

**PHEAA Student Loan Trust 2016-2 FRN
Monthly Servicing Report**

Distribution Date: 02/27/2017

Reporting Period: 01/01/2017 – 01/31/2017

Pennsylvania Higher Education Assistance Agency – *Sponsor*

PHEAA Student Loan Foundation – *Depositor*

Pennsylvania Higher Education Assistance Agency – *Master Servicer and Administrator*

Manufacturers and Traders Trust Company – *Indenture Trustee and Eligible Lender Trustee*

PHEAA - 2016-2 Floating Rate Student Loan Asset-Backed Notes

Statement to Noteholders

Report Date: 01/31/17

Report Period: 01/01/17 - 01/31/17

I. Series 2016-2 Floating Rate Notes - Asset & Liability Summary

A. Pool Balance		12/31/2016	Net Activity	1/31/2017	% of Initial Pool Balance
1. Student Loan - Principal Balance		\$ 349,878,246.01	\$ (4,497,060.85)	\$ 345,381,185.16	97.54%
2. Interest expected to be Capitalized		\$ 2,803,507.82	\$ (132,261.98)	\$ 2,671,245.84	
3. Total Pool Balance		\$ 352,681,753.83	\$ (4,629,322.83)	\$ 348,052,431.00	
4. Student Loan - Accrued Borrower Interest Balance		\$ 6,177,417.99	\$ (36,978.14)	\$ 6,140,439.85	
5. Accrued Interest Subsidy & Special Allowance		\$ (516,744.28)	\$ (366,976.18)	\$ (883,720.46)	
6. Weighted Average Coupon Rate		5.109%		5.108%	
7. Weighted Average Remaining to Maturity (in months)		173.85		173.91	
8. Number of Loans		47,247		46,580	
9. Number of Borrowers		25,193		24,835	

B. Adjusted Pool Balance		12/31/2016	Change	1/31/2017
1. Capitalized Interest Fund (after giving effect to transfers to be made on Distribution Date)		\$ 14,000,000.00	\$ -	\$ 14,000,000.00
2. Specified Reserve Fund Balance (greater of 0.80% of Pool Balance and 0.15% of Initial Pool Balance- \$535,259.29)		\$ 2,821,454.03	\$ (37,034.58)	\$ 2,784,419.45
3. Adjusted Pool Balance (A3 + B1 + B2)		\$ 369,503,207.86		\$ 364,836,850.45

C. Other Fund Balances		12/31/2016	Change	1/31/2017
1. Collection Fund		\$ 5,329,205.01	\$ (152,391.34)	\$ 5,176,813.67
2. Reserve Fund		\$ 1,871,835.00	\$ 949,619.03	\$ 2,821,454.03
3. Capitalized Interest Fund		\$ 14,000,000.00	\$ -	\$ 14,000,000.00
4. Department Rebate Fund		\$ -	\$ 516,744.28	\$ 516,744.28
5. Acquisition Fund		\$ 17,662,640.23	\$ (17,662,640.23)	\$ -
6. Total - Other Account Balances		\$ 38,863,680.24	\$ (16,348,668.26)	\$ 22,515,011.98

D. Notes Payable		Final Maturity	CUSIP	Spread	12/31/2016	%	1/31/2017	%
1. 2016-2 Class A LIBOR Notes	11/25/2065	69343VAA0	1mL+0.95%	\$ 375,700,000.00	98.17%	\$ 355,282,758.41	98.07%	
2. 2016-2 Class B LIBOR Notes	11/25/2065	69343VAB8	1mL+2.50%	\$ 7,000,000.00	1.83%	\$ 7,000,000.00	1.93%	
3. Total Notes Payable				\$ 382,700,000.00	100.00%	\$ 362,282,758.41	100.00%	

E. Parity Ratio Calculation:		12/31/2016	Change	1/31/2017
1. Student Loan - Principal		\$ 349,878,246.01	\$ (4,497,060.85)	\$ 345,381,185.16
2. Student Loan - Accrued Borrower Interest Expected to be Capitalized		\$ 2,803,507.82	\$ (132,261.98)	\$ 2,671,245.84
3. Pool Balance (E1 + E2)		\$ 352,681,753.83	\$ (4,629,322.83)	\$ 348,052,431.00
4. Capitalized Interest Fund Balance (after giving effect to transfers to be made on Distribution Date)		\$ 14,000,000.00	\$ -	\$ 14,000,000.00
5. Specified Reserve Fund Balance		\$ 2,821,454.03	\$ (37,034.58)	\$ 2,784,419.45
6. Adjusted Pool Balance (E3+E4+E5)		\$ 369,503,207.86	\$ (4,666,357.41)	\$ 364,836,850.45
7. Outstanding Notes (after giving effect to Distributions to be made on Distribution Date)		\$ 362,282,758.41	\$ (4,738,267.59)	\$ 357,544,490.82
8. Senior Outstanding Notes (after giving effect to Distributions to be made on Distribution Date)		\$ 355,282,758.41	\$ (4,738,267.59)	\$ 350,544,490.82
9. Net Assets at close (E6-E7)		\$ 7,220,449.45	\$ 71,910.18	\$ 7,292,359.63
10. Parity Ratio at close (E6/E7)		1.0199		1.0204
11. Senior Parity Ratio (E6/E8)		1.0400		1.0408

