

PHEAA - 1997 Student Loan Master Trust - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1997 Master Trust

Reporting Period : 01/01/07 - 03/31/07

Bond Status

Series	Senior/Sub	Maturity Date	Taxable / Tax-Exempt	Beginning Principal Balance (\$)	Principal Paid (\$)	Ending Principal Balance (\$)	Interest Paid (\$) 03/31/07	Coupon Type (ie. ARC, Fixed, VRDN)	Actual Days in Period	Actual Coupon Rate @ 03/31/07
1997A	Senior	08/01/27	Taxable	\$ 35,000,000	-	\$ 35,000,000	\$ 569,478	Auction	90	5.320%
1997B	Subordinate	08/01/27	Taxable	15,000,000	-	15,000,000	\$ 185,718	Auction	90	5.340%
1997C	Senior	03/01/28	Taxable	50,000,000	-	50,000,000	\$ 815,070	Auction	90	5.300%
1997D	Senior	11/01/28	Taxable	45,000,000	-	45,000,000	\$ 742,194	Auction	90	5.390%
1997E	Subordinate	11/01/28	Taxable	5,000,000	-	5,000,000	\$ 84,308	Auction	90	5.490%
1997F	Senior	10/01/40	Taxable	165,000,000	-	165,000,000	\$ 2,015,079	Auction	90	5.290%
1997G	Subordinate	10/01/40	Taxable	10,000,000	-	10,000,000	\$ 123,354	Auction	90	5.330%
1997H	Senior	10/01/40	Taxable	165,000,000	-	165,000,000	\$ 2,730,222	Auction	90	5.390%
1997I	Subordinate	10/01/40	Taxable	10,000,000	-	10,000,000	\$ 168,462	Auction	90	5.480%
1997J	Senior	12/01/40	Taxable	215,000,000	-	215,000,000	\$ 2,843,472	Auction	90	5.290%
1997K	Subordinate	12/01/40	Taxable	25,000,000	-	25,000,000	\$ 309,730	Auction	90	5.380%
1997L	Senior	08/01/41	Taxable	190,000,000	-	190,000,000	\$ 2,742,555	Auction	90	5.290%
1997M	Subordinate	08/01/41	Taxable	10,000,000	-	10,000,000	\$ 125,820	Auction	90	5.400%
1997N	Senior	06/01/37	AMT	140,000,000	-	140,000,000	\$ -	Auction	90	3.730%
1997O	Subordinate	06/01/37	AMT	10,000,000	-	10,000,000	\$ -	Auction	90	3.800%
1997P	Senior	03/01/22	AMT	140,000,000	-	140,000,000	\$ 2,570,176	Auction	90	3.720%
1997Q	Subordinate	03/01/22	AMT	10,000,000	-	10,000,000	\$ 184,634	Auction	90	3.720%
1997R	Senior	08/01/42	Taxable	150,000,000	-	150,000,000	\$ 2,135,655	Auction	90	5.300%
1997S	Subordinate	08/01/42	Taxable	10,000,000	-	10,000,000	\$ 123,414	Auction	90	5.310%
1997T	Senior	09/01/42	Taxable	470,500,000	-	470,500,000	\$ 6,213,085	Auction	90	5.300%
1997U	Subordinate	09/01/42	Taxable	29,500,000	-	29,500,000	\$ 372,384	Auction	90	5.380%
1997V	Senior	10/01/42	Taxable	300,000,000	-	300,000,000	\$ 4,066,152	Auction	90	5.320%
1997W	Senior	06/01/38	AMT	140,000,000	-	140,000,000	\$ -	Auction	90	3.715%
1997X	Subordinate	06/01/38	AMT	10,000,000	-	10,000,000	\$ -	Auction	90	3.800%
1997Y	Senior	09/01/43	Taxable	300,000,000	-	300,000,000	\$ 4,031,401	Auction	90	5.310%
1997Z	Senior	06/01/39	AMT	170,000,000	-	170,000,000	\$ -	Auction	90	3.725%
1997AA	Senior	06/01/39	AMT	171,000,000	-	171,000,000	\$ -	Auction	90	3.723%
1997BB	Senior	11/01/44	Taxable	300,000,000	-	300,000,000	\$ 4,030,831	Auction	90	5.310%
1997CC	Senior	08/01/45	Taxable	200,000,000	-	200,000,000	\$ 2,637,015	Auction	90	5.310%
1997DD	Senior	09/01/45	Taxable	200,000,000	-	200,000,000	\$ 2,884,400	Auction	90	5.290%
1997EE	Senior	12/01/45	Taxable	380,000,000	-	380,000,000	\$ 5,095,439	Auction	90	5.300%
1997FF	Subordinate	12/01/45	Taxable	20,000,000	-	20,000,000	\$ 251,244	Auction	90	5.400%
1997GG	Senior	12/01/45	Taxable	500,000,000	-	500,000,000	\$ 6,479,213	Auction	90	5.290%
1997HH	Senior	05/01/46	Taxable	970,000,000	-	970,000,000	\$ 12,853,015	Auction	90	5.320%
1997II	Subordinate	05/01/46	Taxable	30,000,000	-	30,000,000	\$ 500,950	Auction	90	5.400%
1997JJ	Senior	06/01/46	Taxable	727,500,000	-	727,500,000	\$ 10,014,570	Auction	90	5.280%
1997KK	Subordinate	06/01/46	Taxable	22,500,000	-	22,500,000	\$ 283,750	Auction	90	5.350%
Total				\$ 6,341,000,000		\$ 6,341,000,000	\$ 78,182,790			

