

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

<b>Issuer</b>	Educational Funding of the South, Inc.
<b>Deal Name</b>	2011-1 Series
<b>Distribution Date</b>	10/25/2012
<b>Collection Period</b>	9/30/2012
<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
2011-1 A-1	28148WAA1	1.00110%	0.45110%	0.55000%		372,277,000.00	209,096,418.84	534,954.61	40,414,561.31	168,681,857.53	25.73%	Quarterly	10/25/2021
2011-1 A-2	28148WAB9	1.10110%	0.45110%	0.65000%		449,950,000.00	449,950,000.00	1,266,146.32	-	449,950,000.00	68.63%	Quarterly	4/25/2035
2011-1 B	28148WAC7	4.15110%	0.45110%	3.70000%		36,943,000.00	36,943,000.00	391,911.71	-	36,943,000.00	5.64%	Quarterly	4/25/2046
<b>Total</b>						<b>859,170,000.00</b>	<b>695,989,418.84</b>	<b>2,193,012.64</b>	<b>40,414,561.31</b>	<b>655,574,857.53</b>	<b>100%</b>		

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

**Portfolio Summary**

	Beg Balance	Activity	End Balance
Principal Balance	704,109,984.38	(35,733,582.42)	668,376,401.96
Accrued Interest to be Capitalized	7,379,191.67	(562,990.35)	6,816,201.32
<b>Total Pool Balance</b>	<b>711,489,176.05</b>	<b>(36,296,572.77)</b>	<b>675,192,603.28</b>
Repurchased Guaranteed Student Loans <sup>a</sup>	432,424.55	(140,333.54)	292,091.01
Weighted Average Coupon (WAC)	4.77	-	4.77
Weighted Average Maturity (WAM)	173.21	(0.87)	172.34
Number of Loans	100,047	(5,733.00)	94,314
Number of Borrowers	44,367	(2,371.00)	41,996
Average Loan Balance	\$ 7,111.55	47.44	\$ 7,158.99
Average Borrower Indebtedness	\$ 16,036.45	41.10	\$ 16,077.55

(a) Pending repurchase loans that are not reflected in the ending pool balance

**Weighted Average Payments Made**

	% of Pool	W.A. Time until Repayment (months) <sup>(a)</sup> <i>(should include grace period)</i>
In School	1.07%	-25.04
Grace	0.61%	-1.61
Deferment	14.78%	-15.15
Forbearance	14.66%	-3.02
		<b>W.A. Time in Repayment (months)</b>
Repayment	67.95%	78.97
Claims in Progress	0.89%	74.86
Claims Denied	0.06%	90.79
<b>Total Weighted Average</b>		<b>51.42</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**

Department Reserve Account		Capitalized Interest Account		Reserve Account	
Dept. Reserve Account (beginning)	\$ 6,602,577.73	Capitalized Interest Account (beginning)	\$ -	Reserve Account (beginning)	\$ 3,676,107.21
Plus transfers from Collection Account	3,393,147.11	Less releases	-	Less releases	(195,251.92)
Less DOE Fees paid	(6,443,539.23)	Less draws	-	Less draws	-
Plus investment earnings	-	Plus investment earnings	-	Plus investment earnings	-
Dept. Reserve Account (ending)	\$ 3,552,185.61	Capitalized Interest Account (ending)	\$ -	Reserve Account (ending)	\$ 3,480,855.29
		Capitalized Interest Account Requirement	-	Reserve Account Requirement	\$ 3,479,947.09
Collection Account - (Available Funds)	\$ 44,310,303.28				
Total Accounts Balances (includes above accounts)	\$ 51,343,344.18				

**Balance Sheet and Parity**

	Beg Balance	Activity	End Balance
<b>Assets</b>			
<sup>b</sup> Pool Balance	716,512,678.22	(37,894,773.14)	678,617,905.08
Capitalized Interest Fund	-	-	-
Debt Service Reserve	3,479,947.09	0.00	3,479,947.09
<b>Total Assets</b>	<b>719,992,625.31</b>	<b>(37,894,773.14)</b>	<b>682,097,852.17</b>
<b>Liabilities</b>			
Note Outstanding Class A	659,046,418.84	(40,414,561.31)	618,631,857.53
Note Outstanding Class B	36,943,000.00	-	36,943,000.00
<b>Total Liabilities</b>	<b>695,989,418.84</b>	<b>(40,414,561.31)</b>	<b>655,574,857.53</b>
Class A Parity %	109.25%		110.26%
Class B Parity %	103.45%		104.05%
Total Parity %			

