

\$762,071,373



FannieMae®

**Guaranteed REMIC Pass-Through Certificates
Fannie Mae REMIC Trust 2011-79**

The Certificates

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

Payments to Certificateholders

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

- interest accrued on the balance of your certificate (except in the case of the accrual classes), and
- principal to the extent available for payment on your class.

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

The Fannie Mae Guaranty

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

The Trust and its Assets

The trust will own

- Fannie Mae MBS and
- an underlying RCR certificate backed by Fannie Mae MBS.

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

Carefully consider the risk factors on page S-9 of this prospectus supplement and starting on page 11 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.

Class	Group	Original Class Balance	Principal Type(1)	Interest Rate	Interest Type(1)	CUSIP Number	Final Distribution Date
HD(2)	1	\$125,000,000	PT	2.00%	FIX	3136A 0 Q E0	December 2022
GB(2)	1	168,414,253	PT	1.75	FIX	3136A 0 Q F7	December 2022
GI(2)	1	55,919,636(3)	NTL	6.00	FIX/IO	3136A 0 Q G5	December 2022
HI	1	146,707,126(3)	NTL	6.00	FIX/IO	3136A 0 Q H3	December 2022
HN	2	12,155,000	SC/SEQ	4.00	FIX	3136A 0 Q J9	August 2029
HY	2	34,377,494	SC/SEQ	4.00	FIX	3136A 0 Q K6	August 2029
AC(2)	3	67,195,000	SEQ	2.50	FIX	3136A 0 Q L4	November 2037
AI(2)	3	25,198,125(3)	NTL	4.00	FIX/IO	3136A 0 Q M2	November 2037
VA(2)	3	8,137,000	SEQ/AD	4.00	FIX	3136A 0 Q N0	October 2022
ZA(2)	3	14,585,383	SEQ	4.00	FIX/Z	3136A 0 Q P5	August 2041
BC(2)	4	61,862,000	SEQ	2.50	FIX	3136A 0 Q Q3	February 2038
BI(2)	4	27,494,222(3)	NTL	4.50	FIX/IO	3136A 0 Q R1	February 2038
VB(2)	4	7,940,000	SEQ/AD	4.50	FIX	3136A 0 Q S9	September 2022
ZB(2)	4	12,405,243	SEQ	4.50	FIX/Z	3136A 0 Q T7	August 2041
DA	5	150,000,000	PT	4.00	FIX	3136A 0 W L7	August 2041
FD	5	100,000,000	PT	(4)	FLT	3136A 0 W M5	August 2041
SD	5	100,000,000(3)	NTL	(4)	INV/IO	3136A 0 W N3	August 2041
R		0	NPR	0	NPR	3136A 0 Q U4	August 2041
RL		0	NPR	0	NPR	3136A 0 Q V2	August 2041

- (1) See “Description of the Certificates—The Certificates—Class Definitions and Abbreviations” in the REMIC prospectus.
(2) Exchangeable classes.

- (3) Notional balances. These classes are interest only classes. See page S-7 for a description of how their notional balances are calculated.
(4) Based on LIBOR.

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 GC, GD, GE, HM, AD, AE, AB, AY, BD, BE, BG, BA and BY 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—The Certificates—Combination and Recombination” in the REMIC prospectus.

The dealer will offer the certificates (other than the HI Class) from time to time in negotiated transactions at varying prices. We expect the settlement date to be July 29, 2011. Fannie Mae initially will retain the HI Class. See “Plan of Distribution” in this prospectus supplement.

BofA Merrill Lynch

July 25, 2011

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AVAILABLE INFORMATION

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

- our Prospectus for Fannie Mae Guaranteed REMIC Pass-Through Certificates dated May 1, 2010 (the “REMIC Prospectus”);
- our Prospectus for Fannie Mae Guaranteed Pass-Through Certificates (Single-Family Residential Mortgage Loans) dated
 - July 1, 2011, for all MBS issued on or after July 1, 2011,
 - June 1, 2009, for all MBS issued on or after January 1, 2009 and prior to July 1, 2011,
 - April 1, 2008, for all MBS issued on or after June 1, 2007 and prior to January 1, 2009, or
 - January 1, 2006, for all other MBS(as applicable, the “MBS Prospectus”);
- if you are purchasing a Group 2 Class or the R or RL Class, the disclosure document relating to the underlying RCR certificate (the “Underlying REMIC Disclosure Document”); and
- any information incorporated by reference in this prospectus supplement as discussed below and under the heading “Incorporation by Reference” in the REMIC Prospectus.

For a description of current servicing policies generally applicable to existing Fannie Mae MBS pools, see “Yield, Maturity, and Prepayment Considerations” in the MBS Prospectus dated July 1, 2011.

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

Merrill Lynch, Pierce, Fenner & Smith Incorporated
Mortgage Finance Department
One Bryant Park
New York, New York 10036
(telephone 646 855-8340).

RECENT DEVELOPMENTS

Ratings Outlook Revised

Standard and Poor's Ratings Services

On April 20, 2011, Standard and Poor's Ratings Services ("Standard & Poor's") announced that they had revised their outlook on Fannie Mae's debt issues from "stable" to "negative". Standard & Poor's indicated that this change reflects their revision of the outlook of the United States of America from "stable" to "negative" on April 18, 2011, and that pursuant to their government-related entity criteria, the ratings on Fannie Mae (and other government-related entities) are constrained by the long-term sovereign rating on the United States of America.

