

PHEAA - 1988C Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988C Revenue Bond

Cusip#: 709163BF5

Reporting Period : 07/01/09 - 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)
1988C	07/01/18	Tax Exempt	\$ 70,400,000	\$ (2,700,000)	\$ 67,700,000	\$ 571,225	Bank Bonds at Prime Rate

Bank Bond Interest Rates during the Period

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

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Trust Estate and Parity

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

3 Months Ended
 September 30, 2009

12 Months Ended
 June 30, 2009

3 Months Ended
 September 30, 2008

Accruals Ledger

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

Balance Sheet:

Assets

Customer Cash	\$ 129,519	\$ 227,444	\$ 252,306
Accounts Receivable	0	0	0
Interest Income Receivable	1,114,768	1,176,067	1,766,034
Investments	6,530,073	6,692,428	3,586,918
Student Loans Receivable	62,666,817	65,538,121	73,592,400
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	367,049	377,536	408,997
Prepaid Exp & Other Expenses	35,230	0	39,375
Total Assets	\$ 70,843,455	\$ 74,011,597	\$ 79,646,030

Liabilities

Accounts Payable & Reserves	\$ 160,549	\$ 152,800	\$ 150,219
Student Ln Financings Int Pay	180,842	188,055	298,116
Student Ln Financings Payable	67,700,000	70,400,000	75,000,000
Total Liabilities	\$ 68,041,392	\$ 70,740,855	\$ 75,448,335

Fund Balances

Fund Balances	3,270,742	4,598,799	4,598,799
Current Yr Net Income	(468,678)	(1,328,057)	(401,104)
Ending Fund Balance	\$ 2,802,064	\$ 3,270,742	\$ 4,197,695

Total Liabilities & Fund Balance \$ 70,843,455 \$ 74,011,597 \$ 79,646,030

Parity Ratio 1.035 1.041 1.050

Income Statement:

Revenues

Interest income	\$ 424,513	\$ 3,070,129	\$ 941,962
Premium on Student Loan Sales	0	0	0
Total Revenues	\$ 424,513	\$ 3,070,129	\$ 941,962

Expenses

Interest Expense & Related Cst	\$ 663,810	\$ 3,365,663	\$ 1,069,172
General & Administrative	229,269	1,022,356	269,695
Total Expenses	\$ 893,080	\$ 4,388,019	\$ 1,338,867

Operating Income / (Loss) \$ (468,567) \$ (1,317,890) \$ (396,905)

Financial Aid 112 10,167 4,200

Net Income / (Loss) before Trsfs \$ (468,678) \$ (1,328,057) \$ (401,104)

Transfers 0 0 0

Net Income / (Loss) \$ (468,678) \$ (1,328,057) \$ (401,104)

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Collection Activity (excluding loan sales)

Principal Repayment Received (\$)	\$ 1,642,005
Principal Prepayment Received (\$)	1,451,921
Principal Reimbursement (\$)	
Interest Payment Received (\$)	371,840
Interest Reimbursements (\$)	
Special Allowance Payments (\$)	(258,981)
Subsidy Payments (\$)	125,689
Funds Release from Reserve (\$)	
Others (please specify)	
Total	\$ 3,332,474

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 27,649,866	50.68%	44.12%
May Still Qualify	22,061,159	40.44%	35.20%
Qualified	4,735,272	8.68%	7.56%
Qualified - Deferred	109,228	0.20%	0.17%
Total Borrower Benefit	\$ 54,555,525		
No Benefit	8,111,373	0%	12.94%
Total Portfolio	\$ 62,666,898	100.00%	100.00%

	Estimated EFT Int Savings	Rebate Amount	Estimated Interest Savings
Borrower Benefit Savings For the 3 Months Ended 09/30/09	\$ 1,394	\$ -	\$ 17,223

