

PHEAA Student Loan Trust 2016-2 FRN
Monthly Servicing Report

Distribution Date: 01/25/2017

Reporting Period: 11/22/2016 – 12/31/2016

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: 12/31/16

Report Period: 11/22/16 - 12/31/16

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

A. Pool Balance	11/22/2016	Net Activity	12/31/2016	% of Initial Pool Balance
1. Student Loan - Principal Balance	\$ 354,216,511.10	\$ (4,338,265.09)	\$ 349,878,246.01	98.83%
2. Interest expected to be Capitalized	\$ 2,623,013.67	\$ 180,494.15	\$ 2,803,507.82	
3. Total Pool Balance	\$ 356,839,524.77	\$ (4,157,770.94)	\$ 352,681,753.83	
4. Student Loan - Accrued Borrower Interest Balance	\$ 5,876,950.92	\$ 300,467.07	\$ 6,177,417.99	
5. Accrued Interest Subsidy & Special Allowance	\$ -	\$ (516,744.28)	\$ (516,744.28)	
6. Weighted Average Coupon Rate	5.109%		5.109%	
7. Weighted Average Remaining to Maturity (in months)	174.03		173.85	
8. Number of Loans	47,742		47,247	
9. Number of Borrowers	25,605		25,193	

B. Adjusted Pool Balance	11/22/2016	Change	12/31/2016
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)	\$ 2,854,716.20	\$ (33,262.17)	\$ 2,821,454.03
3. Adjusted Pool Balance (A3 + B1 + B2)	\$ 373,694,240.97		\$ 369,503,207.86

C. Other Fund Balances	11/22/2016	Change	12/31/2016
1. Collection Fund	\$ -	\$ 5,329,205.01	\$ 5,329,205.01
2. Reserve Fund	\$ 1,871,835.00	\$ -	\$ 1,871,835.00
3. Capitalized Interest Fund	\$ 14,000,000.00	\$ -	\$ 14,000,000.00
4. Department Rebate Fund	\$ -	\$ -	\$ -
5. Acquisition Fund	\$ 364,360,061.00	\$ (346,697,420.77)	\$ 17,662,640.23
a. Acquisition Fund less Cost of Issuance	\$ 17,642,640.23		
6. Total - Other Account Balances	\$ 380,231,896.00	\$ (341,368,215.76)	\$ 38,863,680.24

D. Notes Payable	Final Maturity	CUSIP	Spread	11/22/2016	%	12/31/2016	%
1. 2016-2 Class A LIBOR Notes	11/25/2065	69343VAA0	1mL+0.95%	\$ 375,700,000.00	98.17%	\$ 375,700,000.00	98.17%
2. 2016-2 Class B LIBOR Notes	11/25/2065	69343VAB8	1mL+2.50%	\$ 7,000,000.00	1.83%	\$ 7,000,000.00	1.83%
3. Total Notes Payable				\$ 382,700,000.00	100.00%	\$ 382,700,000.00	100.00%

E. Parity Ratio Calculation:	11/22/2016	Change	12/31/2016
1. Student Loan - Principal	\$ 354,216,511.10	\$ (4,338,265.09)	\$ 349,878,246.01
2. Student Loan - Accrued Borrower Interest Expected to be Capitalized	\$ 2,623,013.67	\$ 180,494.15	\$ 2,803,507.82
3. Pool Balance (E1 + E2)	\$ 356,839,524.77	\$ (4,157,770.94)	\$ 352,681,753.83
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	\$ 2,854,716.20	\$ (33,262.17)	\$ 2,821,454.03
6. Adjusted Pool Balance (E3+E4+E5)	\$ 373,694,240.97	\$ (4,191,033.11)	\$ 369,503,207.86
7. Outstanding Notes (after giving effect to Distributions to be made on Distribution Date)	\$ 382,700,000.00	\$ (20,417,241.59)	\$ 362,282,758.41
8. Senior Outstanding Notes (after giving effect to Distributions to be made on Distribution Date)	\$ 375,700,000.00	\$ (20,417,241.59)	\$ 355,282,758.41
9. Net Assets at close (C2+C3+C5A+E3-E7) at 12/31/16 (E6-E7)	\$ 7,654,000.00	\$ (433,550.55)	\$ 7,220,449.45
10. Parity Ratio at close ((C2+C3+C5A+E3)/(E7)) at 12/31/16 (E6/E7)	1.0200		1.0199
11. Senior Parity Ratio ((C2+C3+C5A+E3)/(E8)) at 12/31/16 (E6/E8)	1.0390		1.0400

