



**Brazos Higher Education Authority, Inc.**

**Quarterly Student Loan Report**

**Indenture 93B Securing the 2010 Notes**

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

DEAL PARAMETERS							
Student Loan Portfolio Characteristics		4/30/2012	Loans Acquired	Activity	7/31/2012		
A-I	Portfolio Balance	\$ 963,414,166.55	\$ 1,028,664.57	\$ (51,730,839.46)	\$ 912,711,991.66		
A-II	Interest to be Capitalized	12,123,062.50	-	(1,964,564.71)	10,158,497.79		
A-III	Pool Balance	\$ 975,537,229.05	\$ 1,028,664.57	\$ (53,695,404.17)	\$ 922,870,489.45		
A-IV	Reserve Fund Account Balance	2,563,552.50			2,479,302.50		
A-V	Cash & Payments In Transit	37,135,234.88			56,361,342.29		
A-VI	Total Adjusted Pool	<u>\$ 1,015,236,016.43</u>			<u>\$ 981,711,134.24</u>		
B-I	Weighted Average Coupon (WAC)				4.06%		
B-II	Weighted Average Remaining Term				179.38		
B-III	Number of Loans				149,476		
B-IV	Number of Borrowers				65,408		
B-V	Aggregate Outstanding Principal Balance - T-Bill				35,850,571		
B-VI	Percentage Outstanding Principal Balance - T-Bill				3.93%		
B-VII	Aggregate Outstanding Principal Balance - Commercial Paper				876,861,421		
B-VIII	Percentage Outstanding Principal Balance - Commercial Paper				96.07%		
B-IX	Since Issued Constant Prepayment Rate (CPR)				8.16%		
Notes	CUSIPS	3 Month LIBOR	Spread	Adjusted Rate	Spread	4/30/2012	7/31/2012
C-I	2010 A-1 10620NCD8	0.46685%	+ 0.90%	= 1.36685%	3 Month LIBOR + 0.90%	\$ 802,821,000.00	\$ 769,121,000.00
C-II	2010 A-2 10620NCE6	0.46685%	+ 1.20%	= 1.66685%	3 Month LIBOR + 1.20%	161,600,000.00	161,600,000.00
C-III	2010 B-1 106238GW2	0.46685%	+ 1.00%	= 1.46685%	3 Month LIBOR + 1.00%	15,000,000.00	15,000,000.00
C-IV	2010 B-2 106238JP4	0.46685%	+ 1.00%	= 1.46685%	3 Month LIBOR + 1.00%	31,500,000.00	31,500,000.00
C-V	2010 B-3 106238KB3	0.46685%	+ 1.00%	= 1.46685%	3 Month LIBOR + 1.00%	14,500,000.00	14,500,000.00
C-VI	Total Notes Outstanding					\$ 1,025,421,000.00	\$ 991,721,000.00
Reserve Account <sup>1</sup>		4/30/2012			7/31/2012		
D	Required Reserve Acct Deposit						
D-I	Reserve Acct Initial Deposit (\$)				\$ 2,951,500.00		\$ 2,951,500.00
D-II	Specified Reserve Acct Balance (\$)				2,563,552.50		2,479,302.50
D-III	Reserve Account Floor Balance (\$)				1,770,900.00		1,770,900.00
D-IV	Current Reserve Acct Balance (\$)				\$ 2,563,552.50		\$ 2,479,302.50
Parity <sup>1</sup>		4/30/2012			7/31/2012		
E-I	Parity				99.01%		98.99%
E-II	Senior Parity				105.27%		105.48%

