

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

20-Apr-15

Loans

Outstanding Balance of Loans at Closing Date

£

404,247,009

Outstanding Balance of Loans @ start of this Quarter

514,454,928

Accrued Interest @ start of Calculation Period

310,780,635

Redemptions

Principal Balance of Loans redeemed in the immediately preceding Calculation period

Last Quarter

3,826,894

Since Inception

181,810,484

Principal Balance of Loans redeemed by cause:-

Death

2,401,576

71,579,255

Borrower enters Long Term Care

619,843

19,783,792

Voluntary Repayment

716,830

84,897,235

Move to Lower Value Property

88,645

5,822,576

Substitutions

-

272,374

Number of Loans redeemed in the immediately preceding Calculation period

94

4,276

Number of Loans redeemed by cause:-

Death

55

1,675

Borrower enters Long Term Care

17

452

Voluntary Repayment

22

2,151

Move to Lower Value Property

5

319

Substitutions

-

2

Redemption monies received

9,959,825

313,162,690

Outstanding Balance of Loans

Outstanding Accrued Interest

312,803,097

Outstanding Gross Balance

512,650,496

Outstanding number of loans

5,497

Equivalent Value Test this Calculation Period :-

N/A

S&P model this Calculation Period :-

N/A

Repayment Rate

1.67%

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

0.91%

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 - Post Year 10 IPD

Weighted Averaged GIC Rate

N/A - Post Year 10 IPD

Product Breakdown by Loan O/S

At Closing

At Calculation date for
this report

ILCRP %

27.5%

29.8%

FCRP %

72.5%

70.2%

Weighted Average Age of Borrowers @ Closing Date

71

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

81

Age of Borrowers:-

Single Female

83

Single Male

82

Joint Borrowers by Age of Younger

80

Properties Sold / repayments (case by case):-

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

N/A

Initial Valuation

N/A

Indexed Valuation (Initial Valuation + Hpi)

N/A

Sale Price (where available)

N/A

Gross Mortgage Outstandings

N/A

Shortfall

N/A

Loan Outstandings as a % of Sale Price

N/A

Claim Submitted to No Negative Equity

N/A

Claim Paid

N/A

Claim O/S

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)

241

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

N/A

Shortfall as % of Mortgage Outstandings

N/A

Properties in Possession

6

Reposessed

-

Sold

4

Number Carried Forward

2

Average Time from Possession to Sale

188

Average Shortfall at Sale

-

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****Weighted Average Indexed LTV**

£93,260
57.7%
35.2%

Weighted Average Interest Rate

ILCRP

FCRP

4.89% + LPI
7.67%

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

0 - 29.99%
30 - 34.99%
35 - 39.99%
40 - 44.99%
45 - 49.99%
50 - 54.99%
55 - 59.99%
60 - 64.99%
65 - 69.99%
70 - 74.99%
75 - 79.99%
80 - 84.99%
85 - 89.99%
90 - 94.99%
95 - 99.99%
100% +

26,886,774
36,476,300
40,822,322
46,681,751
51,732,223
50,163,582
45,084,815
45,610,489
36,073,628
34,144,857
26,806,231
20,959,102
15,015,652
11,062,637
9,327,695
15,802,438

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

0 - 30%
30 - 35%
35 - 40%
40 - 45%
45 - 50%
50 - 55%
55 - 60%
60 - 65%
65 - 70%
70 - 75%
75 - 80%
80 - 85%
85 - 90%
90 - 95%
95 - 100%
100% +

181,918,351
89,762,742
76,564,478
57,237,527
42,894,301
29,621,238
15,868,289
9,627,937
6,384,600
1,993,314
291,158
-
186,561
-
-
-

Age Band Breakdown (based on youngest policyholder @ Calculation date)

Under 70
70-74
75-79
80-84
85-89
90-94
95-99
100+

8,127,568
59,663,561
155,440,947
165,990,891
85,296,419
30,707,213
7,164,364
259,543

