

**Student Loan Backed Reporting - FFELP**  
**Monthly/Quarterly Distribution Report**

<b>Issuer</b>	Educational Funding of the South, Inc.
<b>Deal Name</b>	2003FL Indenture
<b>Distribution Date</b>	2/25/2014
<b>Collection Period</b>	1/31/2014
<b>Contact Name</b>	Ken Mann
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**Notes/Bonds - Group I (FFELP)**

Class	CUSIP	Rate	Index	Margin	Auction Status	Original Balance	Beg Princ Bal	Interest Accrual	Principal Paid	End Princ Bal <sup>a</sup>	% of Securities	Payment Frequency	Maturity
2012FL A	28148WAD5	1.20800%	0.15800%	1.05000%		511,000,000.00	448,225,220.70	436,197.01	92,100.71	448,133,119.99	85.03%	Monthly	3/25/2036
2012FL B	28148WAE3	3.65800%	0.15800%	3.50000%		15,000,000.00	15,000,000.00	44,203.27	-	15,000,000.00	2.85%	Monthly	12/28/2048
2007-1 A-2	28148XAQ4	0.53760%	0.23760%	0.30000%		400,000,000.00	-	-	-	-	0.00%	Quarterly	3/1/2016
2007-1 A-3	28148XAR2	0.58760%	0.23760%	0.35000%		235,000,000.00	63,870,000.00	94,867.53	-	63,870,000.00	12.12%	Quarterly	9/1/2017
<b>Total</b>						<b>1,161,000,000.00</b>	<b>527,095,220.70</b>	<b>575,267.81</b>	<b>92,100.71</b>	<b>527,003,119.99</b>	100.00%		

(a) Should include Principal Pmts in the current distribution month

**Portfolio Summary**

	Beg Balance	Activity	End Balance
Principal Balance	495,994,757.58	(5,640,906.92)	490,353,850.66
Accrued Interest to be Capitalized	6,018,797.78	136,308.08	6,155,105.86
<b>Total Pool Balance</b>	<b>502,013,555.36</b>	<b>(5,504,598.84)</b>	<b>496,508,956.52</b>
Weighted Average Coupon (WAC)	4.78	0.00	4.78
Weighted Average Maturity (WAM)	168.19	(0.24)	167.95
Number of Loans	68,850	(908)	67,942
Number of Borrowers	35,571	(469)	35,102
Average Loan Balance	\$ 7,291.41	16.43	\$ 7,307.84
Average Borrower Indebtedness	\$ 14,113.00	31.75	\$ 14,144.75

**Weighted Average Payments Made**

	% of Pool	W.A. Time until Repayment (months) <sup>(a)</sup> <i>(should include grace period)</i>
In School	0.46%	-25.29
Grace	0.18%	-2.07
Deferment	11.88%	-14.87
Forbearance	16.69%	-3.75
		<b>W.A. Time in Repayment (months)</b>
Repayment	69.91%	94.35
Claims in Progress	0.86%	85.57
Claims Denied	0.02%	94.89
<b>Total Weighted Average</b>		<b>64.20</b>

(a) W.A. Time Until Repayment would most likely be reflected as a negative number in this calculation. For example, if a loan has 3 months left in school and 6 months of grace period, the time until repayment for that loan would be -9 months.

**Funds and Accounts**

	Beg Balance	Activity	End Balance
Reserve Account	4,843,146.80	(33,079.02)	4,810,067.78
Reserve Amt Required	4,810,067.78	(27,522.99)	4,782,544.78
Debt Service 2007-1	5,838,051.38	5,837,955.84	11,676,007.22
Capitalized Interest Account	21,308,230.36	-	21,308,230.36
Capitalized Interest Account Required	-	-	-
Collection Fund	8,496,294.19	(1,114,506.15)	7,381,788.04
Acquisition Account	-	-	-
Interest Account	-	-	-
<b>Total Accounts Balance</b>	<b>40,452,643.71</b>	<b>4,695,926.69</b>	<b>45,148,570.40</b>

