

ASX/Media Release

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DomaCom completes significant Land Banking transaction

DomaCom is pleased to announce the completion of its first significant land banking transaction. Sydney Investment management firm KSI Investments has partnered with DomaCom and released the following media release.

Australia's first retail land banking managed fund aimed at SMSF investors completes acquisition of land

Sydney Investment management firm KSI Investments has successfully raised \$6.4M from investors using the DomaCom Crowdfunding Platform. They have transacted on the first of two side by side parcels of land in the South-West Sydney suburb of Rossmore which is 5km from the new Badgery's Creek airport for Sydney and 5km from the planned strategic regional centre at Leppington.

Robin Luo, CEO of KSI Investments says "This is a significant milestone not just for KSI Investments, but for all Australian property investors. We have successfully gathered together a group of likeminded investors interested in buying land and helped them transact on a prime piece of land in Sydney's South-West growth corridor".

KSI Investments believe their key to success has been transparency. Endre Kollo, Investment Director of KSI Investments says "Unlike failed land banking schemes of the past, we are a totally different proposition. We do not have complex structures involving many different companies and trusts, we do not borrow any money and we do not hide behind the veil of a wholesale fund status".

DomaCom CEO Arthur Naoumidis said "DomaCom is delighted to be involved. We manage an ASIC registered retail managed investment fund under an Australian Financial Services Licence. This transaction strongly demonstrates the vision behind the DomaCom platform, as we're helping investors pool money together to purchase quality land assets that would normally be the domain of institutional investors."

The Devonshire Road property at Rossmore, which is the first in a series of planned acquisitions by KSI Investments, has been well received by investors.

Luo says "One of our investors plans to invest in a land fund each year just like he does with wine. He said by investing in one land project each year, after 5 to 7 years, he'll start to enjoy annual realisation of the profits from the maturing land funds, similar to how his wine matures over time and start to enjoy rolling year on year returns".

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Although the first land fund is now closed, the adjoining block of land is now open for investment through the second fund. The fund is able to accept investment from SMSF investors as well as private investors, companies and trusts with a minimum investment of \$2,000.

Key facts

- 60 Devonshire Road, Rossmore (6.32 acres) – open for investment
- 64 Devonshire Road, Rossmore (5.23 acres) – completed
- Expected to accommodate between 110 to 140 houses if rezoned residential which is anticipated to occur over the next 5 to 7 years.
- With rezoning and development application approval, it is expected a sale would result in a significant increase in the land value.
- Using the platform services of the DomaCom Fund, and in accordance with DomaCom’s Australian Financial Services Licence, DomaCom offers investors a liquidity facility that enables investors to trade units in the fund freely at any time, provided there is a matching buyer and seller before the eventual land sale.
- The Fund will incur a 2 per cent annual management fee and 20 per cent performance fee at the time of the sale of the land.
- Expected timeframe of investment is 5-7 years with maximum term of 10 years.
- Key risks include if land is not rezoned and development application rejected.

For further information, please see contact details below as well as presentation link.

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