

Student Loan Backed Reporting - FFELP
Monthly/Quarterly Distribution Report

Issuer	Educational Funding of the South, Inc.
Deal Name	2003FL Indenture
Distribution Date	6/25/2014
Collection Period	5/31/2014
Contact Name	Ken Mann
Contact Number	865-824-3054
Contact Email	kmann@edsouth.org
Website	www.edsouth.org

Notes/Bonds - Group I (FFELP)

Class	CUSIP	Rate	Index	Margin	Auction Status	Original Balance	Beg Princ Bal	Interest Accrual	Principal Paid	End Princ Bal ^a	% of Securities	Payment Frequency	Maturity
2012FL A	28148WAD5	1.20000%	0.15000%	1.05000%		511,000,000.00	441,936,007.07	427,228.38	1,782,546.23	440,153,460.84	87.75%	Monthly	3/25/2036
2012FL B	28148WAE3	3.65000%	0.15000%	3.50000%		15,000,000.00	15,000,000.00	44,106.60	-	15,000,000.00	2.99%	Monthly	12/28/2048
2007-1 A-2	28148XAQ4	0.00000%	0.00000%	0.00000%		400,000,000.00	-	-	-	-	0.00%	Quarterly	3/1/2016
2007-1 A-3	28148XAR2	0.58610%	0.23610%	0.35000%		235,000,000.00	46,451,000.00	68,818.58	-	46,451,000.00	9.26%	Quarterly	9/1/2017
Total						1,161,000,000.00	503,387,007.07	540,153.56	1,782,546.23	501,604,460.84	100.00%		

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

Portfolio Summary

	Beg Balance	Activity	End Balance
Principal Balance	468,914,524.78	(6,780,451.49)	462,134,073.29
Accrued Interest to be Capitalized	6,505,434.49	133,523.51	6,638,958.00
Total Pool Balance	475,419,959.27	(6,646,927.98)	468,773,031.29
Weighted Average Coupon (WAC)	4.78	0.00	4.78
Weighted Average Maturity (WAM)	167.85	(0.03)	167.82
Number of Loans	64,906	(1,165)	63,741
Number of Borrowers	33,556	(584)	32,972
Average Loan Balance	\$ 7,324.75	29.59	\$ 7,354.34
Average Borrower Indebtedness	\$ 14,167.96	49.35	\$ 14,217.31

Weighted Average Payments Made

	% of Pool	W.A. Time until Repayment (months) ^(a) <i>(should include grace period)</i>
In School	0.37%	-22.63
Grace	0.22%	-1.89
Deferment	11.47%	-14.24
Forbearance	16.76%	-3.42
		W.A. Time in Repayment (months)
Repayment	70.29%	98.25
Claims in Progress	0.86%	91.67
Claims Denied	0.03%	101.68
Total Weighted Average		67.59

(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	4,719,596.63	(42,496.83)	4,677,099.80
Reserve Amt Required	4,677,099.80	(33,234.64)	4,643,865.16
Debt Service 2007-1	10,368,641.25	5,184,272.86	15,552,914.11
Capitalized Interest Account	21,308,230.36	-	21,308,230.36
Capitalized Interest Account Required	-	-	-
Collection Fund	10,237,916.66	(1,871,968.16)	8,365,948.50
Acquisition Account	-	-	-
Interest Account	-	-	-
Total Accounts Balance	46,591,888.07	3,279,070.06	49,870,958.13

Balance Sheet and Parity

	Beg Balance	Activity	End Balance
Assets			
Pool Balance ^a	478,202,748.90	(6,637,031.40)	471,565,717.50
Capitalized Interest Fund	21,308,230.36	-	21,308,230.36
Debt Service Reserve	4,677,099.80	(33,234.64)	4,643,865.16
Debt Payment Account	15,552,914.11	5,176,563.42	20,729,477.53
Total Assets	519,740,993.17	(1,493,702.62)	518,247,290.55
Liabilities			
Note Outstanding Class A	441,936,007.07	(1,782,546.23)	440,153,460.84
Note Outstanding Class B	15,000,000.00	-	15,000,000.00
Bonds Outstanding 2007-1	46,451,000.00	-	46,451,000.00
Accrued Interest 2007-1	68,818.58	-	68,818.58
Total Liabilities	503,455,825.65	(1,782,546.23)	501,673,279.42
Class A Parity %	106.40%		106.49%
Total Parity %, Including Class B	103.23%		103.30%

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

CPR (constant pmt rate)

Current Lifetime	8.62%
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Servicer Balance

