

# **PHEAA Student Loan Trust 2006-2 FRN**

## **Quarterly Servicing Report**

**Distribution Date: 10/25/2013**

**Reporting Period: 07/01/2013 – 09/30/2013**

Pennsylvania Higher Education Assistance Agency – *Issuer*

Pennsylvania Higher Education Assistance Agency – *Master Servicer*

Manufacturers and Traders Trust Company – *Indenture Trustee*

I. Series 2006-2 Floating Rate Notes - Asset & Liability Summary

A. Pool Balance		6/30/2013	Net Activity	9/30/2013	% of Initial Pool Balance
1. Student Loan - Principal Balance		\$ 406,225,047.78	\$ (11,263,611.53)	\$ 394,961,436.25	
2. Interest expected to be Capitalized		\$ 2,827,755.78	\$ (208,856.72)	\$ 2,618,899.06	
3. Collection Account (Includes Payments Clearing Account)		\$ 11,918,476.16	\$ 211,937.87	\$ 12,130,414.03	
<b>4. Total Pool Balance</b>		<b>\$ 420,971,279.72</b>	<b>\$ (11,260,530.38)</b>	<b>\$ 409,710,749.34</b>	56.17%
5. Student Loan - Accrued Borrower Interest Balance		\$ 4,182,743.76	\$ (219,196.57)	\$ 3,963,547.19	
6. Accrued Interest Subsidy & Special Allowance (Net of Lender Origination Fees)		\$ (718,415.30)	\$ 8,548.87	\$ (709,866.43)	
7. Weighted Average Coupon Rate		3.813%		3.808%	
8. Weighted Average Remaining to Maturity (in months)		183.06		181.51	
9. Number of Loans		42,279		41,586	
10. Number of Borrowers		25,372		24,941	

  

B. Adjusted Pool Balance		6/30/2013	Change	9/30/2013
1. Capitalized Bond Interest Fund		\$ -	\$ -	\$ -
2. Specified Reserve Account Balance (greater of .25% of Pool or \$1,088,285)		\$ 1,088,285.00	\$ -	\$ 1,088,285.00
<b>3 Adjusted Pool Balance (A4 + B1 + B2)</b>		<b>\$ 422,059,564.72</b>	<b>\$ (11,260,530.38)</b>	<b>\$ 410,799,034.34</b>

  

C. Reserve Fund		6/30/2013	Change	9/30/2013
1. Reserve Fund (.25%)		\$ 1,088,285.00	\$ -	\$ 1,088,285.00
2. Reserve Fund Floor		\$ 1,088,285.00	\$ -	\$ 1,088,285.00
<b>3. Current Reserve Fund balance</b>		<b>\$ 1,088,285.00</b>	<b>\$ -</b>	<b>\$ 1,088,285.00</b>

  

D. Other Fund Balances		6/30/2013	Change	9/30/2013
1. Acquisition Fund		\$ -	\$ -	\$ -
<b>2 Total - Other Fund balances</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

  

E. Notes Payable		Final Maturity	CUSIP	Spread	6/30/2013	%	9/30/2013	%
1. 2006-2 Class A-1 LIBOR Notes	10/25/2016	709163GF0	0.01%	\$ -	0.00%	\$ -	0.00%	
2. 2006-2 Class A-2 LIBOR Notes	10/25/2020	709163GG8	0.09%	\$ 89,863,638.03	21.85%	\$ 78,435,786.53	19.65%	
3. 2006-2 Class A-3 LIBOR Notes	10/25/2036	709163GH6	0.13%	\$ 299,985,000.00	72.95%	\$ 299,985,000.00	75.15%	
4. 2006-2 Class B Notes	10/25/2042	709163GJ2	ARS	\$ 21,350,000.00	5.19%	\$ 20,750,000.00	5.20%	
<b>5. Total Notes Payable</b>				<b>\$ 411,198,638.03</b>	<b>100.00%</b>	<b>\$ 399,170,786.53</b>	<b>100.00%</b>	

  

