



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-A1
- Senior Series 2012-A2
- Senior Series 2012-A3
- Subordinate Series 2012-B

Reporting Period March 01, 2014 through March 31, 2014

Distribution Date: April 21, 2014

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics		2/28/2014	Activity	3/31/2014
A	i Principal Balance	\$ 1,154,735,853.32	\$ (10,507,085.00)	\$ 1,144,228,768.32
	ii Accrued Interest	\$ 13,598,246.59	\$ 246,866.12	\$ 13,845,112.71
	iii Total Student Loan Pool	\$ 1,168,334,099.91		\$ 1,158,073,881.03
	iv Pending Portfolio adjustments	\$ (100.00)		\$ (13,536.60)
	v Trust Cash	\$ 20,849,658.35		\$ 14,911,095.96
	vi Specified Reserve Account Balance	\$ 11,805,000.00		\$ 11,628,950.00
	vii Total Adjusted Pool	\$ 1,200,988,658.26		\$ 1,184,600,390.39
B	i Weighted Average Coupon (WAC)	4.410%		4.410%
	ii Weighted Average Remaining Term	181.05		180.68
	iii Number of Loans	142,412		140,897
	iv Number of Borrowers	57,330		56,736
	v Outstanding Principal Balance - T-Bill	\$ 16,008,800.63		\$ 15,975,069.23
	vi Outstanding Principal Balance - LIBOR	\$ 1,138,727,052.69		\$ 1,128,253,699.09

Bonds	CUSIP	Original Issue Amount	Rate	Balance 2/28/2014	Pool Factor 2/28/2014	Balance 3/31/2014	Pool Factor 3/31/2014	
C	i 2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 76,031,000.00	6.44%	\$ 72,454,000.00	6.23%
	ii 2006-A Bonds Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 95,289,000.00	8.07%	\$ 88,322,000.00	7.60%
	iii 2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	1.52%	\$ 18,000,000.00	1.55%
	iv 2012-A1 Bonds Senior	61205PAJ8	\$ 191,000,000.00	1M LIBOR + 0.60%	\$ 17,380,000.00	1.47%	\$ 10,319,000.00	0.89%
	v 2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 649,000,000.00	54.98%	\$ 649,000,000.00	55.81%
	vi 2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	25.86%	\$ 305,300,000.00	26.25%
	vii 2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	1.65%	\$ 19,500,000.00	1.68%
	viii Total Bonds Outstanding Senior		\$ 1,143,000,000.00		96.82%	\$ 1,125,395,000.00	96.78%	
	ix Total Bonds Outstanding Taxable Subordinate		\$ 37,500,000.00		3.18%	\$ 37,500,000.00	3.22%	
	x Total Bonds Outstanding 1993 Master Indenture - Taxable		\$ 1,180,500,000.00			\$ 1,162,895,000.00		

Indenture Percentage		2/28/2014	3/31/2014
D	i Senior Parity	104.89%	105.00%
	ii Subordinate Parity	101.55%	101.60%

Monthly Trigger Percentage		2/28/2014	3/31/2014
E	i Senior Percentage	102.61%	102.77%
	ii Subordinate Percentage	99.30%	99.42%

Reserve Account		2/28/2014	3/31/2014
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 (\$)	\$ 11,805,000.00	\$ 11,628,950.00
	iv Current Reserve Balance - (\$)		\$ 11,628,950.00
	v Draws on Reserve - Current Month(\$)		\$ 176,050.00

MHESAC 1993 Master Indenture
II. Trust Balances, Parity Calculations, and Trigger Percentages

Trust Accounts		2/28/2014	3/31/2014
A	i Acquisition Account	\$ 434,079.22	\$ 50,721.13
	ii Administration Account	\$ 1,739,900.00	\$ 1,739,900.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 16,293,736.33	\$ 13,120,474.83
	iv Reserve Account	\$ 11,805,000.00	\$ 11,628,950.00
	v Revenue Account	\$ -	\$ -
	vii Surplus Subaccount	\$ 2,381,942.80	\$ -
	viii Total Trust Accounts	\$ 32,654,658.35	\$ 26,540,045.96