(a) Collection Fund only included in initial parity calculation

(b) Pool Balance for parity includes all outstanding accrued interest and repurchase loans pending

**CPR (constant pmt rate)**

	%
Current	
Lifetime	9.74%

**Servicer Balance**

	Balance	% of Portfolio	# of Loans	Clms Outstanding
Edfinancial	526,547,441.34	77.98%	82,961	4,975,044.32
PHEAA	113,419,521.14	16.80%	8,871	738,623.77
CitiBank	-	0.00%	-	-
Great Lakes	35,225,640.80	5.22%	2,482	87,811.76
<b>Total Portfolio</b>	<b>675,192,603.28</b>		<b>94,314</b>	<b>5,801,479.85</b>

EFS 2011-1 Series

Portfolio by Loan Status											
	# of Loans		Balance (inc Accrued Interest)		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
In School	2,335	1,961	8,688,373.12	7,198,220.17	1.22%	1.07%	5.56	5.71	121.03	121.26	
Grace	1,017	1,120	3,681,479.29	4,104,861.79	0.52%	0.61%	5.59	5.39	119.58	118.60	
Repayment											
Current	53,612	51,394	394,745,415.51	380,554,782.13	55.48%	56.36%	4.57	4.55	170.30	169.92	
31-60 Days Delinquent	3,289	3,098	22,652,360.05	23,021,267.95	3.18%	3.41%	5.10	5.02	166.78	180.12	
61-90 Days Delinquent	2,157	2,207	14,078,042.98	15,397,279.01	1.98%	2.28%	5.09	5.04	175.79	179.58	
91-120 Days Delinquent	1,525	1,365	9,023,896.16	8,920,853.80	1.27%	1.32%	4.83	4.93	171.03	172.70	
121-180 Days Delinquent	2,210	2,086	13,375,060.20	13,090,541.17	1.88%	1.94%	4.86	5.03	162.94	159.89	
181-270 Days Delinquent	2,168	2,212	13,055,868.75	13,195,291.74	1.84%	1.95%	4.87	4.92	163.53	164.37	
271+ Days Delinquent	1,122	879	6,223,504.13	4,614,761.00	0.87%	0.68%	4.97	4.86	156.98	150.39	
<b>Total Repayment</b>	<b>66,083</b>	<b>63,241</b>	<b>473,154,147.78</b>	<b>458,794,776.80</b>	<b>66.50%</b>	<b>67.95%</b>	<b>4.64</b>	<b>4.63</b>	<b>169.74</b>	<b>170.17</b>	
Forbearance	12,088	10,704	113,295,365.53	98,953,288.57	15.92%	14.66%	5.22	5.28	190.22	187.43	
Deferment	17,438	15,963	106,968,563.61	99,777,293.90	15.03%	14.78%	4.77	4.79	176.79	174.89	
Claims in Progress	1,028	1,259	5,368,721.29	5,975,514.66	0.75%	0.89%	4.99	4.91	171.80	144.53	
Claims Denied	58	66	332,525.43	388,647.39	0.05%	0.06%	5.79	4.77	139.09	184.30	
<b>Total Portfolio</b>	<b>100,047</b>	<b>94,314</b>	<b>711,489,176.05</b>	<b>675,192,603.28</b>			<b>4.77</b>	<b>4.77</b>	<b>173.21</b>	<b>172.34</b>	

Delinquency Status											
	# of Loans		Balance (inc Accrued Interest)		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Current	53,612	51,394	394,745,415.51	380,554,782.13	83.43%	82.95%	4.57	4.55	170.30	169.92	
31-60 Days Delinquent	3,289	3,098	22,652,360.05	23,021,267.95	4.79%	5.02%	5.10	5.02	166.78	180.12	
61-90 Days Delinquent	2,157	2,207	14,078,042.98	15,397,279.01	2.98%	3.36%	5.09	5.04	175.79	179.58	
91-120 Days Delinquent	1,525	1,365	9,023,896.16	8,920,853.80	1.91%	1.94%	4.83	4.93	171.03	172.70	
121-180 Days Delinquent	2,210	2,086	13,375,060.20	13,090,541.17	2.83%	2.85%	4.86	5.03	162.94	159.89	
181-270 Days Delinquent	2,168	2,212	13,055,868.75	13,195,291.74	2.76%	2.88%	4.87	4.92	163.53	164.37	
271+ Days Delinquent	1,122	879	6,223,504.13	4,614,761.00	1.32%	1.01%	4.97	4.86	156.98	150.39	
<b>Total Portfolio in Repayment</b>	<b>66,083</b>	<b>63,241</b>	<b>473,154,147.78</b>	<b>458,794,776.80</b>			<b>4.64</b>	<b>4.63</b>	<b>169.74</b>	<b>170.17</b>	