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

<b>II Required Reserves and Parity Calculations</b>							
<b>Required Reserves</b>							
		<b>Outstanding Principal Balance 4/30/2012</b>	<b>Required Reserve %</b>	<b>Required Reserves 4/30/2012</b>	<b>Outstanding Principal Balance 7/31/2012</b>	<b>Required Reserve %</b>	<b>Required Reserves 7/31/2012</b>
A- I	2010 A-1	\$ 802,821,000.00	0.25%	\$ 2,007,052.50	\$ 769,121,000.00	0.25%	\$ 1,922,802.50
A- II	2010 A-2	161,600,000.00	0.25%	404,000.00	161,600,000.00	0.25%	404,000.00
A- III	2010 B-1	15,000,000.00	0.25%	37,500.00	15,000,000.00	0.25%	37,500.00
A- IV	2010 B-2	31,500,000.00	0.25%	78,750.00	31,500,000.00	0.25%	78,750.00
A- V	2010 B-3	14,500,000.00	0.25%	36,250.00	14,500,000.00	0.25%	36,250.00
A- VI	Total	\$ 1,025,421,000.00		\$ 2,563,552.50	\$ 991,721,000.00		\$ 2,479,302.50
B- I	Specified Reserve Account Balance			\$ 2,563,552.50			\$ 2,479,302.50
B- II	Required Reserve Account Floor			1,770,900.00			1,770,900.00
B- III	Required Reserve Balance (Greater of B-I or B-II)			2,563,552.50			2,479,302.50
B- IV	Reserve Account Balance			2,563,552.50			2,479,302.50
B- V	Reserve Account funds released during collection period						\$ 84,250.00
<b>Parity Calculations</b>							
				<b>4/30/2012</b>		<b>7/31/2012</b>	
C	<b>Value of the Trust Estate</b>						
C- I	Portfolio Balance			\$ 963,414,166.55		\$ 912,711,991.66	
C- II	Accrued Interest on Investments			288.83		442.64	
C- III	Accrued Borrower Interest			16,266,779.68		14,213,114.98	
C- IV	Accrued Government Interest and Special Allowance			(637,126.75)		(751,255.74)	
C- V	Accrued Receivables Related to Outstanding Notes			17,500.00		10,000.00	
C- VI	Less:						
C- VII	Unguaranteed portion in claims			(104,307.16)		(130,446.40)	
C- VIII	Cash and Investments			38,396,633.45		59,674,226.28	
C- IX	Payments In Transit			1,302,153.93		(833,581.49)	
C- X	Total Trust Estate Value			\$ 1,018,656,088.53		\$ 984,894,491.93	
D	Less:						
D- I	Accrued interest on Outstanding Notes (Excluding Class B Interest Shortfall)			2,632,054.09		2,429,911.76	
D- II	Accrued fees related to Outstanding Notes			774,000.00		716,000.00	
E	<b>Net Asset Value</b>			\$ 1,015,250,034.44		\$ 981,748,580.17	
<b>Notes Outstanding</b>							
				<b>4/30/2012</b>		<b>7/31/2012</b>	
F- I	Senior Notes			\$ 964,421,000.00		\$ 930,721,000.00	
F- II	Class B Notes			61,000,000.00		61,000,000.00	
F- III	Total Notes			\$ 1,025,421,000.00		\$ 991,721,000.00	
<b>Parity</b>							
				<b>4/30/2012</b>		<b>7/31/2012</b>	
G- I	Senior Parity Percentage (E / F-I)			105.27%		105.48%	
G- II	Parity Percentage (E / F-III)			99.01%		98.99%	

