

ASX/Media Release

9<sup>th</sup> July 2020

ASX:DCL

## **DomaCom acquires first property for newly-launched Rent-to-Own product**

### **Highlights**

- First Rent-to-Own Property acquired in Melbourne
- The Rent-to-Own model is a paradigm shift in the landlord/tenant relationship
- Effective developer discount gives investors a head start on growing their investment
- Tenants receive 1% equity per annum for 5 years

Fractional investment platform provider **DomaCom Limited (ASX:DCL)** (**'DomaCom'** or **'the Company'**) is pleased to announce that the first property for its innovative new Rent-to-Own product has been acquired in the Melbourne suburb of Moonee Ponds.

The one-bedroom apartment in the Mason Square development was acquired for \$447,000. Property manager, Rent Exchange, is currently seeking a suitable tenant.

### **A model like no other for investors and tenants**

The Rent-to-Own model spans the investment/tenant gap enabling more tenants to escape the rental cycle by participating in the equity model at no additional cost to their rent.

Rent-to-Own enables investors and tenants to leverage off DomaCom's unique fractional investment technology, a modern form of syndication that shares ownership including income and capital growth in residential properties through a unitised managed investment scheme structure.

Tenants pay rent on a commercial basis and after costs and interest on any loans, the rent is shared between the unit holders in proportion to their investment. Any increase in capital value over time is also shared.

Whilst Rent-to-Own tenants receive 1% equity pa for a maximum of 5 years they can also acquire additional equity over time from investors to increase their share in a property as and when they can afford to do so.

Apart from the initial developer discount which has been negotiated by DomaCom with the assistance of property advisory group Third Garden, investors in this model will have tenants who are part owners. As tenants become part owner and occupiers, the Company expects that this lease incentive will lessen any tenancy risk, an important factor for investors during the Covid-19 pandemic.

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**DomaCom CEO, Arthur Naoumidis said:** "Rent-to-Own is a product of our time with the potential to change the outlook for people who may have thought they would be renters for life. The developer discount does not come at an additional cost to the developer as it simply shifts the distribution margin in favour of the purchasers and tenants. On a wholesale basis, this model can put many more people into the home ownership category."

**Ends**

This announcement has been authorised for release to the market by Company Secretary Philip Chard.

**About DomaCom:**

DomaCom Limited (ASX:DCL) owns and operates a fractional investment platform that provides real solutions for SMSF's, retirees and new home buyers. Using the DomaCom platform, investors can make fractional investments in a range of asset classes including property-related investments, mortgage-backed securities, renewables, affordable housing, disability accommodation and debt securities via a unique trust structure tailored to them.

DomaCom runs a crowdfunding campaign process in which investors can commit as much as they want towards the purchase of assets together with other like-minded investors. When a campaign is complete, DomaCom purchases the asset, places it in a sub-fund, and issues the investors with units in proportion to the amount they invested.

DomaCom's proprietary platform allows Australians to invest in almost any asset class, empowering them to create diversified portfolios with comparatively lower minimum investments and competitive cost structures. To learn more, please visit: [www.domacom.com.au](http://www.domacom.com.au)

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