On April 20, 2011, Standard & Poor's affirmed that their credit ratings remain "AAA" on Fannie Mae long term senior debt, "A-1+" on Fannie Mae short term senior debt, and "A" on Fannie Mae subordinated debt.

Standard & Poor's also indicated in their April announcement that they would not raise their ratings and outlook on Fannie Mae (and other government-related entities) above those of the United States Government as long as the ratings and outlook on the United States of America remain unchanged. Standard & Poor's further indicated that if they were to lower the ratings on the United States of America, the ratings on our debt and our issuer credit rating (and those of other government-related entities) would also likely be lowered.

On July 15, 2011, Standard & Poor's announced that they were placing Fannie Mae's ratings for short term senior debt and long term senior debt on CreditWatch with negative implications, following a similar action taken by Standard & Poor's on the long term and short term sovereign credit rating on the United States of America on July 14, 2011. Standard & Poor's indicated that this action reflects the direct reliance of Fannie Mae on the United States Government.

The action taken by Standard & Poor's with respect to Fannie Mae's ratings was announced at the same time as similar ratings actions on other institutions with ties to the United States Government, including Freddie Mac, select Federal Home Loan Banks, the Farm Credit System Banks, and U.S. based clearing houses.

Moody's Investors Service

On July 13, 2011, Moody's Investors Service ("Moody's") announced that they had placed on review for possible downgrade the "Aaa" rating of institutions directly linked to the United States Government, including Fannie Mae.

Moody's announced that this review was in conjunction with the review for possible downgrade of the "Aaa" bond rating of the United States Government, given the rising possibility that the statutory debt limit of the United States will not be raised on a timely basis, leading to a default on United States Treasury debt obligations.

Moody's indicated that they consider the probability of a default by the United States Treasury on interest payments to be low, but no longer de minimis. Moody's further indicated that an actual default by the United States Treasury on interest payments, regardless of duration, would fundamentally alter Moody's assessment of the timeliness of future payments by the United States Government, and an "Aaa" rating would likely no longer be appropriate.

Fitch, Inc.

On July 18, 2011, Fitch, Inc. ("Fitch") announced that they expect the United States Administration and Congress to conclude their negotiations with an agreement to increase the debt ceiling before August 2, 2011, and that they did not anticipate any developments before August 2, 2011 that would result in the United States Government's "AAA" sovereign rating being placed on Rating Watch Negative or downgraded.

Fitch indicated that if the debt ceiling was not raised and the United States sovereign rating was placed on Ratings Watch Negative, Fitch would immediately place Fannie Mae's "AAA" issuer and issue ratings on Ratings Watch Negative. Fitch indicated that following resolution of the debt ceiling situation, their ratings of Fannie Mae and other issuers with ties to the United States Government would ultimately be aligned with whatever Fitch determines the United States sovereign rating should be at that point.

For additional information on the impact of a credit rating downgrade on Fannie Mae and the MBS, please refer to our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011 (the "1st Quarter 10-Q"), including the Risk Factors set forth in Part II, Item 1A of the 1st Quarter 10-Q.

SUMMARY

This summary contains only limited information about the certificates. Statistical information in this summary is provided as of July 1, 2011. You should purchase the certificates only after reading this prospectus supplement and each of the additional disclosure documents listed on page S-3. In particular, please see the discussion of risk factors that appears in each of those additional disclosure documents.

Assets Underlying Each Group of Classes

<u>Group</u>	<u>Assets</u>
1	Group 1 MBS
2	Class 2009-59-KE RCR Certificate
3	Group 3 MBS
4	Group 4 MBS
5	Group 5 MBS

Group 1, Group 3, Group 4 and Group 5

Characteristics of the Trust MBS

	<u>Approximate Principal Balance</u>	<u>Pass- Through Rate</u>	<u>Range of Weighted Average Coupons or WACs (annual percentages)</u>	<u>Range of Weighted Average Remaining Terms to Maturity or WAMs (in months)</u>
Group 1 MBS	\$293,414,253	6.00%	6.25% to 8.50%	46 to 137
Group 3 MBS	\$ 89,917,383	4.00%	4.25% to 6.50%	241 to 360
Group 4 MBS	\$ 82,207,243	4.50%	4.75% to 7.00%	241 to 360
Group 5 MBS	\$250,000,000	5.00%	5.25% to 7.50%	241 to 360

Assumed Characteristics of the Underlying Mortgage Loans

	<u>Principal Balance</u>	<u>Original Term to Maturity (in months)</u>	<u>Remaining Term to Maturity (in months)</u>	<u>Loan Age (in months)</u>	<u>Interest Rate</u>
Group 1 MBS	\$293,414,253	180	125	49	6.502%
Group 3 MBS	\$ 89,917,383	360	294	6	4.419%
Group 4 MBS	\$ 82,207,243	360	295	5	4.882%
Group 5 MBS	\$250,000,000	360	355	3	5.377%

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

Group 2

Exhibit A describes the underlying RCR certificate in Group 2, including certain information about the related mortgage loans. To learn more about the underlying RCR certificate, you should obtain from us the current class factor and the related disclosure document as described on page S-3.

Settlement Date

We expect to issue the certificates on July 29, 2011.

