

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

**Distribution Date: 01/25/2018**

**Reporting Period: 12/01/2017 – 12/31/2017**

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: 12/31/17

Report Period: 12/01/17 - 12/31/17

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

A. Pool Balance		11/30/2017	Net Activity	12/31/2017	% of Initial Pool Balance			
1. Student Loan - Principal Balance		\$ 293,927,898.45	\$ (4,115,385.19)	\$ 289,812,513.26		81.88%		
2. Interest expected to be Capitalized		\$ 2,369,339.35	\$ (11,462.64)	\$ 2,357,876.71				
<b>3. Total Pool Balance</b>		<b>\$ 296,297,237.80</b>	<b>\$ (4,126,847.83)</b>	<b>\$ 292,170,389.97</b>				
4. Student Loan - Accrued Borrower Interest Balance		\$ 6,478,026.76	\$ (649,608.31)	\$ 5,828,418.45				
5. Accrued Interest Subsidy & Special Allowance		\$ (1,133,598.22)	\$ 541,638.56	\$ (591,959.66)				
6. Weighted Average Coupon Rate	5.121%			5.118%				
7. Weighted Average Remaining to Maturity (in months)	169.66			169.65				
8. Number of Loans	39,725			39,157				
9. Number of Borrowers	21,057			20,677				
B. Adjusted Pool Balance		11/30/2017	Change	12/31/2017				
1. Capitalized Interest Fund (after giving effect to transfers to be made on Distribution Date)		\$ 7,000,000.00	\$ -	\$ 7,000,000.00				
2. Specified Reserve Fund Balance (greater of 0.80% of Pool Balance and 0.15% of Initial Pool Balance- \$535,259.29)		\$ 2,370,377.90	\$ (33,014.78)	\$ 2,337,363.12				
<b>3. Adjusted Pool Balance (A3 + B1 + B2)</b>		<b>\$ 305,667,615.70</b>		<b>\$ 301,507,753.09</b>				
C. Other Fund Balances		11/30/2017	Change	12/31/2017				
1. Collection Fund		\$ 4,141,212.31	\$ 576,204.78	\$ 4,717,417.09				
2. Reserve Fund		\$ 2,396,652.61	\$ (26,274.59)	\$ 2,370,378.02				
3. Capitalized Interest Fund		\$ 14,000,000.00	\$ (6,999,999.30)	\$ 7,000,000.70				
4. Department Rebate Fund		\$ 217,055.63	\$ 197,934.59	\$ 414,990.22				
5. Acquisition Fund		\$ -	\$ -	\$ -				
<b>6. Total - Other Account Balances</b>		<b>\$ 20,754,920.55</b>	<b>\$ (6,252,134.52)</b>	<b>\$ 14,502,786.03</b>				
D. Notes Payable		Final Maturity	CUSIP	Spread	11/30/2017	%	12/31/2017	%
1. 2016-2 Class A LIBOR Notes	11/25/2065	69343VAA0	1mL+0.95%	\$ 301,868,718.29	97.73%	\$ 291,790,094.35	97.66%	
2. 2016-2 Class B LIBOR Notes	11/25/2065	69343VAB8	1mL+2.50%	\$ 7,000,000.00	2.27%	\$ 7,000,000.00	2.34%	
<b>3. Total Notes Payable</b>				<b>\$ 308,868,718.29</b>	<b>100.00%</b>	<b>\$ 298,790,094.35</b>	<b>100.00%</b>	
E. Parity Ratio Calculation:		11/30/2017	Change	12/31/2017				
1. Student Loan - Principal		\$ 293,927,898.45	\$ (4,115,385.19)	\$ 289,812,513.26				
2. Student Loan - Accrued Borrower Interest Expected to be Capitalized		\$ 2,369,339.35	\$ (11,462.64)	\$ 2,357,876.71				
<b>3. Pool Balance (E1 + E2)</b>		<b>\$ 296,297,237.80</b>	<b>\$ (4,126,847.83)</b>	<b>\$ 292,170,389.97</b>				
4. Capitalized Interest Fund Balance (after giving effect to transfers to be made on Distribution Date)		\$ 7,000,000.00	\$ -	\$ 7,000,000.00				
5. Specified Reserve Fund Balance		\$ 2,370,377.90	\$ (33,014.78)	\$ 2,337,363.12				
<b>6. Adjusted Pool Balance (E3+E4+E5)</b>		<b>\$ 305,667,615.70</b>	<b>\$ (4,159,862.61)</b>	<b>\$ 301,507,753.09</b>				
7. Outstanding Notes (after giving effect to Distributions to be made on Distribution Date)		\$ 298,790,094.35	\$ (4,066,265.70)	\$ 294,723,828.65				
8. Senior Outstanding Notes (after giving effect to Distributions to be made on Distribution Date)		\$ 291,790,094.35	\$ (4,066,265.70)	\$ 287,723,828.65				
<b>9. Net Assets (E6-E7)</b>		<b>\$ 6,877,521.35</b>	<b>\$ (93,596.91)</b>	<b>\$ 6,783,924.44</b>				
10. Parity Ratio (E6/E7)		1.0230		1.0230				
11. Senior Parity Ratio (E6/E8)		1.0476		1.0479				
F. Specified Overcollateralization Amount								
1. 2.25% of current Adjusted Pool Balance		\$ 6,877,521.35		\$ 6,783,924.44				
2. Specified Overcollateralization minimum		\$ 6,000,000.00		\$ 6,000,000.00				
<b>3. Specified Overcollateralization Amount (greater of F1 and F2)</b>		<b>\$ 6,877,521.35</b>		<b>\$ 6,783,924.44</b>				

