



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

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

- Senior Series 1995-A, B and C
- 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 Senior Series 2000-C (Taxable)
- Senior Series 2001-A and B (AMT) and Senior Series 2001-C (Taxable)
- Senior Series 2002-A, B, and C (AMT), Senior Series 2002-D (Taxable) and Subordinate Series 2002-E (AMT)
- Senior Series 2003-A and B (AMT), Senior Series 2003-C (Taxable) and Subordinate Series 2003-D (AMT)
- Senior Series 2004-A and B (AMT) and Subordinate Series 2004-C (AMT)
- Senior Series 2005-B (Taxable)
- Senior Series 2006-A and B (Taxable) and Subordinate Series 2006-C (Taxable)
- Senior Series 2006-D, E, and F (AMT) and Subordinate Series 2006-G (AMT)

**Reporting Period June 01, 2011 through August 31, 2011**

**MHESAC 1993 Master Indenture - Tax-Exempt and Taxable**

**I. Deal Parameters**

<b>Student Portfolio Characteristics</b>		<b>5/31/2011</b>	<b>Activity</b>	<b>8/31/2011</b>
A	i Portfolio Balance	\$ 1,367,603,737.30	\$ (29,205,597.83)	\$ 1,338,398,139.47
	ii Interest to be Capitalized	\$ 18,450,530.75	\$ (265,383.76)	\$ 18,185,146.99
	iii Total Pool	<b>\$ 1,386,054,268.05</b>		<b>\$ 1,356,583,286.46</b>
	iv Pending Portfolio adjustments	\$ -		\$ (200.00)
	v Trust Cash	\$ 113,550,999.48		\$ 117,572,262.74
	vi Specified Reserve Account Balance	\$ 16,008,910.00		\$ 16,008,910.00
	vii <b>Total Adjusted Pool</b>	<b>\$ 1,515,614,177.53</b>		<b>\$ 1,490,164,259.20</b>
B	i Weighted Average Coupon (WAC)	4.540%		4.520%
	ii Weighted Average Remaining Term	186.82		184.99
	iii Number of Loans	197,318		193,072
	iv Number of Borrowers	75,631		74,027
	v Outstanding Principal Balance - T-Bill	\$ 26,128,449.01		\$ 25,026,814.54
	vi Outstanding Principal Balance - Commercial Paper	\$ 1,341,475,288.29		\$ 1,313,371,324.93

