



Montana Higher Education Student Assistance Corporation

Quarterly 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 June 01, 2019 through August 31, 2019

Distribution Date: September 20, 2019

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics		5/31/2019	Activity	8/31/2019
A	i Portfolio Balance	\$ 610,435,777.25	\$ (20,619,055.80)	\$ 589,816,721.45
	ii Accrued Interest - To Be Capitalized	\$ 2,130,008.34	\$ 216,359.73	\$ 2,346,368.07
	iii Accrued Interest - Non-Capitalized	\$ 11,537,728.71	\$ 91,049.00	\$ 11,628,777.71
	iv Total Pool	\$ 624,103,514.30		\$ 603,791,867.23
	v Pending Portfolio adjustments	\$ -		\$ -
	vi Trust Cash	\$ 12,967,541.30		\$ 11,790,060.21
	vii Specified Reserve Account Balance	\$ 7,343,420.00		\$ 7,343,420.00
	viii Total Adjusted Pool	\$ 644,414,475.60		\$ 622,925,347.44
B	i Weighted Average Coupon (WAC)	4.351%		4.362%
	ii Weighted Average Remaining Term	167.27		167.22
	iii Number of Loans	68,689		65,794
	iv Number of Borrowers	28,269		27,168
	v Outstanding Principal Balance - T-Bill	\$ 6,969,018.68		\$ 6,782,287.18
	vi Outstanding Principal Balance - LIBOR	\$ 603,466,758.57		\$ 583,034,434.27

Bonds	CUSIP	Original Issue Amount	Rate	Balance 5/31/2019	Pool Factor 5/31/2019	Balance 8/31/2019	Pool Factor 8/31/2019	
C	i 2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 14,037,000.00	2.26%	\$ 11,514,000.00	1.92%
	ii 2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	2.90%	\$ 18,000,000.00	3.01%
	iii 2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 263,061,000.00	42.44%	\$ 244,389,000.00	40.82%
	iv 2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	49.25%	\$ 305,300,000.00	50.99%
	v 2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	3.15%	\$ 19,500,000.00	3.26%
	vii Total Bonds Outstanding Senior		\$ 582,398,000.00		93.95%	\$ 561,203,000.00	93.74%	
	viii Total Bonds Outstanding Subordinate		\$ 37,500,000.00		6.05%	\$ 37,500,000.00	6.26%	
	ix Total Bonds Outstanding 1993 Master Indenture		\$ 619,898,000.00			\$ 598,703,000.00		

Indenture Percentage		5/31/2019	8/31/2019
D	i Senior Parity	110.61%	110.95%
	ii Subordinate Parity	103.90%	103.98%

Monthly Trigger Percentage		5/31/2019	8/31/2019
E	i Senior Percentage	106.65%	106.83%
	ii Subordinate Percentage	100.09%	100.03%

Reserve Account		5/31/2019	8/31/2019
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 (\$)	\$ 7,343,420.00	\$ 7,343,420.00
	iv Current Reserve Balance - (\$)		\$ 7,343,420.00
	v Draws on Reserve - Current Quarter (\$)		\$ -

MHESAC 1993 Master Indenture
II. Trust Balances and Parity Calculations

Trust Accounts		5/31/2019	8/31/2019
A	i Acquisition Account	\$ 86,333.80	\$ 183,459.39
	ii Administration Account	\$ 958,900.00	\$ 831,000.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 10,794,928.06	\$ 9,339,261.79
	iv Reserve Account	\$ 7,343,420.00	\$ 7,343,420.00
	v Revenue Account	\$ -	\$ 689,698.08
	vii Surplus Subaccount	\$ 1,127,379.44	\$ 746,640.95
	viii Total Trust Accounts	\$ 20,310,961.30	\$ 19,133,480.21

