

PHEAA - 1988C Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988C Revenue Bond

Cusip#: 709163BF5

Reporting Period : 10/01/09 - 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)
1988C	12/31/09	Tax Exempt	\$ 67,700,000	\$ (67,700,000)	\$ -	\$ 679,570	Bank Bonds at Prime Rate

Bank Bond Interest Rates during the Period

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

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Trust Estate and Parity

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

Balance Sheet:

Assets

Customer Cash	\$ 5,807	\$ 129,519	\$ 247,635
Accounts Receivable	0	0	0
Interest Income Receivable	(145,576)	1,114,768	1,508,376
Investments	609,988	6,530,073	5,651,669
Student Loans Receivable	60,555	62,666,817	71,436,838
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	0	367,049	398,510
Prepaid Exp & Other Expenses	0	35,230	26,250
Total Assets	\$ 530,775	\$ 70,843,455	\$ 79,269,278

Liabilities

Accounts Payable & Reserves	\$ 48,671	\$ 160,549	\$ 146,605
Student Ln Financings Int Pay	(0)	180,842	230,403
Student Ln Financings Payable	0	67,700,000	75,000,000
Total Liabilities	\$ 48,671	\$ 68,041,392	\$ 75,377,007

Fund Balances

Fund Balances	3,270,742	3,270,742	4,598,799
Current Yr Net Income	<u>(2,788,638)</u>	<u>(468,678)</u>	<u>(706,528)</u>
Ending Fund Balance	\$ 482,104	\$ 2,802,064	\$ 3,892,271

Total Liabilities & Fund Balance **\$ 530,775** **\$ 70,843,455** **\$ 79,269,278**

Parity Ratio 10.905 1.035 1.046

Income Statement:

Revenues

Interest income	\$ 786,296	\$ 424,513	\$ 1,811,871
Premium on Student Loan Sales	(1,891,164)	0	0
Total Revenues	\$ (1,104,868)	\$ 424,513	\$ 1,811,871

Expenses

Interest Expense & Related Cst	\$ 1,582,836	\$ 663,810	\$ 1,973,863
General & Administrative	1,841,112	229,269	536,177
Total Expenses	\$ 3,423,947	\$ 893,080	\$ 2,510,040

Operating Income / (Loss) **\$ (4,528,816)** **\$ (468,567)** **\$ (698,169)**

Financial Aid 1,356 112 8,359

Net Income / (Loss) before Trsfs **\$ (4,530,172)** **\$ (468,678)** **\$ (706,528)**

Transfers 1,741,534 0 0

Net Income / (Loss) **\$ (2,788,638)** **\$ (468,678)** **\$ (706,528)**

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Collection Activity (excluding loan sales)

<i>Principal Repayment Received (\$)</i>	\$ 1,496,246
<i>Principal Prepayment Received (\$)</i>	1,084,139
<i>Principal Reimbursement (\$)</i>	
<i>Interest Payment Received (\$)</i>	294,926
<i>Interest Reimbursements (\$)</i>	
<i>Special Allowance Payments (\$)</i>	(243,966)
<i>Subsidy Payments (\$)</i>	93,158
<i>Funds Release from Reserve (\$)</i>	
<i>Others (please specify)</i>	
Total	\$ 2,724,504

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 38,645	63.30%	63.74%
May Still Qualify	22,408	36.70%	36.96%
Qualified	-	0.00%	0.00%
Qualified - Deferred	-	0.00%	0.00%
Total Borrower Benefit	\$ 61,053		
No Benefit	(423)	0%	-0.70%
Total Portfolio	\$ 60,630	100.00%	100.00%

	Estimated EFT Int Savings	Rebate Amount	Estimated Interest Savings
Borrower Benefit Savings			
For the 3 Months Ended 12/31/09	\$ 1,325	\$ -	\$ 14,470
For the 6 Months Ended 12/31/09	\$ 2,719		\$ 31,693

