

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

Distribution Date: 11/26/2018

Reporting Period: 10/01/2018 – 10/31/2018

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: 10/31/18

Report Period: 10/01/18 - 10/31/18

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

A. Pool Balance	9/30/2018	Net Activity	10/31/2018	% of Initial Pool Balance
1. Student Loan - Principal Balance	\$ 255,394,646.30	\$ (2,940,459.13)	\$ 252,454,187.17	
2. Interest expected to be Capitalized	\$ 1,753,557.70	\$ (64,010.82)	\$ 1,689,546.88	
3. Total Pool Balance	\$ 257,148,204.00	\$ (3,004,469.95)	\$ 254,143,734.05	71.22%
4. Student Loan - Accrued Borrower Interest Balance	\$ 5,498,826.58	\$ 18,892.69	\$ 5,517,719.27	
5. Accrued Interest Subsidy & Special Allowance	\$ (128,078.24)	\$ 128,664.02	\$ 585.78	
6. Weighted Average Coupon Rate	5.181%		5.179%	
7. Weighted Average Remaining to Maturity (in months)	169.61		169.58	
8. Number of Loans	33,636		33,107	
9. Number of Borrowers	17,694		17,418	
10. Weighted Average Age of Borrowers	45.8		45.7	

B. Adjusted Pool Balance	9/30/2018	Change	10/31/2018
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)	\$ 2,057,185.63	\$ (24,035.76)	\$ 2,033,149.87
3. Adjusted Pool Balance (A3 + B1 + B2)	\$ 259,205,389.63		\$ 256,176,883.92

C. Other Fund Balances	9/30/2018	Change	10/31/2018
1. Collection Fund	\$ 3,668,835.47	\$ 118,851.64	\$ 3,787,687.11
2. Reserve Fund	\$ 2,083,002.25	\$ (25,816.62)	\$ 2,057,185.63
3. Capitalized Interest Fund	\$ -	\$ -	\$ -
4. Department Rebate Fund	\$ 57,292.48	\$ (56,634.66)	\$ 657.82
5. Acquisition Fund	\$ -	\$ -	\$ -
6. Total - Other Account Balances	\$ 5,809,130.20	\$ 36,400.36	\$ 5,845,530.56

D. Notes Payable	Final Maturity	CUSIP	Spread	9/30/2018	%	10/31/2018	%
1. 2016-2 Class A LIBOR Notes	11/25/2065	69343VAA0	1mL+0.95%	\$ 249,458,284.08	97.27%	\$ 246,238,983.30	97.24%
2. 2016-2 Class B LIBOR Notes	11/25/2065	69343VAB8	1mL+2.50%	\$ 7,000,000.00	2.73%	\$ 7,000,000.00	2.76%
3. Total Notes Payable				\$ 256,458,284.08	100.00%	\$ 253,238,983.30	100.00%

E. Parity Ratio Calculation:	9/30/2018	Change	10/31/2018
1. Student Loan - Principal	\$ 255,394,646.30	\$ (2,940,459.13)	\$ 252,454,187.17
2. Student Loan - Accrued Borrower Interest Expected to be Capitalized	\$ 1,753,557.70	\$ (64,010.82)	\$ 1,689,546.88
3. Pool Balance (E1 + E2)	\$ 257,148,204.00	\$ (3,004,469.95)	\$ 254,143,734.05
4. Capitalized Interest Fund Balance (after giving effect to transfers to be made on Distribution Date)	\$ -	\$ -	\$ -
5. Specified Reserve Fund Balance	\$ 2,057,185.63	\$ (24,035.76)	\$ 2,033,149.87
6. Adjusted Pool Balance (E3+E4+E5)	\$ 259,205,389.63	\$ (3,028,505.71)	\$ 256,176,883.92
7. Outstanding Notes (after giving effect to Distributions to be made on Distribution Date)	\$ 253,238,983.30	\$ (2,950,560.10)	\$ 250,288,423.20
8. Senior Outstanding Notes (after giving effect to Distributions to be made on Distribution Date)	\$ 246,238,983.30	\$ (2,950,560.10)	\$ 243,288,423.20
9. Net Assets (E6-E7)	\$ 5,966,406.33	\$ (77,945.61)	\$ 5,888,460.72
10. Parity Ratio (E6/E7)	1.0236		1.0235
11. Senior Parity Ratio (E6/E8)	1.0527		1.0530

