

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

18-May-20

Loans

£

Outstanding Balance of Loans at Closing Date	276,369,747
Outstanding Balance of Loans @ start of immediately preceding calculation period	272,453,530
Accrued Interest @ start of Calculation Period	207,306,864

Redemptions

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

Death	931,602
Borrower enters Long Term Care	287,790
Voluntary Repayment	172,610
Move to Lower Value Property	-
Substitutions	-

Number of Loans redeemed in the immediately preceding Calculation period	41
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Number of Loans redeemed by cause:-

Death	24
Borrower enters Long Term Care	11
Voluntary Repayment	6
Move to Lower Value Property	-
Substitutions	-

Redemption monies received	5,909,658
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Equivalent Value Test this Calculation Period :-
S&P model this Calculation Period :-

N/A
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%
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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

Weighted Averaged GIC Rate

N/A as after Year 10 IPD

Outstanding Balance of Loans

Outstanding Accrued Interest	207,938,801
Outstanding Gross Balance	271,693,466
Outstanding number of loans	2,349

Product Breakdown by Loan O/S

At Closing

FIRP %	2.7%
FCRP %	97.3%

At Calculation date for this report

2.3%
97.7%

Weighted Average Age of Borrowers @ Closing Date

72
86

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

Age of Borrowers:-

Single Female	88
Single Male	88
Joint Borrowers by Age of Younger	86

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
1,880		
746		
120,000		
177,949		
25,013	25,013	-
83,446	83,446	-
58,433	58,433	-
334%		
YES		
YES		
N/A		

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 2 Total	ERF2 Original Loan	Aviva UKER Additional Loan
451		
343		
145,000		
363,693		
219,552	219,552	-
250,054	250,054	-
30,502	30,502	-
114%		
YES		
YES		
N/A		

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 3 Total	ERF2 Original Loan	Aviva UKER Additional Loan
734		
-		
330,000		
815,187		
325,123	325,123	-
360,726	360,726	-
35,603	35,603	-
111%		
YES		
YES		
N/A		

For all Mortgages repaid to the Calculation Date (NNEG or repossession)

Weighted Average:

Sale price as %age of indexed valuation.	48.0%
Shortfall as % of Mortgage o/s	18.4%

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

Weighted Average:

Time to sale (Days)	225
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Properties in Possession (Total to Calculation date)

Reposessed this Quarter	23
Properties sold (Total to Calculation date)	3
Number Carried Forward	14
	9

Average Time from Possesion to Sale	213
Possession cases average Shortfall at Sale (%)	15.1%

Insurance	
No Negative Equity Claims made total	3
Claims Paid	3
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
Average Loan Outstanding	£115,663
Weighted Average LTV	95.1%
Weighted Average Indexed LTV	40.7% *
Weighted Average Interest Rate	
FIRP	8.29%
FCRP	8.09%

LTV Levels Breakdown (based on original valuation using P+I at date of report)	
0 - 29.99%	686,182
30 - 34.99%	1,221,620
35 - 39.99%	1,469,907
40 - 44.99%	2,998,207
45 - 49.99%	5,263,348
50 - 54.99%	4,842,045
55 - 59.99%	5,818,129
60 - 64.99%	5,851,106
65 - 69.99%	6,877,373
70 - 74.99%	20,228,184
75 - 79.99%	22,387,915
80 - 84.99%	26,264,195
85 - 89.99%	5,442,891
90 - 94.99%	23,004,967
95 - 99.99%	5,946,285
100% +	133,391,112

LTV Levels Breakdown (based on HPI adjusted valuation @ Calculation date)	
0 - 30%	19,198,251
30 - 35%	61,271,315
35 - 40%	49,670,235
40 - 45%	56,960,188
45 - 50%	56,168,056
50 - 55%	3,609,902
55 - 60%	13,086,680
60 - 65%	6,303,322
65 - 70%	2,832,341
70 - 75%	1,080,536
75 - 80%	1,512,638
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)	
Under 70	-
70-74	-
75-79	16,031,814
80-84	88,074,724
85-89	100,901,929
90-94	50,965,107
95-99	14,721,079
100+	998,814

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%			1,557,780	8,395,358	5,446,232	2,719,020	1,079,860	
30 - 34.99%			12,705,657	38,176,500	6,426,155	3,661,436	301,566	
35 - 39.99%			923,933	16,794,880	28,202,082	3,085,379	663,961	
40 - 44.99%			411,812	19,566,240	32,570,287	3,479,114	932,735	
45 - 49.99%			432,631	3,875,852	21,239,641	28,486,785	2,133,147	
50 - 54.99%				846,666	1,648,738	875,235	239,264	
55 - 59.99%				419,228	1,946,667	3,898,288	6,822,497	
60 - 64.99%					2,004,823	3,016,795	1,281,704	
65 - 69.99%					832,938	992,900	1,006,503	
70 - 74.99%					281,070	368,832	107,983	322,652
75 - 79.99%					303,295	381,322	151,858	676,162
80 - 84.99%								
85 - 89.99%								
90 - 94.99%								
95 - 99.99%								
100% +								

* The Indexed LTVs are calculated using Halifax House Price Index. The index was rebased in Sep-19 and this report shows LTVs on the new basis. For comparison the Weighted Average Indexed LTV quoted as 40.7% would be 39.3% on the old basis.

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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
£195
£150,000
£195
£195
£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

-£12,653
£0
-£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)

£19,956,577

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)

£19,900,000

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

1.30%

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
-	213,667,432.50
-	3,502,756.50
-	210,164,676.00

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-Aug-2020

Pool Factor

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