



Montana Higher Education Student Assistance Corporation

Monthly Student Loan Report

1993 Master Indenture - Trust Securing the Following Bonds:

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

Reporting Period February 01, 2017 through February 28, 2017

Distribution Date: March 20, 2017

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics		1/31/2017		Activity		2/28/2017	
A	i	Principal Balance	\$ 837,166,729.84	\$ (8,215,435.65)	\$	828,951,294.19	
	ii	Accrued Interest	\$ 13,973,063.11	\$ (212,590.07)	\$	13,760,473.04	
	iii	Total Student Loan Pool	\$ 851,139,792.95		\$	842,711,767.23	
	iv	Pending Portfolio adjustments	\$ -		\$	-	
	v	Trust Cash	\$ 20,972,965.21		\$	18,022,271.58	
	vi	Specified Reserve Account Balance	\$ 8,514,890.00		\$	8,418,790.00	
	vii	Total Adjusted Pool	\$ 880,627,648.16		\$	869,152,828.81	
B	i	Weighted Average Coupon (WAC)	4.358%			4.358%	
	ii	Weighted Average Remaining Term	169.13			169.00	
	iii	Number of Loans	100,789			99,739	
	iv	Number of Borrowers	40,791			40,381	
	v	Outstanding Principal Balance - T-Bill	\$ 10,407,619.13		\$	10,281,154.25	
	vi	Outstanding Principal Balance - LIBOR	\$ 826,759,110.71		\$	818,670,139.94	

Bonds		CUSIP	Original Issue Amount	Rate	Balance 1/31/2017	Pool Factor 1/31/2017	Balance 2/28/2017	Pool Factor 2/28/2017	
C	i	2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 38,112,000.00	4.48%	\$ 38,112,000.00	4.53%
	ii	2006-A Bonds Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 13,786,000.00	1.62%	\$ 13,786,000.00	1.64%
	iii	2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	2.11%	\$ 18,000,000.00	2.14%
	iv	2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 456,791,000.00	53.65%	\$ 447,181,000.00	53.12%
	v	2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	35.85%	\$ 305,300,000.00	36.26%
	vi	2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	2.29%	\$ 19,500,000.00	2.32%
	vii	Total Bonds Outstanding Senior		\$ 813,989,000.00		95.60%	\$ 804,379,000.00	95.55%	
	viii	Total Bonds Outstanding Taxable Subordinate		\$ 37,500,000.00		4.40%	\$ 37,500,000.00	4.45%	
	ix	Total Bonds Outstanding 1993 Master Indenture - Taxable		\$ 851,489,000.00			\$ 841,879,000.00		

Indenture Percentage		1/31/2017	2/28/2017	
D	i	Senior Parity	107.86%	107.94%
	ii	Subordinate Parity	103.10%	103.12%

Monthly Trigger Percentage		1/31/2017	2/28/2017	
E	i	Senior Percentage	105.23%	105.07%
	ii	Subordinate Percentage	100.49%	100.30%

Reserve Account		1/31/2017	2/28/2017	
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 (\$)	\$ 8,514,890.00	\$ 8,418,790.00
	iv	Current Reserve Balance - (\$)		\$ 8,418,790.00
	v	Draws on Reserve - Current Month(\$)		\$ 96,100.00

MHESAC 1993 Master Indenture

II. Trust Balances, Parity Calculations, and Trigger Percentages

Trust Accounts		1/31/2017	2/28/2017
A	i Acquisition Account	\$ 94,330.10	\$ 295,805.26
	ii Administration Account	\$ 1,065,700.00	\$ 1,065,700.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 17,514,122.56	\$ 14,112,311.11
	iv Reserve Account	\$ 8,514,890.00	\$ 8,418,790.00
	v Revenue Account	\$ 134.77	\$ -
	vii Surplus Subaccount	\$ 2,298,677.78	\$ 2,548,455.21
	viii Total Trust Accounts	\$ 29,487,855.21	\$ 26,441,061.58

