

**MERIT SECURITIES CORPORATION**

**Monthly Payment Report**

Payment Statement

**MERIT Series 5**

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
Class A-1	0.000000%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Class A-2	6.174380%	\$47,785,394.00	\$245,870.98	\$245,870.98	\$3,495,999.58	\$3,741,870.56	\$0.00	\$44,289,394.42
Class A-3	15.000000%	\$23,307,500.00	\$291,343.75	\$291,343.75	\$0.00	\$291,343.75	\$0.00	\$23,307,500.00
		<b>\$71,092,894.00</b>	<b>\$537,214.73</b>	<b>\$537,214.73</b>	<b>\$3,495,999.58</b>	<b>\$4,033,214.31</b>	<b>\$0.00</b>	<b>\$67,596,894.42</b>

Class	CUSIP	Priority	Principal Type	Interest Type
Class A-1	589962AM1	Senior	Sequential	Floater
Class A-2	589962AL3	Senior	Sequential	Floater
Class A-3	589962AN9	Senior	Sequential	Floater

**MERIT SECURITIES CORPORATION**

Payments per Bond Denomination

**MERIT Series 5**

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
Class A-1	\$23,980,860.00	10.00%	\$1,000.00	31-Dec-98	0.00000000	0.00000000	0.00000000	\$0.00	0.00000000
Class A-2	\$179,856,450.00	75.00%	\$1,000.00	31-Dec-98	1.36704010	1.36704010	19.43772147	\$44,289,394.42	0.24624857
Class A-3	\$23,307,500.00	9.72%	\$1,000.00	31-Dec-98	12.50000000	12.50000000	0.00000000	\$23,307,500.00	1.00000000
								<b>\$227,144,810.00</b>	<b>\$67,596,894.42</b>

**MERIT SECURITIES CORPORATION**

**Funds Account Activity Report**

**MERIT Series 5**

**Payment Date: 28-Jan-99**

**Report Date: December**

**Collateral Proceeds Account**

Beginning Balance \$0.00

**Deposits**

Interest Net of Servicing Fee \$619,771.27

Principal \$3,503,502.73

Deposits From Reserve Fund \$150,660.82

Other Deposits \$0.00

**Total Deposit \$4,273,934.82**

**Withdrawals**

Interest Payments \$537,214.73

Principal Payments \$3,495,999.58

Surplus \$74,106.93

MBIA Fee \$8,449.61

Discount Principal Reserve \$158,163.97

**Total Withdrawals \$4,273,934.82**

Ending Balance \$0.00

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

**MERIT SECURITIES CORPORATION**

Credit Enhancement Summary

**MERIT Series 5**

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	5.28%	\$12,663,785.76	9.68%	\$7,643,707.35		\$150,660.82	\$75,337,271.85	10.32%	\$7,771,854.62

	Beginning Balance	Current Deposits	Adjustments	Losses	Ending DPR Balance
Discount Principal Reserve Account (Included in above coverage amount)	\$33,676.28	\$158,163.97	\$0.00	\$150,660.82	\$41,179.43

Insurance Policies

Type	Initial Coverage		Beginning Coverage		Adjustments	Losses	Insured Balance	Ending Coverage	
	%	\$	%	\$	\$	\$	\$	%	\$
Insurance Policy	25.00%	\$6,340,890.55	88.57%	\$6,340,890.55			\$6,877,828.78	92.19%	\$6,340,890.55

Surplus Summary

Class	Total Distribution
Surplus	\$74,106.93

Delinquency Statistics (direct)

	# of Loans	Current Balance	% of Current Balance
30+ Days	21	\$4,907,762	6.51%
60+ Days	5	\$747,284	0.99%
90+ Days	20	\$2,355,178	3.13%
Foreclosure	20	\$2,896,506	3.84%
REO	15	\$2,536,167	3.37%
Totals	81	\$13,442,897	17.84%

Advances on Delinquencies \$129,827.53  
 Non-Recoverable Advances on Delinquencies \$0.00