



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 December 01, 2018 through December 31, 2018
Distribution Date: January 22, 2019

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics		11/30/2018		Activity		12/31/2018	
A	i	Principal Balance	\$ 655,521,944.35	\$ (7,394,102.71)	\$	648,127,841.64	
	ii	Accrued Interest - To Be Capitalized	\$ 2,422,709.16	\$ (86,264.67)	\$	2,336,444.49	
	iii	Accrued Interest - Non-Capitalized	\$ 11,394,582.71	\$ 184,651.32	\$	11,579,234.03	
	iv	Total Student Loan Pool	\$ 669,339,236.22		\$	662,043,520.16	
	v	Pending Portfolio adjustments	\$ (315,137.71)		\$	(41,363.11)	
	vi	Trust Cash	\$ 12,651,705.93		\$	9,584,633.22	
	vii	Specified Reserve Account Balance	\$ 7,343,420.00		\$	7,343,420.00	
	viii	Total Adjusted Pool	\$ 689,019,224.44		\$	678,930,210.27	
B	i	Weighted Average Coupon (WAC)	4.370%			4.367%	
	ii	Weighted Average Remaining Term	167.35			167.20	
	iii	Number of Loans	75,288			74,297	
	iv	Number of Borrowers	30,888			30,496	
	v	Outstanding Principal Balance - T-Bill	\$ 7,816,265.14		\$	7,790,985.98	
	vi	Outstanding Principal Balance - LIBOR	\$ 647,705,679.21		\$	640,336,855.66	

Bonds		CUSIP	Original Issue Amount	Rate	Balance 11/30/2018	Pool Factor 11/30/2018	Balance 12/31/2018	Pool Factor 12/31/2018	
C	i	2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 19,168,000.00	2.89%	\$ 16,588,000.00	2.54%
	ii	2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	2.71%	\$ 18,000,000.00	2.75%
	iii	2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 301,579,000.00	45.45%	\$ 294,738,000.00	45.06%
	iv	2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	46.01%	\$ 305,300,000.00	46.67%
	v	2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	2.94%	\$ 19,500,000.00	2.98%
	vii	Total Bonds Outstanding Senior		\$ 626,047,000.00		94.35%	\$ 616,626,000.00	94.27%	
	viii	Total Bonds Outstanding Taxable Subordinate		\$ 37,500,000.00		5.65%	\$ 37,500,000.00	5.73%	
	ix	Total Bonds Outstanding 1993 Master Indenture - Taxable		\$ 663,547,000.00			\$ 654,126,000.00		

Indenture Percentage		11/30/2018	12/31/2018	
D	i	Senior Parity	110.00%	110.16%
	ii	Subordinate Parity	103.77%	103.83%

Monthly Trigger Percentage		11/30/2018	12/31/2018	
E	i	Senior Percentage	106.31%	106.23%
	ii	Subordinate Percentage	100.21%	100.08%

Reserve Account		11/30/2018	12/31/2018	
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 Month(\$)	\$	\$ -

MHESAC 1993 Master Indenture

II. Trust Balances, Parity Calculations, and Trigger Percentages

Trust Accounts		11/30/2018	12/31/2018
A	i Acquisition Account	\$ 360,813.49	\$ 14,838.65
	ii Administration Account	\$ 958,900.00	\$ 958,900.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 10,569,501.80	\$ 8,610,894.57
	iv Reserve Account	\$ 7,343,420.00	\$ 7,343,420.00
	v Revenue Account	\$ -	\$ -
	vii Surplus Subaccount	\$ 762,490.64	\$ -
	viii Total Trust Accounts	\$ 19,995,125.93	\$ 16,928,053.22

Parity Calculations		11/30/2018	12/31/2018
B	Value of the Indenture		
	i Portfolio Balance	\$ 655,521,944.35	\$ 648,127,841.64
	ii Pending System Adjustments	(315,137.71)	(41,363.11)
	iii Accrued Borrower Interest	13,817,291.87	13,915,678.52
	iv Accrued Subsidized Interest	1,083,310.54	1,799,611.47
	v Less: Unguaranteed Amount Uncollectibles	(527,187.84)	(536,878.61)
	vi Trust Cash and Investments	19,995,125.93	16,928,053.22
	vii Payments in Transit	394,677.08	634,296.74
	viii Other Cash and Assets	27,507.53	5,799.25
	ix Total Trust Value	\$ 689,997,531.75	\$ 680,833,039.12

	Less:		
x	Accrued Payables	537,662.68	785,001.48
xi	Net Asset Value - Indenture Percentage	\$ 689,459,869.07	\$ 680,048,037.64

Bond Interest Outstanding		11/30/2018	12/31/2018
C	i Senior Interest	\$ 710,974.53	\$ 715,259.71
	ii Subordinate Interest	141,493.86	147,552.01
	iii Total Bond Interest	\$ 852,468.39	\$ 862,811.72

