



**Montana Higher Education Student Assistance Corporation**  
**Quarterly Student Loan Report**

**1993 Master Indenture - Trust Securing the Following Taxable Notes:**

- Senior Series 2000-C (Taxable)
- Senior Series 2001-C (Taxable)
- Senior Series 2002-D (Taxable)
- Senior Series 2003-C (Taxable)
- Senior Series 2005-A and B (Taxable)
- Senior Series 2006-A and B (Taxable) and Subordinate Series 2006-C (Taxable)

**Reporting Period March 01, 2008 through May 31, 2008**

MHESAC 1993 Master Indenture - Taxable

I. Deal Parameters

Student Portfolio Characteristics		2/29/2008	Activity	5/31/2008	
A	i	Portfolio Balance	\$ 486,250,371.03	\$ (5,617,107.90)	\$ 480,633,263.13
	ii	Interest to be Capitalized	\$ 2,834,885.41	\$ (1,327.39)	\$ 2,833,558.02
	iii	Total Pool	\$ 489,085,256.44		\$ 483,466,821.15
	iv	Pending Portfolio adjustments	\$ -		\$ -
	v	Trust Cash	\$ 89,545,443.40		\$ 16,937,084.75
	vi	Specified Reserve Account Balance	\$ 2,035,000.00		\$ 2,035,000.00
	vii	<b>Total Adjusted Pool</b>	<b>\$ 580,665,699.84</b>		<b>\$ 502,438,905.90</b>
B	i	Weighted Average Coupon (WAC)	3.730%		3.670%
	ii	Weighted Average Remaining Term	263.84		262.03
	iii	Number of Loans	28,019		27,587
	iv	Number of Borrowers	14,835		14,596
	v	Outstanding Principal Balance - T-Bill	\$ 1,868,869.10		\$ 1,770,165.17
	vi	Outstanding Principal Balance - Commercial Paper	\$ 484,381,501.93		\$ 478,863,097.96

  

Notes	CUSIP	Original Issue Amount	Rate	Balance 2/29/2008	Pool Factor 2/29/2008	Balance 5/31/2008	Pool Factor 5/31/2008		
C	i	2000-C Notes Taxable Senior	612130GV0	\$ 11,200,000.00	ARS	\$ 11,200,000.00	1.93%	\$ 9,300,000.00	1.85%
	ii	2001-C Notes Taxable Senior	612130GY4	\$ 29,500,000.00	ARS	\$ 29,500,000.00	5.08%	\$ 22,100,000.00	4.39%
	iii	2002-D Notes Taxable Senior	612130HC1	\$ 10,300,000.00	ARS	\$ 10,300,000.00	1.77%	\$ 8,200,000.00	1.63%
	iv	2003-C Notes Taxable Senior	612130HG2	\$ 13,300,000.00	ARS	\$ 13,300,000.00	2.29%	\$ 10,400,000.00	2.07%
	v	2005-A Notes Taxable Senior	612130HM9	\$ 133,508,000.00	3 Mo Libor + 0.04%	\$ 66,362,000.00	11.42%	\$ 60,634,000.00	12.04%
	vi	2005-B Notes Taxable Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 119,140,000.00	20.50%	\$ 119,140,000.00	23.67%
	vii	2006-A Notes Taxable Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 226,775,000.00	39.01%	\$ 225,261,000.00	44.74%
	viii	2006-B Notes Taxable Senior	612130HQ0	\$ 74,700,000.00	ARS	\$ 74,700,000.00	12.85%	\$ 18,400,000.00	3.65%
	ix	2006-C Notes Taxable Subordinate	612130HR8	\$ 30,000,000.00	ARS	\$ 30,000,000.00	5.16%	\$ 30,000,000.00	5.96%
	x	Total Notes Outstanding Taxable Senior		\$ 551,277,000.00		\$ 473,435,000.00	94.84%	\$ 473,435,000.00	94.04%
	xi	Total Notes Outstanding Taxable Subordinate		\$ 30,000,000.00		\$ 30,000,000.00	5.16%	\$ 30,000,000.00	5.96%
	xii	<b>Total Notes Outstanding 1993 Master Indenture - Taxable</b>		<b>\$ 581,277,000.00</b>		<b>\$ 503,435,000.00</b>			

