

ASX Announcement

2 December 2020

DomaCom ready to help Australians benefit from Government measures to improve retirement outcomes

Highlights

- DomaCom's Senior Equity Release product is ideally suited to help Australian retirees benefit from recent Government measures introduced to improve retirement outcomes
- Senior Equity Release allows retirees to stay in their home and take full advantage of the Government's Downsizer Contribution offer and live well in their retirements
- The Australian Tax Office has confirmed that a part disposal of a home can be claimed as downsizer contributions and this has been extended to DomaCom's Senior Equity Release product

Fractional investment platform provider **DomaCom Limited (ASX:DCL) ('DomaCom' or 'the Company')** is pleased to advise that its Senior Equity Release product is ideally suited to help Australian retirees benefit from recent Government measures introduced to improve retirement outcomes.

The Company's Senior Release Equity Release product offers the opportunity for senior Australians to access their housing wealth through a debt-free equity release solution. The innovative product allows retirees to stay in their home and take full advantage of the Government's Downsizer Contribution offer and live well in their retirements.

Unlike reverse mortgages which are debt-based credit products, DomaCom's Senior Equity Release solution is an advice-based financial product that enables retirees to improve their retirement income by selling part of their home whilst retaining the right to stay in their home and avoid going into debt.

The overall task of the Government's recently released Retirement Income Review was to help improve understanding of the retirement income system. There can now be little doubt that the Government is expected to focus support on those most in need and encourage more fortunate retirees to access the value of their home to fund their retirement.

A good example of this is the Government's tax-free Downsizer Contribution allowance which provides a good opportunity to top up superannuation savings using the proceeds from the sale of the family home. This can be done regardless of caps and restrictions such as the work test and age limits that would otherwise apply.

The Australian Tax Office has confirmed that a partial disposal of a home can be claimed as downsizer contributions and this has been extended to DomaCom's Senior Equity Release product. This is a significant advantage for those retirees wanting to stay in place but access their housing wealth debt-free in order to increase their retirement savings.

The Retirement Income Review panel put it well when they stated: “Although the review is not making recommendations, a large number of submissions and stakeholders recommended changes to the retirement income system.”

DomaCom believes that as the family home is likely to become an active asset, it is critical that “fit for purpose” financial products are made available to senior Australians wanting to stay in place and live well in retirement.

DomaCom Chief Executive Arthur Naoumidis said: “Although Australian retirees are amongst the world’s wealthiest, the bulk of their wealth is stored in their family home and the vast majority simply do not want to sell and move away in order to access some of that wealth. DomaCom has carefully designed its equity release product so that it is suitable for a broad range of retirement income strategies including those that take advantage of Government measures introduced to encourage retirees to access the value of their home.”

ENDS

This announcement has been authorised for release to the market by Company Secretary Philip Chard.

About DomaCom

DomaCom Limited (ASX:DCL) owns and operates a fractional investment platform that provides real solutions for SMSF’s, retirees and new home buyers. Using the DomaCom platform, investors can make fractional investments in a range of asset classes including property-related investments, mortgage-backed securities, renewables, affordable housing, disability accommodation and debt securities via a unique trust structure tailored to them. DomaCom’s proprietary platform allows Australians to invest in almost any asset class, empowering them to create diversified portfolios with comparatively lower minimum investments and competitive cost structures.

To learn more, please visit: www.domacom.com.au

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