Parity Calculations		5/31/2019	8/31/2019
B	Value of the Indenture		
	i Portfolio Balance	\$ 610,435,777.25	\$ 589,816,721.45
	ii Pending System Adjustments	-	-
	iii Accrued Borrower Interest	13,667,737.05	13,975,145.78
	iv Accrued Subsidized Interest	1,193,605.25	991,160.27
	v Less: Unguaranteed Amount Uncollectibles	(564,857.61)	(538,614.15)
	vi Trust Cash and Investments	20,310,961.30	19,133,480.21
	vii Payments in Transit	378,036.41	394,855.01
	viii Other Cash and Assets	40,486.20	63,712.32
	ix Total Trust Value	\$ 645,461,745.85	\$ 623,836,460.89
	Less:		
	x Accrued Payables	444,726.23	486,751.36
	xi Net Asset Value - Indenture Percentage	\$ 645,017,019.62	\$ 623,349,709.53

Bond Interest Outstanding		5/31/2019	8/31/2019
C	i Senior Interest	\$ 735,278.93	\$ 644,841.03
	ii Subordinate Interest	\$ 148,764.70	\$ 146,672.97
	iii Total Bond Interest	\$ 884,043.63	\$ 791,514.00

Bonds Outstanding		5/31/2019	8/31/2019
D	i Senior Bonds	\$ 582,398,000.00	\$ 561,203,000.00
	ii Subordinate Bonds	\$ 37,500,000.00	\$ 37,500,000.00
	iii Total Bonds	\$ 619,898,000.00	\$ 598,703,000.00

Distribution Amounts - Following Monthly Payment Date		5/31/2019	8/31/2019
E	i Senior Distribution Amount	\$ 10,008,000.00	\$ 9,078,000.00

Indenture Percentage		5/31/2019	8/31/2019
F	i Senior Parity $Bxi / (Ci + Di)$	110.61%	110.95%
	ii Subordinate Parity $Bxi / (Ciii + Diii)$	103.90%	103.98%

Monthly Trigger Percentage		5/31/2019	8/31/2019
G	i Senior Percentage $Bi / (Di - Ei)$	106.65%	106.83%
	ii Subordinate Percentage $Bi / (Diii - Ei)$	100.09%	100.03%

Six Month Average Trigger Percentage		Current Distribution		Next Monthly Distribution	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	106.82%	100.10%	106.83%	100.03%
	ii 2nd Month Prior	106.59%	99.97%	106.82%	100.10%
	iii 3rd Month Prior	106.65%	100.09%	106.59%	99.97%
	iv 4th Month Prior	106.42%	99.95%	106.65%	100.09%
	v 5th Month Prior	106.37%	99.99%	106.42%	99.95%
	vii 6th Month Prior	106.28%	99.97%	106.37%	99.99%
	viii Six Month Average Trigger Percentage	106.52%	100.01%	106.61%	100.02%

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	9/20/2019	3M LIBOR	0.12%	2.38663%	2.15588%	2.50663%	2.27588%
2006-C	612130HR8	9/20/2019	1M LIBOR	1.20%	2.17213%	2.04425%	3.37213%	3.24425%
2012-A2	61205PAK5	9/20/2019	1M LIBOR	1.00%	2.17213%	2.04425%	3.17213%	3.04425%
2012-A3	61205PAL3	9/20/2019	1M LIBOR	1.05%	2.17213%	2.04425%	3.22213%	3.09425%
2012-B	61205PAM1	9/20/2019	1M LIBOR	1.20%	2.17213%	2.04425%	3.37213%	3.24425%

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	\$ 73,756.75	\$ 73,756.75	\$ -	\$ -	\$ -	\$ -	4.35%
2006-C	612130HR8	\$ 52,268.04	\$ 52,268.04	\$ -	\$ 50,161.71	\$ -	\$ 50,161.71	3.08%
2012-A2	61205PAK5	\$ 667,563.22	\$ 667,563.22	\$ -	\$ -	\$ -	\$ -	39.33%
2012-A3	61205PAL3	\$ 847,088.43	\$ 847,088.43	\$ -	\$ -	\$ -	\$ -	49.91%
2012-B	61205PAM1	\$ 56,623.71	\$ 56,623.71	\$ -	\$ 54,341.86	\$ -	\$ 54,341.86	3.34%
TOTAL		\$ 1,697,300.15	\$ 1,697,300.15	\$ -	\$ 104,503.57	\$ -	\$ 104,503.57	