Distribution Dates

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

Record Date

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

Book-Entry and Physical Certificates

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

Fed Book-Entry

All classes other than the R and RL Classes

Physical

R and RL Classes

Exchanging Certificates Through Combination and Recombination

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

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

Interest Rates

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

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

<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>
FD.....	0.813%	6.5%	0.6%	LIBOR + 60 basis points
SD.....	5.687%	5.9%	0.0%	5.9% – 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:

<u>Class</u>	
HI	49.9999998296% of the <i>sum</i> of the HD and GB Classes
GI	19.0582548149% of the <i>sum</i> of the HD and GB Classes
AI	37.5% of the AC Class
BI	44.4444440852% of the BC Class
SD	100% of the FD Class

Distributions of Principal

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

Weighted Average Lives (years)*

<u>Group 1 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>350%</u>	<u>500%</u>	<u>700%</u>	<u>1100%</u>
HD, GB, GI, HI, GC, GD, GE and HM.	6.6	4.7	2.9	2.2	1.6	0.9
<u>Group 2 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>250%</u>	<u>500%</u>	<u>700%</u>	<u>900%</u>
HN	15.3	11.1	6.8	3.7	2.5	1.8
HY	16.9	14.5	10.8	6.4	4.5	3.2
<u>Group 3 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>200%</u>	<u>500%</u>	<u>700%</u>	
AC, AI, AE, AB and AD	16.7	6.2	4.1	2.1	1.7	
VA	6.0	6.0	5.8	3.9	3.1	
ZA	28.2	18.5	14.3	7.5	5.5	
AY	28.2	18.5	14.0	6.9	5.0	
<u>Group 4 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>325%</u>	<u>500%</u>	<u>700%</u>	<u>1000%</u>
BC, BI, BD, BE, BG and BA.	17.1	6.4	3.0	2.2	1.7	1.4
VB	6.0	6.0	5.1	4.0	3.2	2.4
ZB	28.3	18.8	10.9	7.7	5.7	3.9
BY	28.3	18.8	10.2	7.1	5.1	3.6
<u>Group 5 Classes</u>	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>350%</u>	<u>600%</u>	<u>800%</u>	<u>1200%</u>
DA, FD and SD.	20.2	10.9	4.8	3.1	2.5	1.8

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

ADDITIONAL RISK FACTOR

Payments on the Group 2 Classes also will be affected by the applicable payment priorities governing the related underlying RCR certificate. If you invest in any Group 2 Class, the rate at which you receive payments will be affected by the applicable priority sequences governing principal payments on the related underlying RCR certificate.

As described in the Underlying REMIC Disclosure Document, the underlying RCR certificate in Group 2 may be subsequent in

payment priority to certain other classes issued from the related underlying REMIC trust. As a result, such other classes may receive principal before principal is paid on the underlying RCR certificate, possibly for long periods.

You may obtain additional information about the underlying RCR certificate by reviewing its current class factor in light of other information available in the Underlying REMIC Disclosure Document. You may obtain that document from us as described on page S-3.

DESCRIPTION OF THE CERTIFICATES

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

General

Structure. We will create the Fannie Mae REMIC Trust specified on the cover of this prospectus supplement (the “Trust”) pursuant to a trust agreement dated as of May 1, 2010 and a supplement thereto dated as of July 1, 2011 (the “Issue Date”). We will issue the Guaranteed REMIC Pass-Through Certificates (the “REMIC Certificates”) pursuant to that trust agreement and supplement. We will issue the Combinable and Recombinable REMIC Certificates (the “RCR Certificates” and, together with the REMIC Certificates, the “Certificates”) pursuant to a separate trust agreement dated as of May 1, 2010 and a supplement thereto dated as of the Issue Date (together with the trust agreement and supplement relating to the REMIC Certificates, the “Trust Agreement”). We will execute the Trust Agreement in our corporate capacity and as trustee (the “Trustee”). In general, the term “Classes” includes the Classes of REMIC Certificates and RCR Certificates.

The assets of the Trust will include:

- four groups of Fannie Mae Guaranteed Mortgage Pass-Through Certificates (the “Group 1 MBS,” “Group 3 MBS,” “Group 4 MBS” and “Group 5 MBS,” and together, the “Trust MBS”), and
- a previously issued RCR certificate (the “Group 2 Underlying RCR Certificate”) issued from the related Fannie Mae REMIC trust (the “Underlying REMIC Trust”) as further described in Exhibit A.

The Group 2 Underlying RCR Certificate evidences direct or indirect beneficial ownership interests in certain Fannie Mae Guaranteed Mortgage Pass-Through Certificates (together with the Trust MBS, the “MBS”).

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

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

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

<u>REMIC Designation</u>	<u>Assets</u>	<u>Regular Interests</u>	<u>Residual Interest</u>
Lower Tier REMIC . . .	Trust MBS and Group 2 Underlying RCR Certificate	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 REMIC Certificates other than the R and RL Classes	R

Fannie Mae Guaranty. For a description of our guaranties of the Certificates, the MBS and the Group 2 Underlying RCR Certificate, see the applicable discussions appearing under the heading “Fannie Mae Guaranty” in the REMIC Prospectus, the MBS Prospectus and the Underlying REMIC Disclosure Document. Our guaranties are not backed by the full faith and credit of the United States.

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 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 and Inverse Floating Rate Classes	\$100,000 minimum plus whole dollar increments
All other Classes (except the R and RL Classes)	\$1,000 minimum plus whole dollar increments

The Trust MBS

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

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

The Group 2 Underlying RCR Certificate

The Group 2 Underlying RCR Certificate represents beneficial ownership interests in the Underlying REMIC Trust. 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.

