

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

19-Oct-20

**Loans**

£

Outstanding Balance of Loans at Closing Date  
Outstanding Balance of Loans @ start of this Quarter  
Accrued Interest @ start of Calculation Period

404,247,000
487,142,370
358,043,613

**Redemptions**

Principal Balance of Loans redeemed in the immediately preceding Calculation period  
Principal Balance of Loans redeemed by cause:-

Death  
Borrower enters Long Term Care  
Voluntary Repayment  
Move to Lower Value Property  
Substitutions

3,719,159
2,761,859
832,652
540,029
184,836
-

Since Inception

298,803,072
114,921,980
34,745,196
99,618,241
7,265,310
272,374

Number of Loans redeemed in the immediately preceding Calculation period  
Number of Loans redeemed by cause:-

Death  
Borrower enters Long Term Care  
Voluntary Repayment  
Move to Lower Value Property  
Substitutions

98
58
37
16
1
-

8,213
2,834
839
2,682
373
2

Redemption monies received

14,611,000
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657,346,004
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**Outstanding Balance of Loans**

Outstanding Accrued Interest  
Outstanding Gross Balance  
Outstanding number of loans  
Equivalent Value Test this Calculation Period :-  
S&P model this Calculation Period :-

356,178,328
481,558,461
3,323
NA
NA

**Repayment Rate**

5.92%
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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  
(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 the Quarter as a % of aggregate Outstanding Balance of the Loans @ Closing Date

-
0.00%
0.91%

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

**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)

NA - Post Year 10 IPD
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Weighted Averaged GIC Rate

NA - Post Year 10 IPD
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**Product Breakdown by Loan O/S**

ILCRP %  
FCRP %

At Closing
27.5%
72.5%

At Calculation date for this report

31.8%
68.4%

Weighted Average Age of Borrowers @ Closing Date

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

85
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**Age of Borrowers:-**

Single Female  
Single Male  
Joint Borrowers by Age of Younger

98
85
85

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

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

Time from Possession to Sale (days)  
Initial Valuation  
Indexed Valuation (Initial Valuation + Halfpax HP)  
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	ERFS	Active UKER
Total	Original Loan	Additional Loan
241		
171		
168,860		
207,556		
57,621	57,621	-
136,421	122,814	12,607
77,800	66,193	12,607
239%		
NA		
NA		

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

Time from Possession to Sale (days)  
Initial Valuation  
Indexed Valuation (Initial Valuation + Hp)  
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 2	ERFS	Active UKER
Total	Original Loan	Additional Loan
450		
102,950		
247,870		
156,965	156,965	-
158,888	159,888	-
17,333	1,733	-
101%		
NA		
NA		

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

**Weighted Average:**

Sale Price as % of Indexed Valuation (Initial Valuation + Halfpax HP) (where available)  
Shortfall as % of Mortgage Outstandings

56.2%
18.7%

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

**Weighted Average:**

Time to sale (Days)

277
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**Properties in possession (Total to Calculation date)**

Repossession this Quarter  
Properties sold (Total to Calculation date)  
Number Carried Forward

43
1
36
1

Average Time from Possession to Sale

Possession cases average Shortfall at Sale (%)

242
21.3%

<b>Insurance</b>	
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

<b>Local Branch Claims made (number)</b>	
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

<b>Contingent Building Insurance claims made (number)</b>	
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

<b>Average Loan Outstanding</b>	£135,200
<b>Weighted Average LTV</b>	95.2%
<b>Weighted Average Interest (Reflex) LTV</b>	44.6%
<b>Weighted Average Interest Rate</b>	4.89% + LRI
ECBP	7.66%
FCBP	

<b>LTV Levels Breakdown (based on original valuation using P+1 at date of report)</b>	
0 - 29.99%	527,671
30 - 34.99%	1,519,374
35 - 39.99%	3,686,070
40 - 44.99%	5,213,678
45 - 49.99%	8,447,240
50 - 54.99%	10,033,861
55 - 59.99%	12,297,199
60 - 64.99%	20,587,132
65 - 69.99%	28,321,896
70 - 74.99%	37,569,970
75 - 79.99%	39,771,493
80 - 84.99%	43,024,814
85 - 89.99%	37,706,462
90 - 94.99%	41,672,888
95 - 99.99%	33,738,240
100% +	157,697,186

<b>LTV Levels Breakdown (based on Reflex HPI adjusted valuation @ Calculation date)</b>	
0 - 30%	32,162,898
30 - 35%	56,951,124
35 - 40%	90,033,467
40 - 45%	82,803,707
45 - 50%	82,380,497
50 - 55%	65,866,064
55 - 60%	34,967,283
60 - 65%	26,333,122
65 - 70%	8,858,313
70 - 75%	8,822,660
75 - 80%	3,077,662
80 - 85%	1,536,479
85 - 90%	240,947
90 - 95%	-
95 - 100%	-
100% +	-

Depersonalised information on the pool and payment summary, as at each Calculation Date, may be obtained electronically by Noteholders from the MT Administrator upon delivery of a signed confidentiality undertaking (the form of which can be obtained from the MT Administrator).

