



Montana Higher Education Student Assistance Corporation

Quarterly Student Loan Report

1993 Master Indenture - Trust Securing the Following Bonds:

- Senior Series 2005-B
- Subordinate Series 2006-C
- Senior Series 2012-A2
- Senior Series 2012-A3
- Subordinate Series 2012-B

Reporting Period December 01, 2019 through February 29, 2020

Distribution Date: March 20, 2020

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics			11/30/2019	Activity	2/29/2020
A	i	Portfolio Balance	\$ 569,430,018.23	\$ (17,099,185.66)	\$ 552,330,832.57
	ii	Accrued Interest - To Be Capitalized	\$ 2,035,491.26	\$ (301,901.59)	\$ 1,733,589.67
	iii	Accrued Interest - Non-Capitalized	\$ 12,170,394.58	\$ 218,947.75	\$ 12,389,342.33
	iv	Total Pool	\$ 583,635,904.07		\$ 566,453,764.57
	v	Pending Portfolio adjustments	\$ -		\$ -
	vi	Trust Cash	\$ 11,245,490.21		\$ 10,026,279.96
	vii	Specified Reserve Account Balance	\$ 7,343,420.00		\$ 7,343,420.00
	viii	Total Adjusted Pool	\$ 602,224,814.28		\$ 583,823,464.53
B	i	Weighted Average Coupon (WAC)	4.352%		4.350%
	ii	Weighted Average Remaining Term	167.20		167.14
	iii	Number of Loans	62,741		60,067
	iv	Number of Borrowers	26,004		24,899
	v	Outstanding Principal Balance - T-Bill	\$ 6,547,986.67		\$ 6,344,538.18
	vi	Outstanding Principal Balance - LIBOR	\$ 562,882,031.56		\$ 545,986,294.39

Bonds	CUSIP	Original Issue Amount	Rate	Balance 11/30/2019	Pool Factor 11/30/2019	Balance 2/29/2020	Pool Factor 2/29/2020		
C	i	2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 9,020,000.00	1.56%	\$ 6,555,000.00	1.17%
	ii	2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	3.11%	\$ 18,000,000.00	3.21%
	iii	2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 226,462,000.00	39.16%	\$ 210,606,000.00	37.61%
	iv	2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	52.79%	\$ 305,300,000.00	54.52%
	v	2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	3.37%	\$ 19,500,000.00	3.48%
	vii	Total Bonds Outstanding Senior		\$ 540,782,000.00		\$ 522,461,000.00	93.52%	\$ 522,461,000.00	93.30%
	viii	Total Bonds Outstanding Subordinate		\$ 37,500,000.00		\$ 37,500,000.00	6.48%	\$ 37,500,000.00	6.70%
	ix	Total Bonds Outstanding 1993 Master Indenture		\$ 578,282,000.00		\$ 559,961,000.00			

Indenture Percentage		11/30/2019	2/29/2020	
D	i	Senior Parity	111.28%	111.68%
	ii	Subordinate Parity	104.04%	104.18%

Monthly Trigger Percentage		11/30/2019	2/29/2020	
E	i	Senior Percentage	107.08%	107.34%
	ii	Subordinate Percentage	100.02%	100.05%

Reserve Account		11/30/2019	2/29/2020	
F	i	Required Reserve Acc Deposit (%)	1.00%	1.00%
	ii	Reserve Account Floor Balance (\$) (Minimum Reserve Requirement)	\$ 7,343,420.00	\$ 7,343,420.00
	iii	Specified Reserve Acct Requirement (\$)	\$ 7,343,420.00	\$ 7,343,420.00
	iv	Current Reserve Balance - (\$)		\$ 7,343,420.00
	v	Draws on Reserve - Current Quarter (\$)		\$ -

MHESAC 1993 Master Indenture
II. Trust Balances and Parity Calculations

Trust Accounts		11/30/2019	2/29/2020
A	i Acquisition Account	\$ 68,306.91	\$ 52,481.88
	ii Administration Account	\$ 831,000.00	\$ 831,000.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 9,335,675.15	\$ 8,247,597.00
	iv Reserve Account	\$ 7,343,420.00	\$ 7,343,420.00
	v Revenue Account	\$ 65,921.79	\$ -
	vii Surplus Subaccount	\$ 944,586.36	\$ 895,201.08
	viii Total Trust Accounts	\$ 18,588,910.21	\$ 17,369,699.96

