

Lansdowne Mortgage Securities 2 plc (LMS2) Investor Report

**Period:
December-2017**

The Cash Manager has prepared this Performance Report on the basis of information which has been provided to it by the Mortgage Manager. The Cash Manager has not audited or otherwise verified such information. The Cash Manager is involved in continuing discussions with the Issuer in relation to the Performance Reports including the on-going provision of information required for the Performance Reports. It should also be noted that it is possible that the Cash Manager will not be in a position to continue to provide monthly reports going forward.

Lansdowne Mortgage Securities 2 plc (LMS2) Investor Report

Period: December-2017

Pool Performance		
Loans in arrears - 3 months and over per end of month reports as at:		
	30-Nov-2017	31-Dec-2017
- Total number of loans in LMS2	1,125	1,121
- Total number of loans in arrears	364	365
- Average months payments overdue (by number of loans)	34.64	36.69
- Number of loans in arrears that made a payment equal to or greater than the subscription amount	29	29
- Number of loans in arrears that made a payment less than the subscription amount	136	138
- Number of loans in arrears that made no payment	199	198

Pool Performance			Principal		
Distribution of Loans Currently in Arrears			Balance	% of Total	
	Mths in Arrears	No. of Loans			
Months in arrears is calculated as Arrears Balance divided by Current Monthly Instalment.	Current	706	62.98%	£91,017,009	54.32%
	> = 1 < 2	31	2.77%	£4,596,058	2.74%
	> = 2 < 3	19	1.69%	£2,976,899	1.78%
	> = 3 < 4	22	1.96%	£3,397,612	2.03%
	> = 4 < 5	24	2.14%	£4,173,539	2.49%
	> = 5 < 6	13	1.16%	£2,256,803	1.35%
	> = 6 < 7	12	1.07%	£1,797,103	1.07%
	> = 7 < 8	14	1.25%	£2,195,181	1.31%
	> = 8 < 9	13	1.16%	£2,434,006	1.45%
	> = 9	267	23.82%	£52,715,003	31.46%
	Total	1,121	100%	£167,559,214	100%

Pool Performance		This Period	Last Period	Since Issue
Annualised Foreclosure Frequency by % of original pool size		0.0000%	0.0394%	0.5067%
Cumulative Foreclosure Frequency by % of original pool size		n/a	n/a	5.5737%
Gross Losses (£)		€534,635	€248,456	€31,813,499
Gross Losses (% of original deal)		0.1337%	0.0621%	7.9529%
Weighted Average Loss Severity *		101.2156%	44.4671%	0.0000%

* Unable to report "Since Issue" number accurately as incomplete details received from the Mortgage Manager

Pool Performance		Balance @	30-Nov-2017	This Period	Balance @	31-Dec-2017
Possessions		No. of Loans	Value	No. of Loans	No. of Loans	Value
<u>Repossessions</u>						
Properties in Possession		7	€1,663,980	0	6	€1,492,980
<u>Sold Repossessions</u>						
Total Sold Repossessions		127	€27,597,781	1	128	€27,768,781
Losses on Sold Repossessions*		125	€25,041,343	1	126	€25,205,289
Write-offs on Loans Redeemed at a Loss**		57	€6,485,761	1	58	€6,870,909
Recoveries***		41	€248,260	2	43	€262,720
Total Losses****		181	€31,278,864	2	183	€31,813,499

* Losses at the time of repossession/write-off include costs that have not been paid in full and, as such, are estimates. In the event that the estimate falls short of the actual cost the additional shortfall is also recorded here once it crystallises.

** In some cases an account will be redeemed at a loss where there are grounds to believe that this will give a better monetary outcome than pursuing the case through repossession and sale. Such accounts are included in this line.

*** In some cases recoveries may be made on a case post repossession/writeoff.

**** This is the total of Losses on Sold Repossessions, Write-Offs on Loans Redeemed at a Loss, and Recoveries

Pool Performance		This Period		Since Issue	
Mortgage Principal Analysis		No. of Loans	Value	No. of Loans	Value
Opening mortgage principal balance	@	30-Nov-2017	1,125	2,862	€492,124,936
Prefunding principal balance			€0	190	€32,874,349
Unscheduled Prepayments			(4)	(1,931)	(€337,458,650)
Unverified loans resold to originator			€0		€0
Substitutions *			€0		€0
Further advances/retentions released **			€0		€13,350,168
Scheduled Repayments			(€314,495)		(€33,331,588)
Closing mortgage principal balance	@	31-Dec-2017	1,121	1,121	€167,559,214
Annualised CPR			4.5%	8.3%	

* Substitutions limited to 10% of Original Deal size : £37,000,000

** Further Advances limited to 10% of Original Deal size : £37,000,000