



**Montana Higher Education Student Assistance Corporation**  
**Quarterly Student Loan Report**

**1993 Master Indenture - Trust Securing the Following Tax-Exempt Notes:**

- Senior Series 1995-A, B and C and Subordinate Series 1995-E
- Senior Series 1998-A and Subordinate Series 1998-B
- Senior Series 1999-A and Subordinate Series 1999-B
- Senior Series 2000-A and B (AMT) and Subordinate Series 2000-D (AMT)
- Senior Series 2001-A and B (AMT)
- Senior Series 2002-A, B, and C (AMT) and Subordinate Series 2002-E (AMT)
- Senior Series 2003-A and B (AMT) and Subordinate Series 2003-D (AMT)
- Senior Series 2004-A and B (AMT) and Subordinate Series 2004-C (AMT)
- Senior Series 2006-D, E, and F (AMT) and Subordinate Series 2006-G (AMT)
- Senior Series 2007-A, B, and C (AMT)

**Reporting Period March 01, 2008 through May 31, 2008**

MHESAC 1993 Master Indenture - Tax-Exempt

I. Deal Parameters

Student Portfolio Characteristics		2/29/2008	Activity	5/31/2008
A	i Portfolio Balance	\$ 958,203,118.48	\$ 29,192,199.68	\$ 987,395,318.16
	ii Interest to be Capitalized	\$ 11,910,617.72	\$ 1,887,686.76	\$ 13,798,304.48
	iii Total Pool	\$ 970,113,736.20		\$ 1,001,193,622.64
	iv Pending Portfolio adjustments	\$ 612.47		\$ (109,503.44)
	v Trust Cash	\$ 416,675,162.91		\$ 400,307,039.19
	vi Specified Reserve Account Balance	\$ 28,531,244.22		\$ 28,531,244.22
	vii Total Adjusted Pool	\$ 1,415,320,755.80		\$ 1,429,922,402.61
B	i Weighted Average Coupon (WAC)	5.520%		5.570%
	ii Weighted Average Remaining Term	199.25		198.91
	iii Number of Loans	152,957		159,493
	iv Number of Borrowers	65,715		66,438
	v Outstanding Principal Balance - T-Bill	\$ 39,823,630.83		\$ 38,661,875.49
	vi Outstanding Principal Balance - Commercial Paper	\$ 918,379,487.65		\$ 948,733,442.67

