

DATED

2022

**RESIDENTIAL PROPERTY SECURED FINANCE DAC
(AS LENDER)**

and

**CAPITAL CITY INVESTMENT PARTNERS NO. 2 LIMITED
(AS BORROWER)**

LOAN AGREEMENT

LK SHIELDS
YOUR LEGAL COUNSEL

www.lkshields.ie
email@lkshields.ie

DUBLIN | LONDON | GALWAY

Ref APR/6005.536.20995260.v3

This Agreement is dated _____ 2022

Between

PARTIES

- (1) **RESIDENTIAL PROPERTY SECURED FINANCE DAC** (trading as Rentflow) incorporated in Ireland under registration number 673893 having its registered office at 1 Sussex Street, Dun Laoghaire, Dublin (the “**Lender**”)
- (2) **CAPITAL CITY INVESTMENT PARTNERS NO.2 LIMITED** incorporated in Ireland under registration number 648906 having its registered office at 1 Sussex Street, Dun Laoghaire, Dublin (the “**Borrower**”).

BACKGROUND

- A. Pursuant to a loan note instrument dated on or about the date hereof (the “**Loan Note Instrument**”) the Lender is to issue to the noteholders (the “**Noteholders**”) redeemable secured loan notes having an aggregate principal amount of up to €5,900,000 (the “**Loan Notes**”) on the terms and subject to the conditions of the Loan Note Instrument.
- B. It is one of the conditions to the issue of the Loan Notes by the Lender that the Lender use the proceeds of the issuance to provide the Borrower with a loan of up to €5,900,000 pursuant to the terms of this Agreement.

AGREED TERMS

1 INTERPRETATION

- 1.1 Defined terms have the meanings given to them in the Loan Note Instrument unless otherwise expressly defined herein and, unless the context requires otherwise, the following terms have the following meanings:

“**Business Days**” weekdays on which banks are ordinarily open for business to the public in Dublin;

“**Euro**” and “**€**” means the lawful currency of Ireland.

“**Event of Default**” means any event or situation specified in Clause 10.1.

“**Facility**” means the term loan facility made available under this agreement.

“**Indebtedness**” means any obligation to pay or repay money, present or future, whether actual or contingent, sole or joint.

“**Loan**” means the principal amount of the loan set out in Clause 2 made by the Lender to the Borrower under this agreement, or the principal amount outstanding under this agreement.

“**Properties**” means

- (i) 1 Hollybank Road, Drumcondra, Dublin 9;
- (ii) 384 North Circular Road, Dublin 7; and

(iii) 456 North Circular Road, Dublin 1, owned by the Borrower;

“Security” means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, hypothecation, assignment as security, title retention or any other type of arrangement that has a similar effect to any of them

“Security Trustee” means City Trust Trustees (Ireland) Limited incorporated in Ireland under registration number 391977 having its registered office at 1st Floor, The Liffey Trust Centre, 117-126 Sheriff Street Upper, Dublin 1 as security trustee for the Noteholders.

- 1.2 Clause and schedule headings do not affect the interpretation of this agreement.
- 1.3 A reference to “this agreement” (or any provision of it) or any other document is a reference to this agreement, that provision or that document as it is in force for the time being and as amended, varied or supplemented from time to time under its terms, or with the agreement of the relevant parties
- 1.4 A reference to a “person” includes a corporate or unincorporated body.
- 1.5 A reference to a law is a reference to it as it is in force for the time being, including any amendment, extension, application or re-enactment and includes any subordinate legislation for the time being in force made under it.
- 1.6 A reference to “writing” or “written” includes faxes but not e-mail.
- 1.7 A reference to a document being “in the agreed form” means in the form agreed by the parties and initialled by an authorised signatory or director on their behalf (including any alteration which may be so agreed) for identification.
- 1.8 References to a certified copy refer to a copy certified to be a true, complete and up-to-date copy of the original document, in writing and signed by a director or the secretary of the Borrower.

2 THE LOAN

The Lender agrees to lend to the Borrower the sum of up to €5,900,000, on the terms and conditions of this agreement.