Distributions on the Group 2 Underlying RCR Certificate will be passed through monthly, beginning in the month after we issue the Certificates. The general characteristics of the Group 2 Underlying RCR Certificate are described in the Underlying REMIC Disclosure Document. See Exhibit A for certain additional information about the Group 2 Underlying RCR Certificate. Exhibit A is provided in lieu of a Final Data Statement with respect to the Group 2 Underlying RCR Certificate.

For further information about the Group 2 Underlying RCR Certificate telephone us at 1-800-237-8627. Additional information about the Group 2 Underlying RCR Certificate is also available at <http://sls.fanniemae.com/slsSearch/Home.do>. There may have been material changes in facts and circumstances since the date we prepared the Underlying REMIC Disclosure Document. 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 that document may be limited.

Distributions of Interest

General. The Certificates will bear interest at the rates specified in this prospectus supplement. Interest to be paid on each Certificate (or added to principal, in the case of the Accrual Classes) 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 Classes, see “—*Accrual Classes*” 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	Floating Rate and Inverse Floating Rate Classes

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

Accrual Classes. The ZA and ZB Classes are Accrual Classes. Interest will accrue on the Accrual Classes at the applicable annual rates specified on the cover of this prospectus supplement. However, we will not pay any interest on the Accrual Classes. Instead, interest accrued on each Accrual Class will be added as principal to its principal balance on each Distribution Date. We will pay principal on the Accrual Classes as described under “—Distributions of Principal” below.

Distributions of Principal

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

- *Group 1*

The Group 1 Principal Distribution Amount to HD and GB, pro rata, until retired. } **Pass-Through Classes**

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

- *Group 2*

The Group 2 Principal Distribution Amount to HN and HY, in that order, until retired. } Structured Collateral/ Sequential Pay Classes

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

- *Group 3*

The ZA Accrual Amount to VA until retired, and thereafter to ZA. } Accretion Directed Class and Accrual Class

The Group 3 Cash Flow Distribution Amount to AC, VA and ZA, in that order, until retired. } Sequential Pay Classes

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

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

- *Group 4*

The ZB Accrual Amount to VB until retired, and thereafter to ZB. } Accretion Directed Class and Accrual Class

The Group 4 Cash Flow Distribution Amount to BC, VB and ZB, in that order, until retired. } Sequential Pay Classes

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

The “Group 4 Cash Flow Distribution Amount” is the principal then paid on the Group 4 MBS.

- *Group 5*

The Group 5 Principal Distribution Amount to DA and FD, pro rata, until retired. } Pass-Through Classes

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

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 Underlying RCR Certificate, the applicable priority sequences governing principal payments on the Group 2 Underlying RCR Certificate, and the following assumptions (such characteristics and assumptions, collectively, the “Pricing Assumptions”):

- the Mortgage Loans underlying the Trust MBS have the original terms to maturity, remaining terms to maturity, loan ages and interest rates specified under “Summary—Group 1, Group 3, Group 4 and Group 5—Assumed Characteristics of the Underlying Mortgage Loans” in this prospectus supplement;
- the Mortgage Loans prepay at the constant percentages of PSA specified in the related tables;
- the settlement date for the Certificates is July 29, 2011; and
- each Distribution Date occurs on the 25th day of a month.

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

Yield Tables

General. The tables below illustrate the sensitivity of the pre-tax corporate bond equivalent yields to maturity of the applicable Classes to various constant percentages of PSA and, where specified, to changes in the Index. **The tables below are provided for illustrative purposes only and are not intended as a forecast or prediction of the actual yields on the applicable Classes.** We calculated the yields set forth in the tables by

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

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

We cannot assure you that

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

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

- the Mortgage Loans will prepay at a constant PSA rate until maturity,
- all of the Mortgage Loans will prepay at the same rate, or
- the level of the Index will remain constant.

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

<u>Class</u>	<u>% PSA</u>
GI	351%
HI	351%
AI	201%
BI	327%

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

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

<u>Class</u>	<u>Price*</u>
GI	16.9%
HI	16.9%
AI	16.0%
BI	13.1%

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

Sensitivity of the GI Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>350%</u>	<u>500%</u>	<u>700%</u>	<u>1100%</u>
Pre-Tax Yields to Maturity . . .	21.0%	17.7%	0.0%	(11.4)%	(27.8)%	(67.1)%

Sensitivity of the HI Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>350%</u>	<u>500%</u>	<u>700%</u>	<u>1100%</u>
Pre-Tax Yields to Maturity . . .	21.0%	17.7%	0.0%	(11.4)%	(27.8)%	(67.1)%

Sensitivity of the AI Class to Prepayments

	<u>PSA Prepayment Assumption</u>				
	<u>50%</u>	<u>100%</u>	<u>200%</u>	<u>500%</u>	<u>700%</u>
Pre-Tax Yields to Maturity . . .	16.5%	11.5%	0.1%	(37.0)%	(59.1)%

Sensitivity of the BI Class to Prepayments

	<u>PSA Prepayment Assumption</u>					
	<u>50%</u>	<u>100%</u>	<u>325%</u>	<u>500%</u>	<u>700%</u>	<u>1000%</u>
Pre-Tax Yields to Maturity . . .	27.8%	23.5%	0.2%	(18.9)%	(39.0)%	(64.5)%

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 this Class (expressed as a percentage of original principal balance) is as follows:

<u>Class</u>	<u>Price*</u>
SD	19.06%

* 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 SD 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>350%</u>	<u>600%</u>	<u>800%</u>	<u>1200%</u>
0.100%	27.8%	25.2%	11.8%	(2.2)%	(13.9)%	(38.7)%
0.213%	27.1%	24.5%	11.1%	(2.9)%	(14.7)%	(39.6)%
2.213%	15.3%	12.6%	(1.4)%	(16.3)%	(28.9)%	(56.1)%
4.213%	2.6%	(0.2)%	(14.7)%	(30.5)%	(44.1)%	(75.0)%
5.900%	*	*	*	*	*	*

Weighted Average Lives of the Certificates

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

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

- the timing of changes in the rate of principal distributions,
- the priority sequences of distributions of principal of the Group 2, Group 3 and Group 4 Classes, and
- in the case of the Group 2 Classes, the applicable priority sequences affecting principal payments on the Group 2 Underlying RCR Certificate.

