

\$503,816,029 (Approximate)



FannieMae®

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae Multifamily REMIC Trust 2009-M1**

The Certificates

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

Payments to Certificateholders

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

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

We will pay principal at rates that may vary from time to time. We may not pay principal to certain classes for long periods of time.

The Fannie Mae Guaranty

We will guarantee that required payments of principal and interest on the certificates are available for distribution to investors on time. **We will not guarantee that prepayment premiums or yield maintenance charges will be available for distribution to investors.**

The Trust and its Assets

The trust will own Fannie Mae MBS held in the form of a Mega Certificate.

The mortgage loans underlying the Fannie Mae MBS are first lien, multifamily, fixed-rate loans that provide for balloon payments at maturity.

Class	Original Class Balance(1)	Principal Type(2)	Interest Rate	Interest Type(2)	CUSIP Number	Final Distribution Date
A1	\$ 66,300,000	SEQ	3.400%	FIX	31398F2M2	July 2019
A2	437,516,029	SEQ	4.287	FIX	31398F2N0	July 2019
X	503,816,029(3)	NTL	(4)	WAC/IO	31398F2P5	July 2019
R	0	NPR	0	NPR	31398F2Q3	July 2019
RL	0	NPR	0	NPR	31398F2R1	July 2019

- (1) Subject to a permitted variance of plus or minus 5%.
(2) See "Description of the Certificates—Class Definitions and Abbreviations" in the Multifamily REMIC Prospectus.
(3) Notional balance. This class is an interest only class. See page S-7 for a description of how its notional balance is calculated.
(4) Based on the weighted average MBS pass-through rate, as further described in this prospectus supplement.

The dealers specified below will offer the certificates (other than the X Class) from time to time in negotiated transactions at varying prices. We expect the settlement date to be October 30, 2009. Fannie Mae initially will retain the X Class.

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

You should read the Multifamily 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.

BofA Merrill Lynch

Deutsche Bank Securities

Credit Suisse

October 27, 2009

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AVAILABLE INFORMATION

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

- our Prospectus for Guaranteed Multifamily REMIC Pass-Through Certificates dated September 1, 2007 (the “Multifamily REMIC Prospectus”);
- our Prospectus for Fannie Mae Guaranteed Mortgage Pass-Through Certificates (MultiFamily Residential Mortgage Loans) dated February 1, 2009 (the “Multifamily MBS Prospectus”);
- our Prospectus for Guaranteed MBS Pass-Through Securities (Mega Certificates) dated January 1, 2009 (the “Mega Prospectus”);
- our Prospectus Supplement for Fannie Mae Mega Trust Number AD0115 dated August 1, 2009 (the “Mega Supplement”); and
- any information incorporated by reference in this prospectus supplement as discussed below and under the heading “Incorporation by Reference” in the Multifamily REMIC Prospectus.

The Multifamily MBS Prospectus, the Mega Prospectus and the Mega Supplement 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.

You can also obtain copies of the Multifamily REMIC Prospectus, the Multifamily MBS Prospectus, the Mega Prospectus and the Mega Supplement by writing or calling the dealers at:

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

Deutsche Bank Securities Inc.
Syndicate Operations
60 Wall Street
New York, New York 10005
(telephone 212-469-5000).

Credit Suisse Securities (USA) LLC
Prospectus Department
11 Madison Avenue
New York, NY 10010-3629
(telephone 212-325-2580).

RECENT DEVELOPMENTS

The Regulatory Reform Act, which became effective on July 30, 2008, established the Federal Housing Finance Agency, or FHFA, as an independent agency with general supervisory and regulatory authority over Fannie Mae, Freddie Mac and the 12 Federal Home Loan Banks. FHFA assumed the duties of our former regulators, the Office of Federal Housing Enterprise Oversight and the U.S. Department of Housing and Urban Development, or HUD, with respect to safety, soundness and mission oversight of Fannie Mae and Freddie Mac. HUD remains our regulator with respect to fair lending matters.

On September 6, 2008, the Director of FHFA placed Fannie Mae into conservatorship and appointed FHFA as the conservator. Upon its appointment, FHFA immediately succeeded to all of our rights, titles, powers and privileges and those of any stockholder, officer, or director of Fannie Mae with respect to us and our assets. The conservator has the authority to take over our assets and operate our business with all the powers of our stockholders, directors and officers, and to conduct all business of the company. Under the Regulatory Reform Act, FHFA, as conservator, may take “such action as may be necessary to put the regulated entity in a sound and solvent condition.” We have no control over FHFA’s actions or the actions it may direct us to take. The conservatorship has no specified termination date; we do not know when or how it will be terminated. In addition, our board of directors does not have any duties to any person or entity except to the conservator. Accordingly, our board of directors is not obligated to consider the interests of Fannie Mae or the holders of the Certificates unless specifically directed to do so by the conservator.

