



DomaCom is the first registered Fractional Property Investment Platform in Australia. DomaCom provides an online trading platform enabling Buyers and Sellers to transact for fractional ownership in high value assets such as property.

DomaCom Senior Equity Release

Senior equity release allows you to sell a percentage of your property to an investor via the DomaCom Fund in return for a lump sum or a staggered payment plan that can be used for any purpose, whilst retaining title to your property and lifetime occupancy.

Key Features of the Product

Who can use the product?

Provided you are aged 60 years or older and own your home that is either debt free or you wish to pay out any debt.

Do you have permanent residency?

Yes, you can live in your home as long as you wish or until you die. If you need to move to a care facility you can sell the house or rent it out and keep the rent.

Are you responsible for maintenance?

Because the DomaCom Fund owns part of your home you share any maintenance costs with DomaCom in proportion to your share.

Do I receive a lump sum or can I elect to receive regular payments?

You can elect to receive your money whichever way best suits your needs and if applicable, your Centrelink payments. This means you can opt for a lump sum or a staggered settlement with regular monthly or quarterly payments.

What fees do you have to pay?

The service fee to obtain a lump sum or a regular payment starts at 4.4% of the payout amount, payable 5 years in advance. Fees are funded by selling an additional portion of your home over and above what you wish to receive. There is a longevity charge based on your age and the percentage of equity released. Every 5 years an additional portion is sold to fund the fees.

Who receives the service fee?

Investors in your property receive 3% and the balance is used to offset the property management, insurances, platform fees, administration and annual property valuation.

Who can invest in your home?

You can list your property as a public or private investment. If you choose a public listing then anyone can invest in your property. If you choose a private listing you can invite specific people to invest such as family and friends. Family members can also use their superannuation to invest in your home.

Benefits of DomaCom Equity Release

Access to cash – without debt or selling or moving from the property.

Accessibility – this product has no geographic boundaries or postcode restrictions like most reverse mortgages.

Shared maintenance and insurance costs – your co-investor (the Fund) will pay a proportional share of maintenance, repairs and building insurance.

Staggered settlement option – you have the flexibility to receive your payout as a lump sum or on a staggered regular monthly payment basis.

An ASIC registered product – the Fund will be the only equity release product in Australia registered by ASIC as a financial product.



Permanent right of abode in your home – you determine who lives in your home whilst you are alive regardless of your equity stake

Ability to rent out your home – you can rent out your home at any time and keep the rent

Predictable outcome – with a fixed fee you can predict the amount of equity that will remain in your home for estate planning purposes

How do you apply for equity release?

1. You must get independent advice from a DomaCom Accredited financial adviser as well as your own independent legal advice.

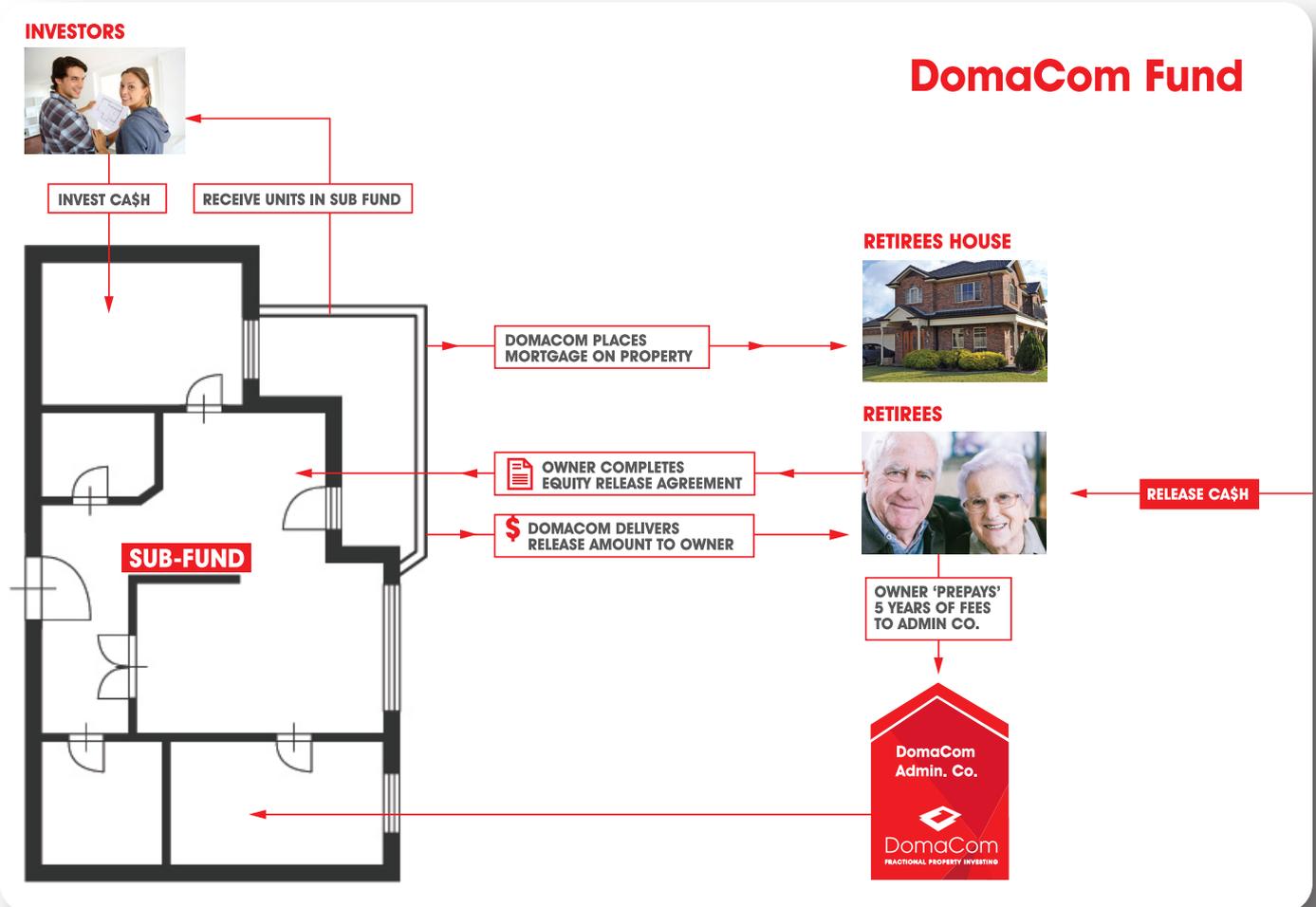
2. Complete an application form with a non-refundable \$700 application fee.