**Balance Sheet and Parity**

	Beg Balance	Activity	End Balance
<b>Assets</b>			
Pool Balance <sup>a</sup>	505,042,128.62	(5,591,067.03)	499,451,061.59
Capitalized Interest Fund	21,308,230.36	-	21,308,230.36
Debt Service Reserve	4,810,067.78	(27,522.99)	4,782,544.78
Debt Payment Account	11,676,007.22	5,837,955.84	17,513,963.06
<b>Total Assets</b>	<b>542,836,433.98</b>	<b>219,365.82</b>	<b>543,055,799.80</b>
<b>Liabilities</b>			
Note Outstanding Class A	448,225,220.70	(92,100.71)	448,133,119.99
Note Outstanding Class B	15,000,000.00	-	15,000,000.00
Bonds Outstanding 2007-1	63,870,000.00	-	63,870,000.00
Accrued Interest 2007-1	94,867.53	-	94,867.53
<b>Total Liabilities</b>	<b>527,190,088.23</b>	<b>(92,100.71)</b>	<b>527,097,987.52</b>
Class A Parity %	105.98%		106.05%
Total Parity %, Including Class B	102.97%		103.03%

(a) Pool Balance for parity includes all accrued interest, including any interest to be capitalized.

**CPR (constant pmt rate)**

Current Lifetime	8.99%
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**Servicer Balance**

	Balance	% of Portfolio	# of Loans	Clms Outstanding
PHEAA	496,508,956.52	100.00%	67,942	4,255,073.11
<b>Total Portfolio</b>	<b>496,508,956.52</b>	100.00%	<b>67,942</b>	<b>4,255,073.11</b>

Portfolio by Loan Status											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
In School	623	598	2,394,366.70	2,299,661.20	0.48%	0.46%	5.63	5.57	120.00	120.00	
Grace	226	229	850,647.24	882,701.64	0.17%	0.18%	5.85	5.88	118.68	119.17	
Repayment											
Current	40,227	40,481	294,387,156.48	294,817,854.63	58.64%	59.38%	4.56	4.56	163.74	163.06	
31-60 Days Delinquent	2,487	1,737	17,554,077.58	11,907,114.98	3.50%	2.40%	5.12	5.13	167.97	173.45	
61-90 Days Delinquent	1,746	1,465	11,453,079.71	9,938,489.58	2.28%	2.00%	5.12	5.30	166.80	154.28	
91-120 Days Delinquent	1,202	1,054	8,334,913.28	6,652,704.44	1.66%	1.34%	5.12	5.16	171.21	163.37	
121-180 Days Delinquent	1,315	1,458	9,060,796.60	10,574,881.08	1.80%	2.13%	5.21	5.19	177.14	182.46	
181-270 Days Delinquent	1,472	1,344	9,186,277.86	7,922,324.65	1.83%	1.60%	5.03	5.12	153.98	154.46	
271+ Days Delinquent	861	877	4,969,627.17	5,272,021.34	0.99%	1.06%	5.24	5.33	161.79	154.51	
<b>Total Repayment</b>	<b>49,310</b>	<b>48,416</b>	<b>354,945,928.68</b>	<b>347,085,390.70</b>	<b>70.70%</b>	<b>69.91%</b>	<b>4.65</b>	<b>4.65</b>	<b>164.28</b>	<b>163.44</b>	
Forbearance	8,395	8,674	80,033,283.98	82,879,393.79	15.94%	16.69%	5.26	5.24	186.62	187.74	
Deferment	9,402	9,172	59,862,042.00	58,986,423.69	11.92%	11.88%	4.84	4.84	170.90	170.25	
Claims in Progress	853	832	3,633,996.96	4,255,073.11	0.72%	0.86%	5.05	5.09	143.20	156.27	
Claims Denied	41	21	293,289.80	120,312.39	0.06%	0.02%	4.71	4.36	167.45	138.51	
<b>Total Portfolio</b>	<b>68,850</b>	<b>67,942</b>	<b>502,013,555.36</b>	<b>496,508,956.52</b>			<b>4.78</b>	<b>4.78</b>	<b>168.19</b>	<b>167.96</b>	

Delinquency Status											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Current	40,227	40,481	294,387,156.48	294,817,854.63	82.94%	84.94%	4.56	4.56	163.74	163.06	
31-60 Days Delinquent	2,487	1,737	17,554,077.58	11,907,114.98	4.95%	3.43%	5.12	5.13	167.97	173.45	
61-90 Days Delinquent	1,746	1,465	11,453,079.71	9,938,489.58	3.23%	2.86%	5.12	5.30	166.80	154.28	
91-120 Days Delinquent	1,202	1,054	8,334,913.28	6,652,704.44	2.35%	1.92%	5.12	5.16	171.21	163.37	
121-180 Days Delinquent	1,315	1,458	9,060,796.60	10,574,881.08	2.55%	3.05%	5.21	5.19	177.14	182.46	
181-270 Days Delinquent	1,472	1,344	9,186,277.86	7,922,324.65	2.59%	2.28%	5.03	5.12	153.98	154.46	
271+ Days Delinquent	861	877	4,969,627.17	5,272,021.34	1.40%	1.52%	5.24	5.33	161.79	154.51	
<b>Total Portfolio in Repayment</b>	<b>49,310</b>	<b>48,416</b>	<b>354,945,928.68</b>	<b>347,085,390.70</b>			<b>4.65</b>	<b>4.65</b>	<b>164.28</b>	<b>163.44</b>	

