

Equity Release Funding (No.3) plc
Report for the immediately preceding interest period

19-Apr-10

Loans

£

Outstanding Balance of Loans at Closing Date	404,247,009
Outstanding Balance of Loans @ start of this Quarter	473,956,165
Accrued Interest @ start of Calculation Period	198,735,182

Redemptions

Principal Balance of Loans redeemed in the immediately preceding Calculation period

Principal Balance of Loans redeemed by cause:-

Death	1,511,942	36,663,225
Borrower enters Long Term Care	163,050	7,681,543
Voluntary Repayment	1,298,101	63,296,992
Move to Lower Value Property	44,762	2,806,851
Substitutions	-	832,340

Number of Loans redeemed in the immediately preceding Calculation period

Number of Loans redeemed by cause:-

Death	36	809
Borrower enters Long Term Care	4	163
Voluntary Repayment	37	1,594
Move to Lower Value Property	8	179
Substitutions	-	28

Redemption monies received

5,352,362	155,026,565
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Outstanding Balance of Loans

Outstanding Accrued Interest	205,591,990
Outstanding Gross Balance	477,795,108
Outstanding number of loans	7,235

Equivalent Value Test this Calculation Period :-

N/A
N/A

Repayment Rate

2.41%

The "Repayments 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 repaid 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.

Substitutions

Substituted in this Quarter (O/S amount @ Closing Date)	-
Substituted in this Quarter 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	0.00%

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 A1 note O/S

Weighted Averaged GIC Rate

N/A as A1 note O/S

Product Breakdown by Loan O/S

At Closing

ILCRP %	27.5%	28.0%
FCRP %	72.5%	72.0%

Weighted Average Age of Borrowers @ Closing Date

71
77

Age of Borrowers:-

Single Female	80
Single Male	79
Joint Borrowers by Age of Younger	76

Properties Sold / repayments (case by case):-

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

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

N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A

For all Mortgages repaid to the Calculation Date for this Quarterly Report:-

Weighted Average:-

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

Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available)

Shortfall as % of Mortgage Outstandings

244
N/A
N/A

Properties in Possession

Repossessioned

Sold

Number Carried Forward

-
-
-
-

At Calculation
date for this
report

Average Time from Possession to Sale	N/A
Average Shortfall at Sale	N/A

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

Weighted Average LTV	£66,039
Weighted Average Indexed LTV	41.1%
	28.0%

Weighted Average Interest Rate

ILCRP	4.89%
FCRP	7.67%

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

0 - 29.99%	113,715,179
30 - 34.99%	64,555,994
35 - 39.99%	64,503,264
40 - 44.99%	59,801,365
45 - 49.99%	55,759,898
50 - 54.99%	38,464,430
55 - 59.99%	28,819,165
60 - 64.99%	21,909,085
65 - 69.99%	11,903,595
70 - 74.99%	10,669,393
75 - 79.99%	3,649,145
80 - 84.99%	2,488,268
85 - 89.99%	1,317,860
90 - 94.99%	238,467
95 - 99.99%	-
100% +	-

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

0 - 30%	288,697,641
30 - 35%	79,680,592
35 - 40%	52,384,818
40 - 45%	29,649,611
45 - 50%	17,129,933
50 - 55%	5,804,168
55 - 60%	3,169,740
60 - 65%	995,039
65 - 70%	191,259
70 - 75%	-
75 - 80%	92,307
80 - 85%	-
85 - 90%	-
90 - 95%	-
95 - 100%	-
100% +	-

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Liquidity Facility Ledger

Initial Balance	Barclays	£0
Last Quarter Closing Outstanding		£0
Available @ next Interest Payment Date		£140,000,000
Amount to be drawn at next Interest Payment Date		£0

Citibank	£0
	£0
	£45,000,000
	£0

Liquidity Reserve Fund Ledger

Initial Balance on Closing Date	£35,000,000
Outstanding as at the date of this Quarterly Report	£24,465,881
Accrued Interest to immediately succeeding interest payment date	£24,795

