

19-May-15

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Outstanding Balance of Loans at Closing Date	276,369,747
Outstanding Balance of Loans @ start of immediately preceding calculation period	306,598,899
Accrued Interest @ start of Calculation Period	198,529,498

In Quarter

Since Inception

<i>Redemptions</i>		
Principal Balance of Loans redeemed in the immediately preceding Calculation period	2,045,026	151,429,748
<i>Principal Balance of Loans redeemed by cause:-</i>		
Death	988,774	56,931,134
Borrower enters Long Term Care	493,085	17,073,263
Voluntary Repayment	546,881	79,378,087
Move to Lower Value Property	16,286	1,752,025
Substitutions	-	- 3,704,763

Number of Loans redeemed in the immediately preceding Calculation period	62	4,305
<u>Number of Loans redeemed by cause:-</u>		
Death	36	1,578
Borrower enters Long Term Care	15	465
Voluntary Repayment	11	2,322
Move to Lower Value Property	2	166
Substitutions	-	60

Redemption monies received	6,369,107	279,289,268
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Equivalent Value Test this Calculation Period :-	N/A
S&P model this Calculation Period :-	N/A

	-
	0.00%
	2.88%

N/A as after Year 10 IPD

Weighted Averaged GIC Rate	N/A as after Year 10 IPD
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	200,368,397
	306,392,771.77
	3,767

At Closing

FIRP %	2.7%	2.9%
FCRP %	97.3%	97.1%

Weighted Average Age of Borrowers @ Closing Date	72
Weighted Average Age of borrowers - at Calculation date for this Quarterly report	83

	84
	85
	82

[illegible]

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	200
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

£81,336
57.9%
29.3%

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% +

25,569,265
26,934,409
28,436,911
26,798,488
26,070,182
23,024,284
14,533,569
18,259,177
27,707,409
23,201,188
9,142,603
27,422,113
2,620,887
3,645,948
4,371,671
18,654,668

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% +

153,755,694
57,135,765
52,503,266
7,416,849
23,775,195
5,681,362
4,065,471
1,265,827
520,695
197,823
-
-
74,825
-
-
-

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
-
14,707,135
81,367,410
105,169,721
71,901,043
28,783,395
4,050,064
414,003

LTV Levels Breakdown (HPI adjusted) vs Age Band Breakdown @ Calculation date

	Under 70	70-74	75-79	80-84	85-89	90-94	95-99	100+
0 - 29.99%	-	13,441,005	59,185,753	47,663,563	23,186,126	9,063,134	1,039,023	177,089
30 - 34.99%	-	849,288	16,431,903	31,299,149	5,119,145	3,113,353	322,928	-
35 - 39.99%	-	218,219	3,295,705	19,071,141	27,643,109	2,121,642	153,452	-
40 - 44.99%	-	198,624	1,992,633	2,474,725	1,963,691	677,080	110,096	-
45 - 49.99%	-	-	373,565	2,305,869	10,523,555	10,409,424	162,782	-
50 - 54.99%	-	-	87,851	1,329,746	1,790,352	1,936,039	537,373	-
55 - 59.99%	-	-	-	746,659	974,770	1,223,418	1,120,624	-
60 - 64.99%	-	-	-	204,045	205,757	156,586	462,525	236,914
65 - 69.99%	-	-	-	-	296,715	82,719	141,261	-
70 - 74.99%	-	-	-	-	197,823	-	-	-
75 - 79.99%	-	-	-	-	-	-	-	-
80 - 84.99%	-	-	-	-	-	-	-	-
85 - 89.99%	-	-	-	74,825	-	-	-	-
90 - 94.99%	-	-	-	-	-	-	-	-
95 - 99.99%	-	-	-	-	-	-	-	-
100% +	-	-	-	-	-	-	-	-

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

19-May-15

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	£133
	£0
	£0
Less Mortgage Registration Reserve	£150,000
	£0
Available Liquidity Reserve Fund	£133
Amount to be drawn at next IPD	£133
Closing balance	£150,000

Deficiency Ledger

Opening Balance	-£12,580
	£0
Closing Balance	-£12,580

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)

£3,021,840

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)

£2,950,000

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

1.66%

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	£0
Deferred Consideration paid to Originator during the calculation period	£0
Total Deferred Consideration paid to Originator.	£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
26-Aug-2015

Pool Factor

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