F. Accelerated Prepayment Test (See page 11 for Parity Report)		6/30/2013	Change	9/30/2013
1. Student Loan - Principal		\$ 406,225,047.78	\$ (11,263,611.53)	\$ 394,961,436.25
2. Student Loan - Accrued Borrower Interest, Interest Subsidy & Special Allowance		\$ 3,464,328.46	\$ (210,647.70)	\$ 3,253,680.76
3. Collection Account balance (including Payments Clearing Account)		\$ 13,050,159.41	\$ 289,001.19	\$ 13,339,160.60
5. Reserve Fund balance		\$ 1,088,285.00	\$ -	\$ 1,088,285.00
6. Capitalized Bond Interest Fund balance		\$ -	\$ -	\$ -
<b>7. Total Assets</b>		<b>\$ 423,827,820.65</b>	<b>\$ (11,185,258.04)</b>	<b>\$ 412,642,562.61</b>
8. Outstanding Notes		\$ 411,198,638.03	\$ (12,027,851.49)	\$ 399,170,786.53
9. Accrued Interest Payable on Notes		\$ -	\$ -	\$ -
10. Accrued Expenses (Consolidation Rebate, Trustee, Auction Agent/Broker Dealer & Servicing)		\$ -	\$ -	\$ -
11. Total Liabilities		\$ 411,198,638.03	\$ (12,027,851.49)	\$ 399,170,786.53
<b>12. Net Assets</b>		<b>\$ 12,629,182.62</b>	<b>\$ 842,593.45</b>	<b>\$ 13,471,776.08</b>
<b>13. Parity Ratio</b>		<b>1.0307</b>		<b>1.0337</b>

**II. Series 2006-2 FRN Transactions and Accruals**

		Beg/End Qtr Balances
<b>A.</b>	<b>Student Loan Cash Principal Activity</b>	<b>406,225,047.78</b>
	1 Borrower Payments	\$ (8,674,205.20)
	2 Claim Payments	\$ (1,493,106.82)
	3 Consolidation Payoffs	\$ (1,967,611.07)
	4 Other Cash Payments from Servicer	\$ 4,461.44
	5 Acquisitions / Sales	\$ -
	<b>6 Total Principal Cash Activity</b>	<b>\$ (12,130,461.65)</b>
<b>B.</b>	<b>Student Loan Non-Cash Principal Activity</b>	
	1 Capitalized Interest	\$ 867,398.30
	2 Cancellations / Reissues	\$ -
	3 Amounts due to / (from) Servicer for non-cash adjustments	\$ -
	4 Amounts due to / (from) Guarantor - Ins fees	\$ -
	5 Amounts due to / (from) Dept. of Ed. SDCL Payments	\$ -
	6 Borrower Benefit reductions	\$ -
	7 Other Non-Cash Adjustments	\$ (548.18)
	<b>8 Total Non-Cash Principal Activity</b>	<b>\$ 866,850.12</b>
<b>C.</b>	<b>Total Student Loan Principal Activity</b>	<b>\$ (11,263,611.53)</b>
<b>D.</b>	<b>Student Loan Cash Interest Activity</b>	<b>3,464,328.46</b>
	1 Borrower Payments (includes Late Fees)	\$ (2,908,780.91)
	2 Claim Payments	\$ (28,518.61)
	3 Consolidation Payoffs	\$ (44,804.23)
	4 Other Cash Payments from Servicer	\$ -
	5 Acquisitions / Sales	\$ -
	6 Subsidy Payments (ISP)	\$ (232,259.65)
	7 Special Allowance Payments (SAP)	\$ 949,166.41
	<b>8 Total Interest Collections</b>	<b>\$ (2,265,196.99)</b>
<b>E.</b>	<b>Student Loan Non-Cash Interest Activity</b>	
	1 Borrower Accruals	\$ 3,697,705.04
	2 Interest Subsidy Payment Accrual	\$ 220,276.51
	3 Special Allowance Payment Accrual Estimate	\$ (930,142.94)
	4 Capitalized Interest	\$ (867,398.30)
	5 Amounts due to / (from) Dept of Education for non-cash adjustments	\$ -
	6 Amounts due to / (from) Dept of Education SDCL Payments	\$ -
	7 Other Adjustments	\$ (65,891.02)
	<b>8 Total Non-Cash Interest Activity</b>	<b>\$ 2,054,549.29</b>
<b>F.</b>	<b>Total Student Loan Interest Activity</b>	<b>\$ (210,647.70)</b>
<b>G.</b>	<b>Non-Reimbursable Losses During Collection Period</b>	<b>\$ (31,344.95)</b>
<b>H.</b>	<b>Cumulative Non-Reimbursable Losses to Date</b>	<b>\$ (890,741.61)</b>
		<b>\$ 398,215,117.01</b>

