

PHEAA - 1997 Student Loan Master Trust - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1997 Master Trust

Reporting Period : 04/01/05 - 06/30/05

Bond Status

Series	Senior/Sub	Maturity Date	Taxable / Tax-Exempt	Beginning Principal Balance (\$)	Principal Paid (\$)	Ending Principal Balance (\$)	Interest Paid (\$) 6/30/05	Coupon Type (ie. ARC, Fixed, VRDN)	Actual Days in Period	Actual Coupon Rate @ 06/30/05
1997A	Senior	08/01/27	Taxable	\$ 35,000,000	-	\$ 35,000,000	\$ 254,268	Auction	91	3.310%
1997B	Subordinate	08/01/27	Taxable	\$ 15,000,000	-	\$ 15,000,000	\$ 103,986	Auction	91	3.300%
1997C	Senior	03/01/28	Taxable	\$ 50,000,000	-	\$ 50,000,000	\$ 363,240	Auction	91	3.310%
1997D	Senior	11/01/28	Taxable	\$ 45,000,000	-	\$ 45,000,000	\$ 319,311	Auction	91	3.280%
1997E	Subordinate	11/01/28	Taxable	\$ 5,000,000	-	\$ 5,000,000	\$ 36,936	Auction	91	3.530%
1997F	Senior	10/01/40	Taxable	\$ 165,000,000	-	\$ 165,000,000	\$ 1,453,507	Auction	91	3.340%
1997G	Subordinate	10/01/40	Taxable	\$ 10,000,000	-	\$ 10,000,000	\$ 75,408	Auction	91	3.380%
1997H	Senior	10/01/40	Taxable	\$ 165,000,000	-	\$ 165,000,000	\$ 1,167,012	Auction	91	3.280%
1997I	Subordinate	10/01/40	Taxable	\$ 10,000,000	-	\$ 10,000,000	\$ 73,872	Auction	91	3.530%
1997J	Senior	12/01/40	Taxable	\$ 215,000,000	-	\$ 215,000,000	\$ 1,676,548	Auction	91	3.290%
1997K	Subordinate	12/01/40	Taxable	\$ 25,000,000	-	\$ 25,000,000	\$ 188,520	Auction	91	3.380%
1997L	Senior	08/01/41	Taxable	\$ 190,000,000	-	\$ 190,000,000	\$ 1,612,245	Auction	91	3.310%
1997M	Subordinate	08/01/41	Taxable	\$ 10,000,000	-	\$ 10,000,000	\$ 99,086	Auction	91	3.400%
1997N	Senior	06/01/37	AMT	\$ 140,000,000	-	\$ 140,000,000	\$ 1,546,622	Auction	91	2.710%
1997O	Subordinate	06/01/37	AMT	\$ 10,000,000	-	\$ 10,000,000	\$ 115,458	Auction	91	3.000%
1997P	Senior	03/01/22	AMT	\$ 140,000,000	-	\$ 140,000,000	\$ -	Auction	91	2.670%
1997Q	Subordinate	03/01/22	AMT	\$ 10,000,000	-	\$ 10,000,000	\$ -	Auction	91	3.250%
1997R	Senior	08/01/42	Taxable	\$ 150,000,000	-	\$ 150,000,000	\$ 1,261,755	Auction	91	3.350%
1997S	Subordinate	08/01/42	Taxable	\$ 10,000,000	-	\$ 10,000,000	\$ 95,438	Auction	91	3.500%
1997T	Senior	09/01/42	Taxable	\$ 470,500,000	-	\$ 470,500,000	\$ 3,612,236	Auction	91	3.260%
1997U	Subordinate	09/01/42	Taxable	\$ 29,500,000	-	\$ 29,500,000	\$ 214,323	Auction	91	3.280%
1997V	Senior	10/01/42	Taxable	\$ 300,000,000	-	\$ 300,000,000	\$ 2,342,587	Auction	91	3.240%
1997W	Senior	06/01/38	AMT	\$ 140,000,000	-	\$ 140,000,000	\$ 1,508,712	Auction	91	2.670%
1997X	Subordinate	06/01/38	AMT	\$ 10,000,000	-	\$ 10,000,000	\$ 110,064	Auction	91	2.750%
1997Y	Senior	09/01/43	Taxable	\$ 300,000,000	-	\$ 300,000,000	\$ 2,358,428	Auction	91	3.270%
1997Z	Senior	06/01/39	AMT	\$ 170,000,000	-	\$ 170,000,000	\$ 1,913,528	Auction	91	2.830%
1997AA	Senior	06/01/39	AMT	\$ 171,000,000	-	\$ 171,000,000	\$ 1,920,934	Auction	91	2.700%
1997BB	Senior	11/01/44	Taxable	\$ 300,000,000	-	\$ 300,000,000	\$ 2,367,173	Auction	91	3.290%
Total				\$ 3,291,000,000		\$ 3,291,000,000	\$ 26,791,196			

