

DOMUS US MULTIFAMILY REAL ESTATE FUND No. 4



Highlands at the Lake, Nashville TN 258 Apartments



The Madison, Phoenix Az, 96 Apartments



Bellevue West, Nashville TN, 556 Apartments

DOMUS US MULTIFAMILY REAL ESTATE FUND NO.4 – PORTFOLIO INVESTMENT HIGHLIGHTS

* FUND TERM	7 YRS
* AVERAGE CASH ON CASH RETURN	8.20%pa – 9.65%
* EQUITY MULTIPLE OF	2.50x – 2.80x
* IRR	16.5%-19.5%

TO BE FINANCED BY LONG TERM (10-35-YR) FIXED RATE NON-RECOURSE LOANS

INVESTMENT FEATURES

Domus is offering a USD investment in a portfolio of 3 multifamily assets comprising 910 apartments acquired by Domus' LA based operating partner Geringer Capital at a **purchase price of US\$158M** at a cap rate of 5.40% (approx.).

The Madison in Mesa, Phoenix, Arizona Az: Located in the greater Phoenix metro 20 miles east of the city centre

Units	96
Year Built	2000
Occupancy	94%
Purchase Price	US\$23M
Cap Rate	4.39%
Refinance	12 months**



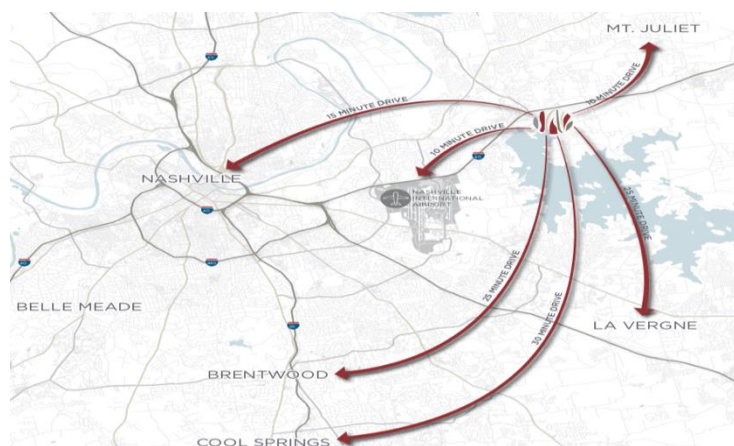
Bellevue West in Nashville, Tennessee TN: Located in the greater Nashville metro 15 miles west of the city centre

Units	556
Year Built	1986
Occupancy	95%
Purchase Price	US\$94M
Cap Rate	5.56%
Refinance	36 months**



Highlands at the Lake, Nashville, Tennessee TN: Located in the greater Nashville metro 10 mls southeast of the city ctr

Units	258*
Year Built	1986
Occupancy	93%
Purchase Price	US\$41M
Cap Rate	5.58%
Refinance	24 months**



*A further 20 units will be built within 24 mths taking the total to 278
 **Timing is estimated only for refinance and could be brought forward

The opportunity offers a reliable cashflow yielding quality real estate investment, enhanced by a value-add and financing strategy underpinned by favourable acquisition finance and fixed-rate long term (from 10 yrs up to 35 yrs) debt. Loans being secured by the Domus team are currently at rates of 2.25% pa fixed for 35 yrs.

THE MARKETS

Domus' strategy has been to focus on secondary markets with strong population and jobs growth fundamentals. With 5 assets already in our Domus portfolios located in the greater Phoenix area performing in line with our forecasts, we have identified this market for continued investment. Along with deep experience, we have a high level of conviction to Nashville Tennessee based on the outstanding jobs and population growth statistics underpinning favourable commentary about this market.

PHOENIX METRO

Phoenix led the US multifamily market for annual rental growth in 2019, with an 8.0% uplift approximately 5.0% above the annual national average according to the JLL Research Report: Multifamily Market Research & Trends. This market continues to have the highest jobs and population growth trends in the US and allows investors to access high quality real estate investment in an attractive sub-market. Phoenix, Az has proven to be resilient and continues to maintain strong cash-flows despite COVID-19. With a population of 4.85M and an estimated growth rate of +/-4.85% pa, the population is projected to reach 7.7M by 2050 driven by jobs growth, quality of life, low cost of living, safety and education. These fundamentals and projections are only being reinforced by the resilience this market is showing during the COVID-19 affected period which continues to see Phoenix consistently rank as one of the top target markets in the US for multifamily investment.