On September 7, 2008, Fannie Mae, through our conservator, entered into two agreements with Treasury. The first agreement is the Stock Purchase Agreement, which provided us with Treasury’s commitment (the “Commitment”) to provide up to \$100 billion in funding under specified conditions. This agreement was amended and restated on September 26, 2008 and was further amended on May 6, 2009 to increase the size of Treasury’s Commitment from \$100 billion to \$200 billion. We issued 1,000,000 shares of Senior Preferred Stock pursuant to the Stock Purchase Agreement. The other agreement is the Warrant, which allows Treasury to purchase, for a nominal price, shares of common stock equal to 79.9% of the outstanding common stock of Fannie Mae. The Senior Preferred Stock and the Warrant were issued to Treasury as an initial commitment fee for Treasury’s Commitment. Additional information about the conservatorship, the Stock Purchase Agreement, the Warrant and the Commitment is included in our Annual Report on Form 10-K for the year ended December 31, 2008 (the “2008 Form 10-K”) and our quarterly reports on Form 10-Q for the quarters ended March 31, 2009 and June 30, 2009, respectively, which are incorporated by reference into this prospectus supplement.

We generally may draw funds under the Commitment on a quarterly basis when our total liabilities exceed our total assets on our consolidated balance sheet prepared in accordance with GAAP as of the end of the preceding quarter. Through September 30, 2009, we had received a total of \$44.9 billion from Treasury under the Commitment. If we have a negative net worth as of the end of future fiscal quarters, we expect that FHFA will request additional funds from Treasury under the Stock Purchase Agreement. All funds drawn on the Commitment are added to the liquidation preference on the Senior Preferred Stock, which currently has a 10% annual dividend rate. As of the date of this prospectus supplement, the aggregate liquidation preference of the Senior Preferred Stock is \$45.9 billion and the annualized dividend on the Senior Preferred Stock, based on the 10% dividend rate, is \$4.6 billion. If we do not pay the dividend quarterly and in cash, the dividend rate would increase to 12% annually, and the unpaid dividend would accrue and be added to the liquidation preference of the Senior Preferred Stock.

On September 19, 2008, we entered into a lending agreement with Treasury (the “Credit Facility”) under which we may request loans from Treasury until December 31, 2009. To borrow from Treasury under the Credit Facility, we must post collateral in the form of agency mortgage-backed securities to secure all such borrowings under the facility. Treasury is not obligated under the

Credit Facility to make any loan to us. To date, we have not borrowed any funds under the Credit Facility.

The Stock Purchase Agreement, the Warrant, and the Credit Facility contain covenants that significantly restrict our business activities. These covenants, which are summarized in our 2008 Form 10-K and our quarterly report on Form 10-Q for the quarter ended March 31, 2009, include prohibitions on the following activities unless we have prior written consent from Treasury: the issuance of equity securities (except in limited instances), the payment of dividends or other distributions on our equity securities (other than the Senior Preferred Stock or the Warrant), and the issuance of subordinated debt securities. The covenants also limit the amount of debt securities that we may have outstanding.

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.

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 Stock Purchase Agreement and the Credit Facility are intended to enhance our ability to meet our obligations. However, certificateholders have certain limited rights to bring proceedings against Treasury if we fail to pay under our guaranty.

SUMMARY

This summary contains only limited information about the certificates. Statistical information in this summary is provided as of October 1, 2009. You should purchase the certificates only after reading this prospectus supplement and each of the additional disclosure documents listed on page S-3. In particular, please see the discussion of risk factors that appears in each of those additional disclosure documents.

Certain Characteristics of the Mega Certificate and Certain Assumed Characteristics of the Underlying Mortgage Loans

The first table in Exhibit A of this prospectus supplement lists certain characteristics of the Mega Certificate, and the second table in Exhibit A lists certain assumed characteristics of the underlying mortgage loans. The assumed characteristics appearing in Exhibit A are derived from multiple MBS pools on an aggregate basis and do not reflect the actual characteristics of the individual mortgage loans included in the related pools. The actual characteristics of most of the related mortgage loans will differ from those specified in Exhibit A, perhaps significantly.

Prepayment Premiums

The mortgage loans provide for the payment of prepayment premiums in the form of yield maintenance charges. If any yield maintenance charges are included in the distributions received on the MBS with respect to any distribution date, we will allocate these yield maintenance charges among the classes of certificates as described in this prospectus supplement.

Settlement Date

We expect to issue the certificates on October 30, 2009.

Distribution Dates

We will make payments on the classes of certificates on the 25th day of each calendar month, or on the next business day if the 25th day is not a business day.

