



# Application Form

## Company Lenders

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Rentflow 5 for 5

Series 2 Dublin NCR Portfolio

## PROCEDURES FOR APPLICATION TO RENTFLOW'S 5 FOR 5 SERIES 2 DUBLIN NCR PORTFOLIO LOAN NOTES

Application Forms will be considered complete when Rentflow is satisfied that all necessary documents have been received and funds have been received at Rentflows bank account by electronic transfer, personal cheque or banker's draft made payable to Residential Property Secured Finance DAC, for the amount of the subscription. In addition, Rentflow reserves its right to extend the closing date.

Rentflow reserves the right to close the application list at any time and to reject any application in whole or in part at its

absolute discretion (without obligation to give reasons therefore).

Applications to lend will be considered only on the terms and conditions outlined and only if they are made on the application form contained herein.

Any agreement purporting to amend or exclude or partly exclude the application of any term or condition of the loan notes shall be void.

Only one application will be accepted from each applicant.

In order to ensure compliance with the provisions of the **Criminal Justice (Money Laundering & Terrorist Financing) Act 2010**, Rentflow shall be required to establish the identity of each applicant to satisfy anti-money laundering requirements. Application forms must therefore be accompanied by:

- (i) a copy of either the applicant's current passport or current driver's licence;
- (ii) a copy of two different forms of proof of address. Acceptable forms of proof of address are any two of:
  - recent utility bill (electricity, gas, telephone or mobile phone); or
  - bank statement

Proofs of address cannot be more than 3 months old and must bear the name and address provided on the application form.

Rentflow reserves the right to refuse to accept any application which is incorrectly presented or fails to comply with the provisions contained herein or in the information brochure provided (the "Information Brochure") and, in doing so, shall have no liability whatsoever to any applicant for interest or any resulting loss or damage.

Rentflow can only accept e-signatures or original signatures on applications.

Applications will be accepted from **1st May 2022** until the closing date

Lenders will be issued a **€1.00** Loan note for every **€1.00** lent to Rentflow. The rights attaching to each Loan note will be determined by the Loan note instrument. On acceptance of a completed application and once the subscription period has closed, Rentflow will issue each lender with a Loan note certificate that will confirm the lender's holding of Loan notes.

**Important Note: Loan Interest during Debt Raising Stage** When a completed application (i.e. fully completed application form, cleared funds and relevant anti-money laundering documentation) is received by Rentflow you will begin to earn income. Rentflow will accept the application and Issue the Loan Notes when a minimum adequate amount of overall investment is reached.

Funds received during the debt raising stage will be held in a blocked bank account which is co-signed by the security trustee earning interest at the equivalent rate of 5%pa. Once the total minimum amount required has been raised Rentflow will execute the Loan Note Instrument and issue the Loan Note Certificates. Any interest accrued during the debt raising period will be paid, with the first monthly interest installment once the loan notes have been issued.

In the event that Rentflow fails to raise the total minimum amount required to proceed with the loan note, Rentflow will refund all investments received along with accrued interest for the period funds were held by Rentflow.

# APPLICATION FORM

## Company Lenders

### 1. COMPANY INFORMATION

COMPANY NAME:

COMPANY REGISTRATION NUMBER:

POSTAL ADDRESS:

PHONE NO:  MOBILE NO:

EMAIL:

TAX REGISTRATION NUMBER:

1. In order to comply with the Foreign Account Tax Compliance Act (FATCA) requirements, please confirm if you are a US citizen. YES  NO

2. In order to comply with the Common Reporting Standard (CRS) requirements, please confirm if you are a Non-Resident Lender. YES  NO

3. We may use your contact details to provide you with information in relation to future Rentflow Loan Notes and other opportunities that become available. YES  NO

### 2. LOAN DETAILS

PRODUCT NAME:  AMOUNT TO LEND:

Rentflow 5 for 5 Series 2 Dublin NCR Portfolio

in €1.00 Loan Notes

(Minimum loan amount EUR 100,000)

Please select your preference for interest payments MONTHLY  SEMI ANNUAL  ANNUAL

### 3. LENDER BANK DETAILS (used for repayment purposes)

ACCOUNT NAME:  ACCOUNT NUMBER:

IBAN:

NAME AND ADDRESS OF BANK BRANCH:

# APPLICATION FORM

## Company Lenders

### 4. SOURCE OF FUNDS

Please confirm the source of funds for your loan e.g. earnings, savings, inheritance, etc.

Please provide details of the bank account from which you are transferring the loan.

