

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

20-Feb-04

**Loans**

£

Outstanding Balance of Loans at Closing Date 214,240,314

Outstanding Balance of Loans @ start of immediately preceding calculation period 223,870,393

Accrued Interest @ start of Calculation Period 56,867,758

**Redemptions**

Since Inception

Principal Balance of Loans redeemed in the immediately preceding Calculation period 4,294,116 35,028,575

**Principal Balance of Loans redeemed by cause:-**

Death 974,280 7,051,862

Borrower enters Long Term Care 173,060 1,292,707

Voluntary Repayment 3,120,162 26,089,481

Move to Lower Value Property 26,614 594,525

Number of Loans redeemed in the immediately preceding Calculation period 118 1,009

**Number of Loans redeemed by cause:-**

Death 25 183

Borrower enters Long Term Care 6 34

Voluntary Repayment 84 736

Move to Lower Value Property 3 56

Redemption monies received 6,219,004.23 44,850,006.95

Equivalent Value Test this Calculation Period :-

PASS

S&P model this Calculation Period :-

PASS

**Substitution**

Substituted in the immediately preceding Calculation Period (amount) 169,049

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

Outstanding Balance of the Loans @ Closing Date 0.08%

Substituted to date as a % of aggregate Outstanding Balance of the Loans @ Closing 0.50%

**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 N/A - A1 notes O/S

Weighted Averaged GIC Rate N/A - A1 notes O/S

**Outstanding Balance of Loans**

Number of loans 5,033

Outstanding Accrued Interest 59,726,319

Outstanding Gross Balance 222,468,249

**Product Breakdown by Loan O/S**

At Closing

At Calculation date  
for this report

CAP % 20.4% 18.8%

Flexible % 79.6% 81.2%

Weighted Average Age of Borrowers @ Closing Date 72

Weighted Average Age of borrowers - at Calculation date for this Quarterly report 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 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)	206
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**

<b>Weighted Average LTV</b>	£44,202
<b>Weighted Average Indexed LTV</b>	34.6%
	20.4%

**Weighted Average Interest Rate**

Cap	2.91%
Flexi	8.20%

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

0 - 29.99%	51,478,212
30 - 34.99%	56,997,297
35 - 39.99%	59,057,941
40 - 44.99%	27,806,942
45 - 49.99%	18,435,703
50 - 54.99%	8,692,153
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 @ Calculation**

0 - 30%	212,953,209
30 - 35%	7,427,133
35 - 40%	1,942,516
40 - 45%	63,628
45 - 50%	-
50 - 55%	81,763
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	£124,628
Less Mortgage Registration Reserve	£150,000
Available Liquidity Reserve Fund	£13,059,628
Amount to be drawn at next IPD	£124,628
Closing balance	£13,085,000

**Deficiency Ledger**

Opening Balance	£547
Losses this Quarter	£6,082
Closing Balance	£6,629

**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%)	4.48%
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Initial Balance	£50,000
Outstanding as at date of this Quarterly Report	£56,648

Accrued Interest to immediately succeeding interest payment date	£640
Repayments Made	£0
Closing Balance	£57,288

**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**

4.77%

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

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

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

	<b><u>A1</u></b>	<b><u>A2</u></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	23,288,650.00	197,000,000.00
Note Redemptions @ IPD	3,458,000.00	-
Outstanding Note Principal	19,830,650.00	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	26-May-2004

Pool Factor 0.566590