

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

Distribution Date: 10/25/2018

Reporting Period: 09/01/2018 – 09/30/2018

Pennsylvania Higher Education Assistance Agency – *Sponsor*

PHEAA Student Loan Foundation – *Depositor*

Pennsylvania Higher Education Assistance Agency – *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: 09/30/18

Report Period: 09/01/18 - 09/30/18

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

A. Pool Balance		8/31/2018	Net Activity	9/30/2018	% of Initial Pool Balance			
1. Student Loan - Principal Balance		\$ 258,612,966.56	\$ (3,218,320.26)	\$ 255,394,646.30	72.06%			
2. Interest expected to be Capitalized		\$ 1,762,315.27	\$ (8,757.57)	\$ 1,753,557.70				
3. Total Pool Balance		\$ 260,375,281.83	\$ (3,227,077.83)	\$ 257,148,204.00				
4. Student Loan - Accrued Borrower Interest Balance		\$ 5,414,662.65	\$ 84,163.93	\$ 5,498,826.58				
5. Accrued Interest Subsidy & Special Allowance		\$ (57,292.48)	\$ (70,785.76)	\$ (128,078.24)				
6. Weighted Average Coupon Rate		5.182%		5.181%				
7. Weighted Average Remaining to Maturity (in months)		169.55		169.61				
8. Number of Loans		34,102		33,636				
9. Number of Borrowers		17,954		17,694				
B. Adjusted Pool Balance		8/31/2018	Change	9/30/2018				
1. Capitalized Interest Fund (after giving effect to transfers to be made on Distribution Date)		\$ -	\$ -	\$ -				
2. Specified Reserve Fund Balance (greater of 0.80% of Pool Balance and 0.15% of Initial Pool Balance- \$535,259.29)		\$ 2,083,002.25	\$ (25,816.62)	\$ 2,057,185.63				
3. Adjusted Pool Balance (A3 + B1 + B2)		\$ 262,458,284.08		\$ 259,205,389.63				
C. Other Fund Balances		8/31/2018	Change	9/30/2018				
1. Collection Fund		\$ 4,241,419.52	\$ (572,584.05)	\$ 3,668,835.47				
2. Reserve Fund		\$ 2,111,856.42	\$ (28,854.17)	\$ 2,083,002.25				
3. Capitalized Interest Fund		\$ 7,000,000.00	\$ (7,000,000.00)	\$ -				
4. Department Rebate Fund		\$ 27,717.34	\$ 29,575.14	\$ 57,292.48				
5. Acquisition Fund		\$ -	\$ -	\$ -				
6. Total - Other Account Balances		\$ 13,380,993.28	\$ (7,571,863.08)	\$ 5,809,130.20				
D. Notes Payable		Final Maturity	CUSIP	Spread	8/31/2018	%	9/30/2018	%
1. 2016-2 Class A LIBOR Notes	11/25/2065	69343VAA0	1mL+0.95%	\$ 259,949,295.47	97.38%	\$ 249,458,284.08	97.27%	
2. 2016-2 Class B LIBOR Notes	11/25/2065	69343VAB8	1mL+2.50%	\$ 7,000,000.00	2.62%	\$ 7,000,000.00	2.73%	
3. Total Notes Payable				\$ 266,949,295.47	100.00%	\$ 256,458,284.08	100.00%	
E. Parity Ratio Calculation:		8/31/2018	Change	9/30/2018				
1. Student Loan - Principal		\$ 258,612,966.56	\$ (3,218,320.26)	\$ 255,394,646.30				
2. Student Loan - Accrued Borrower Interest Expected to be Capitalized		\$ 1,762,315.27	\$ (8,757.57)	\$ 1,753,557.70				
3. Pool Balance (E1 + E2)		\$ 260,375,281.83	\$ (3,227,077.83)	\$ 257,148,204.00				
4. Capitalized Interest Fund Balance (after giving effect to transfers to be made on Distribution Date)		\$ -	\$ -	\$ -				
5. Specified Reserve Fund Balance		\$ 2,083,002.25	\$ (25,816.62)	\$ 2,057,185.63				
6. Adjusted Pool Balance (E3+E4+E5)		\$ 262,458,284.08	\$ (3,252,894.45)	\$ 259,205,389.63				
7. Outstanding Notes (after giving effect to Distributions to be made on Distribution Date)		\$ 256,458,284.08	\$ (3,219,300.78)	\$ 253,238,983.30				
8. Senior Outstanding Notes (after giving effect to Distributions to be made on Distribution Date)		\$ 249,458,284.08	\$ (3,219,300.78)	\$ 246,238,983.30				
9. Net Assets (E6-E7)		\$ 6,000,000.00	\$ (33,593.67)	\$ 5,966,406.33				
10. Parity Ratio (E6/E7)		1.0234		1.0236				
11. Senior Parity Ratio (E6/E8)		1.0521		1.0527				
F. Specified Overcollateralization Amount								
1. 2.25% of current Adjusted Pool Balance		\$ 5,905,311.39		\$ 5,832,121.27				
2. Specified Overcollateralization minimum		\$ 6,000,000.00		\$ 6,000,000.00				
3. Specified Overcollateralization Amount (greater of F1 and F2)		\$ 6,000,000.00		\$ 6,000,000.00				

