

**TechKnow Invest Roadshow**  
**October/November 2018**



**DomaCom**  
FRACTIONAL PROPERTY INVESTING

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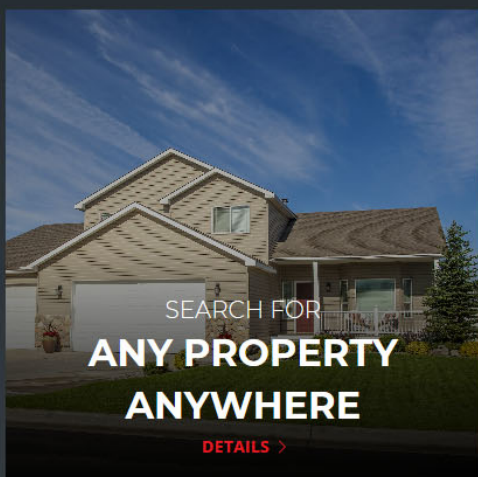


The DomaCom Fund enables investors to invest in a percentage of one or more properties in a syndicate-like structure where they share the rental income and the capital value with a group of other investors. The concept is called fractional property investing.

## MULTIPLE CAMPAIGN CHOICE



### HOW TO INVEST WITH DOMACOM

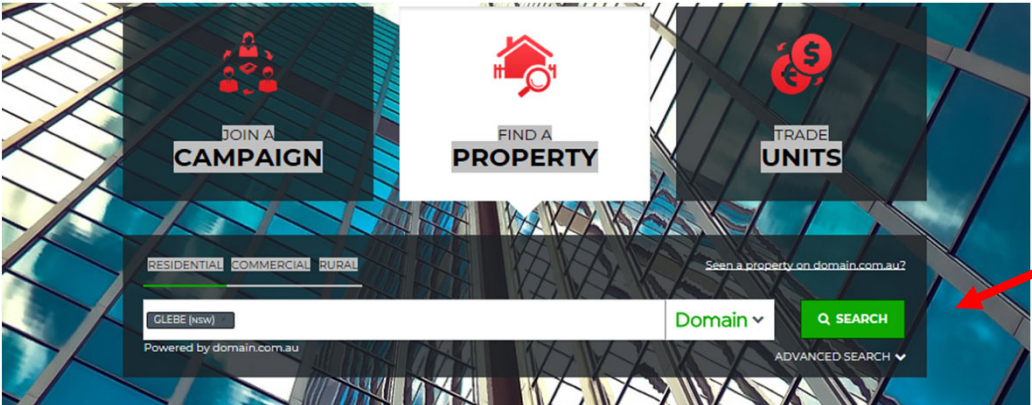


[SIGN UP NOW TO VIEW PLATFORM](#)

[APPLY FOR AN INVESTOR ACCOUNT](#)

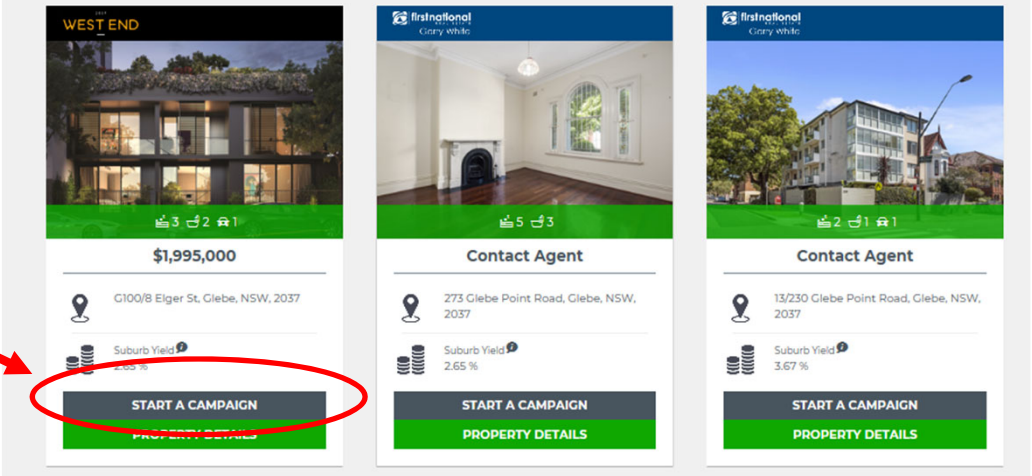
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# DIRECT AUSSIE RESIDENTIAL



