



Brazos Higher Education Authority, Inc.

Quarterly Student Loan Report

Indenture 1999 Securing the 2011 Notes

Reporting Period July 1, 2012 through September 30, 2012

DEAL PARAMETERS									
Student Loan Portfolio Characteristics		6/30/2012		Loans Acquired		Activity		9/30/2012	
A-I	Portfolio Balance	\$	1,220,148,326.54	\$	1,248,331.56	\$	(62,224,447.28)	\$	1,159,172,210.82
A-II	Interest to be Capitalized		11,635,780.72		-		(1,144,260.77)		10,491,519.95
A-III	Pool Balance		<u>\$ 1,231,784,107.26</u>		<u>\$ 1,248,331.56</u>		<u>\$ (63,368,708.05)</u>		<u>\$ 1,169,663,730.77</u>
A-IV	Reserve Fund Account Balance		3,245,402.50						3,107,990.00
A-V	Cash & Payments In Transit		58,578,182.44						65,083,341.92
A-VI	Total Adjusted Pool		<u>\$ 1,293,607,692.20</u>						<u>\$ 1,237,855,062.69</u>
B-I	Weighted Average Coupon (WAC)								4.11%
B-II	Weighted Average Remaining Term								170.19
B-III	Number of Loans								179,960
B-IV	Number of Borrowers								81,896
B-V	Aggregate Outstanding Principal Balance - T-Bill								58,102,682
B-VI	Percentage Outstanding Principal Balance - T-Bill								5.01%
B-VII	Aggregate Outstanding Principal Balance - Commercial Paper								1,101,069,529
B-VIII	Percentage Outstanding Principal Balance - Commercial Paper								94.99%
B-IX	Since Issued Constant Prepayment Rate (CPR)								9.10%
Notes	CUSIPS	3 Month LIBOR	Spread	Adjusted Rate	Spread	6/30/2012	9/30/2012		
C-I	2011-II-A-1 10620NCJ5	0.45110%	+ 0.55%	= 1.00110%	3 Month LIBOR + 0.45%	\$ 290,161,000.00	\$ 235,196,000.00		
C-II	2011-II-A-2 10620NCK2	0.45110%	+ 0.85%	= 1.30110%	3 Month LIBOR + 0.80%	712,300,000.00	712,300,000.00		
C-III	2011-II-A-3 10620NCL0	0.45110%	+ 1.00%	= 1.45110%	3 Month LIBOR + 1.05%	236,000,000.00	236,000,000.00		
C-IV	2011-II-B-1 10620NCM8	0.45110%	+ 1.15%	= 1.60110%	3 Month LIBOR + 1.25%	40,700,000.00	40,700,000.00		
C-V	2011-II-C-1 106238MD7	0.45110%	+ 1.20%	= 1.65110%	3 Month LIBOR + 1.25%	19,000,000.00	19,000,000.00		
C-IX	Total Notes Outstanding					\$ 1,298,161,000.00	\$ 1,243,196,000.00		
Reserve Account ¹		6/30/2012		9/30/2012					
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 (\$)					3,245,402.50		3,107,990.00	
D-III	Reserve Account Floor Balance (\$)					2,427,000.00		2,427,000.00	
D-IV	Current Reserve Acct Balance (\$)				\$	3,245,402.50	\$	3,107,990.00	
Parity ¹		6/30/2012		9/30/2012					
E-I	Class A Parity Percentage					104.50%		104.63%	
E-II	Class B Parity Percentage					101.18%		101.15%	
E-III	Class C Parity Percentage					99.70%		99.60%	