PHEAA - 2006-2 Floating Rate Student Loan Revenue Notes

Statement to Noteholders

Report Date: 09/30/13 Report Period: 07/01/13 - 09/30/13

III. Series 2006-2 FRN - Collection Account Reconciliation  
Cash Receipts & Disbursements for the period

	<b>Beginning Cash Balance</b>	<b>\$ 13,050,159.41</b>
<b>A.</b>	<b>Principal Cash Collections</b>	
	1 Principal Payments Received - Borrower Payments	\$ 8,674,205.20
	2 Principal Payments Received - Claim Payments	\$ 1,493,106.82
	3 Principal Payments Received - Consolidation Payoffs	\$ 1,967,611.07
	4 Principal Payments Received - Other Payments from Servicer	\$ (4,509.06)
	5 Principal Payments Received - Sales	\$ -
	<b>6 Total Principal Collections</b>	<b>\$ 12,130,414.03</b>
<b>B.</b>	<b>Interest Cash Collections</b>	
	1 Interest Payments Received - Borrower Payments (includes late fees)	\$ 2,908,780.91
	2 Interest Payments Received - Claim Payments	\$ 28,518.61
	3 Interest Payments Received - Consolidation Payoffs	\$ 44,804.23
	4 Interest Payments Received - Other Payments from Servicer	\$ -
	5 Interest Payments Received - Interest Subsidy & Special Payments	\$ (716,906.76)
	6 Interest Payments Received - Sales	\$ -
	<b>7 Total Interest Collections</b>	<b>\$ 2,265,196.99</b>
<b>C.</b>	<b>Reimbursements from Servicer for Non-Cash transactions</b>	<b>\$ -</b>
<b>D.</b>	<b>Reimbursements from Guarantor for Insurance Fee Cancellations</b>	<b>\$ -</b>
<b>E.</b>	<b>Reimbursements from Dept of Education SDCL Payments</b>	<b>\$ -</b>
<b>F.</b>	<b>Transfer from Acquisition Fund</b>	<b>\$ -</b>
<b>G.</b>	<b>Transfer from Capitalized Interest Account</b>	<b>\$ -</b>
<b>H.</b>	<b>Transfers from Reserve Fund</b>	<b>\$ -</b>
<b>I.</b>	<b>Investment Earnings</b>	
	1 Collection Account Investment Earnings	\$ 316.22
	2 Payments Clearing Account Investment Earnings	\$ -
	3 Acquisition Fund Investment Earnings	\$ -
	4 Capitalized Bond Interest Fund Investment Earnings	\$ -
	5 Reserve Fund Investment Earnings	\$ -
	<b>6 Total Investment Earnings</b>	<b>\$ 316.22</b>
<b>J.</b>	<b>Funds Previously Remitted - Cash Disbursements</b>	
	1 Consolidation rebate fees to Dept. of Ed.	\$ (1,067,612.96)
	2 Broker Dealer & Auction Agent Fees	\$ (540.62)
	3 Servicing Fees	\$ (503,132.48)
	4 Trustee Fees	\$ (25,826.65)
	5 Interest Payments - LIBOR & ARS Notes	\$ (481,961.85)
	6 Principal Payments - LIBOR & ARS Notes	\$ (12,027,851.49)
	7 Funds transferred for Accelerated Prepayments	\$ -
	8 Funds released to Issuer from the Trust	\$ -
	<b>9 Total Previously Remitted Fees</b>	<b>\$ (14,106,926.05)</b>
<b>K.</b>	<b>Total Cash Available at 09/30/13 (Collection Account)</b>	<b>\$ 13,339,160.60</b>
<b>L.</b>	<b>Additional funds available from end of Collection period to Determination Date (09/30/13)</b>	
	1 Student loan principal and interest payments	Not applicable
	2 Interest earnings from 2006-2 Trust accounts	Not applicable
	3 Interest and Special Allowance received from DOE	Not applicable
	4 Class B ARS Interest Payment	Not applicable
	5 Total additional funds available	\$ -
<b>M.</b>	<b>Total Cash Available at 09/30/13 (Collection Account)</b>	<b>\$ 13,339,160.60</b>

PHEAA - 2006-2 Floating Rate Student Loan Revenue Notes

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Report Period: 07/01/13 - 09/30/13

