

MERIT SECURITIES CORPORATION
MERIT Series 14-1

| | |
|-------------------|---------------------|
| Closing Date : | 10/28/99 |
| Underwriter : | Lehman Brothers |
| Master Servicer : | Dynex |
| Trustee : | Chase Bank of Texas |
| Collateral Type : | ARM / FIXED |

| | |
|------------------------------|---------------|
| Reporting Month : | Jan-02 |
| Pricing Speed : | 25% CPR |
| Closing Collateral Balance : | \$374,298,128 |
| Current Collateral Balance : | \$143,019,274 |
| Payment Frequency : | Monthly/ 28th |

SUMMARY OF STRUCTURE

| Class | Cusip | Priority | Current Coupon | Original Avg Life | Original Balance | Current Factor | Current Balance | Credit Rating |
|-------|-----------|----------|----------------|-------------------|------------------|----------------|-----------------|---------------|
| 1-A | 589962DA4 | Senior | 2.420% | 2.1 | \$363,069,000 | 0.36281614 | \$131,727,293 | AAA, AAA |
| 1-M | 589962DB2 | Senior | 2.620% | 3.5 | \$10,480,000 | 1.00000000 | \$10,480,000 | AA, NR |

| Type of Dwelling Unit (1) | | |
|---------------------------|----------|---------|
| | Issuance | Current |
| Single Family Detached | 76.78 % | 86.21 % |
| Low Rise Condominium | 6.29 % | 6.78 % |
| Single Family Attached | 4.40 % | 5.86 % |
| Planned Unit Development | 1.32 % | 0.80 % |
| Condominium | 0.38 % | 0.08 % |
| High Rise Condominium | 0.11 % | 0.15 % |
| 2-4 Single Family | 0.05 % | 0.12 % |

| Loan Purpose (1) | | |
|--------------------|----------|---------|
| | Issuance | Current |
| Cash-out Refinance | 37.69% | 41.74% |
| Purchase | 29.08% | 32.74% |
| Refinance | 22.56% | 25.52% |

| Geographic Distribution (1) | | |
|-----------------------------|----------|---------|
| | Issuance | Current |
| CA | 70.18 % | 75.43% |
| VA | 2.37 % | 3.13% |
| MD | 2.00 % | 3.78% |
| WA | 1.46 % | 1.95% |
| FL | 1.38 % | 2.38% |
| Other | 22.61 % | 13.34% |

| Collateral Information | | |
|------------------------|-----------|-----------|
| | Issuance | Current |
| WAC | 7.97 % | 7.82% |
| WAM | 285.9 | 249.3 |
| Avg Original LTV | 68.67 % | 76.42% |
| Avg Balance | \$179,090 | \$142,734 |
| Number of Loans | 2090 | 1002 |

| Gross Margin For Arms (1) | | |
|---------------------------|----------|---------|
| | Issuance | Current |
| WA Gross Margin | 2.66 % | 2.99% |

| Original LTV Distribution (1) | | |
|-------------------------------|----------|---------|
| | Issuance | Current |
| <= 50.00% | 3.65 % | 4.40% |
| 50.01% - 60.00% | 3.32 % | 3.96% |
| 60.01% - 70.00% | 11.01 % | 14.25% |
| 70.01% - 80.00% | 33.34 % | 39.00% |
| 80.01% - 90.00% | 27.94 % | 26.83% |
| >= 90.01% | 10.07 % | 11.57% |

| Current Delinquency Information for Direct Loans | | | | |
|--|-----------|---------------|---------------------|---------------|
| Label Name | #Loans | %Pool | Balance | %Pool |
| 30+ Days | 49 | 4.89 % | \$7,000,541 | 4.89 % |
| 60+ Days | 7 | 0.70 % | \$592,533 | 0.41 % |
| 90+ Days | 14 | 1.40 % | \$3,046,450 | 2.13 % |
| Foreclosure | 11 | 1.10 % | \$1,580,997 | 1.11 % |
| REO | 7 | 0.70 % | \$746,319 | 0.52 % |
| Totals | 88 | 8.78 % | \$12,966,840 | 9.07 % |

| Arm Adjustment Information (2) - First Twelve Reset Dates | | | |
|---|--------------|-----------|--------|
| Reset Date | Balance | % Balance | GWAC |
| 3/1/02 | \$7,895,821 | 5.52% | 7.99 % |
| 4/1/02 | \$16,582,495 | 11.59% | 7.89 % |
| 5/1/02 | \$30,807,957 | 21.54% | 7.82 % |
| 6/1/02 | \$35,921,828 | 25.12% | 7.70 % |
| 7/1/02 | \$35,073,346 | 24.52% | 7.65 % |
| 8/1/02 | \$6,752,103 | 4.72% | 8.57 % |
| 9/1/02 | \$2,186,018 | 1.53% | 7.05 % |
| 10/1/02 | \$453,459 | 0.32% | 7.14 % |
| 12/1/02 | \$1,592,716 | 1.11% | 6.84 % |
| 1/1/03 | \$1,246,646 | 0.87% | 7.00 % |
| 2/1/03 | \$1,068,059 | 0.75% | 8.62 % |
| WA Months to roll (ARM Loans only) | 4.0 | | |

| Credit Loss Coverage | | | | |
|------------------------|-----------|---------|-----------|---------|
| | Issuance | Cover % | Current | Cover % |
| Over Collateralization | \$749,128 | 0.20 % | \$749,128 | 0.52 % |

| Approximate CPR Prepayment Information | | | | |
|--|---------|---------|----------|------|
| 1 MONTH | 3 MONTH | 6 MONTH | 12 MONTH | LIFE |
| 49 % | 38 % | 38 % | 39 % | 31 % |

(1) Percentages reflect distribution by loan balance .

(2) Approximately 2 % of the mortgage loans are fixed rate with a WA Gross rate of 9.71%