

Equity Release Funding (No. 1) plc**Report for the immediately preceding interest period****22-May-01****Loans**

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Outstanding Balance of Loans at Closing Date	214,240,314
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period	214,240,314
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Accrued Interest @ start of Calculation Period	16,747,369
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Redemptions

Principal Balance of Loans redeemed in the immediately preceding Calculation period	442,506
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Principal Balance of Loans redeemed by cause:-

Death	58,000
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Borrower enters Long Term Care	-
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Voluntary Repayment	373,910
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Move to Lower Value Property	10,596
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Number of Loans redeemed in the immediately preceding Calculation period	19
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Death	1
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Borrower enters Long Term Care	-
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Voluntary Repayment	15
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Move to Lower Value Property	3
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Equivalent Value Test this Calculation Period :-	N/A
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S&P model this Calculation Period :-	N/A
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Substitution

Substituted in the immediately preceding Calculation Period (amount)	-
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Substituted in the immediately preceding Calculation Period as a % of aggregate Outstanding Balance of the Loans @ Closing Date	-
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Substituted to date as a % of aggregate Outstanding Balance of the Loans @ Closing Date	-
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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 as prior to Feb 04
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Weighted Averaged GIC Rate	N/A as prior to Feb 04
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Outstanding Balance of Loans

Outstanding Accrued Interest	19,297,262
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Outstanding Gross Balance	216,351,762
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Product Breakdown by Loan O/S

At Closing

CAP %	20.4
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Flexible %	79.6
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Weighted Average Age of Borrowers @ Closing Date	72
Weighted Average Age of Borrowers - at Calculation date for this Quarterly report	73

Age of Borrowers:-

Single Female	75
Single Male	75
Joint Borrowers by Age of Younger	71

Properties Sold / repayments (case by case):-

	Case 1
Time to Sale (where available - time from death/assessment to repayment)	100 days
Initial Valuation	145,000
Indexed Valuation (Initial Valuation + Hpi)	149,218
Sale Price (where available)	N/A
Gross Mortgage Outstandings	60,714
Shortfall	-
Loan Outstandings as a % of Sale Price	N/A
Claim Submitted to No Negative Equity	-
Claim Paid	-
Claim O/S	-

For all Mortgages repaid to date:-

Weighted Average:-

Time to Sale (where available)	100 days
Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available)	N/A
Shortfall as % of Mortgage Outstandings	-

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

Weighted Average Loan Outstanding	£36,234
Weighted Average LTV	28.0%

Weighted Average Interest Rate	
CAP	2.91%
Flexible	8.21%

LTV Levels Breakdown (based on valuation @ closing)	
0 - 30%	149,096,234
30 - 35%	27,477,763
35 - 40%	29,547,020
40 - 45%	7,559,095
45 - 50%	2,671,650
50 - 55%	-
55 - 60%	-
60 - 65%	-
65 - 70%	-
70 - 75%	-
75 - 80%	-
80 - 85%	-
85 - 90%	-
90 - 95%	-
95 - 100%	-
100% +	-

LTV Levels Breakdown (based on HPI adjusted valuation @ Calculation date)	
0 - 30%	170,098,925
30 - 35%	11,723,194
35 - 40%	24,347,839
40 - 45%	7,510,153
45 - 50%	2,671,650
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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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	

Liquidity Reserve Fund Ledger

Initial Balance on Closing	£17,500,000
Outstanding as at the date of this Quarterly Report	£17,500,000
Accrued Interest to immediately succeeding interest payment date	£155,035
Less Mortgage Registration Reserve	£150,000
Available Liquidity Reserve Fund	£17,505,035
Amount to be drawn at next IPD	£1,315,035
Closing balance	£16,190,000

Deficiency Ledger

Opening Balance	£0
Losses this Quarter	£9
Closing Balance	£9

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%)	6.09%
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Initial Balance	£50,000
Outstanding as at date of this Quarterly Report	£50,000
Accrued Interest to immediately succeeding interest payment date	£500
Repayments Made	£0
Closing Balance	£50,500

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 :-

- i) 10% of Principal Amount O/S of Class A Notes @ IPD (net of redemptions @ IPD) and
- ii) 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:-

- i) 10% of Principal Amount O/S of Class A Notes @ IPD (net of redemptions @ IPD),
- ii) aggregate of all scheduled payments of interest and principal on the Class A Notes payable on the 4 immediately succeeding IPD's, and
- iii) 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

1.22%

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

Moody's Current Rating

A1

Aaa

A2

Aaa

S&P Current Rating

AAA

AAA

Initial Note Balance

35,000,000.00

197,000,000.00

Note Principal @ start of period

35,000,000.00

197,000,000.00

Note Redemptions @ IPD

-

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Outstanding Note Principal

35,000,000.00

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

29-May-2001

Pool Factor

1.000000

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