Parity Calculations		11/30/2019	2/29/2020
B	Value of the Indenture		
	i Portfolio Balance	\$ 569,430,018.23	\$ 552,330,832.57
	ii Pending System Adjustments	-	-
	iii Accrued Borrower Interest	14,205,885.84	14,122,932.00
	iv Accrued Subsidized Interest	733,518.82	640,270.50
	v Less: Unguaranteed Amount Uncollectibles	(517,785.44)	(469,184.14)
	vi Trust Cash and Investments	18,588,910.21	17,369,699.96
	vii Payments in Transit	466,467.93	386,628.93
	viii Other Cash and Assets	5,694.86	176,020.69
	ix Total Trust Value	\$ 602,912,710.45	\$ 584,557,200.51
	Less:		
	x Accrued Payables	591,368.05	619,421.41
	xi Net Asset Value - Indenture Percentage	\$ 602,321,342.40	\$ 583,937,779.10

Bond Interest Outstanding		11/30/2019	2/29/2020
C	i Senior Interest	\$ 488,264.30	\$ 410,161.58
	ii Subordinate Interest	\$ 137,774.81	\$ 134,599.09
	iii Total Bond Interest	\$ 626,039.11	\$ 544,760.67

Bonds Outstanding		11/30/2019	2/29/2020
D	i Senior Bonds	\$ 540,782,000.00	\$ 522,461,000.00
	ii Subordinate Bonds	\$ 37,500,000.00	\$ 37,500,000.00
	iii Total Bonds	\$ 578,282,000.00	\$ 559,961,000.00

Distribution Amounts - Following Monthly Payment Date		11/30/2019	2/29/2020
E	i Senior Distribution Amount	\$ 8,983,000.00	\$ 7,910,000.00

Indenture Percentage		11/30/2019	2/29/2020
F	i Senior Parity Bxi / (Ci + Di)	111.28%	111.68%
	ii Subordinate Parity Bxi / (Ciii + Diii)	104.04%	104.18%

Monthly Trigger Percentage		11/30/2019	2/29/2020
G	i Senior Percentage Bi / (Di - Ei)	107.08%	107.34%
	ii Subordinate Percentage Bi / (Diii - Eii)	100.02%	100.05%

Six Month Average Trigger Percentage		Current Distribution		Next Monthly Distribution	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	107.22%	100.01%	107.34%	100.05%
	ii 2nd Month Prior	107.09%	99.97%	107.22%	100.01%
	iii 3rd Month Prior	107.08%	100.02%	107.09%	99.97%
	iv 4th Month Prior	106.95%	99.98%	107.08%	100.02%
	v 5th Month Prior	106.84%	99.97%	106.95%	99.98%
	vii 6th Month Prior	106.83%	100.03%	106.84%	99.97%
	viii Six Month Average Trigger Percentage	107.00%	100.00%	107.09%	100.00%

MHESAC 1993 Master Indenture
III. Distributions

Interest Rates								
Class	CUSIP	Distribution Date	Rate Index	Bond Spread	Current LIBOR	Next Report LIBOR	Current Rate	Next Report Rate
A 2005-B	612130HN7	3/20/2020	3M LIBOR	0.12%	1.90800%	1.11575%	2.02800%	1.23575%
2006-C	612130HR8	3/20/2020	1M LIBOR	1.20%	1.64700%	0.77288%	2.84700%	1.97288%
2012-A2	61205PAK5	3/20/2020	1M LIBOR	1.00%	1.64700%	0.77288%	2.64700%	1.77288%
2012-A3	61205PAL3	3/20/2020	1M LIBOR	1.05%	1.64700%	0.77288%	2.69700%	1.82288%
2012-B	61205PAM1	3/20/2020	1M LIBOR	1.20%	1.64700%	0.77288%	2.84700%	1.97288%

