

Form G

Commonwealth of Australia
Trade Practices Act 1974 --- Sub-section 93(1)

EXCLUSIVE DEALING NOTIFICATION

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with sub-section 93(1) of the *Competition and Consumer Act 2010*, of particulars of conduct or of proposed conduct of a kind referred to in sub-section 47(2), (3), (4), (5), (6), (7, (8) or (9) of that Act in which the person giving notice engages or proposes to engage.

(PLEASE READ DIRECTIONS AND NOTICES ON BACK OF FORM)

1. Applicant

- N97048
- a. Name of person giving notice
Bluebay Home Loans Pty Ltd trading as Bluebay Home Loans. ABN 62 127 824 524 (**Bluebay**).
 - b. Short description of business carried on by that person
Mortgage Manager.
 - c. Address in Australia for service of documents on that person
PO Box 1602 Osborne Park DC WA 6916.

2. Notified arrangement

- a. Description of the goods or services in relation to the supply or acquisition of which this notice relates
Provision of home loans to customers who meet the lending criteria and are secured by mortgages over residential real estate.
- b. Description of the conduct or proposed conduct
The My Home Plus program has been developed with the assistance of Bluebay and the ABN Group of companies. Refer Annexure A for further details. The new program will be available to those consumers purchasing an established (new) home or – entering into a contract to build a new home with the ABN Group of companies

3. Persons, or classes of persons to which the conduct relates

- a. Class or classes of persons to which the conduct relates
Consumers that are looking to purchase either an “established” home or build a “new” home.

b. Number of those persons

The numbers of affected persons are unknown at the present time and are difficult to predict within the next year. It is anticipated that the total number of persons will exceed 50.

4. Public benefit claims

a. Arguments in support of notification

The My Home Plus program has been specifically designed to assist customers attain home ownership. Where a short time ago, major lenders were providing the same or similar options for customers, they no longer do. This program provides a viable alternative for consumers.

Further, we consider the proposed conduct will not lessen competition because:

- (i) the retail mortgage market is a well-developed, competitive market with many other loans which consumers may access;
- (ii) the number of consumers potentially affected by the proposed conduct is immaterial compared to the total number of customers who acquire retail mortgages to purchase owner-occupied properties; and

b. Facts and evidence relied on in support of these claims

Lenders in general have reduced their maximum Loan to Valuation ratios to 90% of the properties valuation. In addition, they ask for a minimum of 5% genuine savings. Genuine savings can be difficult for a consumer to accumulate given additional demands such a rental payments. Bluebays My Home Plus program provides consumers who meet the lenders qualification criteria, the opportunity to lend to a maximum Loan to Valuation ratio of 95% coupled with non-genuine savings (ie: gift, First Home Owners grant, borrowed funds)

5. Market definition

- a.** Markets that are likely to be affected are the residential housing market in Western Australia & Victoria.

6. Public detriment

- a.** Given the highly competitive status of the market referred to in paragraph 5, there does not appear to be any significant public detriment associated with the proposed conduct.

- b. We consider the proposed conduct will not lessen competition because:
- (i) the retail mortgage market is a well-developed, competitive market with many other loans which consumers may access;
 - (ii) The number of consumers potentially affected by the proposed conduct is immaterial compared to the total number of customers who acquire retail mortgages to purchase owner-occupied properties; and
 - (iii) Potential customers will be fully informed about the full terms of the offer before taking up the offer.

7. Further information

Don Crellin.

Bluebay Home Loans Pty Ltd Director

donc@bluebayhomeloans.com.au

0400 203 889

Dated: 22 October 2013

Signed by/on behalf of the applicant



.....
DONALD WILLIAM CRELLIN

BLUEBAY HOME LOANS PTY LTD

COMPANY DIRECTOR

DIRECTIONS

1. In lodging this form, applicants must include all information, including supporting evidence they wish the Commission to take into account in assessing their notification.

Where there is insufficient space on this form to furnish the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the person giving the notice.

2. If the notice is given by or on behalf of a corporation, the name of the corporation is to be inserted in item 1(a), not the name of the person signing the notice, and the notice is to be signed by a person authorised by the corporation to do so.

3. Describe that part of the business of the person giving the notice in the course of which the conduct is engaged in.

4. If particulars of a condition or of a reason of the type referred to in section 47 of the *Competition and Consumer Act 2010* have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.

5. Describe the business or consumers likely to be affected by the conduct.

6. State an estimate of the highest number of persons with whom the entity giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.

7. Provide details of those public benefits claimed to result or to be likely to result from the proposed conduct including qualifications of those benefits where possible.

8. Provide details of the market(s) likely to be affected by the notified conduct, in particular having regard to goods or services that may be substitutes for the good or service that is the subject matter of the notification.

9. Provide details of the detriments to the public which may result from the proposed conduct including quantification of those detriments where possible.

Annexure A

The ABN Group

The ABN group of companies comprises the following residential builders & finance related companies:

- i. Homebuyers Centre;
- ii. Celebration Homes;
- iii. Dale Alcock Homes;
- iv. APG Homes;
- v. Webb & Brown-Neaves;
- vi. TR Homes;
- vii. Boutique Homes (VIC);
- viii. Homebuyers Centre (VIC).
- ix. Innov8
- x. Bluebay Home Loans Pty Ltd
- xi. Resolve Financial Solutions

The My Home Plus program will fund either:

- i. the acquisition of an established home, on the condition that it be acquired through one of the ABN group of companies; or
- ii. the construction of a residential dwelling (regardless of who the seller/owner of the land is) on the condition that the builder is one of the builders belonging to the ABN group of companies.