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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>	120
<i>Servicing Fees (\$)</i>	190,233
<i>Commitment Fees (\$)</i>	48,141
<i>Trustee Fees (\$)</i>	11,569
<i>Liquidity Fees (\$)</i>	0
<i>Admin fee (\$)</i>	16,925
<i>Insurance Fees (\$)</i>	0
Total	\$ 266,989
<i>Lender Origination Fees (\$)</i>	(8)
<i>Origination Discount (\$)</i>	(47)
Total	\$ (55)
Grand Total Fees & Other Pymts	\$ 266,933

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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>	31,745,834	50.66%	-	(1,425,831)	68,730	(30,344,430)		44,304	73.07%	4.898%	112.98
<i>Unsubsidized Stafford</i>	24,539,578	39.16%	-	(992,780)	244,878	(23,775,350)		16,326	26.93%	5.371%	111.72
<i>PLUS</i>	5,790,303	9.24%	-	(148,224)	47,731	(5,689,810)		-	0.00%	0.000%	0
<i>PLUSGB</i>	546,426	0.87%	-	(13,524)	14,629	(547,531)		-	0.00%	0.000%	0
<i>Consolidation</i>	44,756	0.07%	-	(26)	-	(44,731)		-	0.00%	0.000%	0.00
Total	\$ 62,666,898	100.00%	\$ -	\$ (2,580,385)	\$ 375,968	\$ (60,401,851)		\$ 60,630	100.00%	5.026%	112.64

AES/PHEAA
 1988C - Prop / Non-Prop Loan Breakdown
 Reporting Period : 10/01/09 - 12/31/09

	Prop. Ind.	School type	Principal	
N		GRADUATE	0	
N		SCHOOL OF THEOLOGY	0	
N		STATE RELATED	17,582	
N		2 YEAR PRIV JR COLL	0	
N		2 YEAR PUB JR COLL	0	
N		4 YEAR PRIVATE COLL	2,895	
N		4 YEAR PUBLIC COLL	36,304	
N Total			\$ 56,781	94%
Y		ALL NON-PROPRIETARY	0	
Y		ALL PROPRIETARY	0	
Y		CORRESPONDENCE	0	
Y		FED OWNED DEFR ONLY	0	
Y		HOSPITAL DIPLOMA PGM	0	
Y		PRIV PRESCHL/ELEM	0	
Y		PROP VOC/TECH	0	
Y		PROPRIETARY BUSINESS	3,875	
Y		TRADE/TECH SCHOOL	(27)	
Y Total			\$ 3,849	6%
Grand Total			\$ 60,630	

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As of December 31, 2009

1988C 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%	\$ 3,867,833	6.17%	\$ 6,756,837	9.46%
In grace	-	0.00%	2,304,702	3.68%	1,754,572	2.46%
2. LOANS IN DEFERMENT/FORB						
Deferment	2,339	3.86%	10,766,094	17.18%	9,677,338	13.55%
Forbearance	25,149	41.48%	9,018,067	14.39%	9,373,249	13.12%
3. LOANS IN REPAYMENT		% of Repay		% of Repay		% of Repay
A. CURRENT	29,038	87.62%	30,054,882	81.87%	35,812,727	81.62%
B. 31-60 PAST DUE	4,527	13.66%	2,008,911	5.47%	2,024,460	4.61%
C. 61-90 PAST DUE	-	0.00%	1,199,539	3.27%	1,540,345	3.51%
D. 91-120 PAST DUE	-	0.00%	685,941	1.87%	740,800	1.69%
E. 121-180 PAST DUE	-	0.00%	1,290,207	3.51%	1,480,757	3.37%
F. 181-270 PAST DUE	-	0.00%	881,589	2.40%	1,243,600	2.83%
G. 271 OR GREATER PAST DUE	-	0.00%	408,657	1.11%	641,219	1.46%
H. CLAIMS FILED BUT NOT PAID	-	0.00%	183,646	0.50%	393,217	0.90%
4. IN LITIGATION	-	0.00%	-	0.00%	-	0.00%
5. UNINSURED	-	0.00%	-	0.00%	-	0.00%
6. CREDIT BALANCES	(424)	-1.28%	(3,168)	-0.01%	(2,283)	-0.01%
7. END PRIN. BAL.	\$ 60,630		\$ 62,666,898		\$ 71,436,838	

