

PHEAA - 1988C Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988C Revenue Bond

Cusip#: 709163BF5

Reporting Period : 01/01/09 - 03/31/09

Bond Status

Series	Maturity Date	Taxable / Tax-Exempt	Beginning Principal Balance (\$)	Activity (\$)	Ending Principal Balance (\$)	Interest Paid (\$) 03/31/09	Coupon Type (ie. ARC, Fixed, VRDN)
1988C	07/01/18	Tax Exempt	\$ 100,000	\$ (100,000)	\$ -	\$ 1,018	7d VRDN
1988C	07/01/18	Tax Exempt	\$ 74,900,000	\$ (2,000,000)	\$ 72,900,000	\$ 629,233	Bank Bonds at Prime Rate

Bank Bond Interest Rates during the Period

FROM	TO	1988C
1/1/2009	3/31/2009	3.250%

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Trust Estate and Parity

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

9 Months Ended	6 Months Ended	9 Months Ended
March 31, 2009	December 31, 2008	March 31, 2008

Accruals Ledger

	PHEAA - 1988C	PHEAA - 1988C	PHEAA - 1988C
<u>Balance Sheet:</u>			
<u>Assets</u>			
Customer Cash	\$ 282,631	\$ 247,635	\$ 248,516
Accounts Receivable	0	0	0
Interest Income Receivable	1,210,736	1,508,376	1,441,090
Investments	6,597,753	5,651,669	2,047,205
Student Loans Receivable	68,326,914	71,436,838	76,295,116
Plant, Property & Equip Net	0	0	0
Deferred Financing Costs	388,023	398,510	429,971
Prepaid Exp & Other Expenses	13,125	26,250	13,125
Total Assets	\$ 76,819,182	\$ 79,269,278	\$ 80,475,023
<u>Liabilities</u>			
Accounts Payable & Reserves	\$ 145,411	\$ 146,605	\$ 209,872
Student Ln Financings Int Pay	194,733	230,403	309,595
Student Ln Financings Payable	72,900,000	75,000,000	75,000,000
Total Liabilities	\$ 73,240,144	\$ 75,377,007	\$ 75,519,467
<u>Fund Balances</u>			
Fund Balances	4,598,799	4,598,799	5,213,758
Current Yr Net Income	(1,019,761)	(706,528)	(258,201)
Ending Fund Balance	\$ 3,579,038	\$ 3,892,271	\$ 4,955,556
Total Liabilities & Fund Balance	\$ 76,819,182	\$ 79,269,278	\$ 80,475,023
Parity Ratio	1.043	1.046	1.060

Income Statement:

<u>Revenues</u>			
Interest income	\$ 2,456,341	\$ 1,811,871	\$ 3,312,767
Premium on Student Loan Sales	0	0	0
Total Revenues	\$ 2,456,341	\$ 1,811,871	\$ 3,312,767
<u>Expenses</u>			
Interest Expense & Related Cst	\$ 2,681,885	\$ 1,973,863	\$ 2,686,608
General & Administrative	784,320	536,177	865,759
Total Expenses	\$ 3,466,205	\$ 2,510,040	\$ 3,552,367
Operating Income / (Loss)	\$ (1,009,863)	\$ (698,169)	\$ (239,601)
Financial Aid	9,898	8,359	18,601
Net Income / (Loss) before Trsfs	\$ (1,019,761)	\$ (706,528)	\$ (258,201)
Transfers	0	0	0
Net Income / (Loss)	\$ (1,019,761)	\$ (706,528)	\$ (258,201)

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Collection Activity (excluding loan sales)

<i>Principal Repayment Received (\$)</i>	\$ 1,738,273
<i>Principal Prepayment Received (\$)</i>	1,727,160
<i>Principal Reimbursement (\$)</i>	
<i>Interest Payment Received (\$)</i>	495,036
<i>Interest Reimbursements (\$)</i>	
<i>Special Allowance Payments (\$)</i>	(86,940)
<i>Subsidy Payments (\$)</i>	144,027
<i>Funds Release from Reserve (\$)</i>	
<i>Others (please specify)</i>	
Total	\$ 4,017,556

