



# DomaCom

FRACTIONAL PROPERTY INVESTING

”

Connecting Australians  
with an investment in  
almost any asset

“

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DomaCom Limited (ASX:DCL)  
AIOFP Hunter Valley  
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# General Advice Warning

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The information has been prepared without taking into account your personal objectives, financial situation or needs. Accordingly, before acting on the information provided you must consider the appropriateness of the information, in the light of your own objectives, financial situation or needs. If you wish to acquire a financial product within the DomaCom Fund offering, you should first obtain a copy of, read and consider, the PDS before making any decision.

A copy of that PDS is available at <http://www.domacom.com.au/the-domacom-fund/product-disclosure-statement/> or by calling your financial adviser.

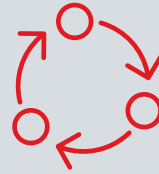
# What DomaCom Does

Providing a wide range of services powered by DomaCom's proprietary fractional investing platform



DomaCom products are delivered through multiple channels:

- IFAs – on Approved Product Lists
- Affinity groups – including Property Developers, Renewable Companies
- B2C – HALO, Crescent Finance



DomaCom is a specialist Diversified Financials sector company



Target market segments are:

- Investors wanting exposure to big ticket items
- Property developers wanting funds
- Seniors wanting to access some of the equity in their homes
- Other niche market segments

# What fractional investing has to offer?



Allows investors to acquire stakes in specific high value assets



Helping investors to diversify their asset portfolios...all without massive upfront expense