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

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

example of how the weighted average lives of the Classes may be affected at various constant prepayment rates, see the Decrement Tables below.

Decrement Tables

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

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

<u>Mortgage Loans Backing Trust Assets Specified Below</u>	<u>Original Terms to Maturity</u>	<u>Remaining Terms to Maturity</u>	<u>Interest Rates</u>
Group 1 MBS	180 months	137 months	8.50%
Group 2 Underlying RCR Certificate	240 months	216 months	6.50%
Group 3 MBS	360 months	360 months	6.50%
Group 4 MBS	360 months	360 months	7.00%
Group 5 MBS	360 months	360 months	7.50%

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

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

Percent of Original Principal Balances Outstanding

<u>Date</u>	<u>HD, GB, GI†, HI†, GC, GD, GE and HM Classes</u>					
	<u>PSA Prepayment Assumption</u>					
	<u>0%</u>	<u>100%</u>	<u>350%</u>	<u>500%</u>	<u>700%</u>	<u>1100%</u>
Initial Percent	100	100	100	100	100	100
July 2012	95	87	74	65	54	32
July 2013	89	76	53	42	29	10
July 2014	82	65	38	27	15	3
July 2015	75	54	27	17	8	1
July 2016	68	44	19	10	4	*
July 2017	59	35	12	6	2	*
July 2018	50	26	8	3	1	*
July 2019	41	18	4	2	*	*
July 2020	30	10	2	1	*	*
July 2021	18	3	1	*	*	*
July 2022	6	0	0	0	0	0
July 2023	0	0	0	0	0	0
July 2024	0	0	0	0	0	0
July 2025	0	0	0	0	0	0
July 2026	0	0	0	0	0	0
Weighted Average Life (years)**	6.6	4.7	2.9	2.2	1.6	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.

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

Date	HN Class						HY Class						AC, AI†, AE, AB and AD Classes				
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption				
	0%	100%	250%	500%	700%	900%	0%	100%	250%	500%	700%	900%	0%	100%	200%	500%	700%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2012	100	100	100	100	100	100	100	100	100	100	100	100	99	94	90	80	74
July 2013	100	100	100	100	100	2	100	100	100	100	100	100	97	84	75	50	35
July 2014	100	100	100	100	0	0	100	100	100	100	88	44	95	74	60	23	5
July 2015	100	100	100	5	0	0	100	100	100	100	48	19	93	65	46	5	0
July 2016	100	100	100	0	0	0	100	100	100	67	26	8	91	56	34	0	0
July 2017	100	100	100	0	0	0	100	100	100	44	14	4	89	48	24	0	0
July 2018	100	100	33	0	0	0	100	100	100	29	8	2	87	40	15	0	0
July 2019	100	100	0	0	0	0	100	100	88	19	4	1	85	33	8	0	0
July 2020	100	100	0	0	0	0	100	100	68	12	2	*	82	26	1	0	0
July 2021	100	100	0	0	0	0	100	100	52	8	1	*	80	20	0	0	0
July 2022	100	54	0	0	0	0	100	100	39	5	1	*	77	14	0	0	0
July 2023	100	0	0	0	0	0	100	97	29	3	*	*	74	9	0	0	0
July 2024	100	0	0	0	0	0	100	76	21	2	*	*	70	4	0	0	0
July 2025	100	0	0	0	0	0	100	57	14	1	*	*	67	0	0	0	0
July 2026	80	0	0	0	0	0	100	40	9	*	*	*	63	0	0	0	0
July 2027	0	0	0	0	0	0	88	23	5	*	*	*	59	0	0	0	0
July 2028	0	0	0	0	0	0	46	8	2	*	*	*	55	0	0	0	0
July 2029	0	0	0	0	0	0	0	0	0	0	0	0	51	0	0	0	0
July 2030	0	0	0	0	0	0	0	0	0	0	0	0	46	0	0	0	0
July 2031	0	0	0	0	0	0	0	0	0	0	0	0	41	0	0	0	0
July 2032	0	0	0	0	0	0	0	0	0	0	0	0	35	0	0	0	0
July 2033	0	0	0	0	0	0	0	0	0	0	0	0	29	0	0	0	0
July 2034	0	0	0	0	0	0	0	0	0	0	0	0	23	0	0	0	0
July 2035	0	0	0	0	0	0	0	0	0	0	0	0	17	0	0	0	0
July 2036	0	0	0	0	0	0	0	0	0	0	0	0	9	0	0	0	0
July 2037	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0
July 2038	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2039	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
July 2041	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	15.3	11.1	6.8	3.7	2.5	1.8	16.9	14.5	10.8	6.4	4.5	3.2	16.7	6.2	4.1	2.1	1.7