F. Specified Overcollateralization Amount		12/31/2016	1/31/2017
1. 2.25% of current Adjusted Pool Balance		\$ 8,313,822.18	\$ 8,208,829.14
2. Specified Overcollateralization minimum		\$ 6,000,000.00	\$ 6,000,000.00
3. Specified Overcollateralization Amount (greater of F1 and F2)		\$ 8,313,822.18	\$ 8,208,829.14

PHEAA - 2016-2 Floating Rate Student Loan Asset-Backed Notes

Statement to Noteholders

Report Date: 01/31/17

Report Period: 01/01/17 - 01/31/17

II. Series 2016-2 FRN Transactions and Accruals

		Beg/End Balances
A.	Student Loan Cash Principal Activity	349,878,246.01
	1 Borrower Payments	\$ (2,757,425.68)
	2 Claim Payments	\$ (839,878.16)
	3 Consolidation Payoffs	\$ (1,407,218.55)
	4 Other Cash Payments from Servicer	\$ 1,984.20
	5 Acquisitions / Sales	\$ -
	6 Total Principal Cash Activity	\$ (5,002,538.19)
B.	Student Loan Non-Cash Principal Activity	
	1 Capitalized Interest	\$ 506,241.85
	2 Cancellations / Reissues	\$ -
	3 Amounts due to / (from) Servicer for non-cash adjustments	\$ (253.22)
	4 Amounts due to / (from) Guarantor	\$ -
	5 Amounts due to / (from) Dept of Ed. - Direct Consolidation payments	\$ -
	6 Amounts due to / (from) Dept. of Ed.	\$ -
	7 Borrower Benefit reductions	\$ -
	8 Other Non-Cash Adjustments	\$ (511.29)
	9 Total Non-Cash Principal Activity	\$ 505,477.34
C.	Total Student Loan Principal Activity	\$ (4,497,060.85)
D.	Student Loan Cash Interest Activity	5,660,673.71
	1 Borrower Payments (includes Late Fees)	\$ (894,455.79)
	2 Claim Payments	\$ (24,595.00)
	3 Consolidation Payoffs	\$ (28,628.55)
	4 Other Cash Payments from Servicer	\$ (225.00)
	5 Acquisitions / Sales	\$ -
	6 Subsidy Payments (ISP)	\$ -
	7 Special Allowance Payments (SAP)	\$ -
	8 Total Interest Collections	\$ (947,904.34)
E.	Student Loan Non-Cash Interest Activity	
	1 Borrower Accruals	\$ 1,475,685.36
	2 Interest Subsidy Payment Accrual	\$ 90,204.62
	3 Special Allowance Payment Accrual Estimate	\$ (459,543.88)
	4 Prior Quarter Interest Subsidy & Special Allowance Accrual Adjustment	\$ 2,363.08
	5 Capitalized Interest	\$ (506,241.85)
	6 Amounts due to / (from) Servicer for non-cash adjustments	\$ -
	7 Amounts due to / (from) Dept of Ed. - Direct Consolidation payments	\$ -
	8 Other Adjustments	\$ (58,517.31)
	9 Total Non-Cash Interest Activity	\$ 543,950.02
F.	Total Student Loan Interest Activity	\$ (403,954.32)
G.	Non-Reimbursable Losses During Collection Period	\$ (17,551.71)
H.	Cumulative Non-Reimbursable Losses to Date	\$ (43,160.05)
		\$ 350,637,904.55

