

# PHEAA Student Loan Trust 2006-2 FRN

## Quarterly Servicing Report

Distribution Date: 1/25/2013

Reporting Period: 10/01/2012 – 12/31/2012

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		9/30/2012	Net Activity	12/31/2012	% of Initial Pool Balance
1. Student Loan - Principal Balance		\$ 440,590,879.15	\$ (11,344,600.28)	\$ 429,246,278.87	
2. Interest expected to be Capitalized		\$ 3,059,379.24	\$ 42,518.18	\$ 3,101,897.42	
3. Collection Account (Includes Payments Clearing Account)		\$ 11,477,645.97	\$ 430,022.65	\$ 11,907,668.62	
<b>4. Total Pool Balance</b>		<b>\$ 455,127,904.36</b>	<b>\$ (10,872,059.45)</b>	<b>\$ 444,255,844.91</b>	60.91%
5. Student Loan - Accrued Borrower Interest Balance		\$ 4,494,926.92	\$ 45,506.18	\$ 4,540,433.10	
6. Accrued Interest Subsidy & Special Allowance (Net of Lender Origination Fees)		\$ (754,426.68)	\$ (3,684.06)	\$ (758,110.74)	
7. Weighted Average Coupon Rate		3.827%		3.823%	
8. Weighted Average Remaining to Maturity (in months)		188.46		186.60	
9. Number of Loans		44,640		43,815	
10. Number of Borrowers		26,752		26,294	

  

B. Adjusted Pool Balance		9/30/2012	Change	12/31/2012
1. Capitalized Bond Interest Fund		\$ -	\$ -	\$ -
2. Specified Reserve Account Balance (greater of .25% of Pool or \$1,088,285)		\$ 1,137,819.76	\$ (27,180.15)	\$ 1,110,639.61
<b>3 Adjusted Pool Balance (A4 + B1 + B2)</b>		<b>\$ 456,265,724.12</b>	<b>\$ (10,899,239.60)</b>	<b>\$ 445,366,484.52</b>

  

C. Reserve Fund		9/30/2012	Change	12/31/2012
1. Reserve Fund (.25%)		\$ 1,179,975.27	\$ (42,155.51)	\$ 1,137,819.76
2. Reserve Fund Floor		\$ 1,088,285.00	\$ -	\$ 1,088,285.00
<b>3. Current Reserve Fund balance</b>		<b>\$ 1,179,975.27</b>	<b>\$ (42,155.51)</b>	<b>\$ 1,137,819.76</b>

  

D. Other Fund Balances		9/30/2012	Change	12/31/2012
1. Acquisition Fund		\$ -	\$ -	\$ -
<b>2 Total - Other Fund balances</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

  

E. Notes Payable		Final Maturity	CUSIP	Spread	9/30/2012	%	12/31/2012	%
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%	\$ 128,246,590.70	28.45%	\$ 110,949,274.72	25.60%	
3. 2006-2 Class A-3 LIBOR Notes	10/25/2036	709163GH6	0.13%	\$ 299,985,000.00	66.56%	\$ 299,985,000.00	69.21%	
4. 2006-2 Class B Notes	10/25/2042	709163GJ2	ARS	\$ 22,500,000.00	4.99%	\$ 22,500,000.00	5.19%	
<b>5. Total Notes Payable</b>				<b>\$ 450,731,590.70</b>	<b>100.00%</b>	<b>\$ 433,434,274.72</b>	<b>100.00%</b>	

  