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

Statement to Noteholders

Report Date: 12/31/17

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II. Series 2016-2 FRN Transactions and Accruals

		Beg/End Balances
<b>A.</b>	<b>Student Loan Cash Principal Activity</b>	293,927,898.45
	1 Borrower Payments	\$ (2,225,006.38)
	2 Claim Payments	\$ (1,182,743.87)
	3 Consolidation Payoffs	\$ (1,046,166.90)
	4 Other Cash Payments from Servicer	\$ 632.08
	5 Acquisitions / Sales	\$ -
	<b>6 Total Principal Cash Activity</b>	<b>\$ (4,453,285.07)</b>
<b>B.</b>	<b>Student Loan Non-Cash Principal Activity</b>	
	1 Capitalized Interest	\$ 339,059.23
	2 Cancellations / Reissues	\$ -
	3 Amounts due to / (from) Servicer for non-cash adjustments	\$ (17.50)
	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	\$ (1,141.85)
	<b>9 Total Non-Cash Principal Activity</b>	<b>\$ 337,899.88</b>
<b>C.</b>	<b>Total Student Loan Principal Activity</b>	<b>\$ (4,115,385.19)</b>
<b>D.</b>	<b>Student Loan Cash Interest Activity</b>	5,344,428.54
	1 Borrower Payments (includes Late Fees)	\$ (705,399.18)
	2 Claim Payments	\$ (39,920.11)
	3 Consolidation Payoffs	\$ (17,784.62)
	4 Other Cash Payments from Servicer	\$ -
	5 Acquisitions / Sales	\$ -
	6 Subsidy Payments (ISP)	\$ -
	7 Special Allowance Payments (SAP)	\$ -
	<b>8 Total Interest Collections</b>	<b>\$ (763,103.91)</b>
<b>E.</b>	<b>Student Loan Non-Cash Interest Activity</b>	
	1 Borrower Accruals	\$ 1,236,660.45
	2 Interest Subsidy Payment Accrual	\$ 82,006.47
	3 Special Allowance Payment Accrual Estimate	\$ (258,975.92)
	4 Prior Quarter Interest Subsidy & Special Allowance Accrual Adjustment	\$ -
	5 Capitalized Interest	\$ (339,059.23)
	6 Amounts due to / (from) Servicer for non-cash adjustments	\$ -
	7 Amounts due to / (from) Dept of Ed. - Direct Consolidation payments	\$ -
	8 Other Adjustments	\$ (65,497.61)
	<b>9 Total Non-Cash Interest Activity</b>	<b>\$ 655,134.16</b>
<b>F.</b>	<b>Total Student Loan Interest Activity</b>	<b>\$ (107,969.75)</b>
<b>G.</b>	<b>Non-Reimbursable Losses During Collection Period</b>	<b>\$ (27,828.86)</b>
<b>H.</b>	<b>Cumulative Non-Reimbursable Losses to Date</b>	<b>\$ (458,638.06)</b>
		<b>\$ 295,048,972.05</b>

