



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 September 01, 2014 through September 30, 2014

Distribution Date: October 20, 2014

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics		8/31/2014	Activity	9/30/2014	
A	i	Principal Balance	\$ 1,094,005,880.95	\$ (9,906,455.83)	\$ 1,084,099,425.12
	ii	Accrued Interest	\$ 14,378,435.40	\$ (123,651.09)	\$ 14,254,784.31
	iii	Total Student Loan Pool	\$ 1,108,384,316.35		\$ 1,098,354,209.43
	iv	Pending Portfolio adjustments	\$ (2,723.56)		\$ (307.09)
	v	Trust Cash	\$ 24,279,273.71		\$ 14,873,310.62
	vi	Specified Reserve Account Balance	\$ 11,208,610.00		\$ 11,003,030.00
	vii	Total Adjusted Pool	\$ 1,143,869,476.50		\$ 1,124,230,242.96
B	i	Weighted Average Coupon (WAC)	4.390%		4.390%
	ii	Weighted Average Remaining Term	178.31		177.98
	iii	Number of Loans	134,257		132,876
	iv	Number of Borrowers	54,212		53,675
	v	Outstanding Principal Balance - T-Bill	\$ 15,233,570.61		\$ 15,124,335.82
	vi	Outstanding Principal Balance - LIBOR	\$ 1,078,772,310.34		\$ 1,068,975,089.30

Bonds	CUSIP	Original Issue Amount	Rate	Balance 8/31/2014	Pool Factor 8/31/2014	Balance 9/30/2014	Pool Factor 9/30/2014		
C	i	2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 68,951,000.00	6.15%	\$ 65,535,000.00	5.96%
	ii	2006-A Bonds Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 81,356,000.00	7.26%	\$ 74,433,000.00	6.76%
	iii	2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	1.61%	\$ 18,000,000.00	1.64%
	iv	2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 627,754,000.00	56.01%	\$ 617,535,000.00	56.12%
	v	2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	27.24%	\$ 305,300,000.00	27.75%
	vi	2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	1.74%	\$ 19,500,000.00	1.77%
	vii	Total Bonds Outstanding Senior		\$ 1,083,361,000.00		\$ 1,062,803,000.00	96.65%	\$ 1,062,803,000.00	96.59%
	viii	Total Bonds Outstanding Taxable Subordinate		\$ 37,500,000.00		\$ 37,500,000.00	3.35%	\$ 37,500,000.00	3.41%
	ix	Total Bonds Outstanding 1993 Master Indenture - Taxable		\$ 1,120,861,000.00		\$ 1,100,303,000.00			

Indenture Percentage		8/31/2014	9/30/2014	
D	i	Senior Parity	105.35%	105.48%
	ii	Subordinate Parity	101.81%	101.88%

Monthly Trigger Percentage		8/31/2014	9/30/2014	
E	i	Senior Percentage	102.94%	103.12%
	ii	Subordinate Percentage	99.43%	99.57%

Reserve Account		8/31/2014	9/30/2014	
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 (\$)	\$ 11,208,610.00	\$ 11,003,030.00
	iv	Current Reserve Balance - (\$)		\$ 11,003,030.00
	v	Draws on Reserve - Current Month(\$)		\$ 205,580.00

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

Trust Accounts		8/31/2014	9/30/2014
A	i Acquisition Account	\$ 811,000.00	\$ 676,162.51
	ii Administration Account	\$ 1,727,000.00	\$ 1,727,000.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 19,464,928.61	\$ 12,340,737.31
	iv Reserve Account	\$ 11,208,610.00	\$ 11,003,030.00
	v Revenue Account	\$ -	\$ 8,026.27
	vii Surplus Subaccount	\$ 2,276,345.10	\$ 121,384.53
	viii Total Trust Accounts	\$ 35,487,883.71	\$ 25,876,340.62

Parity Calculations		8/31/2014	9/30/2014
Value of the Indenture			
B	i Portfolio Balance	\$ 1,094,005,880.95	\$ 1,084,099,425.12
	ii Pending System Adjustments	(2,723.56)	(307.09)
	iii Accrued Borrower Interest	14,378,435.40	14,254,784.31
	iv Accrued Subsidized Interest	651,288.39	975,027.42
	v Less: Unguaranteed Amount Uncollectibles	(693,884.72)	(694,730.64)
	vi Trust Cash and Investments	35,487,883.71	25,876,340.62
	vii Payments in Transit	628,308.26	873,612.54
	viii Other Cash and Assets	-	7,849.72
	ix Total Trust Value	\$ 1,144,455,188.43	\$ 1,125,392,002.00
Less:			
	x Accrued Payables	2,662,716.00	4,031,840.56
	xi Net Asset Value - Indenture Percentage	\$ 1,141,792,472.43	\$ 1,121,360,161.44

