

**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-10
PRICING SPEED:	18% CPR
CLOSING COLLATERAL BAL:	\$1,591,150,815
CURRENT COLLATERAL BAL:	\$104,466,704
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	0.885%	4.0	262,000,000	0.38094959	\$75,450,947.32	AAA, Aaa
Class B1	589962DF3	1.465%	9.2	59,600,000	0.00000000	\$0.00	AA, Aa2
Class B2	589962DQ1	1.765%	11.9	34,500,000	0.16176348	\$5,580,840.10	A, A2
Class B3	589962DH9	2.515%	13.8	20,000,000	1.00000000	\$20,000,000.00	B, Baa2

Collateral Information		
	Issuance	Current
WAC	8.25%	7.72%
WAM	308.5	187.1
Avg Original LTV	78.92%	86.96%
Avg Balance	\$142,116	\$37,997
Number of Loans	10,358	2751

Loan Purpose (1)		
	Issuance	Current
Purchase	52.26%	89.74%
Cash-out Refi	24.28%	4.21%
Refinance	23.45%	6.05%

Type of Dwelling Unit (1)		
	Issuance	Current
Single Family Detached	90.93%	10.28%
Manufactured Housing	13.89%	86.37%
Planned Unit Development	9.61%	0.48%
Low Rise Condominium	3.09%	1.24%
Single Family Attached	3.95%	1.20%
Condominium	2.12%	0.17%
2-4 Single Family	0.69%	0.00%
High Rise Condominium	0.11%	0.25%
Townhouse	0.02%	0.00%

Geographic Distribution (1)		
	Issuance	Current
CA	74.12%	10.25%
TX	6.25%	20.46%
WA	3.67%	1.44%
SC	2.08%	15.35%
GA	1.72%	10.04%
NC	1.39%	8.65%
OTHER	10.76%	33.81%

Original LTV Distribution (1)		
	Issuance	Current
<= 50%	2.67%	1.34%
50.01% - 60.00%	3.81%	1.11%
60.01% - 70.00%	8.92%	2.28%
70.01% - 80.00%	37.45%	10.31%
80.01% - 90.00%	30.78%	33.32%
>= 90.01%	16.38%	51.25%

Gross Margin for ARMS (1)		
	Issuance	Current
225-274 BP	0.14%	0.00%
275-324 BP	97.51%	90.01%
325-374 BP	1.39%	5.29%
375-424 BP	0.64%	1.87%
425-474 BP	0.30%	0.00%
575 BP +	0.29%	2.83%
WA Gross Margin	2.83%	2.97%

Loan Type (1)		
	Issuance	Current
FIXED	20.66%	86.08%
6mo LIBOR ARM	44.85%	11.56%
1yr CMTARM	34.49%	2.36%
WA Months to rate reset (ARMS only)		3.78

Current Delinquency Information (Direct Loans)			
	# Loans	Balance	% Pool
30+ Days	24	\$816,515	0.78%
60+ Days	5	\$128,033	0.12%
90+ Days	15	\$503,428	0.48%
Foreclosure	6	\$310,352	0.30%
REO	8	\$293,649	0.28%
Totals	58	\$2,051,977	1.96%

Credit Loss Coverage		
	Balance	Coverage %
Over Collateralization	\$3,434,916	3.29%

Current Delinquency Information (Indirect Loans)			
	# Loans	Balance	% Pool
30+ Days	3	\$275,517	0.26%
60+ Days	0	\$0	0.00%
90+ Days	1	\$50,912	0.05%
Foreclosure	2	\$344,751	0.33%
REO	0	\$0	0.00%
Totals	6	\$671,180	0.64%

(1) Percentages reflect distribution by loan balance.