

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

19-Jul-19

**Loans**

£

Outstanding Balance of Loans at Closing Date	404,247,009
Outstanding Balance of Loans @ start of this Quarter	496,998,649
Accrued Interest @ start of Calculation Period	352,653,618

Last Quarter

Since Inception

<b>Redemptions</b>		
Principal Balance of Loans redeemed in the immediately preceding Calculation period	3,077,896	240,391,341
Principal Balance of Loans redeemed by cause:-		
Death	1,812,103	104,748,657
Borrower enters Long Term Care	889,446	30,956,881
Voluntary Repayment	374,310	98,063,190
Move to Lower Value Property	2,037	6,894,987
Substitutions	-	272,374
Number of Loans redeemed in the immediately preceding Calculation period	88	5,798
Number of Loans redeemed by cause:-		
Death	56	2,559
Borrower enters Long Term Care	23	728
Voluntary Repayment	9	2,513
Move to Lower Value Property	1	364
Substitutions	-	2
Redemption monies received	10,822,299	495,305,537

**Outstanding Balance of Loans**

Outstanding Accrued Interest	355,407,048
Outstanding Gross Balance	486,674,183
Outstanding number of loans	3,975

Equivalent Value Test this Calculation Period :-

N/A

S&P model this Calculation Period :-

N/A

**Repayment Rate**

2.86%

The "Repayments Rate" is the (annualised value of the ratio expressed as a percentage) calculated by dividing:-  
(i) the accretate of the initial outstanding balances of the Loans resold up to the relevant Calculation Date by  
(ii) the accretate 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%	32.0%
FCRP %	72.5%	68.0%

Weighted Average Age of Borrowers @ Closing Date

71

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

84

**Age of Borrowers:-**

Single Female	85
Single Male	84
Joint Borrowers by Age of Younger	83

**Properties Sold / repayments (case by case):-**

Time to Sale (days where available - time from death/assessment to repayment)	<b>Case 1</b>	<b>ERF3</b>	<b>Aviva UKER</b>
Time from Possession to Sale (days)	<b>Total</b>	<b>Original Loan</b>	<b>Additional Loan</b>
Initial Valuation	268		
Indexed Valuation (Initial Valuation + HPI)	113		
Sale Price (where available)	350,000		
Gross Mortgage Outstandings	713,533		
Shortfall	401,635	401,635	-
Loan Outstandings as a % of Sale Price	531,017	531,017	-
Claim Submitted to No Negative Equity	129,362	129,362	-
Claim Paid	132%		
Claim O/S	N/A		
	N/A		
	N/A		
Time to Sale (days where available - time from death/assessment to repayment)	<b>Case 2</b>	<b>ERF3</b>	<b>Aviva UKER</b>
Time from Possession to Sale (days)	<b>Total</b>	<b>Original Loan</b>	<b>Additional Loan</b>
Initial Valuation	251		
Indexed Valuation (Initial Valuation + HPI)	-		
Sale Price (where available)	475,000		
Gross Mortgage Outstandings	1,015,144		
Shortfall	548,723	548,723	-
Loan Outstandings as a % of Sale Price	638,636	638,636	-
Claim Submitted to No Negative Equity	89,913	89,913	-
Claim Paid	116%		
Claim O/S	N/A		
	N/A		
	N/A		
Time to Sale (days where available - time from death/assessment to repayment)	<b>Case 3</b>	<b>ERF3</b>	<b>Aviva UKER</b>
Time from Possession to Sale (days)	<b>Total</b>	<b>Original Loan</b>	<b>Additional Loan</b>
Initial Valuation	1,668		
Indexed Valuation (Initial Valuation + HPI)	556		
Sale Price (where available)	165,000		
Gross Mortgage Outstandings	315,684		
Shortfall	146,304	146,304	-
Loan Outstandings as a % of Sale Price	243,395	243,395	-
Claim Submitted to No Negative Equity	97,091	97,091	-
Claim Paid	166%		
Claim O/S	N/A		
	N/A		
	N/A		
Time to Sale (days where available - time from death/assessment to repayment)	<b>Case 4</b>	<b>ERF3</b>	<b>Aviva UKER</b>
Time from Possession to Sale (days)	<b>Total</b>	<b>Original Loan</b>	<b>Additional Loan</b>
Initial Valuation	796		
Indexed Valuation (Initial Valuation + HPI)	67		
Sale Price (where available)	75,000		
Gross Mortgage Outstandings	146,518		
Shortfall	82,317	82,317	-
Loan Outstandings as a % of Sale Price	50,285	50,285	-
Claim Submitted to No Negative Equity	-	-	-
Claim Paid	61%		
Claim O/S	N/A		
	N/A		
	N/A		
Time to Sale (days where available - time from death/assessment to repayment)	<b>Case 5</b>	<b>ERF3</b>	<b>Aviva UKER</b>
Time from Possession to Sale (days)	<b>Total</b>	<b>Original Loan</b>	<b>Additional Loan</b>
Initial Valuation	1,621		
Indexed Valuation (Initial Valuation + HPI)	94		
Sale Price (where available)	88,000		
Gross Mortgage Outstandings	203,653		
Shortfall	144,904	144,904	-
Loan Outstandings as a % of Sale Price	102,716	102,716	-
Claim Submitted to No Negative Equity	-	-	-
Claim Paid	71%		
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)	56.8%
Shortfall as % of Mortgage Outstandings	16.6%

