



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 October 01, 2014 through October 31, 2014

Distribution Date: November 20, 2014

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics		9/30/2014	Activity	10/31/2014	
A	i	Principal Balance	\$ 1,084,099,425.12	\$ (9,700,636.26)	\$ 1,074,398,788.86
	ii	Accrued Interest	\$ 14,254,784.31	\$ 124,231.67	\$ 14,379,015.98
	iii	Total Student Loan Pool	\$ 1,098,354,209.43		\$ 1,088,777,804.84
	iv	Pending Portfolio adjustments	\$ (307.09)		\$ (255.30)
	v	Trust Cash	\$ 14,873,310.62		\$ 21,931,187.18
	vi	Specified Reserve Account Balance	\$ 11,003,030.00		\$ 10,991,250.00
	vii	Total Adjusted Pool	\$ 1,124,230,242.96		\$ 1,121,699,986.72
B	i	Weighted Average Coupon (WAC)	4.390%		4.390%
	ii	Weighted Average Remaining Term	177.98		177.82
	iii	Number of Loans	132,876		131,663
	iv	Number of Borrowers	53,675		53,181
	v	Outstanding Principal Balance - T-Bill	\$ 15,124,335.82		\$ 15,004,692.23
	vi	Outstanding Principal Balance - LIBOR	\$ 1,068,975,089.30		\$ 1,059,394,096.63

Bonds	CUSIP	Original Issue Amount	Rate	Balance 9/30/2014	Pool Factor 9/30/2014	Balance 10/31/2014	Pool Factor 10/31/2014		
C	i	2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 65,535,000.00	5.96%	\$ 65,535,000.00	5.96%
	ii	2006-A Bonds Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 74,433,000.00	6.76%	\$ 74,433,000.00	6.77%
	iii	2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	1.64%	\$ 18,000,000.00	1.64%
	iv	2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 617,535,000.00	56.12%	\$ 616,357,000.00	56.08%
	v	2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	27.75%	\$ 305,300,000.00	27.78%
	vi	2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	1.77%	\$ 19,500,000.00	1.77%
	vii	Total Bonds Outstanding Senior		\$ 1,062,803,000.00		\$ 1,061,625,000.00	96.59%	\$ 1,061,625,000.00	96.59%
	viii	Total Bonds Outstanding Taxable Subordinate		\$ 37,500,000.00		\$ 37,500,000.00	3.41%	\$ 37,500,000.00	3.41%
	ix	Total Bonds Outstanding 1993 Master Indenture - Taxable		\$ 1,100,303,000.00		\$ 1,099,125,000.00			

Indenture Percentage		9/30/2014	10/31/2014	
D	i	Senior Parity	105.48%	105.53%
	ii	Subordinate Parity	101.88%	101.92%

Monthly Trigger Percentage		9/30/2014	10/31/2014	
E	i	Senior Percentage	103.12%	103.01%
	ii	Subordinate Percentage	99.57%	99.43%

Reserve Account		9/30/2014	10/31/2014	
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 (\$)	\$ 11,003,030.00	\$ 10,991,250.00
	iv	Current Reserve Balance - (\$)		\$ 10,991,250.00
	v	Draws on Reserve - Current Month(\$)		\$ 11,780.00

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

Trust Accounts		9/30/2014	10/31/2014
A	i Acquisition Account	\$ 676,162.51	\$ 550,869.19
	ii Administration Account	\$ 1,727,000.00	\$ 1,727,000.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 12,340,737.31	\$ 16,893,291.59
	iv Reserve Account	\$ 11,003,030.00	\$ 10,991,250.00
	v Revenue Account	\$ 8,026.27	\$ -
	vii Surplus Subaccount	\$ 121,384.53	\$ 2,760,026.40
	viii Total Trust Accounts	\$ 25,876,340.62	\$ 32,922,437.18

Parity Calculations		9/30/2014	10/31/2014
B	Value of the Indenture		
	i Portfolio Balance	\$ 1,084,099,425.12	\$ 1,074,398,788.86
	ii Pending System Adjustments	(307.09)	(255.30)
	iii Accrued Borrower Interest	14,254,784.31	14,379,015.98
	iv Accrued Subsidized Interest	975,027.42	281,429.70
	v Less: Unguaranteed Amount Uncollectibles	(694,730.64)	(692,445.89)
	vi Trust Cash and Investments	25,876,340.62	32,922,437.18
	vii Payments in Transit	873,612.54	705,157.51
	viii Other Cash and Assets	7,849.72	53,339.01
	ix Total Trust Value	\$ 1,125,392,002.00	\$ 1,122,047,467.05
	Less:		
	x Accrued Payables	4,031,840.56	1,319,891.53
	xi Net Asset Value - Indenture Percentage	\$ 1,121,360,161.44	\$ 1,120,727,575.52

