

Form G

Commonwealth of Australia
Competition and Consumer Act 2010 — 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 sub-sections 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 FOLLOW DIRECTIONS ON BACK OF THIS FORM

1. Applicant

- (a) Name of person giving notice:
(Refer to direction 2)

N99640

Peet Botanic Village Syndicate Ltd ACN 117 970 831

- (b) Short description of business carried on by that person:
(Refer to direction 3)

Residential land development and subdivision.

- (c) Address in Australia for service of documents on that person:
c/ HWL Ebsworth Lawyers
Level 26, 530 Collins Street, Melbourne Victoria 3000
ATTN: Michael Mammen

2. Notified arrangement

- (a) Description of the goods or services in relation to the supply or acquisition of which this notice relates:

- Sale of vacant subdivided land for residential use.

- (b) Description of the conduct or proposed conduct:

Entry into contracts of sale of vacant subdivided land for residential use, conditional upon purchasers also entering into building contracts with a builder to be nominated by the applicant, for construction of residential homes choosing from 2 types of internal layouts and 6 different facades.

(Refer to direction 4)

3. Persons, or classes of persons, affected or likely to be affected by the notified conduct

- (a) Class or classes of persons to which the conduct relates:
(Refer to direction 5)

- Purchasers of subdivided vacant residential land.
- Builders of residential homes.

- (b) Number of those persons:
- (i) At present time:
0.
- (ii) Estimated within the next year:
(Refer to direction 6)
11.
- (c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses:
N/A – prospective purchasers.

4. Public benefit claims

- (a) Arguments in support of notification:
(Refer to direction 7)

The Applicant is the registered proprietor and developer of a vacant residential land estate known as Acacia Estate ('Estate').

The Estate contains a significant amount of land which is being developed for various residential and other purposes.

Across the Estate, lots 543-553 on Stage 5 will be reserved for affordable housing products to appeal to first homebuyers and other purchasers seeking a high quality affordable home ('Sites').

The residential dwellings on the Sites will comprise of residential housing, and may otherwise be constructed on vary narrow or shallow lots with small overall lot sizes to maximise affordability.

Because of this, the Applicant has entered into detailed negotiations with ABN Group (Vic) Pty Ltd ACN 130 382 188 trading as 'Homebuyers Centre' (**Homebuyers**), with a view to nominate Homebuyers to construct dwellings on the Sites, to:

- ensure that housing can be constructed simultaneously;
- avoid issues with construction timeframes and disruption which would arise if other builders were attempting to construct affordable housing on very narrow, shallow and small lots at different times;
- avoid issues with construction timeframes and disruption which would arise if other builders were attempting to construct housing at the same time, using different plans which may not be cohesive;
- enable the most efficient and effective construction timeframe for purchasers;
- deliver a cohesive and attractive development where purchasers can rely on the aesthetics and design controls within the development; and
- ensure that affordable first home buyer plans can be delivered through cost savings which nominated builders can achieve on the Sites.

Homebuyers must provide purchasers with a choice of 2 different floor plans and 6 different facades) specifically designed for shallow, narrow and small lots, as well as to maximise affordability on corner and end of grid lots, with a wide choice of fixtures and fittings to ensure that purchasers

have a wide variety of options, whilst still ensuring cohesive, efficient and cost-effective construction.

Homebuyers must ensure that the aesthetic and design controls on the Sites will be complied within all construction (which provides more security for the value of purchasers' investments).

As noted above, this will create significant opportunities for economies of scale, in terms of marketing costs and expertise, and most importantly, will enable Homebuyers to offer high value building products to potential purchasers at lowered costs, due to the savings made on committing significant resources to the project, thereby reducing input, material and labour costs, and being able to transfer these benefits to purchasers.

This will lead to affordable quality homes being constructed for what is predominantly a first home buyer market, enabling purchasers to benefit from the arrangements in purchasing their own land and constructing homes, particularly on lots where construction would either be difficult and/or expensive due to lot dimensions, location and overall size.

(b) Facts and evidence relied upon in support of these claims:

- Homebuyers must provide purchasers with a choice of 2 different floor plans and 6 different facades) specifically designed for shallow, narrow and small lots, as well as to maximise affordability on corner and end of grid lots, with a wide choice of fixtures and fittings to ensure that purchasers have a wide variety of options, whilst still ensuring cohesive, efficient and cost-effective construction. A variety of fixtures, fittings and internal specifications are also available for choice.

5. Market definition

Provide a description of the market(s) in which the goods or services described at 2 (a) are supplied or acquired and other affected markets including: significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions):
(Refer to direction 8)

- First Home Buyer market.
- Second and subsequent Home Buyer Market.
- Residential Home Builders.
- Investor purchasers.

6. Public detriments

(a) Detriments to the public resulting or likely to result from the notification, in particular the likely effect of the notified conduct on the prices of the goods or services described at 2 (a) above and the prices of goods or services in other affected markets:
(Refer to direction 9)

It is likely that no detriment will flow to the public, as potential purchasers will be seeking affordable dwellings, and will recognise the significant cost

savings to be obtained through the use of one single builder throughout the Sites on blocks where affordable construction would otherwise be impractical and difficult.

Also, no material detriment will result from the notification, as the same goods and services (i.e. house and land packages, separate vacant land and also residential construction products) are available within the Estate itself and at a number of alternative residential developments adjacent to and surrounding the development for which the notification is made. A summary is as follows:

South East Region

	Estate	Lots available
1.	Summerhill	159
2.	Lochaven	378
3.	Delaray	572
4.	Clydevale	300
5.	St Germain	503
6.	Highgrove	334
7.	Tulliallan	43
8.	Meridian	1305
9.	Hartleigh	502

Therefore, the notification will not materially affect the available options for purchasers in these areas.

The notification will also not materially affect potential builders, as vacant land options exist within the Estate and at nearby developments, with significant levels of stock already available, or about to become available.

Therefore, because the public has significant choices in this segment of the market, in this geographic region, the potential detriment is minimised.

(b) **Facts and evidence relevant to these detriments:**

As set out above, the Estate itself offers other vacant land opportunities and other developments in the nearby areas offer vacant land to purchasers with an unlimited choice of residential builders, as well as house and land packages with a choice of builders.

7. Further information

(a) **Name, postal address and contact telephone details of the person authorised to provide additional information in relation to this notification:**

Michael Mammen

HWL Ebsworth Lawyers Pty Ltd

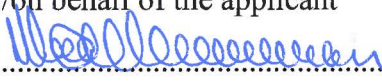
Level 26, 530 Collins Street, Melbourne VIC 3000

(03) 8644 3643

mmammen@hwle.com.au

Dated..... 12/4/2017

Signed by/on behalf of the applicant

.....  (Signature)

..... MICHAEL MAMMEN (Full Name)

..... HWL EBSWORTH LAWYERS (Organisation)

..... PARTNER (Position in Organisation)



DIRECTIONS

1. In lodging this form, applicants must include all information, including supporting evidence that they wish the Commission to take into account in assessing their notification.
2. 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 applicant.
3. 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.
4. Describe that part of the business of the person giving the notice in the course of which the conduct is engaged in.
5. 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.
6. Describe the business or consumers likely to be affected by the conduct.
7. 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.
8. Provide details of those public benefits claimed to result or to be likely to result from the proposed conduct including quantification of those benefits where possible.
9. 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.
10. Provide details of the detriments to the public which may result from the proposed conduct including quantification of those detriments where possible.