

**Equity Release Funding Trustee (No. 4) Ltd**  
**Report for the immediately preceding interest period**

23-Oct-06

**Loans/ Additional Loans**

Outstanding Balance of [Loans][Additional Loans] at Closing Date

Loans	Additional Loans
£404,730,763	

Outstanding Balance of [Loans][Additional Loans] @ start of Quarter

£437,465,767	£1,402,090
£84,242,085	£44,493

Accrued interest @ start of Quarter

**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

Substituted with cash

In this Quarter	
Loans	Additional Loans
3,819,492	10,273

1,330,507	-
62,500	
2,205,490	10,273
220,995	-
-	

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

Substituted

73	1
----	---

22	-
1	
50	1
19	
-	

Redemption monies received

4,742,520.69	-
--------------	---

Since Closing Date	
Loans	Additional Loans
28,103,564	28,860

10,181,326	6,500
1,441,420	
15,516,339	22,360
774,830	
189,650	

528	3
-----	---

170	1
16	
337	2
70	
5	

35,200,011	-
------------	---

**Outstanding Balance of [Loans][Additional Loans]**

Advances in Quarter

Outstanding Accrued Interest

Outstanding Gross Balance

Outstanding number of loans

Loans	Additional Loans
-	1,527,459
91,857,903	76,638
441,262,093	2,951,421
7,244	205

Equivalent Value Test this Calculation Period :-

S&P model this Calculation Period :-

N/A
N/A

**Substitutions**

Substituted in this Quarter (amount)

Substituted in this Quarter as a % of aggregate Outstanding Balance of the [Loans]

[Additional Loans] @ Closing Date

-
0.00%
0.02%

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

**Substitution Voluntary Repayment Rate**

Aggregate Outstanding Balance (as at the Closing Date or Loan Entry Date) of all Loans prepaid

Aggregate Outstanding Balance (as at the Closing Date or Loan Entry Date) of all Loans

3.92%
-------

**Voluntary Repayment Rate**

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 from the Closing Date up to the relevant Calculation Date by

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

3.92%
-------

**Deficiency Ledger**

Opening Balance

Losses this Quarter

Closing Balance

£0
£0
£0

**Product Breakdown by Loan O/S**

FCRP %  
ILCRP %

At Calculation date for this report	
Loans	Additional Loans
58%	69%
42%	31%

At Closing	
Loans	Additional Loans
58%	0%
42%	0%

Weighted Average Age of Borrowers @ Closing Date  
Weighted Average Age of borrowers - at Calculation date for this Quarterly report

70	
72	71

**Age of Borrowers:-**

Single Female  
Single Male  
Joint Borrowers by Age of Younger

76	73
74	73
71	70

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

Time to Sale (where available - time from death/assessment to repayment)  
Initial Valuation  
Indexed 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 O/S

N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A
N/A

**For all Mortgages repaid to the Calculation Date for this Quarterly Report:-  
Weighted Average:-**

Time to Sale (where available - time from death/assessment to repayment)  
Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available)  
Shortfall as % of Mortgage Outstandings

240
N/A
N/A

Properties in Possession  
Reposessed  
Sold  
Number Carried Forward

1
1
-
-

Average Time from Possession to Sale  
Average Shortfall at Sale

N/A
N/A

**Insurance**

Local Search and Defective Title 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 Asset Outstanding (excluding any Subordinated Portion,  
Weighted Average LTV  
Weighted Average Indexed LTV**

£60,914	£14,397
34.0%	
26.2%	

**Weighted Average Interest Rate**ILCRP  
FCRP

4.89%	4.64%
7.39%	6.50%

**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% +

Loans
165,220,562
95,547,536
73,900,611
51,510,024
26,017,900
15,110,506
8,838,384
5,116,569
-
-
-
-
-
-
-
-
-

**LTV Levels Breakdown (based on 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% +

Loans
323,011,973
66,371,835
30,291,070
14,771,650
5,898,197
857,626
59,741
-
-
-
-
-
-
-
-
-
-
-

