

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988A Revenue Bond

Cusip #: 709163AF6

Reporting Period : 07/1/09 - 09/30/09

Bond Status

Series	Maturity Date	Taxable / Tax-Exempt	Beginning Principal Balance (\$)	Activity (\$)	Ending Principal Balance (\$)	Interest Paid (\$) 09/30/09	Coupon Type (ie. ARC, Fixed, VRDN)
1988A	01/01/18	Tax Exempt	\$ 100,000	\$ -	\$ 100,000	\$ 1,870	7d VRDN
1988A	01/01/18	Tax Exempt	\$ 99,800,000	\$ (3,800,000)	\$ 96,000,000	\$ 1,472,647	Bank Bonds at Prime Rate + 2%

7 day VRND Interest Rates during the Period

Bank Bond Interest Rates during the Period

FROM	TO	1988A
7/1/2009	9/30/2009	7.500%

FROM	TO	1988A
7/1/2009	9/30/2009	6.000%

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Trust Estate and Parity

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

3 Months Ended  
 September 30, 2009

12 Months Ended  
 June 30, 2009

3 Months Ended  
 September 30, 2008

Accruals Ledger

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

Balance Sheet:

<u>Assets</u>			
Customer Cash	\$ 186,377	\$ 374,112	\$ 151,039
Accounts Receivable	0	0	0
Interest Income Receivable	1,437,293	1,555,297	2,198,247
Investments	9,527,895	10,627,801	8,710,445
Student Loans Receivable	83,076,405	86,799,476	91,756,111
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	519,238	534,972	582,176
Prepaid Exp & Other Expenses	<u>46,642</u>	<u>64,167</u>	<u>46,667</u>
<b>Total Assets</b>	<b>\$ 94,793,849</b>	<b>\$ 99,955,825</b>	<b>\$ 103,444,685</b>
<u>Liabilities</u>			
Accounts Payable & Reserves	\$ 253,854	\$ 242,979	\$ 199,581
Student Ln Financings Int Pay	458,240	459,929	535,382
Student Ln Financings Payable	96,100,000	99,900,000	100,000,000
<b>Total Liabilities</b>	<b>\$ 96,812,093</b>	<b>\$ 100,602,908</b>	<b>\$ 100,734,963</b>
<u>Fund Balances</u>			
Fund Balances	(647,083)	3,695,474	3,695,474
Current Yr Net Income	<u>(1,371,161)</u>	<u>(4,342,557)</u>	<u>(985,752)</u>
<b>Ending Fund Balance</b>	<b>\$ (2,018,244)</b>	<b>\$ (647,083)</b>	<b>\$ 2,709,722</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$ 94,793,849</b>	<b>\$ 99,955,825</b>	<b>\$ 103,444,685</b>
<b>Parity Ratio</b>	<b>0.973</b>	<b>0.988</b>	<b>1.021</b>

Income Statement:

<u>Revenues</u>			
Interest income	\$ 539,969	\$ 4,053,560	\$ 1,203,194
Premium on Student Loan Sales	0	0	0
<b>Total Revenues</b>	<b>\$ 539,969</b>	<b>\$ 4,053,560</b>	<b>\$ 1,203,194</b>
<u>Expenses</u>			
Interest Expense & Related Cst	\$ 1,605,552	\$ 7,074,415	\$ 1,887,158
General & Administrative	304,470	1,298,634	298,304
<b>Total Expenses</b>	<b>\$ 1,910,021</b>	<b>\$ 8,373,049</b>	<b>\$ 2,185,462</b>
<b>Operating Income / (Loss)</b>	<b>\$ (1,370,052)</b>	<b>\$ (4,319,489)</b>	<b>\$ (982,268)</b>
Financial Aid	1,109	23,068	3,484
<b>Net Income / (Loss) before Trsfs</b>	<b>\$ (1,371,161)</b>	<b>\$ (4,342,557)</b>	<b>\$ (985,752)</b>
<u>Transfers</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Income / (Loss)</b>	<b>\$ (1,371,161)</b>	<b>\$ (4,342,557)</b>	<b>\$ (985,752)</b>

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Collection Activity (excluding loan sales)

Principal Repayment Received (\$)	\$ 2,100,901
Principal Prepayment Received (\$)	1,867,334
Principal Reimbursement (\$)	
Interest Payment Received (\$)	448,712
Interest Reimbursements (\$)	
Special Allowance Payments (\$)	(218,069)
Subsidy Payments (\$)	149,085
Funds Release from Reserve (\$)	
Others (please specify)	
<b>Total</b>	<b>\$ 4,347,963</b>

