



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, 2016 through August 31, 2016

Distribution Date: September 20, 2016

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics		7/31/2016	Activity	8/31/2016
A	i Principal Balance	\$ 889,181,864.41	\$ (9,318,284.43)	\$ 879,863,579.98
	ii Accrued Interest	\$ 13,929,703.23	\$ (86,934.20)	\$ 13,842,769.03
	iii Total Student Loan Pool	\$ 903,111,567.64		\$ 893,706,349.01
	iv Pending Portfolio adjustments	\$ (58,046.35)		\$ -
	v Trust Cash	\$ 19,803,103.74		\$ 20,484,782.53
	vi Specified Reserve Account Balance	\$ 9,033,190.00		\$ 8,953,830.00
	vii Total Adjusted Pool	\$ 931,889,815.03		\$ 923,144,961.54
B	i Weighted Average Coupon (WAC)	4.360%		4.360%
	ii Weighted Average Remaining Term	171.28		171.10
	iii Number of Loans	107,268		105,901
	iv Number of Borrowers	43,471		42,881
	v Outstanding Principal Balance - T-Bill	\$ 11,749,020.07		\$ 11,633,278.58
	vi Outstanding Principal Balance - LIBOR	\$ 877,409,843.65		\$ 868,207,300.71

Bonds	CUSIP	Original Issue Amount	Rate	Balance 7/31/2016	Pool Factor 7/31/2016	Balance 8/31/2016	Pool Factor 8/31/2016	
C	i 2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 43,846,000.00	4.85%	\$ 43,846,000.00	4.90%
	ii 2006-A Bonds Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 26,180,000.00	2.90%	\$ 26,180,000.00	2.92%
	iii 2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	1.99%	\$ 18,000,000.00	2.01%
	iv 2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 490,493,000.00	54.30%	\$ 482,557,000.00	53.89%
	v 2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	33.80%	\$ 305,300,000.00	34.10%
	vi 2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	2.16%	\$ 19,500,000.00	2.18%
	vii Total Bonds Outstanding Senior		\$ 865,819,000.00		95.85%	\$ 857,883,000.00	95.81%	
	viii Total Bonds Outstanding Taxable Subordinate		\$ 37,500,000.00		4.15%	\$ 37,500,000.00	4.19%	
	ix Total Bonds Outstanding 1993 Master Indenture - Taxable		\$ 903,319,000.00			\$ 895,383,000.00		

Indenture Percentage		7/31/2016	8/31/2016
D	i Senior Parity	107.34%	107.42%
	ii Subordinate Parity	102.87%	102.91%

Monthly Trigger Percentage		7/31/2016	8/31/2016
E	i Senior Percentage	104.76%	104.76%
	ii Subordinate Percentage	100.33%	100.28%

Reserve Account		7/31/2016	8/31/2016
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 (\$)	\$ 9,033,190.00	\$ 8,953,830.00
	iv Current Reserve Balance - (\$)		\$ 8,953,830.00
	v Draws on Reserve - Current Month(\$)		\$ 79,360.00

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

Trust Accounts		7/31/2016	8/31/2016
A	i Acquisition Account	\$ 441,533.18	\$ 262,393.48
	ii Administration Account	\$ 1,065,700.00	\$ 1,065,700.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 16,203,098.22	\$ 16,699,897.63
	iv Reserve Account	\$ 9,033,190.00	\$ 8,953,830.00
	v Revenue Account	\$ -	\$ -
	vii Surplus Subaccount	\$ 2,092,772.34	\$ 2,456,791.42
	viii Total Trust Accounts	\$ 28,836,293.74	\$ 29,438,612.53

Parity Calculations		7/31/2016	8/31/2016
B	Value of the Indenture		
	i Portfolio Balance	\$ 889,181,864.41	\$ 879,863,579.98
	ii Pending System Adjustments	(58,046.35)	-
	iii Accrued Borrower Interest	13,929,703.23	13,842,769.03
	iv Accrued Subsidized Interest	973,000.12	452,475.22
	v Less: Unguaranteed Amount Uncollectibles	(426,608.95)	(429,095.62)
	vi Trust Cash and Investments	28,836,293.74	29,438,612.53
	vii Payments in Transit	1,204,604.52	689,783.96
	viii Other Cash and Assets	37,310.47	-
	ix Total Trust Value	\$ 933,678,121.19	\$ 923,858,125.10
	Less:		
	x Accrued Payables	3,813,388.83	1,836,543.80
	xi Net Asset Value - Indenture Percentage	\$ 929,864,732.36	\$ 922,021,581.30

Bond Interest Outstanding		7/31/2016	8/31/2016
C	i Senior Interest	\$ 461,435.08	\$ 443,029.79
	ii Subordinate Interest	116,691.54	113,582.34
	iii Total Bond Interest	\$ 578,126.62	\$ 556,612.13

