



**THE MARKET**

With more than 70 per cent of the country's adult population either buying their home or owning it outright, Australia's rate of home ownership is among the world's highest.

Buying a house is the biggest single purchase most people will undertake, and RAMS Home Loans was launched as a retail brand in 1995 to provide an alternative source of competitive home loans from the major banks, which at that time monopolised the market.

Today, the Australian home loan market is one of the most competitive and innovative in the world. Since deregulation of the finance industry a little over ten years ago, mortgage specialists such as RAMS Home Loans have excelled in this competitive market via the introduction of unique and innovative products, and service to their customers that is second to none.

**ACHIEVEMENTS**

In just six years, RAMS Home Loans has built a base of more than 70,000 customers and established a home-loan book valued at over \$5 billion. The Sydney-based company is now one of



Australia's largest home-loan originators with three to four per cent of the total home-lending market.

RAMS Home Loans prides itself on innovation. Its motto, 'A Better Way', points to the company's vigorous pursuit of a product portfolio that is relevant to its customers, of a service model that offers choice and ease of access, and to the implementation of cutting-edge technical systems that support its growing business.

The company funds its loans through securitisation. RAMS Home Loans was among the first issuers of securities backed by Australian residential mortgages onto both Australian and European markets, and had undertaken 13 such issues at time of publication.

**HISTORY**

RAMS Home Loans was founded by John Kinghorn and an association of dynamic individuals with expertise in marketing and finance. The Australian entrepreneur took the bold step of entering the home loans market when it was completely dominated by

Australia's big four banks. By the beginning of the new millennium, RAMS Home Loans was the only mortgage supplier to originate, service and fund all its loans within Australia.

Today RAMS Home Loans has a workforce of 430, including more than 100 mobile home-loan managers, and seven branches. The company writes some 15,000 loans annually at an average of over \$185,000, a figure well in excess of the national average. New customer contacts run at 200,000 annually

and the company's website, [www.rams.com.au](http://www.rams.com.au), receives 1.5 million page impressions per year.



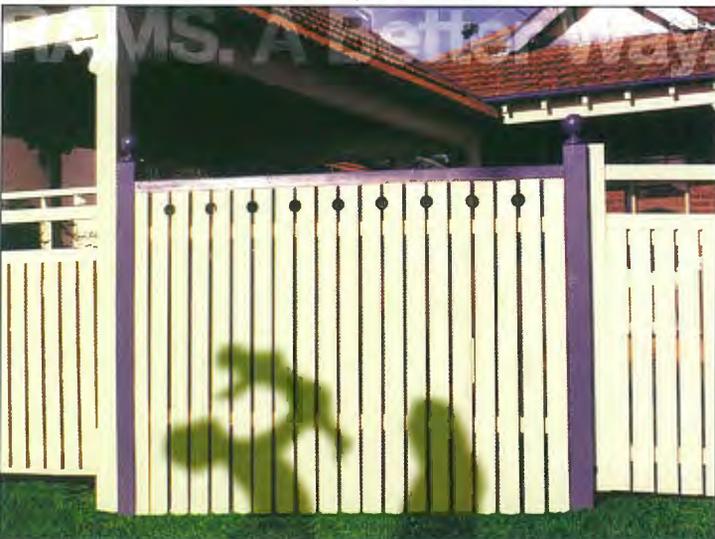
**THE PRODUCT**

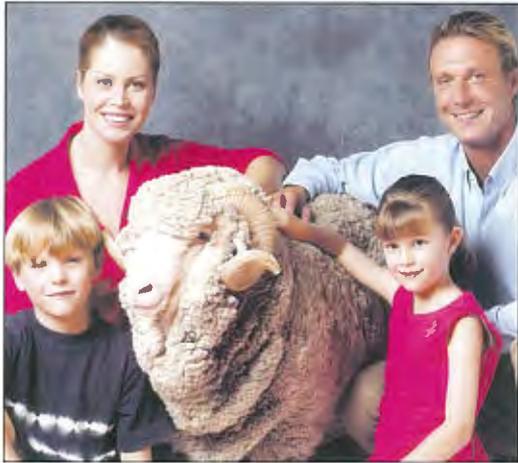
Each year, RAMS Home Loans undertakes extensive customer research by talking to up to 10,000 Australians, investigating and assessing their attitudes and perceptions, to determine the types of products and services its customers want.

As a result of its research, the company offers an extensive portfolio of loans. These include:

- RAMS Sure Home Loan – specially tailored for customers who want lower repayments in the first year of their loan.
- RAMS Better Offset Home Loan – enabling customers to save interest every day with a full 100% offset.
- RAMS Basic Home Loan – a no-frills, low-rate loan.
- RAMS Investor Home Loan – for those buying residential investment properties.
- RAMS SmartWay Home Loan – an award winning 'all-in-one' home loan
- RAMS Commercial Property Loans – for customers seeking commercial investments.

RAMS was one of the first Australian home lenders to offer a flexible, face-to-face service. The company's 100 mobile home loan managers can





visit customers at home or at their place of work to discuss home loan options and help lodge an application, seven days a week.

The company's call centre is an award-winning multilingual call facility offering more than 25 languages for customers. Its number is easily memorised by its alphanumeric tag, 13-RAMS (13-7267). The centre was voted Best Australian Call Centre under 50 seats in 1999.