Portfolio by Loan Type											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Subsidized Consolidation Loans	13,113	13,019	149,898,386.92	148,623,118.06	29.86%	29.93%	4.58	4.58	183.63	183.03	
Unsubsidized Consolidation Loans	14,082	13,984	199,022,503.40	197,435,924.28	39.64%	39.76%	4.71	4.71	197.88	197.26	
Subsidized Stafford Loans	22,607	22,196	62,884,520.88	61,727,447.59	12.53%	12.43%	4.73	4.73	108.15	108.07	
Unsubsidized Stafford Loans	17,215	16,953	76,463,427.49	75,172,639.14	15.23%	15.14%	4.89	4.89	119.71	119.83	
Grad PLUS Loans	1,777	1,734	13,554,761.62	13,367,267.47	2.70%	2.69%	7.76	7.78	114.79	115.78	
Other Loans	56	56	189,955.05	182,559.98	0.04%	0.04%	3.32	3.32	97.50	96.82	
<b>Total Balance</b>	<b>68,850</b>	<b>67,942</b>	<b>502,013,555.36</b>	<b>496,508,956.52</b>			<b>4.78</b>	<b>4.78</b>	<b>168.19</b>	<b>167.96</b>	

Portfolio by Program Type											
	# of Loans		Pool Balance		% of Principal		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Graduate / 4-Year Loans	42,912	42,343	330,947,859.47	327,588,276.68	65.92%	65.98%	4.68	4.69	166.90	166.70	
2-Year Loans	11,258	11,025	43,455,908.23	42,473,462.45	8.66%	8.55%	4.79	4.79	133.15	133.08	
Proprietary / Technical / Vocational Loans	14,629	14,523	127,244,294.69	126,084,424.06	25.35%	25.39%	5.04	5.04	183.58	183.03	
Unknown (Consolidation) Loans	-	-	-	-	0.00%	0.00%	-	-	-	-	
Other	51	51	365,492.97	362,793.33	0.07%	0.07%	4.27	4.24	149.57	149.14	
<b>Total Portfolio</b>	<b>68,850</b>	<b>67,942</b>	<b>502,013,555.36</b>	<b>496,508,956.52</b>			<b>4.78</b>	<b>4.78</b>	<b>168.19</b>	<b>167.96</b>	

SAP Indices							
	# of Loans		Pool Balance		% of Total		Margin
	Beginning	Ending	Beginning	Ending	Beginning	Ending	
T-Bill Loans	3,776	3,697	14,131,079.11	13,725,061.08	2.81%	2.76%	2.9901
1ML Loans	65,074	64,245	487,882,476.25	482,783,895.44	97.19%	97.24%	2.5227
Other Margin Loans	-	-	-	-	0.00%	0.00%	-
<b>Total Pool Balance</b>	<b>68,850</b>	<b>67,942</b>	<b>502,013,555.36</b>	<b>496,508,956.52</b>			<b>2.5356</b>

**Student Loan Backed Reporting - FFELP  
Monitoring Waterfall and Collections**

Distribution Date	2/25/2014
Collection Period	1/31/2014

Collection Account Activity <sup>a</sup>	
Collection Amount Received	\$ 5,656,420.13
Recoveries	-
Reserve Account	
Excess of Required Reserve Account	27,523.00
Interest on Investment Earnings	2,394.40
Capitalized Interest Account (after a stepdown or release date)	-
Temporary Cost of Issuance Remaining	
Payments from Guarantor	1,695,450.51
Proceeds from Tender	
Paid to Guarantor	-
Purchased by Servicers/Sellers	
Prior Month's Allocations or Adjustments	
Investment Income	
All Fees	
Other Amounts Received in Collection	
<b>Total Available Funds</b>	<b>\$ 7,381,788.04</b>

(a) Cash collections represent amounts received and posted in the Trust accounts as of the last day of the collection period.

