

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

Issuer	Educational Funding of the South, Inc.
Deal Name	2011-1 Series
Distribution Date	10/25/2011
Collection Period	9/30/2011
Contact Name	Ken Mann
Contact Number	865-342-0676
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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 ^a	% of Securities	Payment Frequency	Maturity
2011-1 A-1	28148WAA1	0.80300%	0.25300%	0.55000%		372,277,000.00	311,107,337.11	638,437.93	22,843,452.53	288,263,884.58	37.19%	Quarterly	10/25/2021
2011-1 A-2	28148WAB9	0.90300%	0.25300%	0.65000%		449,950,000.00	449,950,000.00	1,038,352.67	-	449,950,000.00	58.05%	Quarterly	4/25/2035
2011-1 B	28148WAC7	3.95300%	0.25300%	3.70000%		36,943,000.00	36,943,000.00	373,208.78	-	36,943,000.00	4.77%	Quarterly	4/25/2046
Total						859,170,000.00	798,000,337.11	2,049,999.38	22,843,452.53	775,156,884.58	100%		

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

(b) Footnotes

Portfolio Summary			
	Beg Balance	Activity	End Balance
Principal Balance	796,465,778.26	(20,890,264.06)	775,575,514.20
Accrued Interest	9,561,394.84	(553,976.72)	9,007,418.12
Total Pool Balance	806,027,173.10	(21,444,240.78)	784,582,932.32
Total Accounts Balance			
Total Trust Assets			
Weighted Average Coupon (WAC)	4.77	(0.01)	4.76
Weighted Average Maturity (WAM)	177.97	(0.90)	177.07
Number of Loans	113,936	(3,165)	110,771
Number of Borrowers	50,106	(1,282)	48,824
Average Loan Balance	\$ 7,074.39		\$ 7,082.93
Average Borrower Indebtedness	\$ 16,086.44	(16.82)	\$ 16,069.62

(a) Footnotes

(b) Footnotes

Weighted Average Payments Made		
	% of Pool	W.A. Time until Repayment (months) ^(a) <i>(should include grace period)</i>
In School	1.83%	-25.81
Grace	1.33%	-1.61
Deferment	15.80%	-15.79
Forbearance	16.53%	-3.36
		W.A. Time in Repayment (months)
Repayment	63.89%	67.79
Claims in Progress	0.57%	64.33
Claims Denied	0.06%	76.14
Total Weighted Average		40.17

(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)	\$ 868,044.19	Capitalized Interest Account (beginning)	\$ 7,876,156.01
Plus transfers from Collection Account	3,323,309.27	Less releases	(306,784)
Less DOE Fees paid	(1,354,474.07)	Less draws	
Plus investment earnings	353.36	Plus investment earnings	2,007.24
Dept. Reserve Account (ending)	\$ 2,837,232.75	Capitalized Interest Account (ending)	\$ 7,878,163.25
		Capitalized Interest Account Requirement	
		Reserve Account (ending)	\$ 3,990,518.95
		Reserve Account Requirement	\$ 3,990,001.69
Collection Account	\$ 26,776,241.20		
Total Accounts Balances (includes above accounts)	\$ 41,482,156.15		

(a) footnotes

Balance Sheet and Parity			
	Beg Balance	Activity	End Balance
Assets			
Pool Balance	809,298,676.22	(21,413,626.13)	787,885,050.09
Capitalized Interest Fund	7,876,156.01	2,007.24	7,878,163.25
Debt Service Reserve	4,296,256.09	(306,254.40)	3,990,001.69
			-
Total Assets	821,471,088.32	(21,717,873.29)	799,753,215.03
Liabilities			
Note Outstanding Class A	761,057,337.11	(22,843,452.53)	738,213,884.58
Note Outstanding Class B	36,943,000.00	-	36,943,000.00
Total Liabilities	798,000,337.11	(22,843,452.53)	775,156,884.58
Class A Parity %	107.94%		108.34%
Class B Parity %	102.94%		103.17%
Total Parity %			

