

**Equity Release Funding (No. 1) plc**  
**Report for the immediately preceding interest period**

**21-May-02**

**Loans**

£

Outstanding Balance of Loans at Closing Date 214,240,314

Outstanding Balance of Loans @ start of immediately preceding calculation 224,354,084  
 Accrued Interest @ start of Calculation Period 32,243,300

**Redemptions**

Since Inception

Principal Balance of Loans redeemed in the immediately preceding Calculation 2,561,529 7,944,247  
Principal Balance of Loans redeemed by cause:-

Death	603,798	1,976,982
Borrower enters Long Term Care	129,600	275,450
Voluntary Repayment	1,783,845	5,337,874
Move to Lower Value Property	44,286	353,941

Number of Loans redeemed in the immediately preceding Calculation period 63 228

Number of Loans redeemed by cause:-

Death	17	50
Borrower enters Long Term Care	2	8
Voluntary Repayment	39	141
Move to Lower Value Property	5	29

Equivalent Value Test this Calculation Period :-

N/A

S&P model this Calculation Period :-

N/A

**Substitution**

Substituted in the immediately preceding Calculation Period (amount) -  
 Substituted in the immediately preceding Calculation Period as a % of aggregate  
 Outstanding Balance of the Loans @ Closing Date -  
 Substituted to date as a % of aggregate Outstanding Balance of the Loans @ 0.02%

**Early Amortisation Test**

Aggregate Loan Amount (in respect of all Outstanding Loans, the Outstanding  
 Balance as at the Closing Date and in respect of substitute Loans, the

N/A as prior to Feb 04

Weighted Averaged GIC Rate

N/A as prior to Feb 04

**Outstanding Balance of Loans**

Outstanding Accrued Interest 36,238,323  
 Outstanding Gross Balance 225,879,800

At Calculation date for  
 this report

**Product Breakdown by Loan O/S**

At Closing

CAP %	20.4%	20.1%
Flexible %	79.6%	79.9%

Weighted Average Age of Borrowers @ Closing Date

72

Weighted Average Age of borrowers - at Calculation date for this Quarterly report

73

**Age of Borrowers:-**

Single Female	76
Single Male	76
Joint Borrowers by Age of Younger	72

**Properties Sold / repayments (case by case):-**

Time to Sale (where available - time from death/assessment to repayment)

N/A

Initial Valuation

N/A

Indexed Valuation (Initial Valuation + Hpi)

N/A

Sale Price (where available)	N/A
Gross Mortgage Outstandings	N/A
Shortfall	N/A
Loan Outstandings as a % of Sale Price	N/A
Claim Submitted to No Negative Equity	N/A
Claim Paid	N/A
Claim O/S	N/A

**For all Mortgages repaid to date:-**

**Weighted Average:-**

Time to Sale (where available - time from death/assessment to repayment)	166 days
Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available)	N/A
Shortfall as % of Mortgage Outstandings	N/A

Properties in Possession	-
Reposessed	-
Sold	-
Number Carried Forward	-

Average Time from Possession to Sale	N/A
Average Shortfall at Sale	N/A

**Insurance**

No Negative Equity Claims made total	-
Claims Paid	-
Claims O/S	-
Claims not settled in full by number	-
Claims not settled in full by amount of shortfall	-
Average Time from Claim to Payment	N/A

Local Search Claims made (number)	-
Claims Paid	-
Claims O/S	-
Claims not settled in full by number	-
Claims not settled in full by amount of shortfall	-
Average Time from Claim to Payment	N/A

Contingent Building Insurance claims made (number)	-
Claims Paid	-
Claims O/S	-
Claims not settled in full by number	-
Claims not settled in full by amount of shortfall	-
Average Time from Claim to Payment	N/A

**Average Loan Outstanding**

£39,019
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**Weighted Average LTV**

30.3%

**Weighted Average Interest Rate**

Cap	2.91%
Flexi	8.21%

**LTV Levels Breakdown (based on original valuation using P+I at date of**

0 - 29.99%	107,219,433
30 - 34.99%	65,038,301
35 - 39.99%	35,047,468
40 - 44.99%	8,674,156
45 - 49.99%	7,564,788
50 - 54.99%	2,335,654
55 - 59.99%	-
60 - 64.99%	-
65 - 69.99%	-
70 - 74.99%	-
75 - 79.99%	-
80 - 84.99%	-
85 - 89.99%	-