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 45,407,893	56.25%	54.66%
May Still Qualify	30,909,178	38.29%	37.21%
Qualified	4,271,189	5.29%	5.14%
Qualified - Deferred	133,725	0.17%	0.16%
<b>Total Borrower Benefit</b>	<b>\$ 80,721,985</b>		
No Benefit	2,353,466	0%	2.83%
<b>Total Portfolio</b>	<b>\$ 83,075,451</b>	<b>100.00%</b>	<b>100.00%</b>

	Estimated EFT Int Savings	Rebate Amount	Estimated Interest Savings
Borrower Benefit Savings For the 3 Months Ended 09/30/09	\$ 2,561	\$ 1,290	\$ 19,972

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Fees and Other Payments for the 3 Months Ended 09/30/09

<i>Remarketing Fees (\$)</i>	\$ -
<i>Consolidation Rebate Fees (\$)</i>	0
<i>Servicing Fees (\$)</i>	267,397
<i>Commitment Fees (\$)</i>	65,782
<i>Trustee Fees (\$)</i>	16,201
<i>Liquidity Fees (\$)</i>	153
<i>Admin fee (\$)</i>	24,975
<i>Insurance Fees (\$)</i>	0
<b>Total</b>	<b>\$ 374,508</b>
<i>Lender Origination Fees (\$)</i>	(1)
<i>Origination Discount (\$)</i>	(6)
<b>Total</b>	<b>\$ (8)</b>
<b>Grand Total Fees &amp; Other Pymts</b>	<b>\$ 374,500</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		Weighted Average Interest Rate (%)	Weighted Average Remaining Term (Months)
	\$	%						\$	%		
FFELP											
<i>Subsidized Stafford</i>	43,632,338	50.27%	-	(2,010,028)	87,242	-	-	41,709,552	50.21%	3.130%	84.45
<i>Unsubsidized Stafford</i>	36,587,842	42.15%	-	(1,608,228)	127,475	-	-	35,107,090	42.26%	3.428%	89.14
<i>PLUS</i>	4,795,089	5.52%	-	(270,497)	25,051	-	-	4,549,642	5.48%	6.665%	100.09
<i>PLUSGB</i>	1,783,253	2.05%	-	(79,483)	5,396	-	-	1,709,167	2.06%	7.688%	125.02
<i>Consolidation</i>	-	0.00%	-	-	-	-	-	-	0.00%	0.000%	0.00
<b>Total</b>	<b>\$ 86,798,522</b>	<b>100.00%</b>	<b>\$ -</b>	<b>\$ (3,968,235)</b>	<b>\$ 245,164</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 83,075,451</b>	<b>100.00%</b>	<b>3.543%</b>	<b>88.63</b>

AES/PHEAA  
 1988A - Prop / Non-Prop Loan Breakdown  
 Reporting Period : 07/1/09 - 09/30/09

	Prop. Ind.	School type	Principal	
N		GRADUATE	108,149	
N		SCHOOL OF THEOLOGY	177,895	
N		STATE RELATED	25,999,419	
N		2 YEAR PRIV JR COLL	1,001,119	
N		2 YEAR PUB JR COLL	8,907,524	
N		4 YEAR PRIVATE COLL	20,736,219	
N		4 YEAR PUBLIC COLL	14,030,008	
<b>N Total</b>			<b>\$ 70,960,333</b>	<b>85%</b>
Y		ALL NON-PROPRIETARY	0	
Y		ALL PROPRIETARY	896,222	
Y		CORRESPONDENCE	0	
Y		FED OWNED DEFR ONLY	42,647	
Y		HOSPITAL DIPLOMA PGM	867,715	
Y		PRIV PRESCHL/ELEM	0	
Y		PROP VOC/TECH	1,616,327	
Y		PROPRIETARY BUSINESS	3,597,508	
Y		TRADE/TECH SCHOOL	5,094,700	
<b>Y Total</b>			<b>\$ 12,115,118</b>	<b>15%</b>
<b>Grand Total</b>			<b>\$ 83,075,451</b>	

