



**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 July 01, 2014 through July 31, 2014**

**Distribution Date: August 20, 2014**

**MHESAC 1993 Master Indenture**

**I. Deal Parameters**

| <b>Student Portfolio Characteristics</b> |     | <b>6/30/2014</b>                       | <b>Activity</b>            | <b>7/31/2014</b>  |                            |
|--|-----|--|----------------------------|-------------------|----------------------------|
| A  | i   | Principal Balance                      | \$ 1,113,081,076.74        | \$ (9,928,113.45) | \$ 1,103,152,963.29        |
|  | ii  | Accrued Interest                       | \$ 13,808,059.93           | \$ 210,499.26     | \$ 14,018,559.19           |
|  | iii | Total Student Loan Pool                | <b>\$ 1,126,889,136.67</b> |                   | <b>\$ 1,117,171,522.48</b> |
|  | iv  | Pending Portfolio adjustments          | \$ (27,611.59)             |                   | \$ (424.31)                |
|  | v   | Trust Cash                             | \$ 13,744,904.00           |                   | \$ 22,292,460.47           |
|  | vi  | Specified Reserve Account Balance      | \$ 11,293,940.00           |                   | \$ 11,290,200.00           |
|  | vii | <b>Total Adjusted Pool</b>             | <b>\$ 1,151,900,369.08</b> |                   | <b>\$ 1,150,753,758.64</b> |
| B  | i   | Weighted Average Coupon (WAC)          | 4.400%                     |                   | 4.400%                     |
|  | ii  | Weighted Average Remaining Term        | 179.27                     |                   | 178.71                     |
|  | iii | Number of Loans                        | 136,645                    |                   | 135,403                    |
|  | iv  | Number of Borrowers                    | 55,140                     |                   | 54,635                     |
|  | v   | Outstanding Principal Balance - T-Bill | \$ 15,460,856.29           |                   | \$ 15,361,746.92           |
|  | vi  | Outstanding Principal Balance - LIBOR  | \$ 1,097,620,220.45        |                   | \$ 1,087,791,216.37        |

| <b>Bonds</b> | <b>CUSIP</b> | <b>Original Issue Amount</b>                                   | <b>Rate</b> | <b>Balance 6/30/2014</b>   | <b>Pool Factor 6/30/2014</b> | <b>Balance 7/31/2014</b>   | <b>Pool Factor 7/31/2014</b> |                            |        |
|--------------|--------------|--|-------------|----------------------------|------------------------------|----------------------------|------------------------------|----------------------------|--------|
| C            | i            | 2005-B Bonds Senior  | 612130HN7   | \$ 119,140,000.00          | 3 Mo Libor + 0.12%           | \$ 68,951,000.00           | 6.11%                        | \$ 68,951,000.00           | 6.11%  |
|              | ii           | 2006-A Bonds Senior  | 612130HP2   | \$ 226,775,000.00          | 3 Mo Libor + 0.10%           | \$ 81,356,000.00           | 7.20%                        | \$ 81,356,000.00           | 7.21%  |
|              | iii          | 2006-C Bonds Subordinate                                       | 612130HR8   | \$ 30,000,000.00           | 1M LIBOR + 1.20%             | \$ 18,000,000.00           | 1.59%                        | \$ 18,000,000.00           | 1.59%  |
|              | iv           | 2012-A2 Bonds Senior   | 61205PAK5   | \$ 649,000,000.00          | 1M LIBOR + 1.00%             | \$ 636,287,000.00          | 56.34%                       | \$ 635,913,000.00          | 56.32% |
|              | v            | 2012-A3 Bonds Senior   | 61205PAL3   | \$ 305,300,000.00          | 1M LIBOR + 1.05%             | \$ 305,300,000.00          | 27.03%                       | \$ 305,300,000.00          | 27.04% |
|              | vi           | 2012-B Bonds Subordinate                                       | 61205PAM1   | \$ 19,500,000.00           | 1M LIBOR + 1.20%             | \$ 19,500,000.00           | 1.73%                        | \$ 19,500,000.00           | 1.73%  |
|              | vii          | Total Bonds Outstanding Senior                                 |             | \$ 1,091,894,000.00        |                              | \$ 1,091,520,000.00        | 96.68%                       | \$ 1,091,520,000.00        | 96.68% |
|              | viii         | Total Bonds Outstanding Taxable Subordinate                    |             | \$ 37,500,000.00           |                              | \$ 37,500,000.00           | 3.32%                        | \$ 37,500,000.00           | 3.32%  |
|              | ix           | <b>Total Bonds Outstanding 1993 Master Indenture - Taxable</b> |             | <b>\$ 1,129,394,000.00</b> |                              | <b>\$ 1,129,020,000.00</b> |                              | <b>\$ 1,129,020,000.00</b> |        |