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

Statement to Noteholders

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III. Series 2016-2 FRN - Collection Account Reconciliation

Cash Receipts & Disbursements for the period

	<b>Beginning Cash Balance</b>	<b>\$ 4,413,754.93</b>
<b>A.</b>	<b>Principal Cash Collections</b>	
	1 Principal Payments Received - Borrower Payments	\$ 2,225,006.38
	2 Principal Payments Received - Claim Payments	\$ 1,182,743.87
	3 Principal Payments Received - Consolidation Payoffs	\$ 1,046,166.90
	4 Principal Payments Received - Other Payments from Servicer	\$ (632.08)
	5 Principal Payments Received - Sales	\$ -
	<b>6 Total Principal Collections</b>	<b>\$ 4,453,285.07</b>
<b>B.</b>	<b>Interest Cash Collections</b>	
	1 Interest Payments Received - Borrower Payments (includes Late Fees)	\$ 705,399.18
	2 Interest Payments Received - Claim Payments	\$ 39,920.11
	3 Interest Payments Received - Consolidation Payoffs	\$ 17,784.62
	4 Interest Payments Received - Other Payments from Servicer	\$ -
	5 Interest Payments Received - Interest Subsidy & Special Payments	\$ -
	6 Interest Payments Received - Sales	\$ -
	<b>7 Total Interest Collections</b>	<b>\$ 763,103.91</b>
<b>C.</b>	<b>Reimbursements from Servicer</b>	\$ 217.83
<b>D.</b>	<b>Reimbursements from Servicer for Keystone Rebate Fees</b>	\$ -
<b>E.</b>	<b>Reimbursements from Rehab Adjustments</b>	\$ -
<b>F.</b>	<b>Transfer from Aquisition Fund</b>	\$ -
<b>G.</b>	<b>Transfer from Capitalized Interest Fund</b>	\$ 7,000,000.00
<b>H.</b>	<b>Transfer from Reserve Fund</b>	\$ 26,274.71
<b>I.</b>	<b>Transfers to Department Rebate Fund</b>	\$ (197,934.58)
<b>J.</b>	<b>Investment Earnings</b>	
	1 Collection Account Investment Earnings	\$ 5,244.41
	2 Rebate Fund Investment Earnings	\$ 160.68
	3 Acquisition Fund Investment Earnings	\$ -
	4 Capitalized Bond Interest Fund Investment Earnings	\$ 9,303.33
	5 Reserve Fund Investment Earnings	\$ 1,618.74
	<b>6 Total Investment Earnings</b>	<b>\$ 16,327.16</b>
<b>K.</b>	<b>Funds Previously Remitted - Cash Disbursements</b>	
	1 Consolidation rebate fees to Dept. of Ed.	\$ (195,232.94)
	2 Servicing Fees	\$ (66,839.22)
	3 Indenture Trustee Fee	\$ (2,578.47)
	4 Eligible Lender Trustee Fee	\$ (1,000.00)
	5 Owner Trustee Fee	\$ -
	6 Admin Fees	\$ (6,666.67)
	7 Interest Payments - LIBOR Notes	\$ (569,768.24)
	8 Principal Payments - LIBOR Notes	\$ (10,078,623.94)
	9 Funds transferred to the Issuer	\$ (321,385.58)
	<b>10 Total Previously Remitted Fees</b>	<b>\$ (11,242,095.06)</b>
<b>L.</b>	<b>Total Cash Available at 12/31/17 (Collection Fund)</b>	<b>\$ 5,232,933.97</b>

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

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IV. Series 2016-2 FRN - Notes Payable Detail

	Reset Date	1m LIBOR
A. LIBOR Rate Reset	12/21/17	1.55213%

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%	2.50213%	1/25/2018	30	12/26/2017	1/24/2018	\$ 608,413.96
2. 2016-2 FRN B LIBOR Notes	1.50%	3.05213%	1/25/2018	30	12/26/2017	1/24/2018	\$ 17,804.09
3. Total - 2016-2 FRN Interest Payable							\$ 626,218.05