**(This is only required if the bank account details are different from Section 3 in this application form)**

ACCOUNT NAME:

IBAN:

NAME AND ADDRESS OF BANK BRANCH:

### 5. DECLARATIONS

#### DECLARATION BY LENDER:

On behalf of the above company, I/We declare that the details above are correct, that I/We are over 18 and that I/We understand and accept the key features of the loans(s) and terms and conditions set out in the Information Brochure and Loan Note Instrument for the product in which I/We am/are lending (Series 2 Dublin NCR Portfolio), and I/We agree to be bound by them. I/We understand that Rentflow will accept the application but reserves the right to execute the Loan Note instrument and issue the Loan Note Certificate only when the minimum adequate amount of overall investment is reached. Funds received during the debt raising stage prior to achieving the minimum adequate amount will be held in a blocked bank account which is co-signed by the security trustee earning interest at the equivalent rate of 5%pa.

I/We fully understand all the potential risks involved in this product, including the risk of capital loss and that provision of this product or service does not require licensing, authorisation, or registration with the Central Bank of Ireland and, as a result, it is not covered by the Central Bank requirements designed to protect consumers or by a statutory compensation scheme. I /We understand that Rentflow does not give investment advice.

DIRECTOR 1:

DATE:

DIRECTOR 2/CO SEC:

DATE:

#### DECLARATION BY LENDER ADVISOR (IF APPLICABLE):

I/We confirm the following:

Having conducted a full review of this lender's financial circumstances, that the above loan(s) is/are consistent with the lender's lending objectives and attitude to risk. We have complied in full with the Anti Money Laundering ("AML") and combating terrorist system that applies to all designated bodies with effect from 15 July 2010.

FIRM NAME:

PRINT ADVISOR NAME:

SIGNATURE OF ADVISOR:

DATE:

INTERMEDIARY'S STAMP

# APPLICATION FORM

## Company Lenders

### 6. APPLICATION CHECKLIST

- Fully completed Sections 1-4.
- Signed Declarations in Sections 5 completed.
- A copy of proof of identity for 2 Company Directors, either current passport or current driver's licence
- A copy of two different forms of proof of address documents for the same 2 Directors. Acceptable forms of proof of address are any two of: recent utility bill (electricity, gas, telephone or mobile phone); or bank statement
- Memorandum and Articles of Association or Company Constitution.
- List of names of Beneficial Owners and Anti-Money Laundering documentation for any Beneficial Owner with more than 25% of shareholding or voting rights in line with their status (e.g. Private Individual, Corporate etc) and whether they are Politically Exposed Persons or not.



**Proofs of address cannot be more than 3 months old and must bear the name and address provided on the application form.**

**Participants should complete the appropriate Application Form contained herein and submit it to Rentflow at The Masonry, 151, 156 Thomas St, Usher's Island Dublin 8.**

**Application forms can also be scanned and sent by email to [info@rentflow.ie](mailto:info@rentflow.ie), with the originals sent on in the post.**

**Once the Application form has been accepted, Rentflow will return a counter-signed copy of the application form by email along with a transfer request for the full loan note amount including full details of the secured blocked account where funds will be held until the loan note instrument has been executed and the loan note certificate has been issued.**

#### ACCEPTANCE OF APPLICATION FORM (to be completed by Rentflow)

I confirm that Residential Secured Property Finance DAC will accept this application for loan notes in Rentflow 5 for 5 Series 2 Dublin NCR Portfolio but reserves the right to execute the Loan Note Instrument and issue the Loan Note Certificate only when the minimum adequate amount of overall investment is reached.

I confirm that any funds received during the debt raising stage prior to achieving the minimum adequate amount will be held in a blocked bank account which is co-signed by the security trustee earning interest at the equivalent rate of 5%pa.

I accept the completed application form and the information provided by the lender.

