



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 January 01, 2019 through January 31, 2019
Distribution Date: February 20, 2019

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics				12/31/2018		Activity		1/31/2019	
A	i	Principal Balance		\$	648,127,841.64	\$	(9,355,165.24)	\$	638,772,676.40
	ii	Accrued Interest - To Be Capitalized		\$	2,336,444.49	\$	77,239.24	\$	2,413,683.73
	iii	Accrued Interest - Non-Capitalized		\$	11,579,234.03	\$	(155,534.64)	\$	11,423,699.39
	iv	Total Student Loan Pool		\$	662,043,520.16			\$	652,610,059.52
	v	Pending Portfolio adjustments		\$	(41,363.11)			\$	-
	vi	Trust Cash		\$	9,584,633.22			\$	15,287,016.99
	vii	Specified Reserve Account Balance		\$	7,343,420.00			\$	7,343,420.00
	viii	Total Adjusted Pool		\$	678,930,210.27			\$	675,240,496.51
B	i	Weighted Average Coupon (WAC)			4.367%				4.361%
	ii	Weighted Average Remaining Term			167.20				167.12
	iii	Number of Loans			74,297				73,035
	iv	Number of Borrowers			30,496				29,997
	v	Outstanding Principal Balance - T-Bill		\$	7,790,985.98			\$	7,426,491.18
	vi	Outstanding Principal Balance - LIBOR		\$	640,336,855.66			\$	631,346,185.22

Bonds		CUSIP	Original Issue Amount	Rate	Balance 12/31/2018	Pool Factor 12/31/2018	Balance 1/31/2019	Pool Factor 1/31/2019
i	2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 16,588,000.00	2.54%	\$ 16,588,000.00	2.55%
ii	2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	2.75%	\$ 18,000,000.00	2.77%
iii	2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 294,738,000.00	45.06%	\$ 290,768,000.00	44.72%
iv	2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	46.67%	\$ 305,300,000.00	46.96%
v	2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	2.98%	\$ 19,500,000.00	3.00%
vii	Total Bonds Outstanding Senior				\$ 616,626,000.00	94.27%	\$ 612,656,000.00	94.23%
viii	Total Bonds Outstanding Taxable Subordinate				\$ 37,500,000.00	5.73%	\$ 37,500,000.00	5.77%
ix	Total Bonds Outstanding 1993 Master Indenture - Taxable				\$ 654,126,000.00		\$ 650,156,000.00	

Indenture Percentage		12/31/2018	1/31/2019
i	Senior Parity	110.16%	110.19%
ii	Subordinate Parity	103.83%	103.81%

Monthly Trigger Percentage		12/31/2018	1/31/2019
i	Senior Percentage	106.23%	106.36%
ii	Subordinate Percentage	100.08%	100.11%

Reserve Account		12/31/2018	1/31/2019
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		12/31/2018	1/31/2019
A	i Acquisition Account	\$ 14,838.65	\$ 346,004.92
	ii Administration Account	\$ 958,900.00	\$ 958,900.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 8,610,894.57	\$ 12,757,628.46
	iv Reserve Account	\$ 7,343,420.00	\$ 7,343,420.00
	v Revenue Account	\$ -	\$ -
	vii Surplus Subaccount	\$ -	\$ 1,224,483.61
	viii Total Trust Accounts	\$ 16,928,053.22	\$ 22,630,436.99

Parity Calculations		12/31/2018	1/31/2019
B	Value of the Indenture		
	i Portfolio Balance	\$ 648,127,841.64	\$ 638,772,676.40
	ii Pending System Adjustments	(41,363.11)	-
	iii Accrued Borrower Interest	13,915,678.52	13,837,383.12
	iv Accrued Subsidized Interest	1,799,611.47	594,717.63
	v Less: Unguaranteed Amount Uncollectibles	(536,878.61)	(543,980.98)
	vi Trust Cash and Investments	16,928,053.22	22,630,436.99
	vii Payments in Transit	634,296.74	697,804.62
	viii Other Cash and Assets	5,799.25	11,920.53
	ix Total Trust Value	\$ 680,833,039.12	\$ 676,000,958.31

	Less:		
x	Accrued Payables	785,001.48	231,677.84
xi	Net Asset Value - Indenture Percentage	\$ 680,048,037.64	\$ 675,769,280.47

Bond Interest Outstanding		12/31/2018	1/31/2019
C	i Senior Interest	\$ 715,259.71	\$ 641,944.30
	ii Subordinate Interest	147,552.01	140,590.36
	iii Total Bond Interest	\$ 862,811.72	\$ 782,534.66

Bonds Outstanding		12/31/2018	1/31/2019
D	i Senior Bonds	\$ 616,626,000.00	\$ 612,656,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 654,126,000.00	\$ 650,156,000.00

