

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

19-Apr-17

Loans

£

Outstanding Balance of Loans at Closing Date	404,247,009
Outstanding Balance of Loans @ start of this Quarter	510,379,185
Accrued Interest @ start of Calculation Period	334,755,788

Last Quarter

Redemptions	
Principal Balance of Loans redeemed in the immediately preceding Calculation period	3,899,175
Principal Balance of Loans redeemed by cause:-	
Death	2,670,992
Borrower enters Long Term Care	433,055
Voluntary Repayment	729,700
Move to Lower Value Property	65,427
Substitutions	-

Since Inception

	209,933,649
	86,998,089
	24,831,132
	92,072,003
	6,304,799
-	272,374

Number of Loans redeemed in the immediately preceding Calculation period	98
Number of Loans redeemed by cause:-	
Death	70
Borrower enters Long Term Care	12
Voluntary Repayment	16
Move to Lower Value Property	3
Substitutions	-

	5,029
	2,105
	576
	2,350
	348
-	2

Redemption monies received	11,817,485
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	394,179,936
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Outstanding Balance of Loans

Outstanding Accrued Interest	336,299,685
Outstanding Gross Balance	508,023,907
Outstanding number of loans	4,744

Equivalent Value Test this Calculation Period :-	N/A
S&P model this Calculation Period :-	N/A

Repayment Rate

	2.93%
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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
- (v) 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
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Weighted Averaged GIC Rate

	N/A - Post Year 10 IPD
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Product Breakdown by Loan O/S

At Closing

ILCRP %	27.5%
FCRP %	72.5%

At Calculation date for this report

	30.6%
	69.4%

Weighted Average Age of Borrowers @ Closing Date

	71
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Weighted Average Age of borrowers - at Calculation date for this Quarterly report

	82
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Age of Borrowers:-

Single Female	84
Single Male	82
Joint Borrowers by Age of Younger	82

Properties Sold / repayments (case by case):-

Time to Sale (days where available - time from death/assessment to repayment)	Case 1
Time from Possession to Sale (days)	Total
Initial Valuation	636
Indexed Valuation (Initial Valuation + Halifax HPI)	227
Sale Price (where available)	100,000
Gross Mortgage Outstandings	188,798
Shortfall	123,816
Loan Outstandings as a % of Sale Price	146,371
Claim Submitted to No Negative Equity	22,555
Claim Paid	118%
Claim O/S	N/A
	N/A
	N/A

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

Weighted Average:	
Sale Price as % of Indexed Valuation (Initial Valuation + Halifax HPI) (where available)	54.2%
Shortfall as % of Mortgage Outstandings	20.3%

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

Weighted Average:	
Time to sale (Days)	239

Properties in possession (Total to Calculation date)

Repossessed this Quarter	11
Properties sold (Total to Calculation date)	-
Number Carried Forward	10
	1

Average Time from Possession to Sale

	219
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Possession cases average Shortfall at Sale (%)

	5.6%
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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)

	-
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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)

	-
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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	£107,088
Weighted Average LTV	71.7%
Weighted Average Indexed (Halifax) LTV	39.4%

Weighted Average Interest Rate	4.89% + LPI
ILCRP	7.67%
FCRP	

LTV Levels Breakdown (based on original valuation using P+I at date of report)	
0 - 29.99%	4,357,318
30 - 34.99%	6,188,591
35 - 39.99%	9,841,357
40 - 44.99%	14,065,444
45 - 49.99%	25,118,636
50 - 54.99%	37,156,259
55 - 59.99%	49,230,078
60 - 64.99%	53,789,515
65 - 69.99%	50,027,724
70 - 74.99%	54,217,471
75 - 79.99%	42,835,654
80 - 84.99%	43,431,728
85 - 89.99%	32,640,012
90 - 94.99%	25,078,900
95 - 99.99%	18,235,217
100% +	42,009,966

