

PHEAA - 1988E Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988E Revenue Bond

Cusip#: 709163BH1

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)
1988E	07/01/18	Tax Exempt	\$ 33,400,000	\$ (1,800,000)	\$ 31,600,000	\$ 270,293	Bank Bonds at Prime Rate

Bank Bond Interest Rates during the Period

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

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Trust Estate and Parity

PHEAA - 1988E 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 - 1988E	PHEAA - 1988E	PHEAA - 1988E
<u>Balance Sheet:</u>			
<u>Assets</u>			
Customer Cash	\$ 79,459	\$ 145,311	\$ 119,823
Accounts Receivable	0	0	0
Interest Income Receivable	338,703	391,106	609,197
Investments	3,128,332	3,488,939	2,688,934
Student Loans Receivable	31,423,094	32,980,935	36,581,681
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	174,264	179,545	195,387
Prepaid Exp & Other Expenses	17,080	0	18,900
Total Assets	\$ 35,160,932	\$ 37,185,836	\$ 40,213,923
<u>Liabilities</u>			
Accounts Payable & Reserves	\$ 90,603	\$ 87,435	\$ 101,895
Student Ln Financings Int Pay	84,411	89,219	143,014
Student Ln Financings Payable	31,600,000	33,400,000	36,000,000
Total Liabilities	\$ 31,775,014	\$ 33,576,654	\$ 36,244,909
<u>Fund Balances</u>			
Fund Balances	3,609,182	4,140,932	4,140,932
Current Yr Net Income	(223,263)	(531,750)	(171,918)
Ending Fund Balance	\$ 3,385,919	\$ 3,609,182	\$ 3,969,014
Total Liabilities & Fund Balance	\$ 35,160,932	\$ 37,185,836	\$ 40,213,923
Parity Ratio	1.101	1.102	1.104

Income Statement:

<u>Revenues</u>			
Interest income	\$ 206,121	\$ 1,611,570	\$ 487,081
Premium on Student Loan Sales	0	0	0
Total Revenues	\$ 206,121	\$ 1,611,570	\$ 487,081
<u>Expenses</u>			
Interest Expense & Related Cst	\$ 315,012	\$ 1,619,833	\$ 525,411
General & Administrative	114,373	523,265	133,393
Total Expenses	\$ 429,385	\$ 2,143,099	\$ 658,803
Operating Income / (Loss)	\$ (223,264)	\$ (531,529)	\$ (171,723)
Financial Aid	(1)	222	195
Net Income / (Loss) before Trsfs	\$ (223,263)	\$ (531,750)	\$ (171,918)
Transfers	0	0	0
Net Income / (Loss)	\$ (223,263)	\$ (531,750)	\$ (171,918)

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Collection Activity (excluding loan sales)

Principal Repayment Received (\$)	\$ 901,037
Principal Prepayment Received (\$)	732,345
Principal Reimbursement (\$)	
Interest Payment Received (\$)	195,608
Interest Reimbursements (\$)	
Special Allowance Payments (\$)	(64,169)
Subsidy Payments (\$)	37,538
Funds Release from Reserve (\$)	
Others (please specify)	
Total	\$ 1,802,360

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 19,654,055	63.85%	62.55%
May Still Qualify	9,598,135	31.18%	30.54%
Qualified	1,410,367	4.58%	4.49%
Qualified - Deferred	117,374	0.38%	0.37%
Total Borrower Benefit	\$ 30,779,931		
No Benefit	643,164	0%	2.05%
Total Portfolio	\$ 31,423,094	100.00%	100.00%

	Estimated EFT Int Savings	Rebate Amount	Estimated Interest Savings
Borrower Benefit Savings For the 3 Months Ended 09/30/09	\$ 1,087	\$ -	\$ 6,372

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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>	432
<i>Servicing Fees (\$)</i>	101,396
<i>Commitment Fees (\$)</i>	25,094
<i>Trustee Fees (\$)</i>	6,389
<i>Admin fee (\$)</i>	8,500
<i>Insurance Fees (\$)</i>	23,380
Total	\$ 165,191
<i>Lender Origination Fees (\$)</i>	-
<i>Origination Discount (\$)</i>	-
Total	\$ -
Grand Total Fees & Other Pymts	\$ 165,191

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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>	17,296,224	52.44%	-	(917,446)	29,773	-		16,408,551	52.22%	3.193%	86.88
<i>Unsubsidized Stafford</i>	14,162,997	42.94%	-	(653,174)	39,555	-		13,549,377	43.12%	3.310%	88.74
<i>PLUS</i>	1,130,040	3.43%	-	(50,776)	5,086	-		1,084,349	3.45%	6.726%	101.46
<i>PLUSGB</i>	41,065	0.12%	-	-	595	-		41,660	0.13%	7.900%	130
<i>Consolidation</i>	164,568	0.50%	-	(1,394)	39	-		163,213	0.52%	3.564%	267.34
<i>SLS</i>	186,042	0.56%	-	(10,592)	493	-		175,944	0.56%	3.966%	89.39
Total	\$ 32,980,935	100.00%	\$ -	\$ (1,633,382)	\$ 75,541	\$ -		\$ 31,423,094	100.00%	3.378%	89.19