Bond Interest Outstanding		9/30/2014	10/31/2014
C	i Senior Interest	\$ 281,922.30	\$ 413,800.76
	ii Subordinate Interest	105,700.62	110,071.97
	iii Total Bond Interest	\$ 387,622.92	\$ 523,872.73

Bonds Outstanding		9/30/2014	10/31/2014
D	i Senior Bonds	\$ 1,062,803,000.00	\$ 1,061,625,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 1,100,303,000.00	\$ 1,099,125,000.00

Distribution Amounts - Following Monthly Payment Date		9/30/2014	10/31/2014
E	i Senior Distribution Amount	\$ 11,542,000.00	\$ 18,597,000.00

Indenture Percentage		9/30/2014	10/31/2014
F	i Senior Parity $Bxi / (Ci + Di)$	105.48%	105.53%
	ii Subordinate Parity $Bxi / (Ciii + Diii)$	101.88%	101.92%

Monthly Trigger Percentage		9/30/2014	10/31/2014
G	i Senior Percentage $Bi / (Di - Ei)$	103.12%	103.01%
	ii Subordinate Percentage $Bi / (Diii - Eii)$	99.57%	99.43%

Six Month Average Trigger Percentage		Current Distribution		Next Distribution Report	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	103.12%	99.57%	103.01%	99.43%
	ii 2nd Month Prior	102.94%	99.43%	103.12%	99.57%
	iii 3rd Month Prior	102.81%	99.34%	102.94%	99.43%
	iv 4th Month Prior	102.95%	99.50%	102.81%	99.34%
	v 5th Month Prior	102.82%	99.40%	102.95%	99.50%
	vii 6th Month Prior	102.98%	99.59%	102.82%	99.40%
	viii Six Month Average Trigger Percentage	102.94%	99.47%	102.94%	99.45%

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	11/20/2014	1M LIBOR	1.20%	0.15700%	0.15500%	1.35700%	1.35500%
2012-A2	61205PAK5	11/20/2014	1M LIBOR	1.00%	0.15700%	0.15500%	1.15700%	1.15500%
2012-A3	61205PAL3	11/20/2014	1M LIBOR	1.05%	0.15700%	0.15500%	1.20700%	1.20500%
2012-B	61205PAM1	11/20/2014	1M LIBOR	1.20%	0.15700%	0.15500%	1.35700%	1.35500%

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	\$ 21,033.54	\$ 21,033.54	\$ -	\$ 44,744.77	\$ -	\$ 44,744.77	2.16%
2012-A2	61205PAK5	\$ 614,082.64	\$ 614,082.64	\$ -	\$ -	\$ -	\$ -	62.97%
2012-A3	61205PAL3	\$ 317,316.61	\$ 317,316.61	\$ -	\$ -	\$ -	\$ -	32.54%
2012-B	61205PAM1	\$ 22,786.34	\$ 22,786.34	\$ -	\$ 48,473.50	\$ -	\$ 48,473.50	2.34%
TOTAL		\$ 975,219.13	\$ 975,219.13	\$ -	\$ 93,218.27	\$ -	\$ 93,218.27	

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	\$15,842,406.62	\$ 8,233,000.00	\$ 7,609,406.62	\$ 326,392,639.80	\$ -	\$ 334,002,046.42	100.00%
2012-A3	61205PAL3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$15,842,406.62	\$ 8,233,000.00	\$ 7,609,406.62	\$ 326,392,639.80	\$ -	\$ 334,002,046.42	

TOTAL PRINCIPAL DISTRIBUTION	\$ 8,233,000.00
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IV. MHESAC System Activity from: 10/1/2014 through: 10/31/2014

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	9,998,785.61
ii	Principal Collections from Guarantor	\$	1,403,812.98
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(15,510.57)
v	Repurchases of Rehabilitated Loans	\$	(672,286.64)
vi	Additional Disbursements/Purchases	\$	-
vii	Total Principal Collections	\$	<u>10,714,801.38</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	14,328.02
ii	Capitalized Interest	\$	(1,028,493.14)
iii	Total Non-Cash Principal Activity	\$	<u>(1,014,165.12)</u>
C	Total Student Loan Principal Activity	\$	<u>9,700,636.26</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	2,525,159.48
ii	Interest Claims Received from Guarantors	\$	42,214.10
iii	Other System Adjustments	\$	(20.23)
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>2,567,353.35</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	89,527.30
ii	Capitalized Interest	\$	1,028,493.14
iii	Interest Accrued During Period	\$	(3,809,605.46)
iv	Total Non-Cash Interest Adjustments	\$	<u>(2,691,585.02)</u>
F	Total Student Loan Interest Activity	\$	<u>(124,231.67)</u>

