FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

Name and Address of Report	orting Person*		2. Issuer Name and Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer				
WILLIAMS	MICHAEL	J.	FEDERAL NATIONAL MORTGAGE FNM ASSOCIATION (FANNIE MAE)	(Check all applicable) Director 10% Owner				
(Last) 3900 WISCONSIN AVENU	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 01/24/2007	x Officer (give title below) Other (specify below)				
(Street) WASHINGTON	DC	20016	4. If Amendment, Date Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check applicable) Form filed by One Reporting Person Form filed by More than One Reporting Person				
(City)	(State)	(Zip)	Table I Non-Derivative Securities Ben	eficially Owned				



1. Title of Security (Instr. 3)	2. Transaction Date	2A. Deemed Execution Date, if any	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following	6. Owner-ship Form: Direct (D) or	7. Nature of Indirect Beneficial Owner- ship
		(Month/ Day/ Year)	Code	V	Amount	(A) or (D)	Price	Reported Transaction(s)	Indirect (I) (Instr. 4)	(Instr. 4)
Common Stock	01/24/2007		F		5299 (1)	D	\$56.51	154454.106 (2)(3)	D	
Common Stock	01/25/2007		А	1	92621 (4)	А	\$0.00	247075.106 (5)(2)(3)	D	
Common Stock								856.93	I	By ESOP
Common Stock								700	ı	By Reporting Person as UGMA custodian for daughter

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

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SEC 1474 (9-02)



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

FORM 4 (continued)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/ Day/ Year)	3A. Deemed Execution Date, if any (Month/ Day/ Year)	1		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Secur- ities (Instr. 3 and 4)		8. Price of Deriv- ative Secur- ity (Instr. 5)	9. Number of deriv- ative Secur- ities Bene- ficially Owned Follow-	10. Ownership Form of Derivative Security: Direct (D) or Indirect	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exer- cisable	Expira- tion Date	Title	Amount or Number of Shares		Reported Trans- action(s) (Instr. 4)	(I) (Instr. 4)	

Explanation of Responses: See attached footnote page.

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^{**} Intentional misstatements or omissions of facts constitute Federal Criminal Violations.

see 18 U.S.C. 1001 and 15 U.S.C. 78ff(a)

** Signature of Reporting Person

Date

FORM 4 (continued) **FOOTNOTES** 1 These shares were withheld by Fannie Mae for payment of tax liablility upon the vesting of 15,402 shares. 2 Under Fannie Mae's Performance Share Program, as a member of Fannie Mae's senior management, the reporting person has previously received awards that entitle the reporting person to receive shares of Fannie Mae common stock in an amount based upon and subject to Fannie Mae's meeting corporate performance objectives over three-year periods. Generally, Fannie Mae's Compensation Committee determines in January of the year following completion of the cycle the number of shares of common stock each awardee is entitled to receive, and the shares are paid out in two equal annual installments beginning that January. (Footnote 2 is continued in 3 below.) 3 For the three-year performance cycle completed in 2003, the reporting person was determined in January 2004 to be entitled to receive 23,850 shares, of which the reporting person received 11,925 shares in accordance with the program and the balance was scheduled to be received in January 2005. As previously announced, Fannie Mae's Board of Directors and Compensation Committee have deferred payment of unpaid performance shares for the performance cycle completed in 2003. As a result, 11,925 shares scheduled to be issued to the reporting person in January 2005 have not yet been issued. These shares are included in the reporting person's total holdings above. These restricted shares vest in four equal annual installments beginning in January 2008, subject to accelerated vesting in the event of death, disability or retirement. 5 End of period holdings include additional shares acquired from the reinvestment of dividends in issuer's ESOP through December 29, 2006.