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II. Series 2016-2 FRN Transactions and Accruals

		Beg/End Balances
A.	Student Loan Cash Principal Activity	258,612,966.56
	1 Borrower Payments	\$ (1,763,880.93)
	2 Claim Payments	\$ (791,856.34)
	3 Consolidation Payoffs	\$ (938,060.30)
	4 Other Cash Payments from Servicer	\$ 2,141.83
	5 Acquisitions / Sales	\$ -
	6 Total Principal Cash Activity	\$ (3,491,655.74)
B.	Student Loan Non-Cash Principal Activity	
	1 Capitalized Interest	\$ 274,557.76
	2 Cancellations / Reissues	\$ -
	3 Amounts due to / (from) Servicer for non-cash adjustments	\$ -
	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	\$ (1,222.28)
	9 Total Non-Cash Principal Activity	\$ 273,335.48
C.	Total Student Loan Principal Activity	\$ (3,218,320.26)
D.	Student Loan Cash Interest Activity	5,357,370.17
	1 Borrower Payments (includes Late Fees)	\$ (624,575.53)
	2 Claim Payments	\$ (19,660.92)
	3 Consolidation Payoffs	\$ (25,374.91)
	4 Other Cash Payments from Servicer	\$ -
	5 Acquisitions / Sales	\$ -
	6 Subsidy Payments (ISP)	\$ -
	7 Special Allowance Payments (SAP)	\$ -
	8 Total Interest Collections	\$ (669,611.36)
E.	Student Loan Non-Cash Interest Activity	
	1 Borrower Accruals	\$ 1,077,228.44
	2 Interest Subsidy Payment Accrual	\$ 57,338.43
	3 Special Allowance Payment Accrual Estimate	\$ (128,124.19)
	4 Prior Quarter Interest Subsidy & Special Allowance Accrual Adjustment	\$ -
	5 Capitalized Interest	\$ (274,557.76)
	6 Amounts due to / (from) Servicer for non-cash adjustments	\$ -
	7 Amounts due to / (from) Dept of Ed. - Direct Consolidation payments	\$ -
	8 Other Adjustments	\$ (48,895.39)
	9 Total Non-Cash Interest Activity	\$ 682,989.53
F.	Total Student Loan Interest Activity	\$ 13,378.17
G.	Non-Reimbursable Losses During Collection Period	\$ (17,548.24)
H.	Cumulative Non-Reimbursable Losses to Date	\$ (697,053.74)
		\$ 260,765,394.64

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III. Series 2016-2 FRN - Collection Account Reconciliation