| <b>Indenture Percentage</b> |    | <b>6/30/2014</b>   | <b>7/31/2014</b> |         |
|-----------------------------|----|--------------------|------------------|---------|
| D                           | i  | Senior Parity      | 105.24%          | 105.28% |
|                             | ii | Subordinate Parity | 101.73%          | 101.77% |

| <b>Monthly Trigger Percentage</b> |    | <b>6/30/2014</b>       | <b>7/31/2014</b> |         |
|-----------------------------------|----|------------------------|------------------|---------|
| E                                 | i  | Senior Percentage      | 102.95%          | 102.81% |
|                                   | ii | Subordinate Percentage | 99.50%           | 99.34%  |

| <b>Reserve Account</b> |     | <b>6/30/2014</b>   | <b>7/31/2014</b> |                  |
|------------------------|-----|--|------------------|------------------|
| 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 (\$)                          | \$ 11,293,940.00 | \$ 11,290,200.00 |
|                        | iv  | Current Reserve Balance - (\$)                                   |                  | \$ 11,290,200.00 |
|                        | v   | Draws on Reserve - Current Month(\$)                             |                  | \$ 3,740.00      |

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

| <b>Trust Accounts</b> |   | <b>6/30/2014</b> | <b>7/31/2014</b> |
|-----------------------|---|------------------|------------------|
| A                     | i Acquisition Account                                 | \$ 255,000.00    | \$ 1,015,499.58  |
|                       | ii Administration Account                             | \$ 1,739,900.00  | \$ 1,727,000.00  |
|                       | iii Bond- Interest, Principal, Retirement Subaccounts | \$ 11,750,004.00 | \$ 16,770,600.23 |
|                       | iv Reserve Account                                    | \$ 11,293,940.00 | \$ 11,290,200.00 |
|                       | v Revenue Account                                     | \$ -             | \$ -             |
|                       | vii Surplus Subaccount                                | \$ -             | \$ 2,779,360.66  |
|                       | viii Total Trust Accounts                             | \$ 25,038,844.00 | \$ 33,582,660.47 |

| <b>Parity Calculations</b>    |  | <b>6/30/2014</b>    | <b>7/31/2014</b>    |
|-------------------------------|--|---------------------|---------------------|
| <b>Value of the Indenture</b> |  |                     |                     |
| B                             | i Portfolio Balance                              | \$ 1,113,081,076.74 | \$ 1,103,152,963.29 |
|                               | ii Pending System Adjustments                    | (27,611.59)         | (424.31)            |
|                               | iii Accrued Borrower Interest                    | 13,808,059.93       | 14,018,559.19       |
|                               | iv Accrued Subsidized Interest                   | 1,083,268.16        | 337,515.55          |
|                               | v Less: Unguaranteed Amount Uncollectibles       | (707,670.37)        | (696,813.34)        |
|                               | vi Trust Cash and Investments                    | 25,038,844.00       | 33,582,660.47       |
|                               | vii Payments in Transit                          | 1,354,818.63        | 491,390.93          |
|                               | viii Other Cash and Assets                       | -                   | -                   |
|                               | ix Total Trust Value                             | \$ 1,153,630,785.50 | \$ 1,150,885,851.78 |
| Less:                         |  |                     |                     |
|                               | x Accrued Payables                               | 4,191,859.70        | 1,358,437.00        |
|                               | xi <b>Net Asset Value - Indenture Percentage</b> | \$ 1,149,438,925.80 | \$ 1,149,527,414.78 |

