

I. MONTANA HIGHER EDUCATION STUDENT ASSISTANCE CORPORATION (MHESAC)
Deal Parameters

Student Portfolio Characteristics		2/28/2006	Activity	5/31/2006
A	i Portfolio Balance	\$ 282,202,897.48	\$ 287,067,317.75	\$ 569,270,215.23
	ii Interest to be Capitalized	\$ 1,611,061.30	\$ 1,667,933.20	\$ 3,278,994.50
	iii Total Pool	\$ 283,813,958.78		\$ 572,549,209.73
	iv Specified Reserve Account Balance	\$ -		\$ -
	v Total Adjusted Pool	\$ 283,813,958.78		\$ 572,549,209.73
B	i Weighted Average Coupon (WAC)	3.938%		3.789%
	ii Weighted Average Remaining Term	266.83		275.88
	iii Number of Loans	19,546		35,259
	iv Number of Borrowers	10,019		18,210
	v Outstanding Principal Balance - T-Bill	\$ 3,913,380.12		\$ 3,608,581.97
	vi Outstanding Principal Balance - Commercial Paper	\$ 278,289,517.36		\$ 570,132,812.48

	Notes	CUSIP	Spread	Balance	Pool Factor	Balance	Pool Factor	
				2/28/2006	2/28/2006	5/31/2006	5/31/2006	
C	i	2000-C Notes	612130GV0	ARS	\$ 11,200,000.00	3.53%	\$ 11,200,000.00	1.77%
	ii	2001-C Notes	612130GY4	ARS	\$ 29,500,000.00	9.31%	\$ 29,500,000.00	4.67%
	iii	2002-D Notes	612130HB3	ARS	\$ 10,300,000.00	3.25%	\$ 10,300,000.00	1.63%
	iv	2003-C Notes	612130HG2	ARS	\$ 13,300,000.00	4.20%	\$ 13,300,000.00	2.11%
	v	2005-A Notes	61205PAF6	0.040%	\$ 133,508,000.00	42.12%	\$ 116,576,000.00	18.46%
	vi	2005-B Notes	61205PAG4	0.120%	\$ 119,140,000.00	37.59%	\$ 119,140,000.00	18.87%
	vii	2006-A Notes	612130HP2	0.100%	\$ -	0.00%	\$ 226,775,000.00	35.91%
	viii	2006-B Notes	612130HQ0	ARS	\$ -	0.00%	\$ 74,700,000.00	11.83%
	ix	2006-C Notes	612130HR8	ARS	\$ -	0.00%	\$ 30,000,000.00	4.75%

% Subordinate Bonds of Total Bonds Outstanding - Master Indenture	7.09%
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Reserve Account		2/28/2006	5/31/2006
D	i Required Reserve Acc Deposit (%)	1.00%	1.00%
	ii Reserve Acct Initial Deposit (\$)	0	0
	iii Specified Reserve Acct Balance (\$)	\$ -	\$ -
	iv Reserve Account Floor Balance (\$)	\$ -	\$ -
	v Current Reserve Acct Balance (\$)		\$ 2,035,000.00
	vi Current Reserve Balance - Indenture (\$)		\$ 30,566,244.22
	vii Draws on Reserve - Current Quarter (\$)		\$ -

Capitalized Interest Account		2/28/2006	5/31/2006
E	i Capitalized Interest Account Balance	\$ -	\$ -

II. MHESAC

Distributions

Interest										
Class	CUSIP	Quarterly Interest Due	Quarterly Interest Paid	Interest Shortfall	Interest Carryover Due	Interest Carryover Paid	Interest Carryover	Interest Factor	Rate	Next Rate
2005-A	61205PAF6	\$ 1,395,737.80	\$ 1,395,737.80	\$ -	\$ -	\$ -	\$ -	11.91%	4.970%	5.45375%
2005-B	61205PAG4	\$ 1,537,567.89	\$ 1,537,567.89	\$ -	\$ -	\$ -	\$ -	13.12%	5.050%	5.53375%
2006-A	612130HP2	\$ 8,787,303.97	\$ 8,787,303.97	\$ -	\$ -	\$ -	\$ -	74.97%	5.277%	5.27700%
TOTAL		\$ 11,720,609.66	\$ 11,720,609.66	\$ -	\$ -	\$ -	\$ -			

