**Form 4**

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

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1. **Name and Address of Reporting Person**
   - BACON KENNETH J
   - (Last) (First) (Middle)
   - 3900 WISCONSIN AVENUE, NW
   - WASHINGTON DC 20016

2. **Issuer Name and Ticker or Trading Symbol**
   - FEDERAL NATIONAL MORTGAGE ASSOCIATION FANNIE MAE [ FNM ]

3. **Date of Earliest Transaction**
   - 03/10/2008

4. **For Amendment, Date of Original Filed**
   - (Month/Day/Year)

5. **Relationship of Reporting Person(s) to Issuer**
   - X Officer (give title below)
   - EVP-Housing & Community Dev.

6. **Individual or Joint/Group Filing**
   - X Form filed by One Reporting Person

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**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

<table>
<thead>
<tr>
<th>Title of Security</th>
<th>Transaction Date</th>
<th>Transaction Code</th>
<th>Securities Acquired</th>
<th>Amount</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Stock</td>
<td>03/10/2008</td>
<td>F</td>
<td>2,048(1) D</td>
<td>20.39</td>
<td>137,283 D</td>
</tr>
<tr>
<td>Common Stock</td>
<td></td>
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</tbody>
</table>

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**

<table>
<thead>
<tr>
<th>Title of Derivative Security</th>
<th>Conversion or Exercise Price of Derivative Security</th>
<th>Transaction Date</th>
<th>Transaction Code</th>
<th>Number of Derivative Securities Acquired or Disposed of (D) (Instr. 3, 4 and 5)</th>
<th>Date Exercisable and Expiration Date (Month/Day/Year)</th>
<th>Title and Amount of Derivative Securities Underlying Derivative Security (Instr. 3 and 4)</th>
<th>Price of Derivative Security (Instr. 5)</th>
<th>Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)</th>
<th>Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
<tbody>
<tr>
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</table>

**Explanation of Responses:**
1. These shares were withheld by Fannie Mae to pay withholding taxes.
2. End of period holdings include additional shares acquired under the Issuer's ESOP through February 26, 2008.

**Remarks:**

/s/ Kenneth J. Bacon

03/12/2008

**Signature of Reporting Person**

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**If the form is filed by more than one reporting person, see instruction 4 (b)(v).**


Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.