

PHEAA - 1988B Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988B Revenue Bond

Cusip #: 709163AG4

Reporting Period : 10/1/09 - 12/31/09

Bond Status

Series	Date Retired	Taxable / Tax-Exempt	Beginning Principal Balance (\$)	Activity (\$)	Ending Principal Balance (\$)	Interest Paid (\$) 12/30/09	Coupon Type (ie. ARC, Fixed, VRDN)
1988B	12/30/09	Tax Exempt	\$ 100,000,000	\$ (100,000,000)	\$ -	\$ 1,007,251	Bank Bonds at Prime Rate

Bank Bond Interest Rates during the Period

FROM	TO	1988B
10/1/2009	12/30/2009	3.250%

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Trust Estate and Parity

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

6 Months Ended
 December 31, 2009

3 Months Ended
 September 30, 2009

6 Months Ended
 December 31, 2008

Accruals Ledger

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

Balance Sheet:

Assets

Customer Cash	\$ 8,758	\$ 186,391	\$ 440,735
Accounts Receivable	0	0	0
Interest Income Receivable	(177,984)	1,926,178	2,425,900
Investments	819,069	9,000,634	7,310,261
Student Loans Receivable	99,686	91,647,362	104,188,329
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	0	564,793	613,204
Prepaid Exp & Other Expenses	0	47,343	32,083
Total Assets	\$ 749,530	\$ 103,372,700	\$ 115,010,512

Liabilities

Accounts Payable & Reserves	\$ 69,019	\$ 277,221	\$ 243,199
Student Ln Financings Int Pay	0	266,828	336,317
Student Ln Financings Payable	0	100,000,000	110,000,000
Total Liabilities	\$ 69,019	\$ 100,544,049	\$ 110,579,516

Fund Balances

Fund Balances	3,534,228	3,534,228	5,369,512
Current Yr Net Income	(2,853,717)	(705,577)	(938,515)
Ending Fund Balance	\$ 680,511	\$ 2,828,651	\$ 4,430,996

Total Liabilities & Fund Balance **\$ 749,530** **\$ 103,372,700** **\$ 115,010,512**

Parity Ratio **10.860** **1.022** **1.034**

Income Statement:

Revenues

Interest income	\$ 1,137,889	\$ 611,880	\$ 2,646,008
Premium on Student Loan Sales	(1,594,680)	0	0
Total Revenues	\$ (456,791)	\$ 611,880	\$ 2,646,008

Expenses

Interest Expense & Related Cst	\$ 2,317,959	\$ 981,630	\$ 2,833,737
General & Administrative	2,596,414	334,517	732,424
Total Expenses	\$ 4,914,373	\$ 1,316,147	\$ 3,566,160

Operating Income / (Loss) **\$ (5,371,164)** **\$ (704,267)** **\$ (920,152)**

Financial Aid 6,581 1,311 18,363

Net Income / (Loss) before Trsfs **\$ (5,377,746)** **\$ (705,577)** **\$ (938,515)**

Transfers 2,524,028 0 0

Net Income / (Loss) **\$ (2,853,717)** **\$ (705,577)** **\$ (938,515)**

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Collection Activity (excluding loan sales)

Principal Repayment Received (\$)	\$ 2,280,154
Principal Prepayment Received (\$)	1,727,993
Principal Reimbursement (\$)	
Interest Payment Received (\$)	455,784
Interest Reimbursements (\$)	
Special Allowance Payments (\$)	(331,888)
Subsidy Payments (\$)	146,041
Funds Release from Reserve (\$)	
Others (please specify)	
Total	\$ 4,278,085

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 99,824	99.91%	100.13%
May Still Qualify	87	0.09%	0.09%
Qualified	-	0.00%	0.00%
Qualified - Deferred	-	0.00%	0.00%
Total Borrower Benefit	\$ 99,911		
No Benefit	(217)	0%	-0.22%
Total Portfolio	\$ 99,694	100.00%	100.00%

	Estimated EFT Int Savings	Rebate Amount	Estimated Interest Savings
Borrower Benefit Savings			
For the 3 Months Ended 12/31/09	\$ 2,121	\$ 1,450	\$ 12,305
For the 6 Months Ended 12/31/09	\$ 4,376	\$ 2,784	\$ 27,129

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Fees and Other Payments for the 3 Months Ended 12/31/09

