

## MERIT Securities Corporation

Monthly Payment Report

Payment Statement

MERIT Series 12-1

Payment Date: 28-Apr-04  
Reporting Month: Mar-04

| Class | Class Interest Rate | Beginning Balance | Interest Accrual | Interest Payment | Principal Payment | Total Distribution | Ending Balance   |
|-------|---------------------|-------------------|------------------|------------------|-------------------|--------------------|------------------|
| A-1   | 6.160000%           | \$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           |
| A-3   | 6.950000%           | \$124,702,210.38  | \$722,233.64     | \$722,233.64     | \$1,859,797.23    | \$2,582,030.87     | \$122,842,413.15 |
| M1    | 7.630000%           | \$32,000,000.00   | \$203,466.67     | \$203,466.67     | \$0.00            | \$203,466.67       | \$32,000,000.00  |
| M2    | 8.350000%           | \$24,889,000.00   | \$173,185.96     | \$173,185.96     | \$0.00            | \$173,185.96       | \$24,889,000.00  |
| B-1   | 9.980000%           | \$17,778,000.00   | \$147,853.70     | \$147,853.70     | \$0.00            | \$147,853.70       | \$17,778,000.00  |
|       |                     | \$199,369,210.38  | \$1,246,739.97   | \$1,246,739.97   | \$1,859,797.23    | \$3,106,537.20     | \$197,509,413.15 |

| 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-Apr-04  
Reporting Month: Mar-04

| Class | Original Balance | Original % of Pool | Amounts Per Individual Security |             |                  |                  |                   |                 |                  | Remaining Principal Factor |
|-------|------------------|--------------------|---------------------------------|-------------|------------------|------------------|-------------------|-----------------|------------------|----------------------------|
|       |                  |                    | Integral Denomination           | Record Date | Interest Accrual | Interest Payment | Principal Payment | Realized Losses | Ending Balance   |                            |
| A1    | \$73,650,000.00  | 20.41%             | \$1,000.00                      | 3/31/2004   | 0.00000000       | 0.00000000       | 0.00000000        | \$0.00          | \$0.00           | 0.00000000                 |
| A2    | \$42,500,000.00  | 11.78%             | \$1,000.00                      | 3/31/2004   | 0.00000000       | 0.00000000       | 0.00000000        | \$0.00          | \$0.00           | 0.00000000                 |
| A3    | \$132,523,000.00 | 36.72%             | \$1,000.00                      | 3/31/2004   | 5.44987391       | 5.44987391       | 14.03376946       | \$0.00          | \$122,842,413.15 | 0.92695165                 |
| M-1   | \$32,000,000.00  | 8.87%              | \$1,000.00                      | 3/31/2004   | 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                      | 3/31/2004   | 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                      | 3/31/2004   | 8.31666667       | 8.31666667       | 0.00000000        | \$0.00          | \$17,778,000.00  | 1.00000000                 |

\$323,340,000.00

## MERIT Securities Corporation

### Funds Account Activity Summary

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#### Collateral Proceeds Account

Beginning Balance \$0.00

#### Deposits

|                               |                       |
|-------------------------------|-----------------------|
| Interest Net of Servicing Fee | \$1,311,682.29        |
| Principal                     | \$1,794,854.91        |
| Deposits from Reserve Fund    | \$210,286.54          |
| Other Deposits                | \$0.00                |
| <b>Total Deposits</b>         | <b>\$3,316,823.74</b> |

#### Withdrawals

|                             |                       |
|-----------------------------|-----------------------|
| Interest Payments           | \$1,246,739.97        |
| Principal Payment           | \$1,859,797.23        |
| Surplus                     | \$0.00                |
| Collateralized Reserve Fund | \$210,286.54          |
| <b>Total Withdrawals</b>    | <b>\$3,316,823.74</b> |
| 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-Apr-04

Reporting Month: Mar-04

| Type               | Purpose | Initial Coverage |                 | Beginning Period Coverage |                 | Adjustments | Losses       | Ending Period Coverage |                 |
|--------------------|---------|------------------|-----------------|---------------------------|-----------------|-------------|--------------|------------------------|-----------------|
|                    |         | %                | \$              | %                         | \$              | \$          | \$           | %                      | \$              |
| Credit Enhancement |         | 9.18%            | \$33,122,916.27 | 7.32%                     | \$15,924,393.85 | 0.00        | \$757,192.43 | 7.12%                  | \$15,314,155.49 |

| Type   | Beginning Balance | Current Deposits | Adjustment | Withdrawals for Losses | Ending Reserve Balance |
|--|-------------------|------------------|------------|------------------------|------------------------|
| Collateralized Reserve Fund<br>(Included in above coverage amount) | \$0.00            | \$210,286.54     | \$0.00     | \$210,286.54           | \$0.00                 |

Collateralization Fund

Ending Balance \$5,503,332.90

Surplus Summary

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

Collateral Summary

|                              |               |
|------------------------------|---------------|
| Beginning Collateral Balance | \$217,521,916 |
| Ending Collateral Balance    | \$214,969,868 |
| Collateral Credit Balance    | \$212,823,569 |

Delinquency Statistics

|           | # of Loans | Current Balance | % of Loans<br>Current Balance |
|-----------|------------|-----------------|-------------------------------|
| 30 Days   | 81         | \$3,339,705     | 1.55%                         |
| 60 Days   | 30         | \$1,329,481     | 0.62%                         |
| 90 + days | 25         | \$1,072,452     | 0.50%                         |
| F/C       | 59         | \$2,725,197     | 1.27%                         |
| REPO/REO  | 39         | \$1,735,224     | 0.81%                         |
|           | 234        | \$10,202,059    | 4.75%                         |