

MERIT SECURITIES CORPORATION

Monthly Payment Report

Payment Statement

MERIT 12-1

Payment Date: 28-Feb-01

Reporting Month: January

Class	Class Interest Rate	Beginning Balance	Interest Accrual	Interest Payment	Principal Payment	Total Distribution	Applied Losses	Ending Balance
IA-1	6.160000%	\$27,393,759.76	\$140,621.30	\$140,621.30	\$1,623,142.88	\$1,763,764.18	\$0.00	\$25,770,616.88
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
		\$277,083,759.76	\$1,526,297.09	\$1,526,297.09	\$1,623,142.88	\$3,149,439.97	\$0.00	\$275,460,616.88

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-Feb-01

Reporting Month: January

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-Jan-01	1.90931840	1.90931840	22.03859986	\$25,770,616.88	0.34990654
IA-2	\$42,500,000.00	11.78%	\$1,000.00	31-Jan-01	5.15833341	5.15833341	0.00000000	\$42,500,000.00	1.00000000
IA-3	\$132,523,000.00	36.72%	\$1,000.00	31-Jan-01	5.37500004	5.37500004	0.00000000	\$132,523,000.00	1.00000000
IB-1	\$17,778,000.00	4.93%	\$1,000.00	31-Jan-01	6.65000000	6.65000000	0.00000000	\$17,778,000.00	1.00000000
IM-1	\$32,000,000.00	8.87%	\$1,000.00	31-Jan-01	5.73333344	5.73333344	0.00000000	\$32,000,000.00	1.00000000
IM-2	\$24,889,000.00	6.90%	\$1,000.00	31-Jan-01	6.12499980	6.12499980	0.00000000	\$24,889,000.00	1.00000000
								\$323,340,000.00	\$275,460,616.88

MERIT SECURITIES CORPORATION

Funds Account Activity Report

MERIT 12-1

Payment Date: 28-Feb-01

Report Date: January

Collateral Proceeds Account

Beginning Balance \$0.00

Deposits

Interest Net of Servicing Fee \$2,174,464.04

Principal \$1,636,998.24

Deposits From Reserve Fund \$0.00

Other Deposits \$0.00

Total Deposit \$3,811,462.28

Withdrawals

Interest Payments \$2,174,464.04

Principal Payments \$1,623,142.88

Surplus \$0.00

Discount Principal Reserve \$13,855.36

Total Withdrawals \$3,811,462.28

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: 28-Feb-01

Reporting Month: January

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		\$469,031.40	\$308,951,441.92	9.49%	\$29,309,149.34

	Beginning Balance	Current Deposits	Adjustments	Losses	Ending DPR Balance
Collateralization Fund	\$0.00	\$13,855.36	\$0.00	\$13,855.36	\$0.00

Class	Total Distribution
Surplus Funds	\$0.00

Delinquency Statistics (direct)

	# of Loans	Current Balance	% of Current Balance
30+ Days	109	\$4,849,356	1.57%
60+ Days	49	\$1,944,564	0.63%
90+ Days	45	\$1,846,926	0.60%
Foreclosure	31	\$1,406,951	0.46%
REO	54	\$2,565,813	0.83%
Totals	288	\$12,613,611	4.08%

Advances on Delinquencies	\$107,262.36
Non-Recoverable Advances on Delinquencies	\$0.00