Parity Calculations		1/31/2017	2/28/2017
B	Value of the Indenture		
	i Portfolio Balance	\$ 837,166,729.84	\$ 828,951,294.19
	ii Pending System Adjustments	-	-
	iii Accrued Borrower Interest	13,973,063.11	13,760,473.04
	iv Accrued Subsidized Interest	938,471.14	473,468.33
	v Less: Unguaranteed Amount Uncollectibles	(576,913.12)	(576,014.10)
	vi Trust Cash and Investments	29,487,855.21	26,441,061.58
	vii Payments in Transit	887,127.56	1,202,737.09
	viii Other Cash and Assets	-	-
	ix Total Trust Value	\$ 881,876,333.74	\$ 870,253,020.13
	Less:		
	x Accrued Payables	3,343,852.05	1,533,505.86
	xi Net Asset Value - Indenture Percentage	\$ 878,532,481.69	\$ 868,719,514.27

Bond Interest Outstanding		1/31/2017	2/28/2017
C	i Senior Interest	\$ 525,349.55	\$ 414,953.75
	ii Subordinate Interest	121,146.05	113,082.21
	iii Total Bond Interest	\$ 646,495.60	\$ 528,035.96

Bonds Outstanding		1/31/2017	2/28/2017
D	i Senior Bonds	\$ 813,989,000.00	\$ 804,379,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 851,489,000.00	\$ 841,879,000.00

Distribution Amounts - Following Monthly Payment Date		1/31/2017	2/28/2017
E	i Senior Distribution Amount	\$ 18,433,000.00	\$ 15,444,000.00

Indenture Percentage		1/31/2017	2/28/2017
F	i Senior Parity $Bxi / (Ci + Di)$	107.86%	107.94%
	ii Subordinate Parity $Bxi / (Ciii + Dii)$	103.10%	103.12%

Monthly Trigger Percentage		1/31/2017	2/28/2017
G	i Senior Percentage $Bi / (Di - Ei)$	105.23%	105.07%
	ii Subordinate Percentage $Bi / (Diii - Eii)$	100.49%	100.30%

Six Month Average Trigger Percentage		Current Distribution		Next Distribution Report	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	105.23%	100.49%	105.07%	100.30%
	ii 2nd Month Prior	105.06%	100.38%	105.23%	100.49%
	iii 3rd Month Prior	104.95%	100.33%	105.06%	100.38%
	iv 4th Month Prior	104.88%	100.31%	104.95%	100.33%
	v 5th Month Prior	104.80%	100.28%	104.88%	100.31%
	vii 6th Month Prior	104.76%	100.28%	104.80%	100.28%
	viii Six Month Average Trigger Percentage	104.95%	100.35%	105.00%	100.35%

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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	3/20/2017	3M LIBOR	0.12%	0.99733%	1.15178%	1.11733%	1.27178%
2006-A	612130HP2	3/20/2017	3M LIBOR	0.10%	0.99733%	1.15178%	1.09733%	1.25178%
2006-C	612130HR8	3/20/2017	1M LIBOR	1.20%	0.78056%	0.97833%	1.98056%	2.17833%
2012-A2	61205PAK5	3/20/2017	1M LIBOR	1.00%	0.78056%	0.97833%	1.78056%	1.97833%
2012-A3	61205PAL3	3/20/2017	1M LIBOR	1.05%	0.78056%	0.97833%	1.83056%	2.02833%
2012-B	61205PAM1	3/20/2017	1M LIBOR	1.20%	0.78056%	0.97833%	1.98056%	2.17833%

