

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

21-May-07

**Loans**

£

Outstanding Balance of Loans at Closing Date	214,240,314
Outstanding Balance of Loans @ start of immediately preceding calculation period	222,587,456
Accrued Interest @ start of Calculation Period	80,320,844

**Redemptions**

Principal Balance of Loans redeemed in the immediately preceding Calculation period

Principal Balance of Loans redeemed by cause:-

Death	321,040	16,598,579
Borrower enters Long Term Care	222,212	3,398,307
Voluntary Repayment	1,250,450	54,341,239
Move to Lower Value Property	5,151	651,792
Substitution	-	17,956,499

Number of Loans redeemed in the immediately preceding Calculation period

Number of Loans redeemed by cause:-

Death	12	440
Borrower enters Long Term Care	5	86
Voluntary Repayment	34	1,522
Move to Lower Value Property	1	76
Substitution	-	342

Redemption monies received

Equivalent Value Test this Calculation Period :-  
S&P model this Calculation Period :-

**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 @ Closing Date

**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)

Weighted Averaged GIC Rate

**Outstanding Balance of Loans**

Outstanding number of loans  
Outstanding Accrued Interest  
Outstanding Gross Balance

**Product Breakdown by Loan O/S**

CAP %  
Flexible %

Weighted Average Age of Borrowers @ Closing Date

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

**Age of Borrowers:-**

Single Female  
Single Male  
Joint Borrowers by Age of Younger

**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

**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

Properties in Possession  
Reposessed  
Sold  
Number Carried Forward

214,240,314
222,587,456
80,320,844

1,798,853
321,040
222,212
1,250,450
5,151
-

51
----

12
5
34
1
-

3,352,834
-----------

N/A
N/A

-
0.00%
12.50%

N/A as Scheduled Payments outstanding
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N/A as Scheduled Payments outstanding
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4,294
83,058,336
223,526,095

At Closing
20.4%
79.6%

72
77

80
79
76

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

249
N/A
N/A

-
2
-
2

**Since Inception**

57,033,418

16,598,579
3,398,307
54,341,239
651,792
17,956,499

1,706
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440
86
1,522
76
342

107,631,836
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N/A
N/A

-
0.00%
12.50%

N/A as Scheduled Payments outstanding
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N/A as Scheduled Payments outstanding
---------------------------------------

4,294
83,058,336
223,526,095

At Calculation date for this report
17.0%
83.0%

72
77

80
79
76

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

249
N/A
N/A

-
2
-
2

Average Time from Possession to Sale  
Average Shortfall at Sale

N/A  
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

£52,047  
41.2%  
20.2%

#### Weighted Average Interest Rate

Cap  
Flexi

2.91%  
7.92%

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

0 - 29.99%  
30 - 34.99%  
35 - 39.99%  
40 - 44.99%  
45 - 49.99%  
50 - 54.99%  
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% +

40,217,899  
31,324,255  
34,702,709  
19,924,706  
45,874,160  
20,285,624  
23,488,797  
7,707,945  
-  
-  
-  
-  
-  
-  
-  
-

#### 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% +

213,856,128  
7,279,232  
1,276,082  
817,646  
297,007  
-  
-  
-  
-  
-  
-  
-  
-  
-  
-  
-

#### 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

A1  
Aaa  
AAA

A2  
Aaa  
AAA

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

35,000,000.00  
-  
-  
-

197,000,000.00  
197,000,000.00  
-  
197,000,000.00

Note Interest Margins  
Step Up Dates  
Step Up Margins

LIBOR + 0.45%
28-Feb-11
LIBOR + 2.50%

Fixed Rate (5.70%)
N/A
N/A

Interest Payment Cycle  
Interest Payment Date  
Next Interest Payment Date

Quarterly
26th or Next Business Day
28-Aug-2007

Pool Factor

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

21-May-07

**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
£176,121
£150,000
£13,111,121
£176,121
£13,085,000

Less Mortgage Registration Reserve

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

**Deficiency Ledger**

Opening Balance  
Losses this Quarter  
Closing Balance

£ 6,447
£ 10
£ 6,457

**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

£1,000,000
£0
£0
£0
£0

CCA Reserve  
UTCCR Reserve

£0
£1,000,000

**Start-up Loan Outstanding**

Commitment Rate (Note LIBOR + .50%)

6.04%
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Initial Balance  
Outstanding as at date of this Quarterly Report  
Accrued Interest to immediately succeeding interest payment date  
Repayments Made  
Closing Balance

£50,000
£67,026
£1,020
£0
£68,046

**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
£ 21,144,833
475,759
£ -
£ 21,620,591

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

£0
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**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)

A1 notes redeemed
Swap agreements terminated
Scheduled Payments outstanding

**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
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**Voluntary Repayment Rate**

5.06%
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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