| <b>Bond Interest Outstanding</b> |                         | <b>6/30/2014</b> | <b>7/31/2014</b> |
|----------------------------------|-------------------------|------------------|------------------|
| C                                | i Senior Interest       | \$ 351,949.60    | \$ 396,831.59    |
|                                  | ii Subordinate Interest | 108,186.39       | 108,331.04       |
|                                  | iii Total Bond Interest | \$ 460,135.99    | \$ 505,162.63    |

| <b>Bonds Outstanding</b> |                      | <b>6/30/2014</b>    | <b>7/31/2014</b>    |
|--------------------------|----------------------|---------------------|---------------------|
| D                        | i Senior Bonds       | \$ 1,091,894,000.00 | \$ 1,091,520,000.00 |
|                          | ii Subordinate Bonds | 37,500,000.00       | 37,500,000.00       |
|                          | iii Total Bonds      | \$ 1,129,394,000.00 | \$ 1,129,020,000.00 |

| <b>Distribution Amounts - Following Monthly Payment Date</b> |                              | <b>6/30/2014</b> | <b>7/31/2014</b> |
|--|------------------------------|------------------|------------------|
| E  | i Senior Distribution Amount | \$ 10,713,000.00 | \$ 18,498,000.00 |

| <b>Indenture Percentage</b> |   | <b>6/30/2014</b> | <b>7/31/2014</b> |
|-----------------------------|---|------------------|------------------|
| F                           | i Senior Parity $Bxi / (Ci + Di)$           | 105.24%          | 105.28%          |
|                             | ii Subordinate Parity $Bxi / (Ciii + Diii)$ | 101.73%          | 101.77%          |

| <b>Monthly Trigger Percentage</b> |   | <b>6/30/2014</b> | <b>7/31/2014</b> |
|-----------------------------------|---|------------------|------------------|
| G                                 | i Senior Percentage $Bi / (Di - Ei)$          | 102.95%          | 102.81%          |
|                                   | ii Subordinate Percentage $Bi / (Diii - Eii)$ | 99.50%           | 99.34%           |

| <b>Six Month Average Trigger Percentage</b> |  | <b>Current Distribution</b> |                    | <b>Next Distribution Report</b> |                    |
|---|--|-----------------------------|--------------------|---------------------------------|--------------------|
|   |  | <b>Senior</b>               | <b>Subordinate</b> | <b>Senior</b>                   | <b>Subordinate</b> |
| H   | i 1st Month Prior                                | 102.95%                     | 99.50%             | 102.81%                         | 99.34%             |
|   | ii 2nd Month Prior                               | 102.82%                     | 99.40%             | 102.95%                         | 99.50%             |
|   | iii 3rd Month Prior                              | 102.98%                     | 99.59%             | 102.82%                         | 99.40%             |
|   | iv 4th Month Prior                               | 102.77%                     | 99.42%             | 102.98%                         | 99.59%             |
|   | v 5th Month Prior                                | 102.61%                     | 99.30%             | 102.77%                         | 99.42%             |
|   | vii 6th Month Prior                              | 102.65%                     | 99.36%             | 102.61%                         | 99.30%             |
|   | viii <b>Six Month Average Trigger Percentage</b> | <b>102.80%</b>              | <b>99.43%</b>      | <b>102.82%</b>                  | <b>99.43%</b>      |

**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 | 9/22/2014         | 3M LIBOR   | 0.12%       | 0.23100%      | 0.23100%          | 0.35100%     | 0.35100%         |
| 2006-A         | 612130HP2 | 9/22/2014         | 3M LIBOR   | 0.10%       | 0.23100%      | 0.23100%          | 0.33100%     | 0.33100%         |
| 2006-C         | 612130HR8 | 8/20/2014         | 1M LIBOR   | 1.20%       | 0.15300%      | 0.15550%          | 1.35300%     | 1.35550%         |
| 2012-A2        | 61205PAK5 | 8/20/2014         | 1M LIBOR   | 1.00%       | 0.15300%      | 0.15550%          | 1.15300%     | 1.15550%         |
| 2012-A3        | 61205PAL3 | 8/20/2014         | 1M LIBOR   | 1.05%       | 0.15300%      | 0.15550%          | 1.20300%     | 1.20550%         |
| 2012-B         | 61205PAM1 | 8/20/2014         | 1M LIBOR   | 1.20%       | 0.15300%      | 0.15550%          | 1.35300%     | 1.35550%         |

