

PHEAA - 1997 Student Loan Master Trust - Quarterly Servicing Report

Issuer : PHEAA  
 Indenture Name: 1997 Master Trust  
 Reporting Period : 10/1/08 - 12/31/08

Bond Status

Series	Senior/Sub	Maturity Date	Taxable / Tax-Exempt	Beginning Principal Balance (\$)	Principal Paid (\$)	Ending Principal Balance (\$)	Interest Paid (\$) 12/31/08	Coupon Type (ie. ARC, Fixed, VRDN)
1997A	Senior	08/01/27	Taxable	\$ 35,000,000	-	\$ 35,000,000	\$ 244,993	Auction
1997B	Subordinate	08/01/27	Taxable	15,000,000	-	15,000,000	\$ 105,081	Auction
1997C	Senior	03/01/28	Taxable	50,000,000	-	50,000,000	\$ 354,210	Auction
1997D	Senior	11/01/28	Taxable	45,000,000	-	45,000,000	\$ 303,291	Auction
1997E	Subordinate	11/01/28	Taxable	5,000,000	-	5,000,000	\$ 14,658	Auction
1997F	Senior	10/01/40	Taxable	165,000,000	-	165,000,000	\$ 1,032,878	Auction
1997G	Subordinate	10/01/40	Taxable	10,000,000	-	10,000,000	\$ 57,016	Auction
1997H	Senior	10/01/40	Taxable	165,000,000	-	165,000,000	\$ 1,120,911	Auction
1997I	Subordinate	10/01/40	Taxable	10,000,000	-	10,000,000	\$ 29,240	Auction
1997J	Senior	12/01/40	Taxable	215,000,000	-	215,000,000	\$ 1,393,297	Auction
1997K	Subordinate	12/01/40	Taxable	25,000,000	-	25,000,000	\$ 139,670	Auction
1997L	Senior	08/01/41	Taxable	190,000,000	-	190,000,000	\$ 1,447,173	Auction
1997M	Subordinate	08/01/41	Taxable	10,000,000	-	10,000,000	\$ 28,474	Auction
1997N	Senior	06/01/37	AMT	140,000,000	-	140,000,000	\$ 2,776,158	Auction
1997O	Subordinate	06/01/37	AMT	10,000,000	-	10,000,000	\$ 217,706	Auction
1997P	Senior	03/01/22	AMT	140,000,000	-	140,000,000	\$ -	Auction
1997Q	Subordinate	03/01/22	AMT	10,000,000	-	10,000,000	\$ -	Auction
1997R	Senior	08/01/42	Taxable	150,000,000	-	150,000,000	\$ 1,032,750	Auction
1997S	Subordinate	08/01/42	Taxable	10,000,000	-	10,000,000	\$ 24,262	Auction
1997T	Senior	09/01/42	Taxable	470,500,000	-	470,500,000	\$ 3,384,156	Auction
1997U	Subordinate	09/01/42	Taxable	29,500,000	-	29,500,000	\$ 147,211	Auction
1997V	Senior	10/01/42	Taxable	300,000,000	-	300,000,000	\$ 1,566,841	Auction
1997W	Senior	06/01/38	AMT	140,000,000	-	140,000,000	\$ 3,633,924	Auction
1997X	Subordinate	06/01/38	AMT	10,000,000	-	10,000,000	\$ 259,566	Auction
1997Y	Senior	09/01/43	Taxable	300,000,000	-	300,000,000	\$ 1,673,423	Auction
1997Z	Senior	06/01/39	AMT	170,000,000	-	170,000,000	\$ 3,585,820	Auction
1997AA	Senior	06/01/39	AMT	171,000,000	-	171,000,000	\$ 3,717,848	Auction
1997BB	Senior	11/01/44	Taxable	300,000,000	-	300,000,000	\$ 1,650,458	Auction
1997CC	Senior	08/01/45	Taxable	200,000,000	-	200,000,000	\$ 1,589,465	Auction
1997DD	Senior	09/01/45	Taxable	200,000,000	-	200,000,000	\$ 1,210,240	Auction
1997EE	Senior	12/01/45	Taxable	380,000,000	-	380,000,000	\$ 2,657,378	Auction
1997FF	Subordinate	12/01/45	Taxable	20,000,000	-	20,000,000	\$ 99,492	Auction
1997GG	Senior	12/01/45	Taxable	500,000,000	-	500,000,000	\$ 2,806,189	Auction
1997HH	Senior	05/01/46	Taxable	970,000,000	-	970,000,000	\$ 8,974,343	Auction
1997II	Subordinate	05/01/46	Taxable	30,000,000	-	30,000,000	\$ 373,707	Auction
1997JJ	Senior	06/01/46	Taxable	727,500,000	-	727,500,000	\$ 4,973,459	Auction
1997KK	Subordinate	06/01/46	Taxable	22,500,000	-	22,500,000	\$ 106,348	Auction
1997LL	Senior	04/24/47	Taxable	750,000,000	-	750,000,000	\$ 5,778,872	Auction
1997MM	Senior	06/01/47	Taxable	339,500,000	-	339,500,000	\$ 2,866,718	Auction
1997NN	Subordinate	06/01/47	Taxable	10,500,000	-	10,500,000	\$ 100,613	Auction
<b>Total</b>				<b>\$ 7,441,000,000</b>		<b>\$ 7,441,000,000</b>	<b>\$ 61,477,837</b>	