Distribution Amounts - Following Monthly Payment Date		12/31/2018	1/31/2019
E	i Senior Distribution Amount	\$ 6,521,000.00	\$ 12,095,000.00

Indenture Percentage		12/31/2018	1/31/2019
F	i Senior Parity $Bxi / (Ci + Di)$	110.16%	110.19%
	ii Subordinate Parity $Bxi / (Ciii + Dii)$	103.83%	103.81%

Monthly Trigger Percentage		12/31/2018	1/31/2019
G	i Senior Percentage $Bi / (Di - Ei)$	106.23%	106.36%
	ii Subordinate Percentage $Bi / (Diii - Eii)$	100.08%	100.11%

Six Month Average Trigger Percentage		Current Distribution		Next Distribution Report	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	106.23%	100.08%	106.36%	100.11%
	ii 2nd Month Prior	106.31%	100.21%	106.23%	100.08%
	iii 3rd Month Prior	106.25%	100.22%	106.31%	100.21%
	iv 4th Month Prior	106.07%	100.12%	106.25%	100.22%
	v 5th Month Prior	106.21%	100.31%	106.07%	100.12%
	vii 6th Month Prior	106.08%	100.26%	106.21%	100.31%
	viii Six Month Average Trigger Percentage	106.19%	100.20%	106.24%	100.18%

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	3/20/2019	3M LIBOR	0.12%	2.79200%	2.79200%	2.91200%	2.91200%
2006-C	612130HR8	2/20/2019	1M LIBOR	1.20%	2.50300%	2.48038%	3.70300%	3.68038%
2012-A2	61205PAK5	2/20/2019	1M LIBOR	1.00%	2.50300%	2.48038%	3.50300%	3.48038%
2012-A3	61205PAL3	2/20/2019	1M LIBOR	1.05%	2.50300%	2.48038%	3.55300%	3.53038%
2012-B	61205PAM1	2/20/2019	1M LIBOR	1.20%	2.50300%	2.48038%	3.70300%	3.68038%

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	\$ 53,693.46	\$ 53,693.46	\$ -	\$ 49,114.44	\$ -	\$ 49,114.44	2.97%
2012-A2	61205PAK5	\$ 820,506.59	\$ 820,506.59	\$ -	\$ -	\$ -	\$ -	45.43%
2012-A3	61205PAL3	\$ 873,811.34	\$ 873,811.34	\$ -	\$ -	\$ -	\$ -	48.38%
2012-B	61205PAM1	\$ 58,167.92	\$ 58,167.92	\$ -	\$ 53,207.31	\$ -	\$ 53,207.31	3.22%
TOTAL		\$ 1,806,179.31	\$ 1,806,179.31	\$ -	\$ 102,321.75	\$ -	\$ 102,321.75	

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	\$ -	\$ -	\$ -	\$ 290,768,000.00	\$ 9,544,000.00	\$ 281,224,000.00	100.00%
2012-A3	61205PAL3	\$ 5,463,939.10	\$ -	\$ 5,463,939.10	\$ 157,521,594.45	\$ -	\$ 162,985,533.55	0.00%
2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$ 5,463,939.10	\$ -	\$ 5,463,939.10	\$ 448,289,594.45	\$ 9,544,000.00	\$ 444,209,533.55	

TOTAL PRINCIPAL DISTRIBUTION	\$ 9,544,000.00
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IV. MHESAC System Activity from: 1/1/2019 through: 1/31/2019

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	6,403,248.54
ii	Principal Collections from Guarantor	\$	3,479,801.60
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(4,081.29)
v	Repurchases of Rehabilitated Loans	\$	(12,838.65)
vi	Additional Disbursements/Purchases	\$	-
vii	Total Principal Collections	\$	<u>9,866,130.20</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	101,010.62
ii	Capitalized Interest	\$	(611,975.58)
iii	Total Non-Cash Principal Activity	\$	<u>(510,964.96)</u>
C	Total Student Loan Principal Activity	\$	<u>9,355,165.24</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	1,511,548.30
ii	Interest Claims Received from Guarantors	\$	162,023.13
iii	Other System Adjustments	\$	-
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>1,673,571.43</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	115,908.64
ii	Capitalized Interest	\$	611,975.58
iii	Interest Accrued During Period	\$	(2,323,160.25)
iv	Total Non-Cash Interest Adjustments	\$	<u>(1,595,276.03)</u>
F	Total Student Loan Interest Activity	\$	<u>78,295.40</u>