C. Class B Interest Distribution Amount	
Lesser of:	<u>Amount</u>
Class B interest accrued (B.2)	\$ 17,804.09
Class B Interest Cap (D)	\$ 194,012.01
Plus	
Class B Noteholders' Interest Shortfall	<u>\$ -</u>
<b>Class B Interest Distribution Amount</b>	<b>\$ 17,804.09</b>

D. Component Amounts used in Determining the Class B Interest Cap	
	<u>Amount</u>
(a) # of days in year / 360	1.01389
<i>multiplied by difference between (i) &amp; (ii)</i>	
(i) non-principal amounts due to Issuer	\$ 1,318,666.92
(ii) non-principal amounts payable to Department	\$ 452,192.86
Total	<u>\$ 878,508.42</u>
<i>less</i>	
(b) accrued Trust expenses	\$ 76,082.45
<i>less</i>	
(c) Class A Noteholders' Interest Distribution Amount	<u>\$ 608,413.96</u>
<b>Class B Interest Cap</b>	<b>\$ 194,012.01</b>

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>
<b>Class B Carry-Over Amount</b>	<b>\$ -</b>

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

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V. Principal Distributions and Reserve Fund Reconciliation

A.	Distribution Amounts thru January 25, 2018	Combined	2016-2 Class A	2016-2 Class B
1	Monthly Interest Due	\$ 626,218.05	\$ 608,413.96	\$ 17,804.09
2	Monthly Interest Paid	\$ 626,218.05	\$ 608,413.96	\$ 17,804.09
3	Interest Shortfall	\$ -	\$ -	\$ -
4	Interest Shortfall Due	\$ -	\$ -	\$ -
5	Interest Shortfall Paid	\$ -	\$ -	\$ -
6	Interest Shortfall	\$ -	\$ -	\$ -
7	Monthly Principal Paid	\$ 4,066,265.70	\$ 4,066,265.70	\$ -
8	Total Distribution Amount	\$ 4,692,483.75	\$ 4,674,679.66	\$ 17,804.09

B.	Principal Distribution Amount Reconciliation	Actual Distribution	
1	Notes Outstanding as of 12/31/17	\$ 298,790,094.35	
2	Current Adjusted Pool Balance 12/31/17	\$ 301,507,753.09	
3	less: Specified Overcollateralization Amount 12/31/17	\$ 6,783,924.44	
4	Total (B2-B3)	\$ 294,723,828.65	
5	Total Principal Distribution Amount (B1-B4)	\$ 4,066,265.70	\$ 4,066,265.70

C.	Reserve Fund and Capitalized Interest Fund Reconciliation	Reserve Fund	Cap Int Fund
1	Beginning Period Balance 12/01/17	\$ 2,396,652.61	\$ 14,000,000.00
2	Transfer from Cap Int Fund to the Collection Account	\$ -	\$ (7,000,000.00)
3	Deposits to Reserve Fund	\$ -	\$ -
4	Interest Earned	\$ 1,618.86	\$ 9,304.03
5	Transfer of Interest Earned to the Collection Account	\$ (1,618.74)	\$ (9,303.33)
6	Transfer of Excess Reserve to the Collection Account	\$ (26,274.71)	\$ -
7	Total Fund Balance Available at 12/31/17	\$ 2,370,378.02	\$ 7,000,000.70
8	Less: Fund Investment Earnings Pending Transfer to Collection Account	\$ -	\$ -
9	Total Adjusted Reserve Fund Balance Available 12/31/17	\$ 2,370,378.02	\$ 7,000,000.70
10	Specified Reserve Fund Balance (greater of .80% of the pool balance or .15% of initial pool balance)	\$ 2,337,363.12	\$ -
11	Cap Int Fund Schedule (Exh C) Balance at 01/25/18	\$ -	\$ 7,000,000.00
12	Excess Reserve - Transfer to/ (from) Collection Account	\$ 33,014.90	\$ -
13	Cap Int Fund Schedule (Exh C)- Transfer to Collection Account	\$ -	\$ 0.70

D.	LIBOR Note Balances	12/26/2017	Paydown Factors	1/25/2018
1	2016-2 FRN A LIBOR Notes	\$ 291,790,094.35	\$ 4,066,265.70	\$ 287,723,828.65
2	2016-2 A Pool Factor	0.7766572	0.0108232	0.7658340
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	\$ 298,790,094.35	\$ 4,066,265.70	\$ 294,723,828.65
	Total Note Pool Factor	\$ 0.7807423	\$ 0.0106252	\$ 0.7701171