Interest								
Class	CUSIP	Current Interest Due	Current Interest Paid	Current Interest Shortfall	Interest Carryover Due	Interest Carryover Paid	Interest Carryover	Interest Factor
B 2005-B	612130HN7	\$ 33,603.12	\$ 33,603.12	\$ -	\$ -	\$ -	\$ -	2.73%
2006-C	612130HR8	\$ 41,281.56	\$ 41,281.56	\$ -	\$ 50,922.85	\$ -	\$ 50,922.85	3.35%
2012-A2	61205PAK5	\$ 449,077.28	\$ 449,077.28	\$ -	\$ -	\$ -	\$ -	36.45%
2012-A3	61205PAL3	\$ 663,288.67	\$ 663,288.67	\$ -	\$ -	\$ -	\$ -	53.84%
2012-B	61205PAM1	\$ 44,721.69	\$ 44,721.69	\$ -	\$ 55,166.42	\$ -	\$ 55,166.42	3.63%
TOTAL		\$ 1,231,972.32	\$ 1,231,972.32	\$ -	\$ 106,089.27	\$ -	\$ 106,089.27	

Principal								
Class	CUSIP	Current Principal Due	Current Principal Paid	Current Principal Shortfall	Principal Carryover Due	Principal Carryover Paid	Principal Carryover	Principal Factor
C 2005-B	612130HN7	\$ 2,437,000.00	\$ 2,437,000.00	\$ -	\$ -	\$ -	\$ -	30.81%
2006-C	612130HR8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-A2	61205PAK5	\$ -	\$ -	\$ -	\$ 210,606,000.00	\$ 5,473,000.00	\$ 205,133,000.00	69.19%
2012-A3	61205PAL3	\$ 2,182,795.16	\$ -	\$ 2,182,795.16	\$ 214,542,080.63	\$ -	\$ 216,724,875.79	0.00%
2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$ 4,619,795.16	\$ 2,437,000.00	\$ 2,182,795.16	\$ 425,148,080.63	\$ 5,473,000.00	\$ 421,857,875.79	

TOTAL PRINCIPAL DISTRIBUTION	\$ 7,910,000.00
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MHESAC 1993 Master Indenture

IV. MHESAC System Activity from: 12/1/2019 through: 2/29/2020

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	15,657,334.44
ii	Principal Collections from Guarantor	\$	3,561,036.65
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(14,601.95)
v	Repurchase of Bankruptcy Loans	\$	(327,928.41)
vi	Additional Disbursements/Purchases		
vii	Total Principal Collections	\$	<u>18,875,840.73</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	31,503.97
ii	Capitalized Interest	\$	(1,808,159.04)
iii	Total Non-Cash Principal Activity	\$	<u>(1,776,655.07)</u>
C	Total Student Loan Principal Activity	\$	<u>17,099,185.66</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	3,954,772.74
ii	Interest Claims Received from Guarantors	\$	116,669.87
iii	Other System Adjustments	\$	-
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>4,071,442.61</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	143,313.44
ii	Capitalized Interest	\$	1,808,159.04
iii	Interest Accrued During Period	\$	(5,939,961.25)
iv	Total Non-Cash Interest Adjustments	\$	<u>(3,988,488.77)</u>
F	Total Student Loan Interest Activity	\$	<u>82,953.84</u>

Trust Activity from: 12/1/2019 through: 2/29/2020

G	Trust Balances less Reserve - Beginning of Period	\$	11,277,014.08
H	Released Funds in Excess of Reserve Requirement	\$	-
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	19,322,740.43
ii	Student Loan Interest Received	\$	3,987,942.45
iii	Subsidized Interest Received	\$	1,095,006.49
iv	Investment Income on Trust Accounts	\$	67,102.01
J	Funds Remitted During Period		
i	Bond Principal	\$	18,321,000.00
ii	Bond Interest	\$	4,025,620.78
iii	Consolidation Loan Rebate Fees	\$	1,273,705.21
iv	Management and Servicing Fees	\$	849,999.42
v	Administrative Fees (trustee, listing, etc.)	\$	31,581.70
vi	Special Allowance Rebate	\$	893,689.98
vii	Repurchase of Bankruptcy Loans	\$	327,928.41
K	Funds Reserved During Period		
i	Acquisition Funds for Bankruptcy Repurchase Loans	\$	52,481.88
ii	Administration Funds	\$	831,000.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>9,142,798.08</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****3/20/2020**