Select Suburb

Start your own campaign



Start your own  
campaign

**New Campaign** ✕

[How does it work?](#)

**Campaign Type** Friends and Family ▼

**Campaign Name** Our Local Syndicate

**Allow Sharing** ☒

**Min. Pledge** \$ 2,200

**Debt/Loan %** 50 %

Arrange your own loan  
Use DomaCom funded loans  
Use Default Bank  
Use Default Broker

**Est Property Price** \$ 1,995,000

**Target Amount** \$ 1,077,300

**Description**

**B** **I** **U** Normal

This should be a great investment ....

**START YOUR CAMPAIGN**

Select loan amount  
and source

Track your  
campaign

Choose Image Upload Image Remove Campaign Edit Campaign

**TOTAL FUNDED**  
\$0

**TARGET AMOUNT**  
\$1,077,300

**TOTAL UNFUNDED**  
\$0

**TOTAL PLEDGED**  
\$0

**DEBT PERCENTAGE**  
50%

**ALLOW SHARING**  
Yes

**MINIMUM BID**  
\$2,200

**TOTAL PARTICIPANTS**  
0

**MAKE A FUNDED PLEDGE**

Our Local Syndicate

This should be a great investment ...

f t in

**Suburb Information**

**Location**  
GLEBE, NSW, 2037

**Median Rental Yield**  
3.67%

**Median Price Growth**  
17.49 %

Participants

**MAKE FUNDED PLEDGE**

Make a pledge

Share with your  
social networks



# CORPORATE SNAPSHOT



## Key Statistics:

ASX Code:	DCL (Listed November 2016)
Share Price:	8 cents @ October 25 <sup>th</sup> 2018
Shares on Issue:	130,803,443 (Incl. Escrow)
Market Cap:	\$10.4 Million
FUM:	\$37 million
	+ \$10 Million due in November
	\$100 million in pipeline

Cash: 25% Placement Capacity approved at AGM  
Update shortly

## Highly Experienced Board:

Chairman	Grahame Evans
Non-Executive Director	Graeme Billings
Non-Executive Director	David Archbold
Non-Executive Director	Peter Church OAM
CEO	Arthur Naoumidis
COO	Ross Laidlaw
CFO/Co Secretary	Philip Chard

