



**Brazos Student Finance Corporation**

**Quarterly Student Loan Report**

**Indenture 2010 Securing the 2010 Notes**

**Reporting Period March 1, 2012 through May 31, 2012**

DEAL PARAMETERS									
Student Loan Portfolio Characteristics		2/29/2012		Loans Acquired		Activity		5/31/2012	
A-I	Portfolio Balance	\$	71,910,340.63	\$	7,892.79	\$	(2,658,308.57)	\$	69,259,924.85
A-II	Interest to be Capitalized		952,911.87		-		(64,098.29)		888,813.58
A-III	Pool Balance	\$	72,863,252.50	\$	7,892.79	\$	(2,722,406.86)	\$	70,148,738.43
A-IV	Reserve Fund Account Balance		500,000.00						500,000.00
A-V	Total Adjusted Pool	\$	<u>73,363,252.50</u>					\$	<u>70,648,738.43</u>
B-I	Weighted Average Coupon (WAC)								3.90%
B-II	Weighted Average Remaining Term								150.64
B-III	Number of Loans								12,632
B-IV	Number of Borrowers								4,642
B-V	Since Issued Constant Prepayment Rate (CPR)								4.72%
Notes	CUSIPS	3 Month LIBOR	Spread	Adjusted Rate	Spread	2/29/2012	5/31/2012		
C-I	2010 A-1 10623PDU1	0.47365%	+ 0.90%	= 1.37365%	3 Month LIBOR + 0.90%	\$ 68,461,000.00	\$ 66,694,000.00		
C-II	Total Notes Outstanding					\$ 68,461,000.00	\$ 66,694,000.00		
Reserve Account <sup>1</sup>		2/29/2012		5/31/2012					
D	Required Reserve Acct Deposit								
D-I	Reserve Acct Initial Deposit (\$)	\$	500,000.00			\$	500,000.00		
D-II	Specified Reserve Acct Balance (\$)		500,000.00				500,000.00		
D-III	Reserve Account Floor Balance (\$)		500,000.00				500,000.00		
D-IV	Current Reserve Acct Balance (\$)	\$	500,000.00			\$	500,000.00		
Parity <sup>1</sup>		2/29/2012		5/31/2012					
E	Parity						110.30%		110.66%

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

<b>II Required Reserves and Parity Calculations</b>							
<b>Required Reserves</b>							
		<b>Outstanding Principal Balance 2/29/2012</b>	<b>Required Reserve %</b>	<b>Required Reserves 2/29/2012</b>	<b>Outstanding Principal Balance 5/31/2012</b>	<b>Required Reserve %</b>	<b>Required Reserves 5/31/2012</b>
A- I	2010 A-1	\$ 68,461,000.00	0.50%	\$ 500,000.00	\$ 66,694,000.00	0.50%	\$ 500,000.00
A- II	Total	\$ 68,461,000.00		\$ 500,000.00	\$ 66,694,000.00		\$ 500,000.00
B- I	Specified Reserve Account Balance			\$ 500,000.00			\$ 500,000.00
B- II	Required Reserve Account Floor			500,000.00			500,000.00
B- III	Required Reserve Balance (Greater of B-I or B-II)			500,000.00			500,000.00
B- IV	Reserve Account Balance			500,000.00			500,000.00
B- V	Reserve Account funds released during collection period						\$ -
<b>Parity Calculations</b>				<b>2/29/2012</b>	<b>5/31/2012</b>		
C	<b>Value of the Trust Estate</b>						
C- I	Portfolio Balance			\$ 71,910,340.63		\$ 69,259,924.85	
C- II	Accrued Interest on Investments			17.20		25.06	
C- III	Accrued Borrower Interest			1,272,966.55		1,212,856.09	
C- IV	Accrued (Rebatable) Government Interest and Special Allowance			(38,715.68)		(40,462.46)	
C- V	Accrued Receivables Related to Outstanding Notes			-		-	
C- VI	Less:						
C- VII	Unguaranteed portion in claims			(12,114.22)		(8,084.06)	
C- VIII	Cash and Investments			2,583,447.54		3,525,718.34	
C- IX	Payments In Transit			15,304.55		57,009.56	
C- X	Total Trust Estate Value			\$ 75,731,246.57		\$ 74,006,987.38	
D	Less:						
D- I	Accrued interest on Outstanding Notes			182,170.44		170,504.23	
D- II	Accrued fees related to Outstanding Notes			35,000.00		35,000.00	
E	<b>Net Asset Value</b>			\$ 75,514,076.13		\$ 73,801,483.15	
<b>Notes Outstanding</b>				<b>2/29/2012</b>	<b>5/31/2012</b>		
F	Senior Notes			\$ 68,461,000.00		\$ 66,694,000.00	
<b>Parity</b>				<b>2/29/2012</b>	<b>5/31/2012</b>		
G	Parity Percentage (E / F-I)			110.30%		110.66%	

