

**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:	Feb-06
PRICING SPEED:	18% CPR
CLOSING COLLATERAL BAL:	\$1,591,150,815
CURRENT COLLATERAL BAL:	\$177,845,990
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	5.180%	4.0	262,000,000	0.62644646	\$124,074,104.59	AAA, Aaa
Class B1	589962DF3	5.760%	9.2	59,600,000	0.00000000	\$0.00	AA, Aa2
Class B2	589962DQ1	6.060%	11.9	34,500,000	0.81981738	\$28,283,699.45	A, A2
Class B3	589962DH9	6.810%	13.8	20,000,000	1.00000000	\$20,000,000.00	B, Baa2

Collateral Information		
	Issuance	Current
WAC	8.25%	7.98%
WAM	308.5	229.3
Avg Original LTV	78.92%	86.30%
Avg Balance	\$142,116	\$44,843
Number of Loans	10,358	3966

Loan Purpose (1)		
	Issuance	Current
Purchase	52.26%	85.59%
Cash-out Refi	24.28%	6.98%
Refinance	23.45%	7.43%

Type of Dwelling Unit (1)		
	Issuance	Current
Single Family Detached	90.93%	15.83%
Manufactured Housing	13.89%	80.38%
Planned Unit Development	9.61%	0.47%
Low Rise Condominium	3.09%	1.89%
Single Family Attached	3.95%	1.13%
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%	14.66%
TX	6.25%	20.51%
WA	3.67%	2.23%
SC	2.08%	12.63%
GA	1.72%	9.00%
NC	1.39%	7.77%
OTHER	10.76%	33.20%

Original LTV Distribution (1)		
	Issuance	Current
<= 50%	2.67%	1.18%
50.01% - 60.00%	3.81%	1.13%
60.01% - 70.00%	8.92%	3.74%
70.01% - 80.00%	37.45%	12.49%
80.01% - 90.00%	30.78%	32.96%
>= 90.01%	16.38%	48.22%

Gross Margin for ARMS (1)		
	Issuance	Current
225-274 BP	0.14%	0.00%
275-324 BP	97.51%	93.29%
325-374 BP	1.39%	3.62%
375-424 BP	0.64%	1.11%
425-474 BP	0.30%	0.00%
575 BP +	0.29%	1.99%
WA Gross Margin	2.83%	2.93%

Loan Type (1)		
	Issuance	Current
FIXED	20.66%	80.05%
6mo LIBOR ARM	44.85%	16.25%
1yr CMTARM	34.49%	3.70%
WA Months to rate reset (ARMS only)		3.42

Current Delinquency Information (Direct Loans)			
	# Loans	Balance	% Pool
30+ Days	94	\$3,556,440	2.00%
60+ Days	26	\$1,175,657	0.66%
90+ Days	14	\$486,919	0.27%
Foreclosure	45	\$1,899,866	1.07%
REO	27	\$1,172,089	0.66%
Totals	206	\$8,290,971	4.66%

Credit Loss Coverage		
	Balance	Coverage %
Over Collateralization	\$5,488,186	3.09%

Current Delinquency Information (Indirect Loans)			
	# Loans	Balance	% Pool
30+ Days	9	\$1,349,616	0.76%
60+ Days	3	\$634,973	0.36%
90+ Days	0	\$0	0.00%
Foreclosure	1	\$291,582	0.16%
REO	0	\$0	0.00%
Totals	13	\$2,276,170	1.28%

(1) Percentages reflect distribution by loan balance.