Notes	CUSIP	Original Issue Amount	Rate	Balance 2/29/2008	Pool Factor 2/29/2008	Balance 5/31/2008	Pool Factor 5/31/2008	
C	i 1995-A Notes Tax-Exempt Senior	612130EM2	\$ 56,700,000.00	ARS	\$ 34,600,000.00	2.51%	\$ 34,600,000.00	2.51%
	ii 1995-B Notes Tax-Exempt Senior	612130EN0	\$ 56,600,000.00	ARS	\$ 34,500,000.00	2.50%	\$ 34,500,000.00	2.50%
	iii 1995-C Notes Tax-Exempt Senior	612130EP5	\$ 56,600,000.00	ARS	\$ 34,500,000.00	2.50%	\$ 34,500,000.00	2.50%
	iv 1995-E Notes Tax-Exempt Subordinate	612130FH2	\$ 2,195,000.00	6.40%	\$ 2,195,000.00	0.16%	\$ 2,195,000.00	0.16%
	v 1995-E Notes Tax-Exempt Subordinate	612130FJ8	\$ 2,195,000.00	6.45%	\$ 2,195,000.00	0.16%	\$ 2,195,000.00	0.16%
	vi 1998-A Notes Tax-Exempt Senior	612130FW9	\$ 79,800,000.00	ARS	\$ 76,700,000.00	5.57%	\$ 76,700,000.00	5.57%
	vii 1998-B Notes Tax-Exempt Subordinate	612130FQ2	\$ 505,000.00	4.65%	\$ 480,000.00	0.03%	\$ 480,000.00	0.03%
	viii 1998-B Notes Tax-Exempt Subordinate	612130FR0	\$ 400,000.00	4.75%	\$ 380,000.00	0.03%	\$ 380,000.00	0.03%
	ix 1998-B Notes Tax-Exempt Subordinate	612130FS8	\$ 345,000.00	4.85%	\$ 325,000.00	0.02%	\$ 325,000.00	0.02%
	x 1998-B Notes Tax-Exempt Subordinate	612130FR6	\$ 700,000.00	4.95%	\$ 670,000.00	0.05%	\$ 670,000.00	0.05%
	xi 1998-B Notes Tax-Exempt Subordinate	612130FU3	\$ 610,000.00	5.00%	\$ 580,000.00	0.04%	\$ 580,000.00	0.04%
	xii 1998-B Notes Tax-Exempt Subordinate	612130FV1	\$ 22,970,000.00	5.50%	\$ 22,010,000.00	1.60%	\$ 22,010,000.00	1.60%
	xiii 1999-A Notes Tax-Exempt Senior	612130FX7	\$ 81,500,000.00	ARS	\$ 81,500,000.00	5.91%	\$ 81,500,000.00	5.91%
	xiv 1999-B Notes Tax-Exempt Subordinate	612130GC2	\$ 380,000.00	5.30%	\$ 380,000.00	0.03%	\$ 380,000.00	0.03%
	xv 1999-B Notes Tax-Exempt Subordinate	612130GD0	\$ 490,000.00	5.40%	\$ 490,000.00	0.04%	\$ 490,000.00	0.04%
	xvi 1999-B Notes Tax-Exempt Subordinate	612130GE8	\$ 280,000.00	5.45%	\$ 280,000.00	0.02%	\$ 280,000.00	0.02%
	xvii 1999-B Notes Tax-Exempt Subordinate	612130GF5	\$ 295,000.00	5.55%	\$ 295,000.00	0.02%	\$ 295,000.00	0.02%
	xviii 1999-B Notes Tax-Exempt Subordinate	612130GG3	\$ 465,000.00	5.65%	\$ 465,000.00	0.03%	\$ 465,000.00	0.03%
	xix 1999-B Notes Tax-Exempt Subordinate	612130GH1	\$ 480,000.00	5.75%	\$ 480,000.00	0.03%	\$ 480,000.00	0.03%
	xx 1999-B Notes Tax-Exempt Subordinate	612130GJ7	\$ 505,000.00	5.85%	\$ 505,000.00	0.04%	\$ 505,000.00	0.04%
	xxi 1999-B Notes Tax-Exempt Subordinate	612130GK4	\$ 16,200,000.00	6.40%	\$ 16,200,000.00	1.18%	\$ 16,200,000.00	1.18%
	xxii 2000-A Notes Tax-Exempt Senior	612130GT5	\$ 50,000,000.00	ARS	\$ 50,000,000.00	3.63%	\$ 50,000,000.00	3.63%
	xxiii 2000-B Notes Tax-Exempt Senior	612130GU2	\$ 50,000,000.00	ARS	\$ 50,000,000.00	3.63%	\$ 50,000,000.00	3.63%
	xxiv 2000-D Notes Tax-Exempt Subordinate	612130G11	\$ 1,225,000.00	5.00%	\$ 1,225,000.00	0.09%	\$ 1,225,000.00	0.09%
	xxv 2000-D Notes Tax-Exempt Subordinate	612130GR9	\$ 1,295,000.00	5.05%	\$ 1,295,000.00	0.09%	\$ 1,295,000.00	0.09%
	xxvi 2000-D Notes Tax-Exempt Subordinate	612130GS7	\$ 1,375,000.00	5.10%	\$ 1,375,000.00	0.10%	\$ 1,375,000.00	0.10%
	xxvii 2001-A Notes Tax-Exempt Senior	612130GW8	\$ 84,200,000.00	ARS	\$ 84,200,000.00	6.11%	\$ 84,200,000.00	6.11%
	xxviii 2001-B Notes Tax-Exempt Senior	612130GX6	\$ 25,000,000.00	ARS	\$ 25,000,000.00	1.81%	\$ 25,000,000.00	1.81%
	xxix 2002-A Notes Tax-Exempt Senior	612130GZ1	\$ 53,800,000.00	ARS	\$ 53,800,000.00	3.90%	\$ 53,800,000.00	3.90%
	xxx 2002-B Notes Tax-Exempt Senior	612130HA5	\$ 29,000,000.00	ARS	\$ 29,000,000.00	2.10%	\$ 29,000,000.00	2.10%
	xxxi 2002-E Notes Tax-Exempt Subordinate	612130HD9	\$ 15,000,000.00	ARS	\$ 15,000,000.00	1.09%	\$ 15,000,000.00	1.09%
	xxxii 2003-A Notes Tax-Exempt Senior	612130HE7	\$ 80,200,000.00	ARS	\$ 80,200,000.00	5.82%	\$ 80,200,000.00	5.82%
	xxxiii 2003-B Notes Tax-Exempt Senior	612130HF4	\$ 80,100,000.00	ARS	\$ 80,100,000.00	5.81%	\$ 80,100,000.00	5.81%
	xxxiv 2003-D Notes Tax-Exempt Subordinate	612130HH0	\$ 10,000,000.00	ARS	\$ 10,000,000.00	0.73%	\$ 10,000,000.00	0.73%
	xxxv 2004-A Notes Tax-Exempt Senior	612130HJ6	\$ 83,000,000.00	ARS	\$ 83,000,000.00	6.02%	\$ 83,000,000.00	6.02%
	xxxvi 2004-B Notes Tax-Exempt Senior	612130HK3	\$ 83,000,000.00	ARS	\$ 83,000,000.00	6.02%	\$ 83,000,000.00	6.02%
	xxxvii 2004-C Notes Tax-Exempt Subordinate	612130HL1	\$ 12,000,000.00	ARS	\$ 12,000,000.00	0.87%	\$ 12,000,000.00	0.87%
	xxxviii 2006-D Notes Tax-Exempt Senior	612130HS6	\$ 71,400,000.00	ARS	\$ 71,400,000.00	5.18%	\$ 71,400,000.00	5.18%
	xxxix 2006-E Notes Tax-Exempt Senior	612130HT4	\$ 71,400,000.00	ARS	\$ 71,400,000.00	5.18%	\$ 71,400,000.00	5.18%
	xl 2006-F Notes Tax-Exempt Senior	612130HU1	\$ 71,300,000.00	ARS	\$ 71,300,000.00	5.17%	\$ 71,300,000.00	5.17%
	xli 2006-G Notes Tax-Exempt Subordinate	612130HV9	\$ 20,000,000.00	ARS	\$ 20,000,000.00	1.45%	\$ 20,000,000.00	1.45%
	xlii 2007-A Notes Tax-Exempt Senior	612130HW7	\$ 105,000,000.00	VRDO	\$ 105,000,000.00	7.62%	\$ 105,000,000.00	7.62%
	xliiii 2007-B Notes Tax-Exempt Senior	612130HX5	\$ 35,000,000.00	VRDO	\$ 35,000,000.00	2.54%	\$ 35,000,000.00	2.54%
	xliiiv 2007-C Notes Tax-Exempt Senior	612130HY3	\$ 35,000,000.00	VRDO	\$ 35,000,000.00	2.54%	\$ 35,000,000.00	2.54%
	lviii Total Notes Outstanding Tax-Exempt Senior		\$ 1,269,200,000.00		92.10%	\$ 1,269,200,000.00	92.10%	
	lix Total Notes Outstanding Tax-Exempt Subordinate		\$ 108,825,000.00		7.90%	\$ 108,825,000.00	7.90%	
	lx Total Notes Outstanding 1993 Master Indenture - Tax-Exempt		\$ 1,378,025,000.00			\$ 1,378,025,000.00		