A	Total Available Funds for Distribution(IV-L)	\$	9,142,798.08
B	Interest Distributions		
i	2005-B Bonds	\$	33,603.12
ii	2006-C Bonds	\$	41,281.56
iii	2012-A2 Bonds	\$	449,077.28
iv	2012-A3 Bonds	\$	663,288.67
v	2012-B Bonds	\$	44,721.69
vi	Total Bondholder's Interest Distributions	\$	1,231,972.32
C	Principal Distributions		
i	2005-B Bonds	\$	2,437,000.00
ii	2006-C Bonds	\$	-
iii	2012-A2 Bonds	\$	5,473,000.00
iv	2012-A3 Bonds	\$	-
v	2012-B Bonds	\$	-
vi	Total Bondholder's Principal Distribution	\$	7,910,000.00
D	Increase to the Specified Reserve Account Balance	\$	-
E	Carryover Servicing Fees	\$	-
F	Bondholder's Interest Carryover	\$	-
G	Bondholder's Principal Carryover	\$	-
H	Funds available after waterfall items (A-G)	\$	825.76

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	03/01/19-05/31/19	06/01/19-08/31/19	09/01/19-11/30/19	12/01/19-02/29/20
Beginning Student Loan Pool Balance	\$ 645,653,538.51	\$ 624,103,514.30	\$ 603,791,867.23	\$ 583,635,904.07
Student Loan Principal Activity				
i Regular Principal Collections	\$ 17,240,602.70	\$ 17,027,864.60	\$ 16,088,783.28	\$ 15,657,334.44
ii Principal Collections from Guarantor	\$ 6,922,433.61	\$ 5,511,152.95	\$ 6,108,209.21	\$ 3,561,036.65
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (12,682.17)	\$ (8,765.48)	\$ (10,204.38)	\$ (14,601.95)
v Repurchase of Bankruptcy Loans	\$ (724,384.49)	\$ (385,186.85)	\$ (306,278.74)	\$ (327,928.41)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 23,425,969.65	\$ 22,145,065.22	\$ 21,880,509.37	\$ 18,875,840.73
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ 69,835.92	\$ 82,966.24	\$ 4,034.41	\$ 31,503.97
ii Capitalized Interest	\$ (1,951,434.00)	\$ (1,608,975.66)	\$ (1,497,840.56)	\$ (1,808,159.04)
iii Total Non-Cash Principal Activity	\$ (1,881,598.08)	\$ (1,526,009.42)	\$ (1,493,806.15)	\$ (1,776,655.07)
(-) Total Student Loan Principal Activity	\$ 21,544,371.57	\$ 20,619,055.80	\$ 20,386,703.22	\$ 17,099,185.66
Student Loan Interest Activity				
i Regular Interest Collections	\$ 4,219,727.49	\$ 4,119,994.92	\$ 3,966,996.20	\$ 3,954,772.74
ii Interest Claims Received from Guarantors	\$ 211,813.33	\$ 167,642.91	\$ 225,511.92	\$ 116,669.87
iii Other System Adjustments	\$ (4,200.79)	\$ (30.00)	\$ -	\$ -
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
v Total Interest Repayments	\$ 4,427,340.03	\$ 4,287,607.83	\$ 4,192,508.12	\$ 4,071,442.61
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 272,603.23	\$ 240,040.60	\$ 230,953.11	\$ 143,313.44
ii Capitalized Interest	\$ 1,951,434.00	\$ 1,608,975.66	\$ 1,497,840.56	\$ 1,808,159.04
iii Interest Accrued During Period	\$ (6,645,724.62)	\$ (6,444,032.82)	\$ (6,152,041.85)	\$ (5,939,961.25)
iv Total Non-Cash Interest Adjustments	\$ (4,421,687.39)	\$ (4,595,016.56)	\$ (4,423,248.18)	\$ (3,988,488.77)
(-) Total Student Loan Interest Activity	\$ 5,652.64	\$ (307,408.73)	\$ (230,740.06)	\$ 82,953.84
(=) TOTAL STUDENT LOAN POOL	\$ 624,103,514.30	\$ 603,791,867.23	\$ 583,635,904.07	\$ 566,453,764.57
(+) Pending Portfolio Adjustments	\$ -	\$ -	\$ -	\$ -
(+) Trust Cash Available	\$ 12,967,541.30	\$ 11,790,060.21	\$ 11,245,490.21	\$ 10,026,279.96
(+) Reserve Account Balance	\$ 7,343,420.00	\$ 7,343,420.00	\$ 7,343,420.00	\$ 7,343,420.00
(=) TOTAL ADJUSTED POOL	\$ 644,414,475.60	\$ 622,925,347.44	\$ 602,224,814.28	\$ 583,823,464.53

