



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 December 01, 2016 through December 31, 2016

Distribution Date: January 20, 2017

REVISED VERSION

MHESAC 1993 Master Indenture
I. Deal Parameters

Student Portfolio Characteristics		11/30/2016	Activity	12/31/2016
A	i	Principal Balance	\$ 855,353,260.12	\$ (9,452,059.12) \$ 845,901,201.00
	ii	Accrued Interest	\$ 13,794,670.22	\$ 224,818.49 \$ 14,019,488.71
	iii	Total Student Loan Pool	\$ 869,147,930.34	\$ 859,920,689.71
	iv	Pending Portfolio adjustments	\$ (37,825.17)	\$ 2,223.50
	v	Trust Cash	\$ 21,312,266.12	\$ 12,414,111.80
	vi	Specified Reserve Account Balance	\$ 8,711,720.00	\$ 8,525,200.00
	vii	Total Adjusted Pool	\$ 899,134,091.29	\$ 880,862,225.01
B	i	Weighted Average Coupon (WAC)	4.353%	4.358%
	ii	Weighted Average Remaining Term	169.16	169.20
	iii	Number of Loans	103,018	101,813
	iv	Number of Borrowers	41,714	41,209
	v	Outstanding Principal Balance - T-Bill	\$ 10,743,311.99	\$ 10,496,807.37
	vi	Outstanding Principal Balance - LIBOR	\$ 844,609,948.13	\$ 835,404,393.63

Bonds	CUSIP	Original Issue Amount	Rate	Balance 11/30/2016	Pool Factor 11/30/2016	Balance 12/31/2016	Pool Factor 12/31/2016		
C	i	2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 40,962,000.00	4.70%	\$ 38,112,000.00	4.47%
	ii	2006-A Bonds Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 19,952,000.00	2.29%	\$ 13,786,000.00	1.62%
	iii	2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	2.07%	\$ 18,000,000.00	2.11%
	iv	2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 467,458,000.00	53.66%	\$ 457,822,000.00	53.70%
	v	2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	35.04%	\$ 305,300,000.00	35.81%
	vi	2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	2.24%	\$ 19,500,000.00	2.29%
	vii	Total Bonds Outstanding Senior		\$ 833,672,000.00		95.70%	\$ 815,020,000.00	95.60%	
	viii	Total Bonds Outstanding Taxable Subordinate		\$ 37,500,000.00		4.30%	\$ 37,500,000.00	4.40%	
	ix	Total Bonds Outstanding 1993 Master Indenture - Taxable		\$ 871,172,000.00			\$ 852,520,000.00		

Indenture Percentage		11/30/2016	12/31/2016	
D	i	Senior Parity	107.65%	107.86%
	ii	Subordinate Parity	103.00%	103.10%

Monthly Trigger Percentage		11/30/2016	12/31/2016	
E	i	Senior Percentage	104.95%	105.06%
	ii	Subordinate Percentage	100.33%	100.38%

Reserve Account		11/30/2016	12/31/2016	
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 (\$)	\$ 8,711,720.00	\$ 8,525,200.00
	iv	Current Reserve Balance - (\$)		\$ 8,525,200.00
	v	Draws on Reserve - Current Month(\$)		\$ 186,520.00

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

Trust Accounts		11/30/2016	12/31/2016
A	i Acquisition Account	\$ 397,779.51	\$ 227,037.40
	ii Administration Account	\$ 1,074,162.50	\$ 1,065,700.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 17,465,232.48	\$ 9,917,006.78
	iv Reserve Account	\$ 8,711,720.00	\$ 8,525,200.00
	v Revenue Account	\$ -	\$ 1,204,367.62
	vii Surplus Subaccount	\$ 2,375,091.63	\$ -
	viii Total Trust Accounts	\$ 30,023,986.12	\$ 20,939,311.80

Parity Calculations		11/30/2016	12/31/2016
B	Value of the Indenture		
	i Portfolio Balance	\$ 855,353,260.12	\$ 845,901,201.00
	ii Pending System Adjustments	(37,825.17)	2,223.50
	iii Accrued Borrower Interest	13,794,670.22	14,019,488.71
	iv Accrued Subsidized Interest	382,067.89	695,988.60
	v Less: Unguaranteed Amount Uncollectibles	(563,715.08)	(578,212.22)
	vi Trust Cash and Investments	30,023,986.12	20,939,311.80
	vii Payments in Transit	671,976.94	1,049,798.02
	viii Other Cash and Assets	-	107,246.93
	ix Total Trust Value	\$ 899,624,421.04	\$ 882,137,046.34
	Less:		
	x Accrued Payables	1,714,810.88	2,568,440.04
	xi Net Asset Value - Indenture Percentage	\$ 897,909,610.16	\$ 879,568,606.30

