

7 February, 2017

## ASX and Media Release

Crowdfunder DomaCom is pleased to announce that it has received approval by the Australian Securities & Investments Commission (ASIC) to vary its Australian Financial Services (AFS) Licence to allow the company to “deal in securities”.

The regulator’s decision to allow DomaCom to vary its AFS Licence will also open new investment opportunities for the clients of financial planners who have supported the crowdfunder’s core business activity in property.

DomaCom CEO Arthur Naoumidis says ASIC’s approval puts another piece of the jigsaw in place for the crowdfunder’s exciting business agenda planned for 2017.

“The varied AFS Licence will allow us to offer peer-to-peer mortgage bond sub-funds and a fractional investment model for corporate bonds with work well under way to issue a new Product Disclosure Statement(PDS) to support these new products.”

“Mortgage bond sub-funds will be the first product we are planning to launch and will allow for investment loans in the DomaCom property portfolio. They will offer a yield of 3.54% over the RBA cash rate with the security of a first registered mortgage and a loan-to value ratio(LVR) of less than 50 per cent. Mortgage Bonds will usually have a fixed term of 5 years and the current expected return of 5.04%\* with the security of a first registered mortgage and low LVR is expected to be attractive to the SMSF market.”

“DomaCom has many property book builds that have been waiting for a debt solution and we expect the launch of Mortgage Bonds to accelerate our property book builds.”

Naoumidis says getting DomaCom’s AFS Licence has been a priority issue as it was critical to allow the crowdfunder to expand its range of investment options.

“What DomaCom can achieve with mortgage and corporate bond products is to offer investors the opportunity to lock in yields that are more attractive than bank deposits, use the fractional model to allow them to invest with a minimum amount, and to have potential liquidity of trading using our liquidity facility”.

“In essence, it’s the same principle as property crowd-funding – opening up markets to investors who often don’t have the capital to invest in the traditional ways in these assets.”

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To date, DomaCom has funded 39 property acquisitions, predominantly in the residential market space – what it believes to be the largest number of book-builds by any crowdfunder in Australia.

\* Note: Based on the current RBA Cash Rate of 1.5% and the loan offset rate of 3.54%, the expected return to investors will be 5.04%

### **About DomaCom**

DomaCom Australia Limited ACN 153 951 770 launched Australia's first online fund to provide a property investment solution for the SMSF market and other long term investors through the fractional acquisition of units in a unique trust structure that enables investors to choose the property they want. Residential and commercial property Australia wide, can be accessed in this Fund from vendors and developers and available as individual properties or in multi-property model portfolios. DomaCom is also currently working towards an equity release product and intends to extend the technology to provide this solution for senior Australians to access much needed capital, whilst affording the next generation an opportunity for income and capital growth through property.

Note that investors will only be able to invest in Mortgage or Corporate Bond sub-funds once the PDS for the DomaCom has been amended to support these products.

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