MERIT SECURITIES CORPORATION
MERIT Series 12-2

Closing Date :	3/26/99
Underwriter :	Lehman Brothers
Master Servicer :	Dynex
Trustee :	Chase Bank of Texas
Collateral Type :	ARM / FIXED

Reporting Month :	Dec-00
Pricing Speed :	35% CPR
Closing Collateral Balance :	$1,081,624,914
Current Collateral Balance :	$595,444,868
Payment Frequency :	Monthly / 28th

SUMMARY OF STRUCTURE

Class	Cusip	Priority	Current Coupon	Original Avg Life	Original Balance	Current Factor	Current Balance	Credit Rating
2A-1	589962CE7	Senior	0.000%	0.4	$290,000,000	0.00000000	$0	AAA, AAA
2A-2	589962CF4	Senior	7.246%	2.4	$690,369,000	0.72701022	$501,905,320	AAA, AAA
2B-1	589962CJ6	Subordinate	10.146%	8.0	$13,467,000	1.00000000	$13,467,000	BBB, BBB
2M-1	589962CG2	Subordinate	7.446%	5.9	$26,933,000	1.00000000	$26,933,000	AA, AA
2M-2	589962CH0	Subordinate	7.846%	6.9	$26,933,000	1.00000000	$26,933,000	A, A

Type of Dwelling Unit (1)

	Issuance	Current
Single Family Detached	76.16 %	0.00 %
Single Family Attached	11.05 %	0.00 %
Low Rise Condominium	3.89 %	0.00 %
Cooperative	3.36 %	0.00 %
Planned Unit Development	1.86 %	0.00 %
Condomimium	1.65 %	0.00 %
High Rise Condominium	0.43 %	0.00 %
2-4 Single Family	0.38 %	0.00 %
Townhouse	0.35 %	0.00 %
Deminimus PUD	0.27 %	0.00 %
Manufactured Housing	0.25 %	0.00 %
Land Only	0.05 %	0.00 %

Collateral Information

	Issuance	Current
WAC	8.54 %	9.48%
WAM	290.7	206.1
Avg Original LTV	74.16 %	53.30%
Avg Balance	$180,599	$188,864
Number of Loans	5970	2356

Original LTV Distribution (1)

	Issuance	Current
<= 50.00%	8.47 %	8.39%
50.01% - 60.00%	6.17 %	6.46%
60.01% - 70.00%	17.04 %	15.19%
70.01% - 80.00%	40.26 %	32.99%
80.01% - 90.00%	16.68 %	7.13%
>= 90.01%	11.06 %	4.56%

Arm Adjustment Information (2) - First Twelve Reset Dates

Reset Date	Balance	% Balance	GWAC
2/1/01	$51,854,649	8.71%	9.65 %
3/1/01	$48,938,131	8.22%	9.96 %
4/1/01	$38,572,693	6.48%	9.77 %
5/1/01	$42,200,039	7.09%	9.58 %
6/1/01	$36,213,278	6.08%	9.56 %
7/1/01	$48,254,065	8.10%	9.51 %
8/1/01	$4,487,623	0.75%	9.01 %
9/1/01	$9,219,613	1.55%	8.91 %
10/1/01	$13,916,199	2.34%	8.94 %
11/1/01	$10,228,162	1.72%	9.09 %
12/1/01	$17,098,869	2.87%	8.82 %
1/1/02	$17,910,032	3.01%	8.05 %
WA Months to roll (ARM Loans only)	5.1		

Credit Loss Coverage

	Issuance	Cover %	Current	Cover %
Over Collateralization	$33,922,914	3.14 %	$26,206,549	4.40%

Approximate CPR Prepayment Information

1 MONTH	3 MONTH	6 MONTH	12 MONTH	LIFE
15 %	20%	21 %	22%	25 %

Loan Purpose (1)

	Issuance	Current
Purchase	42.41 %	0.00%
Refinance	28.84 %	0.00%
Cash-out Refinance	28.44 %	0.00%

Geographic Distribution (1)

	Issuance	Current
CA	44.52 %	23.03%
NY	7.64 %	8.22%
MD	5.54 %	4.81%
FL	5.10 %	4.33%
Other	37.21 %	59.61%

Gross Margin For Arms (1)

	Issuance	Current
-88--39BP	0.51 %	0.76%
-38-11 BP	10.88 %	17.36%
162-211 BP	9.78 %	16.77%
212-261 BP	6.62 %	10.90%
262-311 BP	42.31 %	30.83%
312-361 BP	15.21 %	7.60%
362-411 BP	5.67 %	5.60%
412-461 BP	0.93 %	1.24%
462-511 BP	1.18 %	1.33%
512-561 BP	2.27 %	2.82%
562-611 BP	2.18 %	2.39%
612-661 BP	1.20 %	1.03%
662-711 BP	0.88 %	0.83%
712-761 BP	0.32 %	0.49%
762-811 BP	0.03 %	0.06%
812-861 BP	0.00 %	0.00%
862+ BP	0.00 %	0.00%
WA Gross Margin	2.76 %	2.47%
WA Net Margin	2.76 %	2.47%

Current Delinquency Information for Direct Loans

Label Name	#Loans	%Pool	Balance	%Pool
30+ Days	144	6.11 %	$42,893,881	9.64 %
60+ Days	28	1.19 %	$4,882,740	1.10 %
90+ Days	55	2.33 %	$5,466,228	1.23 %
Foreclosure	37	1.57 %	$6,241,829	1.40 %
REO	12	0.51 %	$2,392,377	0.54 %
Totals	276	11.71 %	$61,877,056	13.91 %

Current Delinquency Information for Indirect Loans

Label Name	#Loans	%Pool	Balance	%Pool
30+ Days	25	1.06 %	$2,895,361	0.65 %
60+ Days	4	0.17 %	$247,801	0.06 %
90+ Days	17	0.72 %	$2,143,397	0.48 %
Foreclosure	10	0.42 %	$2,932,573	0.66 %
REO	3	0.13 %	$262,488	0.06 %
Totals	59	2.50 %	$8,481,621	1.91 %

(1) Percentages reflect distribution by loan balance .

(2) Approximately 17 % of the mortgage loans are fixed rate with a WA Gross rate of 9.38%

Printed on 1/29/01 at 10:46 AM