

Student Loan Backed Reporting Mixed Deal - FFELP
Quarterly Distribution Report

Issuer	South Texas Higher Education Authority
Deal Name	2012-1
Distribution Date	5/31/2018
Collection Period	03/01/2018 - 05/31/2018
Contact Name	Denise Dunn-Trakshel
Contact Number	817-265-9158
Contact Email	DeniseDT@hescloans.com
Website	www.nthea.org

Notes/Bonds - Group I (FFELP)												
Class	CUSIP	Rate	Index	Margin	Auction Status	Original Balance	Beg Princ Bal	Interest Accrual	Principal Paid	End Princ Bal ^a	% of Securities	Maturity
2012-1 A-1	840555CY0	2.195%	3 Mo LIBOR	0.50%	N/A	129,450,000	-	-	-	-	0.00%	October 1, 2020
2012-1 A-2	840555CZ7	2.545%	3 Mo LIBOR	0.85%	N/A	64,730,000	42,336,174	320,856	3,167,958	39,168,216	32.37%	October 1, 2024
2012-1 A-3	840555DA1	2.545%	3 Mo LIBOR	0.85%	N/A	81,820,000	81,820,000	670,248	-	81,820,000	67.63%	October 1, 2046
Total						276,000,000	124,156,174	991,104	3,167,958	120,988,216	100%	

(a) Should include Principal Pmts in the current distribution month

Portfolio Summary			
	Beg Balance	Activity	End Balance
Principal Balance	\$139,494,901	(\$4,127,524)	\$135,367,377
Accrued Interest	\$3,941,686	(\$667,067)	\$3,274,619
Total Pool Balance	\$143,436,587	(\$4,794,591)	\$138,641,996
Total Accounts Balance	-	-	-
Total Trust Assets	-	-	-
Weighted Average Coupon (WAC)	5.27%	0.00%	5.28%
Weighted Average Maturity (WAM)	158	(0.81)	157
Number of Loans	22,243	(944)	21,299
Number of Borrowers	9,017	(415)	8,602
Average Borrower Indebtedness	\$15,470	\$266	\$15,736

Weighted Average Payments Made		
	% of Pool	W.A. Time until Repayment (months) ^(a)
		<i>(should include grace period)</i>
In School	0%	34
Grace	0%	3
Deferment	7%	20
Forbearance	20%	3
		W.A. Time in Repayment (months)
Repayment	73%	78
Total Weighted Average		

Funds and Accounts			
Prefunding Account	(\$)	Capitalized Interest Account	(\$)
Prefunding Account (beginning)		Capitalized Interest Account (beginning)	
Less loans acquired from prefunding		Less releases	
Less amounts transferred to other accounts		Less draws	
Plus investment earnings		Plus investment earnings	
Prefunding Account (ending)		Capitalized Interest Account (ending)	
		Capitalized Interest Account Requirement	
		Reserve Account	
		Reserve Account (beginning)	\$ 641,876
		Less releases	\$ -
		Less draws	\$ -
		Plus investment earnings	\$ 1,257
		Reserve Account (ending)	\$ 643,134
		Reserve Account Requirement	
Collection Fund	\$ 6,374,974		
COI Account	\$ -		
Total Accounts Balances	\$ -		
Ending Overcollateralization Amount			
Specified Overcollateralization Requirement (no Trigger)			

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Balance Sheet and Parity as of		5/31/2018		
	Beg Balance	Activity	End Balance	
Assets				
Loans Receivable	139,494,901	(4,127,524)	135,367,377	
Accrued Interest Receivable on Loans	3,941,996	(667,067)	3,274,929	
Accrued Interest on Investment	1,355	4,337	5,692	
Special Allowance	(75,803)	(42,271)	(118,074)	
Accrued Interest Subsidy Payments	81,859	35,771	117,629	
Total Accounts/Funds Balance	4,571,801	359,062	4,930,863	
Payments received and not credited to Trustee	184,754	(59,719)	125,035	
Less: Principal payment on distribution date 07/02/18	(4,219,063)	1,051,105	(3,167,958)	
Less: Interest payment on distribution date 07/02/18	(816,676)	(174,428)	(991,104)	
Total Assets	\$ 143,165,124	\$ (3,620,734)	\$ 139,544,390	
Liabilities				
Bonds Payable	128,375,237	(4,219,063)	124,156,174	
Accrued Interest on Bonds	526,302	127,174	653,475	
Accrued and unpaid operating expenses	116,715	116,205	232,920	
Less: Principal payment on distribution date 07/02/18	(4,219,063)	1,051,105	(3,167,958)	
Less: Interest payment on distribution date 07/02/18	(816,676)	(174,428)	(991,104)	
Total Liabilities	\$ 123,982,514	\$ (3,099,007)	\$ 120,883,507	
Senior Parity %				
Junior Sub Parity %				
Total Parity %	115.47%		115.44%	