3. DomaCom arranges a preliminary valuation by an independent valuer which you will receive with a statement of offer.

4. If you, your adviser and DomaCom agree with the valuation and you wish to proceed, you will then need to sign an Equity Release Agreement and your property will be listed with DomaCom.

5. If enough interest is received from investors, a final valuation is undertaken along with a building report.

6. At settlement, DomaCom registers a caveat to the extent of the equity release and to protect the interests and rights of the Fund and the investors and you receive a payout.





Termination

The agreement can be terminated as follows:

1. You or your estate sell the property and repay the Fund its proportional share of the proceeds
2. You or your estate buy back the Fund's interest by paying the greater of:
 - a. The market value of the Fund's proportional interest; or
 - b. The value of the property at the time of settlement indexed to the buy back date

Parties to the Equity Release Fund

In some instances you will be required to obtain approval for issues relating to the property for instance approval of capital works and approval for certain repairs and maintenance work.

1. **You the home owner** – who wishes to release some equity from your home without borrowing
2. **Responsible entity** – Melbourne Securities Corporation Ltd – holds your property on trust for investors and ensures that the Fund is managed in compliance with the Corporations Act and the Fund's constitution.
3. **Investment manager** – DomaCom Australia Limited – provides the technology platform, management and marketing for the Fund, and selects and supervises all service providers to the Fund.
4. **Custodian** – Perpetual Corporate Trust – responsible for holding legal title on behalf of the Responsible entity and the unit holders (beneficiaries).
5. **Administration Company** – a wholly owned subsidiary of DomaCom Limited – administers transactions between the home owner and the Fund.
6. **Investors** – one or more individuals or superfunds who may invest any amount from \$2,500 up to the value of the equity release they require

Risks

1. **Sufficient investor interest** – is required before an equity release can be effected
2. **Loss of control** – in certain cases you may be required to obtain approval to make changes or repairs to the property
3. **Continual sale of equity** – every 5 years, additional equity must be sold to cover fees including rent to your co-investors, thereby reducing your overall equity
4. **Centrelink payments risk** – there is a risk that your Centrelink payment could be affected by taking a lump sum payment in cash
5. **Termination fees** – if you terminate the Senior Equity Release Deed there is a termination fee of \$2,000
6. **Buy back value** – in the event you wish to buy back your equity the buy-back price will be the greater of either the market value of the Fund's interest in your property, or, the value of the property at the time indexed by the Property Price Index.



Frequently Asked Questions

What are the consequences of entering a senior equity release agreement?

You agree to sell a beneficial interest in your property to investors in the Fund. There are certain obligations including payment of fees, sharing of maintenance costs and looking after the property.

Who is DomaCom?

DomaCom is the investment manager of the DomaCom Fund, a registered managed investment scheme with ASIC.

What does the DomaCom Fund do?

The Fund matches your property to investors, so that you can sell part of your property to realise some of the equity in it.

Who can use it?

Anyone who has title to the property and is over 60 years of age. All title holders must qualify and the property be your principle place of residence. The property must be either debt free or the proceeds will be used to repay any existing debt.

Does the equity release payment affect your Centrelink?

Lump sum payments and regular monthly payments may be treated differently. Check with Centrelink or your financial adviser.

Do you need advice?

Yes, you must seek independent advice from financial adviser that has been accredited to use this product who should take your overall financial situation into consideration. Additionally, you will be required to seek your own independent legal advice.

Can you release addition equity later?

Yes, by making a fresh application to sell down further equity.

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