¹ See detail Page 2

II Required Reserves and Parity Calculations							
Required Reserves							
		Outstanding Principal Balance 6/30/2012	Required Reserve %	Required Reserves 6/30/2012	Outstanding Principal Balance 9/30/2012	Required Reserve %	Required Reserves 9/30/2012
A- I	2011-II-A-1	\$ 290,161,000.00	0.25%	\$ 725,402.50	\$ 235,196,000.00	0.25%	\$ 587,990.00
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	Total	\$ 1,298,161,000.00		\$ 3,245,402.50	\$ 1,243,196,000.00		\$ 3,107,990.00
B- I	Specified Reserve Account Balance			\$ 3,245,402.50			\$ 3,107,990.00
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)			3,245,402.50			3,107,990.00
B- IV	Reserve Account Balance			3,245,402.50			3,107,990.00
B- V	Reserve Account funds released during collection period						\$ 137,412.50
Parity Calculations							
				6/30/2012		9/30/2012	
C	Value of the Trust Estate						
C- I	Portfolio Balance			\$ 1,220,148,326.54		\$ 1,159,172,210.82	
C- II	Accrued Interest on Investments			410.08		685.64	
C- III	Accrued Borrower Interest			17,676,835.52		16,378,545.31	
C- IV	Accrued Government Interest and Special Allowance			(1,588,274.28)		(3,133,739.35)	
C- V	Accrued Receivables Related to Outstanding Notes			27,500.00		20,000.00	
C- VI	Less:						
C- VII	Unguaranteed portion in claims			(221,239.16)		(158,621.68)	
C- VIII	Cash and Investments			61,823,584.94		68,191,331.92	
C- IX	Payments In Transit			508,154.54		1,744,729.14	
C- X	Total Trust Estate Value			\$ 1,298,375,298.18		\$ 1,242,215,141.80	
D	Less:						
D- I	Accrued interest on Outstanding Notes			3,117,616.48		3,024,533.30	
D- II	Accrued fees related to Outstanding Notes			1,020,856.07		920,000.00	
E	Net Asset Value			\$ 1,294,236,825.63		\$ 1,238,270,608.50	
Notes Outstanding							
				6/30/2012		9/30/2012	
F- I	Senior Notes			\$ 1,238,461,000.00		\$ 1,183,496,000.00	
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	Total Notes			\$ 1,298,161,000.00		\$ 1,243,196,000.00	
Parity							
				6/30/2012		9/30/2012	
G- I	Senior Parity Percentage (E / F-I)			104.50%		104.63%	
G- II	Class B Parity Percentage (E / F-I)			101.18%		101.15%	
G- III	Class C Parity Percentage (E / F-I)			99.70%		99.60%	

III TRANSACTIONS FROM:		7/1/2012 THROUGH 9/30/2012
A	Student Loan Principal Activity:	
A-I	Regular Principal Collections	\$ 52,385,769.56
A-II	Principal Collections from Guarantor	13,752,746.77
A-III	Loans Acquired	(1,248,331.56)
A-IV	Loans Sold	8,684.22
A-V	Other System Adjustments	59.52
A-VI	Total Cash Principal Activity	\$ 64,898,928.51
B	Student Loan Non-Cash Principal Activity:	
B-I	Capitalized Interest	\$ (3,966,560.15)
B-II	Other Adjustments	43,747.36
B-III	Total Non-Cash Principal Activity	\$ (3,922,812.79)
C	Total Student Loan Principal Activity (-)	\$ 60,976,115.72
D	Student Loan Interest Activity:	
D-I	Regular Interest Collections	\$ 7,838,448.61
D-II	Interest Claims Received from Guarantors	508,926.00
D-III	Interest Purchased	(439.11)
D-IV	Interest Sold	504.14
D-V	Other System Adjustments	-
D-VI	Special Allowance Payments Receipts (Rebates)	(4,086,428.31)
D-VII	Government Interest Subsidy Payments	1,104,269.09
D-VIII	Total Cash Interest Activity	\$ 5,365,280.42
E	Student Loan Non-Cash Interest Activity:	
E-I	Capitalized Interest	\$ 4,006,054.48
E-II	Interest Accrual Adjustment	(4,480,330.95)
E-III	Total Non-Cash Interest Adjustments	\$ (474,276.47)
F	Total Student Loan Interest Activity (-)	\$ 4,891,003.95

IV AVAILABLE FUNDS		9/30/2012
G	Other Collections & Reserve Releases	
G-I	Late Fees	\$ 108,769.00
G-II	Investment Income	1,301.01
G-III	Recoveries	41.00
G-IV	Reserve Account	137,412.50
G-V	Total Other Collections & Reserve Releases	\$ 247,523.51
H	Total Funds Received (A-VI + D-VIII + G-V)	\$ 70,511,732.44
I	Less Funds Previously Remitted for Monthly Waterfall:	
I-I	DOE Rebate and Lender Fees	\$ 1,929,113.15
I-II	Subservicing Fees	853,679.23
I-III	Trustee Fees	40,567.53
I-IV	Master Servicing Fees	767,797.00
I-V	Other Payments	-
I-VI	Total	\$ 3,591,156.91
J	Total Available Funds (H - I-VI)	\$ 66,920,575.53

