

FORM 3 (continued)

Table II -- Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Securities (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Employee Stock Option (right to buy)	01/04/2000	01/02/2009	Common Stock	9000.0000	\$72.8125	D	
Employee Stock Option (right to buy)	11/16/2000	11/16/2009	Common Stock	10040.0000	\$71.50	D	
Employee Stock Option (right to buy)	01/18/2004	01/18/2010	Common Stock	17087.0000	\$62.50	D	
Employee Stock Option (right to buy)	11/21/2001 (1)	11/21/2010	Common Stock	11410.0000	\$77.0950	D	
Employee Stock Option (right to buy)	11/20/2002 (2)	11/20/2011	Common Stock	13080.0000	\$80.95	D	
Employee Stock Option (right to buy)	01/21/2004 (3)	01/21/2013	Common Stock	31848.0000	\$69.43	D	
Employee Stock Option (right to buy)	01/23/2005 (4)	01/23/2014	Common Stock	37816.0000	\$78.3150	D	

Explanation of Responses:

See attached footnote page.

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations.
see 18 U.S.C. 1001 and 15 U.S.C. 78ff(a)

/s/ Ann M. Kappler

02/20/2004

** Signature of Reporting Person

Date

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

FOOTNOTES

- 1 8,557 options are currently exercisable; the balance vests on November 21, 2004.
- 2 6,540 options are currently exercisable; 3,270 options vest on November 20, 2004 and November 20, 2005.
- 3 7,962 options are currently exercisable; 7,962 options vest on January 21, 2005, January 21, 2006, and January 21, 2007.
- 4 The options vest in four annual installments as follows: 9,454 options vest on January 23, 2005, January 23, 2006, January 23, 2007, and January 23, 2008.

LIMITED SIGNATORY POWER

By this Limited Signatory Power the undersigned authorizes and designates each of Thomas Donilon and Scott Lesmes to execute and file on behalf of the undersigned all Forms 3, 4 and 5 (including any exhibits, attachments and amendments thereto) that the undersigned may be required to file with the Securities and Exchange Commission as a result of the undersigned's ownership of or transactions in securities of Fannie Mae. The authority of Thomas Donilon and Scott Lesmes under this Limited Signatory Power shall continue until the undersigned is no longer required to file Forms 3, 4 and 5 with regard to his or her ownership of or transactions in securities of Fannie Mae, unless earlier revoked in writing. The undersigned acknowledges that Thomas Donilon and Scott Lesmes are not assuming, nor is Fannie Mae assuming, any of the undersigned's responsibilities to file Forms 3, 4 and 5 or otherwise comply with any related laws or regulations.

/s/ Ann M. Kappler

Ann M. Kappler

Date: February 20, 2004