



Brazos Higher Education Authority, Inc.

Quarterly Student Loan Report

Indenture 1999 Securing the 2011 Notes

Reporting Period October 1, 2012 through December 31, 2012

DEAL PARAMETERS										
Student Loan Portfolio Characteristics		9/30/2012		Loans Acquired		Activity		12/31/2012		
A-I	Portfolio Balance	\$	1,159,172,210.82	\$	726,355.29	\$	(36,934,843.10)	\$	1,122,963,723.01	
A-II	Interest to be Capitalized		10,491,519.95		-		(885,712.22)		9,605,807.73	
A-III	Pool Balance		<u>\$ 1,169,663,730.77</u>		<u>\$ 726,355.29</u>		<u>\$ (37,820,555.32)</u>		<u>\$ 1,132,569,530.74</u>	
A-IV	Reserve Fund Account Balance		3,107,990.00						2,950,917.50	
A-V	Cash & Payments In Transit		65,083,341.92						39,697,737.09	
A-VI	Total Adjusted Pool		<u>\$ 1,237,855,062.69</u>						<u>\$ 1,175,218,185.33</u>	
B-I	Weighted Average Coupon (WAC)								4.11%	
B-II	Weighted Average Remaining Term								169.43	
B-III	Number of Loans								172,605	
B-IV	Number of Borrowers								78,539	
B-V	Aggregate Outstanding Principal Balance - T-Bill								55,472,522	
B-VI	Percentage Outstanding Principal Balance - T-Bill								4.94%	
B-VII	Aggregate Outstanding Principal Balance - Commercial Paper								1,067,492,582	
B-VIII	Percentage Outstanding Principal Balance - Commercial Paper								95.06%	
B-IX	Since Issued Constant Prepayment Rate (CPR)								8.64%	
Notes	CUSIPS	3 Month LIBOR	Spread	Adjusted Rate	Spread	9/30/2012	12/31/2012			
C-I	2011-II-A-1 10620NCJ5	0.31525%	+ 0.55%	= 0.86525%	3 Month LIBOR + 0.45%	\$ 235,196,000.00	\$ 172,367,000.00			
C-II	2011-II-A-2 10620NCK2	0.31525%	+ 0.85%	= 1.16525%	3 Month LIBOR + 0.80%	712,300,000.00	712,300,000.00			
C-III	2011-II-A-3 10620NCL0	0.31525%	+ 1.00%	= 1.31525%	3 Month LIBOR + 1.05%	236,000,000.00	236,000,000.00			
C-IV	2011-II-B-1 10620NCM8	0.31525%	+ 1.15%	= 1.46525%	3 Month LIBOR + 1.25%	40,700,000.00	40,700,000.00			
C-V	2011-II-C-1 106238MD7	0.31525%	+ 1.20%	= 1.51525%	3 Month LIBOR + 1.25%	19,000,000.00	19,000,000.00			
C-IX	Total Notes Outstanding					\$ 1,243,196,000.00	\$ 1,180,367,000.00			
Reserve Account ¹						9/30/2012	12/31/2012			
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 (\$)					3,107,990.00	2,950,917.50			
D-III	Reserve Account Floor Balance (\$)					2,427,000.00	2,427,000.00			
D-IV	Current Reserve Acct Balance (\$)					\$ 3,107,990.00	\$ 2,950,917.50			
Parity ¹						9/30/2012	12/31/2012			
E-I	Class A Parity Percentage					104.63%	104.99%			
E-II	Class B Parity Percentage					101.15%	101.31%			
E-III	Class C Parity Percentage					99.60%	99.68%			