<b>Age Band Breakdown (based on youngest policyholder @ Calculation date)</b>	
Under 70	
70-74	8,851,302
75-79	56,162,887
80-84	172,214,268
85-89	161,760,621
90-94	69,961,811
95-99	12,880,453
100+	1,318,090

<b>LTV Levels Breakdown (Reflex HPI Adjusted) vs Age Band Breakdown @ Calculation Date</b>								
	Under 70	70-74	75-79	80-84	85-89	90-94	95-99	100+
0 - 29.99%	1,741,795	4,919,343	10,734,102	9,483,921	4,347,181	708,877		227,486
30 - 34.99%	1,382,236	16,559,913	23,386,070	9,197,174	3,382,316	418,803		
35 - 39.99%	4,829,885	8,299,919	55,545,081	16,567,518	4,110,056	681,187		
40 - 44.99%	139,362	14,246,153	30,580,354	32,898,485	4,623,092	516,240		
45 - 49.99%	158,004	8,348,024	17,800,711	45,566,621	8,524,618	1,479,720		
50 - 54.99%		843,807	22,853,677	16,994,640	13,701,165	1,301,796		
55 - 59.99%		775,126	9,298,607	10,695,495	12,464,460	1,490,054		
60 - 64.99%		173,701	1,510,170	16,379,871	4,544,400	3,729,131		
65 - 69.99%			389,915	3,182,704	4,503,210	224,693	234,861	
70 - 74.99%			165,070	105,317	5,582,652	113,768	605,743	
75 - 79.99%				244,601	2,061,661	626,779		
80 - 84.99%				169,473	625,509	791,496		
85 - 89.99%						240,947		
90 - 94.99%								
95 - 99.99%								
100% +								

**Equity Release Funding (No.3) plc**

Report for the immediately preceding interest period

19-Oct-20

**Liquidity Facility Ledger**

Initial Balance  
Last Quarter Closing Outstanding  
Available @ next Interest Payment Date  
Amount to be drawn at next Interest Payment Date

Barbican	Coltarn
£0	£0
£0	£0
£140,000,000	£40,000,000
£0	£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  
  
Loss Mortgage Registration Reserve  
  
Available Liquidity Reserve Fund  
Amount to be drawn at next IPO  
Closing Balance

£35,000,000
£150,000
£7
£150,000
£7
£7
£150,000

**Deficiency Ledger**

Opening Balance  
Losses this Quarter  
Closing Balance

£1,942,358
£66,505
£2,008,863

**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 NLAAP this calculation period  
Total Claims not recovered from NLAAP 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)

£32,818,001
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Replenishment Amount as recorded in Replenishment Ledger

£32,760,000
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Years 2003 to 2020

The greater of:-

10% of Principal Amount O/S of Class A Notes @ IPO (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 2020 onwards

The greater of:-

10% of Principal Amount O/S of Class A Notes @ IPO (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 IPDs, 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).

N/A
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**Voluntary Repayment Rate (Replenishment Amount)**

Annualised value of the rate 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.

1.76%
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**Class B Notes Payment Test**

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

1.11
1.11

Pass / Fail

Pass
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**Subordinated Loan Ledger**

Opening Balance on Closing Date  
Opening Balance as start of Quarter  
Payments this Quarter  
Interest Accrued this Quarter  
Closing Balance

£14,000,000
£26,978,960
£0
£123,580
£27,102,540

**Indexation Ledger (April and Oct only)**

Class A3 New Interest Amount / principal due on next IPO (prior to adjustment)  
Linked Index Factor to be applied on next IPO  
Class A3 New Interest Amount / principal post adjustment due on next IPO

£245,000
1.00
£245,000

**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

A1

A2

A3

B

S&P Current Rating

N/A

A

A

A

Initial Note Balance

Note Principal @ start of period

Note Redemptions @ IPO

Outstanding New Principal

60,000,000.00	910,000,000.00	50,000,000.00	42,000,000.00
-	308,658,904.00	20,000,000.00	42,000,000.00
-	1,340,006.00	3,000,000.00	-
-	327,310,988.00	17,000,000.00	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	(IPO Apr 2010)
N/A	N/A	N/A	LIBOR + 3.5%

Interest Payment Cycle

Interest Payment Date

Next Interest Payment Date

N/A	Quarterly	Semi Annually	Quarterly
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
N/A	26-Jan-2021	26-Jan-2021	26-Jan-2021

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

-	5,925,871	400,000	-
-	-	-	12,858,244
-	-	-	175,580
-	-	-	114,958
-	-	-	13,945,143

B note swap deferred payments

Bought Forward balance

Net coupon deferred

Interest

Amount paid

Carried forward balance

1,960,305
461,389
544
3,452,338

Present value of Swap Scheduled Fixed Payments

Bought Forward balance

Paid this quarter

Carried forward balance

-
-
-