III TRANSACTIONS FROM:		5/1/2012 THROUGH 7/31/2012
A	Student Loan Principal Activity:	
A-I	Regular Principal Collections	\$ 46,581,559.41
A-II	Principal Collections from Guarantor	9,134,314.50
A-III	Loans Acquired	(1,028,664.57)
A-IV	Loans Sold	2,222.99
A-V	Other System Adjustments	-
A-VI	Total Cash Principal Activity	\$ 54,689,432.33
B	Student Loan Non-Cash Principal Activity:	
B-I	Capitalized Interest	\$ (4,082,915.90)
B-II	Other Adjustments	95,658.46
B-III	Total Non-Cash Principal Activity	\$ (3,987,257.44)
C	<b>Total Student Loan Principal Activity (-)</b>	<b>\$ 50,702,174.89</b>
D	Student Loan Interest Activity:	
D-I	Regular Interest Collections	\$ 5,971,865.79
D-II	Interest Claims Received from Guarantors	311,342.82
D-III	Interest Purchased	(910.99)
D-IV	Interest Sold	468.84
D-V	Other System Adjustments	-
D-VI	Special Allowance Payments Receipts (Rebates)	(2,929,290.19)
D-VII	Government Interest Subsidy Payments	743,345.82
D-VIII	Total Cash Interest Activity	\$ 4,096,822.09
E	Student Loan Non-Cash Interest Activity:	
E-I	Capitalized Interest	\$ 4,112,485.65
E-II	Interest Accrual Adjustment	(3,242,547.04)
E-III	Total Non-Cash Interest Adjustments	\$ 869,938.61
F	<b>Total Student Loan Interest Activity (-)</b>	<b>\$ 4,966,760.70</b>

IV AVAILABLE FUNDS		7/31/2012
G	Other Collections & Reserve Releases	-
G-I	Late Fees	\$ 81,556.97
G-II	Investment Income	878.72
G-III	Recoveries	-
G-IV	Other Income	-
G-V	Reserve Account Release	84,250.00
G-VI	Total Other Collections & Reserve Releases	\$ 166,685.69
H	Total Funds Received (A-VI + D-VIII + G-VI)	\$ 58,952,940.11
I	Less Funds Previously Remitted for Monthly Waterfall:	
I-I	DOE Rebate and Lender Fees	\$ 1,483,640.21
I-II	Subservicing Fees	664,033.81
I-III	Special Allowance Payments Rebate	-
I-IV	Trustee Fees	32,044.41
I-V	Master Servicing Fees	387,523.00
I-VI	Other Payments	-
I-VII	Total	\$ 2,567,241.43
J	<b>Total Available Funds (H - I-VII)</b>	<b>\$ 56,385,698.68</b>

Waterfall, Cash, and Note Information							
<b>V Quarterly Waterfall for Quarterly Distributions</b>							
<b>7/31/2012</b>							
A	Total available funds		\$	56,385,698.68	\$	56,385,698.68	
A-I	Undesignated Distribution Account funds			186.34		56,385,885.02	
B	Noteholders Interest Distribution Amount						
B-I	2010 A-1			2,744,990.71		53,640,894.31	
B-II	2010 A-2			703,336.62		52,937,557.69	
B-III	2010 B-1			-		52,937,557.69	
B-IV	2010 B-2			-		52,937,557.69	
B-V	2010 B-3			-		52,937,557.69	
C	Noteholders Principal Distribution Amount						
C-I	2010 A-1			52,937,000.00		557.69	
C-II	2010 A-2			-		557.69	
C-III	2010 B-1			-		557.69	
C-IV	2010 B-2			-		557.69	
C-V	2010 B-3			-		557.69	
D	Class B Note Interest Shortfall			-		557.69	
E	Undesignated Distribution Account funds			557.69		-	
<b>VI Account Balance Rollforward</b>							
<b>4/30/2012</b> <span style="float: right;"><b>7/31/2012</b></span>							
	<b>Account</b>	<b>Beginning Balance</b>	<b>Deposits</b>	<b>Withdrawals</b>	<b>Ending Balance</b>		
F-I	Collection Account	\$ 31,791,849.11	\$ 66,392,244.42	\$ 45,025,020.59	\$ 53,159,072.94		
F-II	Distribution Account	4,041,231.84	2,564,137.88	2,569,518.88	4,035,850.84		
F-III	Reserve Account	2,563,552.50	75.43	84,325.43	2,479,302.50		
F-IV	Total	\$ 38,396,633.45			\$ 59,674,226.28		
<b>VII Rollforward of Undesignated Distribution Account Funds</b>							
<b>7/31/2012</b>							
G-I	Beginning Balance				\$ 186.34		
G-II	Additions				371.35		
G-III	Withdrawals				-		
G-IV	Ending Balance				\$ 557.69		
<b>VIII Note Balances</b>							
<b>5/25/2012</b> <span style="float: right;"><b>8/27/2012</b></span>							
	<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	10620NCD8	\$ 958,000,000.00	\$ 769,121,000.00	0.8028403	\$ 716,184,000.00	0.7475825
H-II	2010 A-2	10620NCE6	161,600,000.00	161,600,000.00	1.0000000	161,600,000.00	1.0000000
H-III	2010 B-1	106238GW2	15,000,000.00	15,000,000.00	1.0000000	15,000,000.00	1.0000000
H-IV	2010 B-2	106238JP4	31,500,000.00	31,500,000.00	1.0000000	31,500,000.00	1.0000000
H-V	2010 B-3	106238KB3	14,500,000.00	14,500,000.00	1.0000000	14,500,000.00	1.0000000
H-VI	Total		\$ 1,180,600,000.00	\$ 991,721,000.00		\$ 938,784,000.00	
<b>IX Total Note Factor</b>							
<b>5/25/2012</b> <span style="float: right;"><b>8/27/2012</b></span>							
I-I	Original Issue Amount		\$ 1,180,600,000.00		\$	1,180,600,000.00	
I-II	Outstanding Note Balance		991,721,000.00			938,784,000.00	
I-III	Total Note Pool Factor		0.8400144			0.7951753	

