

# DomaCom revolutionising property investment

Unique property model opens doors for investors to build real estate portfolio.

DomaCom's innovative crowdfunding platform is changing how people invest in real estate – and helping more Australians climb the property ladder.

This world-first platform potentially allows investors to buy an interest in any property for sale in Australia, and later sell that interest to another buyer. This includes residential, commercial, retail, leisure, land or rural / agricultural property.

'DomaCom's ultimate goal is to be the property equivalent of a stock exchange,' says Sales & Marketing General Manager Warren Gibson. 'Just as investors buy a fraction of a company through its shares, so too can they buy a fraction of a residential property through DomaCom.'

DomaCom solves several problems for property investors. The first is size: through DomaCom, investors who cannot afford full ownership of a property can buy a fraction of it with like-minded investors. This problem extends to Australia's self-managed superannuation fund (SMSF) sector. The average account balance for an SMSF member was almost \$553,000 at December 2015, Australian Taxation Office (ATO) data shows – not enough to buy a house (based on median prices) in Sydney and Melbourne.

With DomaCom, individuals or a SMSF with a minimum \$2,500 to invest could buy 1 per cent of a \$200,000 property. They receive a proportional share of the property's rent, and do not have to borrow heavily to gain exposure to it.

The second benefit is choice. Investors usually have to buy the whole property or nothing. Alternatively, they can buy units in an Australian Real Estate Investment Trust via the ASX, but most invest in

industrial, commercial or retail property. With DomaCom, investors choose which properties to part-own, rather than rely on (and pay for) fund managers to choose for them.

## Spreading risk

Diversification is another benefit. Share investors are regularly advised to spread their investments to reduce risk. But many real estate investors put their life savings into one property.

SMSF trustees also struggle with diversification. Their funds collectively had \$24 billion in residential property assets at December 2015, using ATO data – a small slice of the total SMSF pool, and about one-third of that invested in non-residential property.

With DomaCom, investors can spread their funds across a range of properties, or put it all into one. They can build a portfolio of investments across different property types in different cities to reduce risk and achieve different goals, such as earning income or deriving capital growth.

Liquidity is another feature of DomaCom's platform. Property transactions can be 'lumpy' because there is one seller and sometimes only a few buyers, or none at all. The owner has to sell all the property, pay real estate fees, and hope that there is a buyer at the right price.

DomaCom allows investors to sell their interest in a property through its platform – assuming there is a buyer.

## Simple process

Investing in property via DomaCom necessitates understanding this unique

product. Investors can engage a licensed and DomaCom-accredited financial adviser, or access general advice at no cost via DomaCom. Investors open an account with DomaCom and deposit how much they want to invest into an ANZ account. They bid through a book-build process for each property offered through DomaCom.

DomaCom engages third-party providers to value the property and conduct due diligence when enough bids have been received to buy 30–50 per cent of the property. The book build closes when it has attracted enough bids to match the sale price, and the property is purchased.

DomaCom creates a sub-fund for each property held, and issues proportional units to investors. The fund is registered by the Australian Securities and Investments Commission, and DomaCom's corporate governance provides other benefits for investors compared with investing in property syndicates.

## Strong early reception

A dozen properties have been bought via DomaCom's platform, and another eight have nearly finished their book builds. There are another 30 properties about to launch; the fund is on the approved product list of 36 financial advisory dealer groups; and research houses have given it an approved rating.

DomaCom has launched several property investment models for income or growth investors and high-profile crowdfunding campaigns, including to buy Kidman Station, Linton Estate and the Pajingo Cattle Station. ●

To learn more about DomaCom, visit [domacom.com.au](http://domacom.com.au).

# Creating portfolios of property across Australia



## DomaCom is a specialist Fund delivering;

- an asset allocation solution
- in defensive assets
- commercial, residential and rural property – small, medium or large
- with the protection of diversification through multi-property portfolios
- delivering income and capital growth
- minimum investment \$2,500
- registered MIS with online processing
- properties professionally managed
- secondary market liquidity option
- low cost property SMSFs available
- gearing options available

Adviser enquiries:  
[sales@domacom.com.au](mailto:sales@domacom.com.au)

  
**DomaCom**  
FRACTIONAL PROPERTY INVESTING

**sales**

**VIC/TAS**  
Chris Benson  
0407 348 850

**NSW/ACT**  
Mark Todman  
0411 407 111

**NSW/QLD**  
Nat Fiennes  
0412 345 934

**SA/WA/NT**  
Peter Gianniotis  
0423 244 753

**sales**