Equity Release Funding (No.3) plc
Report for the immediately preceding interest period **21-Jan-19**

Loans

	£
Outstanding Balance of Loans at Closing Date	404,247,009
Outstanding Balance of Loans @ start of this Quarter	500,144,396
Accrued Interest @ start of Calculation Period	349,747,832

	Last Quarter	Since Inception
Redemptions		
Principal Balance of Loans redeemed in the immediately preceding Calculation period	3,680,491	234,942,402
Principal Balance of Loans redeemed by cause:-		
Death	1,836,964	101,479,311
Borrower enters Long Term Care	865,670	29,515,959
Voluntary Repayment	691,290	97,339,746
Move to Lower Value Property	286,567	6,879,760
Substitutions	-	- 272,374
Number of Loans redeemed in the immediately preceding Calculation period	89	5,639
Number of Loans redeemed by cause:-		
Death	48	2,463
Borrower enters Long Term Care	22	686
Voluntary Repayment	19	2,492
Move to Lower Value Property	3	362
Substitutions	-	- 2
Redemption monies received	12,856,254	476,343,369

Outstanding Balance of Loans	
Outstanding Accrued Interest	350,770,782
Outstanding Gross Balance	497,486,855
Outstanding number of loans	4,134
Equivalent Value Test this Calculation Period :-	N/A
S&P model this Calculation Period :-	N/A
Repayment Rate	2.81%

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%	31.9%
FCRP %	72.5%	68.1%

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	84
Joint Borrowers by Age of Younger	83

Properties Sold / repayments (case by case):-

	Case 1 Total	**ERF3 Original Loan**	**Aviva UKER Additional Loan**
Time to Sale (days where available - time from death/assessment to repayment)	226		
Time from Possesion to Sale (days)	178		
Initial Valuation	96,450		
Indexed Valuation (Initial Valuation + Halifax HPI)	209,909		
Sale Price (where available)	77,731	77,731	-
Gross Mortgage Outstandings	123,018	123,018	-
Shortfall	45,288	45,288	-
Loan Outstandings as a % of Sale Price	158%		
Claim Submitted to No Negative Equity	N/A		
Claim Paid	N/A		
Claim O/S	N/A		

	Case 2 Total	**ERF3 Original Loan**	**Aviva UKER Additional Loan**
Time to Sale (days where available - time from death/assessment to repayment)	310		
Time from Possesion to Sale (days)	126		
Initial Valuation	67,000		
Indexed Valuation (Initial Valuation + Hpi)	179,316		
Sale Price (where available)	114,070	113,472	599
Gross Mortgage Outstandings	150,502	113,472	37,030
Shortfall	36,431	-	36,431
Loan Outstandings as a % of Sale Price	132%		
Claim Submitted to No Negative Equity	N/A		
Claim Paid	N/A		
Claim O/S	N/A		

	Case 3 Total	**ERF3 Original Loan**	**Aviva UKER Additional Loan**
Time to Sale (days where available - time from death/assessment to repayment)	203		
Time from Possesion to Sale (days)	-		
Initial Valuation	750,000		
Indexed Valuation (Initial Valuation + Hpi)	1,416,730		
Sale Price (where available)	903,273	903,273	-
Gross Mortgage Outstandings	945,917	945,917	-
Shortfall	42,643	42,643	-
Loan Outstandings as a % of Sale Price	105%		
Claim Submitted to No Negative Equity	N/A		
Claim Paid	N/A		
Claim O/S	N/A		

	Case 4 Total	**ERF3 Original Loan**	**Aviva UKER Additional Loan**
Time to Sale (days where available - time from death/assessment to repayment)	165		
Time from Possesion to Sale (days)	43		
Initial Valuation	120,000		
Indexed Valuation (Initial Valuation + Hpi)	227,602		
Sale Price (where available)	129,555	115,113	14,442
Gross Mortgage Outstandings	134,867	115,113	19,754
Shortfall	5,312	-	5,312
Loan Outstandings as a % of Sale Price	104%		
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 (NNEG or repossession)
Weighted Average:

Sale Price as % of Indexed Valuation (Initial Valuation + Halifax HPI) (where available)	57.1%
Shortfall as % of Mortgage Outstandings	15.4%

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

Time to sale (Days)	248

Properties in possession (Total to Calculation date)	25
Repossessed this Quarter	5
Properties sold (Total to Calculation date)	17
Number Carried Forward	8

Average Time from Possesion to Sale	209
Posession cases average Shortfall at Sale (%)	14.8%

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	£120,340
Weighted Average LTV	80.8%
Weighted Average Indexed (Halifax) LTV	42.6%

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%	2,088,664
30 - 34.99%	3,916,004
35 - 39.99%	6,011,000
40 - 44.99%	9,046,354
45 - 49.99%	11,475,485
50 - 54.99%	19,643,242
55 - 59.99%	24,850,204
60 - 64.99%	42,183,719
65 - 69.99%	44,199,158
70 - 74.99%	44,958,679
75 - 79.99%	44,393,855
80 - 84.99%	47,654,433
85 - 89.99%	37,793,248
90 - 94.99%	34,881,583
95 - 99.99%	33,051,879
100% +	91,339,346

