



PHEAA - 1997 Student Loan Master Trust - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1997 Master Trust

Reporting Period : 01/01/06 - 03/31/06

Trust Estate and Parity

PHEAA - 1997 Trust Indenture  
Balance Sheet & Income Statement  
For the Period Ended:

	Current Qtr March 31, 2006	Prior Qtr. December 31, 2005	Prior FYE June 30, 2005	Prior Year March 31, 2005
<b>Accruals Ledger</b>				
	PHEAA - 1997 Master Trust	PHEAA - 1997 Master Trust	PHEAA - 1997 Master Trust	PHEAA - 1997 Master Trust
<b>Balance Sheet:</b>				
<u>Assets</u>				
Customer Cash	\$11,383,996	\$18,007,454	\$ 31,487,138	\$ 9,500,515
Accounts Receivable	\$0	0	0	0
Interest Income Receivable	\$90,945,468	77,797,379	67,285,909	64,278,315
Investments	\$43,351,772	244,764,391	90,582,475	157,105,228
Student Loans Receivable	\$4,528,042,762	4,330,630,614	3,232,101,068	3,202,948,162
Plant, Property & Equip Net	\$0	0	0	0
Deferred Financing Costs	\$21,953,577	21,739,038	16,603,626	16,728,920
Prepaid Exp & Other Expenses	\$427,715	42,087	57,794	92,768
<b>Total Assets</b>	<b>\$4,696,105,290</b>	<b>\$ 4,692,980,964</b>	<b>\$ 3,438,118,010</b>	<b>\$ 3,450,653,908</b>
<u>Liabilities</u>				
Accounts Payable & Reserves	\$6,644,290	\$6,059,592	\$ 4,164,948	\$ 4,235,913
Student Ln Financings Int Pay	\$13,519,357	10,922,005	5,604,774	7,086,811
Student Ln Financings Payable	\$4,587,795,322	4,587,744,454	3,287,642,718	3,287,591,850
<b>Total Liabilities</b>	<b>\$4,607,958,968</b>	<b>\$ 4,604,726,051</b>	<b>\$ 3,297,412,440</b>	<b>\$ 3,298,914,574</b>
<u>Fund Balances</u>				
Fund Balances	\$140,653,029	\$ 140,653,029	133,067,199	133,067,199
Current Yr Net Income	(\$52,506,706)	(52,398,115)	7,638,370	18,672,135
<b>Ending Fund Balance</b>	<b>\$88,146,322</b>	<b>\$ 88,254,913</b>	<b>\$ 140,705,570</b>	<b>\$ 151,739,334</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$4,696,105,290</b>	<b>\$ 4,692,980,964</b>	<b>\$ 3,438,118,010</b>	<b>\$ 3,450,653,908</b>
Sr. Parity Ratio	1.051	1.051	1.084	1.087
Parity Ratio	1.014	1.014	1.038	1.041
(Current Assets / Total Liab)				

Income Statement:

<u>Revenues</u>				
Interest income	\$133,608,296	\$ 68,546,060	\$ 185,839,086	\$ 135,820,315
Premium on Student Loan Sales	\$5,948	0	(210,166)	(226,314)
<b>Total Revenues</b>	<b>\$133,614,244</b>	<b>\$ 68,546,060</b>	<b>\$ 185,628,920</b>	<b>\$ 135,594,002</b>
<u>Expenses</u>				
Interest Expense & Related Cst	\$123,260,748	\$ 71,277,218	\$ 82,556,742	\$ 54,807,290
General & Administrative	\$26,376,696	\$ 16,341,357	28,096,502	20,611,185
<b>Total Expenses</b>	<b>\$149,637,444</b>	<b>\$ 87,618,574</b>	<b>\$ 110,653,244</b>	<b>\$ 75,418,475</b>
<b>Operating Income / (Loss)</b>	<b>(\$16,023,200)</b>	<b>\$ (19,072,515.0)</b>	<b>\$ 74,975,676</b>	<b>\$ 60,175,527</b>
Financial Aid	\$8,365,257	5,207,351	12,342,305	11,508,392
<b>Net Income / (Loss) before Trsfs</b>	<b>(\$24,388,456)</b>	<b>(24,279,865.4)</b>	<b>\$ 62,633,370</b>	<b>\$ 48,667,135</b>
Transfers	(\$28,118,250)	(28,118,250)	(54,995,000)	(29,995,000)
<b>Net Income / (Loss)</b>	<b>(\$52,506,706)</b>	<b>\$ (52,398,115)</b>	<b>\$ 7,638,370</b>	<b>\$ 18,672,135</b>

PHEAA - 1997 Student Loan Master Trust - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1997 Master Trust