Record Date

On each distribution date, we will make each monthly payment on the certificates to holders of record on the last day of the preceding month.

Book-Entry and Physical Certificates

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

Fed Book-Entry

All classes other than the R and RL Classes

Physical

R and RL Classes

Interest Rates

During each interest accrual period, the certificates will bear interest at the applicable annual interest rates listed on the cover or as described in this prospectus supplement.

Notional Class

The notional principal balance of the X Class will equal the percentage of the outstanding balances specified below immediately before the related distribution date:

Class

X 100% of the *sum* of the A1 and A2 Classes

Distributions of Principal

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

Weighted Average Lives (years)*

<u>Classes</u>	CPR Prepayment Assumption									
	No Prepayments Prior to Yield Maintenance End Date					Prepayments Without Regard to Yield Maintenance				
	<u>0%</u>	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>	<u>0%</u>	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>
A1	5.2	5.2	5.2	5.2	5.2	5.2	0.3	0.1	0.1	0.1
A2	9.5	9.4	9.4	9.3	9.0	9.5	3.6	1.6	0.8	0.1
X	8.9	8.9	8.8	8.8	8.5	8.9	3.2	1.4	0.7	0.1

* Determined as specified under “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the Multifamily REMIC Prospectus assuming no prepayment during any applicable Call Protection Term. See “Additional Risk Factors” and “Description of the Certificates—Distributions of Interest—*Allocation of Certain Prepayment Premiums*” in this prospectus supplement.

ADDITIONAL RISK FACTORS

The rate of principal payments on the certificates will be affected by the rate of principal payments on the underlying mortgage loans. The rate at which you receive principal payments on the certificates will be sensitive to the rate of principal payments on the mortgage loans underlying the MBS, including prepayments.

The mortgage loans provide for the payment of prepayment premiums. Most of the mortgage loans have prepayment premiums that are in the form of yield maintenance charges. Subject to any applicable yield maintenance charges or other prepayment premiums, the mortgage loans may be prepaid at any time. Therefore, the rate of principal payments on the mortgage loans is likely to vary over time. It is highly unlikely that the mortgage loans will prepay

- at the prepayment rates we assumed, or
- at a constant prepayment rate until maturity.

Defaults may increase the risk of prepayment. Multifamily lending is generally viewed as exposing the lender to a greater risk of loss than single family lending. Mortgage loan defaults may result in distributions of the full principal balance of the related MBS, thereby affecting prepayment rates.

Yield maintenance charges and other prepayment premiums may reduce the prepayment rate of the related mortgage loans. The mortgage loans generally provide for the payment of prepayment premiums in connection with voluntary prepayments occurring on or before the Last Day of Call Protection Term specified in the first table in Exhibit A of this prospectus supplement. In most cases, this includes a yield maintenance charge. We will allocate to certificateholders any yield maintenance charges that are actually received on the MBS. The mortgage loans providing for yield maintenance charges also require an additional prepayment premium in connection with prepayments occurring after the applicable yield maintenance end date (generally until 90 days

before maturity of the related mortgage loan). These prepayment premiums generally will equal 1% of the outstanding principal balance of the mortgage loan. These prepayment premiums will **not** be allocated to certificateholders.

We will **not** pass through to certificateholders any prepayment premiums other than yield maintenance charges that are actually received by us.

In general, mortgage loans with prepayment premiums (including yield maintenance charges) may be less likely to prepay than mortgage loans without such premiums.

Allocation of yield maintenance charges to certain classes may not offset the adverse effect on yields of the corresponding prepayments. If any yield maintenance charges are included in the payments received on the MBS with respect to any distribution date, we will include these amounts in the payments to be made on certain classes, including the X Class, on that distribution date. We do not, however, guarantee that any yield maintenance charges will in fact be collected from mortgagors, or paid to holders of the MBS or the related certificateholders. Accordingly, holders of the applicable classes will receive yield maintenance charges only to the extent we receive them. Moreover, even if we pay the yield maintenance charges to the holders of these classes, the additional amounts may not offset the reductions in yield caused by the related prepayments. We will not pass through to certificateholders any additional prepayment premiums received as a result of a prepayment after the Last Day of Call Protection Term specified in Exhibit A. Moreover, we will not pass through to certificateholders any prepayment premiums other than yield maintenance charges.

You must make your own decisions about the various applicable assumptions, including prepayment assumptions, when deciding whether to purchase the certificates.

DESCRIPTION OF THE CERTIFICATES

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

General

Structure. We will create the Fannie Mae Multifamily REMIC Trust specified on the cover of this prospectus supplement (the “Trust”) pursuant to a trust agreement dated as of August 1, 2007 and a supplement thereto dated as of October 1, 2009 (the “Issue Date”). The trust agreement and supplement are collectively referred to as the “Trust Agreement.” We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “Certificates”) pursuant to the Trust Agreement.