Investors get a fraction of income streams accruing from these assets



Investment is facilitated via syndicate like structure





Deals done  
98



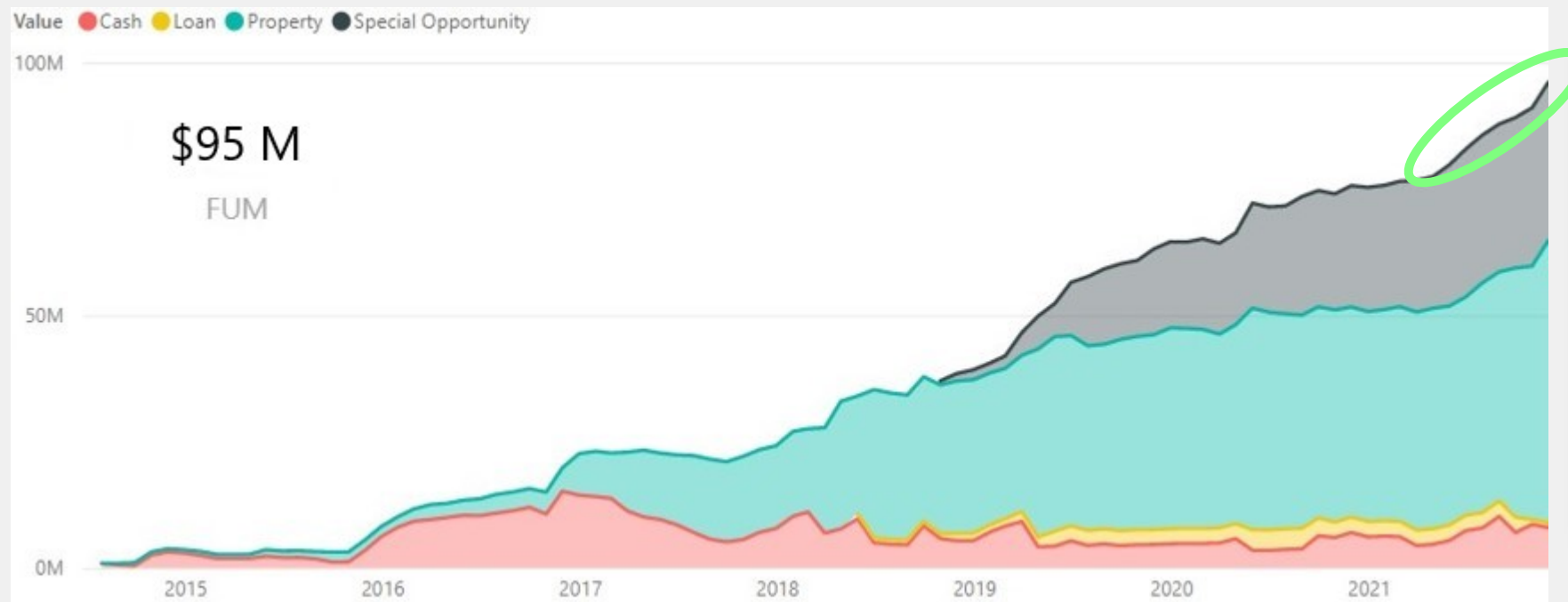
Accounts  
1418



Invested  
\$95 million

# Strong Growth in Funds Under Management

## Growing FUM in key segments



### What is driving this growth

- Attractive returns
- Low interest rate environment
- Growth in SMSFs




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DomaCom's unique platform  
has multiple applications


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# Solutions Powered by DomaCom




## Affordable Housing

Domacom's Affordable Housing product allows investors to partner with Tier-1 Community Housing Provider(CHP) to access Low-cost government debt to deliver affordable rentals for eligible Australians



## Islamic Finance

DomaCom's Islamic Finance offer is the only Shariah compliant product developed to encompass unique legal structures to enable Muslim Australians the ability to access funds in line with cultural and religious beliefs.



## Senior Equity Release


The DomaCom's Senior Equity Release Fund enables retirees utilize the ATO downsizer allowance to sell up to \$600,000 of their home and receive the proceeds tax free via their superannuation fund (retaining the right to live there)

## Asset Syndication

DomaCom platform enables investors, including SMSF Trustees, to co-invest in a percentage of one or more high value assets like property and loans in a syndicate-like structure where they share the income and capital value.

## Alternate Investment Market (AIM)

DomaCom's Alternate Investment market provides investors a primary, secondary, succession as a pathway to a ASX listing.



DomaCom solutions that are purpose led ESG products



# Products Offered by DomaCom



## Fractional Investing

SMSF's main target  
SMSF Ruling  
Internal Leverage  
Islamic Leverage

50% of investors are SMSF's  
Targeting % of \$675B+ SMSF market

## Equity Release

8 Years in Development  
The only financial product of  
this type in Australia

Adviser accreditations underway  
Over 65's own \$500 B

## Lending

Advisers syndicating loans  
Pooled Mortgage Sub-funds

Already > \$30 Million in FUM

# Essential Worker Affordable Housing



## Innovative Product

- Allows investors to partner with Tier-1 Community Housing Provider (CHP)
- Access Low-cost government debt circa 2.5% to deliver affordable rentals
- Accesses 10%+ Developer discounts to create tenant and investor incentives
- Tenants get 5% equity “gifted” over 5 years – pathway to ownership
- Help “essential workers” and get an attractive return

## Attractive Investment Returns

- Targeting 2x leveraged capital growth over 10 years
- 25 Historic growth for Australian residential property was 6.6% \* Atchison Research 2021
- Fund is targeting 8-10% annual pre-tax compounded return \*assuming a 4-5% average growth
- Investors get some of developer discount to enhance returns
- Get CGT discount after 12 months \* for applicable Australian investors



# NDIS Housing a focus



National Disability Insurance Scheme  
(NDIS) Financing  
Special Disability Accommodation (SDA)

Attractive 9-15% income return  
Government Backed  
ESG Investment

DomaCom allows fractional investment in  
NDIS properties  
DomaCom solves ongoing leverage for  
NDIS properties

20+ Syndications completed  
Driver of FUM growth



# Islamic Finance product, with Crescent Finance



## Innovate Product

- Extensive product development
- Unique legal structures in development
- Global Islamic compliance verification to be obtained
- Can be used by non-Islamic markets

## Attractive Market Opportunity

- 700,000 Australians are Islamic
- Will be first Australian Islamic compliant property finance option
- Allows Muslims to acquire property in a manner similar to existing bank purchases
- Expected to be operational in early 2022



# Senior Equity Release



Senior Equity Release (SER) is a mechanism for senior Australians to realise part of the value of their home to help fund their retirement



