



Montana Higher Education Student Assistance Corporation

Monthly 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 September 01, 2019 through September 30, 2019

Distribution Date: October 21, 2019

MHESAC 1993 Master Indenture
I. Deal Parameters

Student Portfolio Characteristics				8/31/2019		Activity		9/30/2019	
A	i	Principal Balance		\$	589,816,721.45	\$	(6,677,404.83)	\$	583,139,316.62
	ii	Accrued Interest - To Be Capitalized		\$	2,346,368.07	\$	(175,690.75)	\$	2,170,677.32
	iii	Accrued Interest - Non-Capitalized		\$	11,628,777.71	\$	122,678.23	\$	11,751,455.94
	iv	Total Student Loan Pool		\$	603,791,867.23			\$	597,061,449.88
	v	Pending Portfolio adjustments		\$	-			\$	-
	vi	Trust Cash		\$	11,790,060.21			\$	8,816,306.28
	vii	Specified Reserve Account Balance		\$	7,343,420.00			\$	7,343,420.00
	viii	Total Adjusted Pool		\$	622,925,347.44			\$	613,221,176.16
B	i	Weighted Average Coupon (WAC)			4.362%				4.358%
	ii	Weighted Average Remaining Term			167.22				167.28
	iii	Number of Loans			65,794				64,762
	iv	Number of Borrowers			27,168				26,779
	v	Outstanding Principal Balance - T-Bill		\$	6,782,287.18			\$	6,733,865.01
	vi	Outstanding Principal Balance - LIBOR		\$	583,034,434.27			\$	576,405,451.61

Bonds		CUSIP	Original Issue Amount	Rate	Balance 8/31/2019	Pool Factor 8/31/2019	Balance 9/30/2019	Pool Factor 9/30/2019	
C	i	2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 11,514,000.00	1.92%	\$ 9,020,000.00	1.53%
	ii	2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	3.01%	\$ 18,000,000.00	3.05%
	iii	2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 244,389,000.00	40.82%	\$ 237,805,000.00	40.33%
	iv	2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	50.99%	\$ 305,300,000.00	51.78%
	v	2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	3.26%	\$ 19,500,000.00	3.31%
	vii	Total Bonds Outstanding Senior			\$ 561,203,000.00	93.74%	\$ 552,125,000.00	93.64%	
	viii	Total Bonds Outstanding Taxable Subordinate			\$ 37,500,000.00	6.26%	\$ 37,500,000.00	6.36%	
	ix	Total Bonds Outstanding 1993 Master Indenture - Taxable			\$ 598,703,000.00		\$ 589,625,000.00		

Indenture Percentage		8/31/2019	9/30/2019	
D	i	Senior Parity	110.95%	111.10%
	ii	Subordinate Parity	103.98%	104.01%

Monthly Trigger Percentage		8/31/2019	9/30/2019	
E	i	Senior Percentage	106.83%	106.84%
	ii	Subordinate Percentage	100.03%	99.97%

Reserve Account		8/31/2019	9/30/2019	
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 Month(\$)		\$ -

MHESAC 1993 Master Indenture

II. Trust Balances, Parity Calculations, and Trigger Percentages

Trust Accounts		8/31/2019	9/30/2019
A	i Acquisition Account	\$ 183,459.39	\$ 117,003.61
	ii Administration Account	\$ 831,000.00	\$ 831,000.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 9,339,261.79	\$ 7,868,302.67
	iv Reserve Account	\$ 7,343,420.00	\$ 7,343,420.00
	v Revenue Account	\$ 689,698.08	\$ -
	vii Surplus Subaccount	\$ 746,640.95	\$ -
	viii Total Trust Accounts	\$ 19,133,480.21	\$ 16,159,726.28