  

Parity		2/29/2008	5/31/2008	
D	i	Senior Parity	105.50%	106.34%
	ii	Subordinate Parity	100.05%	100.00%

  

Reserve Account		2/29/2008	5/31/2008	
E	i	Required Reserve Acc Deposit (%)	1.00%	1.00%
	ii	Reserve Acct Initial Deposit (\$)	\$ -	\$ -
	iii	Specified Reserve Acct Requirement (\$)	\$ -	\$ -
	iv	Reserve Account Floor Balance (\$)	\$ -	\$ -
	v	Current Reserve Balance (\$)	\$ -	\$ 2,035,000.00
	vi	Current Reserve Balance - Total Indenture (\$)	\$ -	\$ 30,566,244.22
	vii	Draws on Reserve - Current Quarter (\$)	\$ -	\$ -

**MHESAC 1993 Master Indenture - Taxable**  
**II. Trust Balances and Parity Calculations**

<b>Trust Accounts</b>		<b>2/29/2008</b>	<b>5/31/2008</b>
A	i Acquisition Account	\$ 834,591.42	\$ 834,591.42
	ii Administration Account	\$ 899,760.68	\$ 897,973.34
	iii Bond- Interest, Principal, Retirement Accounts	\$ 9,846,679.07	\$ 8,833,541.57
	iv Capitalized Interest Account	\$ -	\$ -
	v COI Account	\$ 10,914.32	\$ 10,914.32
	vi Rebate Account	\$ -	\$ -
	vii Reserve Account	\$ 2,035,000.00	\$ 2,035,000.00
	viii Surplus Account	\$ 77,953,497.91	\$ 6,360,064.10

  

<b>Parity Calculations</b>		<b>2/29/2008</b>	<b>5/31/2008</b>
B	<b>Value of the Indenture</b>		
	i Portfolio Balance	\$ 486,250,371.03	\$ 480,633,263.13
	ii Pending System Adjustments	-	-
	iii Accrued Borrower Interest	2,834,885.41	2,833,558.02
	iv Accrued Subsidized Interest	2,642,723.13	1,455,499.88
	v Less: Unguaranteed Amount Uncollectibles	(74,155.00)	(154,431.00)
	vi Trust Cash and Investments	91,580,443.40	18,972,084.75
	vii Payments in Transit	177,759.50	123,900.61
	viii Other Cash and Assets	2,431,929.19	2,337,905.90
	ix Total Trust Value	\$ 585,843,956.66	\$ 506,201,781.29
	Less:	-	-
	x Accrued Bond Interest	4,253,971.81	2,767,401.68
	xi Accrued Swap Liability/(Asset)	-	-
	xii Accrued Fair Value of Swap Liability/(Asset)	-	-
	xiii Accrued Rebate Liabilities	-	-
	xiv <b>Net Asset Value</b>	\$ 581,589,984.85	\$ 503,434,379.61

  

<b>Notes Outstanding</b>		<b>2/29/2008</b>	<b>5/31/2008</b>
C	i Senior Notes	\$ 551,277,000.00	\$ 473,435,000.00
	ii Subordinate Notes	30,000,000.00	30,000,000.00
	iii Total Notes	\$ 581,277,000.00	\$ 503,435,000.00

  

<b>Parity</b>		<b>2/29/2008</b>	<b>5/31/2008</b>
D	i Senior Parity	105.50%	106.34%
	ii Subordinate Parity	100.05%	100.00%

