

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

21-Feb-06

**Loans**

£

Outstanding Balance of Loans at Closing Date	214,240,314
Outstanding Balance of Loans @ start of immediately preceding calculation period	223,562,314
Accrued Interest @ start of Calculation Period	70,672,292

**Redemptions**

Principal Balance of Loans redeemed in the immediately preceding Calculation period  
Principal Balance of Loans redeemed by cause:-

Death	772,557
Borrower enters Long Term Care	66,850
Voluntary Repayment	1,864,610
Move to Lower Value Property	15,204
Substitution	-

Since Inception

47,340,376
12,644,715
2,329,937
45,521,802
603,036
13,759,114

Number of Loans redeemed in the immediately preceding Calculation period

Number of Loans redeemed by cause:-

Death	23
Borrower enters Long Term Care	3
Voluntary Repayment	58
Move to Lower Value Property	2
Substitution	-

1,377

333
61
1,283
70
300

Redemption monies received

4,656,697

84,242,573.94

Equivalent Value Test this Calculation Period :-

PASS

S&P model this Calculation Period :-

PASS

**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

0.00%

Substituted to date as a % of aggregate Outstanding Balance of the Loans @ Closing Date

10.25%

**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 Outstanding Balance as at the Loan Entry date)

N/A - A1 notes O/S

Weighted Averaged GIC Rate

N/A - A1 notes O/S

**Outstanding Balance of Loans**

Number of loans  
Outstanding Accrued Interest  
Outstanding Gross Balance

4,610  
73,274,255  
223,435,057

**Product Breakdown by Loan O/S**

At Closing

At Calculation date  
for this report

CAP %	20.4%
Flexible %	79.6%

17.7%
82.2%

Weighted Average Age of Borrowers @ Closing Date

72

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

77

**Age of Borrowers:-**

Single Female  
Single Male  
Joint Borrowers by Age of Younger

79  
78  
75

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

Time to Sale (where available - time from death/assessment to repayment)(Days)  
Initial Valuation  
Indexed Valuation (Initial Valuation + Hpi)  
Sale Price (where available)  
Gross Mortgage Outstandings  
Shortfall  
Loan Outstandings as a % of Sale Price  
Claim Submitted to No Negative Equity  
Claim Paid  
Claim O/S

N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A  
N/A

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

**Weighted Average:-**

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

224  
N/A  
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**

**Weighted Average LTV**

**Weighted Average Indexed LTV**

£48,467

38.4%

21.2%

**Weighted Average Interest Rate**

Cap  
Flexi

2.91%  
7.99%

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

0 - 29.99%	56,232,185
30 - 34.99%	13,977,974
35 - 39.99%	45,990,637
40 - 44.99%	48,388,679
45 - 49.99%	23,524,056
50 - 54.99%	27,522,344
55 - 59.99%	519,036
60 - 64.99%	7,280,146
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 date)**

0 - 30%  
30 - 35%  
35 - 40%  
40 - 45%  
45 - 50%  
50 - 55%  
55 - 60%  
60 - 65%  
65 - 70%  
70 - 75%  
75 - 80%  
80 - 85%  
85 - 90%  
90 - 95%  
95 - 100%  
100% +

207,203,403
11,546,264
3,616,528
676,062
250,625
142,175
-
-
-
-
-
-
-
-
-
-
-
-

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

Name of Issuer  
Date of Issue

Equity Release Funding (No.1) plc  
30-Mar-2001

Moody's Current Rating  
S&P Current Rating

<b>A1</b>	<b>A2</b>
Aaa	Aaa
AAA	AAA

Initial Note Balance  
Note Principal @ start of period  
Note Redemptions @ IPD  
Outstanding Note Principal

35,000,000.00	197,000,000.00
3,660,650.00	197,000,000.00
2,149,000.00	
1,511,650.00	197,000,000.00

Note Interest Margins  
Step Up Dates  
Step Up Margins

LIBOR + 0.45%	Fixed Rate (5.70%)
28-Feb-11	N/A
LIBOR + 2.50%	N/A

Interest Payment Cycle  
Interest Payment Date  
Next Interest Payment Date

Quarterly  
26th or Next Business Day  
26-May-2005

Pool Factor

0.043190

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

21-Feb-06

#### Liquidity Facility Ledger

Initial Balance  
Last Calculation Period Closing Outstanding  
Available @ next IPD  
Amount to be drawn at next IPD

£0
£0
£70,000,000
£0

#### Liquidity Reserve Fund Ledger

Initial Balance on Closing  
Outstanding as at the date of this Quarterly Report  
Accrued Interest to immediately succeeding interest payment date

£25,000,000
£13,085,000
£144,051

Less Mortgage Registration Reserve

£150,000

Available Liquidity Reserve Fund  
Amount to be drawn at next IPD  
Closing balance

£13,079,051
£144,051
£13,085,000

#### Deficiency Ledger

Opening Balance  
Losses this Quarter  
Closing Balance

£	6,469
-£	8
£	6,461

#### Optional Guarantee Ledger

Opening Balance on Closing Date  
Claims Submitted as at date of this Quarterly Report  
Claims Paid as at date of this Quarterly Report  
Claims Not recovered from NULAP this calculation period  
Total Claims not recovered from NULAP as at date of this Quarterly Report

£1,500,000
£0
£0
£0
£0

CCA Reserve  
UTCRR Reserve

£500,000
£1,000,000

#### Start-up Loan Outstanding

Commitment Rate (Note LIBOR + .50%)

5.12%

Initial Balance  
Outstanding as at date of this Quarterly Report  
Accrued Interest to immediately succeeding interest payment date  
Repayments Made  
Closing Balance

£50,000
£62,753
£800
£0
£63,553

#### M Note Balance Outstanding

Initial Balance  
Outstanding as at date of this Quarterly Report  
Accrued Interest to immediately succeeding interest payment date  
Repayments Made  
Closing Balance

£	12,500,000
£	18,918,542
£	425,667
£	19,344,209

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

5.09%

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 date  
Deferred Consideration paid to Originator during the calculation period  
Total Deferred Consideration paid to Originator.

£0
£0
£0