Portfolio by Loan Type											
	# of Loans		Balance (inc Accrued Interest)		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Subsidized Consolidation Loans	17,493	16,845	218,046,143.45	208,876,089.32	30.65%	30.94%	4.63	4.63	194.76	192.33	
Unsubsidized Consolidation Loans	18,048	17,400	252,520,115.45	243,083,071.31	35.49%	36.00%	4.69	4.69	207.23	204.81	
Subsidized Stafford Loans	36,077	33,611	103,678,103.41	96,204,947.38	14.57%	14.25%	4.60	4.60	113.86	113.55	
Unsubsidized Stafford Loans	25,385	23,597	113,423,811.68	104,994,065.71	15.94%	15.55%	4.85	4.84	121.46	122.39	
Grad PLUS Loans	2,927	2,750	23,236,932.41	21,504,599.70	3.27%	3.18%	7.28	7.28	120.59	119.78	
Other Loans	117	111	584,069.65	529,829.86	0.08%	0.08%	3.67	3.72	98.81	102.80	
<b>Total Balance</b>	<b>100,047</b>	<b>94,314</b>	<b>711,489,176.05</b>	<b>675,192,603.28</b>			<b>4.77</b>	<b>4.77</b>	<b>173.21</b>	<b>172.34</b>	

Portfolio by Program Type											
	# of Loans		Balance (inc Accrued Interest)		% of Principal		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Graduate / 4-Year Loans	67,116	63,159	506,194,116.96	479,478,731.42	71.15%	71.01%	4.71	4.70	173.77	172.91	
2-Year Loans	15,510	14,549	58,245,452.54	54,895,214.76	8.19%	8.13%	4.69	4.72	132.61	131.99	
Proprietary / Technical / Vocational Loans	9,366	8,854	38,379,990.86	36,342,176.79	5.39%	5.38%	4.40	4.41	138.93	137.04	
Unknown (Consolidation) Loans	8,041	7,739	108,507,625.97	104,324,561.17	15.25%	15.45%	5.22	5.23	204.61	203.32	
Other Loans	14	13	161,989.72	151,919.14	0.02%	0.02%	4.78	4.64	115.06	117.41	
<b>Total Portfolio</b>	<b>100,047</b>	<b>94,314</b>	<b>711,489,176.05</b>	<b>675,192,603.28</b>			<b>4.77</b>	<b>4.77</b>	<b>173.21</b>	<b>172.34</b>	

SAP Indices							
	# of Loans		Balance		% of Total		Margin
	Beginning	Ending	Beginning	Ending	Beginning	Ending	
T-Bill Loans	6,189	5,830	22,992,474.69	21,635,591.30	3.23%	3.20%	2.7418
1 Month LIBOR	93,858	88,484	688,496,701.36	653,557,011.98	96.77%	96.80%	2.3554
Other Loans	-	-	-	-	0.00%	0.00%	-
<b>Total Pool Balance</b>	<b>100,047</b>	<b>94,314</b>	<b>711,489,176.05</b>	<b>675,192,603.28</b>			<b>2.3678</b>

Collateral Pool Characteristics	Amount (\$)
Original Pool Balance	823,154,167.22
Cumulative original pool balance acquired through prefunding	
Cumulative original pool balance acquired through recycling	
Cumulative original pool balance acquired through additional note issuance	
Cumulative original pool balance removed through loan sales / buybacks	
Cumulative Interest Capitalized on above loans	
Ending Original Pool Balance	823,154,167.22

