

MERIT Securities Corporation

Monthly Payment Report

Payment Statement

MERIT Series 12-1

Payment Date: 28-Mar-07
Reporting Month: Feb-07

| Class | Class Interest Rate | Beginning Balance | Interest Accrual | Interest Payment | Principal Payment | Losses | Total Distribution | Ending Balance |
|-------|---------------------|-------------------|------------------|------------------|-------------------|--------------|--------------------|------------------|
| A-1 | 6.160000% | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| A-2 | 6.190000% | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| A-3 | 6.950000% | \$79,603,693.58 | \$461,038.06 | \$461,038.06 | \$1,000,719.82 | \$0.00 | \$1,461,757.88 | \$78,602,973.76 |
| M1 | 7.630000% | \$32,000,000.00 | \$203,466.67 | \$203,466.67 | \$0.00 | \$0.00 | \$203,466.67 | \$32,000,000.00 |
| M2 | 8.350000% | \$24,889,000.00 | \$173,185.96 | \$173,185.96 | \$0.00 | \$0.00 | \$173,185.96 | \$24,889,000.00 |
| B-1 | 9.980000% | \$15,301,077.02 | \$127,253.96 | \$127,253.96 | \$0.00 | \$173,344.06 | \$127,253.96 | \$15,127,732.97 |
| | | \$151,793,770.60 | \$964,944.65 | \$964,944.65 | \$1,000,719.82 | \$173,344.06 | \$1,965,664.47 | \$150,619,706.72 |

| Class | Cusip | Priority | Principal Type | Interest Type |
|-------|-----------|----------|----------------|---------------|
| A1 | 589962CK3 | Senior | Sequential | Fixed |
| A2 | 589962CL1 | Senior | Sequential | Fixed |
| A3 | 589962CM9 | Senior | Sequential | Fixed |
| M1 | 589962CN7 | Senior | Pro Rata | Fixed |
| M2 | 589962CP2 | Senior | Pro Rata | Fixed |
| B1 | 589962CQ0 | Senior | Pro Rata | Fixed |

Payments per Bond Denomination

MERIT Series 12-1

Payment Date: 28-Mar-07
Reporting Month: Feb-07

| Class | Original Balance | Original % of Pool | Integral | | | | Amounts Per Individual Security | | | | Remaining Principal Factor |
|-------|------------------|--------------------|--------------|-------------|------------------|------------------|---------------------------------|-----------------|-----------------|------------|----------------------------|
| | | | Denomination | Record Date | Interest Accrual | Interest Payment | Principal Payment | Realized Losses | Ending Balance | | |
| A1 | \$73,650,000.00 | 20.41% | \$1,000.00 | 2/28/2007 | 0.00000000 | 0.00000000 | 0.00000000 | \$0.00 | \$0.00 | 0.00000000 | |
| A2 | \$42,500,000.00 | 11.78% | \$1,000.00 | 2/28/2007 | 0.00000000 | 0.00000000 | 0.00000000 | \$0.00 | \$0.00 | 0.00000000 | |
| A3 | \$132,523,000.00 | 36.72% | \$1,000.00 | 2/28/2007 | 3.47892864 | 3.47892864 | 7.55129162 | \$0.00 | \$78,602,973.76 | 0.59312703 | |
| M-1 | \$32,000,000.00 | 8.87% | \$1,000.00 | 2/28/2007 | 6.35833344 | 6.35833344 | 0.00000000 | \$0.00 | \$32,000,000.00 | 1.00000000 | |
| M-2 | \$24,889,000.00 | 6.90% | \$1,000.00 | 2/28/2007 | 6.95833340 | 6.95833340 | 0.00000000 | \$0.00 | \$24,889,000.00 | 1.00000000 | |
| B-1 | \$17,778,000.00 | 4.93% | \$1,000.00 | 2/28/2007 | 7.15794578 | 7.15794578 | 0.00000000 | 9.750 | \$15,127,732.97 | 0.85092434 | |

MERIT Securities Corporation

Funds Account Activity Summary

MERIT Series 12-1

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Collateral Proceeds Account

Beginning Balance \$0.00

Deposits

| | |
|-------------------------------|----------------|
| Interest Net of Servicing Fee | \$964,944.65 |
| Principal | \$1,000,719.82 |
| Deposits from Reserve Fund | \$54,418.67 |
| Other Deposits | \$0.00 |
| Total Deposits | \$2,020,083.14 |

Withdrawals

| | |
|-----------------------------|----------------|
| Interest Payments | \$964,944.65 |
| Principal Payment | \$1,000,719.82 |
| Surplus | \$0.00 |
| Collateralized Reserve Fund | \$54,418.67 |
| Total Withdrawals | \$2,020,083.14 |
| Ending Balance | \$0.00 |

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

MERIT Securities Corporation

Credit Enhancement Summary

MERIT Series 12-1

Payment Date: 28-Mar-07
Reporting Month: Feb-07

| Type | Purpose | Initial Coverage | | Beginning Period Coverage | | Adjustments | Losses | Ending Period Coverage | |
|--------------------|---------|------------------|-----------------|---------------------------|--------|-------------|--------------|------------------------|--------|
| | | % | \$ | % | \$ | | | % | \$ |
| Credit Enhancement | | 9.18% | \$33,122,916.27 | 0.00% | \$0.00 | 0.00 | \$194,567.34 | 0.00% | \$0.00 |

| Type | Beginning Balance | Current Deposits | Adjustment | Withdrawals for Losses | Ending Reserve Balance |
|--|-------------------|------------------|------------|------------------------|------------------------|
| Collateralized Reserve Fund Account (Included in above coverage amount) | (\$2,457,499.24) | \$54,418.67 | \$0.00 | \$21,223.28 | (\$2,424,303.85) |

Collateralization Fund Loans

Ending Balance \$3,974,268.61
Credit Balance \$2,424,303.85 ⁽¹⁾

Surplus Summary

| Class | Total Distribution |
|---------|--------------------|
| Surplus | \$0 |

Collateral Summary

Beginning Collateral Balance \$153,364,959
Ending Collateral Balance \$152,169,671
Collateral Credit Balance \$150,619,707 ⁽¹⁾

Delinquency Statistics

| | # of Loans | Current Balance | % of Loans Current Balance |
|-----------|------------|-----------------|-------------------------------|
| 30 Days | 54 | \$2,050,153 | 1.35% |
| 60 Days | 14 | \$591,146 | 0.39% |
| 90 + days | 24 | \$895,514 | 0.59% |
| F/C | 28 | \$1,215,972 | 0.80% |
| REPO/REO | 22 | \$936,348 | 0.62% |
| | 142 | \$5,689,133 | 3.74% |

(1) Reflects the calculated "Collateralization Fund Balance" as defined in the Series 12-1 Supplement to Indenture.