

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

19-Feb-14

Loans

£

Outstanding Balance of Loans at Closing Date	276,369,747
Outstanding Balance of Loans @ start of immediately preceding calculation period	311,035,648
Accrued Interest @ start of Calculation Period	190,250,305

In Quarter

Since Inception

Redemptions		
Principal Balance of Loans redeemed in the immediately preceding Calculation period	2,640,897	139,309,676
<u>Principal Balance of Loans redeemed by cause:-</u>		
Death	1,369,197	51,289,627
Borrower enters Long Term Care	542,770	14,144,897
Voluntary Repayment	695,887	75,935,360
Move to Lower Value Property	33,043	1,644,555
Substitutions	-	- 3,704,763
Number of Loans redeemed in the immediately preceding Calculation period	83	3,930
<u>Number of Loans redeemed by cause:-</u>		
Death	42	1,397
Borrower enters Long Term Care	15	373
Voluntary Repayment	26	2,220
Move to Lower Value Property	5	156
Substitutions	-	- 60
Redemption monies received	6,955,168	244,244,780

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 after Year 10 IPD
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Weighted Averaged GIC Rate

N/A as after Year 10 IPD

Outstanding Balance of Loans

Outstanding Accrued Interest	192,164,496
Outstanding Gross Balance	310,308,942
Outstanding number of loans	4,142

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	72	
Weighted Average Age of borrowers - at Calculation date for this Quarterly report	82	

Age of Borrowers:-

Single Female	84
Single Male	84
Joint Borrowers by Age of Younger	81

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

N/A	208
N/A	

Properties in Possession

Repossessed

Sold

Number Carried Forward

	2
	-
	2
	-

Average Time from Possession to Sale

Average Shortfall at Sale

	107
	-

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**

£74,918
53.8%
30.3%

Weighted Average Interest Rate

FIRP

FCRP

8.31%
8.09%

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% +

	38,251,251
	30,577,569
	27,635,196
	28,263,755
	27,444,851
	15,915,671
	18,545,784
	35,878,949
	16,379,968
	27,197,669
	12,295,732
	4,696,666
	4,056,156
	11,933,343
	5,155,928
	6,080,452

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% +

	148,802,048
	57,131,075
	55,245,621
	7,475,576
	27,808,307
	5,236,040
	5,712,455
	1,408,690
	1,114,834
	119,466
	-
	187,015
	67,815
	-
	-
	-

Age Band Breakdown (based on youngest policyholder @ Calculation date)

Under 70

70-74

75-79

80-84

85-89

90-94

95-99

100+

Loans	-
	27,468,367
	92,721,183
	102,368,395
	61,239,789
	23,006,404
	3,273,293
	231,512

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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	£150,000
Accrued Interest to immediately succeeding interest payment date	£122
	£0
	£0
Less Mortgage Registration Reserve	£150,000
	£0
Available Liquidity Reserve Fund	£122
Amount to be drawn at next IPD	£122
Closing balance	£150,000

Deficiency Ledger
Opening Balance

	-£608
	-£7,929
	-£8,537

Closing Balance

Optional Guarantee Ledger

Opening Balance on Closing Date	£0
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
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Surplus after payment of all payments due in the Waterfall (a) to (h)

	£2,213,354
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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
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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
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Voluntary Repayment Rate

	1.75%
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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
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
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
27-May-2014

Pool Factor

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