| 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 | \$ 20,343.06         | \$ 20,343.06          | \$ -                       | \$ 44,590.14           | \$ -                    | \$ 44,590.14        | 2.11%           |
| 2012-A2      | 61205PAK5 | \$ 612,702.18        | \$ 612,702.18         | \$ -                       | \$ -                   | \$ -                    | \$ -                | 63.69%          |
| 2012-A3      | 61205PAL3 | \$ 306,878.40        | \$ 306,878.40         | \$ -                       | \$ -                   | \$ -                    | \$ -                | 31.90%          |
| 2012-B       | 61205PAM1 | \$ 22,038.32         | \$ 22,038.32          | \$ -                       | \$ 48,305.98           | \$ -                    | \$ 48,305.98        | 2.29%           |
| <b>TOTAL</b> |           | <b>\$ 961,961.96</b> | <b>\$ 961,961.96</b>  | <b>\$ -</b>                | <b>\$ 92,896.12</b>    | <b>\$ -</b>             | <b>\$ 92,896.12</b> |                 |

| 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-A2      | 61205PAK5 | \$ 16,773,531.43        | \$ 8,159,000.00        | \$ 8,614,531.43             | \$ 300,234,013.51        | \$ -                     | \$ 308,848,544.94        | 100.00%          |
| 2012-A3      | 61205PAL3 | \$ -                    | \$ -                   | \$ -                        | \$ -                     | \$ -                     | \$ -                     | 0.00%            |
| 2012-B       | 61205PAM1 | \$ -                    | \$ -                   | \$ -                        | \$ -                     | \$ -                     | \$ -                     | 0.00%            |
| <b>TOTAL</b> |           | <b>\$ 16,773,531.43</b> | <b>\$ 8,159,000.00</b> | <b>\$ 8,614,531.43</b>      | <b>\$ 300,234,013.51</b> | <b>\$ -</b>              | <b>\$ 308,848,544.94</b> |                  |

|                                     |                        |
|-------------------------------------|------------------------|
| <b>TOTAL PRINCIPAL DISTRIBUTION</b> | <b>\$ 8,159,000.00</b> |
|-------------------------------------|------------------------|

**MHESAC 1993 Master Indenture**

**IV. MHESAC System Activity from: 7/1/2014 through: 7/31/2014**

|          |   |    |                       |
|----------|---|----|-----------------------|
| <b>A</b> | <b>Student Loan Principal Activity</b>          |    |                       |
| i        | Regular Principal Collections                   | \$ | 9,489,931.49          |
| ii       | Principal Collections from Guarantor            | \$ | 1,644,799.92          |
| iii      | Returned Disbursements                          | \$ | -                     |
| iv       | Other System Adjustments                        | \$ | (28,376.22)           |
| v        | Repurchases of Rehabilitated Loans              | \$ | (205,056.12)          |
| vi       | Additional Disbursements/Purchases              | \$ | -                     |
| vii      | <b>Total Principal Collections</b>              | \$ | <u>10,901,299.07</u>  |
| <b>B</b> | <b>Student Loan Non-Cash Principal Activity</b> |    |                       |
| i        | Other Adjustments                               | \$ | 2,572.02              |
| ii       | Capitalized Interest                            | \$ | (975,757.64)          |
| iii      | <b>Total Non-Cash Principal Activity</b>        | \$ | <u>(973,185.62)</u>   |
| <b>C</b> | <b>Total Student Loan Principal Activity</b>    | \$ | <u>9,928,113.45</u>   |
| <b>D</b> | <b>Student Loan Interest Activity</b>           |    |                       |
| i        | Regular Interest Collections                    | \$ | 2,568,097.86          |
| ii       | Interest Claims Received from Guarantors        | \$ | 33,628.73             |
| iii      | Other System Adjustments                        | \$ | -                     |
| iv       | Accrued Borrower Interest on Purchased Loans    | \$ | -                     |
| v        | <b>Total Interest Collections</b>               | \$ | <u>2,601,726.59</u>   |
| <b>E</b> | <b>Student Loan Non-Cash Interest Activity</b>  |    |                       |
| i        | Interest Accrual Adjustments                    | \$ | 124,488.83            |
| ii       | Capitalized Interest                            | \$ | 975,757.64            |
| iii      | Interest Accrued During Period                  | \$ | (3,912,472.32)        |
| iv       | <b>Total Non-Cash Interest Adjustments</b>      | \$ | <u>(2,812,225.85)</u> |
| <b>F</b> | <b>Total Student Loan Interest Activity</b>     | \$ | <u>(210,499.26)</u>   |