F. Accelerated Prepayment Test (See page 11 for Parity Report)		9/30/2012	Change	12/31/2012
1. Student Loan - Principal		\$ 440,590,879.15	\$ (11,344,600.28)	\$ 429,246,278.87
2. Student Loan - Accrued Borrower Interest, Interest Subsidy & Special Allowance		\$ 3,740,500.24	\$ 41,822.12	\$ 3,782,322.36
3. Collection Account balance (including Payments Clearing Account)		\$ 18,502,210.05	\$ (5,193,724.68)	\$ 13,308,485.37
5. Reserve Fund balance		\$ 1,179,975.27	\$ (42,155.51)	\$ 1,137,819.76
6. Capitalized Bond Interest Fund balance		\$ -	\$ -	\$ -
7. Total Assets		\$ 464,013,564.71	\$ (16,538,658.35)	\$ 447,474,906.36
8. Outstanding Notes		\$ 450,731,590.70	\$ (17,297,315.98)	\$ 433,434,274.72
9. Accrued Interest Payable on Notes		\$ -	\$ -	\$ -
10. Accrued Expenses (Consolidation Rebate, Trustee, Auction Agent/Broker Dealer & Servicing)		\$ -	\$ -	\$ -
11. Total Liabilities		\$ 450,731,590.70	\$ (17,297,315.98)	\$ 433,434,274.72
<b>12. Net Assets</b>		<b>\$ 13,281,974.01</b>	<b>\$ 758,657.63</b>	<b>\$ 14,040,631.64</b>
<b>13. Parity Ratio</b>		<b>1.0295</b>		<b>1.0324</b>

II. Series 2006-2 FRN Transactions and Accruals

		Beg/End Qtr Balances
<b>A.</b>	<b>Student Loan Cash Principal Activity</b>	<b>440,590,879.15</b>
	1 Borrower Payments	\$ (8,480,196.17)
	2 Claim Payments	\$ (2,120,245.57)
	3 Consolidation Payoffs	\$ (1,313,283.67)
	4 Other Cash Payments from Servicer	\$ 6,056.79
	5 Acquisitions / Sales	\$ -
	<b>6 Total Principal Cash Activity</b>	<b>\$ (11,907,668.62)</b>
<b>B.</b>	<b>Student Loan Non-Cash Principal Activity</b>	
	1 Capitalized Interest	\$ 759,966.62
	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	\$ (190,049.11)
	6 Borrower Benefit reductions	\$ -
	7 Other Non-Cash Adjustments	\$ (6,849.17)
	<b>8 Total Non-Cash Principal Activity</b>	<b>\$ 563,068.34</b>
<b>C.</b>	<b>Total Student Loan Principal Activity</b>	<b>\$ (11,344,600.28)</b>
<b>D.</b>	<b>Student Loan Cash Interest Activity</b>	<b>3,740,500.24</b>
	1 Borrower Payments (includes Late Fees)	\$ (3,064,597.13)
	2 Claim Payments	\$ (38,574.48)
	3 Consolidation Payoffs	\$ (21,335.36)
	4 Other Cash Payments from Servicer	\$ -
	5 Acquisitions / Sales	\$ -
	6 Subsidy Payments (ISP)	\$ (260,483.19)
	7 Special Allowance Payments (SAP)	\$ 1,013,305.87
	<b>8 Total Interest Collections</b>	<b>\$ (2,371,684.29)</b>
<b>E.</b>	<b>Student Loan Non-Cash Interest Activity</b>	
	1 Borrower Accruals	\$ 4,019,923.20
	2 Interest Subsidy Payment Accrual	\$ 233,098.61
	3 Special Allowance Payment Accrual Estimate	\$ (991,209.35)
	4 Capitalized Interest	\$ (759,966.62)
	5 Amounts due to / (from) Dept of Education for non-cash adjustments	\$ -
	6 Amounts due to / (from) Dept of Education SDCL Payments	\$ (7,184.18)
	7 Other Adjustments	\$ (81,155.25)
	<b>8 Total Non-Cash Interest Activity</b>	<b>\$ 2,413,506.41</b>
<b>F.</b>	<b>Total Student Loan Interest Activity</b>	<b>\$ 41,822.12</b>
<b>G.</b>	<b>Non-Reimbursable Losses During Collection Period</b>	<b>\$ (50,395.49)</b>
<b>H.</b>	<b>Cumulative Non-Reimbursable Losses to Date</b>	<b>\$ (778,973.38)</b>
		<b>\$ 433,028,601.23</b>