**Student Loan Backed Reporting Mixed Deal  
Monitoring Waterfall and Collections  
EFS 2011-1 Series**

Distribution Date	10/25/2012
Collection Period	9/30/2012

**Collection Activity**

Cash Inflows Available to be Distributed	9/30/2012
Collection Amount Received	38,383,929.92
Recoveries	
Reserve Account	
Excess of Required Reserve Account	908.20
Interest on Investment Earnings	
Capitalized Interest Account (after a stepdown or release date)	
Prefunding Account (after release date)	
Payments to Guarantor	9,223,564.23
Proceeds from Tender	
Prepayments	
Purchased by Servicers/Sellers	(308,015.32)
Prior Month's Allocations or Adjustments	
Investment Income	15,114.78
All Fees	(3,005,198.53)
Other Amounts Received in Collection	-
<b>Total Available Funds</b>	<b>44,310,303.28</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	9/30/2012
Indenture Trustee Fees	-
Custodial Fees	
Paying Agent Fees	
Registrar Fees	
Servicing Fees	259,491.20
Administration Fees	493,207.08
Late Fees	
Other Fees	396,968.39
<b>Total Fees</b>	<b>1,149,666.67</b>

Cumulative Default Rate	9/30/2012
Current Period's Defaults (\$)	9,717,816.85
Cumulative Defaults (\$)	52,651,754.12
Cumulative Default (% of original pool balance)	6.40%
Cumulative Default (% of Repayment ending balances)	7.93%
Current period payments (recoveries) from Guarantor (\$)	9,223,564.23
Current period borrower recoveries (\$)	-
Cumulative Recoveries (\$) <sup>a</sup>	64,533,616.26
Cumulative Recovery Rate (%) <sup>b</sup>	122.57%
Cumulative Net Loss Rate (%)	-1.44%
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>	44,310,303.28	
<b>First:</b> Deposits to Department Reserve Fund	950,031.05	43,360,272.23
<b>Second:</b> Trustee Fees due	-	43,360,272.23
<b>Third:</b> Servicing Fee due	259,491.20	43,100,781.03
<b>Fourth:</b> Administration Fees due	139,245.08	42,961,535.95
<b>Fifth:</b> Interest Distribution on Senior Notes or Obligations		
Series 2011-I-A1	534,954.61	
Series 2011-I-A2	1,266,146.32	
Total Interest Distribution on Senior Notes or Obligations	1,801,100.93	41,160,435.02
<b>Sixth:</b> Class B Interest Distribution Amount	391,911.71	40,768,523.31
<b>Seventh:</b> Debt Service Fund replenishment	-	40,768,523.31
<b>Eight:</b> Principal Distribution on Senior and Sub Notes or Obligations		
Series 2011-I-A1	36,199,733.68	
Series 2011-I-A2	-	
Series 2011-1-B	-	
Total Principal Distribution on Senior and Sub Notes or Obligations	36,199,733.68	4,568,789.63
<b>Ninth:</b> Subordinate Administration Fee	353,962.00	4,214,827.63
<b>Tenth:</b> Excess available funds to Noteholders	4,214,827.63	-
<b>Eleventh:</b> Class B Carryover Amount		-
<b>Twelfth:</b> Release to Issuer		-

(a) Footnotes

(b) Footnotes

Principal and Interest Distributions	Class I-A1	Class I-A2	Class I-B1	TOTAL
Periodic Interest Due	534,954.61	1,266,146.32	391,911.71	2,193,012.64
Periodic Interest Paid	534,954.61	1,266,146.32	391,911.71	2,193,012.64
Interest Shortfall	-	-	-	-
Interest Carryover Due	-	-	-	-
Interest Carryover Paid	-	-	-	-
Interest Carryover	-	-	-	-
Periodic Principal Distribution Amount	36,199,733.68	-	-	36,199,733.68
Periodic Principal Paid	40,414,561.31	-	-	40,414,561.31
Excess/(Shortfall)	4,214,827.63			4,214,827.63
<b>Total Distribution Amount</b>	<b>40,949,515.92</b>	<b>1,266,146.32</b>	<b>391,911.71</b>	<b>42,607,573.95</b>

**Educational Funding of the South, Inc**  
**2011-1 Series**  
**Balance Sheet**  
**September 30, 2012**  
**(Unaudited)**

**ASSETS**

Cash	\$ 51,343,344.18
Assets Held by Trustee	
Investments	\$ 2,521.09
Student Loans Receivable, Net	667,565,998.37
Accrued Interest Receivable	8,068,471.16
Other Receivables	158,207.90
Bond Issue Costs	768,997.75
Prepaid and Deferred Expenses	36,761.09
	<hr/>
Total Assets	<b><u><u>\$ 727,944,301.54</u></u></b>

