

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

19-Aug-08

<b>Loans</b>		£
Outstanding Balance of Loans at Closing Date		214,240,314
Outstanding Balance of Loans @ start of immediately preceding calculation period		223,900,754
Accrued Interest @ start of Calculation Period		92,400,413
<b>Redemptions</b>		
Principal Balance of Loans redeemed in the immediately preceding Calculation period		1,765,715
<b>Principal Balance of Loans redeemed by cause:-</b>		
Death		965,215
Borrower enters Long Term Care		67,400
Voluntary Repayment		732,010
Move to Lower Value Property		1,090
Substitution		-
Number of Loans redeemed in the immediately preceding Calculation period		52
<b>Number of Loans redeemed by cause:-</b>		
Death		27
Borrower enters Long Term Care		2
Voluntary Repayment		23
Move to Lower Value Property		1
Substitution		-
Redemption monies received		3,349,798
Equivalent Value Test this Calculation Period :-		N/A
S&P model this Calculation Period :-		N/A
<b>Substitution</b>		
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		12.48%
<b>Early Amortisation Test</b>		
at the Closing Date and in respect of substitute Loans, the Outstanding Balance as at the		N/A as Scheduled Payments outstanding
Weighted Averaged GIC Rate		N/A as Scheduled Payments outstanding
<b>Outstanding Balance of Loans</b>		
Outstanding number of loans		3,989
Outstanding Accrued Interest		90,991,995
Outstanding Gross Balance		220,725,667
<b>Product Breakdown by Loan O/S</b>		
	At Closing	
CAP %		20.4%
Flexible %		79.6%
Weighted Average Age of Borrowers @ Closing Date		72
Weighted Average Age of borrowers - at Calculation date for this Quarterly report		79
<b>Age of Borrowers:-</b>		
Single Female		81
Single Male		80
Joint Borrowers by Age of Younger		78
<b>Properties Sold / repayments (case by case):-</b>		
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
<b>For all Mortgages repaid to date:-</b>		
<b>Weighted Average:-</b>		
Time to Sale (where available - time from death/assessment to repayment)(Days)		246
Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available)		N/A
Shortfall as % of Mortgage Outstandings		N/A
<b>Properties in Possession</b>		
Repossessed		-
Sold		-
Number Carried Forward		-
Average Time from Possession to Sale		N/A
Average Shortfall at Sale		N/A
<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
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
<b>Average Loan Outstanding</b>		£55,334
<b>Weighted Average LTV</b>		44.0%
<b>Weighted Average Indexed LTV</b>		22.6%
<b>Weighted Average Interest Rate</b>		
Cap		2.91%
Flexi		7.91%

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

0 - 29.99%	31,290,878
30 - 34.99%	32,072,898
35 - 39.99%	12,731,333
40 - 44.99%	40,447,376
45 - 49.99%	25,405,973
50 - 54.99%	38,086,602
55 - 59.99%	11,635,238
60 - 64.99%	21,727,657
65 - 69.99%	1,417,039
70 - 74.99%	3,351,613
75 - 79.99%	1,588,536
80 - 84.99%	971,477
85 - 89.99%	-
90 - 94.99%	-
95 - 99.99%	-
100% +	-

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

0 - 30%	173,402,081
30 - 35%	32,292,855
35 - 40%	10,243,908
40 - 45%	3,388,991
45 - 50%	713,443
50 - 55%	631,330
55 - 60%	54,013
60 - 65%	-
65 - 70%	-
70 - 75%	-
75 - 80%	-
80 - 85%	-
85 - 90%	-
90 - 95%	-
95 - 100%	-
100% +	-

**Equity Release Funding (No.1) plc**

Name of Issuer: Equity Release Funding (No.1) plc  
Date of Issue: 30-Mar-2001

	<u>A1</u> Aaa AAA	<u>A2</u> Aaa AAA
Moody's Current Rating		
S&P Current Rating		
Initial Note Balance	35,000,000.00	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	26-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-Nov-2008

Pool Factor	-
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**Liquidity Facility Ledger**

Initial Balance	£0
Last Calculation Period Closing Outstanding	£0
Available @ next IPD	£70,000,000
Amount to be drawn at next IPD	£0

**Liquidity Reserve Fund Ledger**

Initial Balance on Closing	£17,500,000
Outstanding as at the date of this Quarterly Report	£13,085,000
Accrued Interest to immediately succeeding interest payment date	£184,584
Less Mortgage Registration Reserve	£150,000
Available Liquidity Reserve Fund	£13,119,584
Amount to be drawn at next IPD	£184,584
Closing balance	£13,085,000

**Deficiency Ledger**

Opening Balance	-£	594
Losses this Quarter	-£	8
Closing Balance	-£	602

**Optional Guarantee Ledger**

Opening Balance on Closing Date	£1,000,000
Claims Submitted as at date of this Quarterly Report	£0
Claims Paid as at date of this Quarterly Report	£0
Claims Not recovered from NULAP this calculation period	£0
Total Claims not recovered from NULAP as at date of this Quarterly Report	£0

CCA Reserve	£0
UTCCR Reserve	£1,000,000

**Start-up Loan Outstanding**

Commitment Rate (Note LIBOR + .50%)	6.36%
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Initial Balance	£50,000
Outstanding as at date of this Quarterly Report	£72,679
Accrued Interest to immediately succeeding interest payment date	£1,152
Repayments Made	£0
Closing Balance	£73,831

**M Note Balance Outstanding**

Initial balance	£	12,500,000
Outstanding as at date of this Quarterly Report	£	24,164,853
Accrued Interest to immediately succeeding interest payment date	£	543,709
Repayments Made	£	-
Closing Balance	£	24,708,562

Surplus after payment of all payments due in the Waterfall (a) to (h)	£0
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**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)

A1 notes redeemed
Swap agreements terminated
Scheduled Payments outstanding

**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**

6.10%
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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  
Deferred Consideration paid to Originator during the calculation period  
Total Deferred Consideration paid to Originator.

£0
£0
£0