Bond Interest Outstanding		8/31/2014	9/30/2014
C	i Senior Interest	\$ 468,151.20	\$ 281,922.30
	ii Subordinate Interest	109,839.88	105,700.62
	iii Total Bond Interest	\$ 577,991.08	\$ 387,622.92

Bonds Outstanding		8/31/2014	9/30/2014
D	i Senior Bonds	\$ 1,083,361,000.00	\$ 1,062,803,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 1,120,861,000.00	\$ 1,100,303,000.00

Distribution Amounts - Following Monthly Payment Date		8/31/2014	9/30/2014
E	i Senior Distribution Amount	\$ 20,558,000.00	\$ 11,542,000.00

Indenture Percentage		8/31/2014	9/30/2014
F	i Senior Parity $Bxi / (Ci + Di)$	105.35%	105.48%
	ii Subordinate Parity $Bxi / (Ciii + Dii)$	101.81%	101.88%

Monthly Trigger Percentage		8/31/2014	9/30/2014
G	i Senior Percentage $Bi / (Di - Ei)$	102.94%	103.12%
	ii Subordinate Percentage $Bi / (Diii - Eii)$	99.43%	99.57%

Six Month Average Trigger Percentage		Current Distribution		Next Distribution Report	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	102.94%	99.43%	103.12%	99.57%
	ii 2nd Month Prior	102.81%	99.34%	102.94%	99.43%
	iii 3rd Month Prior	102.95%	99.50%	102.81%	99.34%
	iv 4th Month Prior	102.82%	99.40%	102.95%	99.50%
	v 5th Month Prior	102.98%	99.59%	102.82%	99.40%
	vii 6th Month Prior	102.77%	99.42%	102.98%	99.59%
	viii Six Month Average Trigger Percentage	102.88%	99.45%	102.94%	99.47%

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	12/22/2014	3M LIBOR	0.12%	0.23310%	0.23310%	0.35310%	0.35310%
	2006-A	612130HP2	12/22/2014	3M LIBOR	0.10%	0.23310%	0.23310%	0.33310%	0.33310%
	2006-C	612130HR8	10/20/2014	1M LIBOR	1.20%	0.15350%	0.15700%	1.35350%	1.35700%
	2012-A2	61205PAK5	10/20/2014	1M LIBOR	1.00%	0.15350%	0.15700%	1.15350%	1.15700%
	2012-A3	61205PAL3	10/20/2014	1M LIBOR	1.05%	0.15350%	0.15700%	1.20350%	1.20700%
	2012-B	61205PAM1	10/20/2014	1M LIBOR	1.20%	0.15350%	0.15700%	1.35350%	1.35700%

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	\$ 18,948.96	\$ 18,948.96	\$ -	\$ 44,692.55	\$ 44,692.55	2.16%
	2012-A2	61205PAK5	\$ 554,033.88	\$ 554,033.88	\$ -	\$ -	\$ -	63.01%
	2012-A3	61205PAL3	\$ 285,779.12	\$ 285,779.12	\$ -	\$ -	\$ -	32.50%
	2012-B	61205PAM1	\$ 20,528.04	\$ 20,528.04	\$ -	\$ 48,416.92	\$ 48,416.92	2.33%
	TOTAL	\$ 879,290.00	\$ 879,290.00	\$ -	\$ 93,109.47	\$ -	\$ 93,109.47	

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	\$19,353,450.25	\$ 1,178,000.00	\$ 18,175,450.25	\$ 308,217,189.55	\$ 326,392,639.80	100.00%
	2012-A3	61205PAL3	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	TOTAL	\$19,353,450.25	\$ 1,178,000.00	\$ 18,175,450.25	\$ 308,217,189.55	\$ -	\$ 326,392,639.80	

TOTAL PRINCIPAL DISTRIBUTION	\$ 1,178,000.00
-------------------------------------	------------------------

MHESAC 1993 Master Indenture

IV. MHESAC System Activity from: 9/1/2014 through: 9/30/2014

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	9,770,390.94
ii	Principal Collections from Guarantor	\$	1,608,555.57
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(11,125.66)
v	Repurchases of Rehabilitated Loans	\$	(452,837.48)
vi	Additional Disbursements/Purchases	\$	-
vii	Total Principal Collections	\$	<u>10,914,983.37</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	1,564.43
ii	Capitalized Interest	\$	(1,010,091.97)
iii	Total Non-Cash Principal Activity	\$	<u>(1,008,527.54)</u>
C	Total Student Loan Principal Activity	\$	<u>9,906,455.83</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	2,671,643.51
ii	Interest Claims Received from Guarantors	\$	54,953.16
iii	Other System Adjustments	\$	(23.05)
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>2,726,573.62</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	103,044.76
ii	Capitalized Interest	\$	1,010,091.97
iii	Interest Accrued During Period	\$	(3,716,059.26)
iv	Total Non-Cash Interest Adjustments	\$	<u>(2,602,922.53)</u>
F	Total Student Loan Interest Activity	\$	<u>123,651.09</u>

