



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-A1
- Senior Series 2012-A2
- Senior Series 2012-A3
- Subordinate Series 2012-B

Reporting Period February 01, 2014 through February 28, 2014
Distribution Date: March 20, 2014

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics		1/31/2014	Activity	2/28/2014	
A	i	Principal Balance	\$ 1,162,463,976.60	\$ (7,728,123.28)	\$ 1,154,735,853.32
	ii	Accrued Interest	\$ 14,031,103.16	\$ (432,856.57)	\$ 13,598,246.59
	iii	Total Student Loan Pool	\$ 1,176,495,079.76		\$ 1,168,334,099.91
	iv	Pending Portfolio adjustments	\$ -		\$ (100.00)
	v	Trust Cash	\$ 25,511,208.39		\$ 20,849,658.35
	vi	Specified Reserve Account Balance	\$ 11,915,150.00		\$ 11,805,000.00
	vii	Total Adjusted Pool	\$ 1,213,921,438.15		\$ 1,200,988,658.26
B	i	Weighted Average Coupon (WAC)	4.410%		4.410%
	ii	Weighted Average Remaining Term	181.46		181.05
	iii	Number of Loans	143,746		142,412
	iv	Number of Borrowers	57,889		57,330
	v	Outstanding Principal Balance - T-Bill	\$ 16,124,209.99		\$ 16,008,800.63
	vi	Outstanding Principal Balance - LIBOR	\$ 1,146,339,766.61		\$ 1,138,727,052.69

Bonds	CUSIP	Original Issue Amount	Rate	Balance 1/31/2014	Pool Factor 1/31/2014	Balance 2/28/2014	Pool Factor 2/28/2014		
C	i	2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 76,031,000.00	6.38%	\$ 76,031,000.00	6.44%
	ii	2006-A Bonds Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 95,289,000.00	8.00%	\$ 95,289,000.00	8.07%
	iii	2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	1.51%	\$ 18,000,000.00	1.52%
	iv	2012-A1 Bonds Senior	61205PAJ8	\$ 191,000,000.00	1M LIBOR + 0.60%	\$ 28,395,000.00	2.38%	\$ 17,380,000.00	1.47%
	v	2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 649,000,000.00	54.47%	\$ 649,000,000.00	54.98%
	vi	2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	25.62%	\$ 305,300,000.00	25.86%
	vii	2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	1.64%	\$ 19,500,000.00	1.65%
	viii	Total Bonds Outstanding Senior		\$ 1,154,015,000.00		\$ 1,143,000,000.00	96.85%	\$ 1,143,000,000.00	96.82%
	ix	Total Bonds Outstanding Taxable Subordinate		\$ 37,500,000.00		\$ 37,500,000.00	3.15%	\$ 37,500,000.00	3.18%
	x	Total Bonds Outstanding 1993 Master Indenture - Taxable		\$ 1,191,515,000.00		\$ 1,180,500,000.00			

Indenture Percentage		1/31/2014	2/28/2014	
D	i	Senior Parity	104.83%	104.89%
	ii	Subordinate Parity	101.52%	101.55%

Monthly Trigger Percentage		1/31/2014	2/28/2014	
E	i	Senior Percentage	102.65%	102.61%
	ii	Subordinate Percentage	99.36%	99.30%

Reserve Account		12/31/2013	2/28/2014	
F	i	Required Reserve Acc Deposit (%)	1.00%	1.00%
	ii	Reserve Account Floor Balance (\$) (Minimum Reserve Requirement)		\$ 7,343,420.00
	iii	Specified Reserve Acct Requirement (\$)	\$ 11,915,150.00	\$ 11,805,000.00
	iv	Current Reserve Balance - (\$)	\$ 11,915,150.00	\$ 11,805,000.00
	v	Draws on Reserve - Current Month(\$)		\$ 110,150.00

MHESAC 1993 Master Indenture

II. Trust Balances, Parity Calculations, and Trigger Percentages

Trust Accounts		1/31/2014	2/28/2014
A	i Acquisition Account	\$ 1,117,851.42	\$ 434,079.22
	ii Administration Account	\$ 1,739,900.00	\$ 1,739,900.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 20,410,848.05	\$ 16,293,736.33
	iv Reserve Account	\$ 11,915,150.00	\$ 11,805,000.00
	v Revenue Account	\$ -	\$ -
	vii Surplus Subaccount	\$ 2,242,608.92	\$ 2,381,942.80
	viii Total Trust Accounts	\$ 37,426,358.39	\$ 32,654,658.35