CUR LIBOR	4.930%
NEXT LIBOR	5.414%

Principal								
Class	CUSIP	Quarterly Principal Due	Quarterly Principal Paid	Quarterly Principal Shortfall	Principal Carryover Due	Principal Carryover Paid	Principal Carryover	Principal Factor
2005-A	61205PAF6	\$ 6,685,000.00	\$ 6,685,000.00	\$ -	\$ -	\$ -	\$ -	100.00%
2005-B	61205PAF6	\$ -		\$ -	\$ -	\$ -	\$ -	0.00%
2006-A	612130HP2	\$ -		\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$ 6,685,000.00	\$ 6,685,000.00	\$ -	\$ -	\$ -	\$ -	

III. MHESAC		Transactions from:	3/1/2006	through:	5/31/2006
A	Student Loan Principal Activity				
	i	Regular Principal Collections	\$		20,876,417.04
	ii	Principal Collections from Guarantor	\$		1,174,873.54
	iii	Returned Disbursements	\$		0.00
	iv	Other System Adjustments	\$		-
	v	Additional Disbursements	\$		(308,522,794.04)
	vi	Total Principal Collections	\$		(286,471,503.46)
B	Student Loan Non-Cash Principal Activity				
	i	Other Adjustments	\$		172,611.73
	ii	Capitalized Interest	\$		(768,426.02)
	iii	Total Non-Cash Principal Activity	\$		(595,814.29)
C	Total Student Loan Principal Activity		\$		(287,067,317.75)
D	Student Loan Interest Activity				
	i	Regular Interest Collections	\$		2,541,067.03
	ii	Interest Claims Received from Guarantors	\$		43,874.16
	iii	Collection Fees / Returned Items	\$		-
	iv	Late Fee Reimbursements	\$		-
	v	Interest Reimbursements	\$		-
	vi	Other System Adjustments	\$		-
	vii	Special Allowance Payments	\$		2,542,823.74
	viii	Subsidy Payments	\$		219,672.66
	ix	Accrued Borrower Interest on Purchased Loans	\$		(1,593,213.32)
	x	Total Interest Collections	\$		3,754,224.27
E	Student Loan Non-Cash Interest Activity				
	i	Interest Accrual Adjustments	\$		24,644.23
	ii	Capitalized Interest	\$		768,426.02
	iii	Total Non-Cash Interest Adjustments	\$		793,070.25
F	Total Student Loan Interest Activity		\$		4,547,294.52
G	Non-Reimbursable Losses During Collection Period		\$		-
H	Cumulative Non-Reimbursable Losses to Date		\$		-

IV. MHESAC Repayment Account Activity:		3/1/2006	through:	5/31/2006
A	Principal Repayment			
i	Principal Payments Received		\$	21,897,520.89
ii	Returned Disbursements		\$	380,849.50
iii	Borrower Benefits Reimbursements			
iv	Reimbursements by Servicer			
v	Additional Disbursements		\$	(314,509,439.61)
vi	Total Principal Repayments		\$	(292,231,069.22)
B	Interest Repayment			
i	Interest Payments Received		\$	4,634,207.94
ii	Collections from Guarantor		\$	-
iii	Reimbursements by Seller		\$	-
iv	Borrower Benefits Reimbursements		\$	-
v	Reimbursements by Servicer		\$	-
vi	Re-purchased Interest		\$	-
vii	Collection Fees / Returned Items		\$	-
viii	Late Fees		\$	-
ix	Total Interest Repayments		\$	4,634,207.94
C	Other Reimbursements		\$	-
D	Reserves in Excess of Reserve Requirement		\$	-
E	Trust Account Investment Income		\$	208,575.45
F	Administrator Account Investment Income		\$	-
G	Funds Received from Bond Proceeds		\$	330,364,558.75
	TOTAL FUNDS RECEIVED		\$	42,976,272.92
	LESS FUNDS REMITTED/SET ASIDE:			
i	Consolidation Loan Rebate Fees		\$	(664,774.98)
ii	Management and Servicing Fees		\$	(526,243.52)
iii	Administrative Fees (trustee, listing, broker, lender/orig, etc)		\$	(715,221.40)
iv	Funds Allocated to the Future Distribution Account		\$	-
v	Funds Released from the Future Distribution Account		\$	-
	PLUS FUNDS ALLOCATED FROM REMAINING ACQUISITION FUNDS		\$	-
	LESS FUNDS IN ACQUISITION FUND FOR ADDITIONAL DISBURSEMENTS		\$	(15,241,673.55)
H	TOTAL AVAILABLE FUNDS		\$	25,828,359.47
I	Management and Servicing Fees Due for Current Period		\$	-
J	Carryover Servicing Fees Due		\$	-
K	Administration Fees Due		\$	-
L	Total Fees Due for Period		\$	-

