



Montana Higher Education Student Assistance Corporation

Monthly Student Loan Report

1993 Master Indenture - Trust Securing the Following Bonds:

- Senior Series 2005-B
- Subordinate Series 2006-C
- Senior Series 2012-A2
- Senior Series 2012-A3
- Subordinate Series 2012-B

Reporting Period October 01, 2018 through October 31, 2018
Distribution Date: November 20, 2018

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics				9/30/2018	Activity	10/31/2018
A	i	Principal Balance		\$ 669,706,411.45	\$ (7,303,276.80)	\$ 662,403,134.65
	ii	Accrued Interest - To Be Capitalized		\$ 2,305,001.37	\$ (41,559.88)	\$ 2,263,441.49
	iii	Accrued Interest - Non-Capitalized		\$ 11,406,005.48	\$ 155,377.00	\$ 11,561,382.48
	iv	Total Student Loan Pool		\$ 683,417,418.30		\$ 676,227,958.62
	v	Pending Portfolio adjustments		\$ -		\$ -
	vi	Trust Cash		\$ 9,082,474.96		\$ 13,632,094.91
	vii	Specified Reserve Account Balance		\$ 7,343,420.00		\$ 7,343,420.00
	viii	Total Adjusted Pool		\$ 699,843,313.26		\$ 697,203,473.53
B	i	Weighted Average Coupon (WAC)		4.376%		4.373%
	ii	Weighted Average Remaining Term		167.61		167.52
	iii	Number of Loans		77,430		76,294
	iv	Number of Borrowers		31,749		31,290
	v	Outstanding Principal Balance - T-Bill		\$ 7,936,367.47		\$ 7,858,577.08
	vi	Outstanding Principal Balance - LIBOR		\$ 661,770,043.98		\$ 654,544,557.57

Bonds	CUSIP	Original Issue Amount	Rate	Balance 9/30/2018	Pool Factor 9/30/2018	Balance 10/31/2018	Pool Factor 10/31/2018	
i	2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 19,168,000.00	2.84%	\$ 19,168,000.00	2.85%
ii	2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	2.67%	\$ 18,000,000.00	2.68%
iii	2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 313,015,000.00	46.37%	\$ 309,492,000.00	46.09%
iv	2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	45.23%	\$ 305,300,000.00	45.47%
v	2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	2.89%	\$ 19,500,000.00	2.90%
vii	Total Bonds Outstanding Senior			\$ 637,483,000.00	94.44%	\$ 633,960,000.00	94.42%	
viii	Total Bonds Outstanding Taxable Subordinate			\$ 37,500,000.00	5.56%	\$ 37,500,000.00	5.58%	
ix	Total Bonds Outstanding 1993 Master Indenture - Taxable			\$ 674,983,000.00		\$ 671,460,000.00		

Indenture Percentage		9/30/2018	10/31/2018
i	Senior Parity	109.86%	109.91%
ii	Subordinate Parity	103.74%	103.76%

Monthly Trigger Percentage		9/30/2018	10/31/2018
i	Senior Percentage	106.07%	106.25%
ii	Subordinate Percentage	100.12%	100.22%

Reserve Account		9/30/2018	10/31/2018
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 (\$)	\$ 7,343,420.00	\$ 7,343,420.00
iv	Current Reserve Balance - (\$)		\$ 7,343,420.00
v	Draws on Reserve - Current Month(\$)		\$ -

MHESAC 1993 Master Indenture

II. Trust Balances, Parity Calculations, and Trigger Percentages

Trust Accounts		9/30/2018	10/31/2018
A	i Acquisition Account	\$ 114,780.72	\$ 358,091.58
	ii Administration Account	\$ 958,900.00	\$ 958,900.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 8,008,794.24	\$ 11,139,246.01
	iv Reserve Account	\$ 7,343,420.00	\$ 7,343,420.00
	v Revenue Account	\$ -	\$ -
	vii Surplus Subaccount	\$ -	\$ 1,175,857.32
	viii Total Trust Accounts	\$ 16,425,894.96	\$ 20,975,514.91