PHEAA - 2006-2 Floating Rate Student Loan Revenue Notes

Statement to Noteholders

Report Date: 12/31/12 Report Period: 10/01/12 - 12/31/12

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

Beginning Cash Balance		\$ 18,502,210.05
<b>A.</b>	<b>Principal Cash Collections</b>	
	1 Principal Payments Received - Borrower Payments	\$ 8,480,196.17
	2 Principal Payments Received - Claim Payments	\$ 2,120,245.57
	3 Principal Payments Received - Consolidation Payoffs	\$ 1,313,283.67
	4 Principal Payments Received - Other Payments from Servicer	\$ (6,056.79)
	5 Principal Payments Received - Sales	\$ -
	<b>6 Total Principal Collections</b>	<b>\$ 11,907,668.62</b>
<b>B.</b>	<b>Interest Cash Collections</b>	
	1 Interest Payments Received - Borrower Payments (includes late fees)	\$ 3,064,597.13
	2 Interest Payments Received - Claim Payments	\$ 38,574.48
	3 Interest Payments Received - Consolidation Payoffs	\$ 21,335.36
	4 Interest Payments Received - Other Payments from Servicer	\$ -
	5 Interest Payments Received - Interest Subsidy & Special Payments	\$ (752,822.68)
	6 Interest Payments Received - Sales	\$ -
	<b>7 Total Interest Collections</b>	<b>\$ 2,371,684.29</b>
<b>C.</b>	<b>Reimbursements from Servicer for Non-Cash transactions</b>	<b>\$ 6,535.38</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>\$ 197,233.29</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>\$ 42,155.51</b>
<b>I.</b>	<b>Investment Earnings</b>	
	1 Collection Account Investment Earnings	\$ 1,688.09
	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>\$ 1,688.09</b>
<b>J.</b>	<b>Funds Previously Remitted - Cash Disbursements</b>	
	1 Consolidation rebate fees to Dept. of Ed.	\$ (1,158,404.66)
	2 Broker Dealer & Auction Agent Fees	\$ (575.00)
	3 Servicing Fees	\$ (545,937.36)
	4 Trustee Fees	\$ (28,603.33)
	5 Interest Payments - LIBOR & ARS Notes	\$ (689,853.53)
	6 Principal Payments - LIBOR & ARS Notes	\$ (17,297,315.98)
	7 Funds transferred for Accelerated Prepayments	\$ -
	8 Funds released to Issuer from the Trust	\$ -
	<b>9 Total Previously Remitted Fees</b>	<b>\$ (19,720,689.86)</b>
<b>K.</b>	<b>Total Cash Available at 12/31/12 (Collection Account)</b>	<b>\$ 13,308,485.37</b>
<b>L.</b>	<b>Additional funds available from end of Collection period to Determination Date (12/31/12)</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 12/31/12 (Collection Account)</b>	<b>\$ 13,308,485.37</b>

PHEAA - 2006-2 Floating Rate Student Loan Revenue Notes

Statement to Noteholders

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Report Period: 10/01/12 - 12/31/12