III TRANSACTIONS FROM:		3/1/2012 THROUGH 5/31/2012
A	Student Loan Principal Activity:	
A-I	Regular Principal Collections	\$ 2,276,300.45
A-II	Principal Collections from Guarantor	712,333.96
A-III	Loans Acquired	(7,892.79)
A-IV	Loans Sold	-
A-V	Other System Adjustments	-
A-VI	Total Cash Principal Activity	\$ 2,980,741.62
B	Student Loan Non-Cash Principal Activity:	
B-I	Capitalized Interest	\$ (349,862.76)
B-II	Other Adjustments	19,536.92
B-III	Total Non-Cash Principal Activity	\$ (330,325.84)
C	<b>Total Student Loan Principal Activity (-)</b>	<b>\$ 2,650,415.78</b>
D	Student Loan Interest Activity:	
D-I	Regular Interest Collections	\$ 308,386.21
D-II	Interest Claims Received from Guarantors	21,516.06
D-III	Interest Purchased	-
D-IV	Interest Sold	-
D-V	Other System Adjustments	-
D-VI	Special Allowance Payments Receipts (Rebates)	(123,356.82)
D-VII	Government Interest Subsidy Payments	62,853.20
D-VIII	Total Cash Interest Activity	\$ 269,398.65
E	Student Loan Non-Cash Interest Activity:	
E-I	Capitalized Interest	\$ 350,006.11
E-II	Interest Accrual Adjustment	2,144.01
E-III	Total Non-Cash Interest Adjustments	\$ 352,150.12
F	<b>Total Student Loan Interest Activity (-)</b>	<b>\$ 621,548.77</b>

IV AVAILABLE FUNDS		5/31/2012
G	Other Collections & Reserve Releases	
G-I	Late Fees	\$ 7,898.58
G-II	Investment Income	55.58
G-III	Recoveries	-
G-IV	Reserve Account	-
G-V	Total Other Collections & Reserve Releases	\$ 7,954.16
H	Total Funds Received (A-VI + D-VIII + G-V)	\$ 3,258,094.43
I	Less Funds Previously Remitted/Set Aside for Monthly Waterfall:	
I-I	DOE Rebate and Lender Fees	\$ 52,475.46
I-II	Subservicing Fees	53,885.52
I-III	Trustee Fees	2,084.19
I-IV	Master Servicing Fees	54,088.00
I-V	Rating fees	6,000.00
I-VI	Total	\$ 168,533.17
J	<b>Total Available Funds (H - I-V)</b>	<b>\$ 3,089,561.26</b>

Waterfall, Cash, and Note Information							
<b>V Quarterly Waterfall for Quarterly Distributions</b>							
						<b>5/31/2012</b>	
A	Total available funds			\$	3,089,561.26	\$ 3,089,561.26	
A-I	Undesignated Distribution Account funds				134.09	3,089,695.35	
B	Noteholders Interest Distribution Amount						
B-I	2010 A1				231,580.37	2,858,114.98	
C	Noteholders Principal Distribution Calculation Amount						
C-I	Notes Outstanding			\$	66,694,000.00		
C-II	Adjusted Pool Balance	\$	70,648,738.43				
C-III	Distribution Calculation Percentage		110%				
C-IV	Calculated Pool Balance (C-II / C-III)				64,226,125.85		
C-V	Calculated Distribution Amount (C-I - C-IV)				<u>2,467,874.15</u>		
D-I	2010 A1 Principal Distribution Amount (lesser of calculated distribution amount or available funds - rounded down to nearest \$1,000 bond denomination)				2,467,000.00	391,114.98	
E	Excess Surplus Distribution				390,240.83	874.15	
F	Undesignated Distribution Account Funds				874.15		
<b>VI Account Balance Rollforward</b>							
						<b>5/31/2012</b>	
	<b>Account</b>	<b>Beginning Balance</b>	<b>Deposits</b>	<b>Withdrawals</b>	<b>Ending Balance</b>		
F-I	Collection Account	\$ 1,978,002.71	\$ 3,287,729.18	\$ 2,375,242.09	\$ 2,890,489.80		
F-II	Distribution Account	105,444.83	198,319.84	168,536.13	135,228.54		
F-III	Reserve Account	500,000.00	12.33	12.33	500,000.00		
F-IV	Total	\$ 2,583,447.54			\$ 3,525,718.34		
<b>VII Rollforward of Undesignated Distribution Account Funds</b>							
						<b>5/31/2012</b>	
G-I	Beginning Balance				\$	134.09	
G-III	Additions					740.06	
G-III	Withdrawals					-	
G-IV	Ending Balance				\$	<u>874.15</u>	
<b>VIII Note Balances</b>							
						<b>3/26/2012</b>	<b>6/25/2012</b>
	<b>Security Description</b>	<b>CUSIP</b>	<b>Original Issue Amt</b>	<b>Note Balance</b>	<b>Note Pool Factor</b>	<b>Note Balance</b>	<b>Note Pool Factor</b>
H-I	2010 A-1	10623PDU1	\$ 87,170,000.00	\$ 66,694,000.00	0.7651027	\$ 64,227,000.00	0.7368017
H-II	Total		\$ 87,170,000.00	\$ 66,694,000.00		\$ 64,227,000.00	
<b>IX Total Note Factor</b>							
						<b>3/26/2012</b>	<b>6/25/2012</b>
I-I	Original Issue Amount		\$	87,170,000.00		\$	87,170,000.00
I-II	Outstanding Note Balance			66,694,000.00			64,227,000.00
I-III	Total Note Pool Factor			0.7651027			0.7368017