<i>Remarketing Fees (\$)</i>	\$ -
<i>Consolidation Rebate Fees (\$)</i>	131
<i>Servicing Fees (\$)</i>	278,433
<i>Commitment Fees (\$)</i>	70,256
<i>Trustee Fees (\$)</i>	15,187
<i>Liquidity Fees (\$)</i>	0
<i>Admin fee (\$)</i>	25,000
<i>Insurance Fees (\$)</i>	0
Total	\$ 389,006
<i>Lender Origination Fees (\$)</i>	(34)
<i>Origination Discount (\$)</i>	(100)
Total	\$ (134)
Grand Total Fees & Other Pymts	\$ 388,872

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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>	37,088,828	40.47%	-	(1,522,061)	84,879	(35,616,588)		35,059	35.17%	3.623%	99.82
<i>Unsubsidized Stafford</i>	33,399,494	36.44%	-	(1,382,925)	476,933	(32,468,106)		25,396	25.47%	3.282%	103.63
<i>PLUS</i>	20,932,553	22.84%	-	(1,098,433)	38,474	(19,833,354)		39,239	39.36%	5.815%	72.98
<i>PLUSGB</i>	171,788	0.19%	-	(1,293)	1,281	(171,776)		-	0.00%	0.000%	0
<i>Consolidation</i>	55,125	0.06%	-	(3,435)	111	(51,801)		-	0.00%	0.000%	0.00
Total	\$ 91,647,788	100.00%	\$ -	\$ (4,008,147)	\$ 601,678	\$ (88,141,624)		\$ 99,694	100.00%	4.415%	90.03

AES/PHEAA
 1988B - Prop / Non-Prop Loan Breakdown
 Reporting Period : 10/1/09 - 12/31/09

	Prop. Ind.	School type	Principal	
N		GRADUATE	0	
N		SCHOOL OF THEOLOGY	0	
N		STATE RELATED	42,746	
N		2 YEAR PRIV JR COLL	(0)	
N		2 YEAR PUB JR COLL	3,642	
N		4 YEAR PRIVATE COLL	30,727	
N		4 YEAR PUBLIC COLL	17,269	
N Total			\$ 94,384	95%
Y		ALL NON-PROPRIETARY	0	
Y		ALL PROPRIETARY	0	
Y		CORRESPONDENCE	0	
Y		FED OWNED DEFR ONLY	0	
Y		HOSPITAL DIPLOMA PGM	(187)	
Y		PRIV PRESCHL/ELEM	0	
Y		PROP VOC/TECH	0	
Y		PROPRIETARY BUSINESS	(157)	
Y		TRADE/TECH SCHOOL	5,654	
Y Total			\$ 5,310	5%
Grand Total			\$ 99,694	

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As of December 31, 2009

1988B Revenue Bond

1. LOANS IN-SCHOOL/IN-GRACE

	12/31/2009		Prior Qtr 09/30/2009		Prior Year 12/31/2008	
In school	\$ -	0.00%	\$ 8,043,863	8068.55%	\$ 13,788,106	13.23%
In grace	-	0.00%	4,717,263	4731.74%	2,415,977	2.32%
2. LOANS IN DEFERMENT/FORB						
Deferment	-	0.00%	15,151,028	15197.54%	14,514,282	13.93%
Forbearance	994	1.00%	12,584,819	12623.45%	12,279,542	11.79%
3. LOANS IN REPAYMENT		% of Repay		% of Repay		% of Repay
A. CURRENT	65,955	66.82%	42,435,658	42994.42%	49,828,148	81.43%
B. 31-60 PAST DUE	35,455	35.92%	2,397,746	2429.32%	3,226,182	5.27%
C. 61-90 PAST DUE	-	0.00%	1,504,311	1524.12%	1,920,999	3.14%
D. 91-120 PAST DUE	-	0.00%	1,001,653	1014.84%	1,452,756	2.37%
E. 121-180 PAST DUE	-	0.00%	1,296,842	1313.92%	1,953,389	3.19%
F. 181-270 PAST DUE	-	0.00%	1,389,909	1408.21%	1,456,767	2.38%
G. 271 OR GREATER PAST DUE	-	0.00%	843,354	854.46%	770,380	1.26%
H. CLAIMS FILED BUT NOT PAID	-	0.00%	265,099	268.59%	564,596	0.92%
4. IN LITIGATION	-	0.00%	-	0.00%	-	0.00%
5. UNINSURED	-	0.00%	22,574	22.87%	22,574	0.04%
6. CREDIT BALANCES	(2,710)	-2.75%	(6,330)	-6.41%	(5,367)	-0.01%
7. END PRIN. BAL.	\$ 99,694		\$ 91,647,788		\$ 104,188,329	