Bond Interest Outstanding		11/30/2016	12/31/2016
C	i Senior Interest	\$ 457,725.44	\$ 466,681.88
	ii Subordinate Interest	114,493.28	120,522.22
	iii Total Bond Interest	\$ 572,218.72	\$ 587,204.10

Bonds Outstanding		11/30/2016	12/31/2016
D	i Senior Bonds	\$ 833,672,000.00	\$ 815,020,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 871,172,000.00	\$ 852,520,000.00

Distribution Amounts - Following Monthly Payment Date		11/30/2016	12/31/2016
E	i Senior Distribution Amount	\$ 18,652,000.00	\$ 9,854,000.00

Indenture Percentage		11/30/2016	12/31/2016
F	i Senior Parity $Bxi / (Ci + Di)$	107.65%	107.86%
	ii Subordinate Parity $Bxi / (Ciii + Diii)$	103.00%	103.10%

Monthly Trigger Percentage		11/30/2016	12/31/2016
G	i Senior Percentage $Bi / (Di - Ei)$	104.95%	105.06%
	ii Subordinate Percentage $Bi / (Diii - Eii)$	100.33%	100.38%

Six Month Average Trigger Percentage		Current Distribution		Next Distribution Report	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	104.95%	100.33%	105.06%	100.38%
	ii 2nd Month Prior	104.88%	100.31%	104.95%	100.33%
	iii 3rd Month Prior	104.80%	100.28%	104.88%	100.31%
	iv 4th Month Prior	104.76%	100.28%	104.80%	100.28%
	v 5th Month Prior	104.76%	100.33%	104.76%	100.28%
	vii 6th Month Prior	104.75%	100.36%	104.76%	100.33%
	viii Six Month Average Trigger Percentage	104.82%	100.32%	104.87%	100.32%

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	3/20/2017	3M LIBOR	0.12%	0.99733%	0.99733%	1.11733%	1.11733%
2006-A	612130HP2	3/20/2017	3M LIBOR	0.10%	0.99733%	0.99733%	1.09733%	1.09733%
2006-C	612130HR8	1/20/2017	1M LIBOR	1.20%	0.73900%	0.77667%	1.93900%	1.97667%
2012-A2	61205PAK5	1/20/2017	1M LIBOR	1.00%	0.73900%	0.77667%	1.73900%	1.77667%
2012-A3	61205PAL3	1/20/2017	1M LIBOR	1.05%	0.73900%	0.77667%	1.78900%	1.82667%
2012-B	61205PAM1	1/20/2017	1M LIBOR	1.20%	0.73900%	0.77667%	1.93900%	1.97667%

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	\$ 30,054.42	\$ 30,054.42	\$ -	\$ 46,283.07	\$ -	\$ 46,283.07	2.47%
2012-A2	61205PAK5	\$ 685,574.71	\$ 685,574.71	\$ -	\$ -	\$ -	\$ -	56.26%
2012-A3	61205PAL3	\$ 470,323.81	\$ 470,323.81	\$ -	\$ -	\$ -	\$ -	38.60%
2012-B	61205PAM1	\$ 32,558.96	\$ 32,558.96	\$ -	\$ 50,139.96	\$ -	\$ 50,139.96	2.67%
TOTAL		\$ 1,218,511.90	\$ 1,218,511.90	\$ -	\$ 96,423.03	\$ -	\$ 96,423.03	

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	\$10,933,295.39	\$ 1,031,000.00	\$ 9,902,295.39	\$ 442,241,893.36	\$ -	\$ 452,144,188.75	100.00%
2012-A3	61205PAL3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$10,933,295.39	\$ 1,031,000.00	\$ 9,902,295.39	\$ 442,241,893.36	\$ -	\$ 452,144,188.75	

TOTAL PRINCIPAL DISTRIBUTION	\$ 1,031,000.00
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MHESAC 1993 Master Indenture

IV. MHESAC System Activity from: 12/1/2016 through: 12/31/2016

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	9,642,399.81
ii	Principal Collections from Guarantor	\$	920,718.31
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(14,766.44)
v	Repurchases of Rehabilitated Loans	\$	(305,693.46)
vi	Additional Disbursements/Purchases	\$	-
vii	Total Principal Collections	\$	<u>10,242,658.22</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	(14,812.14)
ii	Capitalized Interest	\$	<u>(775,786.96)</u>
iii	Total Non-Cash Principal Activity	\$	<u>(790,599.10)</u>
C	Total Student Loan Principal Activity	\$	<u>9,452,059.12</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	1,906,909.36
ii	Interest Claims Received from Guarantors	\$	55,770.86
iii	Other System Adjustments	\$	(3.29)
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>1,962,676.93</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	75,004.55
ii	Capitalized Interest	\$	775,786.96
iii	Interest Accrued During Period	\$	<u>(3,038,286.93)</u>
iv	Total Non-Cash Interest Adjustments	\$	<u>(2,187,495.42)</u>
F	Total Student Loan Interest Activity	\$	<u>(224,818.49)</u>