Cash Receipts & Disbursements for the period

	Beginning Cash Balance	\$ 4,622,600.76
A.	Principal Cash Collections	
	1 Principal Payments Received - Borrower Payments	\$ 1,763,880.93
	2 Principal Payments Received - Claim Payments	\$ 791,856.34
	3 Principal Payments Received - Consolidation Payoffs	\$ 938,060.30
	4 Principal Payments Received - Other Payments from Servicer	\$ (2,141.83)
	5 Principal Payments Received - Sales	\$ -
	6 Total Principal Collections	\$ 3,491,655.74
B.	Interest Cash Collections	
	1 Interest Payments Received - Borrower Payments (includes Late Fees)	\$ 624,575.53
	2 Interest Payments Received - Claim Payments	\$ 19,660.92
	3 Interest Payments Received - Consolidation Payoffs	\$ 25,374.91
	4 Interest Payments Received - Other Payments from Servicer	\$ -
	5 Interest Payments Received - Interest Subsidy & Special Payments	\$ -
	6 Interest Payments Received - Sales	\$ -
	7 Total Interest Collections	\$ 669,611.36
C.	Reimbursements (to)/from Servicer	\$ -
D.	Reimbursements from Servicer for Keystone Rebate Fees	\$ -
E.	Reimbursements from Rehab Adjustments	\$ -
F.	Transfer from Aquisition Fund	\$ -
G.	Transfer from Capitalized Interest Fund	\$ 7,000,000.00
H.	Transfer from Reserve Fund	\$ 28,854.17
I.	Transfers to Department Rebate Fund	\$ (29,575.14)
J.	Investment Earnings	
	1 Collection Account Investment Earnings	\$ 9,212.88
	2 Rebate Fund Investment Earnings	\$ 46.33
	3 Acquisition Fund Investment Earnings	\$ -
	4 Capitalized Bond Interest Fund Investment Earnings	\$ 9,998.16
	5 Reserve Fund Investment Earnings	\$ 3,059.81
	6 Total Investment Earnings	\$ 22,317.18
K.	Funds Previously Remitted - Cash Disbursements	
	1 Consolidation rebate fees to Dept. of Ed.	\$ (175,456.44)
	2 Servicing Fees	\$ (57,004.68)
	3 Indenture Trustee Fee	\$ (2,299.11)
	4 Eligible Lender Trustee Fee	\$ (1,000.00)
	5 Owner Trustee Fee	\$ -
	6 Admin Fees	\$ (6,666.67)
	7 Interest Payments - LIBOR Notes	\$ (651,400.73)
	8 Principal Payments - LIBOR Notes	\$ (10,491,011.39)
	9 Funds transferred to the Issuer	\$ (237,040.77)
	10 Total Previously Remitted Fees	\$ (11,621,879.79)
L.	Total Cash Available at 09/30/18 (Collection Fund)	\$ 4,183,584.28

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IV. Series 2016-2 FRN - Notes Payable Detail

	Reset Date	1m LIBOR
A. LIBOR Rate Reset	09/21/18	2.21581%

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%	3.16581%	10/25/2018	30	9/25/2018	10/24/2018	\$ 658,114.61
2. 2016-2 FRN B LIBOR Notes	1.50%	3.71581%	10/25/2018	30	9/25/2018	10/24/2018	\$ 21,675.56
3. Total - 2016-2 FRN Interest Payable							\$ 679,790.17

C. Class B Interest Distribution Amount	
Lesser of:	Amount
Class B interest accrued (B.2)	\$ 21,675.56
Class B Interest Cap (D)	\$ 120,372.57
Plus	
Class B Noteholders' Interest Shortfall	\$ -
Class B Interest Distribution Amount	\$ 21,675.56

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	\$ 1,134,566.87
(ii) non-principal amounts payable to Department	\$ 301,621.31
Total	\$ 844,514.25
<i>less</i>	
(b) accrued Trust expenses	\$ 66,027.07
<i>less</i>	
(c) Class A Noteholders' Interest Distribution Amount	\$ 658,114.61
Class B Interest Cap	\$ 120,372.57

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	\$ -

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V. Principal Distributions and Reserve Fund Reconciliation

A.	Distribution Amounts thru October 25, 2018	Combined	2016-2 Class A	2016-2 Class B
1	Monthly Interest Due	\$ 679,790.17	\$ 658,114.61	\$ 21,675.56
2	Monthly Interest Paid	\$ 679,790.17	\$ 658,114.61	\$ 21,675.56
3	Interest Shortfall	\$ -	\$ -	\$ -
4	Interest Shortfall Due	\$ -	\$ -	\$ -
5	Interest Shortfall Paid	\$ -	\$ -	\$ -
6	Interest Shortfall	\$ -	\$ -	\$ -
7	Monthly Principal Paid	\$ 3,219,300.78	\$ 3,219,300.78	\$ -
8	Total Distribution Amount	\$ 3,899,090.95	\$ 3,877,415.39	\$ 21,675.56

B.	Principal Distribution Amount Reconciliation	Actual Distribution	
1	Notes Outstanding as of 09/30/18	\$ 256,458,284.08	
2	Current Adjusted Pool Balance 09/30/18	\$ 259,205,389.63	
3	less: Specified Overcollateralization Amount 09/30/18	\$ 6,000,000.00	
4	Total (B2-B3)	\$ 253,205,389.63	
5	Total Principal Distribution Amount (B1-B4)	\$ 3,252,894.45	\$ 3,219,300.78