Bonds Outstanding		7/31/2016	8/31/2016
D	i Senior Bonds	\$ 865,819,000.00	\$ 857,883,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 903,319,000.00	\$ 895,383,000.00

Distribution Amounts - Following Monthly Payment Date		7/31/2016	8/31/2016
E	i Senior Distribution Amount	\$ 17,048,000.00	\$ 17,996,000.00

Indenture Percentage		7/31/2016	8/31/2016
F	i Senior Parity $Bxi / (Ci + Di)$	107.34%	107.42%
	ii Subordinate Parity $Bxi / (Ciii + Diii)$	102.87%	102.91%

Monthly Trigger Percentage		7/31/2016	8/31/2016
G	i Senior Percentage $Bi / (Di - Ei)$	104.76%	104.76%
	ii Subordinate Percentage $Bi / (Diii - Eii)$	100.33%	100.28%

Six Month Average Trigger Percentage		Current Distribution		Next Distribution Report	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	104.76%	100.33%	104.76%	100.28%
	ii 2nd Month Prior	104.75%	100.36%	104.76%	100.33%
	iii 3rd Month Prior	104.44%	100.11%	104.75%	100.36%
	iv 4th Month Prior	104.34%	100.05%	104.44%	100.11%
	v 5th Month Prior	104.52%	100.26%	104.34%	100.05%
	vii 6th Month Prior	104.26%	100.07%	104.52%	100.26%
	viii Six Month Average Trigger Percentage	104.51%	100.20%	104.59%	100.23%

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	9/20/2016	3M LIBOR	0.12%	0.64660%	0.85711%	0.76660%	0.97711%
2006-A	612130HP2	9/20/2016	3M LIBOR	0.10%	0.64660%	0.85711%	0.74660%	0.95711%
2006-C	612130HR8	9/20/2016	1M LIBOR	1.20%	0.51244%	0.53178%	1.71244%	1.73178%
2012-A2	61205PAK5	9/20/2016	1M LIBOR	1.00%	0.51244%	0.53178%	1.51244%	1.53178%
2012-A3	61205PAL3	9/20/2016	1M LIBOR	1.05%	0.51244%	0.53178%	1.56244%	1.58178%
2012-B	61205PAM1	9/20/2016	1M LIBOR	1.20%	0.51244%	0.53178%	1.71244%	1.73178%

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	\$ 85,898.21	\$ 85,898.21	\$ -	\$ -	\$ -	\$ -	7.41%
2006-A	612130HP2	\$ 49,950.86	\$ 49,950.86	\$ -	\$ -	\$ -	\$ -	4.31%
2006-C	612130HR8	\$ 24,830.46	\$ 24,830.46	\$ -	\$ 46,003.38	\$ -	\$ 46,003.38	2.14%
2012-A2	61205PAK5	\$ 587,923.32	\$ 587,923.32	\$ -	\$ -	\$ -	\$ -	50.69%
2012-A3	61205PAL3	\$ 384,259.74	\$ 384,259.74	\$ -	\$ -	\$ -	\$ -	33.13%
2012-B	61205PAM1	\$ 26,899.67	\$ 26,899.67	\$ -	\$ 49,836.96	\$ -	\$ 49,836.96	2.32%
TOTAL		\$ 1,159,762.26	\$ 1,159,762.26	\$ -	\$ 95,840.34	\$ -	\$ 95,840.34	

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	\$ 2,884,000.00	\$ 2,884,000.00	\$ -	\$ -	\$ -	\$ -	24.01%
2006-A	612130HP2	\$ 6,228,000.00	\$ 6,228,000.00	\$ -	\$ -	\$ -	\$ -	51.85%
2006-C	612130HR8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-A2	61205PAK5	\$ 2,899,012.24	\$ 2,899,012.24	\$ -	\$ 440,470,256.15	\$ 5,984,987.76	\$ 434,485,268.39	24.14%
2012-A3	61205PAL3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$12,011,012.24	\$ 12,011,012.24	\$ -	\$ 440,470,256.15	\$ 5,984,987.76	\$ 434,485,268.39	

TOTAL PRINCIPAL DISTRIBUTION	\$ 17,996,000.00
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IV. MHESAC System Activity from: 8/1/2016 through: 8/31/2016

