

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988A Revenue Bond

Cusip #: 709163AF6

Reporting Period : 7/1/08 - 9/30/08

Bond Status

Series	Maturity Date	Taxable / Tax-Exempt	Beginning Principal Balance (\$)	Activity (\$)	Ending Principal Balance (\$)	Interest Paid (\$) 9/30/08	Coupon Type (ie. ARC, Fixed, VRDN)
1988A	01/01/18	Tax Exempt	\$ 200,000	\$ (100,000)	\$ 100,000	\$ 2,698	7d VRDN
1988A	01/01/18	Tax Exempt	\$ 99,800,000	\$ 100,000	\$ 99,900,000	\$ 1,731,311	Bank Bonds at Prime Rate + 2%

7 day VRND Interest Rates during the Period

FROM	TO	1988A
6/25/2008	7/1/2008	6.000%
7/2/2008	7/8/2008	5.850%
7/9/2008	7/15/2008	5.800%
7/16/2008	7/22/2008	5.800%
7/23/2008	7/29/2008	6.450%
7/30/2008	8/5/2008	6.600%
8/6/2008	8/12/2008	6.200%
8/13/2008	8/19/2008	5.950%
8/20/2008	8/26/2008	6.050%
8/27/2008	9/2/2008	6.000%
9/3/2008	9/9/2008	5.900%
9/10/2008	9/16/2008	5.850%
9/17/2008	9/23/2008	8.100%
9/24/2008	9/30/2008	9.000%

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA
 Indenture Name: 1988A Revenue Bond
 Cusip #: 709163AF6
 Reporting Period : 7/1/08 - 9/30/08

Trust Estate and Parity

PHEAA - 1988A Revenue Bond
 Balance Sheet & Income Statement
 For the Period Ended:

Current Qtr
September 30, 2008

Prior Qtr.
June 30, 2008

Prior Year
September 30, 2007

Accruals Ledger

PHEAA - 1988A PHEAA - 1988A PHEAA - 1988A

Balance Sheet:

Assets

Customer Cash	\$ 151,039	\$ 223,988	\$ 437,866
Accounts Receivable	0	0	0
Interest Income Receivable	2,198,247	2,364,777	2,576,635
Investments	8,710,445	4,593,207	3,627,568
Student Loans Receivable	91,756,111	96,602,739	98,215,134
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	582,176	597,910	645,113
Prepaid Exp & Other Expenses	46,667	64,167	46,667
Total Assets	\$ 103,444,685	\$ 104,446,787	\$ 105,548,982

Liabilities

Accounts Payable & Reserves	\$ 199,581	\$ 241,227	\$ 378,203
Student Ln Financings Int Pay	535,382	510,086	276,822
Student Ln Financings Payable	100,000,000	100,000,000	100,000,000
Total Liabilities	\$ 100,734,963	\$ 100,751,314	\$ 100,655,025

Fund Balances

Fund Balances	3,695,474	4,869,346	4,869,346
Current Yr Net Income	(985,752)	(1,173,872)	24,611
Ending Fund Balance	\$ 2,709,722	\$ 3,695,474	\$ 4,893,957

Total Liabilities & Fund Balance **\$ 103,444,685** **\$ 104,446,787** **\$ 105,548,982**

Parity Ratio 1.021 1.030 1.042

Income Statement:

Revenues

Interest income	\$ 1,203,194	\$ 5,814,303	\$ 1,623,515
Premium on Student Loan Sales	0	0	0
Total Revenues	\$ 1,203,194	\$ 5,814,303	\$ 1,623,515

Expenses

Interest Expense & Related Cst	\$ 1,887,158	\$ 5,172,124	\$ 1,143,703
General & Administrative	298,304	1,784,544	443,954
Total Expenses	\$ 2,185,462	\$ 6,956,669	\$ 1,587,657