C.	Reserve Fund and Capitalized Interest Fund Reconciliation	Reserve Fund	Cap Int Fund
1	Beginning Period Balance 09/01/18	\$ 2,111,856.42	\$ 7,000,000.00
2	Transfer from Cap Int Fund to the Collection Account	\$ -	\$ (7,000,000.00)
3	Deposits to Reserve Fund	\$ -	\$ -
4	Interest Earned	\$ 3,059.81	\$ 9,998.16
5	Transfer of Interest Earned to the Collection Account	\$ (3,059.81)	\$ (9,998.16)
6	Transfer of Excess Reserve to the Collection Account	\$ (28,854.17)	\$ -
7	Total Fund Balance Available at 09/30/18	\$ 2,083,002.25	\$ -
8	Less: Fund Investment Earnings Pending Transfer to Collection Account	\$ -	\$ -
9	Total Adjusted Reserve Fund Balance Available 09/30/18	\$ 2,083,002.25	\$ -
10	Specified Reserve Fund Balance (greater of .80% of the pool balance or .15% of initial pool balance)	\$ 2,057,185.63	\$ -
11	Cap Int Fund Schedule (Exh C) Balance at 10/25/18	\$ -	\$ -
12	Excess Reserve - Transfer to/ (from) Collection Account	\$ 25,816.62	\$ -
13	Cap Int Fund Schedule (Exh C)- Transfer to Collection Account	\$ -	\$ -

D.	LIBOR Note Balances	9/25/2018	Paydown Factors	10/25/2018
1	2016-2 FRN A LIBOR Notes	\$ 249,458,284.08	\$ 3,219,300.78	\$ 246,238,983.30
2	2016-2 A Pool Factor	0.6639827	0.0085688	0.6554138
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	\$ 256,458,284.08	\$ 3,219,300.78	\$ 253,238,983.30
	Total Note Pool Factor	\$ 0.6701288	\$ 0.0084121	\$ 0.6617167

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VI. Series 2016-2 FRN - Priority of Distributions

Per Distribution Date Certificate			Available Funds Balance	
Total Available Funds				\$ 4,183,584.28
Section 5.02	Transfer of remaining funds in Acquisiton Fund not used to purchase loans or pay acquisition costs	\$ -	\$	4,183,584.28
Section 5.03	Transfer from the Capitalized Interest Fund to the Collection Fund	\$ -	\$	4,183,584.28
Section 5.05(c)	Transfer from the Reserve Fund the amount representing the excess of the Specified Reserve Fund Balance	\$ 25,816.62	\$	4,209,400.90
Section 5.04(c)	Distributions:			
(i)	Payments to the Dept of Ed for Consolidation Rebate Fees	\$ 173,497.12	\$	4,035,903.78
(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;	\$ 70,785.76	\$	3,965,118.02
(iii)(A)	Payment of the Indenture Trustee fee to the Indenture Trustee	\$ 2,176.86	\$	3,962,941.16
(iii)(B)	Payment of the Eligible Lender Trustee fee to the Eligible Lender Trustee	\$ 1,000.00	\$	3,961,941.16
(iii)(C)	Payment of the Owner Trustee Fee to the Owner Trustee (November Distribution Date Only)	\$ -	\$	3,961,941.16
(iv)	Payment of the Administrator Fee to the Administrator	\$ 6,666.67	\$	3,955,274.49
(iv)	Payment of Other Administration Expense to the Administrator (November Distribution only)	\$ -	\$	3,955,274.49
(v)	Payment of the Servicing Fee to the Servicer	\$ 56,183.54	\$	3,899,090.95
(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;	\$ 658,114.61	\$	3,240,976.34
(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;	\$ 21,675.56	\$	3,219,300.78
(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;	\$ -	\$	3,219,300.78
(ix)	to the Class A-1 Noteholders, the Principal Distribution Amount (until paid in full)	\$ 3,219,300.78	\$	-
(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	\$ -	\$	-

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VII. Series 2016-2 Portfolio Characteristics