RAMS Home Loans' website is among the top 10 in financial services. The company has placed both its business and its lending regulations online, enabling customers to obtain an on-line pre-approval of their application. Some 15 per cent of RAMS' business is now conducted online. RAMS Home Loans are also available from Australia's Mortgage Broker network.

#### RECENT DEVELOPMENTS

One of RAMS' greatest successes is the SmartWay Home Loan. Launched in mid-2000, after extensive customer research, SmartWay is an all-in-one loan that allows customers to pay off their home loan faster whilst offering customers instant access to their money via EFTPOS, ATMs, a chequebook and giro-Post facilities. There are no account-keeping fees, something that is guaranteed for the life of the loan. Statements are issued monthly, enabling customers to see how their loan is tracking. The SmartWay home loan is a big hit among higher income earners in the 24-35 years age bracket, and now accounts for more than one-

third of the company's new loan book.

RAMS Home Loans has received two industry awards for SmartWay: it was voted Best New Product 2001 by *Your Mortgage* magazine, and Best New Product at the Australian Banking & Finance Awards for 2001.

In July 2001, the company launched its innovative customer loyalty program. Another product of RAMS' extensive research among its customers, the RAMS Loyalty Program includes personalised newsletters, welcome-to-your-new-home packs, loan maturity advice, acknowledgements of settlements and anniversaries, and much more. Central to the loyalty program is *TelegRAMS*, a quarterly newsletter providing information on products, services, industry news and company sponsorships. Its tone is supportive and friendly, its content informative and advice-based.

Another important initiative is the Homextra program, launched in mid-2000. This has seen RAMS expand into financial and non-financial sectors that complement the company's core product. Through Homextra, RAMS now offers home insurance, contents insurance, mortgage protection insurance, silver and gold RAMS credit cards and an alliance with an in-house but separate conveyancing licensee as well as RAMS Commercial Property Loans.



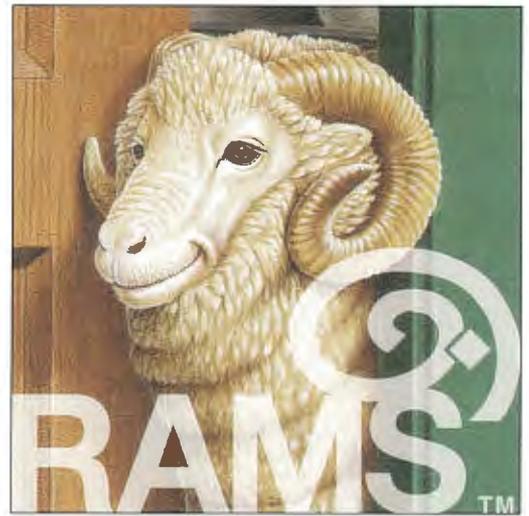
#### PROMOTION

RAMS Home Loans is an active participant in a wide range of community events.

Since 1997 the company has held naming rights to Australia's largest outdoor Christmas carol event, Sydney's Carols in The Domain.

Other sponsored events include Victoria's Yarra Valley Grape Grazing Festival, an annual celebration of the Australian way of life in one of the country's leading grape-growing regions, and Melbourne's celebration of cultural diversity, the Midsumma Festival.

RAMS is the major sponsor of Surfeducate, a company dedicated to teaching children of both primary and high school age surf awareness and safety skills. This is a hands-on community surf education program coordinated with schools in



New South Wales, Queensland and Victoria.

In television advertising, RAMS Home Loans created a sensation in January 2001 with the launch of its new campaign featuring a family of 'fluffy RAMS sheep slippers' to promote the way in which RAMS offers customers 'A Better Way' to their home-loan needs. The campaign not only resulted in a substantial lift in the number of inquiries to the RAMS Home Loans Call Centre, but also gave the company a unique brand-identifying device with the warm and friendly core brand values synonymous with RAMS Home Loans.

#### BRAND VALUES

In a little more than six years as a retail brand, RAMS Home Loans has become established as one of Australia's most trusted brand icons. The company's aim is to help its customers achieve lasting security through home ownership, by providing unrivalled service in every aspect of home-loan-related finance. RAMS Home Loans offers consumers 'A Better Way' by tailoring its products to suit its customers' needs.

The RAMS brand is warm and friendly, innovative, straight talking and easy to deal with. In all its marketing communications, whether for existing clients through its unique loyalty program or potential new customers via television and radio advertising, this message is consistently reinforced to define RAMS' brand values.

While you work hard to get ahead, SmartWay works hard so you can **own your home sooner.**

#### THINGS YOU DIDN'T KNOW ABOUT RAMS

- RAMS is an acronym meaning 'Registered Australian Mortgage Securities'. It's one of Australia's largest privately owned Australian finance companies.
- RAMS was the first financial institution to use an alpha-numeric phone number to create brand recall and ease of response – "13 RAMS, that's 13 7267."
- The sheep used in the original RAMS television commercial is called Raymond. In one summertime commercial, Raymond was kept in an air-conditioned pen to keep him cool.
- All RAMS Mortgage Corporation Bonds have a triple-A rating – the highest attainable.