are obligated to deliver the Offered Certificates to Barclays Capital Inc. (the “Dealer”) in exchange for the Underlying REMIC Certificates. The Dealer proposes to offer the Offered 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. Cleary Gottlieb Steen & Hamilton LLP will provide legal representation for the Dealer.



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## Group 1 Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(I)	Final Distribution Date	Principal Type(I)	Original Principal or Notional Balance of Class	December 2008 Class Factor	Principal or Notional Principal Balance in the Trust	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
2007-103	HB	October 2007	31396XP73	(2)	FLT/IRC/AFC	November 2037	SEQ	\$340,227,144	1.00000000	\$225,000,000.00	(3)	(3)	(3)
2007-103	HI	October 2007	31396XP81	(2)	WAC/O	November 2037	NTL	453,636,192	0.84609553	253,828,659.00	(3)	(3)	(3)

(1) See “Description of the Certificates—Definitions and Abbreviations” in the REMIC Prospectus.

(2) These classes bear interest at the annual rates described in the applicable Underlying REMIC Disclosure Document. However, as further described in that document, the interest payable on these classes in any month may be less than the full amount of interest calculated at the applicable annual rates.

(3) See Exhibit A-2 for the assumed characteristics of the related Mortgage Loans.

## Group 2 Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(I)	Final Distribution Date	Principal Type(I)	Original Principal Balance of Class	December 2008 Class Factor	Principal Balance in the Trust	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
2007-67	AK	June 2007	31396WNX0	5.80%	FIX	April 2037	SEQ	\$20,000,000	0.80379779	\$16,075,955.80	6.618%	332	25
2007-67	AL	June 2007	31396WNY8	5.82	FIX	April 2037	SEQ	10,000,000	0.80379779	8,037,977.90	6.618	332	25

(1) See “Description of the Certificates—Definitions and Abbreviations” in the REMIC Prospectus.

## Group 3 Underlying REMIC Certificate

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(I)	Final Distribution Date	Principal Type(I)	Original Principal Balance of Class	December 2008 Class Factor	Principal Balance in the Trust	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
2007-50	YK	May 2007	31396V5E4	5.68%	FIX	June 2037	PT	\$20,000,000	0.89850811	\$17,970,162.20	6.532%	337	20

(1) See “Description of the Certificates—Definitions and Abbreviations” in the REMIC Prospectus.

Note: For any pool of Mortgage Loans backing an Underlying REMIC Certificate, if a preliminary calculation indicated that the sum of the WAM and WALA for that pool exceeded the longest original term to maturity of any Mortgage Loan in the pool, the WALA used in determining the information shown in the related table was reduced as necessary to insure that the sum of the WAM and WALA does not exceed such original term to maturity.

## Group 4 Underlying REMIC Certificate

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal Balance of Class	December 2008 Class Factor	Principal Balance in the Trust	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
2007-50	KU	May 2007	31396V5J3	5.64%	FIX	December 2036	SEQ/AD	\$10,000,000	0.89669719	\$8,966,971.90	6.532%	337	20

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

## Group 5 Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal or Notional Balance of Class	December 2008 Class Factor	Principal or Notional Balance in the Trust	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
2008-53	QF	June 2008	31397LF79	(2)	FLT	July 2048	PT	\$65,000,000	0.96212449	\$50,000,000.11	7.631%	466	13
2008-53	QI	June 2008	31397LF87	(2)	INV/IO	July 2048	NTL	65,000,000	0.96212449	50,000,000.11	7.631	466	13

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

(2) These classes bear interest as further described in the related Underlying REMIC Disclosure Document.

## Group 6 Underlying REMIC Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal or Notional Balance of Class	December 2008 Class Factor	Principal or Notional Balance in the Trust	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
2008-12	LF	February 2008	31396YNG3	(2)	FLT	March 2038	PT	\$100,000,000	0.92004263	\$92,004,263.00	5.918%	317	39
2008-12	LS	February 2008	31396YNH1	(2)	INV/IO	March 2038	NTL	100,000,000	0.92004263	92,004,263.00	5.918	317	39

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

(2) These classes bear interest as further described in the applicable Underlying REMIC Disclosure Document.

