



**Brazos Higher Education Authority, Inc.**

**Quarterly Student Loan Report**

**Indenture 1999 Securing the 2011 Notes**

**Reporting Period June 21, 2011 through September 30, 2011**

DEAL PARAMETERS							
Student Loan Portfolio Characteristics							
		6/21/2011	Loans Acquired		Activity		9/30/2011
A-I	Portfolio Balance	\$ 1,394,278,236.03	\$	0.00	\$ (45,618,595.01)	\$	1,348,659,641.02
A-II	Interest to be Capitalized	-	-	-	15,530,100.70		15,530,100.70
A-III	Pool Balance	\$ 1,394,278,236.03	\$	0.00	\$ (30,088,494.31)	\$	1,364,189,741.72
A-IV	Reserve Fund Account Balance	3,622,500.00					3,622,500.00
A-V	Cash & Payments In Transit	-					76,008,307.58
A-VI	Total Adjusted Pool	\$ 1,397,900,736.03					\$ 1,443,820,549.30
B-I	Weighted Average Coupon (WAC)						4.27%
B-II	Weighted Average Remaining Term						177.45
B-III	Number of Loans						214,883
B-IV	Number of Borrowers						97,631
B-V	Aggregate Outstanding Principal Balance - T-Bill						71,919,311
B-VI	Percentage Outstanding Principal Balance - T-Bill						5.33%
B-VII	Aggregate Outstanding Principal Balance - Commercial Paper						1,276,740,330
B-VIII	Percentage Outstanding Principal Balance - Commercial Paper						94.67%
Notes	CUSIPS	3 Month LIBOR	Spread	Adjusted Rate	Spread	6/21/2011	9/30/2011
C-I	2011-II-A-1 10620NCJ5	0.29485%	+ 0.55%	= 0.84485%	3 Month LIBOR + 0.45%	\$ 441,000,000.00	\$ 441,000,000.00
C-II	2011-II-A-2 10620NCK2	0.29485%	+ 0.85%	= 1.14485%	3 Month LIBOR + 0.80%	712,300,000.00	712,300,000.00
C-III	2011-II-A-3 10620NCL0	0.29485%	+ 1.00%	= 1.29485%	3 Month LIBOR + 1.05%	236,000,000.00	236,000,000.00
C-IV	2011-II-B-1 10620NCM8	0.29485%	+ 1.15%	= 1.44485%	3 Month LIBOR + 1.25%	40,700,000.00	40,700,000.00
C-V	2011-II-C-1 106238MD7	0.29485%	+ 1.20%	= 1.49485%	3 Month LIBOR + 1.25%	19,000,000.00	19,000,000.00
C-IX	Total Notes Outstanding					\$ 1,449,000,000.00	\$ 1,449,000,000.00
Reserve Account <sup>1</sup>							
		6/21/2011		9/30/2011			
D	Required Reserve Acct Deposit						
D-I	Reserve Acct Initial Deposit (\$)			\$	4,045,000.00	\$	4,045,000.00
D-II	Specified Reserve Acct Balance (\$)				3,622,500.00		3,622,500.00
D-III	Reserve Account Floor Balance (\$)				2,427,000.00		2,427,000.00
D-IV	Current Reserve Acct Balance (\$)			\$	3,622,500.00	\$	3,622,500.00
Parity <sup>1</sup>							
		6/21/2011		9/30/2011			
E-I	Class A Parity Percentage				103.69%		103.80%
E-II	Class B Parity Percentage				100.74%		100.85%
E-III	Class C Parity Percentage				99.42%		99.52%