Fees Due for Current Period	1/31/2014
Indenture Trustee Fees	-
Servicing Fees	96,362.79
Administration Fees	81,725.64
Consolidation Rebate Fees	304,184.48
Other Fees	-
<b>Total Fees</b>	<b>\$ 482,272.92</b>

Cumulative Default Rate	1/31/2014
Current Period's Defaults (\$)	2,591,246.94
Cumulative Defaults (\$)	244,330,254.77
Cumulative Default (% of original pool balance)	NA
Cumulative Default (% of Repayment ending balances)	49.53%
Current period payments (recoveries) from Guarantor (\$)	1,695,450.51
Current period borrower recoveries (\$)	-
Cumulative Recoveries (\$) <sup>a</sup>	248,688,686.96
Cumulative Recovery Rate (%) <sup>b</sup>	101.78%
Cumulative Net Loss Rate (%)	NA
Cumulative Servicer Reject Rate (FFELP) (%)	0.00%

a) Cumulative Recoveries includes 97% of Claims in Progress  
b) Due to the inclusion of death, disability and bankruptcy claims, the recovery rate can exceed 100%.

**Waterfall Activity**

Waterfall for Distribution (in accordance with Transaction - specific documents)	Amount Due	Amount Remaining
<b>Total Available Funds</b>		7,381,788.04
<b>First:</b> Deposits to Department Reserve Fund	793,242.77	6,588,545.27
<b>Second:</b> Trustee Fees due	-	6,588,545.27
<b>Third:</b> Servicing Fee due	96,362.79	6,492,182.48
<b>Fourth:</b> Administration Fees due	81,725.64	6,410,456.83
<b>Fifth:</b> Interest Distribution on Senior Notes or Obligations		
1. 2007 Debt Service Amount		
> 1/3 of 2007 Bonds Interest Distribution Amount	31,622.51	
> Any 2007 Bonds Interest Remaining unpaid	-	
	<u>31,622.51</u>	6,378,834.32
2. 2012-1 A Interest Distribution	436,197.01	
Total Interest Distribution on Senior Notes or Obligations	<u>436,197.01</u>	5,942,637.32
<b>Sixth:</b> To the 2007 Debt Service Account 1/3 of Principal or unpaid Principal (if Maturity Date occurs in the next 3 months)	-	5,942,637.32
<b>Seventh:</b> 2012-1 B Interest Distribution Amount Subject to a Class B Interest Cap	44,203.27	5,898,434.05
<b>Eighth:</b> Debt Service Fund replenishment	-	5,898,434.05
<b>Ninth:</b> To the 2007 Debt Service Account 1/3 of Principal or unpaid Principal due on the 2007 Bonds on the next Principal Reduction Payment Date	5,806,333.33	92,100.71
<b>Tenth:</b> Payments to Noteholders for 2012 A and 2012 B Notes	92,100.71	-
<b>Eleventh:</b> Class B Carryover Amount	-	-
<b>Twelfth:</b> Release to Issuer	-	-

Principal and Interest Distributions	2012-1 A	2012-1 B	2007-1 A3	TOTAL
Periodic Interest Due	436,197.01	44,203.27	41,403.20	521,803.48
Periodic Interest Paid	436,197.01	44,203.27	41,403.20	521,803.48
Interest Excess/(Shortfall)	-	-	-	-
Interest Carryover Due	-	-	-	-
Interest Carryover Paid	-	-	-	-
Interest Carryover	-	-	-	-
Periodic Principal Distribution Amount	92,100.71	-	5,806,333.33	5,898,434.05
Periodic Principal Paid	92,100.71	-	5,806,333.33	5,898,434.05
Excess/(Shortfall)	-	-	-	-
<b>Total Distribution Amount</b>	<b>528,297.72</b>	<b>44,203.27</b>	<b>5,847,736.53</b>	<b>6,420,237.52</b>

**Educational Funding of the South, Inc**  
**2003FL Indenture**  
**Balance Sheet**  
**January 31, 2014**  
**(Unaudited)**

**ASSETS**

Cash	\$ 46,813,529.43
Assets Held by Trustee	
Investments	1,341.74
Student Loans Receivable, Net	489,880,079.75
Accrued Interest Receivable	7,142,973.71
Other Receivables	198,418.60
Bond Issue Costs	2,869,581.41
Prepaid and Deferred Expenses	20,630.71
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<b>Total Assets</b>	<b><u><u>\$ 546,926,555.35</u></u></b>