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	\$ 106,459.20	\$ 106,459.20	\$ -	\$ -	\$ -	\$ -	8.75%
2006-A	612130HP2	\$ 37,819.48	\$ 37,819.48	\$ -	\$ -	\$ -	\$ -	3.11%
2006-C	612130HR8	\$ 26,737.56	\$ 26,737.56	\$ -	\$ 46,433.26	\$ -	\$ 46,433.26	2.20%
2012-A2	61205PAK5	\$ 597,174.45	\$ 597,174.45	\$ -	\$ -	\$ -	\$ -	49.10%
2012-A3	61205PAL3	\$ 419,152.48	\$ 419,152.48	\$ -	\$ -	\$ -	\$ -	34.46%
2012-B	61205PAM1	\$ 28,965.69	\$ 28,965.69	\$ -	\$ 50,302.67	\$ -	\$ 50,302.67	2.38%
TOTAL		\$ 1,216,308.86	\$ 1,216,308.86	\$ -	\$ 96,735.93	\$ -	\$ 96,735.93	

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	\$ 2,818,000.00	\$ 2,818,000.00	\$ -	\$ -	\$ -	\$ -	25.96%
2006-A	612130HP2	\$ 6,005,000.00	\$ 6,005,000.00	\$ -	\$ -	\$ -	\$ -	55.32%
2006-C	612130HR8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-A2	61205PAK5	\$ -	\$ -	\$ -	\$ 447,181,000.00	\$ 6,621,000.00	\$ 440,560,000.00	0.00%
2012-A3	61205PAL3	\$ 2,031,966.61	\$ -	\$ 2,031,966.61	\$ 4,420,654.93	\$ -	\$ 6,452,621.54	18.72%
2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$10,854,966.61	\$ 8,823,000.00	\$ 2,031,966.61	\$ 451,601,654.93	\$ 6,621,000.00	\$ 447,012,621.54	

TOTAL PRINCIPAL DISTRIBUTION \$ 15,444,000.00

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IV. MHESAC System Activity from: 2/1/2017 through: 2/28/2017

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	8,044,460.62
ii	Principal Collections from Guarantor	\$	1,191,747.98
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(8,903.06)
v	Repurchases of Rehabilitated Loans	\$	(83,524.84)
vi	Additional Disbursements/Purchases	\$	-
vii	Total Principal Collections	\$	<u>9,143,780.70</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	2,769.27
ii	Capitalized Interest	\$	(931,114.32)
iii	Total Non-Cash Principal Activity	\$	<u>(928,345.05)</u>
C	Total Student Loan Principal Activity	\$	<u>8,215,435.65</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	1,863,100.65
ii	Interest Claims Received from Guarantors	\$	26,339.96
iii	Other System Adjustments	\$	(2.54)
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>1,889,438.07</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	92,658.98
ii	Capitalized Interest	\$	931,114.32
iii	Interest Accrued During Period	\$	(2,700,621.30)
iv	Total Non-Cash Interest Adjustments	\$	<u>(1,676,848.00)</u>
F	Total Student Loan Interest Activity	\$	<u>212,590.07</u>

Trust Activity from: 2/1/2017 through: 2/28/2017

G	Trust Balances less Reserve - Beginning of Period	\$	20,972,965.21
H	Released Funds in Excess of Reserve Requirement	\$	96,100.00
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	9,001,001.32
ii	Student Loan Interest Received	\$	1,800,132.76
iii	Subsidized Interest Received	\$	710,797.00
iv	Investment Income on Trust Accounts	\$	5,443.33
J	Funds Remitted During Period		
i	Bond Principal	\$	9,610,000.00
ii	Bond Interest	\$	1,282,999.41
iii	Consolidation Loan Rebate Fees	\$	598,369.99
iv	Management and Servicing Fees	\$	420,767.55
v	Administrative Fees (trustee, listing, etc.)	\$	-
vi	Special Allowance Rebate	\$	2,568,506.25
vii	Repurchases of Rehabilitated Loans	\$	83,524.84
K	Funds Reserved During Period		
i	Funds Allocated for Accrued Principal 2005-B Bonds	\$	-
ii	Funds Allocated for Accrued Principal 2006-A Bonds	\$	-
iii	Funds Allocated for Accrued Interest 2005-B Bonds	\$	-
iv	Funds Allocated for Accrued Interest 2006-A Bonds	\$	-
v	Acquisition Funds for Rehabilitated Loans	\$	295,805.26
vi	Administration Funds	\$	1,065,700.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>16,660,766.32</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****3/20/2017**