3 PURPOSE

- 3.1 The Borrower shall use the Loan for:
 - 3.1.1 refinance its existing indebtedness in respect of the Properties;
 - 3.1.2 fund payment of each of fees and expenses payable in respect of the refinance, acquisition and management of the Properties
 - 3.1.3 such other purpose as may be permitted in writing by the Lender.
- 3.2 The Lender is not obliged to monitor or verify how the Loan is used.

4 DRAWING

- 4.1 Subject to Clause 5, the Borrower may draw the Loan either in one single amount on or before the date falling 5 Business Days from the date of this Agreement or by multiple

drawdowns in such amounts and on such dates as may be permitted by the Lender at its discretion.

- 4.2 To draw down the Loan, the Borrower shall give the Lender at least 24 hours' prior written notice of the date on which the Borrower wants to draw the Loan, unless such prior written notice requirement is waived by the lender at its discretion.

5 **CONDITIONS PRECEDENT**

- 5.1 This Clause 5 is only for the benefit of the Lender and any condition may be waived by the lender at its discretion.

- 5.2 The Lender is not obliged to lend until the Lender has received the proceeds of issuance of the Notes and shall not be obliged to lend more than the proceeds of the issuance of the Notes.

- 5.3 The Borrower may not give notice to draw the Loan, and the Lender is not obliged to lend, until the Lender has confirmed to the Borrower that it has received the following documents in form and substance satisfactory to it.

5.3.1 Certified copies of the certificates of incorporation, certificates of incorporation on change of name, memorandum and articles of association of the Borrower.

5.3.2 A certified copy of the resolutions duly passed by the board of directors of the Borrower:

- (a) approving the entry into, and terms of, and transactions contemplated by, this agreement; and
- (b) authorising a specified person to execute this agreement on its behalf, to give notices and take all other action in connection with this agreement;

5.3.3 A sample of the signature of each person authorised under the resolution specified in Clause 5.3.2

5.3.4 A certificate of the Borrower (signed by a director of the Borrower) confirming that borrowing the Loan will not cause any borrowing (or similar limit binding on the Borrower) to be exceeded.

5.3.5 A certificate signed by a director of the Borrower confirming that each copy of a document provided under this Clause 5 is correct, complete and in full force and effect as at a date no earlier than the date of this agreement.

5.3.6 A certified copy of any other authorisation, document, opinion or assurance which the Lender considers necessary or desirable for entering into this agreement, providing the Loan or to make this agreement valid and enforceable.

5.3.7 An original executed redemption letter from the existing lenders secured on the Properties outlining the total amount of indebtedness to be discharged by the Borrower in order to discharge the indebtedness in full and release and discharge all security from the Borrower, including a commitment to deliver deeds of release and discharge in respect of all such security, including security registered on the Properties;

- 5.3.8 Copy insurance policies in respect of the Properties;
- 5.3.9 A tenancy schedule in respect of the Properties;
- 5.3.10 The latest management accounts of the Borrower;
- 5.3.11 A certified copy of the existing property management agreement in place in respect of the Properties; and
- 5.3.12 All of the title documents in respect of the Properties.

6 INTEREST

- 6.1 The Borrower shall pay interest on the Loan at a rate of 6% per annum (the "**Interest Rate**").
- 6.2 Interest shall be calculated on an annualised basis by applying the Interest Rate to the aggregate principal amount of the Loan and shall be payable by way of 12 equal instalments during each year from the date of this Agreement monthly, in arrears, on the last Business Day of each month.

7 COSTS

The Borrower shall pay, on demand and on a full indemnity basis, all costs and expenses (together with any value added tax on them) that the Lender incurs in connection with the negotiation and preparation, amendment, extension, alteration, and enforcement of the Loan Note Instrument, the Loan and/or this Agreement.

8 REPAYMENT

The Borrower shall repay the principal amount of the Loan in full on the fifth anniversary of this Agreement, or if earlier, on the occurrence of an Event of Default

9 PAYMENTS

- 9.1 All payments made under this agreement shall be in euro (or any other lawful currency of Ireland):
 - 9.1.1 (in immediately available cleared funds on the due date the account that the Lender specifies to the Borrower for that purpose; and
 - 9.1.2 in full, without any deduction, set-off or counterclaim.
- 9.2 Time shall be of essence in making each payment under this agreement.