**MHESAC 1993 Master Indenture
VII. Portfolio Characteristics**

LOAN STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	11/30/2019	2/29/2020	11/30/2019	2/29/2020	11/30/2019	2/29/2020	11/30/2019	2/29/2020	11/30/2019	2/29/2020
INTERIM:										
In School	6.23%	6.25%	35	39	0.1%	0.1%	\$ 104,278	\$ 107,718	0.0%	0.0%
Grace	6.80%	6.80%	13	2	0.0%	0.0%	\$ 27,461	\$ 4,708	0.0%	0.0%
TOTAL INTERIM	6.35%	6.27%	48	41	0.1%	0.1%	\$ 131,739	\$ 112,426	0.0%	0.0%
REPAYMENT										
Active	4.27%	4.27%	56,352	53,873	89.8%	89.7%	\$ 511,374,932	\$ 494,682,017	89.8%	89.6%
Current	4.17%	4.18%	51,662	49,720	82.3%	82.8%	\$ 471,791,360	\$ 459,352,156	82.9%	83.2%
31-60 Days Delinquent	5.23%	5.05%	1,384	1,106	2.2%	1.8%	\$ 11,647,763	\$ 9,679,401	2.0%	1.8%
61-90 Days Delinquent	5.19%	5.23%	757	690	1.2%	1.1%	\$ 7,082,633	\$ 6,411,557	1.2%	1.2%
91-120 Days Delinquent	5.35%	5.27%	544	549	0.9%	0.9%	\$ 4,318,893	\$ 5,125,919	0.8%	0.9%
> 120 Days Delinquent	5.37%	5.35%	2,005	1,808	3.2%	3.0%	\$ 16,534,284	\$ 14,112,985	2.9%	2.6%
Deferment	4.99%	5.16%	3,321	3,003	5.3%	5.0%	\$ 23,752,927	\$ 21,817,289	4.2%	4.0%
Forbearance	5.28%	5.10%	2,909	3,025	4.6%	5.0%	\$ 33,487,957	\$ 34,400,880	5.9%	6.2%
TOTAL REPAYMENT	4.35%	4.35%	62,582	59,901	99.7%	99.7%	\$ 568,615,816	\$ 550,900,186	99.9%	99.7%
Claims in Process	5.03%	5.63%	111	125	0.2%	0.2%	\$ 682,464	\$ 1,318,221	0.1%	0.2%
Aged Claims Rejected	0.00%	0.00%	0	0	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.35%	4.35%	62,741	60,067	100%	100%	\$ 569,430,018	\$ 552,330,833	100%	100%

LOAN TYPE	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	11/30/2019	2/29/2020	11/30/2019	2/29/2020	11/30/2019	2/29/2020	11/30/2019	2/29/2020	11/30/2019	2/29/2020
Subsidized Stafford	5.86%	5.86%	16,407	15,467	26.2%	25.7%	\$ 40,337,271	\$ 38,380,337	7.1%	6.9%
Unsubsidized Stafford	6.13%	6.13%	11,933	11,294	19.0%	18.8%	\$ 45,481,746	\$ 43,766,685	8.0%	7.9%
PLUS	7.95%	8.00%	293	266	0.5%	0.4%	\$ 2,231,265	\$ 2,069,253	0.4%	0.4%
Grad/PLUS	7.99%	7.99%	101	98	0.2%	0.2%	\$ 1,317,579	\$ 1,290,064	0.2%	0.2%
SLS	5.09%	5.07%	10	9	0.0%	0.0%	\$ 38,228	\$ 38,189	0.0%	0.0%
Consolidation	4.03%	4.03%	33,997	32,933	54.2%	54.8%	\$ 480,023,930	\$ 466,786,304	84.3%	84.5%
TOTAL	4.35%	4.35%	62,741	60,067	100%	100%	\$ 569,430,018	\$ 552,330,833	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	2/29/2020
Cumulative Claims submitted (# of loans)	54,483
Cumulative Claims rejected (# of loans)	90
Cumulative Reject Rate	0.17%

VIV. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
05/31/19	\$ 610,435,777	4.85%
08/31/19	\$ 589,816,721	4.80%
11/30/19	\$ 569,430,018	4.74%
02/29/20	\$ 552,330,833	4.63%

* based on the current period's ending pool balance calculated against the original pool balance and assuming cutoff date pool data