**LIABILITIES AND NET ASSETS**

Notes Payable, Net	\$ 527,095,220.70
Discount on Notes Payable, Net	(6,012,616.72)
Accrued Interest Payable	146,437.22
Other Accounts Payable & Accrued Expenses	482,272.92
	<hr/>
<b>Total Liabilities</b>	<b><u><u>\$ 521,711,314.12</u></u></b>
<b>Net Assets</b>	<b><u><u>\$ 25,215,241.23</u></u></b>
<b>Total Liabilities and Net Assets</b>	<b><u><u>\$ 546,926,555.35</u></u></b>

**2003FL Indenture**

**1/1/2014 to 1/31/2014**

<b>A. Student Loan Principal Collection Activity</b>	
i. Regular Principal Collections	(2,507,128.97)
ii. Principal Collections from Guarantor	(1,643,470.12)
iii. Paydown due to Loan Consolidation	(2,044,343.23)
iv. Principal Collections from Schools	(1,718.63)
v. Principal Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments	-
vii. Loans transferred out/deconverted (PUT)	-
<b>viii. Total Principal Collections</b>	<b>(6,196,660.95)</b>
<b>B. Student Loan Non-Cash Principal Activity</b>	
i. Principal Realized Losses - Claim Write-Offs	(537.79)
ii. Principal Realized Losses - Other	(28,820.68)
iii. Other Adjustments	(19,787.13)
iv. Capitalized Interest	604,899.63
<b>v. Total Non-Cash Principal Activity</b>	<b>555,754.03</b>
<b>C. Student Loan Principal Additions</b>	
i. New Loan Additions	-
<b>ii. Total Principal Additions</b>	<b>-</b>
<b>D. Total Student Loan Principal Activity (Aviii + Bv + Cii)</b>	
	<b>(5,640,906.92)</b>
<b>E. Student Loan Interest Activity</b>	
i. Regular Interest Collections	(1,034,786.33)
ii. Interest Claims Received from Guarantors	(51,980.39)
iii. Late Fees & Other	(12,012.34)
iv. Interest due to Loan Consolidation	(47,153.11)
v. Interest Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments -	-
vii. Interest Benefit and Special Allowance Payments	479,879.00
viii. Loans transferred out/deconverted	-
<b>vix. Total Interest Collections</b>	<b>(666,053.17)</b>
<b>F. Student Loan Non-Cash Interest Activity</b>	
i. Interest Losses - Claim Write-offs	(34,216.78)
ii. Interest Losses - Other	(15,309.98)
iii. Other Adjustments	834.61
iv. Capitalized Interest	(604,899.63)
v. Interest Accrual	1,881,761.21
<b>vi. Total Non-Cash Interest Adjustments</b>	<b>1,228,169.43</b>
<b>G. Student Loan Interest Additions</b>	
i. New Loan Additions	-
<b>ii. Total Interest Additions</b>	<b>-</b>
<b>H. Total Student Loan Interest Activity (Eix + Fvi + Gii)</b>	
	<b>562,116.26</b>
<b>I. Defaults Paid this Period (Aii + Eii)</b>	<b>(1,695,450.51)</b>
<b>J. Cumulative Defaults Paid to Date</b>	<b>(248,688,686.96)</b>
<b>K. Interest Expected to be Capitalized</b>	
Interest Expected to be Capitalized - Beginning (III - A-ii)	5,959,240.70
Interest Capitalized into Principal During Collection Period (B-iv)	604,899.63
Change in Interest Expected to be Capitalized	(662,293.27)
Interest Expected to be Capitalized - Ending (III - A-ii)	5,901,847.06

**2003FL Indenture**

		1/1/2014 to 1/31/2014
<b>A. Principal Collections</b>		
i. Principal Payments Received - Cash	\$	4,152,317.72
ii. Principal Received from Loans Consolidated		2,044,343.23
<b>iii. Total Principal Collections</b>	<b>\$</b>	<b>6,196,660.95</b>
<b>B. Interest Collections</b>		
i. Interest Payments Received - Cash	\$	1,086,766.72
ii. Interest Received from Loans Consolidated		47,153.11
iii. Interest Payments Received(Paid) - Interest Benefit and Special Allowance Payments		(479,879.00)
iv. Late Fees & Other		12,012.34
<b>v. Total Interest Collections</b>	<b>\$</b>	<b>666,053.17</b>
<b>C. Other Reimbursements</b>	<b>\$</b>	<b>-</b>
<b>D. Repurchases/ Reimbursements by Servicer/Seller</b>	<b>\$</b>	<b>-</b>
<b>E. Investment Earnings</b>	<b>\$</b>	<b>2,394.40</b>
<b>F. Total Cash Receipts during Collection Period</b>	<b>\$</b>	<b>6,865,108.52</b>