<b>Notes</b>	<b>CUSIP</b>	<b>Original Issue Amount</b>	<b>Rate</b>	<b>Balance 5/31/2011</b>	<b>Pool Factor 5/31/2011</b>	<b>Balance 8/31/2011</b>	<b>Pool Factor 8/31/2011</b>		
C	i	1995-A Notes Tax-Exempt Senior	612130EM2	\$ 56,700,000.00	ARS	\$ 34,600,000.00	2.31%	\$ 34,600,000.00	2.35%
	ii	1995-B Notes Tax-Exempt Senior	612130EN0	\$ 56,600,000.00	ARS	\$ 34,500,000.00	2.30%	\$ 34,500,000.00	2.34%
	iii	1995-C Notes Tax-Exempt Senior	612130EP5	\$ 56,600,000.00	ARS	\$ 16,900,000.00	1.13%	\$ 16,900,000.00	1.15%
	iv	1998-A Notes Tax-Exempt Senior	612130FW9	\$ 79,800,000.00	ARS	\$ 69,200,000.00	4.61%	\$ 69,200,000.00	4.70%
	v	1998-B Notes Tax-Exempt Subordinate	612130FT6	\$ 700,000.00	4.95%	\$ 670,000.00	0.04%	\$ 670,000.00	0.05%
	vi	1998-B Notes Tax-Exempt Subordinate	612130FU3	\$ 610,000.00	5.00%	\$ 580,000.00	0.04%	\$ 580,000.00	0.04%
	vii	1998-B Notes Tax-Exempt Subordinate	612130FV1	\$ 22,970,000.00	5.50%	\$ 22,010,000.00	1.47%	\$ 22,010,000.00	1.49%
	viii	1999-A Notes Tax-Exempt Senior	612130FX7	\$ 81,500,000.00	ARS	\$ 73,400,000.00	4.89%	\$ 73,400,000.00	4.98%
	ix	1999-B Notes Tax-Exempt Subordinate	612130GF5	\$ 295,000.00	5.55%	\$ 295,000.00	0.02%	\$ 295,000.00	0.02%
	x	1999-B Notes Tax-Exempt Subordinate	612130GG3	\$ 465,000.00	5.65%	\$ 465,000.00	0.03%	\$ 465,000.00	0.03%
	xi	1999-B Notes Tax-Exempt Subordinate	612130GH1	\$ 480,000.00	5.75%	\$ 480,000.00	0.03%	\$ 480,000.00	0.03%
	xii	1999-B Notes Tax-Exempt Subordinate	612130GJ7	\$ 505,000.00	5.85%	\$ 505,000.00	0.03%	\$ 505,000.00	0.03%
	xiii	1999-B Notes Tax-Exempt Subordinate	612130GK4	\$ 16,200,000.00	6.40%	\$ 16,200,000.00	1.08%	\$ 16,200,000.00	1.10%
	xiv	2000-A Notes Tax-Exempt Senior	612130GT5	\$ 50,000,000.00	ARS	\$ 50,000,000.00	3.33%	\$ 37,500,000.00	2.55%
	xv	2000-B Notes Tax-Exempt Senior	612130GU2	\$ 50,000,000.00	ARS	\$ 50,000,000.00	3.33%	\$ 50,000,000.00	3.39%
	xvi	2000-C Notes Taxable Senior	612130GV0	\$ 11,200,000.00	ARS	\$ 9,050,000.00	0.60%	\$ 9,050,000.00	0.61%
	xvii	2001-A Notes Tax-Exempt Senior	612130GW8	\$ 84,200,000.00	ARS	\$ 84,200,000.00	5.61%	\$ 84,200,000.00	5.72%
	xviii	2001-B Notes Tax-Exempt Senior	612130GX6	\$ 25,000,000.00	ARS	\$ 11,500,000.00	0.77%	\$ 11,500,000.00	0.78%
	xix	2001-C Notes Taxable Senior	612130GY4	\$ 29,500,000.00	ARS	\$ 20,800,000.00	1.39%	\$ 20,800,000.00	1.41%
	xx	2002-A Notes Tax-Exempt Senior	612130GZ1	\$ 53,800,000.00	ARS	\$ 53,800,000.00	3.59%	\$ 53,800,000.00	3.65%
	xxi	2002-B Notes Tax-Exempt Senior	612130HA5	\$ 29,000,000.00	ARS	\$ 27,700,000.00	1.85%	\$ 27,700,000.00	1.88%