Parity	2/29/2008	5/31/2008	
D	i Senior Parity	109.26%	109.16%
	ii Subordinate Parity	100.63%	100.54%

Reserve Account	2/29/2008	5/31/2008	
E	i Required Reserve Acc Deposit (%)	1.00%	1.00%
	ii Reserve Acct Initial Deposit (\$)	\$ -	\$ -
	iii Specified Reserve Acct Requirement (\$)	\$ 13,780,250.00	\$ 13,780,250.00
	iv Reserve Account Floor Balance (\$)	\$ -	\$ -
	v Current Reserve Balance (\$)	\$ -	\$ 28,531,244.22
	vi Draws on Reserve - Current Quarter (\$)	\$ -	\$ -

**MHESAC 1993 Master Indenture - Tax-Exempt**  
**II. Trust Balances and Parity Calculations**

<b>Trust Accounts</b>		<b>2/29/2008</b>	<b>5/31/2008</b>
A	i Acquisition Account	\$ 171,381,329.38	\$ 165,883,116.29
	ii Administration Account	\$ 5,946,951.99	\$ 5,964,823.77
	iii Bond- Interest, Principal, Retirement Accounts	\$ 9,964,609.27	\$ 35,401,009.27
	iv Capitalized Interest Account	\$ 1,436,700.00	\$ 636,700.00
	v COI Account	\$ 1,482,077.98	\$ 1,480,971.13
	vi Rebate Account	\$ 6,224,969.10	\$ 6,335,331.70
	vii Reserve Account	\$ 28,531,244.22	\$ 28,531,244.22
	viii Surplus Account	\$ 191,707,280.97	\$ 156,073,842.81

