



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 August 01, 2014 through August 31, 2014

Distribution Date: September 22, 2014

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics		7/31/2014	Activity	8/31/2014
A	i Principal Balance	\$ 1,103,152,963.29	\$ (9,147,082.34)	\$ 1,094,005,880.95
	ii Accrued Interest	\$ 14,018,559.19	\$ 359,876.21	\$ 14,378,435.40
	iii Total Student Loan Pool	\$ 1,117,171,522.48		\$ 1,108,384,316.35
	iv Pending Portfolio adjustments	\$ (424.31)		\$ (2,723.56)
	v Trust Cash	\$ 22,292,460.47		\$ 24,279,273.71
	vi Specified Reserve Account Balance	\$ 11,290,200.00		\$ 11,208,610.00
	vii Total Adjusted Pool	\$ 1,150,753,758.64		\$ 1,143,869,476.50
B	i Weighted Average Coupon (WAC)	4.400%		4.390%
	ii Weighted Average Remaining Term	178.71		178.31
	iii Number of Loans	135,403		134,257
	iv Number of Borrowers	54,635		54,212
	v Outstanding Principal Balance - T-Bill	\$ 15,361,746.92		\$ 15,233,570.61
	vi Outstanding Principal Balance - LIBOR	\$ 1,087,791,216.37		\$ 1,078,772,310.34

Bonds	CUSIP	Original Issue Amount	Rate	Balance 7/31/2014	Pool Factor 7/31/2014	Balance 8/31/2014	Pool Factor 8/31/2014	
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	6.15%
	ii 2006-A Bonds Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 81,356,000.00	7.21%	\$ 81,356,000.00	7.26%
	iii 2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	1.59%	\$ 18,000,000.00	1.61%
	iv 2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 635,913,000.00	56.32%	\$ 627,754,000.00	56.01%
	v 2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	27.04%	\$ 305,300,000.00	27.24%
	vi 2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	1.73%	\$ 19,500,000.00	1.74%
	vii Total Bonds Outstanding Senior			\$ 1,091,520,000.00	96.68%	\$ 1,083,361,000.00	96.65%	
	viii Total Bonds Outstanding Taxable Subordinate			\$ 37,500,000.00	3.32%	\$ 37,500,000.00	3.35%	
	ix Total Bonds Outstanding 1993 Master Indenture - Taxable			\$ 1,129,020,000.00		\$ 1,120,861,000.00		

Indenture Percentage		7/31/2014	8/31/2014
D	i Senior Parity	105.28%	105.35%
	ii Subordinate Parity	101.77%	101.81%

Monthly Trigger Percentage		7/31/2014	8/31/2014
E	i Senior Percentage	102.81%	102.94%
	ii Subordinate Percentage	99.34%	99.43%

Reserve Account		7/31/2014	8/31/2014
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 (\$)	\$ 11,290,200.00	\$ 11,208,610.00
	iv Current Reserve Balance - (\$)		\$ 11,208,610.00
	v Draws on Reserve - Current Month(\$)		\$ 81,590.00

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

Trust Accounts		7/31/2014	8/31/2014
A	i Acquisition Account	\$ 1,015,499.58	\$ 811,000.00
	ii Administration Account	\$ 1,727,000.00	\$ 1,727,000.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 16,770,600.23	\$ 19,464,928.61
	iv Reserve Account	\$ 11,290,200.00	\$ 11,208,610.00
	v Revenue Account	\$ -	\$ -
	vii Surplus Subaccount	\$ 2,779,360.66	\$ 2,276,345.10
	viii Total Trust Accounts	\$ 33,582,660.47	\$ 35,487,883.71

Parity Calculations		7/31/2014	8/31/2014
Value of the Indenture			
B	i Portfolio Balance	\$ 1,103,152,963.29	\$ 1,094,005,880.95
	ii Pending System Adjustments	(424.31)	(2,723.56)
	iii Accrued Borrower Interest	14,018,559.19	14,378,435.40
	iv Accrued Subsidized Interest	337,515.55	651,288.39
	v Less: Unguaranteed Amount Uncollectibles	(696,813.34)	(693,884.72)
	vi Trust Cash and Investments	33,582,660.47	35,487,883.71
	vii Payments in Transit	491,390.93	628,308.26
	viii Other Cash and Assets	-	-
	ix Total Trust Value	\$ 1,150,885,851.78	\$ 1,144,455,188.43
Less:			
	x Accrued Payables	1,358,437.00	2,662,716.00
	xi Net Asset Value - Indenture Percentage	\$ 1,149,527,414.78	\$ 1,141,792,472.43

Bond Interest Outstanding		7/31/2014	8/31/2014
C	i Senior Interest	\$ 396,831.59	\$ 468,151.20
	ii Subordinate Interest	108,331.04	109,839.88
	iii Total Bond Interest	\$ 505,162.63	\$ 577,991.08

