

PHEAA - 1988C Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988C Revenue Bond

Cusip#: 709163BF5

Reporting Period : 04/01/09 - 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)
1988C	07/01/18	Tax Exempt	\$ 72,900,000	\$ (2,500,000)	\$ 70,400,000	\$ 586,799	Bank Bonds at Prime Rate

Bank Bond Interest Rates during the Period

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

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Trust Estate and Parity

PHEAA - 1988C 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 - 1988C PHEAA - 1988C PHEAA - 1988C

Balance Sheet:

Assets

Customer Cash	\$ 227,444	\$ 282,631	\$ 192,731
Accounts Receivable	0	0	0
Interest Income Receivable	1,176,067	1,210,736	1,441,531
Investments	6,692,428	6,597,753	2,937,891
Student Loans Receivable	65,538,121	68,326,914	75,061,764
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	377,536	388,023	419,484
Prepaid Exp & Other Expenses	0	13,125	0
Total Assets	\$ 74,011,597	\$ 76,819,182	\$ 80,053,401

Liabilities

Accounts Payable & Reserves	\$ 152,800	\$ 145,411	\$ 160,080
Student Ln Financings Int Pay	188,055	194,733	294,522
Student Ln Financings Payable	70,400,000	72,900,000	75,000,000
Total Liabilities	\$ 70,740,855	\$ 73,240,144	\$ 75,454,602

Fund Balances

Fund Balances	4,598,799	4,598,799	5,213,758
Current Yr Net Income	<u>(1,328,057)</u>	<u>(1,019,761)</u>	<u>(614,959)</u>
Ending Fund Balance	\$ 3,270,742	\$ 3,579,038	\$ 4,598,799

Total Liabilities & Fund Balance **\$ 74,011,597** **\$ 76,819,182** **\$ 80,053,401**

Parity Ratio 1.041 1.043 1.055

Income Statement:

Revenues

Interest income	\$ 3,070,129	\$ 2,456,341	\$ 4,279,726
Premium on Student Loan Sales	0	0	6,162
Total Revenues	\$ 3,070,129	\$ 2,456,341	\$ 4,285,888

Expenses

Interest Expense & Related Cst	\$ 3,365,663	\$ 2,681,885	\$ 3,707,508
General & Administrative	1,022,356	784,320	1,166,250
Total Expenses	\$ 4,388,019	\$ 3,466,205	\$ 4,873,758

Operating Income / (Loss) **\$ (1,317,890)** **\$ (1,009,863)** **\$ (587,870)**

Financial Aid 10,167 9,898 27,089

Net Income / (Loss) before Trsfs **\$ (1,328,057)** **\$ (1,019,761)** **\$ (614,959)**

Transfers 0 0 0

Net Income / (Loss) **\$ (1,328,057)** **\$ (1,019,761)** **\$ (614,959)**

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Collection Activity (excluding loan sales)

<i>Principal Repayment Received (\$)</i>	\$ 1,628,830
<i>Principal Prepayment Received (\$)</i>	1,451,921
<i>Principal Reimbursement (\$)</i>	
<i>Interest Payment Received (\$)</i>	456,025
<i>Interest Reimbursements (\$)</i>	
<i>Special Allowance Payments (\$)</i>	(258,015)
<i>Subsidy Payments (\$)</i>	129,663
<i>Funds Release from Reserve (\$)</i>	
<i>Others (please specify)</i>	
Total	\$ 3,408,425

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 27,845,784	48.95%	42.49%
May Still Qualify	23,912,171	42.03%	36.49%
Qualified	5,049,328	8.88%	7.70%
Qualified - Deferred	<u>79,094</u>	0.14%	0.12%
Total Borrower Benefit	\$ 56,886,376		
No Benefit	<u>8,651,745</u>	<u>0%</u>	<u>13.20%</u>
Total Portfolio	\$ 65,538,121	100.00%	100.00%

	Estimated EFT Int Savings	Rebate Amount	Estimated Interest Savings
Borrower Benefit Savings			
For the 3 Months Ended 06/30/09	\$ 1,368	\$ -	\$ 18,534
For the 12 Months Ended 06/30/09	\$ 5,505	\$ 60	\$ 86,875

