

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

21-Feb-06

Loans

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Outstanding Balance of Loans at Closing Date	214,240,314
Outstanding Balance of Loans @ start of immediately preceding calculation period	223,552,314
Accrued Interest @ start of Calculation Period	70,672,292

Redemptions

		Since Inception
Principal Balance of Loans redeemed in the immediately preceding Calculation period	2,719,220	47,340,376
Principal Balance of Loans redeemed by cause:-		
Death	772,557	12,644,715
Borrower enters Long Term Care	66,850	2,329,937
Voluntary Repayment	1,864,610	45,521,802
Move to Lower Value Property	15,204	603,036
Substitution	-	13,759,114
Number of Loans redeemed in the immediately preceding Calculation period	84	1,377
Number of Loans redeemed by cause:-		
Death	23	333
Borrower enters Long Term Care	3	61
Voluntary Repayment	58	1,283
Move to Lower Value Property	2	70
Substitution	-	300
Redemption monies received	4,656,697	84,242,573.94

Equivalent Value Test this Calculation Period :-	PASS
S&P model this Calculation Period :-	PASS

Substitution

Substituted in the immediately preceding Calculation Period (amount)	-
Substituted in the immediately preceding Calculation Period as a % of aggregate Outstanding Balance of the Loans @ Closing Date	0.00%
Substituted to date as a % of aggregate Outstanding Balance of the Loans @ Closing Date	10.25%

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 - A1 notes O/S
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Weighted Averaged GIC Rate	N/A - A1 notes O/S
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Outstanding Balance of Loans

Number of loans	4,610
Outstanding Accrued Interest	73,274,255
Outstanding Gross Balance	223,435,057

Product Breakdown by Loan O/S

	At Closing	At Calculation date for this report
CAP %	20.4%	17.7%
Flexible %	79.6%	82.2%

Weighted Average Age of Borrowers @ Closing Date	72
Weighted Average Age of borrowers - at Calculation date for this Quarterly report	77

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)	224
Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available)	N/A
Shortfall as % of Mortgage Outstandings	N/A

Properties in Possession	-
Reposessed	-
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	£48,467
Weighted Average LTV	38.4%
Weighted Average Indexed LTV	21.2%

Weighted Average Interest Rate

Cap	2.91%
Flexi	7.99%

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

0 - 29.99%	56,232,185
30 - 34.99%	13,977,974
35 - 39.99%	45,990,637
40 - 44.99%	48,398,679
45 - 49.99%	23,524,056
50 - 54.99%	27,522,344
55 - 59.99%	519,036
60 - 64.99%	7,280,146
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%	207,203,403
30 - 35%	11,546,264
35 - 40%	3,616,538
40 - 45%	676,062
45 - 50%	250,625
50 - 55%	142,175
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

Name of Issuer	Equity Release Funding (No.1) plc	
Date of Issue	30-Mar-2001	
Moody's Current Rating	A1	A2
S&P Current Rating	Aaa	Aaa
Initial Note Balance	35,000,000.00	197,000,000.00
Note Principal @ start of period	3,660,650.00	197,000,000.00
Note Redemptions @ IPD	2,149,000.00	-
Outstanding Note Principal	1,511,650.00	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-2005	
Pool Factor	0.043190	

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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	£144,051
Less Mortgage Registration Reserve	£150,000
Available Liquidity Reserve Fund	£13,079,051
Amount to be drawn at next IPD	£144,051
Closing balance	£13,085,000

Deficiency Ledger

Opening Balance	£ 6,468
Losses this Quarter	-£ 8
Closing Balance	£ 6,461

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%)	5.12%
Initial Balance	£50,000
Outstanding as at date of this Quarterly Report	£62,753
Accrued Interest to immediately succeeding interest payment date	£900
Repayments Made	£0
Closing Balance	£63,553

M Note Balance Outstanding

Initial Balance	£ 12,500,000
Outstanding as at date of this Quarterly Report	£ 18,918,542
Accrued Interest to immediately succeeding interest payment date	£ 425,667
Repayments Made	£ 19,344,209
Closing Balance	£ 18,918,542

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

5.08%

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