Bonds Outstanding		7/31/2014	8/31/2014
D	i Senior Bonds	\$ 1,091,520,000.00	\$ 1,083,361,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 1,129,020,000.00	\$ 1,120,861,000.00

Distribution Amounts - Following Monthly Payment Date		7/31/2014	8/31/2014
E	i Senior Distribution Amount	\$ 18,498,000.00	\$ 20,558,000.00

Indenture Percentage		7/31/2014	8/31/2014
F	i Senior Parity $Bxi / (Ci + Di)$	105.28%	105.35%
	ii Subordinate Parity $Bxi / (Ciii + Diii)$	101.77%	101.81%

Monthly Trigger Percentage		7/31/2014	8/31/2014
G	i Senior Percentage $Bi / (Di - Ei)$	102.81%	102.94%
	ii Subordinate Percentage $Bi / (Diii - Eii)$	99.34%	99.43%

Six Month Average Trigger Percentage		Current Distribution		Next Distribution Report	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	102.81%	99.34%	102.94%	99.43%
	ii 2nd Month Prior	102.95%	99.50%	102.81%	99.34%
	iii 3rd Month Prior	102.82%	99.40%	102.95%	99.50%
	iv 4th Month Prior	102.98%	99.59%	102.82%	99.40%
	v 5th Month Prior	102.77%	99.42%	102.98%	99.59%
	vii 6th Month Prior	102.61%	99.30%	102.77%	99.42%
	viii Six Month Average Trigger Percentage	102.82%	99.43%	102.88%	99.45%

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%	0.23310%	0.35100%	0.35310%
2006-A	612130HP2	9/22/2014	3M LIBOR	0.10%	0.23100%	0.23310%	0.33100%	0.33310%
2006-C	612130HR8	9/22/2014	1M LIBOR	1.20%	0.15550%	0.15350%	1.35550%	1.35350%
2012-A2	61205PAK5	9/22/2014	1M LIBOR	1.00%	0.15550%	0.15350%	1.15550%	1.15350%
2012-A3	61205PAL3	9/22/2014	1M LIBOR	1.05%	0.15550%	0.15350%	1.20550%	1.20350%
2012-B	61205PAM1	9/22/2014	1M LIBOR	1.20%	0.15550%	0.15350%	1.35550%	1.35350%

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	\$ 63,193.59	\$ 63,193.59	\$ -	\$ -	\$ -	\$ -	5.34%
2006-A	612130HP2	\$ 70,314.18	\$ 70,314.18	\$ -	\$ -	\$ -	\$ -	5.95%
2006-C	612130HR8	\$ 22,365.72	\$ 22,365.72	\$ -	\$ 44,645.55	\$ -	\$ 44,645.55	1.89%
2012-A2	61205PAK5	\$ 664,923.31	\$ 664,923.31	\$ -	\$ -	\$ -	\$ -	56.24%
2012-A3	61205PAL3	\$ 337,368.71	\$ 337,368.71	\$ -	\$ -	\$ -	\$ -	28.53%
2012-B	61205PAM1	\$ 24,229.53	\$ 24,229.53	\$ -	\$ 48,366.00	\$ -	\$ 48,366.00	2.05%
TOTAL		\$ 1,182,395.04	\$ 1,182,395.04	\$ -	\$ 93,011.55	\$ -	\$ 93,011.55	

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	\$ 3,416,000.00	\$ 3,416,000.00	\$ -	\$ -	\$ -	\$ -	17.14%
2006-A	612130HP2	\$ 6,923,000.00	\$ 6,923,000.00	\$ -	\$ -	\$ -	\$ -	34.74%
2006-C	612130HR8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-A2	61205PAK5	\$ 9,587,644.61	\$ 9,587,644.61	\$ 0.00	\$ 308,848,544.94	\$ 631,355.39	\$ 308,217,189.55	48.11%
2012-A3	61205PAL3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$ 19,926,644.61	\$ 19,926,644.61	\$ 0.00	\$ 308,848,544.94	\$ 631,355.39	\$ 308,217,189.55	

TOTAL PRINCIPAL DISTRIBUTION \$ 20,558,000.00

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IV. MHESAC System Activity from: 8/1/2014 through: 8/31/2014

