

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	304,596,503
Accrued Interest @ start of Calculation Period	203,225,900

Redemptions

Principal Balance of Loans redeemed in the immediately preceding Calculation period	2,176,365	158,259,923
Principal Balance of Loans redeemed by cause:-		
Death	1,279,475	60,509,554
Borrower enters Long Term Care	325,230	18,432,258
Voluntary Repayment	547,400	81,170,080
Move to Lower Value Property	24,260	1,852,794
Substitutions	-	3,704,763
Number of Loans redeemed in the immediately preceding Calculation period	76	4,525
Number of Loans redeemed by cause:-		
Death	44	1,697
Borrower enters Long Term Care	12	504
Voluntary Repayment	20	2,384
Move to Lower Value Property	2	175
Substitutions	-	60
Redemption monies received	6,885,419	300,356,176

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%

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	204,867,134
Outstanding Gross Balance	304,061,371.01
Outstanding number of loans	3,547

Product Breakdown by Loan O/S

	At Closing	At Calculation date for this report
FIRP %	2.7%	3.0%
FCRP %	97.3%	97.0%
Weighted Average Age of Borrowers @ Closing Date	72	
Weighted Average Age of borrowers - at Calculation date for this Quarterly report	83	

Age of Borrowers:-

Single Female	85
Single Male	85
Joint Borrowers by Age of Younger	83

Properties Sold / repayments (case by case):-

Time to Sale (where available - time from death/assessment to repayment) (Days)	1,173
Time from Possession to Sale (in days where applicable)	72
Initial Valuation	57,500
Indexed Valuation (Initial Valuation + Hpi)	124,580
Sale Price (where available)	86,250
Gross Mortgage Outstandings	48,143
Shortfall	-
Loan Outstandings as a % of Sale Price	56%
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)	1,173
Time from Possession to Sale (in days where applicable)	72
Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available)	56%
Shortfall as % of Mortgage Outstandings	-
Properties in Possession	4
Reposessed	-
Sold	3
Number Carried Forward	1
Average Time from Possession to Sale	95
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	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

£85,724
60.8%
28.5%

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%	19,311,234
30 - 34.99%	23,972,226
35 - 39.99%	28,284,182
40 - 44.99%	25,915,001
45 - 49.99%	20,871,302
50 - 54.99%	23,736,397
55 - 59.99%	23,270,776
60 - 64.99%	9,902,808
65 - 69.99%	16,451,889
70 - 74.99%	29,024,016
75 - 79.99%	20,092,670
80 - 84.99%	8,667,618
85 - 89.99%	25,779,387
90 - 94.99%	4,206,961
95 - 99.99%	3,316,107
100% +	21,258,796

LTV Levels Breakdown (based on HPI adjusted valuation @ Calculation date)

0 - 30%	155,608,445
30 - 35%	57,487,259
35 - 40%	50,936,369
40 - 45%	9,424,183
45 - 50%	19,418,931
50 - 55%	6,471,721
55 - 60%	2,670,317
60 - 65%	1,430,389
65 - 70%	534,308
70 - 75%	-
75 - 80%	-
80 - 85%	79,449
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)

Under 70	-
70-74	6,088,236
75-79	69,799,257
80-84	108,302,888
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% +	-	-	-	-	-	-	-	-

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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
£140
£0
£0
£150,000
£0
£140
£140
£150,000

Less Mortgage Registration Reserve

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

Deficiency Ledger
Opening Balance

-£12,588
£0
-£12,588

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

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:-

(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
 Aa1
 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%
 IPD May 2012
 LIBOR + 1.50%

Fixed Rate (5.88%)
 N/A
 N/A

Interest Payment Cycle
 Interest Payment Date
 Next Interest Payment Date

Quarterly
 26th or Next Business Day
 26-May-2016

Pool Factor

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