<sup>1</sup> See detail Page 2

<b>II Required Reserves and Parity Calculations</b>							
<b>Required Reserves</b>							
		<b>Outstanding Principal Balance 6/21/2011</b>	<b>Required Reserve %</b>	<b>Required Reserves 6/21/2011</b>	<b>Outstanding Principal Balance 9/30/2011</b>	<b>Required Reserve %</b>	<b>Required Reserves 9/30/2011</b>
A- I	2011-II-A-1	\$ 441,000,000.00	0.25%	\$ 1,102,500.00	\$ 441,000,000.00	0.25%	\$ 1,102,500.00
A- II	2011-II-A-1	712,300,000.00	0.25%	1,780,750.00	712,300,000.00	0.25%	1,780,750.00
A- III	2011-II-A-1	236,000,000.00	0.25%	590,000.00	236,000,000.00	0.25%	590,000.00
A- IV	2011-II-B-1	40,700,000.00	0.25%	101,750.00	40,700,000.00	0.25%	101,750.00
A- V	2011-II-C-1	19,000,000.00	0.25%	47,500.00	19,000,000.00	0.25%	47,500.00
A- IX	<b>Total</b>	<b>\$ 1,449,000,000.00</b>		<b>\$ 3,622,500.00</b>	<b>\$ 1,449,000,000.00</b>		<b>\$ 3,622,500.00</b>
B- I	Specified Reserve Account Balance			\$ 3,622,500.00			\$ 3,622,500.00
B- II	Required Reserve Account Floor			2,173,500.00			2,173,500.00
B- III	Required Reserve Balance (Greater of B-I or B-II)			3,622,500.00			3,622,500.00
B- IV	Reserve Account Balance			3,622,500.00			3,622,500.00
B- V	Reserve Account funds released during collection period						\$ -
<b>Parity Calculations</b>							
				<b>6/21/2011</b>		<b>9/30/2011</b>	
C	<b>Value of the Trust Estate</b>						
C- I	Portfolio Balance			\$ 1,394,278,236.03		\$ 1,348,659,641.02	
C- II	Accrued Interest on Investments			-		586.84	
C- III	Accrued Borrower Interest			22,009,086.94		21,414,522.83	
C- IV	Accrued Government Interest and Special Allowance			(2,784,870.50)		(3,070,001.60)	
C- V	Accrued Receivables Related to Outstanding Notes			-		-	
C- VI	Less:						
C- VII	Unguaranteed portion in claims			-		(156,439.62)	
C- VIII	Cash and Investments			28,197,542.75		79,630,807.58	
C- IX	Payments In Transit			-		1,070,068.52	
C- X	<b>Total Trust Estate Value</b>			<b>\$ 1,441,699,995.22</b>		<b>\$ 1,447,549,185.57</b>	
D	Less:						
D- I	Accrued interest on Outstanding Notes			-		4,479,068.32	
D- II	Accrued fees related to Outstanding Notes			1,128,800.00		986,000.00	
E	<b>Net Asset Value</b>			<b>\$ 1,440,571,195.22</b>		<b>\$ 1,442,084,117.25</b>	
<b>Notes Outstanding</b>							
				<b>6/21/2011</b>		<b>9/30/2011</b>	
F- I	Senior Notes			\$ 1,389,300,000.00		\$ 1,389,300,000.00	
F- II	Class B Notes			\$ 40,700,000.00		\$ 40,700,000.00	
F- III	Class C Notes			19,000,000.00		19,000,000.00	
F- IV	<b>Total Notes</b>			<b>\$ 1,449,000,000.00</b>		<b>\$ 1,449,000,000.00</b>	
<b>Parity</b>							
				<b>6/21/2011</b>		<b>9/30/2011</b>	
G- I	Senior Parity Percentage (E / F-I)			103.69%		103.80%	
G- II	Class B Parity Percentage (E / F-I)			100.74%		100.85%	
G- III	Class C Parity Percentage (E / F-I)			99.42%		99.52%	

III TRANSACTIONS FROM:		6/21/2011 THROUGH 9/30/2011
A	Student Loan Principal Activity:	
A-I	Regular Principal Collections	\$ 36,040,415.03
A-II	Principal Collections from Guarantor	15,372,802.39
A-III	Loans Acquired	(0.00)
A-IV	Loans Sold	39,241.20
A-V	Other System Adjustments	-
A-VI	Total Cash Principal Activity	\$ 51,452,458.62
B	Student Loan Non-Cash Principal Activity:	
B-I	Capitalized Interest	\$ (5,568,895.97)
B-II	Other Adjustments	(264,967.64)
B-III	Total Non-Cash Principal Activity	\$ (5,833,863.61)
C	<b>Total Student Loan Principal Activity (-)</b>	<b>\$ 45,618,595.01</b>
D	Student Loan Interest Activity:	
D-I	Regular Interest Collections	\$ 8,646,451.96
D-II	Interest Claims Received from Guarantors	604,671.23
D-III	Interest Purchased	0.00
D-IV	Interest Sold	-
D-V	Other System Adjustments	-
D-VI	Special Allowance Payments Receipts (Rebates)	(4,746,017.68)
D-VII	Government Interest Subsidy Payments	1,647,281.19
D-VIII	Total Cash Interest Activity	\$ 6,152,386.70
E	Student Loan Non-Cash Interest Activity:	
E-I	Capitalized Interest	\$ 5,637,421.73
E-II	Interest Accrual Adjustment	(6,350,221.10)
E-III	Total Non-Cash Interest Adjustments	\$ (712,799.37)
F	<b>Total Student Loan Interest Activity (-)</b>	<b>\$ 5,439,587.33</b>