X Historical Pool Information		6/1/2011 - 8/31/2011	9/1/2011 - 11/30/2011	12/1/2011 - 2/29/2012	3/1/2012 - 5/31/2012
A	Beginning Student Loan Portfolio Balance	\$ 77,096,502.29	\$ 75,203,841.83	\$ 73,540,636.67	\$ 71,910,340.63
B	Student Loan Principal Activity:				
B-I	Regular Principal Collections	\$ 1,504,072.75	\$ 1,678,523.08	\$ 1,567,052.70	\$ 2,276,300.45
B-II	Principal Collections from Guarantor	813,486.29	419,730.74	440,819.91	712,333.96
B-III	Loans Acquired	-	-	-	(7,892.79)
B-IV	Loans Sold	-	2,142.98	-	-
B-V	Other System Adjustments	-	-	-	-
B-VI	Total Principal Collections	\$ 2,317,559.04	\$ 2,100,396.80	\$ 2,007,872.61	\$ 2,980,741.62
C	Student Loan Non-Cash Principal Activity:				
C-I	Capitalized Interest	\$ (437,267.93)	\$ (446,461.18)	\$ (384,401.04)	\$ (349,862.76)
C-II	Other Adjustments	12,369.35	9,269.54	6,824.47	19,536.92
C-III	Total Non-Cash Principal Activity	\$ (424,898.58)	\$ (437,191.64)	\$ (377,576.57)	\$ (330,325.84)
D	Total Student Loan Principal Activity (-)	\$ 1,892,660.46	\$ 1,663,205.16	\$ 1,630,296.04	\$ 2,650,415.78
E	Student Loan Interest Activity:				
E-I	Regular Interest Collections	\$ 302,543.97	\$ 291,273.64	\$ 287,722.50	\$ 308,386.21
E-II	Interest Claims Received from Guarantors	24,617.56	16,433.87	20,768.20	21,516.06
E-III	Interest Purchased	-	-	-	-
E-IV	Interest Sold	-	-	-	-
E-V	Other System Adjustments	(55.56)	-	-	-
E-VI	Special Allowance Payments	(148,820.22)	(133,921.31)	(131,521.50)	(123,356.82)
E-VII	Subsidy Payments	84,475.77	71,977.08	75,415.08	62,853.20
E-VIII	Total Interest Collections	\$ 262,761.52	\$ 245,763.28	\$ 252,384.28	\$ 269,398.65
F	Student Loan Non-Cash Interest Activity:				
F-I	Capitalized Interest	\$ 437,342.39	\$ 446,600.30	\$ 384,542.91	\$ 350,006.11
F-II	Interest Accrual Adjustment	(520.81)	(8,636.31)	(10,040.85)	2,144.01
F-III	Total Non-Cash Interest Adjustments	\$ 436,821.58	\$ 437,963.99	\$ 374,502.06	\$ 352,150.12
G	Total Student Loan Interest Activity	\$ 699,583.10	\$ 683,727.27	\$ 626,886.34	\$ 621,548.77
H	(=) Ending Student Loan Portfolio Balance (A - D)	\$ 75,203,841.83	\$ 73,540,636.67	\$ 71,910,340.63	\$ 69,259,924.85
I	(+) Interest to be Capitalized	1,144,420.57	1,047,930.09	952,911.87	888,813.58
J	TOTAL POOL (=)	\$ 76,348,262.40	\$ 74,588,566.76	\$ 72,863,252.50	\$ 70,148,738.43
L	Reserve Account Balance	500,000.00	500,000.00	500,000.00	500,000.00
M	Total Adjusted Pool (=)	\$ 76,848,262.40	\$ 75,088,566.76	\$ 73,363,252.50	\$ 70,648,738.43