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	\$ 2,494,000.00	\$ 2,494,000.00	\$ -	\$ -	\$ -	\$ -	27.47%
2006-C	612130HR8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-A2	61205PAK5	\$ -	\$ -	\$ -	\$ 244,389,000.00	\$ 6,584,000.00	\$ 237,805,000.00	72.53%
2012-A3	61205PAL3	\$ 2,787,010.63	\$ -	\$ 2,787,010.63	\$ 191,143,518.03	\$ -	\$ 193,930,528.66	0.00%
2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$ 5,281,010.63	\$ 2,494,000.00	\$ 2,787,010.63	\$ 435,532,518.03	\$ 6,584,000.00	\$ 431,735,528.66	

TOTAL PRINCIPAL DISTRIBUTION	\$ 9,078,000.00
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MHESAC 1993 Master Indenture

IV. MHESAC System Activity from: 6/1/2019 through: 8/31/2019

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	17,027,864.60
ii	Principal Collections from Guarantor	\$	5,511,152.95
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(8,765.48)
v	Repurchase of Bankruptcy Loans	\$	(385,186.85)
vi	Additional Disbursements/Purchases		
vii	Total Principal Collections	\$	<u>22,145,065.22</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	82,966.24
ii	Capitalized Interest	\$	(1,608,975.66)
iii	Total Non-Cash Principal Activity	\$	<u>(1,526,009.42)</u>
C	Total Student Loan Principal Activity	\$	<u>20,619,055.80</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	4,119,994.92
ii	Interest Claims Received from Guarantors	\$	167,642.91
iii	Other System Adjustments	\$	(30.00)
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>4,287,607.83</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	240,040.60
ii	Capitalized Interest	\$	1,608,975.66
iii	Interest Accrued During Period	\$	(6,444,032.82)
iv	Total Non-Cash Interest Adjustments	\$	<u>(4,595,016.56)</u>
F	Total Student Loan Interest Activity	\$	<u>(307,408.73)</u>

Trust Activity from: 6/1/2019 through: 8/31/2019

G	Trust Balances less Reserve - Beginning of Period	\$	12,967,523.42
H	Released Funds in Excess of Reserve Requirement	\$	-
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	22,490,927.50
ii	Student Loan Interest Received	\$	4,309,015.87
iii	Subsidized Interest Received	\$	1,774,560.59
iv	Investment Income on Trust Accounts	\$	106,661.04
J	Funds Remitted During Period		
i	Bond Principal	\$	21,195,000.00
ii	Bond Interest	\$	5,318,329.62
iii	Consolidation Loan Rebate Fees	\$	1,353,167.18
iv	Management and Servicing Fees	\$	910,393.50
v	Administrative Fees (trustee, listing, etc.)	\$	22,675.61
vi	Special Allowance Rebate	\$	673,875.45
vii	Repurchase of Bankruptcy Loans	\$	385,186.85
K	Funds Reserved During Period		
i	Acquisition Funds for Bankruptcy Repurchase Loans	\$	183,459.39
ii	Administration Funds	\$	831,000.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>10,775,600.82</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****9/20/2019**

A	Total Available Funds for Distribution(IV-L)	\$	10,775,600.82
B	Interest Distributions		
i	2005-B Bonds	\$	73,756.75
ii	2006-C Bonds	\$	52,268.04
iii	2012-A2 Bonds	\$	667,563.22
iv	2012-A3 Bonds	\$	847,088.43
v	2012-B Bonds	\$	56,623.71
vi	Total Bondholder's Interest Distributions	\$	1,697,300.15
C	Principal Distributions		
i	2005-B Bonds	\$	2,494,000.00
ii	2006-C Bonds	\$	-
iii	2012-A2 Bonds	\$	6,584,000.00
iv	2012-A3 Bonds	\$	-
v	2012-B Bonds	\$	-
vi	Total Bondholder's Principal Distribution	\$	9,078,000.00
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)	\$	300.67

