

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

20-May-03

**Loans**

£

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

Outstanding Balance of Loans @ start of immediately preceding calculation period 223,528,796

Accrued Interest @ start of Calculation Period 46,800,444

**Redemptions**

Since Inception

Principal Balance of Loans redeemed in the immediately preceding Calculation period 2,927,267 23,726,345

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

Death 569,560 4,949,692

Borrower enters Long Term Care 194,500 846,297

Voluntary Repayment 2,148,483 17,425,967

Move to Lower Value Property 14,724 504,389

Number of Loans redeemed in the immediately preceding Calculation period 98 685

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

Death 16 123

Borrower enters Long Term Care 5 22

Voluntary Repayment 76 491

Move to Lower Value Property 1 49

Redemption monies received 4,372,037 29,509,026.61

Equivalent Value Test this Calculation Period :-

PASS

S&P model this Calculation Period :-

PASS

**Substitution**

Substituted in the immediately preceding Calculation Period (amount) 171,689

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 0.21%

**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 N/A as prior to Feb 04

Weighted Averaged GIC Rate N/A as prior to Feb 04

**Outstanding Balance of Loans**

Number of loans 5,355

Outstanding Accrued Interest 50,325,645

Outstanding Gross Balance 224,348,731

**Product Breakdown by Loan O/S**

At Closing

At Calculation date  
for this report

CAP % 20.4% 19.4%

Flexible % 79.6% 80.6%

Weighted Average Age of Borrowers @ Closing Date 72

Weighted Average Age of borrowers - at Calculation date for this Quarterly report 74

**Age of Borrowers:-**

Single Female 77

Single Male 76

Joint Borrowers by Age of Younger 73

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

Time to Sale (where available - time from death/assessment to repayment) 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)	213 days
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

<b>Average Loan Outstanding</b>	£41,895
<b>Weighted Average LTV</b>	32.6%
<b>Weighted Average Indexed LTV</b>	21.0%

**Weighted Average Interest Rate**

Cap	2.91%
Flexi	8.21%

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

0 - 29.99%	93,818,680
30 - 34.99%	56,487,695
35 - 39.99%	31,218,893
40 - 44.99%	33,620,345
45 - 49.99%	3,579,751
50 - 54.99%	5,623,367
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%	214,619,416
30 - 35%	7,373,867
35 - 40%	2,278,485
40 - 45%	-
45 - 50%	-
50 - 55%	76,964
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**  
**Report for the immediately preceding interest period**

20-May-03

**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	£112,552
Less Mortgage Registration Reserve	£150,000
Available Liquidity Reserve Fund	£13,047,552
Amount to be drawn at next IPD	£112,552
Closing balance	£13,085,000

**Deficiency Ledger**

Opening Balance	£470
Losses this Quarter	£2
Closing Balance	£472

**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%)	4.19%
-------------------------------------	-------

Initial Balance	£50,000
Outstanding as at date of this Quarterly Report	£54,934
Accrued Interest to immediately succeeding interest payment date	£567

Repayments Made	£0
Closing Balance	£55,501

**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**

4.19%

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  
Date of Issue

Equity Release Funding (No.1) plc  
30-Mar-2001

Moody's Current Rating  
S&P Current Rating

<b>A1</b>	<b>A2</b>
Aaa	Aaa
AAA	AAA

Initial Note Balance  
Note Principal @ start of period  
Note Redemptions @ IPD  
Outstanding Note Principal

	35,000,000.00	197,000,000.00
	28,041,650.00	197,000,000.00
	1,491,000.00	-
	26,550,650.00	197,000,000.00

Note Interest Margins  
Step Up Dates  
Step Up Margins

LIBOR + 0.45%	Fixed Rate (5.70%)
28-Feb-11	N/A
LIBOR + 2.50%	N/A

Interest Payment Cycle  
Interest Payment Date  
Next Interest Payment Date

Quarterly  
26th or Next Business Day  
26-Aug-2003

Pool Factor

0.758590