

OMB APPROVAL
OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response...0.5

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

**FORM 4**

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

**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**

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

<b>1. Name and Address of Reporting Person*</b> <i>(Last, First, Middle)</i>  Howard, J., Timothy  <hr/> 3900 Wisconsin Avenue, NW  <i>(Street)</i>  Washington, DC 20016  <i>(City) (State) (Zip)</i>	<b>2. Issuer Name and Ticker or Trading Symbol</b> Federal National Mortgage Association (Fannie Mae) (FNM)  <hr/> <b>3. Date of Earliest Transaction</b> <i>(MM/DD/YYYY)</i> 07/15/2003  <hr/> <b>4. If Amendment, Date Original Filed</b> <i>(MM/DD/YYYY)</i> <hr/>	<b>5. Relationship of Reporting Person(s) to Issuer</b> <i>(Check All Applicable)</i> <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> Officer <i>(give title below)</i> <input type="checkbox"/> 10% Owner <input type="checkbox"/> Other <i>(specify below)</i>  <hr/> Officer: Vice Chairman & CFO  <hr/> <b>6. Individual or Joint/Group Filing</b> <i>(Check Applicable Line)</i> <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
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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).



**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security <i>(Instr. 3)</i>	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date <i>(MM/DD/YYYY)</i>	3a. Deemed Execution Date, if any <i>(MM/DD/YYYY)</i>	4. Transaction Code <i>(Instr. 8)</i>	Equity Swap	Timeliness	Amount	(A)/(D)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) <i>(Instr. 3, 4 and 5)</i>
Employee Stock Option (right to buy)	\$69.5250	07/15/2003		A	4	No	OnTime	7219.0000	A

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned - Continued**  
*(e.g., puts, calls, warrants, options, convertible securities)*

6. Date Exercisable and Expiration Date <i>(MM/DD/YYYY)</i>	7. Title and Amount of Underlying Securities <i>(Instr. 3 and 4)</i>	8. Price of Derivative Security <i>(Instr. 5)</i>	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) <i>(Instr. 4)</i>	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) <i>(Instr. 4)</i>	11. Nature of Indirect Beneficial Ownership <i>(Instr. 4)</i>	
Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
08/08/1988 (1)	01/21/2010	Common Stock	7219.0000	\$0.0000	7219.0000	D

**Explanation of Responses:**

(1) In accordance with guidance from the SEC staff, the date shown above is a "dummy date" required by the SEC's electronic filing system. Vesting of the options is contingent upon the achievement of an aggressive earnings per share ("EPS") goal established in January 2000. If EPS equals or exceeds \$6.46 per share by December 31, 2003, then the options will become exercisable in January 2004. If the EPS goal is not met, the options instead will vest and become exercisable in 25 percent annual increments beginning in January 2005. However, if the EPS goal is not met, the Board of Directors has retained the discretion to reduce or eliminate future compensation awards to offset this vesting.

/s/ Scott Lesmes, Attorney-in-Fact  
for  
J. Timothy Howard

7/17/2003

\_\_\_\_\_  
\*\*Signature of Reporting Person

\_\_\_\_\_  
Date

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