Allows IFAs to include property in multi-generational wealth planning



Helps solve funding issue for retirees



SMSF Trustees may be able to downsize by selling a fraction of their house to top up their SMSF



Retiree “sells” a fraction of their home



Can be taken as a lump sum or monthly payment



# Senior Equity Release



Investors purchase additional equity every 5 years to pay for the next 5 years service fees

- Fixed for life at around 4.4%
- Just like rent for the portion of the house sold



SMSF's are the natural source of capital

- Average need for equity release is 15 years
- Average accumulation SMSF's have 15+ year investment horizon
- Fixed for life at around 4.4%



Targeting Government Downsizer Provisions large and unique opportunity



# AustAgri acquisition early foray into AIM segment



## Transformative Transaction

- Contracted minimum \$2.6 Million fee pa
- Minimum \$13 million minimum fee over 5 years
- effective FUM\* will grow to over \$400 Million
- AustAgri have acquired Cedar Meats → DCL Agreement now in effect
- DomaCom waiting for transaction finance facility to be refinanced with long term debt
- Now targeting a 2022 Q1 completion

## DomaCom Fund expansion into companies

- AustAgri to be first company
- Leverages off DomaCom 2017 AFSL change allowing “deal in securities”
- Provides SMEs with governance & liquidity solutions
- Pathway to ASX listing for some companies



Note: \* Minimum contracted fee of \$2.6 million is equivalent to the fee that would be generated by \$325 million FUM at the standard 0.88% annual DomaCom fee



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# 4 Current Syndications

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# 1. NDIS Development - Alderley QLD





# NDIS Alderley QLD

Address: South Pine Road, Alderley QLD 4051

Location: 9 km Brisbane CBD  
240m Alderley station

Configuration: 11 x 2-bedroom apartments for lease  
1 x 2-bedroom apartment for On-site Overnight Assistance (OOA)

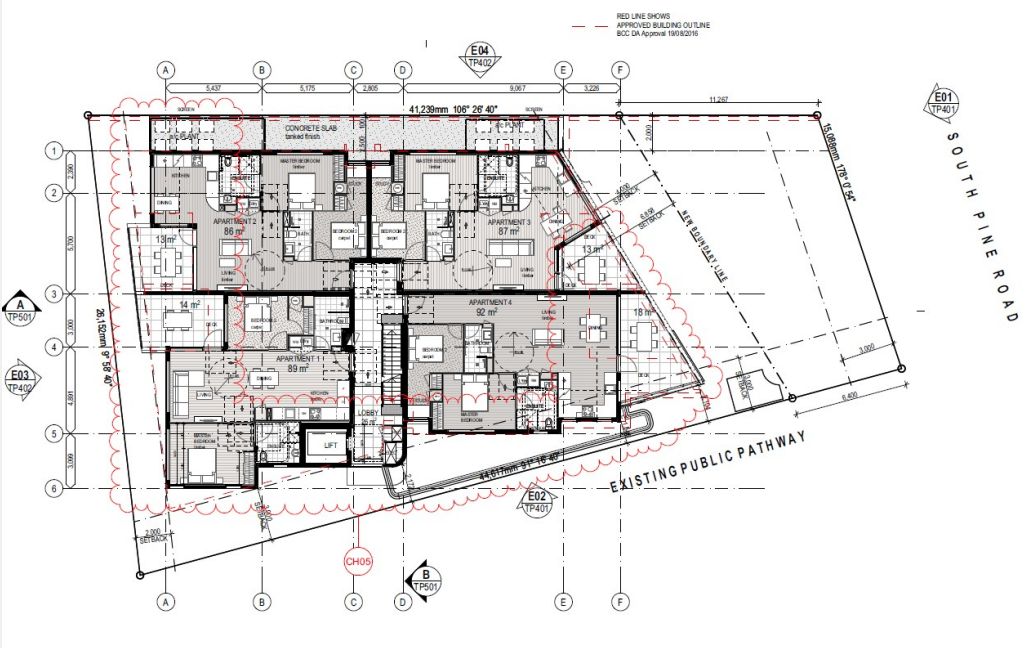
SDA Build level: High Physical Support With OOA