The assets of the Trust will include certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “MBS”). The MBS are held in the form of a Mega Certificate.

Each MBS represents a beneficial ownership interest in one or more first lien, multifamily mortgage loans (the “Mortgage Loans”) having the characteristics described in this prospectus supplement and in the Multifamily REMIC Prospectus, the Multifamily MBS Prospectus, the Mega Prospectus and the Mega Supplement.

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

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

<u>REMIC Designation</u>	<u>Assets</u>	<u>Regular Interests</u>	<u>Residual Interest</u>
Lower Tier REMIC	MBS	Interests in the Lower Tier REMIC other than the RL Class (the “Lower Tier Regular Interests”)	RL
Upper Tier REMIC	Lower Tier Regular Interests	All Classes of Certificates other than the R and RL Classes	R

Fannie Mae Guaranty. For a description of our guaranties of the Certificates and the MBS, see the applicable discussions appearing under the heading “Fannie Mae Guaranty” in the Multifamily REMIC Prospectus and the Multifamily MBS Prospectus. Our guaranties are not backed by the full faith and credit of the United States.

We will not guarantee that any prepayment premiums or yield maintenance charges will be collected or available for distribution to Certificateholders. Accordingly, Certificateholders entitled to receive yield maintenance charges will receive them only to the extent actually received in respect of the MBS.

Characteristics of Certificates. Except as specified below, we will issue the Certificates in book-entry form on the book-entry system of the U.S. Federal Reserve Banks. Entities whose names appear

on the book-entry records of a Federal Reserve Bank as having had Certificates deposited in their accounts are “Holders” or “Certificateholders.”

We will issue the Residual Certificates in fully registered, certificated form. The “Holder” or “Certificateholder” of a Residual Certificate is its registered owner. A Residual Certificate can be transferred at the corporate trust office of the Transfer Agent, or at the office of the Transfer Agent in New York, New York. U.S. Bank National Association in Boston, Massachusetts (“US Bank”) will be the initial Transfer Agent. We may impose a service charge for any registration of transfer of a Residual Certificate and may require payment to cover any tax or other governmental charge. See also “—Characteristics of the Residual Classes” below.

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

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

The MBS

The MBS are held in the form of Mega Certificate Number AD0115. Exhibit A to this prospectus supplement contains certain characteristics of the Mega Certificate, as well as certain assumed characteristics of the underlying Mortgage Loans as of the Issue Date. For additional information about the underlying Mortgage Loans, see the Mega Supplement referred to on page S-3.

The MBS will have the general characteristics described in the Multifamily MBS Prospectus. The MBS provide that principal and interest on the related Mortgage Loans are passed through monthly. The Mortgage Loans underlying the MBS are conventional, fixed-rate mortgage loans secured by first mortgages or deeds of trust on multifamily residential properties, each providing for a balloon payment at maturity.

Furthermore, in the case of approximately \$172,812,000 of the Mortgage Loans (by principal balance at the Issue Date), the scheduled monthly payments represent accrued interest only for one, two, three or five years following origination. Beginning with the first monthly payment following the expiration of the applicable interest only period, the scheduled monthly payments will increase to an amount sufficient to pay accrued interest and to amortize the Mortgage Loans on the basis of a 30-year schedule with a balloon payment due at maturity.

For additional information, see “Multifamily Mortgage Loan Pools” and “Yield, Maturity and Prepayment Considerations” in the Multifamily MBS Prospectus.

Distributions of Interest

General. The Certificates will bear interest at the rates specified in this prospectus supplement on a 30/360 basis. Interest to be paid on each Certificate on a Distribution Date will consist of one month’s interest on the outstanding balance of that Certificate immediately prior to that Distribution Date.

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

<u>Delay Classes</u>	<u>No-Delay Classes</u>
All interest-bearing Classes	—

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

The X Class. For each Distribution Date, the X Class will bear interest during the related interest accrual period at an annual rate equal to the *excess*, if any, of

- the pool accrual rate for the Mega Certificate
- over*
- the weighted average of the interest rates of the A1 and A2 Classes, weighted on the basis of their principal balances (before giving effect to payments of principal on those Classes on that Distribution Date).

The “pool accrual rate” for the Mega Certificate for any Distribution Date is the weighted average of the pass-through rates for the MBS, weighted on the basis of their respective principal balances (before giving effect to principal distributions on that Distribution Date). For purposes of calculating the weighted average of the MBS pass-through rates, interest accruing on the Mortgage Loans on an actual/360 basis will be converted to a 30/360 equivalent rate.