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

Weighted Average:	
Time to sale (Days)	253

**Properties in possession (Total to Calculation date)**

Reposessed this Quarter	34
Properties sold (Total to Calculation date)	4
Number Carried Forward	23
	11

Average Time from Possession to Sale

209

Possession cases average Shortfall at Sale (%)

18.0%

**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

£124,949
83.5%
62.6%

**Weighted Average Interest Rate**

ILCRP

FCRP

4.88% + LPR
7.66%

**LTV Levels Breakdown (based on original valuation using P+1 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% +

1,762,660
2,341,374
5,256,340
8,455,813
10,849,145
12,478,370
23,640,748
33,305,930
41,402,998
45,645,483
46,320,172
46,373,321
39,972,941
31,877,453
37,670,619
109,300,816

**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% +

55,959,901
70,390,108
94,522,323
85,396,624
73,296,786
51,136,102
32,062,847
18,709,764
8,723,448
4,520,739
1,911,537
1,380,452
683,532
-
-
-

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+

197,022
13,641,045
82,629,649
181,443,775
154,610,535
52,564,264
10,863,733
724,162

**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%		1,773,891	19,940,336	15,744,524	12,301,825	5,324,319	875,006	
30 - 34.99%	197,022	4,954,227	24,055,616	28,989,960	9,179,864	2,406,933	606,486	
35 - 39.99%		5,912,770	11,341,422	60,120,626	13,673,372	2,627,721	846,212	
40 - 44.99%		372,675	17,618,898	24,530,601	39,251,608	3,152,592	670,250	
45 - 49.99%		488,485	7,920,429	21,278,145	38,113,382	3,862,098	1,604,246	
50 - 54.99%		138,997	1,053,642	22,309,901	10,932,132	15,230,345	1,471,085	
55 - 59.99%			590,301	7,001,802	16,514,007	7,069,758	886,980	
60 - 64.99%			309,005	933,264	10,954,706	2,669,468	1,843,341	
65 - 69.99%				382,310	2,799,830	4,144,001	862,972	514,335
70 - 74.99%				152,442	97,041	4,169,573	101,682	
75 - 79.99%					225,612	1,073,248	612,677	
80 - 84.99%					567,153	369,939	243,532	209,828
85 - 89.99%						464,269	219,263	
90 - 94.99%								
95 - 99.99%								
100% +								

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

19-Jul-19

**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  
 Less Mortgage Registration Reserve  
 Available Liquidity Reserve Fund  
 Amount to be drawn at next IPD  
 Closing balance

£35,000,000
£150,000
£234
£150,000
£234
£234
£150,000

**Deficiency Ledger**

Opening Balance  
 Losses this Quarter  
 Closing Balance

-£1,182,301
-£316,421
-£1,498,723

**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**

£14,121,022
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**Replenishment Amount as recorded in Replenishment Ledger**

**Years 2003 to 2028**  
 The greater of :-

£14,000,000
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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
-----

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)**

1.45%
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Annualised value of the ratio expressed as a percentage calculated by dividing :-  
 (i) the acreate of the Outstanding Balance as at the Closing Date of all Loans prepaid up to the relevant Calculation Date by  
 (iv) 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  
 Pass / Fail

1.08
1.11
FAIL

**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
£26,148,560
£0
£167,870
£26,316,420

**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

Moody's Current Rating  
 S&P Current Rating

**A1**  
N/A  
**A2**  
Aaa  
**A3**  
Aaa  
**B**  
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	25,000,000.00	42,000,000.00
-	310,000,000.00	25,000,000.00	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
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Interest Payment Date  
 Next Interest Payment Date

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 28-Oct-2019	28-Oct-2019	28-Oct-2019

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

-	3,900,513	-	-
			10,023,693
			453,180
			108,084
			10,584,957

B note swap deferred payments  
 Brought Forward balance  
 Net coupon deferred  
 Interest  
 Amount paid  
 Carried forward balance

820,908
414,137
1,689
1,236,734

Present value of Swap Scheduled Fixed Payments  
 Brought Forward balance  
 Paid this quarter  
 Carried forward balance

-
-
-