F. Specified Overcollateralization Amount		
1. 2.25% of current Adjusted Pool Balance	\$ 8,408,120.42	\$ 8,313,822.18
2. Specified Overcollateralization minimum	\$ 6,000,000.00	\$ 6,000,000.00
3. Specified Overcollateralization Amount (greater of F1 and F2)	\$ 8,408,120.42	\$ 8,313,822.18

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

Statement to Noteholders

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Report Period: 11/22/16 - 12/31/16

II. Series 2016-2 FRN Transactions and Accruals

		Beg/End Balances
A.	Student Loan Cash Principal Activity	-
	1 Borrower Payments	\$ (2,947,515.50)
	2 Claim Payments	\$ (333,967.62)
	3 Consolidation Payoffs	\$ (1,526,566.46)
	4 Other Cash Payments from Servicer	\$ 1,974.26
	5 Acquisitions / Sales	\$ 354,216,511.10
	6 Total Principal Cash Activity	\$ 349,410,435.78
B.	Student Loan Non-Cash Principal Activity	
	1 Capitalized Interest	\$ 484,478.97
	2 Cancellations / Reissues	\$ -
	3 Amounts due to / (from) Servicer for non-cash adjustments	\$ (153.75)
	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	\$ (16,514.99)
	9 Total Non-Cash Principal Activity	\$ 467,810.23
C.	Total Student Loan Principal Activity	\$ 349,878,246.01
D.	Student Loan Cash Interest Activity	-
	1 Borrower Payments (includes Late Fees)	\$ (1,061,397.35)
	2 Claim Payments	\$ (9,115.10)
	3 Consolidation Payoffs	\$ (23,028.25)
	4 Other Cash Payments from Servicer	\$ -
	5 Acquisitions / Sales	\$ 5,876,950.92
	6 Subsidy Payments (ISP)	\$ -
	7 Special Allowance Payments (SAP)	\$ -
	8 Total Interest Collections	\$ 4,783,410.22
E.	Student Loan Non-Cash Interest Activity	
	1 Borrower Accruals	\$ 1,919,194.71
	2 Interest Subsidy Payment Accrual	\$ 139,417.42
	3 Special Allowance Payment Accrual Estimate	\$ (656,161.70)
	4 Prior Quarter Interest Subsidy & Special Allowance Accrual Adjustment	\$ -
	5 Capitalized Interest	\$ (484,478.97)
	6 Amounts due to / (from) Servicer for non-cash adjustments	\$ -
	7 Amounts due to / (from) Dept of Ed. - Direct Consolidation payments	\$ -
	8 Other Adjustments	\$ (40,707.97)
	9 Total Non-Cash Interest Activity	\$ 877,263.49
F.	Total Student Loan Interest Activity	\$ 5,660,673.71
G.	Non-Reimbursable Losses During Collection Period	\$ (25,608.34)
H.	Cumulative Non-Reimbursable Losses to Date	\$ (25,608.34)
		\$ 355,538,919.72

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

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III. Series 2016-2 FRN - Collection Account Reconciliation

