

**SLM Student Loan Trust 2008-7**

**Quarterly Servicing Report**

**Distribution Date 01/25/2012**

**Collection Period 10/01/2011 - 12/31/2011**

SLM Funding LLC - *Depositor*

Sallie Mae, Inc. - *Servicer and Administrator*

Deutsche Bank Trust Company Americas - *Indenture Trustee*

The Bank of New York Mellon Trust Company, N.A. - *Eligible Lender Trustee*

SLM Investment Corp. - *Excess Distribution Certificateholder*

I. Deal Parameters

| A | Student Loan Portfolio Characteristics                     | 07/02/2008                 | 09/30/2011                 | 12/31/2011                 |
|---|--|----------------------------|----------------------------|----------------------------|
|   | Principal Balance  | \$ 1,501,805,868.82        | \$ 1,146,709,082.60        | \$ 1,124,729,836.55        |
|   | Interest to be Capitalized Balance                         | 40,325,024.93              | 26,851,884.87              | 21,290,401.87              |
|   | Pool Balance   | \$ 1,542,130,893.75        | \$ 1,173,560,967.47        | \$ 1,146,020,238.42        |
|   | Capitalized Interest Account Balance                       | \$ 17,000,000.00           | \$ -                       | \$ -                       |
|   | Specified Reserve Account Balance                          | 3,862,198.00               | 2,933,902.42               | 2,865,050.60               |
|   | <b>Adjusted Pool</b> <sup>(1)</sup>                        | <b>\$ 1,562,993,091.75</b> | <b>\$ 1,176,494,869.89</b> | <b>\$ 1,148,885,289.02</b> |
|   | Weighted Average Coupon (WAC)                              | 6.14%                      | 5.77%                      | 5.79%                      |
|   | Weighted Average Remaining Term                            | 125.92                     | 122.05                     | 121.57                     |
|   | Number of Loans  | 369,000                    | 259,358                    | 252,351                    |
|   | Number of Borrowers  | 177,112                    | 125,294                    | 121,871                    |
|   | Aggregate Outstanding Principal Balance - Tbill            |                            | \$ 82,287,756.22           | \$ 78,686,714.72           |
|   | Aggregate Outstanding Principal Balance - Commercial Paper |                            | \$ 1,091,273,211.25        | \$ 1,067,333,523.70        |
|   | Pool Factor  |                            | 0.759645706                | 0.741818599                |
|   | Since Issued Constant Prepayment Rate                      |                            | 2.13%                      | 1.93%                      |

<sup>(1)</sup> The Specified Reserve Account balance is included in the Adjusted Pool until the Pool Balance is less than 40% of the original pool.

| B | Debt Securities | Cusip/Isin | 10/25/2011        | 01/25/2012        |
|---|-----------------|------------|-------------------|-------------------|
|   | A1              | 78445FAA3  | \$ 2,645,818.64   | \$ -              |
|   | A2              | 78445FAB1  | \$ 503,000,000.00 | \$ 478,312,335.99 |
|   | A3              | 78445FAC9  | \$ 205,000,000.00 | \$ 205,000,000.00 |
|   | A4              | 78445FAD7  | \$ 407,582,000.00 | \$ 407,582,000.00 |
|   | B               | 78445FAE5  | \$ 46,502,000.00  | \$ 46,502,000.00  |

| C | Account Balances                     | 10/25/2011      | 01/25/2012      |
|---|--------------------------------------|-----------------|-----------------|
|   | Reserve Account Balance              | \$ 2,933,902.42 | \$ 2,865,050.60 |
|   | Capitalized Interest Account Balance | \$ -            | \$ -            |
|   | Floor Income Rebate Account          | \$ 9,601,886.75 | \$ 9,395,033.60 |
|   | Supplemental Loan Purchase Account   | \$ -            | \$ -            |

| D | Asset / Liability                                  | 10/25/2011          | 01/25/2012          |
|---|--|---------------------|---------------------|
|   | Adjusted Pool Balance + Supplemental Loan Purchase | \$ 1,176,494,869.89 | \$ 1,148,885,289.02 |
|   | Total Notes  | \$ 1,164,729,818.64 | \$ 1,137,396,335.99 |
|   | Difference   | \$ 11,765,051.25    | \$ 11,488,953.03    |
|   | Parity Ratio                                       | 1.01010             | 1.01010             |