Trust Activity from: 10/1/2014 through: 10/31/2014

G	Trust Balances less Reserve - Beginning of Period	\$	14,873,310.62
H	Released Funds in Excess of Reserve Requirement	\$	11,780.00
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	11,413,935.51
ii	Student Loan Interest Received	\$	2,710,439.87
iii	Subsidized Interest Received	\$	975,101.72
iv	Investment Income on Trust Accounts	\$	286.47
J	Funds Remitted During Period		
i	Bond Principal	\$	1,178,000.00
ii	Bond Interest	\$	879,290.00
iii	Consolidation Loan Rebate Fees	\$	747,795.48
iv	Management and Servicing Fees	\$	544,525.58
v	Administrative Fees (trustee, listing, etc.)	\$	-
vi	Special Allowance Rebate	\$	4,031,769.31
vii	Repurchases of Rehabilitated Loans	\$	672,286.64
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	\$	38,995.88
iv	Funds Allocated for Accrued Interest 2006-A Bonds	\$	41,781.86
v	Acquisition Funds for Rehabilitated Loans	\$	550,869.19
vi	Administration Funds	\$	1,727,000.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>9,208,540.25</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****11/20/2014**

A	Total Available Funds for Distribution(IV-L)	\$	9,208,540.25
B	Interest Distributions		
i	2005-B Bonds	\$	-
ii	2006-A Bonds	\$	-
iii	2006-C Bonds	\$	21,033.54
iv	2012-A2 Bonds	\$	614,082.64
v	2012-A3 Bonds	\$	317,316.61
vi	2012-B Bonds	\$	22,786.34
vii	Total Bondholder's Interest Distributions	\$	975,219.13
C	Principal Distributions		
i	2005-B Bonds	\$	-
ii	2006-A Bonds	\$	-
iii	2006-C Bonds	\$	-
iv	2012-A2 Bonds	\$	8,233,000.00
v	2012-A3 Bonds	\$	-
vi	2012-B Bonds	\$	-
vii	Total Bondholder's Principal Distribution	\$	8,233,000.00
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)	\$	321.12

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	07/01/14-07/31/14	08/01/14-08/31/14	09/01/14-09/30/14	10/01/14-10/31/14
Beginning Student Loan Pool Balance	\$ 1,126,889,136.67	\$ 1,117,171,522.48	\$ 1,108,384,316.35	\$ 1,098,354,209.43
Student Loan Principal Activity				
i Regular Principal Collections	\$ 9,489,931.49	\$ 9,164,789.67	\$ 9,770,390.94	\$ 9,998,785.61
ii Principal Collections from Guarantor	\$ 1,644,799.92	\$ 1,695,736.61	\$ 1,608,555.57	\$ 1,403,812.98
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (28,376.22)	\$ (8,508.77)	\$ (11,125.66)	\$ (15,510.57)
v Repurchase of Rehabilitated Loans	\$ (205,056.12)	\$ (829,530.79)	\$ (452,837.48)	\$ (672,286.64)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 10,901,299.07	\$ 10,022,486.72	\$ 10,914,983.37	\$ 10,714,801.38
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ 2,572.02	\$ 6,510.17	\$ 1,564.43	\$ 14,328.02
ii Capitalized Interest	\$ (975,757.64)	\$ (881,914.55)	\$ (1,010,091.97)	\$ (1,028,493.14)
iii Total Non-Cash Principal Activity	\$ (973,185.62)	\$ (875,404.38)	\$ (1,008,527.54)	\$ (1,014,165.12)
(-) Total Student Loan Principal Activity	\$ 9,928,113.45	\$ 9,147,082.34	\$ 9,906,455.83	\$ 9,700,636.26
Student Loan Interest Activity				
i Regular Interest Collections	\$ 2,568,097.86	\$ 2,487,503.39	\$ 2,671,643.51	\$ 2,525,159.48
ii Interest Claims Received from Guarantors	\$ 33,628.73	\$ 37,312.19	\$ 54,953.16	\$ 42,214.10
iii Other System Adjustments	\$ -	\$ 307.04	\$ (23.05)	\$ (20.23)
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
v Total Interest Repayments	\$ 2,601,726.59	\$ 2,525,122.62	\$ 2,726,573.62	\$ 2,567,353.35
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 124,488.83	\$ 110,255.44	\$ 103,044.76	\$ 89,527.30
ii Capitalized Interest	\$ 975,757.64	\$ 881,914.55	\$ 1,010,091.97	\$ 1,028,493.14
iii Interest Accrued During Period	\$ (3,912,472.32)	\$ (3,877,168.82)	\$ (3,716,059.26)	\$ (3,809,605.46)
iv Total Non-Cash Interest Adjustments	\$ (2,812,225.85)	\$ (2,884,998.83)	\$ (2,602,922.53)	\$ (2,691,585.02)
(-) Total Student Loan Interest Activity	\$ (210,499.26)	\$ (359,876.21)	\$ 123,651.09	\$ (124,231.67)
(=) TOTAL STUDENT LOAN POOL	\$ 1,117,171,522.48	\$ 1,108,384,316.35	\$ 1,098,354,209.43	\$ 1,088,777,804.84
(+) Pending Portfolio Adjustments	\$ (424.31)	\$ (2,723.56)	\$ (307.09)	\$ (255.30)
(+) Trust Cash Available	\$ 22,292,460.47	\$ 24,279,273.71	\$ 14,873,310.62	\$ 21,931,187.18
(+) Reserve Account Balance	\$ 11,290,200.00	\$ 11,208,610.00	\$ 11,003,030.00	\$ 10,991,250.00
(=) TOTAL ADJUSTED POOL	\$ 1,150,753,758.64	\$ 1,143,869,476.50	\$ 1,124,230,242.96	\$ 1,121,699,986.72