  

<b>Parity Calculations</b>		<b>2/29/2008</b>	<b>5/31/2008</b>
B	<b>Value of the Indenture</b>		
	i Portfolio Balance	\$ 958,203,118.48	\$ 987,395,318.16
	ii Pending System Adjustments	612.47	(109,503.44)
	iii Accrued Borrower Interest	11,910,617.72	13,798,304.48
	iv Accrued Subsidized Interest	8,986,841.08	3,406,691.58
	v Less: Unguaranteed Amount Uncollectibles	(333,597.00)	(356,977.00)
	vi Trust Cash and Investments	416,675,162.91	400,307,039.19
	vii Payments in Transit	621,200.69	539,058.59
	viii Other Cash and Assets	27,429,080.99	28,411,151.86
	ix Total Trust Value	\$ 1,423,493,037.34	\$ 1,433,391,083.42
	Less:	-	-
	x Accrued Bond Interest	18,181,189.53	33,261,962.24
	xi Accrued Swap Liability/(Asset)	(81,046.15)	-
	xii Accrued Fair Value of Swap Liability/(Asset)	3,038,764.00	2,430,494.00
	xiii Accrued Rebate Liabilities	15,581,767.68	12,285,149.47
	xiv <b>Net Asset Value</b>	\$ 1,386,772,362.28	\$ 1,385,413,477.71

  

<b>Notes Outstanding</b>		<b>2/29/2008</b>	<b>5/31/2008</b>
C	i Senior Notes	\$ 1,269,200,000.00	\$ 1,269,200,000.00
	ii Subordinate Notes	108,825,000.00	108,825,000.00
	iii Total Notes	\$ 1,378,025,000.00	\$ 1,378,025,000.00

  

<b>Parity</b>		<b>2/29/2008</b>	<b>5/31/2008</b>
D	i Senior Parity	109.26%	109.16%
	ii Subordinate Parity	100.63%	100.54%

**MHESAC 1993 Master Indenture - Tax-Exempt**  
**III. Distributions**

<b>Interest</b>										
<b>Class</b>	<b>CUSIP</b>	<b>Quarterly Interest Due</b>	<b>Quarterly Interest Paid</b>	<b>Interest Shortfall</b>	<b>Interest Carryover Due</b>	<b>Interest Carryover Paid</b>	<b>Interest Carryover</b>	<b>Interest Factor</b>	<b>Rate</b>	<b>Next Rate</b>
A				\$ -	\$ -	\$ -	\$ -			
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			

  

<b>Principal</b>								
<b>Class</b>	<b>CUSIP</b>	<b>Quarterly Principal Due</b>	<b>Quarterly Principal Paid</b>	<b>Quarterly Principal Shortfall</b>	<b>Principal Carryover Due</b>	<b>Principal Carryover Paid</b>	<b>Principal Carryover</b>	<b>Principal Factor</b>
B							\$ -	
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

  

<b>Non-FRN Noteholder Distributions</b>		
C	i	Amount to transfer for Fixed Rate Noteholder Distributions - see page 5
		\$ -

  

D	<b>Total Distributions</b>	\$ -
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**MHESAC 1993 Master Indenture - Tax-Exempt**