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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>	119
<i>Servicing Fees (\$)</i>	201,943
<i>Commitment Fees (\$)</i>	49,676
<i>Trustee Fees (\$)</i>	11,900
<i>Liquidity Fees (\$)</i>	0
<i>Admin fee (\$)</i>	17,825
<i>Insurance Fees (\$)</i>	49,280
Total	\$ 330,742
<i>Lender Origination Fees (\$)</i>	(12)
<i>Origination Discount (\$)</i>	(22)
Total	\$ (35)
Grand Total Fees & Other Pymts	\$ 330,707

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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>	33,316,235	50.83%	-	(1,644,606)	74,205	-	-	31,745,834	50.66%	3.709%	87.3
<i>Unsubsidized Stafford</i>	25,611,725	39.08%	-	(1,190,965)	118,817	-	-	24,539,578	39.16%	3.684%	93.65
<i>PLUS</i>	6,005,443	9.16%	-	(234,710)	19,570	-	-	5,790,303	9.24%	7.691%	105.19
<i>PLUSGB</i>	560,456	0.86%	-	(23,614)	9,584	-	-	546,426	0.87%	7.981%	124.05
<i>Consolidation</i>	44,261	0.07%	-	(32)	526	-	-	44,756	0.07%	6.078%	171.56
Total	\$ 65,538,121	100.00%	\$ -	\$ (3,093,926)	\$ 222,703	\$ -	\$ -	\$ 62,666,898	100.00%	4.106%	91.82

AES/PHEAA
 1988C - Prop / Non-Prop Loan Breakdown
 Reporting Period : 07/01/09 - 09/30/09

	Prop. Ind.	School type	Principal	
N		GRADUATE	49,908	
N		SCHOOL OF THEOLOGY	269,829	
N		STATE RELATED	18,862,361	
N		2 YEAR PRIV JR COLL	1,050,609	
N		2 YEAR PUB JR COLL	5,542,379	
N		4 YEAR PRIVATE COLL	17,566,079	
N		4 YEAR PUBLIC COLL	10,835,287	
N Total			\$ 54,176,453	86%
Y		ALL NON-PROPRIETARY	0	
Y		ALL PROPRIETARY	508,559	
Y		CORRESPONDENCE	0	
Y		FED OWNED DEFR ONLY	29,945	
Y		HOSPITAL DIPLOMA PGM	658,046	
Y		PRIV PRESCHL/ELEM	0	
Y		PROP VOC/TECH	1,055,179	
Y		PROPRIETARY BUSINESS	2,610,068	
Y		TRADE/TECH SCHOOL	3,628,648	
Y Total			\$ 8,490,445	14%
Grand Total			\$ 62,666,898	

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As of September 30, 2009

1988C Revenue Bond

1. LOANS IN-SCHOOL/IN-GRACE

	09/30/09		Prior Qtr 06/30/2009		Prior Year 09/30/2008	
In school	\$ 3,867,833	6.17%	\$ 4,473,840	6.83%	\$ 7,310,405	9.93%
In grace	2,304,702	3.68%	1,877,349	2.86%	4,055,939	5.51%
2. LOANS IN DEFERMENT/FORB						
Deferment	10,766,094	17.18%	10,779,946	16.45%	9,178,833	12.47%
Forbearance	9,018,067	14.39%	8,750,222	13.35%	9,216,802	12.52%
3. LOANS IN REPAYMENT		% of Repay		% of Repay		% of Repay
A. CURRENT	30,054,882	81.87%	32,892,976	82.94%	34,108,594	77.82%
B. 31-60 PAST DUE	2,008,911	5.47%	2,211,251	5.58%	2,122,550	4.84%
C. 61-90 PAST DUE	1,199,539	3.27%	1,061,205	2.68%	1,664,827	3.80%
D. 91-120 PAST DUE	685,941	1.87%	738,798	1.86%	1,239,008	2.83%
E. 121-180 PAST DUE	1,290,207	3.51%	1,034,937	2.61%	1,227,531	2.80%
F. 181-270 PAST DUE	881,589	2.40%	1,147,391	2.89%	1,793,962	4.09%
G. 271 OR GREATER PAST DUE	408,657	1.11%	509,619	1.29%	1,131,402	2.58%
H. CLAIMS FILED BUT NOT PAID	183,646	0.50%	60,776	0.15%	550,518	1.26%
4. IN LITIGATION	-	0.00%	-	0.00%	-	0.00%
5. UNINSURED	-	0.00%	464	0.00%	-	0.00%
6. CREDIT BALANCES	(3,168)	-0.01%	(654)	0.00%	(7,971)	-0.02%
7. END PRIN. BAL.	\$ 62,666,898		\$ 65,538,121		\$ 73,592,400	