		Number of Loans		Ending Principal Balance		% of Balance*		Wgt. Avg. Coupon		Wgt. Avg Repayment	
				\$	\$	%	%	%	%	# months	# months
		8/31/2018	9/30/2018	8/31/2018	9/30/2018	8/31/2018	9/30/2018	8/31/2018	9/30/2018	8/31/2018	9/30/2018
A	Borrower Status Distribution:										
	Interim										
	In-School	40	44	191,535	201,780	0.07%	0.08%	5.703%	5.768%	120	120
	Grace	11	3	50,746	19,500	0.02%	0.01%	6.475%	6.656%	120	120
	Repayment										
	Current	26,048	25,722	188,716,075	186,290,567	72.97%	72.94%	5.120%	5.121%	166	166
	31-60 Days Delinquent	844	863	7,103,640	8,672,234	2.75%	3.40%	5.442%	5.379%	176	176
	61-90 Days Delinquent	540	523	5,425,681	4,098,447	2.10%	1.60%	5.685%	5.388%	201	167
	91-120 Days Delinquent	333	377	3,115,295	3,676,280	1.20%	1.44%	5.971%	6.129%	202	202
	121-180 Days Delinquent	568	454	4,543,052	4,033,547	1.76%	1.58%	5.958%	6.020%	168	199
	181-270 Days Delinquent	564	633	5,180,593	5,760,633	2.00%	2.26%	5.844%	5.727%	190	182
> 271 Days Delinquent	306	340	2,217,725	2,416,705	0.86%	0.95%	5.435%	5.604%	157	155	
Total Repayment	29,203	28,912	216,302,061	214,948,412	83.64%	84.16%	5.195%	5.192%	168	168	
Forbearance	2,465	2,315	26,342,487	25,140,051	10.19%	9.84%	5.677%	5.651%	198	200	
Deferment	2,383	2,362	15,726,137	15,084,903	6.08%	5.91%	5.482%	5.530%	179	176	
B	Total Portfolio	34,102	33,636	258,612,967	255,394,646	100%	100%	5.183%	5.181%	168	168

Note: Delinquent means more than 30 days past due

*Percentages may not sum to 100% due to rounding

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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	
			\$	\$	%	%	%	%		
	8/31/2018	9/30/2018	8/31/2018	9/30/2018	8/31/2018	9/30/2018	8/31/2018	9/30/2018	8/31/2018	9/30/2018
A Borrower Status Type:										
1 Loan Type										
1. Subsidized Consolidation Loans	6,745	6,676	79,857,737	78,873,711	30.88%	30.88%	4.821%	4.817%	174	174
2. Unsubsidized Consolidation Loans	7,314	7,235	117,394,883	116,046,272	45.39%	45.44%	5.035%	5.034%	195	194
3. Subsidized Stafford Loans	10,998	10,828	25,533,555	25,151,788	9.87%	9.85%	5.548%	5.548%	101	102
4. Unsubsidized Stafford Loans	8,061	7,931	28,044,261	27,659,917	10.84%	10.83%	5.804%	5.810%	115	116
5. Grad PLUS Loans	162	161	2,274,272	2,260,220	0.88%	0.88%	8.007%	8.028%	175	176
6. PLUS Loans	810	793	5,453,019	5,347,123	2.11%	2.09%	7.565%	7.581%	86	86
7. SLS Loans	12	12	55,241	55,616	0.02%	0.02%	5.463%	5.463%	107	107
Total - Loan Type	34,102	33,636	258,612,967	255,394,646	100%	100%	5.183%	5.181%	168	168
2 Program Type										
1. Graduate	2,104	2,049	15,207,488	14,865,666	5.88%	5.82%	5.989%	5.993%	142	143
2. Undergraduate	27,266	26,905	220,473,163	217,787,301	85.25%	85.27%	5.085%	5.084%	172	172
3. Proprietary	4,732	4,682	22,932,316	22,741,679	8.87%	8.90%	5.589%	5.586%	146	146
Total - Program Type	34,102	33,636	258,612,967	255,394,646	100%	100%	5.183%	5.181%	168	168
3 School Type										
1. 4 Year Private	10,373	10,221	98,630,493	97,302,120	38.14%	38.10%	5.219%	5.218%	179	180
2. 4 Year Public	13,740	13,547	109,131,688	107,855,988	42.20%	42.23%	5.019%	5.018%	166	165
3. 2 Year Private	1,300	1,273	6,483,977	6,377,438	2.51%	2.50%	5.328%	5.326%	160	162
4. 2 Year Public	3,491	3,453	14,738,476	14,608,343	5.70%	5.72%	5.501%	5.502%	142	142
5. Prop/Voc/Tech	4,714	4,664	22,729,087	22,541,938	8.79%	8.83%	5.588%	5.585%	146	146
6. Unkown	484	478	6,899,246	6,708,820	2.67%	2.63%	5.090%	5.073%	179	178
Total - School Type	34,102	33,636	258,612,967	255,394,646	100%	100%	5.183%	5.181%	168	168
4 Rehab / Non Rehab Loans										
1. Non Rehab Loans	27,349	26,942	190,475,214	187,759,589	73.65%	73.52%	5.035%	5.031%	157	157
2. Rehab Loans	6,753	6,694	68,137,752	67,635,058	26.35%	26.48%	5.595%	5.598%	200	200
Total - Rehab / Non Rehab Loans	34,102	33,636	258,612,967	255,394,646	100%	100%	5.183%	5.181%	168	168

