

PHEAA - 1997A Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1997A Revenue Bond

Cusip: 709163BM0

Reporting Period : 7/1/08 - 9/30/08

Bond Status

Series	Maturity Date	Taxable / Tax-Exempt	Beginning Principal Balance (\$)	Activity (\$)	Ending Principal Balance (\$)	Interest Paid (\$) 9/30/08	Coupon Type (ie. ARC, Fixed, VRDN)
1997A	03/01/27	Tax Exempt	\$ 500,000	\$ -	\$ 500,000	\$ 12,458	7d VRDN
1997A	03/01/27	Tax Exempt	\$ 124,500,000	\$ -	\$ 124,500,000	\$ 1,573,542	Bank Bonds at Prime Rate

7 day VRDN Interest Rates during the Period

FROM	TO	1997A
6/25/2008	7/1/2008	5.000%
7/2/2008	7/8/2008	5.000%
7/9/2008	7/15/2008	5.000%
7/16/2008	7/22/2008	5.000%
7/23/2008	7/29/2008	5.000%
7/30/2008	8/5/2008	5.000%
8/6/2008	8/12/2008	5.000%
8/13/2008	8/19/2008	5.000%
8/20/2008	8/26/2008	5.000%
8/27/2008	9/2/2008	5.000%
9/3/2008	9/9/2008	5.000%
9/10/2008	9/16/2008	5.000%
9/17/2008	9/23/2008	5.000%
9/24/2008	9/30/2008	8.000%

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Trust Estate and Parity

PHEAA - 1997A Revenue Bond
 Balance Sheet & Income Statement
 For the Period Ended:

Current Qtr
September 30, 2008

Prior Qtr.
June 30, 2008

Prior Year
September 30, 2007

Accruals Ledger

PHEAA - 1997A PHEAA - 1997A PHEAA - 1997A

Balance Sheet:

Assets

Customer Cash	\$ 267,647	\$ 260,359	\$ 1,045,021
Accounts Receivable	0	0	0
Interest Income Receivable	3,814,772	3,911,883	3,917,389
Investments	6,610,058	3,136,610	3,074,510
Student Loans Receivable	119,203,464	123,253,499	122,377,768
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	902,385	914,579	951,162
Prepaid Exp & Other Expenses	65,625	0	65,625
Total Assets	\$ 130,863,951	\$ 131,476,930	\$ 131,431,475

Liabilities

Accounts Payable & Reserves	\$ 165,672	\$ 206,188	\$ 250,592
Student Ln Financings Int Pay	666,688	667,665	606,263
Student Ln Financings Payable	125,000,000	125,000,000	125,000,000
Total Liabilities	\$ 125,832,361	\$ 125,873,854	\$ 125,856,856

Fund Balances

Fund Balances	5,603,076	5,150,813	5,150,813
Current Yr Net Income	(571,486)	452,264	423,806
Ending Fund Balance	\$ 5,031,591	\$ 5,603,076	\$ 5,574,619

Total Liabilities & Fund Balance \$ 130,863,951 \$ 131,476,930 \$ 131,431,475

Parity Ratio 1.032 1.037 1.036

Income Statement:

Revenues

Interest income	\$ 1,541,638	\$ 8,338,393	\$ 2,175,366
Premium on Student Loan Sales	0	0	0
Total Revenues	\$ 1,541,638	\$ 8,338,393	\$ 2,175,366

Expenses

Interest Expense & Related Cst	\$ 1,677,265	\$ 6,107,794	\$ 1,318,889
General & Administrative	427,469	1,721,668	414,088
Total Expenses	\$ 2,104,735	\$ 7,829,462	\$ 1,732,977

Operating Income / (Loss) \$ (563,097) \$ 508,930 \$ 442,388

Financial Aid 8,389 56,667 18,582

Net Income / (Loss) before Trsfs \$ (571,486) \$ 452,264 \$ 423,806

Transfers 0 0 0

Net Income / (Loss) \$ (571,486) \$ 452,264 \$ 423,806

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Collection Activity (excluding loan sales)

<i>Principal Repayment Received (\$)</i>	\$ 2,237,940
<i>Principal Prepayment Received (\$)</i>	2,328,583
<i>Principal Reimbursement (\$)</i>	
<i>Interest Payment Received (\$)</i>	676,485
<i>Interest Reimbursements (\$)</i>	
<i>Special Allowance Payments (\$)</i>	(180,686)
<i>Subsidy Payments (\$)</i>	483,234
<i>Funds Release from Reserve (\$)</i>	
<i>Others (please specify)</i>	
Total	\$ 5,545,556

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 45,325,811	42.76%	38.02%
May Still Qualify	58,022,954	54.73%	48.68%
Qualified	2,609,005	2.46%	2.19%
Qualified - Deferred	55,094	0.05%	0.05%
Total Borrower Benefit	\$ 106,012,864		
No Benefit	13,190,600	0%	11.07%
Total Portfolio	\$ 119,203,464	100.00%	100.00%

	EFT Int Savings	Rebate Amount	Interest Savings
Savings	\$ 1,315	\$ 448	\$ 9,245

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Fees and Other Payments

<i>Remarketing Fees (\$)</i>	\$ 21,755
<i>Consolidation Rebate Fees (\$)</i>	15,470
<i>Servicing Fees (\$)</i>	380,313
<i>Insurance Fees (\$)</i>	87,500
<i>Trustee Fees (\$)</i>	15,625
<i>Liquidity Fees (\$)</i>	36,536
<i>Admin fee (\$)</i>	31,250
Total	\$ 588,449
<i>Lender Origination Fees (\$)</i>	(29)
<i>Origination Discount (\$)</i>	(100)
Total	\$ (129)
Grand Total Fees & Other Pymts	\$ 588,320

