FORM 4

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

| APPROVAL |
|----------|
| |

OMB Number: 3235-0287 Expires: January 31, 2008 Estimated average burden hours per response . . . 0.5

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)

| 1. Name and Address of Reporting 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) 03/12/2007 | 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 | neficially Owned | | | | |



| 1. Title of Security (Instr. 3) | 2. Trans- action Deemed Date 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) | (Month/ Day/ Year) | Code | V | Amount | (A) or (D) | Price | Reported Transaction(s) | Indirect (I) (Instr. 4) | (Instr. 4) |
| Common Stock | 02/28/2007 | | G (1) | | 1000 (1) | D | \$0.00 | 234151.085 (2) | D | |
| Common Stock | 03/12/2007 | | F | | 5626 (3) | D | \$55.09 | 228525.085 (2) | D | |
| Common Stock | | | | | | | | 862.659 (4) | ı | By ESOP |
| Common Stock | | | | | | | | 700 (4) | I | By Reporting Person as UGMA custodian for daughter |

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

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

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 | or action Deemed Execurity (Instr. 8) (Month/ Date, if Day/ any Deemed action Code quired (A) or posed of (D) (Instr. 3, 4 and posed) | | curities Ac- A) or Dis- C(D) | Expir Date | le and ration ath/Day/ | 7. Title and Amount of Underlying Secur- ities (Instr. 3 and 4) | | 8. Price of Deriv- ative Secur- ity (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Follow- | Owner-ship Form of Deriv- ative Security: Direct (D) or Indirect (I) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) | |
|--|--|---|------|------------------------------------|---------------|------------------------------|--|-------------------------|---|---|--|---|--|
| | | | Code | V | (A) | (D) | Date Exer- cisable | Expira- tion Date | Title | Amount or Number of Shares | ing Reported Trans- action(s) (Instr. 4) | (Înstr. 4) | |

Explanation of Responses: See attached footnote page.

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.

^{**} 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 | The reported transaction represents a charitable gift by the reporting person. |
| 2 | End of period holdings include additional shares acquired under the Issuer's dividend reinvestment plan through February 26, 2007. |
| 3 | These shares were withheld by Fannie Mae for payment of tax liablility upon the vesting of 12,671 shares. |
| 4 | End of period holdings include additional shares acquired from the reinvestment of dividends in issuer's ESOP through February 26, 2007. |