**MHESAC 1993 Master Indenture - Taxable**

**III. Distributions**

<b>Interest</b>										
<b>Class</b>	<b>CUSIP</b>	<b>Quarterly Interest Due</b>	<b>Quarterly Interest Paid</b>	<b>Interest Shortfall</b>	<b>Interest Carryover Due</b>	<b>Interest Carryover Paid</b>	<b>Interest Carryover</b>	<b>Interest Factor</b>	<b>Rate</b>	<b>Next Rate</b>
A	2005-A	612130HR8	\$ 400,071.49	\$ 400,071.49	\$ -	\$ -	\$ -	14.65%	4.966%	2.843%
	2005-B	612130HN7	\$ 810,459.65	\$ 810,459.65	\$ -	\$ -	\$ -	29.67%	5.046%	2.923%
	2006-A	612130HP2	\$ 1,520,843.13	\$ 1,520,843.13	\$ -	\$ -	\$ -	55.68%	5.026%	2.903%
	<b>TOTAL</b>		<b>\$ 2,731,374.27</b>	<b>\$ 2,731,374.27</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			
								<b>CUR LIBOR</b>		<b>2.542%</b>
								<b>NEXT LIBOR</b>		<b>2.803%</b>

  

<b>Principal</b>								
<b>Class</b>	<b>CUSIP</b>	<b>Quarterly Principal Due</b>	<b>Quarterly Principal Paid</b>	<b>Quarterly Principal Shortfall</b>	<b>Principal Carryover Due</b>	<b>Principal Carryover Paid</b>	<b>Principal Carryover</b>	<b>Principal Factor</b>
B	2005-A	612130HR8	\$ 5,602,000.00	\$ 5,602,000.00	\$ -	\$ -	\$ -	63.50%
	2005-B	612130HN7	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	2006-A	612130HP2	\$ 3,220,000.00	\$ 3,220,000.00	\$ -	\$ -	\$ -	36.50%
	<b>TOTAL</b>	<b>\$ 8,822,000.00</b>	<b>\$ 8,822,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

  

<b>Non-FRN Noteholder Distributions</b>		
C	i	Amount to transfer for Fixed Rate Noteholder Distributions - see page 5
		\$ -

  

D	<b>Total Principal Distributions</b>	<b>\$ 8,822,000.00</b>
---	--------------------------------------	------------------------

**MHESAC 1993 Master Indenture - Taxable**
**IV. MHESAC Transactions from: 3/1/2008 through: 5/31/2008**

<b>A</b>	<b>Student Loan Principal Activity</b>		
i	Regular Principal Collections	\$	4,813,114.83
ii	Principal Collections from Guarantor	\$	1,641,646.73
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	-
v	Additional Disbursements	\$	-
vi	<b>Total Principal Collections</b>	\$	6,454,761.56
<b>B</b>	<b>Student Loan Non-Cash Principal Activity</b>		
i	Other Adjustments	\$	27,622.56
ii	Capitalized Interest	\$	(865,276.22)
iii	<b>Total Non-Cash Principal Activity</b>	\$	(837,653.66)
<b>C</b>	<b>Total Student Loan Principal Activity</b>	\$	5,617,107.90
<b>D</b>	<b>Student Loan Interest Activity</b>		
i	Regular Interest Collections	\$	3,177,062.35
ii	Interest Claims Received from Guarantors	\$	43,697.81
iii	Collection Fees / Returned Items	\$	-
iv	Late Fee Reimbursements	\$	-
v	Interest Reimbursements	\$	-
vi	Other System Adjustments	\$	-
vii	Special Allowance Payments	\$	2,533,906.75
viii	Subsidy Payments	\$	406,414.06
ix	Accrued Borrower Interest on Purchased Loans	\$	-
x	<b>Total Interest Collections</b>	\$	6,161,080.97
<b>E</b>	<b>Student Loan Non-Cash Interest Activity</b>		
i	Interest Accrual Adjustments	\$	54,631.76
ii	Capitalized Interest	\$	865,276.22
iii	<b>Total Non-Cash Interest Adjustments</b>	\$	919,907.98
<b>F</b>	<b>Total Student Loan Interest Activity</b>	\$	7,080,988.95
<b>G</b>	<b>Non-Reimbursable Losses During Collection Period</b>	\$	-
<b>H</b>	<b>Cumulative Non-Reimbursable Losses to Date</b>	\$	-