Borrower Benefit Information

Utilization

	End of Quarter Principal	% of Total Borrower Benefit Recipients	% of Total Portfolio
Disqualified	\$ 28,338,007	47.80%	41.47%
May Still Qualify	25,333,681	42.73%	37.08%
Qualified	5,570,952	9.40%	8.15%
Qualified - Deferred	<u>45,996</u>	0.08%	0.07%
Total Borrower Benefit	\$ 59,288,636		
No Benefit	<u>9,038,278</u>	<u>0%</u>	<u>13.23%</u>
Total Portfolio	\$ 68,326,914	100.00%	100.00%

	Estimated EFT Int Savings	Rebate Amount	Estimated Interest Savings
Borrower Benefit Savings			
For the 3 Months Ended 03/31/09	\$ 1,240	\$ 60	\$ 21,083
For the 9 Months Ended 03/31/09	\$ 4,138	\$ 60	\$ 68,341

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Fees and Other Payments for the 3 Months Ended 03/31/09

<i>Remarketing Fees (\$)</i>	\$ 11,591
<i>Consolidation Rebate Fees (\$)</i>	160
<i>Servicing Fees (\$)</i>	220,132
<i>Commitment Fees (\$)</i>	54,797
<i>Trustee Fees (\$)</i>	12,500
<i>Liquidity Fees (\$)</i>	
<i>Admin fee (\$)</i>	18,750
<i>Insurance Fees (\$)</i>	0
Total	\$ 317,930

<i>Lender Origination Fees (\$)</i>	(13)
<i>Origination Discount (\$)</i>	11
Total	\$ (2)

Grand Total Fees & Other Pymts	\$ 317,927
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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>	36,464,746	51.04%	-	(1,810,780)	94,199	-		34,748,165	50.86%	4.925%	87.93
<i>Unsubsidized Stafford</i>	27,738,262	38.83%	-	(1,326,365)	160,989	-		26,572,886	38.89%	4.874%	93.62
<i>PLUS</i>	6,623,145	9.27%	-	(306,008)	95,627	-		6,412,764	9.39%	7.643%	108.96
<i>PLUSGB</i>	540,854	0.76%	-	(4,478)	2,666	-		539,042	0.79%	7.889%	132.93
<i>Consolidation</i>	69,831	0.10%	-	(17,800)	2,026	-		54,057	0.08%	5.995%	167.63
Total	\$ 71,436,838	100.00%	\$ -	\$ (3,465,432)	\$ 355,508	\$ -		\$ 68,326,914	100.00%	5.184%	92.53

AES/PHEAA
 1988C - Prop / Non-Prop Loan Breakdown
 Reporting Period : 01/01/09 - 03/31/09

	Prop. Ind.	School type	Principal	
N		GRADUATE	61,608	
N		SCHOOL OF THEOLOGY	283,598	
N		STATE RELATED	20,751,679	
N		2 YEAR PRIV JR COLL	1,101,870	
N		2 YEAR PUB JR COLL	5,861,898	
N		4 YEAR PRIVATE COLL	19,583,704	
N		4 YEAR PUBLIC COLL	11,741,795	
N Total			\$ 59,386,153	87%
Y		ALL NON-PROPRIETARY	0	
Y		ALL PROPRIETARY	25,867	
Y		CORRESPONDENCE	0	
Y		FED OWNED DEFR ONLY	26,861	
Y		HOSPITAL DIPLOMA PGM	703,055	
Y		PRIV PRESCHL/ELEM	0	
Y		PROP VOC/TECH	1,201,601	
Y		PROPRIETARY BUSINESS	3,019,603	
Y		TRADE/TECH SCHOOL	3,963,775	
Y Total			\$ 8,940,761	13%
Grand Total			\$ 68,326,914	