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Student Loan Pool Data

	Beginning of Period		Purchases / Originations During Period (\$)	Cash Payments	Non-Cash Transfers	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>	61,506,834	49.90%	-	(2,286,042)	200,697	(19,580)		59,401,909	49.83%	4.898%	79.01
<i>Unsubsidized Stafford</i>	48,558,967	39.40%	-	(1,792,267)	311,188	(24,804)		47,053,084	39.47%	4.888%	83.02
<i>PLUS</i>	7,305,664	5.93%	-	(364,357)	25,252	-		6,966,558	5.84%	5.594%	85.47
<i>PLUSGB</i>	22,901	0.02%	-	-	(31)	-		22,869	0.02%	8.283%	123.38
<i>Consolidation</i>	5,859,134	4.75%	-	(123,856)	23,766	-		5,759,044	4.83%	4.660%	215.27
<i>SLS</i>	-	0.00%	-	-	-	-		-	0.00%	0.000%	0.00
Total	\$ 123,253,499	100.00%	\$ -	\$ (4,566,523)	\$ 560,872	\$ (44,384)		\$ 119,203,464	100.00%	4.924%	87.56

AES/PHEAA

1997A - Prop / Non-Prop Loan Breakdown

Reporting Period : 7/1/08 - 9/30/08

Prop. Ind.	School type	Principal	
N	GRADUATE	62,341	
N	SCHOOL OF THEOLOGY	544,193	
N	STATE RELATED	28,566,625	
N	2 YEAR PRIV JR COLL	1,631,617	
N	2 YEAR PUB JR COLL	13,511,809	
N	4 YEAR PRIVATE COLL	34,631,295	
N	4 YEAR PUBLIC COLL	24,444,070	
N Total		\$ 103,391,950	87%
Y	ALL NON-PROPRIETARY	0	
Y	ALL PROPRIETARY	328	
Y	CORRESPONDENCE	0	
Y	FED OWNED DEFR ONLY	48,394	
Y	HOSPITAL DIPLOMA PGM	1,039,056	
Y	PRIV PRESCHL/ELEM	0	
Y	PROP VOC/TECH	1,592,146	
Y	PROPRIETARY BUSINESS	6,251,686	
Y	TRADE/TECH SCHOOL	6,879,904	
Y Total		\$ 15,811,514	13%
Grand Total		\$ 119,203,464	

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As of September 30, 2008

<i>1997A Revenue Bond</i>	9/30/2008	Prior Qtr 6/30/2008	Prior Year 9/30/2007
<i>1. LOANS IN-SCHOOL/IN-GRACE</i>			
In school	\$ 18,868,730	\$ 21,184,930	\$ 25,662,665
In grace	8,577,912	7,105,515	7,803,437
2. LOANS IN DEFERMENT	19,805,439	19,287,301	19,503,825
3. LOANS IN REPAYMENT			
A. CURRENT	41,893,460	46,584,207	39,454,465
Forbearances	15,155,677	15,409,359	13,047,214
B. 31-60 PAST DUE	3,523,683	3,535,065	4,439,624
C. 61-90 PAST DUE	3,284,506	2,440,460	3,747,649
D. 91-120 PAST DUE	1,906,998	1,903,469	1,831,473
E. 121-180 PAST DUE	2,422,716	1,860,780	2,405,961
F. 181-270 PAST DUE	2,090,548	2,352,115	2,698,484
G. 271 OR GREATER PAST DUE	1,122,396	856,387	990,307
H. CLAIMS FILED BUT NOT PAID	554,661	692,821	753,896
4. IN LITIGATION	-	-	-
5. UNINSURED	-	44,384	44,384
6. CREDIT BALANCES	(3,264)	(3,295)	(6,693)
7. END PRIN. BAL.	<u>\$ 119,203,464</u>	<u>\$ 123,253,499</u>	<u>\$ 122,376,692</u>

<i>1997A Revenue Bond</i>	9/30/2008	Prior Qtr 6/30/2008	Prior Year 9/30/2007
Loans @ CP**	104,498,331	107,235,734	101,650,530
Loans @ Tbill**	<u>14,705,133</u>	<u>16,022,605</u>	<u>15,671,294</u>
Total	119,203,464		
Pre 10/1/07 loan balance	119,116,447	123,165,133	N/A
Post 10/1/07 loan balance	<u>87,017</u>	<u>88,366</u>	<u>N/A</u>
Total	119,203,464	123,253,499	N/A

**As of 9/30/08, these figures include ending balances of the total loan portfolio. Prior quarters included average balance during the quarter for Title IV loans only

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Claims Paid

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 871,035
<i>Unsubsidized Stafford</i>	747,516
<i>Consolidation</i>	27,176
<i>PLUS GB</i>	
<i>PLUS</i>	20,473
<i>SLS</i>	
<i>Total</i>	\$ 1,666,200

% of Loans in Repay 2.32%

% of Total Portfolio 1.40%

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For the quarter ended September 30, 2008

	Loans Sold		Premium		Loans Purchased		Premium	
	\$	%	\$	%	\$	%	\$	%
<i>Subsidized Stafford Total</i>	\$ 19,580	44.12%						
<i>Unsubsidized Stafford Total</i>	24,804	55.88%						
<i>Total</i>	\$ 44,384	100.00%						