¹ See detail Page 2

II Required Reserves and Parity Calculations							
Required Reserves							
		Outstanding Principal Balance 9/30/2012	Required Reserve %	Required Reserves 9/30/2012	Outstanding Principal Balance 12/31/2012	Required Reserve %	Required Reserves 12/31/2012
A- I	2011-II-A-1	\$ 235,196,000.00	0.25%	\$ 587,990.00	\$ 172,367,000.00	0.25%	\$ 430,917.50
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	\$ 1,243,196,000.00		\$ 3,107,990.00	\$ 1,180,367,000.00		\$ 2,950,917.50
B- I	Specified Reserve Account Balance			\$ 3,107,990.00			\$ 2,950,917.50
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)			3,107,990.00			2,950,917.50
B- IV	Reserve Account Balance			3,107,990.00			2,950,917.50
B- V	Reserve Account funds released during collection period						\$ 157,072.50
Parity Calculations							
				9/30/2012		12/31/2012	
C	Value of the Trust Estate						
C- I	Portfolio Balance			\$ 1,159,172,210.82		\$ 1,122,963,723.01	
C- II	Accrued Interest on Investments			685.64		494.10	
C- III	Accrued Borrower Interest			16,378,545.31		15,636,085.56	
C- IV	Accrued Government Interest and Special Allowance			(3,133,739.35)		(2,824,022.59)	
C- V	Accrued Receivables Related to Outstanding Notes			20,000.00		12,500.00	
C- VI	Less:						
C- VII	Unguaranteed portion in claims			(158,621.68)		(177,820.38)	
C- VIII	Cash and Investments			68,191,331.92		42,648,654.59	
C- IX	Payments In Transit			1,744,729.14		1,798,373.53	
C- X	Total Trust Estate Value			\$ 1,242,215,141.80		\$ 1,180,057,987.82	
D	Less:						
D- I	Accrued interest on Outstanding Notes			3,024,533.30		2,602,837.02	
D- II	Accrued fees related to Outstanding Notes			920,000.00		920,000.00	
E	Net Asset Value			\$ 1,238,270,608.50		\$ 1,176,535,150.80	
Notes Outstanding							
				9/30/2012		12/31/2012	
F- I	Senior Notes			\$ 1,183,496,000.00		\$ 1,120,667,000.00	
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			\$ 1,243,196,000.00		\$ 1,180,367,000.00	
Parity							
				9/30/2012		12/31/2012	
G- I	Senior Parity Percentage (E / F-I)			104.63%		104.99%	
G- II	Class B Parity Percentage (E / F-I)			101.15%		101.31%	
G- III	Class C Parity Percentage (E / F-I)			99.60%		99.68%	

III TRANSACTIONS FROM:		10/1/2012 THROUGH 12/31/2012
A	Student Loan Principal Activity:	
A-I	Regular Principal Collections	\$ 28,496,316.86
A-II	Principal Collections from Guarantor	12,388,946.19
A-III	Loans Acquired	(726,355.29)
A-IV	Loans Sold	50,115.74
A-V	Other System Adjustments	-
A-VI	Total Cash Principal Activity	\$ 40,209,023.50
B	Student Loan Non-Cash Principal Activity:	
B-I	Capitalized Interest	\$ (4,001,916.69)
B-II	Other Adjustments	1,381.00
B-III	Total Non-Cash Principal Activity	\$ (4,000,535.69)
C	Total Student Loan Principal Activity (-)	\$ 36,208,487.81
D	Student Loan Interest Activity:	
D-I	Regular Interest Collections	\$ 7,036,270.20
D-II	Interest Claims Received from Guarantors	476,660.20
D-III	Interest Purchased	(183,471.44)
D-IV	Interest Sold	209,231.78
D-V	Other System Adjustments	-
D-VI	Special Allowance Payments Receipts (Rebates)	(3,868,333.54)
D-VII	Government Interest Subsidy Payments	997,991.49
D-VIII	Total Cash Interest Activity	\$ 4,668,348.69
E	Student Loan Non-Cash Interest Activity:	
E-I	Capitalized Interest	\$ 4,043,689.84
E-II	Interest Accrual Adjustment	(4,645,811.63)
E-III	Total Non-Cash Interest Adjustments	\$ (602,121.79)
F	Total Student Loan Interest Activity (-)	\$ 4,066,226.90

IV AVAILABLE FUNDS		12/31/2012
G	Other Collections & Reserve Releases	
G-I	Late Fees	\$ 110,202.53
G-II	Investment Income	1,837.52
G-III	Recoveries	61.50
G-IV	Reserve Account	157,072.50
G-V	Total Other Collections & Reserve Releases	\$ 269,174.05
H	Total Funds Received (A-VI + D-VIII + G-V)	\$ 45,146,546.24
I	Less Funds Previously Remitted for Monthly Waterfall:	
I-I	DOE Rebate and Lender Fees	\$ 1,874,709.74
I-II	Subservicing Fees	764,173.00
I-III	Trustee Fees	38,849.88
I-IV	Master Servicing Fees	729,984.00
I-V	Other Payments	-
I-VI	Total	\$ 3,407,716.62
J	Total Available Funds (H - I-VI)	\$ 41,738,829.62