IV. Series 2006-2 FRN - Notes Payable Detail

Reset Date		3m LIBOR						
A. LIBOR Rate Reset		07/23/13	0.26590%					
B. LIBOR Rate Interest Calculation		Spread	Interest Rate	Payment Date	# of Days	Start Date	End Date	Interest Payment
2006-2 FRN A-1 LIBOR Notes		0.01%	0.00000%	10/25/2013	92	7/25/2013	10/24/2013	\$ -
2006-2 FRN A-2 LIBOR Notes		0.09%	0.35590%	10/25/2013	92	7/25/2013	10/24/2013	\$ 71,339.09
2006-2 FRN A-3 LIBOR Notes		0.13%	0.39590%	10/25/2013	92	7/25/2013	10/24/2013	\$ 303,508.16
Total - 2006-2 FRN Interest Payable								\$ 374,847.25
C. Auction Rate Securities Paid During Collection Period			Interest Rate	Payment Date	# of Days	Start Date	End Date	Interest Payment
2006-2 Class B ARS Notes			1.23000%	7/19/2013	28	6/21/2013	7/18/2013	\$ 20,424.83
2006-2 Class B ARS Notes			1.27000%	8/16/2013	28	7/19/2013	8/15/2013	\$ 20,590.91
2006-2 Class B ARS Notes			1.23000%	9/13/2013	28	8/16/2013	9/12/2013	\$ 20,012.22
Total 2006/2 Class B ARS Interest paid								\$ 61,027.96
D. Auction Rate Securities Paid After Collection Period			Interest Rate	Payment Date	# of Days	Start Date	End Date	Interest Payment
2006-2 Class B ARS Notes			1.2400%	10/11/2013	28	9/13/2013	10/10/2013	\$ 20,012.22
2006-2 Class B ARS Notes								\$ -
2006-2 Class B ARS Notes								\$ -
Total 2006/2 Class B ARS Interest paid								\$ 20,012.22
E. Broker Dealer & Auction Agent Fees Paid			Rate	Payment Date	# of Days	Start Date	End Date	Payment
2006-2 Class B ARS Notes			0.16000%	7/25/2013	30	6/25/2013	7/24/2013	\$ 177.92
2006-2 Class B ARS Notes			0.16000%	8/26/2013	32	7/25/2013	8/25/2013	\$ 189.78
2006-2 Class B ARS Notes			0.16000%	9/25/2013	30	8/26/2013	9/24/2013	\$ 177.92
2006-2 Class B ARS Notes			0.16000%	10/25/2013	30	9/25/2013	10/24/2013	\$ 172.92
Total 2006/2 Class B ARS Interest paid								\$ 718.54

F. Interest Carryover on Notes through Next Interest Payment Date										
Security Description	Beginning		Maximum Rate	Net Loan Rate	Carryover Rate	# of Days	Start Date	End Date	Interest Carryover	Cumulative Interest Carryover
	Interest Carryover									
2006-2 Class B ARS Notes	\$	27,771.90	2.692%	1.230%	1.462%	18	7/1/2013	7/18/2013	15,606.85	\$ 43,378.75
2006-2 Class B ARS Notes	\$	43,378.75	2.692%	1.240%	1.452%	28	7/19/2013	8/15/2013	24,111.27	\$ 67,490.02
2006-2 Class B ARS Notes	\$	67,490.02	2.684%	1.240%	1.444%	28	8/16/2013	9/12/2013	23,304.56	\$ 90,794.58
2006-2 Class B ARS Notes	\$	90,794.58	2.682%	1.240%	1.442%	28	9/13/2013	10/10/2013	23,272.28	\$ 114,066.86
2006-2 Class B ARS Notes	\$	114,066.86	2.677%	1.250%	1.427%	28	10/11/2013	11/7/2013	23,030.19	\$ 137,097.05

G. Interest Accrued on Interest Carryover on Notes through Next Interest Payment Date										
Security Description	Beginning		Interest Carryover	Interest Rate	# of Days	Start Date	End Date	Interest Accrued on Carryover	Cumulative Interest Accrued on Carryover	
	Interest Accrued on Carryover									
2006-2 Class B ARS Notes	\$	17.83	\$ 58,077.47	0.192%	18	7/1/2013	7/18/2013	4.74	\$ 22.57	
2006-2 Class B ARS Notes	\$	22.57	\$ 43,378.75	0.192%	28	7/19/2013	8/15/2013	6.48	\$ 29.05	
2006-2 Class B ARS Notes	\$	-	\$ 67,490.02	0.184%	28	8/16/2013	9/12/2013	9.66	\$ 9.66	
2006-2 Class B ARS Notes	\$	9.66	\$ 90,794.58	0.182%	28	9/13/2013	10/10/2013	12.85	\$ 22.51	
2006-2 Class B ARS Notes	\$	22.51	\$ 114,066.86	0.177%	28	10/11/2013	11/7/2013	15.70	\$ 38.21	