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	8,955,251.27
ii	Principal Collections from Guarantor	\$	1,690,901.94
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(8,345.15)
v	Repurchases of Rehabilitated Loans	\$	(439,775.19)
vi	Additional Disbursements/Purchases	\$	-
vii	Total Principal Collections	\$	<u>10,198,032.87</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	44,739.62
ii	Capitalized Interest	\$	(924,488.06)
iii	Total Non-Cash Principal Activity	\$	<u>(879,748.44)</u>
C	Total Student Loan Principal Activity	\$	<u>9,318,284.43</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	2,135,083.10
ii	Interest Claims Received from Guarantors	\$	58,745.60
iii	Other System Adjustments	\$	-
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>2,193,828.70</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	119,268.92
ii	Capitalized Interest	\$	924,488.06
iii	Interest Accrued During Period	\$	(3,150,651.48)
iv	Total Non-Cash Interest Adjustments	\$	<u>(2,106,894.50)</u>
F	Total Student Loan Interest Activity	\$	<u>86,934.20</u>

Trust Activity from: 8/1/2016 through: 8/31/2016

G	Trust Balances less Reserve - Beginning of Period	\$	19,803,103.74
H	Released Funds in Excess of Reserve Requirement	\$	79,360.00
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	11,086,918.64
ii	Student Loan Interest Received	\$	2,202,737.71
iii	Subsidized Interest Received	\$	754,825.08
iv	Investment Income on Trust Accounts	\$	7,466.58
J	Funds Remitted During Period		
i	Bond Principal	\$	7,936,000.00
ii	Bond Interest	\$	1,156,370.15
iii	Consolidation Loan Rebate Fees	\$	632,022.57
iv	Management and Servicing Fees	\$	446,626.70
v	Administrative Fees (trustee, listing, etc.)	\$	-
vi	Special Allowance Rebate	\$	2,881,470.10
vii	Repurchases of Rehabilitated Loans	\$	397,139.70
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	\$	262,393.48
vi	Administration Funds	\$	1,065,700.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>19,156,689.05</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****9/20/2016**

A	Total Available Funds for Distribution(IV-L)	\$	19,156,689.05
B	Interest Distributions		
i	2005-B Bonds	\$	85,898.21
ii	2006-A Bonds	\$	49,950.86
iii	2006-C Bonds	\$	24,830.46
iv	2012-A2 Bonds	\$	587,923.32
v	2012-A3 Bonds	\$	384,259.74
vi	2012-B Bonds	\$	26,899.67
vii	Total Bondholder's Interest Distributions	\$	1,159,762.26
C	Principal Distributions		
i	2005-B Bonds	\$	2,884,000.00
ii	2006-A Bonds	\$	6,228,000.00
iii	2006-C Bonds	\$	-
iv	2012-A2 Bonds	\$	8,884,000.00
v	2012-A3 Bonds	\$	-
vi	2012-B Bonds	\$	-
vii	Total Bondholder's Principal Distribution	\$	17,996,000.00
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)	\$	926.79

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	05/01/16-05/31/16	06/01/16-06/30/16	07/01/16-07/31/16	08/01/16-08/31/16
Beginning Student Loan Pool Balance	\$ 928,105,724.20	\$ 919,265,277.37	\$ 911,109,771.55	\$ 903,111,567.64
Student Loan Principal Activity				
i Regular Principal Collections	\$ 8,509,792.17	\$ 8,353,667.73	\$ 8,329,268.91	\$ 8,955,251.27
ii Principal Collections from Guarantor	\$ 1,430,567.64	\$ 1,244,319.42	\$ 1,176,655.67	\$ 1,690,901.94
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (5,776.72)	\$ (7,706.84)	\$ (12,716.68)	\$ (8,345.15)
v Repurchase of Rehabilitated Loans	\$ (151,234.11)	\$ (572,132.24)	\$ (396,843.46)	\$ (439,775.19)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 9,783,348.98	\$ 9,018,148.07	\$ 9,096,364.44	\$ 10,198,032.87
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ (852.71)	\$ 2,021.99	\$ 1,294.89	\$ 44,739.62
ii Capitalized Interest	\$ (987,690.79)	\$ (986,311.74)	\$ (849,085.72)	\$ (924,488.06)
iii Total Non-Cash Principal Activity	\$ (988,543.50)	\$ (984,289.75)	\$ (847,790.83)	\$ (879,748.44)
(-) Total Student Loan Principal Activity	\$ 8,794,805.48	\$ 8,033,858.32	\$ 8,248,573.61	\$ 9,318,284.43
Student Loan Interest Activity				
i Regular Interest Collections	\$ 2,133,695.25	\$ 2,101,154.21	\$ 1,961,699.53	\$ 2,135,083.10
ii Interest Claims Received from Guarantors	\$ 52,057.19	\$ 36,651.72	\$ 30,391.85	\$ 58,745.60
iii Other System Adjustments	\$ (0.59)	\$ (1.20)	\$ (12.77)	\$ -
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
v Total Interest Repayments	\$ 2,185,751.85	\$ 2,137,804.73	\$ 1,992,078.61	\$ 2,193,828.70
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 95,155.94	\$ 92,754.64	\$ 89,646.77	\$ 119,268.92
ii Capitalized Interest	\$ 987,690.79	\$ 986,311.74	\$ 849,085.72	\$ 924,488.06
iii Interest Accrued During Period	\$ (3,222,957.23)	\$ (3,095,223.61)	\$ (3,181,180.80)	\$ (3,150,651.48)
iv Total Non-Cash Interest Adjustments	\$ (2,140,110.50)	\$ (2,016,157.23)	\$ (2,242,448.31)	\$ (2,106,894.50)
(-) Total Student Loan Interest Activity	\$ 45,641.35	\$ 121,647.50	\$ (250,369.70)	\$ 86,934.20
(=) TOTAL STUDENT LOAN POOL	\$ 919,265,277.37	\$ 911,109,771.55	\$ 903,111,567.64	\$ 893,706,349.01
(+) Pending Portfolio Adjustments	\$ (193.76)	\$ -	\$ (58,046.35)	\$ -
(+) Trust Cash Available	\$ 22,045,499.08	\$ 12,783,428.85	\$ 19,803,103.74	\$ 20,484,782.53
(+) Reserve Account Balance	\$ 9,233,250.00	\$ 9,044,830.00	\$ 9,033,190.00	\$ 8,953,830.00
(=) TOTAL ADJUSTED POOL	\$ 950,543,832.69	\$ 932,938,030.40	\$ 931,889,815.03	\$ 923,144,961.54