F. Specified Overcollateralization Amount	9/30/2018	10/31/2018
1. 2.25% of current Adjusted Pool Balance	\$ 5,832,121.27	\$ 5,763,979.89
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

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

Statement to Noteholders

Report Date: 10/31/18

Report Period: 10/01/18 - 10/31/18

II. Series 2016-2 FRN Transactions and Accruals

		Beg/End Balances
A.	Student Loan Cash Principal Activity	255,394,646.30
	1 Borrower Payments	\$ (1,986,303.57)
	2 Claim Payments	\$ (735,172.62)
	3 Consolidation Payoffs	\$ (565,575.07)
	4 Other Cash Payments from Servicer	\$ 2,255.30
	5 Acquisitions / Sales	\$ -
	6 Total Principal Cash Activity	\$ (3,284,795.96)
B.	Student Loan Non-Cash Principal Activity	
	1 Capitalized Interest	\$ 345,331.97
	2 Cancellations / Reissues	\$ -
	3 Amounts due to / (from) Servicer for non-cash adjustments	\$ (27.50)
	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	\$ (967.64)
	9 Total Non-Cash Principal Activity	\$ 344,336.83
C.	Total Student Loan Principal Activity	\$ (2,940,459.13)
D.	Student Loan Cash Interest Activity	5,370,748.34
	1 Borrower Payments (includes Late Fees)	\$ (663,055.45)
	2 Claim Payments	\$ (24,083.92)
	3 Consolidation Payoffs	\$ (8,138.88)
	4 Other Cash Payments from Servicer	\$ -
	5 Acquisitions / Sales	\$ -
	6 Subsidy Payments (ISP)	\$ (197,861.46)
	7 Special Allowance Payments (SAP)	\$ 325,281.88
	8 Total Interest Collections	\$ (567,857.83)
E.	Student Loan Non-Cash Interest Activity	
	1 Borrower Accruals	\$ 1,103,126.76
	2 Interest Subsidy Payment Accrual	\$ 55,534.95
	3 Special Allowance Payment Accrual Estimate	\$ (54,949.17)
	4 Prior Quarter Interest Subsidy & Special Allowance Accrual Adjustment	\$ 657.82
	5 Capitalized Interest	\$ (345,331.97)
	6 Amounts due to / (from) Servicer for non-cash adjustments	\$ -
	7 Amounts due to / (from) Dept of Ed. - Direct Consolidation payments	\$ -
	8 Other Adjustments	\$ (43,623.85)
	9 Total Non-Cash Interest Activity	\$ 715,414.54
F.	Total Student Loan Interest Activity	\$ 147,556.71
G.	Non-Reimbursable Losses During Collection Period	\$ (13,542.42)
H.	Cumulative Non-Reimbursable Losses to Date	\$ (710,596.16)
		\$ 257,972,492.22