PHEAA - 2006-2 Floating Rate Student Loan Revenue Notes

Statement to Noteholders

Report Date: 09/30/13

Report Period: 07/01/13 - 09/30/13

V. Principal Distributions and Reserve Fund Reconciliation

A.	Distribution Amounts thru 10/25/13	Combined	2006-2 Class A-1	2006-2 Class A-2	2006-2 Class A-3	2006-2 Class B
1	Quarterly Interest Due	\$ 455,887.43	\$ -	\$ 71,339.09	\$ 303,508.16	\$ 81,040.18
2	Quarterly Interest Paid	\$ 455,887.43	\$ -	\$ 71,339.09	\$ 303,508.16	\$ 81,040.18
3	Interest Shortfall	\$ -	\$ -	\$ -		\$ -
4	Interest Carryover Due	\$ -	\$ -	\$ -	\$ -	\$ -
5	Interest Carryover Paid	\$ -	\$ -	\$ -	\$ -	\$ -
6	Interest Carryover	\$ -	\$ -	\$ -	\$ -	\$ -
7	a) Prior period Carry-over	\$ 26,425.03	\$ -	\$ -	\$ -	26,425.03
	b) Quarterly Principal Allocated	\$ 11,260,530.38	\$ -	\$ 10,674,982.80	\$ -	\$ 585,547.58
	c) Quarterly Principal Paid	\$ 11,274,982.80	\$ -	\$ 10,674,982.80	\$ -	\$ 600,000.00
	d) Reserved for next Distribution Date	\$ 11,972.61	\$ -	\$ -	\$ -	\$ 11,972.61
8	<b>Total Distribution Amount</b>	<b>\$ 11,730,870.23</b>	<b>\$ -</b>	<b>\$ 10,746,321.89</b>	<b>\$ 303,508.16</b>	<b>\$ 681,040.18</b>

B.	Principal Distribution Amount Reconciliation	Actual Distribution	Class A Note
1	Adjusted Pool Balance as of 06/30/13	\$ 422,059,564.72	Principal Shortfall
2	less: Current Adjusted Pool Balance (06/30/13)	\$ 410,799,034.34	
3	Principal Distribution Amount (B1 - B2)	\$ 11,260,530.38	
4	Plus: Amounts transferred from Acquisition Fund during Initial Period	\$ -	
5	Plus: Principal Shortfall from Previous Collection Period	\$ -	
6	<b>Total Principal Distribution Amount (B3 + B4)</b>	<b>\$ 11,260,530.38</b>	<b>\$ -</b>

C.	Reserve Fund Reconciliation	
1	Beginning Period Balance (7/01/2013)	
2	Deposits to Reserve Fund	\$ 1,088,285.00
3	Interest Earned	\$ 32.76
4	Transfer of Interest Earned to the Collection Account	\$ (32.76)
5	Transfer of Excess Reserve to the Collection Account	\$ -
6	<b>Total Reserve Fund Balance Available at 09/30/13</b>	<b>\$ 1,088,285.00</b>
7	Less: Reserve Fund Investment Earnings Pending Transfer to Collection Account	
8	<b>Total Adjusted Reserve Fund Balance Available (09/30/13)</b>	<b>\$ 1,088,285.00</b>
9	Specified Reserve Fund Balance (greater of .25% of Pool Balance or \$1,088,285)	\$ 1,088,285.00
10	<b>Excess Reserve - Transfer to/ (from) Collection Account</b>	<b>\$ -</b>

D.	LIBOR & Auction Rate Note Balances	7/25/2013	Paydown Factors	10/25/2013
1	2006-2 FRN A-1 LIBOR Notes	\$ -	\$ -	\$ -
	2006-2 A-1 Pool Factor	-	-	-
	2006-2 FRN A-2 LIBOR Notes	\$ 78,435,786.53	\$ 10,674,982.80	\$ 67,760,803.73
	2006-2 A-2 Pool Factor	0.4952067	0.0673968	0.4278099
	2006-2 FRN A-3 LIBOR Notes	\$ 299,985,000.00	\$ -	\$ 299,985,000.00
	2006-2 A-3 Pool Factor	1.0000000	0.0000000	1.0000000
	2006-2 B ARS	\$ 20,750,000.00	\$ 600,000.00	\$ 20,150,000.00
	2006-2 B Pool Factor	0.9222222	0.0000000	0.8955556
	<b>Total Notes Outstanding</b>	<b>\$ 399,170,786.53</b>	<b>\$ 10,674,982.80</b>	<b>\$ 387,895,803.73</b>
	<b>Total Note Pool Factor</b>	<b>\$ 0.5322277</b>	<b>\$ 0.0142333</b>	<b>\$ 0.5171944</b>

PHEAA - 2006-2 Floating Rate Student Loan Revenue Notes

Statement to Noteholders

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VI. Series 2006-2 FRN - Priority of Distributions (Issuer Order)

