FORM 4

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

OMB 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 Response	es
-------------------------	----

Name and Address of Reporting	2.	Issuer Name and	Ticker or	Trading Sy	mbol	5. Relationship of Reporting Person(s) to Issuer							
BACON	KENNETH J.			EDERAL NATION				(Check all applica	(Check all applicable) Director				
(Last) (First) (Middle) 3900 WISCONSIN AVENUE, NW				Date of Earliest T	ransaction	(Month/D	oay/Year)	X Officer (give title below) Other (specify below) EVP-Housing & Community Dev.					
(Street) WASHINGTON	DC	20016	4.	If Amendment, D	ate Origin	al Filed (M	Month/Day/Year)			6. Individual or Joi x Form filed by Or Form filed by M	(Check applicable		
(City)	(State)	(Zip)		Table I Non-Derivative Securities Beneficially Owned									
1. Title of Security (Instr. 3)		2. T		2A. Deemed Execution Date, if	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) (Instr. 3 and 4)	Indirect (I) (Instr. 4)	(Instr. 4)	
Common Stock			11/05/2007		F		2519 (1)	D	\$52.13	83480	D		
Common Stock										1045.021	I	By ESOP	

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	3. Transaction Date (Month/ Day/ Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		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-	Owner- ship Form of Deriv- ative 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.

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

These shares were withheld to pay withholding taxes.

