

Explanation of Claims Paid & Balances Due from HESAA NJCLASS Loan Reserve Funds

	<u>1998 Indenture</u>	<u>2008 Indenture</u>	<u>2009 Indenture</u>	<u>2010-1 Indenture</u>
June 30, 2010 Balance Due from the Loan Reserve Fund *	27,827,904.93	99,254.60	559.68	362,171.75
Less:				
Total FY 2011 Default Claims reimbursed from Loan Reserve Funds	(3,930,130.50)	(3,003,051.70)	(3,785,070.81)	(704,045.34)
Add Back:				
FY 2011 Claims Paid from Loan Reserve accounts within the Bond Issues (2009, 2010-1 & 2010-2)	-	-		
New FY 2011 Claims against the Loan Reserve Funds *	<u>9,478,117.41</u>	<u>4,610,940.58</u>	<u>4,228,094.85</u>	<u>24,268,624.48</u>
June 30, 2011 Balance Due from the Loan Reserve Fund *	<u><u>33,375,891.84</u></u>	<u><u>1,707,143.48</u></u>	<u><u>443,583.72</u></u>	<u><u>23,926,750.89</u></u>

* Balance due from loan reserve fund represents amounts due from the Loan Reserve Funds for the 1998 thru 2008 Bond Issues, which are outside the trust estate. The 2009, 2010-1 & 2010-2 Loan Reserve Accounts are within the trust estate, and are therefore not included in the balance due from the Loan Reserve Fund.

NOTE: Loan reserve funding consists of an initial deposit of 1% of the loan proceeds at time of disbursement, and 70% of collections received on defaulted loans. Defaulted loan balances in excess of these amounts are factored into the cash flows of the bond issues.

<u>2010-2 Indenture</u>	<u>Total</u>
17,697.87	28,307,588.83
(2,323,476.46)	(13,745,774.81)
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<u>3,952,752.40</u>	<u>46,538,529.72</u>
<u>1,646,973.81</u>	<u>61,100,343.74</u>