Parity Calculations		1/31/2014	2/28/2014
B	Value of the Indenture		
	i Portfolio Balance	\$ 1,162,463,976.60	\$ 1,154,735,853.32
	ii Pending System Adjustments	-	(100.00)
	iii Accrued Borrower Interest	14,031,103.16	13,598,246.59
	iv Accrued Subsidized Interest	1,674,942.55	766,059.58
	v Less: Unguaranteed Amount Uncollectibles	(739,789.83)	(738,131.44)
	vi Trust Cash and Investments	37,426,358.39	32,654,658.35
	vii Payments in Transit	1,222,145.27	1,101,884.97
	viii Other Cash and Assets	-	-
	ix Total Trust Value	\$ 1,216,078,736.14	\$ 1,202,118,471.37
	Less:		
	x Accrued Payables	5,873,052.32	2,841,306.00
	xi Net Asset Value - Indenture Percentage	\$ 1,210,205,683.82	\$ 1,199,277,165.37

Bond Interest Outstanding		1/31/2014	2/28/2014
C	i Senior Interest	\$ 421,038.66	\$ 402,009.70
	ii Subordinate Interest	107,711.18	104,960.18
	iii Total Bond Interest	\$ 528,749.84	\$ 506,969.88

Bonds Outstanding		1/31/2014	2/28/2014
D	i Senior Bonds	\$ 1,154,015,000.00	\$ 1,143,000,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 1,191,515,000.00	\$ 1,180,500,000.00

Distribution Amounts - Following Monthly Payment Date		1/31/2014	2/28/2014
E	i Senior Distribution Amount	\$ 21,559,000.00	\$ 17,605,000.00

Indenture Percentage		1/31/2014	2/28/2014
F	i Senior Parity $Bxi / (Ci + Di)$	104.83%	104.89%
	ii Subordinate Parity $Bxi / (Ciii + Dii)$	101.52%	101.55%

Monthly Trigger Percentage		1/31/2014	2/28/2014
G	i Senior Percentage $Bi / (Di - Ei)$	102.65%	102.61%
	ii Subordinate Percentage $Bi / (Diii - Eii)$	99.36%	99.30%

Six Month Average Trigger Percentage		Current Distribution		Next Distribution Report	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	102.65%	99.36%	102.61%	99.30%
	ii 2nd Month Prior	102.55%	99.30%	102.65%	99.36%
	iii 3rd Month Prior	102.47%	99.25%	102.55%	99.30%
	iv 4th Month Prior	102.27%	99.08%	102.47%	99.25%
	v 5th Month Prior	102.36%	99.19%	102.27%	99.08%
	vii 6th Month Prior	102.21%	99.07%	102.36%	99.19%
	viii Six Month Average Trigger Percentage	102.42%	99.21%	102.49%	99.25%

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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	3/20/2014	3M LIBOR	0.12%	0.24510%	0.23485%	0.36510%	0.35485%
2006-A	612130HP2	3/20/2014	3M LIBOR	0.10%	0.24510%	0.23485%	0.34510%	0.33485%
2006-C	612130HR8	3/20/2014	1M LIBOR	1.20%	0.15400%	0.15675%	1.35400%	1.35675%
2012-A1	61205PAJ8	3/20/2014	1M LIBOR	0.60%	0.15400%	0.15675%	0.75400%	0.75675%
2012-A2	61205PAK5	3/20/2014	1M LIBOR	1.00%	0.15400%	0.15675%	1.15400%	1.15675%
2012-A3	61205PAL3	3/20/2014	1M LIBOR	1.05%	0.15400%	0.15675%	1.20400%	1.20675%
2012-B	61205PAM1	3/20/2014	1M LIBOR	1.20%	0.15400%	0.15675%	1.35400%	1.35675%