V. MHESAC Waterfall for Distributions

A	Total Available Funds (IV-H)	\$	25,828,359.47
B	Management and Servicing Fees Due	\$	-
C	Administration Fees Due	\$	-
D	Interest Distributions and accruals		
i	2000-C Notes	\$	136,781.12
ii	2001-C Notes	\$	359,528.30
iii	2002-D Notes	\$	124,110.88
iv	2003-C Notes	\$	160,930.00
v	2005-A Notes	\$	1,395,737.80
vi	2005-B Notes	\$	1,537,567.89
vii	2006-A Notes	\$	4,653,800.96
viii	2006-B Notes	\$	296,305.02
ix	2006-C Notes	\$	122,542.00
x	Total Interest Distributions	\$	8,787,303.97
E	Principal Distribution Amount		
i	2000-C Notes	\$	-
ii	2001-C Notes	\$	-
iii	2002-D Notes	\$	-
iv	2003-C Notes	\$	-
v	2005-A Notes	\$	6,685,000.00
vi	2005-B Notes	\$	-
vii	2006-A Notes	\$	-
viii	2006-B Notes	\$	-
ix	2006-C Notes	\$	-
x	Total Noteholder's Principal Distribution	\$	6,685,000.00
F	Increase to the Specified Reserve Account Balance	\$	-
G	Carryover Servicing Fees	\$	-
H	Noteholder's Interest Carryover		
v	2005-A Notes	\$	-
vi	2005-B Notes	\$	-
vii	2006-A Notes	\$	-
viii	2006-B Notes	\$	-
ix	2006-C Notes	\$	-
x	Total Noteholder's Interest Carryover	\$	-
I	Noteholder's Principal Carryover		
v	2005-A Notes	\$	-
vi	2005-B Notes	\$	-
vii	2006-A Notes	\$	-
viii	2006-B Notes	\$	-
ix	2006-C Notes	\$	-
x	Total Noteholder's Principal Carryover	\$	-
J	Excess Distribution	\$	10,356,055.50

	06/01/05 - 8/31/05	9/1/05 - 11/30/05	12/1/05 - 2/28/06	3/1/06 - 5/31/06
Beginning Student Loan Portfolio Balance	\$ 305,424,703.47	\$ 296,692,856.53	\$ 289,840,217.10	\$ 282,202,897.48
Student Loan Principal Activity				
i Regular Principal Collections	\$ 8,056,297.82	\$ 7,073,868.45	\$ 7,493,865.87	\$ 20,876,417.04
ii Principal Collections from Guarantor	\$ 248,627.56	\$ 336,952.38	\$ 617,488.44	\$ 1,174,873.54
iii Returned Disbursements	\$ 1,053,194.99	\$ 17,762.67	\$ 0.00	\$ 0.00
iv Other System Adjustments	\$ -	\$ -	\$ -	\$ -
v Additional Disbursements	\$ (218,329.50)	\$ (131,868.28)	\$ 10,550.89	\$ (308,522,794.04)
vi Total Principal Collections	\$ 9,139,790.87	\$ 7,296,715.22	\$ 8,121,905.20	\$ (286,471,503.46)
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ (3,978.20)	\$ 52,951.03	\$ 9,437.62	\$ 172,611.73
ii Capitalized Interest	\$ (403,965.73)	\$ (497,026.82)	\$ (494,023.20)	\$ (768,426.02)
iii Total Non-Cash Principal Activity	\$ (407,943.93)	\$ (444,075.79)	\$ (484,585.58)	\$ (595,814.29)
(-) Total Student Loan Principal Activity	\$ 8,731,846.94	\$ 6,852,639.43	\$ 7,637,319.62	\$ (287,067,317.75)
Student Loan Interest Activity				
i Regular Interest Collections	\$ 2,140,313.19	\$ 2,093,403.44	\$ 2,044,000.17	\$ 2,541,067.03
ii Interest Claims Received from Guarantors	\$ 8,737.79	\$ 13,177.70	\$ 21,325.26	\$ 43,874.16
iii Collection Fees / Returned Items	\$ -	\$ -	\$ -	\$ -
iv Late Fee Reimbursements	\$ -	\$ -	\$ -	\$ -
v Interest Reimbursements	\$ -	\$ 45.62	\$ -	\$ -
vi Other System Adjustments	\$ 2.92	\$ 25.19	\$ -	\$ -
vii Special Allowance Payments	\$ 697,691.54	\$ 697,691.54	\$ 1,467,416.98	\$ 2,542,823.74
viii Subsidy Payments	\$ 97,562.60	\$ 97,562.60	\$ 130,522.54	\$ 219,672.66
ix Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ (1,593,213.32)
x Total Interest Repayments	\$ 2,944,308.04	\$ 2,901,906.09	\$ 3,663,264.95	\$ 3,754,224.27
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 32,796.29	\$ 2,058.51	\$ 17,804.27	\$ 24,644.23
ii Capitalized Interest	\$ 404,150.40	\$ 498,005.74	\$ 494,023.20	\$ 768,426.02
iii Total Non-Cash Interest Adjustments	\$ 436,946.69	\$ 500,064.25	\$ 511,827.47	\$ 793,070.25
Total Student Loan Interest Activity	\$ 3,381,254.73	\$ 3,401,970.34	\$ 4,175,092.42	\$ 4,547,294.52
(=) Ending Student Loan Portfolio Balance	\$ 300,074,111.26	\$ 293,242,187.44	\$ 278,740,670.28	\$ 573,817,509.75
(+) Interest to be Capitalized	\$ 1,509,781.69	\$ 1,594,051.75	\$ 1,611,061.30	\$ 3,278,994.50
(=) TOTAL POOL	\$ 298,202,638.22	\$ 291,434,268.85	\$ 283,813,958.78	\$ 572,549,209.73
(+) Reserve Account Balance	\$ -	\$ -	\$ -	\$ -
(=) Total Adjusted Pool	\$ 298,202,638.22	\$ 291,434,268.85	\$ 283,813,958.78	\$ 572,549,209.73