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

Statement to Noteholders

Report Date: 10/31/18

Report Period: 10/01/18 - 10/31/18

III. Series 2016-2 FRN - Collection Account Reconciliation

Cash Receipts & Disbursements for the period

	Beginning Cash Balance	\$ 4,183,584.28
A.	Principal Cash Collections	
	1 Principal Payments Received - Borrower Payments	\$ 1,986,303.57
	2 Principal Payments Received - Claim Payments	\$ 735,172.62
	3 Principal Payments Received - Consolidation Payoffs	\$ 565,575.07
	4 Principal Payments Received - Other Payments from Servicer	\$ (2,255.30)
	5 Principal Payments Received - Sales	\$ -
	6 Total Principal Collections	\$ 3,284,795.96
B.	Interest Cash Collections	
	1 Interest Payments Received - Borrower Payments (includes Late Fees)	\$ 663,055.45
	2 Interest Payments Received - Claim Payments	\$ 24,083.92
	3 Interest Payments Received - Consolidation Payoffs	\$ 8,138.88
	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	\$ 695,278.25
C.	Reimbursements (to)/from Servicer	\$ -
D.	Reimbursements from Servicer for Keystone Rebate Fees	\$ 8.75
E.	Reimbursements from Rehab Adjustments	\$ 168.48
F.	Transfer from Aquisition Fund	\$ -
G.	Transfer from Capitalized Interest Fund	\$ -
H.	Transfer from Reserve Fund	\$ 25,816.62
I.	Transfers to Department Rebate Fund	\$ (70,785.76)
J.	Investment Earnings	
	1 Collection Account Investment Earnings	\$ 7,705.23
	2 Rebate Fund Investment Earnings	\$ 48.67
	3 Acquisition Fund Investment Earnings	\$ -
	4 Capitalized Bond Interest Fund Investment Earnings	\$ 7,925.56
	5 Reserve Fund Investment Earnings	\$ 3,018.99
	6 Total Investment Earnings	\$ 18,698.45
K.	Funds Previously Remitted - Cash Disbursements	
	1 Consolidation rebate fees to Dept. of Ed.	\$ (173,497.12)
	2 Servicing Fees	\$ (56,183.54)
	3 Indenture Trustee Fee	\$ (2,176.86)
	4 Eligible Lender Trustee Fee	\$ (1,000.00)
	5 Owner Trustee Fee	\$ -
	6 Admin Fees	\$ (6,666.67)
	7 Interest Payments - LIBOR Notes	\$ (679,790.17)
	8 Principal Payments - LIBOR Notes	\$ (3,219,300.78)
	9 Funds transferred to the Issuer	\$ -
	10 Total Previously Remitted Fees	\$ (4,138,615.14)
L.	Total Cash Available at 10/31/18 (Collection Fund)	\$ 3,998,949.89

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

Statement to Noteholders

Report Date: 10/31/18

Report Period: 10/01/18 - 10/31/18

IV. Series 2016-2 FRN - Notes Payable Detail

	Reset Date	1m LIBOR
A. LIBOR Rate Reset	10/23/18	2.28138%

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%	3.23138%	11/26/2018	32	10/25/2018	11/25/2018	\$ 707,281.53
2. 2016-2 FRN B LIBOR Notes	1.50%	3.78138%	11/26/2018	32	10/25/2018	11/25/2018	\$ 23,528.59
3. Total - 2016-2 FRN Interest Payable							\$ 730,810.12

C. Class B Interest Distribution Amount	
Lesser of:	Amount
Class B interest accrued (B.2)	\$ 23,528.59
Class B Interest Cap (D)	\$ 67,756.50
Plus	
Class B Noteholders' Interest Shortfall	\$ -
Class B Interest Distribution Amount	\$ 23,528.59

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	\$ 1,158,661.71
(ii) non-principal amounts payable to Department	\$ 226,915.60
Total	\$ 944,687.03
<i>less</i>	
(b) accrued Trust expenses	\$ 169,649.00
<i>less</i>	
(c) Class A Noteholders' Interest Distribution Amount	\$ 707,281.53
Class B Interest Cap	\$ 67,756.50

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: 10/31/18

Report Period: 10/01/18 - 10/31/18

V. Principal Distributions and Reserve Fund Reconciliation

A.	Distribution Amounts thru November 26, 2018	Combined	2016-2 Class A	2016-2 Class B
1	Monthly Interest Due	\$ 730,810.12	\$ 707,281.53	\$ 23,528.59
2	Monthly Interest Paid	\$ 730,810.12	\$ 707,281.53	\$ 23,528.59
3	Interest Shortfall	\$ -	\$ -	\$ -
4	Interest Shortfall Due	\$ -	\$ -	\$ -
5	Interest Shortfall Paid	\$ -	\$ -	\$ -
6	Interest Shortfall	\$ -	\$ -	\$ -
7	Monthly Principal Paid	\$ 2,950,560.10	\$ 2,950,560.10	\$ -
8	Total Distribution Amount	\$ 3,681,370.22	\$ 3,657,841.63	\$ 23,528.59