Senior Debt outstanding @ end of period	\$ 7,213,500,000
Subordinate Debt outstanding @ end of period	\$ 227,500,000
Taxable Debt outstanding @ end of period	\$ 6,650,000,000
Tax-Exempt Debt outstanding @ end of period	\$ 791,000,000
Debt Service Reserve Fund (Surety Bond)	\$ 53,200,000
DSRF Coverage - Senior Debt	0.74%
DSRF Coverage - Overall	0.71%

PHEAA - Revenue Bond Issues  
 97 Tax\_Exempt Variable Rates  
 For the quarter 10/1/08-12/31/08

Debt (MM's)	70.0	70.0	10.0	70.0	70.0	10.0	80.0	60.0	10.0	50.0	40.0	40.0	40.0	57.0	57.0	57.0		
Cusip 709163	CT4	CU1	CV9	CW7	CX5	CY3	DQ9	DR7	DS5	DX4	DY2	DZ9	EA3	EB1	EC9	ED7		
Week of	97N-1	97N-2	97O	97P-1	97P-2	97Q	97W-1	97W-2	97X	97Z-1	97Z-2	97Z-3	97Z-4	97AA-1	97AA-2	97AA-3	35d SrAvg	35d SubAvg
09/29/08						10.24%	14.00%	14.00%	14.00%	10.24%							12.75%	12.12%
10/06/08											8.49%						8.49%	
10/13/08												6.108%		6.11%			6.11%	
10/20/08	6.04%			4.06%									4.06%		4.06%		4.55%	
10/27/08		3.990%	3.99%		3.29%											3.29%	3.52%	3.99%
11/03/08						2.03%	3.29%	3.29%	3.29%	2.03%							2.87%	2.66%
11/10/08											2.08%						2.08%	
11/17/08												2.100%		2.10%			2.10%	
11/24/08	1.96%			1.84%									1.84%		1.84%		1.87%	
12/01/08		1.803%	1.80%		1.81%											1.81%	1.81%	1.80%
12/08/08						1.58%	1.52%	1.52%	1.52%	1.58%							1.54%	1.55%
12/15/08											1.84%						1.84%	
12/22/08												2.240%		2.24%			2.24%	
12/29/08	2.19%			1.66%									1.66%		1.66%		1.79%	

Red Indicates this was a failed auction.

	Senior
	Subordinate

PHEAA - 1997 Taxable Issue  
Interest Rate History  
For the quarter 10/1/08-12/31/08

Debt (MM's)	35.00	15.00	50.00	45.00	5.00	55.00	55.00	55.00	10.00	165.00	10.00	53.75	53.75	53.75	53.75	25.00	95.00	95.00	10.00	75.00	75.00
Cusip 709163	BN8	BP3	BQ1	BR9	BS7	BX6	BY4	BZ1	CA5	BV0	BW8	CB3	CC1	CD9	CE7	CF4	CH0	CJ6	CK3	CZ0	DA4
Week of	Series A	Series B	Series C	Series D	Series E	Series F1	Series F2	Series F3	Series G	Series H	Series I	Series J1	Series J2	Series J3	Series J4	Series K	Series L1	Series L2	Series M	Series R1	Series R2
09/29/08									1.06%						3.52%	0.91%					
10/06/08	3.17%		3.176%	2.88%	0.74%					2.88%	0.73%	3.18%					2.65%				3.18%
10/13/08						1.98%	2.44%						1.84%					1.88%	0.62%		2.437%
10/20/08		2.508%						1.51%						2.01%							
10/27/08									3.42%						2.87%	3.42%					
11/03/08	2.24%		2.340%	2.19%	3.09%					2.26%	3.09%	1.69%					2.09%				2.33%
11/10/08						2.32%	2.32%						2.32%		2.69%			2.42%	3.14%		2.265%
11/17/08		2.992%													2.69%						
11/24/08									2.97%						2.83%	2.97%					
12/01/08	3.03%		3.266%	3.00%	3.33%					3.00%	3.33%	3.27%					3.01%				3.27%
12/08/08						3.55%	3.55%						3.55%					3.40%	3.60%		3.547%
12/15/08		3.532%						3.53%						3.53%							
12/22/08									3.89%							3.11%	3.89%				
12/29/08	2.42%		2.415%	3.60%	3.85%					3.60%	3.849%	2.41%					2.87%				2.42%