Senior Debt outstanding @ end of period \$ 3,146,500,000

Subordinate Debt outstanding @ end of period \$ 144,500,000

Taxable Debt outstanding @ end of period \$ 2,500,000,000

Tax-Exempt Debt outstanding @ end of period \$ 791,000,000

Debt Service Reserve Fund (Surety Bond) \$ 31,400,000

DSRF Coverage - Senior Debt 1.00%

DSRF Coverage - Overall 0.95%

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Trust Estate and Parity

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

	December 31, 2004	March 31, 2005	June 30, 2005
Accruals Ledger			
	PHEAA - 1997 Master Trust	PHEAA - 1997 Master Trust	PHEAA - 1997 Master Trust
Balance Sheet:			
<u>Assets</u>			
Customer Cash	\$ 8,775,216	\$ 9,500,515	\$ 31,487,138
Accounts Receivable	0	0	0
Interest Income Receivable	63,351,661	64,278,315	67,285,909
Investments	213,189,561	157,105,228	90,582,475
Student Loans Receivable	3,130,592,179	3,202,948,162	3,232,101,068
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	16,840,739	16,728,920	16,603,626
Prepaid Exp & Other Expenses	42,540	92,768	57,794
Total Assets	\$ 3,432,791,897	\$ 3,450,653,908	\$ 3,438,118,010
<u>Liabilities</u>			
Accounts Payable & Reserves	\$ 3,986,378	\$ 4,235,913	\$ 4,164,948
Student Ln Financings Int Pay	4,806,905	7,086,811	5,604,774
Student Ln Financings Payable	3,287,540,982	3,287,591,850	3,287,642,718
Total Liabilities	\$ 3,296,334,266	\$ 3,298,914,574	\$ 3,297,412,440
<u>Fund Balances</u>			
Fund Balances	133,067,199	133,067,199	133,067,199
Current Yr Net Income	3,390,431	18,672,135	7,638,370
Ending Fund Balance	\$ 136,457,631	\$ 151,739,334	\$ 140,705,570
Total Liabilities & Fund Balance	\$ 3,432,791,897	\$ 3,450,653,908	\$ 3,438,118,010
Sr. Parity Ratio	1.09	1.09	1.09
Parity Ratio	1.04	1.04	1.04
(Current Assets / Total Liab)			
Income Statement:			
<u>Revenues</u>			
Interest income	\$ 86,141,891	\$ 135,820,315	\$ 185,839,086
Premium on Student Loan Sales	(226,314)	(226,314)	(210,166)
Total Revenues	\$ 85,915,578	\$ 135,594,002	\$ 185,628,920
<u>Expenses</u>			
Interest Expense & Related Cst	\$ 32,257,908	\$ 54,807,290	\$ 82,556,742
General & Administrative	13,061,709	20,611,185	28,096,502
Total Expenses	\$ 45,319,617	\$ 75,418,475	\$ 110,653,244
Operating Income / (Loss)	\$ 40,595,961	\$ 60,175,527	\$ 74,975,676
Financial Aid	7,210,530	11,508,392	12,342,305
Net Income / (Loss) before Trsfs	\$ 33,385,431	\$ 48,667,135	\$ 62,633,370
<u>Transfers</u>	(29,995,000)	(29,995,000)	(54,995,000)
Net Income / (Loss)	\$ 3,390,431	\$ 18,672,135	\$ 7,638,370