Parity Calculations		8/31/2019	9/30/2019
B	Value of the Indenture		
	i Portfolio Balance	\$ 589,816,721.45	\$ 583,139,316.62
	ii Pending System Adjustments	-	-
	iii Accrued Borrower Interest	13,975,145.78	13,922,133.26
	iv Accrued Subsidized Interest	991,160.27	1,439,798.56
	v Less: Unguaranteed Amount Uncollectibles	(538,614.15)	(528,617.22)
	vi Trust Cash and Investments	19,133,480.21	16,159,726.28
	vii Payments in Transit	394,855.01	545,605.08
	viii Other Cash and Assets	63,712.32	32,951.54
	ix Total Trust Value	\$ 623,836,460.89	\$ 614,710,914.12
	Less:		
	x Accrued Payables	486,751.36	753,041.18
	xi Net Asset Value - Indenture Percentage	\$ 623,349,709.53	\$ 613,957,872.94

Bond Interest Outstanding		8/31/2019	9/30/2019
C	i Senior Interest	\$ 644,841.03	\$ 516,126.37
	ii Subordinate Interest	146,672.97	140,972.64
	iii Total Bond Interest	\$ 791,514.00	\$ 657,099.01

Bonds Outstanding		8/31/2019	9/30/2019
D	i Senior Bonds	\$ 561,203,000.00	\$ 552,125,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 598,703,000.00	\$ 589,625,000.00

Distribution Amounts - Following Monthly Payment Date		8/31/2019	9/30/2019
E	i Senior Distribution Amount	\$ 9,078,000.00	\$ 6,309,000.00

Indenture Percentage		8/31/2019	9/30/2019
F	i Senior Parity $B_{xi} / (C_i + D_i)$	110.95%	111.10%
	ii Subordinate Parity $B_{xi} / (C_{iii} + D_{iii})$	103.98%	104.01%

Monthly Trigger Percentage		8/31/2019	9/30/2019
G	i Senior Percentage $B_i / (D_i - E_i)$	106.83%	106.84%
	ii Subordinate Percentage $B_i / (D_{iii} - E_i)$	100.03%	99.97%

Six Month Average Trigger Percentage		Current Distribution		Next Distribution Report	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	106.83%	100.03%	106.84%	99.97%
	ii 2nd Month Prior	106.82%	100.10%	106.83%	100.03%
	iii 3rd Month Prior	106.59%	99.97%	106.82%	100.10%
	iv 4th Month Prior	106.65%	100.09%	106.59%	99.97%
	v 5th Month Prior	106.42%	99.95%	106.65%	100.09%
	vii 6th Month Prior	106.37%	99.99%	106.42%	99.95%
	viii Six Month Average Trigger Percentage	106.61%	100.02%	106.69%	100.02%

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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	12/20/2019	3M LIBOR	0.12%	2.15588%	2.15588%	2.27588%
	2006-C	612130HR8	10/21/2019	1M LIBOR	1.20%	2.04425%	1.84638%	3.24425%
	2012-A2	61205PAK5	10/21/2019	1M LIBOR	1.00%	2.04425%	1.84638%	3.04425%
	2012-A3	61205PAL3	10/21/2019	1M LIBOR	1.05%	2.04425%	1.84638%	3.09425%
	2012-B	61205PAM1	10/21/2019	1M LIBOR	1.20%	2.04425%	1.84638%	3.24425%

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	2006-C	\$ 50,285.88	\$ 50,285.88	\$ -	\$ 50,301.84	\$ -	\$ 50,301.84	3.26%
	2012-A2	\$ 623,391.54	\$ 623,391.54	\$ -	\$ -	\$ -	\$ -	40.44%
	2012-A3	\$ 813,468.80	\$ 813,468.80	\$ -	\$ -	\$ -	\$ -	52.77%
	2012-B	\$ 54,476.37	\$ 54,476.37	\$ -	\$ 54,493.67	\$ -	\$ 54,493.67	3.53%
	TOTAL	\$ 1,541,622.59	\$ 1,541,622.59	\$ -	\$ 104,795.51	\$ -	\$ 104,795.51	

