

**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:	Feb-05
PRICING SPEED:	200% MHP
CLOSING COLLATERAL BAL:	\$360,878,017
CURRENT COLLATERAL BAL:	\$195,000,403
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	0.82275240	\$109,033,616.49	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%	8.19%
WAM	309.4	250.5
Avg Original LTV	86.40%	86.56%
Avg Balance	\$44,449	\$41,296
Number of Loans	8,119	4722

Loan Purpose (1)		
	Issuance	Current
Purchase	89.38%	91.18%
Cash-out Refi	0.00%	0.00%
Refinance	10.62%	8.82%

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

Geographic Distribution (1)		
	Issuance	Current
TX	16.41%	16.60%
NC	14.78%	16.50%
MI	10.68%	8.85%
SC	10.19%	11.41%
OTHER	47.94%	46.64%

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%	14.46%
80.01% - 90.00%	50.32%	53.27%
>= 90.01%	30.12%	27.53%

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	76	\$3,076,157	1.58%
60+ Days	25	\$1,081,265	0.55%
90+ Days	18	\$727,671	0.37%
Foreclosure	63	\$2,855,985	1.46%
REO	35	\$1,861,147	0.95%
Totals	217	\$9,602,225	4.91%

Credit Loss Coverage		
	Balance	Coverage %
Over Collateralization	\$11,299,786	5.79%

(1) Percentages reflect distribution by loan balance.