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

0 - 30%	57,711,657
30 - 35%	74,456,104
35 - 40%	92,190,653
40 - 45%	86,918,030
45 - 50%	67,877,479
50 - 55%	51,834,297
55 - 60%	32,046,916
60 - 65%	16,975,505
65 - 70%	8,230,383
70 - 75%	4,486,834
75 - 80%	3,035,779
80 - 85%	1,275,669
85 - 90%	447,549
90 - 95%	-
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	190,438
70-74	14,993,222
75-79	93,891,374
80-84	179,537,015
85-89	148,599,168
90-94	49,663,829
95-99	9,391,197
100+	1,220,613

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%		1,817,209	22,069,145	15,720,108	12,496,958	4,922,617	685,621	
30 - 34.99%	190,438	6,100,308	31,434,539	25,683,746	8,330,259	2,301,106	415,708	
35 - 39.99%		5,681,374	11,135,765	58,564,463	13,383,163	2,664,101	761,787	
40 - 44.99%		695,953	16,615,765	27,763,687	38,148,784	2,777,439	916,401	
45 - 49.99%		472,098	10,376,496	16,962,017	33,903,874	4,991,643	1,171,350	
50 - 54.99%		226,281	925,618	23,550,596	13,000,069	13,036,223	1,095,509	
55 - 59.99%			899,636	9,928,675	13,084,522	7,157,997	976,087	
60 - 64.99%			434,409	633,943	11,646,608	2,853,760	1,117,790	288,994
65 - 69.99%				489,020	3,602,209	2,816,017	1,116,232	206,906
70 - 74.99%				240,759		4,148,043	98,032	
75 - 79.99%					375,707	1,547,333	590,207	522,531
80 - 84.99%					627,015		446,472	202,182
85 - 89.99%						447,549		
90 - 94.99%								
95 - 99.99%								
100% +								

Equity Release Funding (No.3) plc
Report for the immediately preceding interest period **21-Jan-19**

Liquidity Facility Ledger	Barclays	Citibank
Initial Balance	£0	£0
Last Quarter Closing Outstanding	£0	£0
Available @ next Interest Payment Date	£140,000,000	£45,000,000
Amount to be drawn at next Interest Payment Date	£0	£0

Liquidity Reserve Fund Ledger	
Initial Balance on Closing Date	£35,000,000
Outstanding as at the date of this Quarterly Report	£150,000
Accrued Interest to immediately succeeding interest payment date	£236
Less Mortgage Registration Reserve	£150,000
Available Liquidity Reserve Fund	£236
Amount to be drawn at next IPD	£236
Closing balance	£150,000

Deficiency Ledger	
Opening Balance	-£1,047,950
Losses this Quarter	-£87,993
Closing Balance	-£1,135,943

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)	£9,172,936

Replenishment Amount as recorded in Replenishment Ledger

Years 2003 to 2028	£9,000,000

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)	1.44%

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 / Liabilty Ratio @ next IPD	1.10
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	£25,810,930
Payments this Quarter	£0
Interest Accrued this Quarter	£170,180
Closing Balance	£25,981,110

Indexation Ledger (April and Oct only)	
Class A3 Note Interest Amount / principal due on next IPD (prior to adjustment)	£0
Limited Index Factor to be applied on next IPD	0.00
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			
	A1	**A2**	**A3**	**B**
Moody's Current Rating	N/A	Aaa	Aaa	Aa3
S&P Current Rating	N/A	A	A	BBB
Initial Note Balance	60,000,000.00	310,000,000.00	50,000,000.00	42,000,000.00
Note Principal @ start of period	-	310,000,000.00	27,500,000.00	42,000,000.00
Note Redemptions @ IPD	-	-	-	-
Outstanding Note Principal	-	310,000,000.00	27,500,000.00	42,000,000.00
Note Interest Margins	LIBOR + 0.52%	Fixed Rate (5.05%)	Fixed Rate (2.45%)	LIBOR + 1.4%
Step Up Dates	N/A	N/A	N/A	IPD Apr 2010
Step Up Rate	N/A	N/A	N/A	LIBOR + 3.5%
Interest Payment Cycle	N/A	Quarterly	Semi Annually	Quarterly
Interest Payment Date	N/A	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
Next Interest Payment Date	N/A	26-Apr-2019	26-Apr-2019	26-Apr-2019
Pool Factor	-			
Interest Amount paid this quarter	-	3,953,027	-	-
Deferred Amount at start of quarter				8,909,834
Interest Amount deferred / (paid) this quarter *				466,200
Interest on Deferred amount this quarter				98,901
Deferred Amount at end of quarter				9,474,936
B note swap deferred payments				
Brought Forward balance				-
Net coupon deferred				429,392
Interest				-
Amount paid				-
Carried forward balance				429,392
Present value of Swap Scheduled Fixed Payments				
Brought Forward balance				-
Paid this quarter				-
Carried forward balance				-

* Interest Amount deferred / (paid) this quarter is made up of:	Normal and step up interest accrued in quarter	466,200
	Interest on accumulated normal interest accrued in quarter	-
	Accumulated normal interest paid	-
		466,200