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

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VI. Series 2016-2 FRN - Priority of Distributions

Per Distribution Date Certificate			Available Funds Balance	
Total Available Funds			\$ 5,232,933.97	
Section 5.02	Transfer of remaining funds in Acquisiton Fund not used to purchase loans or pay acquisition costs	\$ -	\$	5,232,933.97
Section 5.03	Transfer from the Capitalized Interest Fund to the Collection Fund	\$ 0.70	\$	5,232,934.67
Section 5.05(c)	Transfer from the Reserve Fund the amount representing the excess of the Specified Reserve Fund Balance	\$ 33,014.90	\$	5,265,949.57
Section 5.04(c)	<b>Distributions:</b>			
(i)	Payments to the Dept of Ed for Consolidation Rebate Fees	\$ 193,216.94	\$	5,072,732.63
(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:	\$ 176,969.44	\$	4,895,763.19
(iii)(A)	Payment of the Indenture Trustee fee to the Indenture Trustee	\$ 2,606.70	\$	4,893,156.49
(iii)(B)	Payment of the Eligible Lender Trustee fee to the Eligible Lender Trustee	\$ 1,000.00	\$	4,892,156.49
(iii)(C)	Payment of the Owner Trustee Fee to the Owner Trustee (November Distribution Date Only)	\$ -	\$	4,892,156.49
(iv)	Payment of the Administrator Fee to the Administrator	\$ 6,666.67	\$	4,885,489.82
(iv)	Payment of Other Administration Expense to the Administrator (November Distribution only)	\$ -	\$	4,885,489.82
(v)	Payment of the Servicing Fee to the Servicer	\$ 65,809.08	\$	4,819,680.74
(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;	\$ 608,413.96	\$	4,211,266.78
(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;	\$ 17,804.09	\$	4,193,462.69
(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;	\$ -	\$	4,193,462.69
(ix)	to the Class A-1 Noteholders, the Principal Distribution Amount (until paid in full)	\$ 4,066,265.70	\$	127,196.99
(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)	\$ -	\$	127,196.99
(xi)	Amounts due to the Indenture Trustee as Extraordinary Trustee Fee	\$ -	\$	127,196.99
(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	\$ -	\$	127,196.99
(xiii)	to the Class B-1 Noteholders, the Class B Carry-Over Amount	\$ -	\$	127,196.99
(xiv)	Remaining amounts released to the Depositor	\$ 127,196.99	\$	-

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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	
		11/30/2017	12/31/2017	11/30/2017	12/31/2017	11/30/2017	12/31/2017	11/30/2017	12/31/2017	11/30/2017	12/31/2017	
A	<b>Borrower Status Distribution:</b>											
		<b>Interim</b>										
		In-School	48	48	232,611	218,505	0.08%	0.08%	5.443%	5.350%	120	120
		Grace	16	12	89,962	63,057	0.03%	0.02%	6.307%	6.116%	127	120
		<b>Repayment</b>										
		Current	29,290	29,033	205,871,423	204,379,611	70.04%	70.52%	5.063%	5.063%	166	166
		31-60 Days Delinquent	1,192	1,183	10,055,059	9,676,360	3.42%	3.34%	5.340%	5.428%	183	186
		61-90 Days Delinquent	805	673	5,680,235	5,493,781	1.93%	1.90%	5.640%	5.327%	166	179
		91-120 Days Delinquent	467	615	4,498,733	4,279,832	1.53%	1.48%	6.031%	5.469%	195	168
		121-180 Days Delinquent	669	738	5,604,036	6,552,932	1.91%	2.26%	5.530%	5.916%	182	189
		181-270 Days Delinquent	778	764	7,299,079	7,046,337	2.48%	2.43%	5.512%	5.474%	179	184
	> 271 Days Delinquent	421	419	3,029,208	3,047,715	1.03%	1.05%	5.330%	5.331%	178	162	
	<b>Total Repayment</b>	<b>33,622</b>	<b>33,425</b>	<b>242,037,773</b>	<b>240,476,569</b>	<b>82.35%</b>	<b>82.98%</b>	<b>5.134%</b>	<b>5.130%</b>	<b>168</b>	<b>168</b>	
	Forbearance	3,141	2,909	32,355,493	30,646,989	11.01%	10.57%	5.568%	5.597%	196	198	
	Deferment	2,898	2,763	19,212,060	18,407,394	6.54%	6.35%	5.409%	5.399%	177	177	
B	<b>Total Portfolio</b>	<b>39,725</b>	<b>39,157</b>	<b>293,927,898</b>	<b>289,812,513</b>	<b>100%</b>	<b>100%</b>	<b>5.121%</b>	<b>5.119%</b>	<b>168</b>	<b>168</b>	