Trust Activity from: 9/1/2014 through: 9/30/2014

G	Trust Balances less Reserve - Beginning of Period	\$	24,279,273.71
H	Released Funds in Excess of Reserve Requirement	\$	205,580.00
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	11,227,237.86
ii	Student Loan Interest Received	\$	2,620,784.40
iii	Subsidized Interest Received	\$	-
iv	Investment Income on Trust Accounts	\$	304.84
J	Funds Remitted During Period		
i	Bond Principal	\$	20,558,000.00
ii	Bond Interest	\$	1,182,395.04
iii	Consolidation Loan Rebate Fees	\$	753,348.73
iv	Management and Servicing Fees	\$	549,288.93
v	Administrative Fees (trustee, listing, etc.)	\$	-
vi	Special Allowance Rebate	\$	-
vii	Repurchases of Rehabilitated Loans	\$	416,837.49
K	Funds Reserved During Period		
i	Funds Allocated for Accrued Principal 2005-B Bonds	\$	3,374,000.00
ii	Funds Allocated for Accrued Principal 2006-A Bonds	\$	6,990,000.00
iii	Funds Allocated for Accrued Interest 2005-B Bonds	\$	19,497.94
iv	Funds Allocated for Accrued Interest 2006-A Bonds	\$	20,890.93
v	Acquisition Funds for Rehabilitated Loans	\$	676,162.51
vi	Administration Funds	\$	1,727,000.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>2,065,759.24</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****10/20/2014**

A	Total Available Funds for Distribution(IV-L)	\$	2,065,759.24
B	Interest Distributions		
i	2005-B Bonds	\$	-
ii	2006-A Bonds	\$	-
iii	2006-C Bonds	\$	18,948.96
iv	2012-A2 Bonds	\$	554,033.88
v	2012-A3 Bonds	\$	285,779.12
vi	2012-B Bonds	\$	20,528.04
vii	Total Bondholder's Interest Distributions	\$	879,290.00
C	Principal Distributions		
i	2005-B Bonds	\$	-
ii	2006-A Bonds	\$	-
iii	2006-C Bonds	\$	-
iv	2012-A2 Bonds	\$	1,178,000.00
v	2012-A3 Bonds	\$	-
vi	2012-B Bonds	\$	-
vii	Total Bondholder's Principal Distribution	\$	1,178,000.00
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)	\$	8,469.24

