

**Equity Release Funding (No. 2) plc**
**Report for the immediately preceding interest period**
**19-Aug-20**
**Loans**

£

Outstanding Balance of Loans at Closing Date	276,369,747
Outstanding Balance of Loans @ start of immediately preceding calculation period	271,693,466
Accrued Interest @ start of Calculation Period	207,838,801

**In Quarter**
**Since Inception**
**Redemptions**

Principal Balance of Loans redeemed in the immediately preceding Calculation period  
Principal Balance of Loans redeemed by cause:-

Death	821,080	82,591,266
Borrower enters Long Term Care	356,756	25,730,990
Voluntary Repayment	157,250	88,244,599
Move to Lower Value Property	-	2,172,491
Substitutions	-	3,704,763

Number of Loans redeemed in the immediately preceding Calculation period

Number of Loans redeemed by cause:-

Death	28	2,470
Borrower enters Long Term Care	15	727
Voluntary Repayment	8	2,637
Move to Lower Value Property	-	195
Substitutions	-	60

Redemption monies received

6,025,315	439,314,316
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Equivalent Value Test this Calculation Period :-

S&amp;P model this Calculation Period :-

N/A	N/A
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**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

Substituted to date as a % of aggregate Outstanding Balance of the Loans @ Closing Date

-	0.00%	2.88%
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**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

Outstanding Gross Balance

Outstanding number of loans

208,730,761	271,150,340	2,298
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**Product Breakdown by Loan O/S**

At Closing

At Calculation date for this report

FIRP %	2.7%	2.3%
FCRP %	97.3%	97.7%

Weighted Average Age of Borrowers @ Closing Date

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

72	87
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**Age of Borrowers:-**

Single Female

Single Male

Joint Borrowers by Age of Younger

88	88	86
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**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
603		
216		
85,450		
209,767		
75,093	75,093	-
101,500	101,500	-
26,407	26,407	-
135%		
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

47.7%	18.6%
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**For all Mortgages repaid to the Calculation Date (all redemptions other than voluntary)**
**Weighted Average:**

Time to sale (Days)

275
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**Properties in Possession (Total to Calculation date)**

Repossession this Quarter

Properties sold (Total to Calculation date)

Number Carried Forward

23	-	15	8
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Average Time from Possession to Sale

Possession cases average Shortfall at Sale (%)

213	15.5%
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**Insurance**

No Negative Equity Claims made total	1
Claims Paid	1
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	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

<b>Average Loan Outstanding</b>	£117,994
<b>Weighted Average LTV</b>	97.0%
<b>Weighted Average Indexed LTV</b>	41.0%

<b>Weighted Average Interest Rate</b>	8.28%
FIRP	8.09%
FCRP	

**LTV Levels Breakdown (based on original valuation using P+I at date of report)**

0 - 29.99%	699,061
30 - 34.99%	988,904
35 - 39.99%	1,579,152
40 - 44.99%	2,269,295
45 - 49.99%	4,415,594
50 - 54.99%	5,006,953
55 - 59.99%	5,005,307
60 - 64.99%	6,674,491
65 - 69.99%	6,180,319
70 - 74.99%	20,439,869
75 - 79.99%	9,374,426
80 - 84.99%	36,031,074
85 - 89.99%	8,475,545
90 - 94.99%	23,874,772
95 - 99.99%	3,169,113
100% +	136,966,465

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

0 - 30%	18,498,260
30 - 35%	61,518,529
35 - 40%	43,481,859
40 - 45%	63,419,395
45 - 50%	55,458,444
50 - 55%	3,915,418
55 - 60%	12,309,805
60 - 65%	6,726,543
65 - 70%	3,033,376
70 - 75%	1,245,746
75 - 80%	1,542,963
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)**

<b>Age Band Breakdown (based on youngest policyholder @ Calculation date)</b>	<b>Loans</b>
Under 70	-
70-74	-
75-79	13,095,640
80-84	82,337,820
85-89	105,371,427
90-94	53,767,307
95-99	15,559,330
100+	1,018,816

**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%			1,111,088	7,683,161	5,580,156	3,021,964	1,101,891	
30 - 34.99%			10,451,105	40,766,052	6,912,434	3,081,203	307,736	
35 - 39.99%			872,527	12,598,531	25,934,836	3,228,653	847,312	
40 - 44.99%			219,566	16,675,907	41,077,176	4,615,617	831,128	
45 - 49.99%			283,980	3,323,084	18,446,536	31,191,064	2,213,781	
50 - 54.99%			157,373	863,422	1,938,648	712,116	243,859	
55 - 59.99%				427,662	1,702,258	3,628,268	6,551,617	
60 - 64.99%					2,121,774	2,703,866	1,900,903	
65 - 69.99%					1,061,485	675,879	1,296,011	
70 - 74.99%					286,788	519,495	110,155	329,309
75 - 79.99%					309,338	389,181	154,936	689,507
80 - 84.99%								
85 - 89.99%								
90 - 94.99%								
95 - 99.99%								
100% +								

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

19-Aug-20

**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	£19
Less Mortgage Registration Reserve	£150,000
Available Liquidity Reserve Fund	£19
Amount to be drawn at next IPD	£19
Closing balance	£150,000

**Deficiency Ledger**

Opening Balance	-£12,653
Losses this Quarter	£0
Closing Balance	-£12,653

**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)**

£18,842,591
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**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)

£18,750,000
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**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
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**Voluntary Repayment Rate**

2.33%
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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	£12,700,000
Deferred Consideration paid to Originator during the calculation period	£0
Total Deferred Consideration paid to Originator.	£12,700,000

**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
-	210,164,676.00
-	3,502,756.50
-	206,661,919.50

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
26-Nov-2020

Pool Factor

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