

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

**Report for the immediately preceding interest period**

**19-Jan-24**

**Loans**

£

Outstanding Balance of Loans at Closing Date

404,247,009

Outstanding Balance of Loans @ start of this Quarter

437,065,756

Accrued Interest @ start of Calculation Period

347,664,054

Last Quarter

Since Inception

**Redemptions**

Principal Balance of Loans redeemed in the immediately preceding Calculation period

2,801,862

295,122,024

Principal Balance of Loans redeemed by cause:-

Death

1,836,431

136,417,882

Borrower enters Long Term Care

457,371

43,445,654

Voluntary Repayment

408,050

105,418,868

Move to Lower Value Property

-

7,563,437

Substitutions

-

272,274

Number of Loans redeemed in the immediately preceding Calculation period

74

7,369

Number of Loans redeemed by cause:-

Death

48

3,511

Borrower enters Long Term Care

14

1,086

Voluntary Repayment

12

2,714

Move to Lower Value Property

-

386

Substitutions

-

2

Redemption monies received

13,503,677

726,446,005

**Outstanding Balance of Loans**

Outstanding Accrued Interest

344,878,176

Outstanding Gross Balance

431,476,026

Outstanding number of loans

2,463

Equivalent Value Test this Calculation Period :-

N/A

SAP model Fit Calculation Period :-

N/A

**Repayment Rate**

6.66%

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

(ii) the aggregate of the initial outstanding balances of all Loans in the Portfolio on the Closing Date.

**Substitutions**

Substituted in this Quarter (OS 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 substituted 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 OS**

At Closing

At Calculation date for this report

LCRP %

27.5%

35.8%

FCRP %

72.5%

64.4%

Weighted Average Age of Borrowers @ Closing Date

71

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

87

**Age of Borrowers:-**

Single Female

88

Single Male

86

Joint Borrowers by Age of Younger

87

**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

Indred 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 OS

Case 1	ERF3	Aviva UKER
Total	Original Loan	Additional Loan
540		
449		
140,000		
375,650		
73,422	73,422	-
254,098	254,098	-
180,676	180,676	-
346%		
N/A		
N/A		
N/A		

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

Time from Possession to Sale (days)

Initial Valuation

Indred Valuation (Initial Valuation + 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 OS

Case 2	ERF3	Aviva UKER
Total	Original Loan	Additional Loan
101		
-		
62,500		
168,157		
137,738	87,740	48,998
147,621	87,740	60,881
9,883		9,883
107%		
N/A		
N/A		
N/A		

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

Time from Possession to Sale (days)

Initial Valuation

Indred Valuation (Initial Valuation + 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 OS

Case 3	ERF3	Aviva UKER
Total	Original Loan	Additional Loan
160		
69		
650,000		
1,539,133		
880,357	880,357	-
1,155,581	1,027,781	127,800
275,224	147,424	127,800
131%		
N/A		
N/A		
N/A		

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

Time from Possession to Sale (days)

Initial Valuation

Indred Valuation (Initial Valuation + 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 OS

Case 4	ERF3	Aviva UKER
Total	Original Loan	Additional Loan
978		
176		
58,000		
155,626		
97,857	97,857	-
135,601	135,601	-
37,744	37,744	-
139%		
N/A		
N/A		
N/A		

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

Time from Possession to Sale (days)

Initial Valuation

Indred Valuation (Initial Valuation + 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 OS

Case 5	ERF3	Aviva UKER
Total	Original Loan	Additional Loan
1,271		
67		
95,000		
229,559		
213,636	213,636	-
141,992	141,992	-
68%		
N/A		
N/A		
N/A		

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

Weighted Average:

Sale Price as % of Indred Valuation (Initial Valuation + Halifax HPI) (where available)

55.5%

Shortfall as % of Mortgage Outstandings

21.4%

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

Weighted Average:

Time to sale (Days)

275

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

Reposessed this Quarter

88

Properties sold (Total to Calculation date)

6

Number Carried Forward

78

Number Carried Forward

10

Average Time from Possession to Sale

234

Possession cases average Shortfall at Sale (%)

23.9%

<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 Search 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>	£175,113
<b>Weighted Average LTV</b>	115.3%
<b>Weighted Average Indexed (Halfway) LTV</b>	89.9%

<b>Weighted Average Interest Rate</b>	
ILCRP	4.89% + 1.5%
FCRP	7.66%

**LTV Levels Breakdown (based on original valuation using Pw at date of report)**

0 - 29.99%	327,125
30 - 34.99%	353,364
35 - 39.99%	283,232
40 - 44.99%	1,959,991
45 - 49.99%	2,694,183
50 - 54.99%	3,535,676
55 - 59.99%	5,830,180
60 - 64.99%	5,601,157
65 - 69.99%	7,143,864
70 - 74.99%	8,010,821
75 - 79.99%	18,582,160
80 - 84.99%	12,426,082
85 - 89.99%	22,998,213
90 - 94.99%	25,020,103
95 - 99.99%	26,682,790
100% +	290,024,015

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

0 - 30%	14,953,272
30 - 35%	33,931,472
35 - 40%	49,040,855
40 - 45%	76,535,792
45 - 50%	61,362,371
50 - 55%	58,095,503
55 - 60%	49,322,985
60 - 65%	32,100,627
65 - 70%	22,518,275
70 - 75%	15,982,256
75 - 80%	7,196,080
80 - 85%	4,810,873
85 - 90%	4,270,820
90 - 95%	851,931
95 - 100%	505,914
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).