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	06/01/14-06/30/14	07/01/14-07/31/14	08/01/14-08/31/14	09/01/14-09/30/14
Beginning Student Loan Pool Balance	\$ 1,136,693,026.28	\$ 1,126,889,136.67	\$ 1,117,171,522.48	\$ 1,108,384,316.35
Student Loan Principal Activity				
i Regular Principal Collections	\$ 9,445,016.08	\$ 9,489,931.49	\$ 9,164,789.67	\$ 9,770,390.94
ii Principal Collections from Guarantor	\$ 1,296,773.18	\$ 1,644,799.92	\$ 1,695,736.61	\$ 1,608,555.57
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (13,721.26)	\$ (28,376.22)	\$ (8,508.77)	\$ (11,125.66)
v Repurchase of Rehabilitated Loans	\$ -	\$ (205,056.12)	\$ (829,530.79)	\$ (452,837.48)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 10,728,068.00	\$ 10,901,299.07	\$ 10,022,486.72	\$ 10,914,983.37
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ 4,708.97	\$ 2,572.02	\$ 6,510.17	\$ 1,564.43
ii Capitalized Interest	\$ (1,159,364.77)	\$ (975,757.64)	\$ (881,914.55)	\$ (1,010,091.97)
iii Total Non-Cash Principal Activity	\$ (1,154,655.80)	\$ (973,185.62)	\$ (875,404.38)	\$ (1,008,527.54)
(-) Total Student Loan Principal Activity	\$ 9,573,412.20	\$ 9,928,113.45	\$ 9,147,082.34	\$ 9,906,455.83
Student Loan Interest Activity				
i Regular Interest Collections	\$ 2,715,650.80	\$ 2,568,097.86	\$ 2,487,503.39	\$ 2,671,643.51
ii Interest Claims Received from Guarantors	\$ 34,008.70	\$ 33,628.73	\$ 37,312.19	\$ 54,953.16
iii Other System Adjustments	\$ (131.38)	\$ -	\$ 307.04	\$ (23.05)
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
v Total Interest Repayments	\$ 2,749,528.12	\$ 2,601,726.59	\$ 2,525,122.62	\$ 2,726,573.62
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 141,145.09	\$ 124,488.83	\$ 110,255.44	\$ 103,044.76
ii Capitalized Interest	\$ 1,159,364.77	\$ 975,757.64	\$ 881,914.55	\$ 1,010,091.97
iii Interest Accrued During Period	\$ (3,819,560.57)	\$ (3,912,472.32)	\$ (3,877,168.82)	\$ (3,716,059.26)
iv Total Non-Cash Interest Adjustments	\$ (2,519,050.71)	\$ (2,812,225.85)	\$ (2,884,998.83)	\$ (2,602,922.53)
(-) Total Student Loan Interest Activity	\$ 230,477.41	\$ (210,499.26)	\$ (359,876.21)	\$ 123,651.09
(=) TOTAL STUDENT LOAN POOL	\$ 1,126,889,136.67	\$ 1,117,171,522.48	\$ 1,108,384,316.35	\$ 1,098,354,209.43
(+) Pending Portfolio Adjustments	\$ (27,611.59)	\$ (424.31)	\$ (2,723.56)	\$ (307.09)
(+) Trust Cash Available	\$ 13,744,904.00	\$ 22,292,460.47	\$ 24,279,273.71	\$ 14,873,310.62
(+) Reserve Account Balance	\$ 11,293,940.00	\$ 11,290,200.00	\$ 11,208,610.00	\$ 11,003,030.00
(=) TOTAL ADJUSTED POOL	\$ 1,151,900,369.08	\$ 1,150,753,758.64	\$ 1,143,869,476.50	\$ 1,124,230,242.96

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

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	8/31/2014	9/30/2014	8/31/2014	9/30/2014	8/31/2014	9/30/2014	8/31/2014	9/30/2014	8/31/2014	9/30/2014
INTERIM:										
In School	6.01%	6.18%	1,193	1,183	0.9%	0.9%	\$ 3,878,744	\$ 3,852,826	0.4%	0.4%
Grace	6.28%	6.01%	765	744	0.6%	0.6%	\$ 2,518,482	\$ 2,455,045	0.2%	0.2%
TOTAL INTERIM	6.12%	6.11%	1,958	1,927	1.5%	1.5%	\$ 6,397,226	\$ 6,307,871	0.6%	0.6%
REPAYMENT										
Active	4.30%	4.30%	108,879	106,830	81.1%	80.4%	\$ 928,485,953	\$ 917,769,436	84.9%	84.7%
Current	4.18%	4.18%	94,054	92,802	70.1%	69.8%	\$ 825,893,933	\$ 819,736,694	75.5%	75.6%
31-60 Days Delinquent	5.08%	5.13%	3,926	3,985	2.9%	3.0%	\$ 27,815,481	\$ 29,478,887	2.5%	2.7%
61-90 Days Delinquent	5.03%	5.11%	3,022	2,346	2.3%	1.8%	\$ 20,723,110	\$ 15,589,177	1.9%	1.4%
91-120 Days Delinquent	5.07%	5.01%	1,840	2,041	1.4%	1.5%	\$ 13,157,645	\$ 13,818,535	1.2%	1.3%
> 120 Days Delinquent	5.07%	5.07%	6,037	5,656	4.5%	4.3%	\$ 40,895,784	\$ 39,146,143	3.7%	3.6%
Deferment	5.02%	5.01%	15,697	16,302	11.7%	12.3%	\$ 94,557,635	\$ 95,459,772	8.6%	8.8%
Forbearance	4.96%	4.92%	6,062	6,107	4.5%	4.6%	\$ 54,719,487	\$ 54,655,221	5.0%	5.0%
TOTAL REPAYMENT	4.38%	4.37%	130,638	129,239	97.3%	97.3%	\$ 1,077,763,075	\$ 1,067,884,429	98.5%	98.5%
Claims in Process	5.09%	5.21%	1,661	1,710	1.2%	1.3%	\$ 9,845,580	\$ 9,907,125	0.9%	0.9%
Aged Claims Rejected	0.00%	0.00%	0	0	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.39%	4.39%	134,257	132,876	100%	100%	\$ 1,094,005,881	\$ 1,084,099,425	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	9/30/2014
Cumulative Claims submitted (# of loans)	46,739
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 *
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%
09/30/14	\$ 1,084,099,425	5.39%
* based on the current period's ending pool balance calculated against the original pool balance and assuming cutoff date pool data		