PHEAA - 2016-2 Floating Rate Student Loan Asset-Backed Notes

Statement to Noteholders

Report Date: 01/31/17

Report Period: 01/01/17 - 01/31/17

III. Series 2016-2 FRN - Collection Account Reconciliation
Cash Receipts & Disbursements for the period

	Beginning Cash Balance	\$ 5,766,072.96
A.	Principal Cash Collections	
	1 Principal Payments Received - Borrower Payments	\$ 2,757,425.68
	2 Principal Payments Received - Claim Payments	\$ 839,878.16
	3 Principal Payments Received - Consolidation Payoffs	\$ 1,407,218.55
	4 Principal Payments Received - Other Payments from Servicer	\$ (1,984.20)
	5 Principal Payments Received - Sales	\$ -
	6 Total Principal Collections	\$ 5,002,538.19
B.	Interest Cash Collections	
	1 Interest Payments Received - Borrower Payments (includes Late Fees)	\$ 894,455.79
	2 Interest Payments Received - Claim Payments	\$ 24,595.00
	3 Interest Payments Received - Consolidation Payoffs	\$ 28,628.55
	4 Interest Payments Received - Other Payments from Servicer	\$ 225.00
	5 Interest Payments Received - Interest Subsidy & Special Payments	\$ -
	6 Interest Payments Received - Sales	\$ -
	7 Total Interest Collections	\$ 947,904.34
C.	Reimbursements from Servicer	\$ -
D.	Reimbursements from Servicer for Keystone Rebate Fees	\$ 67.50
E.	Transfer from Aquisition Fund	\$ 17,662,640.23
F.	Transfer from Capitalized Interest Fund	\$ -
G.	Transfer to Reserve Fund	\$ (949,619.03)
H.	Transfers to Department Rebate Fund	\$ (516,744.28)
I.	Investment Earnings	
	1 Collection Account Investment Earnings	\$ 680.89
	2 Rebate Fund Investment Earnings	\$ -
	3 Acquisition Fund Investment Earnings	\$ 3,363.97
	4 Capitalized Bond Interest Fund Investment Earnings	\$ 2,643.51
	5 Reserve Fund Investment Earnings	\$ 353.45
	6 Total Investment Earnings	\$ 7,041.82
J.	Funds Previously Remitted - Cash Disbursements	
	1 Consolidation rebate fees to Dept. of Ed.	\$ (227,120.84)
	2 Servicing Fees	\$ (157,337.80)
	3 Indenture Trustee Fee	\$ (4,182.51)
	4 Eligible Lender Trustee Fee	\$ (1,000.00)
	5 Owner Trustee Fee	\$ -
	6 Admin Fees	\$ (13,333.34)
	7 Interest Payments - LIBOR Notes	\$ (1,143,473.65)
	8 Principal Payments - LIBOR Notes	\$ (20,417,241.59)
	9 Funds transferred to the Issuer	\$ -
	10 Total Previously Remitted Fees	\$ (21,963,689.73)
K.	Total Cash Available at 01/31/17 (Collection Fund)	\$ 5,956,212.00

PHEAA - 2016-2 Floating Rate Student Loan Asset-Backed Notes

Statement to Noteholders

Report Date: 01/31/17

Report Period: 01/01/17 - 01/31/17

IV. Series 2016-2 FRN - Notes Payable Detail

	Reset Date	1m LIBOR
A. LIBOR Rate Reset	01/23/17	0.77111%

B. LIBOR Rate Interest Calculation	Spread	Interest Rate	Payment Date	# of Days	Start Date	End Date	Interest Payment
1. 2016-2 FRN A LIBOR Notes	0.95%	1.72111%	2/27/2017	33	1/25/2017	2/26/2017	\$ 560,523.98
2. 2016-2 FRN B LIBOR Notes	1.50%	2.27111%	2/27/2017	33	1/25/2017	2/26/2017	\$ 14,572.96
3. Total - 2016-2 FRN Interest Payable							\$ 575,096.94

C. Class B Interest Distribution Amount	
Lesser of:	Amount
Class B interest accrued (B.2)	\$ 14,572.96
Class B Interest Cap (D)	\$ 245,158.22
Plus	
Class B Noteholders' Interest Shortfall	\$ -
Class B Interest Distribution Amount	\$ 14,572.96

D. Component Amounts used in Determining the Class B Interest Cap	
	Amount
(a) # of days in year / 360	1.01389
<i>multiplied by difference between (i) & (ii)</i>	
(i) non-principal amounts due to Issuer	\$ 1,565,889.98
(ii) non-principal amounts payable to Department	\$ 684,468.21
Total	\$ 893,663.74
<i>less</i>	
(b) accrued Trust expenses	\$ 87,981.54
<i>less</i>	
(c) Class A Noteholders' Interest Distribution Amount	\$ 560,523.98
Class B Interest Cap	\$ 245,158.22

E. Unpaid Class B Carry-Over Amount	
	Amount
Class B Carry-Over during period	\$ -
Class B Carry-Over from prior periods	\$ -
interest on Class B Carry-Over from prior periods	\$ -
Class B Carry-Over Amount	\$ -