	xxii	2002-D Notes Taxable Senior	612130HC1	\$ 10,300,000.00	ARS	\$ 8,000,000.00	0.53%	\$ 8,000,000.00	0.54%
	xxiii	2002-E Notes Tax-Exempt Subordinate	612130HD9	\$ 15,000,000.00	ARS	\$ 15,000,000.00	1.00%	\$ 15,000,000.00	1.02%
	xxiv	2003-A Notes Tax-Exempt Senior	612130HE7	\$ 80,200,000.00	ARS	\$ 75,200,000.00	5.01%	\$ 75,200,000.00	5.11%
	xxv	2003-B Notes Tax-Exempt Senior	612130HF4	\$ 80,100,000.00	ARS	\$ 79,800,000.00	5.32%	\$ 79,800,000.00	5.42%
	xxvi	2003-C Notes Taxable Senior	612130HG2	\$ 13,300,000.00	ARS	\$ 10,100,000.00	0.67%	\$ 10,100,000.00	0.69%
	xxvii	2003-D Notes Tax-Exempt Subordinate	612130HH0	\$ 10,000,000.00	ARS	\$ 10,000,000.00	0.67%	\$ 10,000,000.00	0.68%
	xxviii	2004-A Notes Tax-Exempt Senior	612130HJ6	\$ 83,000,000.00	ARS	\$ 55,900,000.00	3.73%	\$ 55,900,000.00	3.80%
	xxix	2004-B Notes Tax-Exempt Senior	612130HK3	\$ 83,000,000.00	ARS	\$ 76,500,000.00	5.10%	\$ 70,500,000.00	4.79%
	xxx	2004-C Notes Tax-Exempt Subordinate	612130HL1	\$ 12,000,000.00	ARS	\$ 12,000,000.00	0.80%	\$ 12,000,000.00	0.81%
	xxxi	2005-B Notes Taxable Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 119,140,000.00	7.94%	\$ 114,880,000.00	7.80%
	xxxii	2006-A Notes Taxable Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 191,066,000.00	12.74%	\$ 186,609,000.00	12.67%
	xxxiii	2006-B Notes Taxable Senior	612130HQ0	\$ 74,700,000.00	ARS	\$ 18,400,000.00	1.23%	\$ 18,400,000.00	1.25%
	xxxiv	2006-C Notes Taxable Subordinate	612130HR8	\$ 30,000,000.00	ARS	\$ 30,000,000.00	2.00%	\$ 30,000,000.00	2.04%
	xxxv	2006-D Notes Tax-Exempt Senior	612130HS6	\$ 71,400,000.00	ARS	\$ 71,400,000.00	4.76%	\$ 71,400,000.00	4.85%
	xxxvi	2006-E Notes Tax-Exempt Senior	612130HT4	\$ 71,400,000.00	ARS	\$ 64,400,000.00	4.29%	\$ 64,400,000.00	4.37%
	xxxvii	2006-F Notes Tax-Exempt Senior	612130HU1	\$ 71,300,000.00	ARS	\$ 66,300,000.00	4.42%	\$ 66,300,000.00	4.50%
	xxxviii	2006-G Notes Tax-Exempt Subordinate	612130HV9	\$ 20,000,000.00	ARS	\$ 20,000,000.00	1.33%	\$ 20,000,000.00	1.36%
	xxxix	Total Notes Outstanding Tax-Exempt Senior		\$ 995,300,000.00		\$ 976,800,000.00	66.35%	\$ 976,800,000.00	66.32%
	xl	Total Notes Outstanding Tax-Exempt Subordinate		\$ 98,205,000.00		\$ 98,205,000.00	6.55%	\$ 98,205,000.00	6.67%
	xli	Total Notes Outstanding Taxable Senior		\$ 376,556,000.00		\$ 367,839,000.00	25.10%	\$ 367,839,000.00	24.97%
	xlii	Total Notes Outstanding Taxable Subordinate		\$ 30,000,000.00		\$ 30,000,000.00	2.00%	\$ 30,000,000.00	2.04%
	xliv	<b>Total Notes Outstanding 1993 Master Indenture</b>		<b>\$ 1,500,061,000.00</b>		<b>\$ 1,472,844,000.00</b>			

