

PHEAA - 1988B Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988B Revenue Bond

Cusip #: 709163AG4

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)
1988B	07/01/18	Tax Exempt	\$ 104,300,000	\$ (4,300,000)	\$ 100,000,000	\$ 846,754	Bank Bonds at Prime Rate

Bank Bond Interest Rates during the Period

FROM	TO	1988B
7/1/2009	9/30/2009	3.250%

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Trust Estate and Parity

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

3 Months Ended 12 Months Ended 3 Months Ended
 September 30, 2009 June 30, 2009 September 30, 2008

Accruals Ledger

	PHEAA - 1988B	PHEAA - 1988B	PHEAA - 1988B
<u>Balance Sheet:</u>			
<u>Assets</u>			
Customer Cash	\$ 186,391	\$ 324,980	\$ 226,264
Accounts Receivable	0	0	0
Interest Income Receivable	1,926,178	2,053,125	3,005,547
Investments	9,000,634	9,586,389	7,259,358
Student Loans Receivable	91,647,362	95,765,652	104,573,127
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	564,793	580,930	629,341
Prepaid Exp & Other Expenses	47,343	67,643	51,333
Total Assets	\$ 103,372,700	\$ 108,378,719	\$ 115,744,970
<u>Liabilities</u>			
Accounts Payable & Reserves	\$ 277,221	\$ 266,177	\$ 425,675
Student Ln Financings Int Pay	266,828	278,315	434,869
Student Ln Financings Payable	100,000,000	104,300,000	110,000,000
Total Liabilities	\$ 100,544,049	\$ 104,844,491	\$ 110,860,544
<u>Fund Balances</u>			
Fund Balances	3,534,228	5,369,512	5,369,512
Current Yr Net Income	(705,577)	(1,835,284)	(485,086)
Ending Fund Balance	\$ 2,828,651	\$ 3,534,228	\$ 4,884,426
Total Liabilities & Fund Balance	\$ 103,372,700	\$ 108,378,719	\$ 115,744,970
Parity Ratio	1.022	1.028	1.038

Income Statement:

<u>Revenues</u>			
Interest income	\$ 611,880	\$ 4,530,621	\$ 1,372,298
Premium on Student Loan Sales	0	0	0
Total Revenues	\$ 611,880	\$ 4,530,621	\$ 1,372,298
<u>Expenses</u>			
Interest Expense & Related Cst	\$ 981,630	\$ 4,878,082	\$ 1,496,341
General & Administrative	334,517	1,438,480	354,234
Total Expenses	\$ 1,316,147	\$ 6,316,562	\$ 1,850,575
Operating Income / (Loss)	\$ (704,267)	\$ (1,785,941)	\$ (478,277)
Financial Aid	1,311	49,343	6,809
Net Income / (Loss) before Trsfs	\$ (705,577)	\$ (1,835,284)	\$ (485,086)
Transfers	0	0	0
Net Income / (Loss)	\$ (705,577)	\$ (1,835,284)	\$ (485,086)

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Collection Activity (excluding loan sales)

Principal Repayment Received (\$)	\$ 2,569,874
Principal Prepayment Received (\$)	1,856,973
Principal Reimbursement (\$)	
Interest Payment Received (\$)	533,519
Interest Reimbursements (\$)	
Special Allowance Payments (\$)	(339,543)
Subsidy Payments (\$)	197,947
Funds Release from Reserve (\$)	
Others (please specify)	
Total	\$ 4,818,770

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 43,019,809	48.04%	46.94%
May Still Qualify	37,116,529	41.45%	40.50%
Qualified	9,184,713	10.26%	10.02%
Qualified - Deferred	234,686	0.26%	0.26%
Total Borrower Benefit	\$ 89,555,737		
No Benefit	2,092,050	0%	2.28%
Total Portfolio	\$ 91,647,788	100.00%	100.00%

	Estimated EFT Int Savings	Rebate Amount	Estimated Interest Savings
Borrower Benefit Savings For the 3 Months Ended 09/30/09	\$ 2,255	\$ 1,334	\$ 14,824