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	\$ 69,397.30	\$ 69,397.30	\$ -	\$ -	\$ -	\$ -	6.49%
2006-A	612130HP2	\$ 82,210.58	\$ 82,210.58	\$ -	\$ -	\$ -	\$ -	7.69%
2006-C	612130HR8	\$ 18,955.98	\$ 18,955.98	\$ -	\$ 44,334.53	\$ -	\$ 44,334.53	1.77%
2012-A1	61205PAJ8	\$ 10,192.33	\$ 10,192.33	\$ -	\$ -	\$ -	\$ -	0.95%
2012-A2	61205PAK5	\$ 582,516.44	\$ 582,516.44	\$ -	\$ -	\$ -	\$ -	54.46%
2012-A3	61205PAL3	\$ 285,895.13	\$ 285,895.13	\$ -	\$ -	\$ -	\$ -	26.73%
2012-B	61205PAM1	\$ 20,535.65	\$ 20,535.65	\$ -	\$ 48,029.08	\$ -	\$ 48,029.08	1.92%
TOTAL		\$ 1,069,703.41	\$ 1,069,703.41	\$ -	\$ 92,363.61	\$ -	\$ 92,363.61	

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	\$ 3,577,000.00	\$ 3,577,000.00	\$ -	\$ -	\$ -	\$ -	16.01%
2006-A	612130HP2	\$ 6,967,000.00	\$ 6,967,000.00	\$ -	\$ -	\$ -	\$ -	31.19%
2006-C	612130HR8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-A1	61205PAJ8	\$ -	\$ -	\$ -	\$ 17,380,000.00	\$ 7,061,000.00	\$ 10,319,000.00	0.00%
2012-A2	61205PAK5	\$ 11,791,352.87	\$ -	\$ 11,791,352.87	\$ 230,361,320.69	\$ -	\$ 242,152,673.56	52.79%
2012-A3	61205PAL3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$ 22,335,352.87	\$ 10,544,000.00	\$ 11,791,352.87	\$ 247,741,320.69	\$ 7,061,000.00	\$ 252,471,673.56	

TOTAL PRINCIPAL DISTRIBUTION \$ 17,605,000.00

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IV. MHESAC System Activity from: 2/1/2014 through: 2/28/2014

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	8,668,901.98
ii	Principal Collections from Guarantor	\$	1,398,353.98
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(54,502.14)
v	Repurchases of Rehabilitated Loans	\$	(1,087,259.92)
vi	Additional Disbursements/Purchases	\$	-
vii	Total Principal Collections	\$	8,925,493.90
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	4,834.96
ii	Capitalized Interest	\$	(1,202,205.58)
iii	Total Non-Cash Principal Activity	\$	(1,197,370.62)
C	Total Student Loan Principal Activity	\$	7,728,123.28
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	2,728,757.08
ii	Interest Claims Received from Guarantors	\$	40,273.72
iii	Other System Adjustments	\$	(131.22)
iv	Accrued Borrower Interest on Purchased Loans	\$	-
v	Total Interest Collections	\$	2,768,899.58
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	147,059.05
ii	Capitalized Interest	\$	1,202,205.58
iii	Interest Accrued During Period	\$	(3,685,307.64)
iv	Total Non-Cash Interest Adjustments	\$	(2,336,043.01)
F	Total Student Loan Interest Activity	\$	432,856.57

Trust Activity from: 2/1/2014 through: 2/28/2014

G	Trust Balances less Reserve - Beginning of Period	\$	25,511,208.39
H	Released Funds in Excess of Reserve Requirement	\$	110,150.00
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	10,166,874.52
ii	Student Loan Interest Received	\$	2,736,561.44
iii	Subsidized Interest Received	\$	1,265,277.85
iv	Investment Income on Trust Accounts	\$	272.83
J	Funds Remitted During Period		
i	Bond Principal	\$	11,015,000.00
ii	Bond Interest	\$	993,144.78
iii	Consolidation Loan Rebate Fees	\$	791,610.32
iv	Management and Servicing Fees	\$	583,783.48
v	Administrative Fees (trustee, listing, etc.)	\$	41,551.78
vi	Special Allowance Rebate	\$	4,428,336.40
vii	Repurchases of Rehabilitated Loans	\$	1,087,259.92
K	Funds Reserved During Period		
i	Funds Allocated for Accrued Principal 2005-B Bonds	\$	-
ii	Funds Allocated for Accrued Principal 2006-A Bonds	\$	-
iii	Funds Allocated for Accrued Interest 2005-B Bonds	\$	-
iv	Funds Allocated for Accrued Interest 2006-A Bonds	\$	-
v	Acquisition Funds for Rehabilitated Loans	\$	434,079.22
vi	Administration Funds	\$	1,739,900.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	18,675,679.13