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	
	\$	\$	\$	\$	%	%	%	%	\$	\$
	11/30/2017	12/31/2017	11/30/2017	12/31/2017	11/30/2017	12/31/2017	11/30/2017	12/31/2017	11/30/2017	12/31/2017
<b>A Borrower Status Type:</b>										
<b>1 Loan Type</b>										
1. Subsidized Consolidation Loans	7,513	7,442	89,672,833	88,484,070	30.51%	30.53%	4.810%	4.810%	179	178
2. Unsubsidized Consolidation Loans	8,162	8,061	130,068,111	128,843,302	44.25%	44.46%	5.019%	5.020%	197	197
3. Subsidized Stafford Loans	13,180	12,977	30,843,732	30,242,100	10.49%	10.44%	5.234%	5.232%	98	98
4. Unsubsidized Stafford Loans	9,473	9,340	33,519,533	32,785,535	11.40%	11.31%	5.544%	5.543%	110	110
5. Grad PLUS Loans	199	198	2,678,391	2,603,343	0.91%	0.90%	8.024%	8.026%	157	155
6. PLUS Loans	1,185	1,126	7,083,784	6,792,134	2.41%	2.34%	7.367%	7.352%	84	85
7. SLS Loans	13	13	61,515	62,029	0.02%	0.02%	4.345%	4.344%	81	83
<b>Total - Loan Type</b>	<b>39,725</b>	<b>39,157</b>	<b>293,927,898</b>	<b>289,812,513</b>	<b>100%</b>	<b>100%</b>	<b>5.121%</b>	<b>5.119%</b>	<b>168</b>	<b>168</b>
<b>2 Program Type</b>										
1. Graduate	2,585	2,544	18,526,891	18,007,682	6.30%	6.21%	5.809%	5.803%	133	133
2. Undergraduate	31,578	31,148	249,100,410	245,978,901	84.75%	84.88%	5.032%	5.031%	173	173
3. Proprietary	5,562	5,465	26,300,598	25,825,931	8.95%	8.91%	5.482%	5.473%	142	143
<b>Total - Program Type</b>	<b>39,725</b>	<b>39,157</b>	<b>293,927,898</b>	<b>289,812,513</b>	<b>100%</b>	<b>100%</b>	<b>5.121%</b>	<b>5.119%</b>	<b>168</b>	<b>168</b>
<b>3 School Type</b>										
1. 4 Year Private	12,226	12,044	111,762,265	110,131,861	38.02%	38.00%	5.172%	5.160%	178	178
2. 4 Year Public	15,768	15,527	123,229,626	121,576,392	41.93%	41.95%	4.967%	4.972%	168	167
3. 2 Year Private	1,476	1,472	7,521,952	7,469,856	2.56%	2.58%	5.091%	5.094%	162	162
4. 2 Year Public	4,174	4,133	17,566,067	17,353,330	5.98%	5.99%	5.388%	5.394%	145	146
5. Prop/Voc/Tech	5,543	5,446	26,044,161	25,578,132	8.86%	8.83%	5.479%	5.470%	143	143
6. Unkown	538	535	7,803,829	7,702,942	2.66%	2.66%	5.069%	5.070%	180	180
<b>Total - School Type</b>	<b>39,725</b>	<b>39,157</b>	<b>293,927,898</b>	<b>289,812,513</b>	<b>100%</b>	<b>100%</b>	<b>5.121%</b>	<b>5.119%</b>	<b>168</b>	<b>168</b>
<b>4 Rehab / Non Rehab Loans</b>										
1. Non Rehab Loans	32,155	31,665	219,066,135	215,796,468	74.53%	74.46%	4.992%	4.987%	157	157
2. Rehab Loans	7,570	7,492	74,861,763	74,016,046	25.47%	25.54%	5.498%	5.502%	200	200
<b>Total - Rehab / Non Rehab Loans</b>	<b>39,725</b>	<b>39,157</b>	<b>293,927,898</b>	<b>289,812,513</b>	<b>100%</b>	<b>100%</b>	<b>5.121%</b>	<b>5.119%</b>	<b>168</b>	<b>168</b>