10/25/2013

		Available Funds Balance
	<b>Section 8.11</b>	
	<b>Total Available Funds (Section III - J)</b>	\$ 13,339,160.60
	Transfer from Reserve Account	\$ - \$ 13,339,160.60
	Payments for Trustee Fees (Requisition issued)	\$ 25,359.98 \$ 13,313,800.62
	Payments to the Dept of Ed for Consolidation Rebate Fees (Requisition issued)	\$ 349,204.98 \$ 12,964,595.64
	Payments to the Auction Agent for Broker Dealer & Auction Agent Fees (Requisition issued)	\$ 172.92 \$ 12,964,422.72
(a)	to the Servicer; the Primary Servicing Fee (Requisition issued)	\$ 164,568.58 \$ 12,799,854.14
(b)	[Reserved]	\$ - \$ 12,799,854.14
(c)	Interest payments to Class A Noteholders	
	2006-2 Class A-1 Noteholders interest payment	\$ -
	2006-2 Class A-2 Noteholders interest payment	\$ 71,339.09
	2006-2 Class A-3 Noteholders interest payment	\$ 303,508.16
	Total interest payments to Class A Noteholders and Counterparties	\$ 374,847.25 \$ 12,425,006.89
(d)	Interest payments to Class B Noteholders	
	2006-2 Class B Noteholders interest payment	\$ 20,012.22
	Total interest payments to Class B Noteholders and Counterparties	\$ 20,012.22 \$ 12,404,994.67
(e)	Class A Noteholders Principal Distribution Amount, in order	
	sequentially to Class A-1 Noteholders until paid in full	\$ - \$ 12,404,994.67
	sequentially to Class A-2 Noteholders until paid in full	\$ 10,674,982.80 \$ 1,730,011.87
	sequentially to Class A-3 Noteholders until paid in full	\$ -
(f)	(i.) on and after the Stepdown Date (1/2013 or 1st date in which no Class A Notes are outstanding) & providing no Trigger Event is in effect on such Distribution Date, Class B Noteholders' Principal Distribution Amount to be paid on November 8, 2013	\$ 600,000.00 \$ 1,130,011.87
	(ii.) Reserved for Class B Noteholders' Principal Distribution on next Distribution date.	\$ 11,972.61 \$ 1,118,039.26
(g)	amounts due to the Trustee under Section 6.7 for extraordinary services;	\$ - \$ 1,118,039.26
(h)	Specified Reserve Account Balance;	\$ - \$ 1,118,039.26
(i)	to the Servicer, the aggregate unpaid amount for the Carryover Servicing Fee, if any; and	\$ - \$ 1,118,039.26
(j)	to the Class B Noteholders, carry-over interest amount, to be paid on November 8, 2013	\$ 137,135.26 \$ 980,904.00
(k)	to the Issuer, any remaining amounts after application of the preceding clauses. Notwithstanding the foregoing:	\$ 980,904.00 \$ -
	Section 8.11 (x)(i) is in effect:	
	additional amounts to Class A-1 Notes, until paid in full and reduced to zero	\$ - \$ -
	additional amounts to Class A-2 Notes, until paid in full and reduced to zero	
	additional amounts to Class A-3 Notes, until paid in full and reduced to zero	
	additional amounts to Class B Notes, until paid in full and reduced to zero	

