Equity Release Funding (No. 2) plc Report for the immediately preceding interest period

Loans

Single Male Joint Borrowers by Age of Younger

20-May-03

71

Loans	£	
Outstanding Balance of Loans at Closing Date	276,369,747	
Outstanding Balance of Loans @ start of immediately preceding calculation	281,915,051	
Accrued Interest @ start of Calculation Period	32,999,756	
Redemptions		Since Inception
Principal Balance of Loans redeemed in the immediately preceding Calculation	2,184,070	10,754,803
Principal Balance of Loans redeemed by cause:-		
Death	349,330	2,218,315
Borrower enters Long Term Care	94,500	205,510
Voluntary Repayment Move to Lower Value Property	1,738,235 2,005	8,211,622 119,356
	2,000	117,000
Number of Loans redeemed in the immediately preceding Calculation period Number of Loans redeemed by cause:-	70	298
Death	12	52
Borrower enters Long Term Care	1	3
Voluntary Repayment Move to Lower Value Property	56 1	226 16
Nove to Lower Value Property	I	10
Redemption monies received	3,334,732	12,367,217.52
Equivalent Value Test this Calculation Period :-	PASS	
S&P model this Calculation Period :-	PASS	
Substitution Substituted in the immediately preceding Calculation Period (O/S amount @	422,453	
Substituted in the immediately preceding Calculation Period (0/S amount @ Substituted in the immediately preceding Calculation Period as a % of aggregate	422,453	
Outstanding Balance of the Loans @ Closing Date	0.15%	
Substituted to date as a % of aggregate Outstanding Balance of the Loans @	0.21%	
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 05	
Weighted Averaged GIC Rate	N/A as prior to Feb 05	
Outstanding Balance of Loans		
Outstanding Accrued Interest	38,059,777	
Outstanding Gross Balance	285,220,953	
Outstanding number of loans	7,801	At Coloulation data
Product Breakdown by Loan O/S	At Closing	At Calculation date for this report
FIRP %	2.7%	2.7%
FCRP %	97.3%	97.3%
Weighted Average Age of Borrowers @ Closing Date	72	
Weighted Average Age of borrowers - at Calculation date for this Quarterly report	72	
Age of Borrowers:-		
Single Female	76	
Single Male	75	
Joint Borrowers by Age of Younger	71	

Properties Sold / repayments (case by case):-

N/A		
N/A		

For all Mortgages repaid to date:-Weighted Average:-

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

Properties in Possession
Repossessed
Sold
Number Carried Forward

Average Time from Possesion to Sale Average Shortfall at Sale

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

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

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 Loan Outstanding Weighted Average LTV Weighted Average Indexed LTV

Average Time from Claim to Payment

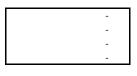
Weighted Average Interest Rate

FIRP	8.30%
FCRP	8.14%

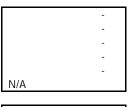
LTV Levels Breakdown (based on original valuation using P+I at date

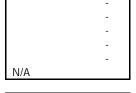
0 - 29.99%	160,975,874
30 - 34.99%	57,927,544
35 - 39.99%	30,682,540
40 - 44.99%	17,474,808
45 - 49.99%	13,361,598
50 - 54.99%	4,798,589
55 - 59.99%	-
60 - 64.99%	-

182 days	
N/A	
N/A	



N/A N/A





	-
	-
	-
	-
	-
N/A	

£36,623	
29.6%	
21.5%	

8.30%
8.14%

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%	259,715,942
30 - 35%	19,538,224
35 - 40%	5,785,672
40 - 45%	152,213
45 - 50%	-
50 - 55%	28,901
55 - 60%	-
60 - 65%	-
65 - 70%	-
70 - 75%	-
75 - 80%	-
80 - 85%	-
85 - 90%	-
90 - 95%	-
95 - 100%	-
100% +	-

Equity Release Funding (No. 2) plc Report for the immediately preceding interest period

20-May-03

Liquidity Facility Ledger

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

Liquidity Reserve Fund Ledger

£25,000,000
£22,052,000
£189,683
£150,000
£22,091,683
£700,683

Amount to be drawn at next IPD Closing balance

Deficiency Ledger

Opening Balance	-£2
Losses this Quarter	£48
Closing Balance	£46

Optional Guarantee Ledger

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

CCA Reserve

£500,000

£21,541,000

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

Replenishment Amount as recorded in Replenishment Ledger Years 2002 to 2026

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)

Years 2027 to 2031

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).

Voluntary Repayment Rate

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 d £0 Deferred Consideration paid to Originator during the calculation period £0 £0 Total Deferred Consideration paid to Originator.

Equity Release Funding (No.2) plc

Name of Issuer Date of Issue

Moody's Current Rating S&P Current Rating

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

Note Interest Margins Step Up Dates Step Up Margins

Interest Payment Cycle Interest Payment Date Next Interest Payment Date

Pool Factor

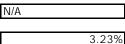
Equity Release Funding (No.2) plc 11-Jun-2002

A1	A2
Aaa	Aaa
AAA	AAA
45,000,000.00	255,000,000.00
44,203,500.00	255,000,000.00
-	-
44,203,500.00	255,000,000.00

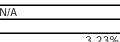
LIBOR + 0.44%	Fixed Rate (5.88%)
IPD May 2012	N/A
LIBOR + 1.50%	N/A
Quarterly	

26th or Next Business Day
26-Aug-2003

0.982300



N/A - A1 Notes O/S



£0