**Age Band Breakdown (based on youngest policyholder @ Calculation date)**

Under 70	-
70-74	-
75-79	19,154,466
80-84	102,791,558
85-89	178,271,339
90-94	105,087,525
95-99	24,018,365
100+	2,164,370

**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%			159,755	4,391,248	5,188,768	4,330,616	651,010	231,875
30 - 34.99%			2,380,005	17,553,616	9,293,115	4,016,031	679,706	
35 - 39.99%			1,950,898	27,135,767	14,690,442	5,139,539		124,209
40 - 44.99%			9,113,559	11,727,822	47,123,771	8,153,630	347,640	69,269
45 - 49.99%			3,993,613	9,708,354	35,720,589	11,138,448	801,386	
50 - 54.99%			501,933	15,080,833	11,551,823	28,576,165	1,919,261	465,489
55 - 59.99%			708,568	14,189,212	14,646,113	17,811,828	1,965,264	
60 - 64.99%			337,136	3,915,028	21,652,234	3,329,559	4,866,670	
65 - 69.99%				444,656	11,170,216	3,459,812	5,514,591	
70 - 74.99%				634,923	4,667,524	8,915,011	1,583,858	180,940
75 - 79.99%					294,787	6,638,842	161,452	
80 - 84.99%					222,958	1,404,038	2,091,291	1,092,587
85 - 89.99%						1,686,491	2,584,329	
90 - 94.99%								
95 - 99.99%							505,914	851,931
100% +								

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

19-Jan-24

<b>Liquidity Facility Ledger</b>		<b>Barclays</b>	<b>Citibank</b>
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
<b>Liquidity Reserve Fund Ledger</b>			
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		£1,872	
Less Mortgage Registration Reserve		£150,000	
Available Liquidity Reserve Fund		£1,872	
Amount to be drawn at next IPD		£1,872	
Closing balance		£150,000	
<b>Deficiency Ledger</b>			
Opening Balance		-£3,288,812	
Losses this Quarter		-£365,846	
Closing Balance		-£3,654,657	

<b>Optional Guarantee Ledger</b>	
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
Total 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)

Replenishment Amount as recorded in Replenishment Ledger

Years 2003 to 2028

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

The greater of:-

100% of Principal Amount Q/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

Voluntary Repayment Rate (Replenishment Amount)

Annualised value of the ratio expressed as a percentage calculated by dividing :

(y) the aggregate Outstanding Balance of all Loans on the Closing Date.

### Class B Notes Payment Test

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

Pass / Fail

<b>Subordinated Loan Ledger</b>	
Opening Balance on Closing Date	£14,000,000
Opening Balance at start of Quarter	£11,126,420
Payments this Quarter	£3,700,000
Interest Accrued this Quarter	£198,830
Closing Balance	£7,625,250

Indexation Ledger (April and Oct only)

Class A3 Note Interest Amount / principal post adjustment due on next IPD

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

## 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  
N/A

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Initial State: Delaware

100.00

Initial Note Balance	60,000,000.00	310,000,000.00	50,000,000.00	42,000,000.00
Note Principal @ start of period	-	285,099,932.00	-	42,000,000.00
Note Redemptions @ IPO	-	4,405,998.00	-	-
Outstanding Note Principal	-	280,689,934.00	-	42,000,000.00

Note Interest Margins	N/A	Fixed Rate (5.05%)	N/A	Note SONIA + 1.5193%
Step Up Dates	N/A	N/A	N/A	IPD Apr 2010
Step Up Rate	N/A	N/A	N/A	Note SONIA + 3.6193%

Interest Payment Cycle	N/A	Quarterly	N/A	Quarterly
Interest Payment Date	N/A	26th Jan, Apr, Jul & Oct or Next Business Day	N/A	26th Jan, Apr, Jul & Oct or Next Business Day
Next Interest Payment Date	N/A	26-Apr-2024	N/A	26-Apr-2024

Pool Factor	0
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Interest Amount paid this quarter	-	3,598,511	-	935,760
Deferred Amount at start of quarter				-
Interest Amount deferred / (paid) this quarter *				-
Interest on Deferred amount this quarter				-
Deferred Amount at end of quarter				-

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

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:	935,761
Normal and step up interest accrued in quarter	
Interest on accumulated normal interest accrued in quarter	(6)
Accumulated normal interest paid	-713,581
Accumulated step up interest paid	<u>-222,185</u>