IV. Series 2006-2 FRN - Notes Payable Detail

Reset Date		3m LIBOR						
A. LIBOR Rate Reset		10/23/12	0.31525%					
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%	10/25/2012	92	10/25/2012	1/24/2013	\$ -
2006-2 FRN A-2 LIBOR Notes		0.09%	0.40525%	10/25/2012	92	10/25/2012	1/24/2013	\$ 114,903.38
2006-2 FRN A-3 LIBOR Notes		0.13%	0.44525%	10/25/2012	92	10/25/2012	1/24/2013	\$ 341,341.27
Total - 2006-2 FRN Interest Payable								\$ 456,244.65
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			1.27000%	10/12/2012	28	9/14/2012	10/11/2012	\$ 22,225.00
2006-2 Class B ARS Notes			1.28000%	11/9/2012	28	10/12/2012	11/8/2012	\$ 22,400.00
2006-2 Class B ARS Notes			1.28000%	12/4/2012	28	11/9/2012	12/6/2012	\$ 22,400.00
Total 2006/2 Class B ARS Interest paid								\$ 67,025.00
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			1.2800%	1/4/2013	28	12/7/2012	1/3/2013	\$ 22,400.00
2006-2 Class B ARS Notes								\$ -
2006-2 Class B ARS Notes								\$ -
Total 2006/2 Class B ARS Interest paid								\$ 22,400.00
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%	10/25/2012	30	9/25/2012	10/24/2012	\$ 187.50
2006-2 Class B ARS Notes			0.16000%	11/26/2012	32	10/25/2012	11/25/2012	\$ 200.00
2006-2 Class B ARS Notes			0.16000%	12/26/2012	30	11/26/2012	12/25/2012	\$ 187.50
2006-2 Class B ARS Notes			0.16000%	1/25/2013	30	12/26/2012	1/24/2013	\$ 187.50
Total 2006/2 Class B ARS Interest paid								\$ 762.50

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	Interest Carryover								
2006-2 Class B ARS Notes	\$	142,113.75	2.724%	1.270%	1.454%	11	10/1/2012	10/11/2012	9,996.25	\$ 152,110.00
2006-2 Class B ARS Notes	\$	152,110.00	2.714%	1.280%	1.434%	28	10/12/2012	11/8/2012	25,095.00	\$ 177,205.00
2006-2 Class B ARS Notes	\$	177,205.00	2.709%	1.280%	1.429%	28	11/9/2012	12/6/2012	25,007.50	\$ 202,212.50
2006-2 Class B ARS Notes	\$	202,212.50	2.713%	1.280%	1.433%	28	12/7/2012	1/3/2013	25,077.50	\$ 227,290.00
2006-2 Class B ARS Notes	\$	227,290.00	2.708%	1.280%	1.428%	28	1/4/2013	1/31/2013	24,990.00	\$ 252,280.00

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	Interest Accrued on Carryover								
2006-2 Class B ARS Notes	\$	47.30	\$ 142,113.75	0.224%	11	10/1/2012	10/11/2012	22.07	\$ 69.37	
2006-2 Class B ARS Notes	\$	69.37	\$ 152,110.00	0.214%	28	10/12/2012	11/8/2012	25.32	\$ 94.69	
2006-2 Class B ARS Notes	\$	94.69	\$ 177,205.00	0.209%	28	11/9/2012	12/6/2012	28.81	\$ 123.50	
2006-2 Class B ARS Notes	\$	123.50	\$ 202,212.50	0.213%	28	12/7/2012	1/3/2013	33.50	\$ 157.00	
2006-2 Class B ARS Notes	\$	157.00	\$ 227,290.00	0.208%	28	1/4/2013	1/31/2013	36.77	\$ 193.77	

PHEAA - 2006-2 Floating Rate Student Loan Revenue Notes

Statement to Noteholders

Report Date: 12/31/12

Report Period: 10/01/12 - 12/31/12

V. Principal Distributions and Reserve Fund Reconciliation

A.	Distribution Amounts thru 1/25/13	Combined	2006-2 Class A-1	2006-2 Class A-2	2006-2 Class A-3	2006-2 Class B
1	Quarterly Interest Due	\$ 545,669.65	\$ -	\$ 114,903.38	\$ 341,341.27	\$ 89,425.00
2	Quarterly Interest Paid	\$ 545,669.65	\$ -	\$ 114,903.38	\$ 341,341.27	\$ 89,425.00
3	Interest Shortfall	\$ -	\$ -	\$ -	\$ -	\$ -
4	Interest Carryover Due	\$ -	\$ -	\$ -	\$ -	\$ -
5	Interest Carryover Paid	\$ -	\$ -	\$ -	\$ -	\$ -
6	Interest Carryover	\$ -	\$ -	\$ -	\$ -	\$ -
7	a) Quarterly Principal Allocated	\$ 10,982,993.41	\$ -	\$ 10,417,322.87	\$ -	\$ 565,670.54
	b) Quarterly Principal Paid	\$ 10,967,322.87	\$ -	\$ 10,417,322.87	\$ -	\$ 550,000.00
	c) Reserved for next Distribution Date	\$ 15,670.54	\$ -	\$ -	\$ -	\$ 15,670.54
8	Total Distribution Amount	\$ 11,512,992.52	\$ -	\$ 10,532,226.25	\$ 341,341.27	\$ 639,425.00