IV AVAILABLE FUNDS		7/31/2011
G	Other Collections & Reserve Releases	
G-I	Late Fees	\$ 117,063.79
G-II	Investment Income	903.30
G-III	Recoveries	-
G-IV	Reserve Account	-
G-V	Total Other Collections & Reserve Releases	\$ 117,967.09
H	Total Funds Received (A-VI + D-VIII + G-V)	\$ 57,722,812.41
I	Less Funds Previously Remitted for Monthly Waterfall:	
I-I	DOE Rebate and Lender Fees	\$ 1,849,339.99
I-II	Subservicing Fees	1,229,825.88
I-III	Trustee Fees	33,877.94
I-IV	Master Servicing Fees	877,288.00
I-V	Other Payments	16,574.82
I-VI	Total	\$ 4,006,906.63
J	<b>Total Available Funds (H - I-VI)</b>	<b>\$ 53,715,905.78</b>

Waterfall, Cash, and Note Information							
<b>V Quarterly Waterfall for Quarterly Distributions</b>							
				<b>9/30/2011</b>			
A	Total available funds		\$ 53,715,905.78	\$		\$ 53,715,905.78	
A-I	Undesignated Distribution Account funds		23,531,399.39			77,247,305.17	
<b>B Noteholders Interest Distribution Amount</b>							
B-I	2011-II-A-1		1,304,025.98			75,943,279.19	
B-II	2011-II-A-2		2,854,168.29			73,089,110.90	
B-III	2011-II-A-3		1,069,546.10			72,019,564.80	
B-IV	2011-II-B-1		205,818.88			71,813,745.92	
B-VIII	2011-II-C-1		99,407.53			71,714,338.39	
B-VIII	Class B Interest Shortfall		-			71,714,338.39	
B-VIII	Class C Interest Shortfall		-			71,714,338.39	
<b>C Noteholders Principal Distribution Amount</b>							
C-I	2011-II-A-1		71,714,000.00			338.39	
C-II	2011-II-A-2		-			338.39	
C-III	2011-II-A-3		-			338.39	
C-IV	2011-II-B-1		-			338.39	
C-VIII	2011-II-C-1		-			338.39	
E	Undesignated Distribution Account funds		338.39			-	
<b>VI Account Balance Rollforward</b>							
				<b>6/21/2011</b>		<b>9/30/2011</b>	
	Account	Beginning Balance	Deposits	Withdrawals	Ending Balance		
F-I	Collection Account	\$ 23,531,399.39	\$ 64,784,526.20	\$ 16,870,989.24	\$ 71,444,936.35		
F-II	Distribution Account	-	11,866,207.64	7,302,836.41	4,563,371.23		
F-III	Reserve Account	3,622,500.00	70.47	70.47	3,622,500.00		
F-IV	Total	\$ 27,153,899.39			\$ 79,630,807.58		
<b>VII Rollforward of Undesignated Distribution Account Funds</b>							
				<b>9/30/2011</b>			
G-I	Beginning Balance					\$ 23,531,399.39	
G-II	Additions					-	
G-III	Withdrawals					(23,531,061.00)	
G-IV	Ending Balance					\$ 338.39	
<b>VIII Note Balances</b>							
				<b>6/21/2011</b>		<b>10/25/2011</b>	
	Security Description	CUSIP	Original Issue Amt	Note Balance	Note Pool Factor	Note Balance	Note Pool Factor
H-I	2011-II-A-1	10620NCJ5	\$ 441,000,000.00	\$ 441,000,000.00	1.0000000	\$ 369,286,000.00	0.8373832
H-II	2011-II-A-2	10620NCK2	712,300,000.00	712,300,000.00	1.0000000	712,300,000.00	1.0000000
H-III	2011-II-A-3	10620NCL0	236,000,000.00	236,000,000.00	1.0000000	236,000,000.00	1.0000000
H-IV	2011-II-B-1	10620NCM8	40,700,000.00	40,700,000.00	1.0000000	40,700,000.00	1.0000000
H-V	2011-II-C-1	106238MD7	19,000,000.00	19,000,000.00	1.0000000	19,000,000.00	1.0000000
H-IX	Total		\$ 1,449,000,000.00	\$ 1,449,000,000.00		\$ 1,377,286,000.00	
<b>IX Total Note Factor</b>							
				<b>6/21/2011</b>		<b>10/25/2011</b>	
I-I	Original Issue Amount		\$ 1,449,000,000.00			\$ 1,449,000,000.00	
I-II	Outstanding Note Balance		1,449,000,000.00			1,377,286,000.00	
I-III	Total Note Pool Factor		1.0000000			0.9505079	