<b>Balance Sheet Parity</b>		<b>5/31/2011</b>	<b>8/31/2011</b>
D	i Senior Parity	111.05%	111.48%
	ii Subordinate Parity	101.37%	101.61%

<b>Indenture Percentage</b>		<b>5/31/2011</b>	<b>8/31/2011</b>
E	i Senior Percentage	109.63%	110.11%
	ii Subordinate Percentage	100.08%	100.36%

<b>Reserve Account</b>		<b>5/31/2011</b>	<b>8/31/2011</b>
F	i Required Reserve Acc Deposit (%)	1.00%	1.00%
	ii Reserve Acct Initial Deposit (\$)	\$ -	\$ -
	iii Specified Reserve Acct Requirement (\$)	\$ 15,000,610.00	\$ 14,728,440.00
	iv Reserve Account Floor Balance (\$)	\$ -	\$ -
	v Current Reserve Balance (\$)	\$ -	\$ 16,008,910.00
	vi Draws on Reserve - Current Quarter (\$)	\$ -	\$ -

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

<b>Trust Accounts</b>		<b>5/31/2011</b>	<b>8/31/2011</b>
A	i Acquisition Account	\$ -	\$ -
	ii Administration Account	\$ 13,030,056.62	\$ 5,834,783.80
	iii Bond- Interest, Principal, Retirement Accounts	\$ 12,610,612.59	\$ 9,874,986.75
	iv Capitalized Interest Account	\$ -	\$ -
	v COI Account	\$ 2,500.00	\$ -
	vi Rebate Account	\$ 3,719,098.50	\$ 3,717,304.27
	vii Reserve Account	\$ 16,008,910.00	\$ 16,008,910.00
	viii Surplus Account	\$ 84,188,731.77	\$ 98,145,187.92
	ix Total Trust Accounts	\$ 129,559,909.48	\$ 133,581,172.74

  

<b>Parity Calculations</b>		<b>5/31/2011</b>	<b>8/31/2011</b>
B	<b>Value of the Indenture</b>		
	i Portfolio Balance	\$ 1,367,603,737.30	\$ 1,338,398,139.47
	ii Pending System Adjustments	-	(200.00)
	iii Accrued Borrower Interest	18,450,530.75	18,185,146.99
	iv Accrued Subsidized Interest	1,912,090.07	2,093,535.27
	v Less: Unguaranteed Amount Uncollectibles	(688,662.00)	(707,694.00)
	vi Trust Cash and Investments (less COI)	129,557,409.48	133,581,172.74
	vii Payments in Transit	1,211,183.98	1,087,965.20
	viii Prepays	19,464,221.91	18,468,969.67
	ix Other Cash and Assets	-	-
	x Total Trust Value	\$ 1,537,510,511.49	\$ 1,511,107,035.34
	Less:		
	xi Accrued Payables	3,418,727.40	3,343,769.96
	xii Accrued Rebate Liabilities - (Prior Month)	4,481,809.08	4,397,711.75
	xiii <b>Net Asset Value w/ Prepays - Balance Sheet Parity</b>	\$ 1,529,609,975.01	\$ 1,503,365,553.63
	xiv <b>Net Asset Value w/o Prepays - Indenture Percentage</b>	\$ 1,510,145,753.10	\$ 1,484,896,583.96

  

<b>Note Interest Outstanding</b>		<b>5/31/2011</b>	<b>8/31/2011</b>
C	i Senior Interest	\$ 5,612,382.47	\$ 3,920,130.98
	ii Subordinate Interest	3,269,311.12	2,735,178.28
	iii Total Note Interest	\$ 8,881,693.59	\$ 6,655,309.26

  

<b>Notes Outstanding</b>		<b>5/31/2011</b>	<b>8/31/2011</b>
D	i Senior Notes	\$ 1,371,856,000.00	\$ 1,344,639,000.00
	ii Subordinate Notes	128,205,000.00	128,205,000.00
	iii Total Notes	\$ 1,500,061,000.00	\$ 1,472,844,000.00

  

<b>Balance Sheet Parity</b>		<b>5/31/2011</b>	<b>8/31/2011</b>
E	i Senior Parity Bxiii / (Ci + Di)	111.05%	111.48%
	ii Subordinate Parity Bxiii / (Ciii + Diii)	101.37%	101.61%

  

<b>Indenture Percentage</b>		<b>5/31/2011</b>	<b>8/31/2011</b>
F	i Senior Percentage Bxiv / (Ci + Di)	109.63%	110.11%
	ii Subordinate Percentage Bxiv / (Ciii + Diii)	100.08%	100.36%

**MHESAC 1993 Master Indenture - Tax-Exempt and Taxable**

**III. Distributions**

<b>Interest</b>										
Class	CUSIP	Quarterly Interest Due	Quarterly Interest Paid	Interest Shortfall	Interest Carryover Due	Interest Carryover Paid	Interest Carryover	Interest Factor	Rate	Next Rate
A	2005-B	612130HN7	\$ 107,597.88	\$ 107,597.88	\$ -	\$ -	\$ -	39.44%	0.367%	0.471%
	2006-A	612130HP2	\$ 165,242.27	\$ 165,242.27	\$ -	\$ -	\$ -	60.56%	0.347%	0.451%
<b>TOTAL</b>			<b>\$ 272,840.15</b>	<b>\$ 272,840.15</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			
								<b>CUR LIBOR</b>	0.247%	
								<b>NEXT LIBOR</b>	0.351%	