Parity Calculations		2/28/2014	3/31/2014
Value of the Indenture			
B	i Portfolio Balance	\$ 1,154,735,853.32	\$ 1,144,228,768.32
	ii Pending System Adjustments	(100.00)	(13,536.60)
	iii Accrued Borrower Interest	13,598,246.59	13,845,112.71
	iv Accrued Subsidized Interest	766,059.58	1,165,744.33
	v Less: Unguaranteed Amount Uncollectibles	(738,131.44)	(731,097.94)
	vi Trust Cash and Investments	32,654,658.35	26,540,045.96
	vii Payments in Transit	1,101,884.97	1,338,566.23
	viii Other Cash and Assets	-	-
	ix Total Trust Value	\$ 1,202,118,471.37	\$ 1,186,373,603.01
Less:			
	x Accrued Payables	2,841,306.00	4,316,899.39
	xi Net Asset Value - Indenture Percentage	\$ 1,199,277,165.37	\$ 1,182,056,703.62

Bond Interest Outstanding		2/28/2014	3/31/2014
C	i Senior Interest	\$ 402,009.70	\$ 394,081.78
	ii Subordinate Interest	104,960.18	109,272.45
	iii Total Bond Interest	\$ 506,969.88	\$ 503,354.23

Bonds Outstanding		2/28/2014	3/31/2014
D	i Senior Bonds	\$ 1,143,000,000.00	\$ 1,125,395,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 1,180,500,000.00	\$ 1,162,895,000.00

Distribution Amounts - Following Monthly Payment Date		2/28/2014	3/31/2014
E	i Senior Distribution Amount	\$ 17,605,000.00	\$ 12,026,000.00

Indenture Percentage		2/28/2014	3/31/2014
F	i Senior Parity $Bxi / (Ci + Di)$	104.89%	105.00%
	ii Subordinate Parity $Bxi / (Ciii + Diii)$	101.55%	101.60%

Monthly Trigger Percentage		2/28/2014	3/31/2014
G	i Senior Percentage $Bi / (Di - Ei)$	102.61%	102.77%
	ii Subordinate Percentage $Bi / (Diii - Eii)$	99.30%	99.42%

Six Month Average Trigger Percentage		Current Distribution		Next Distribution Report	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	102.61%	99.30%	102.77%	99.42%
	ii 2nd Month Prior	102.65%	99.36%	102.61%	99.30%
	iii 3rd Month Prior	102.55%	99.30%	102.65%	99.36%
	iv 4th Month Prior	102.47%	99.25%	102.55%	99.30%
	v 5th Month Prior	102.27%	99.08%	102.47%	99.25%
	vii 6th Month Prior	102.36%	99.19%	102.27%	99.08%
	viii Six Month Average Trigger Percentage	102.49%	99.25%	102.55%	99.28%

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	6/20/2014	3M LIBOR	0.12%	0.23485%	0.23485%	0.35485%	0.35485%
2006-A	612130HP2	6/20/2014	3M LIBOR	0.10%	0.23485%	0.23485%	0.33485%	0.33485%
2006-C	612130HR8	4/21/2014	1M LIBOR	1.20%	0.15675%	0.15200%	1.35675%	1.35200%
2012-A1	61205PAJ8	4/21/2014	1M LIBOR	0.60%	0.15675%	0.15200%	0.75675%	0.75200%
2012-A2	61205PAK5	4/21/2014	1M LIBOR	1.00%	0.15675%	0.15200%	1.15675%	1.15200%
2012-A3	61205PAL3	4/21/2014	1M LIBOR	1.05%	0.15675%	0.15200%	1.20675%	1.20200%
2012-B	61205PAM1	4/21/2014	1M LIBOR	1.20%	0.15675%	0.15200%	1.35675%	1.35200%