(a) Collection Fund only included in initial parity calculation

(b) Pool Balance for parity includes all accrued interest

CPR (constant pmt rate)	
	%
Current	
Lifetime	9.50%

(a) Footnotes

Servicer Balance				
	Balance	% of Portfolio	# of Loans	Clms Outstanding
Edfinancial	615,519,611.64	78.45%	97,888	3,344,966.05
PHEAA	15,600,250.02	1.99%	1,647	7,977.94
CitiBank	110,495,591.92	14.08%	8,199	-
Great Lakes	42,967,478.74	5.48%	3,037	26,196.35
Total Portfolio	784,582,932.32		110,771	3,379,140.34

(a) Footnotes

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	5,073	3,975	18,517,970.25	14,343,678.01	2.30%	1.83%	5.66	5.58	120.18	120.62	
Grace	1,785	2,594	7,257,207.26	10,457,811.96	0.90%	1.33%	5.90	5.88	119.60	119.09	
Repayment											
Current	56,532	55,957	422,953,346.34	420,107,322.03	52.47%	53.55%	4.54	4.53	176.80	177.92	
31-60 Days Delinquent	3,417	3,509	23,374,727.43	23,199,309.20	2.90%	2.96%	4.95	5.07	177.77	171.91	
61-90 Days Delinquent	2,161	2,408	13,692,504.73	15,033,459.94	1.70%	1.92%	4.98	5.07	175.40	171.56	
91-120 Days Delinquent	1,637	1,715	9,395,604.02	10,945,744.51	1.17%	1.40%	5.09	4.84	172.72	172.65	
121-180 Days Delinquent	2,368	2,126	14,574,815.56	13,702,750.05	1.81%	1.75%	5.00	5.16	173.63	166.18	
181-270 Days Delinquent	2,498	2,388	13,854,997.02	13,940,193.04	1.72%	1.78%	4.96	4.90	165.20	167.61	
271+ Days Delinquent	551	919	3,135,490.42	4,323,433.90	0.39%	0.55%	4.72	4.90	146.44	142.96	
Total Repayment	69,164	69,022	500,981,485.52	501,252,212.67	62.15%	63.89%	4.61	4.61	176.13	176.43	
Forbearance	15,074	14,046	140,540,326.22	129,699,555.50	17.44%	16.53%	5.19	5.20	192.66	188.73	
Deferment	21,499	20,135	132,339,459.60	123,931,569.10	16.42%	15.80%	4.74	4.72	181.29	179.65	
Claims in Progress	1,225	890	5,924,934.34	4,462,316.29	0.74%	0.57%	4.99	4.98	166.49	160.29	
Claims Denied	116	109	465,789.91	435,788.79	0.06%	0.06%	3.99	3.62	135.67	127.33	
Total Portfolio	113,936	110,771	806,027,173.10	784,582,932.32			4.77	4.76	177.97	177.07	

(a) Footnotes
(b) Footnotes

Delinquency Status											
	# of Loans		Balance (inc Accrued Interest)		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Current	56,532	55,957	422,953,346.34	420,107,322.03	84.42%	83.81%	4.54	4.53	176.80	177.92	
31-60 Days Delinquent	3,417	3,509	23,374,727.43	23,199,309.20	4.67%	4.63%	4.95	5.07	177.77	171.91	
61-90 Days Delinquent	2,161	2,408	13,692,504.73	15,033,459.94	2.73%	3.00%	4.98	5.07	175.40	171.56	
91-120 Days Delinquent	1,637	1,715	9,395,604.02	10,945,744.51	1.88%	2.18%	5.09	4.84	172.72	172.65	
121-180 Days Delinquent	2,368	2,126	14,574,815.56	13,702,750.05	2.91%	2.73%	5.00	5.16	173.63	166.18	
181-270 Days Delinquent	2,498	2,388	13,854,997.02	13,940,193.04	2.77%	2.78%	4.96	4.90	165.20	167.61	
271+ Days Delinquent	551	919	3,135,490.42	4,323,433.90	0.63%	0.86%	4.72	4.90	146.44	142.96	
Total Portfolio in Repayment	69,164	69,022	500,981,485.52	501,252,212.67			4.61	4.61	176.13	176.43	