  

<b>Principal</b>								
Class	CUSIP	Quarterly Principal Due	Quarterly Principal Paid	Quarterly Principal Shortfall	Principal Carryover Due	Principal Carryover Paid	Principal Carryover	Principal Factor
B	2005-B	612130HN7	\$ 4,180,000.00	\$ 4,180,000.00	\$ -	\$ -	\$ -	40.12%
	2006-A	612130HP2	\$ 6,238,000.00	\$ 3,700,000.00	\$ 2,538,000.00	\$ 24,100,000.00	\$ -	59.88%
<b>TOTAL</b>		<b>\$ 10,418,000.00</b>	<b>\$ 7,880,000.00</b>	<b>\$ 2,538,000.00</b>	<b>\$ 24,100,000.00</b>	<b>\$ -</b>	<b>\$ 26,638,000.00</b>	

  

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

  

D	<b>Total Principal Distributions</b>	<b>\$ 7,880,000.00</b>
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MHESAC 1993 Master Indenture - Tax-Exempt and Taxable			
IV. MHESAC Transactions from:		6/1/2011	through: 8/31/2011
<b>A</b>	<b>Student Loan Principal Activity</b>		
i	Regular Principal Collections	\$	29,792,480.09
ii	Principal Collections from Guarantor	\$	5,534,465.25
iii	Returned Disbursements	\$	-
iv	Loans PUT to Department of Education	\$	-
v	Other System Adjustments	\$	-
vi	Additional Disbursements	\$	(1,847,294.35)
vii	<b>Total Principal Collections</b>	\$	33,479,650.99
<b>B</b>	<b>Student Loan Non-Cash Principal Activity</b>		
i	Other Adjustments	\$	58,619.35
ii	Capitalized Interest	\$	(4,332,672.51)
iii	<b>Total Non-Cash Principal Activity</b>	\$	(4,274,053.16)
<b>C</b>	<b>Total Student Loan Principal Activity</b>	\$	29,205,597.83
<b>D</b>	<b>Student Loan Interest Activity</b>		
i	Regular Interest Collections	\$	8,984,466.30
ii	Interest Claims Received from Guarantors	\$	140,960.22
iii	Collection Fees / Returned Items	\$	-
iv	Late Fee Reimbursements	\$	-
v	Interest Reimbursements	\$	-
vi	Other System Adjustments	\$	-
vii	Net Special Allowance Payments/(Special Allowance Recapture)	\$	(4,676,507.93)
viii	Subsidy Payments	\$	2,278,573.76
ix	Accrued Borrower Interest on Purchased Loans	\$	-
x	<b>Total Interest Collections</b>	\$	6,727,492.35
<b>E</b>	<b>Student Loan Non-Cash Interest Activity</b>		
i	Interest Accrual Adjustments	\$	515,109.82
ii	Capitalized Interest	\$	4,332,672.51
iii	<b>Total Non-Cash Interest Adjustments</b>	\$	4,847,782.33
<b>F</b>	<b>Total Student Loan Interest Activity</b>	\$	11,575,274.68
<b>G</b>	<b>Non-Reimbursable Losses During Collection Period</b>	\$	-
<b>H</b>	<b>Cumulative Non-Reimbursable Losses to Date</b>	\$	-

Available Funds		8/31/2011
<b>I</b>	<b>Reserves in Excess of Reserve Requirement</b>	\$ -
<b>J</b>	<b>Trust Account Investment Income</b>	\$ 5,447.98
<b>K</b>	<b>Funds Received from Bond Proceeds</b>	\$ -
<b>L</b>	<b>TOTAL FUNDS RECEIVED (Avii + Dx + I + J + K - Avi - Dix)</b>	\$ 42,059,885.67
<b>M</b>	<b>LESS FUNDS REMITTED/SET ASIDE:</b>	
i	Consolidation Loan Rebate Fees	\$ 2,546,238.34
ii	Management and Servicing Fees	\$ 3,315,610.56
iii	Administrative Fees (trustee, listing, broker, lender/orig, etc)	\$ 397,051.06
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>O</b>	<b>TOTAL AVAILABLE FUNDS</b>	\$ 35,800,985.71