Date	VA Class					ZA Class					AY Class				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	100%	200%	500%	700%	0%	100%	200%	500%	700%	0%	100%	200%	500%	700%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2012	93	93	93	93	93	104	104	104	104	104	100	100	100	100	100
July 2013	85	85	85	85	85	108	108	108	108	108	100	100	100	100	100
July 2014	77	77	77	77	77	113	113	113	113	113	100	100	100	100	100
July 2015	69	69	69	69	0	117	117	117	117	101	100	100	100	100	65
July 2016	60	60	60	0	0	122	122	122	122	57	100	100	100	78	36
July 2017	51	51	51	0	0	127	127	127	82	32	100	100	100	53	20
July 2018	42	42	42	0	0	132	132	132	56	18	100	100	100	36	11
July 2019	33	33	33	0	0	138	138	138	37	10	100	100	100	24	6
July 2020	22	22	22	0	0	143	143	143	25	6	100	100	100	16	4
July 2021	12	12	0	0	0	149	149	136	17	3	100	100	87	11	2
July 2022	1	1	0	0	0	155	155	114	11	2	100	100	73	7	1
July 2023	0	0	0	0	0	156	156	94	7	1	100	100	61	5	1
July 2024	0	0	0	0	0	156	156	78	5	1	100	100	50	3	*
July 2025	0	0	0	0	0	156	153	64	3	*	100	98	41	2	*
July 2026	0	0	0	0	0	156	133	52	2	*	100	85	33	1	*
July 2027	0	0	0	0	0	156	114	42	1	*	100	73	27	1	*
July 2028	0	0	0	0	0	156	96	33	1	*	100	62	21	1	*
July 2029	0	0	0	0	0	156	80	26	1	*	100	51	17	*	*
July 2030	0	0	0	0	0	156	65	20	*	*	100	42	13	*	*
July 2031	0	0	0	0	0	156	51	14	*	*	100	33	9	*	*
July 2032	0	0	0	0	0	156	38	10	*	*	100	25	6	*	*
July 2033	0	0	0	0	0	156	26	6	*	*	100	17	4	*	*
July 2034	0	0	0	0	0	156	15	3	*	*	100	10	2	*	*
July 2035	0	0	0	0	0	156	5	1	*	*	100	3	1	*	*
July 2036	0	0	0	0	0	156	0	0	0	0	100	0	0	0	0
July 2037	0	0	0	0	0	156	0	0	0	0	100	0	0	0	0
July 2038	0	0	0	0	0	127	0	0	0	0	82	0	0	0	0
July 2039	0	0	0	0	0	87	0	0	0	0	56	0	0	0	0
July 2040	0	0	0	0	0	45	0	0	0	0	29	0	0	0	0
July 2041	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	6.0	6.0	5.8	3.9	3.1	28.2	18.5	14.3	7.5	5.5	28.2	18.5	14.0	6.9	5.0

* 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	BC, BI†, BD, BE, BG and BA Classes						VB Class						ZB Class					
	PSA Prepayment Assumption						PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	325%	500%	700%	1000%	0%	100%	325%	500%	700%	1000%	0%	100%	325%	500%	700%	1000%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
July 2012	99	94	87	82	76	67	93	93	93	93	93	93	105	105	105	105	105	105
July 2013	97	85	67	53	38	18	85	85	85	85	85	85	109	109	109	109	109	109
July 2014	96	75	45	26	7	0	77	77	77	77	77	0	114	114	114	114	114	100
July 2015	94	66	28	7	0	0	69	69	69	69	0	0	120	120	120	120	113	39
July 2016	92	58	15	0	0	0	61	61	61	16	0	0	125	125	125	125	64	15
July 2017	90	50	4	0	0	0	52	52	52	0	0	0	131	131	131	92	36	6
July 2018	88	42	0	0	0	0	42	42	12	0	0	0	137	137	137	62	20	2
July 2019	86	35	0	0	0	0	32	32	0	0	0	0	143	143	112	42	11	1
July 2020	84	28	0	0	0	0	22	22	0	0	0	0	150	150	87	28	6	*
July 2021	81	22	0	0	0	0	11	11	0	0	0	0	157	157	67	19	3	*
July 2022	78	16	0	0	0	0	*	*	0	0	0	0	164	164	51	13	2	*
July 2023	76	11	0	0	0	0	0	0	0	0	0	0	164	164	39	8	1	*
July 2024	72	6	0	0	0	0	0	0	0	0	0	0	164	164	30	5	1	*
July 2025	69	1	0	0	0	0	0	0	0	0	0	0	164	164	22	4	*	*
July 2026	65	0	0	0	0	0	0	0	0	0	0	0	164	147	17	2	*	*
July 2027	62	0	0	0	0	0	0	0	0	0	0	0	164	127	12	1	*	*
July 2028	58	0	0	0	0	0	0	0	0	0	0	0	164	108	9	1	*	*
July 2029	53	0	0	0	0	0	0	0	0	0	0	0	164	90	6	1	*	*
July 2030	48	0	0	0	0	0	0	0	0	0	0	0	164	74	4	*	*	*
July 2031	43	0	0	0	0	0	0	0	0	0	0	0	164	58	3	*	*	*
July 2032	38	0	0	0	0	0	0	0	0	0	0	0	164	44	2	*	*	*
July 2033	32	0	0	0	0	0	0	0	0	0	0	0	164	30	1	*	*	0
July 2034	26	0	0	0	0	0	0	0	0	0	0	0	164	18	1	*	*	0
July 2035	19	0	0	0	0	0	0	0	0	0	0	0	164	6	*	*	*	0
July 2036	12	0	0	0	0	0	0	0	0	0	0	0	164	0	0	0	0	0
July 2037	4	0	0	0	0	0	0	0	0	0	0	0	164	0	0	0	0	0
July 2038	0	0	0	0	0	0	0	0	0	0	0	0	143	0	0	0	0	0
July 2039	0	0	0	0	0	0	0	0	0	0	0	0	98	0	0	0	0	0
July 2040	0	0	0	0	0	0	0	0	0	0	0	0	51	0	0	0	0	0
July 2041	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	17.1	6.4	3.0	2.2	1.7	1.4	6.0	6.0	5.1	4.0	3.2	2.4	28.3	18.8	10.9	7.7	5.7	3.9

