

PHEAA - 1988B Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988B Revenue Bond

Cusip #: 709163AG4

Reporting Period : 04/1/09 - 06/30/09

Bond Status

Series	Maturity Date	Taxable / Tax-Exempt	Beginning Principal Balance (\$)	Activity (\$)	Ending Principal Balance (\$)	Interest Paid (\$) 06/30/09	Coupon Type (ie. ARC, Fixed, VRDN)
1988B	07/01/18	Tax Exempt	\$ 107,900,000	\$ (3,600,000)	\$ 104,300,000	\$ 869,397	Bank Bonds at Prime Rate

Bank Bond Interest Rates during the Period

FROM	TO	1988B
4/1/2009	6/30/2009	3.250%

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Trust Estate and Parity

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

12 Months Ended
 June 30, 2009

9 Months Ended
 March 31, 2009

12 Months Ended
 June 30, 2008

Accruals Ledger

PHEAA - 1988B PHEAA - 1988B PHEAA - 1988B

Balance Sheet:

Assets

Customer Cash	\$ 324,980	\$ 303,652	\$ 396,212
Accounts Receivable	0	0	0
Interest Income Receivable	2,053,125	2,098,535	3,047,723
Investments	9,586,389	9,730,342	3,857,477
Student Loans Receivable	95,765,652	99,665,147	108,115,961
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	580,930	597,067	645,478
Prepaid Exp & Other Expenses	67,643	12,833	70,583
Total Assets	\$ 108,378,719	\$ 112,407,576	\$ 116,133,434

Liabilities

Accounts Payable & Reserves	\$ 266,177	\$ 254,404	\$ 258,970
Student Ln Financings Int Pay	278,315	287,931	504,953
Student Ln Financings Payable	104,300,000	107,900,000	110,000,000
Total Liabilities	\$ 104,844,491	\$ 108,442,335	\$ 110,763,922

Fund Balances

Fund Balances	5,369,512	5,369,512	5,945,768
Current Yr Net Income	(1,835,284)	(1,404,271)	(576,257)
Ending Fund Balance	\$ 3,534,228	\$ 3,965,240	\$ 5,369,512

Total Liabilities & Fund Balance \$ 108,378,719 \$ 112,407,576 \$ 116,133,434

Parity Ratio 1.028 1.031 1.042

Income Statement:

Revenues

Interest income	\$ 4,530,621	\$ 3,602,587	\$ 6,783,676
Premium on Student Loan Sales	0	0	0
Total Revenues	\$ 4,530,621	\$ 3,602,587	\$ 6,783,676

Expenses

Interest Expense & Related Cst	\$ 4,878,082	\$ 3,867,943	\$ 5,488,321
General & Administrative	1,438,480	1,092,327	1,782,235
Total Expenses	\$ 6,316,562	\$ 4,960,270	\$ 7,270,556

Operating Income / (Loss) \$ (1,785,941) \$ (1,357,683) \$ (486,880)

Financial Aid 49,343 46,588 89,376

Net Income / (Loss) before Trsfs \$ (1,835,284) \$ (1,404,271) \$ (576,257)

Transfers 0 0 0

Net Income / (Loss) \$ (1,835,284) \$ (1,404,271) \$ (576,257)

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Collection Activity (excluding loan sales)

Principal Repayment Received (\$)	\$ 2,455,103
Principal Prepayment Received (\$)	1,856,973
Principal Reimbursement (\$)	
Interest Payment Received (\$)	664,601
Interest Reimbursements (\$)	
Special Allowance Payments (\$)	(342,618)
Subsidy Payments (\$)	196,501
Funds Release from Reserve (\$)	
Others (please specify)	
Total	\$ 4,830,559

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 43,939,453	46.97%	45.88%
May Still Qualify	39,626,480	42.36%	41.38%
Qualified	9,787,695	10.46%	10.22%
Qualified - Deferred	185,808	0.20%	0.19%
Total Borrower Benefit	\$ 93,539,435		
No Benefit	2,226,643	0%	2.33%
Total Portfolio	\$ 95,766,078	100.00%	100.00%

	Estimated EFT Int Savings	Rebate Amount	Estimated Interest Savings
Borrower Benefit Savings			
For the 3 Months Ended 06/30/09	\$ 2,020	\$ 3,169	\$ 15,673
For the 12 Months Ended 06/30/09	\$ 7,081	\$ 39,161	\$ 68,966

