Equity Release Funding (No. 2) plc Report for the immediately preceding interest period	19-Feb-16
Loans	£
Outstanding Balance of Loans at Closing Date	276,369,747
Outstanding Balance of Loans @ start of immediately preceding calculation period Accrued Interest @ start of Calculation Period	304,596,503 203,225,900
Redemptions	In Quarter
Principal Balance of Loans redeemed in the immediately preceding Calculation period Principal Balance of Loans redeemed by cause:-	2,176,365
Death Borrower enters Long Term Care	1,279,475 325,230
Voluntary Repayment Move to Lower Value Property Substitutions	547,400 24,260 -
Number of Loans redeemed in the immediately preceding Calculation period	76
Number of Loans redeemed by cause:- Death Borrower enters Long Term Care Voluntary Repayment Move to Lower Value Property	44 12 20 2
Substitutions	-
Redemption monies received	6,885,419
Equivalent Value Test this Calculation Period :-	N/A
S&P model this Calculation Period :-	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%
	2.0076
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
Weighted Averaged GIC Rate	N/A as after Year 10 IPD
Outstanding Balance of Loans	
Outstanding Accrued Interest Outstanding Gross Balance Outstanding number of Ioans	204,867,134 304,061,371.01 3,547
Product Breakdown by Loan O/S	At Closing
FIRP % FCRP %	2.7%
	97.3%
Weighted Average Age of Borrowers @ Closing Date Weighted Average Age of borrowers - at Calculation date for this Quarterly report	97.3%
Weichted Average Age of Borrowers @ Closing Date Weichted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Fermale Sinde Male	72 83 85 85
Weighted Average Age of Borrowers @ Closing Date Weighted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Female	72 83 85
Weichted Average Age of Borrowers @ Closing Date Weichted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Famale Single Mane Joint Borrowers by Age of Younger Properties Sold / repayments (case by case):- Time to Sale (where available - time from deathVassessment to repayment) (Days) Time form Possession to Sale (in days where applicable) Initial Valuation	72 83 85 85 85 83 1,173 72 57,500
Weichted Average Age of Borrowers @ Closing Date Weichted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Famale Single Male Joint Borrowers by Age of Younger Properies Sold / repayments (case by case):- Time to Sale (where available - time from death/assessment to repayment) (Days) Time form Possession to Sale (in days where applicable) Initial Valuation Indexed Valuation (Initial Valuation + Hpi) Sale Price (where available)	72 83 85 85 85 83 1,173 72 72 57,500 124,580 86,250
Weighted Average Age of Borrowers © Closing Date Weighted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Famale Single Maile Joint Borrowers by Age of Younger Properties Sold / repayments (case by case):- Time to Sale (where available - time from dateNassessment to repayment) (Davs) Time from Possesion to Sale (in days where applicable) Initial Valuation Initial Valuation Initial Valuation (Initial Valuation + Hpi)	72 83 85 85 83 1.173 72 57.500 124.580
Weichted Average Age of Borrowers @ Closing Date Weichted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Famale Single Male Joint Borrowers by Age of Younger Properies Sold / repayments (case by case):- Time to Sale (where available - time from death'assessment to repayment) (Days) Time form Possession to Sale (in days where applicable) Initial Valuation Indexed Valuation (Initial Valuation + Hpi) Sale Price (where available) Gross Mortgage Outstandings Shortfail	72 83 85 85 83 1,173 72 57,500 124,580 86,250 48,143
Weighted Average Age of Borrowers @ Closing Date Weighted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Famale Single Male Joint Borrowers by Age of Younger Properties Sold / repayments (case by case)- Time to Sale (where available - time from death/assessment to repayment) (Days) Time to Where available - time from death/assessment to repayment) (Days) Time to Where available - time from death/assessment to repayment) (Days) Sale Price (where available) Gross Mortgage Outstandings Shortfall Learn Outstandings as a % of Sale Price Claim Submitted to No Negative Equity Claim Substandings For all Mortgages repaid to date:-	72 83 85 85 85 83 1.173 72 57,500 124,580 86,250 48,143
Weiphted Average Age of Borrowers @ Closing Date Weiphted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Fernale Single Male Joint Borrowers by Age of Younger Properties Sold / repayments (case by case):- Time to Sale (where available - time from death/assessment to repayment) (Davs) Time from Possession to Sale (in days where applicable) Initial Valuation Initial Valuation Initial Valuation Initial Valuation Undexed Valuation (Initial Valuation + Hp) Sorse Moustandings as a % of Sale Price Calam Submitted to No Negative Equity Calam Submitted to No Negative Equity Calam Submitted to No Negative Equity Calam Sub- Time to Sale (where available) - time from death/assessment to repayment) (Davs) Time to Sale (where available) - time from death/assessment to repayment) (Davs) Jack Sale Price Sale (in days where applicable) Sale Price as % of Indexed Valuation + Hp) (Where available)	72 83 85 85 85 83 1.173 72 57,500 124,580 86,250 48,143