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

<b>A</b>	Total Available Funds (IV-O)	\$	<b>35,800,985.71</b>
<b>B</b>	Interest Distributions and Accruals		
i	1995-A Notes	\$	22,583.42
ii	1995-B Notes	\$	20,427.45
iii	1995-C Notes	\$	9,656.66
iv	1998-A Notes	\$	37,970.04
v	1998-B Notes	\$	318,178.75
vi	1999-A Notes	\$	48,007.76
vii	1999-B Notes	\$	284,146.88
viii	2000-A Notes	\$	31,518.75
ix	2000-B Notes	\$	30,775.00
x	2000-C Notes	\$	40,514.31
xi	2001-A Notes	\$	46,089.78
xii	2001-B Notes	\$	6,939.35
xiii	2001-C Notes	\$	93,113.48
xiv	2002-A Notes	\$	29,509.30
xv	2002-B Notes	\$	15,193.45
xvi	2002-D Notes	\$	35,765.86
xvii	2002-E Notes	\$	12,454.50
xviii	2003-A Notes	\$	43,292.64
xix	2003-B Notes	\$	43,786.26
xx	2003-C Notes	\$	45,413.21
xxi	2003-D Notes	\$	8,712.00
xxii	2004-A Notes	\$	32,793.46
xxiii	2004-B Notes	\$	46,017.15
xxiv	2004-C Notes	\$	9,873.60
xxv	2005-B Notes	\$	107,597.88
xxvi	2006-A Notes	\$	165,242.27
xxvii	2006-B Notes	\$	83,925.07
xxviii	2006-C Notes	\$	231,657.89
xxix	2006-D Notes	\$	46,588.50
xxx	2006-E Notes	\$	39,380.60
xxxi	2006-F Notes	\$	38,168.91
xxxii	2006-G Notes	\$	17,512.00
xxxiii	<b>Total Interest Distributions and Accruals</b>	\$	<b>2,042,806.17</b>
<b>C</b>	Principal Distribution Amount		
i	1998-B Notes	\$	-
ii	1999-B Notes	\$	-
iii	2003-A Notes	\$	-
iv	2003-B Notes	\$	-
v	2004-A Notes	\$	-
vi	2005-B Notes	\$	4,180,000.00
vii	2006-A Notes	\$	3,700,000.00
viii	2006-E Notes	\$	-
ix	2006-F Notes	\$	-
x	<b>Total Noteholder's Principal Distribution</b>	\$	<b>7,880,000.00</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>25,878,179.54</b>