B.	Principal Distribution Amount Reconciliation	Actual Distribution	Class A Note Principal Shortfall
1	Adjusted Pool Balance as of 09/30/12	\$ 456,265,724.12	
2	less: Current Adjusted Pool Balance (12/31/12)	\$ 445,366,484.52	
3	Principal Distribution Amount (B1 - B2)	\$ 10,899,239.60	
4	Plus: Amounts transferred from Acquisition Fund during Initial Period	\$ -	
5	Plus: Principal Shortfall from Previous Collection Period	\$ 83,753.81	
6	Total Principal Distribution Amount ( B3 + B4)	\$ 10,982,993.41	\$ 10,982,993.41
			\$ (0.00)

C.	Reserve Fund Reconciliation	
1	Beginning Period Balance (10/01/2012)	\$ 1,179,975.27
2	Deposits to Reserve Fund	
3	Interest Earned	\$ 130.51
4	Transfer of Interest Earned to the Collection Account	\$ (130.51)
5	Transfer of Excess Reserve to the Collection Account	\$ (42,155.51)
6	Total Reserve Fund Balance Available at 12/31/12	\$ 1,137,819.76
7	Less: Reserve Fund Investment Earnings Pending Transfer to Collection Account	
8	Total Adjusted Reserve Fund Balance Available (12/31/12)	\$ 1,137,819.76
9	Specified Reserve Fund Balance (greater of .25% of Pool Balance or \$1,088,285)	\$ 1,110,639.61
10	Excess Reserve - Transfer to/ (from) Collection Account	\$ 27,180.15

D.	LIBOR & Auction Rate Note Balances	10/25/2012	Paydown Factors	1/25/2013
1	2006-2 FRN A-1 LIBOR Notes	\$ -	\$ -	\$ -
	2006-2 A-1 Pool Factor	-	-	-
	2006-2 FRN A-2 LIBOR Notes	\$ 110,949,274.72	\$ 10,417,322.87	\$ 100,531,951.85
	2006-2 A-2 Pool Factor	0.7004816	0.0657701	0.6347115
	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	\$ 22,500,000.00	\$ 550,000.00	\$ 21,950,000.00
	2006-2 B Pool Factor	1.0000000	0.0000000	0.9755556
	<b>Total Notes Outstanding</b>	<b>\$ 433,434,274.72</b>	<b>\$ 10,417,322.87</b>	<b>\$ 422,466,951.85</b>
	<b>Total Note Pool Factor</b>	<b>\$ 0.5779124</b>	<b>\$ 0.0138898</b>	<b>\$ 0.5632893</b>

