

**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-07
PRICING SPEED:	18% CPR
CLOSING COLLATERAL BAL:	\$1,591,150,815
CURRENT COLLATERAL BAL:	\$153,488,542
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	5.970%	4.0	262,000,000	0.56952994	\$112,801,206.10	AAA, Aaa
Class B1	589962DF3	6.550%	9.2	59,600,000	0.00000000	\$0.00	AA, Aa2
Class B2	589962DQ1	6.850%	11.9	34,500,000	0.51871879	\$17,895,798.23	A, A2
Class B3	589962DH9	7.600%	13.8	20,000,000	1.00000000	\$20,000,000.00	B, Baa2

Collateral Information		
	Issuance	Current
WAC	8.25%	8.27%
WAM	308.5	220.1
Avg Original LTV	78.92%	86.65%
Avg Balance	\$142,116	\$42,482
Number of Loans	10,358	3613

Loan Purpose (1)		
	Issuance	Current
Purchase	52.26%	87.85%
Cash-out Refi	24.28%	5.60%
Refinance	23.45%	6.55%

Type of Dwelling Unit (1)		
	Issuance	Current
Single Family Detached	90.93%	12.45%
Manufactured Housing	13.89%	83.79%
Planned Unit Development	9.61%	0.53%
Low Rise Condominium	3.09%	1.70%
Single Family Attached	3.95%	1.18%
Condominium	2.12%	0.13%
2-4 Single Family	0.69%	0.00%
High Rise Condominium	0.11%	0.20%
Townhouse	0.02%	0.00%

Geographic Distribution (1)		
	Issuance	Current
CA	74.12%	12.33%
TX	6.25%	20.71%
WA	3.67%	1.56%
SC	2.08%	13.44%
GA	1.72%	9.70%
NC	1.39%	8.25%
OTHER	10.76%	34.01%

Original LTV Distribution (1)		
	Issuance	Current
<= 50%	2.67%	1.30%
50.01% - 60.00%	3.81%	1.11%
60.01% - 70.00%	8.92%	2.61%
70.01% - 80.00%	37.45%	11.86%
80.01% - 90.00%	30.78%	33.19%
>= 90.01%	16.38%	49.62%

Gross Margin for ARMS (1)		
	Issuance	Current
225-274 BP	0.14%	0.00%
275-324 BP	97.51%	91.70%
325-374 BP	1.39%	4.52%
375-424 BP	0.64%	1.50%
425-474 BP	0.30%	0.00%
575 BP +	0.29%	2.27%
WA Gross Margin	2.83%	2.95%

Loan Type (1)		
	Issuance	Current
FIXED	20.66%	83.50%
6mo LIBOR ARM	44.85%	14.10%
1yr CMTARM	34.49%	2.40%
WA Months to rate reset (ARMS only)		3.23

Current Delinquency Information (Direct Loans)			
	# Loans	Balance	% Pool
30+ Days	89	\$3,079,441	2.01%
60+ Days	22	\$782,826	0.51%
90+ Days	15	\$441,329	0.29%
Foreclosure	25	\$1,114,860	0.73%
REO	24	\$1,071,288	0.70%
Totals	175	\$6,489,743	4.23%

Credit Loss Coverage		
	Balance	Coverage %
Over Collateralization	\$2,791,538	1.82%

Current Delinquency Information (Indirect Loans)			
	# Loans	Balance	% Pool
30+ Days	8	\$988,615	0.64%
60+ Days	0	\$0	0.00%
90+ Days	2	\$415,358	0.27%
Foreclosure	2	\$440,307	0.29%
REO	0	\$0	0.00%
Totals	12	\$1,844,280	1.20%

(1) Percentages reflect distribution by loan balance.