

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988A Revenue Bond

Cusip #: 709163AF6

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

Bond Status

Series	Maturity Date	Taxable / Tax-Exempt	Beginning Principal Balance (\$)	Activity (\$)	Ending Principal Balance (\$)	Interest Paid (\$) 12/31/08	Coupon Type (ie. ARC, Fixed, VRDN)
1988A	01/01/18	Tax Exempt	\$ 100,000	\$ -	\$ 100,000	\$ 1,843	7d VRDN
1988A	01/01/18	Tax Exempt	\$ 99,900,000	\$ -	\$ 99,900,000	\$ 1,839,262	Bank Bonds at Prime Rate + 2%

7 day VRND Interest Rates during the Period

Bank Bond Interest Rates during the Period

FROM	TO	1988A
10/1/2008	12/31/2008	7.500%

FROM	TO	1988A
10/1/2008	11/13/2008	7.000%
11/14/2008	12/31/2008	6.000%

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA  
 Indenture Name: 1988A Revenue Bond  
 Cusip #: 709163AF6  
 Reporting Period : 10/1/08 - 12/31/08

Trust Estate and Parity

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

6 Months Ended  
 December 31, 2008

3 Months Ended  
 September 30, 2008

6 Months Ended  
 December 31, 2007

Accruals Ledger

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

Balance Sheet:

Assets

Customer Cash	\$ 178,399	\$ 151,039	\$ 278,122
Accounts Receivable	0	0	0
Interest Income Receivable	1,987,893	2,198,247	2,533,810
Investments	4,057,195	8,710,445	3,299,768
Student Loans Receivable	95,463,028	91,756,111	98,784,335
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	566,441	582,176	629,379
Prepaid Exp & Other Expenses	29,167	46,667	29,167
<b>Total Assets</b>	<b>\$ 102,282,122</b>	<b>\$ 103,444,685</b>	<b>\$ 105,554,581</b>

Liabilities

Accounts Payable & Reserves	\$ 222,685	\$ 199,581	\$ 373,175
Student Ln Financings Int Pay	475,529	535,382	248,877
Student Ln Financings Payable	100,000,000	100,000,000	100,000,000
<b>Total Liabilities</b>	<b>\$ 100,698,214</b>	<b>\$ 100,734,963</b>	<b>\$ 100,622,052</b>

Fund Balances

Fund Balances	3,695,474	3,695,474	4,869,346
Current Yr Net Income	(2,111,565)	(985,752)	63,183
<b>Ending Fund Balance</b>	<b>\$ 1,583,909</b>	<b>\$ 2,709,722</b>	<b>\$ 4,932,529</b>

**Total Liabilities & Fund Balance**      \$ 102,282,122      \$ 103,444,685      \$ 105,554,581

Parity Ratio      1.010      1.021      1.042

Income Statement:

Revenues

Interest income	\$ 2,342,915	\$ 1,203,194	\$ 3,209,704
Premium on Student Loan Sales	0	0	0
<b>Total Revenues</b>	<b>\$ 2,342,915</b>	<b>\$ 1,203,194</b>	<b>\$ 3,209,704</b>

Expenses

Interest Expense & Related Cst	\$ 3,800,368	\$ 1,887,158	\$ 2,237,539
General & Administrative	643,444	298,304	893,837
<b>Total Expenses</b>	<b>\$ 4,443,813</b>	<b>\$ 2,185,462</b>	<b>\$ 3,131,376</b>

**Operating Income / (Loss)**      \$ (2,100,898)      \$ (982,268)      \$ 78,329

Financial Aid      10,668      3,484      15,146

**Net Income / (Loss) before Trsfs**      \$ (2,111,565)      \$ (985,752)      \$ 63,183

Transfers      0      0      0

**Net Income / (Loss)**      \$ (2,111,565)      \$ (985,752)      \$ 63,183

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA  
 Indenture Name: 1988A Revenue Bond  
 Cusip #: 709163AF6  
 Reporting Period : 10/1/08 - 12/31/08

Collection Activity (excluding loan sales)