B.	Principal Distribution Amount Reconciliation	Actual Distribution	
1	Notes Outstanding as of 10/31/18	\$ 253,238,983.30	
2	Current Adjusted Pool Balance 10/31/18	\$ 256,176,883.92	
3	less: Specified Overcollateralization Amount 10/31/18	\$ 6,000,000.00	
4	Total (B2-B3)	\$ 250,176,883.92	
5	Total Principal Distribution Amount (B1-B4)	\$ 3,062,099.38	\$ 2,950,560.10

C.	Reserve Fund and Capitalized Interest Fund Reconciliation	Reserve Fund	Cap Int Fund
1	Beginning Period Balance 10/01/18	\$ 2,083,002.25	\$ -
2	Transfer from Cap Int Fund to the Collection Account	\$ -	\$ -
3	Deposits to Reserve Fund	\$ -	\$ -
4	Interest Earned	\$ 3,018.99	\$ 7,925.56
5	Transfer of Interest Earned to the Collection Account	\$ (3,018.99)	\$ (7,925.56)
6	Transfer of Excess Reserve to the Collection Account	\$ (25,816.62)	\$ -
7	Total Fund Balance Available at 10/31/18	\$ 2,057,185.63	\$ -
8	Less: Fund Investment Earnings Pending Transfer to Collection Account	\$ -	\$ -
9	Total Adjusted Reserve Fund Balance Available 10/31/18	\$ 2,057,185.63	\$ -
10	Specified Reserve Fund Balance (greater of .80% of the pool balance or .15% of initial pool balance)	\$ 2,033,149.87	\$ -
11	Cap Int Fund Schedule (Exh C) Balance at 11/26/18	\$ -	\$ -
12	Excess Reserve - Transfer to/ (from) Collection Account	\$ 24,035.76	\$ -
13	Cap Int Fund Schedule (Exh C)- Transfer to Collection Account	\$ -	\$ -

D.	LIBOR Note Balances	10/25/2018	Paydown Factors	11/26/2018
1	2016-2 FRN A LIBOR Notes	\$ 246,238,983.30	\$ 2,950,560.10	\$ 243,288,423.20
2	2016-2 A Pool Factor	0.6554138	0.0078535	0.6475603
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	\$ 253,238,983.30	\$ 2,950,560.10	\$ 250,288,423.20
	Total Note Pool Factor	\$ 0.6617167	\$ 0.0077099	\$ 0.6540069

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

Statement to Noteholders

Report Date: 10/31/18

Report Period: 10/01/18 - 10/31/18

VI. Series 2016-2 FRN - Priority of Distributions

		Per Distribution Date Certificate	Available Funds Balance	
		Total Available Funds	\$ 3,998,949.89	
Section 5.02	Transfer of remaining funds in Acquisiton Fund not used to purchase loans or pay acquisition costs	\$ -	\$	3,998,949.89
Section 5.03	Transfer from the Capitalized Interest Fund to the Collection Fund	\$ -	\$	3,998,949.89
Section 5.05(c)	Transfer from the Reserve Fund the amount representing the excess of the Specified Reserve Fund Balance	\$ 24,035.76	\$	4,022,985.65
Section 5.04(c)	Distributions:			
(i)	Payments to the Dept of Ed for Consolidation Rebate Fees	\$ 171,966.43	\$	3,851,019.22
(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;	\$ -	\$	3,851,019.22
(iii)(A)	Payment of the Indenture Trustee fee to the Indenture Trustee	\$ 2,171.96	\$	3,848,847.26
(iii)(B)	Payment of the Eligible Lender Trustee fee to the Eligible Lender Trustee	\$ 1,000.00	\$	3,847,847.26
(iii)(C)	Payment of the Owner Trustee Fee to the Owner Trustee (November Distribution Date Only)	\$ 4,500.00	\$	3,843,347.26
(iv)	Payment of the Administrator Fee to the Administrator	\$ 6,666.67	\$	3,836,680.59
(iv)	Payment of Other Administration Expense to the Administrator (November Distribution only)	\$ 100,000.00	\$	3,736,680.59
(v)	Payment of the Servicing Fee to the Servicer	\$ 55,310.37	\$	3,681,370.22
(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;	\$ 707,281.53	\$	2,974,088.69
(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;	\$ 23,528.59	\$	2,950,560.10
(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;	\$ -	\$	2,950,560.10
(ix)	to the Class A-1 Noteholders, the Principal Distribution Amount (until paid in full)	\$ 2,950,560.10	\$	-
(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: 10/31/18