\*Percentages may not sum to 100% due to rounding

B. Weighted Average Payments Made		
	W.A. Time until repayment (months)	
	11/30/2018	12/31/2017
1. In school	26	27
2. Grace	2	4
3. Deferment	17	17
4. Forbearance	3	3
W.A. Time in Repayment (months)		
5. Repayment	136	136
6. Total Portfolio Weighted Average	110	112

IX. Series 2016-2 FFELP Portfolio Indices

				Ending Principal						Ending Principal		
				Balance	% of Total					Balance	% of Total	
			12/31/2017	12/31/2017				12/31/2017	12/31/2017			
<b>A</b>	<b>Stafford</b>						<b>B</b>	<b>Unsub Stafford</b>				
	<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	37,404	0.01%		SE	Tbill + 3.10%	Variable	6,562	0.00%	
	SB	Tbill + 3.50%	Fixed	96,638	0.03%		SG	Tbill + 3.10%	Variable	366,022	0.13%	
	SD	Tbill + 3.25%	Fixed	174,723	0.06%		SH	Tbill + 2.50%	Variable	30,552	0.01%	
	SD	Tbill + 3.25%	Variable	246	0.00%		SJ	Tbill + 2.20%	Variable	22,249	0.01%	
	SE	Tbill + 3.10%	Fixed	38,440	0.01%		SK	Tbill + 2.80%	Variable	225,066	0.08%	
	SE	Tbill + 3.10%	Variable	59,618	0.02%		LA	1mL + 1.74%	Variable	766,809	0.26%	
	SG	Tbill + 3.10%	Variable	653,737	0.23%		LB	1mL + 2.34%	Variable	7,063,617	2.44%	
	SH	Tbill + 2.50%	Variable	121,504	0.04%		LE	1mL + 1.74% (Neg SAP)	Fixed	906,490	0.31%	
	SJ	Tbill + 2.20%	Variable	42,218	0.01%		LE	1mL + 1.74% (Neg SAP)	Variable	38,803	0.01%	
	SK	Tbill + 2.80%	Variable	374,593	0.13%		LF	1mL + 2.34% (Neg SAP)	Fixed	9,614,397	3.32%	
	LA	1mL + 1.74%	Variable	815,371	0.28%		LF	1mL + 2.34% (Neg SAP)	Variable	675,295	0.23%	
	LB	1mL + 2.34%	Variable	7,614,506	2.63%		LI	1mL + 1.34% (Neg SAP)	Fixed	1,442,211	0.50%	
	LE	1mL + 1.74% (Neg SAP)	Fixed	1,068,894	0.37%		LJ	1mL + 1.94% (Neg SAP)	Fixed	11,609,170	4.01%	
	LE	1mL + 1.74% (Neg SAP)	Variable	28,763	0.01%		None - Not eligible for SAP			18,551	0.01%	
	LF	1mL + 2.34% (Neg SAP)	Fixed	8,470,515	2.92%							
	LF	1mL + 2.34% (Neg SAP)	Variable	384,711	0.13%							
	LI	1mL + 1.34% (Neg SAP)	Fixed	1,174,748	0.41%							
	LJ	1mL + 1.94% (Neg SAP)	Fixed	9,038,214	3.12%							
	None - Not eligible for SAP			48,242	0.02%							
	<b>Total - Stafford</b>			<b>30,243,083</b>	<b>10.44%</b>		<b>Total - Unsub Stafford</b>			<b>32,785,793</b>	<b>11.31%</b>	
<b>C</b>	<b>Consolidation</b>						<b>D</b>	<b>Plus/SLS</b>				
	<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	336,283	0.12%		SD	Tbill + 3.25%	Variable	29,780	0.01%	
	SE	Tbill + 3.10%	Fixed	3,582,594	1.24%		SE	Tbill + 3.10%	Variable	79,417	0.03%	
	SG	Tbill + 3.10%	Variable	557,948	0.19%		SG	Tbill + 3.10%	Variable	67,551	0.02%	
	SL	T-bill + 3.10%	Fixed	1,997,631	0.69%		SH	Tbill + 2.50%	Variable	55,765	0.02%	
	LC	1mL + 2.64%	Fixed	101,952,488	35.18%		LD	1mL + 2.64%	Variable	1,011,763	0.35%	
	LG	1mL + 2.64% (Neg SAP)	Fixed	94,505,900	32.61%		LH	1mL + 2.64% (Neg SAP)	Fixed	5,441,799	1.88%	
	LK	1mL + 2.24% (Neg SAP)	Fixed	14,233,809	4.91%		LH	1mL + 2.64% (Neg SAP)	Variable	36,485	0.01%	
	None - Not eligible for SAP			162,130	0.06%		LM	1mL + 1.94% (Neg SAP)	Fixed	2,708,923	0.93%	
							None - Not eligible for SAP			26,519	0.01%	
	<b>Total - Consolidation</b>			<b>217,328,783</b>	<b>74.99%</b>		<b>Total - Plus/SLS</b>			<b>9,458,001</b>	<b>3.26%</b>	
							<b>E</b>	<b>Credit Balances Loans</b>		(3,148)	0.00%	
							<b>Total Ending Balance at 12/31/17</b>			<b>289,812,513</b>	<b>100%</b>	