**Signed on Behalf of Residential Secured Property Finance DAC trading as Rentflow**

**SIGNATURE :**

**TITLE:**

**DATE:**

## KEY INFORMATION

### Series 2 Dublin NCR Portfolio

<b>LOAN NOTESERIES</b>	RentFlow 5% Series 2 Secured Loan Note - 2027	
<b>LOAN ISSUER</b>	Residential Property Secured Finance DAC (trading as RentFlow)	
<b>PURPOSE</b>	Funds to be used to refinance existing finance facilities	
<b>INVESTMENT STRATEGY</b>	<p>Asset Management opportunities to increase rental income</p> <p>Rents below local market rents</p> <p>North City Portfolio. current rents c. 5% below RPZ maximum allowable for 2020/21</p> <p>Once at RPZ maximum - increase in line with RPZ rules</p>	
<b>ASSET QUALITY</b>	<p>Low risk, multi-family residential property with 27 units</p> <p>Rental Income of c. €462,000 per annum</p> <p>High yielding property, with steady cash-low and low impact from COVID-19</p> <p>99% Occupancy during COVID-19 pandemic</p> <p>99% Rent Collection Rate during COVID-19 pandemic</p>	<p>Fully tenanted with mix of single/couple occupancy studio and 1beds</p> <p>Located in high demand Dublin city locations beside large hospital and employers</p> <p>Properties passed Due Diligence by existing finance lender on acquisition</p>
<b>UNDERLYING ASSETS</b>	The three buildings at 384 North Circular Rd, 456 North Circular Rd, 1 Hollybank Rd and leases held by CCIP2	
<b>INITIAL BORROWER</b>	Residential Property Secured Finance DAC, (trading as RentFlow)	
<b>ASSET OWNER</b>	Capital City Investment Partners No.2 LTD (CCIP2).	
<b>ASSET VALUATION</b>	€6,600,000	
<b>TOTAL LOAN NOTE</b>	€5,900,000	
<b>CAPITAL SECURITY BUFFER</b>	112%	
<b>CAPITAL SECURITY1</b>	1st legal charge (mortgage) over the underlying assets, leases and shares of CCIP2	
<b>CAPITAL SECURITY2</b>	Building Insurance Policy: Joint loss payee and interest noted in favor of Security Trustee (on behalf of the loan note holders)	
<b>CAPITAL SECURITY3</b>	Security of CCIP2's bank accounts as well as the restricted bank a/c in the Loan Issuers Name	
<b>TARGET RENT</b>	€462,000	
<b>LOAN INTEREST</b>	€295,000	
<b>DEBT SERVICE COVERAGE</b>	156%	
<b>INTEREST/RENT %</b>	63%	
<b>INCOME SECURITY</b>	First ranking, preferential payee over shareholders and any other junior debt. Security over restricted bank account at the initial borrower and all assets and accounts of CCIP2.	
<b>INVESTMENT TERM</b>	5 Years	
<b>ANNUAL FIXED INTEREST RATE</b>	5%	
<b>RETURNS</b>	Fixed interest paid to loan note holders monthly in arrears	
<b>CURRENCY</b>	Euro	
<b>MINIMUM INVESTMENT</b>	€100,000	
<b>AVAILABILITY</b>	Private Professional Investors; Corporate; Family Trust; Pension/ Post Pension/ ARFs	
<b>FUNDS FLOW</b>	Loan Note funds are sent to the restricted Irish bank a/c of the Loan issuer which is solely used for Loan Note Series 2. This bank a/c is jointly controlled with the independent security trustee with the funds disbursed to agreed parties once the securities are in place.	
<b>FUNDING START DATE</b>	1st May 2022	
<b>EXPECTED CLOSING</b>	28 <sup>th</sup> October 2022 or when fully subscribed.	
<b>EXIT OPTIONS</b>	1. New series issue, 2. Refinance of portfolio, 3. Sale of entire portfolio.	
<b>EXPECTED IRISH TAX TREATMENT</b>	Income tax, where applicable in Ireland	
<b>EXPECTED INTERNATIONAL TAX TREATMENT</b>	Subject to individual tax residency and Double Taxation Agreements with Ireland.	

# SUMMARY INFORMATION AND LOAN NOTE TERMS

(Full features of the loan(s) and terms and conditions are contained in the Information Brochure and Loan Note Instrument)

## 1. SUMMARY

The Underlying Assets:

The Property Portfolio of Nos. 384 North Circular Rd, Dublin 7, 456 North Circular Rd, Dublin 7 and 1 Hollybank Rd, Drumcondra, Dublin 9, 'Property Portfolio'.

### Asset Owner

Capital City Investment Partners No.2 Ltd. (CCIP2). CCIP2 owns the Property Portfolio and is seeking refinancing from Rentflow

### The Loan Note Issuing Company ('Company')

Residential Property Secured Finance Dac t/a Rentflow.

Rentflow is arranging and managing The Rentflow 5 for 5 Series 2 Dublin NCR Portfolio. Investors subscribe to and own Loan Notes issued by Rentflow. The Loan Notes are secured by an unencumbered first ranking legal charge on the Property Portfolio and leases of Capital City Investment Partners No.2 Ltd.

### The Loan Note Description

The Rentflow 5 for 5 Series 2 Loan Note Dublin NCR Portfolio is arranged and managed by Rentflow. Investors subscribe to and own Loan Notes issued by Rentflow. The Loan Notes are secured by way of a corporate guarantee and with a first charge over the assets of Capital City Investment Partners No.2 Ltd including "the Property Portfolio".

### Security Trustee

City Trust Trustees (Ireland) Limited

City Trust is a leading Irish based multi-jurisdictional provider of independent, administrative, and financial services to a wide range

of corporates, intermediaries and private clients. City Trust will represent the interests of the Loan Note holders.

### Legal Advisors

LK Shields

### Property Manager

Martin Property Consultants.

### Accountants

Garvey & Associates.