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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>	134
<i>Servicing Fees (\$)</i>	294,636
<i>Commitment Fees (\$)</i>	72,466
<i>Trustee Fees (\$)</i>	15,632
<i>Liquidity Fees (\$)</i>	0
<i>Admin fee (\$)</i>	26,450
<i>Insurance Fees (\$)</i>	0
Total	\$ 409,318
<i>Lender Origination Fees (\$)</i>	(4)
<i>Origination Discount (\$)</i>	(30)
Total	\$ (35)
Grand Total Fees & Other Pymts	\$ 409,283

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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>	38,671,511	40.38%	-	(1,662,408)	79,725	-	-	37,088,828	40.47%	3.657%	88.14
<i>Unsubsidized Stafford</i>	34,687,682	36.22%	3,500	(1,444,949)	153,261	-	-	33,399,494	36.44%	3.833%	92.88
<i>PLUS</i>	22,180,961	23.16%	-	(1,306,003)	57,594	-	-	20,932,553	22.84%	4.663%	79.19
<i>PLUSGB</i>	170,197	0.18%	-	(12,879)	14,471	-	-	171,788	0.19%	7.904%	139.2
<i>Consolidation</i>	55,727	0.06%	-	(608)	7	-	-	55,125	0.06%	5.369%	126.23
Total	\$ 95,766,078	100.00%	\$ 3,500	\$ (4,426,847)	\$ 305,057	\$ -	\$ -	\$ 91,647,788	100.00%	3.960%	87.94

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

	Prop. Ind.	School type	Principal	
N		GRADUATE	87,519	
N		SCHOOL OF THEOLOGY	235,883	
N		STATE RELATED	23,620,401	
N		2 YEAR PRIV JR COLL	1,217,110	
N		2 YEAR PUB JR COLL	8,425,973	
N		4 YEAR PRIVATE COLL	30,022,081	
N		4 YEAR PUBLIC COLL	16,125,578	
N Total			\$ 79,734,545	87%
Y		ALL NON-PROPRIETARY	0	
Y		ALL PROPRIETARY	866,191	
Y		CORRESPONDENCE	0	
Y		FED OWNED DEFR ONLY	61,682	
Y		HOSPITAL DIPLOMA PGM	857,747	
Y		PRIV PRESCHL/ELEM	0	
Y		PROP VOC/TECH	1,204,328	
Y		PROPRIETARY BUSINESS	3,849,626	
Y		TRADE/TECH SCHOOL	5,073,668	
Y Total			\$ 11,913,243	13%
Grand Total			\$ 91,647,788	

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As of September 30, 2009

1988B Revenue Bond

1. LOANS IN-SCHOOL/IN-GRACE

	09/30/2009		Prior Qtr 06/30/2009		Prior Year 09/30/2008	
In school	\$ 8,043,863	8.78%	\$ 8,562,903	8.94%	\$ 13,132,030	12.56%
In grace	4,717,263	5.15%	4,462,392	4.66%	6,584,961	6.30%
2. LOANS IN DEFERMENT/FORB						
Deferment	15,151,028	16.53%	14,637,518	15.28%	13,391,616	12.81%
Forbearance	12,584,819	13.73%	12,429,732	12.98%	12,612,747	12.06%
3. LOANS IN REPAYMENT		% of Repay		% of Repay		% of Repay
A. CURRENT	42,435,658	82.96%	46,219,650	83.02%	45,024,990	76.51%
B. 31-60 PAST DUE	2,397,746	4.69%	2,580,589	4.64%	2,814,972	4.78%
C. 61-90 PAST DUE	1,504,311	2.94%	1,584,795	2.85%	2,245,367	3.82%
D. 91-120 PAST DUE	1,001,653	1.96%	1,064,866	1.91%	1,064,476	1.81%
E. 121-180 PAST DUE	1,296,842	2.54%	1,324,266	2.38%	1,616,747	2.75%
F. 181-270 PAST DUE	1,389,909	2.72%	1,947,143	3.50%	2,304,867	3.92%
G. 271 OR GREATER PAST DUE	843,354	1.65%	697,257	1.25%	2,630,251	4.47%
H. CLAIMS FILED BUT NOT PAID	265,099	0.52%	235,059	0.42%	1,130,682	1.92%
4. IN LITIGATION	-	0.00%	-	0.00%	-	0.00%
5. UNINSURED	22,574	0.04%	24,293	0.04%	22,574	0.04%
6. CREDIT BALANCES	(6,330)	-0.01%	(4,385)	-0.01%	(3,153)	-0.01%
7. END PRIN. BAL.	\$ 91,647,788		\$ 95,766,078		\$ 104,573,127	