Date	BY Class						DA, FD and SD† Classes					
	PSA Prepayment Assumption						PSA Prepayment Assumption					
	0%	100%	325%	500%	700%	1000%	0%	100%	350%	600%	800%	1200%
Initial Percent	100	100	100	100	100	100	100	100	100	100	100	100
July 2012	100	100	100	100	100	100	99	97	92	87	83	76
July 2013	100	100	100	100	100	100	98	91	77	64	54	36
July 2014	100	100	100	100	100	61	97	84	60	40	28	10
July 2015	100	100	100	100	69	24	96	78	47	25	14	3
July 2016	100	100	100	82	39	9	95	72	36	16	7	1
July 2017	100	100	100	56	22	4	93	66	28	10	4	*
July 2018	100	100	88	38	12	1	92	61	22	6	2	*
July 2019	100	100	68	26	7	1	90	56	17	4	1	*
July 2020	100	100	53	17	4	*	89	51	13	2	*	*
July 2021	100	100	41	11	2	*	87	47	10	2	*	*
July 2022	100	100	31	8	1	*	85	43	8	1	*	*
July 2023	100	100	24	5	1	*	83	39	6	1	*	*
July 2024	100	100	18	3	*	*	80	35	4	*	*	*
July 2025	100	100	14	2	*	*	78	32	3	*	*	*
July 2026	100	90	10	1	*	*	75	29	3	*	*	*
July 2027	100	77	7	1	*	*	73	26	2	*	*	0
July 2028	100	66	5	1	*	*	70	23	1	*	*	0
July 2029	100	55	4	*	*	*	66	20	1	*	*	0
July 2030	100	45	3	*	*	*	63	18	1	*	*	0
July 2031	100	35	2	*	*	*	59	16	1	*	*	0
July 2032	100	27	1	*	*	*	55	13	*	*	*	0
July 2033	100	18	1	*	*	0	50	11	*	*	*	0
July 2034	100	11	*	*	*	0	46	10	*	*	*	0
July 2035	100	4	*	*	*	0	40	8	*	*	*	0
July 2036	100	0	0	0	0	0	35	6	*	*	*	0
July 2037	100	0	0	0	0	0	29	5	*	*	*	0
July 2038	87	0	0	0	0	0	22	3	*	*	0	0
July 2039	60	0	0	0	0	0	16	2	*	*	0	0
July 2040	31	0	0	0	0	0	8	1	*	*	0	0
July 2041	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years)**	28.3	18.8	10.2	7.1	5.1	3.6	20.2	10.9	4.8	3.1	2.5	1.8

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

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

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

Characteristics of the Residual Classes

A Residual Certificate will be subject to certain transfer restrictions. See “Description of the Certificates—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—The Certificates—*Special Characteristics of the Residual Certificates*” in the REMIC Prospectus. You should consult your own tax advisor regarding the application of the Regulations to a transfer of a Residual Certificate.

CERTAIN ADDITIONAL FEDERAL INCOME TAX CONSEQUENCES

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

U.S. Treasury Circular 230 Notice

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

REMIC Elections and Special Tax Attributes

We will make a REMIC election with respect to each REMIC set forth in the 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 REMIC Certificates and any related RCR Certificates generally will be treated as “regular or residual interests in a REMIC” for domestic building and loan associations, as “real estate assets” for real estate investment trusts, and, except for the Residual Classes, as “qualified mortgages” for other REMICs. See “Material Federal Income Tax Consequences—REMIC Election and Special Tax Attributes” in the REMIC Prospectus.

Taxation of Beneficial Owners of Regular Certificates

The Notional Classes and the Accrual Classes 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	350% PSA
2	250% PSA
3	200% PSA
4	325% PSA
5	350% PSA

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

Taxation of Beneficial Owners of 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 Combination RCR Class (a “Combination RCR Certificate”) will represent beneficial ownership of undivided interests in one or more underlying Regular Certificates. 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. All Classes of 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 will deliver the Group 1 MBS to the Trust in exchange for the Group 1 Classes, and will sell the HD, GB and GI Classes to Merrill Lynch, Pierce, Fenner & Smith Incorporated (the “Dealer”) for aggregate cash proceeds estimated to be approximately \$299,646,249. We are obligated to deliver the remaining Classes to the Dealer in exchange for the remaining Trust MBS and the Group 2 Underlying RCR Certificate.

The Dealer proposes to offer the Certificates (other than the HI Class) 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. The HI Class initially will be retained by Fannie Mae, which may sell some or all of the Certificates of the HI Class at any time in negotiated transactions at varying prices to be determined at the time of sale.

LEGAL MATTERS

Sidley Austin LLP will provide legal representation for Fannie Mae. Orrick, Herrington & Sutcliffe LLP will provide legal representation for the Dealer.

