

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

19-Nov-12

Loans

£

Outstanding Balance of Loans at Closing Date	276,369,747
Outstanding Balance of Loans @ start of immediately preceding calculation period	312,681,291
Accrued Interest @ start of Calculation Period	178,945,148

In Quarter

Since Inception

Redemptions		
Principal Balance of Loans redeemed in the immediately preceding Calculation period	2,610,535	126,328,499
<u>Principal Balance of Loans redeemed by cause:-</u>		
Death	1,471,769	44,811,911
Borrower enters Long Term Care	387,694	11,637,427
Voluntary Repayment	736,435	72,315,855
Move to Lower Value Property	14,637	1,268,069
Substitutions	-	- 3,704,763
Number of Loans redeemed in the immediately preceding Calculation period	76	3,537
<u>Number of Loans redeemed by cause:-</u>		
Death	37	1,202
Borrower enters Long Term Care	15	299
Voluntary Repayment	24	2,096
Move to Lower Value Property	3	133
Substitutions	-	- 60
Redemption monies received	6,329,458	209,122,647

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

N/A
N/A

Substitution

Substituted in the immediately preceding Calculation Period (O/S amount @ Closing Date)
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

2.88%

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 Scheduled Payments outstanding

Weighted Averaged GIC Rate

N/A as aggregate loan amount is greater than £95m

Outstanding Balance of Loans

Outstanding Accrued Interest	181,404,966
Outstanding Gross Balance	312,530,574
Outstanding number of loans	4,535

At Calculation
date for this
report

Product Breakdown by Loan O/S

At Closing

FIRP %	2.7%	2.8%
FCRP %	97.3%	97.2%

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

72
80

Age of Borrowers:-

Single Female	83
Single Male	83
Joint Borrowers by Age of Younger	80

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)
Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available)
Shortfall as % of Mortgage Outstandings

192
N/A
N/A

Properties in Possession	2
Reposessed	-
Sold	2
Number Carried Forward	-

Average Time from Possession to Sale	107
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

	1
	1
	-
	-
	-
	32 Days

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

	£68,915
	49.8%
	31.0%

Weighted Average Interest Rate

FIRP
 FCRP

	8.28%
	8.04%

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% +

	54,249,373
	31,364,254
	25,057,060
	32,954,041
	19,069,106
	20,017,952
	40,069,706
	17,885,441
	34,747,900
	1,735,141
	8,321,378
	10,614,819
	8,603,543
	772,234
	3,708,130
	3,360,497

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% +

	144,552,219
	57,967,546
	56,168,622
	7,460,401
	30,658,874
	4,934,446
	7,288,313
	1,586,595
	1,403,122
	279,787
	-
	169,226
	61,423
	-
	-
	-

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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
	£150,000
	£180
	£0
	£0
	£150,000
	£0
	£180
	£180
	£150,000

Less Mortgage Registration Reserve

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

Deficiency Ledger
 Opening Balance
 Closing Balance

	-£327
	£0
	-£327

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

	£0
	£0
	£0
	£0
	£0

CCA Reserve

	£500,000
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Surplus after payment of all payments due in the Waterfall (a) to (h)

	£3,463,315
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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 as Swap Scheduled Payments are outstanding

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

	2.02%
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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

Equity Release Funding (No.2) plc

Name of Issuer

Equity Release Funding (No.2) plc

Date of Issue

11-Jun-2002

Moody's Current Rating

A1

A2

S&P Current Rating

Aaa

Aaa

AAA

A+

Initial Note Balance

Note Principal @ start of period

Note Redemptions @ IPD

Outstanding Note Principal

45,000,000.00	255,000,000.00
-	255,000,000.00
-	-
-	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-Feb-2013

Pool Factor

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