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Fees and Other Payments for the 3 Months Ended 06/30/09

<i>Remarketing Fees (\$)</i>	\$ -
<i>Consolidation Rebate Fees (\$)</i>	135
<i>Servicing Fees (\$)</i>	306,832
<i>Commitment Fees (\$)</i>	74,837
<i>Trustee Fees (\$)</i>	15,924
<i>Liquidity Fees (\$)</i>	0
<i>Admin fee (\$)</i>	27,500
<i>Insurance Fees (\$)</i>	74,060
Total	\$ 499,288
<i>Lender Origination Fees (\$)</i>	(5)
<i>Origination Discount (\$)</i>	(0)
Total	\$ (5)
Grand Total Fees & Other Pymts	\$ 499,283

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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>	40,138,771	40.27%	-	(1,547,060)	79,800	-	-	38,671,511	40.38%	4.852%	88.7
<i>Unsubsidized Stafford</i>	35,775,379	35.90%	-	(1,360,595)	272,898	-	-	34,687,682	36.22%	4.955%	93.39
<i>PLUS</i>	23,511,275	23.59%	-	(1,387,885)	57,572	-	-	22,180,961	23.16%	5.853%	80.97
<i>PLUSGB</i>	169,837	0.17%	-	(2,372)	2,732	-	-	170,197	0.18%	7.927%	151.25
<i>Consolidation</i>	69,886	0.07%	-	(14,164)	5	-	-	55,727	0.06%	5.381%	126.97
Total	\$ 99,665,147	100.00%	\$ -	\$ (4,312,076)	\$ 413,007	\$ -	\$ -	\$ 95,766,078	100.00%	5.127%	88.74

AES/PHEAA
 1988B - Prop / Non-Prop Loan Breakdown
 Reporting Period : 04/1/09 - 06/30/09

	Prop. Ind.	School type	Principal	
N		GRADUATE	88,352	
N		SCHOOL OF THEOLOGY	227,145	
N		STATE RELATED	24,695,468	
N		2 YEAR PRIV JR COLL	1,313,429	
N		2 YEAR PUB JR COLL	8,955,910	
N		4 YEAR PRIVATE COLL	31,354,624	
N		4 YEAR PUBLIC COLL	16,633,142	
N Total			\$ 83,268,070	87%
Y		ALL NON-PROPRIETARY	0	
Y		ALL PROPRIETARY	860,283	
Y		CORRESPONDENCE	0	
Y		FED OWNED DEFR ONLY	55,232	
Y		HOSPITAL DIPLOMA PGM	906,329	
Y		PRIV PRESCHL/ELEM	0	
Y		PROP VOC/TECH	1,260,512	
Y		PROPRIETARY BUSINESS	4,028,487	
Y		TRADE/TECH SCHOOL	5,387,166	
Y Total			\$ 12,498,008	13%
Grand Total			\$ 95,766,078	

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As of June 30, 2009

1988B Revenue Bond

	06/30/2009		Prior Qtr 03/31/2009		Prior Year 06/30/2008	
1. LOANS IN-SCHOOL/IN-GRACE						
In school	\$ 8,562,903	8.94%	\$ 12,766,094	12.81%	\$ 12,008,200	11.11%
In grace	4,462,392	4.66%	1,924,412	1.93%	4,930,444	4.56%
2. LOANS IN DEFERMENT/FORB						
Deferment	14,637,518	15.28%	15,292,881	15.34%	12,482,702	11.55%
Forbearance	12,429,732	12.98%	12,808,140	12.85%	11,247,045	10.40%
3. LOANS IN REPAYMENT		% of Repay		% of Repay		% of Repay
A. CURRENT	46,219,650	83.02%	47,033,344	82.70%	50,728,053	75.21%
B. 31-60 PAST DUE	2,580,589	4.64%	2,248,166	3.95%	2,892,981	4.29%
C. 61-90 PAST DUE	1,584,795	2.85%	1,488,700	2.62%	2,016,228	2.99%
D. 91-120 PAST DUE	1,064,866	1.91%	1,519,927	2.67%	1,467,799	2.18%
E. 121-180 PAST DUE	1,324,266	2.38%	1,785,801	3.14%	2,859,757	4.24%
F. 181-270 PAST DUE	1,947,143	3.50%	1,882,010	3.31%	5,192,618	7.70%
G. 271 OR GREATER PAST DUE	697,257	1.25%	646,553	1.14%	1,296,690	1.92%
H. CLAIMS FILED BUT NOT PAID	235,059	0.42%	256,963	0.45%	916,969	1.36%
4. IN LITIGATION	-	0.00%	-	0.00%	-	0.00%
5. UNINSURED	24,293	0.04%	22,574	0.04%	77,446	0.11%
6. CREDIT BALANCES	(4,385)	-0.01%	(10,417)	-0.02%	(971)	0.00%
7. END PRIN. BAL.	\$ 95,766,078		\$ 99,665,147		\$ 108,115,961	

