

MERIT Securities Corporation

Monthly Payment Report

Payment Statement

MERIT Series 12-1

Payment Date: 28-Jan-05
Reporting Month: Dec-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%	\$111,096,599.87	\$643,434.47	\$643,434.47	\$1,050,490.99	\$1,693,925.46	\$110,046,108.88
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
		\$185,763,599.87	\$1,167,940.80	\$1,167,940.80	\$1,050,490.99	\$2,218,431.79	\$184,713,108.88

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-Jan-05
Reporting Month: Dec-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	12/31/2004	0.00000000	0.00000000	0.00000000	\$0.00	\$0.00	0.00000000
A2	\$42,500,000.00	11.78%	\$1,000.00	12/31/2004	0.00000000	0.00000000	0.00000000	\$0.00	\$0.00	0.00000000
A3	\$132,523,000.00	36.72%	\$1,000.00	12/31/2004	4.85526641	4.85526641	7.92685790	\$0.00	\$110,046,108.88	0.83039253
M-1	\$32,000,000.00	8.87%	\$1,000.00	12/31/2004	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	12/31/2004	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	12/31/2004	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	\$1,188,068.19
Principal	\$1,030,363.60
Deposits from Reserve Fund	\$116,557.05
Other Deposits	\$0.00
Total Deposits	\$2,334,988.84

Withdrawals

Interest Payments	\$1,167,940.80
Principal Payment	\$1,050,490.99
Surplus	\$0.00
Collateralized Reserve Fund	\$116,557.05
Total Withdrawals	\$2,334,988.84
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-Jan-05

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Type	Purpose	Initial Coverage		Beginning Period Coverage		Adjustments	Losses	Ending Period Coverage	
		%	\$	%	\$	\$	\$	%	\$
Credit Enhancement		9.18%	\$33,122,916.27	5.31%	\$10,523,871.79	0.00	\$806,128.54	4.98%	\$9,783,327.89

Type	Beginning Balance	Current Deposits	Adjustment	Withdrawals for Losses	Ending Reserve Balance
Collateralized Reserve Fund Account (Included in above coverage amount)	\$0.00	\$116,557.05	\$0.00	\$116,557.05	\$0.00

Collateralization Fund Loans

Ending Balance \$4,904,668.34

Surplus Summary

Class	Total Distribution
Surplus	\$0

Collateral Summary

Beginning Collateral Balance	\$198,245,750
Ending Collateral Balance	\$196,409,257
Collateral Credit Balance	\$194,496,437

Delinquency Statistics

	# of Loans	Current Balance	% of Loans Current Balance
30 Days	85	\$3,313,852	1.69%
60 Days	15	\$534,060	0.27%
90 + days	23	\$953,107	0.49%
F/C	60	\$2,818,921	1.44%
REPO/REO	36	\$1,890,700	0.96%
	219	\$9,510,640	4.84%