LTV Levels Breakdown (based on Halifax HPI adjusted valuation @ Calculation date)	
0 - 30%	87,104,067
30 - 35%	105,634,030
35 - 40%	90,723,987
40 - 45%	86,148,967
45 - 50%	62,555,310
50 - 55%	37,971,712
55 - 60%	17,070,660
60 - 65%	11,129,359
65 - 70%	6,044,830
70 - 75%	2,683,921
75 - 80%	743,642
80 - 85%	-
85 - 90%	-
90 - 95%	213,422
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	1,488,475
70-74	31,878,537
75-79	126,217,052
80-84	183,707,264
85-89	111,023,499
90-94	41,687,217
95-99	11,178,431
100+	845,432

LTV Levels Breakdown (Halifax HPI Adjusted) vs Age Band Breakdown @ Calculation Date (Restated)								
	Under 70	70-74	75-79	80-84	85-89	90-94	95-99	100+
0 - 29.99%	517,709	8,431,656	39,679,858	20,433,582	12,581,533	4,648,671	811,058	
30 - 34.99%	864,277	13,124,510	45,406,019	35,057,758	7,619,440	3,334,373	227,654	
35 - 39.99%	106,488	8,604,467	12,718,011	53,823,796	12,184,408	2,710,570	432,497	143,750
40 - 44.99%		811,809	20,698,762	31,988,185	29,251,707	3,355,589	42,914	
45 - 49.99%		413,867	6,433,538	22,962,235	24,013,188	7,931,813	800,669	
50 - 54.99%		490,229	806,442	17,093,121	9,674,241	9,619,292	288,387	
55 - 59.99%			474,422	1,411,240	9,658,968	2,354,610	2,918,247	253,173
60 - 64.99%				669,706	4,071,998	2,849,076	3,538,578	
65 - 69.99%				267,640	737,678	4,379,229	660,283	
70 - 74.99%					845,920	503,994	885,498	448,510
75 - 79.99%					384,418		359,224	
80 - 84.99%								
85 - 89.99%								
90 - 94.99%							213,422	
95 - 99.99%								
100% +								

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Liquidity Facility Ledger		Barclays
Initial Balance		£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		£35,000,000
Initial Balance on Closing Date		£150,000
Outstanding as at the date of this Quarterly Report		£60
Accrued Interest to immediately succeeding interest payment date		
Less Mortgage Registration Reserve		£150,000
Available Liquidity Reserve Fund		£80
Amount to be drawn at next IPD		£60
Closing balance		£150,000

Deficiency Ledger		-£610,312
Opening Balance		-£22,586
Losses this Quarter		-£632,898
Closing Balance		

Optional Guarantee Ledger		£0
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)	£194,153
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Replenishment Amount as recorded in Replenishment Ledger**Excess Available Receipts**

N/A - Swap Payments Remaining

Years 2003 to 2028

The greater of :-

N/A - Swap Payments Remaining

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

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)**

1.56%

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

1.00

Class B Notes Required Ratio @ next IPD

1.11

Pass / Fail

FAIL

Subordinated Loan Ledger

Opening Balance on Closing Date

£14,000,000

Opening Balance at start of Quarter

£24,819,390

Payments this Quarter

£0

Interest Accrued this Quarter

£129,340

Closing Balance

£24,948,730

Indexation Ledger (April and Oct only)

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

£440,000

Limited Index Factor to be applied on next IPD

1.02

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

£661,000

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

N/A

S&P Current Rating

N/A

A2

Aaa

A-

A3

Aaa

A-

B

Aa3

BBB

Initial Note Balance

60,000,000.00

Note Principal @ start of period

-

Note Redemptions @ IPD

-

Outstanding Note Principal

-

Note Interest Margins

LIBOR + 0.52%

Step Up Dates

N/A

Step Up Rate

N/A

Interest Payment Cycle

N/A

Interest Payment Date

N/A

Next Interest Payment Date

N/A

Pool Factor

-

Interest Amount paid this quarter

-

Deferred Amount at start of quarter

3,857,330.00

Interest Amount deferred / (paid) this quarter

661,000.00

Interest on Deferred amount this quarter

-

Deferred Amount at end of quarter

10,336,374

B note swap deferred payments

7,195,953

Brought Forward balance

457,392

Net coupon deferred

6,448

Interest

-

Amount paid

7,659,793

Carried forward balance

Present value of Swap Scheduled Fixed Payments

16,230,013

Brought Forward balance

3,500,000

Paid this quarter

12,730,013

Carried forward balance