

**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:	May-07
PRICING SPEED:	18% CPR
CLOSING COLLATERAL BAL:	\$1,591,150,815
CURRENT COLLATERAL BAL:	\$146,982,664
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	5.940%	4.0	262,000,000	0.55111550	\$109,154,039.19	AAA, Aaa
Class B1	589962DF3	6.520%	9.2	59,600,000	0.00000000	\$0.00	AA, Aa2
Class B2	589962DQ1	6.820%	11.9	34,500,000	0.44814398	\$15,460,967.47	A, A2
Class B3	589962DH9	7.570%	13.8	20,000,000	1.00000000	\$20,000,000.00	B, Baa2

Collateral Information		
	Issuance	Current
WAC	8.25%	8.26%
WAM	308.5	217.7
Avg Original LTV	78.92%	87.04%
Avg Balance	\$142,116	\$41,264
Number of Loans	10,358	3489

Loan Purpose (1)		
	Issuance	Current
Purchase	52.26%	89.55%
Cash-out Refi	24.28%	4.12%
Refinance	23.45%	6.34%

Type of Dwelling Unit (1)		
	Issuance	Current
Single Family Detached	90.93%	10.28%
Manufactured Housing	13.89%	86.44%
Planned Unit Development	9.61%	0.56%
Low Rise Condominium	3.09%	1.44%
Single Family Attached	3.95%	0.93%
Condominium	2.12%	0.14%
2-4 Single Family	0.69%	0.00%
High Rise Condominium	0.11%	0.21%
Townhouse	0.02%	0.00%

Geographic Distribution (1)		
	Issuance	Current
CA	74.12%	10.26%
TX	6.25%	21.04%
WA	3.67%	1.65%
SC	2.08%	13.88%
GA	1.72%	10.10%
NC	1.39%	8.50%
OTHER	10.76%	34.57%

Original LTV Distribution (1)		
	Issuance	Current
<= 50%	2.67%	1.21%
50.01% - 60.00%	3.81%	1.13%
60.01% - 70.00%	8.92%	2.32%
70.01% - 80.00%	37.45%	10.86%
80.01% - 90.00%	30.78%	33.33%
>= 90.01%	16.38%	50.84%

Gross Margin for ARMS (1)		
	Issuance	Current
225-274 BP	0.14%	0.00%
275-324 BP	97.51%	90.83%
325-374 BP	1.39%	4.43%
375-424 BP	0.64%	1.88%
425-474 BP	0.30%	0.00%
575 BP +	0.29%	2.85%
WA Gross Margin	2.83%	2.96%

Loan Type (1)		
	Issuance	Current
FIXED	20.66%	86.13%
6mo LIBOR ARM	44.85%	11.51%
1yr CMTARM	34.49%	2.36%
WA Months to rate reset (ARMS only)		3.93

Current Delinquency Information (Direct Loans)			
	# Loans	Balance	% Pool
30+ Days	58	\$2,026,573	1.38%
60+ Days	19	\$630,549	0.43%
90+ Days	10	\$372,410	0.25%
Foreclosure	21	\$901,711	0.61%
REO	23	\$1,017,096	0.69%
Totals	131	\$4,948,338	3.37%

Credit Loss Coverage		
	Balance	Coverage %
Over Collateralization	\$2,367,657	1.61%

Current Delinquency Information (Indirect Loans)			
	# Loans	Balance	% Pool
30+ Days	5	\$560,444	0.38%
60+ Days	0	\$0	0.00%
90+ Days	3	\$411,900	0.28%
Foreclosure	2	\$476,943	0.32%
REO	0	\$0	0.00%
Totals	10	\$1,449,287	0.99%

(1) Percentages reflect distribution by loan balance.