

Education Funding Capital Trust-III
Statements to Noteholders
September 30, 2008
(per Section 11.04)

Payments on each Series of Notes during the month ended:

September 30, 2008

	Principal	Interest	Carryover Interest
Series A-1	-	-	-
Series A-2	-	-	-
Series A-3	8,454,502.16	1,502,415.97	-
Series A-4	-	308,311.11	-
Series A-5	-	226,683.33	-
Series A-6	-	484,698.47	-
Series A-7	-	258,210.56	-
Series A-8	-	226,683.33	-
Series B-1	-	169,555.56	-
	<u>8,454,502.16</u>	<u>3,176,558.33</u>	<u>-</u>

Information on Each Series of Notes as of:

September 30, 2008

	Outstanding Principal	Pool Factor	Effective Interest Rate	Carryover Interest
LIBOR Floaters (3-month LIBOR):				
Series A-1	-	-	0.00000%	N/A
Series A-2	-	-	0.00000%	N/A
Series A-3	186,658,295.12	0.5851357	3.08875%	N/A
Auction Rate Notes (28-day ARS):				
Series A-4	100,000,000.00	1.0000000	3.48000%	33,996.49
Series A-5	83,750,000.00	1.0000000	3.48000%	41,205.00
Series A-6	83,750,000.00	1.0000000	3.48000%	33,669.79
Series A-7	83,750,000.00	1.0000000	3.48000%	28,505.03
Series A-8	83,750,000.00	1.0000000	3.48000%	50,298.41
Series B-1	50,000,000.00	1.0000000	3.48000%	345,342.44
	<u>671,658,295.12</u>			<u>533,017.17</u>

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Value of the Trust Estate as of:	September 30, 2008
Principal Balance of Financed Student Loans	648,176,436.85
Accrued Interest on Financed Student Loans	6,872,726.21
Cash and Investment Balance	16,308,189.68
Accrued Interest on Cash and Investments	33,894.44
	<u>671,391,247.18</u>
Accrued Interest and Fees with respect to the Notes	<u>914,383.67</u>
Pool Balance	<u>648,176,436.85</u>
Parity Percentage	<u>99.82%</u>
Senior Parity Percentage	<u>107.85%</u>

Rollforward of Indenture Funds during month ended:	September 30, 2008				
	Distribution Account	Collection Account	Acquisition Account	Reserve Account	Capitalized Interest Account
Beginning Balance	6,458,773.86	10,088,971.78	(0.00)	6,801,127.97	-
Withdrawals	(13,904,848.02)	(12,147,022.04)	-	(84,896.28)	-
Deposits	12,151,343.05	6,622,270.62	-	51.26	-
Ending Balance	<u>4,705,268.89</u>	<u>4,564,220.36</u>	<u>(0.00)</u>	<u>6,716,282.95</u>	<u>-</u>

Amounts allocated during month ended:	September 30, 2008
Servicing fees	122,099.70
Administration fee	27,186.00
Auction agent fee	4,423.61
Broker dealer fee	66,354.16
Calculation agent fee	-
Trustee fee	666.66
	<u>220,730.13</u>

Activity on Financed Student Loans during month ended:	September 30, 2008
Recoveries of Principal	3,623,697.79
Recoveries of Interest	1,395,922.65
Acquisitions of Financed Student Loans	-
Sales of Financed Student Loans	-
Initial federal reimbursement claims	764,354.25
Rejected federal reimbursement claims	-

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Portfolio Statistics
September 30, 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	19,544	454,073,400	70.05%	23,233
Repayment - Delinquent	2,523	67,318,096	10.39%	26,682
Forbearance	1,298	51,103,033	7.88%	39,371
Deferment	2,755	75,681,908	11.68%	27,471
Total Repayment	26,120	648,176,437	100.00%	24,815
Total Portfolio	26,120	648,176,437	100.00%	24,815
Breakdown of Delinquent:				
11 - 30 days	997	24,861,721	3.84%	24,937
31 - 60 days	625	16,995,123	2.62%	27,192
61 - 90 days	283	8,428,960	1.30%	29,784
91 - 120 days	171	4,366,873	0.67%	25,537
121 - 150 days	122	3,385,051	0.52%	27,746
151 - 180 days	80	2,381,782	0.37%	29,772
181 - 210 days	72	1,926,713	0.30%	26,760
211 - 240 days	48	1,353,966	0.21%	28,208
241 - 270 days	40	1,387,867	0.21%	34,697
Over 270 days	15	422,452	0.07%	28,163
Claim Filed	70	1,807,586	0.28%	25,823
Total Delinquent	2,523	67,318,096	10.39%	26,682
Loan Type:				
Stafford	0	0	0.00%	0
PLUS	0	0	0.00%	0
Consolidation	26,120	648,176,437	100.00%	24,815
Total	26,120	648,176,437	100.00%	24,815