Senior Debt outstanding @ end of period \$ 6,124,000,000
 Subordinate Debt outstanding @ end of period \$ 217,000,000
 Taxable Debt outstanding @ end of period \$ 5,550,000,000
 Tax-Exempt Debt outstanding @ end of period \$ 791,000,000
 Debt Service Reserve Fund (Surety Bond) \$ 48,400,000
 DSRFCoverage - Senior Debt 0.79%
 DSRFCoverage - Overall 0.76%

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Trust Estate and Parity

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

Current Qtr
 March 31, 2007

Prior Qtr.
 December 31, 2006

Prior Year
 March 31, 2006

Accruals Ledger

PHEAA - 1997
 Master Trust

PHEAA - 1997 Master
 Trust

PHEAA - 1997 Master
 Trust

Balance Sheet:

<u>Assets</u>			
Customer Cash	\$ 16,633,402	\$ 11,538,066	\$11,383,996
Accounts Receivable	0	0	0
Interest Income Receivable	145,165,997	137,522,325	90,945,468
Investments	53,637,126	162,320,416	43,351,772
Student Loans Receivable	6,213,578,309	6,110,413,188	4,528,042,762
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	27,613,195	27,814,737	21,953,577
Prepaid Exp & Other Expenses	<u>926,036</u>	<u>876,942</u>	<u>427,715</u>
Total Assets	<u>\$ 6,457,554,066</u>	<u>\$ 6,450,485,674</u>	<u>\$ 4,696,105,290</u>
<u>Liabilities</u>			
Accounts Payable & Reserves	\$ 17,110,971	\$ 9,544,038	\$6,644,290
Student Ln Financings Int Pay	20,293,607	17,747,589	13,519,357
Student Ln Financings Payable	6,337,998,794	6,337,947,926	4,587,795,322
Total Liabilities	<u>\$ 6,375,403,372</u>	<u>\$ 6,365,239,553</u>	<u>\$ 4,607,958,968</u>
<u>Fund Balances</u>			
Fund Balances	79,693,632	79,693,632	\$ 140,653,029
Current Yr Net Income	<u>2,457,062</u>	<u>5,552,489</u>	<u>\$ (52,506,706)</u>
Ending Fund Balance	<u>\$ 82,150,694</u>	<u>\$ 85,246,121</u>	<u>\$ 88,146,322</u>
Total Liabilities & Fund Balance	<u>\$ 6,457,554,066</u>	<u>\$ 6,450,485,674</u>	<u>\$ 4,696,105,290</u>
Sr. Parity Ratio	1.050	1.049	1.051
Parity Ratio	1.010	1.013	1.014
(Current Assets / Total Liab)			

Income Statement:

<u>Revenues</u>			
Interest income	\$ 298,598,046	\$ 204,178,533	\$ 133,608,296
Premium on Student Loan Sales	246,683	208,825	5,948
Total Revenues	<u>\$ 298,844,729</u>	<u>\$ 204,387,358</u>	<u>\$ 133,614,244</u>
<u>Expenses</u>			
Interest Expense & Related Cst	\$ 255,993,460	\$ 171,939,735	\$ 123,260,748
General & Administrative	39,952,096	26,609,237	26,376,696
Total Expenses	<u>\$ 295,945,555</u>	<u>\$ 198,548,972</u>	<u>\$ 149,637,444</u>
Operating Income / (Loss)	<u>\$ 2,899,174</u>	<u>\$ 5,838,386</u>	<u>\$ (16,023,200)</u>
Financial Aid	462,986	306,772	8,365,257
Net Income / (Loss) before Trsfs	<u>\$ 2,436,187</u>	<u>\$ 5,531,614</u>	<u>(24,388,456)</u>
Transfers	<u>20,875</u>	<u>20,875</u>	<u>(28,118,250)</u>
Net Income / (Loss)	<u>\$ 2,457,062</u>	<u>\$ 5,552,489</u>	<u>\$ (52,506,706)</u>

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Collection Activity (excluding loan sales)

<i>Principal Repayment Received (\$)</i>	\$ 77,529,162
<i>Principal Prepayment Received (\$)</i>	205,986,913
<i>Principal Reimbursement (\$)</i>	
<i>Interest Payment Received (\$)</i>	47,228,699
<i>Interest Reimbursements (\$)</i>	
<i>Special Allowance Payments (\$)</i>	38,800,506
<i>Subsidy Payments (\$)</i>	12,975,449
<i>Funds Release from Reserve (\$)</i>	
<i>Others (please specify)</i>	
Total	\$ 382,520,729

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Fees and Other Payments

<i>Arbitrage (\$)</i>	\$ -
<i>Consolidation Rebate Fees (\$)</i>	11,707,314
<i>Servicing Fees (\$)</i>	12,446,844
<i>Administration Fees (\$)</i>	192,534
<i>Trustee Fees (\$)</i>	628,978
<i>Auction Agent/Broker Dealer Fees (\$)</i>	3,206,777
<i>Other Fees or Payments (\$)</i>	
Total	\$ 28,182,446
<i>Lender Origination Fees (\$)</i>	1,553,504
<i>Origination Discount (\$)</i>	5,308
Total	\$ 1,558,813
Grand Total Fees & Other Pymts	\$ 29,741,259

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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>	817,637,861	13.40%	64,356,425	(71,995,558)	1,618,547	(21,348,978)		790,268,296	12.73%	6.840%	120.81
<i>Nonsubsidized Stafford</i>	1,730,528	0.03%	286,739	(273,349)	9,781			1,753,700	0.03%	8.024%	73.00
<i>Unsubsidized Stafford</i>	590,466,321	9.67%	51,179,692	(57,127,395)	3,253,382	(18,432,704)		569,339,295	9.17%	6.813%	123.05
<i>SLS</i>	1,017,111	0.02%	273,016	(194,997)	7,616			1,102,745	0.02%	8.428%	88.25
<i>PLUS</i>	148,868,717	2.44%	139,234,266	(19,114,522)	1,304,347			270,292,808	4.36%	7.533%	109.63
<i>HEAL</i>	20,320,654	0.33%		(904,595)	9,929			19,425,988	0.31%	6.739%	227.66
<i>PLUSGB</i>	799,940	0.00%	18,861,313	(49,335)	93			19,612,010	0.32%	7.924%	136.79
<i>HLCNSLDN</i>	140,042,891	2.29%		(5,541,537)	72,531			134,573,885	2.17%	6.590%	218.64
<i>MedBest</i>	2,593,028	0.05%	63,177	(5,288)	11,368			2,662,285	0.04%	7.102%	320.07
<i>Consolidation</i>	4,380,411,103	71.76%	489,580,854	(128,309,500)	9,225,179	(353,629,491)		4,397,278,146	70.85%	4.793%	244.32
Total	\$ 6,103,888,153	100.00%	\$ 763,835,482	\$ (283,516,076)	\$ 15,512,773	\$ (393,411,173)		\$ 6,206,309,159	100.00%	5.422%	210.25

AES/PHEAA
 97 Trust - Prop / Non-Prop Loan Breakdown
 Reporting Period : 01/01/07 - 03/31/07

