

Education Funding Capital Trust-III
Statements to Noteholders
December 31, 2008
(per Section 11.04)

Payments on each Series of Notes during the month ended:

December 31, 2008

	Principal	Interest	Carryover Interest
Series A-1	-	-	-
Series A-2	-	-	-
Series A-3	8,937,586.46	1,457,367.05	-
Series A-4	-	535,966.67	-
Series A-5	-	193,723.06	-
Series A-6	-	189,619.31	-
Series A-7	-	448,872.08	-
Series A-8	-	190,887.19	-
Series B-1	-	280,388.90	-
	<u>8,937,586.46</u>	<u>3,296,824.26</u>	<u>-</u>

Information on Each Series of Notes as of:

December 31, 2008

	Outstanding Principal	Pool Factor	Effective Interest Rate	Carryover Interest
LIBOR Floaters (3-month LIBOR):				
Series A-1	-	-		N/A
Series A-2	-	-		N/A
Series A-3	177,720,708.66	0.5571182	2.26625%	N/A
Auction Rate Notes (28-day ARS):				
Series A-4	100,000,000.00	1.0000000	1.96100%	365,385.14
Series A-5	83,750,000.00	1.0000000	2.46100%	279,195.24
Series A-6	83,750,000.00	1.0000000	1.96100%	241,329.55
Series A-7	83,750,000.00	1.0000000	1.96100%	306,043.12
Series A-8	83,750,000.00	1.0000000	3.32500%	357,318.04
Series B-1	50,000,000.00	1.0000000	3.73000%	681,314.41
	<u>662,720,708.66</u>			<u>2,230,585.49</u>

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Value of the Trust Estate as of:	December 31, 2008
Principal Balance of Financed Student Loans	639,715,037.76
Accrued Interest on Financed Student Loans	6,040,553.04
Cash and Investment Balance	15,925,712.20
Accrued Interest on Cash and Investments	15,548.82
	<u>661,696,851.82</u>
Accrued Interest and Fees with respect to the Notes	<u>504,533.34</u>
Pool Balance	<u>639,715,037.76</u>
Parity Percentage	<u>99.77%</u>
Senior Parity Percentage	<u>107.91%</u>

Rollforward of Indenture Funds during month ended:	December 31, 2008				
	Distribution Account	Collection Account	Acquisition Account	Reserve Account	Capitalized Interest Account
Beginning Balance	5,056,709.76	12,011,348.82	(0.00)	6,716,582.95	-
Withdrawals	(13,765,875.70)	(12,497,086.48)	-	(89,375.87)	-
Deposits	12,497,185.64	5,700,747.02	-	-	-
Ending Balance	<u>3,788,019.70</u>	<u>5,215,009.36</u>	<u>(0.00)</u>	<u>6,627,207.08</u>	<u>-</u>

Amounts allocated during month ended:	December 31, 2008
Servicing fees	123,927.72
Administration fee	26,829.35
Auction agent fee	5,567.01
Broker dealer fee	83,505.22
Calculation agent fee	-
Trustee fee	333.33
	<u>240,162.63</u>

Activity on Financed Student Loans during month ended:	December 31, 2008
Recoveries of Principal	3,495,863.50
Recoveries of Interest	1,384,553.76
Acquisitions of Financed Student Loans	-
Sales of Financed Student Loans	-
Initial federal reimbursement claims	1,055,796.75
Rejected federal reimbursement claims	-

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Portfolio Statistics
December 31, 2008
(per Section 11.04)

	Number of Borrowers	Outstanding Balance		ABI
		Dollars	Percentage	
Portfolio Breakdown:				
In-School	0	0	0.00%	0
Grace	0	0	0.00%	0
Total Interim	0	0	0.00%	0
Repayment - Current	19,035	438,335,083	68.52%	23,028
Repayment - Delinquent	2,892	76,875,864	12.02%	26,582
Forbearance	1,318	49,467,499	7.73%	37,532
Deferment	2,695	75,036,592	11.73%	27,843
Total Repayment	25,940	639,715,038	100.00%	24,661
Total Portfolio	25,940	639,715,038	100.00%	24,661
Breakdown of Delinquent:				
11 - 30 days	1,152	27,824,330	4.35%	24,153
31 - 60 days	642	17,411,934	2.72%	27,121
61 - 90 days	363	10,488,470	1.64%	28,894
91 - 120 days	211	5,970,993	0.93%	28,299
121 - 150 days	145	4,609,884	0.72%	31,792
151 - 180 days	111	3,002,309	0.47%	27,048
181 - 210 days	93	2,391,558	0.37%	25,716
211 - 240 days	46	1,109,799	0.17%	24,126
241 - 270 days	39	1,422,401	0.22%	36,472
Over 270 days	23	507,012	0.08%	22,044
Claim Filed	67	2,137,173	0.33%	31,898
Total Delinquent	2,892	76,875,864	12.02%	26,582
Loan Type:				
Stafford	0	0	0.00%	0
PLUS	0	0	0.00%	0
Consolidation	25,940	639,715,038	100.00%	24,661
Total	25,940	639,715,038	100.00%	24,661