**IV. MHESAC Transactions from: 3/1/2008 through: 5/31/2008**

<b>A</b>	<b>Student Loan Principal Activity</b>		
i	Regular Principal Collections	\$	20,509,212.58
ii	Principal Collections from Guarantor	\$	2,186,343.58
iii	Returned Disbursements	\$	163,970.67
iv	Other System Adjustments	\$	-
v	Additional Disbursements	\$	(50,127,913.63)
vi	<b>Total Principal Collections</b>	\$	<b>(27,268,386.80)</b>
<b>B</b>	<b>Student Loan Non-Cash Principal Activity</b>		
i	Other Adjustments	\$	142,672.64
ii	Capitalized Interest	\$	(2,066,485.52)
iii	<b>Total Non-Cash Principal Activity</b>	\$	<b>(1,923,812.88)</b>
<b>C</b>	<b>Total Student Loan Principal Activity</b>	\$	<b>(29,192,199.68)</b>
<b>D</b>	<b>Student Loan Interest Activity</b>		
i	Regular Interest Collections	\$	7,130,475.10
ii	Interest Claims Received from Guarantors	\$	72,885.25
iii	Collection Fees / Returned Items	\$	-
iv	Late Fee Reimbursements	\$	-
v	Interest Reimbursements	\$	-
vi	Other System Adjustments	\$	-
vii	Special Allowance Payments	\$	3,579,398.87
viii	Subsidy Payments	\$	1,811,252.67
ix	Accrued Borrower Interest on Purchased Loans	\$	(565,305.47)
x	<b>Total Interest Collections</b>	\$	<b>12,028,706.42</b>
<b>E</b>	<b>Student Loan Non-Cash Interest Activity</b>		
i	Interest Accrual Adjustments	\$	185,270.14
ii	Capitalized Interest	\$	2,066,485.52
iii	<b>Total Non-Cash Interest Adjustments</b>	\$	<b>2,251,755.66</b>
<b>F</b>	<b>Total Student Loan Interest Activity</b>	\$	<b>14,280,462.08</b>
<b>G</b>	<b>Non-Reimbursable Losses During Collection Period</b>	\$	<b>-</b>
<b>H</b>	<b>Cumulative Non-Reimbursable Losses to Date</b>	\$	<b>-</b>

**Available Funds**

**5/31/2008**

<b>I</b>	<b>Reserves in Excess of Reserve Requirement</b>	\$	-
<b>J</b>	<b>Trust Account Investment Income</b>	\$	<b>6,302,318.65</b>
<b>K</b>	<b>Funds Received from Bond Proceeds</b>	\$	-
<b>L</b>	<b>TOTAL FUNDS RECEIVED (Avi + Dx + I + J + K - Av - Dix)</b>	\$	<b>41,755,857.37</b>
<b>M</b>	<b>LESS FUNDS REMITTED/SET ASIDE:</b>		
i	Consolidation Loan Rebate Fees	\$	1,755,909.01
ii	Management and Servicing Fees	\$	3,137,275.01
iii	Administrative Fees (trustee, listing, broker, lender/orig, etc)	\$	567,283.19
iv	Funds Allocated to the Future Distribution Account	\$	-
v	Funds Released from the Future Distribution Account	\$	-
<b>N</b>	<b>PLUS FUNDS ALLOCATED FROM REMAINING ACQUISITION FUNDS</b>	\$	<b>-</b>
<b>O</b>	<b>TOTAL AVAILABLE FUNDS</b>	\$	<b>36,295,390.16</b>

**MHESAC 1993 Master Indenture - Tax-Exempt**  
**V. Waterfall for Distributions**

<b>A</b>	Total Available Funds (IV-O)	<b>\$</b>	<b>36,295,390.16</b>
<b>B</b>	Interest Distributions and accruals		
i	1995-A Notes	\$	372,493.22
ii	1995-B Notes	\$	381,024.90
iii	1995-C Notes	\$	360,142.05
iv	1998-A Notes	\$	1,041,808.43
v	1998-B Notes	\$	332,211.87
vi	1999-A Notes	\$	877,404.55
vii	1999-B Notes	\$	299,611.87
viii	2000-A Notes	\$	533,905.00
ix	2000-B Notes	\$	558,550.00
x	2000-D Notes	\$	49,193.12
xi	2001-A Notes	\$	853,754.32
xii	2001-B Notes	\$	253,490.00
xiii	2002-A Notes	\$	720,258.26
xv	2002-B Notes	\$	388,243.30
xv	2002-E Notes	\$	200,815.50
xvi	2003-A Notes	\$	862,783.58
xvii	2003-B Notes	\$	1,061,509.23
xviii	2003-D Notes	\$	108,342.00
xix	2004-A Notes	\$	1,187,406.30
xx	2004-B Notes	\$	893,553.10
xxi	2004-C Notes	\$	171,673.20
xxii	2006-D Notes	\$	763,465.92
xxiii	2006-E Notes	\$	800,736.72
xxiv	2006-F Notes	\$	767,038.27
xxv	2006-G Notes	\$	216,684.00
xxvi	2007-A Notes	\$	600,117.00
xxvii	2007-B Notes	\$	209,219.50
xxviii	2007-C Notes	\$	215,337.50
xxix	<b>Total Interest Distributions and Accruals</b>	<b>\$</b>	<b>15,080,772.71</b>
<b>C</b>	Principal Distribution Amount		
i	1995-E Notes	\$	-
ii	1998-B Notes	\$	-
iii	1999-B Notes	\$	-
iv	2000-D Notes	\$	-
v	<b>Total Noteholder's Principal Distribution</b>	<b>\$</b>	<b>-</b>
<b>D</b>	Increase to the Specified Reserve Account Balance	\$	-
<b>E</b>	Carryover Servicing Fees	\$	-
<b>F</b>	Noteholder's Interest Carryover	\$	-
<b>G</b>	Noteholder's Principal Carryover	\$	-
<b>H</b>	<b>Funds available after waterfall items (A-G)</b>	<b>\$</b>	<b>21,214,617.45</b>