Report Period: 10/01/18 - 10/31/18

VII. Series 2016-2 Portfolio Characteristics

		Number of Loans		Ending Principal Balance		% of Balance*		Wgt. Avg. Coupon		Wgt. Avg Repayment	
				\$	\$	%	%	%	%	# months	# months
		9/30/2018	10/31/2018	9/30/2018	10/31/2018	9/30/2018	10/31/2018	9/30/2018	10/31/2018	9/30/2018	10/31/2018
A	Borrower Status Distribution:										
	Interim										
	In-School	44	37	201,780	182,655	0.08%	0.07%	5.768%	5.698%	120	120
	Grace	3	8	19,500	38,625	0.01%	0.02%	6.656%	6.546%	120	117
	Repayment										
	Current	25,722	25,500	186,290,567	186,375,323	72.94%	73.83%	5.121%	5.125%	166	166
	31-60 Days Delinquent	863	699	8,672,234	6,760,076	3.40%	2.68%	5.379%	5.533%	176	191
	61-90 Days Delinquent	523	432	4,098,447	3,996,017	1.60%	1.58%	5.388%	5.422%	167	174
	91-120 Days Delinquent	377	375	3,676,280	3,129,783	1.44%	1.24%	6.129%	5.661%	202	165
	121-180 Days Delinquent	454	449	4,033,547	4,525,104	1.58%	1.79%	6.020%	5.865%	199	208
	181-270 Days Delinquent	633	613	5,760,633	5,555,794	2.26%	2.20%	5.727%	5.737%	182	183
> 271 Days Delinquent	340	347	2,416,705	2,436,775	0.95%	0.97%	5.604%	5.709%	155	163	
Total Repayment	28,912	28,415	214,948,412	212,778,873	84.16%	84.28%	5.192%	5.190%	168	168	
Forbearance	2,315	2,362	25,140,051	24,833,812	9.84%	9.84%	5.651%	5.671%	200	202	
Deferment	2,362	2,285	15,084,903	14,620,222	5.91%	5.79%	5.530%	5.530%	176	175	
B	Total Portfolio	33,636	33,107	255,394,646	252,454,187	100%	100%	5.181%	5.180%	168	168

