

EVERGREEN INCOME ADVANTAGE FUND  
Form N-Q  
September 29, 2008

OMB APPROVAL  
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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT  
INVESTMENT COMPANY**

Investment Company Act file number **811-21269**

**Evergreen Income Advantage Fund**

(Exact name of registrant as specified in charter)

200 Berkeley Street

Boston, Massachusetts 02116

(Address of principal executive offices) (Zip code)

Michael H. Koonce, Esq.

200 Berkeley Street

Boston, Massachusetts 02116

(Name and address of agent for service)

Registrant's telephone number, including area code: (617) 210-3200

Date of fiscal year end: Registrant is making a quarterly filing for one of its series, Evergreen Income Advantage Fund, for the quarter ended July 31, 2008. This one series has an April 30 fiscal year end.

Date of reporting period: **July 31, 2008**



**Item 1 – Schedule of Investments**

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**EVERGREEN INCOME ADVANTAGE FUND**  
**SCHEDULE OF INVESTMENTS**

July 31, 2008 (unaudited)

	Principal Amount	Value
<b>CORPORATE BONDS 139.8%</b>		
<b>CONSUMER DISCRETIONARY 29.8%</b>		
<b>Auto Components 2.1%</b>		
Cooper Standard Automotive, Inc., 8.375%, 12/15/2014	\$1,520,000	\$1,086,800
Cooper Tire & Rubber Co., 7.625%, 03/15/2027	6,935,000	5,270,600
Goodyear Tire & Rubber Co., 9.00%, 07/01/2015	3,475,000	3,518,437
Metaldyne Corp.:		
10.00%, 11/01/2013	12,716,000	5,277,140
11.00%, 06/15/2012	3,442,000	808,870
		<u>15,961,847</u>
<b>Automobiles 2.4%</b>		
Ford Motor Co., 7.70%, 05/15/2097	16,140,000	7,343,700
General Motors Corp.:		
6.75%, 12/01/2014	935,000	536,166
7.20%, 01/15/2011	11,025,000	7,276,500
8.25%, 07/15/2023	4,660,000	2,330,000
8.375%, 07/15/2033	1,750,000	870,625
		<u>18,356,991</u>
<b>Diversified Consumer Services 0.9%</b>		
Carriage Services, Inc., 7.875%, 01/15/2015	2,290,000	2,192,675
Education Management, LLC, 8.75%, 06/01/2014	240,000	217,200
Service Corporation International, 6.75%, 04/01/2015	110,000	104,225
Sotheby's, 7.75%, 06/15/2015 144A	2,550,000	2,528,197
Ticketmaster, 10.75%, 08/01/2016 144A	1,840,000	1,913,600
		<u>6,955,897</u>
<b>Hotels, Restaurants &amp; Leisure 8.2%</b>		
Boyd Gaming Corp., 7.75%, 12/15/2012	3,745,000	3,127,075
Caesars Entertainment, Inc.:		
7.875%, 03/15/2010	4,169,000	3,699,987
8.125%, 05/15/2011	1,350,000	1,019,250
Fontainebleau Las Vegas Holdings, LLC, 10.25%, 06/15/2015 144A	11,728,000	6,274,480
Inn of the Mountain Gods Resort & Casino, 12.00%, 11/15/2010	5,150,000	3,785,250
Isle of Capri Casinos, Inc., 7.00%, 03/01/2014	13,883,000	9,718,100
MGM MIRAGE, 8.50%, 09/15/2010	935,000	904,613
Pinnacle Entertainment, Inc., 8.75%, 10/01/2013	450,000	432,000
Pokagon Gaming Authority, 10.375%, 06/15/2014 144A	4,253,000	4,401,855
Seneca Gaming Corp., 7.25%, 05/01/2012	2,325,000	2,133,188
Shingle Springs Tribal Gaming Authority, 9.375%, 06/15/2015 144A	7,100,000	5,786,500
Six Flags, Inc.:		
8.875%, 02/01/2010	815,000	647,925
9.625%, 06/01/2014	1,807,000	917,053
12.25%, 07/15/2016 144A	516,000	468,270
Trump Entertainment Resorts, Inc., 8.50%, 06/01/2015	16,841,000	8,378,397