A	Total Available Funds for Distribution(IV-L)	\$	16,660,766.32
B	Interest Distributions		
i	2005-B Bonds	\$	106,459.20
ii	2006-A Bonds	\$	37,819.48
iii	2006-C Bonds	\$	26,737.56
iv	2012-A2 Bonds	\$	597,174.45
v	2012-A3 Bonds	\$	419,152.48
vi	2012-B Bonds	\$	28,965.69
vii	Total Bondholder's Interest Distributions	\$	1,216,308.86
C	Principal Distributions		
i	2005-B Bonds	\$	2,818,000.00
ii	2006-A Bonds	\$	6,005,000.00
iii	2006-C Bonds	\$	-
iv	2012-A2 Bonds	\$	6,621,000.00
v	2012-A3 Bonds	\$	-
vi	2012-B Bonds	\$	-
vii	Total Bondholder's Principal Distribution	\$	15,444,000.00
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)	\$	457.46

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VI. Historical Pool Information

	11/01/16-11/30/16	12/01/16-12/31/16	01/01/17-01/31/17	02/01/17-02/28/17
Beginning Student Loan Pool Balance	\$ 878,689,408.50	\$ 869,147,930.34	\$ 859,920,689.71	\$ 851,139,792.95
Student Loan Principal Activity				
i Regular Principal Collections	\$ 10,332,488.27	\$ 9,642,399.81	\$ 8,708,396.79	\$ 8,044,460.62
ii Principal Collections from Guarantor	\$ 1,187,420.26	\$ 920,718.31	\$ 1,160,573.97	\$ 1,191,747.98
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (4,542.25)	\$ (14,766.44)	\$ (13,570.95)	\$ (8,903.06)
v Repurchase of Rehabilitated Loans	\$ (1,100,024.68)	\$ (305,693.46)	\$ (209,930.80)	\$ (83,524.84)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 10,415,341.60	\$ 10,242,658.22	\$ 9,645,469.01	\$ 9,143,780.70
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ (14,241.82)	\$ (14,812.14)	\$ 92,968.07	\$ 2,769.27
ii Capitalized Interest	\$ (882,801.58)	\$ (775,786.96)	\$ (1,003,965.92)	\$ (931,114.32)
iii Total Non-Cash Principal Activity	\$ (897,043.40)	\$ (790,599.10)	\$ (910,997.85)	\$ (928,345.05)
(-) Total Student Loan Principal Activity	\$ 9,518,298.20	\$ 9,452,059.12	\$ 8,734,471.16	\$ 8,215,435.65
Student Loan Interest Activity				
i Regular Interest Collections	\$ 1,952,458.65	\$ 1,906,909.36	\$ 1,965,085.55	\$ 1,863,100.65
ii Interest Claims Received from Guarantors	\$ 39,153.35	\$ 55,770.86	\$ 39,051.10	\$ 26,339.96
iii Other System Adjustments	\$ 155.51	\$ (3.29)	\$ (20,086.20)	\$ (2.54)
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
v Total Interest Repayments	\$ 1,991,767.51	\$ 1,962,676.93	\$ 1,984,050.45	\$ 1,889,438.07
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 122,198.27	\$ 75,004.55	\$ 78,722.53	\$ 92,658.98
ii Capitalized Interest	\$ 882,801.58	\$ 775,786.96	\$ 1,003,965.92	\$ 931,114.32
iii Interest Accrued During Period	\$ (2,973,587.40)	\$ (3,038,286.93)	\$ (3,020,313.30)	\$ (2,700,621.30)
iv Total Non-Cash Interest Adjustments	\$ (1,968,587.55)	\$ (2,187,495.42)	\$ (1,937,624.85)	\$ (1,676,848.00)
(-) Total Student Loan Interest Activity	\$ 23,179.96	\$ (224,818.49)	\$ 46,425.60	\$ 212,590.07
(=) TOTAL STUDENT LOAN POOL	\$ 869,147,930.34	\$ 859,920,689.71	\$ 851,139,792.95	\$ 842,711,767.23
(+) Pending Portfolio Adjustments	\$ (37,825.17)	\$ 2,223.50	\$ -	\$ -
(+) Trust Cash Available	\$ 21,312,266.12	\$ 12,414,111.80	\$ 20,972,965.21	\$ 18,022,271.58
(+) Reserve Account Balance	\$ 8,711,720.00	\$ 8,525,200.00	\$ 8,514,890.00	\$ 8,418,790.00
(=) TOTAL ADJUSTED POOL	\$ 899,134,091.29	\$ 880,862,225.01	\$ 880,627,648.16	\$ 869,152,828.81