X Class B Interest Subordination Test			
Definition Test (a)			
(i)	Class A Notes Prior to Distribution Date		\$ 930,721,000.00
	Less:		
	Available Funds	\$ 56,385,885.02	
	Less: Class A Noteholders' Interest		
	2010 A-1	\$ 2,744,990.71	
	2010 A-2	703,336.62	
	Total Class A Noteholders' Interest	<u>3,448,327.33</u>	
			<u>52,937,557.69</u>
			<b><u>\$ 877,783,442.31</u></b>
(ii)	Pool Balance	\$ 922,870,489.45	
		96.60%	
			<b><u>\$ 891,492,892.81</u></b>
	Is (i) greater than (ii)		No
Definition Test (b)			
(i)	Class A and Class B Notes Prior to Distribution Date		\$ 991,721,000.00
	Less:		
	Available Funds	\$ 56,385,885.02	
	Less: Class A & Class B Noteholders' Interest		
	2010 A-1	\$ 2,744,990.71	
	2010 A-2	703,336.62	
	2010 B-1	57,451.63	
	2010 B-2	120,648.41	
	2010 B-3	55,536.57	
	Total Class A & Class B Noteholders' Interest	<u>3,681,963.94</u>	
			<u>52,703,921.08</u>
			<b><u>\$ 939,017,078.92</u></b>
(ii)	Pool Balance	\$ 922,870,489.45	
		101.70%	
			<b><u>\$ 938,559,287.77</u></b>
	Is (i) greater than (ii)		Yes
Class B Interest Shortfall Carryforward			
		<b>2010 B-1</b>	<b>2010 B-2</b>
		<b>2010 B-3</b>	
	Class B Interest Shortfall Carryforward from Prior Period	\$ -	\$ -
	Current Quarter Class B Interest Shortfall	57,451.63	120,648.41
		<u>57,451.63</u>	<u>120,648.41</u>
	Total Class B Interest Shortfall Carryforward	<u>\$ 57,451.63</u>	<u>\$ 120,648.41</u>
		<u>\$ 233,636.61</u>	