AES/PHEAA

1988E - Prop / Non-Prop Loan Breakdown
 Reporting Period : 07/1/09 - 09/30/09

Prop. Ind.	School type	Principal	
N	GRADUATE	8,026	
N	SCHOOL OF THEOLOGY	45,419	
N	STATE RELATED	8,942,865	
N	2 YEAR PRIV JR COLL	384,992	
N	2 YEAR PUB JR COLL	3,425,596	
N	4 YEAR PRIVATE COLL	8,178,378	
N	4 YEAR PUBLIC COLL	4,445,495	
N Total		\$ 25,430,771	81%
Y	ALL NON-PROPRIETARY	0	
Y	ALL PROPRIETARY	342,174	
Y	CORRESPONDENCE	0	
Y	FED OWNED DEFR ONLY	30,006	
Y	HOSPITAL DIPLOMA PGM	430,290	
Y	PRIV PRESCHL/ELEM	0	
Y	PROP VOC/TECH	774,107	
Y	PROPRIETARY BUSINESS	2,225,182	
Y	TRADE/TECH SCHOOL	2,190,565	
Y Total		\$ 5,992,324	19%
Grand Total		\$ 31,423,094	

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As of September 30, 2009

1988E Revenue Bond

1. LOANS IN-SCHOOL/IN-GRACE

	09/30/2009		Prior Qtr 06/30/2009		Prior Year 09/30/2008	
In school	\$ 858,171	2.73%	\$ 912,807	2.77%	\$ 678,142	1.85%
In grace	595,611	1.90%	555,954	1.69%	392,274	1.07%
2. LOANS IN DEFERMENT/FORB						
Deferment	4,552,257	14.49%	4,363,007	13.23%	3,402,340	9.30%
Forbearance	2,916,335	9.28%	3,079,550	9.34%	2,933,070	8.02%
3. LOANS IN REPAYMENT		% of Repay		% of Repay		% of Repay
A. CURRENT	19,113,116	84.94%	20,383,971	84.69%	23,168,575	79.41%
B. 31-60 PAST DUE	1,073,396	4.77%	1,059,406	4.40%	1,276,464	4.38%
C. 61-90 PAST DUE	497,518	2.21%	695,395	2.89%	953,396	3.27%
D. 91-120 PAST DUE	435,938	1.94%	467,753	1.94%	536,875	1.84%
E. 121-180 PAST DUE	571,443	2.54%	500,153	2.08%	806,684	2.76%
F. 181-270 PAST DUE	504,865	2.24%	565,899	2.35%	1,062,727	3.64%
G. 271 OR GREATER PAST DUE	240,090	1.07%	273,326	1.14%	974,882	3.34%
H. CLAIMS FILED BUT NOT PAID	63,975	0.28%	122,940	0.51%	398,790	1.37%
4. IN LITIGATION	-	0.00%	-	0.00%	-	0.00%
5. UNINSURED	2,817	0.01%	2,817	0.01%	2,817	0.01%
6. CREDIT BALANCES	(2,436)	-0.01%	(2,042)	-0.01%	(5,354)	-0.02%
7. END PRIN. BAL.	\$ 31,423,094		\$ 32,980,935		\$ 36,581,681	

1988E Revenue Bond

	09/30/2009		Prior Qtr 06/30/2009		Prior Year 09/30/2008	
Loans at 9.50% floor	44,789	0.14%	46,585	0.14%	19,653	0.05%
Loans @ CP	30,286,978	96.38%	31,782,567	96.37%	35,069,430	95.87%
Loans @ Tbill	1,091,328	3.47%	1,151,784	3.49%	1,492,597	4.08%
Total	31,423,094		32,980,935		36,581,681	
Pre 10/1/07 loan balance	31,416,887		32,974,958		36,573,750	
Post 10/1/07 loan balance	6,208		5,977		7,931	
Total	31,423,094		32,980,935		36,581,681	

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Claims Paid

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 206,837
<i>Unsubsidized Stafford</i>	161,247
<i>SLS</i>	8,604
<i>Total</i>	\$ 376,688

<i>% of Loans in Repay</i>	1.67%
<i>% of Total Portfolio</i>	1.20%

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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>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	664	Tbill + 3.25%	Variable
	49,948	Tbill + 3.10%	Variable
	5,761	Tbill + 2.50%	Variable
	59,041	Tbill + 2.20%	Variable
	328,842	Tbill + 2.80%	Variable
	2,141,165	3mCP + 1.74	Variable
	10,604,057	3mCP + 2.34	Variable
	47,852	3mCP + 1.74 Negative SAP	Variable
	891,355	3mCP + 1.74 Negative SAP	Fixed
	248,651	3mCP + 2.34 Negative SAP	Variable
	2,433,356	3mCP + 2.34 Negative SAP	Fixed
	3,113	3mCP + 1.94 Negative SAP	Fixed
	21,959	9.5% Floor loans	
	16,835,763	Total avg balance	
	Unsub Stafford	48,785	Tbill + 3.10%
6,944		Tbill + 2.50%	Variable
41,109		Tbill + 2.20%	Variable
240,166		Tbill + 2.80%	Variable
1,733,437		3mCP + 1.74	Variable
8,404,296		3mCP + 2.34	Variable
30,218		3mCP + 1.74 Negative SAP	Variable
1,057,640		3mCP + 1.74 Negative SAP	Fixed
212,425		3mCP + 2.34 Negative SAP	Variable
2,042,663		3mCP + 2.34 Negative SAP	Fixed
2,940		3mCP + 1.94 Negative SAP	Fixed
23,699		9.5% Floor loans	
13,844,322		Total avg balance	
PLUS/SLS	6,853	T-Bill +3.50	Fixed
	328,074	T-Bill + 3.10	Variable
	103,545	3mCP +2.64	Variable
	880,661	3mCP +2.64Negative SAP	Fixed
	-	9.5% Floor loans	
1,319,131	Total avg balance		
Consolidation	163,970	3mCP + 2.64	Fixed
	-	9.5% Floor loans	
	163,970	Total avg balance	