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As of March 31, 2009

1988C Revenue Bond

1. LOANS IN-SCHOOL/IN-GRACE

	03/31/09		Prior Qtr 12/31/2008		Prior Year 03/31/2008	
In school	\$ 6,122,972	8.96%	\$ 6,756,837	9.46%	\$ 5,650,054	7.40%
In grace	1,319,576	1.93%	1,754,572	2.46%	1,376,291	1.80%
2. LOANS IN DEFERMENT/FORB						
Deferment	11,138,814	16.30%	9,677,338	13.55%	8,912,339	11.67%
Forbearance	9,245,226	13.53%	9,373,249	13.12%	9,879,016	12.94%
3. LOANS IN REPAYMENT		% of Repay		% of Repay		% of Repay
A. CURRENT	33,540,629	82.82%	35,812,727	81.62%	44,311,045	87.69%
B. 31-60 PAST DUE	1,938,251	4.79%	2,024,460	4.61%	1,905,573	3.77%
C. 61-90 PAST DUE	1,243,850	3.07%	1,540,345	3.51%	1,250,498	2.47%
D. 91-120 PAST DUE	906,827	2.24%	740,800	1.69%	646,418	1.28%
E. 121-180 PAST DUE	972,806	2.40%	1,480,757	3.37%	1,022,432	2.02%
F. 181-270 PAST DUE	1,199,884	2.96%	1,243,600	2.83%	874,028	1.73%
G. 271 OR GREATER PAST DUE	520,179	1.28%	641,219	1.46%	284,036	0.56%
H. CLAIMS FILED BUT NOT PAID	182,735	0.45%	393,217	0.90%	213,645	0.42%
4. IN LITIGATION	-	0.00%	-	0.00%	-	0.00%
5. UNINSURED	-	0.00%	-	0.00%	27,400	0.05%
6. CREDIT BALANCES	(4,835)	-0.01%	(2,283)	-0.01%	(3,290)	-0.01%
7. END PRIN. BAL.	\$ 68,326,914		\$ 71,436,838		\$ 76,349,484	

1988C Revenue Bond

	03/31/09		Prior Qtr 12/31/2008		Prior Year 03/31/2008	
Loans @ CP**	57,279,863	83.83%	59,823,816	83.74%	67,812,637	88.82%
Loans @ Tbill**	11,047,051	16.17%	11,613,022	16.26%	8,536,847	11.18%
Total	68,326,914		71,436,838		76,349,484	
Pre 10/1/07 loan balance	67,812,080		70,907,070		75,863,998	
Post 10/1/07 loan balance	514,835		529,768		485,486	
Total	68,326,914		71,436,838		76,349,484	

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Claims Paid

	Claims Paid During Period Principal
<i>Subsidized Stafford</i>	\$ 972,724
<i>Unsubsidized Stafford</i>	800,178
<i>Consolidation</i>	207,557
<i>PLUS - Parent</i>	25,577
<i>Total</i>	\$ 2,006,036

<i>% of Loans in Repay</i>	4.95%
<i>% of Total Portfolio</i>	2.94%

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For the quarter ended March 31, 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	739,898	Tbill + 3.50%	Fixed
	535,184	Tbill + 3.25%	Fixed
	603,571	Tbill + 3.25%	Variable
	2,672,035	Tbill + 3.10%	Variable
	544,572	Tbill + 2.50%	Variable
	632,048	Tbill + 2.20%	Variable
	2,083,633	Tbill + 2.80%	Variable
	4,351,504	3mCP + 1.74	Variable
	14,351,321	3mCP + 2.34	Variable
	88,372	3mCP + 1.74 Negative SAP	Variable
	4,116,206	3mCP + 1.74 Negative SAP	Fixed
	403,659	3mCP + 2.34 Negative SAP	Variable
	4,258,606	3mCP + 2.34 Negative SAP	Fixed
	6,964	3mCP + 1.34 Negative SAP	Fixed
	10,497	3mCP + 1.94 Negative SAP	Fixed
35,398,070	Total avg balance		
Unsub Stafford	1,378,191	Tbill + 3.10%	Variable
	413,954	Tbill + 2.50%	Variable
	434,287	Tbill + 2.20%	Variable
	1,311,374	Tbill + 2.80%	Variable
	3,780,795	3mCP + 1.74	Variable
	11,483,086	3mCP + 2.34	Variable
	90,402	3mCP + 1.74 Negative SAP	Variable
	3,519,895	3mCP + 1.74 Negative SAP	Fixed
	400,875	3mCP + 2.34 Negative SAP	Variable
	4,273,564	3mCP + 2.34 Negative SAP	Fixed
	7,081	3mCP + 1.34 Negative SAP	Fixed
	6,478	3mCP + 1.94 Negative SAP	Fixed
	27,099,983	Total avg balance	
PLUS/SLS	3,462	3mCP + 2.64No negative SAP	Variable
	6,606,073	3mCP + 2.64Negative SAP	Fixed
	491,401	3mCP + 1.94Negative SAP	Fixed
7,100,936	Total avg balance		
Consolidation	508	3mCP + 2.64No Negative SAP	Fixed
	55,585	3mCP + 2.64Negative SAP	Fixed
	56,092	Total avg balance	