**Trust Activity from: 7/1/2014 through: 7/31/2014**

|          |  |    |                     |
|----------|--|----|---------------------|
| <b>G</b> | <b>Trust Balances less Reserve - Beginning of Period</b> | \$ | 13,744,904.00       |
| <b>H</b> | <b>Released Funds in Excess of Reserve Requirement</b>   | \$ | 3,740.00            |
| <b>I</b> | <b>Funds Collected During Period</b>                     |    |                     |
| i        | Student Loan Principal Received                          | \$ | 11,826,135.70       |
| ii       | Student Loan Interest Received                           | \$ | 2,719,631.47        |
| iii      | Subsidized Interest Received                             | \$ | 1,083,339.15        |
| iv       | Investment Income on Trust Accounts                      | \$ | 268.63              |
| <b>J</b> | <b>Funds Remitted During Period</b>                      |    |                     |
| i        | Bond Principal   | \$ | 374,000.00          |
| ii       | Bond Interest  | \$ | 991,700.79          |
| iii      | Consolidation Loan Rebate Fees                           | \$ | 764,080.35          |
| iv       | Management and Servicing Fees                            | \$ | 558,926.98          |
| v        | Administrative Fees (trustee, listing, etc.)             | \$ | -                   |
| vi       | Special Allowance Rebate                                 | \$ | 4,191,793.94        |
| vii      | Repurchases of Rehabilitated Loans                       | \$ | 205,056.42          |
| <b>K</b> | <b>Funds Reserved During Period</b>                      |    |                     |
| i        | Funds Allocated for Accrued Principal 2005-B Bonds       | \$ | 3,416,000.00        |
| ii       | Funds Allocated for Accrued Principal 2006-A Bonds       | \$ | 6,923,000.00        |
| iii      | Funds Allocated for Accrued Interest 2005-B Bonds        | \$ | 42,129.06           |
| iv       | Funds Allocated for Accrued Interest 2006-A Bonds        | \$ | 46,876.12           |
| v        | Acquisition Funds for Rehabilitated Loans                | \$ | 1,015,499.58        |
| vi       | Administration Funds                                     | \$ | 1,727,000.00        |
| <b>L</b> | <b>TOTAL AVAILABLE FUNDS FOR DISTRIBUTION</b>            | \$ | <u>9,121,955.71</u> |