1988C Revenue Bond

	09/30/09		Prior Qtr 06/30/2009		Prior Year 09/30/2008	
Loans at 9.50% floor	44,078	0.07%	50,081	0.08%	82,230	0.11%
Loans @ CP	52,970,450	84.53%	55,072,938	84.03%	61,252,310	83.23%
Loans @ Tbill	9,652,370	15.40%	10,415,102	15.89%	12,257,860	16.66%
Total	62,666,898		65,538,121		73,592,400	
Pre 10/1/07 loan balance	62,208,729		65,058,823		73,038,624	
Post 10/1/07 loan balance	458,169		479,299		553,776	
Total	62,666,898		65,538,121		73,592,400	

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Claims Paid

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 454,141
<i>Unsubsidized Stafford</i>	298,217
<i>PLUS - Parent</i>	9,930
<i>Total</i>	\$ 762,288

<i>% of Loans in Repay</i>	2.08%
<i>% of Total Portfolio</i>	1.22%

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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>	-				-			
<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	676,877	Tbill + 3.50%	Fixed
	446,961	Tbill + 3.25%	Fixed
	549,568	Tbill + 3.25%	Variable
	2,498,845	Tbill + 3.10%	Variable
	380,502	Tbill + 2.50%	Variable
	590,908	Tbill + 2.20%	Variable
	1,789,852	Tbill + 2.80%	Variable
	3,995,317	3mCP + 1.74	Variable
	13,000,201	3mCP + 2.34	Variable
	73,303	3mCP + 1.74 Negative SAP	Variable
	3,643,821	3mCP + 1.74 Negative SAP	Fixed
	389,730	3mCP + 2.34 Negative SAP	Variable
	4,295,054	3mCP + 2.34 Negative SAP	Fixed
	6,521	3mCP + 1.34 Negative SAP	Fixed
	10,372	3mCP + 1.94 Negative SAP	Fixed
	27,888	9.5% Floor loans	
	32,375,721	Total avg balance	
Unsub Stafford	1,341,261	Tbill + 3.10%	Variable
	263,415	Tbill + 2.50%	Variable
	428,654	Tbill + 2.20%	Variable
	1,088,515	Tbill + 2.80%	Variable
	3,479,958	3mCP + 1.74	Variable
	10,570,282	3mCP + 2.34	Variable
	80,455	3mCP + 1.74 Negative SAP	Variable
	3,167,804	3mCP + 1.74 Negative SAP	Fixed
	377,637	3mCP + 2.34 Negative SAP	Variable
	4,252,903	3mCP + 2.34 Negative SAP	Fixed
	5,521	3mCP + 1.34 Negative SAP	Fixed
	8,095	3mCP + 1.94 Negative SAP	Fixed
	18,909	9.5% Floor loans	
25,083,408	Total avg balance		
PLUS/SLS	2,677	3mCP + 2.64No negative SAP	Variable
	5,994,246	3mCP + 2.64Negative SAP	Fixed
	440,991	3mCP + 1.94Negative SAP	Fixed
	-	9.5% Floor loans	
	6,437,914	Total avg balance	
Consolidation	491	3mCP + 2.64No Negative SAP	Fixed
	44,104	3mCP + 2.64Negative SAP	Fixed
	-	9.5% Floor loans	
	44,595	Total avg balance	