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	2006-C	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	2012-A2	\$ -	\$ -	\$ -	\$ 237,805,000.00	\$ 3,844,000.00	\$ 233,961,000.00	100.00%
	2012-A3	\$ 5,090,525.98	\$ -	\$ 5,090,525.98	\$ 193,930,528.66	\$ -	\$ 199,021,054.64	0.00%
	2012-B	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	TOTAL	\$ 5,090,525.98	\$ -	\$ 5,090,525.98	\$ 431,735,528.66	\$ 3,844,000.00	\$ 432,982,054.64	

TOTAL PRINCIPAL DISTRIBUTION	\$ 3,844,000.00
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IV. MHESAC System Activity from: 9/1/2019 through: 9/30/2019

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	5,461,041.30
ii	Principal Collections from Guarantor	\$	1,990,502.69
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(4,743.17)
v	Repurchase of Bankruptcy Loans	\$	(181,459.39)
vi	Additional Disbursements/Purchases	\$	-
vii	Total Principal Collections	\$	<u>7,265,341.43</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	6,275.43
ii	Capitalized Interest	\$	(594,212.03)
iii	Total Non-Cash Principal Activity	\$	<u>(587,936.60)</u>
C	Total Student Loan Principal Activity	\$	<u>6,677,404.83</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	1,367,778.54
ii	Interest Claims Received from Guarantors	\$	67,224.28
iii	Other System Adjustments	\$	-
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>1,435,002.82</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	77,460.81
ii	Capitalized Interest	\$	594,212.03
iii	Interest Accrued During Period	\$	(2,053,663.14)
iv	Total Non-Cash Interest Adjustments	\$	<u>(1,381,990.30)</u>
F	Total Student Loan Interest Activity	\$	<u>53,012.52</u>

Trust Activity from: 9/1/2019 through: 9/30/2019

G	Trust Balances less Reserve - Beginning of Period	\$	11,790,060.21
H	Released Funds in Excess of Reserve Requirement	\$	-
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	7,270,832.90
ii	Student Loan Interest Received	\$	1,416,460.28
iii	Subsidized Interest Received	\$	-
iv	Investment Income on Trust Accounts	\$	34,153.45
J	Funds Remitted During Period		
i	Bond Principal	\$	9,078,000.00
ii	Bond Interest	\$	1,697,300.15
iii	Consolidation Loan Rebate Fees	\$	441,787.55
iv	Management and Servicing Fees	\$	296,653.47
v	Administrative Fees (trustee, listing, etc.)	\$	-
vi	Special Allowance Rebate	\$	-
vii	Repurchase of Bankruptcy Loans	\$	181,459.39
K	Funds Reserved During Period		
i	Funds Allocated for Accrued Principal 2005-B Bonds	\$	2,465,000.00
ii	Funds Allocated for Accrued Interest 2005-B Bonds	\$	17,297.11
iii	Acquisition Funds for Bankruptcy Repurchase Loans	\$	117,003.61
iv	Administration Funds	\$	831,000.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>5,386,005.56</u>

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V. Waterfall for Distributions

Distribution Date:

10/21/2019

A	Total Available Funds for Distribution(IV-L)	\$	5,386,005.56
B	Interest Distributions		
i	2005-B Bonds	\$	-
ii	2006-C Bonds	\$	50,285.88
iii	2012-A2 Bonds	\$	623,391.54
iv	2012-A3 Bonds	\$	813,468.80
v	2012-B Bonds	\$	54,476.37
vi	Total Bondholder's Interest Distributions	\$	1,541,622.59
C	Principal Distributions		
i	2005-B Bonds	\$	-
ii	2006-C Bonds	\$	-
iii	2012-A2 Bonds	\$	3,844,000.00
iv	2012-A3 Bonds	\$	-
v	2012-B Bonds	\$	-
vi	Total Bondholder's Principal Distribution	\$	3,844,000.00
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)	\$	382.97