1988C Revenue Bond

	12/31/2009		Prior Qtr 09/30/2009		Prior Year 12/31/2008	
Loans at 9.50% floor	-	0.00%	44,078	0.07%	6,395	0.01%
Loans @ CP	60,630	100.00%	52,970,450	84.53%	59,823,816	83.74%
Loans @ Tbill	-	0.00%	9,652,370	15.40%	11,606,628	16.25%
Total	60,630		62,666,898		71,436,838	
Pre 10/1/07 loan balance	60,630		62,208,729		70,907,070	
Post 10/1/07 loan balance	-		458,169		529,768	
Total	60,630		62,666,898		71,436,838	

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Claims Paid

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 440,956
<i>Unsubsidized Stafford</i>	276,999
<i>PLUS GB</i>	22,848
<i>PLUS - Parent</i>	10,060
<i>Total</i>	\$ 750,864

<i>% of Loans in Repay</i>	4.09%
<i>% of Total Portfolio</i>	2.39%

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For the quarter ended December 31, 2009

	Loans Sold		Premium		Loans Purchased		Premium	
	\$	%	\$	%	\$	%	\$	%
<i>Subsidized Stafford Total</i>	\$ 30,344,430	50.24%			\$ -			
<i>Unsubsidized Stafford Total</i>	23,775,350	39.36%			-			
<i>PLUS Total</i>	5,689,810	9.42%			-			
<i>PLUSGB</i>	547,531	0.91%			-			
<i>Consolidation Total</i>	44,731	0.07%			-			
<i>Total</i>	\$ 60,401,851	100.00%			\$ -	0.00%		

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Loan Program	AVG. DAILY PRIN. BAL.	Special Allowance	Rate Type
Sub. Stafford	630,357	Tbill + 3.50%	Fixed
	421,274	Tbill + 3.25%	Fixed
	514,021	Tbill + 3.25%	Variable
	2,267,035	Tbill + 3.10%	Variable
	325,975	Tbill + 2.50%	Variable
	519,425	Tbill + 2.20%	Variable
	1,632,372	Tbill + 2.80%	Variable
	3,282,837	3mCP + 1.74	Variable
	11,412,123	3mCP + 2.34	Variable
	59,851	3mCP + 1.74 Negative SAP	Variable
	2,818,260	3mCP + 1.74 Negative SAP	Fixed
	343,954	3mCP + 2.34 Negative SAP	Variable
	3,918,754	3mCP + 2.34 Negative SAP	Fixed
	8,274	3mCP + 1.34 Negative SAP	Fixed
	6,154	3mCP + 1.94 Negative SAP	Fixed
	16,513	9.5% Floor loans	
	28,177,178	Total avg balance	
Unsub Stafford	1,242,356	Tbill + 3.10%	Variable
	214,855	Tbill + 2.50%	Variable
	416,717	Tbill + 2.20%	Variable
	965,942	Tbill + 2.80%	Variable
	2,949,820	3mCP + 1.74	Variable
	9,333,360	3mCP + 2.34	Variable
	61,880	3mCP + 1.74 Negative SAP	Variable
	2,401,184	3mCP + 1.74 Negative SAP	Fixed
	335,414	3mCP + 2.34 Negative SAP	Variable
	3,900,617	3mCP + 2.34 Negative SAP	Fixed
	4,725	3mCP + 1.34 Negative SAP	Fixed
	6,917	3mCP + 1.94 Negative SAP	Fixed
	9,905	9.5% Floor loans	
21,843,690	Total avg balance		
PLUS/SLS	2,181	3mCP + 2.64No negative SAP	Variable
	5,230,908	3mCP + 2.64Negative SAP	Fixed
	377,816	3mCP + 1.94Negative SAP	Fixed
	-	9.5% Floor loans	
5,610,905	Total avg balance		
Consolidation	472	3mCP + 2.64No Negative SAP	Fixed
	43,298	3mCP + 2.64Negative SAP	Fixed
	-	9.5% Floor loans	
	43,770	Total avg balance	