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****3/20/2014**

A	Total Available Funds for Distribution(IV-L)	\$	18,675,679.13
B	Interest Distributions		
i	2005-B Bonds	\$	69,397.30
ii	2006-A Bonds	\$	82,210.58
iii	2006-C Bonds	\$	18,955.98
iv	2012-A1 Bonds	\$	10,192.33
v	2012-A2 Bonds	\$	582,516.44
vi	2012-A3 Bonds	\$	285,895.13
vii	2012-B Bonds	\$	20,535.65
viii	Total Bondholder's Interest Distributions	\$	1,069,703.41
C	Principal Distributions		
i	2005-B Bonds	\$	3,577,000.00
ii	2006-A Bonds	\$	6,967,000.00
iii	2006-C Bonds	\$	-
iv	2012-A1 Bonds	\$	7,061,000.00
v	2012-A2 Bonds	\$	-
vi	2012-A3 Bonds	\$	-
vii	2012-B Bonds	\$	-
viii	Total Bondholder's Principal Distribution	\$	17,605,000.00
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)	\$	975.72

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VI. Historical Pool Information

	11/01/13-11/30/13	12/01/13-12/31/13	01/01/14-01/31/14	02/01/14-02/28/14
Beginning Student Loan Pool Balance	\$ 1,205,083,152.85	\$ 1,196,661,214.15	\$ 1,186,580,159.53	\$ 1,176,495,079.76
Student Loan Principal Activity				
i Regular Principal Collections	\$ 8,136,623.84	\$ 9,489,645.19	\$ 8,926,069.42	\$ 8,668,901.98
ii Principal Collections from Guarantor	\$ 2,455,984.82	\$ 2,264,789.51	\$ 2,422,932.71	\$ 1,398,353.98
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ (48,119.86)	\$ (40,385.21)	\$ (54,467.89)	\$ (54,502.14)
v Repurchase of Rehabilitated Loans	\$ (973,565.74)	\$ (567,480.44)	\$ (307,138.24)	\$ (1,087,259.92)
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ 9,570,923.06	\$ 11,146,569.05	\$ 10,987,396.00	\$ 8,925,493.90
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ 4,900.16	\$ 3,581.79	\$ 162,871.61	\$ 4,834.96
ii Capitalized Interest	\$ (1,315,780.07)	\$ (978,755.89)	\$ (944,283.89)	\$ (1,202,205.58)
iii Total Non-Cash Principal Activity	\$ (1,310,879.91)	\$ (975,174.10)	\$ (781,412.28)	\$ (1,197,370.62)
(-) Total Student Loan Principal Activity	\$ 8,260,043.15	\$ 10,171,394.95	\$ 10,205,983.72	\$ 7,728,123.28
Student Loan Interest Activity				
i Regular Interest Collections	\$ 2,629,390.38	\$ 2,855,523.81	\$ 2,793,414.60	\$ 2,728,757.08
ii Interest Claims Received from Guarantors	\$ 64,481.34	\$ 56,195.25	\$ 63,594.33	\$ 40,273.72
iii Other System Adjustments	\$ (15.03)	\$ (66.68)	\$ (4.78)	\$ (131.22)
iv Accrued Borrower Interest on Purchased Loans	\$ -	\$ (2,685.69)	\$ (140.01)	\$ -
v Total Interest Repayments	\$ 2,693,856.69	\$ 2,908,966.69	\$ 2,856,864.14	\$ 2,768,899.58
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 185,466.94	\$ 165,266.47	\$ 187,671.70	\$ 147,059.05
ii Capitalized Interest	\$ 1,315,780.07	\$ 978,755.89	\$ 944,283.89	\$ 1,202,205.58
iii Interest Accrued During Period	\$ (4,033,208.15)	\$ (4,143,329.38)	\$ (4,109,723.68)	\$ (3,685,307.64)
iv Total Non-Cash Interest Adjustments	\$ (2,531,961.14)	\$ (2,999,307.02)	\$ (2,977,768.09)	\$ (2,336,043.01)
(-) Total Student Loan Interest Activity	\$ 161,895.55	\$ (90,340.33)	\$ (120,903.95)	\$ 432,856.57
(=) TOTAL STUDENT LOAN POOL	\$ 1,196,661,214.15	\$ 1,186,580,159.53	\$ 1,176,495,079.76	\$ 1,168,334,099.91
(+) Pending Portfolio Adjustments	\$ (150.00)	\$ (10,264.93)	\$ -	\$ (100.00)
(+) Trust Cash Available	\$ 24,352,190.79	\$ 14,037,592.49	\$ 25,511,208.39	\$ 20,849,658.35
(+) Reserve Account Balance	\$ 12,126,990.00	\$ 11,918,120.00	\$ 11,915,150.00	\$ 11,805,000.00
(=) TOTAL ADJUSTED POOL	\$ 1,233,140,244.94	\$ 1,212,525,607.09	\$ 1,213,921,438.15	\$ 1,200,988,658.26