**LIABILITIES AND NET ASSETS**

Notes Payable, Net	\$ 695,989,418.84
Discount on Notes Payable, Net	(449,148.34)
Accrued Interest Payable	1,621,466.37
Other Accounts Payable & Accrued Expenses	1,149,666.67
	<hr/>
Total Liabilities	\$ 698,311,403.54
<b>Net Assets</b>	<b><u><u>\$ 29,632,898.00</u></u></b>
<b>Total Liabilities and Net Assets</b>	<b><u><u>\$ 727,944,301.54</u></u></b>

## EFS 2011-1 Series

### IV. Transactions for the Time Period

7/1/12-9/30/12

<b>A. Student Loan Principal Collection Activity</b>	
i. Regular Principal Collections	(9,608,453.35)
ii. Principal Collections from Guarantor	(8,966,921.40)
iii. Paydown due to Loan Consolidation	(20,893,857.59)
iv. Principal Collections from Schools	(6,548.58)
v. Principal Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments	21,922.77
vii. Loans transferred out/deconverted (PUT)	(0.00)
<b>viii. Total Principal Collections</b>	<b>(39,453,858.15)</b>
<b>B. Student Loan Non-Cash Principal Activity</b>	
i. Principal Realized Losses - Claim Write-Offs	(20,655.75)
ii. Principal Realized Losses - Other	(66,369.37)
iii. Other Adjustments	(8,481.96)
iv. Capitalized Interest	3,387,780.49
<b>v. Total Non-Cash Principal Activity</b>	<b>3,292,273.41</b>
<b>C. Student Loan Principal Additions</b>	
i. New Loan Additions \$ -	428,002.32
<b>ii. Total Principal Additions \$ -</b>	<b>428,002.32</b>
<b>D. Total Student Loan Principal Activity (Aviii + Bv + Cii)</b>	<b>(35,733,582.42)</b>
<b>E. Student Loan Interest Activity</b>	
i. Regular Interest Collections	(3,759,213.09)
ii. Interest Claims Received from Guarantors	(256,642.83)
iii. Late Fees & Other	(588,090.25)
iv. Interest due to Loan Consolidation	(432,447.90)
v. Interest Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments -	(2,742.73)
vii. Interest Benefit and Special Allowance Payments	1,791,717.55
viii. Loans transferred out/deconverted	133.83
<b>ix. Total Interest Collections</b>	<b>(3,247,285.42)</b>
<b>F. Student Loan Non-Cash Interest Activity</b>	
i. Interest Losses - Claim Write-offs	(178,001.25)
ii. Interest Losses - Other	(157,051.84)
iii. Other Adjustments	(707.56)
iv. Capitalized Interest	(3,387,780.49)
v. Interest Accrual	7,474,583.46
<b>vi. Total Non-Cash Interest Adjustments</b>	<b>3,751,042.32</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>503,756.90</b>
<b>I. Defaults Paid this Quarter (Aii + Eii)</b>	<b>(9,223,564.23)</b>
<b>J. Cumulative Defaults Paid to Date</b>	<b>(64,533,616.26)</b>
<b>K. Interest Expected to be Capitalized</b>	
Interest Expected to be Capitalized - Beginning (III - A-ii)	7,379,191.67
Interest Capitalized into Principal During Collection Period (B-iv)	3,387,780.49
Change in Interest Expected to be Capitalized	(3,950,770.84)
Interest Expected to be Capitalized - Ending (III - A-ii)	6,816,201.32

**EFS 2011-1 Series**

<b>V. Cash Receipts for the Time Period</b>	<b>7/1/12-9/30/12</b>
<b>A. Principal Collections</b>	
i. Principal Payments Received - Cash	\$ 18,560,000.56
ii. Principal Received from Loans Consolidated	20,893,857.59
<b>iii. Total Principal Collections</b>	<b>\$ 39,453,858.15</b>
<b>B. Interest Collections</b>	
i. Interest Payments Received - Cash	\$ 4,015,855.92
ii. Interest Received from Loans Consolidated	432,447.90
iii. Interest Payments Received(Paid) - Interest Benefit and Special Allowance Payments	(1,791,717.55)
iv. Late Fees & Other	588,090.25
<b>v. Total Interest Collections</b>	<b>\$ 3,244,676.52</b>
<b>C. Other Reimbursements</b>	\$ -
<b>D. Repurchases/ Reimbursements by Servicer/Seller</b>	\$ -
<b>E. Investment Earnings</b>	\$ 15,114.78
<b>F. Total Cash Receipts during Collection Period</b>	<b>\$ 42,713,649.45</b>