

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

20-Feb-17

Loans

£

Outstanding Balance of Loans at Closing Date	276,369,747
Outstanding Balance of Loans @ start of immediately preceding calculation period	299,297,679
Accrued Interest @ start of Calculation Period	207,227,687

In Quarter

Since Inception

Redemptions

Principal Balance of Loans redeemed in the immediately preceding Calculation period

Principal Balance of Loans redeemed by cause:-

Death	1,227,347	65,465,549
Borrower enters Long Term Care	287,255	19,908,749
Voluntary Repayment	651,334	83,849,686
Move to Lower Value Property	14,018	2,044,902
Substitutions	-	- 3,704,763

Number of Loans redeemed in the immediately preceding Calculation period

Number of Loans redeemed by cause:-

Death	40	1,875
Borrower enters Long Term Care	8	554
Voluntary Repayment	24	2,472
Move to Lower Value Property	2	183
Substitutions	-	- 60

Redemption monies received

7,573,171	331,777,288
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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

Outstanding Gross Balance

Outstanding number of loans

208,011,462
297,901,500
3,231

At Calculation
date for this
report

Product Breakdown by Loan O/S

At Closing

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

84

Age of Borrowers:-

Single Female

Single Male

Joint Borrowers by Age of Younger

86
86
83

Properties Sold / repayments (case by case):-

Time to Sale (where available - time from death/assessment to repayment) (Days)

Time from Possession to Sale (in days where applicable)

Initial Valuation

Indexed Valuation (Initial Valuation + Hpi)

Sale Price (where available)

Gross Mortgage Outstandings

Shortfall

Loan Outstandings as a % of Sale Price

Claim Submitted to No Negative Equity

Claim Paid

Claim O/S

272
-
137,450
235,998
104,390
158,515
54,125
152%
Yes
Yes
N/A

For all Mortgages repaid to the Calculation Date (NNEG or repossession)**Weighted Average:**

Sale price as %age of indexed valuation.

Shortfall as % of Mortgage o/s

43.7%
32.6%

For all Mortgages repaid to the Calculation Date (all redemptions other than voluntary)**Weighted Average:**

Time to sale (Days)

188

Properties in Possession (Total to Calculation date)

Repossessed this Quarter

Properties sold (Total to Calculation date)

Number Carried Forward

5
-
4
1

Average Time from Possession to Sale

Possession cases average Shortfall at Sale (%)

138
25.0%

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
-
-
-
30

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**

£92,201
76.5%
34.3%

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% +

2,325,969
3,051,416
6,419,541
6,071,726
8,125,359
8,938,073
23,302,531
40,991,219
8,873,893
25,391,802
41,881,756
42,999,698
2,961,157
32,490,461
16,054,747
28,022,153

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% +

83,992,456
98,969,728
68,921,583
8,646,520
23,150,676
6,880,707
5,208,583
1,222,512
908,734
-
-
-
-
-
-
-

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

-
55,617
55,643,926
109,609,559
89,445,020
34,788,168
7,335,175
1,024,035

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%		55,617	47,782,920	19,750,400	10,364,154	4,254,071	1,504,518	280,776
30 - 34.99%			4,249,417	77,466,531	13,398,531	3,232,503	622,745	
35 - 39.99%			2,177,143	5,959,166	54,305,236	6,411,506	68,533	
40 - 44.99%			1,358,429	3,671,245	2,210,510	563,092	843,243	
45 - 49.99%				920,862	5,126,976	15,812,494	1,290,345	
50 - 54.99%			76,016	1,160,204	2,445,890	2,734,993	463,603	
55 - 59.99%				229,142	833,863	1,483,988	2,092,741	568,849
60 - 64.99%				217,363	298,605	178,074	354,061	174,410
65 - 69.99%				234,645	461,255	117,447	95,387	
70 - 74.99%								
75 - 79.99%								
80 - 84.99%								
85 - 89.99%								
90 - 94.99%								
95 - 99.99%								
100% +								

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20-Feb-17

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
£70

Less Mortgage Registration Reserve

£150,000

Available Liquidity Reserve Fund

£70

Amount to be drawn at next IPD

£70

Closing balance

£150,000

Deficiency Ledger

Opening Balance
Losses this Quarter
Closing Balance

-£12,583
-£1
-£12,584

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)

£19,904,774

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)

£19,850,000

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

1.49%

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
-	250,796,682.00
-	2,101,659.00
-	248,695,023.00

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-2017

Pool Factor

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