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	09/01/18-11/30/18	12/01/18-02/28/19	03/01/19-05/31/19	06/01/19-08/31/19
Beginning Student Loan Pool Balance	\$ 690,674,009.69	\$ 669,339,236.22	\$ 645,653,538.51	\$ 624,103,514.30
Student Loan Principal Activity				
i Regular Principal Collections	\$ 17,475,140.16	\$ 17,943,024.80	\$ 17,240,602.70	\$ 17,027,864.60
ii Principal Collections from Guarantor	\$ 6,438,066.40	\$ 7,466,223.92	\$ 6,922,433.61	\$ 5,511,152.95
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (15,078.44)	\$ (14,731.17)	\$ (12,682.17)	\$ (8,765.48)
v Repurchase of Bankruptcy Loans	\$ (165,623.68)	\$ (359,156.24)	\$ (724,384.49)	\$ (385,186.85)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 23,732,504.44	\$ 25,035,361.31	\$ 23,425,969.65	\$ 22,145,065.22
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ (275,489.39)	\$ 382,400.04	\$ 69,835.92	\$ 82,966.24
ii Capitalized Interest	\$ (1,896,771.53)	\$ (1,875,965.82)	\$ (1,951,434.00)	\$ (1,608,975.66)
iii Total Non-Cash Principal Activity	\$ (2,172,260.92)	\$ (1,493,565.78)	\$ (1,881,598.08)	\$ (1,526,009.42)
(-) Total Student Loan Principal Activity	\$ 21,560,243.52	\$ 23,541,795.53	\$ 21,544,371.57	\$ 20,619,055.80
Student Loan Interest Activity				
i Regular Interest Collections	\$ 4,564,912.10	\$ 4,418,321.62	\$ 4,219,727.49	\$ 4,119,994.92
ii Interest Claims Received from Guarantors	\$ 210,343.26	\$ 314,813.74	\$ 211,813.33	\$ 167,642.91
iii Other System Adjustments	\$ -	\$ -	\$ (4,200.79)	\$ (30.00)
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
v Total Interest Repayments	\$ 4,775,255.36	\$ 4,733,135.36	\$ 4,427,340.03	\$ 4,287,607.83
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 178,235.93	\$ 287,029.32	\$ 272,603.23	\$ 240,040.60
ii Capitalized Interest	\$ 1,896,771.53	\$ 1,875,965.82	\$ 1,951,434.00	\$ 1,608,975.66
iii Interest Accrued During Period	\$ (7,075,732.87)	\$ (6,752,228.32)	\$ (6,645,724.62)	\$ (6,444,032.82)
iv Total Non-Cash Interest Adjustments	\$ (5,000,725.41)	\$ (4,589,233.18)	\$ (4,421,687.39)	\$ (4,595,016.56)
(-) Total Student Loan Interest Activity	\$ (225,470.05)	\$ 143,902.18	\$ 5,652.64	\$ (307,408.73)
(=) TOTAL STUDENT LOAN POOL	\$ 669,339,236.22	\$ 645,653,538.51	\$ 624,103,514.30	\$ 603,791,867.23
(+) Pending Portfolio Adjustments	\$ (315,137.71)	\$ -	\$ -	\$ -
(+) Trust Cash Available	\$ 12,651,705.93	\$ 11,542,432.51	\$ 12,967,541.30	\$ 11,790,060.21
(+) Reserve Account Balance	\$ 7,343,420.00	\$ 7,343,420.00	\$ 7,343,420.00	\$ 7,343,420.00
(=) TOTAL ADJUSTED POOL	\$ 689,019,224.44	\$ 664,539,391.02	\$ 644,414,475.60	\$ 622,925,347.44

