



**Australian
Competition &
Consumer
Commission**

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Our Ref: N95608
Contact Officer: Tanya Hobbs
Contact Number: (02) 6243 1029

9 February 2012

Mr Mark Fowler
Director
Neumann & Turnour
Level 1, Quay Central
95 North Quay
Brisbane QLD 4000

Dear Mr Fowler

Third line forcing notification N95608 lodged by Queensland Affordable Housing Consortium Ltd

I refer to the Australian Competition and Consumer Commission's (the ACCC) prior correspondence with you in relation to the above notification. I note your further information that Queensland Affordable Housing Consortium Ltd intended to notify the following conduct as third line forcing in its notification lodged with the ACCC on 19 October 2011:

QAHC will require the Property Manager to enter a Property Management Agreement with an Owner as a condition of it entering into a Deed of Compliance with the Property Manager.

It is a condition of the Property Management Agreement between the Owner and the Property Manager that the Property Manager enter a Deed of Compliance with QAHC. QAHC requires that this be a condition of the Property Management Agreement in the NRAS Delivery Agreement.

It is also the case that QAHC will require, as a condition of QAHC entering into the NRAS Delivery Agreement with the Owner, that the Property Manager enter:

- (a) a Property Management Agreement with an Owner
- (b) the Compliance Deed with QAHC, which is entered to ensure compliance with the NRAS.

The above has the following effect:

- (a) if the Owner refuses to enter the Property Management Agreement the Owner will be in breach of the NRAS Delivery Agreement.
- (b) if the Property Manager refuses to enter the Deed it will be in breach of the Property Management Agreement, and the Owner will be in breach of the NRAS Delivery Agreement.

In light of your further information, the ACCC acknowledges that this conduct was notified on 19 October 2011 and that legal immunity conferred by the notification commenced on 2 November 2011.

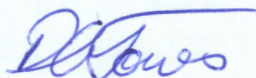
I can confirm that, as stated in the ACCC's letter of 1 November 2011, the ACCC does not intend to take any further action in relation to this matter at this stage.

As with any notification, please note that the ACCC may act to remove the immunity afforded by the notification at a later stage if it is satisfied that the likely benefit to the public from the conduct will not outweigh the likely detriment to the public from the conduct.

As previously noted, this assessment has been made on the basis that QAHC will disclose all relevant terms and conditions to prospective clients.

A copy of this letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Tanya Hobbs on (02) 6243 1029.

Yours sincerely



David Jones
A/G General Manager
Adjudication Branch