Less Mortgage Registration Reserve	£150,000
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Available Liquidity Reserve Fund	£24,340,676
Amount to be drawn at next IPD	£24,795
Closing balance	£24,465,881

Deficiency Ledger

Opening Balance	-£8,646
Losses this Quarter	-£15
Closing Balance	-£8,661

Optional Guarantee Ledger

Opening Balance on Closing Date	£0
Claims Submitted as at the 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

Surplus after payment of all payments set out paragraphs (a) to (k) of the Pre-Enforcement Priority of Payments (Excess Available Receipts) £0

Replenishment Amount as recorded in Replenishment Ledger

Excess Available Receipts

N/A - A1 Notes O/S

Years 2003 to 2028

N/A - A1 Notes O/S

The greater of :-

10% of Principal Amount O/S of Class A Notes @ IPD (net of redemptions @ Interest Payment Date) 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 Notes (net of redemptions @ Interest Payment Date).

Years 2028 onwards

N/A

The greater of:-

10% of Principal Amount O/S of Class A Notes @ IPD (net of redemptions @ Interest Payment Date),

aggregate of all scheduled payments of interest and principal on the Notes which are 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 Notes (net of redemptions @ Interest Payment Date).

Voluntary Repayment Rate (Replenishment Amount)

2.41%

Annualised value of the ratio expressed as a percentage calculated by dividing :-

(x) the aggregate of the Outstanding Balance as at the Closing Date of all Loans prepaid up to the relevant Calculation Date by
(y) the aggregate Outstanding Balance of all Loans on the Closing Date.

Class B Notes Payment Test

Asset / Liability Ratio @ next IPD

Prior to Year 10 IPD
Prior to Year 10 IPD

Class B Notes Required Ratio @ next IPD

Pass / Fail

Deemed Pass

Subordinated Loan Ledger

Opening Balance on Closing Date

£14,000,000

Opening Balance at start of Quarter

£20,967,450

Payments this Quarter

£0

Interest Accrued this Quarter

£120,950

Closing Balance

£21,088,400

Indexation Ledger

Class A3 Note Interest Amount / principal due on next IPD (prior to adjustment)

£0

Limited Index Factor to be applied on next IPD

£0

Class A3 Note Interest Amount / principal post adjustment due on next IPD

£0

Deferred Consideration released to Originator

Deferred Consideration paid to Originator prior to the date of this Quarterly Report date

£0

Deferred Consideration paid to Originator during the Quarter

£0

Total Deferred Consideration paid to Originator.

£0

Equity Release Funding (No.3) plc

Name of Issuer

Equity Release Funding
(No.3) plc

Date of Issue

27-Jun-2003

Moody's Current Rating

A1	A2	A3	B
Aaa	Aaa	Aaa	Aa3
AAA	AAA	AAA	AA

S&P Current Rating

Initial Note Balance

60,000,000.00	310,000,000.00	50,000,000.00	42,000,000.00
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Note Principal @ start of period

34,550,000.00	310,000,000.00	50,000,000.00	42,000,000.00
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Note Redemptions @ IPD

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Outstanding Note Principal

34,550,000.00	310,000,000.00	50,000,000.00	42,000,000.00
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Note Interest Margins

LIBOR + 0.52%	Fixed Rate (5.05%)	Fixed Rate (2.45%)	LIBOR + 1.4%
IPD Apr 2013	N/A	N/A	IPD Apr 2010
LIBOR + 1.50%	N/A	N/A	LIBOR + 3.5%

Step Up Dates

Step Up Rate

Interest Payment Cycle

Quarterly	Quarterly	Semi Annually	Quarterly
26th Jan, Apr, Jul & Oct or Next Business Day	26th Jan, Apr, Jul & Oct or Next Business Day	26th Apr & Oct or Next Business Day	26th Jan, Apr, Jul & Oct or Next Business Day
26-Jul-2010	26-Jul-2010	26-Oct-2010	26-Jul-2010

Interest Payment Date

Next Interest Payment Date

Pool Factor

0.575833