Bonds Outstanding		11/30/2018	12/31/2018
D	i Senior Bonds	\$ 626,047,000.00	\$ 616,626,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 663,547,000.00	\$ 654,126,000.00

Distribution Amounts - Following Monthly Payment Date		11/30/2018	12/31/2018
E	i Senior Distribution Amount	\$ 9,421,000.00	\$ 6,521,000.00

Indenture Percentage		11/30/2018	12/31/2018
F	i Senior Parity $Bxi / (Ci + Di)$	110.00%	110.16%
	ii Subordinate Parity $Bxi / (Ciii + Dii)$	103.77%	103.83%

Monthly Trigger Percentage		11/30/2018	12/31/2018
G	i Senior Percentage $Bi / (Di - Ei)$	106.31%	106.23%
	ii Subordinate Percentage $Bi / (Diii - Ei)$	100.21%	100.08%

Six Month Average Trigger Percentage		Current Distribution		Next Distribution Report	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	106.31%	100.21%	106.23%	100.08%
	ii 2nd Month Prior	106.25%	100.22%	106.31%	100.21%
	iii 3rd Month Prior	106.07%	100.12%	106.25%	100.22%
	iv 4th Month Prior	106.21%	100.31%	106.07%	100.12%
	v 5th Month Prior	106.08%	100.26%	106.21%	100.31%
	vii 6th Month Prior	106.03%	100.28%	106.08%	100.26%
	viii Six Month Average Trigger Percentage	106.16%	100.23%	106.19%	100.20%

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	1/22/2019	1M LIBOR	1.20%	2.47013%	2.50300%	3.67013%	3.70300%
2012-A2	61205PAK5	1/22/2019	1M LIBOR	1.00%	2.47013%	2.50300%	3.47013%	3.50300%
2012-A3	61205PAL3	1/22/2019	1M LIBOR	1.05%	2.47013%	2.50300%	3.52013%	3.55300%
2012-B	61205PAM1	1/22/2019	1M LIBOR	1.20%	2.47013%	2.50300%	3.67013%	3.70300%

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	\$ 60,557.22	\$ 60,557.22	\$ -	\$ 48,968.37	\$ -	\$ 48,968.37	2.96%
2012-A2	61205PAK5	\$ 937,546.84	\$ 937,546.84	\$ -	\$ -	\$ -	\$ -	45.76%
2012-A3	61205PAL3	\$ 985,138.99	\$ 985,138.99	\$ -	\$ -	\$ -	\$ -	48.08%
2012-B	61205PAM1	\$ 65,603.66	\$ 65,603.66	\$ -	\$ 53,049.07	\$ -	\$ 53,049.07	3.20%
TOTAL		\$ 2,048,846.71	\$ 2,048,846.71	\$ -	\$ 102,017.44	\$ -	\$ 102,017.44	

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	\$ -	\$ -	\$ -	\$ 294,738,000.00	\$ 3,970,000.00	\$ 290,768,000.00	100.00%
2012-A3	61205PAL3	\$ 6,447,586.00	\$ -	\$ 6,447,586.00	\$ 151,074,008.45	\$ -	\$ 157,521,594.45	0.00%
2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$ 6,447,586.00	\$ -	\$ 6,447,586.00	\$ 445,812,008.45	\$ 3,970,000.00	\$ 448,289,594.45	

TOTAL PRINCIPAL DISTRIBUTION	\$ 3,970,000.00
-------------------------------------	------------------------

MHESAC 1993 Master Indenture

IV. MHESAC System Activity from: 12/1/2018 through: 12/31/2018

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	5,656,040.04
ii	Principal Collections from Guarantor	\$	2,081,446.50
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(5,418.02)
v	Repurchases of Rehabilitated Loans	\$	(2,312.67)
vi	Additional Disbursements/Purchases	\$	-
vii	Total Principal Collections	\$	<u>7,729,755.85</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	279,671.53
ii	Capitalized Interest	\$	(615,324.67)
iii	Total Non-Cash Principal Activity	\$	<u>(335,653.14)</u>
C	Total Student Loan Principal Activity	\$	<u>7,394,102.71</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	1,469,553.86
ii	Interest Claims Received from Guarantors	\$	83,906.63
iii	Other System Adjustments	\$	-
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	<u>1,553,460.49</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	88,840.98
ii	Capitalized Interest	\$	615,324.67
iii	Interest Accrued During Period	\$	(2,356,012.79)
iv	Total Non-Cash Interest Adjustments	\$	<u>(1,651,847.14)</u>
F	Total Student Loan Interest Activity	\$	<u>(98,386.65)</u>