PHEAA - 2006-2 Floating Rate Student Loan Revenue Notes

Statement to Noteholders

Report Date: 12/31/12 Report Period: 10/01/12 - 12/31/12

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

1/25/2013

		Available Funds Balance
	<b>Section 8.11</b>	
	<b>Total Available Funds (Section III - J)</b>	\$ 13,308,485.37
	Transfer from Reserve Account	\$ 27,180.15 \$ 13,335,665.52
	Payments for Trustee Fees (Requisition issued)	\$ 27,521.23 \$ 13,308,144.29
	Payments to the Dept of Ed for Consolidation Rebate Fees (Requisition issued)	\$ 379,719.49 \$ 12,928,424.80
	Payments to the Auction Agent for Broker Dealer & Auction Agent Fees (Requisition issued)	\$ 187.50 \$ 12,928,237.30
(a)	to the Servicer; the Primary Servicing Fee (Requisition issued)	\$ 178,854.05 \$ 12,749,383.25
(b)	[Reserved]	\$ - \$ 12,749,383.25
(c)	Interest payments to Class A Noteholders	
	2006-2 Class A-1 Noteholders interest payment	\$ -
	2006-2 Class A-2 Noteholders interest payment	\$ 114,903.38
	2006-2 Class A-3 Noteholders interest payment	\$ 341,341.27
	Total interest payments to Class A Noteholders and Counterparties	\$ 456,244.65 \$ 12,293,138.60
(d)	Interest payments to Class B Noteholders	
	2006-2 Class B Noteholders interest payment	\$ 22,400.00
	Total interest payments to Class B Noteholders and Counterparties	\$ 22,400.00 \$ 12,270,738.60
(e)	Class A Noteholders Principal Distribution Amount, in order	
	sequentially to Class A-1 Noteholders until paid in full	\$ - \$ 12,270,738.60
	sequentially to Class A-2 Noteholders until paid in full	\$ 10,417,322.87 \$ 1,853,415.73
	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 March 1, 2013	\$ 550,000.00 \$ 1,303,415.73
	(ii.) Reserved for Class B Noteholders' Principal Distribution on next Distribution date.	\$ 15,670.54 \$ 1,287,745.19
(g)	amounts due to the Trustee under Section 6.7 for extraordinary services;	\$ - \$ 1,287,745.19
(h)	Specified Reserve Account Balance;	\$ - \$ 1,287,745.19
(i)	to the Servicer, the aggregate unpaid amount fo the Carryover Servicing Fee, if any; and	\$ - \$ 1,287,745.19
(j)	to the Class B Noteholders, carry-over amount, to be paid on next payment Date	\$ 252,473.77 \$ 1,035,271.42
(k)	to the Issuer, any remaining amounts after application of the preceding clauses. Notwithstanding the foregoing:	\$ 1,035,271.42 \$ -
	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	
		9/30/2012	12/31/2012	9/30/2012	12/31/2012	9/30/2012	12/31/2012	9/30/2012	12/31/2012	9/30/2012	12/31/2012	
A	<b>Borrower Status Distribution:</b>											
	<b>Interim</b>											
		In-School	-	-	-	-	-	-	-	-	-	-
		Grace	-	-	-	-	-	-	-	-	-	-
	<b>Repayment</b>											
		Current	36,053	35,190	\$ 338,087,035	\$ 325,272,831	76.73%	75.78%	3.778%	3.767%	185	183
		31-60 Days Delinquent	749	937	\$ 9,028,812	\$ 10,988,287	2.05%	2.56%	4.598%	4.583%	194	191
		61-90 Days Delinquent	417	511	\$ 5,476,153	\$ 6,181,680	1.24%	1.44%	4.676%	4.536%	212	204
		91-120 Days Delinquent	229	243	\$ 2,480,638	\$ 3,180,083	0.56%	0.74%	4.319%	4.644%	197	216
		121-180 Days Delinquent	306	313	\$ 4,556,052	\$ 4,239,081	1.03%	0.99%	4.643%	4.654%	226	209
		181-270 Days Delinquent	290	292	\$ 3,818,059	\$ 3,976,309	0.87%	0.93%	4.477%	4.496%	206	216
		> 271 Days Delinquent	116	145	\$ 1,462,151	\$ 1,759,793	0.33%	0.41%	4.727%	4.550%	192	197
	<b>Total Repayment</b>	<b>38,160</b>	<b>37,631</b>	<b>364,908,900</b>	<b>355,598,063</b>	<b>82.81%</b>	<b>82.85%</b>	<b>3.827%</b>	<b>3.824%</b>	<b>186</b>	<b>184</b>	
	Forbearance	2,769	2,841	37,518,869	39,025,492	8.52%	9.09%	4.355%	4.377%	222	220	
	Deferment	3,711	3,343	38,163,110	34,622,723	8.66%	8.07%	4.277%	4.318%	201	203	
B	<b>Total Portfolio</b>	<b>44,640</b>	<b>43,815</b>	<b>440,590,879</b>	<b>429,246,279</b>	<b>100%</b>	<b>100%</b>	<b>3.827%</b>	<b>3.824%</b>	<b>186</b>	<b>184</b>	

