

**1995 MASTER BOND RESOLUTION PARITY ASSET COVERAGE REPORT
AS OF SEPTEMBER 30, 2004**

Delivered regarding the 1995 Master Bond Resolution adopted November 2, 1995, as supplemented. Not prepared on the basis of generally accepted accounting principles, so capitalized assets, such as Cost of Issuance and Premiums are *not* included as assets, and an estimate for excess yield liability is included.

ASSETS

	<u>Parity Total</u>
1. Balance of insured Eligible Loans which are no more than 270 days delinquent unless a claim has been filed by the 270th day in which case the loan may be included until such time as the claim has been returned or rejected:	
A. Eligible Loans-Current Principal Balance	\$ 240,985,903
B. Accrued Borrower Interest on such Eligible Loans	4,102,504
C. Accrued USDE interest and special allowance payments on such Eligible Loans	1,117,198
2. Balance of Investment Securities in the following funds and accounts held by the Trustee	
A. Repayment Account	2,211,775
B. Recycling Sub Account	406,107
C. Loan Fund	528,256
D. Rebate Account	53,644
E. Sinking Fund - Interest Account	11,400
F. Sinking Fund - Principal Account	132,821
G. Debt Service Reserve	2,470,600
H. Accrued Investment Earnings	7,704
3. Authority Collections Holding Account	<u>749,124</u>
TOTAL ASSETS	\$ <u>252,777,036</u>

LIABILITIES

	<u>Parity Total</u>
1. Aggregate principal amount of Bonds Outstanding (Senior)	\$ 209,850,000
2. Aggregate principal amount of Bonds Outstanding (Subordinate)	37,210,000
3. Accrued and unpaid interest (Senior)	892,071
4. Accrued and unpaid interest (Subordinate)	208,203
5. Accrued and unpaid Program Expenses, Administrative and Servicing Expenses	863,754
6. Due to Other Funds (net)	0
7. Other amounts owed:	
A. USDE Origination Fees	(6,530)
B. Guarantee Fees Payable	0
C. Estimated Rebate Liability	71,889
D. Other Liabilities	65,328
8. Other	
A. Estimated Excess Yield Liability	<u>865,157</u>
TOTAL LIABILITIES	\$ 250,019,872
COVERAGE AMOUNT	<u>2,757,164</u>
<u>TOTAL LIABILITIES and FUND EQUITY</u>	\$ <u>252,777,036</u>

TOTAL ASSET COVERAGE RATIO

<u>Total Assets</u>	101.10%
<u>Total Liabilities</u>	

SENIOR COVERAGE AMOUNT	\$ 40,175,368
SENIOR COVERAGE RATIO	118.90%

Dated: October 21, 2004