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%	4,316,532	35,484,559	67,652,215	48,785,043	19,663,576	5,591,938	299,927	124,561
30 - 34.99%	3,446,369	9,696,722	44,914,502	19,602,373	9,039,844	2,884,029	176,904	-
35 - 39.99%	184,877	11,149,240	12,738,304	41,895,525	7,002,641	2,908,218	685,674	-
40 - 44.99%	179,791	2,291,457	16,879,624	23,794,511	11,243,739	2,384,572	328,850	134,982
45 - 49.99%	-	814,678	12,429,991	11,260,084	15,089,814	3,299,733	-	-
50 - 54.99%	-	224,904	566,724	16,994,891	6,887,778	5,068,358	78,583	-
55 - 59.99%	-	-	259,586	2,437,818	8,911,841	1,717,086	2,641,958	-
60 - 64.99%	-	-	-	988,048	5,471,301	1,474,172	1,694,415	-
65 - 69.99%	-	-	-	232,597	1,521,168	4,003,171	627,684	-
70 - 74.99%	-	-	-	-	464,718	1,375,936	152,659	-
75 - 79.99%	-	-	-	-	-	-	291,158	-
80 - 84.99%	-	-	-	-	-	-	-	-
85 - 89.99%	-	-	-	-	-	-	186,561	-
90 - 94.99%	-	-	-	-	-	-	-	-
95 - 99.99%	-	-	-	-	-	-	-	-
100% +	-	-	-	-	-	-	-	-

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20-Apr-15

Liquidity Facility Ledger

Initial Balance
 Last Quarter Closing Outstanding
 Available @ next Interest Payment Date
 Amount to be drawn at next Interest Payment Date

Barclays	
	£0
	£0
	£140,000,000
	£0

Citibank	
	£0
	£0
	£45,000,000
	£0

Liquidity Reserve Fund Ledger

Initial Balance on Closing Date
 Outstanding as at the date of this Quarterly Report
 Accrued Interest to immediately succeeding interest payment date

	£35,000,000
	£150,000
	£137
	£150,000
	£137
	£137
	£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

	-£226,646
	-£180,816
	-£407,462

Optional Guarantee Ledger

Opening Balance on Closing Date
 Claims Submitted as at the 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

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

	£501,555
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Replenishment Amount as recorded in Replenishment Ledger

Excess Available Receipts

	N/A - Swap Payments Remaining
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Years 2003 to 2028

The greater of :-

	N/A - Swap Payments Remaining
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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

The greater of:-

	N/A
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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)

	1.67%
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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
 Class B Notes Required Ratio @ next IPD

	0.96
	1.10

Pass / Fail

	FAIL
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Subordinated Loan Ledger

Opening Balance on Closing Date
 Opening Balance at start of Quarter
 Payments this Quarter
 Interest Accrued this Quarter
 Closing Balance

	£14,000,000
	£23,705,870
	£0
	£136,840
	£23,842,710

Indexation Ledger (April and Oct only)

Class A3 Note Interest Amount / principal due on next IPD (prior to adjustment)
 Limited Index Factor to be applied on next IPD
 Class A3 Note Interest Amount / principal post adjustment due on next IPD

	£537,500
	1.02
	£785,500

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 Quarter
 Total Deferred Consideration paid to Originator.

	£0
	£0
	£0

Equity Release Funding (No.3) plc

Name of Issuer

Date of Issue

Moody's Current Rating
S&P Current Rating

Initial Note Balance
Note Principal @ start of period
Note Redemptions @ IPD
Outstanding Note Principal

Note Interest Margins
Step Up Dates
Step Up Rate

Interest Payment Cycle
Interest Payment Date
Next Interest Payment Date

Pool Factor

Interest Amount paid this quarter
Deferred Amount at start of quarter
Interest Amount deferred / (paid) this quarter
Interest on Deferred amount this quarter
Deferred Amount at end of quarter

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27-Jun-2003

A1 Aaa A	A2 Aaa A	A3 Aaa A	B Aa3 BBB
60,000,000.00	310,000,000.00	50,000,000.00	42,000,000.00
-	310,000,000.00	44,000,000.00	42,000,000.00
-	-	2,000,000.00	-
-	310,000,000.00	42,000,000.00	42,000,000.00

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

Quarterly 26th Jan, Apr, Jul & Oct or Next 27-Jul-2015	Quarterly 26th Jan, Apr, Jul & Oct 27-Jul-2015	Semi Annually 26th Apr & Oct or Next 27-Oct-2015	Quarterly 26th Jan, Apr, Jul & 27-Jul-2015
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-	3,857,702.00	785,500.00	-
			6,281,522
			425,880
			63,665
			6,771,067