

ASX/Media Release

29 November 2017

DomaCom poised to crowdfund mortgage backed loans and Market/Further Update

Highlights:

- DomaCom Fund unit holders approve appointment of new Trustee, Melbourne Securities Corporation who are a professional trustee firm with extensive experience in fintech platforms and both debt and equity capital structures
- New trustee will pave the way for delivery of internal leverage and crowdfunding of mortgage backed loans
- New gearing capability is expected to be the catalyst for next phase of growth in FUM

Fractional property investment company DomaCom (ASX:DCL) is poised to introduce leverage throughout its product suite following unitholder approval today to appoint Melbourne Securities Corporation as the new Trustee of the DomaCom Fund.

Commenting, the CEO of DomaCom, Arthur Naoumidis, said:

“This the final checkpoint in the approval process for DomaCom to introduce a range of new products underpinned by the ability to introduce gearing. It opens up a significant pool of investors to us, by enabling them to incorporate debt when investing in property.”

“This will make property investment much more tax efficient for advisers and their clients, as well as reducing the amount of equity required to raise for each project. Given how integral debt is to purchasing property, this creates a really compelling proposition for investors and enables them to achieve a tax efficient outcome when investing in property through DomaCom.”

Melbourne Securities Corporation CEO, Matthew Fletcher, said:

“MSC is pleased to receive the endorsement from DomaCom Fund unitholders and is looking forward to working with DomaCom and its stakeholders. Complementing our trustee services to the traditional fund market, we believe in supporting innovative products such as DomaCom Fund which utilises exciting new technology to provide new and alternative investment options.”

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Further Updates

DomaCom would also like to provide the following key updates:

- The Federal Court hearing on the SMSF related party/sole purpose test implications of the DomaCom Fund was held in Melbourne on 27th-28th November and we are awaiting the outcome.
- As per the AGM presentation, DomaCom is actively investigating options to shore up its capital position and will update the market around mid-December. Options being looked at include equity, debt and hybrid structures with the fall back being to revert to core operating costs.

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About DomaCom

DomaCom Australia Limited ACN 153 951 770 launched Australia's first online platform (registered as a managed investment scheme) 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 gain exposure to the property they select. Residential and commercial property Australia wide can be accessed in this fund, sourced from a variety of vendors and developers.

About Melbourne Securities Corporation Limited (MSC)

MSC is a professional trustee firm, partnering with Australian and foreign fund managers, fintech and financial services companies to provide trusteeship, custody, regulatory licensing and compliance oversight.

MSC is an experienced operator of Australian retail and wholesale investment funds and other alternative capital structures. The company is also licensed by the Australian Securities & Investments Commission (ASIC) to provide and participate in credit activities.

MSC provides an affordable, commercial, regulatory compliant solution to complement and enhance businesses engaged in capital raising/deployment and other financial services.

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