Parity Calculations		9/30/2018	10/31/2018
B	Value of the Indenture		
	i Portfolio Balance	\$ 669,706,411.45	\$ 662,403,134.65
	ii Pending System Adjustments	-	-
	iii Accrued Borrower Interest	13,711,006.85	13,824,823.97
	iv Accrued Subsidized Interest	1,552,344.86	538,617.85
	v Less: Unguaranteed Amount Uncollectibles	(499,054.54)	(514,723.06)
	vi Trust Cash and Investments	16,425,894.96	20,975,514.91
	vii Payments in Transit	1,062,318.35	475,044.04
	viii Other Cash and Assets	39,142.90	49,248.28
	ix Total Trust Value	\$ 701,998,064.83	\$ 697,751,660.64

	Less:		
x	Accrued Payables	954,157.87	275,742.40
xi	Net Asset Value - Indenture Percentage	\$ 701,043,906.96	\$ 697,475,918.24

Bond Interest Outstanding		9/30/2018	10/31/2018
C	i Senior Interest	\$ 617,066.97	\$ 619,277.17
	ii Subordinate Interest	139,067.79	137,020.16
	iii Total Bond Interest	\$ 756,134.76	\$ 756,297.33

Bonds Outstanding		9/30/2018	10/31/2018
D	i Senior Bonds	\$ 637,483,000.00	\$ 633,960,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 674,983,000.00	\$ 671,460,000.00

Distribution Amounts - Following Monthly Payment Date		9/30/2018	10/31/2018
E	i Senior Distribution Amount	\$ 6,103,000.00	\$ 10,493,000.00

Indenture Percentage		9/30/2018	10/31/2018
F	i Senior Parity $Bxi / (Ci + Di)$	109.86%	109.91%
	ii Subordinate Parity $Bxi / (Ciii + Dii)$	103.74%	103.76%

Monthly Trigger Percentage		9/30/2018	10/31/2018
G	i Senior Percentage $Bi / (Di - Ei)$	106.07%	106.25%
	ii Subordinate Percentage $Bi / (Diii - Ei)$	100.12%	100.22%

Six Month Average Trigger Percentage		Current Distribution		Next Distribution Report	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	106.07%	100.12%	106.25%	100.22%
	ii 2nd Month Prior	106.21%	100.31%	106.07%	100.12%
	iii 3rd Month Prior	106.08%	100.26%	106.21%	100.31%
	iv 4th Month Prior	106.03%	100.28%	106.08%	100.26%
	v 5th Month Prior	106.09%	100.39%	106.03%	100.28%
	vii 6th Month Prior	105.93%	100.33%	106.09%	100.39%
	viii Six Month Average Trigger Percentage	106.07%	100.28%	106.12%	100.26%

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	12/20/2018	3M LIBOR	0.12%	2.33750%	2.33750%	2.45750%	2.45750%
	2006-C	612130HR8	11/20/2018	1M LIBOR	1.20%	2.27963%	2.30088%	3.47963%	3.50088%
	2012-A2	61205PAK5	11/20/2018	1M LIBOR	1.00%	2.27963%	2.30088%	3.27963%	3.30088%
	2012-A3	61205PAL3	11/20/2018	1M LIBOR	1.05%	2.27963%	2.30088%	3.32963%	3.35088%
	2012-B	61205PAM1	11/20/2018	1M LIBOR	1.20%	2.27963%	2.30088%	3.47963%	3.50088%

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-C	612130HR8	\$ 50,454.72	\$ 50,454.72	\$ -	\$ 48,662.21	\$ 48,662.21	2.90%
	2012-A2	61205PAK5	\$ 817,653.10	\$ 817,653.10	\$ -	\$ -	\$ -	46.95%
	2012-A3	61205PAL3	\$ 818,875.66	\$ 818,875.66	\$ -	\$ -	\$ -	47.02%
	2012-B	61205PAM1	\$ 54,659.28	\$ 54,659.28	\$ -	\$ 52,717.40	\$ 52,717.40	3.14%
	TOTAL	\$ 1,741,642.76	\$ 1,741,642.76	\$ -	\$ 101,379.61	\$ -	\$ 101,379.61	