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VII. Portfolio Characteristics

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	1/31/2017	2/28/2017	1/31/2017	2/28/2017	1/31/2017	2/28/2017	1/31/2017	2/28/2017	1/31/2017	2/28/2017
INTERIM:										
In School	6.02%	5.68%	266	271	0.3%	0.3%	\$ 862,127	\$ 854,378	0.1%	0.1%
Grace	6.09%	6.28%	49	38	0.0%	0.0%	\$ 156,262	\$ 145,393	0.0%	0.0%
TOTAL INTERIM	6.03%	5.77%	315	309	0.3%	0.3%	\$ 1,018,389	\$ 999,771	0.1%	0.1%
REPAYMENT										
Active	4.25%	4.25%	84,706	83,855	84.0%	84.1%	\$ 718,284,576	\$ 709,302,631	85.8%	85.6%
Current	4.17%	4.16%	77,357	76,480	76.8%	76.7%	\$ 663,308,876	\$ 652,668,572	79.2%	78.7%
31-60 Days Delinquent	5.21%	5.24%	1,456	2,269	1.4%	2.3%	\$ 11,032,019	\$ 18,553,021	1.3%	2.2%
61-90 Days Delinquent	5.10%	5.16%	1,176	884	1.2%	0.9%	\$ 8,694,186	\$ 6,549,544	1.0%	0.8%
91-120 Days Delinquent	5.11%	5.22%	754	795	0.7%	0.8%	\$ 6,130,272	\$ 5,737,255	0.7%	0.7%
> 120 Days Delinquent	5.09%	5.05%	3,963	3,427	3.9%	3.4%	\$ 29,119,224	\$ 25,794,240	3.5%	3.1%
Deferment	4.94%	4.92%	7,635	7,270	7.6%	7.3%	\$ 43,849,197	\$ 42,414,569	5.2%	5.1%
Forbearance	5.09%	5.09%	7,011	7,263	7.0%	7.3%	\$ 65,992,202	\$ 69,022,395	7.9%	8.3%
TOTAL REPAYMENT	4.35%	4.35%	99,352	98,388	98.6%	98.6%	\$ 828,125,975	\$ 820,739,595	98.9%	99.0%
Claims in Process	5.18%	5.06%	1,122	1,042	1.1%	1.0%	\$ 8,022,366	\$ 7,211,929	1.0%	0.9%
Aged Claims Rejected	0.00%	0.00%	-	-	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.36%	4.36%	100,789	99,739	100%	100%	\$ 837,166,730	\$ 828,951,294	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	2/28/2017
Cumulative Claims submitted (# of loans)	50,587
Cumulative Claims rejected (# of loans)	88
Cumulative Reject Rate	0.17%

VIV. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
11/30/16	\$ 855,353,260	4.93%
12/31/16	\$ 845,901,201	4.94%
01/31/17	\$ 837,166,730	4.93%
02/28/17	\$ 828,951,294	4.92%

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