

MERIT SECURITIES CORPORATION

Monthly Payment Report

Payment Statement

MERIT Series 4

Payment Date: 28-Jan-99

Reporting Month: December

Class	Class Interest Rate	Beginning Balance	Interest Accrual	Interest Payment	Principal Payment	Total Distribution	Applied Losses	Ending Balance
Merit4 A1	6.124380%	\$64,348,812.06	\$328,413.81	\$328,413.81	\$5,129,317.33	\$5,457,731.14	\$0.00	\$59,219,494.73
Merit4 A2	15.000000%	\$42,573,000.00	\$532,162.50	\$532,162.50	\$0.00	\$532,162.50	\$0.00	\$42,573,000.00
		<b>\$106,921,812.06</b>	<b>\$860,576.31</b>	<b>\$860,576.31</b>	<b>\$5,129,317.33</b>	<b>\$5,989,893.64</b>	<b>\$0.00</b>	<b>\$101,792,494.73</b>

Class	CUSIP	Priority	PrincipalType	Interest Type
Merit4 A1	589962AJ8	Senior	Sequential	Floater
Merit4 A2	589962AK5	Senior	Sequential	Floater

MERIT SECURITIES CORPORATION

Payments per Bond Denomination

MERIT Series 4

Payment Date: 28-Jan-99

Reporting Month: December

Class	Original Balance	Original Pct Pool	Integral Denomination	Record Date	Interest Accrual Factor	Interest Payment Factor	Principal Payment Factor	Ending Balance	Remaining Principal Factor
Merit4 A1	\$326,920,000.00	84.50%	\$1,000.00	31-Dec-98	1.00456934	1.00456934	15.68982421	\$59,219,494.73	0.18114369
Merit4 A2	\$42,573,000.00	11.00%	\$1,000.00	31-Dec-98	12.50000000	12.50000000	0.00000000	\$42,573,000.00	1.00000000
								<b>\$369,493,000.00</b>	<b>\$101,792,494.73</b>

MERIT SECURITIES CORPORATION

Funds Account Activity Report

MERIT Series 4

Payment Date: 28-Jan-99

Report Date: December

Collateral Proceeds Account

Beginning Balance \$0.00

**Deposits**

Interest Net of Servicing Fee \$879,293.01  
 Principal \$5,129,317.33  
 Deposits From Discount Principal Reserve Fund \$11,627.25  
 Other Deposits \$0.00

**Total Deposit \$6,016,789.76**

**Withdrawals**

Interest Payments \$860,576.31  
 Principal Payments \$5,129,317.33  
 Surplus \$0.00  
 FSA Fee \$15,268.87  
 Discount Principal Reserve \$11,627.25

**Total Withdrawals \$6,016,789.76**

Ending Balance \$0.00

Note: "Principal" and Interest Net of Servicing Fee" includes Advances on Delinquencies

**MERIT SECURITIES CORPORATION**

Credit Enhancement Summary

**MERIT Series 4**

Payment Date: 28-Jan-99  
 Reporting Month: December

Reserve Funds and Subordination

Type	Initial Coverage		Beginning Coverage		Adjustments	Losses	Insured Balance	Ending Coverage	
	%	\$	%	\$	\$	\$	\$	%	\$
Pool Over Collateralization Amount	4.50%	\$17,411,678.00	9.88%	\$11,724,435.54		\$401,280.33	\$113,119,098.05	10.01%	\$11,326,603.04

	Beginning Balance	Current Deposits	Adjustments	Losses	Ending DPR Balance
Discount Principal Reserve Account (Included in above coverage amount)	\$0.00	\$11,627.25	\$0.00	\$11,627.25	\$0.00

Insurance

Type	Initial Coverage		Beginning Coverage		Adjustments	Losses	Insured Balance	Ending Coverage	
	%	\$	%	\$	\$	\$	\$	%	\$
Insurance Policy	25.00%	\$2,987,981.88	74.45%	\$2,987,981.88			\$3,812,276.05	78.38%	\$2,987,981.88

Surplus Summary

Class	Total Distribution
Surplus	\$0.00

Delinquency Statistics

	# of Loans	Current Balance	% of Current Balance
30+ Days	40	\$5,360,623	4.73%
60+ Days	17	\$2,548,771	2.25%
90+ Days	23	\$3,954,163	3.49%
Foreclosure	19	\$3,376,838	2.98%
REO	18	\$2,733,592	2.41%
Totals	117	\$17,973,987	15.86%

Advances on Delinquencies \$155,063.51  
 Non-Recoverable Advances on Delinquencies \$0.00