

**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:	Jul-10
PRICING SPEED:	200% MHP
CLOSING COLLATERAL BAL:	\$360,878,017
CURRENT COLLATERAL BAL:	\$107,368,993
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	0.34102794	\$45,194,046.23	AAA, Baa2
Class M-1	589962CN7	7.630%	5.00	32,000,000	1.00000000	\$32,000,000.00	BB+, 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	0.24256291	\$4,312,283.39	C, C

Collateral Information		
	Issuance	Current
WAC	8.52%	8.02%
WAM	309.4	197.2
Avg Original LTV	86.40%	86.81%
Avg Balance	\$44,449	\$37,062
Number of Loans	8,119	2897

Loan Purpose (1)		
	Issuance	Current
Purchase	89.38%	93.08%
Cash-out Refi	0.00%	0.00%
Refinance	10.62%	6.92%

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

Geographic Distribution (1)		
	Issuance	Current
TX	16.41%	16.63%
NC	14.78%	18.03%
MI	10.68%	6.93%
SC	10.19%	12.49%
OTHER	47.94%	45.92%

Original LTV Distribution (1)		
	Issuance	Current
<= 50%	0.94%	0.36%
50.01% - 60.00%	1.32%	0.76%
60.01% - 70.00%	3.41%	2.89%
70.01% - 80.00%	13.88%	14.78%
80.01% - 90.00%	50.32%	54.42%
>= 90.01%	30.12%	26.79%

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%	99.28%
6mo LIBOR ARM	1.80%	0.72%

Current Delinquency Information (Direct Loans)			
	# Loans	Balance	% Pool
30+ Days	42	\$1,392,391	1.30%
60+ Days	13	\$487,302	0.45%
90+ Days	10	\$367,320	0.34%
Foreclosure	17	\$773,248	0.72%
REO	11	\$556,666	0.52%
Totals	93	\$3,576,927	3.33%

Credit Loss Coverage		
	Balance	Coverage %
Over Collateralization	\$973,664	0.91%

(1) Percentages reflect distribution by loan balance.