(a) Footnotes
(b) Footnotes

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	18,933	18,606	241,594,962.06	236,010,832.83	29.97%	30.08%	4.62	4.62	205.09	203.24	
Unsubsidized Consolidation Loans	19,558	19,209	277,042,910.35	271,024,702.46	34.37%	34.54%	4.67	4.67	216.02	214.47	
Subsidized Stafford Loans	42,222	40,818	125,049,925.85	120,365,280.77	15.51%	15.34%	4.62	4.58	114.91	114.62	
Unsubsidized Stafford Loans	29,599	28,638	133,014,948.93	128,954,566.93	16.50%	16.44%	4.86	4.83	121.57	121.44	
Grad PLUS Loans	3,480	3,364	28,657,686.53	27,594,369.65	3.56%	3.52%	7.18	7.21	120.25	120.05	
Other Loans	144	136	666,739.38	633,189.68	0.08%	0.08%	3.73	3.63	97.11	97.34	
Total Balance	113,936	110,771	806,027,173.10	784,582,932.32			4.77	4.76	177.97	177.07	

(a) Footnotes
(b) Footnotes

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	76,313	74,285	574,856,928.47	559,362,113.39	71.32%	71.29%	4.73	4.72	177.98	176.65	
2-Year Loans	17,987	17,384	67,364,209.13	65,334,517.30	8.36%	8.33%	4.67	4.65	134.99	134.59	
Proprietary / Technical / Vocational Loans	10,925	10,554	45,275,888.12	43,655,476.11	5.62%	5.56%	4.38	4.35	140.60	140.18	
Unknown (Consolidation) Loans	8,696	8,533	118,363,543.27	116,063,602.51	14.68%	14.79%	5.17	5.16	216.75	216.94	
Other Loans	15	15	166,604.11	167,223.01	0.02%	0.02%	4.68	4.64	117.02	116.56	
Total Portfolio	113,936	110,771	806,027,173.10	784,582,932.32			4.77	4.76	177.97	177.07	

(a) Footnotes
(b) Footnotes

SAP Indices					
	Balance		% of Total		Margin
	Beginning	Ending	Beginning	Ending	
T-Bill Loans	27,262,342.60	26,203,352.97	3.38%	3.34%	2.7264
CP Loans	778,764,830.50	758,379,579.35	96.62%	96.66%	2.3355
Other Loans	-	-	0.00%	0.00%	-
Total Pool Balance	806,027,173.10	784,582,932.32			2.3486

(a) Edfinancial Footnote: Loans serviced by Edfinancial are broken out as T-Bill/CP/Other beginning 6/30/2011. All loans not serviced by Edfinancial are included in Other.
(b) Footnotes

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**

Distribution Date	10/25/2011
Collection Period	9/30/2011

Collection Activity

Cash Inflows Available to be Distributed	9/30/2011
Collection Amount Received	20,054,975.97
Recoveries	24,963.02
Reserve Account	
Excess of Required Reserve Account	307,301.39
Interest on Investment Earnings	
Capitalized Interest Account (after a stepdown or release date)	
Prefunding Account (after release date)	
Payments from Guarantor	9,562,744.63
Proceeds from Tender	-
Prepayments	
Purchased by Servicers/Sellers	
Prior Month's Allocations or Adjustments	
Investment Income	22,892.74
All Fees	(3,191,269.29)
Other Amounts Received in Collection	
Total Available Funds	26,781,608.46

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

(b)

Fees Due for Current Period	9/30/2011
Indenture Trustee Fees	-
Custodial Fees	
Paying Agent Fees	
Registrar Fees	
Servicing Fees	307,147.65
Administration Fees	477,579.71
Late Fees	
Other Fees	445,184.23
Total Fees	1,229,911.59