Debt (MM's)	10.00	94.10	94.10	94.10	94.10	94.10	29.50	83.40	83.30	83.30	50.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00
Cusip 709163	DB2	DC0	DD8	DE6	DF3	DG1	DH9	DJ5	DK2	DL0	DM8	DT3	DU0	DV8	DW6	EE5	EF2	EG0	EH8	EM7	EN5
Week of	Series S	Series T1	Series T2	Series T3	Series T4	Series T5	Series U	Series V1	Series V2	Series V3	Series V4	Series Y1	Series Y2	Series Y3	Series Y4	Series BB1	Series BB2	Series BB3	Series BB4	Series CC1	Series CC2
09/29/08			2.726%			2.676%	0.048%	1.690%						2.679%			2.723%				3.176%
10/06/08				1.887%					2.73%						2.34%			2.338%			
10/13/08	0.18%				1.71%					0.638%		2.652%							2.31%		
10/20/08		2.569%									2.29%		2.34%			2.337%				2.767%	
10/27/08			2.187%			2.190%	3.040%	2.335%						2.336%			2.336%				2.240%
11/03/08				2.046%					2.34%						2.41%			2.403%			
11/10/08	3.03%				2.24%					2.408%		2.409%							2.28%		
11/17/08		2.195%									2.28%		1.84%			1.836%				1.976%	
11/24/08			2.698%			2.998%	3.328%	1.833%						1.595%			1.594%				2.998%
12/01/08				3.178%						1.60%					1.46%			1.458%			
12/08/08	3.95%				3.98%					1.462%		0.934%							1.41%		
12/15/08		4.228%									1.41%		0.09%			0.085%				3.378%	
12/22/08			3.769%			3.928%	4.428%	0.920%						0.122%			0.079%				3.168%
12/29/08				3.312%					0.07%						0.53%			0.21%			

Debt (MM's)	50.00	100.00	100.00	95.00	95.00	95.00	95.00	20.00	97.00	97.00	96.00	70.00	70.00	70.00	97.00	97.00	97.00	97.00	97.00	97.00	97.00
Cusip 709163	EP0	EQ8	ER6	ES4	ET2	EU9	EV7	EW5	EX3	EY1	EZ8	FA2	FB0	FC8	FF1	FG9	FH7	FJ3	FK0	FL8	FM6
Week of	Series CC3	Series DD1	Series DD2	Series EE1	Series EE2	Series EE3	Series EE4	Series FF	Series GG1	Series GG2	Series GG3	Series GG4	Series GG5	Series GG6	Series HH1	Series HH2	Series HH3	Series HH4	Series HH5	Series HH6	Series HH7
09/29/08							2.676%	0.000%			2.717%		2.904%							4.53%	4.800%
10/06/08	1.937%	1.89%		1.937%										2.73%							
10/13/08			1.76%		1.71%				2.305%						5.13%	4.930%					
10/20/08						2.667%				2.33%		2.29%					4.631%	4.06%	3.79%		
10/27/08							2.190%	2.998%			2.333%		2.335%							3.50%	3.755%
11/03/08	2.296%	2.10%		2.276%										2.34%							
11/10/08			2.24%		2.49%				2.280%						2.24%	2.086%					
11/17/08						2.326%				1.83%		2.28%					2.137%	2.18%	2.17%		
11/24/08							2.988%	3.398%			1.595%		1.833%							2.35%	2.527%
12/01/08	3.447%	3.18%		3.547%										1.60%							
12/08/08			3.98%		3.23%				1.410%						2.83%	2.267%					
12/15/08						3.728%				0.09%		1.41%					2.044%	2.19%	2.01%		
12/22/08							3.928%	4.428%			0.087%		0.920%							2.11%	2.117%
12/29/08	2.19%	3.31%		2.79%										0.07%							

Red Indicates this was a failed auction.

