

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

Payments on each Series of Notes during the month ended:

October 31, 2008

	Principal	Interest	Carryover Interest
Series A-1	-	-	-
Series A-2	-	-	-
Series A-3	-	-	-
Series A-4	-	270,666.67	-
Series A-5	-	226,683.33	-
Series A-6	-	226,683.33	-
Series A-7	-	226,683.33	-
Series A-8	-	226,683.33	-
Series B-1	-	135,333.33	-
	-	1,312,733.32	-

Information on Each Series of Notes as of:

October 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	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%	189,301.80
Series A-5	83,750,000.00	1.0000000	3.48000%	155,594.20
Series A-6	83,750,000.00	1.0000000	3.48000%	160,336.18
Series A-7	83,750,000.00	1.0000000	3.48000%	158,573.32
Series A-8	83,750,000.00	1.0000000	3.48000%	175,301.37
Series B-1	50,000,000.00	1.0000000	3.48000%	509,939.41
	671,658,295.12			1,349,046.30

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Value of the Trust Estate as of:	October 31, 2008
Principal Balance of Financed Student Loans	645,165,497.96
Accrued Interest on Financed Student Loans	7,465,745.19
Cash and Investment Balance	19,780,681.68
Accrued Interest on Cash and Investments	35,811.10
	<u>672,447,735.93</u>
Accrued Interest and Fees with respect to the Notes	<u>1,557,966.05</u>
Pool Balance	<u>645,165,497.96</u>
Parity Percentage	<u>99.89%</u>
Senior Parity Percentage	<u>107.92%</u>

Rollforward of Indenture Funds during month ended:	October 31, 2008				
	Distribution Account	Collection Account	Acquisition Account	Reserve Account	Capitalized Interest Account
Beginning Balance	4,705,268.89	4,564,220.36	(0.00)	6,716,282.95	-
Withdrawals	(2,150,925.35)	(2,523,619.73)	-	(31.54)	-
Deposits	2,526,167.84	5,632,165.68	-	331.54	-
Ending Balance	<u>5,080,511.38</u>	<u>7,672,766.31</u>	<u>(0.00)</u>	<u>6,716,582.95</u>	<u>-</u>

Amounts allocated during month ended:	October 31, 2008
Servicing fees	144,104.29
Administration fee	27,069.21
Auction agent fee	3,772.22
Broker dealer fee	56,583.33
Calculation agent fee	-
Trustee fee	333.33
	<u>231,862.38</u>

Activity on Financed Student Loans during month ended:	October 31, 2008
Recoveries of Principal	3,498,542.23
Recoveries of Interest	1,362,342.94
Acquisitions of Financed Student Loans	-
Sales of Financed Student Loans	-
Initial federal reimbursement claims	878,193.22
Rejected federal reimbursement claims	-

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Portfolio Statistics
October 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	19,308	446,532,541	69.21%	23,127
Repayment - Delinquent	2,674	70,988,494	11.00%	26,548
Forbearance	1,336	51,605,903	8.00%	38,627
Deferment	2,740	76,038,560	11.79%	27,751
Total Repayment	26,058	645,165,498	100.00%	24,759
Total Portfolio	26,058	645,165,498	100.00%	24,759
Breakdown of Delinquent:				
11 - 30 days	1,127	28,280,048	4.38%	25,093
31 - 60 days	611	16,173,931	2.51%	26,471
61 - 90 days	302	8,848,546	1.37%	29,300
91 - 120 days	171	4,793,411	0.74%	28,032
121 - 150 days	137	3,502,596	0.54%	25,566
151 - 180 days	92	2,726,772	0.42%	29,639
181 - 210 days	67	1,999,030	0.31%	29,836
211 - 240 days	48	1,301,665	0.20%	27,118
241 - 270 days	34	926,863	0.14%	27,261
Over 270 days	18	525,107	0.08%	29,173
Claim Filed	67	1,910,524	0.30%	28,515
Total Delinquent	2,674	70,988,494	11.00%	26,548
Loan Type:				
Stafford	0	0	0.00%	0
PLUS	0	0	0.00%	0
Consolidation	26,058	645,165,498	100.00%	24,759
Total	26,058	645,165,498	100.00%	24,759