*Percentages may not sum to 100% due to rounding

B. Weighted Average Payments Made		
	W.A. Time until repayment (months)	
	8/31/2018	9/30/2018
1. In school	23	29
2. Grace	3	4
3. Deferment	17	18
4. Forbearance	3	3
W.A. Time in Repayment (months)		
5. Repayment	145	146
6. Total Portfolio Weighted Average	120	122

IX. Series 2016-2 FFELP Portfolio Indices

				Ending Principal						Ending Principal		
				Balance	% of Total					Balance	% of Total	
			9/30/2018	9/30/2018				9/30/2018	9/30/2018			
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	26,982	0.01%		SE	Tbill + 3.10%	Variable	4,302	0.00%	
	SB	Tbill + 3.50%	Fixed	79,018	0.03%		SG	Tbill + 3.10%	Variable	330,946	0.13%	
	SD	Tbill + 3.25%	Fixed	154,985	0.06%		SH	Tbill + 2.50%	Variable	15,256	0.01%	
	SD	Tbill + 3.25%	Variable	98	0.00%		SJ	Tbill + 2.20%	Variable	13,400	0.01%	
	SE	Tbill + 3.10%	Fixed	31,927	0.01%		SK	Tbill + 2.80%	Variable	210,168	0.08%	
	SE	Tbill + 3.10%	Variable	42,597	0.02%		LA	1mL + 1.74%	Variable	688,347	0.27%	
	SG	Tbill + 3.10%	Variable	600,718	0.24%		LB	1mL + 2.34%	Variable	5,930,661	2.32%	
	SH	Tbill + 2.50%	Variable	80,067	0.03%		LE	1mL + 1.74% (Neg SAP)	Fixed	945,520	0.37%	
	SJ	Tbill + 2.20%	Variable	41,232	0.02%		LE	1mL + 1.74% (Neg SAP)	Variable	48,004	0.02%	
	SK	Tbill + 2.80%	Variable	346,581	0.14%		LF	1mL + 2.34% (Neg SAP)	Fixed	7,752,448	3.04%	
	LA	1mL + 1.74%	Variable	696,350	0.27%		LF	1mL + 2.34% (Neg SAP)	Variable	531,012	0.21%	
	LB	1mL + 2.34%	Variable	6,321,860	2.48%		LI	1mL + 1.34% (Neg SAP)	Fixed	1,014,709	0.40%	
	LE	1mL + 1.74% (Neg SAP)	Fixed	918,444	0.36%		LJ	1mL + 1.94% (Neg SAP)	Fixed	10,109,339	3.96%	
	LE	1mL + 1.74% (Neg SAP)	Variable	39,107	0.02%		None - Not eligible for SAP			66,513	0.03%	
	LF	1mL + 2.34% (Neg SAP)	Fixed	6,785,422	2.66%							
	LF	1mL + 2.34% (Neg SAP)	Variable	301,242	0.12%							
	LI	1mL + 1.34% (Neg SAP)	Fixed	928,077	0.36%							
	LJ	1mL + 1.94% (Neg SAP)	Fixed	7,682,842	3.01%							
	None - Not eligible for SAP			74,892	0.03%							
	Total - Stafford			25,152,440	9.85%		Total - Unsub Stafford			27,660,622	10.83%	
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	303,361	0.12%		SD	Tbill + 3.25%	Variable	11,189	0.00%	
	SE	Tbill + 3.10%	Fixed	3,349,105	1.31%		SE	Tbill + 3.10%	Variable	50,284	0.02%	
	SG	Tbill + 3.10%	Variable	491,713	0.19%		SG	Tbill + 3.10%	Variable	63,773	0.02%	
	SL	T-bill + 3.10%	Fixed	1,677,948	0.66%		SH	Tbill + 2.50%	Variable	56,484	0.02%	
	LC	1mL + 2.64%	Fixed	91,263,594	35.73%		LD	1mL + 2.64%	Variable	796,083	0.31%	
	LG	1mL + 2.64% (Neg SAP)	Fixed	85,089,795	33.32%		LH	1mL + 2.64% (Neg SAP)	Fixed	4,392,937	1.72%	
	LK	1mL + 2.24% (Neg SAP)	Fixed	12,348,087	4.83%		LH	1mL + 2.64% (Neg SAP)	Variable	26,804	0.01%	
	None - Not eligible for SAP			399,837	0.16%		LM	1mL + 1.94% (Neg SAP)	Fixed	2,231,371	0.87%	
							None - Not eligible for SAP			34,147	0.01%	
	Total - Consolidation			194,923,441	76.32%		Total - Plus/SLS			7,663,072	3.00%	
							E	Credit Balances Loans		(4,929)	0.00%	
							Total Ending Balance at 09/30/18			255,394,646	100%	