**X. Payment History, CPRs, and Cumulative Default Rate**

**A. Payment History and CPRs**

Month End Date	Actual Ending Pool Balance	Since Issued CPR
12/31/2017	\$ 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*	\$	1,222,663.98
b. 1-3% write offs		27,450.07
c. Claims filed pending payment		1,089,094.45
d. Total Current Period Defaults	\$	<u>2,339,208.50</u>
2. Cumulative Defaults		
a. Claim payments from Guarantor	\$	20,062,399.66
b. 1-3% write offs		410,848.36
c. Claims filed pending payment		1,089,094.45
d. Total Cumulative Defaults	\$	<u>21,562,342.47</u>
3. Cumulative Default (% of original pool balance)		6.04%
4. Cumulative Default (% of cumulative Entered Repayment Balance)		6.95%
5. Cumulative Recoveries	\$	20,062,399.66
6. Cumulative Recovery Rate (2a/2d)		93.04%
7. Cumulative Net Loss Rate (2b/2d)		1.91%
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: 12/31/17                      Report Period: 12/01/17 - 12/31/17

**XI. Balance Sheet**

<b><u>ASSETS</u></b>	<b><u>12/31/2017</u></b>
Cash	\$ 520,017
Assets Held by Trustee	
Investments	14,502,786
Accrued Interest Receivable	5,252,087
Student Loans Receivable, Net	289,415,513
Premium - Std Ln purchase	<u>105,596</u>
Total Assets	<u><u>309,795,999</u></u>
<b><u>LIABILITIES AND NET ASSETS</u></b>	
Bonds Payable	298,790,094
Discount on Bonds Payable	(654,246)
Accrued Interest Payable	125,244
Other Accounts Payable & Accrued Expenses	269,299
Deferred Outflow	-
Total Liabilities	<u>298,530,391</u>
Net Assets	<u>11,265,608</u>
Total Liabilities and Net Assets	<u><u>309,795,999</u></u>
Parity Ratio	<u>1.0230</u>
Senior Parity Ratio	<u>1.0479</u>

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

Supplemental Report

Report Date: 12/31/17

Report Period: 12/01/17 - 12/31/17

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%				
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%				

\* Appendix F of 2016-2 PPM

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

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

Supplemental Report

Report Date: 12/31/17

Report Period: 12/01/17 - 12/31/17

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%	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	15.2%	14.4%	65.6%	29.3	

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: 12/31/17

Report Period: 12/01/17 - 12/31/17

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 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>Avg Mths on Frb</u>	<u>Discretionary Frb</u>	<u>on Mandatory Frb</u>	<u>on Mandatory Frb</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	
	<b>Total</b>	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	
	<b>Total</b>	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	
	<b>Total</b>	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	
	<b>Total</b>	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	
	<b>Total</b>	39.9	21.2	18.7	9.1	5.9	3.2	