Exhibit A

Group 2 Underlying RCR Certificate

<u>Underlying REMIC Trust</u>	<u>Class</u>	<u>Date of Issue</u>	<u>CUSIP Number</u>	<u>Interest Rate</u>	<u>Interest Type(1)</u>	<u>Final Distribution Date</u>	<u>Principal Type(1)</u>	<u>Original Principal Balance of Class</u>	<u>July 2011 Class Factor</u>	<u>Principal Balance in the Lower Tier REMIC</u>	<u>Approximate Weighted Average WAC</u>	<u>Approximate Weighted Average WAM (in months)</u>	<u>Approximate Weighted Average WALA (in months)</u>
2009-59	KE	July 2009	31396QRL5	4.0%	FIX	August 2029	SEQ	\$46,532,494	1.00000000	\$46,532,494.00	4.539%	211	25

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

Note: For any pool of Mortgage Loans backing an underlying REMIC or RCR 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.

Schedule 1

Available Recombinations(1)

REMIC Certificates		RCR Certificates						
Classes	Original Balances	RCR Classes	Original Balances	Principal Type(2)	Interest Rate	Interest Type(2)	CUSIP Number	Final Distribution Date
Recombination 1								
GB	\$168,414,253	GC	\$168,414,253	PT	2.00%	FIX	3136A0QW0	December 2022
GI	7,017,261(3)							
Recombination 2								
GB	168,414,253	GD	168,414,253	PT	2.25	FIX	3136A0QX8	December 2022
GI	14,034,522(3)							
Recombination 3								
GB	168,414,253	GE	168,414,253	PT	2.50	FIX	3136A0QY6	December 2022
GI	21,051,782(3)							
Recombination 4								
GB	168,414,253	HM	293,414,253	PT	3.00	FIX	3136A0QZ3	December 2022
HD	125,000,000							
GI	55,919,636(3)							
Recombination 5								
AC	67,195,000	AD	67,195,000	SEQ	3.00	FIX	3136A0RD1	November 2037
AI	8,399,375(3)							
Recombination 6								
AC	67,195,000	AE	67,195,000	SEQ	3.50	FIX	3136A0RB5	November 2037
AI	16,798,750(3)							
Recombination 7								
AC	67,195,000	AB	67,195,000	SEQ	4.00	FIX	3136A0RC3	November 2037
AI	25,198,125(3)							
Recombination 8								
VA	8,137,000	AY(4)	22,722,383	SEQ	4.00	FIX	3136A0RA7	August 2041
ZA	14,585,383							
Recombination 9								
BC	61,862,000	BD	61,862,000	SEQ	3.00	FIX	3136A0RF6	February 2038
BI	6,873,556(3)							

REMIC Certificates		RCR Certificates						
<u>Classes</u>	<u>Original Balances</u>	<u>RCR Classes</u>	<u>Original Balances</u>	<u>Principal Type(2)</u>	<u>Interest Rate</u>	<u>Interest Type(2)</u>	<u>CUSIP Number</u>	<u>Final Distribution Date</u>
Recombination 10								
BC	\$ 61,862,000	BE	\$ 61,862,000	SEQ	3.50%	FIX	3136A0RG4	February 2038
BI	13,747,112(3)							
Recombination 11								
BC	61,862,000	BG	61,862,000	SEQ	4.00	FIX	3136A0RH2	February 2038
BI	20,620,667(3)							
Recombination 12								
BC	61,862,000	BA	61,862,000	SEQ	4.50	FIX	3136A0RJ8	February 2038
BI	27,494,222(3)							
Recombination 13								
VB	7,940,000	BY(5)	20,345,243	SEQ	4.50	FIX	3136A0RE9	August 2041
ZB	12,405,243							

- (1) REMIC Certificates and RCR Certificates in any 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 REMIC Classes and one RCR Class whose *original* principal balances shown in the schedule reflect a 1:1:2 relationship, the same 1:1:2 relationship among the *original* principal balances of those REMIC and RCR Classes must be maintained in any exchange. This is true even if, as a result of the applicable payment priority sequence, the relationship between their *current* principal balances has changed over time. Moreover, if as a result of a proposed exchange, a Certificateholder would hold a REMIC Certificate or RCR Certificate of a Class in an amount less than the applicable minimum denomination for that Class, the Certificateholder will be unable to effect the proposed exchange. See “Description of the Certificates—General—*Authorized Denominations*” in this prospectus supplement.
- (2) See “Description of the Certificates—The Certificates—*Class Definitions and Abbreviations*” in the REMIC Prospectus.
- (3) Notional balances. These Classes are Interest Only Classes. See page S-7 for a description of how their notional balances are calculated.
- (4) Principal payments on the REMIC Certificates in Recombination 8 from the ZA Accrual Amount will be paid as interest on the related RCR Certificates and thus will not reduce the principal balances of those RCR Certificates.
- (5) Principal payments on the REMIC Certificates in Recombinations 13 from the ZB Accrual Amount will be paid as interest on the related RCR Certificates and thus will not reduce the principal balances of those RCR Certificates.

No one is authorized to give information or to make representations in connection with the Certificates other than the information and representations contained in or incorporated into this Prospectus Supplement and the additional Disclosure Documents. We take no responsibility for 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.

Neither the Securities and Exchange Commission nor any state securities commission has 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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\$762,071,373



**Guaranteed REMIC
Pass-Through Certificates
Fannie Mae REMIC Trust 2011-79**

PROSPECTUS SUPPLEMENT

BofA Merrill Lynch

July 25, 2011