PHEAA - 2016-2 Floating Rate Student Loan Asset-Backed Notes

Statement to Noteholders

Report Date: 01/31/17

Report Period: 01/01/17 - 01/31/17

V. Principal Distributions and Reserve Fund Reconciliation

A.	Distribution Amounts thru February 27, 2017	Combined	2016-2 Class A	2016-2 Class B
1	Monthly Interest Due	\$ 575,096.94	\$ 560,523.98	\$ 14,572.96
2	Monthly Interest Paid	\$ 575,096.94	\$ 560,523.98	\$ 14,572.96
3	Interest Shortfall	\$ -	\$ -	\$ -
4	Interest Shortfall Due	\$ -	\$ -	\$ -
5	Interest Shortfall Paid	\$ -	\$ -	\$ -
6	Interest Shortfall	\$ -	\$ -	\$ -
7	Monthly Principal Paid	\$ 4,738,267.59	\$ 4,738,267.59	\$ -
8	Total Distribution Amount	\$ 5,313,364.53	\$ 5,298,791.57	\$ 14,572.96

B.	Principal Distribution Amount Reconciliation	Actual Distribution	
1	Notes Outstanding as of 01/31/17	\$ 362,282,758.41	
2	Current Adjusted Pool Balance 01/31/17	\$ 364,836,850.45	
3	less: Specified Overcollateralization Amount 01/31/17	\$ 8,208,829.14	
4	Total (B2-B3)	\$ 356,628,021.31	
5	Total Principal Distribution Amount (B1-B4)	\$ 5,654,737.10	\$ 4,738,267.59

C.	Reserve Fund and Capitalized Interest Fund Reconciliation	Reserve Fund	Cap Int Fund
1	Beginning Period Balance 01/01/17	\$ 1,871,835.00	\$ 14,000,000.00
2	Transfer from Cap Int Fund to the Collection Account	\$ -	\$ -
3	Deposits to Reserve Fund	\$ -	\$ -
4	Interest Earned	\$ 353.45	\$ 2,643.51
5	Transfer of Interest Earned to the Collection Account	\$ (353.45)	\$ (2,643.51)
6	Transfer of Excess Reserve to the Collection Account	\$ 949,619.03	\$ -
7	Total Fund Balance Available at 01/31/17	\$ 2,821,454.03	\$ 14,000,000.00
8	Less: Fund Investment Earnings Pending Transfer to Collection Account	\$ -	\$ -
9	Total Adjusted Reserve Fund Balance Available 01/31/17	\$ 2,821,454.03	\$ 14,000,000.00
10	Specified Reserve Fund Balance (greater of .80% of the pool balance or .15% of initial pool balance)	\$ 2,784,419.45	\$ -
11	Cap Int Fund Schedule (Exh C) Balance at 02/27/17	\$ -	\$ 14,000,000.00
12	Excess Reserve - Transfer to/ (from) Collection Account	\$ 37,034.58	\$ -
13	Cap Int Fund Schedule (Exh C)- Transfer to Collection Account	\$ -	\$ -

D.	LIBOR Note Balances	1/25/2017	Paydown Factors	2/27/2017
1	2016-2 FRN A LIBOR Notes	\$ 355,282,758.41	\$ 4,738,267.59	\$ 350,544,490.82
2	2016-2 A Pool Factor	0.9456555	0.0126118	0.9330436
3	2016-2 FRN B LIBOR Notes	7,000,000.00	\$ -	\$ 7,000,000.00
4	2016-2 B Pool Factor	1.0000000	-	1.0000000
	Total Notes Outstanding	\$ 362,282,758.41	\$ 4,738,267.59	\$ 357,544,490.82
	Total Note Pool Factor	\$ 0.9466495	\$ 0.0123812	\$ 0.9342683