90 - 94.99%	-
95 - 99.99%	-
100% +	-

**LTV Levels Breakdown (based on HPI adjusted valuation @ Calculation**

0 - 30%	188,148,958
30 - 35%	28,030,633
35 - 40%	7,364,555
40 - 45%	2,335,654
45 - 50%	-
50 - 55%	-
55 - 60%	-
60 - 65%	-
65 - 70%	-
70 - 75%	-
75 - 80%	-
80 - 85%	-
85 - 90%	-
90 - 95%	-
95 - 100%	-
100% +	-

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**Liquidity Facility Ledger**

Initial Balance	£0
Last Calculation Period Closing Outstanding	£0
Available @ next IPD	£70,000,000
Amount to be drawn at next IPD	£0

**Liquidity Reserve Fund Ledger**

Initial Balance on Closing	£17,500,000
Outstanding as at the date of this Quarterly Report	£13,085,000
Accrued Interest to immediately succeeding interest payment date	£124,591
Less Mortgage Registration Reserve	£150,000
Available Liquidity Reserve Fund	£13,059,591
Amount to be drawn at next IPD	£124,591
Closing balance	£13,085,000

**Deficiency Ledger**

Opening Balance	£46
Losses this Quarter	£0
Closing Balance	£46

**Optional Guarantee Ledger**

Opening Balance on Closing Date	£1,500,000
Claims Submitted as at date of this Quarterly Report	£0
Claims Paid as at date of this Quarterly Report	£0
Claims Not recovered from NULAP this calculation period	£0
Total Claims not recovered from NULAP as at date of this Quarterly Report	£0

CCA Reserve	£500,000
UTCCR Reserve	£1,000,000

**Start-up Loan Outstanding**

Commitment Rate (Note LIBOR + .50%)	4.56%
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Initial Balance	£50,000
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Outstanding as at date of this Quarterly Report	£52,497
Accrued Interest to immediately succeeding interest payment date	£591
Repayments Made	£0
Closing Balance	£53,088

**Surplus after payment of all payments due in the Waterfall (a) to (h)** £0

**Replenishment Amount as recorded in Replenishment Ledger  
Years 2001 to 2025**

The greater of :-

10% of Principal Amount O/S of Class A Notes @ IPD (net of redemptions @ IPD)  
and

the amount (if any) necessary to maintain the Required Ratio of

(a) the sum of the Aggregate Portfolio Amount and Adjusted Cash, and

(b) the Principal Amount Outstanding of the Class A Notes

(net of redemptions @ IPD)

N/A - A1 Notes O/S

**Years 2026 to 2030**

The greater of:-

10% of Principal Amount O/S of Class A Notes @ IPD (net of redemptions @ IPD),

aggregate of all scheduled payments of interest and principal on the Class A Notes payable on the 4 immediately succeeding IPD's, and

the amount (if any) necessary to maintain the Required Ratio of

(a) the sum of the Aggregate Portfolio Amount and Adjusted Cash, and

(b) the Principal Amount Outstanding of the Class A Notes

(net of redemptions @ IPD).

N/A

**Voluntary Repayment Rate**

2.26%

The "Voluntary Prepayments Rate" is the [annualised value of the ratio expressed as a percentage] calculated by dividing:-

(x) the aggregate of the initial outstanding balances of the Loans prepaid up to the relevant Calculation Date by

(y) the aggregate of the initial outstanding balances of all Loans in the Portfolio on the Closing Date.

**Deferred Consideration released to Originator**

Deferred Consideration paid to Originator prior to the date of this Quarterly Report £0

Deferred Consideration paid to Originator during the calculation period £0

Total Deferred Consideration paid to Originator. £0

**Equity Release Funding (No.1) plc**

Name of Issuer

Equity Release Funding (No.1) plc

Date of Issue

30-Mar-2001

Moody's Current Rating

**A1**

Aaa

**A2**

Aaa

S&P Current Rating

AAA

AAA

Initial Note Balance

35,000,000.00

197,000,000.00

Note Principal @ start of period

35,000,000.00

197,000,000.00

Note Redemptions @ IPD

-

-

Outstanding Note Principal

35,000,000.00

197,000,000.00

Note Interest Margins

LIBOR + 0.45%

Fixed Rate (5.70%)

Step Up Dates

28-Feb-11

N/A

Step Up Margins

LIBOR + 2.50%

N/A

Interest Payment Cycle

Quarterly

Interest Payment Date

26th or Next Business Day

Next Interest Payment Date

27-Aug-2002

Pool Factor

1.000000