# NDIS Alderley QLD – Capital Stack



Acquisition & Construction	\$9,250,000
Transaction Costs	\$750,000
<b>Total</b>	<b>\$10,000,000</b>
Equity	\$5,000,000
Loan	\$5,000,000
<b>Total</b>	<b>\$10,000,000</b>
Est. Gross Realised Value	\$11,230,000
Est. Development Gain	\$1,230,000
Est. Investor Profit Share	\$861,000 (70% of dev gain)
Est. Return on Equity	17%



# NDIS Alderley QLD – Ongoing Income

Target SDA Tenant Profile	1/3 High Physical Support (2 bed 1 Participant) 1/3 Fully Accessible (2 bed 1 Participant) 1/3 Improved liveability (2 bed 1 Participant)
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Estimated Gross Income	\$1,011,000 p.a.
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Est. Net Income	\$550,000 p.a. (after fees & loan repayments)
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Est. Yield on capital invested	11%
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Est. Yield on uplifted value	9.4%
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## 2. NDIS/Affordable Housing – “Shoreline” Coogee WA

**Location** North Coogee WA 6163

**Deal Structure** Initial property development play then hold with capital growth and strong income (exit post development can be achieved via the DomaCom secondary market)

**Overview** Providing socially responsible housing options

21 apartments

1 x 1 bed, 1 bath

19 x 2 bed, 2 bath

1 x communal apartment

A combination of unfurnished and furnished fixed term rental and NDIS Specialist Disability Accommodation (SDA) apartments

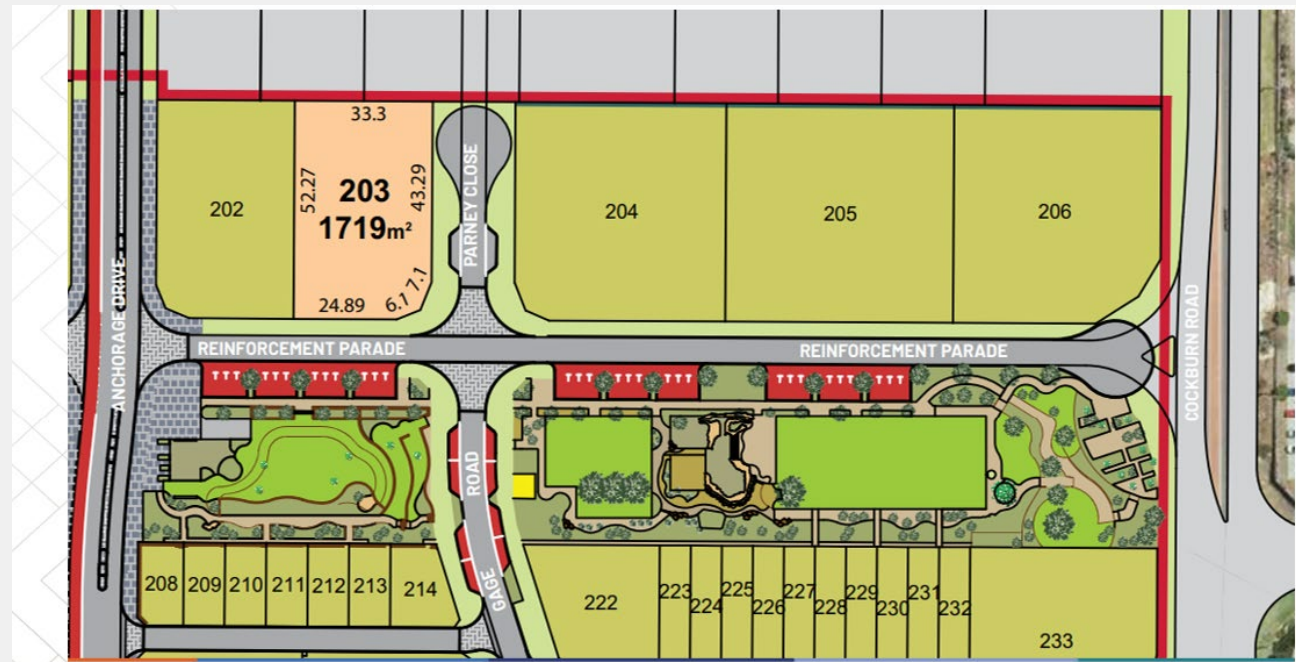
North Coogee is an established residential suburb 19km south-west of the Perth CBD and 6kms south of Fremantle