Prop. Ind.	School type	Principal	
N	GRADUATE	\$ 20,547,955	
N	SCHOOL OF THEOLOGY	23,576,001.73	
N	STATE RELATED	1,561,424,521.44	
N	2 YEAR PRIV JR COLL	78,686,299.60	
N	2 YEAR PUB JR COLL	346,176,138.67	
N	4 YEAR PRIVATE COLL	2,155,254,379.71	
N	4 YEAR PUBLIC COLL	1,517,968,630.08	
N Total		\$ 5,703,633,926	92%
Y	ALL NON-PROPRIETARY	251,339.15	
Y	ALL PROPRIETARY	900,245.07	
Y	CORRESPONDENCE	7,189,626.42	
Y	FED OWNED DEFR ONLY	2,752,094.21	
Y	HOSPITAL DIPLOMA PGM	34,592,111.20	
Y	PRIV PRESCH/ELEM	84,173.67	
Y	PROP VOC/TECH	127,974,353.91	
Y	PROPRIETARY BUSINESS	150,696,643.34	
Y	TRADE/TECH SCHOOL	178,234,646.13	
Y Total		\$ 502,675,233	8%
Grand Total		\$ 6,206,309,159	

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As of March 31, 2007

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

	3/31/2007	Prior FYE 6/30/2006	Prior Yr 03/31/06
<i>1. LOANS IN-SCHOOL/IN-GRACE</i>			
In school	\$ 503,652,322	\$ 685,799,687	\$ 793,393,824
In grace	123,338,381	269,765,449	\$ 141,435,066
2. LOANS IN DEFERMENT	993,357,825	891,009,751	\$ 643,778,235
3. LOANS IN REPAYMENT		-	\$ -
A. CURRENT	3,353,928,442	3,081,096,595	\$ 2,239,955,952
Forbearances	747,567,326	806,337,725	\$ 469,075,477
B. 31-60 PAST DUE	160,449,830	118,967,681	\$ 73,971,186
C. 61-90 PAST DUE	84,304,016	85,302,824	\$ 41,276,302
D. 91-120 PAST DUE	80,100,334	58,474,545	\$ 47,531,930
E. 121-180 PAST DUE	73,185,217	45,085,379	\$ 35,783,502
F. 181-270 PAST DUE	52,451,069	41,569,708	\$ 30,350,600
G. 271 OR GREATER PAST DUE	12,108,448	5,310,080	\$ 6,595,644
H. CLAIMS FILED BUT NOT PAID	21,020,920	8,300,139	\$ 5,149,627
4. IN LITIGATION	922,969	1,122,835	\$ 1,016,922
5. UNINSURED	592,368	521,935	\$ 476,828
6. CREDIT BALANCES	(670,308)	(513,602)	\$ (329,483)
7. END PRIN. BAL.	<u>\$ 6,206,309,159</u>	<u>\$ 6,098,150,732</u>	<u>\$ 4,529,461,612</u>

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

	3/31/2007	Prior FYE 6/30/2006	Prior Yr 03/31/06
Loans at 9.50% floor*		\$ 665,068,220	\$ 714,235,125
Loans @ CP	5,651,726,116	4,043,709,700	3,258,156,454
Loans @ Tbill	319,556,605	410,322,605	277,726,150

* Please refer to FP-07-01 regarding the Department of Education's treatment of 9.5% floor loans as of March, 31, 2007

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VI. Claims Paid

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 5,572,494
<i>Unsubsidized Stafford</i>	4,215,775
<i>SLS</i>	1,490
<i>PLUS</i>	783,385
<i>HEALTH</i>	202,357
<i>HEAL</i>	122,522
<i>Consolidation</i>	22,797,748
<i>Total</i>	\$ 33,695,770

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For the quarter ended March 31, 2007

	Loans Sold		Premium		Loans Purchased		Premium	
	\$	%	\$	%	\$	%	\$	%
<i>Subsidized Stafford Total</i>	\$ 59,263	0.04%			\$ 41,239,349	13.99%		
<i>Unsubsidized Stafford Total</i>	37,717	0.02%			31,820,167	10.80%		
<i>Nonsubsidized Stafford Total</i>	-	0.00%			288,490	0.10%		
<i>SLS Total</i>	-	0.00%			273,523	0.09%		
<i>PLUS Total</i>	-	0.00%			137,806,346	46.75%		
<i>PLUSGB</i>	-	0.00%			19,042,057	6.46%		
<i>HEALTH Total</i>	-	0.00%			-	0.00%		
<i>MedBEST Total</i>	-	0.00%			65,640	0.02%		
<i>Consolidation Total</i>	160,738,878	99.94%			64,212,810	21.79%		
<i>Total</i>	\$ 160,835,858	100.00%	219,321	0.1364%	\$ 294,748,383	100.00%	\$ 12,412,893	4.21%