	Senior
	Subordinate

PHEAA - 1997 Taxable Issue  
Interest Rate History  
For the quarter 10/1/08-12/31/08

Debt (MM's)	97.00	97.00	97.00	30.00	75.00	75.00	100.00	75.00	50.00	75.00	75.00	75.00	75.00	52.50	22.50	70.00	70.00	70.00	60.00	60.00	60.00
Cusip 709163	FN4	FP9	FQ7	FR5	FS3	FT1	FU8	FV6	FW4	FX2	FY0	GA1	GB9	GC7	GD5	GK9	GL7	GM5	GN3	GP8	GQ6
Week of	Series HH8	Series HH9	Series HH10	Series II	Series JJ1	Series JJ2	Series JJ3	Series JJ4	Series JJ5	Series JJ6	Series JJ7	Series JJ8	Series JJ9	Series JJ10	Series KK	Series LL1	Series LL2	Series LL3	Series LL4	Series LL5	Series LL6
09/29/08	4.72%													3.89%	3.076%	0.039%		3.52%			
10/06/08		4.847%	4.92%	5.42%	3.145%	2.29%	2.237%												3.08%	2.387%	
10/13/08								1.85%	1.97%	2.01%											2.258%
10/20/08											1.61%	2.73%				1.61%					2.52%
10/27/08	3.36%												2.87%	2.091%	2.890%		2.67%				
11/03/08		3.154%	2.84%	3.76%	2.340%	2.10%	2.196%											2.09%	2.346%		
11/10/08								2.08%	2.10%	2.14%											2.213%
11/17/08											1.84%	2.05%				2.14%					2.43%
11/24/08	2.21%												2.78%	2.898%	3.148%		2.62%				
12/01/08		2.765%	2.90%	3.40%	3.248%	3.08%	3.097%											3.26%	3.197%		
12/08/08								3.60%	3.53%	3.43%											3.547%
12/15/08											3.43%	3.48%				3.43%					3.23%
12/22/08	2.13%	2.240%			2.43%								3.23%	3.146%	3.968%		3.64%				
12/29/08			2.35%	3.10%		2.69%	2.59%											2.68%	2.94%		

Debt (MM's)	90.00	90.00	90.00	90.00	69.75	50.00	50.00	50.00	50.00	69.75	10.50			
Cusip 709163	GR4	GS2	GT0	GU7	GV5	GW3	GX1	GY9	GZ6	HB8	HA0			
Week of	Series LL7	Series LL8	Series LL9	Series LL10	MM1	MM2	MM3	MM4	MM5	MM6	NN	7d Avg	28d Sr. Avg	28d SubAvg
09/29/08	3.276%	3.076%		3.276%						4.170%		3.623%	3.254%	0.413%
10/06/08		1.537%			4.821%					4.421%		2.979%	3.068%	2.299%
10/13/08		1.258%				5.269%	5.167%			3.690%	5.338%	2.474%	2.574%	2.044%
10/20/08		2.29%	3.167%							3.69%		2.99%	2.62%	2.51%
10/27/08	2.290%	1.930%		2.590%						3.16%		2.55%	2.58%	3.15%
11/03/08		1.596%			2.790%			2.208%	2.641%	1.957%		1.777%	2.321%	3.314%
11/10/08		1.597%				2.372%	2.010%			1.637%	2.851%	1.617%	2.264%	3.006%
11/17/08		2.57%	2.526%							1.81%		2.19%	2.19%	2.99%
11/24/08	3.198%	2.823%		2.848%						1.01%		1.92%	2.47%	3.16%
12/01/08		1.947%			2.812%			2.980%	2.842%	2.384%		2.166%	2.859%	3.353%
12/08/08		3.532%				3.030%	3.218%			1.917%	2.985%	2.725%	2.999%	3.510%
12/15/08		2.94%	3.478%							1.51%		2.22%	2.49%	3.53%
12/22/08	2.928%	2.678%		3.718%						1.53%		2.10%	2.39%	4.12%
12/29/08		1.315%			2.33%			1.84%	1.37%	1.15%		1.23%	2.22%	3.60%

Red Indicates this was a failed auction.

Grey	Senior
Yellow	Subordinate
Cyan	7 day reset

PHEAA - 1997 Student Loan Master Trust - Quarterly Servicing Report

Issuer : PHEAA  
 Indenture Name: 1997 Master Trust  
 Reporting Period : 10/1/08 - 12/31/08