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2006-A	612130HP2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2006-C	612130HR8	\$ 21,708.00	\$ 21,708.00	\$ -	\$ 44,388.00	\$ -	\$ 44,388.00	2.07%
2012-A1	61205PAJ8	\$ 6,941.28	\$ 6,941.28	\$ -	\$ -	\$ -	\$ -	0.66%
2012-A2	61205PAK5	\$ 667,314.78	\$ 667,314.78	\$ -	\$ -	\$ -	\$ -	63.74%
2012-A3	61205PAL3	\$ 327,486.15	\$ 327,486.15	\$ -	\$ -	\$ -	\$ -	31.28%
2012-B	61205PAM1	\$ 23,517.00	\$ 23,517.00	\$ -	\$ 48,087.00	\$ -	\$ 48,087.00	2.25%
TOTAL		\$ 1,046,967.21	\$ 1,046,967.21	\$ -	\$ 92,475.00	\$ -	\$ 92,475.00	

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2006-A	612130HP2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2006-C	612130HR8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-A1	61205PAJ8	\$ -	\$ -	\$ -	\$ 10,319,000.00	\$ 1,557,000.00	\$ 8,762,000.00	0.00%
2012-A2	61205PAK5	\$ 21,838,284.59	\$ -	\$ 21,838,284.59	\$ 242,152,673.56	\$ -	\$ 263,990,958.15	100.00%
2012-A3	61205PAL3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$ 21,838,284.59	\$ -	\$ 21,838,284.59	\$ 252,471,673.56	\$ 1,557,000.00	\$ 272,752,958.15	

TOTAL PRINCIPAL DISTRIBUTION	\$ 1,557,000.00
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MHESAC 1993 Master Indenture

IV. MHESAC System Activity from: 3/1/2014 through: 3/31/2014

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	9,358,822.11
ii	Principal Collections from Guarantor	\$	2,480,789.36
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(35,721.96)
v	Repurchases of Rehabilitated Loans	\$	(383,358.09)
vi	Additional Disbursements/Purchases	\$	-
vii	Total Principal Collections	\$	<u>11,420,531.42</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	2,504.69
ii	Capitalized Interest	\$	(915,951.11)
iii	Total Non-Cash Principal Activity	\$	<u>(913,446.42)</u>
C	Total Student Loan Principal Activity	\$	<u>10,507,085.00</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	2,669,107.10
ii	Interest Claims Received from Guarantors	\$	58,648.30
iii	Other System Adjustments	\$	(55.89)
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>2,727,699.51</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	151,661.77
ii	Capitalized Interest	\$	915,951.11
iii	Interest Accrued During Period	\$	(4,042,178.51)
iv	Total Non-Cash Interest Adjustments	\$	<u>(2,974,565.63)</u>
F	Total Student Loan Interest Activity	\$	<u>(246,866.12)</u>

Trust Activity from: 3/1/2014 through: 3/31/2014

G	Trust Balances less Reserve - Beginning of Period	\$	20,849,658.35
H	Released Funds in Excess of Reserve Requirement	\$	176,050.00
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	11,645,175.26
ii	Student Loan Interest Received	\$	2,664,220.06
iii	Subsidized Interest Received	\$	-
iv	Investment Income on Trust Accounts	\$	281.39
J	Funds Remitted During Period		
i	Bond Principal	\$	17,605,000.00
ii	Bond Interest	\$	1,069,703.41
iii	Consolidation Loan Rebate Fees	\$	786,927.64
iv	Management and Servicing Fees	\$	579,299.96
v	Administrative Fees (trustee, listing, etc.)	\$	-
vi	Special Allowance Rebate	\$	-
vii	Repurchases of Rehabilitated Loans	\$	383,358.09
K	Funds Reserved During Period		
i	Funds Allocated for Accrued Principal 2005-B Bonds	\$	3,503,000.00
ii	Funds Allocated for Accrued Principal 2006-A Bonds	\$	6,966,000.00
iii	Funds Allocated for Accrued Interest 2005-B Bonds	\$	21,901.37
iv	Funds Allocated for Accrued Interest 2006-A Bonds	\$	25,193.20
v	Acquisition Funds for Rehabilitated Loans	\$	50,721.13
vi	Administration Funds	\$	1,739,900.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>2,604,380.26</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****4/21/2014**