Cash Receipts & Disbursements for the period

Beginning Cash Balance		\$ -
A.	Principal Cash Collections	
	1 Principal Payments Received - Borrower Payments	\$ 2,947,515.50
	2 Principal Payments Received - Claim Payments	\$ 333,967.62
	3 Principal Payments Received - Consolidation Payoffs	\$ 1,526,566.46
	4 Principal Payments Received - Other Payments from Servicer	\$ (1,974.26)
	5 Principal Payments Received - Sales	\$ -
	6 Total Principal Collections	\$ 4,806,075.32
B.	Interest Cash Collections	
	1 Interest Payments Received - Borrower Payments (includes Late Fees)	\$ 1,061,397.35
	2 Interest Payments Received - Claim Payments	\$ 9,115.10
	3 Interest Payments Received - Consolidation Payoffs	\$ 23,028.25
	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	\$ 1,093,540.70
C.	Reimbursements from Servicer	\$ -
D.	Reimbursements from Rehab Adjustments	\$ -
E.	Transfer from Aquisition Fund	\$ -
F.	Transfer from Capitalized Interest Fund	\$ -
G.	Transfer from Reserve Fund	\$ -
H.	Transfers to Department Rebate Fund	\$ -
I.	Investment Earnings	
	1 Collection Account Investment Earnings	\$ 8.65
	2 Rebate Fund Investment Earnings	\$ -
	3 Acquisition Fund Investment Earnings	\$ 705.97
	4 Capitalized Bond Interest Fund Investment Earnings	\$ 551.50
	5 Reserve Fund Investment Earnings	\$ 73.73
	6 Total Investment Earnings	\$ 1,339.85
J.	Funds Previously Remitted - Cash Disbursements	
	1 Consolidation rebate fees to Dept. of Ed.	\$ (133,543.06)
	2 Servicing Fees	\$ -
	3 Indenture Trustee Fee	\$ -
	4 Eligible Lender Trustee Fee	\$ -
	5 Owner Trustee Fee	\$ -
	6 Admin Fees	\$ -
	7 Interest Payments - LIBOR Notes	\$ -
	8 Principal Payments - LIBOR Notes	\$ -
	9 Funds transferred to the Issuer	\$ -
	10 Total Previously Remitted Fees	\$ (133,543.06)
K.	Total Cash Available at 12/31/16 (Collection Fund)	\$ 5,767,412.81

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IV. Series 2016-2 FRN - Notes Payable Detail

	Reset Date	1m LIBOR
A. LIBOR Rate Reset	11/18/16	0.72064%

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%	1.67064%	1/25/2017	64	11/22/2016	1/24/2017	\$ 1,115,839.02
2. 2016-2 FRN B LIBOR Notes	1.50%	2.22064%	1/25/2017	64	11/22/2016	1/24/2017	\$ 27,634.63
3. Total - 2016-2 FRN Interest Payable							\$ 1,143,473.65

C. Class B Interest Distribution Amount	
Lesser of:	<u>Amount</u>
Class B interest accrued (B.2)	\$ 27,634.63
Class B Interest Cap (D)	\$ -
Plus	
Class B Noteholders' Interest Shortfall	<u>\$ -</u>
Class B Interest Distribution Amount (Initial Class B Int Dist equals B.2)	<u>\$ 27,634.63</u>

D. Component Amounts used in Determining the Class B Interest Cap	
	<u>Amount</u>
(a) # of days in year / 360	1.01667
<i>multiplied by difference between (i) & (ii)</i>	
(i) non-principal amounts due to Issuer	\$ 2,058,612.13
(ii) non-principal amounts payable to Department	\$ 883,282.54
Total	<u>\$ 1,194,918.42</u>
<i>less</i>	
(b) accrued Trust expenses	\$ 175,853.65
<i>less</i>	
(c) Class A Noteholders' Interest Distribution Amount	<u>\$ 1,115,839.02</u>
Class B Interest Cap (no Class B Int Cap on Initial Dist Date)	<u>\$ -</u>

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

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V. Principal Distributions and Reserve Fund Reconciliation

A.	Distribution Amounts thru January 25, 2017	Combined	2016-2 Class A	2016-2 Class B
1	Monthly Interest Due	\$ 1,143,473.65	\$ 1,115,839.02	\$ 27,634.63
2	Monthly Interest Paid	\$ 1,143,473.65	\$ 1,115,839.02	\$ 27,634.63
3	Interest Shortfall	\$ -	\$ -	\$ -
4	Interest Shortfall Due	\$ -	\$ -	\$ -
5	Interest Shortfall Paid	\$ -	\$ -	\$ -
6	Interest Shortfall	\$ -	\$ -	\$ -
7	Monthly Principal Paid	\$ 20,417,241.59	\$ 20,417,241.59	\$ -
8	Total Distribution Amount	\$ 21,560,715.24	\$ 21,533,080.61	\$ 27,634.63