NASHVILLE METRO

Nashville ranks 3rd best southeast market to watch in 2020 according to PwC's 2020 Emerging Trends. Growth fundamentals in Nashville are a strong tailwind to increasing rents and values. Ranked in 2019 as the No.4 in the US for millennial population growth by Business Insider 2019 and No.3 nationally for jobs growth by PwC 2019, the greater Nashville metropolitan area has a population of approximately 2 million as of 2020 and is projected to increase 9.4% year-over-year for the next five years. This above average growth is being driven by the city's ability to attract Fortune 100 companies including Amazon and Facebook. The greater Nashville metro has added 105,000 jobs in the last three years and has an estimated rent growth of +/-4.0% per annum post pandemic reinforcing its ranking by PWC 2019 as the 3rd best place for investment & development in the US



INVESTMENT STRATEGY

Working with our US based operating partner, Geringer Capital, the investment strategy comprises:

- acquiring the assets using short term acquisition loans and agency loans with an LTV of up to 80%
- improving operations to increase rents to market rates and to increase value
- undertaking predominantly light value-add improvements to boost rental income and value
- In the case of Highlands at the Lake undertake a top tier refurbishment program which would include a construction of an additional 20 units*
- re-financing some or all of the assets progressively using low fixed-rate, long term (up to 35 yr.), non-recourse US Government guaranteed debt under the HUD Program** with an LTV of up to 80%
- at the end of the fund term, sell the assets or roll-over into a Domus portfolio sale or IPO.

* Highlands at the Lake TN will have a further 20 units constructed prior to refinance at 24 months

**Our partner Geringer Capital recently secured a HUD loan for 35-yrs at a fixed rate of 2.25%pa. with an 80% LTV for an asset in our Domus 1 portfolio.

10-year Treasury yield (15-year)



By implementation of the acquisition, management, value-add and financing strategy, this will offer investors the following key benefits:

- recurring income supported by positive long-term fundamentals of US multifamily real estate and further enhanced by the quickly recovering and strengthening US economy
- above market returns driven by an already proven value add strategy, underpinned by the high demand for rental apartments in the resilient Phoenix and high-growth Nashville markets
- an opportunity to benefit from historically low fixed-rate debt which is not readily accessible to individual investors and which is only available for large scale US multifamily assets
- a US asset management and Australian based fund management team that has extensive experience with large scale US multifamily investments with an established track record.

INVESTMENT SUMMARY

Total Acquisition Price	US\$158M
Cap Rate on Acquisition	5.40%*
Fund Term	7 yrs
Equity Multiple	2.5x – 2.80x
Projected IRR	16.5% - 19.5%
Average Cash on Cash	8.20%pa – 9.65% (Yr 1 9.0%)
Distributions	Quarterly
Fees	<p>Acquisition Fee – Nil</p> <p>Asset Management Fees - 6% of Gross Revenue paid quarterly</p> <p>Investment Management Fees - US\$120,000 pa</p> <p>Performance Fees – 30% over 8% IRR, 40% over 10% IRR & 50% over 15% IRR</p> <p>Project Management Fees – Nil</p>
Price per Unit	US\$173,626
Price per sq.ft	US\$186.22
In-place NOI	US\$8,522,603



KEY DATES & TERMS

THIS EQUITY RAISE	Up to US\$26.0M
MINIMUM SUBSCRIPTION	US\$250,000*
SUBSCRIPTION APPLICATIONS	Open**
SUBSCRIPTION AMOUNTS	11 January 2021**
TRANSACTION CLOSE	15 January 2021**

* The Trustee has the discretion to accept subscriptions for less

** These dates are indicative, subject to change



REGISTRATION OF INDICATIVE INTEREST

Investors interested in this opportunity are requested to register by emailing
Les.Koltai@lsglobaladvisors.com

MAKING AN APPLICATION

* APPLICATION FORMS WILL BE ATTACHED TO AN INFORMATION MEMORANDUM TO BE ISSUED TO INTERESTED INVESTORS

* EMAIL COMPLETED APPLICATION FORM TO LS GLOBAL ADVISORS AND CC ETICORE

* COMPLETE A WHOLESALE INVESTOR DECLARATION FORM ATTACHED TO THE INFORMATION MEMORANDUM

PLEASE NOTE:

APPLICATIONS RECEIVED FROM INVESTORS ARE ON A FIRST COME FIRST SERVED BASIS, AT THE DISCRETION OF THE TRUSTEE

Les Koltai

MANAGING DIRECTOR

LS Global Advisors

les.koltai@lsglobaladvisors.com

+61 (0) 408 900 344

ABOUT LS GLOBAL ADVISORS

LS Global Advisors is an Asia Pacific based internationally focused boutique real estate advisory business specialising in identifying and structuring tailored investment opportunities internationally for its clients, investors and partners. <http://www.lsglobaladvisors.com/about-us/>

ABOUT DOMUS MULTIFAMILY REAL ESTATE FUNDS

Domus Multifamily Real Estate Fund platform provides investment opportunities in high quality income-producing US multifamily assets in a range of locations across the US taking advantage of its ability to secure long term low fixed rate, long term (up to 35-yrs), non-recourse finance including under the US Government guaranteed debt under the HUD Program. providing the stable long-term income and the potential for future capital growth.

ABOUT GERINGER CAPITAL

Geringer Capital is a leading Los Angeles based industrial and residential real estate owner, developer and manager with a particular focus on the construction, development, financing and management of US multifamily real estate. <http://geringercapital.com/>

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