

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

19-Jul-18

Loans

£

Outstanding Balance of Loans at Closing Date	404,247,009
Outstanding Balance of Loans @ start of this Quarter	502,232,449
Accrued Interest @ start of Calculation Period	345,133,634

Last Quarter

Since Inception

Redemptions

Principal Balance of Loans redeemed in the immediately preceding Calculation period

Principal Balance of Loans redeemed by cause:-

Death	1,829,617
Borrower enters Long Term Care	525,265
Voluntary Repayment	593,016
Move to Lower Value Property	51,505
Substitutions	-

227,569,064
97,040,589
28,238,559
96,138,456
6,423,834
272,374

Number of Loans redeemed in the immediately preceding Calculation period

Number of Loans redeemed by cause:-

Death	54
Borrower enters Long Term Care	16
Voluntary Repayment	16
Move to Lower Value Property	1
Substitutions	-

5,456
2,351
652
2,455
357
2

Redemption monies received

9,902,403

451,214,062

Outstanding Balance of Loans

Outstanding Accrued Interest	345,599,080
Outstanding Gross Balance	502,688,492
Outstanding number of loans	4,317

Equivalent Value Test this Calculation Period :-

N/A

S&P model this Calculation Period :-

N/A

Repayment Rate

2.92%

The 'Repayments Rate' is the [annualised value of the ratio

expressed as a percentage] calculated by dividing:-

(i) 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

Substituted to date as a % of aggregate Outstanding Balance of the Loans @ Closing Date

-

0.00%

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%
FCRP %	72.5%

31.8%
68.2%

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	85
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)

Time from Possession to Sale (days)

Indexed Valuation (Initial Valuation + Halifax 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	ERF3	Aviva UKER
Total	Original Loan	Additional Loan
155		
200,000		
371,087		
263,076	263,076	-
278,308	278,308	-
15,232	15,232	-
106%		
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)

Shortfall as % of Mortgage Outstandings

55.3%

14.6%

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

Weighted Average:

Time to sale (Days)

247

Properties in possession (Total to Calculation date)

Reposessed this Quarter

Properties sold (Total to Calculation date)

Number Carried Forward

18

2

13

5

Average Time from Possession to Sale

Possession cases average Shortfall at Sale (%)

216

9.0%

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**

£116,444
78.1%
41.9%

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% +

2,180,538
5,080,531
6,942,621
10,240,535
12,202,231
24,162,392
35,114,480
42,222,801
50,118,350
46,248,971
50,358,470
40,652,275
37,988,602
35,381,322
32,085,438
71,728,335

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% +

62,461,748
79,550,453
60,941,537
91,447,947
68,772,906
48,494,141
31,648,584
12,951,138
7,632,738
6,635,890
1,765,783
1,146,985
-
-
-
238,641

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+

182,585
18,042,804
104,707,671
180,919,081
141,631,922
47,625,862
8,509,567
979,000

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%		1,995,740	25,892,240	16,266,065	12,904,857	4,545,429	857,416	
30 - 34.99%	182,585	7,405,871	36,441,067	25,316,439	7,278,911	2,451,690	473,889	
35 - 39.99%		6,557,861	11,762,834	57,711,045	11,534,967	2,823,457	551,353	
40 - 44.99%		1,289,736	17,694,605	30,772,765	38,294,153	2,824,296	572,392	
45 - 49.99%		541,391	10,646,064	17,902,621	33,250,570	5,329,276	1,102,984	
50 - 54.99%		252,186	764,438	21,692,556	12,498,160	12,646,685	640,116	
55 - 59.99%			1,167,495	9,948,592	13,443,020	6,385,879	703,599	
60 - 64.99%			338,928	554,864	8,117,874	2,074,838	1,586,451	278,184
65 - 69.99%				455,321	2,681,922	3,573,285	722,786	199,424
70 - 74.99%				298,812	874,098	4,080,353	382,627	
75 - 79.99%					577,767	461,144	225,480	501,392
80 - 84.99%					175,621	429,530	541,833	
85 - 89.99%								
90 - 94.99%								
95 - 99.99%								
100% +							238,641	

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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
	£209
	£150,000
	£209
	£209
	£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

	£879,995
	£15,232
	£895,228

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)

	£13,773,780
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Replenishment Amount as recorded in Replenishment Ledger

Years 2003 to 2028

The greater of :-

	£13,600,000
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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.

	1.51%
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Class B Notes Payment Test

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

	1.08
	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
	£25,486,300
	£0
	£159,380
	£25,646,300

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

	£0
	0.00
	£0

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

Aaa

Aaa

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	30,000,000.00	42,000,000.00
-	-	-	-
-	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-Oct-2018	26-Oct-2018	26-Oct-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

-	3,900,358.00	-	-
			12,922,225
			446,040
			137,195
			13,505,461

B note swap deferred payments

Brought Forward balance

Net coupon deferred

Interest

Amount paid

Carried forward balance

	9,536,706
	421,136
	18,025
	-
	9,975,869

Present value of Swap Scheduled Fixed Payments

Brought Forward balance

Paid this quarter

Carried forward balance

	-
	-
	-