Note: Delinquent means more than 30 days past due

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	
	\$	\$	\$	\$	%	%	%	%	\$	\$
	9/30/2012	12/31/2012	9/30/2012	12/31/2012	9/30/2012	12/31/2012	9/30/2012	12/31/2012	9/30/2012	12/31/2012
<b>A Borrower Status Type:</b>										
<b>1 Loan Type</b>										
1. Subsidized Consolidation Loans	22,194	21,756	211,290,633	205,579,154	47.96%	47.89%	3.770%	3.766%	178	176
2. Unsubsidized Consolidation Loans	22,446	22,059	229,300,246	223,667,125	52.04%	52.11%	3.879%	3.877%	193	191
<b>Total - Loan Type</b>	<b>44,640</b>	<b>43,815</b>	<b>440,590,879</b>	<b>429,246,279</b>	<b>100%</b>	<b>100%</b>	<b>3.827%</b>	<b>3.824%</b>	<b>186</b>	<b>184</b>
<b>2 Program Type</b>										
1. Graduate	92	91	1,373,941	1,365,339	0.31%	0.32%	3.996%	4.013%	218	216
2. Undergraduate	40,278	39,534	414,862,342	404,346,988	94.16%	94.20%	3.801%	3.798%	188	186
3. Proprietary	4,270	4,190	24,354,596	23,533,952	5.53%	5.48%	4.260%	4.256%	145	144
<b>Total - Program Type</b>	<b>44,640</b>	<b>43,815</b>	<b>440,590,879</b>	<b>429,246,279</b>	<b>100%</b>	<b>100%</b>	<b>3.827%</b>	<b>3.824%</b>	<b>186</b>	<b>184</b>
<b>3 School Type</b>										
1. 4 Year Private	11,805	11,616	142,180,312	138,740,593	32.27%	32.32%	3.803%	3.801%	199	197
2. 4 Year Public	11,443	11,237	107,738,196	104,980,802	24.45%	24.46%	3.851%	3.848%	179	177
3. 2 Year Private	435	430	3,664,813	3,623,761	0.83%	0.84%	4.355%	4.355%	183	182
4. 2 Year Public	2,431	2,372	16,380,805	15,801,575	3.72%	3.68%	4.222%	4.207%	166	164
5. Other Loans	18,526	18,160	170,626,752	166,099,548	38.73%	38.70%	3.783%	3.780%	181	179
<b>Total - School Type</b>	<b>44,640</b>	<b>43,815</b>	<b>440,590,879</b>	<b>429,246,279</b>	<b>100%</b>	<b>100%</b>	<b>3.827%</b>	<b>3.824%</b>	<b>186</b>	<b>184</b>

B. Weighted Average Payments Made		
	W.A. Time until repayment (months)	
	9/30/2012	12/31/2012
1. Deferment	17	16
2. Forbearance	4	4
	W.A. Time in Repayment (months)	
	9/30/2012	12/31/2012
3. Repayment	83	86
4. Total Portfolio Weighted Average	67	70

IX. Series 2006-2 FFELP Portfolio Indices

				Ending Principal	
				Balance	% of Total
				12/31/2012	12/31/2012
A	Consolidation				
	<u>SAP Category</u>	<u>SAP Spread</u>	<u>Int Rate</u>		
	SG	T-bill + 3.10No Negative SAP	Variable	241,659	0.06%
	SE/SL	T-bill + 3.10No Negative SAP	Fixed	637,378	0.15%
	CC	3mCP + 2.64No Negative SAP	Fixed	262,989,951	61.28%
	CG	3mCP + 2.64Negative SAP	Fixed	165,298,576	38.52%
<b>Total - Consolidation</b>				<b>429,167,564</b>	<b>100.00%</b>
Credit balances and loans not billed for SAP				78,715	
<b>Total - Ending Balance at 12/31/12</b>				<b>429,246,279</b>	<b>100.00%</b>