Waterfall, Cash, and Note Information							
V Quarterly Waterfall for Quarterly Distributions							
9/30/2012							
A	Total available funds		\$	66,920,575.53	\$	66,920,575.53	
A-I	Undesignated Distribution Account funds			861.38		66,921,436.91	
B Noteholders Interest Distribution Amount							
B-I	2011-II-A-1			601,717.61		66,319,719.30	
B-II	2011-II-A-2			2,368,421.24		63,951,298.06	
B-III	2011-II-A-3			875,174.53		63,076,123.53	
B-IV	2011-II-B-1			166,532.19		62,909,591.34	
B-VIII	2011-II-C-1			80,170.08		62,829,421.26	
B-VIII	Class B Interest Shortfall			-		62,829,421.26	
B-VIII	Class C Interest Shortfall			-		62,829,421.26	
C Noteholders Principal Distribution Amount							
C-I	2011-II-A-1			62,829,000.00		421.26	
C-II	2011-II-A-2			-		421.26	
C-III	2011-II-A-3			-		421.26	
C-IV	2011-II-B-1			-		421.26	
C-VIII	2011-II-C-1			-		421.26	
E	Undesignated Distribution Account funds			421.26		-	
VI Account Balance Rollforward							
6/30/2012							
9/30/2012							
	Account	Beginning Balance	Deposits	Withdrawals	Ending Balance		
F-I	Collection Account	\$ 54,088,674.05	\$ 73,461,871.71	\$ 66,800,492.40	\$ 60,750,053.36		
F-II	Distribution Account	4,489,508.39	2,923,440.99	3,079,660.82	4,333,288.56		
F-III	Reserve Account	3,245,402.50	81.52	137,494.02	3,107,990.00		
F-IV	Total	\$ 61,823,584.94			\$ 68,191,331.92		
VII Rollforward of Undesignated Distribution Account Funds							
9/30/2012							
G-I	Beginning Balance				\$ 861.38		
G-II	Additions				-		
G-III	Withdrawals				(440.12)		
G-IV	Ending Balance				\$ 421.26		
VIII Note Balances							
7/25/2012							
10/25/2012							
	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	\$ 235,196,000.00	0.5333243	\$ 172,367,000.00	0.3908549
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	\$ 1,243,196,000.00		\$ 1,180,367,000.00	
IX Total Note Factor							
7/25/2012							
10/25/2012							
I-I	Original Issue Amount		\$ 1,449,000,000.00			\$ 1,449,000,000.00	
I-II	Outstanding Note Balance		1,243,196,000.00			1,180,367,000.00	
I-III	Total Note Pool Factor		0.8579683			0.8146080	

X. Class B Interest Subordination Test			
Definition Test (a)			
(i)	Class A Notes Prior to Distribution Date		\$ 1,183,496,000.00
	Less:		
	Available Funds	\$ 66,921,436.91	
	Less: Class A Noteholders' Interest		
	2011-II-A-1	\$ 601,717.61	
	2011-II-A-2	2,368,421.24	
	2011-II-A-3	875,174.53	
	Total Class A Noteholders' Interest	3,845,313.38	
			63,076,123.53
			\$ 1,120,419,876.47
(ii)	Pool Balance	\$ 1,169,663,730.77	
		97.51%	
			\$ 1,140,539,103.87
	Is (i) greater than (ii)		No
Definition Test (b)			
(i)	Class A and Class B Notes Prior to Distribution Date		\$ 1,224,196,000.00
	Less:		
	Available Funds	\$ 66,921,436.91	
	Less: Class A & Class B Noteholders' Interest		
	2011-II-A-1	\$ 601,717.61	
	2011-II-A-2	2,368,421.24	
	2011-II-A-3	875,174.53	
	2011-II-B-1	166,532.19	
	Class B Interest Shortfall	-	
	Total Class A & Class B Noteholders' Interest	4,011,845.57	
			62,909,591.34
			\$ 1,161,286,408.66
(ii)	Pool Balance	\$ 1,169,663,730.77	
		101.42%	
			\$ 1,186,272,955.75
	Is (i) greater than (ii)		No

XI. Class C Interest Subordination Test			
Definition Test (a)			
(i)	Class A Notes Prior to Distribution Date		\$ 1,183,496,000.00
	Less:		
	Available Funds	\$ 66,921,436.91	
	Less: Class A Noteholders' Interest		
	2011-II-A-1	\$ 601,717.61	
	2011-II-A-2	2,368,421.24	
	2011-II-A-3	875,174.53	
	2011-II-B-1	166,532.19	
	Class B Interest Shortfall	-	
	Total Class A Noteholders' Interest	4,011,845.57	
			62,909,591.34
			\$ 1,120,586,408.66
(ii)	Pool Balance	\$ 1,169,663,730.77	
		100.00%	
			\$ 1,169,663,730.77
	Is (i) greater than (ii)		No
Definition Test (b)			
(i)	Class A and Class B Notes Prior to Distribution Date		\$ 1,224,196,000.00
	Less:		
	Available Funds	\$ 66,921,436.91	
	Less: Class A & Class B Noteholders' Interest		
	2011-II-A-1	\$ 601,717.61	
	2011-II-A-2	2,368,421.24	
	2011-II-A-3	875,174.53	
	2011-II-B-1	166,532.19	
	2011-II-C-1	80,170.08	
	Class B Interest Shortfall	-	
	Class C Interest Shortfall	-	
	Total Class A & Class B Noteholders' Interest	4,092,015.65	
			62,829,421.26
			\$ 1,161,366,578.74
(ii)	Pool Balance	\$ 1,169,663,730.77	
		101.06%	
			\$ 1,182,062,166.32
	Is (i) greater than (ii)		No