**MHESAC 1993 Master Indenture****V. Waterfall for Distributions****Distribution Date:****8/20/2014**

|          |  |    |                     |
|----------|--|----|---------------------|
| <b>A</b> | Total Available Funds for Distribution(IV-L)       | \$ | <b>9,121,955.71</b> |
| <b>B</b> | Interest Distributions                             |    |                     |
| i        | 2005-B Bonds                                       | \$ | -                   |
| ii       | 2006-A Bonds                                       | \$ | -                   |
| iii      | 2006-C Bonds                                       | \$ | 20,343.06           |
| iv       | 2012-A2 Bonds                                      | \$ | 612,702.18          |
| v        | 2012-A3 Bonds                                      | \$ | 306,878.40          |
| vi       | 2012-B Bonds                                       | \$ | 22,038.32           |
| vii      | <b>Total Bondholder's Interest Distributions</b>   | \$ | <b>961,961.96</b>   |
| <b>C</b> | Principal Distributions                            |    |                     |
| i        | 2005-B Bonds                                       | \$ | -                   |
| ii       | 2006-A Bonds                                       | \$ | -                   |
| iii      | 2006-C Bonds                                       | \$ | -                   |
| iv       | 2012-A2 Bonds                                      | \$ | 8,159,000.00        |
| v        | 2012-A3 Bonds                                      | \$ | -                   |
| vi       | 2012-B Bonds                                       | \$ | -                   |
| vii      | <b>Total Bondholder's Principal Distribution</b>   | \$ | <b>8,159,000.00</b> |
| <b>D</b> | Increase to the Specified Reserve Account Balance  | \$ | -                   |
| <b>E</b> | Carryover Servicing Fees                           | \$ | -                   |
| <b>F</b> | Bondholder's Interest Carryover                    | \$ | -                   |
| <b>G</b> | Bondholder's Principal Carryover                   | \$ | -                   |
| <b>H</b> | <b>Funds available after waterfall items (A-G)</b> | \$ | <b>993.75</b>       |

**MHESAC 1993 Master Indenture**  
**VI. Historical Pool Information**

|  | 04/01/14-04/30/14          | 05/01/14-05/31/14          | 06/01/14-06/30/14          | 07/01/14-07/31/14          |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>Beginning Student Loan Pool Balance</b>       | <b>\$ 1,158,073,881.03</b> | <b>\$ 1,148,439,964.07</b> | <b>\$ 1,136,693,026.28</b> | <b>\$ 1,126,889,136.67</b> |
| <b>Student Loan Principal Activity</b>           |                            |                            |                            |                            |
| i Regular Principal Collections                  | \$ 9,215,588.42            | \$ 11,064,778.03           | \$ 9,445,016.08            | \$ 9,489,931.49            |
| ii Principal Collections from Guarantor          | \$ 1,460,499.02            | \$ 1,891,905.79            | \$ 1,296,773.18            | \$ 1,644,799.92            |
| iii Returned Disbursements                       | \$ -                       | \$ -                       | \$ -                       | \$ -                       |
| iv Other System Adjustments                      | \$ (31,504.08)             | \$ (46,147.67)             | \$ (13,721.26)             | \$ (28,376.22)             |
| v Repurchase of Rehabilitated Loans              | \$ -                       | \$ -                       | \$ -                       | \$ (205,056.12)            |
| vi Additional Disbursements/Purchases            | \$ -                       | \$ -                       | \$ -                       | \$ -                       |