II. Trust Activity 10/01/2011 through 12/31/2011

|          |   |                          |
|----------|---|--------------------------|
| <b>A</b> | <b>Student Loan Principal Receipts</b>                                  |                          |
|          | Borrower Principal  | 14,662,505.37            |
|          | Guarantor Principal   | 10,346,862.68            |
|          | Consolidation Activity Principal  | 9,990,912.86             |
|          | Seller Principal Reimbursement  | 15.15                    |
|          | Servicer Principal Reimbursement  | 2,646.92                 |
|          | Rejected Claim Repurchased Principal                                    | 79,433.74                |
|          | Other Principal Deposits  | 44,831.68                |
|          | <b>Total Principal Receipts</b>   | <b>\$ 35,127,208.40</b>  |
| <b>B</b> | <b>Student Loan Interest Receipts</b>                                   |                          |
|          | Borrower Interest   | 5,363,204.06             |
|          | Guarantor Interest  | 270,873.34               |
|          | Consolidation Activity Interest   | 288,773.16               |
|          | Special Allowance Payments  | 131,562.28               |
|          | Interest Subsidy Payments   | 2,113,384.25             |
|          | Seller Interest Reimbursement   | 78.33                    |
|          | Servicer Interest Reimbursement   | 10,891.25                |
|          | Rejected Claim Repurchased Interest                                     | 6,356.61                 |
|          | Other Interest Deposits   | 180,707.48               |
|          | <b>Total Interest Receipts</b>  | <b>\$ 8,365,830.76</b>   |
| <b>C</b> | <b>Reserves in Excess of Requirement</b>                                | <b>\$ 68,851.82</b>      |
| <b>D</b> | <b>Investment Income</b>  | <b>\$ 8,091.80</b>       |
| <b>E</b> | <b>Funds Borrowed from Next Collection Period</b>                       | <b>\$ -</b>              |
| <b>F</b> | <b>Funds Repaid from Prior Collection Period</b>                        | <b>\$ -</b>              |
| <b>G</b> | <b>Loan Sale or Purchase Proceeds</b>                                   | <b>\$ -</b>              |
| <b>H</b> | <b>Initial Deposits to Collection Account</b>                           | <b>\$ -</b>              |
| <b>I</b> | <b>Excess Transferred from Other Accounts</b>                           | <b>\$ 9,601,886.75</b>   |
| <b>J</b> | <b>Other Deposits</b>   | <b>\$ -</b>              |
| <b>K</b> | <b>Funds Released from Capitalized Interest Account</b>                 | <b>0.00</b>              |
| <b>L</b> | <b>Less: Funds Previously Remitted:</b>                                 |                          |
|          | Servicing Fees to Servicer  | \$(780,717.75)           |
|          | Floor Income Rebate Fees to Dept. of Education                          | \$(9,570,889.65)         |
|          | Funds Allocated to the Floor Income Rebate Account                      | \$(9,395,033.60)         |
| <b>M</b> | <b>AVAILABLE FUNDS</b>  | <b>\$ 33,425,228.53</b>  |
| <b>N</b> | <b>Non-Cash Principal Activity During Collection Period</b>             | <b>\$(13,147,962.35)</b> |
| <b>O</b> | <b>Non-Reimbursable Losses During Collection Period</b>                 | <b>\$ 247,824.47</b>     |
| <b>P</b> | <b>Aggregate Purchased Amounts by the Depositor, Servicer or Seller</b> | <b>\$ 132,231.59</b>     |
| <b>Q</b> | <b>Aggregate Loan Substitutions</b>                                     | <b>\$ -</b>              |