Trust Activity from: 12/1/2018 through: 12/31/2018

G	Trust Balances less Reserve - Beginning of Period	\$	12,651,705.93
H	Released Funds in Excess of Reserve Requirement	\$	-
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	7,526,112.04
ii	Student Loan Interest Received	\$	1,519,797.31
iii	Subsidized Interest Received	\$	-
iv	Investment Income on Trust Accounts	\$	35,686.19
J	Funds Remitted During Period		
i	Bond Principal	\$	9,421,000.00
ii	Bond Interest	\$	1,910,556.50
iii	Consolidation Loan Rebate Fees	\$	485,396.60
iv	Management and Servicing Fees	\$	329,402.48
v	Administrative Fees (trustee, listing, etc.)	\$	-
vi	Special Allowance Rebate	\$	-
vii	Repurchases of Rehabilitated Loans	\$	2,312.67
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	\$	40,253.55
iii	Acquisition Funds for Rehabilitated Loans	\$	14,838.65
iv	Administration Funds	\$	958,900.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>6,019,641.02</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****1/22/2019**

A	Total Available Funds for Distribution(IV-L)	\$	6,019,641.02
B	Interest Distributions		
i	2005-B Bonds	\$	-
ii	2006-C Bonds	\$	60,557.22
iii	2012-A2 Bonds	\$	937,546.84
iv	2012-A3 Bonds	\$	985,138.99
v	2012-B Bonds	\$	65,603.66
vi	Total Bondholder's Interest Distributions	\$	2,048,846.71
C	Principal Distributions		
i	2005-B Bonds	\$	-
ii	2006-C Bonds	\$	-
iii	2012-A2 Bonds	\$	3,970,000.00
iv	2012-A3 Bonds	\$	-
v	2012-B Bonds	\$	-
vi	Total Bondholder's Principal Distribution	\$	3,970,000.00
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)	\$	794.31

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	09/01/18-09/30/18	10/01/18-10/31/18	11/01/18-11/30/18	12/01/18-12/31/18
Beginning Student Loan Pool Balance	\$ 690,674,009.69	\$ 683,417,418.30	\$ 676,227,958.62	\$ 669,339,236.22
Student Loan Principal Activity				
i Regular Principal Collections	\$ 5,804,581.78	\$ 5,946,178.26	\$ 5,724,380.12	\$ 5,656,040.04
ii Principal Collections from Guarantor	\$ 2,220,825.40	\$ 2,079,051.70	\$ 2,138,189.30	\$ 2,081,446.50
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (4,134.33)	\$ (6,331.58)	\$ (4,612.53)	\$ (5,418.02)
v Repurchase of Rehabilitated Loans	\$ (11,889.09)	\$ (112,780.72)	\$ (40,953.87)	\$ (2,312.67)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 8,009,383.76	\$ 7,906,117.66	\$ 7,817,003.02	\$ 7,729,755.85
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ 24,247.01	\$ 2,933.70	\$ (302,670.10)	\$ 279,671.53
ii Capitalized Interest	\$ (657,854.35)	\$ (605,774.56)	\$ (633,142.62)	\$ (615,324.67)
iii Total Non-Cash Principal Activity	\$ (633,607.34)	\$ (602,840.86)	\$ (935,812.72)	\$ (335,653.14)
(-) Total Student Loan Principal Activity	\$ 7,375,776.42	\$ 7,303,276.80	\$ 6,881,190.30	\$ 7,394,102.71
Student Loan Interest Activity				
i Regular Interest Collections	\$ 1,496,577.13	\$ 1,542,737.45	\$ 1,525,597.52	\$ 1,469,553.86
ii Interest Claims Received from Guarantors	\$ 87,186.58	\$ 55,591.00	\$ 67,565.68	\$ 83,906.63
iii Other System Adjustments	\$ -	\$ -	\$ -	\$ -
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
v Total Interest Repayments	\$ 1,583,763.71	\$ 1,598,328.45	\$ 1,593,163.20	\$ 1,553,460.49
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 97,893.22	\$ 92,522.23	\$ (12,179.52)	\$ 88,840.98
ii Capitalized Interest	\$ 657,854.35	\$ 605,774.56	\$ 633,142.62	\$ 615,324.67
iii Interest Accrued During Period	\$ (2,458,696.31)	\$ (2,410,442.36)	\$ (2,206,594.20)	\$ (2,356,012.79)
iv Total Non-Cash Interest Adjustments	\$ (1,702,948.74)	\$ (1,712,145.57)	\$ (1,585,631.10)	\$ (1,651,847.14)
(-) Total Student Loan Interest Activity	\$ (119,185.03)	\$ (113,817.12)	\$ 7,532.10	\$ (98,386.65)
(=) TOTAL STUDENT LOAN POOL	\$ 683,417,418.30	\$ 676,227,958.62	\$ 669,339,236.22	\$ 662,043,520.16
(+) Pending Portfolio Adjustments	\$ -	\$ -	\$ (315,137.71)	\$ (41,363.11)
(+) Trust Cash Available	\$ 9,082,474.96	\$ 13,632,094.91	\$ 12,651,705.93	\$ 9,584,633.22
(+) Reserve Account Balance	\$ 7,343,420.00	\$ 7,343,420.00	\$ 7,343,420.00	\$ 7,343,420.00
(=) TOTAL ADJUSTED POOL	\$ 699,843,313.26	\$ 697,203,473.53	\$ 689,019,224.44	\$ 678,930,210.27