Trust Estate and Parity

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

Accruals Ledger

	6 Months Ended December 31, 2008	3 Months Ended September 30, 2008	6 Months Ended December 31, 2007
	PHEAA - 1997 Master Trust	PHEAA - 1997 Master Trust	PHEAA - 1997 Master Trust
<b><u>Balance Sheet:</u></b>			
<b><u>Assets</u></b>			
Customer Cash	\$ 9,386,405	\$ 8,019,874	\$ 13,422,260
Accounts Receivable	0	0	0
Interest Income Receivable	151,029,173	155,064,459	169,138,753
Investments	137,682,176	89,773,009	56,041,144
Student Loans Receivable	7,211,847,362	7,254,748,719	7,252,351,202
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	30,329,016	30,557,354	31,242,368
Prepaid Exp & Other Expenses	<u>769,825</u>	<u>325,280</u>	<u>342,689</u>
<b>Total Assets</b>	<b>\$ 7,541,043,958</b>	<b>\$ 7,538,488,695</b>	<b>\$ 7,522,538,415</b>
<b><u>Liabilities</u></b>			
Accounts Payable & Reserves	\$ 9,694,653	\$ 9,343,779	\$ 9,245,332
Student Ln Financings Int Pay	61,423,811	72,803,121	24,008,892
Student Ln Financings Payable	7,438,354,869	7,438,304,001	7,438,151,397
<b>Total Liabilities</b>	<b>\$ 7,509,473,333</b>	<b>\$ 7,520,450,900</b>	<b>\$ 7,471,405,621</b>
<b><u>Fund Balances</u></b>			
Fund Balances	12,691,616	12,691,616	63,367,229
Current Yr Net Income	<u>18,879,010</u>	<u>5,346,179</u>	<u>(12,234,434)</u>
<b>Ending Fund Balance</b>	<b>\$ 31,570,625</b>	<b>\$ 18,037,795</b>	<b>\$ 51,132,795</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$ 7,541,043,958</b>	<b>\$ 7,538,488,695</b>	<b>\$ 7,522,538,415</b>
Sr. Parity Ratio	1.031	1.029	1.034
Parity Ratio	1.000	0.998	1.002
Unrecorded Excess Interest Liability (Tax Exempt Issues)	2,566,368	4,076,229	9,547,200
<b><u>Income Statement:</u></b>			
<b><u>Revenues</u></b>			
Interest income	\$ 159,676,676	\$ 81,438,864	\$ 236,871,841
Premium on Student Loan Sales	0	0	5,039
<b>Total Revenues</b>	<b>\$ 159,676,676</b>	<b>\$ 81,438,864</b>	<b>\$ 236,876,880</b>
<b><u>Expenses</u></b>			
Interest Expense & Related Cst	\$ 120,696,455	\$ 66,035,094	\$ 219,101,166
General & Administrative	19,937,808	9,997,494	28,788,881
<b>Total Expenses</b>	<b>\$ 140,634,263</b>	<b>\$ 76,032,588</b>	<b>\$ 247,890,047</b>
<b>Operating Income / (Loss)</b>	<b>\$ 19,042,413</b>	<b>\$ 5,406,276</b>	<b>\$ (11,013,167)</b>
Financial Aid	163,403	60,097	1,221,267
<b>Net Income / (Loss) before Trfs</b>	<b>\$ 18,879,010</b>	<b>\$ 5,346,179</b>	<b>\$ (12,234,434)</b>
<b>Transfers</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Income / (Loss)</b>	<b>\$ 18,879,010</b>	<b>\$ 5,346,179</b>	<b>\$ (12,234,434)</b>

PHEAA - 1997 Student Loan Master Trust - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1997 Master Trust

Reporting Period : 10/1/08 - 12/31/08

Collection Activity (excluding loan sales)

<i>Principal Repayment Received (\$)</i>	\$ 78,711,943
<i>Principal Prepayment Received (\$)</i>	84,030,224
<i>Principal Reimbursement (\$)</i>	
<i>Interest Payment Received (\$)</i>	51,273,876
<i>Interest Reimbursements (\$)</i>	
<i>Special Allowance Payments (\$)</i>	6,699,653
<i>Subsidy Payments (\$)</i>	10,159,305
<i>Funds Release from Reserve (\$)</i>	
<i>Others (please specify)</i>	
<b>Total</b>	<b>\$ 230,875,001</b>

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 2,471,194,677	44.74%	34.27%
May Still Qualify	2,329,798,166	42.18%	32.31%
Qualified	722,025,923	13.07%	10.01%
Qualified - Deferred	437,416	0.01%	0.01%
<b>Total Borrower Benefit</b>	<b>\$ 5,523,456,182</b>		
No Benefit	1,688,398,972	0%	23.41%
<b>Total Portfolio</b>	<b>\$ 7,211,855,154</b>	<b>100.00%</b>	<b>100.00%</b>

	Estimated EFT Int Savings	Rebate Amount	Estimated Interest Savings
For the 3 Months Ended 12/31/08	\$ 593,647	\$ 3,292	\$ 1,843,997
For the 6 Months Ended 12/31/08	\$ 1,169,293	\$ 6,305	\$ 3,368,232

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Fees and Other Payments for the 3 Months Ended 12/31/08