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Collection Activity

<i>Principal Repayment Received (\$)</i>	\$ 255,174,333
<i>Principal Prepayment Received (\$)</i>	
<i>Principal Reimbursement (\$)</i>	
<i>Interest Payment Received (\$)</i>	\$ 16,997,857
<i>Interest Reimbursements (\$)</i>	
<i>Special Allowance Payments (\$)</i>	\$ 24,365,361
<i>Subsidy Payments (\$)</i>	\$ 5,843,799
<i>Funds Release from Reserve (\$)</i>	
<i>Others (please specify)</i>	
Total	\$ 302,381,350

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Fees and Other Payments

<i>Arbitrage (\$)</i>	\$ -
<i>Consolidation Rebate Fees (\$)</i>	\$ 2,515,779
<i>Servicing Fees (\$)</i>	\$ 6,927,357
<i>Administration Fees (\$)</i>	\$ 187,735
<i>Trustee Fees (\$)</i>	\$ 355,374
<i>Auction Agent/Broker Dealer Fees (\$)</i>	\$ 2,227,274
<i>Other Fees or Payments (\$)</i>	
Total	\$ 12,213,519
<i>Lender Origination Fees (\$)</i>	\$ 1,473,011
<i>Origination Discount (\$)</i>	\$ 4,211,040
Total	\$ 5,684,051
Grand Total Fees & Other Pymts	\$ 17,897,570

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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		Average Coupon	Weighted Average Interest Rate (%)	Weighted Average Remaining Term
	\$	%						\$	%			
<i>Subsidized Stafford</i>	\$ 1,023,923,543	32.03%	\$ 267,431,406	\$ (110,332,025)	\$ 626,055	\$ (86,034,698)		\$ 1,095,614,281	34.04%			
<i>Nonsubsidized Stafford</i>	\$ 3,960,222	0.12%	\$ 840,712	\$ (710,398)	\$ 37,770	\$ (8,493)		\$ 4,119,813	0.13%			
<i>Unsubsidized Stafford</i>	\$ 741,406,901	23.20%	\$ 234,537,783	\$ (93,572,368)	\$ 2,872,823	\$ (66,413,907)		\$ 818,831,232	25.44%			
<i>SLS</i>	\$ 2,254,143	0.07%	\$ -	\$ (363,858)	\$ 4,550	\$ -		\$ 1,894,835	0.06%			
<i>PLUS</i>	\$ 44,605,111	1.40%	\$ 8,053,909	\$ (10,269,477)	\$ 116,745	\$ -		\$ 42,506,288	1.32%			
<i>HEAL</i>	\$ 29,428,508	0.92%	\$ -	\$ (1,591,981)	\$ 462,865	\$ -		\$ 28,299,392	0.88%			
<i>HLCNSLDN</i>	\$ 189,856,516	5.94%	\$ -	\$ (6,778,696)	\$ 225,440	\$ -		\$ 183,303,260	5.69%			
<i>MedBest</i>	\$ 842,626	0.03%	\$ 505,058	\$ (2,215)	\$ (650)	\$ -		\$ 1,344,820	0.04%			
<i>Consolidation</i>	\$ 1,160,108,822	36.29%	\$ 296,019,053	\$ (31,553,317)	\$ 1,630,913	\$ (383,368,957)		\$ 1,042,836,514	32.40%			
Total	\$ 3,196,386,393	100.00%	\$ 807,387,920	\$ (255,174,333)	\$ 5,976,512	\$ (535,826,056)		\$ 3,218,750,435	100.00%		3.656%	

AES/PHEAA
97 Trust - Prop / Non-Prop Loan Breakdown
Reporting Period : 04/01/05 - 06/30/05