Note: For any pool of Mortgage Loans backing an Underlying REMIC Certificate, if a preliminary calculation indicated that the sum of the WAM and WALA for that pool exceeded the longest original term to maturity of any Mortgage Loan in the pool, the WALA used in determining the information shown in the related table was reduced as necessary to insure that the sum of the WAM and WALA does not exceed such original term to maturity.

## Group 7 Underlying REMIC and RCR Certificates

Underlying REMIC Trust	Class	Date of Issue	CUSIP Number	Interest Rate	Interest Type(1)	Final Distribution Date	Principal Type(1)	Original Principal Balance of Class	December 2008 Class Factor	Principal Balance in the Trust	Approximate Weighted Average WAC	Approximate Weighted Average WALA (in months)
2003-69	NO	June 2003	31393DHD6	0.0%	PO	July 2033	SUP	\$14,246,862	0.76882058	\$10,953,280.71	5.873%	280
2004-53	EA(2)	June 2004	31394ACD6	0.0	PO	July 2034	SC/SUP/SEQ	14,869,613	0.07794232	116,913.48	(3)	(3)
2006-09	CO	February 2006	31395BBK8	0.0	PO	March 2036	SUP	3,700,667	0.69540300	2,573,454.93	5.950	317

- (1) See “Description of the Certificates—Definitions and Abbreviations” in the REMIC Prospectus.  
(2) The Class 2004-53-EA RCR Certificate is formed from a combination of the Class 2004-53-EG, Class 2004-53-EC and Class 2004-53-EH REMIC Certificates.  
(3) In addition, the Class 2004-53-EA RCR Certificate is backed by MBS with the following characteristics:

	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
<b>MBS backing 2004-53-EG</b>	5.878%	297	55
<b>MBS backing 2004-53-EH</b>	5.864	296	55

and the following Fannie Mae REMIC certificate with the following characteristics:

	Approximate Weighted Average WAC	Approximate Weighted Average WAM (in months)	Approximate Weighted Average WALA (in months)
<b>2003-40-CH</b>	5.917%	279	69

Note: For any pool of Mortgage Loans backing an Underlying REMIC Certificate, if a preliminary calculation indicated that the sum of the WAM and WALA for that pool exceeded the longest original term to maturity of any Mortgage Loan in the pool, the WALA used in determining the information shown in the related table was reduced as necessary to insure that the sum of the WAM and WALA does not exceed such original term to maturity.

**Assumed Characteristics of the Mortgage Loans Backing the Group 1 Underlying REMIC Certificates**  
(As of December 1, 2008)