1988B Revenue Bond

	06/30/2009		Prior Qtr 03/31/2009		Prior Year 06/30/2008	
Loans at 9.50% floor*	9,135	0.01%	51,758	0.05%	476,985	0.44%
Loans @ CP*	91,618,367	95.67%	95,157,596	95.48%	101,232,658	93.75%
Loans @ Tbill*	4,138,576	4.32%	4,455,792	4.47%	6,276,615	5.81%
Total	95,766,078		99,665,147		107,986,258	
Pre 10/1/07 loan balance	95,739,923		99,637,548		108,087,307	
Post 10/1/07 loan balance	26,155		27,599		28,654.09	
Total	95,766,078		99,665,147		108,115,961	

*Prior year data at 6/30/08 lists AVERAGE Balance

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Claims Paid

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 465,750
<i>Unsubsidized Stafford</i>	437,614
<i>Consolidation</i>	12,793
<i>PLUS - parent</i>	224,879
<i>Total</i>	\$ 1,141,035

<i>% of Loans in Repay</i>	2.05%
<i>% of Total Portfolio</i>	1.19%

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For the quarter ended March 31, 2009

	Loans Sold		Premium		Loans Purchased		Premium	
	\$	%	\$	%	\$	%	\$	%
<i>Subsidized Stafford Total</i>	\$ -				\$ -			
<i>Unsubsidized Stafford Total</i>	-				-			
<i>PLUS Total</i>	-				-			
<i>PLUSGB</i>	-				-			
<i>Consolidation 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	20,721	Tbill + 3.50%	Fixed
	33,218	Tbill + 3.25%	Fixed
	109,494	Tbill + 3.25%	Variable
	606,487	Tbill + 3.10%	Variable
	155,721	Tbill + 2.50%	Variable
	503,073	Tbill + 2.20%	Variable
	1,223,592	Tbill + 2.80%	Variable
	7,960,284	3mCP + 1.74	Variable
	16,529,485	3mCP + 2.34	Variable
	118,828	3mCP + 1.74 Negative SAP	Variable
	6,466,587	3mCP + 1.74 Negative SAP	Fixed
	199,546	3mCP + 2.34 Negative SAP	Variable
	5,363,332	3mCP + 2.34 Negative SAP	Fixed
	8,835	3mCP + 1.34 Negative SAP	Fixed
	8,722	3mCP + 1.94 Negative SAP	Fixed
	12,336	9.5% Floor loans	
	39,320,261	Total avg balance	
Unsub Stafford	259,344	Tbill + 3.10%	Variable
	74,846	Tbill + 2.50%	Variable
	380,397	Tbill + 2.20%	Variable
	803,943	Tbill + 2.80%	Variable
	6,594,052	3mCP + 1.74	Variable
	14,553,254	3mCP + 2.34	Variable
	142,194	3mCP + 1.74 Negative SAP	Variable
	6,349,642	3mCP + 1.74 Negative SAP	Fixed
	239,665	3mCP + 2.34 Negative SAP	Variable
	5,642,985	3mCP + 2.34 Negative SAP	Fixed
	6,351	3mCP + 1.34 Negative SAP	Fixed
	3,533	3mCP + 1.94 Negative SAP	Fixed
	13,191	9.5% Floor loans	
	35,063,396	Total avg balance	
PLUS/SLS	61,425	T-Bill + 3.10	Variable
	15,986,139	3mCP + 2.64	Variable
	134,469	3mCP + 2.64 Negative SAP	Variable
	6,795,064	3mCP + 2.64 Negative SAP	Fixed
	-	9.5% Floor loans	
22,977,097	Total avg balance		
Consolidation	5,081	T-bill + 3.25	Fixed
	8,154	T-bill + 3.10	Fixed
	50,972	3mCP + 2.64	Fixed
	-	9.5% Floor loans	
64,207	Total avg balance		