	Balance	% of Portfolio	# of Loans	Clms Outstanding
PHEAA	468,773,031.29	100.00%	63,741	4,018,789.27
Total Portfolio	468,773,031.29		63,741	4,018,789.27

Portfolio by Loan Status											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
In School	515	450	2,017,191.93	1,727,205.37	0.42%	0.37%	5.55	5.62	120.00	120.00	
Grace	204	259	754,846.95	1,022,625.89	0.16%	0.22%	6.08	5.84	116.51	117.18	
Repayment											
Current	39,568	39,148	288,861,594.38	284,431,716.05	60.76%	60.67%	4.56	4.53	163.33	162.75	
31-60 Days Delinquent	2,075	1,993	15,175,511.87	14,395,785.41	3.19%	3.07%	4.89	5.18	168.91	162.25	
61-90 Days Delinquent	1,335	1,202	7,511,500.24	8,294,646.57	1.58%	1.77%	5.12	4.94	143.93	166.35	
91-120 Days Delinquent	710	935	4,953,615.69	5,600,458.70	1.04%	1.19%	5.34	5.26	164.91	146.30	
121-180 Days Delinquent	938	834	6,692,116.90	5,777,421.52	1.41%	1.23%	5.25	5.28	155.94	156.01	
181-270 Days Delinquent	1,210	1,145	7,318,359.26	7,540,733.97	1.54%	1.61%	5.21	5.29	172.26	166.45	
271+ Days Delinquent	690	587	3,833,889.15	3,471,778.81	0.81%	0.74%	5.14	5.09	152.57	152.69	
Total Repayment	46,526	45,844	334,346,587.49	329,513,541.03	70.33%	70.29%	4.63	4.62	163.10	162.40	
Forbearance	8,160	8,033	77,788,433.30	78,578,191.39	16.36%	16.76%	5.30	5.31	186.93	189.30	
Deferment	8,677	8,257	56,232,815.49	53,752,067.49	11.83%	11.47%	4.88	4.93	173.13	172.43	
Claims in Progress	792	869	4,052,090.20	4,018,789.27	0.85%	0.86%	5.07	5.15	156.22	165.91	
Claims Denied	32	29	227,993.91	161,610.85	0.05%	0.03%	4.23	4.98	123.44	132.21	
Total Portfolio	64,906	63,741	475,419,959.27	468,773,031.29			4.78	4.78	167.85	167.82	

Delinquency Status											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Current	39,567	39,148	288,833,705.10	284,431,716.05	86.39%	86.32%	4.56	4.53	163.33	162.75	
31-60 Days Delinquent	2,075	1,993	15,175,511.87	14,395,785.41	4.54%	4.37%	4.89	5.18	168.91	162.25	
61-90 Days Delinquent	1,335	1,202	7,511,500.24	8,294,646.57	2.25%	2.52%	5.12	4.94	143.93	166.35	
91-120 Days Delinquent	710	935	4,953,615.69	5,600,458.70	1.48%	1.70%	5.34	5.26	164.91	146.30	
121-180 Days Delinquent	938	834	6,692,116.90	5,777,421.52	2.00%	1.75%	5.25	5.28	155.94	156.01	
181-270 Days Delinquent	1,210	1,145	7,318,359.26	7,540,733.97	2.19%	2.29%	5.21	5.29	172.26	166.45	
271+ Days Delinquent	690	587	3,833,889.15	3,471,778.81	1.15%	1.05%	5.14	5.09	152.57	152.69	
Total Portfolio in Repayment	46,525	45,844	334,318,698.21	329,512,541.03			4.63	4.62	163.10	162.40	

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	12,692	12,543	143,383,422.00	141,710,981.40	30.16%	30.23%	4.58	4.58	181.73	181.35	
Unsubsidized Consolidation Loans	13,628	13,480	190,675,976.34	188,488,540.94	40.11%	40.21%	4.71	4.70	196.82	196.54	
Subsidized Stafford Loans	20,910	20,453	57,690,287.80	56,504,275.95	12.13%	12.05%	4.74	4.75	107.72	107.65	
Unsubsidized Stafford Loans	16,000	15,619	70,907,013.38	69,523,621.48	14.91%	14.83%	4.90	4.91	119.90	120.35	
Grad PLUS Loans	1,625	1,596	12,587,403.76	12,370,034.14	2.65%	2.64%	7.81	7.82	117.59	117.96	
Other Loans	51	50	175,855.99	175,577.38	0.04%	0.04%	3.32	3.32	97.22	97.23	
Total Balance	64,906	63,741	475,419,959.27	468,773,031.29			4.78	4.78	167.85	167.82	