On the initial Distribution Date, we expect to pay interest on the X Class at an annual rate of approximately 0.90057%.

Our determination of the interest rate for the X 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.

Allocation of Certain Prepayment Premiums

All of the Mortgage Loans provide for the payment of certain prepayment premiums in the form of yield maintenance charges. See “Information About This Prospectus And Prospectus Supplements” in the Multifamily MBS Prospectus. The Mortgage Loans having yield maintenance charges may also provide for the payment of additional prepayment premiums (generally equal to 1% of the outstanding principal balance of the related Mortgage Loan) in connection with prepayments received after the applicable Yield Maintenance End Date. We will **not** include these additional prepayment premiums in payments to Certificateholders.

On each Distribution Date, we will pay any yield maintenance charges that are included in the MBS distributions on that date to the A1, A2 and X Classes as follows:

- 70% to the X Class, and
 - 30% to *either*
 - the A1 Class, if principal is payable to the A1 Class on that Distribution Date
- or*
- the A2 Class, if principal is payable to the A2 Class on that Distribution Date;

provided, however, that on the Distribution Date on which the principal balance of the A1 Class is reduced to zero, we will pay 30% of any yield maintenance charges to A1 and A2, pro rata (based on their respective principal balances before giving effect to payments of principal on that date).

Distributions of Principal

On the Distribution Date in each month, we will pay the Principal Distribution Amount as principal of A1 and A2, in that order, until retired.

} Sequential
Pay Classes

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

Structuring Assumptions

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

- the Mortgage Loans underlying the MBS have the characteristics specified in the chart entitled “Assumed Characteristics of the Underlying Mortgage Loans” in Exhibit A to this prospectus supplement;
- we pay all payments (including prepayments) on the Mortgage Loans on the Distribution Date relating to the month in which we receive them;
- either the Mortgage Loans underlying the MBS prepay at the percentages of CPR specified in the related tables or no prepayments occur during the related call protection periods, as indicated in the applicable tables;
- each Distribution Date occurs on the 25th day of a month;
- no yield maintenance charges are received on the MBS; and
- the settlement date for the sale of the Certificates is October 30, 2009.

Prepayment Assumptions. The prepayment model used in this prospectus supplement is CPR. For a description of CPR, see “Yield, Maturity and Prepayment Considerations—Prepayment Models” in the Multifamily REMIC Prospectus. It is highly unlikely that prepayments will occur at any *constant* CPR rate or at any other *constant* rate.

Weighted Average Lives of the Certificates

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

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

- the timing of changes in the rate of principal distributions, and
- the priority sequence of payments of principal of the Certificates.

See “Distributions of Principal” above.

The effect of these factors may differ as to various Classes and the effects on any Class may vary at different times during the life of that Class. Accordingly, we can give no assurance as to the weighted average life of any Class. Further, to the extent the prices of the Certificates represent discounts or premiums to their original principal balances, variability in the weighted average lives of those Classes of Certificates could result in variability in the related yields to maturity. For an example of how the weighted average lives of the Classes may be affected at various constant prepayment rates, see the Decrement Tables below.

Decrement Tables

The following tables indicate the percentages of original principal balances of the specified Classes that would be outstanding after each date shown at the constant percentages of CPR and the corresponding weighted average lives of those Classes. The tables have been prepared on the basis of the Pricing Assumptions.

It is unlikely that the underlying Mortgage Loans will have the characteristics assumed, or that the Mortgage Loans will prepay at any *constant* CPR level.

Percent of Original Principal Balances Outstanding for the A1 Class

Date	CPR Prepayment Assumption††					CPR Prepayment Assumption				
	No Prepayments Prior to Yield Maintenance End Date					Prepayments Without Regard to Yield Maintenance				
	0%	25%	50%	75%	100%	0%	25%	50%	75%	100%
Initial Percent	100	100	100	100	100	100	100	100	100	100
October 2010	94	94	94	94	94	94	0	0	0	0
October 2011	86	86	86	86	86	86	0	0	0	0
October 2012	76	76	76	76	76	76	0	0	0	0
October 2013	66	66	66	66	66	66	0	0	0	0
October 2014	55	55	55	55	55	55	0	0	0	0
October 2015	43	43	43	43	43	43	0	0	0	0
October 2016	31	31	31	31	31	31	0	0	0	0
October 2017	17	17	17	17	17	17	0	0	0	0
October 2018	3	0	0	0	0	3	0	0	0	0
October 2019	0	0	0	0	0	0	0	0	0	0
October 2020	0	0	0	0	0	0	0	0	0	0
October 2021	0	0	0	0	0	0	0	0	0	0
October 2022	0	0	0	0	0	0	0	0	0	0
October 2023	0	0	0	0	0	0	0	0	0	0
October 2024	0	0	0	0	0	0	0	0	0	0
October 2025	0	0	0	0	0	0	0	0	0	0
October 2026	0	0	0	0	0	0	0	0	0	0
October 2027	0	0	0	0	0	0	0	0	0	0
October 2028	0	0	0	0	0	0	0	0	0	0
October 2029	0	0	0	0	0	0	0	0	0	0
October 2030	0	0	0	0	0	0	0	0	0	0
October 2031	0	0	0	0	0	0	0	0	0	0
October 2032	0	0	0	0	0	0	0	0	0	0
October 2033	0	0	0	0	0	0	0	0	0	0
October 2034	0	0	0	0	0	0	0	0	0	0
October 2035	0	0	0	0	0	0	0	0	0	0
October 2036	0	0	0	0	0	0	0	0	0	0
October 2037	0	0	0	0	0	0	0	0	0	0
October 2038	0	0	0	0	0	0	0	0	0	0
October 2039	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	5.2	5.2	5.2	5.2	5.2	5.2	0.3	0.1	0.1	0.1