# “Shoreline” Coogee WA – Capital Stack

Acquisition & Construction	\$7,720,000
Development/Finance Costs	\$1,480,000
<b>Total</b>	<b>\$9,200,000</b>
Equity	\$3,500,000
Loan	\$5,700,000
<b>Total</b>	<b>\$9,200,000</b>
Est. Gross Realised Value	<b>\$11,600,000</b>
Est. Development Gain	<b>\$2,400,000</b>
Est. Investor 60% Profit Share	\$1,440,000
Est. Return on Equity	41%

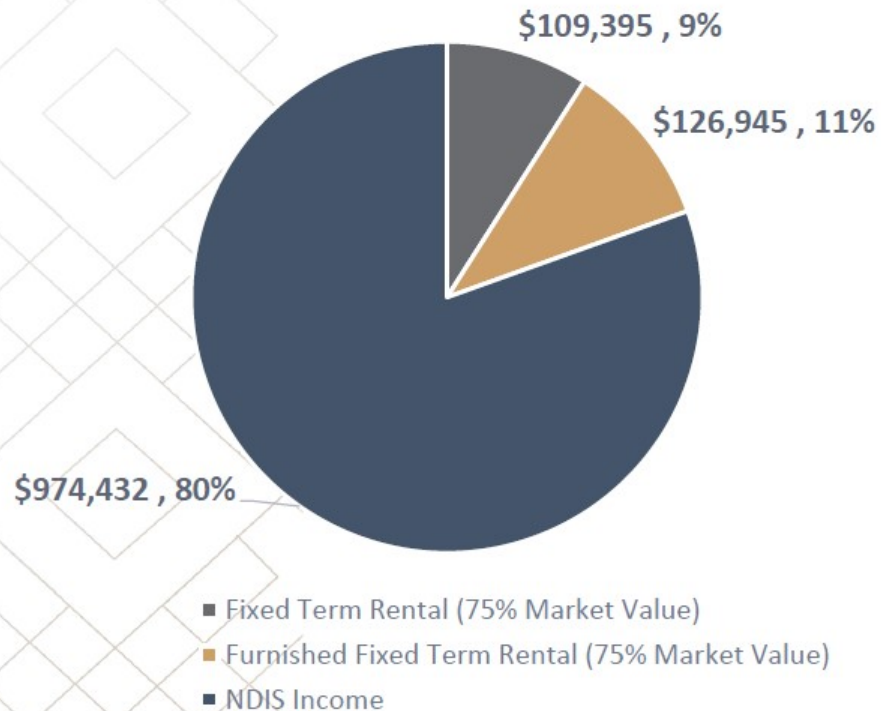
Returns enhanced by: 1) no stamp duty due to charity status  
2) low cost big 4 bank debt