Trust Activity from: 12/1/2016 through: 12/31/2016

G	Trust Balances less Reserve - Beginning of Period	\$	21,312,266.12
H	Released Funds in Excess of Reserve Requirement	\$	186,520.00
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	10,214,906.36
ii	Student Loan Interest Received	\$	1,919,642.58
iii	Subsidized Interest Received	\$	-
iv	Investment Income on Trust Accounts	\$	5,916.16
J	Funds Remitted During Period		
i	Bond Principal	\$	18,652,000.00
ii	Bond Interest	\$	1,187,168.54
iii	Consolidation Loan Rebate Fees	\$	610,181.85
iv	Management and Servicing Fees	\$	430,046.92
v	Administrative Fees (trustee, listing, etc.)	\$	-
vi	Special Allowance Rebate	\$	-
vii	Repurchases of Rehabilitated Loans	\$	345,742.11
K	Funds Reserved During Period		
i	Funds Allocated for Accrued Principal 2005-B Bonds	\$	2,818,000.00
ii	Funds Allocated for Accrued Principal 2006-A Bonds	\$	6,005,000.00
iii	Funds Allocated for Accrued Interest 2005-B Bonds	\$	35,486.40
iv	Funds Allocated for Accrued Interest 2006-A Bonds	\$	12,606.49
v	Acquisition Funds for Rehabilitated Loans	\$	227,037.40
vi	Administration Funds	\$	1,065,700.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>2,250,281.51</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****1/20/2017**

A	Total Available Funds for Distribution(IV-L)	\$	2,250,281.51
B	Interest Distributions		
i	2005-B Bonds	\$	-
ii	2006-A Bonds	\$	-
iii	2006-C Bonds	\$	30,054.42
iv	2012-A2 Bonds	\$	685,574.71
v	2012-A3 Bonds	\$	470,323.81
vi	2012-B Bonds	\$	32,558.96
vii	Total Bondholder's Interest Distributions	\$	1,218,511.90
C	Principal Distributions		
i	2005-B Bonds	\$	-
ii	2006-A Bonds	\$	-
iii	2006-C Bonds	\$	-
iv	2012-A2 Bonds	\$	1,031,000.00
v	2012-A3 Bonds	\$	-
vi	2012-B Bonds	\$	-
vii	Total Bondholder's Principal Distribution	\$	1,031,000.00
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)	\$	769.61

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	09/01/16-09/30/16	10/01/16-10/31/16	11/01/16-11/30/16	12/01/16-12/31/16
Beginning Student Loan Pool Balance	\$ 893,706,349.01	\$ 886,174,642.77	\$ 878,689,408.50	\$ 869,147,930.34
Student Loan Principal Activity				
i Regular Principal Collections	\$ 7,133,045.25	\$ 6,847,413.41	\$ 10,332,488.27	\$ 9,642,399.81
ii Principal Collections from Guarantor	\$ 1,500,692.40	\$ 1,949,326.64	\$ 1,187,420.26	\$ 920,718.31
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (8,530.05)	\$ (2,250.55)	\$ (4,542.25)	\$ (14,766.44)
v Repurchase of Rehabilitated Loans	\$ -	\$ (403,763.81)	\$ (1,100,024.68)	\$ (305,693.46)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 8,625,207.60	\$ 8,390,725.69	\$ 10,415,341.60	\$ 10,242,658.22
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ 24,312.63	\$ (2,097.41)	\$ (14,241.82)	\$ (14,812.14)
ii Capitalized Interest	\$ (851,681.41)	\$ (1,194,445.44)	\$ (882,801.58)	\$ (775,786.96)
iii Total Non-Cash Principal Activity	\$ (827,368.78)	\$ (1,196,542.85)	\$ (897,043.40)	\$ (790,599.10)
(-) Total Student Loan Principal Activity	\$ 7,797,838.82	\$ 7,194,182.84	\$ 9,518,298.20	\$ 9,452,059.12
Student Loan Interest Activity				
i Regular Interest Collections	\$ 1,820,219.87	\$ 2,074,447.58	\$ 1,952,458.65	\$ 1,906,909.36
ii Interest Claims Received from Guarantors	\$ 45,281.47	\$ 60,476.30	\$ 39,153.35	\$ 55,770.86
iii Other System Adjustments	\$ (48.56)	\$ (61.69)	\$ 155.51	\$ (3.29)
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
v Total Interest Repayments	\$ 1,865,452.78	\$ 2,134,862.19	\$ 1,991,767.51	\$ 1,962,676.93
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 48,072.50	\$ 56,105.65	\$ 122,198.27	\$ 75,004.55
ii Capitalized Interest	\$ 851,681.41	\$ 1,194,445.44	\$ 882,801.58	\$ 775,786.96
iii Interest Accrued During Period	\$ (3,031,339.27)	\$ (3,094,361.85)	\$ (2,973,587.40)	\$ (3,038,286.93)
iv Total Non-Cash Interest Adjustments	\$ (2,131,585.36)	\$ (1,843,810.76)	\$ (1,968,587.55)	\$ (2,187,495.42)
(-) Total Student Loan Interest Activity	\$ (266,132.58)	\$ 291,051.43	\$ 23,179.96	\$ (224,818.49)
(=) TOTAL STUDENT LOAN POOL	\$ 886,174,642.77	\$ 878,689,408.50	\$ 869,147,930.34	\$ 859,920,689.71
(+) Pending Portfolio Adjustments	\$ (102.85)	\$ 56.96	\$ (37,825.17)	\$ 2,223.50
(+) Trust Cash Available	\$ 10,124,858.05	\$ 18,633,983.45	\$ 21,312,266.12	\$ 12,414,111.80
(+) Reserve Account Balance	\$ 8,953,830.00	\$ 8,773,870.00	\$ 8,711,720.00	\$ 8,525,200.00
(=) TOTAL ADJUSTED POOL	\$ 905,253,227.97	\$ 906,097,318.91	\$ 899,134,091.29	\$ 880,862,225.01