VII. Series 2006-2 Portfolio Characteristics

		Number of Loans		Ending Principal Balance		% of Balance		Wgt. Avg. Coupon		Wgt. Avg Repayment	
				\$	\$	%	%	%	%	# months	# months
		6/30/2013	9/30/2013	6/30/2013	9/30/2013	6/30/2013	9/30/2013	6/30/2013	9/30/2013	6/30/2013	9/30/2013
A	<b>Borrower Status Distribution:</b>										
	Interim										
	In-School	-	-	-	-	-	-	-	-	-	-
	Grace	-	-	-	-	-	-	-	-	-	-
	<b>Repayment</b>										
	Current	34,798	34,156	\$ 315,734,786	\$ 306,821,592	77.73%	77.68%	3.761%	3.755%	180	178
	31-60 Days Delinquent	722	736	\$ 8,310,035	\$ 8,360,184	2.05%	2.12%	4.529%	4.434%	192	184
	61-90 Days Delinquent	361	437	\$ 4,821,118	\$ 5,516,968	1.19%	1.40%	4.666%	4.578%	196	199
	91-120 Days Delinquent	220	239	\$ 3,026,737	\$ 2,790,963	0.75%	0.71%	4.785%	4.553%	210	187
	121-180 Days Delinquent	277	248	\$ 3,559,631	\$ 3,482,680	0.88%	0.88%	4.609%	4.727%	199	196
	181-270 Days Delinquent	249	277	\$ 3,124,738	\$ 3,635,723	0.77%	0.92%	4.791%	4.692%	194	210
	> 271 Days Delinquent	94	136	\$ 1,043,229	\$ 1,433,424	0.26%	0.36%	4.931%	4.942%	209	190
<b>Total Repayment</b>	<b>36,721</b>	<b>36,229</b>	<b>339,620,274</b>	<b>332,041,534</b>	<b>83.63%</b>	<b>84.07%</b>	<b>3.813%</b>	<b>3.808%</b>	<b>181</b>	<b>179</b>	
Forbearance	2,466	2,344	34,215,665	31,751,188	8.42%	8.04%	4.312%	4.261%	218	214	
Deferment	3,092	3,013	32,389,108	31,168,714	7.97%	7.89%	4.249%	4.281%	201	201	
<b>B</b>	<b>Total Portfolio</b>	<b>42,279</b>	<b>41,586</b>	<b>406,225,048</b>	<b>394,961,436</b>	<b>100%</b>	<b>100%</b>	<b>3.813%</b>	<b>3.808%</b>	<b>181</b>	<b>179</b>

Note: Delinquent means more than 30 days past due

PHEAA - 2006-2 Floating Rate Student Loan Revenue Notes

Statement to Noteholders

Report Date: 09/30/13

Report Period: 7/01/13 - 09/30/13

VIII. Series 2006-2 Portfolio Characteristics and Weighted Average Payments

	Number of Loans		Ending Principal Balance		% of Balance		Wgt. Avg. Coupon		Wgt. Avg Repayment Months	
	\$	\$	\$	\$	%	%	%	%	\$	\$
	6/30/2013	9/30/2013	6/30/2013	9/30/2013	6/30/2013	9/30/2013	6/30/2013	9/30/2013	6/30/2013	9/30/2013
<b>A Borrower Status Type:</b>										
<b>1 Loan Type</b>										
1. Subsidized Consolidation Loans	21,015	20,697	194,258,747	188,754,384	47.82%	47.79%	3.759%	3.755%	173	171
2. Unsubsidized Consolidation Loans	21,264	20,889	211,966,301	206,207,052	52.18%	52.21%	3.863%	3.857%	188	186
<b>Total - Loan Type</b>	<b>42,279</b>	<b>41,586</b>	<b>406,225,048</b>	<b>394,961,436</b>	<b>100%</b>	<b>100%</b>	<b>3.813%</b>	<b>3.808%</b>	<b>181</b>	<b>179</b>
<b>2 Program Type</b>										
1. Graduate	89	89	1,307,220	1,292,025	0.32%	0.33%	4.011%	4.020%	217	215
2. Undergraduate	38,188	37,577	382,949,647	372,696,791	94.27%	94.36%	3.786%	3.782%	183	181
3. Proprietary	4,002	3,920	21,968,181	20,972,620	5.41%	5.31%	4.276%	4.263%	139	137
<b>Total - Program Type</b>	<b>42,279</b>	<b>41,586</b>	<b>406,225,048</b>	<b>394,961,436</b>	<b>100%</b>	<b>100%</b>	<b>3.813%</b>	<b>3.808%</b>	<b>181</b>	<b>179</b>
<b>3 School Type</b>										
1. 4 Year Private	11,363	11,212	134,100,599	130,638,539	33.01%	33.08%	3.786%	3.778%	194	192
2. 4 Year Public	24,176	23,774	231,418,438	225,133,584	56.97%	57.00%	3.754%	3.750%	178	177
3. 2 Year Private	800	787	5,952,700	5,801,840	1.47%	1.47%	4.328%	4.337%	162	161
4. 2 Year Public	1,872	1,829	12,254,880	11,910,264	3.02%	3.02%	4.168%	4.187%	162	160
5. Prop/Voc/Tech	3,983	3,903	21,860,338	20,866,956	5.38%	5.28%	4.277%	4.264%	139	137
6. Unknown	85	81	638,093	610,253	0.16%	0.15%	3.746%	3.711%	181	179
<b>Total - School Type</b>	<b>42,279</b>	<b>41,586</b>	<b>406,225,048</b>	<b>394,961,436</b>	<b>100%</b>	<b>100%</b>	<b>3.813%</b>	<b>3.808%</b>	<b>181</b>	<b>179</b>