CPR (constant pmt rate)		
	\$	%
Current	\$2,314,033	6.56%
Lifetime	\$75,476,578	7.00%
<i>(a) Since January 31, 2012</i>		

Servicer Balance				
	Balance	% of Portfolio	# of Loans	Cims Outstg
HESC	\$135,367,377	100.00%	21,299	618,915
Total				

Portfolio by Loan Status										
	# of Loans		Balance		% of Balance		WAC		WARM	
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending
In School	49	44	148,341	133,099	0.1%	0.1%	5.48%	5.30%	120	120
Grace	6	11	21,835	37,077	0.0%	0.0%	6.80%	6.90%	120	120
Repayment										
Current	14,368	12,021	87,274,337	74,980,676	62.6%	55.4%	5.25%	5.25%	156	152
31-60 Days Delinquent	46	606	466,661	4,481,581	0.3%	3.3%	5.36%	5.25%	104	163
61-90 Days Delinquent	71	356	640,419	2,088,266	0.5%	1.5%	5.42%	5.35%	126	145
91-120 Days Delinquent	833	1,387	6,041,346	8,756,509	4.3%	6.5%	5.48%	5.30%	167	162
121-180 Days Delinquent	728	79	4,723,570	670,733	3.4%	0.5%	5.24%	5.18%	146	114
181-270 Days Delinquent	595	945	4,240,227	6,997,873	3.0%	5.2%	5.37%	5.45%	171	162
Total Repayment	16,641	15,394	103,386,561	97,975,638	74.1%	72.4%	5.27%	5.27%	157	154
Forbearance	3,345	3,829	23,720,362	26,621,371	17.0%	19.7%	5.35%	5.39%	168	173
Deferment	2,084	1,917	11,113,112	9,981,276	8.0%	7.4%	5.19%	5.08%	150	148
Claims	118	104	1,104,688	618,915	0.8%	0.5%	5.11%	5.19%	149	148
Total Portfolio	22,243	21,299	139,494,901	135,367,377	100.0%	100.0%	5.27%	5.28%	158	157
		0		(0)				0.00%		(0.0)

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Delinquency Status										
	# of Loans		Balance		% of Balance		WAC		WARM	
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current	14,368	12,021	87,274,337	74,980,676	84.4%	76.5%	5.25%	5.25%	156	152
31-60 Days Delinquent	46	606	466,661	4,481,581	0.5%	4.6%	5.36%	5.25%	104	163
61-90 Days Delinquent	71	356	640,419	2,088,266	0.6%	2.1%	5.42%	5.35%	126	145
91-120 Days Delinquent	833	1,387	6,041,346	8,756,509	5.8%	8.9%	5.48%	5.30%	167	162
121-180 Days Delinquent	728	79	4,723,570	670,733	4.6%	0.7%	5.24%	5.18%	146	114
181-270 Days Delinquent	595	945	4,240,227	6,997,873	4.1%	7.1%	5.37%	5.45%	171	162
Total Portfolio	16,641	15,394	103,386,561	97,975,638	100.0%	100.0%	5.27%	5.27%	157	154

Portfolio by Loan Type										
	# of Loans		Balance		% of Balance		WAC		WARM	
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending
Consolidation Loans	7,188	6,976	93,752,580	91,677,228	67.2%	67.7%	5.52%	5.52%	179	177
Subsidized Stafford Loans	10,362	9,823	27,973,287	26,494,540	20.1%	19.6%	4.68%	4.67%	111	112
Unsubsidized Stafford Loans	4,589	4,407	17,221,447	16,690,483	12.3%	12.3%	4.87%	4.86%	123	123
PLUS Loans	88	78	491,878	473,188	0.4%	0.3%	7.03%	7.04%	75	73
Other Loans	16	15	55,708	31,939	0.0%	0.0%	5.35%	6.04%	98	90
Total Balance	22,243	21,299	139,494,901	135,367,377	100.0%	100.0%	5.27%	5.28%	158	157