XI Historical Pool Information		8/1/2011 - 10/31/2011	11/1/2011 - 1/31/2012	2/1/2012 - 4/30/2012	5/1/2012 - 7/31/2012
A	Beginning Student Loan Portfolio Balance	\$ 1,061,239,075.71	\$ 1,028,814,846.24	\$ 999,095,760.30	\$ 963,414,166.55
B	Student Loan Principal Activity:				
B-I	Regular Principal Collections	\$ 26,518,569.96	\$ 26,412,065.33	\$ 26,051,437.75	\$ 46,581,559.41
B-II	Principal Collections from Guarantor	9,841,577.90	9,576,373.03	10,172,491.91	9,134,314.50
B-III	Loans Acquired	(222,792.10)	(269,594.29)	(688,539.77)	(1,028,664.57)
B-IV	Loans Sold	4,035.42	100,211.50	3,011,674.39	2,222.99
B-V	Other System Adjustments	-	-	-	-
B-VI	Total Principal Collections	\$ 36,141,391.18	\$ 35,819,055.57	\$ 38,547,064.28	\$ 54,689,432.33
C	Student Loan Non-Cash Principal Activity:				
C-I	Capitalized Interest	\$ (3,565,782.77)	\$ (6,118,847.90)	\$ (2,901,286.61)	\$ (4,082,915.90)
C-II	Other Adjustments	(151,378.94)	18,878.27	35,816.08	95,658.46
C-III	Total Non-Cash Principal Activity	\$ (3,717,161.71)	\$ (6,099,969.63)	\$ (2,865,470.53)	\$ (3,987,257.44)
D	Total Student Loan Principal Activity (-)	\$ 32,424,229.47	\$ 29,719,085.94	\$ 35,681,593.75	\$ 50,702,174.89
E	Student Loan Interest Activity:				
E-I	Regular Interest Collections	\$ 5,611,119.20	\$ 5,530,114.97	\$ 5,497,846.77	\$ 5,971,865.79
E-II	Interest Claims Received from Guarantors	309,526.10	277,255.46	283,870.01	311,342.82
E-III	Interest Purchased	(14.48)	(2,862.85)	(32.64)	(910.99)
E-IV	Interest Sold	-	3,905.24	30,041.93	468.84
E-V	Other System Adjustments	232.56	-	-	-
E-VI	Special Allowance Payments	(3,416,908.45)	(3,270,747.21)	(6,145,424.32)	(2,929,290.19)
E-VII	Subsidy Payments	941,494.61	866,874.71	1,591,539.24	743,345.82
E-VIII	Total Interest Collections	\$ 3,445,449.54	\$ 3,404,540.32	\$ 1,257,840.99	\$ 4,096,822.09
F	Student Loan Non-Cash Interest Activity:				
F-I	Capitalized Interest	\$ 3,594,200.21	\$ 6,146,101.27	\$ 2,928,983.04	\$ 4,112,485.65
F-II	Interest Accrual Adjustment	(3,372,627.88)	(3,371,342.20)	(3,166,246.59)	(3,242,547.04)
F-III	Total Non-Cash Interest Adjustments	\$ 221,572.33	\$ 2,774,759.07	\$ (237,263.55)	\$ 869,938.61
G	Total Student Loan Interest Activity	\$ 3,667,021.87	\$ 6,179,299.39	\$ 1,020,577.44	\$ 4,966,760.70
H	(=) Ending Student Loan Portfolio Balance (A - D)	\$ 1,028,814,846.24	\$ 999,095,760.30	\$ 963,414,166.55	\$ 912,711,991.66
I	(+) Interest to be Capitalized	15,299,856.99	12,245,644.41	12,123,062.50	10,158,497.79
J	TOTAL POOL (=)	\$ 1,044,114,703.23	\$ 1,011,341,404.71	\$ 975,537,229.05	\$ 922,870,489.45
K	Cash Available for Distributions & Payments in Transit	\$ 36,860,750.91	\$ 36,499,565.33	\$ 37,135,234.88	\$ 56,361,342.29
L	Reserve Account Balance	2,729,032.50	2,645,210.00	2,563,552.50	2,479,302.50
M	Total Adjusted Pool (=)	\$ 1,083,704,486.64	\$ 1,050,486,180.04	\$ 1,015,236,016.43	\$ 981,711,134.24

