

**MERIT SECURITIES CORPORATION**

**Monthly Payment Report**

Payment Statement

**MERIT 12-1**

Payment Date: 29-Jan-01

Reporting Month: December

Class	Class Interest Rate	Beginning Balance	Interest Accrual	Interest Payment	Principal Payment	Total Distribution	Applied Losses	Ending Balance
IA-1	6.160000%	\$29,112,796.92	\$149,445.69	\$149,445.69	\$1,719,037.32	\$1,868,483.01	\$0.00	\$27,386,688.47
IA-2	6.190000%	\$42,500,000.00	\$219,229.17	\$219,229.17	\$0.00	\$219,229.17	\$0.00	\$42,500,000.00
IA-3	6.450000%	\$132,523,000.00	\$712,311.13	\$712,311.13	\$0.00	\$712,311.13	\$0.00	\$132,523,000.00
IB-1	7.980000%	\$17,778,000.00	\$118,223.70	\$118,223.70	\$0.00	\$118,223.70	\$0.00	\$17,778,000.00
IM-1	6.880000%	\$32,000,000.00	\$183,466.67	\$183,466.67	\$0.00	\$183,466.67	\$0.00	\$32,000,000.00
IM-2	7.350000%	\$24,889,000.00	\$152,445.12	\$152,445.12	\$0.00	\$152,445.12	\$0.00	\$24,889,000.00
		<b>\$278,802,796.92</b>	<b>\$1,535,121.48</b>	<b>\$1,535,121.48</b>	<b>\$1,719,037.32</b>	<b>\$3,254,158.80</b>	<b>\$0.00</b>	<b>\$277,076,688.47</b>

Class	CUSIP	Priority	Principal Type	Interest Type
IA-1	589962CK3	Senior	Sequential	Fixed
IA-2	589962CL1	Senior	Sequential	Fixed
IA-3	589962CM9	Senior	Sequential	Fixed
IB-1	589962CQ0	Senior	Pro Rata	Fixed
IM-1	589962CN7	Senior	Pro Rata	Fixed
IM-2	589962CP2	Senior	Pro Rata	Fixed

**MERIT SECURITIES CORPORATION**

Payments per Bond Denomination

**MERIT 12-1**

Payment Date: 28-Jan-01

Reporting Month: December

Class	Original Balance	Original Pct Pool	Integral Denomination	Record Date	Interest Accrual Factor	Interest Payment Factor	Principal Payment Factor	Ending Balance	Remaining Principal Factor
IA-1	\$73,650,000.00	20.41%	\$1,000.00	31-Dec-00	2.02913360	2.02913360	23.43663883	\$27,386,688.47	0.37184913
IA-2	\$42,500,000.00	11.78%	\$1,000.00	31-Dec-00	5.15833341	5.15833341	0.00000000	\$42,500,000.00	1.00000000
IA-3	\$132,523,000.00	36.72%	\$1,000.00	31-Dec-00	5.37500004	5.37500004	0.00000000	\$132,523,000.00	1.00000000
IB-1	\$17,778,000.00	4.93%	\$1,000.00	31-Dec-00	6.65000000	6.65000000	0.00000000	\$17,778,000.00	1.00000000
IM-1	\$32,000,000.00	8.87%	\$1,000.00	31-Dec-00	5.73333344	5.73333344	0.00000000	\$32,000,000.00	1.00000000
IM-2	\$24,889,000.00	6.90%	\$1,000.00	31-Dec-00	6.12499980	6.12499980	0.00000000	\$24,889,000.00	1.00000000
								<b>\$323,340,000.00</b>	<b>\$277,076,688.47</b>

**MERIT SECURITIES CORPORATION**

**Funds Account Activity Report**

**MERIT 12-1**

Payment Date: 29-Jan-01

Report Date: December

**Collateral Proceeds Account**

Beginning Balance \$0.00

**Deposits**

Interest Net of Servicing Fee \$2,177,410.56

Principal \$1,801,705.75

Deposits From Reserve Fund \$0.00

Other Deposits \$0.00

**Total Deposit \$3,979,116.31**

**Withdrawals**

Interest Payments \$2,184,481.69

Principal Payments \$1,719,037.32

Surplus \$0.00

Discount Principal Reserve \$0.00

Discount Principal Reserve \$75,597.30

**Total Withdrawals \$3,989,603.83**

Ending Balance \$0.00

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

**MERIT SECURITIES CORPORATION**

*Credit Enhancement Summary*

**MERIT 12-1**

Payment Date: 29-Jan-01

Reporting Month: December

Reserve Funds and Subordination

Type	Initial Coverage		Beginning Coverage		Adjustments	Losses	Insured Balance	Ending Coverage	
	%	\$	%	\$	\$	\$	\$	%	\$
Over Collateralization	9.18%	\$33,122,916.27	9.42%	\$29,436,674.45		\$476,388.96	\$310,654,327.86	9.46%	\$29,383,488.97

	Beginning Balance	Current Deposits	Adjustments	Losses	Ending DPR Balance
Collateralization Fund	\$0.00	\$75,597.30	\$0.00	\$75,597.30	\$0.00

Class	Total Distribution
Surplus Funds	\$0.00

*Delinquency Statistics (direct)*

	# of Loans	Current Balance	% of Current Balance
30+ Days	119	\$4,871,358	1.57%
60+ Days	34	\$1,372,203	0.44%
90+ Days	49	\$2,058,451	0.66%
Foreclosure	36	\$1,608,455	0.52%
REO	37	\$1,823,706	0.59%
Totals	275	\$11,734,174	3.78%

Advances on Delinquencies	\$100,676.23
Non-Recoverable Advances on Delinquencies	\$0.00