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Universal City Development Partners, Ltd., 11.75%, 04/01/2010	11,315,000	<u>11,569,587</u>
		<u>63,263,530</u>
<b>Household Durables 4.6%</b>		
Centex Corp.:		
4.875%, 08/15/2008	3,080,000	3,076,150
5.80%, 09/15/2009	3,810,000	3,714,750
D.R. Horton, Inc.:		
4.875%, 01/15/2010	1,550,000	1,433,750
5.00%, 01/15/2009	3,525,000	3,472,125
8.00%, 02/01/2009	2,125,000	2,125,000
9.75%, 09/15/2010	2,515,000	2,505,569
Hovnanian Enterprises, Inc.:		
6.00%, 01/15/2010	1,860,000	1,627,500
6.50%, 01/15/2014	945,000	600,075
11.50%, 05/01/2013 144A	475,000	483,313

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**EVERGREEN INCOME ADVANTAGE FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2008 (unaudited)

	Principal Amount	Value
<b>CORPORATE BONDS continued</b>		
<b>CONSUMER DISCRETIONARY continued</b>		
<b>Household Durables continued</b>		
KB Home, 8.625%, 12/15/2008	\$1,345,000	\$1,355,087
Lennar Corp.:		
5.125%, 10/01/2010	5,130,000	4,488,750
7.625%, 03/01/2009	1,630,000	1,609,625
Libbey, Inc., FRN, 9.93%, 06/01/2011	5,540,000	5,595,400
Meritage Homes Corp., 7.00%, 05/01/2014	3,050,000	2,455,250
Pulte Homes, Inc.:		
7.875%, 08/01/2011	470,000	455,900
8.125%, 03/01/2011	925,000	911,125
		<u>35,909,369</u>
<b>Media 7.7%</b>		
Cablevision Systems Corp., Ser. B, 8.00%, 04/15/2012	1,330,000	1,280,125
Charter Communications, Inc.:		
8.00%, 04/30/2012 144A	695,000	665,463
10.875%, 09/15/2014 144A	9,455,000	9,880,475
CSC Holdings, Inc., 7.625%, 04/01/2011	4,135,000	4,109,156
DIRECTV Holdings, LLC, 7.625%, 05/15/2016 144A	110,000	109,725
Idearc, Inc., 8.00%, 11/15/2016	11,950,000	5,497,000
Ion Media Networks, Inc., FRN, 8.96%, 01/15/2013 144A	6,889,240	4,409,114
Lamar Media Corp.:		
7.25%, 01/01/2013	440,000	422,400
Ser. B, 6.625%, 08/15/2015	3,015,000	2,728,575
Mediacom Broadband, LLC, 8.50%, 10/15/2015	115,000	103,213
Mediacom, LLC, 7.875%, 02/15/2011	1,170,000	1,093,950
R.H. Donnelley Corp., 11.75%, 05/15/2015 144A	6,387,000	4,758,315
Sinclair Broadcast Group, Inc., 8.00%, 03/15/2012	5,524,000	5,537,810
Sirius Satellite Radio, Inc., 9.625%, 08/01/2013	5,225,000	4,310,625
Visant Corp., 7.625%, 10/01/2012	7,465,000	7,278,375
XM Satellite Radio Holdings, Inc., 13.00%, 08/01/2013 144A	3,045,000	2,793,787
Young Broadcasting, Inc.:		
8.75%, 01/15/2014	6,179,000	2,672,417
10.00%, 03/01/2011	2,920,000	1,408,900
		<u>59,059,425</u>
<b>Multi-line Retail 0.4%</b>		
Macy's, Inc., 7.875%, 07/15/2015	1,365,000	1,358,772
Neiman Marcus Group, Inc., 9.00%, 10/15/2015	2,020,000	1,989,700
		<u>3,348,472</u>
<b>Specialty Retail 1.6%</b>		
Autozone, Inc.:		
6.50%, 01/15/2014	905,000	913,168

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7.125%, 08/01/2018	905,000	922,470
Best Buy Co., Inc., 6.75%, 07/15/2013 144A	910,000	925,356
Home Depot, Inc., 5.875%, 12/16/2036	1,635,000	1,296,655
Michaels Stores, Inc., 10.00%, 11/01/2014	1,420,000	1,146,650
Payless ShoeSource, Inc., 8.25%, 08/01/2013	8,005,000	7,244,525
		<u>12,448,824</u>
<b>Textiles, Apparel &amp; Luxury Goods 1.9%</b>		
AAC Group Holdings Corp., Sr. Disc. Note, Step Bond, 0.00%, 10/01/2012 †	1,055,000	1,018,075
Oxford Industries, Inc., 8.875%, 06/01/2011	12,915,000	12,462,975
Unifi, Inc., 11.50%, 05/15/2014	1,197,000	999,495
		<u>14,480,545</u>

