

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

21-Nov-05

Loans

£

Outstanding Balance of Loans at Closing Date	276,369,747
Outstanding Balance of Loans @ start of immediately preceding calculation period	293,479,796
Accrued Interest @ start of Calculation Period	78,947,109

Redemptions

Principal Balance of Loans redeemed in the immediately preceding Calculation period	2,865,763	Since Inception	45,793,004
Principal Balance of Loans redeemed by cause:-			
Death	1,270,625		11,697,539
Borrower enters Long Term Care	173,778		2,154,008
Voluntary Repayment	1,837,370		33,978,031
Move to Lower Value Property	9,300		252,023
Substitutions	425,310		2,288,597
	-		-
Number of Loans redeemed in the immediately preceding Calculation period	81		1,293
Number of Loans redeemed by cause:-			
Death	25		280
Borrower enters Long Term Care	6		56
Voluntary Repayment	57		1,000
Move to Lower Value Property	1		41
Substitutions	7		43
	-		-
Redemption monies received	4,709,528		61,033,121

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 @ Closing Date)	790,799
Substituted in the immediately preceding Calculation Period as a % of aggregate Outstanding Balance of the Loans @ Closing Date	0.29%
Substituted to date as a % of aggregate Outstanding Balance of the Loans @ Closing Date	2.27%

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 as prior to Feb 05
Weighted Averaged GIC Rate	N/A as prior to Feb 05

Outstanding Balance of Loans

Outstanding Accrued Interest	83,257,533
Outstanding Gross Balance	294,924,457
Outstanding number of loans	6,779

Product Breakdown by Loan O/S

At Closing

FIRP %	2.7%
FCRP %	97.3%

At Calculation date
for this report

2.7%
97.3%

Weighted Average Age of Borrowers @ Closing Date	72
Weighted Average Age of borrowers - at Calculation date for this Quarterly report	75

Age of Borrowers:-

Single Female	78
Single Male	78
Joint Borrowers by Age of Younger	73

Properties Sold / repayments (case by case):-

Time to Sale (where available - time from death/assessment to repayment) (Days)	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) (Days)	246
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

Average Loan Outstanding	£43,506
Weighted Average LTV	35.4%
Weighted Average Indexed LTV	20.5%

Weighted Average Interest Rate

FIRP	8.29%
FCRP	8.14%

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

0 - 29.99%	78,005,763
30 - 34.99%	82,932,645
35 - 39.99%	66,336,363
40 - 44.99%	9,691,934
45 - 49.99%	33,272,441
50 - 54.99%	9,516,105

55 - 59.99%	11,625,735
60 - 64.99%	3,543,470
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%	273,014,204
30 - 35%	16,557,859
35 - 40%	4,748,139
40 - 45%	254,024
45 - 50%	35,272
50 - 55%	314,959
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	£25,000,000
Outstanding as at the date of this Quarterly Report	£21,541,000
Accrued Interest to immediately succeeding interest payment date	£254,459
Less Mortgage Registration Reserve	£150,000
Available Liquidity Reserve Fund	£21,645,459
Amount to be drawn at next IPD	£254,459
Closing balance	£21,541,000

Deficiency Ledger

Opening Balance	£541
Losses this Quarter	£0
Closing Balance	£541

Optional Guarantee Ledger

Opening Balance on Closing Date	£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

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

£0

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)

N/A - A1 Notes O/S

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).

N/A

Voluntary Repayment Rate

3.69%

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

Equity Release Funding (No.2) plc

Name of Issuer
Date of Issue

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

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

45,000,000.00	255,000,000.00
35,109,000.00	255,000,000.00
819,000.00	-
34,290,000.00	255,000,000.00

Note Interest Margins
Step Up Dates
Step Up Margins

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

Interest Payment Cycle
Interest Payment Date
Next Interest Payment Date

Quarterly
26th or Next Business Day
26-Jan-2006

Pool Factor

0.762000