## 2. FEATURES OF THE INVESTMENT

Allows Loan note investors access to income from the residential property rental market of Dublin City.

Avails of the growing trend to rent long term among Irish dwellers.

Diversification - Invests in a wider range of properties than would usually be possible by direct investment.

Offers a very attractive 5% per annum return for 5 years.

The 5% p.a. interest return is payable in monthly income payments.

Tax exempt for qualifying Pensions and qualifying non-Irish investors.

No Entry or Exit costs.

The Loan Note generates a fixed yield over the Investment Term by providing exposure to secured debt service cashflows from the Underlying Asset - which is the rental income from tenants.

The strategy uses property-backed debt financing to generate the investment return and should be considered as

part of an investor's overall asset allocation strategy.

Investment Term of 5 Years.

The Loan Notes return is dependent on secured debt service cashflows paid by CCIP2.

The return of initial capital invested and any investment return is conditional on CCIP2's ability to service the monthly interest payments on the debt and its ability to repay the proceeds at Maturity. In the event of CCIP2 default, the value of the Investment is also conditional on the value of the Property Portfolio.

## 3. LOAN NOTE OBJECTIVES

The purpose of the Loan Note offering is to refinance the existing Property Portfolio and offer investors low risk access to the long term income generating features of the Dublin City residential market.

As there will be no bank debt involved, the Loan Note holders will have first lien security over the Property Portfolio.

Rentflow loans are always secured against highly liquid residential assets which have dependable monthly rental income.

The refinancing will enable Rentflow to expand its portfolio and offering to income seeking investors.

## SUMMARY INFORMATION AND LOAN NOTE TERMS (cont'd)

The Directors of the Company believe there is excellent scope in the Dublin residential rental property market to provide longterm sustainable income. There is a gap in the market identified between the REIT/ large QIAIF structures and individual buy to let investors. This middle sector is largely untapped and lacks professional and coherent management. The Company intends to direct its resources into this middle investment tier and has identified several multi let small apartment complexes in established letting areas in Dublin.

### 4. LOAN NOTE SUBSCRIPTION - EUR 5,900,000

The Loan Notes will be launched in May 2022.

The Minimum Subscription for the Loan Note is Eur 100,000. The Loan Notes will be activated on successful completion of the full issue of EUR5,900,000, or earlier at the discretion of the Directors.

The Loan Note Documentation has been drafted by LK Shields.

The Directors may decide at their discretion to accept late applications.

### 5. INVESTOR SUITABILITY

The Rentflow 5 for 5 Series 2 Dublin NCR Portfolio is available to qualified investors which can include:

- Professional Investors
- Small Self-Administered Pension Schemes
- Personal Retirement Bonds
- Approved Retirement Funds

- Self-Directed & Non Standard PRSAs
- Corporates and Trusts
- Charities

### 6. SECURITY AND LEGAL RIGHTS

The Rentflow 5 for 5 Series 2 NCR Portfolio provides for full capital security backed by a legal charge on the Property Portfolio and leases of CCIP2. This expected capital security applies at maturity only.

Capital Security is dependent on the financial performance of the Asset. In the event that the Asset does not perform and CCIP2 is unable to repay lender's capital and stated returns, then lenders will have an unencumbered first ranking legal charge over the Property Portfolio and the leases of CCIP2. In this event, lenders will be entitled to enforce their security and sell the assets to redeem their funds.

The Term Loan Agreement between the Issuer and CCIP2 secures an unencumbered first ranking legal charge over the property and leases of CCIP2. This means that in the event of a default by the CCIP2, lenders hold the right through the Security Trustee to take control of the Property Portfolio and dispose of it in order to recover capital. There is no guarantee that the net proceeds of any asset disposal will be sufficient to fully recover investor capital.

The Terms and Conditions of the Investors Loan Note Instrument sets out the default scenarios.

### 7. TAXATION

Lenders must note that they should take independent tax advice based on their individual circumstances.

Lender taxation, where they are tax resident in the Republic of Ireland:

- Where the lender is a Qualifying pension fund, ARF or PRB then loan interest is paid gross.
- Where the lender is a private individual, partnership or a company: Loan Interest will attract tax at the lenders marginal rate of tax. PRSI, USC and other social charges may also be applicable.
- Under current legislation, the gross interest earned on the Loan Note will be paid after deduction of Income tax at the standard rate (currently 20%), unless the lender meets any of the exemption criteria set out in Section 246(3)TCA 1997. This will apply on the payment of interest at maturity and will be deducted at source. Irish resident corporate investors will be entitled to a credit in their corporation tax return in respect of the tax withheld.
- For such Lenders, Rentflow will arrange to make appropriate withholding tax payments and provide necessary statements.

### 8. FEES & EXPENSES

There are no entry or exit costs for the Lender. A commission may be paid to introducing intermediaries.