A	Total Available Funds for Distribution(IV-L)	\$	2,604,380.26
B	Interest Distributions		
i	2005-B Bonds	\$	-
ii	2006-A Bonds	\$	-
iii	2006-C Bonds	\$	21,708.00
iv	2012-A1 Bonds	\$	6,941.28
v	2012-A2 Bonds	\$	667,314.78
vi	2012-A3 Bonds	\$	327,486.15
vii	2012-B Bonds	\$	23,517.00
viii	Total Bondholder's Interest Distributions	\$	1,046,967.21
C	Principal Distributions		
i	2005-B Bonds	\$	-
ii	2006-A Bonds	\$	-
iii	2006-C Bonds	\$	-
iv	2012-A1 Bonds	\$	1,557,000.00
v	2012-A2 Bonds	\$	-
vi	2012-A3 Bonds	\$	-
vii	2012-B Bonds	\$	-
viii	Total Bondholder's Principal Distribution	\$	1,557,000.00
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)	\$	413.05

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	12/01/13-12/31/13	01/01/14-01/31/14	02/01/14-02/28/14	03/01/14-03/31/14
Beginning Student Loan Pool Balance	\$ 1,196,661,214.15	\$ 1,186,580,159.53	\$ 1,176,495,079.76	\$ 1,168,334,099.91
Student Loan Principal Activity				
i Regular Principal Collections	\$ 9,489,645.19	\$ 8,926,069.42	\$ 8,668,901.98	\$ 9,358,822.11
ii Principal Collections from Guarantor	\$ 2,264,789.51	\$ 2,422,932.71	\$ 1,398,353.98	\$ 2,480,789.36
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (40,385.21)	\$ (54,467.89)	\$ (54,502.14)	\$ (35,721.96)
v Repurchase of Rehabilitated Loans	\$ (567,480.44)	\$ (307,138.24)	\$ (1,087,259.92)	\$ (383,358.09)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 11,146,569.05	\$ 10,987,396.00	\$ 8,925,493.90	\$ 11,420,531.42
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ 3,581.79	\$ 162,871.61	\$ 4,834.96	\$ 2,504.69
ii Capitalized Interest	\$ (978,755.89)	\$ (944,283.89)	\$ (1,202,205.58)	\$ (915,951.11)
iii Total Non-Cash Principal Activity	\$ (975,174.10)	\$ (781,412.28)	\$ (1,197,370.62)	\$ (913,446.42)
(-) Total Student Loan Principal Activity	\$ 10,171,394.95	\$ 10,205,983.72	\$ 7,728,123.28	\$ 10,507,085.00
Student Loan Interest Activity				
i Regular Interest Collections	\$ 2,855,523.81	\$ 2,793,414.60	\$ 2,728,757.08	\$ 2,669,107.10
ii Interest Claims Received from Guarantors	\$ 56,195.25	\$ 63,594.33	\$ 40,273.72	\$ 58,648.30
iii Other System Adjustments	\$ (66.68)	\$ (4.78)	\$ (131.22)	\$ (55.89)
iv Accrued Borrower Interest on Purchased Loans	\$ (2,685.69)	\$ (140.01)	\$ -	\$ -
v Total Interest Repayments	\$ 2,908,966.69	\$ 2,856,864.14	\$ 2,768,899.58	\$ 2,727,699.51
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 165,266.47	\$ 187,671.70	\$ 147,059.05	\$ 151,661.77
ii Capitalized Interest	\$ 978,755.89	\$ 944,283.89	\$ 1,202,205.58	\$ 915,951.11
iii Interest Accrued During Period	\$ (4,143,329.38)	\$ (4,109,723.68)	\$ (3,685,307.64)	\$ (4,042,178.51)
iv Total Non-Cash Interest Adjustments	\$ (2,999,307.02)	\$ (2,977,768.09)	\$ (2,336,043.01)	\$ (2,974,565.63)
(-) Total Student Loan Interest Activity	\$ (90,340.33)	\$ (120,903.95)	\$ 432,856.57	\$ (246,866.12)
(=) TOTAL STUDENT LOAN POOL	\$ 1,186,580,159.53	\$ 1,176,495,079.76	\$ 1,168,334,099.91	\$ 1,158,073,881.03
(+) Pending Portfolio Adjustments	\$ (10,264.93)	\$ -	\$ (100.00)	\$ (13,536.60)
(+) Trust Cash Available	\$ 14,037,592.49	\$ 25,511,208.39	\$ 20,849,658.35	\$ 14,911,095.96
(+) Reserve Account Balance	\$ 11,918,120.00	\$ 11,915,150.00	\$ 11,805,000.00	\$ 11,628,950.00
(=) TOTAL ADJUSTED POOL	\$ 1,212,525,607.09	\$ 1,213,921,438.15	\$ 1,200,988,658.26	\$ 1,184,600,390.39