VI. Series 2016-2 FRN - Priority of Distributions

Per Distribution Date Certificate			Available Funds Balance	
Total Available Funds			\$ 5,956,212.00	
Section 5.02	Transfer of remaining funds in Acquisiton Fund not used to purchase loans or pay acquisition costs	\$ -	\$	5,956,212.00
Section 5.03	Transfer from the Capitalized Interest Fund to the Collection Fund (interest earned)	\$ -	\$	5,956,212.00
Section 5.05(c)	Transfer from the Reserve Fund the amount representing the excess of the Specified Reserve Fund Balance	\$ 37,034.58	\$	5,993,246.58
Section 5.04(c)	Distributions:			
(i)	Payments to the Dept of Ed for Consolidation Rebate Fees	\$ 224,924.33	\$	5,768,322.25
(ii)	Deposit to the Department Rebate Account an amount sufficient to make the balance in the Dept Rebate Account, after taking into consideration funds then on deposit therein, equal to the Dept Rebate Interest Amt:	\$ 366,976.18	\$	5,401,346.07
(iii)(A)	Payment of the Indenture Trustee fee to the Indenture Trustee	\$ 3,211.17	\$	5,398,134.90
(iii)(B)	Payment of the Eligible Lender Trustee fee to the Eligible Lender Trustee	\$ 1,000.00	\$	5,397,134.90
(iii)(C)	Payment of the Owner Trustee Fee to the Owner Trustee (November Distribution Date Only)	\$ -	\$	5,397,134.90
(iv)	Payment of the Administrator Fee to the Administrator	\$ 6,666.67	\$	5,390,468.23
(iv)	Payment of Other Administration Expense to the Administrator (November Distribution only)	\$ -	\$	5,390,468.23
(v)	Payment of the Servicing Fee to the Servicer	\$ 77,103.70	\$	5,313,364.53
(vi)	to the Class A Noteholders, the Class A Noteholders' Interest Distribution Amount, pro rata, based on the related principal amount Outstanding of each such Noteholders, as Noteholders' Interest Distribution Amount;	\$ 560,523.98	\$	4,752,840.55
(vii)	to the Class B Noteholders, the Class B Noteholders' Interest Distribution Amount, pro rata, based on the related principal amount Outstanding of each such Noteholders, as Noteholders' Interest Distribution Amount;	\$ 14,572.96	\$	4,738,267.59
(viii)	to the Reserve Account, the amount, if any, necessary to reinstate the balance of the Reserve Fund to equal the Specified Reserve Fund Balance;	\$ -	\$	4,738,267.59
(ix)	to the Class A-1 Noteholders, the Principal Distribution Amount (until paid in full)	\$ 4,738,267.59	\$	-
(x)	to the Class B-1 Noteholders, the Principal Distribution Amount (until paid in full) (after all Class A Noteholders have been paid in full)	\$ -	\$	-
(xi)	Amounts due to the Indenture Trustee as Extraordinary Trustee Fee	\$ -	\$	-
(xii)	Amounts payable to the Noteholders as a supplement payment of the principal on the Notes pursuant to Section 5.04(c)(xii) of the Indenture	\$ -	\$	-
(xiii)	to the Class B-1 Noteholders, the Class B Carry-Over Amount	\$ -	\$	-
(xiv)	Remaining amounts released to the Depositor	\$ -	\$	-

PHEAA - 2016-2 Floating Rate Student Loan Asset-Backed Notes

Statement to Noteholders

Report Date: 01/31/17

Report Period: 01/01/17 - 01/31/17

VII. Series 2016-2 Portfolio Characteristics

		Number of Loans		Ending Principal Balance		% of Balance		Wgt. Avg. Coupon		Wgt. Avg Repayment		
				\$	\$	%	%	%	%	# months	# months	
		12/31/2016	1/31/2017	12/31/2016	1/31/2017	12/31/2016	1/31/2017	12/31/2016	1/31/2017	12/31/2016	1/31/2017	
A	Borrower Status Distribution:											
		Interim										
		In-School	92	86	418,393	405,154	0.12%	0.12%	5.570%	5.534%	120	120
		Grace	21	23	64,465	65,719	0.02%	0.02%	5.186%	5.196%	118	118
		Repayment										
		Current	33,985	33,729	236,874,070	236,782,978	67.70%	68.56%	5.054%	5.054%	170	170
		31-60 Days Delinquent	1,511	1,328	12,504,033	10,394,943	3.57%	3.01%	5.464%	5.363%	180	180
		61-90 Days Delinquent	873	911	7,874,790	7,504,521	2.25%	2.17%	5.455%	5.323%	196	185
		91-120 Days Delinquent	626	674	5,007,326	6,839,883	1.43%	1.98%	5.547%	5.598%	179	199
		121-180 Days Delinquent	864	871	7,509,300	7,654,241	2.15%	2.22%	5.414%	5.432%	183	183
		181-270 Days Delinquent	932	896	8,630,240	7,957,253	2.47%	2.30%	5.581%	5.461%	196	182
		> 271 Days Delinquent	486	611	3,492,698	5,123,334	1.00%	1.48%	5.462%	5.785%	174	207
	Total Repayment	39,277	39,020	281,892,457	282,257,152	80.57%	81.72%	5.123%	5.121%	172	172	
	Forbearance	4,189	3,770	43,276,110	38,685,445	12.37%	11.20%	5.462%	5.374%	203	203	
	Deferment	3,668	3,681	24,226,820	23,967,714	6.92%	6.94%	5.251%	5.198%	182	183	
B	Total Portfolio	47,247	46,580	349,878,246	345,381,185	100%	100%	5.109%	5.108%	172	172	