Weighted Average Age of Borrowers & Closing Date Weighted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Fernale Single Male Joint Borrowers by Age of Younger Properties Sold / repayments (case by case):- Time to Sale (where available - time from death/assessment to repayment) (Days) Time form Prosession to Sale (in days where applicable) Initial Valuation (Initial Valuation (Initial Valuation + Hp)) Sale Pince (where available) Gross Montage Outstandings Soan Outstandings as a % of Sale Pince Claim Submitted to No Negative Equity Claim Paint Claim Paint Claim Possession I Sale (in days where applicable) Time to Sale (where available - time from death/assessment to repayment) (Days) Time to Sale (where available - time from death/assessment to repayment) (Days) Time to Sale (where available - time from death/assessment to repayment) (Days) Time to Sale (where available - time from death/assessment to repayment) (Days) Time form Possession Sale Price as % of Montage Outstandings	72 83 85 85 83 1,173 72 57,500 86,250 48,143 - 56% NA 56% - - - - - - - - - -
Weichted Average Age of Borrowers & Closing Date Weichted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Famale Single Male Joint Borrowers by Age of Younger Properties Sold / repayments (case by case)- Time from Possession to Sale (in days where applicable) Initial Valuation Initial Valuation (Initial Valuation + Hpi) Sale Price (where available) Gross Mortageo Cutstandings Shortfall Caan Outstandings as a % of Sale Price Claim Submitted to No Negative Equity Claim Pol Claim OXS For all Mortgages repaid to date:- Weighted Average:- Time to Sale (where available) - time from deatly'assessment to repayment) (Days) Time form Possession to Sale (in days where applicable) Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available) Shortfall as % of Mortgage Outstandings Properties in Possession	72 83 85 85 83 1,173 72 57,500 124,580 86,250 48,143 - 56% N/A N/A
Weichted Average Age of Borrowers & Closing Date Weichted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Famale Single Male Joint Borrowers by Age of Younger Properties Sold / repayments (case by case)- Time from Possession to Sale (in days where applicable) Initial Valuation Initial Valuation (Initial Valuation + Hpi) Sale Price (where available) Gross Mortageo Cutstandings Shortfall Caan Outstandings as a % of Sale Price Claim Submitted to No Negative Equity Claim Pol Claim OlS For all Mortgages repaid to date:- Weighted Average:- Time to Sale (where available) - time from death/assessment to repayment) (Davs) Time form Possession to Sale (in days where applicable) Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available) Shortfall as % of Mortgage Outstandings Properties in Possession Repossessed	72 83 85 85 83 1.173 72 57.500 86.250 84.143 - 56% N/A N/A N/A 1.173 72 56% .
Weichted Average Age of Borrowers & Closing Date Weichted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Famale Single Male Joint Borrowers by Age of Younger Properties Sold / repayments (case by case) Time tos Sole (where available) - time from death/assessment to repayment) (Davs) Time from Possession to Sale (in days where applicable) Initial Valuation Initial Valuation (Initial Valuation + Hpi) Sale Price (where available) Gross Mortages Outstandings Shortfall Caim Oxis For all Mortgages repaid to date:- Weighted Average:- Time to Sale (where available) - time from death/assessment to repayment) (Davs) Time form Possession to Sale (in days where applicable) Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available) Shortfall as % of Mortgage Outstandings Properties in Possession Repossessed Sold Number Carmed Forward Average Shortfall Sale Insurance Mo Negative Equity Claims made total Claim Sale (where available) - time from death/assessment to repayment) (Davs) Time form Possession Repossessed Sold Number Carmed Forward Average Time from Possession to Sale (assession to Sale (as	72 83 85 85 85 85 85 85 83 1.173 72 57.500 86.250 84.143 - 56% N/A N/A N/A 1.173 72 56% - - - - - - - - - - - - - - - -
Weiahted Average Age of Borrowers & Closing Date Weiahted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers: - Single Famale Single Male Joint Borrowers by Age of Younger Properties Sold / repayments (case by case):- Time to Sale (where available - time from deathVassessment to repayment) (Davs) Time form Possession to Sale (in days where applicable) Initial Valuation Initial Valuation (Initial Valuation + Hpi) Sale Price (where available) Gross Mortageo Custandrices Shortfall Claim OS For all Mortgages rapaid to date: - Mortgages of Indexes /Valuation (Initial Valuation) Time form Possession Repossession Repossession Average Time from Possession to Sale Average Time from Possession to Sale Average Time from Possession to Sale Average Time from P	72 83 85 85 85 83 1.173 72 57.500 86.250 48.143 - 56% N/A N/A N/A 1.173 72 56% - - - 56% - - -
