

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

19-Feb-20

**Loans**

£

Outstanding Balance of Loans at Closing Date	276,369,747
Outstanding Balance of Loans @ start of immediately preceding calculation period	273,469,601
Accrued Interest @ start of Calculation Period	206,786,851

**Redemptions**

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

Death	839,452
Borrower enters Long Term Care	536,180
Voluntary Repayment	160,450
Move to Lower Value Property	-
Substitutions	-

Number of Loans redeemed in the immediately preceding Calculation period	51
--	----

Number of Loans redeemed by cause:-

Death	30
Borrower enters Long Term Care	14
Voluntary Repayment	7
Move to Lower Value Property	-
Substitutions	-

Redemption monies received	6,471,357
----------------------------	-----------

Equivalent Value Test this Calculation Period :-

S&P model this Calculation Period :-

**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	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)

Weighted Averaged GIC Rate

**Outstanding Balance of Loans**

Outstanding Accrued Interest

Outstanding Gross Balance

Outstanding number of loans

**Product Breakdown by Loan O/S**

FIRP %

FCRP %

Weighted Average Age of Borrowers @ Closing Date

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

**Age of Borrowers:-**

Single Female

Single Male

Joint Borrowers by Age of Younger

**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

**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

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

**Weighted Average:**

Time to sale (Days)

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

Reposessed this Quarter

Properties sold (Total to Calculation date)

Number Carried Forward

Average Time from Possession to Sale

Possession cases average Shortfall at Sale (%)

In Quarter

1,536,082
-----------

839,452
536,180
160,450
-
-

51
----

30
14
7
-
-

6,471,357
-----------

N/A
-----

N/A
-----

-
---

0.00%
-------

2.88%
-------

N/A as after Year 10 IPD
--------------------------

N/A as after Year 10 IPD
--------------------------

207,306,864
272,453,530
2,390

At Closing

2.7%
------

97.3%
-------

72
----

86
----

88
88
86

Case 1 Total	ERF2 Original Loan	Aviva UKER Additional Loan
821		
121		
590,000		
1,589,268		
637,565	637,565	-
697,979	697,979	-
60,414	60,414	-
109%		
Yes		
Yes		
N/A		

Since Inception

192,307,494
-------------

80,218,683
25,086,444
88,534,639
2,172,491
3,704,763

5,682
-------

2,401
701
2,640
195
60

426,517,823
-------------

At Calculation date for this report

2.4%
------

97.6%
-------

<b>Insurance</b>	
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>	£113,997
<b>Weighted Average LTV</b>	93.6%
<b>Weighted Average Indexed LTV</b>	38.4%
<b>Weighted Average Interest Rate</b>	
FIRP	8.29%
FCRP	8.09%

<b>LTV Levels Breakdown (based on original valuation using P+I at date of report)</b>	
0 - 29.99%	727,473
30 - 34.99%	1,406,581
35 - 39.99%	1,756,765
40 - 44.99%	2,666,759
45 - 49.99%	5,579,720
50 - 54.99%	5,062,391
55 - 59.99%	6,530,815
60 - 64.99%	6,074,762
65 - 69.99%	12,160,311
70 - 74.99%	15,704,084
75 - 79.99%	29,815,853
80 - 84.99%	17,002,047
85 - 89.99%	17,675,949
90 - 94.99%	10,569,286
95 - 99.99%	26,550,394
100% +	113,170,343

<b>LTV Levels Breakdown (based on HPI adjusted valuation @ Calculation date)</b>	
0 - 30%	56,558,768
30 - 35%	28,194,632
35 - 40%	94,242,980
40 - 45%	43,074,410
45 - 50%	23,322,317
50 - 55%	10,239,158
55 - 60%	9,395,943
60 - 65%	3,679,857
65 - 70%	2,102,757
70 - 75%	1,043,823
75 - 80%	598,884
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)

<b>Age Band Breakdown (based on youngest policyholder @ Calculation date)</b>	
Under 70	-
70-74	-
75-79	18,854,034
80-84	91,626,277
85-89	98,552,760
90-94	47,772,735
95-99	15,001,613
100+	646,113

<b>LTV Levels Breakdown (HPI adjusted) vs Age Band Breakdown @ Calculation date</b>								
	Under 70	70-74	75-79	80-84	85-89	90-94	95-99	100+
0 - 29.99%			11,817,876	31,213,824	8,712,328	3,644,261	1,059,436	111,043
30 - 34.99%			4,858,795	14,650,289	4,518,841	3,570,613	596,095	
35 - 39.99%			1,541,717	37,713,201	50,580,954	3,481,033	926,074	
40 - 44.99%			346,176	4,495,707	17,989,544	18,560,940	1,682,043	
45 - 49.99%			289,469	2,833,732	10,184,739	9,272,657	741,720	
50 - 54.99%				196,064	1,787,905	4,192,494	4,062,694	
55 - 59.99%				411,479	2,064,654	3,047,563	3,872,247	
60 - 64.99%				111,980	1,684,774	1,019,434	863,668	
65 - 69.99%					731,443	451,114	603,515	316,686
70 - 74.99%						380,265	445,175	218,384
75 - 79.99%					297,578	152,360	148,946	
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-Feb-20

**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
£224
£150,000
£224
£224
£150,000

Less Mortgage Registration Reserve

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

Deficiency Ledger  
Opening Balance  
Losses this Quarter  
Closing Balance

-£12,649
-£4
-£12,653

**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)**

£21,379,192
-------------

**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)

£21,300,000
-------------

**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**

1.30%
-------

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.

£12,700,000
£0
£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
-	217,170,189.00
-	3,502,756.50
-	213,667,432.50

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-May-2020
---

Pool Factor

-
---