<i>Principal Repayment Received (\$)</i>	\$ 2,437,711
<i>Principal Prepayment Received (\$)</i>	1,335,563
<i>Principal Reimbursement (\$)</i>	
<i>Interest Payment Received (\$)</i>	571,608
<i>Interest Reimbursements (\$)</i>	
<i>Special Allowance Payments (\$)</i>	68,155
<i>Subsidy Payments (\$)</i>	176,638
<i>Funds Release from Reserve (\$)</i>	
<i>Others (please specify)</i>	
<b>Total</b>	<b>\$ 4,589,676</b>

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 48,171,215	51.87%	50.46%
May Still Qualify	40,583,213	43.70%	42.51%
Qualified	3,953,485	4.26%	4.14%
Qualified - Deferred	<u>155,644</u>	0.17%	0.16%
<b>Total Borrower Benefit</b>	<b>\$ 92,863,556</b>		
No Benefit	<u>2,598,518</u>	<u>0%</u>	<u>2.72%</u>
<b>Total Portfolio</b>	<b>\$ 95,462,074</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	\$ 1,746	\$ 563	\$ 21,780
For the 6 Months Ended 12/31/08	\$ 3,370	\$ 737	\$ 43,357

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988A Revenue Bond

Cusip #: 709163AF6

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

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

<i>Remarketing Fees (\$)</i>	\$ -
<i>Consolidation Rebate Fees (\$)</i>	0
<i>Servicing Fees (\$)</i>	297,779
<i>Commitment Fees (\$)</i>	69,925
<i>Trustee Fees (\$)</i>	16,250
<i>Liquidity Fees (\$)</i>	101
<i>Admin fee (\$)</i>	25,000
<b>Total</b>	<b>\$ 409,056</b>
<i>Lender Origination Fees (\$)</i>	50
<i>Origination Discount (\$)</i>	(48)
<b>Total</b>	<b>\$ 2</b>
<b>Grand Total Fees &amp; Other Pymts</b>	<b>\$ 409,058</b>

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA  
 Indenture Name: 1988A Revenue Bond  
 Cusip #: 709163AF6  
 Reporting Period : 10/1/08 - 12/31/08

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>	47,644,292	51.93%	2,453,305	(1,999,348)	93,242	-		48,191,490	50.48%	4.532%	85.48
<i>Unsubsidized Stafford</i>	36,827,992	40.14%	4,284,667	(1,543,356)	603,127	-		40,172,430	42.08%	4.713%	89.44
<i>PLUS</i>	5,391,296	5.88%	-	(185,801)	10,374	-		5,215,869	5.46%	7.013%	103.6
<i>PLUSGB</i>	1,891,728	2.06%	-	(44,921)	35,477	-		1,882,284	1.97%	7.652%	132.12
<i>Consolidation</i>	(151)	0.00%	-	151	-	-		-	0.00%	0.000%	0.00
<b>Total</b>	<b>\$ 91,755,157</b>	<b>100.00%</b>	<b>\$ 6,737,971</b>	<b>\$ (3,773,274)</b>	<b>\$ 742,219</b>	<b>\$ -</b>		<b>\$ 95,462,074</b>	<b>100.00%</b>	<b>4.806%</b>	<b>89.06</b>

AES/PHEAA  
 1988A - Prop / Non-Prop Loan Breakdown  
 Reporting Period : 10/1/08 - 12/31/08

	Prop. Ind.	School type	Principal	
N		GRADUATE	109,772	
N		SCHOOL OF THEOLOGY	155,826	
N		STATE RELATED	30,246,870	
N		2 YEAR PRIV JR COLL	1,124,538	
N		2 YEAR PUB JR COLL	10,388,497	
N		4 YEAR PRIVATE COLL	24,066,441	
N		4 YEAR PUBLIC COLL	15,957,054	
<b>N Total</b>			<b>\$ 82,048,998</b>	<b>86%</b>
Y		ALL NON-PROPRIETARY	0	
Y		ALL PROPRIETARY	7,167	
Y		CORRESPONDENCE	0	
Y		FED OWNED DEFR ONLY	46,786	
Y		HOSPITAL DIPLOMA PGM	889,558	
Y		PRIV PRESCHL/ELEM	0	
Y		PROP VOC/TECH	2,019,664	
Y		PROPRIETARY BUSINESS	4,348,314	
Y		TRADE/TECH SCHOOL	6,101,588	
<b>Y Total</b>			<b>\$ 13,413,076</b>	<b>14%</b>
<b>Grand Total</b>			<b>\$ 95,462,074</b>	

