

**MERIT SECURITIES CORPORATION  
SERIES 11**

ISSUE DATE:	5/28/1998
UNDERWRITER:	LEHMAN BROTHERS
MASTER SERVICER:	Dynex
TRUSTEE:	JPMorgan Chase
COLLATERAL TYPE:	ARM / FIXED

REPORTING MONTH:	Jan-06
PRICING SPEED:	18% CPR
CLOSING COLLATERAL BAL:	\$1,591,150,815
CURRENT COLLATERAL BAL:	\$179,882,396
PAYMENT FREQUENCY:	Monthly/28th

**SUMMARY OF STRUCTURE**

Class	CUSIP	Current Coupon	Orig. Avg Life	Original Balance	Current Factor	Current Balance	Credit Rating
Class 2-A3	589962DD8	0.000%	6.0	166,560,000	0.00000000	\$0.00	AAA, Aaa
Class 3-A1	589962DE6	4.999%	4.0	262,000,000	0.63254252	\$125,281,491.31	AAA, Aaa
Class B1	589962DF3	5.579%	9.2	59,600,000	0.00000000	\$0.00	AA, Aa2
Class B2	589962DQ1	5.879%	11.9	34,500,000	0.83673778	\$28,867,453.33	A, A2
Class B3	589962DH9	6.629%	13.8	20,000,000	1.00000000	\$20,000,000.00	B, Baa2

Collateral Information		
	Issuance	Current
WAC	8.25%	7.96%
WAM	308.5	230.0
Avg Original LTV	78.92%	86.29%
Avg Balance	\$142,116	\$44,892
Number of Loans	10,358	4007

Loan Purpose (1)		
	Issuance	Current
Purchase	52.26%	85.48%
Cash-out Refi	24.28%	7.14%
Refinance	23.45%	7.38%

Type of Dwelling Unit (1)		
	Issuance	Current
Single Family Detached	90.93%	15.93%
Manufactured Housing	13.89%	80.30%
Planned Unit Development	9.61%	0.47%
Low Rise Condominium	3.09%	1.88%
Single Family Attached	3.95%	1.12%
Condominium	2.12%	0.11%
2-4 Single Family	0.69%	0.00%
High Rise Condominium	0.11%	0.18%
Townhouse	0.02%	0.00%

Geographic Distribution (1)		
	Issuance	Current
CA	74.12%	14.75%
TX	6.25%	20.48%
WA	3.67%	2.21%
SC	2.08%	12.58%
GA	1.72%	8.99%
NC	1.39%	7.77%
OTHER	10.76%	33.22%

Original LTV Distribution (1)		
	Issuance	Current
<= 50%	2.67%	1.17%
50.01% - 60.00%	3.81%	1.12%
60.01% - 70.00%	8.92%	3.72%
70.01% - 80.00%	37.45%	12.44%
80.01% - 90.00%	30.78%	33.24%
>= 90.01%	16.38%	48.03%

Gross Margin for ARMS (1)		
	Issuance	Current
225-274 BP	0.14%	0.00%
275-324 BP	97.51%	93.37%
325-374 BP	1.39%	3.57%
375-424 BP	0.64%	1.09%
425-474 BP	0.30%	0.00%
575 BP +	0.29%	1.96%
WA Gross Margin	2.83%	2.93%

Loan Type (1)		
	Issuance	Current
FIXED	20.66%	79.98%
6mo LIBOR ARM	44.85%	16.36%
1yr CMTARM	34.49%	3.66%
WA Months to rate reset (ARMS only)		3.19

Current Delinquency Information (Direct Loans)			
	# Loans	Balance	% Pool
30+ Days	101	\$4,404,819	2.45%
60+ Days	23	\$835,961	0.46%
90+ Days	16	\$561,885	0.31%
Foreclosure	45	\$1,917,017	1.07%
REO	21	\$959,616	0.53%
Totals	206	\$8,679,299	4.82%

Credit Loss Coverage		
	Balance	Coverage %
Over Collateralization	\$5,733,451	3.19%

Current Delinquency Information (Indirect Loans)			
	# Loans	Balance	% Pool
30+ Days	8	\$1,426,776	0.79%
60+ Days	1	\$113,403	0.06%
90+ Days	0	\$0	0.00%
Foreclosure	2	\$342,478	0.19%
REO	0	\$0	0.00%
Totals	11	\$1,882,657	1.05%

(1) Percentages reflect distribution by loan balance.