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-C	612130HR8	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
	2012-A2	61205PAK5	\$ -	\$ -	\$ -	\$ 309,492,000.00	\$ 7,913,000.00	\$ 301,579,000.00	100.00%
	2012-A3	61205PAL3	\$ 5,807,462.28	\$ -	\$ 5,807,462.28	\$ 141,225,461.27	\$ -	\$ 147,032,923.55	0.00%
	2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	TOTAL	\$ 5,807,462.28	\$ -	\$ 5,807,462.28	\$ 450,717,461.27	\$ 7,913,000.00	\$ 448,611,923.55		

TOTAL PRINCIPAL DISTRIBUTION							\$ 7,913,000.00
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IV. MHESAC System Activity from: 10/1/2018 through: 10/31/2018

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	5,946,178.26
ii	Principal Collections from Guarantor	\$	2,079,051.70
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(6,331.58)
v	Repurchases of Rehabilitated Loans	\$	(112,780.72)
vi	Additional Disbursements/Purchases	\$	-
vii	Total Principal Collections	\$	<u>7,906,117.66</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	2,933.70
ii	Capitalized Interest	\$	(605,774.56)
iii	Total Non-Cash Principal Activity	\$	<u>(602,840.86)</u>
C	Total Student Loan Principal Activity	\$	<u>7,303,276.80</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	1,542,737.45
ii	Interest Claims Received from Guarantors	\$	55,591.00
iii	Other System Adjustments	\$	-
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>1,598,328.45</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	92,522.23
ii	Capitalized Interest	\$	605,774.56
iii	Interest Accrued During Period	\$	(2,410,442.36)
iv	Total Non-Cash Interest Adjustments	\$	<u>(1,712,145.57)</u>
F	Total Student Loan Interest Activity	\$	<u>(113,817.12)</u>

Trust Activity from: 10/1/2018 through: 10/31/2018

G	Trust Balances less Reserve - Beginning of Period	\$	9,082,474.96
H	Released Funds in Excess of Reserve Requirement	\$	-
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	8,573,544.84
ii	Student Loan Interest Received	\$	1,630,956.30
iii	Subsidized Interest Received	\$	1,586,291.98
iv	Investment Income on Trust Accounts	\$	30,618.39
J	Funds Remitted During Period		
i	Bond Principal	\$	3,523,000.00
ii	Bond Interest	\$	1,865,408.76
iii	Consolidation Loan Rebate Fees	\$	494,633.75
iv	Management and Servicing Fees	\$	336,697.15
v	Administrative Fees (trustee, listing, etc.)	\$	-
vi	Special Allowance Rebate	\$	939,238.85
vii	Repurchases of Rehabilitated Loans	\$	112,780.72
K	Funds Reserved During Period		
i	Funds Allocated for Accrued Principal 2005-B Bonds	\$	2,580,000.00
ii	Funds Allocated for Accrued Interest 2005-B Bonds	\$	79,381.26
iii	Acquisition Funds for Rehabilitated Loans	\$	358,091.58
iv	Administration Funds	\$	958,900.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>9,655,754.40</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****11/20/2018**

A	Total Available Funds for Distribution(IV-L)	\$	9,655,754.40
B	Interest Distributions		
i	2005-B Bonds	\$	-
ii	2006-C Bonds	\$	50,454.72
iii	2012-A2 Bonds	\$	817,653.10
iv	2012-A3 Bonds	\$	818,875.66
v	2012-B Bonds	\$	54,659.28
vi	Total Bondholder's Interest Distributions	\$	1,741,642.76
C	Principal Distributions		
i	2005-B Bonds	\$	-
ii	2006-C Bonds	\$	-
iii	2012-A2 Bonds	\$	7,913,000.00
iv	2012-A3 Bonds	\$	-
v	2012-B Bonds	\$	-
vi	Total Bondholder's Principal Distribution	\$	7,913,000.00
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)	\$	1,111.64