Portfolio by School Type										
	# of Loans		Balance		% of Balance		WAC		WARM	
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending
4 Year Public	10,035	9,518	31,810,956	30,186,182	22.8%	22.3%	4.92%	4.91%	116	117
4 Year Private	1,187	1,119	4,782,168	4,483,515	3.4%	3.3%	4.64%	4.59%	116	105
2 Year Public	2,188	2,111	6,512,531	6,225,250	4.7%	4.6%	4.58%	4.57%	113	110
2 Year Private	1	1	13,538	13,479	0.0%	0.0%	9.00%	9.00%	120	120
Proprietary	1,362	1,294	4,164,532	4,038,422	3.0%	3.0%	4.56%	4.63%	108	106
Other Loans	7,470	7,256	92,211,175	90,420,530	66.1%	66.8%	5.51%	5.51%	180	179
Total Balance	22,243	21,299	139,494,901	135,367,377	100.0%	100.0%	5.27%	5.28%	158	157

(a) Footnotes Proprietary loans shown individually beginning 8/31/2013, previously included as private (2 and 4 year) and other

SAP Indices					
	Balance		% of Total		Margin
	Beginning	Ending	Beginning	Ending	
T-Bill Loans	12,027,207	11,321,715	8.6%	8.4%	3.03%
LIBOR Loans	127,467,694	124,045,662	91.4%	91.6%	2.50%
Other Loans	-	-	0.0%	0.0%	N/A
Total Pool Balance	139,494,901	135,367,377	100.0%	100.0%	

NORTH TEXAS HIGHER EDUCATION AUTHORITY, INC.

BALANCE SHEET
BOND SERIES 2012-1 ST
As of 5/31/2018

	Current Period Balance
ASSETS	
CURRENT ASSETS	
CASH - TRUST ESTATE	195,041.15
ACCOUNTS RECEIVABLE	145,417.82
ACCRUED INTEREST - INVESTMENTS	5,692.28
ACCRUED INTEREST - REPAY LOANS	3,275,148.63
ACCRUED INTEREST - GOV'T SUBSIDY	117,629.18
DUE FROM CLEARING	124,734.42
DUE FROM CLEARING (INV INT)	300.58
Total CURRENT ASSETS	3,863,964.06
INVESTMENTS	
ST INVESTMENTS - RESTRICTED	4,930,863.25
Total INVESTMENTS	4,930,863.25
NET STUDENT LOANS	
STUDENT LOAN NOTES RECEIVABLE	142,497,633.94
PRINCIPAL COLLECTIONS	(7,076,034.88)
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(218,142.56)
Total NET STUDENT LOANS	135,203,456.50
PREPAID ASSETS	
PREPAID TRUSTEE FEES	17,651.60
Total PREPAID ASSETS	17,651.60
Total ASSETS	144,015,935.41
LIABILITIES	
CURRENT LIABILITIES	
ACCOUNTS PAYABLE	81,532.26
A/P - OPERATING	151,387.29
ACCRUED SPECIAL ALLOWANCE PAYABLE	118,073.93
ACCRUED BOND INTEREST EXPENSE	653,475.32
DUE TO GENERAL ACCOUNT	2,575.00
Total CURRENT LIABILITIES	1,007,043.80
NET BONDS PAYABLE	
BONDS PAYABLE	124,156,173.95
BOND DISCOUNT	(1,046,051.86)
ACCUM. AMORT. - BOND DISCOUNT	57,044.28
Total NET BONDS PAYABLE	123,167,166.37
Total LIABILITIES	124,174,210.17
BEGINNING FUND BALANCE	
TRANSFER	3,141.40
BEGINNING FUND BALANCE	19,877,327.47
Total BEGINNING FUND BALANCE	19,880,468.87
NET INCOME / (LOSS)	
	(38,743.63)
Total NET INCOME / (LOSS)	(38,743.63)
TOTAL FUND BALANCE	19,841,725.24
TOTAL LIABILITIES & FUND BALANCE	144,015,935.41