**B. Weighted Average Payments Made**

	W.A. Time until repayment (months)	
	6/30/2013	9/30/2013
1. Deferment	16	17
2. Forbearance	4	4
<b>W.A. Time in Repayment (months)</b>		
3. Repayment	92	95
4. Total Portfolio Weighted Average	75	78

IX. Series 2006-2 FFELP Portfolio Indices

				Ending Principal	
				Balance	% of Total
				9/30/2013	9/30/2013
A	Consolidation				
	<u>SAP Category</u>	<u>SAP Spread</u>	<u>Int Rate</u>		
	SG	T-bill + 3.10No Negative SAP	Variable	224,864	0.06%
	SL	T-bill + 3.10No Negative SAP	Fixed	605,378	0.15%
	CC	3mCP + 2.64No Negative SAP	Fixed	242,518,631	61.43%
	CG	3mCP + 2.64Negative SAP	Fixed	151,457,931	38.36%
<b>Total - Consolidation</b>				<b>394,806,805</b>	<b>100.00%</b>
Credit balances and loans not billed for SAP				154,632	
<b>Total - Ending Balance at 09/30/13</b>				<b>394,961,436</b>	<b>100.00%</b>

**X. Payment History and CPRs**

Quarter End Date	Actual Ending Principal Balance	Annualized Current Quarter CPR*	Cumulative CPR
9/30/2013	\$ 394,961,436.25	3.429%	3.284%
6/30/2013	\$ 406,225,047.78	3.644%	3.303%
3/31/2013	\$ 417,291,666.06	3.861%	3.317%
12/31/2012	\$ 429,246,278.87	3.137%	3.325%
9/30/2012	\$ 440,590,879.15	2.688%	3.348%
6/30/2012	\$ 456,638,116.68	2.733%	3.248%
6/30/2011	\$ 506,901,054.22	3.203%	3.217%
6/30/2010	\$ 552,023,018.10	2.596%	3.355%
6/30/2009	\$ 592,755,638.24	1.923%	3.748%
6/30/2008	\$ 630,201,181.85	1.672%	4.844%
6/30/2007	\$ 683,805,584.21	9.823%	5.820%

\* - 'Annualized Current Quarter CPR' is based on the current collection period's ending principal balance calculated against the expected principal balance assuming no prepayments. Prepayments are limited to claim payments and consolidation payoffs for this period.

\*\* - Note: Annualized Current quarter CPR and Cumulative CPR have been revised for prior quarters

**B. Cumulative Default Rate**

1. Current Period Defaults		
a. Claim payments from Guarantor*	\$	1,521,625.43
b. 1-3% write offs		28,301.07
c. Claims filed pending payment		114,787.09
d. Total Current Period Defaults	\$	1,664,713.59
2. Cumulative Defaults		
a. Claim payments from Guarantor	\$	45,684,083.26
b. 1-3% write offs		746,100.52
c. Claims filed pending payment		114,787.09
d. Total Cumulative Defaults	\$	46,544,970.87
3. Cumulative Default (% of original pool balance)		6.38%
4. Cumulative Default (% of cumulative Entered Repayment Balance)		6.72%
5. Cumulative Recoveries	\$	45,684,083.26
6. Cumulative Recovery Rate (2a/2d)		98.15%
7. Cumulative Net Loss Rate (2b/2d)		1.60%
8. Cumulative Net Loss Rate (2b/2d)		
a. Current period repurchases	\$	-
b. Cumulative repurchases	\$	117,101.36

\*Claim payments include principal & interest payments

**PHEAA - 2006-2 Floating Rate Student Loan Revenue Notes**  
**Statement to Noteholders**  
**Report Date: 09/30/13**                      **Report Period: 07/01/13 - 09/30/13**

**XI. Balance Sheet**

<u>ASSETS</u>	<u>9/30/2013</u>
Cash	\$ 669,502
Assets Held by Trustee	
Investments	13,757,943
Accrued Interest Receivable	3,253,774
Student Loans Receivable, Net	394,961,436
Prepaid and Deferred Expenses	-
	<hr/>
Total Assets	<u>\$ 412,642,656</u>
 <u>LIABILITIES AND NET ASSETS</u>	
Senior Bonds Payable, Net	\$ 378,420,787
Sub Bonds Payable, Net	20,750,000
Senior Bonds Accrued Interest Payable	277,061
Sub Bonds Accrued Interest Payable	118,638
Other Accounts Payable & Accrued Expenses	538,955
	<hr/>
Total Liabilities	<u>\$ 400,105,441</u>
Net Assets	<u>12,537,215</u>
Total Liabilities and Net Assets	<u>\$ 412,642,656</u>
Parity : Senior	1.088
Overall	1.031