Reporting Period : 01/01/06 - 03/31/06

Collection Activity

---

<i>Principal Repayment Received (\$)</i>	\$ 177,766,340	
<i>Principal Prepayment Received (\$)</i>	56,381,139	new this quarter
<i>Principal Reimbursement (\$)</i>		
<i>Interest Payment Received (\$)</i>	29,882,533	
<i>Interest Reimbursements (\$)</i>		
<i>Special Allowance Payments (\$)</i>	23,227,371	
<i>Subsidy Payments (\$)</i>	8,754,989	
<i>Funds Release from Reserve (\$)</i>		
<i>Others (please specify)</i>		
<b>Total</b>	<b>\$ 296,012,372</b>	

Issuer : PHEAA

Indenture Name: 1997 Master Trust

Reporting Period : 01/01/06 - 03/31/06

**Fees and Other Payments**

<i>Arbitrage (\$)</i>	\$ -
<i>Consolidation Rebate Fees (\$)</i>	6,352,489
<i>Servicing Fees (\$)</i>	9,364,036
<i>Administration Fees (\$)</i>	191,616
<i>Trustee Fees (\$)</i>	479,688
<i>Auction Agent/Broker Dealer Fees (\$)</i>	2,971,121
<i>Other Fees or Payments (\$)</i>	
<b>Total</b>	<b>\$ 19,358,949</b>
<i>Lender Origination Fees (\$)</i>	1,643,204
<i>Origination Discount (\$)</i>	514,807
<b>Total</b>	<b>\$ 2,158,012</b>
<b>Grand Total Fees &amp; Other Pymts</b>	<b>\$ 21,516,961</b>

PHEAA - 1997 Student Loan Master Trust - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1997 Master Trust

Reporting Period : 01/01/06 - 03/31/06

Student Loan Pool Data-FFELP

	Beginning of Period		Purchases / Originations During Period (\$)	Cash Payments	Non-Cash Transfers	Loans Repaid/Sold During Period (\$)	Loans Defaulted (\$)	End of Period Balance		Weighted Average Interest Rate (%)	Weighted Average Remaining Term (Months)
	\$	%						\$	%		
<i>Subsidized Stafford</i>	\$ 986,736,102	22.77%	126,199,011	(83,614,565)	1,256,875	(3,699,628)	-	1,026,875,170	22.67%	4.972%	123.77
<i>Nonsubsidized Stafford</i>	2,735,248	0.06%	-	(461,090)	14,987	(1,084)	-	2,290,686	0.05%	6.748%	68.08
<i>Unsubsidized Stafford</i>	706,781,142	16.31%	88,720,812	(65,795,135)	2,001,287	(3,011,971)	-	728,696,136	16.09%	4.937%	125.4
<i>SLS</i>	1,241,360	0.03%	-	(130,239)	7,614	-	-	1,118,735	0.02%	6.601%	76.95
<i>PLUS</i>	78,380,162	1.81%	99,941,513	(8,378,247)	399,831	-	-	170,343,260	3.76%	5.572%	107.89
<i>HEAL</i>	24,513,919	0.57%	-	(1,181,423)	170,730	-	-	23,503,226	0.52%	5.909%	236.11
<i>HLCNSLDN</i>	168,803,841	3.90%	-	(7,570,114)	216,246	-	-	161,449,972	3.56%	5.473%	228.82
<i>MedBest</i>	1,442,213	0.03%	83,963	(236)	2,333	-	-	1,528,273	0.03%	5.805%	319.19
<i>Consolidation</i>	2,362,141,960	54.52%	291,416,102	(67,016,430)	2,399,633	(175,285,110)	-	2,413,656,154	53.29%	4.348%	238.76
<b>Total</b>	<b>\$ 4,332,775,947</b>	<b>100.00%</b>	<b>\$ 606,361,401</b>	<b>\$ (234,147,479)</b>	<b>\$ 6,469,536</b>	<b>\$ (181,997,793)</b>		<b>\$ 4,529,461,612</b>	<b>100.00%</b>	<b>5.596%</b>	<b>169.44</b>

AES/PHEAA

97 Trust - Prop / Non-Prop Loan Breakdown

Reporting Period : 01/01/06 - 03/31/06

	Prop. Ind.	School type	Principal	
N		GRADUATE	\$ 15,750,522	
N		SCHOOL OF THEOLOGY	16,152,908.04	
N		STATE RELATED	1,498,499,102.06	
N		2 YEAR PRIV JR COLL	43,285,296.95	
N		2 YEAR PUB JR COLL	214,318,075.88	
N		4 YEAR PRIVATE COLL	1,461,408,865.75	
N		4 YEAR PUBLIC COLL	914,329,697.93	
<b>N Total</b>			<b>\$ 4,163,744,468</b>	<b>92%</b>
Y		ALL PROPRIETARY	423,536.65	
Y		CORRESPONDENCE	8,273,163.92	
Y		FED OWNED DEFR ONLY	1,610,685.77	
Y		HOSPITAL DIPLOMA PGM	29,591,340.03	
Y		PRIV PRESCH/ELEM	86,699.51	
Y		PROP VOC/TECH	73,474,155.80	
Y		PROPRIETARY BUSINESS	121,658,555.14	
Y		TRADE/TECH SCHOOL	130,599,007.13	
<b>Y Total</b>			<b>\$ 365,717,144</b>	<b>8%</b>
<b>Grand Total</b>			<b>\$ 4,529,461,612</b>	