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	40,488	39,795	313,729,633.32	309,532,431.46	65.99%	66.03%	4.69	4.69	166.12	166.06	
2-Year Loans	10,397	10,167	40,166,582.38	39,335,496.43	8.45%	8.39%	4.78	4.79	133.73	133.44	
Proprietary / Technical / Vocational Loans	13,973	13,731	121,196,720.69	119,580,213.31	25.49%	25.51%	5.03	5.03	183.69	183.75	
Unknown (Consolidation) Loans	-	-	-	-	0.00%	0.00%	-	-	-	-	
Other	48	48	327,022.88	324,890.09	0.07%	0.07%	4.29	4.29	148.76	148.32	
Total Portfolio	64,906	63,741	475,419,959.27	468,773,031.29			4.78	4.78	167.85	167.82	

SAP Indices							
	# of Loans		Pool Balance		% of Total		Margin
	Beginning	Ending	Beginning	Ending	Beginning	Ending	
T-Bill Loans	3,429	3,358	12,669,837.27	12,498,141.89	2.66%	2.67%	3.0018
1ML Loans	61,477	60,383	462,750,122.00	456,274,889.40	97.34%	97.33%	2.5267
Other Margin Loans	-	-	-	-	0.00%	0.00%	-
Total Pool Balance	64,906	63,741	475,419,959.27	468,773,031.29			2.5393

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

Distribution Date	6/25/2014
Collection Period	5/31/2014

Collection Account Activity ^a	
Collection Amount Received	\$ 5,982,880.81
Recoveries	-
Reserve Account	
Excess of Required Reserve Account	33,234.64
Interest on Investment Earnings	2,810.85
Capitalized Interest Account (after a stepdown or release date)	-
Temporary Cost of Issuance Remaining	
Payments from Guarantor	2,347,022.20
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	
Total Available Funds	\$ 8,365,948.50

(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	5/31/2014
Indenture Trustee Fees	-
Servicing Fees	90,613.97
Administration Fees	77,022.35
Consolidation Rebate Fees	290,294.52
Other Fees	-
Total Fees	\$ 457,930.84

Cumulative Default Rate	5/31/2014
Current Period's Defaults (\$)	1,729,629.66
Cumulative Defaults (\$)	251,595,613.60
Cumulative Default (% of original pool balance)	NA
Cumulative Default (% of Repayment ending balances)	53.99%
Current period payments (recoveries) from Guarantor (\$)	2,347,022.20
Current period borrower recoveries (\$)	-
Cumulative Recoveries (\$) ^a	256,985,543.46
Cumulative Recovery Rate (%) ^b	102.14%
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
Total Available Funds		8,365,948.50
First: Deposits to Department Reserve Fund	767,867.55	7,598,080.95
Second: Trustee Fees due	-	7,598,080.95
Third: Servicing Fee due	90,613.97	7,507,466.98
Fourth: Administration Fees due	77,022.35	7,430,444.63
Fifth: Interest Distribution on Senior Notes or Obligations		
1. 2007 Debt Service Amount		
> 1/3 of 2007 Bonds Interest Distribution Amount	15,230.09	
> Any 2007 Bonds Interest Remaining unpaid	-	
	15,230.09	7,415,214.54
2. 2012-1 A Interest Distribution	427,228.38	
Total Interest Distribution on Senior Notes or Obligations	427,228.38	6,987,986.16
Sixth: To the 2007 Debt Service Account 1/3 of Principal or unpaid Principal (if Maturity Date occurs in the next 3 months)	-	6,987,986.16
Seventh: 2012-1 B Interest Distribution Amount Subject to a Class B Interest Cap	44,106.60	6,943,879.56
Eighth: Debt Service Fund replenishment	-	6,943,879.56
Ninth: 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	5,161,333.33	1,782,546.23
Tenth: Payments to Noteholders for 2012 A and 2012 B Notes	1,782,546.23	-
Eleventh: Class B Carryover Amount	-	-
Twelfth: Release to Issuer	-	-

Principal and Interest Distributions	2012-1 A	2012-1 B	2007-1 A3	TOTAL
Periodic Interest Due	427,228.38	44,106.60	15,230.09	486,565.07
Periodic Interest Paid	427,228.38	44,106.60	15,230.09	486,565.07
Interest Excess/(Shortfall)	-	-	-	-
Interest Carryover Due	-	-	-	-
Interest Carryover Paid	-	-	-	-
Interest Carryover	-	-	-	-
Periodic Principal Distribution Amount	1,782,546.23	-	5,161,333.33	6,943,879.56
Periodic Principal Paid	1,782,546.23	-	5,161,333.33	6,943,879.56
Excess/(Shortfall)	-	-	-	-
Total Distribution Amount	2,209,774.61	44,106.60	5,176,563.42	7,430,444.63