XI Total Student Loan Portfolio Characteristics							5/31/2012			
Status	Title IV Loans			Heal Loans			Total All Student Loans			
	\$	%	#	\$	%	#		%	#	
In School	\$ 2,452,924	3.75%	446	\$ -	0.00%	-	\$ 2,452,924	3.54%	446	
Grace	840,204	1.29%	176	-	0.00%	-	840,204	1.21%	176	
Repay/Current	32,317,304	49.46%	6,328	3,542,278	90.34%	230	35,859,582	51.78%	6,558	
Delinquent:										
31-60 Days	2,700,298	4.13%	490	124,608	3.18%	7	2,824,906	4.08%	497	
61-90 Days	1,571,475	2.41%	313	23,309	0.59%	2	1,594,784	2.30%	315	
91-120 Days	1,590,251	2.43%	217	-	0.00%	-	1,590,251	2.30%	217	
> 120 Days	2,936,679	4.49%	565	174,749	4.46%	6	3,111,428	4.49%	571	
Total Delinquent	8,798,703	13.47%	1,585	322,666	8.23%	15	9,121,369	13.17%	1,600	
Deferment	10,101,249	15.46%	2,117	5,511	0.14%	1	10,106,760	14.59%	2,118	
Forbearance	10,430,269	15.96%	1,647	44,614	1.14%	3	10,474,883	15.12%	1,650	
Claims/Other	398,137	0.61%	83	6,066	0.15%	1	404,203	0.58%	84	
Totals	\$ 65,338,790	100.00%	12,382	\$ 3,921,135	100.00%	250	\$ 69,259,925	100.00%	12,632	

**XII Statistical Analysis of Student Loans** **5/31/2012**

The following amounts include Principal + Capitalized Interest at the end of the reporting period

Program Type	School Type							Total	ABI
	4 Year	4 Year Other	2 Year	2 Year Other	Proprietary	Consolidation			
Guaranteed									
Subsidized	\$ 12,252,398	\$ 5,971,892	\$ 1,400,658	\$ 14,582	\$ 612,886	\$ -	\$ 20,252,416	\$ 6,207	
Unsubsidized	12,745,484	9,509,986	1,320,725	3,578	625,855	-	24,205,628	9,292	
PLUS	1,041,358	-	8,408	-	41,144	-	1,090,910	6,234	
Consolidated	-	-	-	-	-	19,789,836	19,789,836	42,928	
Total Title IV	26,039,240	15,481,878	2,729,791	18,160	1,279,885	19,789,836	65,338,790	14,195	
HEAL	3,430,798	68,167	384,338	-	37,832	-	3,921,135	16,475	
Total	\$ 29,470,038	\$ 15,550,045	\$ 3,114,129	\$ 18,160	\$ 1,317,717	\$ 19,789,836	\$ 69,259,925	\$ 14,920	

\* 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.

Guarantor	\$	%
USAF	\$ 53,445,359	81.80%
PHEAA	6,630,480	10.15%
GLHEC	1,567,557	2.40%
Other	3,695,394	5.66%
Total Title IV	65,338,790	100.00%

Guarantees	%
Title IV	97/98%
HHS (Heal)	98.00%
TERI	100.00%
TuitionGard	95.00%

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



XIII Loan Default Statistics		Reporting Period 3/1/2012 through 5/31/2012													
<b>Current Quarter - Insured Loans</b>															
Claims (\$)	Servicer	Claims Paid	Claims Rejected	Cured	Recoursed	Write Off									
Title IV	ACS	\$ 94,301	\$ -	\$ -	\$ -	\$ -									
Title IV	AES	106,664	-	-	-	-									
Title IV	Great Lakes	14,392	-	-	-	-									
Title IV	SLMA	496,977	-	-	-	-									
Heal Loans	AES	-	-	-	-	-									
Totals		\$ 712,334	\$ -	\$ -	\$ -	\$ -									
<b>Since Inception - Insured Loans</b>															
Status	Servicer	Student Loan Portfolio					Claims Rejected								
		Static Pool	Claims Paid		Claims Rejected		Cured		Recoursed		Write Off		Pending Rejects		Total
Loan Type:		\$	\$	% of Static	\$	% of Static	\$	% of Rejected	\$	% of Rejected	\$	% of Rejected	\$	%	%
Title IV	ACS	\$ 1,527,538	\$ 255,709	16.74%	\$ 8,748	0.57%	\$ 8,748	100.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	100.00%
Title IV	AES	7,948,323	895,302	11.26%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00%
Title IV	Great Lakes	2,138,361	27,974	1.31%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00%
Title IV	SLMA	67,310,428	3,981,895	5.92%	22,870	0.03%	6,912	30.22%	15,864	69.37%	94	0.41%	-	0.00%	100.00%
Heal Loans	AES	7,541,512	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00%
Total Insured		\$ 86,466,162	\$ 5,160,880	5.97%	\$ 31,618	0.04%	\$ 15,660	49.53%	\$ 15,864	50.17%	\$ 94	0.30%	\$ -	0.00%	100.00%