| vii Total Principal Collections                  | \$ 10,644,583.36           | \$ 12,910,536.15           | \$ 10,728,068.00           | \$ 10,901,299.07           |
| <b>Student Loan Non-Cash Principal Activity</b>  |                            |                            |                            |                            |
| i Other Adjustments                              | \$ 3,869.36                | \$ 6,415.26                | \$ 4,708.97                | \$ 2,572.02                |
| ii Capitalized Interest                          | \$ (876,738.71)            | \$ (1,114,386.04)          | \$ (1,159,364.77)          | \$ (975,757.64)            |
| iii Total Non-Cash Principal Activity            | \$ (872,869.35)            | \$ (1,107,970.78)          | \$ (1,154,655.80)          | \$ (973,185.62)            |
| <b>(-) Total Student Loan Principal Activity</b> | <b>\$ 9,771,714.01</b>     | <b>\$ 11,802,565.37</b>    | <b>\$ 9,573,412.20</b>     | <b>\$ 9,928,113.45</b>     |
| <b>Student Loan Interest Activity</b>            |                            |                            |                            |                            |
| i Regular Interest Collections                   | \$ 2,680,700.27            | \$ 2,594,373.77            | \$ 2,715,650.80            | \$ 2,568,097.86            |
| ii Interest Claims Received from Guarantors      | \$ 36,710.36               | \$ 50,190.19               | \$ 34,008.70               | \$ 33,628.73               |
| iii Other System Adjustments                     | \$ (13.87)                 | \$ (16.27)                 | \$ (131.38)                | \$ -                       |
| iv Accrued Borrower Interest on Purchased Loans  | \$ -                       | \$ -                       | \$ -                       | \$ -                       |
| v Total Interest Repayments                      | \$ 2,717,396.76            | \$ 2,644,547.69            | \$ 2,749,528.12            | \$ 2,601,726.59            |
| <b>Student Loan Non-Cash Interest Activity</b>   |                            |                            |                            |                            |
| i Interest Accrual Adjustments                   | \$ 144,848.43              | \$ 160,420.31              | \$ 141,145.09              | \$ 124,488.83              |
| ii Capitalized Interest                          | \$ 876,738.71              | \$ 1,114,386.04            | \$ 1,159,364.77            | \$ 975,757.64              |
| iii Interest Accrued During Period               | \$ (3,876,780.95)          | \$ (3,974,981.62)          | \$ (3,819,560.57)          | \$ (3,912,472.32)          |
| iv Total Non-Cash Interest Adjustments           | \$ (2,855,193.81)          | \$ (2,700,175.27)          | \$ (2,519,050.71)          | \$ (2,812,225.85)          |
| <b>(-) Total Student Loan Interest Activity</b>  | <b>\$ (137,797.05)</b>     | <b>\$ (55,627.58)</b>      | <b>\$ 230,477.41</b>       | <b>\$ (210,499.26)</b>     |
| <b>(=) TOTAL STUDENT LOAN POOL</b>               | <b>\$ 1,148,439,964.07</b> | <b>\$ 1,136,693,026.28</b> | <b>\$ 1,126,889,136.67</b> | <b>\$ 1,117,171,522.48</b> |
| <b>(+) Pending Portfolio Adjustments</b>         | <b>\$ (1,388,088.41)</b>   | <b>\$ -</b>                | <b>\$ (27,611.59)</b>      | <b>\$ (424.31)</b>         |
| <b>(+) Trust Cash Available</b>                  | <b>\$ 25,079,797.81</b>    | <b>\$ 23,094,142.34</b>    | <b>\$ 13,744,904.00</b>    | <b>\$ 22,292,460.47</b>    |
| <b>(+) Reserve Account Balance</b>               | <b>\$ 11,613,380.00</b>    | <b>\$ 11,495,570.00</b>    | <b>\$ 11,293,940.00</b>    | <b>\$ 11,290,200.00</b>    |
| <b>(=) TOTAL ADJUSTED POOL</b>                   | <b>\$ 1,183,745,053.47</b> | <b>\$ 1,171,282,738.62</b> | <b>\$ 1,151,900,369.08</b> | <b>\$ 1,150,753,758.64</b> |