Note: Delinquent means more than 30 days past due

*Percentages may not sum to 100% due to rounding

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

Statement to Noteholders

Report Date: 10/31/18

Report Period: 10/01/18 - 10/31/18

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	
			\$	\$	%	%	%	%		
	9/30/2018	10/31/2018	9/30/2018	10/31/2018	9/30/2018	10/31/2018	9/30/2018	10/31/2018	9/30/2018	10/31/2018
A Borrower Status Type:										
1 Loan Type										
1. Subsidized Consolidation Loans	6,676	6,612	78,873,711	78,285,715	30.88%	31.01%	4.817%	4.821%	174	174
2. Unsubsidized Consolidation Loans	7,235	7,159	116,046,272	114,894,182	45.44%	45.51%	5.034%	5.032%	194	194
3. Subsidized Stafford Loans	10,828	10,615	25,151,788	24,648,487	9.85%	9.76%	5.548%	5.551%	102	102
4. Unsubsidized Stafford Loans	7,931	7,787	27,659,917	27,173,875	10.83%	10.76%	5.810%	5.814%	116	116
5. Grad PLUS Loans	161	160	2,260,220	2,252,838	0.88%	0.89%	8.028%	8.028%	176	176
6. PLUS Loans	793	763	5,347,123	5,143,835	2.09%	2.04%	7.581%	7.567%	86	87
7. SLS Loans	12	11	55,616	55,257	0.02%	0.02%	5.463%	5.462%	107	107
Total - Loan Type	33,636	33,107	255,394,646	252,454,187	100%	100%	5.181%	5.180%	168	168
2 Program Type										
1. Graduate	2,049	1,987	14,865,666	14,516,663	5.82%	5.75%	5.993%	6.004%	143	144
2. Undergraduate	26,905	26,498	217,787,301	215,447,075	85.27%	85.34%	5.084%	5.082%	172	172
3. Proprietary	4,682	4,622	22,741,679	22,490,449	8.90%	8.91%	5.586%	5.588%	146	146
Total - Program Type	33,636	33,107	255,394,646	252,454,187	100%	100%	5.181%	5.180%	168	168
3 School Type										
1. 4 Year Private	10,221	10,018	97,302,120	96,027,500	38.10%	38.04%	5.218%	5.217%	180	180
2. 4 Year Public	13,547	13,363	107,855,988	106,759,758	42.23%	42.29%	5.018%	5.016%	165	165
3. 2 Year Private	1,273	1,247	6,377,438	6,293,802	2.50%	2.49%	5.326%	5.339%	162	162
4. 2 Year Public	3,453	3,403	14,608,343	14,391,675	5.72%	5.70%	5.502%	5.498%	142	143
5. Prop/Voc/Tech	4,664	4,604	22,541,938	22,292,069	8.83%	8.83%	5.585%	5.587%	146	146
6. Unkown	478	472	6,708,820	6,689,384	2.63%	2.65%	5.073%	5.073%	178	176
Total - School Type	33,636	33,107	255,394,646	252,454,187	100%	100%	5.181%	5.180%	168	168
4 Rehab / Non Rehab Loans										
1. Non Rehab Loans	26,942	26,483	187,759,589	185,332,080	73.52%	73.41%	5.031%	5.029%	157	156
2. Rehab Loans	6,694	6,624	67,635,058	67,122,108	26.48%	26.59%	5.598%	5.595%	200	200
Total - Rehab / Non Rehab Loans	33,636	33,107	255,394,646	252,454,187	100%	100%	5.181%	5.180%	168	168

*Percentages may not sum to 100% due to rounding

B. Weighted Average Payments Made		
	W.A. Time until repayment (months)	
	9/30/2018	10/31/2018
1. In school	29	24
2. Grace	4	3
3. Deferment	18	18
4. Forbearance	3	3
W.A. Time in Repayment (months)		
5. Repayment	146	147
6. Total Portfolio Weighted Average	122	123