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**EVERGREEN INCOME ADVANTAGE FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2008 (unaudited)

	Principal Amount	Value
<b>CORPORATE BONDS continued</b>		
<b>CONSUMER STAPLES 4.5%</b>		
<b>Beverages 0.0%</b>		
Constellation Brands, Inc., 8.375%, 12/15/2014	\$ 110,000	\$ 113,025
<b>Food &amp; Staples Retailing 0.5%</b>		
Ingles Markets, Inc., 8.875%, 12/01/2011	2,425,000	2,467,438
Rite Aid Corp., 10.375%, 07/15/2016	1,760,000	1,641,200
		<u>4,108,638</u>
<b>Food Products 2.2%</b>		
Dean Foods Co., 6.625%, 05/15/2009	480,000	480,000
Del Monte Foods Co.:		
6.75%, 02/15/2015	2,180,000	2,049,200
8.625%, 12/15/2012	10,061,000	10,337,677
Pilgrim's Pride Corp.:		
7.625%, 05/01/2015	3,545,000	3,013,250
8.375%, 05/01/2017	705,000	542,850
Smithfield Foods, Inc., 7.75%, 07/01/2017	575,000	494,500
		<u>16,917,477</u>
<b>Household Products 1.0%</b>		
American Achievement Corp., 8.25%, 04/01/2012 144A	7,505,000	7,354,900
Church & Dwight Co., 6.00%, 12/15/2012	685,000	667,875
		<u>8,022,775</u>
<b>Personal Products 0.8%</b>		
Central Garden & Pet Co., 9.125%, 02/01/2013	7,085,000	5,845,125
<b>ENERGY 18.1%</b>		
<b>Energy Equipment &amp; Services 3.7%</b>		
Bristow Group, Inc., 7.50%, 09/15/2017	3,085,000	3,054,150
GulfMark Offshore, Inc., 7.75%, 07/15/2014	3,130,000	3,098,700
Hornbeck Offshore Services, Inc., Ser. B, 6.125%, 12/01/2014	7,985,000	7,685,563
Parker Drilling Co., 9.625%, 10/01/2013	5,415,000	5,685,750
PHI, Inc., 7.125%, 04/15/2013	7,837,000	7,445,150
Stallion Oilfield Services, Ltd., 9.75%, 02/01/2015 144A	1,720,000	1,367,400
		<u>28,336,713</u>
<b>Oil, Gas &amp; Consumable Fuels 14.4%</b>		
Chesapeake Energy Corp.:		
6.875%, 01/15/2016	195,000	188,419
7.25%, 12/15/2018	7,135,000	7,027,975
7.50%, 09/15/2013	5,500,000	5,582,500
Delta Petroleum Corp., 7.00%, 04/01/2015	4,280,000	3,573,800
El Paso Corp.:		
7.00%, 06/15/2017	1,340,000	1,348,201
7.25%, 06/01/2018	115,000	114,425



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7.75%, 01/15/2032	250,000	249,736
Encore Acquisition Co.:		
6.00%, 07/15/2015	3,350,000	3,048,500
6.25%, 04/15/2014	1,735,000	1,635,238
Energy Partners, Ltd., 9.75%, 04/15/2014	1,667,000	1,541,975
Exco Resources, Inc., 7.25%, 01/15/2011	6,130,000	6,099,350
Ferrellgas Partners, LP, 6.75%, 05/01/2014	5,195,000	4,415,750
Forbes Energy Services, LLC, 11.00%, 02/15/2015 144A	6,260,000	6,291,300
Forest Oil Corp., 7.25%, 06/15/2019 144A	3,960,000	3,742,200
Frontier Oil Corp., 6.625%, 10/01/2011	1,830,000	1,784,250
Newfield Exploration Co.:		
6.625%, 04/15/2016	3,450,000	3,234,375
7.125%, 05/15/2018	1,670,000	1,586,500

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**EVERGREEN INCOME ADVANTAGE FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2008 (unaudited)