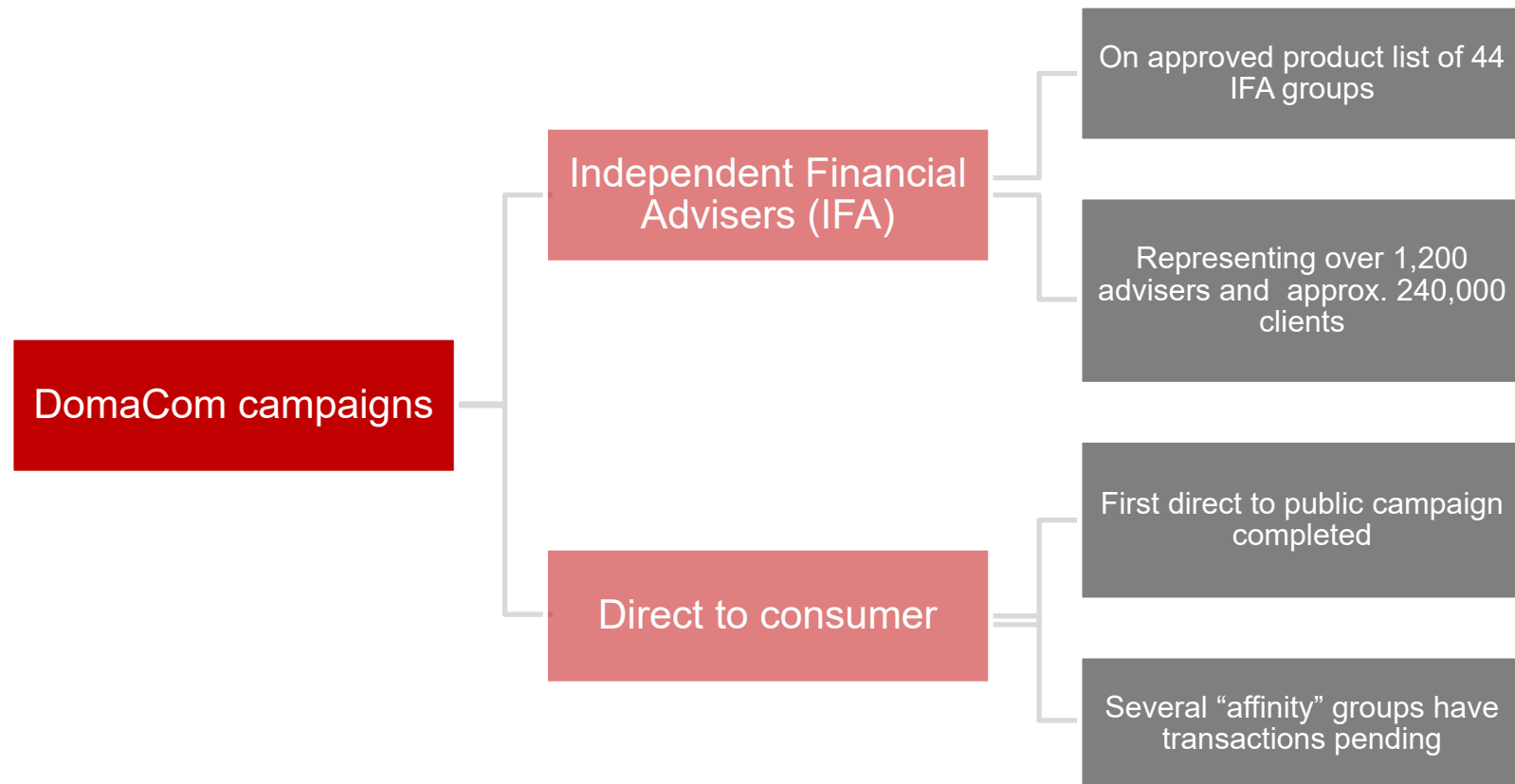


## OFFERING DIVERSE PROPERTY SECTOR ACCESS



PROPERTY			
<b>Residential</b>  Apartments Houses Vic, NSW, QLD, etc.	<b>Commercial</b>  Melbourne Sydney Supermarkets Office	<b>Industrial</b>  Melbourne Sydney Factories Warehouses	<b>Rural</b>  Beef/Sheep Cropping Dairy Vic, NSW, QLD, etc.
DOMACOM PLATFORM			

## ROUTES TO MARKET



## HEAD WINDS & TAIL WINDS



- 2018 has been a difficult year for residential property with Australian Prudential Regulatory Authority (APRA) & Royal Commission impacts
- Reduced Bank Lending Appetite
  - Self Managed Super Fund's (SMSF) find it very difficult to borrow – Limited Recourse Borrowing Agreement's (LRBA's) effectively dead
  - Bank serviceability requirements significantly tightened
  - Banks not lending to DomaCom either - yet
  - DomaCom has multiple offshore lenders looking to use us to enter into non-National Consumer Credit Protection (NCCP) lending in Australia
  - This is negative in the short term but will be positive in the long term for DomaCom once additional residential lines of credit are in place for platform users
- Housing Downturn
  - Short term reduction in residential investments as investors abstain due to uncertainty
  - Yields will improve as prices drop which will drive investors back into residential property in the future
  - DomaCom now primarily transacting in non-residential