Note: Delinquent means more than 30 days past due

PHEAA - 2016-2 Floating Rate Student Loan Asset-Backed Notes

Statement to Noteholders

Report Date: 01/31/17

Report Period: 01/01/17 - 01/31/17

VIII. Series 2016-2 Portfolio Characteristics and Weighted Average Payments

	Number of Loans		Ending Principal Balance		% of Balance		Wgt. Avg. Coupon		Wgt. Avg Repayment Months	
	\$	\$	\$	\$	%	%	%	%	\$	\$
	12/31/2016	1/31/2017	12/31/2016	1/31/2017	12/31/2016	1/31/2017	12/31/2016	1/31/2017	12/31/2016	1/31/2017
A Borrower Status Type:										
1 Loan Type										
1. Subsidized Consolidation Loans	8,543	8,456	104,540,985	103,471,298	29.88%	29.96%	4.813%	4.814%	187	186
2. Unsubsidized Consolidation Loans	9,276	9,188	151,469,509	150,065,617	43.29%	43.45%	5.061%	5.062%	206	206
3. Subsidized Stafford Loans	16,032	15,809	38,902,235	38,112,792	11.12%	11.03%	5.023%	5.024%	96	96
4. Unsubsidized Stafford Loans	11,313	11,157	41,178,371	40,429,759	11.77%	11.71%	5.363%	5.366%	107	107
5. Grad PLUS Loans	240	234	3,327,098	3,198,461	0.95%	0.93%	8.033%	8.036%	146	148
6. PLUS Loans	1,826	1,719	10,380,105	10,023,706	2.97%	2.90%	7.202%	7.189%	80	80
7. SLS Loans	17	17	79,943	79,552	0.02%	0.02%	3.701%	3.701%	92	91
Total - Loan Type	47,247	46,580	349,878,246	345,381,185	100%	100%	5.109%	5.108%	172	172
2 Program Type										
1. Graduate	3,216	3,154	23,531,042	22,857,993	6.73%	6.62%	5.706%	5.706%	128	128
2. Undergraduate	37,375	36,854	294,638,105	291,157,570	84.21%	84.30%	5.027%	5.027%	178	178
3. Proprietary	6,656	6,572	31,709,099	31,365,622	9.06%	9.08%	5.431%	5.429%	146	146
Total - Program Type	47,247	46,580	349,878,246	345,381,185	100%	100%	5.109%	5.108%	172	172
3 School Type										
1. 4 Year Private	14,555	14,325	132,120,623	130,225,451	37.76%	37.70%	5.157%	5.152%	180	180
2. 4 Year Public	18,771	18,495	146,850,121	145,093,055	41.97%	42.01%	4.968%	4.972%	173	173
3. 2 Year Private	1,773	1,739	8,775,977	8,685,559	2.51%	2.51%	4.952%	4.964%	157	157
4. 2 Year Public	4,907	4,869	20,723,712	20,536,128	5.92%	5.95%	5.278%	5.280%	148	149
5. Prop/Voc/Tech	6,634	6,552	31,380,854	31,050,158	8.97%	8.99%	5.426%	5.424%	146	147
6. Unkown	607	600	10,026,960	9,790,833	2.87%	2.83%	5.361%	5.308%	199	199
Total - School Type	47,247	46,580	349,878,246	345,381,185	100%	100%	5.109%	5.108%	172	172

B. Weighted Average Payments Made		
	W.A. Time until repayment (months)	
	12/31/2016	1/31/2017
1. In school	26	24
2. Grace	4	4
3. Deferment	17	17
4. Forbearance	3	3
	W.A. Time in Repayment (months)	
	12/31/2016	1/31/2017
5. Repayment	124	125
6. Total Portfolio Weighted Average	98	101