Waterfall, Cash, and Note Information							
V Quarterly Waterfall for Quarterly Distributions 12/31/2012							
A	Total available funds		\$	41,738,829.62	\$	41,738,829.62	
A-I	Undesignated Distribution Account funds			421.26		41,739,250.88	
B Noteholders Interest Distribution Amount							
B-I	2011-II-A-1			381,136.95		41,358,113.93	
B-II	2011-II-A-2			2,121,130.47		39,236,983.46	
B-III	2011-II-A-3			793,241.89		38,443,741.57	
B-IV	2011-II-B-1			152,402.28		38,291,339.29	
B-VIII	2011-II-C-1			73,573.81		38,217,765.48	
B-VIII	Class B Interest Shortfall			-		38,217,765.48	
B-VIII	Class C Interest Shortfall			-		38,217,765.48	
C Noteholders Principal Distribution Amount							
C-I	2011-II-A-1			38,217,000.00		765.48	
C-II	2011-II-A-2			-		765.48	
C-III	2011-II-A-3			-		765.48	
C-IV	2011-II-B-1			-		765.48	
C-VIII	2011-II-C-1			-		765.48	
E	Undesignated Distribution Account funds			765.48		-	
VI Account Balance Rollforward 9/30/2012 12/31/2012							
	Account	Beginning Balance	Deposits	Withdrawals	Ending Balance		
F-I	Collection Account	\$ 60,750,053.36	\$ 48,637,844.91	\$ 73,621,964.14	\$ 35,765,934.13		
F-II	Distribution Account	4,333,288.56	3,006,408.62	3,407,894.22	3,931,802.96		
F-III	Reserve Account	3,107,990.00	115.45	157,187.95	2,950,917.50		
F-IV	Total	\$ 68,191,331.92			\$ 42,648,654.59		
VII Rollforward of Undesignated Distribution Account Funds 12/31/2012							
G-I	Beginning Balance				\$ 421.26		
G-II	Additions				344.22		
G-III	Withdrawals				-		
G-IV	Ending Balance				\$ 765.48		
VIII Note Balances 10/25/2012 1/25/2013							
	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	\$ 172,367,000.00	0.3908549	\$ 134,150,000.00	0.3041950
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	\$ 1,180,367,000.00		\$ 1,142,150,000.00	
IX Total Note Factor 10/25/2012 1/25/2013							
I-I	Original Issue Amount		\$ 1,449,000,000.00			\$ 1,449,000,000.00	
I-II	Outstanding Note Balance		1,180,367,000.00			1,142,150,000.00	
I-III	Total Note Pool Factor		0.8146080			0.7882333	

X. Class B Interest Subordination Test			
Definition Test (a)			
(i)	Class A Notes Prior to Distribution Date		\$ 1,120,667,000.00
	Less:		
	Available Funds	\$ 41,739,250.88	
	Less: Class A Noteholders' Interest		
	2011-II-A-1	\$ 381,136.95	
	2011-II-A-2	2,121,130.47	
	2011-II-A-3	793,241.89	
	Total Class A Noteholders' Interest	3,295,509.31	
			38,443,741.57
			\$ 1,082,223,258.43
(ii)	Pool Balance	\$ 1,132,569,530.74	
		97.51%	
			\$ 1,104,368,549.42
	Is (i) greater than (ii)		No
Definition Test (b)			
(i)	Class A and Class B Notes Prior to Distribution Date		\$ 1,161,367,000.00
	Less:		
	Available Funds	\$ 41,739,250.88	
	Less: Class A & Class B Noteholders' Interest		
	2011-II-A-1	\$ 381,136.95	
	2011-II-A-2	2,121,130.47	
	2011-II-A-3	793,241.89	
	2011-II-B-1	152,402.28	
	Class B Interest Shortfall	-	
	Total Class A & Class B Noteholders' Interest	3,447,911.59	
			38,291,339.29
			\$ 1,123,075,660.71
(ii)	Pool Balance	\$ 1,132,569,530.74	
		101.42%	
			\$ 1,148,652,018.08
	Is (i) greater than (ii)		No