MHESAC 1993 Master Indenture - Tax-Exempt and Taxable

VI. Historical Pool Information

	09/01/10-11/30/10	12/01/10-02/28/11	03/01/11-05/31/11	06/01/11-08/31/2011
<b>Beginning Student Loan Portfolio Balance</b>	<b>\$ 1,455,183,854.81</b>	<b>\$ 1,431,101,646.08</b>	<b>\$ 1,399,966,131.03</b>	<b>\$ 1,367,603,737.30</b>
<b>Student Loan Principal Activity</b>				
i Regular Principal Collections	\$ 28,294,430.83	\$ 28,970,045.12	\$ 30,195,387.00	\$ 29,792,480.09
ii Principal Collections from Guarantor	\$ 4,325,225.92	\$ 6,827,544.47	\$ 7,292,907.15	\$ 5,534,465.25
iii Returned Disbursements	\$ 612.00	\$ -	\$ -	\$ -
iv PUT to Department of Education	\$ -	\$ -	\$ -	\$ -
v Other System Adjustments	\$ -	\$ -	\$ -	\$ -
vi Additional Disbursements	\$ (1,985,802.49)	\$ (2,147,885.60)	\$ (1,615,276.47)	\$ (1,847,294.35)
vii Total Principal Collections	\$ 30,634,466.26	\$ 33,649,703.99	\$ 35,873,017.68	\$ 33,479,650.99
<b>Student Loan Non-Cash Principal Activity</b>				
i Other Adjustments	\$ 122,206.27	\$ 386,681.04	\$ 30,960.03	\$ 58,619.35
ii Capitalized Interest	\$ (6,674,463.80)	\$ (2,900,869.98)	\$ (3,541,583.98)	\$ (4,332,672.51)
iii Total Non-Cash Principal Activity	\$ (6,552,257.53)	\$ (2,514,188.94)	\$ (3,510,623.95)	\$ (4,274,053.16)
<b>(-) Total Student Loan Principal Activity</b>	<b>\$ 24,082,208.73</b>	<b>\$ 31,135,515.05</b>	<b>\$ 32,362,393.73</b>	<b>\$ 29,205,597.83</b>
<b>Student Loan Interest Activity</b>				
i Regular Interest Collections	\$ 9,115,583.08	\$ 9,200,664.35	\$ 9,067,002.17	\$ 8,984,466.30
ii Interest Claims Received from Guarantors	\$ 103,620.34	\$ 129,873.22	\$ 174,325.64	\$ 140,960.22
iii Collection Fees / Returned Items	\$ -	\$ -	\$ -	\$ -
iv Late Fee Reimbursements	\$ -	\$ -	\$ -	\$ -
v Interest Reimbursements	\$ -	\$ -	\$ -	\$ -
vi Other System Adjustments	\$ -	\$ -	\$ -	\$ -
vii Special Allowance Payments/(Recapture)	\$ (5,024,206.88)	\$ (4,755,328.02)	\$ (4,648,772.63)	\$ (4,676,507.93)
viii Subsidy Payments	\$ 2,726,252.95	\$ 2,508,886.08	\$ 2,338,479.49	\$ 2,278,573.76
ix Accrued Borrower Interest on Purchased Loans	\$ (965.54)	\$ -	\$ -	\$ -
x Total Interest Repayments	\$ 6,920,283.95	\$ 7,084,095.63	\$ 6,931,034.67	\$ 6,727,492.35
<b>Student Loan Non-Cash Interest Activity</b>				
i Interest Accrual Adjustments	\$ 349,367.71	\$ 639,675.69	\$ 554,172.04	\$ 515,109.82
ii Capitalized Interest	\$ 6,674,463.80	\$ 2,900,869.98	\$ 3,541,583.98	\$ 4,332,672.51
iii Total Non-Cash Interest Adjustments	\$ 7,023,831.51	\$ 3,540,545.67	\$ 4,095,756.02	\$ 4,847,782.33
<b>Total Student Loan Interest Activity</b>	<b>\$ 13,944,115.46</b>	<b>\$ 10,624,641.30</b>	<b>\$ 11,026,790.69</b>	<b>\$ 11,575,274.68</b>
<b>(=) Ending Student Loan Portfolio Balance</b>	<b>\$ 1,445,045,761.54</b>	<b>\$ 1,410,590,772.33</b>	<b>\$ 1,378,630,527.99</b>	<b>\$ 1,349,973,414.15</b>
<b>(+) Interest to be Capitalized</b>	<b>\$ 16,826,412.30</b>	<b>\$ 17,897,014.57</b>	<b>\$ 18,450,530.75</b>	<b>\$ 18,185,146.99</b>
<b>(=) TOTAL POOL</b>	<b>\$ 1,447,928,058.38</b>	<b>\$ 1,417,863,145.60</b>	<b>\$ 1,386,054,268.05</b>	<b>\$ 1,356,583,286.46</b>
<b>(+) Pending Portfolio Adjustments</b>	<b>\$ 1,655.82</b>	<b>\$ (7.24)</b>	<b>\$ -</b>	<b>\$ (200.00)</b>
<b>(+) Trust Cash Available</b>	<b>\$ 73,535,977.03</b>	<b>\$ 86,574,434.97</b>	<b>\$ 113,550,999.48</b>	<b>\$ 117,572,262.74</b>
<b>(+) Reserve Account Balance</b>	<b>\$ 16,008,910.00</b>	<b>\$ 16,008,910.00</b>	<b>\$ 16,008,910.00</b>	<b>\$ 16,008,910.00</b>
<b>(=) Total Adjusted Pool</b>	<b>\$ 1,537,474,601.23</b>	<b>\$ 1,520,446,483.33</b>	<b>\$ 1,515,614,177.53</b>	<b>\$ 1,490,164,259.20</b>