B.	Principal Distribution Amount Reconciliation	Actual Distribution	
1	Notes Outstanding as of 12/31/16	\$ 382,700,000.00	
2	Current Adjusted Pool Balance 12/31/16	\$ 369,503,207.86	
3	less: Specified Overcollateralization Amount 12/31/16	\$ 8,313,822.18	
4	Total (B2-B3)	\$ 361,189,385.68	
5	Total Principal Distribution Amount (B1-B4)	\$ 21,510,614.32	\$ 20,417,241.59

C.	Reserve Fund and Capitalized Interest Fund Reconciliation	Reserve Fund	Cap Int Fund
1	Beginning Period Balance 11/22/16	\$ 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	\$ 73.73	\$ 551.50
5	Transfer of Interest Earned to the Collection Account	\$ (73.73)	\$ (551.50)
6	Transfer of Excess Reserve to the Collection Account	\$ -	\$ -
7	Total Fund Balance Available at 12/31/16	\$ 1,871,835.00	\$ 14,000,000.00
8	Less: Fund Investment Earnings Pending Transfer to Collection Account	\$ -	\$ -
9	Total Adjusted Reserve Fund Balance Available 12/31/16	\$ 1,871,835.00	\$ 14,000,000.00
10	Specified Reserve Fund Balance (greater of .80% of the pool balance or .15% of initial pool balance)	\$ 2,821,454.03	\$ -
11	Cap Int Fund Schedule (Exh C) Balance at 01/25/17	\$ -	\$ 14,000,000.00
12	Excess Reserve - Transfer to/ (from) Collection Account	\$ (949,619.03)	\$ -
13	Cap Int Fund Schedule (Exh C)- Transfer to Collection Account	\$ -	\$ -

D.	LIBOR Note Balances	11/22/2016	Paydown Factors	1/25/2017
1	2016-2 FRN A LIBOR Notes	\$ 375,700,000.00	\$ 20,417,241.59	\$ 355,282,758.41
2	2016-2 A Pool Factor	1.0000000	0.0543445	0.9456555
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	\$ 382,700,000.00	\$ 20,417,241.59	\$ 362,282,758.41
	Total Note Pool Factor	\$ 1.0000000	\$ 0.0533505	\$ 0.9466495

VI. Series 2016-2 FRN - Priority of Distributions

Per Distribution Date Certificate				Available Funds Balance
Total Available Funds				\$ 5,767,412.81
Section 5.02	Transfer of remaining funds in Acquisiton Fund not used to purchase loans or pay acquisition costs	\$ 17,662,640.23	\$	23,430,053.04
Section 5.03	Transfer from the Capitalized Interest Fund to the Collection Fund (interest earned)	\$ -	\$	23,430,053.04
Section 5.05(c)	Transfer from the Reserve Fund the amount representing the excess of the Specified Reserve Fund Balance	\$ -	\$	23,430,053.04
Section 5.04(c)	Distributions:			
(i)	Payments to the Dept of Ed for Consolidation Rebate Fees	\$ 227,120.84	\$	23,202,932.20
(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:	\$ 516,744.28	\$	22,686,187.92
(iii)(A)	Payment of the Indenture Trustee fee to the Indenture Trustee	\$ 4,182.51	\$	22,682,005.41
(iii)(B)	Payment of the Eligible Lender Trustee fee to the Eligible Lender Trustee	\$ 1,000.00	\$	22,681,005.41
(iii)(C)	Payment of the Owner Trustee Fee to the Owner Trustee (November Distribution Date Only)	\$ -	\$	22,681,005.41
(iv)	Payment of the Administrator Fee to the Administrator	\$ 13,333.34	\$	22,667,672.07
(iv)	Payment of Other Administration Expense to the Administrator (November Distribution only)	\$ -	\$	22,667,672.07
(v)	Payment of the Servicing Fee to the Servicer	\$ 157,337.80	\$	22,510,334.27
(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;	\$ 1,115,839.02	\$	21,394,495.25
(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;	\$ 27,634.63	\$	21,366,860.62
(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;	\$ 949,619.03	\$	20,417,241.59
(ix)	to the Class A-1 Noteholders, the Principal Distribution Amount (until paid in full)	\$ 20,417,241.59	\$	-
(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

