

## **Lansdowne Mortgage Securities 2 plc (LMS2) Investor Report**

**Period:**  
**May-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: May-2017**

<b>Pool Performance</b>		
<b>Loans in arrears - 3 months and over per end of month reports as at:</b>		
	<b>30-Apr-2017</b>	<b>31-May-2017</b>
- Total number of loans in LMS2	1,178	1,170
- Total number of loans in arrears	506	485
- Average months payments overdue (by number of loans)	46.10	46.88
- Number of loans in arrears that made a payment equal to or greater than the subscription amount	80	82
- Number of loans in arrears that made a payment less than the subscription amount	206	197
- Number of loans in arrears that made no payment	220	206

<b>Pool Performance</b>					
<b>Distribution of Loans Currently in Arrears</b>		<b>Mths in Arrears</b>	<b>No. of Loans</b>	<b>% of Total</b>	<b>Principal Balance</b>
Months in arrears is calculated as Arrears Balance divided by Current Monthly Instalment.		Current	646	55.21%	£82,583,432
		>= 1 < 2	24	2.05%	£3,684,888
		>= 2 < 3	15	1.28%	£1,823,475
		>= 3 < 4	6	0.51%	£644,954
		>= 4 < 5	9	0.77%	£1,228,588
		>= 5 < 6	4	0.34%	£442,158
		>= 6 < 7	1	0.09%	£188,499
		>= 7 < 8	3	0.26%	£218,704
		>= 8 < 9	3	0.26%	£478,268
		>= 9	459	39.23%	£86,960,349
		Total	1,170	100%	£178,253,315

<b>Pool Performance</b>			
	<b>This Period</b>	<b>Last Period</b>	<b>Since Issue</b>
Annualised Foreclosure Frequency by % of original pool size	0.1593%	0.0000%	0.5313%
Cumulative Foreclosure Frequency by % of original pool size	n/a	n/a	5.5342%
Gross Losses (£)	€953,044	€74,803	€26,943,930
Gross Losses (% of original deal)	0.2382%	0.0187%	6.7356%
Weighted Average Loss Severity *	57.1293%	0.2545%	0.0000%

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

<b>Pool Performance</b>		<b>Balance @</b>	<b>30-Apr-2017</b>	<b>This Period</b>	<b>Balance @</b>	<b>31-May-2017</b>
<b>Possessions</b>	<b>No. of Loans</b>	<b>Value</b>	<b>No. of Loans</b>	<b>Value</b>	<b>No. of Loans</b>	<b>Value</b>
<u>Repossessions</u>						
Properties in Possession	15	€4,163,884	4	€836,146	16	€4,315,530
<u>Sold Repossessions</u>						
Total Sold Repossessions	114	€24,054,731	3	€684,500	117	€24,739,231
Losses on Sold Repossessions*	112	€22,894,860	3	€400,992	115	€23,295,852
Write-offs on Loans Redeemed at a Loss**	34	€3,295,766	5	€552,052	39	€3,847,818
Recoveries***	33	€199,760	0	€0	33	€199,760
Total Losses****	145	€25,990,886	8	€953,044	153	€26,943,930

\* 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.

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

<b>Pool Performance</b>		<b>This Period</b>	<b>Since Issue</b>
<b>Mortgage Principal Analysis</b>	<b>No. of Loans</b>	<b>Value</b>	<b>Value</b>
Opening mortgage principal balance	@	30-Apr-2017	1,178
Prefunding principal balance		€180,025,867	2,862
Unscheduled Prepayments		€0	190
Unverified loans resold to originator		(8) (€1,630,631)	(1,882) (€328,665,038)
Substitutions *		€0	€0
Further advances/retentions released **		€0	€13,350,168
Scheduled Repayments		(€141,920)	(€31,431,099)
Closing mortgage principal balance	@	31-May-2017	1,170
		€178,253,315	€178,253,315
<b>Annualised CPR</b>		<b>10.2%</b>	<b>8.4%</b>

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

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