

**MERIT SECURITIES CORPORATION
SERIES 12-1**

ISSUE DATE:	3/29/1999
UNDERWRITER:	LEHMAN BROTHERS
MASTER SERVICER:	Dynex
TRUSTEE:	JPMorgan Chase
COLLATERAL TYPE:	ARM / FIXED

REPORTING MONTH:	Jan-05
PRICING SPEED:	200% MHP
CLOSING COLLATERAL BAL:	\$360,878,017
CURRENT COLLATERAL BAL:	\$196,409,257
PAYMENT FREQUENCY:	Monthly/28th

SUMMARY OF STRUCTURE

Class	CUSIP	Current Coupon	Orig. Avg Life	Original Balance	Current Factor	Current Balance	Credit Rating
Class A-3	589962CM9	6.950%	4.60	132,523,000	0.83039253	\$110,046,108.88	AAA, Baa2
Class M-1	589962CN7	7.630%	5.00	32,000,000	1.00000000	\$32,000,000.00	A, Ca
Class M2	589962CP2	8.350%	5.00	24,889,000	1.00000000	\$24,889,000.00	BB-, C
Class B1	589962CQ0	9.980%	5.00	17,778,000	1.00000000	\$17,778,000.00	CCC, C

Collateral Information		
	Issuance	Current
WAC	8.52%	8.20%
WAM	309.4	251.3
Avg Original LTV	86.40%	86.56%
Avg Balance	\$44,449	\$41,332
Number of Loans	8,119	4752

Loan Purpose (1)		
	Issuance	Current
Purchase	89.38%	91.15%
Cash-out Refi	0.00%	0.00%
Refinance	10.62%	8.85%

Type of Dwelling Unit (1)		
	Issuance	Current
Manufactured Housing	100.00%	100.00%

Geographic Distribution (1)		
	Issuance	Current
TX	16.41%	16.62%
NC	14.78%	16.48%
MI	10.68%	8.86%
SC	10.19%	11.36%
OTHER	47.94%	46.68%

Original LTV Distribution (1)		
	Issuance	Current
<= 50%	0.94%	0.51%
50.01% - 60.00%	1.32%	0.97%
60.01% - 70.00%	3.41%	3.26%
70.01% - 80.00%	13.88%	14.42%
80.01% - 90.00%	50.32%	53.32%
>= 90.01%	30.12%	27.52%

Gross Margin for ARMS (1)		
	Issuance	Current
580-580 BP	100.00%	100.00%
WA Gross Margin	5.80%	5.80%

Loan Type (1)		
	Issuance	Current
FIXED	98.20%	98.94%
6mo LIBOR ARM	1.80%	1.06%

Current Delinquency Information (Direct Loans)			
	# Loans	Balance	% Pool
30+ Days	85	\$3,313,852	1.69%
60+ Days	15	\$534,060	0.27%
90+ Days	23	\$953,107	0.49%
Foreclosure	60	\$2,818,921	1.44%
REO	36	\$1,890,700	0.96%
Totals	219	\$9,510,640	4.85%

Credit Loss Coverage		
	Balance	Coverage %
Over Collateralization	\$11,696,149	5.95%

(1) Percentages reflect distribution by loan balance.