Trust Activity from: 1/1/2019 through: 1/31/2019

G	Trust Balances less Reserve - Beginning of Period	\$	9,584,633.22
H	Released Funds in Excess of Reserve Requirement	\$	-
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	9,773,539.03
ii	Student Loan Interest Received	\$	1,715,493.37
iii	Subsidized Interest Received	\$	1,800,280.94
iv	Investment Income on Trust Accounts	\$	36,042.61
J	Funds Remitted During Period		
i	Bond Principal	\$	3,970,000.00
ii	Bond Interest	\$	2,048,846.71
iii	Consolidation Loan Rebate Fees	\$	480,456.86
iv	Management and Servicing Fees	\$	325,823.32
v	Administrative Fees (trustee, listing, etc.)	\$	-
vi	Special Allowance Rebate	\$	785,006.64
vii	Repurchases of Rehabilitated Loans	\$	12,838.65
K	Funds Reserved During Period		
i	Funds Allocated for Accrued Principal 2005-B Bonds	\$	2,551,000.00
ii	Funds Allocated for Accrued Interest 2005-B Bonds	\$	80,507.10
iii	Acquisition Funds for Rehabilitated Loans	\$	346,004.92
iv	Administration Funds	\$	958,900.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>11,350,604.97</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****2/20/2019**

A	Total Available Funds for Distribution(IV-L)	\$	11,350,604.97
B	Interest Distributions		
i	2005-B Bonds	\$	-
ii	2006-C Bonds	\$	53,693.46
iii	2012-A2 Bonds	\$	820,506.59
iv	2012-A3 Bonds	\$	873,811.34
v	2012-B Bonds	\$	58,167.92
vi	Total Bondholder's Interest Distributions	\$	1,806,179.31
C	Principal Distributions		
i	2005-B Bonds	\$	-
ii	2006-C Bonds	\$	-
iii	2012-A2 Bonds	\$	9,544,000.00
iv	2012-A3 Bonds	\$	-
v	2012-B Bonds	\$	-
vi	Total Bondholder's Principal Distribution	\$	9,544,000.00
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)	\$	425.66

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	10/01/18-10/31/18	11/01/18-11/30/18	12/01/18-12/31/18	01/01/19-01/31/19
Beginning Student Loan Pool Balance	\$ 683,417,418.30	\$ 676,227,958.62	\$ 669,339,236.22	\$ 662,043,520.16
Student Loan Principal Activity				
i Regular Principal Collections	\$ 5,946,178.26	\$ 5,724,380.12	\$ 5,656,040.04	\$ 6,403,248.54
ii Principal Collections from Guarantor	\$ 2,079,051.70	\$ 2,138,189.30	\$ 2,081,446.50	\$ 3,479,801.60
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (6,331.58)	\$ (4,612.53)	\$ (5,418.02)	\$ (4,081.29)
v Repurchase of Rehabilitated Loans	\$ (112,780.72)	\$ (40,953.87)	\$ (2,312.67)	\$ (12,838.65)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 7,906,117.66	\$ 7,817,003.02	\$ 7,729,755.85	\$ 9,866,130.20
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ 2,933.70	\$ (302,670.10)	\$ 279,671.53	\$ 101,010.62
ii Capitalized Interest	\$ (605,774.56)	\$ (633,142.62)	\$ (615,324.67)	\$ (611,975.58)
iii Total Non-Cash Principal Activity	\$ (602,840.86)	\$ (935,812.72)	\$ (335,653.14)	\$ (510,964.96)
(-) Total Student Loan Principal Activity	\$ 7,303,276.80	\$ 6,881,190.30	\$ 7,394,102.71	\$ 9,355,165.24
Student Loan Interest Activity				
i Regular Interest Collections	\$ 1,542,737.45	\$ 1,525,597.52	\$ 1,469,553.86	\$ 1,511,548.30
ii Interest Claims Received from Guarantors	\$ 55,591.00	\$ 67,565.68	\$ 83,906.63	\$ 162,023.13
iii Other System Adjustments	\$ -	\$ -	\$ -	\$ -
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
v Total Interest Repayments	\$ 1,598,328.45	\$ 1,593,163.20	\$ 1,553,460.49	\$ 1,673,571.43
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 92,522.23	\$ (12,179.52)	\$ 88,840.98	\$ 115,908.64
ii Capitalized Interest	\$ 605,774.56	\$ 633,142.62	\$ 615,324.67	\$ 611,975.58
iii Interest Accrued During Period	\$ (2,410,442.36)	\$ (2,206,594.20)	\$ (2,356,012.79)	\$ (2,323,160.25)
iv Total Non-Cash Interest Adjustments	\$ (1,712,145.57)	\$ (1,585,631.10)	\$ (1,651,847.14)	\$ (1,595,276.03)
(-) Total Student Loan Interest Activity	\$ (113,817.12)	\$ 7,532.10	\$ (98,386.65)	\$ 78,295.40
(=) TOTAL STUDENT LOAN POOL	\$ 676,227,958.62	\$ 669,339,236.22	\$ 662,043,520.16	\$ 652,610,059.52
(+) Pending Portfolio Adjustments	\$ -	\$ (315,137.71)	\$ (41,363.11)	\$ -
(+) Trust Cash Available	\$ 13,632,094.91	\$ 12,651,705.93	\$ 9,584,633.22	\$ 15,287,016.99
(+) Reserve Account Balance	\$ 7,343,420.00	\$ 7,343,420.00	\$ 7,343,420.00	\$ 7,343,420.00
(=) TOTAL ADJUSTED POOL	\$ 697,203,473.53	\$ 689,019,224.44	\$ 678,930,210.27	\$ 675,240,496.51