III. 2008-7 Portfolio Characteristics

|            |                        | 12/31/2011        |         |                  |                           | 09/30/2011        |         |                  |                           |
|------------|------------------------|-------------------|---------|------------------|---------------------------|-------------------|---------|------------------|---------------------------|
|            |                        | Wtd Avg<br>Coupon | # Loans | Principal        | % of Principal            | Wtd Avg<br>Coupon | # Loans | Principal        | % of Principal            |
| INTERIM:   | IN SCHOOL              | 6.18%             | 12,628  | \$59,043,006.29  | 5.250%                    | 6.17%             | 14,484  | \$66,676,200.71  | 5.815%                    |
|            | GRACE                  | 6.10%             | 4,224   | \$18,186,127.77  | 1.617%                    | 6.32%             | 9,428   | \$49,115,954.43  | 4.283%                    |
|            | DEFERMENT              | 5.40%             | 44,857  | \$178,148,956.89 | 15.839%                   | 5.38%             | 46,853  | \$185,901,302.15 | 16.212%                   |
| REPAYMENT: | CURRENT                | 5.92%             | 117,550 | \$503,926,427.01 | 44.804%                   | 5.86%             | 115,582 | \$477,908,015.64 | 41.676%                   |
|            | 31-60 DAYS DELINQUENT  | 5.51%             | 10,756  | \$45,279,520.70  | 4.026%                    | 5.59%             | 11,181  | \$46,450,110.88  | 4.051%                    |
|            | 61-90 DAYS DELINQUENT  | 5.39%             | 7,383   | \$29,483,213.26  | 2.621%                    | 5.43%             | 5,822   | \$24,571,348.22  | 2.143%                    |
|            | 91-120 DAYS DELINQUENT | 5.36%             | 4,059   | \$17,038,271.62  | 1.515%                    | 5.25%             | 4,249   | \$17,391,428.62  | 1.517%                    |
|            | > 120 DAYS DELINQUENT  | 5.28%             | 15,133  | \$57,919,054.26  | 5.150%                    | 5.30%             | 15,464  | \$58,461,935.00  | 5.098%                    |
|            | FORBEARANCE            | 5.94%             | 32,973  | \$205,454,246.11 | 18.267%                   | 5.94%             | 34,004  | \$212,254,922.10 | 18.510%                   |
|            | CLAIMS IN PROCESS      | 5.31%             | 2,712   | \$10,035,117.13  | 0.892%                    | 4.97%             | 2,233   | \$7,843,974.70   | 0.684%                    |
|            | AGED CLAIMS REJECTED   | 4.18%             | 76      | \$215,895.51     | 0.019%                    | 5.29%             | 58      | \$133,890.15     | 0.012%                    |
|            | <b>TOTAL</b>           |                   |         | <b>252,351</b>   | <b>\$1,124,729,836.55</b> | <b>100.00%</b>    |         | <b>259,358</b>   | <b>\$1,146,709,082.60</b> |

\* Percentages may not total 100% due to rounding

IV. 2008-7 Portfolio Characteristics (cont'd)

|   | 12/31/2011         | 09/30/2011         |
|---|--------------------|--------------------|
| Pool Balance                                | \$1,146,020,238.42 | \$1,173,560,967.47 |
| Total # Loans                               | 252,351            | 259,358            |
| Total # Borrowers                           | 121,871            | 125,294            |
| Weighted Average Coupon                     | 5.79%              | 5.77%              |
| Weighted Average Remaining Term             | 121.57             | 122.05             |
| Non-Reimbursable Losses                     | \$247,824.47       | \$260,103.44       |
| Cumulative Non-Reimbursable Losses          | \$3,660,161.49     | \$3,412,337.02     |
| Since Issued Constant Prepayment Rate (CPR) | 1.93%              | 2.13%              |
| Loan Substitutions                          | \$-                | \$-                |
| Cumulative Loan Substitutions               | \$-                | \$-                |
| Rejected Claim Repurchases                  | \$85,790.35        | \$126,348.28       |
| Cumulative Rejected Claim Repurchases       | \$826,985.45       | \$741,195.10       |
| Unpaid Primary Servicing Fees               | \$-                | \$-                |
| Unpaid Administration Fees                  | \$-                | \$-                |
| Unpaid Carryover Servicing Fees             | \$-                | \$-                |
| Note Principal Shortfall                    | \$-                | \$-                |
| Note Interest Shortfall                     | \$-                | \$-                |
| Unpaid Interest Carryover                   | \$-                | \$-                |
| Borrower Interest Accrued                   | \$14,364,647.75    | \$14,549,572.56    |
| Interest Subsidy Payments Accrued           | \$1,954,620.94     | \$2,092,864.90     |
| Special Allowance Payments Accrued          | \$128,064.14       | \$131,874.45       |