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	07/01/18-07/31/18	08/01/18-08/31/18	09/01/18-09/30/18	10/01/18-10/31/18
Beginning Student Loan Pool Balance	\$ 706,435,525.47	\$ 699,173,622.75	\$ 690,674,009.69	\$ 683,417,418.30
Student Loan Principal Activity				
i Regular Principal Collections	\$ 6,257,331.64	\$ 6,418,700.32	\$ 5,804,581.78	\$ 5,946,178.26
ii Principal Collections from Guarantor	\$ 1,842,004.79	\$ 2,650,178.09	\$ 2,220,825.40	\$ 2,079,051.70
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (5,413.55)	\$ (4,473.26)	\$ (4,134.33)	\$ (6,331.58)
v Repurchase of Rehabilitated Loans	\$ (7,900.70)	\$ (5,466.25)	\$ (11,889.09)	\$ (112,780.72)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 8,086,022.18	\$ 9,058,938.90	\$ 8,009,383.76	\$ 7,906,117.66
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ (17,667.00)	\$ 7,288.59	\$ 24,247.01	\$ 2,933.70
ii Capitalized Interest	\$ (452,250.03)	\$ (680,150.73)	\$ (657,854.35)	\$ (605,774.56)
iii Total Non-Cash Principal Activity	\$ (469,917.03)	\$ (672,862.14)	\$ (633,607.34)	\$ (602,840.86)
(-) Total Student Loan Principal Activity	\$ 7,616,105.15	\$ 8,386,076.76	\$ 7,375,776.42	\$ 7,303,276.80
Student Loan Interest Activity				
i Regular Interest Collections	\$ 1,568,885.00	\$ 1,546,799.50	\$ 1,496,577.13	\$ 1,542,737.45
ii Interest Claims Received from Guarantors	\$ 51,046.50	\$ 88,003.05	\$ 87,186.58	\$ 55,591.00
iii Other System Adjustments	\$ 74,099.66	\$ -	\$ -	\$ -
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
v Total Interest Repayments	\$ 1,694,031.16	\$ 1,634,802.55	\$ 1,583,763.71	\$ 1,598,328.45
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 448,375.43	\$ 266,855.23	\$ 97,893.22	\$ 92,522.23
ii Capitalized Interest	\$ 2,366.85	\$ 680,150.73	\$ 657,854.35	\$ 605,774.56
iii Interest Accrued During Period	\$ (2,498,975.87)	\$ (2,468,272.21)	\$ (2,458,696.31)	\$ (2,410,442.36)
iv Total Non-Cash Interest Adjustments	\$ (2,048,233.59)	\$ (1,521,266.25)	\$ (1,702,948.74)	\$ (1,712,145.57)
(-) Total Student Loan Interest Activity	\$ (354,202.43)	\$ 113,536.30	\$ (119,185.03)	\$ (113,817.12)
(=) TOTAL STUDENT LOAN POOL	\$ 699,173,622.75	\$ 690,674,009.69	\$ 683,417,418.30	\$ 676,227,958.62
(+) Pending Portfolio Adjustments	\$ -	\$ -	\$ -	\$ -
(+) Trust Cash Available	\$ 12,921,671.58	\$ 14,214,121.72	\$ 9,082,474.96	\$ 13,632,094.91
(+) Reserve Account Balance	\$ 7,343,420.00	\$ 7,343,420.00	\$ 7,343,420.00	\$ 7,343,420.00
(=) TOTAL ADJUSTED POOL	\$ 719,438,714.33	\$ 712,231,551.41	\$ 699,843,313.26	\$ 697,203,473.53