NORTH TEXAS HIGHER EDUCATION AUTHORITY, INC.
INCOME STATEMENT
BOND SERIES 2012-1 ST
From 5/1/2018 Through 5/31/2018

	Current Period Actual	Current Year Actual	Current Period Budget	YTD Budget
OPERATING REVENUES				
INTEREST INC- SHORT TERM INVEST.	5,779.30	14,951.81	0.00	0.00
INTEREST INCOME - REPAY LOANS	546,766.95	2,103,835.59	0.00	0.00
INTEREST INCOME - GOV'T SUBSIDY	58,826.67	199,817.15	0.00	0.00
SPECIAL ALLOWANCE	(48,755.80)	(217,818.35)	0.00	0.00
LATE FEE INCOME	7,543.33	25,237.03	0.00	0.00
CONS. LOAN / LENDER FEES	(81,532.26)	(330,046.14)	0.00	0.00
Total OPERATING REVENUES	488,628.19	1,795,977.09	0.00	0.00
OPERATING EXPENSES				
BOND COUNSEL	0.00	2,126.25	0.00	0.00
BOND INTEREST EXPENSE	337,628.92	1,073,467.60	0.00	0.00
BOND RATING FEE	0.00	26,208.33	0.00	0.00
LOAN BILLING FEES - EDFINANCIAL	29,864.37	166,135.22	0.00	0.00
LOAN EXPENSES	131,517.59	272,073.38	0.00	0.00
SERVICING CORPORATION EXPENSE	113,421.43	230,105.20	0.00	0.00
TRUSTEE FEES	1,765.16	7,560.46	0.00	0.00
Total OPERATING EXPENSES	614,197.47	1,777,676.44	0.00	0.00
EXCESS (DEFICIT) OPERATING INCOME	(125,569.28)	18,300.65	0.00	0.00
NON-CASH EXPENSES				
AMORTIZATION OF BOND DISCOUNT	14,261.07	57,044.28	0.00	0.00
Total NON-CASH EXPENSES	14,261.07	57,044.28	0.00	0.00
EXCESS REVENUES (EXPENSES)	(139,830.35)	(38,743.63)	0.00	0.00

**Student Loan Backed Reporting Mixed Deal
Monitoring Waterfall and Collections**

Deal Name	2012-1
Distribution Date	07/02/18
Collection Period	03/01/18 - 05/31/18

Collection Activity

Cash Inflows Available to be Distributed	<u>07/02/18</u>
Interest Collections	
Regular Interest Collections	
Reimbursement by Guarantor	
Collections	
Regular principal & interest	4,135,823.91
Reimbursement by Guarantor	-
Government Interest and Special Allowance	-
Derivative Payments (to the issuer)	-
Investment Income	23,238.08
Draws from Reserve	
Other (please specify)	
Servicer loan adjustments	-
Operating Expenses	
Total Available Funds	<u><u>4,159,061.99</u></u>

Fees Due for Current Period	<u>Period Ending 05/31/2018</u>
Indenture Trustee Fees	
Custodial Fees	-
Paying Agent Fees	-
Registrar Fees	-
Servicing Fees	-
Administration Fees	-
Late Fees	-
Other Fees	-
Total Fees	<u>-</u>

Cumulative Default Rate	<u>As of 05/31/2018</u>
Claims Filed	205,789.23
Claims > 390 days delinquent	-
Claims Rejected	-
Default Claims paid during the quarter	975,916.41
Cumulative Default Claims Paid (Beg 01/26/2012)	55,809,290.92

**Student Loan Backed Reporting Mixed Deal
Monitoring Waterfall and Collections**

Deal Name	2012-1
Distribution Date	07/02/18
Collection Period	03/01/18 - 05/31/18

Waterfall Activity

Waterfall for Distribution (in accordance with Transaction - specific documents)	Amount Due	Amount Remaining
Total Available Funds		4,159,061.99
First: Fees, Expenses and Allowances	-	4,159,061.99
Second: Interest Distribution on Senior Notes or Obligations		
2012-1 A-1	-	
2012-1 A-2	337,957.91	
2012-1 A-3	653,146.06	3,167,958.02
Third: Payment of any Senior notes Maturing on current Payment Date		-
Fourth: Payment of Interest on Class B Notes (unless Interest Trigger in effect)		-
Fifth: Principal Distribution on Senior Notes or Obligations		
2012-1 A-1	-	
2012-1 A-2	3,167,958.02	
2012-1 A-3	-	-
Sixth: Payment of Subordinate, Class B Notes Principal Maturing on current Payment Date		-
Seventh: Payment to Capitalized Interest Account if necessary to increase to minimum required		-
Eight: To the Certificate Holders any Remaining Amount		-