

DomaCom and DFS Portfolio Solutions launch a branded mortgage sub-fund with an initial \$4.1 million in the first mortgage investment sector.

DomaCom announces an allocation to two mortgage investments by our first branded Mortgage Fund with DFS Portfolio Solutions (DFSPS). The two first mortgages total approximately \$4.1 Million, the first one has been drawn down with the second expected over the next few weeks.

DomaCom CEO, Arthur Naoumidis said, “DomaCom has been working with DFSPS for some time to bring about a branded retail mortgage sub-fund on the DomaCom platform that can be accessed by advisers and portfolio managers”.

“Until now this market was mostly accessed by sophisticated investors but as a model manager, DFSPS has unlocked the retail potential of the non-bank sector by making this sub-fund available to clients and advisers who utilise its portfolio services.”

In an environment of highly compressed yields across a range of defensive investments, the non-bank sector is offering annualised target returns substantially higher than the cash rate, in a range of 5%-10% pa.

DFSPS Managing Director, Stephen Romic, acknowledged that it was difficult to access and manage mortgage assets until the fractional model developed by DomaCom became available.

He said, “DFSPS and DomaCom have been working together for over 12 months to build a unique and innovative capability that allows advisers to efficiently incorporate exposures to first mortgage investments within their client portfolios. With increasing market volatility expected within a persistently low yield environment, we wish to take advantage of the prevailing risk premiums whilst they continue to present. We are pleased to be able to offer the AFSLs that use our portfolio service access to this unique opportunity; and expect further demand in this sector going by the growing interest among new AFSLs.

Appointed by DomaCom, DFSPS will act as sub-manager with responsibility for decisions on portfolio composition and management, including, seeking, vetting and recommending first mortgage opportunities, liaising with mortgage originators, arranging independent credit assessments, overseeing and managing timelines and liquidity management and co-ordinating funding and managing cashflows.

In developing an institutional-grade mortgage fund within the DomaCom Fund DFSPS aims to invest an initial \$25m as part of the initial phase and then continue to build over time.

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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, sourced from a variety of vendors and developers.

DomaCom intends to extend the technology to provide an equity release solution for senior Australians (Awaiting final approval from ASIC) to access much needed capital, whilst affording the next generation an opportunity for income and capital growth through property. This elegant solution will match the time horizons of retirees with those of SMSF trustees who want a longer-term allocation to property of their choice in locations of their choice.

About DFS Portfolio Solutions

DFS Portfolio Solutions provides fully implemented portfolio solutions and bespoke services to external boutique advisory groups that have a strong focus on strategic advice. DFS Portfolio Solutions has a proven track record supported by an experienced investment team.

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