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

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	11/30/2016	12/31/2016	11/30/2016	12/31/2016	11/30/2016	12/31/2016	11/30/2016	12/31/2016	11/30/2016	12/31/2016
INTERIM:										
In School	6.03%	6.01%	306	284	0.3%	0.3%	\$ 985,367	\$ 914,741	0.1%	0.1%
Grace	5.65%	6.05%	17	36	0.0%	0.0%	\$ 53,909	\$ 119,536	0.0%	0.0%
TOTAL INTERIM	6.01%	6.01%	323	320	0.3%	0.3%	\$ 1,039,276	\$ 1,034,277	0.1%	0.1%
REPAYMENT										
Active	4.23%	4.25%	83,866	85,136	81.4%	83.6%	\$ 714,610,872	\$ 720,806,370	83.5%	85.2%
Current	4.14%	4.16%	75,682	76,660	73.5%	75.3%	\$ 651,644,411	\$ 657,250,933	76.2%	77.7%
31-60 Days Delinquent	5.01%	5.12%	1,819	1,946	1.8%	1.9%	\$ 13,858,105	\$ 14,253,049	1.6%	1.7%
61-90 Days Delinquent	4.99%	4.98%	1,580	1,102	1.5%	1.1%	\$ 12,280,877	\$ 8,558,116	1.4%	1.0%
91-120 Days Delinquent	5.35%	4.96%	962	1,188	0.9%	1.2%	\$ 8,117,939	\$ 8,994,178	0.9%	1.1%
> 120 Days Delinquent	4.99%	5.05%	3,823	4,240	3.7%	4.2%	\$ 28,709,540	\$ 31,750,094	3.4%	3.8%
Deferment	4.93%	4.92%	8,357	7,667	8.1%	7.5%	\$ 48,614,467	\$ 44,445,404	5.7%	5.3%
Forbearance	5.15%	5.08%	9,139	7,780	8.9%	7.6%	\$ 81,405,119	\$ 73,098,043	9.5%	8.6%
TOTAL REPAYMENT	4.35%	4.35%	101,362	100,583	98.4%	98.8%	\$ 844,630,458	\$ 838,349,816	98.7%	99.1%
Claims in Process	5.24%	5.31%	1,333	910	1.3%	0.9%	\$ 9,683,526	\$ 6,517,108	1.1%	0.8%
Aged Claims Rejected	0.00%	0.00%	-	-	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.35%	4.36%	103,018	101,813	100%	100%	\$ 855,353,260	\$ 845,901,201	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	12/31/2016
Cumulative Claims submitted (# of loans)	53,337
Cumulative Claims rejected (# of loans)	88
Cumulative Reject Rate	0.16%

VIV. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
09/30/16	\$ 872,065,741	4.95%
10/31/16	\$ 864,871,558	4.91%
11/30/16	\$ 855,353,260	4.93%
12/31/16	\$ 845,901,201	4.94%
* based on the current period's ending pool balance calculated against the original pool balance and assuming cutoff date pool data		