## RECENT MILESTONES FOR DOMACOM



- **SMSF Ruling:** Full Federal Court win handed down 10 August 2018 – ATO **not** appealing to High Court
- **Domain Integration:** All Australian Domain property listings have been integrated into our new platform which was launched at beginning of 2018
- **Senior Equity Release:** Australian Securities & Investments Commission (ASIC) Relief Instrument in final stages – approval expected any day
- **Debt for property investments:** Now available and have an external lender available. All transactions in pipeline now have debt.
- **Affordable Housing Managed Investment Trusts (MIT) amendments:** Treasury removed proposed banning of MIT investments into residential property

## SMSF ACCESS TO PROPERTY – HOUSING AFFORDABILITY



- Spearheading a legal challenge which if successful will open up vast new property investment opportunities for SMFs
  - DomaCom wins Full Federal Court Appeal on Sole Purpose Test on August 10<sup>th</sup> 2018
  - DomaCom now working on fixing disclosure document drafting errors
- Seeking confirmation that the legislation allows SMSFs to invest in a DomaCom sub-fund that owns a residential property that is rented by a related party (i.e. family member)
- The ruling, if successful, would open the entire SMSF industry to property in a way that has not been possible before



## SENIOR EQUITY RELEASE PRODUCT



- A mechanism for elderly Australians to realise part of the value of their home to help fund their retirement
- ASIC Relief Instrument Imminent – Now Targeting Q1 2019 release
- DomaCom will be targeting “Baby Boomers” with this Senior Equity Release product
- Allows IFAs to include property in multi-generational wealth planning
- Help solve funding issue for retirees
- The size of the senior Australian population is set to increase by more than 50% in the next decade (source: Deloitte)
- The potential pool of home equity funds that Australian could access in their retirement is estimated to be in excess of \$500 billion (source: Deloitte)

## CURRENT CAMPAIGNS

- **Badgery's Creek Land Bank project**
  - Crowdfund a 10 year land banking project
  - Two projects totalling \$12 million completed – another \$6 million project being finalised
  - Another \$40 million over the next 1-2 years
- **General Campaigns**
  - Approx. \$100 Million in campaigns currently at various stages
  - 2 Blockchain companies looking to use DomaCom
  - Multiple developer led campaigns in progress – one this week in Adelaide
  - Pooled mortgage sub-fund has first investment going through due diligence
- **Commercial Infrastructure**
  - Solar Farms – two projects close to fruition
  - Biofuel Energy Infrastructure – 20% development upside and 8% ongoing rent
  - Wind farms – first project close to commencement



## LOOKING FORWARD



- Jigsaw coming together in 2018
  - Cost reduction programme implemented
  - MIT issue resolved
  - Key SMSF Federal Court win
  - New Platform is live
  - Domain & IRESS Integration implemented
  - Internal Debt now available
  - First mortgage syndications completed – other Non-property campaigns now in progress
  - Non-bank lenders seeking entry into Australian mortgage backed lending
- Final piece of jigsaw is capital for DomaCom
  - Advisers & Investors worried about business continuity → not using the platform
  - Shareholder approve company to issue up to an additional 25% in equity
  - Will provide runway for adviser and investor confidence



# REVENUE MODEL



- Funds Under Management Fees
  - 0.88% p.a. for property assets (on Gross value of property)
  - 0.44% p.a. for mortgage assets
  - 0.22% p.a. on cash
- Target Markets
  - \$700 Billion SMSF Market
  - First home buyers - using your own super
  - \$500 billion retiree home equity market (source: Deloitte)
- Highly leveraged business model
  - Not much penetration needed to be very profitable
  - Achieved 4% of SMSF market in last business
  - is 1% of SMSF for DomaCom achievable? → \$7 Billion



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