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	9,164,789.67
ii	Principal Collections from Guarantor	\$	1,695,736.61
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(8,508.77)
v	Repurchases of Rehabilitated Loans	\$	(829,530.79)
vi	Additional Disbursements/Purchases	\$	-
vii	Total Principal Collections	\$	<u>10,022,486.72</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	6,510.17
ii	Capitalized Interest	\$	(881,914.55)
iii	Total Non-Cash Principal Activity	\$	<u>(875,404.38)</u>
C	Total Student Loan Principal Activity	\$	<u>9,147,082.34</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	2,487,503.39
ii	Interest Claims Received from Guarantors	\$	37,312.19
iii	Other System Adjustments	\$	307.04
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>2,525,122.62</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	110,255.44
ii	Capitalized Interest	\$	881,914.55
iii	Interest Accrued During Period	\$	(3,877,168.82)
iv	Total Non-Cash Interest Adjustments	\$	<u>(2,884,998.83)</u>
F	Total Student Loan Interest Activity	\$	<u>(359,876.21)</u>

Trust Activity from: 8/1/2014 through: 8/31/2014

G	Trust Balances less Reserve - Beginning of Period	\$	22,292,460.47
H	Released Funds in Excess of Reserve Requirement	\$	81,590.00
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	10,721,296.72
ii	Student Loan Interest Received	\$	2,522,290.91
iii	Subsidized Interest Received	\$	-
iv	Investment Income on Trust Accounts	\$	262.48
J	Funds Remitted During Period		
i	Bond Principal	\$	8,159,000.00
ii	Bond Interest	\$	961,961.96
iii	Consolidation Loan Rebate Fees	\$	758,076.79
iv	Management and Servicing Fees	\$	554,051.52
v	Administrative Fees (trustee, listing, etc.)	\$	40,005.81
vi	Special Allowance Rebate	\$	-
vii	Repurchases of Rehabilitated Loans	\$	865,530.79
K	Funds Reserved During Period		
i	Funds Allocated for Accrued Principal 2005-B Bonds		
ii	Funds Allocated for Accrued Principal 2006-A Bonds		
iii	Funds Allocated for Accrued Interest 2005-B Bonds		
iv	Funds Allocated for Accrued Interest 2006-A Bonds		
v	Acquisition Funds for Rehabilitated Loans	\$	811,000.00
vi	Administration Funds	\$	1,727,000.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>21,741,273.71</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****9/22/2014**

A	Total Available Funds for Distribution(IV-L)	\$	21,741,273.71
B	Interest Distributions		
i	2005-B Bonds	\$	63,193.59
ii	2006-A Bonds	\$	70,314.18
iii	2006-C Bonds	\$	22,365.72
iv	2012-A2 Bonds	\$	664,923.31
v	2012-A3 Bonds	\$	337,368.71
vi	2012-B Bonds	\$	24,229.53
vii	Total Bondholder's Interest Distributions	\$	1,182,395.04
C	Principal Distributions		
i	2005-B Bonds	\$	3,416,000.00
ii	2006-A Bonds	\$	6,923,000.00
iii	2006-C Bonds	\$	-
iv	2012-A2 Bonds	\$	10,219,000.00
v	2012-A3 Bonds	\$	-
vi	2012-B Bonds	\$	-
vii	Total Bondholder's Principal Distribution	\$	20,558,000.00
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)	\$	878.67