* 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 Multifamily REMIC Prospectus.

†† Assumes no prepayment during any applicable Call Protection Term. See “Additional Risk Factors” and “Description of the Certificates—Distributions of Interest—Allocation of Certain Prepayment Premiums” in this prospectus supplement.

Percent of Original Principal Balances Outstanding for the A2 Class

Date	CPR Prepayment Assumption ^{††}					CPR Prepayment Assumption				
	No Prepayments Prior to Yield Maintenance End Date					Prepayments Without Regard to Yield Maintenance				
	0%	25%	50%	75%	100%	0%	25%	50%	75%	100%
Initial Percent	100	100	100	100	100	100	100	100	100	100
October 2010	100	100	100	100	100	100	86	57	29	0
October 2011	100	100	100	100	100	100	64	28	7	0
October 2012	100	100	100	100	100	100	47	14	2	0
October 2013	100	100	100	100	100	100	35	7	*	0
October 2014	100	100	100	100	100	100	26	3	*	0
October 2015	100	100	100	100	100	100	19	2	*	0
October 2016	100	100	100	100	100	100	14	1	*	0
October 2017	100	100	100	100	100	100	10	*	*	0
October 2018	100	97	93	86	38	100	8	*	*	0
October 2019	0	0	0	0	0	0	0	0	0	0
October 2020	0	0	0	0	0	0	0	0	0	0
October 2021	0	0	0	0	0	0	0	0	0	0
October 2022	0	0	0	0	0	0	0	0	0	0
October 2023	0	0	0	0	0	0	0	0	0	0
October 2024	0	0	0	0	0	0	0	0	0	0
October 2025	0	0	0	0	0	0	0	0	0	0
October 2026	0	0	0	0	0	0	0	0	0	0
October 2027	0	0	0	0	0	0	0	0	0	0
October 2028	0	0	0	0	0	0	0	0	0	0
October 2029	0	0	0	0	0	0	0	0	0	0
October 2030	0	0	0	0	0	0	0	0	0	0
October 2031	0	0	0	0	0	0	0	0	0	0
October 2032	0	0	0	0	0	0	0	0	0	0
October 2033	0	0	0	0	0	0	0	0	0	0
October 2034	0	0	0	0	0	0	0	0	0	0
October 2035	0	0	0	0	0	0	0	0	0	0
October 2036	0	0	0	0	0	0	0	0	0	0
October 2037	0	0	0	0	0	0	0	0	0	0
October 2038	0	0	0	0	0	0	0	0	0	0
October 2039	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	9.5	9.4	9.4	9.3	9.0	9.5	3.6	1.6	0.8	0.1

* 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 Multifamily REMIC Prospectus.

†† Assumes no prepayment during any applicable Call Protection Term. See “Additional Risk Factors” and “Description of the Certificates—Distributions of Interest—Allocation of Certain Prepayment Premiums” in this prospectus supplement.