V. 2008-7 Portfolio Statistics by School and Program

| A | LOAN TYPE                         | Weighted<br>Average Coupon | # LOANS        | \$ AMOUNT                  | % *             |
|---|-----------------------------------|----------------------------|----------------|----------------------------|-----------------|
|   | - GSL <sup>(1)</sup> - Subsidized | 5.46%                      | 141,809        | \$ 473,476,208.89          | 42.097%         |
|   | - GSL - Unsubsidized              | 5.74%                      | 98,707         | 545,297,036.72             | 48.482%         |
|   | - PLUS <sup>(2)</sup> Loans       | 7.55%                      | 11,200         | 103,470,436.04             | 9.200%          |
|   | - SLS <sup>(3)</sup> Loans        | 3.40%                      | 635            | 2,486,154.90               | 0.221%          |
|   | - Consolidation Loans             | 0.00%                      | 0              | 0.00                       | 0.000%          |
|   | <b>Total</b>                      | <b>5.79%</b>               | <b>252,351</b> | <b>\$ 1,124,729,836.55</b> | <b>100.000%</b> |
| B | SCHOOL TYPE                       | Weighted<br>Average Coupon | # LOANS        | \$ AMOUNT                  | % *             |
|   | - Four Year                       | 5.82%                      | 205,589        | \$ 1,001,742,348.41        | 89.065%         |
|   | - Two Year                        | 5.47%                      | 39,037         | 101,784,916.23             | 9.050%          |
|   | - Technical                       | 5.65%                      | 7,717          | 21,188,150.83              | 1.884%          |
|   | - Other                           | 3.21%                      | 8              | 14,421.08                  | 0.001%          |
|   | <b>Total</b>                      | <b>5.79%</b>               | <b>252,351</b> | <b>\$ 1,124,729,836.55</b> | <b>100.000%</b> |

\*Percentages may not total 100% due to rounding.

<sup>(1)</sup> Guaranteed Stafford Loan

<sup>(2)</sup> Parent Loans for Undergraduate Students

<sup>(3)</sup> Supplemental Loans to Students. The Unsubsidized Stafford Loan program replaced the SLS program on July 1, 1994.

VI. 2008-7 Waterfall for Distributions

|  | Paid             | Remaining<br>Funds Balance |
|--|------------------|----------------------------|
| <b>Total Available Funds</b>                         |                  | <b>\$ 33,425,228.53</b>    |
| A Primary Servicing Fee                              | \$ 386,859.50    | \$ 33,038,369.03           |
| B Administration Fee                                 | \$ 20,000.00     | \$ 33,018,369.03           |
| C Class A Noteholders' Interest Distribution Amount  | \$ 3,118,852.07  | \$ 29,899,516.96           |
| D Class B Noteholders' Interest Distribution Amount  | \$ 269,564.81    | \$ 29,629,952.15           |
| E Class A Noteholders' Principal Distribution Amount | \$ 27,333,482.65 | \$ 2,296,469.50            |
| F Class B Noteholders' Principal Distribution Amount | \$ -             | \$ 2,296,469.50            |
| G Reserve Account Reinstatement                      | \$ -             | \$ 2,296,469.50            |
| H Carryover Servicing Fee                            | \$ -             | \$ 2,296,469.50            |
| I Excess Distribution Certificateholder              | \$ 2,296,469.50  | \$ -                       |

\* In the event the trust student loans are not sold on the trust auction date, on each subsequent distribution date on which the Pool Balance is equal to 10% or less of the initial Pool Balance, accelerated payments of principal on the notes will be made in place of payments to the excess distribution certificateholder.