Class B Interest Subordination Test			
<b>Definition Test (a)</b>			
(i)	Class A Notes Prior to Distribution Date		\$ 1,389,300,000.00
	Less:		
	Available Funds	\$ 77,247,305.17	
	Less: Class A Noteholders' Interest		
	2011 A-1	\$ 1,304,025.98	
	2011 A-2	2,854,168.29	
	2011 A-3	1,069,546.10	
	Total Class A Noteholders' Interest	5,227,740.37	
			72,019,564.80
			<b>\$ 1,317,280,435.20</b>
(ii)	Pool Balance	\$ 1,364,189,741.72	
		97.51%	<b>\$ 1,330,221,417.15</b>
	Is (i) greater than (ii)		No
<b>Definition Test (b)</b>			
(i)	Class A and Class B Notes Prior to Distribution Date		\$ 1,430,000,000.00
	Less:		
	Available Funds	\$ 77,247,305.17	
	Less: Class A & Class B Noteholders' Interest		
	2011-II-A-1	\$ 1,304,025.98	
	2011-II-A-2	2,854,168.29	
	2011-II-A-3	1,069,546.10	
	2011-II-B-1	205,818.88	
	Class B Interest Shortfall	-	
	Total Class A & Class B Noteholders' Interest	5,433,559.25	
			71,813,745.92
			<b>\$ 1,358,186,254.08</b>
(ii)	Pool Balance	\$ 1,364,189,741.72	
		101.42%	<b>\$ 1,383,561,236.05</b>
	Is (i) greater than (ii)		No

Class C Interest Subordination Test			
<b>Definition Test (a)</b>			
(i)	Class A Notes Prior to Distribution Date		\$ 1,389,300,000.00
	Less:		
	Available Funds	\$ 77,247,305.17	
	Less: Class A Noteholders' Interest		
	2011-II-A-1	\$ 1,304,025.98	
	2011-II-A-2	2,854,168.29	
	2011-II-A-3	1,069,546.10	
	2011-II-B-1	205,818.88	
	Class B Interest Shortfall	-	
	Total Class A Noteholders' Interest	5,433,559.25	
			71,813,745.92
			<b>\$ 1,317,486,254.08</b>
(ii)	Pool Balance	\$ 1,364,189,741.72	
		100.00%	
			<b>\$ 1,364,189,741.72</b>
	Is (i) greater than (ii)		No
<b>Definition Test (b)</b>			
(i)	Class A and Class B Notes Prior to Distribution Date		\$ 1,430,000,000.00
	Less:		
	Available Funds	\$ 77,247,305.17	
	Less: Class A & Class B Noteholders' Interest		
	2011-II-A-1	\$ 1,304,025.98	
	2011-II-A-2	2,854,168.29	
	2011-II-A-3	1,069,546.10	
	2011-II-B-1	205,818.88	
	2011-II-C-1	99,407.53	
	Class B Interest Shortfall	-	
	Class C Interest Shortfall	-	
	Total Class A & Class B Noteholders' Interest	5,532,966.78	
			71,714,338.39
			<b>\$ 1,358,285,661.61</b>
(ii)	Pool Balance	\$ 1,364,189,741.72	
		101.06%	
			<b>\$ 1,378,650,152.98</b>
	Is (i) greater than (ii)		No