**Available Funds**
**5/31/2008**

<b>I</b>	<b>Reserves in Excess of Reserve Requirement</b>	\$	-
<b>J</b>	<b>Trust Account Investment Income</b>	\$	725,024.15
<b>K</b>	<b>Funds Received from Bond Proceeds</b>	\$	-
<b>L</b>	<b>TOTAL FUNDS RECEIVED (Avi + Dx + I + J + K - Av - Dix)</b>	\$	13,340,866.68
<b>M</b>	<b>LESS FUNDS REMITTED/SET ASIDE:</b>		
i	Consolidation Loan Rebate Fees	\$	1,229,109.57
ii	Management and Servicing Fees	\$	753,661.95
iii	Administrative Fees (trustee, listing, broker, lender/orig, etc)	\$	74,200.02
iv	Funds Allocated to the Future Distribution Account	\$	-
v	Funds Released from the Future Distribution Account	\$	-
<b>N</b>	<b>PLUS FUNDS ALLOCATED FROM REMAINING ACQUISITION FUNDS</b>	\$	-
<b>O</b>	<b>TOTAL AVAILABLE FUNDS</b>	\$	11,283,895.14

**MHESAC 1993 Master Indenture - Taxable**  
**V. Waterfall for Distributions**

<b>A</b>	Total Available Funds (IV-O)	<b>\$</b>	<b>11,283,895.14</b>
<b>B</b>	Interest Distributions and accruals		
i	2000-C Notes	\$	111,416.11
ii	2001-C Notes	\$	278,992.15
iii	2002-D Notes	\$	99,461.33
iv	2003-C Notes	\$	125,747.87
v	2005-A Notes	\$	400,071.49
vi	2005-B Notes	\$	810,459.65
vii	2006-A Notes	\$	1,520,843.13
viii	2006-B Notes	\$	386,018.94
ix	2006-C Notes	\$	356,136.42
x	<b>Total Interest Distributions and Accruals</b>	<b>\$</b>	<b>4,089,147.09</b>
<b>C</b>	Principal Distribution Amount		
i	2000-C Notes	\$	-
ii	2001-C Notes	\$	-
iii	2002-D Notes	\$	-
iv	2003-C Notes	\$	-
v	2005-A Notes	\$	5,602,000.00
vi	2005-B Notes	\$	-
vii	2006-A Notes	\$	3,220,000.00
viii	2006-B Notes	\$	-
ix	2006-C Notes	\$	-
x	<b>Total Noteholder's Principal Distribution</b>	<b>\$</b>	<b>8,822,000.00</b>
<b>D</b>	Increase to the Specified Reserve Account Balance	\$	-
<b>E</b>	Carryover Servicing Fees	\$	-
<b>F</b>	Noteholder's Interest Carryover	\$	-
<b>G</b>	Noteholder's Principal Carryover	\$	-
<b>H</b>	<b>Funds available after waterfall items (A-G)</b>	<b>\$</b>	<b>(1,627,251.95)</b>