Weiahted Average Age of Borrowers & Closing Date Weiahted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Famale Single Male Joint Borrowers by Age of Younger Properties Sold / repayments (case by case):- Time to Sale (where available - time from deathVassessment to repayment) (Davs) Time form Possession to Sale (in days where applicable) Initial Valuation Initial Valuation (Initial Valuation + Hpi) Sale Price (where available) Gross Mortageo Culstandinos Shortfall Calam OS For all Mortageos repaid to date:- Mortageos may be a valuable - time from deathVassessment to repayment) (Davs) Time to Sale (where available) - time from deathVassessment to repayment) (Davs) Time to Sale (where available) - time from deathVassessment to repayment) (Davs) Time to Sale (where available) - time from deathVassessment to repayment) (Davs) Time to Sale (where available) - time from deathVassessment to repayment) (Davs) Time form Possession Shortfall as % of Mortage Outstandings Properties in Possession Repossesses Sold Number Carried Forward Average Time from Possession to Sale Average Shortfall at Sale Inster Sale (where Saulabe Sale Average Shortfall at Sale Claims ot Sate for full by number Claims not setted in full by number Claims not setted in full by number Claims not setted in full by number	72 83 85 85 85 83 1.173 72 57.500 86.250 48.143 . 56% N/A 56% . 1.173 72 56% .
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Weichted Average Age of Borrowers & Closing Date Weichted Average Age of borrowers - at Calculation date for this Quarterly report Age Oborwers:- Single Famale Single Male Joint Borrowers by Age of Younger Properties Sold / repayments (case by case):- Time from Possession to Sale (in days where applicable) Initial Valuation Initial Valuation (Initial Valuation + Ho) Sale Price (where available) Gross Mortages Outstandings Shortfall Caam Outstandings as a % of Sale Price Claim Submitted to No Negative Equity Claim Paid Claim OS Progeties in Possession to Sale (in days where applicable) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) Sale Price (where available)- time from death/assessment to repayment) (Days) Time from Possession to Sale (in days where applicable) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (where available) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (where available) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (where available) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (where available) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (where available) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (where available) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (where available) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (where available) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (where available) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (where available) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (where available) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (Where available) Sale Price as % of Indexed Valuation (Initial Valuation + Ho) (Where available) Claims not setted in full by number Claims not setted in full by number Claims not setted in full by anount of shortfall Claims No S Claims not setted in full by anount of shortfall Claims NoS	72 83 1,173 72 85 85 83 1,173 72 57,500 124,880 86,250 84,143 - 56% N/A N/A N/A 11,73 72 56% -
Weinhted Average Age of Borrowers & Closing Date Weinhted Average Age of borrowers - at Calculation date for this Quarterly report Age of Borrowers:- Single Fernale Single Male Joint Borrowers by Age of Younger Properties Sold / repayments (case by case):- Time to Sale (where available - time from death/assessment to repayment) (Davs) Time from Possession to Sale (in days where applicable) Initial Valuation (initial Valuation (httil Valuation + Hpi) Serse Multication (httil Valuation + Hpi) Calam Submitted to No Negative Equity Calam Submitted To No Negative Equity (Nerre available) Shortfall as % of Motecy available (find Valuation + Hpi) (where available) Shortfall as % of Motecy available (find Valuation + Hpi) (where available) Shortfall as % of Motecy available (find Valuation + Hpi) (where available) Shortfall as % of Motecy available (find Valuation + Hpi) (where available) Shortfall as % of Motecy available (find Valuation + Hpi) (where available) Shortfall as % of Motecy available (find Valuation + Hpi) (where available) Shortfall as % of Motecy available (find Valuation + Hpi) (where available) Shortfall as Sale Multice Calamed Forward Average Time from Ossession to Sale Calams on setted in full ty number Calams on setted in full ty amount of shortfall Average Time from Claim to Payment	72 83 1,173 72 85 85 83 1,173 72 57,500 124,880 86,250 84,143 - 56% N/A N/A N/A 11,73 72 56% -