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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>	144
<i>Servicing Fees (\$)</i>	210,456
<i>Commitment Fees (\$)</i>	51,341
<i>Trustee Fees (\$)</i>	12,192
<i>Liquidity Fees (\$)</i>	0
<i>Admin fee (\$)</i>	18,750
<i>Insurance Fees (\$)</i>	0
Total	\$ 292,882
<i>Lender Origination Fees (\$)</i>	(8)
<i>Origination Discount (\$)</i>	(16)
Total	\$ (24)
Grand Total Fees & Other Pymts	\$ 292,858

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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>	34,748,165	50.86%	-	(1,508,943)	77,013	-	-	33,316,235	50.83%	4.936%	88.25
<i>Unsubsidized Stafford</i>	26,572,886	38.89%	-	(1,137,443)	176,281	-	-	25,611,725	39.08%	4.886%	94.34
<i>PLUS</i>	6,412,764	9.39%	-	(423,650)	16,329	-	-	6,005,443	9.16%	7.674%	107.28
<i>PLUSGB</i>	539,042	0.79%	-	(990)	22,405	-	-	560,456	0.86%	7.949%	130.48
<i>Consolidation</i>	54,057	0.08%	-	(9,726)	(69)	-	-	44,261	0.07%	6.077%	173.52
Total	\$ 68,326,914	100.00%	\$ -	\$ (3,080,752)	\$ 291,959	\$ -	\$ -	\$ 65,538,121	100.00%	5.194%	92.79

AES/PHEAA
 1988C - Prop / Non-Prop Loan Breakdown
 Reporting Period : 04/01/09 - 06/30/09

	Prop. Ind.	School type	Principal	
N		GRADUATE	70,903	
N		SCHOOL OF THEOLOGY	280,944	
N		STATE RELATED	19,700,242	
N		2 YEAR PRIV JR COLL	1,071,304	
N		2 YEAR PUB JR COLL	5,742,490	
N		4 YEAR PRIVATE COLL	18,359,632	
N		4 YEAR PUBLIC COLL	11,293,719	
N Total			\$ 56,519,232	86%
Y		ALL NON-PROPRIETARY	0	
Y		ALL PROPRIETARY	505,972	
Y		CORRESPONDENCE	0	
Y		FED OWNED DEFR ONLY	30,067	
Y		HOSPITAL DIPLOMA PGM	681,129	
Y		PRIV PRESCHL/ELEM	0	
Y		PROP VOC/TECH	1,139,418	
Y		PROPRIETARY BUSINESS	2,873,270	
Y		TRADE/TECH SCHOOL	3,789,033	
Y Total			\$ 9,018,889	14%
Grand Total			\$ 65,538,121	

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As of June 30, 2009

1988C Revenue Bond

1. LOANS IN-SCHOOL/IN-GRACE

	06/30/09		Prior Qtr 03/31/2009		Prior Year 06/30/2008	
In school	\$ 4,473,840	6.83%	\$ 6,122,972	8.96%	\$ 4,611,261	6.14%
In grace	1,877,349	2.86%	1,319,576	1.93%	1,335,389	1.78%
2. LOANS IN DEFERMENT/FORB						
Deferment	10,779,946	16.45%	11,138,814	16.30%	7,137,742	9.51%
Forbearance	8,750,222	13.35%	9,245,226	13.53%	8,331,269	11.10%
3. LOANS IN REPAYMENT		% of Repay		% of Repay		% of Repay
A. CURRENT	32,892,976	82.94%	33,540,629	82.82%	42,975,926	80.11%
B. 31-60 PAST DUE	2,211,251	5.58%	1,938,251	4.79%	2,215,452	4.13%
C. 61-90 PAST DUE	1,061,205	2.68%	1,243,850	3.07%	1,443,120	2.69%
D. 91-120 PAST DUE	738,798	1.86%	906,827	2.24%	1,502,401	2.80%
E. 121-180 PAST DUE	1,034,937	2.61%	972,806	2.40%	1,823,805	3.40%
F. 181-270 PAST DUE	1,147,391	2.89%	1,199,884	2.96%	2,354,475	4.39%
G. 271 OR GREATER PAST DUE	509,619	1.29%	520,179	1.28%	632,564	1.18%
H. CLAIMS FILED BUT NOT PAID	60,776	0.15%	182,735	0.45%	667,023	1.24%
4. IN LITIGATION	-	0.00%	-	0.00%	-	0.00%
5. UNINSURED	464	0.00%	-	0.00%	31,952	0.06%
6. CREDIT BALANCES	(654)	0.00%	(4,835)	-0.01%	(544)	0.00%
7. END PRIN. BAL.	\$ 65,538,121		\$ 68,326,914		\$ 75,061,835	