XI. Class C Interest Subordination Test			
Definition Test (a)			
(i)	Class A Notes Prior to Distribution Date		\$ 1,120,667,000.00
	Less:		
	Available Funds	\$ 41,739,250.88	
	Less: Class A Noteholders' Interest		
	2011-II-A-1	\$ 381,136.95	
	2011-II-A-2	2,121,130.47	
	2011-II-A-3	793,241.89	
	2011-II-B-1	152,402.28	
	Class B Interest Shortfall	-	
	Total Class A Noteholders' Interest	3,447,911.59	
			38,291,339.29
			\$ 1,082,375,660.71
(ii)	Pool Balance	\$ 1,132,569,530.74	
		100.00%	
			\$ 1,132,569,530.74
	Is (i) greater than (ii)		No
Definition Test (b)			
(i)	Class A and Class B Notes Prior to Distribution Date		\$ 1,161,367,000.00
	Less:		
	Available Funds	\$ 41,739,250.88	
	Less: Class A & Class B Noteholders' Interest		
	2011-II-A-1	\$ 381,136.95	
	2011-II-A-2	2,121,130.47	
	2011-II-A-3	793,241.89	
	2011-II-B-1	152,402.28	
	2011-II-C-1	73,573.81	
	Class B Interest Shortfall	-	
	Class C Interest Shortfall	-	
	Total Class A & Class B Noteholders' Interest	3,521,485.40	
			38,217,765.48
			\$ 1,123,149,234.52
(ii)	Pool Balance	\$ 1,132,569,530.74	
		101.06%	
			\$ 1,144,574,767.77
	Is (i) greater than (ii)		No

XII Historical Pool Information		1/1/2012 - 3/31/2012	4/1/2012 - 6/30/2012	7/1/2012 - 9/30/2012	10/1/2012 - 12/31/2012
A	Beginning Student Loan Portfolio Balance	\$ 1,312,959,710.40	\$ 1,272,714,004.83	\$ 1,220,148,326.54	\$ 1,159,172,210.82
B	Student Loan Principal Activity:				
B-I	Regular Principal Collections	\$ 30,362,144.15	\$ 45,629,239.35	\$ 52,385,769.56	\$ 28,496,316.86
B-II	Principal Collections from Guarantor	13,018,579.52	13,185,995.63	13,752,746.77	12,388,946.19
B-III	Loans Acquired	(635,282.61)	(1,300,396.48)	(1,248,331.56)	(726,355.29)
B-IV	Loans Sold	1,792,202.49	61,946.45	8,684.22	50,115.74
B-V	Other System Adjustments	-	-	59.52	-
B-VI	Total Principal Collections	\$ 44,537,643.55	\$ 57,576,784.95	\$ 64,898,928.51	\$ 40,209,023.50
C	Student Loan Non-Cash Principal Activity:				
C-I	Capitalized Interest	\$ (4,333,350.45)	\$ (4,862,207.82)	\$ (3,966,560.15)	\$ (4,001,916.69)
C-II	Other Adjustments	41,412.47	(148,898.84)	43,747.36	1,381.00
C-III	Total Non-Cash Principal Activity	\$ (4,291,937.98)	\$ (5,011,106.66)	\$ (3,922,812.79)	\$ (4,000,535.69)
D	Total Student Loan Principal Activity (-)	\$ 40,245,705.57	\$ 52,565,678.29	\$ 60,976,115.72	\$ 36,208,487.81
E	Student Loan Interest Activity:				
E-I	Regular Interest Collections	\$ 7,749,764.10	\$ 7,684,996.61	\$ 7,838,448.61	\$ 7,036,270.20
E-II	Interest Claims Received from Guarantors	496,322.86	477,674.27	508,926.00	476,660.20
E-III	Interest Purchased	(164.30)	(699.44)	(439.11)	(183,471.44)
E-IV	Interest Sold	35,817.49	1,572.00	504.14	209,231.78
E-V	Other System Adjustments	-	-	-	-
E-VI	Special Allowance Payments	(4,371,555.60)	1,102,915.47	(4,086,428.31)	(3,868,333.54)
E-VII	Subsidy Payments	1,189,577.76	(4,149,207.13)	1,104,269.09	997,991.49
E-VIII	Total Interest Collections	\$ 5,099,762.31	\$ 5,117,251.78	\$ 5,365,280.42	\$ 4,668,348.69
F	Student Loan Non-Cash Interest Activity:				
F-I	Capitalized Interest	\$ 4,375,984.50	\$ 4,901,280.78	\$ 4,006,054.48	\$ 4,043,689.84
F-II	Interest Accrual Adjustment	(5,262,299.61)	(4,884,224.50)	(4,480,330.95)	(4,645,811.63)
F-III	Total Non-Cash Interest Adjustments	\$ (886,315.11)	\$ 17,056.28	\$ (474,276.47)	\$ (602,121.79)
G	Total Student Loan Interest Activity (-)	\$ 4,213,447.20	\$ 5,134,308.06	\$ 4,891,003.95	\$ 4,066,226.90
H	(=) Ending Student Loan Portfolio Balance (A - D)	\$ 1,272,714,004.83	\$ 1,220,148,326.54	\$ 1,159,172,210.82	\$ 1,122,963,723.01
I	(+) Interest to be Capitalized	13,437,163.29	11,635,780.72	10,491,519.95	9,605,807.73
J	TOTAL POOL (=)	\$ 1,286,151,168.12	\$ 1,231,784,107.26	\$ 1,169,663,730.77	\$ 1,132,569,530.74
K	Cash Available for Distributions & Payments in Transit	\$ 44,235,574.45	\$ 58,578,182.44	\$ 65,083,341.92	\$ 39,697,737.09
L	Reserve Account Balance	3,347,480.00	3,245,402.50	3,107,990.00	2,950,917.50
M	Total Adjusted Pool (=)	\$ 1,333,734,222.57	\$ 1,293,607,692.20	\$ 1,237,855,062.69	\$ 1,175,218,185.33