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

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	5/31/2011	8/31/2011	5/31/2011	8/31/2011	5/31/2011	8/31/2011	5/31/2011	8/31/2011	5/31/2011	8/31/2011
<b>INTERIM:</b>										
<b>In School</b>	6.26%	6.27%	14,919	12,987	7.6%	6.7%	\$ 48,209,347	\$ 42,133,682	3.5%	3.1%
Current										
<b>Grace</b>	6.26%	6.27%	9,446	7,288	4.8%	3.8%	\$ 31,973,316	\$ 24,670,571	2.3%	1.8%
Current										
<b>TOTAL INTERIM</b>	<b>6.26%</b>	<b>6.27%</b>	<b>24,365</b>	<b>20,275</b>	<b>12.3%</b>	<b>10.5%</b>	<b>\$ 80,182,663</b>	<b>\$ 66,804,253</b>	<b>5.9%</b>	<b>5.0%</b>
<b>REPAYMENT</b>										
<b>Active</b>	<b>4.35%</b>	<b>4.35%</b>	<b>128,911</b>	<b>129,447</b>	<b>65.3%</b>	<b>67.0%</b>	<b>\$ 1,020,117,567</b>	<b>\$ 1,009,198,035</b>	<b>74.6%</b>	<b>75.4%</b>
Current	4.26%	4.25%	110,814	110,371	56.2%	57.2%	\$ 909,581,249	\$ 894,081,204	66.5%	66.8%
31-60 Days Delinquent	4.85%	5.04%	5,092	5,753	2.6%	3.0%	\$ 32,233,718	\$ 34,398,917	2.4%	2.6%
61-90 Days Delinquent	4.93%	4.84%	3,139	3,417	1.6%	1.8%	\$ 18,361,139	\$ 21,769,029	1.3%	1.6%
91-120 Days Delinquent	4.82%	4.98%	2,263	2,103	1.1%	1.1%	\$ 14,924,605	\$ 14,612,182	1.1%	1.1%
> 120 Days Delinquent	5.00%	4.87%	7,603	7,803	3.9%	4.0%	\$ 45,016,856	\$ 44,336,703	3.3%	3.3%
<b>Deferment</b>										
Current	4.77%	4.78%	33,402	32,369	16.9%	16.8%	\$ 193,025,239	\$ 186,127,806	14.1%	13.9%
<b>Forbearance</b>										
Current	4.89%	4.92%	8,685	8,474	4.4%	4.4%	\$ 63,230,443	\$ 61,190,986	4.6%	4.6%
<b>TOTAL REPAYMENT</b>	<b>4.42%</b>	<b>4.42%</b>	<b>170,998</b>	<b>170,290</b>	<b>86.7%</b>	<b>88.2%</b>	<b>\$ 1,276,373,249</b>	<b>\$ 1,256,516,827</b>	<b>93.3%</b>	<b>93.9%</b>
<b>Claims in Process</b>	5.06%	4.94%	1,953	2,505	1.0%	1.3%	\$ 11,033,986	\$ 15,073,089	0.8%	1.1%
<b>Aged Claims Rejected</b>	4.00%	2.36%	2	2	0.0%	0.0%	\$ 13,839	\$ 3,970	0.0%	0.0%
<b>GRAND TOTAL</b>	<b>4.54%</b>	<b>4.52%</b>	<b>197,318</b>	<b>193,072</b>	<b>100%</b>	<b>100%</b>	<b>\$ 1,367,603,737</b>	<b>\$ 1,338,398,139</b>	<b>100%</b>	<b>100%</b>