XII Historical Pool Information		10/1/2011 - 12/31/2011	1/1/2012 - 3/31/2012	4/1/2012 - 6/30/2012	7/1/2012 - 9/30/2012
A	Beginning Student Loan Portfolio Balance	\$ 1,348,659,641.02	\$ 1,312,959,710.40	\$ 1,272,714,004.83	\$ 1,220,148,326.54
B	Student Loan Principal Activity:				
B-I	Regular Principal Collections	\$ 29,898,077.06	\$ 30,362,144.15	\$ 45,629,239.35	\$ 52,385,769.56
B-II	Principal Collections from Guarantor	11,439,408.71	13,018,579.52	13,185,995.63	13,752,746.77
B-III	Loans Acquired	(285,601.69)	(635,282.61)	(1,300,396.48)	(1,248,331.56)
B-IV	Loans Sold	5,006.65	1,792,202.49	61,946.45	8,684.22
B-V	Other System Adjustments	-	-	-	59.52
B-VI	Total Principal Collections	\$ 41,056,890.73	\$ 44,537,643.55	\$ 57,576,784.95	\$ 64,898,928.51
C	Student Loan Non-Cash Principal Activity:				
C-I	Capitalized Interest	\$ (5,320,621.51)	\$ (4,333,350.45)	\$ (4,862,207.82)	\$ (3,966,560.15)
C-II	Other Adjustments	(36,338.60)	41,412.47	(148,898.84)	43,747.36
C-III	Total Non-Cash Principal Activity	\$ (5,356,960.11)	\$ (4,291,937.98)	\$ (5,011,106.66)	\$ (3,922,812.79)
D	Total Student Loan Principal Activity (-)	\$ 35,699,930.62	\$ 40,245,705.57	\$ 52,565,678.29	\$ 60,976,115.72
E	Student Loan Interest Activity:				
E-I	Regular Interest Collections	\$ 7,686,675.38	\$ 7,749,764.10	\$ 7,684,996.61	\$ 7,838,448.61
E-II	Interest Claims Received from Guarantors	395,150.51	496,322.86	477,674.27	508,926.00
E-III	Interest Purchased	(40.11)	(164.30)	(699.44)	(439.11)
E-IV	Interest Sold	480.67	35,817.49	1,572.00	504.14
E-V	Other System Adjustments	-	-	-	-
E-VI	Special Allowance Payments	(4,448,129.90)	(4,371,555.60)	1,102,915.47	(4,086,428.31)
E-VII	Subsidy Payments	1,206,549.33	1,189,577.76	(4,149,207.13)	1,104,269.09
E-VIII	Total Interest Collections	\$ 4,840,685.88	\$ 5,099,762.31	\$ 5,117,251.78	\$ 5,365,280.42
F	Student Loan Non-Cash Interest Activity:				
F-I	Capitalized Interest	\$ 5,375,835.86	\$ 4,375,984.50	\$ 4,901,280.78	\$ 4,006,054.48
F-II	Interest Accrual Adjustment	(5,556,271.56)	(5,262,299.61)	(4,884,224.50)	(4,480,330.95)
F-III	Total Non-Cash Interest Adjustments	\$ (180,435.70)	\$ (886,315.11)	\$ 17,056.28	\$ (474,276.47)
G	Total Student Loan Interest Activity (-)	\$ 4,660,250.18	\$ 4,213,447.20	\$ 5,134,308.06	\$ 4,891,003.95
H	(=) Ending Student Loan Portfolio Balance (A - D)	\$ 1,312,959,710.40	\$ 1,272,714,004.83	\$ 1,220,148,326.54	\$ 1,159,172,210.82
I	(+) Interest to be Capitalized	13,998,751.30	13,437,163.29	11,635,780.72	10,491,519.95
J	TOTAL POOL (=)	\$ 1,326,958,461.70	\$ 1,286,151,168.12	\$ 1,231,784,107.26	\$ 1,169,663,730.77
K	Cash Available for Distributions & Payments in Transit	\$ 40,854,748.23	\$ 44,235,574.45	\$ 58,578,182.44	\$ 65,083,341.92
L	Reserve Account Balance	3,443,215.00	3,347,480.00	3,245,402.50	3,107,990.00
M	Total Adjusted Pool (=)	\$ 1,371,256,424.93	\$ 1,333,734,222.57	\$ 1,293,607,692.20	\$ 1,237,855,062.69