Issue Date Unpaid Principal Balance	Weighted Average Net Mortgage Rate (%)		Weighted Average Mortgage Rate (%)		Weighted Average Original Term (in Months)		Weighted Average Remaining Term to Maturity (in Months) ("WARMT")		Weighted Average Loan Age (in Months) ("WALA")		Weighted Average Margin (%)		Weighted Average Initial Periodic Rate Cap (%)		Weighted Average Periodic Rate Cap (%)		Weighted Average Lifetime Rate Floor (%)		Weighted Average Lifetime Rate to Change (in Months)		Rate Reset Frequency (in Months)		Payment Reset Frequency (in Months)		Weighted Average Remaining Interest Only Periods (in Months)		Index
	Rate	Weighted Average	Rate	Weighted Average	Term	Weighted Average	Term	Weighted Average	Age	Margin	Cap	Rate	Cap	Rate	Floor	Months	Change	Reset	Frequency	Reset	Frequency	Reset	Frequency	Only	Periods		
\$ 10,882,072.64	7.716	8.452	360	342	18	2.343	6	2	14.4524	2.343	42	6	N/A	WSJ 6-MONTH LIBOR													
22,319,794.64	7.271	8.054	360	343	17	2.299	6	2	14.0542	2.299	43	6	N/A	WSJ 6-MONTH LIBOR													
65,476,952.54	7.500	8.240	360	343	17	2.258	6	2	14.2398	2.258	43	6	103	WSJ 6-MONTH LIBOR													
125,975,318.15	7.142	7.868	360	343	17	2.266	6	2	13.8680	2.266	43	6	103	WSJ 6-MONTH LIBOR													
50,624,290.24	7.032	7.777	360	343	17	2.312	6	2	13.7774	2.312	43	6	103	WSJ 6-MONTH LIBOR													
712,555.99	7.656	8.311	360	343	17	2.250	5	2	13.3112	2.250	43	12	N/A	WSJ 1-YEAR LIBOR													
994,094.37	6.892	7.589	360	342	18	2.250	5	2	12.5890	2.250	42	12	N/A	WSJ 1-YEAR LIBOR													
1,649,801.13	7.286	8.017	360	343	17	2.250	5	2	13.0170	2.250	43	12	103	WSJ 1-YEAR LIBOR													
2,532,027.56	7.258	8.002	360	343	17	2.250	5	2	13.0018	2.250	43	12	103	WSJ 1-YEAR LIBOR													
3,429,242.18	8.615	8.865	360	343	17	2.344	6	2	14.8653	2.344	43	6	N/A	WSJ 6-MONTH LIBOR													
11,050,036.31	8.589	8.839	360	343	17	2.612	6	2	14.8393	2.612	43	6	N/A	WSJ 6-MONTH LIBOR													
21,119,979.82	8.513	8.763	360	343	17	2.413	6	2	14.7634	2.413	43	6	103	WSJ 6-MONTH LIBOR													
38,576,413.44	8.459	8.709	360	343	17	2.465	6	2	14.7087	2.465	43	6	103	WSJ 6-MONTH LIBOR													
26,811,812.99	8.310	8.560	360	343	17	2.643	6	2	14.5597	2.643	43	6	103	WSJ 6-MONTH LIBOR													
611,224.68	8.689	8.939	360	344	16	2.250	5	2	13.9388	2.250	44	12	104	WSJ 1-YEAR LIBOR													
1,053,939.63	8.085	8.335	360	344	16	2.250	5	2	13.3352	2.250	44	12	104	WSJ 1-YEAR LIBOR													

## Available Recombinations(1)

Offered 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								
BN	\$14,789,887	AN(3)	\$23,696,530	SC/SEQ/AD	6.0%	FIX	31397MR74	June 2037
DN	6,395,892							
EN	2,510,751							
Recombination 2								
BM	9,324,046	AM(4)	27,150,741	SC/SEQ/AD	5.5	FIX	31397MR66	June 2037
DM	11,370,475							
EM	6,456,220							
Recombination 3								
BA	92,004,263	BC	92,004,263	SC/PT	7.0	FIX	31397MR58	March 2038
BI	25,092,071(5)							

- (1) Offered Certificates and RCR Certificates in each Recombination may be exchanged only in the proportions of *original* principal balances for the related Classes shown in this Schedule 1 (disregarding any retired Classes). For example, if a particular Recombination includes two Classes of Offered Certificates 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 Classes of Offered Certificates 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 an Offered 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 Offered Certificates—General—*Authorized Denominations*" in this prospectus supplement.
- (2) See "Description of the Certificates—Class Definitions and Abbreviations" in the REMIC Prospectus.
- (3) The AN Class is an RCR Class formed from a combination of the BN Class in Group 2, the DN Class in Group 3 and the EN Class in Group 4.
- (4) The AM Class is an RCR Class formed from a combination of the BM Class in Group 2, the DM Class in Group 3, and the EM Class in Group 4.
- (5) Notional balance. This Class is an Interest Only Class. See page S-8 for a description of how its notional balance is calculated.

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

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**\$431,698,976**



**Guaranteed  
Pass-Through Certificates  
Fannie Mae Trust 2008-93**

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## PROSPECTUS SUPPLEMENT

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**Barclays Capital**

**December 23, 2008**

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