1988B Revenue Bond

	09/30/2009		Prior Qtr 06/30/2009		Prior Year 09/30/2008	
Loans at 9.50% floor	9,047	0.01%	9,135	0.01%	5,095,573	4.87%
Loans @ CP	87,861,701	95.87%	91,618,367	95.67%	99,474,037	95.12%
Loans @ Tbill	3,777,040	4.12%	4,138,576	4.32%	3,516	0.00%
Total	<u>91,647,788</u>		<u>95,766,078</u>		<u>104,573,127</u>	
Pre 10/1/07 loan balance	91,622,673		95,739,923		104,544,822	
Post 10/1/07 loan balance	<u>25,115</u>		<u>26,155</u>		<u>28,304.84</u>	
Total	<u>91,647,788</u>		<u>95,766,078</u>		<u>104,573,127</u>	

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Claims Paid

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 436,278
<i>Unsubsidized Stafford</i>	427,232
<i>Consolidation</i>	174,068
<i>Total</i>	\$ 1,037,578

<i>% of Loans in Repay</i>	2.03%
<i>% of Total Portfolio</i>	1.13%

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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>	-				3,500			
<i>PLUS Total</i>	-				-			
<i>PLUSGB</i>	-				-			
<i>Consolidation Total</i>	-				-			
Total	\$ -	0.00%	-		\$ 3,500	0.00%	\$ -	

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Loan Program	AVG. DAILY PRIN. BAL.	Special Allowance	Rate Type
Sub. Stafford	4,505	Tbill + 3.50%	Fixed
	15,044	Tbill + 3.25%	Fixed
	107,517	Tbill + 3.25%	Variable
	584,606	Tbill + 3.10%	Variable
	134,435	Tbill + 2.50%	Variable
	510,958	Tbill + 2.20%	Variable
	1,097,865	Tbill + 2.80%	Variable
	7,446,734	3mCP + 1.74	Variable
	16,043,692	3mCP + 2.34	Variable
	107,672	3mCP + 1.74 Negative SAP	Variable
	6,103,796	3mCP + 1.74 Negative SAP	Fixed
	195,983	3mCP + 2.34 Negative SAP	Variable
	5,430,132	3mCP + 2.34 Negative SAP	Fixed
	7,315	3mCP + 1.34 Negative SAP	Fixed
	7,940	3mCP + 1.94 Negative SAP	Fixed
	6,475	9.5% Floor loans	
	37,804,668	Total avg balance	
Unsub Stafford	241,944	Tbill + 3.10%	Variable
	77,195	Tbill + 2.50%	Variable
	341,113	Tbill + 2.20%	Variable
	772,878	Tbill + 2.80%	Variable
	6,205,151	3mCP + 1.74	Variable
	14,240,215	3mCP + 2.34	Variable
	127,419	3mCP + 1.74 Negative SAP	Variable
	5,901,698	3mCP + 1.74 Negative SAP	Fixed
	234,301	3mCP + 2.34 Negative SAP	Variable
	5,845,761	3mCP + 2.34 Negative SAP	Fixed
	2,321	3mCP + 1.34 Negative SAP	Fixed
	7,760	3mCP + 1.94 Negative SAP	Fixed
	2,584	9.5% Floor loans	
34,000,338	Total avg balance		
PLUS/SLS	55,726	T-Bill + 3.10	Variable
	14,990,866	3mCP + 2.64	Variable
	130,520	3mCP + 2.64 Negative SAP	Variable
	6,524,909	3mCP + 2.64 Negative SAP	Fixed
	-	9.5% Floor loans	
21,702,022	Total avg balance		
Consolidation	4,968	T-bill + 3.25	Fixed
	50,449	3mCP + 2.64	Fixed
	-	9.5% Floor loans	
55,417	Total avg balance		