<i>Consolidation Rebate Fees (\$)</i>	15,574,250
<i>Servicing Fees (\$)</i>	9,068,103
<i>Administration Fees (\$)</i>	196,063
<i>Trustee Fees (\$)</i>	691,986
<i>Auction Agent/Broker Dealer Fees (\$)</i>	3,285,138
<b><i>Total</i></b>	<b>\$ 28,815,540</b>

<i>Lender Origination Fees (\$)</i>	8,952
<i>Origination Discount (\$)</i>	(3,680)
<b><i>Total</i></b>	<b>\$ 5,272</b>

<b>Grand Total Fees &amp; Other Pymts</b>	<b>\$ 28,820,812</b>
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Student Loan Pool Data

	Beginning of Period		Purchases / Originations During Period (\$)	Cash Payments	Non-Cash Activity	Loans Repaid/Sold During Period (\$)	Loans Defaulted (\$)	End of Period Balance		Borrower Weighted Average Interest Rate (%)	Borrower Weighted Average Remaining Term (Months)
	\$	%						\$	%		
<b>FFELP</b>											
<i>Subsidized Stafford</i>	581,340,891	8.01%	14,725,815	(21,093,420)	1,525,422	-	-	576,498,707	7.99%	4.868%	77.42
<i>Nonsubsidized Stafford</i>	384,592	0.01%	18,479	(32,113)	1,307	-	-	372,263	0.01%	6.052%	74.60
<i>Unsubsidized Stafford</i>	451,506,445	6.22%	25,189,191	(16,852,589)	10,261,508	-	-	470,104,556	6.52%	4.971%	79.97
<i>SLS</i>	1,341,384	0.02%	-	(151,064)	12,231	-	-	1,202,551	0.02%	5.833%	88.4
<i>PLUS</i>	190,538,366	2.63%	353,113	(7,866,123)	410,869	-	-	183,436,225	2.54%	6.577%	98.25
<i>PLUSGB</i>	26,113,202	0.36%	407	(769,128)	134,790	-	-	25,479,270	0.35%	7.671%	131.27
<i>Consolidation</i>	5,876,600,964	81.00%	50,393,393	(111,626,528)	16,805,396	(38,194)	-	5,832,135,030	80.87%	5.009%	239.07
<b>Title VII- HHS Guaranteed</b>											
<i>HEAL</i>	15,119,853	0.21%	-	(536,009)	1,762	-	-	14,585,606	0.20%	3.582%	210.09
<i>HEAL CNSLDN</i>	108,384,426	1.49%	-	(3,811,588)	31,977	-	-	104,604,816	1.45%	3.205%	201.12
<b>Private</b>											
<i>MedBest</i>	3,432,760	0.05%	-	(3,604)	6,975	-	-	3,436,130	0.05%	4.287%	198.07
<b>Total</b>	<b>\$ 7,254,762,881</b>	<b>100.00%</b>	<b>\$ 90,680,397</b>	<b>\$ (162,742,167)</b>	<b>\$ 29,192,237</b>	<b>\$ (38,194)</b>		<b>\$ 7,211,855,154</b>	<b>100.00%</b>	<b>5.015%</b>	<b>211.15</b>

AES/PHEAA  
 97 Trust - Prop / Non-Prop Loan Breakdown  
 Reporting Period : 10/1/08 - 12/31/08

Prop. Ind.	School type	Principal	
N	GRADUATE	20,325,952	
N	SCHOOL OF THEOLOGY	31,577,747	
N	STATE RELATED	1,576,044,653	
N	2 YEAR PRIV JR COLL	90,622,180	
N	2 YEAR PUB JR COLL	390,395,846	
N	4 YEAR PRIVATE COLL	2,672,071,236	
N	4 YEAR PUBLIC COLL	1,748,766,560	
<b>N Total</b>		<b>\$ 6,529,804,175</b>	<b>91%</b>
Y	ALL NON-PROPRIETARY	255,005	
Y	ALL PROPRIETARY	2,480,746	
Y	CORRESPONDENCE	157,286,861	
Y	FED OWNED DEFR ONLY	3,627,826	
Y	HOSPITAL DIPLOMA PGM	44,198,803	
Y	PRIV PRESCHL/ELEM	106,539	
Y	PROP VOC/TECH	145,833,275	
Y	PROPRIETARY BUSINESS	141,796,269	
Y	TRADE/TECH SCHOOL	186,465,657	
<b>Y Total</b>		<b>\$ 682,050,980</b>	<b>9%</b>
<b>Grand Total</b>		<b>\$ 7,211,855,154</b>	

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Reporting Period : 10/1/08 - 12/31/08