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

| STATUS                      | Weighted Avg Coupon |              | # of Loans     |                | %            |              | Principal Amount        |                         | %            |              |
|-----------------------------|---------------------|--------------|----------------|----------------|--------------|--------------|-------------------------|-------------------------|--------------|--------------|
|                             | 6/30/2014           | 7/31/2014    | 6/30/2014      | 7/31/2014      | 6/30/2014    | 7/31/2014    | 6/30/2014               | 7/31/2014               | 6/30/2014    | 7/31/2014    |
| <b>INTERIM:</b>             |                     |              |                |                |              |              |                         |                         |              |              |
| In School                   | 6.08%               | 6.04%        | 1,292          | 1,237          | 0.9%         | 0.9%         | \$ 4,262,345            | \$ 4,023,378            | 0.4%         | 0.4%         |
| Grace                       | 6.17%               | 6.25%        | 737            | 733            | 0.5%         | 0.5%         | \$ 2,332,021            | \$ 2,400,536            | 0.2%         | 0.2%         |
| <b>TOTAL INTERIM</b>        | <b>6.11%</b>        | <b>6.12%</b> | <b>2,029</b>   | <b>1,970</b>   | <b>1.5%</b>  | <b>1.5%</b>  | <b>\$ 6,594,366</b>     | <b>\$ 6,423,914</b>     | <b>0.6%</b>  | <b>0.6%</b>  |
| <b>REPAYMENT</b>            |                     |              |                |                |              |              |                         |                         |              |              |
| <b>Active</b>               | <b>4.30%</b>        | <b>4.30%</b> | <b>110,659</b> | <b>109,413</b> | <b>81.0%</b> | <b>80.8%</b> | <b>\$ 940,840,043</b>   | <b>\$ 934,065,046</b>   | <b>84.5%</b> | <b>84.7%</b> |
| Current                     | 4.19%               | 4.18%        | 96,691         | 94,795         | 70.8%        | 70.0%        | \$ 844,330,024          | \$ 833,192,857          | 75.9%        | 75.5%        |
| 31-60 Days Delinquent       | 5.08%               | 5.01%        | 3,811          | 4,471          | 2.8%         | 3.3%         | \$ 27,622,884           | \$ 32,253,944           | 2.5%         | 2.9%         |
| 61-90 Days Delinquent       | 5.13%               | 5.13%        | 2,585          | 2,342          | 1.9%         | 1.7%         | \$ 18,506,256           | \$ 15,522,765           | 1.7%         | 1.4%         |
| 91-120 Days Delinquent      | 5.02%               | 5.14%        | 2,031          | 1,921          | 1.5%         | 1.4%         | \$ 13,002,004           | \$ 14,269,799           | 1.2%         | 1.3%         |
| > 120 Days Delinquent       | 5.08%               | 5.06%        | 5,541          | 5,884          | 4.1%         | 4.3%         | \$ 37,378,875           | \$ 38,825,681           | 3.4%         | 3.5%         |
| <b>Deferment</b>            | <b>5.00%</b>        | <b>5.02%</b> | <b>16,233</b>  | <b>16,090</b>  | <b>11.9%</b> | <b>11.9%</b> | <b>\$ 99,451,746</b>    | <b>\$ 97,274,145</b>    | <b>8.9%</b>  | <b>8.8%</b>  |
| <b>Forbearance</b>          | <b>5.04%</b>        | <b>5.01%</b> | <b>6,227</b>   | <b>6,259</b>   | <b>4.6%</b>  | <b>4.6%</b>  | <b>\$ 55,058,697</b>    | <b>\$ 54,655,890</b>    | <b>4.9%</b>  | <b>5.0%</b>  |
| <b>TOTAL REPAYMENT</b>      | <b>4.38%</b>        | <b>4.38%</b> | <b>133,119</b> | <b>131,762</b> | <b>97.4%</b> | <b>97.3%</b> | <b>\$ 1,095,350,486</b> | <b>\$ 1,085,995,081</b> | <b>98.4%</b> | <b>98.4%</b> |
| <b>Claims in Process</b>    | <b>5.00%</b>        | <b>5.05%</b> | <b>1,497</b>   | <b>1,671</b>   | <b>1.1%</b>  | <b>1.2%</b>  | <b>\$ 11,136,225</b>    | <b>\$ 10,733,968</b>    | <b>1.0%</b>  | <b>1.0%</b>  |
| <b>Aged Claims Rejected</b> | <b>0.00%</b>        | <b>0.00%</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>4.40%</b>        | <b>4.40%</b> | <b>136,645</b> | <b>135,403</b> | <b>100%</b>  | <b>100%</b>  | <b>\$ 1,113,081,077</b> | <b>\$ 1,103,152,963</b> | <b>100%</b>  | <b>100%</b>  |

| <b>VIII. MHESAC Cumulative Net Reject Rate</b> |                  |
|--|------------------|
|  | <b>7/31/2014</b> |
| Cumulative Claims submitted (# of loans)       | 46,140           |
| Cumulative Claims rejected (# of loans)        | 88               |
| <b>Cumulative Reject Rate</b>                  | <b>0.19%</b>     |

| <b>VIV. MHESAC Payment History and CPRs</b> |                             |                           |
|---|-----------------------------|---------------------------|
| <b>Distribution Date</b>                    | <b>Actual Pool Balances</b> | <b>Since Issued CPR *</b> |
| 04/30/14                                    | \$ 1,134,457,054            | 5.43%                     |
| 05/31/14                                    | \$ 1,122,654,489            | 5.48%                     |
| 06/30/14                                    | \$ 1,113,081,077            | 5.46%                     |
| 07/31/14                                    | \$ 1,103,152,963            | 5.44%                     |

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