

MERIT Securities Corporation

Funds Account Activity Summary

MERIT Series 10

Payment Date: 28-Jan-99
Reporting Month: Dec-98

Collateral Proceeds Account

Beginning Balance \$0.00

Deposits

Interest Net of Servicing Fee	\$4,552,350.10
Principal	\$41,179,184.48
Deposits from Reserve Fund	\$228,948.74
Other Deposits	\$0.00

Total Deposits \$45,960,483.32

Withdrawals

Interest Payments	\$3,320,634.41
Principal Payment	\$41,179,184.48
Surplus	\$1,138,327.06
Dynex Servicing Fee	\$93,388.63
Collateralized Reserve Fund	\$228,948.74

Total Withdrawals \$45,960,483.32

Ending Balance (\$0.00)

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

MERIT Securities Corporation

Credit Enhancement Summary

MERIT Series 10

Payment Date: 28-Jan-99

Reporting Month: Dec-98

Type	Purpose	Initial Coverage		Beginning Period Coverage		Adjustments	Losses	Ending Period Coverage ¹	
		%	\$	%	\$			%	\$
Credit Enhancement		2.00%	26,735,052.00	3.41%	24,020,033.22	0.00	270,164.06	3.79%	23,749,869.16

Type	Beginning Balance	Current Deposits	Withdrawals for Losses	Ending Reserve Balance
Collateralized Reserve Fund (Included in above coverage amount)	0.00	228,948.74	228,948.74	0.00

Surplus Summary

Class	Total Distribution
Surplus	\$1,138,327.06

Loss Accrual

Accrual Amount	\$795,202.28
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Delinquency Statistics

UNDERLYING LOANS*	# of Loans	% of Underlying Loans	
		Current Balance	Current Balance
30 Days	96	\$7,906,856	2.01%
60 Days	20	\$2,441,286	0.62%
90 + days	34	\$4,067,869	1.03%
F/C	16	\$2,363,679	0.60%
REO	41	\$3,334,548	0.85%
	207	\$20,114,238	5.12%

DIRECTLY HELD LOANS**

DIRECTLY HELD LOANS**	# of Loans	% of Directly Held Loans	
		Current Balance	Current Balance
30 Days	87	\$14,554,532	6.73%
60 Days	14	\$2,457,456	1.14%
90 + days	37	\$7,400,237	3.42%
F/C	28	\$5,260,301	2.43%
REO	14	\$2,632,468	1.22%
	180	\$32,304,993	14.93%

Advances on Delinquencies :	\$421,946
Non-Recoverable Advances on Delinquencies :	\$0

*Covered by various Pool Insurance policies

** Not covered by Pool Insurance policy

1) Includes Loss Accrual