

Equity Release Funding (No. 1) plc
Report for the immediately preceding interest period

21-May-12

Loans

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Outstanding Balance of Loans at Closing Date	214,240,314
Outstanding Balance of Loans @ start of immediately preceding calculation period	224,147,212
Accrued Interest @ start of Calculation Period	123,916,188

Redemptions

In Quarter

Since Inception

Principal Balance of Loans redeemed in the immediately preceding Calculation period	1,194,117	98,447,173
Principal Balance of Loans redeemed by cause:-		
Death	626,262	34,630,256
Borrower enters Long Term Care	201,000	8,717,284
Voluntary Repayment	366,855	71,936,995
Move to Lower Value Property	-	1,117,517
Substitution	-	17,954,878
Number of Loans redeemed in the immediately preceding Calculation period	40	2,876
Number of Loans redeemed by cause:-		
Death	23	959
Borrower enters Long Term Care	7	233
Voluntary Repayment	10	2,024
Move to Lower Value Property	-	122
Substitution	-	340
Redemption monies received	2,900,239	188,839,373
Equivalent Value Test this Calculation Period :-	N/A	
S&P model this Calculation Period :-	N/A	

Substitution

Substituted in the immediately preceding Calculation Period (amount)	-
Substituted in the immediately preceding Calculation Period as a % of aggregate Outstanding	0.00%
Substituted to date as a % of aggregate Outstanding Balance of the Loans @ Closing Date	12.48%

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 as after Year 10 IPD
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Weighted Averaged GIC Rate	N/A as after Year 10 IPD
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Outstanding Balance of Loans

Outstanding number of loans	3,111
Outstanding Accrued Interest	126,386,362
Outstanding Gross Interest	225,423,269

Product Breakdown by Loan O/S

At Closing

At Calculation date for this report

CAP %	20.4%	14.4%
Flexible %	79.6%	85.6%

Weighted Average Age of Borrowers @ Closing Date	72
Weighted Average Age of borrowers - at Calculation date for this Quarterly report	81

Age of Borrowers:-

Single Female	83
Single Male	83
Joint Borrowers by Age of Younger	81

Properties Sold / repayments (case by case):-

Time to Sale (where available - time from death/assessment to repayment)(Days)	N/A
Initial Valuation	N/A
Indexed Valuation (Initial Valuation + Hpi)	N/A
Sale Price (where available)	N/A
Gross Mortgage Outstandings	N/A
Shortfall	N/A
Loan Outstandings as a % of Sale Price	N/A
Claim Submitted to No Negative Equity	N/A
Claim Paid	N/A
Claim O/S	N/A

For all Mortgages repaid to date:-

Weighted Average:-	
Time to Sale (where available - time from death/assessment to repayment)(Days)	208
Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available)	N/A
Shortfall as % of Mortgage Outstandings	N/A

Properties in Possession

Repossessed	2
Sold	2
Number Carried Forward	-
Average Time from Possession to Sale	210
Average Shortfall at Sale	-

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	72.460
Weighted Average Indexed LTV	33.5%

Weighted Average Interest Rate

Cap	2.91%
Flexi	7.88%

LTV Levels Breakdown (based on original valuation using P+I at date of report)

0 - 29.99%	30,070,002
30 - 34.99%	18,030,580
35 - 39.99%	18,352,611
40 - 44.99%	17,240,147
45 - 49.99%	21,421,311
50 - 54.99%	8,057,185
55 - 59.99%	27,017,764
60 - 64.99%	13,516,691
65 - 69.99%	36,541,190
70 - 74.99%	14,121,855
75 - 79.99%	1,805,090
80 - 84.99%	2,365,944
85 - 89.99%	14,403,069
90 - 94.99%	-
95 - 99.99%	60,638
100% +	2,419,191

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

0 - 30%	69,099,328
30 - 35%	57,752,861
35 - 40%	44,636,685
40 - 45%	16,252,536
45 - 50%	22,401,711
50 - 55%	6,855,753
55 - 60%	3,833,988
60 - 65%	1,972,023
65 - 70%	999,882
70 - 75%	1,017,526
75 - 80%	418,218
80 - 85%	65,691
85 - 90%	116,488
90 - 95%	-
95 - 100%	-
100% +	-

Equity Release Funding (No.1) plc

Name of Issuer	Equity Release Funding (No.1) plc	
Date of Issue	36.980	
Moody's Current Rating	A1	A2
S&P Current Rating	Aaa	Aaa
	AAA	A+
Initial Note Balance	35,000,000	197,000,000.00
Note Principal @ start of period	-	197,000,000.00
Note Redemptions @ IPD	-	-
Outstanding Note Principal	-	197,000,000.00
Note Interest Margins	LIBOR + 0.45%	Fixed Rate (5.70%)
Step Up Dates	28-Feb-11	N/A
Step Up Margins	LIBOR + 2.50%	N/A
Interest Payment Cycle	Quarterly	
Interest Payment Date	26th or Next Business Day	
Next Interest Payment Date	28-Aug-2012	
Pool Factor	-	

Equity Release Funding (No. 1) plc

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Liquidity Facility Ledger

Initial Balance	-
Last Calculation Period Closing Outstanding	-
Available @ next IPD	70,000,000
Amount to be drawn at next IPD	-

Liquidity Reserve Fund Ledger

Initial Balance on Closing	17,500,000
Outstanding as at the date of this Quarterly Report	150,000
Accrued Interest to immediately succeeding interest payment date	328
Less Mortgage Registration Reserve	150,000
Available Liquidity Reserve Fund	328
Amount to be drawn at next IPD	-
Closing balance	150,000

Deficiency Ledger

Opening Balance	-
Losses this Quarter	93
Closing Balance	93

Optional Guarantee Ledger

Opening Balance on Closing Date	1,000,000
Claims Submitted as at 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	-
CCA Reserve	-
UTCCR Reserve	1,000,000

Start-up Loan Outstanding

Commitment Rate (Note LIBOR + 50%)	1.58%
Initial Balance	50,000
Outstanding as at date of this Quarterly Report	80,104
Accrued Interest to immediately succeeding interest payment date	315
Repayments Made	-
Closing Balance	80,419

M Note Balance Outstanding

Initial balance	12,500,000
Outstanding as at date of this Quarterly Report	32,986,706
Accrued Interest to immediately succeeding interest payment date	742,426
Repayments Made	-
Closing Balance	33,739,132

Surplus after payment of all payments due in the Waterfall (a) to (h) **23,678,429**

Replenishment Amount as recorded in Replenishment Ledger

Years 2001 to 2025
The greater of :-

10% of Principal Amount O/S of Class A Notes @ IPD (net of redemptions @ IPD) 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 Class A Notes (net of redemptions @ IPD)	23,650,000
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Years 2026 to 2030
The greater of:-

10% of Principal Amount O/S of Class A Notes @ IPD (net of redemptions @ IPD), aggregate of all scheduled payments of interest and principal on the Class A Notes 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 Class A Notes (net of redemptions @ IPD).	N/A
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Voluntary Repayment Rate **2.78%**

The "Voluntary Prepayments 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 prepaid 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.

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 calculation period	£0
Total Deferred Consideration paid to Originator.	£0