IX. Series 2016-2 FFELP Portfolio Indices

			Ending Principal					Ending Principal		
			Balance	% of Total				Balance	% of Total	
			10/31/2018	10/31/2018				10/31/2018	10/31/2018	
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	27,092	0.01%	SE	Tbill + 3.10%	Variable	4,302	0.00%
	SB	Tbill + 3.50%	Fixed	78,649	0.03%	SG	Tbill + 3.10%	Variable	328,907	0.13%
	SD	Tbill + 3.25%	Fixed	154,113	0.06%	SH	Tbill + 2.50%	Variable	15,256	0.01%
	SD	Tbill + 3.25%	Variable	81	0.00%	SJ	Tbill + 2.20%	Variable	13,411	0.01%
	SE	Tbill + 3.10%	Fixed	31,851	0.01%	SK	Tbill + 2.80%	Variable	210,371	0.08%
	SE	Tbill + 3.10%	Variable	42,292	0.02%	LA	1mL + 1.74%	Variable	694,692	0.28%
	SG	Tbill + 3.10%	Variable	595,277	0.24%	LB	1mL + 2.34%	Variable	5,813,426	2.30%
	SH	Tbill + 2.50%	Variable	80,067	0.03%	LE	1mL + 1.74% (Neg SAP)	Fixed	963,095	0.38%
	SJ	Tbill + 2.20%	Variable	41,232	0.02%	LE	1mL + 1.74% (Neg SAP)	Variable	48,422	0.02%
	SK	Tbill + 2.80%	Variable	344,442	0.14%	LF	1mL + 2.34% (Neg SAP)	Fixed	7,573,799	3.00%
	LA	1mL + 1.74%	Variable	693,596	0.27%	LF	1mL + 2.34% (Neg SAP)	Variable	511,837	0.20%
	LB	1mL + 2.34%	Variable	6,178,238	2.45%	LI	1mL + 1.34% (Neg SAP)	Fixed	1,021,934	0.40%
	LE	1mL + 1.74% (Neg SAP)	Fixed	912,731	0.36%	LJ	1mL + 1.94% (Neg SAP)	Fixed	9,926,439	3.93%
	LE	1mL + 1.74% (Neg SAP)	Variable	39,127	0.02%	None - Not eligible for SAP			49,290	0.02%
	LF	1mL + 2.34% (Neg SAP)	Fixed	6,644,054	2.63%					
	LF	1mL + 2.34% (Neg SAP)	Variable	291,716	0.12%					
	LI	1mL + 1.34% (Neg SAP)	Fixed	928,457	0.37%					
	LJ	1mL + 1.94% (Neg SAP)	Fixed	7,518,864	2.98%					
	None - Not eligible for SAP			47,978	0.02%					
	Total - Stafford			24,649,856	9.76%	Total - Unsub Stafford			27,175,180	10.76%
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	301,072	0.12%	SD	Tbill + 3.25%	Variable	10,933	0.00%
	SE	Tbill + 3.10%	Fixed	3,318,629	1.31%	SE	Tbill + 3.10%	Variable	50,109	0.02%
	SG	Tbill + 3.10%	Variable	489,867	0.19%	SG	Tbill + 3.10%	Variable	63,237	0.03%
	SL	T-bill + 3.10%	Fixed	1,671,904	0.66%	SH	Tbill + 2.50%	Variable	56,415	0.02%
	LC	1mL + 2.64%	Fixed	90,487,401	35.84%	LD	1mL + 2.64%	Variable	784,864	0.31%
	LG	1mL + 2.64% (Neg SAP)	Fixed	84,427,564	33.44%	LH	1mL + 2.64% (Neg SAP)	Fixed	4,252,806	1.68%
	LK	1mL + 2.24% (Neg SAP)	Fixed	12,142,358	4.81%	LH	1mL + 2.64% (Neg SAP)	Variable	26,637	0.01%
	None - Not eligible for SAP			342,796	0.14%	LM	1mL + 1.94% (Neg SAP)	Fixed	2,173,871	0.86%
						None - Not eligible for SAP			33,998	0.01%
	Total - Consolidation			193,181,591	76.52%	Total - Plus/SLS			7,452,869	2.95%
						E Credit Balances Loans			(5,309)	0.00%
						Total Ending Balance at 10/31/18			252,454,187	100%

X. Payment History, CPRs, and Cumulative Default Rate

A. Payment History and CPRs

Month End Date	Actual Ending Pool Balance	Since Issued CPR
10/31/2018	\$ 254,143,734.05	5.125%
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*	\$ 759,256.54
b. 1-3% write offs	12,648.80
c. Claims filed pending payment	849,631.82
d. Total Current Period Defaults	<u>\$ 1,621,537.16</u>
2. Cumulative Defaults	
a. Claim payments from Guarantor	\$ 31,515,461.20
b. 1-3% write offs	641,946.74
c. Claims filed pending payment	849,631.82
d. Total Cumulative Defaults	<u>\$ 33,007,039.76</u>
3. Cumulative Default (% of original pool balance)	9.25%
4. Cumulative Default (% of cumulative Entered Repayment Balance)	10.21%
5. Cumulative Recoveries	\$ 31,515,461.20
6. Cumulative Recovery Rate (2a/2d)	95.48%
7. Cumulative Net Loss Rate (2b/2d)	1.94%
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: 10/31/18