**Waterfall Triggers**

|   |                     |
|---|---------------------|
| A Student Loan Principal Outstanding  | \$ 1,124,729,836.55 |
| B Interest to be Capitalized  | \$ 21,290,401.87    |
| C Pre-Funding Account Balance   | \$ -                |
| D Capitalized Interest Account Balance  | \$ -                |
| E Reserve Account Balance (after any reinstatement)   | \$ 2,865,050.60     |
| F Total   | \$ 1,148,885,289.02 |
| G Less: Specified Reserve Account Balance   | \$(2,865,050.60)    |
| H Total   | \$ 1,146,020,238.42 |
| I Class A Notes Outstanding (after application of available funds)  | \$ 1,090,894,335.99 |
| J Insolvency Event or Event of Default Under Indenture  | N                   |
| K Available Funds Applied to Class A Noteholders' Distribution Amount Before Any Amounts are Applied to the Class B Noteholders' Distribution Amount (I>H or J=Y) | N                   |

## Distribution Amounts

|  | A1                      | A2                      | A3                      |
|--|-------------------------|-------------------------|-------------------------|
| Cusip/Isin   | 78445FAA3               | 78445FAB1               | 78445FAC9               |
| Beginning Balance  | \$2,645,818.64          | \$503,000,000.00        | \$205,000,000.00        |
| Index  | LIBOR                   | LIBOR                   | LIBOR                   |
| Spread/Fixed Rate  | 0.40%                   | 0.50%                   | 0.65%                   |
| Record Date (Days Prior to Distribution)                             | 1 NEW YORK BUSINESS DAY | 1 NEW YORK BUSINESS DAY | 1 NEW YORK BUSINESS DAY |
| Accrual Period Begin   | 10/25/2011              | 10/25/2011              | 10/25/2011              |
| Accrual Period End   | 1/25/2012               | 1/25/2012               | 1/25/2012               |
| Daycount Fraction  | 0.25555556              | 0.25555556              | 0.25555556              |
| Interest Rate*   | 0.81833%                | 0.91833%                | 1.06833%                |
| Accrued Interest Factor  | 0.002091288             | 0.002346843             | 0.002730177             |
| Current Interest Due   | \$5,533.17              | \$1,180,462.20          | \$559,686.22            |
| Interest Shortfall from Prior Period Plus Accrued Interest           | \$-                     | \$-                     | \$-                     |
| Total Interest Due   | \$5,533.17              | \$1,180,462.20          | \$559,686.22            |
| Interest Paid  | \$5,533.17              | \$1,180,462.20          | \$559,686.22            |
| Interest Shortfall   | \$-                     | \$-                     | \$-                     |
| Carryover Interest Shortfall from Prior Period Plus Accrued Interest | \$-                     | \$-                     | \$-                     |
| Current Interest Carryover Due                                       | \$-                     | \$-                     | \$-                     |
| Interest Carryover Paid  | \$-                     | \$-                     | \$-                     |
| Unpaid Interest Carryover  | \$-                     | \$-                     | \$-                     |
| Principal Paid   | \$2,645,818.64          | \$24,687,664.01         | \$-                     |
| Ending Principal Balance   | \$-                     | \$478,312,335.99        | \$205,000,000.00        |
| Paydown Factor   | 0.006819120             | 0.049080843             | 0.000000000             |
| Ending Balance Factor  | 0.000000000             | 0.950919157             | 1.000000000             |

\* Pay rates for Current Distribution. For the interest rates applicable to the next distribution date, please see <http://www.salliemae.com/salliemae/investor/simtrust/extracts/abrate.txt>.