VII. MHESAC Portfolio Characteristics

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	2/28/2006	5/31/2006	2/28/2006	5/31/2006	2/28/2006	5/31/2006	2/28/2006	5/31/2006	2/28/2006	5/31/2006
INTERIM:										
In School										
Current	4.73%	4.71%	390	1194	2.0%	3.4%	\$ 1,209,978	\$ 3,815,166	0.4%	0.7%
Grace										
Current	4.82%	4.70%	75	677	0.4%	1.9%	\$ 184,115	\$ 2,049,940	0.1%	0.4%
TOTAL INTERIM	4.74%	4.70%	465	1,871	2.4%	5.3%	\$ 1,394,093	\$ 5,865,107	0.5%	1.0%
REPAYMENT										
Active	3.92%	3.76%	15,215	26,404	77.5%	74.9%	\$ 223,188,013	\$ 440,393,169	78.6%	76.8%
Current	3.86%	3.71%	13,354	23,061	68.0%	65.4%	\$ 205,794,934	\$ 402,190,635	72.5%	70.1%
31-60 Days Delinquent	4.49%	4.47%	552	1,245	2.8%	3.5%	\$ 5,343,461	\$ 16,115,358	1.9%	2.8%
61-90 Days Delinquent	4.68%	4.53%	357	622	1.8%	1.8%	\$ 2,906,429	\$ 6,544,026	1.0%	1.1%
91-120 Days Delinquent	4.42%	4.32%	229	479	1.2%	1.4%	\$ 2,152,971	\$ 5,599,952	0.8%	1.0%
> 120 Days Delinquent	4.42%	4.31%	723	997	3.7%	2.8%	\$ 6,990,218	\$ 9,943,197	2.5%	1.7%
Deferment										
Current	3.91%	3.59%	2,364	4,970	12.0%	14.1%	\$ 34,955,396	\$ 94,342,813	12.3%	16.4%
Forbearance										
Current	4.28%	4.08%	1,501	1,890	7.6%	5.4%	\$ 22,665,495	\$ 31,243,905	8.0%	5.4%
TOTAL REPAYMENT	3.95%	3.75%	19,080	33,264	97.2%	94.3%	\$ 280,808,904	\$ 565,979,887	99.0%	98.6%
Claims in Process			83	124	0.4%	0.4%	\$ 1,572,768	\$ 1,896,401	0.6%	0.3%
Aged Claims Rejected			0	0	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	3.94%	3.79%	19,628	35,259	100%	100%	\$ 283,775,766	\$ 573,741,395	100%	100%

VIII. MHESAC Payment History and CPRs

Distribution Date	Actual Pool Balances	Since Issued CPR *
09/20/05	\$ 296,692,857	8.39%
12/20/05	\$ 289,840,217	6.83%
03/20/06	\$ 282,202,897	7.37%
06/20/06	\$ 569,270,215	5.89%

* "Since Issued CPR" is based on the current period's ending pool balance calculated against the original pool balance and assuming cutoff date pool data