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA  
 Indenture Name: 1988A Revenue Bond  
 Cusip #: 709163AF6  
 Reporting Period : 10/1/08 - 12/31/08

As of December 31, 2008

**1988A Revenue Bond**

**1. LOANS IN-SCHOOL/IN-GRACE**

	12/31/2008		Prior Qtr 9/30/2008		Prior Year 12/31/2007	
In school	\$ 9,104,514	9.54%	\$ 8,771,427	9.56%	\$ 14,344,523	14.52%
In grace	2,264,806	2.37%	5,419,080	5.91%	3,631,216	3.68%
<b>2. LOANS IN DEFERMENT/FORB</b>						
Deferment	13,179,842	13.81%	11,936,548	13.01%	12,189,115	12.34%
Forbearance	10,656,355	11.16%	9,340,168	10.18%	7,538,943	7.63%
<b>3. LOANS IN REPAYMENT</b>		<b>% of Repay</b>		<b>% of Repay</b>		<b>% of Repay</b>
A. CURRENT	49,510,296	82.17%	45,184,144	80.27%	54,907,239	89.90%
B. 31-60 PAST DUE	2,776,916	4.61%	2,846,462	5.06%	2,197,263	3.60%
C. 61-90 PAST DUE	1,804,053	2.99%	2,204,237	3.92%	1,051,477	1.72%
D. 91-120 PAST DUE	1,052,680	1.75%	1,610,933	2.86%	646,643	1.06%
E. 121-180 PAST DUE	1,687,631	2.80%	2,240,495	3.98%	837,889	1.37%
F. 181-270 PAST DUE	2,100,719	3.49%	1,869,069	3.32%	840,334	1.38%
G. 271 OR GREATER PAST DUE	821,421	1.36%	275,019	0.49%	412,412	0.68%
H. CLAIMS FILED BUT NOT PAID	506,164	0.84%	66,616	0.12%	185,410	0.30%
4. IN LITIGATION	-	0.00%	-	0.00%	-	0.00%
5. UNINSURED	-	0.00%	-	0.00%	4,463	0.01%
6. CREDIT BALANCES	(3,324)	-0.01%	(9,041)	-0.02%	(5,077)	-0.01%
7. END PRIN. BAL.	\$ 95,462,074		\$ 91,755,157		\$ 98,781,850	

**1988A Revenue Bond**

	12/31/2008		Prior Qtr 9/30/2008		Prior Year 12/31/2007	
Loans @ CP**	91,586,673	95.94%	87,689,829	95.57%	95,961,039	
Loans @ Tbill**	3,875,400	4.06%	4,065,328	4.43%	2,185,981	
Total	95,462,074		91,755,157			
Pre 10/1/07 loan balance	95,458,361		91,751,657		98,779,017	
Post 10/1/07 loan balance	3,713		3,500		2,833	
Total	95,462,074		91,755,157		98,781,850	

\*\*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 - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988A Revenue Bond

Cusip #: 709163AF6

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

Claims Paid

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 224,935
<i>Unsubsidized Stafford</i>	187,231
<i>PLUS - Parent</i>	30,648
<i>Total</i>	\$ 442,814

  

<i>% of Loans in Repay</i>	0.73%
<i>% of Total Portfolio</i>	0.46%

PHEAA - 1988A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988A Revenue Bond

Cusip #: 709163AF6

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%			\$ 2,453,305	36.41%		
<i>Unsubsidized Stafford Total</i>	-	0.00%			4,284,667	63.59%		
<b>Total</b>	\$ -	0.00%	-		\$ 6,737,971	100.00%	\$ -	