	Principal Amount	Value
<b>CORPORATE BONDS</b> continued		
<b>ENERGY</b> continued		
<b>Oil, Gas &amp; Consumable Fuels</b> continued		
Peabody Energy Corp.:		
5.875%, 04/15/2016	\$9,745,000	\$9,330,837
7.875%, 11/01/2026	1,470,000	1,477,350
Petrohawk Energy Corp., 7.875%, 06/01/2015 144A	7,590,000	7,381,275
Plains Exploration & Production Co.:		
7.625%, 06/01/2018	2,345,000	2,286,375
7.75%, 06/15/2015	2,305,000	2,276,187
Quicksilver Resources, Inc., 7.75%, 08/01/2015	2,300,000	2,248,250
Range Resources Corp., 7.25%, 05/01/2018	195,000	191,100
Sabine Pass LNG, LP:		
7.25%, 11/30/2013	1,140,000	991,800
7.50%, 11/30/2016	10,545,000	9,121,425
SandRidge Energy, Inc., 8.00%, 06/01/2018 144A	895,000	890,525
Southwestern Energy Co., 7.50%, 02/01/2018 144A	1,630,000	1,678,900
Tesoro Corp.:		
6.50%, 06/01/2017	7,110,000	6,079,050
6.625%, 11/01/2015	510,000	451,350
Williams Cos.:		
7.50%, 01/15/2031	5,520,000	5,644,200
8.125%, 03/15/2012	9,285,000	9,981,375
		<u>111,494,493</u>
<b>FINANCIALS</b> 20.9%		
<b>Capital Markets</b> 0.7%		
E*TRADE Financial Corp.:		
7.375%, 09/15/2013	110,000	93,500
8.00%, 06/15/2011	110,000	97,350
12.50%, 11/30/2017	470,000	498,200
12.50%, 11/30/2017 144A	2,825,000	3,051,000
Lehman Brothers Holdings, Inc., 6.875%, 05/02/2018	1,615,000	1,518,752
		<u>5,258,802</u>
<b>Consumer Finance</b> 12.5%		
CCH II Capital Corp., 10.25%, 09/15/2010	12,095,000	11,580,962
Ford Motor Credit Co., LLC:		
5.70%, 01/15/2010	11,895,000	10,250,778
5.80%, 01/12/2009	4,925,000	4,777,940
7.375%, 10/28/2009	3,995,000	3,639,920
9.75%, 09/15/2010	14,962,000	12,923,727
General Motors Acceptance Corp., LLC:		
6.875%, 09/15/2011	13,695,000	9,048,492
6.875%, 08/28/2012	17,075,000	10,724,671
7.75%, 01/19/2010	5,200,000	4,202,167

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8.00%, 11/01/2031	12,185,000	6,839,745
FRN, 3.93%, 05/15/2009	10,645,000	9,423,369
Sprint Capital Corp., 6.875%, 11/15/2028	6,665,000	5,294,823
Toll Corp.:		
8.25%, 02/01/2011	7,105,000	6,820,800
8.25%, 12/01/2011	1,040,000	990,600
		<u>96,517,994</u>
<b>Diversified Financial Services 2.2%</b>		
Citigroup, Inc., FRN, 8.40%, 04/29/2049	530,000	454,470
JPMorgan Chase & Co., FRN, 7.90%, 12/31/2049	5,160,000	4,787,118
Leucadia National Corp.:		
7.125%, 03/15/2017	825,000	776,531
8.125%, 09/15/2015	10,820,000	10,833,525
		<u>16,851,644</u>

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**EVERGREEN INCOME ADVANTAGE FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2008 (unaudited)