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	05/01/14-05/31/14	06/01/14-06/30/14	07/01/14-07/31/14	08/01/14-08/31/14
Beginning Student Loan Pool Balance	\$ 1,148,439,964.07	\$ 1,136,693,026.28	\$ 1,126,889,136.67	\$ 1,117,171,522.48
Student Loan Principal Activity				
i Regular Principal Collections	\$ 11,064,778.03	\$ 9,445,016.08	\$ 9,489,931.49	\$ 9,164,789.67
ii Principal Collections from Guarantor	\$ 1,891,905.79	\$ 1,296,773.18	\$ 1,644,799.92	\$ 1,695,736.61
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (46,147.67)	\$ (13,721.26)	\$ (28,376.22)	\$ (8,508.77)
v Repurchase of Rehabilitated Loans	\$ -	\$ -	\$ (205,056.12)	\$ (829,530.79)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 12,910,536.15	\$ 10,728,068.00	\$ 10,901,299.07	\$ 10,022,486.72
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ 6,415.26	\$ 4,708.97	\$ 2,572.02	\$ 6,510.17
ii Capitalized Interest	\$ (1,114,386.04)	\$ (1,159,364.77)	\$ (975,757.64)	\$ (881,914.55)
iii Total Non-Cash Principal Activity	\$ (1,107,970.78)	\$ (1,154,655.80)	\$ (973,185.62)	\$ (875,404.38)
(-) Total Student Loan Principal Activity	\$ 11,802,565.37	\$ 9,573,412.20	\$ 9,928,113.45	\$ 9,147,082.34
Student Loan Interest Activity				
i Regular Interest Collections	\$ 2,594,373.77	\$ 2,715,650.80	\$ 2,568,097.86	\$ 2,487,503.39
ii Interest Claims Received from Guarantors	\$ 50,190.19	\$ 34,008.70	\$ 33,628.73	\$ 37,312.19
iii Other System Adjustments	\$ (16.27)	\$ (131.38)	\$ -	\$ 307.04
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
v Total Interest Repayments	\$ 2,644,547.69	\$ 2,749,528.12	\$ 2,601,726.59	\$ 2,525,122.62
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 160,420.31	\$ 141,145.09	\$ 124,488.83	\$ 110,255.44
ii Capitalized Interest	\$ 1,114,386.04	\$ 1,159,364.77	\$ 975,757.64	\$ 881,914.55
iii Interest Accrued During Period	\$ (3,974,981.62)	\$ (3,819,560.57)	\$ (3,912,472.32)	\$ (3,877,168.82)
iv Total Non-Cash Interest Adjustments	\$ (2,700,175.27)	\$ (2,519,050.71)	\$ (2,812,225.85)	\$ (2,884,998.83)
(-) Total Student Loan Interest Activity	\$ (55,627.58)	\$ 230,477.41	\$ (210,499.26)	\$ (359,876.21)
(=) TOTAL STUDENT LOAN POOL	\$ 1,136,693,026.28	\$ 1,126,889,136.67	\$ 1,117,171,522.48	\$ 1,108,384,316.35
(+) Pending Portfolio Adjustments	\$ -	\$ (27,611.59)	\$ (424.31)	\$ (2,723.56)
(+) Trust Cash Available	\$ 23,094,142.34	\$ 13,744,904.00	\$ 22,292,460.47	\$ 24,279,273.71
(+) Reserve Account Balance	\$ 11,495,570.00	\$ 11,293,940.00	\$ 11,290,200.00	\$ 11,208,610.00
(=) TOTAL ADJUSTED POOL	\$ 1,171,282,738.62	\$ 1,151,900,369.08	\$ 1,150,753,758.64	\$ 1,143,869,476.50

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

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	7/31/2014	8/31/2014	7/31/2014	8/31/2014	7/31/2014	8/31/2014	7/31/2014	8/31/2014	7/31/2014	8/31/2014
INTERIM:										
In School	6.04%	6.01%	1,237	1,193	0.9%	0.9%	\$ 4,023,378	\$ 3,878,744	0.4%	0.4%
Grace	6.25%	6.28%	733	765	0.5%	0.6%	\$ 2,400,536	\$ 2,518,482	0.2%	0.2%
TOTAL INTERIM	6.12%	6.12%	1,970	1,958	1.5%	1.5%	\$ 6,423,914	\$ 6,397,226	0.6%	0.6%
REPAYMENT										
Active	4.30%	4.30%	109,413	108,879	80.8%	81.1%	\$ 934,065,046	\$ 928,485,953	84.7%	84.9%
Current	4.18%	4.18%	94,795	94,054	70.0%	70.1%	\$ 833,192,857	\$ 825,893,933	75.5%	75.5%
31-60 Days Delinquent	5.01%	5.08%	4,471	3,926	3.3%	2.9%	\$ 32,253,944	\$ 27,815,481	2.9%	2.5%
61-90 Days Delinquent	5.13%	5.03%	2,342	3,022	1.7%	2.3%	\$ 15,522,765	\$ 20,723,110	1.4%	1.9%
91-120 Days Delinquent	5.14%	5.07%	1,921	1,840	1.4%	1.4%	\$ 14,269,799	\$ 13,157,645	1.3%	1.2%
> 120 Days Delinquent	5.06%	5.07%	5,884	6,037	4.3%	4.5%	\$ 38,825,681	\$ 40,895,784	3.5%	3.7%
Deferment	5.02%	5.02%	16,090	15,697	11.9%	11.7%	\$ 97,274,145	\$ 94,557,635	8.8%	8.6%
Forbearance	5.01%	4.96%	6,259	6,062	4.6%	4.5%	\$ 54,655,890	\$ 54,719,487	5.0%	5.0%
TOTAL REPAYMENT	4.38%	4.38%	131,762	130,638	97.3%	97.3%	\$ 1,085,995,081	\$ 1,077,763,075	98.4%	98.5%
Claims in Process	5.05%	5.09%	1,671	1,661	1.2%	1.2%	\$ 10,733,968	\$ 9,845,580	1.0%	0.9%
Aged Claims Rejected	0.00%	0.00%	0	0	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.40%	4.39%	135,403	134,257	100%	100%	\$ 1,103,152,963	\$ 1,094,005,881	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	8/31/2014
Cumulative Claims submitted (# of loans)	46,618
Cumulative Claims rejected (# of loans)	88
Cumulative Reject Rate	0.19%

VIV. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
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%
08/31/14	\$ 1,094,005,881	5.39%
* based on the current period's ending pool balance calculated against the original pool balance and assuming cutoff date pool data		