IX. Series 2016-2 FFELP Portfolio Indices

			Ending Principal					Ending Principal			
			Balance	% of Total				Balance	% of Total		
			1/31/2017	1/31/2017				1/31/2017	1/31/2017		
A	Stafford				B	Unsub Stafford					
	<u>SAP Category</u>	<u>SAP Spread</u>	<u>Int Rate</u>			<u>SAP Category</u>	<u>SAP Spread</u>	<u>Int Rate</u>			
	SA	Tbill + 3.50%	Fixed	52,159		0.02%	SE	Tbill + 3.10%	Variable	6,762.24	0.00%
	SB	Tbill + 3.50%	Fixed	123,859		0.04%	SG	Tbill + 3.10%	Variable	392,259.82	0.11%
	SD	Tbill + 3.25%	Fixed	230,318		0.07%	SH	Tbill + 2.50%	Variable	45,382	0.01%
	SD	Tbill + 3.25%	Variable	253		0.00%	SJ	Tbill + 2.20%	Variable	14,186	0.00%
	SE	Tbill + 3.10%	Fixed	40,132		0.01%	SK	Tbill + 2.80%	Variable	276,702	0.08%
	SE	Tbill + 3.10%	Variable	70,270		0.02%	LA	1mL + 1.74%	Variable	1,023,187	0.30%
	SG	Tbill + 3.10%	Variable	751,065		0.22%	LB	1mL + 2.34%	Variable	8,619,070	2.50%
	SH	Tbill + 2.50%	Variable	147,869		0.04%	LE	1mL + 1.74% (Neg SAP)	Fixed	1,427,341	0.41%
	SJ	Tbill + 2.20%	Variable	45,730		0.01%	LE	1mL + 1.74% (Neg SAP)	Variable	34,607	0.01%
	SK	Tbill + 2.80%	Variable	465,934		0.13%	LF	1mL + 2.34% (Neg SAP)	Fixed	11,735,739	3.40%
	LA	1mL + 1.74%	Variable	1,162,572		0.34%	LF	1mL + 2.34% (Neg SAP)	Variable	874,709	0.25%
	LB	1mL + 2.34%	Variable	9,474,732		2.74%	LI	1mL + 1.34% (Neg SAP)	Fixed	1,680,016	0.49%
	LE	1mL + 1.74% (Neg SAP)	Fixed	1,583,719		0.46%	LJ	1mL + 1.94% (Neg SAP)	Fixed	14,200,667	4.11%
	LE	1mL + 1.74% (Neg SAP)	Variable	41,675		0.01%	None - Not eligible for SAP			100,694	0.03%
	LF	1mL + 2.34% (Neg SAP)	Fixed	10,670,428		3.09%					
LF	1mL + 2.34% (Neg SAP)	Variable	486,630	0.14%							
LI	1mL + 1.34% (Neg SAP)	Fixed	1,513,004	0.44%							
LJ	1mL + 1.94% (Neg SAP)	Fixed	11,118,634	3.22%							
	None - Not eligible for SAP		137,258	0.04%							
Total - Stafford			38,116,240	11.04%	Total - Unsub Stafford			40,431,323	11.71%		
C	Consolidation				D	Plus/SLS					
	<u>SAP Category</u>	<u>SAP Spread</u>	<u>Int Rate</u>			<u>SAP Category</u>	<u>SAP Spread</u>	<u>Int Rate</u>			
	SD	Tbill + 3.25%	Fixed	387,472		0.11%	SD	Tbill + 3.25%	Variable	54,372	0.02%
	SE	Tbill + 3.10%	Fixed	4,109,311		1.19%	SE	Tbill + 3.10%	Variable	81,939	0.02%
	SG	Tbill + 3.10%	Variable	635,260		0.18%	SG	Tbill + 3.10%	Variable	76,492	0.02%
	SL	T-bill + 3.10%	Fixed	2,369,576		0.69%	SH	Tbill + 2.50%	Variable	64,755	0.02%
	LC	1mL + 2.64%	Fixed	119,189,996		34.51%	LD	1mL + 2.64%	Variable	1,592,192	0.46%
	LG	1mL + 2.64% (Neg SAP)	Fixed	110,290,090		31.93%	LH	1mL + 2.64% (Neg SAP)	Fixed	7,729,134	2.24%
	LK	1mL + 2.24% (Neg SAP)	Fixed	16,416,701		4.75%	LH	1mL + 2.64% (Neg SAP)	Variable	40,759	0.01%
		None - Not eligible for SAP		140,715		0.04%	LM	1mL + 1.94% (Neg SAP)	Fixed	3,646,955	1.06%
					None - Not eligible for SAP			15,889	0.00%		
Total - Consolidation			253,539,121	73.41%	Total - Plus/SLS			13,302,487	3.85%		
					E Credit Balances Loans			(7,986)	0.00%		
Total Ending Balance at 01/31/17					Total Ending Balance at 01/31/17			345,381,185	100%		

X. Payment History, CPRs, and Cumulative Default Rate

A. Payment History and CPRs

Month End Date	Actual Ending Pool Balance	Since Issued CPR
1/31/2017	\$ 348,052,431.00	2.905%
12/31/2016	\$ 352,681,753.83	1.473%

B. Cumulative Default Rate

1. Current Period Defaults		
a. Claim payments from Guarantor*	\$ 864,473.16	
b. 1-3% write offs	17,117.57	
c. Claims filed pending payment	1,840,885.34	
d. Total Current Period Defaults	<u>\$ 2,722,476.07</u>	
2. Cumulative Defaults		
a. Claim payments from Guarantor	\$ 1,207,555.88	
b. 1-3% write offs	26,688.17	
c. Claims filed pending payment	1,840,885.34	
d. Total Cumulative Defaults	<u>\$ 3,075,129.39</u>	
3. Cumulative Default (% of original pool balance)		0.86%
4. Cumulative Default (% of cumulative Entered Repayment Balance)		1.05%
5. Cumulative Recoveries	\$ 1,207,555.88	
6. Cumulative Recovery Rate (2a/2d)		39.27%
7. Cumulative Net Loss Rate (2b/2d)		0.87%
8. Rejected Claims Repurchased		
a. Current period purchases	\$ -	
b. Cumulative repurchases	\$ -	

