

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

19-Aug-16

Loans

£

Outstanding Balance of Loans at Closing Date	276,369,747
Outstanding Balance of Loans @ start of immediately preceding calculation period	302,802,523
Accrued Interest @ start of Calculation Period	205,867,159

In Quarter

Since Inception

Redemptions

Principal Balance of Loans redeemed in the immediately preceding Calculation period

1,851,511

162,370,279

Principal Balance of Loans redeemed by cause:-

Death	1,095,167
Borrower enters Long Term Care	264,796
Voluntary Repayment	486,052
Move to Lower Value Property	5,497
Substitutions	-

62,848,322
19,113,554
82,244,726
1,868,439
- 3,704,763

Number of Loans redeemed in the immediately preceding Calculation period

70

4,672

Number of Loans redeemed by cause:-

Death	42
Borrower enters Long Term Care	12
Voluntary Repayment	16
Move to Lower Value Property	2
Substitutions	-

1,786
529
2,417
178
- 60

Redemption monies received

6,155,136

313,879,122

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

0.00%

Balance of the Loans @ Closing Date

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	207,849,819
Outstanding Gross Balance	302,933,672
Outstanding number of loans	3,400

At Calculation
date for this
report

Product Breakdown by Loan O/S

At Closing

FIRP %	2.7%
FCRP %	97.3%

3.1%
96.9%

Weighted Average Age of Borrowers @ Closing Date

72

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

84

Age of Borrowers:-

Single Female	85
Single Male	86
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)

416

Time from Possession to Sale (in days where applicable)

262

Initial Valuation

92,500

Indexed Valuation (Initial Valuation + Hpi)

214,890

Sale Price (where available)

88,796

Gross Mortgage Outstandings

146,590

Shortfall

57,793

Loan Outstandings as a % of Sale Price

165.1%

Claim Submitted to No Negative Equity

Yes

Claim Paid

N/A

Claim O/S

Yes

For all Mortgages repaid to date:-**Weighted Average:-**

Time to Sale (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 + Hpi) (where available)

Shortfall as % of Mortgage Outstandings

554
215
43.4%
31.7%

Properties in Possession

Repossessed

Sold

Number Carried Forward

5
-
4
1

Average Time from Possession to Sale

Average Shortfall at Sale

138
57,794

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
-
-
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**

£89,098
62.7%
29.1%

Weighted Average Interest Rate

FIRP

FCRP

8.30%
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% +

15,643,416
22,018,611
27,692,478
24,310,423
23,863,777
23,551,865
19,221,985
15,662,871
17,857,417
12,630,222
29,733,531
10,719,134
18,010,054
17,174,651
1,277,948
23,565,288

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% +

154,705,333
57,863,054
50,287,847
6,876,610
21,511,144
5,052,329
4,288,587
1,129,468
1,064,012
72,609
-
-
82,679
-
-
-

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

75-79

80-84

85-89

90-94

95-99

100+

Loans

-
1,903,406
63,149,730
108,370,384
88,058,562
33,184,580
7,378,837
888,173

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%	-	1,796,427	54,158,301	56,401,680	30,391,043	9,529,543	2,158,507	269,833
30 - 34.99%	-	106,979	5,528,520	40,320,342	7,595,435	3,271,778	1,040,000	-
35 - 39.99%	-	-	2,256,679	5,586,607	38,833,374	3,441,622	100,171	69,394
40 - 44.99%	-	-	1,087,848	2,702,969	2,129,923	805,454	150,415	-
45 - 49.99%	-	-	118,382	1,581,500	5,825,068	13,677,080	309,115	-
50 - 54.99%	-	-	-	936,476	1,880,788	821,866	1,293,892	119,307
55 - 59.99%	-	-	-	532,853	767,515	1,248,700	1,739,519	-
60 - 64.99%	-	-	-	225,279	119,617	275,703	340,854	168,014
65 - 69.99%	-	-	-	-	443,190	112,834	246,363	261,625
70 - 74.99%	-	-	-	-	72,609	-	-	-
75 - 79.99%	-	-	-	-	-	-	-	-
80 - 84.99%	-	-	-	-	-	-	-	-
85 - 89.99%	-	-	-	82,679	-	-	-	-
90 - 94.99%	-	-	-	-	-	-	-	-
95 - 99.99%	-	-	-	-	-	-	-	-
100% +	-	-	-	-	-	-	-	-

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19-Aug-16

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
	£147

Less Mortgage Registration Reserve

£150,000

Available Liquidity Reserve Fund

£147

Amount to be drawn at next IPD

£147

Closing balance

£150,000

Deficiency Ledger

Opening Balance
Losses this Quarter
Closing Balance

	-£12,588
	£5
	-£12,583

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)

£14,958,478

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)

£14,900,000

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

1.58%

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
N/A
N/A

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
	-	2,101,659.00
	-	252,898,341.00

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
28-Nov-2016

Pool Factor

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