Operating Income / (Loss) **\$ (982,268)** **\$ (1,142,366)** **\$ 35,857**

Financial Aid 3,484 31,507 11,246

Net Income / (Loss) before Trfs **\$ (985,752)** **\$ (1,173,872)** **\$ 24,611**

Transfers 0 0 0

Net Income / (Loss) **\$ (985,752)** **\$ (1,173,872)** **\$ 24,611**

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA
 Indenture Name: 1988A Revenue Bond
 Cusip #: 709163AF6
 Reporting Period : 7/1/08 - 9/30/08

Collection Activity (excluding loan sales)

<i>Principal Repayment Received (\$)</i>	\$ 2,357,043
<i>Principal Prepayment Received (\$)</i>	843,794
<i>Principal Reimbursement (\$)</i>	
<i>Interest Payment Received (\$)</i>	656,145
<i>Interest Reimbursements (\$)</i>	
<i>Special Allowance Payments (\$)</i>	57,044
<i>Subsidy Payments (\$)</i>	261,706
<i>Funds Release from Reserve (\$)</i>	
<i>Others (please specify)</i>	
Total	\$ 4,175,733

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 48,054,169	53.94%	52.37%
May Still Qualify	37,189,856	41.75%	40.53%
Qualified	3,736,497	4.19%	4.07%
Qualified - Deferred	101,633	0.11%	0.11%
Total Borrower Benefit	\$ 89,082,155		
No Benefit	2,673,002	0%	2.91%
Total Portfolio	\$ 91,755,157	100.00%	100.00%

	EFT Int Savings	Rebate Amount	Interest Savings
Savings	\$ 1,624	\$ 174	\$ 21,577

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988A Revenue Bond

Cusip #: 709163AF6

Reporting Period : 7/1/08 - 9/30/08

Fees and Other Payments

<i>Remarketing Fees (\$)</i>	\$ 17,500
<i>Consolidation Rebate Fees (\$)</i>	0
<i>Servicing Fees (\$)</i>	294,820
<i>Commitment Fees (\$)</i>	72,739
<i>Trustee Fees (\$)</i>	16,250
<i>Liquidity Fees (\$)</i>	128
<i>Admin fee (\$)</i>	25,000
<i>App Processing Fees (\$)</i>	0
Total	\$ 426,437
<i>Lender Origination Fees (\$)</i>	127
<i>Origination Discount (\$)</i>	244
Total	\$ 371
Grand Total Fees & Other Pymts	\$ 426,808

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA
 Indenture Name: 1988A Revenue Bond
 Cusip #: 709163AF6
 Reporting Period : 7/1/08 - 9/30/08

Student Loan Pool Data

	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)
	\$	%						\$	%		
FFELP											
<i>Subsidized Stafford</i>	50,328,807	52.10%	4,250	(1,705,515)	119,575	(1,102,825)		47,644,292	51.93%	4.414%	79.96
<i>Unsubsidized Stafford</i>	38,809,781	40.18%	2,000	(1,266,696)	144,622	(861,715)		36,827,992	40.14%	4.448%	83.56
<i>PLUS</i>	5,538,853	5.73%	-	(178,635)	31,078	-		5,391,296	5.88%	6.990%	105.81
<i>PLUSGB</i>	1,924,722	1.99%	-	(50,217)	17,224	-		1,891,728	2.06%	7.615%	127.56
<i>Consolidation</i>	(377)	0.00%	-	226	-	-		(151)	0.00%	0.000%	0.00
Total	\$ 96,601,785	100.00%	\$ 6,250	\$ (3,200,837)	\$ 312,499	\$ (1,964,540)		\$ 91,755,157	100.00%	4.645%	83.91

