

Equity Release Funding (No. 2) plc

Report for the immediately preceding interest period

19-Feb-19

Loans

£

Outstanding Balance of Loans at Closing Date	276,369,747
Outstanding Balance of Loans @ start of immediately preceding calculation period	282,651,903
Accrued Interest @ start of Calculation Period	208,253,780

In Quarter

Redemptions	
Principal Balance of Loans redeemed in the immediately preceding Calculation period	2,030,556
Principal Balance of Loans redeemed by cause:-	
Death	1,276,365
Borrower enters Long Term Care	349,340
Voluntary Repayment	390,039
Move to Lower Value Property	14,812
Substitutions	-
Number of Loans redeemed in the immediately preceding Calculation period	62
Number of Loans redeemed by cause:-	
Death	40
Borrower enters Long Term Care	11
Voluntary Repayment	11
Move to Lower Value Property	2
Substitutions	-
Redemption monies received	8,122,031

Since Inception

	185,086,593
	76,104,364
	23,265,434
	87,258,413
	2,163,145
-	3,704,763
	5,433
	2,249
	648
	2,596
	194
-	60
	396,310,204

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
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Weighted Averaged GIC Rate	N/A as after Year 10 IPD
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Outstanding Balance of Loans

Outstanding Accrued Interest	207,974,642
Outstanding Gross Balance	280,342,209
Outstanding number of loans	2,639

Product Breakdown by Loan O/S

At Closing

FIRP %	2.7%
FCRP %	97.3%
Weighted Average Age of Borrowers @ Closing Date	72
Weighted Average Age of borrowers - at Calculation date for this Quarterly report	86

At Calculation date for this report

	2.5%
	97.5%

Age of Borrowers:-

Single Female	87
Single Male	87
Joint Borrowers by Age of Younger	85

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

Case 1 Total	ERF2 Original Loan	Aviva UKER Additional Loan
432		
182		
90,000		
230,818		
74,292	74,292	-
151,687	151,687	-
77,396	77,396	-
204%		
No		
N/A		
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

48.1%
23.4%

For all Mortgages repaid to the Calculation Date (all redemptions other than voluntary)

Weighted Average:

Time to sale (Days)

212

Properties in Possession (Total to Calculation date)

Reposessed this Quarter
Properties sold (Total to Calculation date)
Number Carried Forward

10
-
8
2

Average Time from Possession to Sale

Possession cases average Shortfall at Sale (%)

180
18.5%

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	£106,230
Weighted Average LTV	87.6%
Weighted Average Indexed LTV	39.0%

Weighted Average Interest Rate	
FIRP	8.28%
FCRP	8.09%

LTV Levels Breakdown (based on original valuation using P+I at date of report)	
0 - 29.99%	1,318,799
30 - 34.99%	1,717,692
35 - 39.99%	2,311,802
40 - 44.99%	5,224,447
45 - 49.99%	5,370,342
50 - 54.99%	6,483,877
55 - 59.99%	6,490,319
60 - 64.99%	12,967,890
65 - 69.99%	15,441,882
70 - 74.99%	35,039,214
75 - 79.99%	12,729,115
80 - 84.99%	24,602,440
85 - 89.99%	4,658,098
90 - 94.99%	47,697,797
95 - 99.99%	32,279,815
100% +	66,008,680

LTV Levels Breakdown (based on HPI adjusted valuation @ Calculation date)	
0 - 30%	48,893,505
30 - 35%	34,716,518
35 - 40%	94,521,927
40 - 45%	40,540,248
45 - 50%	31,432,574
50 - 55%	11,027,080
55 - 60%	10,291,864
60 - 65%	4,268,020
65 - 70%	2,695,346
70 - 75%	1,102,251
75 - 80%	952,876
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)	Loans
Under 70	-
70-74	-
75-79	30,915,112
80-84	98,414,882
85-89	96,751,021
90-94	43,841,014
95-99	9,717,642
100+	702,538

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%								
30 - 34.99%			15,897,333	21,722,178	6,866,795	3,253,525	946,288	207,387
35 - 39.99%			11,405,705	14,848,383	5,403,794	2,709,787	348,849	
40 - 44.99%			2,235,281	51,177,303	37,602,089	2,724,892	782,362	
45 - 49.99%			772,097	5,151,300	22,844,395	10,965,093	807,363	
45 - 49.99%			516,394	3,675,016	16,594,867	10,331,195	315,101	
50 - 54.99%				483,135	2,860,813	5,468,141	2,214,992	
55 - 59.99%				797,072	1,879,242	5,557,604	2,057,946	
60 - 64.99%			88,302	560,496	1,602,172	1,021,205	995,845	
65 - 69.99%					676,587	927,336	698,873	292,550
70 - 74.99%						487,222	412,428	202,601
75 - 79.99%					420,266	395,015	137,594	
80 - 84.99%								
85 - 89.99%								
90 - 94.99%								
95 - 99.99%								
100% +								

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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	£262
Less Mortgage Registration Reserve	£150,000
Available Liquidity Reserve Fund	£262
Amount to be drawn at next IPD	£262
Closing balance	£150,000

Deficiency Ledger

Opening Balance	-£12,583
Losses this Quarter	£0
Closing Balance	-£12,583

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)

£27,336,718

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)

£27,250,000

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

1.36%

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
(v) 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	£5,100,000
Deferred Consideration paid to Originator during the calculation period	£0
Total Deferred Consideration paid to Originator.	£5,100,000

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
-	231,181,215.00
-	3,502,756.50
-	227,678,458.50

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 28-May-2019

Pool Factor

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