

Equity Release Funding (No. 1) plc**Report for the immediately preceding interest period****19-Aug-05****Loans**

£

Outstanding Balance of Loans at Closing Date

214,240,314

Outstanding Balance of Loans @ start of immediately preceding calculation period

220,540,213

Accrued Interest @ start of Calculation Period

71,758,695

Redemptions

Since Inception

Principal Balance of Loans redeemed in the immediately preceding Calculation period

- 1,072,173

47,647,486

Principal Balance of Loans redeemed by cause:-Death

710,450

11,233,232.89

Borrower enters Long Term Care

20,500

2,031,746.50

Voluntary Repayment

2,502,746

41,396,187.37

Move to Lower Value Property

38,447

581,147.06

Substitution

- 4,344,316

- 7,594,827.42

Number of Loans redeemed in the immediately preceding Calculation period

- 40

1,291

Number of Loans redeemed by cause:-Death

19

292

Borrower enters Long Term Care

1

52

Voluntary Repayment

72

1,163

Move to Lower Value Property

3

67

Substitution

- 132

- 216

Redemption monies received

5,294,397

74,759,750.06

Equivalent Value Test this Calculation Period :-

PASS

S&P model this Calculation Period :-

PASS

SubstitutionSubstituted in the immediately preceding Calculation Period (amount)

6,540,513

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

Outstanding Balance of the Loans @ Closing Date

3.05%

Date

6.29%

Early Amortisation TestAggregate 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 - A1 notes O/S

Weighted Averaged GIC Rate

N/A - A1 notes O/S

Outstanding Balance of LoansNumber of loans

4,696

Outstanding Accrued Interest

71,666,719

Outstanding Gross Balance

221,520,410

Product Breakdown by Loan O/S

At Closing

At Calculation date for this report

CAP %

20.4%

18.1%

Flexible %

79.6%

81.9%

Weighted Average Age of Borrowers @ Closing Date

72

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

76

Age of Borrowers:-Single Female

79

Single Male

78

Joint Borrowers by Age of Younger

75

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)	216
Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available)	N/A
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

Average Loan Outstanding

Weighted Average LTV	£47,172
Weighted Average Indexed LTV	37.7%
	20.0%

Weighted Average Interest Rate

Cap	2.91%
Flexi	8.19%

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

0 - 29.99%	50,580,508
30 - 34.99%	43,327,253
35 - 39.99%	32,536,725
40 - 44.99%	45,444,458
45 - 49.99%	20,165,437
50 - 54.99%	22,147,488
55 - 59.99%	3,154,115
60 - 64.99%	4,164,425
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 @ Calculation date)

0 - 30%	210,195,456
30 - 35%	9,662,902
35 - 40%	807,866
40 - 45%	637,171
45 - 50%	217,016
50 - 55%	-
55 - 60%	-
60 - 65%	-
65 - 70%	-
70 - 75%	-
75 - 80%	-
80 - 85%	-
85 - 90%	-
90 - 95%	-
95 - 100%	-
100% +	-

Equity Release Funding (No. 1) plc

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19-Aug-05

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	£154,023
Less Mortgage Registration Reserve	£150,000
Available Liquidity Reserve Fund	£13,089,023
Amount to be drawn at next IPD	£154,023
Closing balance	£13,085,000

Deficiency Ledger

Opening Balance	£ 6,453
Losses this Quarter	£ 16
Closing Balance	£ 6,469

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 Report	£0

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

Start-up Loan Outstanding

Commitment Rate (Note LIBOR + .50%)	5.37%
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Initial Balance	£50,000
Outstanding as at date of this Quarterly Report	£61,114
Accrued Interest to immediately succeeding interest payment date	£827
Repayments Made	£0
Closing Balance	£61,942

M Note Balance Outstanding

Initial Balance	£	12,500,000
Outstanding as at date of this Quarterly Report	£	18,095,102
Accrued Interest to immediately succeeding interest payment date		407,139.79
Repayments Made	£	-
Closing Balance	£	18,502,242

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

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)

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 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

4.93%

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

Equity Release Funding (No.1) plc

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

	<u>A1</u>	<u>A2</u>
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	8,560,650.00	197,000,000.00
Note Redemptions @ IPD	2,695,000.00	-
Outstanding Note Principal	5,865,650.00	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 26th or Next Business Day
Next Interest Payment Date 28-Nov-2005

Pool Factor 0.167590