Cumulative Default Rate	as of 9/30/11
Current Period's Defaults (\$)	8,407,053.10
Cumulative Defaults (\$)	13,791,452.07
Cumulative Default (% of original pool balance) ^a	1.68%
Cumulative Default (% of Repayment ending balances) ^a	45.43%
Current period payments (recoveries) from Guarantor (\$)	8,124,655.13
Current period borrower recoveries (\$)	n/a
Cumulative Recoveries (\$)	14,506,305.36
Cumulative Recovery Rate (%)	105.18%
Cumulative Net Loss Rate (%)	-0.09%
Cumulative Servicer Reject Rate (FFELP) (%)	0.00%

(a) Including loans originated through prefunding and recycling

(b) Footnotes

Waterfall Activity

Waterfall for Distribution (in accordance with Transaction - specific documents)	Amount Due	Amount Remaining
Total Available Funds	26,781,608.46	
First: Deposits to Department Reserve Fund	1,103,429.19	25,678,179.27
Second: Trustee Fees due	-	25,678,179.27
Third: Servicing Fee due	307,147.65	25,371,031.62
Fourth: Administration Fees due	161,578.23	25,209,453.39
Fifth: Interest Distribution on Senior Notes or Obligations		
Series 2011-I-A1	638,437.93	
Series 2011-I-A2	1,038,352.67	
Total Interest Distribution on Senior Notes or Obligations	1,676,790.60	23,532,662.79
Sixth: Class B Interest Distribution Amount	373,208.78	23,159,454.01
Seventh: Debt Service Fund replenishment	-	23,159,454.01
Eight: Principal Distribution on Senior and Sub Notes or Obligations		
Series 2011-I-A1	21,919,619.31	
Series 2011-I-A2		
Series 2011-I-B		
Total Principal Distribution on Senior and Sub Notes or Obligations	21,919,619.31	1,239,834.70
Ninth: Subordinate Administration Fee	316,001.48	923,833.22
Tenth: Excess available funds to Noteholders	923,833.22	0.00
Eleventh: Class B Carryover Amount		0.00
Twelfth: Release to Issuer		0.00

(a) Footnotes

(b) Footnotes

Principal and Interest Distributions	Class I-A1	Class I-A2	Class I-B1	TOTAL
Periodic Interest Due	638,437.93	1,038,352.67	373,208.78	2,049,999.38
Periodic Interest Paid	638,437.93	1,038,352.67	373,208.78	2,049,999.38
Interest Shortfall	-	-	-	-
Interest Carryover Due	-	-	-	-
Interest Carryover Paid	-	-	-	-
Interest Carryover	-	-	-	-
Periodic Principal Distribution Amount	21,919,619.31	-	-	21,919,619.31
Periodic Principal Paid	22,843,452.53	-	-	22,843,452.53
Excess/(Shortfall)	923,833.22			923,833.22
Total Distribution Amount	1,562,271.15	1,038,352.67	373,208.78	24,893,451.91

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

ASSETS

Cash	\$ 41,482,156
Assets Held by Trustee	
Investments	
Student Loans Receivable, Net	775,575,514
Accrued Interest Receivable	8,960,691
Other Receivables	153,520
Bond Issue Costs	821,570
Prepaid and Deferred Expenses	-
Interfund Receivables	-
	<hr/>
Total Assets	<u>\$ 826,993,451</u>

LIABILITIES AND NET ASSETS

Notes Payable, Net	\$ 798,000,337
Discount on Notes Payable, Net	(499,053.70)
Accrued Interest Payable	1,515,172
Other Accounts Payable & Accrued Expenses	1,215,979
Interfund Payable	-
Deferred Revenue	-
APO Liability	-
Arbitrage Liability	-
	<hr/>
Total Liabilities	\$ 800,232,434.19
Net Assets	<hr/> 26,761,017
Total Liabilities and Net Assets	<hr/> <u>\$ 826,993,451</u>