	Prop. Ind.	School type	Principal
N		GRADUATE	\$ 15,766,750
N		SCHOOL OF THEOLOGY	\$ 10,058,097
N		STATE RELATED	\$ 1,123,069,250
N		2 YEAR PRIV JR COLL	\$ 31,237,502
N		2 YEAR PUB JR COLL	\$ 166,910,549
N		4 YEAR PRIVATE COLL	\$ 984,244,163
N		4 YEAR PUBLIC COLL	\$ 585,483,945
	N Total		\$ 2,916,770,256
Y		ALL PROPRIETARY	\$ 353,195
Y		CORRESPONDENCE	\$ 388,691
Y		FED OWNED DEFR ONLY	\$ 1,838,404
Y		HOSPITAL DIPLOMA PGM	\$ 21,269,539
Y		PRIV PRESCHL/ELEM	\$ 4,633
Y		PROP VOC/TECH	\$ 74,128,733
Y		PROPRIETARY BUSINESS	\$ 100,074,351
Y		TRADE/TECH SCHOOL	\$ 103,922,634
	Y Total		\$ 301,980,179
	Grand Total		\$ 3,218,750,435

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As of June 30, 2005

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

	6/30/2005	3/31/2005	12/31/2004
1. LOANS IN-SCHOOL/IN-GRACE			\$ 964,511,330
In school	\$ 668,925,232	\$ 786,361,399	
In grace	\$ 326,238,717	\$ 137,631,644	
2. LOANS IN DEFERMENT	\$ 324,012,675	\$ 342,120,860	\$ 336,847,672
3. LOANS IN REPAYMENT		\$ -	\$ -
A. CURRENT	\$ 1,400,408,724	\$ 1,417,202,931	\$ 1,618,196,514
Forbearances	\$ 309,395,025	\$ 322,476,080	
B. 31-60 PAST DUE	\$ 58,825,058	\$ 57,242,790	\$ 67,902,656
C. 61-90 PAST DUE	\$ 35,149,622	\$ 31,926,319	\$ 31,557,574
D. 91-120 PAST DUE	\$ 23,238,495	\$ 38,100,061	\$ 20,165,956
E. 121-180 PAST DUE	\$ 27,870,041	\$ 25,991,095	\$ 33,597,962
F. 181-270 PAST DUE	\$ 33,948,867	\$ 24,863,777	\$ 23,073,310
G. 271 OR GREATER PAST DUE	\$ 5,166,618	\$ 6,116,385	\$ 10,372,565
H. CLAIMS FILED BUT NOT PAID	\$ 4,330,162	\$ 4,623,856	\$ 4,885,965
4. IN LITIGATION	\$ 961,892	\$ 1,431,804	\$ 1,783,233
5. UNINSURED	\$ 426,612	\$ 464,537	\$ 377,901
6. CREDIT BALANCES	\$ (147,305)	\$ (167,047)	\$ (148,804)
7. END PRIN. BAL.	\$ 3,218,750,435	\$ 3,196,386,493	\$ 3,113,123,833

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VI. Claims Paid

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 7,055,392
<i>Unsubsidized Stafford</i>	\$ 4,952,428
<i>SLS</i>	\$ 40,053
<i>PLUS</i>	\$ 396,241
<i>HEALTH</i>	\$ 19,794
<i>HEAL</i>	\$ 143,444
<i>Consolidation</i>	\$ 4,962,369
<i>Total</i>	\$ 17,569,721

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For the quarter ended June 30, 2005

	Loans Sold		Premium		Loans Purchased		Premium	
	\$	%	\$	%	\$	%	\$	%
<i>Subsidized Stafford Total</i>	\$ 36,333,730	8.08%			\$ 203,913,676	45.98%		
<i>Unsubsidized Stafford Total</i>	\$ 27,003,963	6.00%			\$ 185,112,663	41.74%		
<i>Nonsubsidized Stafford Total</i>	\$ -	-			\$ 839,273	0.19%		
<i>SLS Total</i>	\$ -	-			\$ -	0.00%		
<i>PLUS Total</i>	\$ -	0.00%			\$ 7,956,481	1.79%		
<i>HEALTH Total</i>	\$ -	-			\$ -	0.00%		
<i>MedBEST Total</i>	\$ -	-			\$ 514,772	0.12%		
<i>Consolidation Total</i>	\$ 386,456,860	85.92%			\$ 45,181,393	10.19%		
<i>Total</i>	\$ 449,794,553	100.00%	-	0.0000%	\$ 443,518,258	100.00%	\$ 6,258,764	1.41%