MHESAC 1993 Master Indenture
VII. Portfolio Characteristics

LOAN STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	9/30/2018	10/31/2018	9/30/2018	10/31/2018	9/30/2018	10/31/2018	9/30/2018	10/31/2018	9/30/2018	10/31/2018
INTERIM:										
In School	6.46%	6.46%	90	80	0.1%	0.1%	\$ 284,666	\$ 247,641	0.0%	0.0%
Grace	5.92%	6.02%	52	62	0.1%	0.1%	\$ 155,315	\$ 192,253	0.0%	0.0%
TOTAL INTERIM	6.27%	6.27%	142	142	0.2%	0.2%	\$ 439,981	\$ 439,894	0.1%	0.1%
REPAYMENT										
Active	4.29%	4.28%	68,119	67,184	88.0%	88.1%	\$ 593,507,317	\$ 586,509,797	88.6%	88.5%
Current	4.18%	4.18%	61,533	61,006	79.5%	80.0%	\$ 541,140,438	\$ 535,957,010	80.8%	80.9%
31-60 Days Delinquent	5.17%	5.29%	1,539	1,452	2.0%	1.9%	\$ 11,592,184	\$ 12,531,742	1.7%	1.9%
61-90 Days Delinquent	5.38%	5.17%	1,084	893	1.4%	1.2%	\$ 9,065,319	\$ 7,304,780	1.4%	1.1%
91-120 Days Delinquent	5.19%	5.31%	924	770	1.2%	1.0%	\$ 7,577,465	\$ 7,014,197	1.1%	1.1%
> 120 Days Delinquent	5.36%	5.30%	3,039	3,063	3.9%	4.0%	\$ 24,131,910	\$ 23,702,068	3.6%	3.6%
Deferment	5.02%	5.01%	4,694	4,537	6.1%	5.9%	\$ 30,844,614	\$ 30,126,928	4.6%	4.5%
Forbearance	5.18%	5.16%	4,197	4,181	5.4%	5.5%	\$ 42,696,168	\$ 43,190,281	6.4%	6.5%
TOTAL REPAYMENT	4.37%	4.37%	77,010	75,902	99.5%	99.5%	\$ 667,048,099	\$ 659,827,006	99.6%	99.6%
Claims in Process	5.30%	5.89%	278	250	0.4%	0.3%	\$ 2,218,332	\$ 2,136,235	0.3%	0.3%
Aged Claims Rejected	0.00%	0.00%	-	-	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.38%	4.37%	77,430	76,294	100%	100%	\$ 669,706,411	\$ 662,403,135	100%	100%

LOAN TYPE	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	9/30/2018	10/31/2018	9/30/2018	10/31/2018	9/30/2018	10/31/2018	9/30/2018	10/31/2018	9/30/2018	10/31/2018
Subsidized Stafford	5.73%	5.73%	21,684	21,263	28.0%	27.9%	\$ 51,932,731	\$ 51,080,911	7.8%	7.7%
Unsubsidized Stafford	6.03%	6.03%	15,749	15,471	20.3%	20.3%	\$ 56,805,955	\$ 55,997,794	8.5%	8.5%
PLUS	7.95%	7.94%	519	503	0.7%	0.7%	\$ 3,421,400	\$ 3,359,440	0.5%	0.5%
Grad/PLUS	8.11%	8.11%	111	111	0.1%	0.1%	\$ 1,352,501	\$ 1,347,645	0.2%	0.2%
SLS	5.55%	5.54%	12	12	0.0%	0.0%	\$ 42,967	\$ 42,789	0.0%	0.0%
Consolidation	4.05%	4.05%	39,355	38,934	50.8%	51.0%	\$ 556,150,856	\$ 550,574,556	83.0%	83.1%
TOTAL	4.38%	4.37%	77,430	76,294	100%	100%	\$ 669,706,411	\$ 662,403,135	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	10/31/2018
Cumulative Claims submitted (# of loans)	52,825
Cumulative Claims rejected (# of loans)	88
Cumulative Reject Rate	0.17%

VIV. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
07/31/18	\$ 685,468,265	4.95%
08/31/18	\$ 677,082,188	4.95%
09/30/18	\$ 669,706,411	4.94%
10/31/18	\$ 662,403,135	4.92%
* based on the current period's ending pool balance calculated against the original pool balance and assuming cutoff date pool data		