AES/PHEAA

1988A - Prop / Non-Prop Loan Breakdown

Reporting Period : 7/1/08 - 9/30/08

	Prop. Ind.	School type	Principal	
N		GRADUATE	121,834	
N		SCHOOL OF THEOLOGY	152,044	
N		STATE RELATED	24,542,531	
N		2 YEAR PRIV JR COLL	1,119,598	
N		2 YEAR PUB JR COLL	10,717,608	
N		4 YEAR PRIVATE COLL	24,732,259	
N		4 YEAR PUBLIC COLL	16,487,693	
N Total			\$ 77,873,567	85%
Y		ALL NON-PROPRIETARY	0	
Y		ALL PROPRIETARY	0	
Y		CORRESPONDENCE	0	
Y		FED OWNED DEFR ONLY	50,872	
Y		HOSPITAL DIPLOMA PGM	916,620	
Y		PRIV PRESCHL/ELEM	0	
Y		PROP VOC/TECH	2,078,131	
Y		PROPRIETARY BUSINESS	4,513,827	
Y		TRADE/TECH SCHOOL	6,322,142	
Y Total			\$ 13,881,591	15%
Grand Total			\$ 91,755,157	

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA
 Indenture Name: 1988A Revenue Bond
 Cusip #: 709163AF6
 Reporting Period : 7/1/08 - 9/30/08

As of September 30, 2008

<i>1988A Revenue Bond</i>	9/30/2008	Prior Qtr 6/30/2008	Prior Year 9/30/2007
<i>1. LOANS IN-SCHOOL/IN-GRACE</i>			
In school	\$ 8,771,427	\$ 11,520,358	\$ 4,196,578
In grace	5,419,080	5,073,466	5,574,398
2. LOANS IN DEFERMENT	11,936,548	10,080,272	15,548,177
3. LOANS IN REPAYMENT			
A. CURRENT	45,184,144	51,131,570	57,983,708
Forbearances	9,340,168	8,347,586	8,497,946
B. 31-60 PAST DUE	2,846,462	3,805,875	2,081,032
C. 61-90 PAST DUE	2,204,237	2,345,655	957,867
D. 91-120 PAST DUE	1,610,933	1,786,169	656,097
E. 121-180 PAST DUE	2,240,495	1,721,783	1,111,538
F. 181-270 PAST DUE	1,869,069	464,393	866,385
G. 271 OR GREATER PAST DUE	275,019	205,063	407,467
H. CLAIMS FILED BUT NOT PAID	66,616	109,739	324,845
4. IN LITIGATION	-	-	-
5. UNINSURED	-	10,784	8,695
6. CREDIT BALANCES	(9,041)	(928)	(2,083)
7. END PRIN. BAL.	\$ 91,755,157	\$ 96,601,785	\$ 98,212,649

<i>1988A Revenue Bond</i>	9/30/2008	Prior Qtr 6/30/2008	Prior Year 9/30/2007
Loans @ CP**	87,689,829	92,873,047	93,843,926
Loans @ Tbill**	4,065,328	4,571,214	2,529,342
Total	91,755,157		
Pre 10/1/07 loan balance	91,751,657	94,661,711	N/A
Post 10/1/07 loan balance	3,500	1,940,074	N/A
Total	91,755,157	96,601,785	N/A

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

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988A Revenue Bond

Cusip #: 709163AF6

Reporting Period : 7/1/08 - 9/30/08

Claims Paid

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 169,864
<i>Unsubsidized Stafford</i>	161,688
<i>PLUS GB</i>	22,575
<i>PLUS</i>	19,368
<i>Total</i>	\$ 373,496

<i>% of Loans in Repay</i>	0.57%
<i>% of Total Portfolio</i>	0.41%

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988A Revenue Bond

Cusip #: 709163AF6

Reporting Period : 7/1/08 - 9/30/08

For the quarter ended September 30, 2008

	Loans Sold		Premium		Loans Purchased		Premium	
	\$	%	\$	%	\$	%	\$	%
<i>Subsidized Stafford Total</i>	\$ 1,102,825	56.14%			\$ -			
<i>Unsubsidized Stafford Total</i>	861,715	43.86%			-			
Total	\$ 1,964,540	100.00%	-		\$ -		\$ -	