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

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%		
	9/30/2014	10/31/2014	9/30/2014	10/31/2014	9/30/2014	10/31/2014	9/30/2014	10/31/2014	9/30/2014	10/31/2014	
INTERIM:											
In School	6.18%	6.14%	1,183	1,101	0.9%	0.8%	\$ 3,852,826	\$ 3,547,466	0.4%	0.3%	
Grace	6.01%	6.08%	744	792	0.6%	0.6%	\$ 2,455,045	\$ 2,639,636	0.2%	0.2%	
TOTAL INTERIM	6.11%	6.11%	1,927	1,893	1.5%	1.4%	\$ 6,307,871	\$ 6,187,102	0.6%	0.6%	
REPAYMENT											
Active	4.30%	4.29%	106,830	106,869	80.4%	81.2%	\$ 917,769,436	\$ 912,585,196	84.7%	84.9%	
Current	4.18%	4.18%	92,802	93,286	69.8%	70.9%	\$ 819,736,694	\$ 816,083,118	75.6%	76.0%	
31-60 Days Delinquent	5.13%	5.06%	3,985	3,830	3.0%	2.9%	\$ 29,478,887	\$ 29,039,031	2.7%	2.7%	
61-90 Days Delinquent	5.11%	5.15%	2,346	2,333	1.8%	1.8%	\$ 15,589,177	\$ 15,874,794	1.4%	1.5%	
91-120 Days Delinquent	5.01%	5.10%	2,041	1,694	1.5%	1.3%	\$ 13,818,535	\$ 12,203,694	1.3%	1.1%	
> 120 Days Delinquent	5.07%	5.06%	5,656	5,726	4.3%	4.3%	\$ 39,146,143	\$ 39,384,559	3.6%	3.7%	
Deferment	5.01%	5.00%	16,302	15,765	12.3%	12.0%	\$ 95,459,772	\$ 92,435,050	8.8%	8.6%	
Forbearance	4.92%	4.94%	6,107	5,650	4.6%	4.3%	\$ 54,655,221	\$ 53,937,057	5.0%	5.0%	
TOTAL REPAYMENT	4.37%	4.37%	129,239	128,284	97.3%	97.4%	\$ 1,067,884,429	\$ 1,058,957,303	98.5%	98.6%	
Claims in Process	5.21%	5.19%	1,710	1,486	1.3%	1.1%	\$ 9,907,125	\$ 9,254,384	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%	132,876	131,663	100%	100%	\$ 1,084,099,425	\$ 1,074,398,789	100%	100%	

VIII. MHESAC Cumulative Net Reject Rate	
	10/31/2014
Cumulative Claims submitted (# of loans)	46,888
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 *
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%
10/31/14	\$ 1,074,398,789	5.36%

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