MHESAC 1993 Master Indenture
VII. Portfolio Characteristics

LOAN STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	11/30/2018	12/31/2018	11/30/2018	12/31/2018	11/30/2018	12/31/2018	11/30/2018	12/31/2018	11/30/2018	12/31/2018
INTERIM:										
In School	6.46%	6.42%	80	76	0.1%	0.1%	\$ 247,641	\$ 220,610	0.0%	0.0%
Grace	6.03%	6.10%	22	18	0.0%	0.0%	\$ 72,445	\$ 74,114	0.0%	0.0%
TOTAL INTERIM	6.37%	6.34%	102	94	0.1%	0.1%	\$ 320,086	\$ 294,724	0.0%	0.0%
REPAYMENT										
Active	4.27%	4.28%	66,077	65,619	87.8%	88.3%	\$ 578,785,715	\$ 577,139,111	88.3%	89.0%
Current	4.17%	4.17%	60,035	59,386	79.7%	79.9%	\$ 529,754,728	\$ 527,765,039	80.8%	81.4%
31-60 Days Delinquent	5.39%	5.36%	1,638	1,686	2.2%	2.3%	\$ 12,295,871	\$ 12,294,510	1.9%	1.9%
61-90 Days Delinquent	5.30%	5.55%	893	985	1.2%	1.3%	\$ 8,481,154	\$ 7,462,339	1.3%	1.2%
91-120 Days Delinquent	5.12%	5.17%	640	725	0.9%	1.0%	\$ 5,218,194	\$ 6,109,338	0.8%	0.9%
> 120 Days Delinquent	5.26%	5.23%	2,871	2,837	3.8%	3.8%	\$ 23,035,768	\$ 23,507,885	3.5%	3.6%
Deferment	5.04%	5.00%	4,509	4,258	6.0%	5.7%	\$ 29,983,595	\$ 28,295,572	4.6%	4.4%
Forbearance	5.24%	5.29%	4,252	3,988	5.6%	5.4%	\$ 43,583,577	\$ 39,791,367	6.6%	6.1%
TOTAL REPAYMENT	4.36%	4.36%	74,838	73,865	99.4%	99.4%	\$ 652,352,887	\$ 645,226,050	99.5%	99.6%
Claims in Process	5.88%	5.57%	348	338	0.5%	0.5%	\$ 2,848,971	\$ 2,607,068	0.4%	0.4%
Aged Claims Rejected	0.00%	0.00%	-	-	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.37%	4.37%	75,288	74,297	100%	100%	\$ 655,521,944	\$ 648,127,842	100%	100%

LOAN TYPE	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	11/30/2018	12/31/2018	11/30/2018	12/31/2018	11/30/2018	12/31/2018	11/30/2018	12/31/2018	11/30/2018	12/31/2018
Subsidized Stafford	5.73%	5.73%	20,902	20,543	27.8%	27.6%	\$ 50,189,700	\$ 49,362,694	7.7%	7.6%
Unsubsidized Stafford	6.03%	6.03%	15,187	14,943	20.2%	20.1%	\$ 55,142,694	\$ 54,408,537	8.4%	8.4%
PLUS	7.94%	7.94%	481	459	0.6%	0.6%	\$ 3,281,147	\$ 3,251,932	0.5%	0.5%
Grad/PLUS	8.10%	8.09%	111	107	0.1%	0.1%	\$ 1,352,229	\$ 1,333,494	0.2%	0.2%
SLS	5.53%	5.53%	12	12	0.0%	0.0%	\$ 42,579	\$ 42,296	0.0%	0.0%
Consolidation	4.05%	4.04%	38,595	38,233	51.3%	51.5%	\$ 545,513,596	\$ 539,728,889	83.2%	83.3%
TOTAL	4.37%	4.37%	75,288	74,297	100%	100%	\$ 655,521,944	\$ 648,127,842	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	12/31/2018
Cumulative Claims submitted (# of loans)	53,091
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 *
09/30/18	\$ 669,706,411	4.94%
10/31/18	\$ 662,403,135	4.92%
11/30/18	\$ 655,521,944	4.90%
12/31/18	\$ 648,127,842	4.89%

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