	Principal Amount	Value
<b>CORPORATE BONDS continued</b>		
<b>FINANCIALS continued</b>		
<b>Real Estate Investment Trusts 3.1%</b>		
Host Marriott Corp.:		
7.125%, 11/01/2013	\$6,465,000	\$5,980,125
Ser. O, 6.375%, 03/15/2015	395,000	345,625
Ser. Q, 6.75%, 06/01/2016	7,700,000	6,622,000
Omega Healthcare Investors, Inc.:		
7.00%, 04/01/2014	4,210,000	4,052,125
7.00%, 01/15/2016	4,405,000	4,140,700
Ventas, Inc., 7.125%, 06/01/2015	2,480,000	2,455,200
		<u>23,595,775</u>
<b>Real Estate Management &amp; Development 0.0%</b>		
Realogy Corp., 10.50%, 04/15/2014	175,000	114,625
<b>Thriffs &amp; Mortgage Finance 2.4%</b>		
Residential Capital, LLC:		
8.50%, 05/15/2010 144A	7,695,000	5,540,400
9.625%, 05/15/2015 144A	10,903,000	4,306,685
Step Bond:		
8.125%, 11/21/2008 ††	4,825,000	4,439,000
8.375%, 06/30/2010 ††	13,975,000	4,402,125
		<u>18,688,210</u>
<b>HEALTH CARE 6.3%</b>		
<b>Health Care Equipment &amp; Supplies 0.3%</b>		
Biomet, Inc., 11.625%, 10/15/2017	1,635,000	1,735,144
Universal Hospital Services, Inc., 8.50%, 06/01/2015	189,000	189,945
		<u>1,925,089</u>
<b>Health Care Providers &amp; Services 6.0%</b>		
HCA, Inc.:		
6.375%, 01/15/2015	130,000	107,250
8.75%, 09/01/2010	6,860,000	6,962,900
9.25%, 11/15/2016	20,670,000	21,341,775
Humana, Inc., 7.20%, 06/15/2018	3,560,000	3,460,559
Omnicare, Inc.:		
6.125%, 06/01/2013	9,185,000	8,473,162
6.875%, 12/15/2015	6,225,000	5,727,000
Symbion, Inc., 11.00%, 08/23/2015 144A	725,000	551,000
		<u>46,623,646</u>
<b>INDUSTRIALS 13.9%</b>		
<b>Aerospace &amp; Defense 7.5%</b>		
Alliant Techsystems, Inc., 6.75%, 04/01/2016	2,560,000	2,476,800
DAE Aviation Holdings, 11.25%, 08/01/2015 144A	970,000	950,600
DRS Technologies, Inc.:		
6.625%, 02/01/2016	3,860,000	3,917,900

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7.625%, 02/01/2018	910,000	950,950
L-3 Communications Holdings, Inc.:		
5.875%, 01/15/2015	29,885,000	27,867,762
6.375%, 10/15/2015	15,461,000	14,610,645
Sequa Corp.:		
11.75%, 12/01/2015 144A	130,000	113,750
13.50%, 12/01/2015 144A	2,030,000	1,776,250
Vought Aircraft Industries, Inc., 8.00%, 07/15/2011	5,595,000	5,189,363
		<u>57,854,020</u>
<b>Building Products 0.2%</b>		
Ply Gem Industries, Inc., 11.75%, 06/15/2013 144A	1,405,000	<u>1,264,500</u>

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**EVERGREEN INCOME ADVANTAGE FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2008 (unaudited)

	Principal Amount	Value
<b>CORPORATE BONDS continued</b>		
<b>INDUSTRIALS continued</b>		
<b>Commercial Services &amp; Supplies 1.9%</b>		
Allied Waste North America, Inc., 6.875%, 06/01/2017	\$990,000	\$955,350
Browning-Ferris Industries, Inc.:		
7.40%, 09/15/2035	6,290,000	5,692,450
9.25%, 05/01/2021	3,715,000	3,919,325
Corrections Corporation of America, 6.25%, 03/15/2013	190,000	186,675
Geo Group, Inc., 8.25%, 07/15/2013	785,000	800,700
Mobile Mini, Inc., 6.875%, 05/01/2015	3,435,000	2,954,100
		<u>14,508,600</u>
<b>Machinery 1.7%</b>		
Commercial Vehicle Group, Inc., 8.00%, 07/01/2013	15,831,000	13,535,505
<b>Road &amp; Rail 2.3%</b>		
Avis Budget Car Rental, LLC, 7.75%, 05/15/2016	2,320,000	1,612,400
Hertz Global Holdings, Inc.:		
8.875%, 01/01/2014	1,715,000	1,582,088
10.50%, 01/01/2016	230,000	201,250
Kansas City Southern:		
7.50%, 06/15/2009	2,730,000	2,774,362
8.00%, 06/01/2015	10,830,000	10,992,450
Swift Transportation Co., Inc., 12.50%, 05/15/2017 144A	1,015,000	400,925
		<u>17,563,475</u>
<b>Trading Companies &amp; Distributors 0.3%</b>		
Neff Corp., 10.00%, 06/01/2015	525,000	196,875
United Rentals, Inc., 6.50%, 02/15/2012	2,275,000	2,064,563
		<u>2,261,438</u>
<b>INFORMATION TECHNOLOGY 5.7%</b>		
<b>Communications Equipment 0.1%</b>		
Echostar Corp., 7.75%, 05/31/2015	650,000	627,250
<b>Electronic Equipment &amp; Instruments 3.1%</b>		
Da-Lite Screen Co., Inc., 9.50%, 05/15/2011	7,755,000	7,483,575
Jabil Circuit, Inc.:		
5.875%, 07/15/2010	1,650,000	1,617,000
8.25%, 03/15/2018	13,190,000	13,190,000
Sanmina-SCI Corp., 8.125%, 03/01/2016	1,635,000	1,463,325
		<u>23,753,900</u>
<b>IT Services 1.9%</b>		
First Data Corp., 9.875%, 09/24/2015 144A	2,675,000	2,370,719
ipayment, Inc., 9.75%, 05/15/2014	4,255,000	3,584,837
Iron Mountain, Inc., 8.00%, 06/15/2013	110,000	107,525
Lender Processing Services, Inc., 8.125%, 07/01/2016 144A	2,420,000	2,429,075
SunGard Data Systems, Inc.:		
4.875%, 01/15/2014	3,510,000	3,132,675