Since Inception

	158,259,923
-	60.509.554
	18,432,258
	81,170,080
	1,852,794
-	3,704,763
	4,525
_	
	1,697
	504
	2,384
	175
-	60
	4
	300.356.176

At Calculation date for this report

3.0% 97.0%

verage Loan Outstanding	£85,724	
leighted Average LTV	60.8%	
leighted Average Indexed LTV	28.5%	
leighted Average Interest Rate		
RP CRP	8.31% 8.09%	
TV Levels Breakdown (based on original valuation using P+I at date of report) - 29.99%	19.311.23	
- 29.99%	23,972,22	
5 - 39.99%	23,372,22	
) - 44,99%	25,915,00	
5 - 49.99%	20.871.30	
) - 54,99%	23,736,39	
5 - 59.99%	23,730,39	
) - 64.99%	9,902,80	
5 - 69.99%	5,502,00	
) - 74,99%	29.024.01	
5 - 79.99%	20,092,67	
- 84.99%	8,667,61	
5 - 89.99%	25,779,38	
- 94,99%	4.206.96	
5 - 99.99%	3,316,10	
00% +	21,258,79	
	1,200,70	
TV Levels Breakdown (based on HPI adjusted valuation @ Calculation date) - 30%	155,608,44	
- 30%) - 35%	57,487,25	
5 - 40%	50,936,36	
) - 45%	9,424,18	
5 - 50%	19.418.93	
- 55%	6,471,72	
5 - 60%	2,670,31	
) - 65%	1.430.38	
5 - 70%	534,30	
- 75%	001,00	
5 - 80%		
0 - 85%	79.44	
5 - 90%	/ 3,44	

75 - 80% 80 - 85% 85 - 90% 90 - 95% 95 - 100% 100% + Depersonalised information on the pool, as at each Calculation Date, may be obtained electronically by Noteholders from the Administrator upon delivery of a signed confidentiality undertaking (the form of which can be obtained from the Administrator)

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

Age Band Breakdown (based on youngest policyholder @ Calculation date)	Loans
Under 70	
70-74	6,088,236
75-79	69,799,257
80-84	108,302,688
85-89	81,415,471
90-94	31,709,886
95-99	5,962,827
100+	783,006

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%		5,733,825	56,636,019	53,942,731	28,101,953	9,032,951	1,972,887	188,078
30 - 34.99%	-	145,847	9,731,869	37,484,253	6,264,442	3,395,305	465,543	
35 - 39.99%	-	98,330	2,217,827	10,519,951	35,244,715	2,450,869	337,984	66,692
40 - 44.99%	-	110,233	1,099,653	2,249,870	2,769,969	3,049,564	144,895	
45 - 49.99%	-		113,888	2,194,039	6,034,567	10,903,858	172,578	
50 - 54.99%	-			1,136,125	1,805,296	1,933,507	1,481,902	114,891
55 - 59.99%	-			479,554	698,611	670,383	821,769	
60 - 64.99%	-			216,715	110,958	273,449	415,921	413,345
65 - 69.99%	-				384,959		149,349	
70 - 74.99%	-							
75 - 79.99%	-	-	-	-	-	-	-	-
80 - 84.99%	-	-	-	79,449	-	-	-	-
85 - 89.99%	-	-	-	-	-	-	-	-
90 - 94.99%	-	-	-	-	-	-	-	-
95 - 99.99%	-	-	-	-	-	-	-	-
100% +	-	-	-	-	-	-	-	-

Report for the immediately preceding interest period	19-Feb-16
Liquidity Facility Ledger	
Initial Balance	£0
Last Calculation Period Closing Outstanding Available @ next IPD	£0 £70,000,000
Amount to be drawn at next IPD	£70,000,000 £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	£140
	£0
	£0
Less Mortgage Registration Reserve	£150,000
	£0
Available Liquidity Reserve Fund	£140
Amount to be drawn at next IPD	£140
Closing balance	£150,000
Deficiency Ledger Opening Balance	-£12.588
Opening Balance	±12,588 £0
Closing Balance	-£12.588
	-212,300
Optional Guarantee Ledger	
Opening Balance on Closing Date	03
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)	£11.418.837

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)	£11.350.000
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	1.57%
The "Voluntary Prepayments Rate" is the (annualised value of the ratio expressed as a percentage) calculated by dividing.: (v) the aggregate of the initid outstanding balances of the Loans prepaid up to the relevant Calculati (v) the aggregate of the initid 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.	03 03 03 03

Equity Release Funding (No.2) plc

Name of Issuer Date of Issue

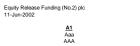
Moody's Current Rating S&P Current Rating

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



45,000,000.00	255,000,000.00
	255,000,000.00
-	255,000,000.00

.

<u>A2</u> Aa1 A-

 LIBOR + 0.44%
 Fixed Rate (5.88%)

 IPD May 2012
 N/A

 LIBOR + 1.50%
 N/A

 Quarterly
 28h or Nex Business Day

 26h Any 2016
 28