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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	
		11/30/2016	12/31/2016	11/30/2016	12/31/2016	11/30/2016	12/31/2016	11/30/2016	12/31/2016	11/30/2016	12/31/2016	
A	Borrower Status Distribution:											
		Interim										
		In-School	103	92	448,350	418,393	0.13%	0.12%	5.529%	5.570%	120	120
		Grace	13	21	51,816	64,465	0.01%	0.02%	5.787%	5.186%	120	118
		Repayment										
		Current	34,448	33,985	238,794,136	236,874,070	67.61%	67.70%	5.051%	5.054%	170	170
		31-60 Days Delinquent	1,646	1,511	14,801,522	12,504,033	4.19%	3.57%	5.455%	5.464%	195	180
		61-90 Days Delinquent	953	873	7,763,638	7,874,790	2.20%	2.25%	5.466%	5.455%	183	196
		91-120 Days Delinquent	514	626	4,427,459	5,007,326	1.25%	1.43%	5.325%	5.547%	185	179
		121-180 Days Delinquent	925	864	7,884,831	7,509,300	2.23%	2.15%	5.538%	5.414%	171	183
	181-270 Days Delinquent	857	932	7,933,820	8,630,240	2.25%	2.47%	5.686%	5.581%	201	196	
	> 271 Days Delinquent	358	486	2,522,398	3,492,698	0.71%	1.00%	5.650%	5.462%	165	174	
	Total Repayment	39,701	39,277	284,127,805	281,892,457	80.45%	80.57%	5.124%	5.123%	172	172	
	Forbearance	4,008	4,189	42,770,838	43,276,110	12.11%	12.37%	5.458%	5.462%	207	203	
	Deferment	3,917	3,668	25,782,834	24,226,820	7.30%	6.92%	5.148%	5.251%	183	182	
B	Total Portfolio	47,742	47,247	353,181,643	349,878,246	100%	100%	5.110%	5.109%	172	172	

Note: Delinquent means more than 30 days past due

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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	
	\$	\$	\$	\$	%	%	%	%	\$	\$
	11/30/2016	12/31/2016	11/30/2016	12/31/2016	11/30/2016	12/31/2016	11/30/2016	12/31/2016	11/30/2016	12/31/2016
A Borrower Status Type:										
1 Loan Type										
1. Subsidized Consolidation Loans	8,608	8,543	105,421,980	104,540,985	29.85%	29.88%	4.811%	4.813%	187	187
2. Unsubsidized Consolidation Loans	9,342	9,276	152,419,089	151,469,509	43.16%	43.29%	5.060%	5.061%	207	206
3. Subsidized Stafford Loans	16,208	16,032	39,514,687	38,902,235	11.19%	11.12%	5.024%	5.023%	96	96
4. Unsubsidized Stafford Loans	11,428	11,313	41,746,343	41,178,371	11.82%	11.77%	5.365%	5.363%	107	107
5. Grad PLUS Loans	240	240	3,342,951	3,327,098	0.95%	0.95%	8.028%	8.033%	146	146
6. PLUS Loans	1,899	1,826	10,656,367	10,380,105	3.02%	2.97%	7.192%	7.202%	79	80
7. SLS Loans	17	17	80,225	79,943	0.02%	0.02%	3.701%	3.701%	92	92
Total - Loan Type	47,742	47,247	353,181,643	349,878,246	100%	100%	5.110%	5.109%	172	172
2 Program Type										
1. Graduate	3,249	3,216	23,864,862	23,531,042	6.76%	6.73%	5.712%	5.706%	128	128
2. Undergraduate	37,783	37,375	297,354,658	294,638,105	84.19%	84.21%	5.027%	5.027%	179	178
3. Proprietary	6,710	6,656	31,962,123	31,709,099	9.05%	9.06%	5.430%	5.431%	146	146
Total - Program Type	47,742	47,247	353,181,643	349,878,246	100%	100%	5.110%	5.109%	172	172
3 School Type										
1. 4 Year Private	14,731	14,555	133,277,188	132,120,623	37.74%	37.76%	5.157%	5.157%	180	180
2. 4 Year Public	19,006	18,771	148,548,338	146,850,121	42.06%	41.97%	4.969%	4.968%	173	173
3. 2 Year Private	1,781	1,773	8,875,766	8,775,977	2.51%	2.51%	4.966%	4.952%	156	157
4. 2 Year Public	4,929	4,907	20,807,033	20,723,712	5.89%	5.92%	5.274%	5.278%	148	148
5. Prop/Voc/Tech	6,688	6,634	31,628,603	31,380,854	8.96%	8.97%	5.425%	5.426%	146	146
6. Unkown	607	607	10,044,715	10,026,960	2.84%	2.87%	5.369%	5.361%	198	199
Total - School Type	47,742	47,247	353,181,643	349,878,246	100%	100%	5.110%	5.109%	172	172