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

ASSETS

Cash	\$ 50,823,293.34
Assets Held by Trustee	
Investments	1,758.19
Student Loans Receivable, Net	461,633,912.17
Accrued Interest Receivable	8,502,196.93
Other Receivables	176,423.42
Bond Issue Costs	2,826,730.13
Prepaid and Deferred Expenses	7,825.26
	<hr/>
Total Assets	<u><u>\$ 523,972,139.44</u></u>

LIABILITIES AND NET ASSETS

Notes Payable, Net	\$ 503,387,007.07
Discount on Notes Payable, Net	(5,921,860.24)
Accrued Interest Payable	149,344.01
Other Accounts Payable & Accrued Expenses	457,930.84
	<hr/>
Total Liabilities	<u><u>\$ 498,072,421.68</u></u>
Net Assets	<u><u>\$ 25,899,717.76</u></u>
Total Liabilities and Net Assets	<u><u>\$ 523,972,139.44</u></u>

IV. Transactions for the Time Period

5/31/2014

5-1-2014 - 5-31-2014

A. Student Loan Principal Collection Activity	
i. Regular Principal Collections	(2,441,384.70)
ii. Principal Collections from Guarantor	(2,278,082.98)
iii. Paydown due to Loan Consolidation	(2,506,027.61)
iv. Principal Collections from Schools	1,388.59
v. Principal Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments	-
vii. Loans transferred out/deconverted (PUT)	-
viii. Total Principal Collections	(7,224,106.70)
B. Student Loan Non-Cash Principal Activity	
i. Principal Realized Losses - Claim Write-Offs	(1,915.34)
ii. Principal Realized Losses - Other	(6,618.89)
iii. Other Adjustments	(448.23)
iv. Capitalized Interest	452,637.67
v. Total Non-Cash Principal Activity	443,655.21
C. Student Loan Principal Additions	
i. New Loan Additions \$ -	-
ii. Total Principal Additions \$ -	-
D. Total Student Loan Principal Activity (Aviii + Bv + Cii)	(6,780,451.49)
E. Student Loan Interest Activity	
i. Regular Interest Collections	(950,176.54)
ii. Interest Claims Received from Guarantors	(68,939.22)
iii. Late Fees & Other	(34.11)
iv. Interest due to Loan Consolidation	(70,558.41)
v. Interest Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments -	-
vii. Interest Benefit and Special Allowance Payments	461,395.51
viii. Loans transferred out/deconverted	-
vix. Total Interest Collections	(628,312.77)
F. Student Loan Non-Cash Interest Activity	
i. Interest Losses - Claim Write-offs	(45,482.08)
ii. Interest Losses - Other	(7,405.76)
iii. Other Adjustments b.	1,943.52
iv. Capitalized Interest	(452,637.67)
v. Interest Accrual	1,777,480.86
vi. Total Non-Cash Interest Adjustments	1,273,898.87
G. Student Loan Interest Additions	
i. New Loan Additions \$ -	-
ii. Total Interest Additions \$ -	-
H. Total Student Loan Interest Activity (Eviii + Fvi + Gii)	645,586.10
I. Defaults Paid this Period (Aii + Eii)	(2,347,022.20)
J. Cumulative Defaults Paid to Date	(256,985,543.46)
K. Interest Expected to be Capitalized	
Interest Expected to be Capitalized - Beginning (III - A-ii)	6,505,434.49
Interest Capitalized into Principal During Collection Period (B-iv)	452,637.67
Change in Interest Expected to be Capitalized	319,114.16
Interest Expected to be Capitalized - Ending (III - A-ii)	6,638,958.00

2003FL Indenture

		5/31/2014
A. Principal Collections		
i. Principal Payments Received - Cash	\$	4,718,079.09
ii. Principal Received from Loans Consolidated		2,506,027.61
iii. Total Principal Collections	\$	7,224,106.70
B. Interest Collections		
i. Interest Payments Received - Cash	\$	1,019,115.76
ii. Interest Received from Loans Consolidated		70,558.41
iii. Interest Payments Received(Paid) - Interest Benefit and Special Allowance Payments		(461,395.51)
iv. Late Fees & Other		34.11
v. Total Interest Collections	\$	628,312.77
C. Other Reimbursements	\$	-
D. Repurchases/ Reimbursements by Servicer/Seller	\$	-
E. Investment Earnings	\$	2,810.85
F. Total Cash Receipts during Collection Period	\$	7,855,230.32