1988C Revenue Bond

	06/30/09		Prior Qtr 03/31/2009		Prior Year 06/30/2008	
Loans at 9.50% floor*	50,081	0.08%	55,631	0.08%	1,515,740	2.03%
Loans @ CP*	55,072,938	84.03%	57,279,863	83.83%	61,316,534	82.24%
Loans @ Tbill*	10,415,102	15.89%	10,991,420	16.09%	11,724,957	15.73%
Total	65,538,121		68,326,914		74,557,232	
Pre 10/1/07 loan balance	65,058,823		67,812,080		74,504,395	
Post 10/1/07 loan balance	479,299		514,835		557,440	
Total	65,538,121		68,326,914		75,061,835	

*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>	\$ 451,423
<i>Unsubsidized Stafford</i>	365,395
<i>Consolidation</i>	9,586
<i>PLUS - Parent</i>	76,986
<i>Total</i>	\$ 903,391

<i>% of Loans in Repay</i>	2.28%
<i>% of Total Portfolio</i>	1.38%

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For the quarter ended June 30, 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	706,959	Tbill + 3.50%	Fixed
	467,125	Tbill + 3.25%	Fixed
	572,586	Tbill + 3.25%	Variable
	2,584,455	Tbill + 3.10%	Variable
	469,996	Tbill + 2.50%	Variable
	619,997	Tbill + 2.20%	Variable
	1,928,428	Tbill + 2.80%	Variable
	4,313,387	3mCP + 1.74	Variable
	13,473,805	3mCP + 2.34	Variable
	84,458	3mCP + 1.74 Negative SAP	Variable
	3,925,732	3mCP + 1.74 Negative SAP	Fixed
	392,435	3mCP + 2.34 Negative SAP	Variable
	4,207,066	3mCP + 2.34 Negative SAP	Fixed
	8,024	3mCP + 1.34 Negative SAP	Fixed
	9,007	3mCP + 1.94 Negative SAP	Fixed
	30,547	9.5% Floor loans	
	33,794,006	Total avg balance	
Unsub Stafford	1,375,472	Tbill + 3.10%	Variable
	339,109	Tbill + 2.50%	Variable
	435,864	Tbill + 2.20%	Variable
	1,191,712	Tbill + 2.80%	Variable
	3,788,259	3mCP + 1.74	Variable
	10,833,761	3mCP + 2.34	Variable
	93,498	3mCP + 1.74 Negative SAP	Variable
	3,363,801	3mCP + 1.74 Negative SAP	Fixed
	379,217	3mCP + 2.34 Negative SAP	Variable
	4,209,567	3mCP + 2.34 Negative SAP	Fixed
	4,043	3mCP + 1.34 Negative SAP	Fixed
	9,739	3mCP + 1.94 Negative SAP	Fixed
	22,012	9.5% Floor loans	
26,046,054	Total avg balance		
PLUS/SLS	3,068	3mCP + 2.64No negative SAP	Variable
	6,273,042	3mCP + 2.64Negative SAP	Fixed
	469,936	3mCP + 1.94Negative SAP	Fixed
	-	9.5% Floor loans	
6,746,046	Total avg balance		
Consolidation	499	3mCP + 2.64No Negative SAP	Fixed
	51,502	3mCP + 2.64Negative SAP	Fixed
	-	9.5% Floor loans	
52,001	Total avg balance		