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

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	1/31/2014	2/28/2014	1/31/2014	2/28/2014	1/31/2014	2/28/2014	1/31/2014	2/28/2014	1/31/2014	2/28/2014
INTERIM:										
In School	6.13%	6.11%	2,114	1,936	1.5%	1.4%	\$ 6,804,807	\$ 6,320,572	0.6%	0.5%
Grace	6.29%	6.25%	675	667	0.5%	0.5%	\$ 2,168,435	\$ 2,081,807	0.2%	0.2%
TOTAL INTERIM	6.17%	6.15%	2,789	2,603	1.9%	1.8%	\$ 8,973,242	\$ 8,402,379	0.8%	0.7%
REPAYMENT										
Active	4.30%	4.30%	113,273	112,727	78.8%	79.2%	\$ 974,684,478	\$ 969,659,944	83.8%	84.0%
Current	4.18%	4.19%	98,210	98,720	68.3%	69.3%	\$ 868,361,025	\$ 869,462,779	74.7%	75.3%
31-60 Days Delinquent	5.17%	5.02%	4,175	3,709	2.9%	2.6%	\$ 29,009,315	\$ 28,393,918	2.5%	2.5%
61-90 Days Delinquent	5.06%	5.15%	2,610	2,707	1.8%	1.9%	\$ 19,394,289	\$ 18,172,770	1.7%	1.6%
91-120 Days Delinquent	5.12%	5.07%	2,178	1,756	1.5%	1.2%	\$ 14,670,807	\$ 12,510,312	1.3%	1.1%
> 120 Days Delinquent	5.10%	5.14%	6,100	5,835	4.2%	4.1%	\$ 43,249,042	\$ 41,120,165	3.7%	3.6%
Deferment	4.99%	4.99%	19,744	18,881	13.7%	13.3%	\$ 116,714,711	\$ 113,041,553	10.0%	9.8%
Forbearance	5.06%	5.10%	5,874	6,320	4.1%	4.4%	\$ 48,401,281	\$ 51,873,221	4.2%	4.5%
TOTAL REPAYMENT	4.39%	4.39%	138,891	137,928	96.6%	96.9%	\$ 1,139,800,470	\$ 1,134,574,718	98.1%	98.3%
Claims in Process	5.19%	5.17%	2,064	1,881	1.4%	1.3%	\$ 13,683,240	\$ 11,758,756	1.2%	1.0%
Aged Claims Rejected	2.35%	0.00%	2	0	0.0%	0.0%	\$ 7,025	\$ -	0.0%	0.0%
GRAND TOTAL	4.41%	4.41%	143,746	142,412	100%	100%	\$ 1,162,463,977	\$ 1,154,735,853	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	2/28/2014
Cumulative Claims submitted (# of loans)	45,291
Cumulative Claims rejected (# of loans)	87
Cumulative Reject Rate	0.19%

VIV. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
11/30/13	\$ 1,182,841,355	5.58%
12/31/13	\$ 1,172,669,960	5.56%
01/31/14	\$ 1,162,463,977	5.54%
02/28/14	\$ 1,154,735,853	5.44%

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