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IV. Transactions for the Time Period**7/1/11-9/30/11**

A. Student Loan Principal Collection Activity	
i. Regular Principal Collections	(10,904,474.55)
ii. Principal Collections from Guarantor	(9,562,744.63)
iii. Paydown due to Loan Consolidation	(4,497,527.88)
iv. Principal Collections from Schools	4,629.90
v. Principal Write-Offs Reimbursed to the Trust -	(33,827.22)
vi. Other System Adjustments	182.86
vii. Loans transferred out/deconverted (PUT)	-
viii. Total Principal Collections	(24,993,761.52)
B. Student Loan Non-Cash Principal Activity	
i. Principal Realized Losses - Claim Write-Offs	(9,911.72)
ii. Principal Realized Losses - Other	67,453.34
iii. Other Adjustments	143,307.04
iv. Capitalized Interest	3,896,247.47
v. Total Non-Cash Principal Activity	4,097,096.13
C. Student Loan Principal Additions	
i. New Loan Additions \$ -	6,401.31
ii. Total Principal Additions \$ -	6,401.31
D. Total Student Loan Principal Activity (Aviii + Bv + Cii)	(20,890,264.08)
E. Student Loan Interest Activity	
i. Regular Interest Collections	(4,181,853.82)
ii. Interest Claims Received from Guarantors	(230,009.77)
iii. Late Fees & Other	(66,735.76)
iv. Interest due to Loan Consolidation	(67,633.35)
v. Interest Write-Offs Reimbursed to the Trust -	(2,393.69)
vi. Other System Adjustments -	
vii. Interest Benefit and Special Allowance Payments	2,933,182.40
viii. Loans transferred out/deconverted	-
vix. Total Interest Collections	(1,615,443.99)
F. Student Loan Non-Cash Interest Activity	
i. Interest Losses - Claim Write-offs	(174,803.60)
ii. Interest Losses - Other	(287,144.54)
iii. Other Adjustments	100,660.78
iv. Capitalized Interest	(4,036,878.91)
v. Interest Accrual	8,456,289.24
vi. Total Non-Cash Interest Adjustments	4,058,122.97
G. Student Loan Interest Additions	
i. New Loan Additions \$ -	-
ii. Total Interest Additions \$ -	-
H. Total Student Loan Interest Activity (Eviii + Fvi + Gii)	2,442,678.98
I. Defaults Paid this Quarter (Aii + Eii)	(9,792,754.40)
J. Cumulative Defaults Paid to Date	
K. Interest Expected to be Capitalized	
Interest Expected to be Capitalized - Beginning (III - A-ii)	\$ 9,561,394.84
Interest Capitalized into Principal During Collection Period (B-iv)	\$ 3,896,247.47
Change in Interest Expected to be Capitalized	\$ (4,450,224.19)
Interest Expected to be Capitalized - Ending (III - A-ii)	\$ 9,007,418.12

V. Cash Receipts for the Time Period	7/1/11-9/30/11
A. Principal Collections	
i. Principal Payments Received - Cash	\$ 20,462,406.42
ii. Principal Received from Loans Consolidated	4,497,527.88
iii. Total Principal Collections	\$ 24,959,934.30
B. Interest Collections	
i. Interest Payments Received - Cash	\$ 4,411,863.59
ii. Interest Received from Loans Consolidated	67,633.35
iii. Interest Payments Received(Paid) - Interest Benefit and Special Allowance Payments	(2,933,182.40)
iv. Late Fees & Other	66,735.76
v. Total Interest Collections	\$ 1,613,050.30
C. Other Reimbursements	\$ 36,220.91
D. Repurchases/ Reimbursements by Servicer/Seller	\$ -
E. Investment Earnings	\$ 22,892.74
F. Total Cash Receipts during Collection Period	\$ 26,632,098.25