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9.125%, 08/15/2013	240,000	246,600
10.25%, 08/15/2015	130,000	132,600
Unisys Corp., 6.875%, 03/15/2010	3,128,000	<u>3,018,520</u>
		<u>15,022,551</u>
<b>Semiconductors &amp; Semiconductor Equipment 0.6%</b>		
Freescale Semiconductor, Inc., 9.125%, 12/15/2014	1,040,000	847,600
Spansion, Inc., FRN, 5.81%, 06/01/2013 144A	4,950,000	<u>3,489,750</u>
		<u>4,337,350</u>

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**EVERGREEN INCOME ADVANTAGE FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2008 (unaudited)

	Principal Amount	Value
<b>CORPORATE BONDS continued</b>		
<b>MATERIALS 17.1%</b>		
<b>Chemicals 6.7%</b>		
Airgas, Inc., 7.125%, 10/01/2018 144A	\$225,000	\$226,688
ARCO Chemical Co.:		
9.80%, 02/01/2020	5,460,000	4,067,700
10.25%, 11/01/2010	460,000	462,300
Huntsman, LLC:		
7.375%, 01/01/2015	1,000,000	930,000
11.625%, 10/15/2010	7,000,000	7,297,500
Koppers Holdings, Inc.:		
9.875%, 10/15/2013	575,000	605,906
Sr. Disc. Note, Step Bond, 0.00%, 11/15/2014 †	5,599,000	5,067,095
MacDermid, Inc., 9.50%, 04/15/2017 144A	7,751,000	7,130,920
Millenium America, Inc., 7.625%, 11/15/2026	6,355,000	3,717,675
Momentive Performance Materials, Inc.:		
9.75%, 12/01/2014	2,335,000	2,078,150
10.125%, 12/01/2014	7,720,000	6,793,600
Mosaic Co.:		
7.30%, 01/15/2028	3,385,000	3,266,525
7.875%, 12/01/2016 144A	4,665,000	4,921,575
Tronox Worldwide, LLC, 9.50%, 12/01/2012	8,760,000	5,475,000
		<u>52,040,634</u>
<b>Construction Materials 1.2%</b>		
CPG International, Inc.:		
10.50%, 07/01/2013	8,910,000	7,083,450
FRN, 9.90%, 07/01/2012	1,670,000	1,294,250
CRH America, Inc., 8.125%, 07/15/2018	465,000	470,355
		<u>8,848,055</u>
<b>Containers &amp; Packaging 4.3%</b>		
Berry Plastics Holdings Corp., 8.875%, 09/15/2014	1,566,000	1,260,630
Exopack Holding Corp., 11.25%, 02/01/2014	8,370,000	7,491,150
Graham Packaging Co.:		
8.50%, 10/15/2012	5,510,000	5,151,850
9.875%, 10/15/2014	3,810,000	3,276,600
Graphic Packaging International, Inc.:		
8.50%, 08/15/2011	4,685,000	4,497,600
9.50%, 08/15/2013	4,750,000	4,441,250
Smurfit-Stone Container Corp., 8.375%, 07/01/2012	7,715,000	6,847,062
		<u>32,966,142</u>
<b>Metals &amp; Mining 2.1%</b>		
Freeport-McMoRan Copper & Gold, Inc.:		
8.25%, 04/01/2015	905,000	944,666
8.375%, 04/01/2017	8,430,000	8,844,039