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VI. Historical Pool Information

	06/01/19-06/30/19	07/01/19-07/31/19	08/01/19-08/31/19	09/01/19-09/30/19
Beginning Student Loan Pool Balance	\$ 624,103,514.30	\$ 617,129,137.60	\$ 610,628,973.08	\$ 603,791,867.23
Student Loan Principal Activity				
i Regular Principal Collections	\$ 5,379,864.66	\$ 6,003,363.31	\$ 5,644,636.63	\$ 5,461,041.30
ii Principal Collections from Guarantor	\$ 2,210,602.69	\$ 1,312,992.28	\$ 1,987,557.98	\$ 1,990,502.69
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (3,275.50)	\$ (3,736.08)	\$ (1,753.90)	\$ (4,743.17)
v Repurchase of Bankruptcy Loans	\$ (84,963.80)	\$ (140,893.21)	\$ (159,329.84)	\$ (181,459.39)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 7,502,228.05	\$ 7,171,726.30	\$ 7,471,110.87	\$ 7,265,341.43
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ 71,674.56	\$ 10,038.37	\$ 1,253.31	\$ 6,275.43
ii Capitalized Interest	\$ (585,628.29)	\$ (531,401.24)	\$ (491,946.13)	\$ (594,212.03)
iii Total Non-Cash Principal Activity	\$ (513,953.73)	\$ (521,362.87)	\$ (490,692.82)	\$ (587,936.60)
(-) Total Student Loan Principal Activity	\$ 6,988,274.32	\$ 6,650,363.43	\$ 6,980,418.05	\$ 6,677,404.83
Student Loan Interest Activity				
i Regular Interest Collections	\$ 1,363,538.10	\$ 1,386,037.46	\$ 1,370,419.36	\$ 1,367,778.54
ii Interest Claims Received from Guarantors	\$ 68,582.45	\$ 39,662.21	\$ 59,398.25	\$ 67,224.28
iii Other System Adjustments	\$ (30.00)	\$ -	\$ -	\$ -
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
v Total Interest Repayments	\$ 1,432,090.55	\$ 1,425,699.67	\$ 1,429,817.61	\$ 1,435,002.82
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 90,358.42	\$ 66,482.80	\$ 83,199.38	\$ 77,460.81
ii Capitalized Interest	\$ 585,628.29	\$ 531,401.24	\$ 491,946.13	\$ 594,212.03
iii Interest Accrued During Period	\$ (2,121,974.88)	\$ (2,173,782.62)	\$ (2,148,275.32)	\$ (2,053,663.14)
iv Total Non-Cash Interest Adjustments	\$ (1,445,988.17)	\$ (1,575,898.58)	\$ (1,573,129.81)	\$ (1,381,990.30)
(-) Total Student Loan Interest Activity	\$ (13,897.62)	\$ (150,198.91)	\$ (143,312.20)	\$ 53,012.52
(=) TOTAL STUDENT LOAN POOL	\$ 617,129,137.60	\$ 610,628,973.08	\$ 603,791,867.23	\$ 597,061,449.88
(+) Pending Portfolio Adjustments	\$ (61.96)	\$ -	\$ -	\$ -
(+) Trust Cash Available	\$ 9,188,373.32	\$ 12,510,201.97	\$ 11,790,060.21	\$ 8,816,306.28
(+) Reserve Account Balance	\$ 7,343,420.00	\$ 7,343,420.00	\$ 7,343,420.00	\$ 7,343,420.00
(=) TOTAL ADJUSTED POOL	\$ 633,660,868.96	\$ 630,482,595.05	\$ 622,925,347.44	\$ 613,221,176.16

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VII. Portfolio Characteristics