PHEAA - 1997 Student Loan Master Trust - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1997 Master Trust

Reporting Period : 01/01/06 - 03/31/06

As of March 31, 2006

*Total 1997 Loan Portfolio--1997PQ,  
1997NO, 1997WX, 1997Z, 1997AA, 1997  
Taxable*

*1. LOANS IN-SCHOOL/IN-GRACE*

	3/31/2006	Prior Qtr. 12/31/2005	Prior FYE 6/30/2005	Prior Year 3/31/2005
In school	\$ 793,393,824	\$ 692,375,541	\$ 668,925,232	\$ 786,408,223
In grace	141,435,066	122,490,772	326,238,717	137,631,644
2. LOANS IN DEFERMENT	643,778,235	604,099,086	324,012,675	342,120,860
3. LOANS IN REPAYMENT	-	-	-	-
A. CURRENT	2,239,955,952	2,231,838,817	1,400,408,724	1,417,202,831
Forbearances	469,075,477	433,571,940	309,395,025	322,476,080
B. 31-60 PAST DUE	73,971,186	99,600,887	58,825,058	57,242,790
C. 61-90 PAST DUE	41,276,302	41,837,894	35,149,622	31,926,319
D. 91-120 PAST DUE	47,531,930	23,963,885	23,238,495	38,100,061
E. 121-180 PAST DUE	35,783,502	41,329,817	27,870,041	25,991,095
F. 181-270 PAST DUE	30,350,600	26,410,082	33,948,867	24,863,777
G. 271 OR GREATER PAST DUE	6,595,644	11,325,959	5,166,618	6,116,385
H. CLAIMS FILED BUT NOT PAID	5,149,627	2,748,503	4,330,162	4,623,856
4. IN LITIGATION	1,016,922	1,365,198	961,892	1,431,804
5. UNINSURED	476,828	494,296	426,612	464,537
6. CREDIT BALANCES	(329,483)	(676,730)	(147,305)	(167,047)
7. END PRIN. BAL.	\$ 4,529,461,612	\$ 4,332,775,947	\$ 3,218,750,435	\$ 3,196,386,393

*Total 1997 Loan Portfolio--1997PQ,  
1997NO, 1997WX, 1997Z, 1997AA, 1997  
Taxable*

	3/31/2006	Prior Qtr. 12/31/2005	Prior FYE 6/30/2005	Prior Year 3/31/2005
Loans at 9.50% floor	\$ 714,235,125	\$ 764,285,797	\$ 1,050,023,606	\$ 1,186,511,954
Loans @ CP	3,258,156,454	2,520,344,493	1,669,981,705	1,669,255,165
Loans @ Tbill	277,726,150	220,381,044	227,349,303	263,817,982

PHEAA - 1997 Student Loan Master Trust - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1997 Master Trust

Reporting Period : 01/01/06 - 03/31/06

**VI. Claims Paid**

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 7,433,024
<i>Unsubsidized Stafford</i>	5,427,326
<i>SLS</i>	13,007
<i>PLUS</i>	574,595
<i>HEALTH</i>	197,994
<i>HEAL</i>	17,819
<i>Consolidation</i>	4,444,330
<i>Total</i>	\$ 18,108,095

PHEAA - 1997 Student Loan Master Trust - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1997 Master Trust

Reporting Period : 01/01/06 - 03/31/06

For the quarter ended March 31, 2006

	Loans Sold		Premium		Loans Purchased		Premium	
	\$	%	\$	%	\$	%	\$	%
<i>Subsidized Stafford Total</i>	\$ 109,039	0.06%			\$ 60,071,145	20.12%		
<i>Unsubsidized Stafford Total</i>	100,697	0.06%			46,112,302	15.44%		
<i>Nonsubsidized Stafford Total</i>	1,087	0.00			-	0.00%		
<i>SLS Total</i>	-	-			-	0.00%		
<i>PLUS Total</i>	-	0.00%			99,231,166	33.24%		
<i>HEALTH Total</i>	-	-			-	0.00%		
<i>MedBEST Total</i>	-	-			85,936	0.03%		
<i>Consolidation Total</i>	172,206,572	99.88%			93,073,681	31.17%		
<b><i>Total</i></b>	<b>\$ 172,417,396</b>	<b>100.00%</b>	<b>-</b>	<b>0.0000%</b>	<b>\$ 298,574,229</b>	<b>100.00%</b>	<b>\$ 10,219,396</b>	<b>3.42%</b>