*Claim payments include principal & interest payments

PHEAA - 2016-2 Floating Rate Student Loan Asset-Backed Notes
Statement to Noteholders
Report Date: 01/31/17 Report Period: 01/01/17 - 01/31/17

XI. Balance Sheet

<u>ASSETS</u>	<u>1/31/2017</u>
Cash	\$ 779,398
Assets Held by Trustee	
Investments	22,516,352
Accrued Interest Receivable	5,263,949
Student Loans Receivable, Net	345,081,185
Premium - Std Ln purchase	<u>156,944</u>
Total Assets	<u><u>373,797,828</u></u>
 <u>LIABILITIES AND NET ASSETS</u>	
Bonds Payable	362,282,758
Discount on Bonds Payable	(779,313)
Accrued Interest Payable	121,990
Other Accounts Payable & Accrued Expenses	313,889
Deferred Outflow	-
Total Liabilities	<u>361,939,324</u>
Net Assets	<u>11,858,504</u>
Total Liabilities and Net Assets	<u><u>373,797,828</u></u>
Parity Ratio	<u>1.0204</u>
Senior Parity Ratio	<u>1.0408</u>

PHEAA - 2016-2 Floating Rate Student Loan Asset-Backed Notes

Supplemental Report

Report Date: 01/31/17

Report Period: 01/01/17 - 01/31/17

XII. Historical Note Payable Characteristics

<u>Distribution</u>		<u>% of Orig</u>		<u>% of Orig Class</u>		<u>% of Orig Class A</u>		<u>% of Orig Sub</u>		<u>% of Orig Class B</u>	
<u>Date</u>	<u>Total Debt</u>	<u>Debt</u>	<u>Class A Debt</u>	<u>A Debt</u>	<u>at 100% PPC*</u>	<u>Class B Debt</u>	<u>Debt</u>	<u>at 100% PPC*</u>			
11/22/2016	\$ 382,700,000	100.0%	\$ 375,700,000	100.0%		\$ 7,000,000	100.0%				
1/25/2017	\$ 362,135,389	94.6%	\$ 355,135,389	94.5%		\$ 7,000,000	100.0%				

* Appendix F of 2016-2 PPM

* 100% PPC: 4% CPR Cnslndn, 6% CPR Non-Cnslndn, 2% CPR & 6% CDR for rehab loans

XIII. Historical Loan Portfolio Characteristics

<u>EOM</u>	<u>O/S Pool Balance</u>	<u>% of Orig Pool Bal</u>	<u>% of Pool on Deferment</u>	<u>% of Pool on Forbearance</u>	<u>Total Wgt Avg Mths on Frb</u>	<u>Wgt Avg Mths on Discretionary Frb</u>	<u>Wgt Avg Mths on Mandatory Frb</u>	<u>% of Pool on PFH</u>	<u>PFH Pmt %*</u>	<u>% of PFH Pool w/ \$0 Pmt</u>	<u>Wtg Avg Mths on PFH</u>
11/22/2017	\$ 356,839,525	100.0%									
12/31/2016	\$ 352,681,754	98.8%	6.9%	12.3%	39.2	20.2	19.0	10.6%	16.6%	63.4%	25.4

PFH - Partial Financial Hardship Repayment Plan (part of Income Based Repayment Plan "IBR") - Mthly pymt may be as low as \$0.00. Eligible for loan forgiveness after 25 yrs and 300 pymts

* PFH Pmt % - Payment as a percentage of repayment plan prior to entering PFH

PHEAA - 2016-2 Floating Rate Student Loan Asset-Backed Notes

Supplemental Report

Report Date: 01/31/17

Report Period: 01/01/17 - 01/31/17

XIV. Additional Forbearance Detail

<u>EOM</u>	<u>Status at End of Reporting Period</u>	<u>Total Wgt</u>	<u>Wgt Avg Mths</u>		<u>Total Wgt Avg</u>	<u>Wgt Avg Mths on</u>	<u>Wgt Avg Mths</u>
		<u>Avg Mths</u>	<u>on Discretionary Frb</u>	<u>on Mandatory Frb</u>	<u>Mths on Frb in</u>	<u>Discretionary Frb</u>	<u>on Mandatory Frb in 2016-2</u>
		<u>on Frb</u>			<u>2016-2 Trust</u>	<u>in 2016-2 Trust</u>	<u>Trust</u>
12/31/2016	Discretionary Frb	34.4	17.6	16.8	1.3	1.2	-
	Mandatory Frb	51.6	27.0	24.6	1.2	-	1.2
	Total	39.2	20.2	19.0	1.3	0.9	0.3