**X. Payment History and CPRs**

Quarter End Date	Actual Ending Principal Balance	Annualized Current Quarter CPR*	Cumulative CPR
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%
3/31/2012	\$ 472,426,258.90	3.546%	3.155%
12/31/2011	\$ 485,017,997.37	3.229%	3.153%
9/30/2011	\$ 496,503,893.08	2.579%	3.172%
6/30/2011	\$ 506,901,054.22	3.203%	3.217%
3/31/2011	\$ 518,287,637.95	3.705%	3.241%
12/31/2010	\$ 530,915,039.31	2.399%	3.243%
9/30/2010	\$ 541,158,986.11	2.888%	3.308%
6/30/2010	\$ 552,023,018.10	2.596%	3.355%
3/31/2010	\$ 562,383,868.43	2.686%	3.425%
12/31/2009	\$ 573,167,673.20	2.054%	3.499%
9/30/2009	\$ 582,887,948.39	2.501%	3.629%
6/30/2009	\$ 592,755,638.24	1.923%	3.748%
3/31/2009	\$ 602,017,316.09	2.197%	3.940%
12/31/2008	\$ 612,196,804.65	1.951%	4.149%
9/30/2008	\$ 621,705,081.80	1.709%	4.438%
6/30/2008	\$ 630,201,181.85	1.672%	4.844%
3/31/2008	\$ 639,058,793.97	2.949%	5.396%
12/31/2007	\$ 650,421,669.69	4.588%	5.943%
9/30/2007	\$ 664,067,696.17	8.190%	6.381%
6/30/2007	\$ 683,805,584.21	9.823%	5.820%
3/31/2007	\$ 707,717,654.55	3.964%	3.279%
12/31/2006	\$ 721,272,129.24	1.970%	1.970%

\* - '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*	\$	2,158,820.05
b. 1-3% write offs		38,153.00
c. Claims filed pending payment		<u>436,648.07</u>
d. Total Current Period Defaults	\$	2,633,621.12
2. Cumulative Defaults		
a. Claim payments from Guarantor	\$	39,736,656.51
b. 1-3% write offs		639,573.74
c. Claims filed pending payment		<u>436,648.07</u>
d. Total Cumulative Defaults	\$	40,812,878.32
3. Cumulative Default (% of original pool balance)		5.60%
4. Cumulative Default (% of cumulative Entered Repayment Balance)		6.00%
5. Cumulative Recoveries	\$	39,736,656.51
6. Cumulative Recovery Rate (2a/2d)		97.36%
7. Cumulative Net Loss Rate (2b/2d)		1.57%
8. Cumulative Net Loss Rate (2b/2d)		
a. Current period repurchases	\$	-
b. Cumulative repurchases	\$	15,176.90

\*Claim payments include principal & interest payments

PHEAA - 2006-2 Floating Rate Student Loan Revenue Notes  
Statement to Noteholders  
Report Date: 12/31/12 Report Period: 10/01/12 - 12/31/12

**XI. Balance Sheet**

<u>ASSETS</u>	<u>12/31/2012</u>
Cash	\$ 863,750
Assets Held by Trustee	
Investments	13,582,555
Accrued Interest Receivable	3,782,478
Student Loans Receivable, Net	429,246,279
Prepaid and Deferred Expenses	<u>1,196,432</u>
Total Assets	<u>\$ 448,671,494</u>
 <u>LIABILITIES AND NET ASSETS</u>	
Senior Bonds Payable, Net	\$ 410,934,275
Sub Bonds Payable, Net	22,500,000
Senior Bonds Accrued Interest Payable	337,224
Sub Bonds Accrued Interest Payable	247,447
Other Accounts Payable & Accrued Expenses	<u>585,907</u>
Total Liabilities	<u>\$ 434,604,853</u>
Net Assets	<u>14,066,641</u>
Total Liabilities and Net Assets	<u>\$ 448,671,494</u>
Parity : Senior	1.086
Overall	1.030