X. Payment History, CPRs, and Cumulative Default Rate

A. Payment History and CPRs

Month End Date	Actual Ending Pool Balance	Since Issued CPR
9/30/2018	\$ 257,148,204.00	5.324%
8/31/2018	\$ 260,375,281.83	5.504%
7/31/2018	\$ 263,982,051.99	5.617%
6/30/2018	\$ 268,523,035.55	5.535%
5/31/2018	\$ 272,441,670.70	5.620%
4/30/2018	\$ 275,476,127.88	5.907%
3/31/2018	\$ 280,046,828.58	5.876%
2/28/2018	\$ 285,333,335.54	5.679%
1/31/2018	\$ 289,002,577.15	5.872%
12/31/2017	\$ 292,170,389.97	6.273%
11/30/2017	\$ 296,297,237.80	6.451%
10/31/2017	\$ 299,581,575.82	6.844%
9/30/2017	\$ 305,254,492.14	6.522%
8/31/2017	\$ 310,076,291.67	6.485%
7/31/2017	\$ 314,460,770.16	6.560%
6/30/2017	\$ 318,845,636.29	6.693%
5/31/2017	\$ 323,969,874.56	6.600%
4/30/2017	\$ 328,971,897.18	6.519%
3/31/2017	\$ 335,868,055.61	5.422%
2/28/2017	\$ 342,350,302.65	4.121%
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*	\$ 811,517.26
b. 1-3% write offs	17,188.82
c. Claims filed pending payment	951,261.57
d. Total Current Period Defaults	<u>\$ 1,779,967.65</u>
2. Cumulative Defaults	
a. Claim payments from Guarantor	\$ 30,756,204.66
b. 1-3% write offs	629,297.94
c. Claims filed pending payment	951,261.57
d. Total Cumulative Defaults	<u>\$ 32,336,764.17</u>
3. Cumulative Default (% of original pool balance)	9.06%
4. Cumulative Default (% of cumulative Entered Repayment Balance)	10.03%
5. Cumulative Recoveries	\$ 30,756,204.66
6. Cumulative Recovery Rate (2a/2d)	95.11%
7. Cumulative Net Loss Rate (2b/2d)	1.95%
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: 09/30/18 **Report Period: 09/01/18 - 09/30/18**

XI. Balance Sheet

<u>ASSETS</u>	<u>9/30/2018</u>
Cash	\$ 514,749
Assets Held by Trustee	
Investments	5,809,130
Accrued Interest Receivable	5,389,447
Student Loans Receivable, Net	255,082,646
Premium - Std Ln purchase	<u>71,818</u>
Total Assets	<u><u>266,867,791</u></u>
 <u>LIABILITIES AND NET ASSETS</u>	
Bonds Payable	256,458,284
Discount on Bonds Payable	(563,710)
Accrued Interest Payable	135,958
Other Accounts Payable & Accrued Expenses	239,524
Deferred Outflow	-
Total Liabilities	<u>256,270,056</u>
Net Assets	<u>10,597,734</u>
Total Liabilities and Net Assets	<u><u>266,867,791</u></u>
Parity Ratio	<u>1.0236</u>
Senior Parity Ratio	<u>1.0527</u>

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

Supplemental Report

Report Date: 09/30/18

Report Period: 09/01/18 - 09/30/18

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%				
4/25/2017	\$ 344,962,508	90.1%	\$ 337,962,508	90.0%		\$ 7,000,000	100.0%				
7/25/2017	\$ 327,849,982	85.7%	\$ 320,849,982	85.4%		\$ 7,000,000	100.0%				
10/25/2017	\$ 314,458,356	82.2%	\$ 307,458,356	81.8%		\$ 7,000,000	100.0%				
11/27/2017	\$ 308,868,718	80.7%	\$ 301,868,718	80.3%	91%	\$ 7,000,000	100.0%				100%
1/25/2018	\$ 294,723,829	77.0%	\$ 287,723,829	76.6%		\$ 7,000,000	100.0%				
4/25/2018	\$ 282,778,241	73.9%	\$ 275,778,241	73.4%		\$ 7,000,000	100.0%				
7/25/2018	\$ 271,423,617	70.9%	\$ 264,423,617	70.4%		\$ 7,000,000	100.0%				
10/25/2018	\$ 253,238,983	66.2%	\$ 246,238,983	65.5%		\$ 7,000,000	100.0%				