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

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	7/31/2016	8/31/2016	7/31/2016	8/31/2016	7/31/2016	8/31/2016	7/31/2016	8/31/2016	7/31/2016	8/31/2016
INTERIM:										
In School	6.07%	6.09%	314	309	0.3%	0.3%	\$ 980,393	\$ 999,590	0.1%	0.1%
Grace	6.23%	5.96%	89	90	0.1%	0.1%	\$ 300,235	\$ 295,090	0.0%	0.0%
TOTAL INTERIM	6.11%	6.06%	403	399	0.4%	0.4%	\$ 1,280,628	\$ 1,294,680	0.1%	0.1%
REPAYMENT										
Active	4.28%	4.27%	91,787	90,180	85.6%	85.2%	\$ 778,892,294	\$ 768,193,102	87.6%	87.3%
Current	4.16%	4.16%	80,423	79,470	75.0%	75.0%	\$ 692,269,371	\$ 685,605,532	77.9%	77.9%
31-60 Days Delinquent	5.08%	5.03%	3,286	2,842	3.1%	2.7%	\$ 25,448,414	\$ 22,397,176	2.9%	2.5%
61-90 Days Delinquent	5.19%	5.16%	1,686	1,936	1.6%	1.8%	\$ 12,729,963	\$ 14,386,088	1.4%	1.6%
91-120 Days Delinquent	5.06%	4.96%	1,397	1,287	1.3%	1.2%	\$ 11,458,097	\$ 9,864,605	1.3%	1.1%
> 120 Days Delinquent	5.19%	5.17%	4,995	4,645	4.7%	4.4%	\$ 36,986,449	\$ 35,939,701	4.2%	4.1%
Deferment	4.90%	4.88%	9,090	8,951	8.5%	8.5%	\$ 55,973,882	\$ 54,827,534	6.3%	6.2%
Forbearance	5.16%	5.17%	4,636	4,789	4.3%	4.5%	\$ 43,276,132	\$ 44,301,220	4.9%	5.0%
TOTAL REPAYMENT	4.35%	4.35%	105,513	103,920	98.4%	98.1%	\$ 878,142,308	\$ 867,321,856	98.8%	98.6%
Claims in Process	5.09%	5.33%	1,352	1,582	1.3%	1.5%	\$ 9,735,928	\$ 11,224,043	1.1%	1.3%
Aged Claims Rejected	0.00%	0.00%	-	-	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.36%	4.36%	107,268	105,901	100%	100%	\$ 889,158,864	\$ 879,840,579	100%	100%
In Collections	5.93%	5.93%	6	6	0%	0%	\$ 23,001	\$ 23,001	0%	0%
TOTAL POOL	4.36%	4.36%	107,274	105,907	100%	100%	\$ 889,181,865	\$ 879,863,580	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	8/31/2016
Cumulative Claims submitted (# of loans)	51,763
Cumulative Claims rejected (# of loans)	88
Cumulative Reject Rate	0.17%

IV. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
05/31/16	\$ 905,441,296	5.02%
06/30/16	\$ 897,407,437	5.00%
07/31/16	\$ 889,158,864	4.97%
08/31/16	\$ 879,840,579	4.98%
* based on the current period's ending pool balance calculated against the original pool balance and assuming cutoff date pool data		