LOAN STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	8/31/2019	9/30/2019	8/31/2019	9/30/2019	8/31/2019	9/30/2019	8/31/2019	9/30/2019	8/31/2019	9/30/2019
INTERIM:										
In School	6.40%	6.25%	57	39	0.1%	0.1%	\$ 157,386	\$ 108,058	0.0%	0.0%
Grace	6.55%	6.63%	13	27	0.0%	0.0%	\$ 29,389	\$ 66,798	0.0%	0.0%
TOTAL INTERIM	6.42%	6.39%	70	66	0.1%	0.1%	\$ 186,775	\$ 174,856	0.0%	0.0%
REPAYMENT										
Active	4.27%	4.26%	58,338	57,529	88.7%	88.8%	\$ 522,803,646	\$ 518,228,902	88.6%	88.9%
Current	4.17%	4.17%	53,405	52,930	81.2%	81.7%	\$ 482,751,536	\$ 480,532,605	81.8%	82.4%
31-60 Days Delinquent	5.29%	5.08%	1,286	1,138	2.0%	1.8%	\$ 10,730,992	\$ 9,091,665	1.8%	1.6%
61-90 Days Delinquent	5.32%	5.25%	887	790	1.3%	1.2%	\$ 7,871,841	\$ 6,730,617	1.3%	1.2%
91-120 Days Delinquent	5.45%	5.25%	733	664	1.1%	1.0%	\$ 5,897,400	\$ 5,938,574	1.0%	1.0%
> 120 Days Delinquent	5.44%	5.42%	2,027	2,007	3.1%	3.1%	\$ 15,551,878	\$ 15,935,442	2.6%	2.7%
Deferment	5.07%	5.02%	3,494	3,395	5.3%	5.2%	\$ 24,658,198	\$ 23,917,976	4.2%	4.1%
Forbearance	5.18%	5.29%	3,639	3,530	5.5%	5.5%	\$ 40,264,223	\$ 39,059,196	6.8%	6.7%
TOTAL REPAYMENT	4.36%	4.35%	65,471	64,454	99.5%	99.5%	\$ 587,726,068	\$ 581,206,074	99.6%	99.7%
Claims in Process	5.87%	5.65%	253	242	0.4%	0.4%	\$ 1,903,879	\$ 1,758,386	0.3%	0.3%
Aged Claims Rejected	0.00%	0.00%	-	-	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.36%	4.36%	65,794	64,762	100%	100%	\$ 589,816,721	\$ 583,139,317	100%	100%

LOAN TYPE	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	8/31/2019	9/30/2019	8/31/2019	9/30/2019	8/31/2019	9/30/2019	8/31/2019	9/30/2019	8/31/2019	9/30/2019
Subsidized Stafford	5.86%	5.86%	17,459	17,075	26.5%	26.4%	\$ 42,534,421	\$ 41,808,516	7.2%	7.2%
Unsubsidized Stafford	6.13%	6.13%	12,742	12,482	19.4%	19.3%	\$ 47,903,453	\$ 47,234,264	8.1%	8.1%
PLUS	7.98%	7.96%	334	321	0.5%	0.5%	\$ 2,479,793	\$ 2,349,783	0.4%	0.4%
Grad/PLUS	8.08%	7.98%	103	103	0.2%	0.2%	\$ 1,321,618	\$ 1,322,623	0.2%	0.2%
SLS	5.12%	5.11%	10	10	0.0%	0.0%	\$ 38,608	\$ 38,469	0.0%	0.0%
Consolidation	4.04%	4.03%	35,146	34,771	53.4%	53.7%	\$ 495,538,829	\$ 490,385,661	84.0%	84.1%
TOTAL	4.36%	4.36%	65,794	64,762	100%	100%	\$ 589,816,721	\$ 583,139,317	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	9/30/2019
Cumulative Claims submitted (# of loans)	54,091
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 *
06/30/19	\$ 603,447,503	4.84%
07/31/19	\$ 596,797,140	4.82%
08/31/19	\$ 589,816,721	4.80%
09/30/19	\$ 583,139,317	4.78%
* based on the current period's ending pool balance calculated against the original pool balance and assuming cutoff date pool data		