As of December 31, 2008

<i>1997 Master Loan Portfolio</i>						
<i>1. LOANS IN-SCHOOL/IN-GRACE</i>						
	12/31/2008		Prior Qtr 9/30/2008		Prior Year 12/31/2007	
In school	\$ 307,219,872	4.26%	\$ 306,090,557	4.22%	\$ 412,500,696	5.69%
In grace	59,244,974	0.82%	163,215,240	2.25%	86,753,436	1.20%
<i>2. LOANS IN DEFERMENT/FORB</i>						
Deferment	1,124,614,332	15.59%	1,119,113,495	15.43%	1,073,995,505	14.81%
Forbearance	995,871,175	13.81%	945,563,715	13.03%	930,956,671	12.84%
<i>3. LOANS IN REPAYMENT</i>						
A. CURRENT	4,117,534,536	87.15%	4,126,610,561	87.34%	4,125,168,499	87.31%
B. 31-60 PAST DUE	195,595,868	4.14%	193,333,140	4.09%	209,125,073	4.43%
C. 61-90 PAST DUE	110,623,688	2.34%	109,754,837	2.32%	108,263,020	2.29%
D. 91-120 PAST DUE	74,884,984	1.58%	78,257,866	1.66%	73,053,586	1.55%
E. 121-180 PAST DUE	93,962,348	1.99%	94,673,162	2.00%	98,241,169	2.08%
F. 181-270 PAST DUE	82,428,274	1.74%	69,171,857	1.46%	85,322,138	1.81%
G. 271 OR GREATER PAST DUE	29,279,789	0.62%	28,965,951	0.61%	30,223,498	0.64%
H. CLAIMS FILED BUT NOT PAID	17,422,525	0.37%	16,690,356	0.35%	16,523,114	0.35%
4. IN LITIGATION	2,486,435	0.05%	2,619,829	0.06%	2,009,381	0.04%
5. UNINSURED	850,441	0.02%	872,214	0.02%	737,130	0.02%
6. CREDIT BALANCES	(164,086)	0.00%	(169,900)	0.00%	(284,630)	-0.01%
7. END PRIN. BAL.	\$ 7,211,855,154		\$ 7,254,762,881		\$ 7,252,588,286	

*1997 Master Loan Portfolio*

	12/31/2008		Prior Qtr 9/30/2008		Prior Year 12/31/2007	
Loans at 9.50% floor*	\$ -		\$ -		\$ -	
Loans @ CP**	6,823,069,361	94.61%	6,855,923,753	95.06%	6,826,334,046	
Loans @ Tbill**	388,785,793	5.39%	398,839,128	5.53%	426,254,241	
Total	7,211,855,154		7,254,762,881			
Pre 10/1/07 loan balance	6,723,171,710	93.22%	6,772,976,540	93.91%	N/A	
Post 10/1/07 loan balance	488,683,444	6.78%	481,786,340	6.68%	N/A	
Total	7,211,855,154		7,254,762,881		N/A	

\*\*As of 12/31/08 and 9/30/08, these figures include ending balances of the total loan portfolio. Prior Year included average balance during the quarter for Title IV loans only

PHEAA - 1997 Student Loan Master Trust - Quarterly Servicing Report

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Reporting Period : 10/1/08 - 12/31/08

**Claims Paid**

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 5,946,983
<i>Unsubsidized Stafford</i>	5,164,634
<i>SLS</i>	127,234
<i>PLUS - Parent</i>	1,049,681
<i>PLUS - Graduate</i>	-
<i>HEALTH</i>	261,826
<i>HEAL</i>	28,689
<i>Consolidation</i>	39,188,784
<b><i>Total</i></b>	<b>\$ 51,767,830</b>

*% of Loans in Repay* 1.10%

*% of Total Portfolio* 0.72%

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Reporting Period : 10/1/08 - 12/31/08

For the quarter ended December 31, 2008

	Loans Sold		Premium		Loans Purchased		Premium	
	\$	%	\$	%	\$	%	\$	%
<i>Subsidized Stafford Total</i>	\$ -	0.00%			\$ 14,700,844	16.23%	\$ -	0.00%
<i>Unsubsidized Stafford Total</i>	-	0.00%			25,160,334	27.77%		
<i>SLS Total</i>					-	0.00%		
<i>PLUS Total</i>					353,113	0.39%	\$ -	0.00%
<i>Consolidation Total</i>	2,943	100.00%			50,358,142	55.59%		
<i>Total</i>	\$ 2,943	100.00%			\$ 90,590,911	100.00%	\$ -	

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Reporting Period : 10/1/08 - 12/31/08