## Distribution Amounts

|  | A4                      | B                       |
|--|-------------------------|-------------------------|
| Cusip/Isin   | 78445FAD7               | 78445FAE5               |
| Beginning Balance  | \$407,582,000.00        | \$46,502,000.00         |
| Index  | LIBOR                   | LIBOR                   |
| Spread/Fixed Rate  | 0.90%                   | 1.85%                   |
| Record Date (Days Prior to Distribution)                             | 1 NEW YORK BUSINESS DAY | 1 NEW YORK BUSINESS DAY |
| Accrual Period Begin   | 10/25/2011              | 10/25/2011              |
| Accrual Period End   | 1/25/2012               | 1/25/2012               |
| Daycount Fraction  | 0.25555556              | 0.25555556              |
| Interest Rate*   | 1.31833%                | 2.26833%                |
| Accrued Interest Factor  | 0.003369066             | 0.005796843             |
| Current Interest Due   | \$1,373,170.48          | \$269,564.81            |
| Interest Shortfall from Prior Period Plus Accrued Interest           | \$-                     | \$-                     |
| Total Interest Due   | \$1,373,170.48          | \$269,564.81            |
| Interest Paid  | \$1,373,170.48          | \$269,564.81            |
| Interest Shortfall   | \$-                     | \$-                     |
| Carryover Interest Shortfall from Prior Period Plus Accrued Interest | \$-                     | \$-                     |
| Current Interest Carryover Due                                       | \$-                     | \$-                     |
| Interest Carryover Paid  | \$-                     | \$-                     |
| Unpaid Interest Carryover  | \$-                     | \$-                     |
| Principal Paid   | \$-                     | \$-                     |
| Ending Principal Balance   | \$407,582,000.00        | \$46,502,000.00         |
| Paydown Factor   | 0.00000000              | 0.00000000              |
| Ending Balance Factor  | 1.00000000              | 1.00000000              |

**VIII. 2008-7 Reconciliations**

|          |  |                         |
|----------|--|-------------------------|
| <b>A</b> | <b>Principal Distribution Reconciliation</b> |                         |
|          | Notes Outstanding Principal Balance          | \$ 1,164,729,818.64     |
|          | Adjusted Pool Balance                        | \$ 1,148,885,289.02     |
|          | Overcollateralization Percentage             | 101.01                  |
|          | Adjusted Pool / OC %                         | \$ 1,137,396,335.99     |
|          | Principal Distribution Amount                | \$ 27,333,482.65        |
|          | <b>Principal Distribution Amount Paid</b>    | <b>\$ 27,333,482.65</b> |
| <b>B</b> | <b>Reserve Account Reconciliation</b>        |                         |
|          | Beginning Period Balance                     | \$ 2,933,902.42         |
|          | Reserve Funds Utilized                       | 0.00                    |
|          | Reserve Funds Reinstated                     | 0.00                    |
|          | Balance Available                            | \$ 2,933,902.42         |
|          | Required Reserve Acct Balance                | \$ 2,865,050.60         |
|          | Release to Collection Account                | \$ 68,851.82            |
|          | Ending Reserve Account Balance               | \$ 2,865,050.60         |
| <b>C</b> | <b>Capitalized Interest Account</b>          |                         |
|          | Beginning Period Balance                     | \$ -                    |
|          | Transfers to Collection Account              | \$ -                    |
|          | Ending Balance                               | \$ -                    |
| <b>D</b> | <b>Floor Income Rebate Account</b>           |                         |
|          | Beginning Period Balance                     | \$ 9,601,886.75         |
|          | Deposits for the Period                      | \$ 9,395,033.60         |
|          | Release to Collection Account                | \$(9,601,886.75)        |
|          | Ending Balance                               | \$ 9,395,033.60         |
| <b>E</b> | <b>Supplemental Purchase Account</b>         |                         |
|          | Beginning Period Balance                     | \$ -                    |
|          | Supplemental Loan Purchases                  | \$ -                    |
|          | Transfers to Collection Account              | \$ -                    |
|          | Ending Balance                               | \$ -                    |
| <b>F</b> | <b>Prefunding Account</b>                    |                         |
|          | Beginning Period Balance                     | \$ -                    |
|          | Loans Funded                                 | \$ -                    |
|          | Transfers to Collection Account              | \$ -                    |
|          | Ending Balance                               | \$ -                    |