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

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	2/28/2014	3/31/2014	2/28/2014	3/31/2014	2/28/2014	3/31/2014	2/28/2014	3/31/2014	2/28/2014	3/31/2014
INTERIM:										
In School	6.11%	6.13%	1,936	1,916	1.4%	1.4%	\$ 6,320,572	\$ 6,259,898	0.5%	0.5%
Grace	6.25%	6.21%	667	633	0.5%	0.4%	\$ 2,081,807	\$ 1,920,025	0.2%	0.2%
TOTAL INTERIM	6.15%	6.15%	2,603	2,549	1.8%	1.8%	\$ 8,402,379	\$ 8,179,923	0.7%	0.7%
REPAYMENT										
Active	4.30%	4.30%	112,727	111,270	79.2%	79.0%	\$ 969,659,944	\$ 956,820,486	84.0%	83.6%
Current	4.19%	4.19%	98,720	98,141	69.3%	69.7%	\$ 869,462,779	\$ 863,132,582	75.3%	75.4%
31-60 Days Delinquent	5.02%	5.12%	3,709	3,577	2.6%	2.5%	\$ 28,393,918	\$ 27,725,680	2.5%	2.4%
61-90 Days Delinquent	5.15%	5.03%	2,707	2,165	1.9%	1.5%	\$ 18,172,770	\$ 16,064,457	1.6%	1.4%
91-120 Days Delinquent	5.07%	5.25%	1,756	1,968	1.2%	1.4%	\$ 12,510,312	\$ 12,475,908	1.1%	1.1%
> 120 Days Delinquent	5.14%	5.15%	5,835	5,419	4.1%	3.8%	\$ 41,120,165	\$ 37,421,859	3.6%	3.3%
Deferment	4.99%	5.00%	18,881	18,826	13.3%	13.4%	\$ 113,041,553	\$ 112,865,055	9.8%	9.9%
Forbearance	5.10%	5.05%	6,320	6,495	4.4%	4.6%	\$ 51,873,221	\$ 54,383,080	4.5%	4.8%
TOTAL REPAYMENT	4.39%	4.39%	137,928	136,591	96.9%	96.9%	\$ 1,134,574,718	\$ 1,124,068,621	98.3%	98.2%
Claims in Process	5.17%	5.20%	1,881	1,757	1.3%	1.2%	\$ 11,758,756	\$ 11,980,224	1.0%	1.0%
Aged Claims Rejected	0.00%	0.00%	0	0	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.41%	4.41%	142,412	140,897	100%	100%	\$ 1,154,735,853	\$ 1,144,228,768	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	3/31/2014
Cumulative Claims submitted (# of loans)	45,389
Cumulative Claims rejected (# of loans)	87
Cumulative Reject Rate	0.19%

VIV. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
12/31/13	\$ 1,172,669,960	5.56%
01/31/14	\$ 1,162,463,977	5.54%
02/28/14	\$ 1,154,735,853	5.44%
03/31/14	\$ 1,144,228,768	5.45%

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