Annualised HPI Nationwide (Seasonally Adjusted) since closing

Annualised HPI Halifax (Seasonally Adjusted) since closing

4.58%
5.06%

Depersonalised information on the pool, 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)

**Equity Release Funding (No.4) plc**

Name of Issuer

Equity Release  
Funding (No.4) plc

Date of Issue

30-Jul-2004

Moody's Current Rating

S&amp;P Current Rating

Fitch Current Rating

**A1**

Aaa

AAA

AAA

**A2**

Aaa

AAA

AAA

**B**

Aa2

AA

AA

**C**

Baa2

BBB

BBB

**D**

Baa2

BBB-

BBB

Initial Note Balance

Note Principal @ start of period

Note Redemptions @ IPD

Outstanding Note Principal

125,000,000.00	215,000,000.00	61,000,000.00	16,500,000.00	1,000,000.00
103,700,000.00	215,000,000.00	61,000,000.00	16,500,000.00	1,000,000.00
3,450,000.00	-	-	-	-
100,250,000.00	215,000,000.00	61,000,000.00	16,500,000.00	1,000,000.00

Note Interest Margins  
Step Up Dates  
Step Up Rate

LIBOR + 0.25%	LIBOR + 0.35%	LIBOR + 0.75%	LIBOR + 1.65%	LIBOR + 1.95%
IPD July 2011	IPD July 2011	IPD July 2011	IPD July 2011	IPD July 2011
LIBOR + 0.50%	LIBOR + 0.70%	LIBOR + 1.50%	LIBOR + 3.3%	LIBOR + 3.90%

Interest Payment Cycle

Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
30th Jan, Apr, Jul & Oct or Modified Next Business Day	30th Jan, Apr, Jul & Oct or Modified Next Business Day	30th Jan, Apr, Jul & Oct or Modified Next Business Day	30th Jan, Apr, Jul & Oct or Modified Next Business Day	30th Jan, Apr, Jul & Oct or Modified Next Business Day
30-Jan-2007	30-Jan-2007	30-Jan-2007	30-Jan-2007	30-Jan-2007

Interest Payment Date  
Next Interest Payment Date

Pool Factor

0.802000	1.000000	1.000000	1.000000	1.000000
----------	----------	----------	----------	----------

#### Credit Facility Ledger

Initial Commitment  
Last quarter closing outstanding principal  
Net Credit Facility Payments this quarter  
Last quarter closing accrued but unpaid interest  
Credit Facility Payment total outstanding  
Current Contraction Factor

Original Schedule	Current Schedule
£ 207,870,372	£ 207,870,372
£ 45,516,194	£ 45,516,194
£ 4,936,479	£ 4,936,479
£ 628,315	£ 628,315
£ 51,080,988	£ 51,080,988
1.00	1.00

#### Liquidity Facility Ledger

Initial Commitment  
Last quarter closing outstanding  
Available @ next Interest Payment Date  
Amount to be drawn @ next Interest Payment Date

Tranche 1	Tranche 2
£ 51,600,000	£ 4,185,000
£ -	£ -
£ 51,600,000	£ 4,185,000
£ -	£ -

Surplus after payment of all payments set out in paragraphs (a) to (ii) of the Pre - Enforcement Priority of Payments (Excess Issuer Available Receipts)

£ -
-----

#### Replenishment Amount as recorded in Reserve Ledger

Last quarter Replenishment Amount brought forward  
amount credited (debited) to Reserve Ledger as at Calculation Date @ next Interest Payment Date  
Total Replenishment Amount carried forward

£ -
£ -
£ -

#### Class A2 Modified Pass - Through Amount

Aggregate Portfolio Amount  
Sum of Aggregate Principal Outstanding on the Notes, Liquidity Outstandings, and amounts outstanding on the Credit Facility

£ 411,262,093
£ 444,830,988

#### Subordinated Loan Ledger

Opening Balance on Closing Date / at start of quarter  
Payments this quarter  
Interest accrued in this quarter  
Closing Balance

£ -
£ -
£ -
£ -

#### Deferred Consideration paid 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

£ -
£ -
£ -