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As of September 30, 2009

<i>1988A Revenue Bond</i>						
	09/30/2009		Prior Qtr 06/30/2009		Prior Year 09/30/2008	
<i>1. LOANS IN-SCHOOL/IN-GRACE</i>						
In school	\$ 5,053,445	6.08%	\$ 5,804,688	6.69%	\$ 8,771,427	9.56%
In grace	3,394,565	4.09%	2,867,380	3.30%	5,419,080	5.91%
<i>2. LOANS IN DEFERMENT/FORB</i>						
Deferment	14,211,797	17.11%	13,551,302	15.61%	11,936,548	13.01%
Forbearance	10,214,825	12.30%	10,217,156	11.77%	9,340,168	10.18%
<i>3. LOANS IN REPAYMENT</i>						
A. CURRENT	42,240,381	% of Repay 84.14%	45,699,763	% of Repay 84.07%	45,184,144	% of Repay 80.27%
B. 31-60 PAST DUE	2,205,192	4.39%	2,898,939	5.33%	2,846,462	5.06%
C. 61-90 PAST DUE	1,413,217	2.82%	1,334,106	2.45%	2,204,237	3.92%
D. 91-120 PAST DUE	952,108	1.90%	1,070,556	1.97%	1,610,933	2.86%
E. 121-180 PAST DUE	1,257,764	2.51%	1,211,680	2.23%	2,240,495	3.98%
F. 181-270 PAST DUE	1,276,365	2.54%	1,474,090	2.71%	1,869,069	3.32%
G. 271 OR GREATER PAST DUE	634,039	1.26%	412,659	0.76%	275,019	0.49%
H. CLAIMS FILED BUT NOT PAID	221,881	0.44%	250,666	0.46%	66,616	0.12%
4. IN LITIGATION	-	0.00%	-	0.00%	-	0.00%
5. UNINSURED	2,664	0.01%	7,584	0.01%	-	0.00%
6. CREDIT BALANCES	(2,792)	-0.01%	(2,048)	0.00%	(9,041)	-0.02%
7. END PRIN. BAL.	\$ 83,075,451		\$ 86,798,522		\$ 91,755,157	

<i>1988A Revenue Bond</i>						
	09/30/2009		Prior Qtr 06/30/2009		Prior Year 09/30/2008	
Loans at 9.50% floor	421,084	0.51%	444,316	0.51%	22,103	0.02%
Loans @ CP	79,435,491	95.62%	82,942,870	95.56%	87,689,829	95.57%
Loans @ Tbill	3,218,876	3.87%	3,411,336	3.93%	4,043,225	4.41%
Total	83,075,451		86,798,522		91,755,157	
Pre 10/1/07 loan balance	83,071,738		86,794,809		91,751,657	
Post 10/1/07 loan balance	3,713		3,713		3,500	
Total	83,075,451		86,798,522		91,755,157	

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**Claims Paid**

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 467,382
<i>Unsubsidized Stafford</i>	337,823
<i>PLUS GB</i>	33,150
<i>PLUS - Parent</i>	35,172
<i>Total</i>	\$ 873,527

  

<i>% of Loans in Repay</i>	1.74%
<i>% of Total Portfolio</i>	1.05%

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For the quarter ended September 30, 2009

	Loans Sold		Premium		Loans Purchased		Premium	
	\$	%	\$	%	\$	%	\$	%
<i>Subsidized Stafford Total</i>	\$ -				\$ -			
<i>Unsubsidized Stafford Total</i>	-				-			
<i>Total</i>	\$ -	0.00%	-		\$ -	0.00%	\$ -	

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Loan Program	AVG. DAILY PRIN. BAL.	Special Allowance	Rate Type
Sub. Stafford	12,152	T-bill + 3.50	Fixed Rate
	10,575	T-bill + 3.25	Fixed Rate
	10,346	T-bill + 3.25	Variable
	481,099	T-bill + 3.10	Variable
	275,208	T-bill + 2.50	Variable
	323,615	T-bill + 2.20	Variable
	918,079	T-bill + 2.80	Variable
	6,853,623	3mCP+ 1.74	Variable
	24,728,478	3mCP+ 2.34	Variable
	412,887	3mCP+ 1.74 (negative SAP)	Variable
	3,765,917	3mCP+ 1.74 (negative SAP)	Fixed Rate
	473,360	3mCP+ 2.34 (negative SAP)	Variable
	4,166,532	3mCP+ 2.34 (negative SAP)	Fixed Rate
	247,875	9.5% Floor loans	
	<b>42,679,745</b>	<b>Total avg balance</b>	
Unsub Stafford	268,108	T-bill + 3.10	Variable
	119,069	T-bill + 2.50	Variable
	210,389	T-bill + 2.20	Variable
	657,723	T-bill + 2.80	Variable
	5,143,944	3mCP + 1.74	Variable
	19,550,680	3mCP + 2.34	Variable
	269,338	3mCP+ 1.74 (negative SAP)	Variable
	4,123,957	3mCP+ 1.74 (negative SAP)	Fixed
	404,307	3mCP+ 2.34 (negative SAP)	Variable
	4,914,651	3mCP+ 2.34 (negative SAP)	Fixed
	3,713	3mCP+ 1.94 (negative SAP)	Fixed
	184,317	9.5% Floor loans	
<b>35,850,196</b>	<b>Total avg balance</b>		
PLUS/SLS	9,892	T-Bill + 3.10	Variable
	631,362	3mCP +2.64	Variable
	484,638	3mCP +2.64 (negative SAP)	Variable
	5,262,548	3mCP +2.64 (negative SAP)	Fixed
	-	9.5% Floor loans	
<b>6,388,440</b>	<b>Total avg balance</b>		