* Appendix F of 2016-2 PPM

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

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

Supplemental Report

Report Date: 09/30/18

Report Period: 09/01/18 - 09/30/18

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</u>			<u>% of PFH Pool on PFH</u>	<u>PFH Pmt %*</u>	<u>% of PFH Pool w/ \$0 Pmt</u>	<u>Wtg Avg Mths on PFH</u>
							<u>Frb</u>	<u>on PFH</u>	<u>Frb</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%	14.7%	63.4%	25.4		
3/31/2017	\$ 335,868,056	94.1%	6.8%	11.2%	39.8	20.4	19.4	11.5%	14.2%	64.1%	27.2		
6/30/2017	\$ 318,845,636	89.4%	6.4%	11.2%	38.2	20.4	17.9	11.8%	14.9%	62.2%	27.0		
9/30/2017	\$ 305,254,492	85.5%	6.2%	10.7%	39.2	20.8	18.3	12.9%	14.4%	63.3%	28.7		
12/31/2017	\$ 292,170,390	81.9%	6.3%	10.5%	39.9	21.2	18.7	13.4%	14.4%	65.6%	29.3		
3/31/2018	\$ 280,046,829	78.5%	6.3%	10.2%	42.5	22.3	20.2	13.8%	14.6%	67.9%	31.2		
6/30/2018	\$ 268,523,036	75.3%	6.0%	10.1%	43.6	22.8	20.8	14.9%	14.7%	69.2%	32.4		
9/30/2018	\$ 257,148,204	72.1%	5.9%	9.8%	44.0	23.5	20.5	15.6%	13.3%	71.2%	34.1		

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 (active or inactive repayment plan prior to entering PFH)

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

Supplemental Report

Report Date: 09/30/18

Report Period: 09/01/18 - 09/30/18

XIV. Additional Forbearance Detail

<u>EOM</u>	<u>Status at End of Reporting Period</u>	<u>Total Wgt</u>	<u>Wgt Avg Mths on</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 on Frb</u>	<u>Discretionary Frb</u>	<u>on Mandatory Frb</u>	<u>Mths on Frb in 2016-2 Trust</u>	<u>Discretionary Frb in 2016-2 Trust</u>	<u>on Mandatory Frb in 2016-2 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
3/31/2017	Discretionary Frb	34.6	17.8	16.8	3.8	3.5	0.3
	Mandatory Frb	52.5	26.7	25.8	3.7	0.3	3.4
	Total	39.8	20.4	19.4	3.8	2.6	1.2
6/30/2017	Discretionary Frb	33.4	18.0	15.4	5.8	4.9	0.8
	Mandatory Frb	49.9	26.1	23.9	5.4	0.6	4.8
	Total	38.2	20.4	17.9	5.7	3.6	2.0
9/30/2017	Discretionary Frb	33.0	18.5	14.4	7.3	6.4	0.9
	Mandatory Frb	53.1	26.0	27.1	7.2	1.2	5.9
	Total	39.2	20.8	18.3	7.3	4.8	2.5
12/31/2017	Discretionary Frb	34.5	19.1	15.4	9.1	7.6	1.5
	Mandatory Frb	53.7	26.5	27.2	9.2	1.6	7.5
	Total	39.9	21.2	18.7	9.1	5.9	3.2
3/31/2018	Discretionary Frb	37.2	20.5	16.6	11.2	9.2	2.0
	Mandatory Frb	52.6	25.7	26.9	11.3	3.3	8.0
	Total	42.5	22.3	20.2	11.2	7.2	4.1
6/30/2018	Discretionary Frb	36.5	20.7	15.8	12.5	10.4	2.1
	Mandatory Frb	51.8	25.3	26.6	13.0	4.2	8.8
	Total	43.6	22.8	20.8	12.7	7.5	5.2
9/30/2018	Discretionary Frb	37.7	21.4	16.4	14.1	11.9	2.2
	Mandatory Frb	51.6	26.1	25.5	13.2	4.3	8.9
	Total	44.0	23.5	20.5	13.7	8.4	5.2