

**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:	Jun-07
PRICING SPEED:	18% CPR
CLOSING COLLATERAL BAL:	\$1,591,150,815
CURRENT COLLATERAL BAL:	\$145,231,846
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	0.54582879	\$108,106,951.84	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	0.43324086	\$14,946,809.75	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	216.3
Avg Original LTV	78.92%	86.74%
Avg Balance	\$142,116	\$41,721
Number of Loans	10,358	3481

Loan Purpose (1)		
	Issuance	Current
Purchase	52.26%	88.42%
Cash-out Refi	24.28%	5.12%
Refinance	23.45%	6.46%

Type of Dwelling Unit (1)		
	Issuance	Current
Single Family Detached	90.93%	11.54%
Manufactured Housing	13.89%	84.82%
Planned Unit Development	9.61%	0.56%
Low Rise Condominium	3.09%	1.50%
Single Family Attached	3.95%	1.23%
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%	11.65%
TX	6.25%	20.71%
WA	3.67%	1.63%
SC	2.08%	13.60%
GA	1.72%	9.92%
NC	1.39%	8.38%
OTHER	10.76%	34.11%

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%	2.52%
70.01% - 80.00%	37.45%	11.50%
80.01% - 90.00%	30.78%	33.39%
>= 90.01%	16.38%	49.83%

Gross Margin for ARMS (1)		
	Issuance	Current
225-274 BP	0.14%	0.00%
275-324 BP	97.51%	91.88%
325-374 BP	1.39%	3.93%
375-424 BP	0.64%	1.67%
425-474 BP	0.30%	0.00%
575 BP +	0.29%	2.53%
WA Gross Margin	2.83%	2.95%

Loan Type (1)		
	Issuance	Current
FIXED	20.66%	84.51%
6mo LIBOR ARM	44.85%	13.15%
1yr CMTARM	34.49%	2.33%
WA Months to rate reset (ARMS only)		3.52

Current Delinquency Information (Direct Loans)			
	# Loans	Balance	% Pool
30+ Days	60	\$2,305,932	1.59%
60+ Days	15	\$516,041	0.36%
90+ Days	13	\$379,003	0.26%
Foreclosure	19	\$860,996	0.59%
REO	24	\$1,043,825	0.72%
Totals	131	\$5,105,796	3.52%

Credit Loss Coverage		
	Balance	Coverage %
Over Collateralization	\$2,178,084	1.50%

Current Delinquency Information (Indirect Loans)			
	# Loans	Balance	% Pool
30+ Days	7	\$960,633	0.66%
60+ Days	0	\$0	0.00%
90+ Days	4	\$465,357	0.32%
Foreclosure	2	\$475,344	0.33%
REO	0	\$0	0.00%
Totals	13	\$1,901,333	1.31%

(1) Percentages reflect distribution by loan balance.