MHESAC 1993 Master Indenture
VII. Portfolio Characteristics

LOAN STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	12/31/2018	1/31/2019	12/31/2018	1/31/2019	12/31/2018	1/31/2019	12/31/2018	1/31/2019	12/31/2018	1/31/2019
INTERIM:										
In School	6.42%	6.42%	76	76	0.1%	0.1%	\$ 220,610	\$ 220,565	0.0%	0.0%
Grace	6.10%	6.73%	18	8	0.0%	0.0%	\$ 74,114	\$ 39,989	0.0%	0.0%
TOTAL INTERIM	6.34%	6.47%	94	84	0.1%	0.1%	\$ 294,724	\$ 260,554	0.0%	0.0%
REPAYMENT										
Active	4.28%	4.26%	65,619	63,748	88.3%	87.3%	\$ 577,139,111	\$ 563,794,640	89.0%	88.3%
Current	4.17%	4.16%	59,386	58,087	79.9%	79.5%	\$ 527,765,039	\$ 517,841,646	81.4%	81.1%
31-60 Days Delinquent	5.36%	5.12%	1,686	1,380	2.3%	1.9%	\$ 12,294,510	\$ 10,736,594	1.9%	1.7%
61-90 Days Delinquent	5.55%	5.41%	985	960	1.3%	1.3%	\$ 7,462,339	\$ 7,399,497	1.2%	1.2%
91-120 Days Delinquent	5.17%	5.41%	725	712	1.0%	1.0%	\$ 6,109,338	\$ 5,995,943	0.9%	0.9%
> 120 Days Delinquent	5.23%	5.23%	2,837	2,609	3.8%	3.6%	\$ 23,507,885	\$ 21,820,959	3.6%	3.4%
Deferment	5.00%	5.06%	4,258	4,461	5.7%	6.1%	\$ 28,295,572	\$ 29,185,853	4.4%	4.6%
Forbearance	5.29%	5.27%	3,988	4,419	5.4%	6.1%	\$ 39,791,367	\$ 43,375,203	6.1%	6.8%
TOTAL REPAYMENT	4.36%	4.36%	73,865	72,628	99.4%	99.4%	\$ 645,226,050	\$ 636,355,696	99.6%	99.6%
Claims in Process	5.57%	5.36%	338	323	0.5%	0.4%	\$ 2,607,068	\$ 2,156,426	0.4%	0.3%
Aged Claims Rejected	0.00%	0.00%	-	-	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.37%	4.36%	74,297	73,035	100%	100%	\$ 648,127,842	\$ 638,772,676	100%	100%

LOAN TYPE	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	12/31/2018	1/31/2019	12/31/2018	1/31/2019	12/31/2018	1/31/2019	12/31/2018	1/31/2019	12/31/2018	1/31/2019
Subsidized Stafford	5.73%	5.73%	20,543	20,087	27.6%	27.5%	\$ 49,362,694	\$ 48,207,814	7.6%	7.5%
Unsubsidized Stafford	6.03%	6.03%	14,943	14,598	20.1%	20.0%	\$ 54,408,537	\$ 53,264,342	8.4%	8.3%
PLUS	7.94%	7.94%	459	428	0.6%	0.6%	\$ 3,251,932	\$ 3,186,794	0.5%	0.5%
Grad/PLUS	8.09%	8.11%	107	107	0.1%	0.1%	\$ 1,333,494	\$ 1,314,413	0.2%	0.2%
SLS	5.53%	5.52%	12	12	0.0%	0.0%	\$ 42,296	\$ 42,007	0.0%	0.0%
Consolidation	4.04%	4.04%	38,233	37,803	51.5%	51.8%	\$ 539,728,889	\$ 532,757,306	83.3%	83.4%
TOTAL	4.37%	4.36%	74,297	73,035	100%	100%	\$ 648,127,842	\$ 638,772,676	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	1/31/2019
Cumulative Claims submitted (# of loans)	53,222
Cumulative Claims rejected (# of loans)	89
Cumulative Reject Rate	0.17%

VIV. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
10/31/18	\$ 662,403,135	4.92%
11/30/18	\$ 655,521,944	4.90%
12/31/18	\$ 648,127,842	4.89%
01/31/19	\$ 638,772,676	4.91%

* based on the current period's ending pool balance calculated against the original pool balance and assuming cutoff date pool data