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

LOAN STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	5/31/2019	8/31/2019	5/31/2019	8/31/2019	5/31/2019	8/31/2019	5/31/2019	8/31/2019	5/31/2019	8/31/2019
INTERIM:										
In School	6.38%	6.40%	62	57	0.1%	0.1%	\$ 170,554	\$ 157,386	0.0%	0.0%
Grace	6.67%	6.55%	22	13	0.0%	0.0%	\$ 88,643	\$ 29,389	0.0%	0.0%
TOTAL INTERIM	6.48%	6.42%	84	70	0.1%	0.1%	\$ 259,197	\$ 186,775	0.0%	0.0%
REPAYMENT										
Active	4.26%	4.27%	60,997	58,338	88.8%	88.7%	\$ 545,462,596	\$ 522,803,646	89.4%	88.6%
Current	4.17%	4.17%	56,099	53,405	81.7%	81.2%	\$ 506,370,917	\$ 482,751,536	83.0%	81.8%
31-60 Days Delinquent	5.12%	5.29%	1,252	1,286	1.8%	2.0%	\$ 10,193,009	\$ 10,730,992	1.7%	1.8%
61-90 Days Delinquent	5.34%	5.32%	919	887	1.3%	1.3%	\$ 7,093,207	\$ 7,871,841	1.2%	1.3%
91-120 Days Delinquent	5.63%	5.45%	640	733	0.9%	1.1%	\$ 5,391,631	\$ 5,897,400	0.9%	1.0%
> 120 Days Delinquent	5.32%	5.44%	2,087	2,027	3.0%	3.1%	\$ 16,413,833	\$ 15,551,878	2.7%	2.6%
Deferment	5.10%	5.07%	3,681	3,494	5.4%	5.3%	\$ 24,144,763	\$ 24,658,198	4.0%	4.2%
Forbearance	5.22%	5.18%	3,669	3,639	5.3%	5.5%	\$ 38,319,475	\$ 40,264,223	6.3%	6.8%
TOTAL REPAYMENT	4.35%	4.36%	68,347	65,471	99.5%	99.5%	\$ 607,926,834	\$ 587,726,068	99.6%	99.6%
Claims in Process	5.23%	5.87%	258	253	0.4%	0.4%	\$ 2,249,746	\$ 1,903,879	0.4%	0.3%
Aged Claims Rejected	0.00%	0.00%	0	0	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.35%	4.36%	68,689	65,794	100%	100%	\$ 610,435,777	\$ 589,816,721	100%	100%

LOAN TYPE	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	5/31/2019	8/31/2019	5/31/2019	8/31/2019	5/31/2019	8/31/2019	5/31/2019	8/31/2019	5/31/2019	8/31/2019
Subsidized Stafford	5.74%	5.86%	18,512	17,459	27.0%	26.5%	\$ 44,731,508	\$ 42,534,421	7.3%	7.2%
Unsubsidized Stafford	6.03%	6.13%	13,493	12,742	19.6%	19.4%	\$ 50,077,223	\$ 47,903,453	8.2%	8.1%
PLUS	7.79%	7.98%	360	334	0.5%	0.5%	\$ 2,665,688	\$ 2,479,793	0.4%	0.4%
Grad/PLUS	8.07%	8.08%	104	103	0.2%	0.2%	\$ 1,318,164	\$ 1,321,618	0.2%	0.2%
SLS	5.50%	5.12%	10	10	0.0%	0.0%	\$ 39,087	\$ 38,608	0.0%	0.0%
Consolidation	4.04%	4.04%	36,210	35,146	52.7%	53.4%	\$ 511,604,107	\$ 495,538,829	83.8%	84.0%
TOTAL	4.35%	4.36%	68,689	65,794	100%	100%	\$ 610,435,777	\$ 589,816,721	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	8/31/2019
Cumulative Claims submitted (# of loans)	53,986
Cumulative Claims rejected (# of loans)	90
Cumulative Reject Rate	0.17%

VIV. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
11/30/18	\$ 655,521,944	4.90%
02/28/19	\$ 631,980,149	4.89%
05/31/19	\$ 610,435,777	4.85%
08/31/19	\$ 589,816,721	4.80%

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