

**MERIT SECURITIES CORPORATION
SERIES 12-1**

ISSUE DATE:	3/29/1999
UNDERWRITER:	LEHMAN BROTHERS
MASTER SERVICER:	Dynex
TRUSTEE:	JPMorgan Chase
COLLATERAL TYPE:	ARM / FIXED

REPORTING MONTH:	Jan-08
PRICING SPEED:	200% MHP
CLOSING COLLATERAL BAL:	\$360,878,017
CURRENT COLLATERAL BAL:	\$139,243,595
PAYMENT FREQUENCY:	Monthly/28th

SUMMARY OF STRUCTURE

Class	CUSIP	Current Coupon	Orig. Avg Life	Original Balance	Current Factor	Current Balance	Credit Rating
Class A-3	589962CM9	6.950%	4.60	132,523,000	0.52044234	\$68,970,580.30	AAA, Baa2
Class M-1	589962CN7	7.630%	5.00	32,000,000	1.00000000	\$32,000,000.00	BBB-, Ca
Class M2	589962CP2	8.350%	5.00	24,889,000	1.00000000	\$24,889,000.00	B, C
Class B1	589962CQ0	9.980%	5.00	17,778,000	0.68084935	\$12,104,139.82	C, C

Collateral Information		
	Issuance	Current
WAC	8.52%	8.10%
WAM	309.4	221.7
Avg Original LTV	86.40%	86.71%
Avg Balance	\$44,449	\$39,257
Number of Loans	8,119	3547

Loan Purpose (1)		
	Issuance	Current
Purchase	89.38%	92.31%
Cash-out Refi	0.00%	0.00%
Refinance	10.62%	7.69%

Type of Dwelling Unit (1)		
	Issuance	Current
Manufactured Housing	100.00%	100.00%

Geographic Distribution (1)		
	Issuance	Current
TX	16.41%	16.58%
NC	14.78%	17.39%
MI	10.68%	8.00%
SC	10.19%	11.89%
OTHER	47.94%	46.14%

Original LTV Distribution (1)		
	Issuance	Current
<= 50%	0.94%	0.35%
50.01% - 60.00%	1.32%	0.82%
60.01% - 70.00%	3.41%	3.21%
70.01% - 80.00%	13.88%	14.57%
80.01% - 90.00%	50.32%	54.00%
>= 90.01%	30.12%	27.05%

Gross Margin for ARMS (1)		
	Issuance	Current
580-580 BP	100.00%	100.00%
WA Gross Margin	5.80%	5.80%

Loan Type (1)		
	Issuance	Current
FIXED	98.20%	99.24%
6mo LIBOR ARM	1.80%	0.76%

Current Delinquency Information (Direct Loans)			
	# Loans	Balance	% Pool
30+ Days	81	\$2,932,463	2.11%
60+ Days	27	\$902,711	0.65%
90+ Days	16	\$614,379	0.44%
Foreclosure	31	\$1,239,507	0.89%
REO	23	\$1,104,148	0.79%
Totals	178	\$6,793,209	4.88%

Credit Loss Coverage		
	Balance	Coverage %
Over Collateralization	\$1,279,875	0.92%

(1) Percentages reflect distribution by loan balance.