10 EVENT OF DEFAULT

- 10.1 "Event of Default" shall have the meaning attributed to it in the Loan Note Instrument.
- 10.2 If an Event of Default occurs, which has not subsequently been remedied to the Lender's satisfaction, the Lender may give notice to the Borrower, stating that the Loan (and all accrued interest and other amounts accrued or outstanding under this agreement) is immediately due and payable. On receiving this notice, the Borrower shall immediately repay the Loan, the accrued interest and all those other amounts.

11 SET-OFF

11.1 The Lender may apply any credit balance (whether or not it is then due) to which the Borrower is at any time beneficially entitled on any account at the Lender in (or towards) satisfaction of any unpaid sum then due and payable by the Borrower to the Lender under this agreement. If such balances are in different currencies, the Lender may convert either balance at a market rate of exchange to set it off against another amount.

11.2 Lender does not have to exercise any of its rights under Clause 11.1.

12 **CALCULATIONS, ACCOUNTS AND CERTIFICATES**

12.1 Any interest, commission or fee under this agreement shall accrue daily, calculated according to the number of days elapsed and a year of 365 days.

12.2 The Lender shall maintain, accounts evidencing the amount the Borrower owes it, in accordance with its usual practice. Entries in those accounts shall be prima facie evidence of the existence of the Borrower's obligations and amount the Borrower owes to the Lender.

12.3 If the Lender issues any certificate, determination or notification of a rate or any amount payable under this agreement, it shall be conclusive evidence of the matter to which it relates (in the absence of manifest error). Each certificate, determination or notification shall contain reasonable details of the basis of determination.

13 **REMEDIES, WAIVERS, AMENDMENTS AND CONSENTS**

13.1 Any amendment to this agreement shall be in writing and signed by or on behalf of each party.

13.2 Any waiver of any right or consent given under this agreement is only effective if it is in writing and signed by the waiving or consenting party. It shall apply only in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the provision waived.

13.3 No delay or failure to exercise any right under this agreement shall operate as a waiver of that right.

13.4 No single or partial exercise of any right under this agreement shall prevent any further exercise of that right (or any other right under this agreement).

13.5 Rights and remedies under this agreement are cumulative and do not exclude any other rights or remedies provided by law or otherwise.

14 **COUNTERPARTS**

This agreement may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

15 **NOTICES**

15.1 Each notice, request, demand or other communication under this agreement shall be:

15.1.1 in writing, delivered personally or sent by pre-paid first-class letter or electronic mail (confirmed by letter); and

15.1.2 sent:

(a) to the Lender at:

151, 156 Thomas St, Usher's Island, Dublin, D08 PY5E
Email: David@rentflow.ie
Attention: The Company Secretary

(b) to the Borrower at:

151, 156 Thomas St, Usher's Island, Dublin, D08 PY5E
Email: Colin@spirecapital.ie
Attention: The Director

or to any other addresses or email address(es) that are notified by one party to the other.

15.2 Any notice or other communication given by the Lender shall be deemed to have been received:

15.2.1 if sent by electronic mail – at the time of despatch

15.2.2 if given by hand, on the day of actual delivery; and

15.2.3 if posted, on the second Business Day following the day on which it was despatched by pre-paid first-class post.

15.3 A notice given as described in Clause **Error! Reference source not found.** or Clause 15.2.1 on a day which is not a Business Day (or after normal business hours in the place of receipt) shall be deemed to have been received on the next Business Day.

15.4 Any notice or other communication given to the Lender shall be deemed to have been given only on actual receipt by the Lender.

16 GOVERNING LAW AND JURISDICTION

16.1 This agreement and any dispute arising out of or in connection with it or its subject matter shall be governed by and construed in accordance with the law of Ireland.

16.2 The parties irrevocably agree that the courts of Ireland shall have exclusive jurisdiction over any claim or matter arising out of, or in conjunction with, this agreement.

This agreement has been entered into on the date stated at the beginning of it.

THE LENDER

Signed by _____

Director
for and on behalf of
RESIDENTIAL PROPERTY SECURED FINANCE DAC
In the presence of:-

THE BORROWER

Signed by _____

Director
for and on behalf of
CAPITAL CITY INVESTMENT PARTNERS NO. 2 LIMITED
In the presence of:-