X Historical Pool Information		6/21/2011 - 9/30/2011
A	Beginning Student Loan Portfolio Balance	\$ 1,394,278,236.03
B	Student Loan Principal Activity:	
B-I	Regular Principal Collections	\$ 36,040,415.03
B-II	Principal Collections from Guarantor	15,372,802.39
B-III	Loans Acquired	(0.00)
B-IV	Loans Sold	39,241.20
B-V	Other System Adjustments	-
B-VI	Total Principal Collections	\$ 51,452,458.62
C	Student Loan Non-Cash Principal Activity:	
C-I	Capitalized Interest	\$ (5,568,895.97)
C-II	Other Adjustments	(264,967.64)
C-III	Total Non-Cash Principal Activity	\$ (5,833,863.61)
D	Total Student Loan Principal Activity (-)	\$ 45,618,595.01
E	Student Loan Interest Activity:	
E-I	Regular Interest Collections	\$ 8,646,451.96
E-II	Interest Claims Received from Guarantors	604,671.23
E-III	Interest Purchased	0.00
E-IV	Interest Sold	-
E-V	Other System Adjustments	-
E-VI	Special Allowance Payments	(4,746,017.68)
E-VII	Subsidy Payments	1,647,281.19
E-VIII	Total Interest Collections	\$ 6,152,386.70
F	Student Loan Non-Cash Interest Activity:	
F-I	Capitalized Interest	\$ 5,637,421.73
F-II	Interest Accrual Adjustment	(6,350,221.10)
F-III	Total Non-Cash Interest Adjustments	\$ (712,799.37)
G	Total Student Loan Interest Activity (-)	\$ 5,439,587.33
H	(=) Ending Student Loan Portfolio Balance (A - D)	\$ 1,348,659,641.02
I	(+) Interest to be Capitalized	15,530,100.70
J	TOTAL POOL (=)	\$ 1,364,189,741.72
K	Cash Available for Distributions & Payments in Transit	\$ 77,078,376.10
L	Reserve Account Balance	3,622,500.00
M	Total Adjusted Pool (=)	\$ 1,444,890,617.82



X Total Student Loan Portfolio Characteristics 9/30/2011				
		Title IV Loans		
A	STATUS	\$	%	#
A-I	In School	\$ 15,141,508	1.12%	4,068
A-II	Grace	8,646,095	0.64%	2,411
A-III	Repay/Current	833,870,746	61.83%	125,316
A-IV	Delinquent:			
A-V	31-60 Days	36,333,742	2.69%	69,649
A-VI	61-90 Days	21,926,332	1.63%	4,013
A-VII	91-120 Days	16,695,846	1.24%	3,135
A-VIII	> 120 Days	54,599,746	4.05%	11,136
A-IX	Total Delinquent	129,555,666	9.61%	87,933
A-X	Deferment	188,958,718	14.01%	35,780
A-XI	Forbearance	164,664,927	12.21%	20,591
A-XII	Claims/Other	7,821,981	0.58%	1,784
A-XIII	Totals	\$ 1,348,659,641	100.00%	277,883

Statistical Analysis of Student Loans 9/30/2011									
The following amounts include Principal + Capitalized Interest at the end of the reporting period									
B	Program Type	School Type					Consolidation	Total	ABI
	Guaranteed	4 Year	4 Year Other	2 Year	2 Year Other	Proprietary			
B-I	Subsidized	\$ 172,682,483	\$ 22,133,698	\$ 39,544,734	\$ 2,150,868	\$ 11,798,053	\$ -	\$ 248,309,836	\$ 4,578
B-II	Unsubsidized	171,617,679	25,880,219	47,581,543	2,064,033	12,709,617	-	259,853,091	6,875
B-III	PLUS	47,881,845	1,058,170	1,557,106	508,180	2,195,735	-	53,201,036	6,404
B-IV	Consolidated	-	-	-	-	-	787,295,678	787,295,678	27,731
B-V	Total Title IV	\$ 392,182,007	\$ 49,072,087	\$ 88,683,383	\$ 4,723,081	\$ 26,703,405	\$ 787,295,678	\$ 1,348,659,641	\$ 12,969

\* 4 Year Other and 2 Year other are schools classified by the Dept of Ed as Proprietary but are degree-granting institutions with a Cohort Default Rate of 8% or less, i.e. Univ. of Phoenix.

C	Guarantor	\$	%
C-I	PHEAA	\$ 332,832,499	24.68%
C-II	USAF	310,544,780	23.03%
C-III	ASA	251,428,735	18.64%
C-IV	Others	453,853,627	33.65%
C-V	Total Title IV	\$ 1,348,659,641	100.00%

Guarantees	%
Title IV <sup>1</sup>	97/98%

<sup>1</sup> Claims for loans originated after July 1, 2006 are reimbursed at 97%.