B. Weighted Average Payments Made

	W.A. Time until repayment (months)	
	11/30/2016	12/31/2016
1. In school	26	26
2. Grace	2	4
3. Deferment	17	17
4. Forbearance	3	3
	W.A. Time in Repayment (months)	
5. Repayment	123	124
6. Total Portfolio Weighted Average	97	98

IX. Series 2016-2 FFELP Portfolio Indices

				Ending Principal						Ending Principal		
				Balance	% of Total					Balance	% of Total	
			12/31/2016	12/31/2016				12/31/2016	12/31/2016			
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	52,330	0.01%		SE	Tbill + 3.10%	Variable	6,778.61	0.00%	
	SB	Tbill + 3.50%	Fixed	124,140	0.04%		SG	Tbill + 3.10%	Variable	441,564.61	0.13%	
	SD	Tbill + 3.25%	Fixed	231,555	0.07%		SH	Tbill + 2.50%	Variable	45,382	0.01%	
	SD	Tbill + 3.25%	Variable	253	0.00%		SJ	Tbill + 2.20%	Variable	14,179	0.00%	
	SE	Tbill + 3.10%	Fixed	40,226	0.01%		SK	Tbill + 2.80%	Variable	287,995	0.08%	
	SE	Tbill + 3.10%	Variable	70,478	0.02%		LA	1mL + 1.74%	Variable	1,022,750	0.29%	
	SG	Tbill + 3.10%	Variable	805,174	0.23%		LB	1mL + 2.34%	Variable	8,796,515	2.51%	
	SH	Tbill + 2.50%	Variable	147,860	0.04%		LE	1mL + 1.74% (Neg SAP)	Fixed	1,429,920	0.41%	
	SJ	Tbill + 2.20%	Variable	45,722	0.01%		LE	1mL + 1.74% (Neg SAP)	Variable	34,916	0.01%	
	SK	Tbill + 2.80%	Variable	474,589	0.14%		LF	1mL + 2.34% (Neg SAP)	Fixed	12,025,431	3.44%	
	LA	1mL + 1.74%	Variable	1,163,849	0.33%		LF	1mL + 2.34% (Neg SAP)	Variable	890,280	0.25%	
	LB	1mL + 2.34%	Variable	9,685,895	2.77%		LI	1mL + 1.34% (Neg SAP)	Fixed	1,676,005	0.48%	
	LE	1mL + 1.74% (Neg SAP)	Fixed	1,590,392	0.45%		LJ	1mL + 1.94% (Neg SAP)	Fixed	14,404,130	4.12%	
	LE	1mL + 1.74% (Neg SAP)	Variable	42,920	0.01%		None - Not eligible for SAP			104,231	0.03%	
	LF	1mL + 2.34% (Neg SAP)	Fixed	10,950,118	3.13%							
	LF	1mL + 2.34% (Neg SAP)	Variable	499,932	0.14%							
	LI	1mL + 1.34% (Neg SAP)	Fixed	1,514,643	0.43%							
	LJ	1mL + 1.94% (Neg SAP)	Fixed	11,320,372	3.24%							
	None - Not eligible for SAP			143,065	0.04%							
	Total - Stafford			38,903,514	11.12%		Total - Unsub Stafford			41,180,076	11.77%	
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	389,218	0.11%		SD	Tbill + 3.25%	Variable	54,573	0.02%	
	SE	Tbill + 3.10%	Fixed	4,144,520	1.18%		SE	Tbill + 3.10%	Variable	82,165	0.02%	
	SG	Tbill + 3.10%	Variable	679,596	0.19%		SG	Tbill + 3.10%	Variable	76,846	0.02%	
	SL	T-bill + 3.10%	Fixed	2,497,722	0.71%		SH	Tbill + 2.50%	Variable	65,054	0.02%	
	LC	1mL + 2.64%	Fixed	120,377,700	34.41%		LD	1mL + 2.64%	Variable	1,619,670	0.46%	
	LG	1mL + 2.64% (Neg SAP)	Fixed	111,220,994	31.79%		LH	1mL + 2.64% (Neg SAP)	Fixed	8,047,958	2.30%	
	LK	1mL + 2.24% (Neg SAP)	Fixed	16,536,512	4.73%		LH	1mL + 2.64% (Neg SAP)	Variable	41,132	0.01%	
	None - Not eligible for SAP			165,558	0.05%		LM	1mL + 1.94% (Neg SAP)	Fixed	3,783,832	1.08%	
							None - Not eligible for SAP			16,068	0.00%	
	Total - Consolidation			256,011,821	73.17%		Total - Plus/SLS			13,787,298	3.94%	
							E	Credit Balances Loans		(4,463)	0.00%	
							Total Ending Balance at 12/31/16			349,878,246	100%	