XIII Total Student Loan Portfolio Characteristics		12/31/2012		
		Title IV Loans		
A	STATUS	\$	%	#
A-I	In School	5,975,429	0.53%	1,585
A-II	Grace	2,429,910	0.22%	627
A-III	Repay/Current	750,338,036	66.82%	109,487
A-IV	Delinquent:			
A-V	31-60 Days	36,143,811	3.22%	6,270
A-VI	61-90 Days	20,537,175	1.83%	3,552
A-VII	91-120 Days	14,116,386	1.26%	2,318
A-VIII	> 120 Days	46,085,933	4.10%	8,485
A-IX	Total Delinquent	116,883,305	10.41%	20,625
A-X	Deferment	136,068,239	12.12%	24,849
A-XI	Forbearance	102,377,785	9.12%	13,543
A-XII	Claims/Other	8,891,019	0.79%	1,889
A-XIII	Totals	\$ 1,122,963,723	100.00%	172,605

XIV. Statistical Analysis of Student Loans		12/31/2012											
The following amounts include Principal + Capitalized Interest at the end of the reporting period													
	Program Type	School Type											
B	Guaranteed	4 Year	4 Year Other	2 Year	2 Year Other	Proprietary	Consolidation	Total	ABI				
B-I	Subsidized	\$ 128,423,307	\$ 17,179,379	\$ 29,778,852	\$ 1,548,423	\$ 8,493,588	\$ -	\$ 185,423,549	\$ 4,457				
B-II	Unsubsidized	133,866,178	20,870,637	37,570,152	1,551,330	9,316,609	-	203,174,906	6,895				
B-III	PLUS	31,409,056	717,243	1,125,835	314,757	1,510,184	-	35,077,075	5,501				
B-IV	Consolidated	-	-	-	-	-	699,288,193	699,288,193	27,435				
B-V	Total Title IV	\$ 293,698,541	\$ 38,767,259	\$ 68,474,839	\$ 3,414,510	\$ 19,320,381	\$ 699,288,193	\$ 1,122,963,723	\$ 12,649				
* 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	\$ -	#DIV/0!	<table border="1"> <thead> <tr> <th>Guarantees</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Title IV ¹</td> <td>97/98%</td> </tr> </tbody> </table>						Guarantees	%	Title IV ¹	97/98%
Guarantees	%												
Title IV ¹	97/98%												
C-II	ASA	-	#DIV/0!										
C-III	GLHEC	-	#DIV/0!										
C-IV	Others	-	#DIV/0!										
C-V	Total Title IV	\$ -	#DIV/0!										

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	\$ 6,869,148	\$ 35,468	\$ 19,898	\$ 10,221	\$ -
GreatLakes	1,710,426	-	-	-	-
AES	2,419,124	-	8,305	-	-
SLMA	1,369,477	36,933	28,761	26,977	-
BLS	20,771	-	-	-	-
Total	\$ 12,388,946	\$ 72,401	\$ 56,964	\$ 37,198	\$ -

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	\$ 41,716,386	6.64%	\$ 305,879	0.05%	\$ 209,404	68.46%	\$ 29,416	9.62%	\$ 10,898	3.56%	\$ 56,161
GreatLakes	115,991,877	4,956,837	4.27%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
AES	359,756,943	19,372,732	5.38%	221,880	0.06%	181,222	81.68%	6,940	3.13%	4,605	2.08%	29,113
SLMA	156,107,753	8,521,968	5.46%	305,179	0.20%	56,093	18.38%	151,163	49.53%	4,174	1.37%	93,749
BLS	133,981,923	155,017	0.12%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	\$ 1,394,278,235	\$ 74,722,940	5.36%	\$ 832,938	0.06%	\$ 446,719	53.63%	\$ 187,519	22.51%	\$ 19,677	2.36%	\$ 179,023