

**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:	Aug-10
PRICING SPEED:	200% MHP
CLOSING COLLATERAL BAL:	\$360,878,017
CURRENT COLLATERAL BAL:	\$106,468,881
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	0.33642358	\$44,583,861.50	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	0.22672924	\$4,030,792.50	C, C

Collateral Information		
	Issuance	Current
WAC	8.52%	8.02%
WAM	309.4	196.3
Avg Original LTV	86.40%	86.84%
Avg Balance	\$44,449	\$37,007
Number of Loans	8,119	2877

Loan Purpose (1)		
	Issuance	Current
Purchase	89.38%	93.19%
Cash-out Refi	0.00%	0.00%
Refinance	10.62%	6.81%

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

Geographic Distribution (1)		
	Issuance	Current
TX	16.41%	16.51%
NC	14.78%	18.12%
MI	10.68%	6.83%
SC	10.19%	12.49%
OTHER	47.94%	46.05%

Original LTV Distribution (1)		
	Issuance	Current
<= 50%	0.94%	0.36%
50.01% - 60.00%	1.32%	0.74%
60.01% - 70.00%	3.41%	2.86%
70.01% - 80.00%	13.88%	14.71%
80.01% - 90.00%	50.32%	54.40%
>= 90.01%	30.12%	26.94%

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%	99.27%
6mo LIBOR ARM	1.80%	0.73%

Current Delinquency Information (Direct Loans)			
	# Loans	Balance	% Pool
30+ Days	38	\$1,365,324	1.28%
60+ Days	10	\$368,052	0.35%
90+ Days	11	\$527,311	0.50%
Foreclosure	16	\$605,149	0.57%
REO	13	\$533,103	0.50%
Totals	88	\$3,398,938	3.20%

Credit Loss Coverage		
	Balance	Coverage %
Over Collateralization	\$965,227	0.91%

(1) Percentages reflect distribution by loan balance.