# “Shoreline” Coogee WA – Ongoing Income

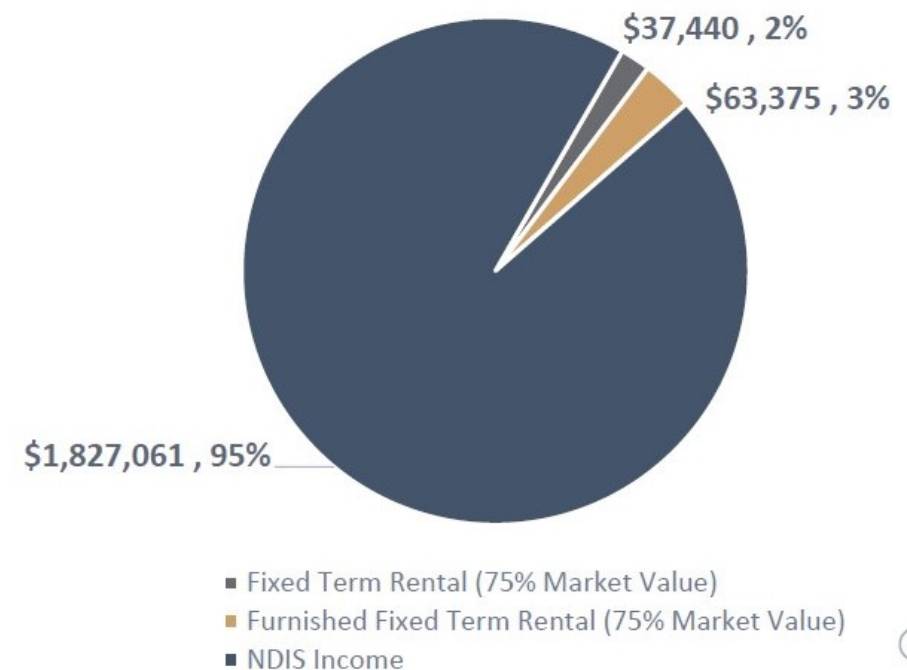
## Expected Case – Net Return on Cost 13% p.a.

Rental Revenue Assumptions	Dwelling Count	Breakdown
Unfurnished Fixed Term Rental (75% Market Value)	6	30%
Furnished Fixed Term Rental (75% Market Value)	6	30%
NDIS Income (SDA)	8	40%
<b>Total</b>	<b>20</b>	<b>100%</b>



## Upside Case – Net Return on Cost 24% p.a.

Rental Revenue Assumptions	Dwelling Count	Breakdown
Unfurnished Fixed Term Rental (75% Market Value)	2	10%
Furnished Fixed Term Rental (75% Market Value)	3	15%
NDIS Income (SDA)	15	75%
<b>Total</b>	<b>20</b>	<b>100%</b>



### 3. Australian Fuel Fund (AFF) – Stawell, Victoria

Location:	Stawell, Victoria
Tenant:	United Petroleum
Operation date:	August 2021
Purchase Price:	\$8.17 Million
Annual Rent:	\$455K p.a. with annual 3% CPI
Cap Rate:	5.56% (market is circa 4.5%)
Term:	15 Years with 4×5-year options
Return Target:	8+ %p.a.
Equity:	<b>\$4,417,667</b>
Loan:	\$4,400,000





# AFF Stawell, Victoria – Income/Depreciation Profile

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Net Annual Income	\$248,744	\$256,206	\$263,893	\$271,809	\$279,964
Rent Yield	5.6%	5.8%	6.0%	6.2%	6.3%
Depreciation	\$242,800	\$383,000	\$299,500	\$243,600	\$205,400
					<b>\$1,374,300</b>



# AFF Stawell, Victoria – 5 Year Return Profile

	Avg. Distr Income	Cap Rate	
		6%	
	<u>3% CPI</u>	<u>5%</u>	<u>4.75%</u>
Growth*	2%	6.5%	8.3%
<b>Gross Return*</b>	<b>8%</b>	<b>12.5%</b>	<b>14.3%</b>
Perf Fee (50% above 8% IRR)	0%	2.2%	3.2%
<b>Net Return*</b>	<b>8%</b>	<b>10.3%</b>	<b>11.1%</b>



\* Returns are estimated annual returns

## 4. DFS Portfolio Solutions 1st Mortgage Fund

DFS 1<sup>st</sup> Mortgage Fund is a DomaCom pooled sub-fund

Invests in discrete 1<sup>st</sup> mortgage-backed loans

**3-year track**, generating a return of **8.01%pa** to investors, net of fees

Currently \$30 million in FUM

Maximum LVR is 65% - Average LVR is 58.5%

Maximum loan term is 2 years - average maturity is 10.5 months

Liquidity provided by relatively short loan maturity

the fund offers diversification across the defensive holdings of portfolios, with substantial yield enhancement

DFS Portfolio Solutions is now opening the private credit offering to approved DomaCom advisers







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