Percent of Original Principal Balances Outstanding for the X Class†

Date	CPR Prepayment Assumption††					CPR Prepayment Assumption				
	No Prepayments Prior to Yield Maintenance End Date					Prepayments Without Regard to Yield Maintenance				
	0%	25%	50%	75%	100%	0%	25%	50%	75%	100%
Initial Percent	100	100	100	100	100	100	100	100	100	100
October 2010	99	99	99	99	99	99	74	50	25	0
October 2011	98	98	98	98	98	98	55	25	6	0
October 2012	97	97	97	97	97	97	41	12	2	0
October 2013	96	96	96	96	96	96	30	6	*	0
October 2014	94	94	94	94	94	94	22	3	*	0
October 2015	93	93	93	93	93	93	16	1	*	0
October 2016	91	91	91	91	91	91	12	1	*	0
October 2017	89	89	89	89	89	89	9	*	*	0
October 2018	87	84	81	75	33	87	7	*	*	0
October 2019	0	0	0	0	0	0	0	0	0	0
October 2020	0	0	0	0	0	0	0	0	0	0
October 2021	0	0	0	0	0	0	0	0	0	0
October 2022	0	0	0	0	0	0	0	0	0	0
October 2023	0	0	0	0	0	0	0	0	0	0
October 2024	0	0	0	0	0	0	0	0	0	0
October 2025	0	0	0	0	0	0	0	0	0	0
October 2026	0	0	0	0	0	0	0	0	0	0
October 2027	0	0	0	0	0	0	0	0	0	0
October 2028	0	0	0	0	0	0	0	0	0	0
October 2029	0	0	0	0	0	0	0	0	0	0
October 2030	0	0	0	0	0	0	0	0	0	0
October 2031	0	0	0	0	0	0	0	0	0	0
October 2032	0	0	0	0	0	0	0	0	0	0
October 2033	0	0	0	0	0	0	0	0	0	0
October 2034	0	0	0	0	0	0	0	0	0	0
October 2035	0	0	0	0	0	0	0	0	0	0
October 2036	0	0	0	0	0	0	0	0	0	0
October 2037	0	0	0	0	0	0	0	0	0	0
October 2038	0	0	0	0	0	0	0	0	0	0
October 2039	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	8.9	8.9	8.8	8.8	8.5	8.9	3.2	1.4	0.7	0.1

* 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 Multifamily REMIC Prospectus.

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

†† Assumes no prepayment during any applicable Call Protection Term. See “Additional Risk Factors” and “Description of the Certificates—Distributions of Interest—Allocation of Certain Prepayment Premiums” in this prospectus supplement.

Characteristics of the Residual Classes

A Residual Certificate will be subject to certain transfer restrictions. See “Description of the Certificates—Special Characteristics of the Residual Certificates” and “Material Federal Income Tax Consequences—Taxation of Beneficial Owners of Residual Certificates” in the Multifamily 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 Multifamily REMIC Prospectus. You should consult your own tax advisor regarding the application of the Regulations to a transfer of a Residual Certificate.

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

The Certificates and payments on the Certificates are not generally exempt from taxation. Therefore, you should consider the tax consequences of holding a Certificate before you acquire one.

The following tax discussion supplements the discussion under the caption “Material Federal Income Tax Consequences” in the Multifamily REMIC Prospectus. When read together, the two discussions describe the current federal income tax treatment of beneficial owners of Certificates. These two tax discussions do not purport to deal with all federal tax consequences applicable to all categories of beneficial owners, some of which may be subject to special rules. In addition, these discussions may not apply to your particular circumstances for one of the reasons explained in the Multifamily REMIC Prospectus. You should consult your own tax advisors regarding the federal income tax consequences of holding and disposing of Certificates as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

U.S. Treasury Circular 230 Notice

The tax discussions contained in the Multifamily REMIC Prospectus (including the sections entitled “Material Federal Income Tax Consequences” and “ERISA Considerations”) and this prospectus supplement were not intended or written to be used, and cannot be used, for the purpose of avoiding United States federal tax penalties. These discussions were written to support the promotion or marketing of the transactions or matters addressed in this prospectus supplement. You should seek advice based on your particular circumstances from an independent tax advisor.

REMIC Elections and Special Tax Attributes

We will make a REMIC election with respect to each REMIC set forth in the table under “Description of the Certificates—General—*Structure*.” The Regular Classes will be designated as “regular interests” and the Residual Classes will be designated as the “residual interests” in the REMICs as set forth in that table. Thus, the Certificates generally will be treated as “regular or residual interests in a REMIC” for domestic building and loan associations, as “real estate assets” for real estate investment trusts, and, except for the Residual Classes, as “qualified mortgages” for other REMICs. See “Material Federal Income Tax Consequences—REMIC Election and Special Tax Attributes” in the Multifamily REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Class will be issued with original issue discount (“OID”), and certain other Classes of Certificates may be issued with OID. If a Class is issued with OID, a beneficial owner of a Certificate of that Class generally must recognize some taxable income in advance of the receipt of the cash attributable to that income. See “Material Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates—Treatment of Original Issue Discount*” in the Multifamily REMIC Prospectus. In addition, certain Classes of Certificates may be treated as having been issued at a premium. See “Material Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates—Regular Certificates Purchased at a Premium*” in the Multifamily REMIC Prospectus.

