

Equity Release Funding (No. 1) plc

Report for the immediately preceding interest period

19-Feb-16

Loans

£

| | |
|--|-------------|
| Outstanding Balance of Loans at Closing Date | 214,240,314 |
| Outstanding Balance of Loans @ start of immediately preceding calculation period | 212,335,775 |
| Accrued Interest @ start of Calculation Period | 139,183,845 |

Redemptions

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

In Quarter

Since Inception

| | | |
|--------------------------------|---------|------------|
| Death | 895,380 | 49,039,108 |
| Borrower enters Long Term Care | 293,410 | 15,061,785 |
| Voluntary Repayment | 299,986 | 78,295,168 |
| Move to Lower Value Property | 9,029 | 1,373,139 |
| Substitution | - | 17,954,878 |

Number of Loans redeemed in the immediately preceding Calculation period

Number of Loans redeemed by cause:-

| | | |
|--------------------------------|----|-------|
| Death | 17 | 1,389 |
| Borrower enters Long Term Care | 8 | 410 |
| Voluntary Repayment | 11 | 2,233 |
| Move to Lower Value Property | 1 | 139 |
| Substitution | - | 340 |

Redemption monies received

| | | |
|--|-----------|-------------|
| | 4,804,862 | 264,004,784 |
|--|-----------|-------------|

Equivalent Value Test this Calculation Period :-

S&P model this Calculation Period :-

| | | |
|--|-----|--|
| | N/A | |
| | N/A | |

Substitution

Substituted in the immediately preceding Calculation Period (amount)

Substituted in the immediately preceding Calculation Period as a % of aggregate

| | |
|--|-------|
| | - |
| | 0.00% |

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)

N/A as after Year 10 IPD

Weighted Averaged GIC Rate

N/A as after Year 10 IPD

Outstanding Balance of Loans

| | |
|------------------------------|-------------|
| Outstanding number of loans | 2,296 |
| Outstanding Accrued Interest | 140,056,861 |
| Outstanding Gross Balance | 211,720,087 |

Product Breakdown by Loan O/S

At Closing

date for this report

| | | |
|------------|-------|-------|
| CAP % | 20.4% | 12.9% |
| Flexible % | 79.6% | 87.1% |

Weighted Average Age of Borrowers @ Closing Date

| | |
|--|----|
| | 72 |
|--|----|

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

| | |
|--|----|
| | 84 |
|--|----|

Age of Borrowers:-

| | |
|-----------------------------------|----|
| Single Female | 86 |
| Single Male | 85 |
| Joint Borrowers by Age of Younger | 84 |

Properties Sold / repayments (case by case):-

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

Time from Possession to Sale (in days where applicable)

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

For all Mortgages repaid to date:-

Weighted Average:-

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

Time from Possession to Sale (in days where applicable)

Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available)

Shortfall as % of Mortgage Outstandings

Properties in Possession

Reposessed

Sold

Number Carried Forward

Average Time from Possession to Sale

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

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

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

| | |
|-------------------------------------|--------|
| Average Loan Outstanding | 92.253 |
| Weighted Average LTV | 66.2% |
| Weighted Average Indexed LTV | 32.9% |

| | |
|---------------------------------------|-------|
| Weighted Average Interest Rate | 2.91% |
| Cap | 7.85% |
| Flexi | |

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

| | |
|-------------|------------|
| 0 - 29.99% | 10,876,929 |
| 30 - 34.99% | 10,732,768 |
| 35 - 39.99% | 13,254,686 |
| 40 - 44.99% | 13,380,818 |
| 45 - 49.99% | 15,686,642 |
| 50 - 54.99% | 13,404,726 |
| 55 - 59.99% | 13,399,339 |
| 60 - 64.99% | 18,596,553 |
| 65 - 69.99% | 5,915,394 |
| 70 - 74.99% | 4,619,535 |
| 75 - 79.99% | 25,350,247 |
| 80 - 84.99% | 18,378,280 |
| 85 - 89.99% | 10,969,142 |
| 90 - 94.99% | 21,432,529 |
| 95 - 99.99% | 2,165,555 |
| 100% + | 13,566,944 |