Report Period: 10/01/18 - 10/31/18

XI. Balance Sheet

<u>ASSETS</u>	<u>10/31/2018</u>
Cash	\$ 211,263
Assets Held by Trustee	
Investments	5,845,531
Accrued Interest Receivable	5,529,503
Student Loans Receivable, Net	252,174,187
Premium - Std Ln purchase	<u>68,510</u>
Total Assets	<u><u>263,828,994</u></u>
 <u>LIABILITIES AND NET ASSETS</u>	
Bonds Payable	252,684,571
Discount on Bonds Payable	(554,412)
Accrued Interest Payable	714,277
Other Accounts Payable & Accrued Expenses	337,115
Deferred Outflow	-
Total Liabilities	<u>253,181,552</u>
Net Assets	<u>10,647,442</u>
Total Liabilities and Net Assets	<u><u>263,828,994</u></u>
Parity Ratio	<u>1.0235</u>
Senior Parity Ratio	<u>1.0530</u>

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

Supplemental Report

Report Date: 10/31/18

Report Period: 10/01/18 - 10/31/18

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%				
11/26/2018	\$ 250,288,423	65.4%	\$ 243,288,423	64.8%	76%	\$ 7,000,000	100.0%				100%

* 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: 10/31/18

Report Period: 10/01/18 - 10/31/18

XIII. Historical Loan Portfolio Characteristics

<u>EOM</u>	<u>O/S Pool Bal</u>	<u>% of Orig Pool Bal</u>	<u>% of Pool on Defer</u>	<u>% of Pool on Frb</u>	<u>Total Wgt Avg Mths on Frb</u>	<u>Wgt Avg Mths on Disc Frb</u>	<u>Wgt Avg Mths on Mand Frb</u>	<u># of Bwrs on PFH</u>	<u>PFH Prin Bal</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>
11/22/2016	\$ 356,839,525	100.0%											
12/31/2016	\$ 352,681,754	98.8%	6.9%	12.3%	39.2	20.2	19.0	1,716	\$ 37,469,967	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	1,782	\$ 38,666,183	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	1,713	\$ 37,781,239	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	1,764	\$ 39,414,446	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	1,802	\$ 39,056,793	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	1,802	\$ 38,514,518	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	1,865	\$ 39,899,248	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	1,886	\$ 40,106,661	15.6%	13.3%	71.2%	34.1
10/31/2018	\$ 254,143,734	71.2%	5.8%	9.8%	43.4	23.4	19.9	1,880	\$ 40,409,993	15.9%	14.4%	69.9%	34.7

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: 10/31/18

Report Period: 10/01/18 - 10/31/18

XIV. Additional Forbearance Detail

<u>EOM</u>	<u>Status at End of Reporting Period</u>	<u>Total Wgt Avg Mths</u>		<u>Wgt Avg Mths on Mandatory Frb</u>	<u>Total Wgt Avg Mths on Frb in 2016-2 Trust</u>	<u>Wgt Avg Mths on Discretionary Frb in 2016-2 Trust</u>	<u>Wgt Avg Mths on Mandatory Frb in 2016-2 Trust</u>
		<u>on Frb</u>	<u>Discretionary Frb</u>	<u>Frb</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
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
10/31/2018	Discretionary Frb	37.0	21.2	15.8	14.9	12.3	2.6
	Mandatory Frb	50.5	25.9	24.6	14.6	5.1	9.5
	Total	43.4	23.4	19.9	14.8	8.9	5.8