XII Total Student Loan Portfolio Characteristics		7/31/2012		
		Title IV Loans		
A	STATUS	\$	%	#
A-I	In School	\$ 5,204,155	0.57%	1,465
A-II	Grace	2,405,779	0.26%	593
A-III	Repay/Current	588,833,433	64.51%	93,991
A-IV	Delinquent:			
A-V	31-60 Days	26,150,642	2.87%	4,963
A-VI	61-90 Days	14,576,255	1.60%	2,699
A-VII	91-120 Days	12,734,138	1.40%	2,322
A-VIII	> 120 Days	36,005,687	3.94%	7,014
A-IX	Total Delinquent	89,466,722	9.80%	16,998
A-X	Deferment	115,539,516	12.66%	22,143
A-XI	Forbearance	104,740,067	11.48%	13,053
A-XII	Claims/Other	6,522,320	0.71%	1,233
A-XIII	Totals	\$ 912,711,992	100.00%	149,476

XIII Statistical Analysis of Student Loans		7/31/2012								
The following amounts include Principal + Capitalized Interest at the end of the reporting period										
	Program Type	School Type								
	Guaranteed	4 Year	4 Year Other	2 Year	2 Year Other	Proprietary	Consolidation	Total	ABI	
B-I	Subsidized	\$ 109,364,941	\$ 7,612,915	\$ 22,327,789	\$ 902,735	\$ 6,012,806	\$ -	\$ 146,221,186	\$ 4,349	
B-II	Unsubsidized	150,263,239	8,666,851	21,154,184	868,320	5,722,980	-	186,675,574	7,463	
B-III	PLUS	31,753,370	831,342	1,255,703	655,294	1,331,511	-	35,827,220	5,032	
B-IV	Consolidated	-	-	-	-	-	543,988,012	543,988,012	27,796	
B-V	Total Title IV	\$ 291,381,550	\$ 17,111,108	\$ 44,737,676	\$ 2,426,349	\$ 13,067,297	\$ 543,988,012	\$ 912,711,992	\$ 12,377	
* 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	\$	%	Guarantees						
C-I	PHEAA	\$ 421,582,074	46.19%	Title IV <sup>1</sup>		97/98%				
C-II	GLHEC	180,748,115	19.80%							
C-III	TGSLC	121,482,519	13.31%							
C-IV	Others	188,899,284	20.70%							
C-V	Total Title IV	\$ 912,711,992	100.00%							

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



**XIV Claims Rejected By Servicer - Title IV Loans**

Current Quarter						
Servicer	Claims Paid	Claims Rejected	Cured	Recoursed	Write Off	
ACS	\$ 4,886,656.35	\$ 84,850.92	\$ 3,971.40	\$ -	\$ -	\$ -
GreatLakes	445,445.94	-	-	-	-	-
AES	3,456,962.20	-	-	1,313.00	-	-
SLMA	345,250.01	3,543.60	-	-	-	-
Total	\$ 9,134,314.50	\$ 88,394.52	\$ 3,971.40	\$ 1,313.00	\$ -	\$ -

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	\$ 476,950,545.96	\$ 34,330,501.63	7.20%	\$ 820,854.77	0.17%	\$ 616,664.29	75.12%	\$ 88,886.49	10.83%	\$ 8,153.50	0.99%	\$ 107,150.49
GreatLakes	107,530,439.84	3,237,875.82	3.01%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
AES	511,764,749.16	25,654,501.91	5.01%	190,882.23	0.04%	172,954.27	90.61%	17,800.07	9.33%	-	0.00%	127.89
SLMA	51,337,518.64	3,077,871.33	6.00%	49,051.27	0.10%	8,211.25	16.74%	18,903.93	38.54%	86.37	0.18%	21,849.72
Total	\$ 1,147,583,253.60	\$ 66,300,750.69	5.78%	\$ 1,060,788.27	0.09%	\$ 797,829.81	75.21%	\$ 125,590.49	11.84%	\$ 8,239.87	0.78%	\$ 129,128.10