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Indalex Holdings Corp., 11.50%, 02/01/2014	5,985,000	3,441,375
PNA Group, Inc., 10.75%, 09/01/2016	2,785,000	3,321,113
		<u>16,551,193</u>

**Paper & Forest Products 2.8%**

Georgia Pacific Corp.:		
8.125%, 05/15/2011	5,000,000	4,950,000
8.875%, 05/15/2031	3,605,000	3,316,600
International Paper Co., 7.95%, 06/15/2018	7,110,000	7,082,086
Verso Paper Holdings, LLC:		
9.125%, 08/01/2014	230,000	207,000
11.375%, 08/01/2016	7,255,000	6,130,475
		<u>21,686,161</u>

**EVERGREEN INCOME ADVANTAGE FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2008 (unaudited)

	Principal Amount	Value
<b>CORPORATE BONDS continued</b>		
<b>TELECOMMUNICATION SERVICES 9.9%</b>		
<b>Diversified Telecommunication Services 3.7%</b>		
Citizens Communications Co.:		
7.875%, 01/15/2027	\$1,760,000	\$1,557,600
9.25%, 05/15/2011	6,680,000	6,980,600
FairPoint Communications, Inc., 13.125%, 04/01/2018 144A	1,645,000	1,645,000
Qwest Corp.:		
6.50%, 06/01/2017	2,665,000	2,205,287
7.50%, 06/15/2023	1,725,000	1,423,125
8.875%, 03/15/2012	11,660,000	11,689,150
West Corp., 11.00%, 10/15/2016	4,115,000	3,292,000
		<u>28,792,762</u>
<b>Wireless Telecommunication Services 6.2%</b>		
Centennial Communications Corp.:		
8.125%, 02/01/2014	6,815,000	6,917,225
10.125%, 06/15/2013	2,715,000	2,837,175
Cricket Communications, Inc., 9.375%, 11/01/2014	4,380,000	4,314,300
MetroPCS Communications, Inc., 9.25%, 11/01/2014	7,860,000	7,663,500
Rural Cellular Corp., 8.25%, 03/15/2012	13,350,000	13,717,125
Sprint Nextel Corp.:		
6.90%, 05/01/2019	4,410,000	3,766,263
Ser. D, 7.375%, 08/01/2015	5,320,000	4,098,938
Ser. F, 5.95%, 03/15/2014	5,375,000	4,089,553
		<u>47,404,079</u>
<b>UTILITIES 13.6%</b>		
<b>Electric Utilities 13.3%</b>		
Allegheny Energy Supply Co., 8.25%, 04/15/2012 144A	9,870,000	10,412,850
Aquila, Inc., Step Bond, 11.875%, 07/01/2012 ††	17,404,000	20,275,660
CMS Energy Corp.:		
6.55%, 07/17/2017	505,000	488,331
8.50%, 04/15/2011	860,000	912,063
Edison Mission Energy, 7.00%, 05/15/2017	940,000	893,000
Energy Future Holdings Corp.:		
10.875%, 11/01/2017 144A	8,150,000	8,435,250
11.25%, 11/01/2017 144A	4,515,000	4,492,425
Mirant Americas Generation, LLC, 8.50%, 10/01/2021	895,000	801,025
Mirant Mid-Atlantic, LLC, Ser. C, 10.06%, 12/30/2028	2,499,065	2,817,696
Mirant North America, LLC, 7.375%, 12/31/2013	12,365,000	12,426,825
NRG Energy, Inc., 7.375%, 02/01/2016	10,550,000	10,259,875
Orion Power Holdings, Inc., 12.00%, 05/01/2010	12,800,000	13,856,000
PNM Resources, Inc., 9.25%, 05/15/2015	920,000	941,850
Public Service Company of New Mexico, 13.00%, 04/01/2015	1,050,000	1,067,179
Reliant Energy, Inc.:		
6.75%, 12/15/2014	13,433,000	13,768,825

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7.875%, 06/15/2017	230,000	223,100
Texas Competitive Electric Holdings Co., LLC:		
10.25%, 11/01/2015 144A	825,000	829,125
10.50%, 11/01/2016 144A	135,000	<u>130,612</u>
		<u>103,031,691</u>
<b>Independent Power Producers &amp; Energy Traders 0.3%</b>		