1988B Revenue Bond

	12/31/2009		Prior Qtr 09/30/2009		Prior Year 12/31/2008	
Loans at 9.50% floor	-	0.00%	9,047	0.01%	4,709,975	4.52%
Loans @ CP	99,694	100.00%	87,861,701	95.87%	99,474,963	95.48%
Loans @ Tbill	-	0.00%	3,777,040	4.12%	3,391	0.00%
Total	99,694		91,647,788		104,188,329	
Pre 10/1/07 loan balance	99,694		91,622,673		104,159,890	
Post 10/1/07 loan balance	-		25,115		28,439.63	
Total	99,694		91,647,788		104,188,329	

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Claims Paid

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 516,577
<i>Unsubsidized Stafford</i>	451,357
<i>Consolidation</i>	158,798
<i>Total</i>	\$ 1,126,732

% of Loans in Repay 4.40%

% of Total Portfolio 2.46%

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For the quarter ended December 31, 2009

	Loans Sold		Premium		Loans Purchased		Premium	
	\$	%	\$	%	\$	%	\$	%
<i>Subsidized Stafford Total</i>	\$ 35,616,588	40.41%			\$ -			
<i>Unsubsidized Stafford Total</i>	32,468,106	36.84%			-			
<i>PLUS Total</i>	19,833,354	22.50%			-			
<i>PLUSGB</i>	171,776	0.19%			-			
<i>Consolidation Total</i>	51,801	0.06%			-			
<i>Total</i>	\$ 88,141,624	100.00%	-		\$ -	0.00%	\$ -	

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Loan Program	AVG. DAILY PRIN. BAL.	Special Allowance	Rate Type
Sub. Stafford	8,682	Tbill + 3.50%	Fixed
	99,737	Tbill + 3.25%	Fixed
	525,555	Tbill + 3.25%	Variable
	131,471	Tbill + 3.10%	Variable
	429,066	Tbill + 2.50%	Variable
	1,017,840	Tbill + 2.20%	Variable
	6,450,963	Tbill + 2.80%	Variable
	14,362,702	3mCP + 1.74	Variable
	86,006	3mCP + 2.34	Variable
	4,755,573	3mCP + 1.74 Negative SAP	Variable
	163,885	3mCP + 1.74 Negative SAP	Fixed
	5,141,697	3mCP + 2.34 Negative SAP	Variable
	5,550	3mCP + 2.34 Negative SAP	Fixed
	7,457	3mCP + 1.94 Negative SAP	Fixed
	2,714	9.5% Floor loans	
33,188,899	Total avg balance		
Unsub Stafford	223,570	Tbill + 3.10%	Variable
	62,105	Tbill + 2.50%	Variable
	314,629	Tbill + 2.20%	Variable
	703,685	Tbill + 2.80%	Variable
	5,375,452	3mCP + 1.74	Variable
	12,799,851	3mCP + 2.34	Variable
	104,251	3mCP + 1.74 Negative SAP	Variable
	4,537,522	3mCP + 1.74 Negative SAP	Fixed
	201,296	3mCP + 2.34 Negative SAP	Variable
	5,537,849	3mCP + 2.34 Negative SAP	Fixed
	1,507	3mCP + 1.34 Negative SAP	Fixed
	7,223	3mCP + 1.94 Negative SAP	Fixed
	1,721	9.5% Floor loans	
29,870,660	Total avg balance		
PLUS/SLS	48,640	T-Bill + 3.10	Variable
	12,870,219	3mCP + 2.64	Variable
	108,930	3mCP + 2.64 Negative SAP	Variable
	5,587,521	3mCP + 2.64 Negative SAP	Fixed
	-	9.5% Floor loans	
18,615,310	Total avg balance		
Consolidation	4,792	T-bill + 3.25	Fixed
	47,073	3mCP + 2.64	Fixed
	-	9.5% Floor loans	
51,865	Total avg balance		