

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

20-Aug-04

**Loans**

£

Outstanding Balance of Loans at Closing Date	214,240,314
Outstanding Balance of Loans @ start of immediately preceding Accrued Interest @ start of Calculation Period	221,714,624 62,495,883

**Redemptions**

Since Inception

Principal Balance of Loans redeemed in the immediately preceding	4,562,344	43,368,528
<b>Principal Balance of Loans redeemed by cause:-</b>		
Death	1,143,352	8,953,695
Borrower enters Long Term Care	81,700	1,559,007
Voluntary Repayment	3,331,881	32,255,889
Move to Lower Value Property	5,412	599,937
Number of Loans redeemed in the immediately preceding	114	1,236
<b>Number of Loans redeemed by cause:-</b>		
Death	25	230
Borrower enters Long Term Care	2	40
Voluntary Repayment	86	909
Move to Lower Value Property	1	57
Redemption monies received	6,259,239.93	56,336,973.45
Equivalent Value Test this Calculation Period :-	PASS	
S&P model this Calculation Period :-	PASS	

**Substitution**

Substituted in the immediately preceding Calculation Period	375,431
Substituted in the immediately preceding Calculation Period as a % of aggregate Outstanding Balance of the Loans @ Closing Date	0.18%
Substituted to date as a % of aggregate Outstanding Balance of	0.86%

**Early Amortisation Test**

Aggregate Loan Amount (in respect of all Outstanding Loans, the Outstanding Balance as at the Closing Date and in respect of	N/A - A1 notes O/S
Weighted Averaged GIC Rate	N/A - A1 notes O/S

**Outstanding Balance of Loans**

Number of loans	4,822
Outstanding Accrued Interest	64,956,946
Outstanding Gross Balance	219,808,463

**Product Breakdown by Loan O/S**

At Closing

At Calculation date  
for this report

CAP %	20.4%	18.6%
Flexible %	79.6%	81.4%

Weighted Average Age of Borrowers @ Closing Date	72
Weighted Average Age of borrowers - at Calculation date for this	75

**Age of Borrowers:-**

Single Female	78
Single Male	77
Joint Borrowers by Age of Younger	74

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

Time to Sale (where available - time from death/assessment to	N/A
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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 Sale Price as % of Indexed Valuation (Initial Valuation + Hpi)	206
Shortfall as % of Mortgage Outstandings	N/A

Properties in Possession	-
Repossessed	-
Sold	-
Number Carried Forward	-

Average Time from Possession to Sale	N/A
Average Shortfall at Sale	N/A

**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

<b>Average Loan Outstanding</b>	£45,585
<b>Weighted Average LTV</b>	35.8%
<b>Weighted Average Indexed LTV</b>	18.5%

**Weighted Average Interest Rate**

Cap	2.91%
Flexi	8.20%

**LTV Levels Breakdown (based on original valuation using**

0 - 29.99%	45,859,182
30 - 34.99%	55,943,144
35 - 39.99%	55,837,572
40 - 44.99%	24,968,183
45 - 49.99%	28,607,552
50 - 54.99%	8,592,831
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% +	-

**LTV Levels Breakdown (based on HPI adjusted valuation @**

0 - 30%	217,016,313
30 - 35%	2,552,244
35 - 40%	34,678
40 - 45%	87,520
45 - 50%	117,708
50 - 55%	-
55 - 60%	-
60 - 65%	-
65 - 70%	-
70 - 75%	-
75 - 80%	-
80 - 85%	-
85 - 90%	-
90 - 95%	-
95 - 100%	-
100% +	-

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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	£25,000,000
Outstanding as at the date of this Quarterly Report	£13,085,000
Accrued Interest to immediately succeeding interest payment date	£145,984
Less Mortgage Registration Reserve	£150,000
Available Liquidity Reserve Fund	£13,080,984
Amount to be drawn at next IPD	£145,984
Closing balance	£13,085,000

**Deficiency Ledger**

Opening Balance	£6,329
Losses this Quarter	£6
Closing Balance	£6,334

**Optional Guarantee Ledger**

Opening Balance on Closing Date	£1,500,000
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	£0

CCA Reserve	£500,000
UTCCR Reserve	£1,000,000

**Start-up Loan Outstanding**

Commitment Rate (Note LIBOR + .50%) 5.13%

Initial Balance	£50,000
Outstanding as at date of this Quarterly Report	£57,952
Accrued Interest to immediately succeeding interest payment date	£749
Repayments Made	£0
Closing Balance	£58,701

**Surplus after payment of all payments due in the Waterfall** £0

**Replenishment Amount as recorded in Replenishment Years 2001 to 2025**

The greater of :-

10% of Principal Amount O/S of Class A Notes @ IPD (net of and the amount (if any) necessary to maintain the Required Ratio of (a) the sum of the Aggregate Portfolio Amount and Adjusted Cash, (b) the Principal Amount Outstanding of the Class A Notes (net of redemptions @ IPD)

N/A - A1 Notes O/S

**Years 2026 to 2030**

The greater of:-

10% of Principal Amount O/S of Class A Notes @ IPD (net of

aggregate of all scheduled payments of interest and principal on the 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, (b) the Principal Amount Outstanding of the Class A Notes (net of redemptions @ IPD).

N/A

**Voluntary Repayment Rate**

4.98%

The "Voluntary Prepayments Rate" is the [annualised value of the expressed as a percentage] calculated by dividing:-  
 (x) the aggregate of the initial outstanding balances of the Loans  
 (y) the aggregate of the initial outstanding balances of all Loans in

**Deferred Consideration released to Originator**

Deferred Consideration paid to Originator prior to the date of this  
 Deferred Consideration paid to Originator during the calculation  
 Total Deferred Consideration paid to Originator.

	£0
	£0
	£0

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

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

	<b>A1</b>	<b>A2</b>
Moody's Current Rating	Aaa	Aaa
S&P Current Rating	AAA	AAA

Initial Note Balance	35,000,000.00	197,000,000.00
Note Principal @ start of period	17,377,150.00	197,000,000.00
Note Redemptions @ IPD	3,549,000.00	-
Outstanding Note Principal	13,828,150.00	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  
Next Interest Payment Date

26th or Next Business Day  
26-Nov-2004

Pool Factor

0.395090