

Form G

Commonwealth of Australia

*Competition and Consumer Act 2010 — subsection 93 (1)***NOTIFICATION OF EXCLUSIVE DEALING**

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with subsection 93 (1) of the *Competition and Consumer Act 2010*, of particulars of conduct or of proposed conduct of a kind referred to subsections 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)

N100062 Housing Authority, a body corporate constituted under the *Housing Act 1980* as agent for the Crown in right of the State of Western Australia.

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

The Applicant is the registered proprietor of the land at 16 Harford Way Girrawheen, more particularly described as Lot 14143 on Deposited Plan 195508 being the whole of the land in certificate of title Volume 2741 Folio 294.

The Applicant will be subdividing the land into numerous lots on several proposed plans of subdivision, which the Applicant is developing as part of the residential housing estate known as "The Amble" (**Development**). The Applicant is proposing and this notice is concerned with, the sale of house and land packages within the Development.

- (c) Address in Australia for service of documents on that person:

Attention: Julian Munrowd-Harris
Development Manager – Complex Projects
Housing Authority
99 Plain Street
East Perth WA 6004

2. Notified arrangement

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

Residential lots comprising part of the Development.

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

(Refer to direction 4)

The Applicant proposes for each stage of the Development before titles issue, to allocate for supply and offer to supply, 50% of lots created for supply, in that stage on the condition that the purchaser enters into a building contract directly with a builder nominated by the Applicant from time to time (**Nominated Builder**). As at the date of this notice, the proposed Nominated Builders are:

- Aussie Living Homes
- Smart Homes for Living
- Ventura Homes
- Express Two Storey Living
- Ventura ID
- Multi-Living Developments

who are each a registered builder in accordance with the *Building Services (Registration) Act 2011* (WA).

Once titles issue for a stage, the Applicant will allocate for supply and offer to supply, 50% of all 'unsold sale stock' for one month (ie excluding lots retained by the Applicant) on the condition that the purchaser enters into a building contract directly with a Nominated Builder.

If a purchaser does not wish to engage a Nominated Builder, the purchaser can purchase a lot that is not allocated as a house and land package.

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)

Potential and actual purchasers of the Lots at the Development.

- (b) Number of those persons:

- (i) At present time:

Nil

- (ii) Estimated within the next year:
(Refer to direction 6)

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- (c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses:

Not applicable as any member of the public is able to purchase the Lots.

4. Public benefit claims

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

Nominated Builders will be offering a range of housing products that will be made available on each lot size.

The housing products will be well designed, complementary to the desired character of the estate, streetscapes and surrounding areas. This will ensure consistency, quality and integrity of design which will enhance the overall cohesiveness, attractiveness and competitiveness of the Development.

Nominated Builders will use economies of scale to reduce the cost of house and land packages being offered to potential purchasers, by:

- 1) pre-confirming the compliance of each house and land package with planning regulations, design guidelines, building codes and any site specific constraints, allowing production efficiencies which can be passed on to the buyer;
- 2) reducing marketing costs passed on to purchasers through the integrated selling of house and land packages; and
- 3) committing significant resources to the Development, thereby reducing costs through volume discounts, overall labour costs and the consolidation of effort.

These economies of scale and corresponding efficiencies are unlikely to be achieved without the proposed allocation of lots as house and land packages.

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

See above.

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)

The conduct occurs in the context of the residential property market in the Perth metropolitan region of Western Australia. There is strong competition in the Perth metropolitan residential market, with numerous competing residential estates and strong existing market for established dwellings.

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)

The Applicant submits that there is no likely detriment to the public. The existing market is strong, competitive, only a portion of the lots in the Development are to be offered as part of a house and land package and costs associated with the house and land packages will be passed on to potential purchasers.

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

- 1) Purchasers will avoid the uncertainty of overall cost for the construction of a home by purchasing a house and land package where the total cost is known upfront.
- 2) Purchasers can choose to buy vacant land at the Development and separately engage their own builder.
- 3) Purchasers have significant choices in this segment of the market and can choose to buy a house and land package, existing home or vacant land from surrounding developments.

7. Further information

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

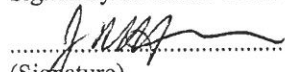
Attention: Julian Munrowd-Harris
Development Manager – Complex Projects
Housing Authority
99 Plain Street
East Perth WA 6004

T: (08) 9222 8120

E: Julian.MUNROWD-HARRIS@housing.wa.gov.au

Dated... 19.12.17

Signed by/on behalf of the applicant


.....
(Signature)

JULIAN MUNROWD-HARRIS
.....
(Full Name)

DEPARTMENT OF COMMUNITIES (HOUSING)
.....
(Organisation) AUTHORITY

DEVELOPMENT MANAGER
.....
(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.

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.

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 the 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 quantification 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.