XIII Total Student Loan Portfolio Characteristics 9/30/2012				
A	STATUS	Title IV Loans		
		\$	%	#
A-I	In School	\$ 7,029,721	0.61%	1,903
A-II	Grace	4,438,645	0.38%	1,205
A-III	Repay/Current	766,483,762	66.12%	112,775
A-IV	Delinquent:			
A-V	31-60 Days	34,971,167	3.02%	5,735
A-VI	61-90 Days	18,881,481	1.63%	3,351
A-VII	91-120 Days	14,333,165	1.24%	2,563
A-VIII	> 120 Days	50,664,003	4.37%	9,464
A-IX	Total Delinquent	118,849,816	10.25%	21,113
A-X	Deferment	148,488,868	12.81%	27,327
A-XI	Forbearance	105,950,315	9.14%	13,885
A-XII	Claims/Other	7,931,084	0.68%	1,752
A-XIII	Totals	\$ 1,159,172,211	100.00%	179,960

XIV. Statistical Analysis of Student Loans 9/30/2012									
The following amounts include Principal + Capitalized Interest at the end of the reporting period									
B	Program Type	School Type					Consolidation	Total	ABI
		4 Year	4 Year Other	2 Year	2 Year Other	Proprietary			
B-I	Guaranteed Subsidized	\$ 135,121,204	\$ 17,747,841	\$ 31,475,765	\$ 1,615,364	\$ 9,075,326	\$ -	\$ 195,035,500	\$ 4,458
B-II	Unsubsidized	139,479,084	21,442,857	39,187,940	1,589,746	9,841,091	-	211,540,718	6,846
B-III	PLUS	34,420,979	770,152	1,186,910	347,264	1,600,916	-	38,326,221	5,654
B-IV	Consolidated	-	-	-	-	-	714,269,772	714,269,772	27,456
B-V	Total Title IV	\$ 309,021,267	\$ 39,960,850	\$ 71,850,615	\$ 3,562,374	\$ 20,517,333	\$ 714,269,772	\$ 1,159,172,211	\$ 12,801

* 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	\$ 292,089,995	25.20%
C-II	ASA	276,460,696	23.85%
C-III	GLHEC	219,220,636	18.91%
C-IV	Others	371,400,884	32.04%
C-V	Total Title IV	\$ 1,159,172,211	100.00%

Guarantees	%
Title IV ¹	97/98%

¹ Claims for loans originated after July 1, 2006 are reimbursed at 97%.

XV Loan Default Statistics By Servicer - Title IV Loans

Current Quarter						
Servicer	Claims Paid	Claims Rejected	Cured	Recoursed	Write Off	
ACS	\$ 8,151,491	\$ 43,522	\$ 72,691	\$ 4,176	\$ -	
GreatLakes	1,498,948	-	-	-	-	
AES	2,935,628	16,084	-	-	-	
SLMA	1,035,222	69,568	-	61,086	-	
BLS	131,457	-	-	-	-	
Total	\$ 13,752,746	\$ 129,174	\$ 72,691	\$ 65,262	\$ -	

Since Inception												
Servicer	Static Pool	Claims Paid	% of Static	Claims Rejected	% of Static	Cured	% of Rejected	Recoursed	% of Rejected	Write Off	% of Rejected	Pending
ACS	\$ 628,439,739	\$ 34,847,238	5.55%	\$ 270,411	0.04%	\$ 189,506	70.08%	\$ 19,195	7.10%	\$ 10,898	4.03%	\$ 50,812
GreatLakes	115,991,877	3,246,411	2.80%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
AES	359,756,943	16,953,608	4.71%	221,880	0.06%	172,917	77.93%	6,940	3.13%	4,605	2.08%	37,418
SLMA	156,107,753	7,152,491	4.58%	268,247	0.17%	27,332	10.19%	124,186	46.30%	4,174	1.56%	112,555
BLS	133,981,923	134,245	0.10%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	\$ 1,394,278,235	\$ 62,333,993	4.47%	\$ 760,538	0.05%	\$ 389,755	51.25%	\$ 150,321	19.77%	\$ 19,677	2.59%	\$ 200,785