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

| | |
|-----------|------------|
| 0 - 30% | 72,058,557 |
| 30 - 35% | 57,960,978 |
| 35 - 40% | 34,576,841 |
| 40 - 45% | 14,504,663 |
| 45 - 50% | 19,948,764 |
| 50 - 55% | 4,496,555 |
| 55 - 60% | 3,735,290 |
| 60 - 65% | 2,226,353 |
| 65 - 70% | 1,214,757 |
| 70 - 75% | 666,669 |
| 75 - 80% | 330,660 |
| 80 - 85% | - |
| 85 - 90% | - |
| 90 - 95% | - |
| 95 - 100% | - |
| 100% + | - |

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)

| | |
|--------------|------------|
| Loans | 67,841 |
| Under 70 | 1,294,736 |
| 70-74 | 32,794,317 |
| 75-79 | 77,526,410 |
| 80-84 | 63,240,921 |
| 85-89 | 32,698,933 |
| 90-94 | 3,516,083 |
| 95-99 | 780,845 |
| 100+ | - |

LTV Levels Breakdown (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% | | | | | | | | |
| 30 - 34.99% | 67,841 | 562,325 | 22,297,377 | 24,977,342 | 16,256,018 | 7,460,943 | 436,710 | |
| 35 - 39.99% | | 674,561 | 2,999,162 | 32,365,250 | 14,715,208 | 6,533,237 | 673,561 | |
| 40 - 44.99% | | 57,850 | 5,729,429 | 3,941,462 | 20,783,302 | 3,529,114 | 535,684 | |
| 45 - 49.99% | | | 1,687,001 | 8,277,856 | 2,589,848 | 1,868,487 | 81,470 | |
| 50 - 54.99% | | | | 5,842,477 | 2,474,457 | 10,381,213 | 562,029 | 688,588 |
| 55 - 59.99% | | | | 1,031,198 | 3,351,912 | 113,445 | | |
| 60 - 64.99% | | | | 455,047 | 1,574,218 | 906,722 | 707,045 | 92,258 |
| 65 - 69.99% | | | | 321,393 | 880,837 | 1,024,122 | | |
| 70 - 74.99% | | | | 114,384 | 175,069 | 632,337 | 142,368 | |
| 75 - 79.99% | | | 81,348 | | | 249,312 | | |
| 80 - 84.99% | - | - | - | - | - | - | - | - |
| 85 - 89.99% | - | - | - | - | - | - | - | - |
| 90 - 94.99% | - | - | - | - | - | - | - | - |
| 95 - 99.99% | - | - | - | - | - | - | - | - |
| 100% + | - | - | - | - | - | - | - | - |

Equity Release Funding (No.1) plc

| | | |
|----------------------------------|-----------------------------------|--------------------|
| Name of Issuer | Equity Release Funding (No.1) plc | |
| Date of Issue | 30 March 2001 | |
| Moody's Current Rating | A1 | A2 |
| S&P Current Rating | Aaa | A+ |
| | AAA | A- |
| Initial Note Balance | 35,000,000 | 197,000,000.00 |
| Note Principal @ start of period | - | 192,130,160.00 |
| Note Redemptions @ IPD | - | 1,623,280.00 |
| Outstanding Note Principal | - | 190,506,880.00 |
| 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 | 26-May-2016 | |
| Pool Factor | - | |

Equity Release Funding (No. 1) plc
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19-Feb-16

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 | 140 |
| | - |
| | - |
| Less Mortgage Registration Reserve | 150,000 |
| | - |
| Available Liquidity Reserve Fund | 140 |
| Amount to be drawn at next IPD | 140 |
| Closing balance | 150,000 |

Deficiency Ledger

| | | |
|---------------------|---|-----|
| Opening Balance | - | 263 |
| Losses this Quarter | - | - |
| Closing Balance | - | 263 |

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%) | 1.07% |
| Initial Balance | 50,000 |
| Outstanding as at date of this Quarterly Report | - |
| Accrued Interest to immediately succeeding interest payment date | - |
| Repayments Made | - |
| Closing Balance | - |

M Note Balance Outstanding

| | |
|--|------------|
| Initial balance | 12,500,000 |
| Outstanding as at date of this Quarterly Report | 41,349,424 |
| Accrued Interest to immediately succeeding interest payment date | 930,362 |
| Repayments Made | - |
| Closing Balance | 42,279,786 |

Surplus after payment of all payments due in the Waterfall (a) to (h) 44,693,608

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)

| |
|------------|
| - |
| 44,600,000 |
| - |

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 |
|-----|

Voluntary Repayment Rate

| |
|-------|
| 2.09% |
|-------|

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 |