**MHESAC 1993 Master Indenture - Tax-Exempt**  
**VI. Historical Pool Information**

	06/1/07 -08/31/07	9/1/07 -11/30/07	12/1/07 -02/29/08	03/01/08-05/31/08
<b>Beginning Student Loan Portfolio Balance</b>		\$ 896,098,856.84	\$ 944,150,094.27	\$ 958,203,118.48
<b>Student Loan Principal Activity</b>				
i Regular Principal Collections		\$ 44,759,323.81	\$ 19,445,953.58	\$ 20,509,212.58
ii Principal Collections from Guarantor		\$ 2,976,000.41	\$ 2,350,244.78	\$ 2,186,343.58
iii Returned Disbursements		\$ 253,215.23	\$ 554,969.11	\$ 163,970.67
iv Other System Adjustments		\$ -	\$ -	\$ -
v Additional Disbursements		\$ (92,983,199.01)	\$ (34,725,135.08)	\$ (50,127,913.63)
vi Total Principal Collections		\$ (44,994,659.56)	\$ (12,373,967.61)	\$ (27,268,386.80)
<b>Student Loan Non-Cash Principal Activity</b>				
i Other Adjustments		\$ 404,449.48	\$ 718,777.42	\$ 142,672.64
ii Capitalized Interest		\$ (3,461,027.35)	\$ (2,397,834.02)	\$ (2,066,485.52)
iii Total Non-Cash Principal Activity		\$ (3,056,577.87)	\$ (1,679,056.60)	\$ (1,923,812.88)
<b>(-) Total Student Loan Principal Activity</b>		\$ (48,051,237.43)	\$ (14,053,024.21)	\$ (29,192,199.68)
<b>Student Loan Interest Activity</b>				
i Regular Interest Collections		\$ 7,046,360.84	\$ 7,004,829.17	\$ 7,130,475.10
ii Interest Claims Received from Guarantors		\$ 156,348.16	\$ 85,755.35	\$ 72,885.25
iii Collection Fees / Returned Items		\$ -	\$ -	\$ -
iv Late Fee Reimbursements		\$ -	\$ -	\$ -
v Interest Reimbursements		\$ -	\$ -	\$ -
vi Other System Adjustments		\$ -	\$ -	\$ -
vii Special Allowance Payments		\$ 5,422,286.03	\$ 4,459,170.07	\$ 3,579,398.87
viii Subsidy Payments		\$ 2,352,700.08	\$ 2,608,489.27	\$ 1,811,252.67
ix Accrued Borrower Interest on Purchased Loans		\$ (1,313,292.00)	\$ (125,467.98)	\$ (565,305.47)
x Total Interest Repayments		\$ 13,664,403.11	\$ 14,032,775.88	\$ 12,028,706.42
<b>Student Loan Non-Cash Interest Activity</b>				
i Interest Accrual Adjustments		\$ 53,370.65	\$ 126,427.89	\$ 185,270.14
ii Capitalized Interest		\$ 3,461,027.35	\$ 2,397,834.02	\$ 2,066,485.52
iii Total Non-Cash Interest Adjustments		\$ 3,514,398.00	\$ 2,524,261.91	\$ 2,251,755.66
<b>Total Student Loan Interest Activity</b>		\$ 17,178,801.11	\$ 16,557,037.79	\$ 14,280,462.08
<b>(=) Ending Student Loan Portfolio Balance</b>		\$ 961,328,895.38	\$ 988,813,180.48	\$ 1,001,675,780.24
<b>(+) Interest to be Capitalized</b>		\$ 10,919,603.20	\$ 11,910,617.72	\$ 13,798,304.48
<b>(=) TOTAL POOL</b>		\$ 955,069,697.47	\$ 970,113,736.20	\$ 1,001,193,622.64
<b>(+) Pending Portfolio Adjustments</b>		\$ (6,032.96)	\$ 612.47	\$ (109,503.44)
<b>(+) Trust Cash Available</b>		\$ 247,259,429.66	\$ 416,675,162.91	\$ 400,307,039.19
<b>(+) Reserve Account Balance</b>		\$ 28,531,244.22	\$ 28,531,244.22	\$ 28,531,244.22
<b>(=) Total Adjusted Pool</b>		\$ 1,230,854,338.39	\$ 1,415,320,755.80	\$ 1,429,922,402.61