The Prepayment Assumption that will be used in determining the rate of accrual of OID will be applied on a pool-by-pool basis. See “Material Federal Income Tax Consequences—*Taxation of Beneficial Owners of Regular Certificates—Treatment of Original Issue Discount—Daily Portions of Original Issue Discount*” in the Multifamily REMIC Prospectus. The Prepayment Assumption that will be used for each pool will be 0% CPR until the Last Day of Call Protection Term for each such pool and 100% CPR thereafter. The Last Day of Call Protection Term for each pool underlying the Mega Certificate can be determined through the Multifamily Securities Locator Service at www.fanniemae.com. Because the Last Day of Call Protection Term for each pool is not the same, during the period beginning on the earliest Last Day of Call Protection Term of the pools and ending on the latest Last Day of Call Protection Term of the pools, the effective Prepayment Assumption will increase, from 0% CPR to 100% CPR, as each pool reaches its Last Day of Call Protection Term. No representation is made as to whether the Mortgage Loans underlying the MBS will prepay at the rate reflected in the Prepayment Assumption or any other rate. See “Description of the Certificates—

Weighted Average Lives of the Certificates” in this prospectus supplement and “Yield, Maturity and Prepayment Considerations—Weighted Average Lives and Final Distribution Dates” in the REMIC Prospectus in the Multifamily REMIC Prospectus.

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 Multifamily REMIC Prospectus.

PLAN OF DISTRIBUTION

We will assign the MBS to the Trust and will sell the A1 and A2 Classes to Banc of America Securities LLC for cash proceeds estimated to be approximately \$509,945,319.15.

The dealers specified on the cover of this prospectus supplement (the “Dealers”) propose to offer the Certificates (other than the X Class) directly to the public from time to time in negotiated transactions at varying prices to be determined at the time of sale. The Dealers may effect these transactions to or through other dealers. The X Class initially will be retained by Fannie Mae.

LEGAL MATTERS

Sidley Austin LLP will provide legal representation for Fannie Mae. K&L Gates LLP will provide legal representation for the Dealers.

**Characteristics of the Mega Certificate
As of October 1, 2009**

Mega Number	CUSIP Number	Approximate Principal Balance	Pool Accrual Rate*	Date of Issue	Latest Loan Maturity Date	Last Day of Call Protection Term	Weighted Average Original Term to Maturity (in months)	Weighted Average Remaining Term to Maturity (in months)	Weighted Average Loan Age (in months)	Weighted Average Interest Rate
AD0115	31418MDV1	\$503,816,028.62	4.907%	8/1/2009	7/1/2019	12/31/2018	116	114	6	5.905%

* Equal to the weighted average of the pass-through rates of the underlying MBS (calculated on an actual/360 basis).

**Assumed Characteristics of the
Underlying Mortgage Loans
As of October 1, 2009**

Aggregate Approximate Principal Balance	Aggregate Net Mortgage Interest Rate (%)	Weighted Average Mortgage Interest Rate (%)	Original Amortization Term (mos.)	Weighted Average Remaining Term to Maturity or Balloon (mos.)	Weighted Average Loan Age (mos.)	Weighted Average Remaining Call Protection Term (mos.)	Weighted Average Scheduled Monthly Principal and Interest	Interest Accrual Method	Weighted Average Remaining Interest Only Period (mos.)
21,285,000.00	4.860	5.710	360	114	6	107	123,673.15	Actual/360	6
122,632,000.00	4.993	5.879	360	113	7	106	725,728.12	Actual/360	17
7,000,000.00	4.720	5.680	360	115	5	108	40,539.35	Actual/360	31
21,895,000.00	4.662	5.702	360	116	4	109	127,106.43	Actual/360	56
13,864,934.98	4.838	6.234	360	117	3	111	85,469.87	Actual/360	N/A
645,873.91	4.710	5.810	240	117	3	111	4,587.34	Actual/360	N/A
101,808,268.01	4.618	5.643	360	116	4	109	589,754.50	Actual/360	N/A
48,003,682.22	4.862	5.806	360	115	5	108	283,324.13	Actual/360	N/A
60,474,121.10	4.929	5.934	360	114	6	107	362,229.15	Actual/360	N/A
3,817,556.17	4.805	5.885	300	114	6	107	24,547.90	Actual/360	N/A
12,949,464.57	5.134	5.889	360	113	7	106	77,275.07	Actual/360	N/A
761,906.40	5.000	5.900	360	112	8	105	4,556.78	Actual/360	N/A
88,678,220.95	5.200	6.341	360	111	9	104	556,031.64	Actual/360	N/A

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

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

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\$503,816,029
(Approximate)



Guaranteed
REMIC Pass-Through Certificates
Fannie Mae Multifamily
REMIC Trust 2009-M1

PROSPECTUS SUPPLEMENT

BofA Merrill Lynch

Deutsche Bank Securities

Credit Suisse

October 27, 2009