**MHESAC 1993 Master Indenture - Taxable**  
**VI. Historical Pool Information**

	06/1/07 -08/31/07	9/1/07 -11/30/07	12/1/07 -02/29/08	03/01/08-05/31/08
<b>Beginning Student Loan Portfolio Balance</b>	<b>\$ 513,590,432.04</b>	<b>\$ 502,492,049.06</b>	<b>\$ 492,034,311.02</b>	<b>\$ 486,250,371.03</b>
<b>Student Loan Principal Activity</b>				
i Regular Principal Collections	\$ 9,977,683.32	\$ 9,358,294.43	\$ 5,295,345.20	\$ 4,813,114.83
ii Principal Collections from Guarantor	\$ 2,089,366.70	\$ 1,986,634.78	\$ 1,339,151.01	\$ 1,641,646.73
iii Returned Disbursements	\$ (9,625.00)	\$ 5,065.32	\$ 12,309.12	\$ -
iv Other System Adjustments	\$ -	\$ -	\$ -	\$ -
v Additional Disbursements	\$ (22,654.51)	\$ -	\$ -	\$ -
vi Total Principal Collections	\$ 12,034,770.51	\$ 11,349,994.53	\$ 6,646,805.33	\$ 6,454,761.56
<b>Student Loan Non-Cash Principal Activity</b>				
i Other Adjustments	\$ 45,894.11	\$ 21,998.14	\$ 26,372.54	\$ 27,622.56
ii Capitalized Interest	\$ (982,281.64)	\$ (914,254.63)	\$ (889,237.88)	\$ (865,276.22)
iii Total Non-Cash Principal Activity	\$ (936,387.53)	\$ (892,256.49)	\$ (862,865.34)	\$ (837,653.66)
<b>(-) Total Student Loan Principal Activity</b>	<b>\$ 11,098,382.98</b>	<b>\$ 10,457,738.04</b>	<b>\$ 5,783,939.99</b>	<b>\$ 5,617,107.90</b>
<b>Student Loan Interest Activity</b>				
i Regular Interest Collections	\$ 3,515,204.42	\$ 3,364,882.86	\$ 3,299,113.96	\$ 3,177,062.35
ii Interest Claims Received from Guarantors	\$ 64,620.89	\$ 74,716.23	\$ 41,645.95	\$ 43,697.81
iii Collection Fees / Returned Items	\$ -	\$ -	\$ -	\$ -
iv Late Fee Reimbursements	\$ -	\$ -	\$ -	\$ -
v Interest Reimbursements	\$ -	\$ -	\$ -	\$ -
vi Other System Adjustments	\$ -	\$ -	\$ -	\$ -
vii Special Allowance Payments	\$ 3,379,772.54	\$ 5,140,494.05	\$ 4,483,437.64	\$ 2,533,906.75
viii Subsidy Payments	\$ 276,827.11	\$ 392,233.57	\$ 359,426.36	\$ 406,414.06
ix Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
x Total Interest Repayments	\$ 7,236,424.96	\$ 8,972,326.71	\$ 8,183,623.91	\$ 6,161,080.97
<b>Student Loan Non-Cash Interest Activity</b>				
i Interest Accrual Adjustments	\$ 14,719.23	\$ 23,620.00	\$ 47,840.73	\$ 54,631.76
ii Capitalized Interest	\$ 982,281.64	\$ 914,254.63	\$ 889,237.88	\$ 865,276.22
iii Total Non-Cash Interest Adjustments	\$ 997,000.87	\$ 937,874.63	\$ 937,078.61	\$ 919,907.98
<b>Total Student Loan Interest Activity</b>	<b>\$ 8,233,425.83</b>	<b>\$ 9,910,201.34</b>	<b>\$ 9,120,702.52</b>	<b>\$ 7,080,988.95</b>
<b>(=) Ending Student Loan Portfolio Balance</b>	<b>\$ 510,725,474.89</b>	<b>\$ 501,944,512.36</b>	<b>\$ 489,587,133.56</b>	<b>\$ 487,714,252.08</b>
<b>(+) Interest to be Capitalized</b>	<b>\$ 2,980,570.21</b>	<b>\$ 2,908,749.43</b>	<b>\$ 2,834,885.41</b>	<b>\$ 2,833,558.02</b>
<b>(=) TOTAL POOL</b>	<b>\$ 505,472,619.27</b>	<b>\$ 494,943,060.45</b>	<b>\$ 489,085,256.44</b>	<b>\$ 483,466,821.15</b>
<b>(+) Pending Portfolio Adjustments</b>		<b>\$ (54,512.43)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>(+) Trust Cash Available</b>		<b>\$ 89,925,696.02</b>	<b>\$ 89,545,443.40</b>	<b>\$ 16,937,084.75</b>
<b>(+) Reserve Account Balance</b>		<b>\$ 2,035,000.00</b>	<b>\$ 2,035,000.00</b>	<b>\$ 2,035,000.00</b>
<b>(=) Total Adjusted Pool</b>		<b>\$ 586,849,244.04</b>	<b>\$ 580,665,699.84</b>	<b>\$ 502,438,905.90</b>