Loan Program	AVG. DAILY PRIN. BAL.	Special Allowance	Rate Type	Wgted Avg Borr Rate*	7/1/08-6/30/09 Wgted Avg Rate*
Sub. Stafford	1,785,715	T-bill + 3.50	Fixed Rate	8.05%	
	714,269	T-bill + 3.25	Fixed Rate	8.11%	
	2,846,075	T-bill + 3.25	Variable		5.13%
	19,770,679	T-bill + 3.10	Variable		5.01%
	4,267,243	T-bill + 2.50	Variable		4.410%
	6,357,293	T-bill + 2.20	Variable		3.610%
	17,377,294	T-bill + 2.80	Variable		4.210%
	170,455,541	3mCP+ 1.74	Variable		3.610%
	173,866,838	3mCP+ 2.34	Variable		4.210%
	3,943,763	3mCP+ 1.74 (negative SAP)	Variable		3.610%
	91,140,478	3mCP+ 1.74 (negative SAP)	Fixed Rate	6.80%	
	4,634,257	3mCP+ 2.34 (negative SAP)	Variable		4.210%
	32,308,302	3mCP+ 2.34 (negative SAP)	Fixed Rate	6.80%	
	45,945,875	3mCP+ 1.34 (negative SAP)	Fixed Rate	6.80%	
	7,405,421	3mCP+ 1.94 (negative SAP)	Fixed Rate	6.80%	
	<b>582,819,043</b>	<b>Total avg balance</b>			
	Unsub Stafford	10,366,129	T-bill + 3.10	Variable	
2,583,537		T-bill + 2.50	Variable		4.410%
4,076,686		T-bill + 2.20	Variable		3.610%
11,801,348		T-bill + 2.80	Variable		4.210%
126,097,544		3mCP + 1.74	Variable		3.610%
143,418,253		3mCP + 2.34	Variable		4.210%
3,586,192		3mCP+ 1.74 (negative SAP)	Variable		3.610%
85,940,641		3mCP+ 1.74 (negative SAP)	Fixed	6.80%	
4,365,123		3mCP+ 2.34 (negative SAP)	Variable		4.210%
31,835,151		3mCP+ 2.34 (negative SAP)	Fixed	6.80%	
38,423,132		3mCP+ 1.34 (negative SAP)	Fixed	6.80%	
6,741,973		3mCP+ 1.94 (negative SAP)	Fixed	6.80%	
<b>469,235,709</b>		<b>Total avg balance</b>			
PLUS/SLS	15,217	T-Bill +3.50	Fixed	12.16%	
	3,400,777	T-Bill + 3.10	Variable		5.50%
	68,632,748	3mCP +2.64	Variable		5.010%
	994,881	3mCP +2.64 (negative SAP)	Variable		5.010%
	139,576,217	3mCP +2.64 (negative SAP)	Fixed	8.500%	
	1,349,837	3mCP + 1.94 (negative SAP)	Fixed	8.500%	
<b>213,969,676</b>	<b>Total avg balance</b>				

\* Standard borrower rates before any borrower benefits are applied

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Reporting Period : 10/1/08 - 12/31/08

Loan Program	AVG. DAILY PRIN. BAL.	Special Allowance	Rate Type	Wgted Avg Borr Rate*	7/1/08-6/30/09 Wgted Avg Rate*
Consolidation	12,721,392	T-bill + 3.25	Fixed rate	9.03%	
	34,565,675	T-bill + 3.10	Variable		5.010%
	134,721,691	T-bill + 3.10	Fixed rate	8.34%	
	2,721,783,772	3mCP + 2.64	Fixed rate	4.33%	
	2,555,637,415	3mCP + 2.64 (negative SAP)	Fixed rate	5.65%	
	387,182,282	3mCP + 2.24 (negative SAP)	Fixed rate	6.51%	
	<b>5,846,612,227</b>	<b>Total avg balance</b>			
HEAL	<b>14,585,606</b>	T-bill + 2.70			4.375%
HLCnsldn	414,367	T-bill + 1.25			3.000%
	47,475,135	T-bill + 1.44			3.125%
	24,580,505	T-bill + 1.44 (no rounding)			3.067%
	2,242,337	T-bill + 1.50			3.250%
	12,789,943	T-bill + 1.59			3.250%
	11,958,946	T-bill + 1.79			3.500%
	3,785,316	T-bill + 2.00			3.750%
	407,160	T-bill + 2.10			3.750%
	347,790	T-bill + 2.20			3.875%
	516,191	T-bill + 2.45			4.125%
87,126	T-bill + 2.70			4.375%	
	<b>104,604,816</b>	<b>Total Ending balance</b>			
Non-Sub	<b>345,982</b>				6.018%
Medbest	3,145,905	Avg 1mLibor + 1.70			4.17%
	290,225	Avg 1mLibor + 2.80			5.27%
	<b>3,436,130</b>				

Avg 1mLibor = Average previous 3 months rate on the 1st business day

\* Standard borrower rates before any borrower benefits are applied