

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

19-Apr-18

Loans

Outstanding Balance of Loans at Closing Date	£	404,247,009
Outstanding Balance of Loans @ start of this Quarter		501,621,633
Accrued Interest @ start of Calculation Period		341,949,607

Redemptions

Principal Balance of Loans redeemed in the immediately preceding Calculation period	2,583,211
Principal Balance of Loans redeemed by cause:-	
Death	1,861,570
Borrower enters Long Term Care	279,150
Voluntary Repayment	426,234
Move to Lower Value Property	16,256
Substitutions	-

Number of Loans redeemed in the immediately preceding Calculation period	66
Number of Loans redeemed by cause:-	
Death	44
Borrower enters Long Term Care	8
Voluntary Repayment	14
Move to Lower Value Property	2
Substitutions	-

Redemption monies received	8,328,468
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Outstanding Balance of Loans

Outstanding Accrued Interest	345,133,634
Outstanding Gross Balance	502,227,440
Outstanding number of loans	4,403

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

Repayment Rate

2.89%

The 'Repayments Rate' is the (annualised value of the ratio expressed as a percentage) calculated by dividing:-
(v) the aggregate of the initial outstanding balances of the Loans repaid up to the relevant Calculation Date by
(vi) 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%

Weighted Average Age of Borrowers @ Closing Date	71
Weighted Average Age of borrowers - at Calculation date for this Quarterly report	83

Age of Borrowers:-

Single Female	84
Single Male	83
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 Total	ERF3 Original Loan	Aviva UKER Additional Loan
Time from Possession to Sale (days)	-		
Initial Valuation	122,450		
Indexed Valuation (Initial Valuation + Halifax HPI)	266,200		
Sale Price (where available)	147,847	147,847	-
Gross Mortgage Outstandings	165,821	165,821	-
Shortfall	17,973	17,973	-
Loan Outstandings as a % of Sale Price	112%		
Claim Submitted to No Negative Equity	N/A		
Claim Paid	N/A		
Claim O/S	N/A		

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

	Case 2 Total	ERF3 Original Loan	Aviva UKER Additional Loan
Time from Possession to Sale (days)	304		
Initial Valuation	149		
Indexed Valuation (Initial Valuation + Hpi)	189,950		
Sale Price (where available)	397,357		
Gross Mortgage Outstandings	179,252	179,252	-
Shortfall	253,543	253,543	-
Loan Outstandings as a % of Sale Price	74,291	74,291	-
Claim Submitted to No Negative Equity	141%		
Claim Paid	N/A		
Claim O/S	N/A		

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

	Case 3 Total	ERF3 Original Loan	Aviva UKER Additional Loan
Time from Possession to Sale (days)	339		
Initial Valuation	263		
Indexed Valuation (Initial Valuation + Hpi)	450,000		
Sale Price (where available)	827,412		
Gross Mortgage Outstandings	396,068	396,068	-
Shortfall	410,456	410,456	-
Loan Outstandings as a % of Sale Price	14,388	14,388	-
Claim Submitted to No Negative Equity	104%		
Claim Paid	N/A		
Claim O/S	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)	53.8%
Shortfall as % of Mortgage Outstandings	15.5%

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

Weighted Average:	
Time to sale (Days)	246

Properties in possession (Total to Calculation date)

Repossessed this Quarter	16
Properties sold (Total to Calculation date)	-
Number Carried Forward	13
	3

Average Time from Possession to Sale	216
Possession cases average Shortfall at Sale (%)	9.0%

Since Inception

224,569,660
95,210,972
27,713,294
95,545,440
6,372,329
272,374

5,370
2,297
636
2,439
356
2

441,311,659

At Calculation date for this report

31.4%
68.6%

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 (Halifax) LTV**

£114,064
76.5%
40.7%

Weighted Average Interest Rate

ILCRP

4.89% + LPI

FCRP

7.66%

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% +

2,481,820
5,238,045
7,737,962
11,126,505
13,566,353
25,033,831
36,410,835
50,498,779
47,226,985
49,887,701
48,789,332
41,572,126
37,334,407
37,100,592
24,186,516
63,430,660

LTV Levels Breakdown (based on Halifax 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% +

72,428,594
95,016,337
80,188,594
89,067,205
61,456,797
46,867,338
24,487,901
10,732,766
5,858,783
3,784,410
1,472,254
618,707
-
-
232,764
-

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
80-84
85-89
90-94
95-99
100+

178,525
20,906,629
109,023,170
180,338,880
135,863,566
47,411,656
7,738,112
761,811

LTV Levels Breakdown (Halifax 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%		3,081,088	32,315,803	17,764,034	13,486,000	4,903,223	878,446	
30 - 34.99%	178,525	9,004,706	36,501,587	36,836,773	8,959,121	3,112,830	422,797	
35 - 39.99%		7,249,613	13,140,995	54,890,004	11,792,611	2,680,119	435,252	
40 - 44.99%		881,943	17,308,374	26,794,384	39,359,206	3,931,156	792,142	
45 - 49.99%		450,289	7,859,665	13,382,279	26,816,460	6,057,935	890,169	
50 - 54.99%		238,991	1,141,867	19,307,472	13,659,094	11,975,246	544,670	
55 - 59.99%			545,566	4,556,881	12,887,274	5,776,233	731,946	
60 - 64.99%			209,312	377,592	6,756,652	2,047,521	1,068,794	272,895
65 - 69.99%				225,573	508,038	4,415,550	709,622	
70 - 74.99%				203,888	717,255	2,092,800	281,450	489,016
75 - 79.99%					921,856		550,398	
80 - 84.99%						419,044	199,663	
85 - 89.99%								
90 - 94.99%								
95 - 99.99%							232,764	
100% +								

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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
	£121
	£150,000
	£121
	£121
	£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

	-£773,343
	-£106,652
	-£879,995

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)

	£8,542,758
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Replenishment Amount as recorded in Replenishment Ledger

Years 2003 to 2028

The greater of :-

	£8,400,000
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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)

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.

	1.50%
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Class B Notes Payment Test

Asset / Liability Ratio @ next IPD
Class B Notes Required Ratio @ next IPD

	1.09
	1.11

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
	£25,344,560
	£0
	£142,360
	£25,486,920

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

	£391,000
	1.04
	£610,500

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

Equity Release Funding (No.3) plc

Date of Issue

27-Jun-2003

Moodys Current Rating

A1

A2

A3

B

S&P Current Rating

N/A

Aaa

A-

Aa3

Initial Note Balance

Note Principal @ start of period

Note Redemptions @ IPD

Outstanding Note Principal

	60,000,000.00	310,000,000.00	50,000,000.00	42,000,000.00
	-	310,000,000.00	32,000,000.00	42,000,000.00
	-	-	2,000,000.00	-
	-	310,000,000.00	30,000,000.00	42,000,000.00

Note Interest Margins

Step Up Dates

Step Up Rate

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%

Interest Payment Cycle

N/A Quarterly	Semi Annually	Quarterly
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
N/A 26-Jul-2018	26-Oct-2018	26-Jul-2018

Interest Payment Date

Next Interest Payment Date

Pool Factor

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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

-	3,857,485.00	610,500.00	-
			12,382,187
			417,060
			122,973
			12,922,225

B note swap deferred payments

Brought Forward balance

Net coupon deferred

Interest

Amount paid

Carried forward balance

	9,084,530
	440,350
	11,825
	9,536,706

Present value of Swap Scheduled Fixed Payments

Brought Forward balance

Paid this quarter

Carried forward balance

-	
-	
-	