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

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	2/29/2008	5/31/2008	2/29/2008	5/31/2008	2/29/2008	5/31/2008	2/29/2008	5/31/2008	2/29/2008	5/31/2008
<b>INTERIM:</b>										
<b>In School</b>	6.64%	6.64%	448	307	1.6%	1.1%	\$ 1,347,970	\$ 941,870	0.3%	0.2%
Current										
<b>Grace</b>	6.63%	6.63%	92	214	0.3%	0.8%	\$ 256,696	\$ 593,727	0.1%	0.1%
Current										
<b>TOTAL INTERIM</b>	<b>6.64%</b>	<b>6.64%</b>	<b>540</b>	<b>521</b>	<b>1.9%</b>	<b>1.9%</b>	<b>\$ 1,604,666</b>	<b>\$ 1,535,597</b>	<b>0.3%</b>	<b>0.3%</b>
<b>REPAYMENT</b>										
<b>Active</b>	<b>3.64%</b>	<b>3.57%</b>	<b>22,016</b>	<b>21,935</b>	<b>78.6%</b>	<b>79.5%</b>	<b>\$ 391,847,672</b>	<b>\$ 393,775,155</b>	<b>80.6%</b>	<b>81.9%</b>
Current	3.60%	3.52%	20,406	20,435	72.8%	74.1%	\$ 364,786,449	\$ 367,118,911	75.0%	76.4%
31-60 Days Delinquent	4.27%	4.22%	595	559	2.1%	2.0%	\$ 10,927,809	\$ 10,585,101	2.2%	2.2%
61-90 Days Delinquent	4.21%	4.00%	277	274	1.0%	1.0%	\$ 4,253,513	\$ 4,502,392	0.9%	0.9%
91-120 Days Delinquent	4.29%	4.20%	214	231	0.8%	0.8%	\$ 3,530,991	\$ 4,404,321	0.7%	0.9%
> 120 Days Delinquent	4.30%	4.36%	524	436	1.9%	1.6%	\$ 8,348,910	\$ 7,164,430	1.7%	1.5%
<b>Deferment</b>										
Current	3.95%	3.97%	4,152	3,907	14.8%	14.2%	\$ 71,158,423	\$ 65,672,845	14.6%	13.7%
<b>Forbearance</b>										
Current	4.29%	4.46%	1,143	1,095	4.1%	4.0%	\$ 18,515,620	\$ 17,664,506	3.8%	3.7%
<b>TOTAL REPAYMENT</b>	<b>3.71%</b>	<b>3.66%</b>	<b>27,311</b>	<b>26,937</b>	<b>97.5%</b>	<b>97.6%</b>	<b>\$ 481,521,715</b>	<b>\$ 477,112,506</b>	<b>99.0%</b>	<b>99.3%</b>
<b>Claims in Process</b>	4.00%	4.18%	168	129	0.6%	0.5%	\$ 3,123,990	\$ 1,985,160	0.6%	0.4%
<b>Aged Claims Rejected</b>			0	0	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
<b>GRAND TOTAL</b>	<b>3.73%</b>	<b>3.67%</b>	<b>28,019</b>	<b>27,587</b>	<b>100%</b>	<b>100%</b>	<b>\$ 486,250,371</b>	<b>\$ 480,633,263</b>	<b>100%</b>	<b>100%</b>

VIII. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
08/31/07	\$ 502,492,049	5.96%
11/30/07	\$ 492,034,311	5.86%
02/29/08	\$ 486,250,371	5.45%
05/31/08	\$ 480,633,263	5.10%

\* "Since Issued CPR" is based on the current period's ending pool balance calculated against the original pool balance and assuming cutoff date pool data