X. Payment History, CPRs, and Cumulative Default Rate

A. Payment History and CPRs

Month End Date	Actual Ending Pool Balance	Since Issued CPR
12/31/2016	\$ 352,681,753.83	1.473%

B. Cumulative Default Rate

1. Current Period Defaults		
a. Claim payments from Guarantor*	\$ 343,082.72	
b. 1-3% write offs	9,570.60	
c. Claims filed pending payment	485,350.15	
d. Total Current Period Defaults	<u>\$ 838,003.47</u>	
2. Cumulative Defaults		
a. Claim payments from Guarantor	\$ 343,082.72	
b. 1-3% write offs	9,570.60	
c. Claims filed pending payment	485,350.15	
d. Total Cumulative Defaults	<u>\$ 838,003.47</u>	
3. Cumulative Default (% of original pool balance)		0.23%
4. Cumulative Default (% of cumulative Entered Repayment Balance)		0.29%
5. Cumulative Recoveries	\$ 343,082.72	
6. Cumulative Recovery Rate (2a/2d)		40.94%
7. Cumulative Net Loss Rate (2b/2d)		1.14%
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: 12/31/16

Report Period: 11/22/16 - 12/31/16

XI. Balance Sheet

<u>ASSETS</u>	<u>12/31/2016</u>
Cash	\$ 438,208
Assets Held by Trustee	
Investments	39,012,675
Accrued Interest Receivable	5,667,715
Student Loans Receivable, Net	349,574,246
Premium - Std Ln purchase	<u>141,035</u>
Total Assets	<u><u>394,833,879</u></u>
 <u>LIABILITIES AND NET ASSETS</u>	
Bonds Payable	382,700,000
Discount on Bonds Payable	(791,328)
Accrued Interest Payable	714,671
Other Accounts Payable & Accrued Expenses	403,958
Deferred Outflow	-
Total Liabilities	<u>383,027,301</u>
Net Assets	<u>11,806,578</u>
Total Liabilities and Net Assets	<u><u>394,833,879</u></u>
Parity Ratio	<u>1.0199</u>
Senior Parity Ratio	<u>1.0400</u>

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

Supplemental Report

Report Date: 12/31/16

Report Period: 11/22/16 - 12/31/16

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: 12/31/16

Report Period: 11/22/16 - 12/31/16

XIV. Additional Forbearance Detail

<u>EOM</u>	<u>Status at End of Reporting Period</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>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>
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