**MHESAC 1993 Master Indenture - Tax-Exempt  
VII. Portfolio Characteristics**

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	2/29/2008	5/31/2008	2/29/2008	5/31/2008	2/29/2008	5/31/2008	2/29/2008	5/31/2008	2/29/2008	5/31/2008
<b>INTERIM:</b>										
In School Current	6.75%	6.76%	36,559	34,323	23.9%	21.5%	\$ 118,927,487	\$ 112,683,135	12.4%	11.4%
Grace Current	6.74%	6.74%	8,174	17,180	5.3%	10.8%	\$ 25,116,955	\$ 56,865,029	2.6%	5.8%
<b>TOTAL INTERIM</b>	<b>6.75%</b>	<b>6.75%</b>	<b>44,733</b>	<b>51,503</b>	<b>29.2%</b>	<b>32.3%</b>	<b>\$ 144,044,442</b>	<b>\$ 169,548,164</b>	<b>15.0%</b>	<b>17.2%</b>
<b>REPAYMENT</b>										
<b>Active</b>	<b>5.29%</b>	<b>5.29%</b>	<b>79,181</b>	<b>78,855</b>	<b>51.8%</b>	<b>49.4%</b>	<b>\$ 607,140,753</b>	<b>\$ 617,260,338</b>	<b>63.4%</b>	<b>62.5%</b>
Current	5.19%	5.19%	66,158	67,033	43.3%	42.0%	\$ 533,644,889	\$ 546,941,409	55.7%	55.4%
31-60 Days Delinquent	5.74%	5.77%	3,528	3,485	2.3%	2.2%	\$ 23,671,969	\$ 23,397,899	2.5%	2.4%
61-90 Days Delinquent	6.26%	6.24%	3,753	2,158	2.5%	1.4%	\$ 17,618,156	\$ 12,750,719	1.8%	1.3%
91-120 Days Delinquent	5.87%	5.96%	1,581	1,498	1.0%	0.9%	\$ 9,446,724	\$ 10,006,602	1.0%	1.0%
> 120 Days Delinquent	6.21%	6.20%	4,161	4,681	2.7%	2.9%	\$ 22,759,015	\$ 24,163,709	2.4%	2.4%
<b>Deferment</b>										
Current	5.23%	5.29%	23,753	23,223	15.5%	14.6%	\$ 165,842,689	\$ 161,083,611	17.3%	16.3%
<b>Forbearance</b>										
Current	5.69%	5.91%	4,413	4,557	2.9%	2.9%	\$ 36,158,232	\$ 33,906,380	3.8%	3.4%
<b>TOTAL REPAYMENT</b>	<b>5.30%</b>	<b>5.31%</b>	<b>107,347</b>	<b>106,635</b>	<b>70.2%</b>	<b>66.9%</b>	<b>\$ 809,141,674</b>	<b>\$ 812,250,329</b>	<b>84.4%</b>	<b>82.3%</b>
<b>Claims in Process</b>	<b>5.99%</b>	<b>6.47%</b>	<b>877</b>	<b>1,355</b>	<b>0.6%</b>	<b>0.8%</b>	<b>\$ 5,017,002</b>	<b>\$ 5,596,825</b>	<b>0.5%</b>	<b>0.6%</b>
<b>Aged Claims Rejected</b>			<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0.0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>0.0%</b>
<b>GRAND TOTAL</b>	<b>4.91%</b>	<b>5.57%</b>	<b>152,957</b>	<b>159,493</b>	<b>100%</b>	<b>100%</b>	<b>\$ 958,203,118</b>	<b>\$ 987,395,318</b>	<b>100%</b>	<b>100%</b>