The RentCover Report

INDUSTRY NEWS & VIEWS FROM EBM

Welcome

As the chill sets in, many property investors will have a warm glow after the Federal Budget was handed down. While there was little by way of incentive for investors, there was also little to discourage landlords. The Opposition may continue to talk about targeting the sector if they come to power, but the Federal Government made no mention of negative gearing, capital gains tax or other taxation matters for landlords.

The only direct impost on property investors was the removal of tax deductibility for expenses associated with vacant land. From 1 July 2019, property owners will no longer be able to claim expenses associated with holding vacant land (like council rates, interest and maintenance costs) in their tax returns. The deductions will only be available once construction of the investment property is completed, an occupancy certificate has been issued and the home is listed for rent. The rule already applies to vacant houses.

In other real estate-related Budget news:

- $1.6 billion to support affordable housing services
- $1 billion to establish the National Housing Finance and Investment Corporation and release more land for housing
- $1.2 million p.a. for four years for Australian Bureau of Statistics (ABS) to construct better estimates of the stock of affordable housing
- $550 million over five years for remote housing in the NT
- Reverse mortgages (Pension Loans Scheme) worth up to $11,799 per year for every homeowner over 65 to enable them to ‘age in place’ by accessing equity in their home
- $24.5 billion funding for major transport projects
- Instant asset write-off for purchases up to $20,000 will be extended for SMEs turning over up to $10 million

In this edition we look at the newest trend in real estate – wellness. It’s a movement earmarked to be worth more than USD180 billion by 2020 and Australia is one of the leading proponents.

EOFY is looming and we provide a reminder about the changes to deductions property investors can claim this financial year. Landlord insurance policies are one deduction that can still be claimed by many, so don’t forget to include the RentCover premium statement in the paperwork for the tax agent come 30 June.

With the arrival of winter and wet and stormy weather, it’s important to make sure you are on top of property maintenance. It is unfortunate if your tenants have rain dripping on their heads when they are inside the rental, but it is even more unfortunate if the reason the roof leaks is because you’ve neglected to maintain it – as you might find you have no insurance cover. So before the weather most foul sets in, get a specialist tradie up on the roof to make sure it is ready to withstand a deluge.

We hope you enjoy this edition of *The RentCover Report*.

Sharon Fox-Slater
Managing Director, RentCover

Up on the roof

As the skies open and the rains fall, some landlords will find out the hard way that roof maintenance needs to be a priority.

The pitter patter of raindrops on a roof can be very soothing – but not so much when the rain is coming in through the ceiling! Yet, every year there are rental properties that fall victim to leaking roofs.

Water, wind and storms can wreak havoc on the best maintained roofs, but those lacking TLC can suffer major damage. And the owner can suffer a terrible shock if it's found that the damage was due to a lack of maintenance.

At RentCover around 55 per cent of all storm damage claims we receive relate to roofs.

It is important for landlords and agents to know that ensuring the property is adequately maintained is a condition of cover for practically all building policies. If the policyholder fails to maintain the premises, they can void the policy and may find any claim where a lack of maintenance caused or contributed to damage or loss, declined.

Maintenance failings can end up being expensive lessons for landlords and property managers. And frequently failing to keep up with the upkeep of the roof is the culprit.

Recently we declined a claim for just this reason.

The owner of a rental in NSW lodged a claim for storm damage to the interior ceilings of the property. When we received the photos, there was a lot of old water staining and mould on ceilings throughout the property. We appointed an assessor to the claim and requested routine inspection reports from the policyholder. When we received the assessor's report, the tenants confirmed the staining was present when they moved into the property almost a year earlier … and it got worse each time it rained. The routine inspection reports also confirmed that damage had been present for a while and had worsened over time. There was a maintenance note on one of the reports for the owner to have the roof checked, as this is where the leaks were coming from. The owner had never had the work done and, as such, the claim was declined for failing to mitigate a loss, gradual deterioration, and damage not from a single insured event. By failing to meet their obligations under cover, the landlord had to foot the $7,500 damage bill.

The moral to this story? Whether the roof is tin, tile or thatch, it's important to get a building inspector in to check its condition:

- Roof line – wavy/undulating, sagging
- Roof tiles – chipped, cracked, sliding, missing, faded, deteriorated sealant, bedding/pointing damaged
- Ridge and valley tiles – loose
- Ridge capping – cracked, deteriorated
- Flashing around skylights, pipes and chimneys – deteriorated/torn, buckled, unsecured
- Colorbond or tin roofs – fastenings missing, dents, scratches
- Corrugated iron sheets – poor condition, not nailed down
- Shingles – cracked, torn, bald, missing
- Valley and eaves guttering – holes, rust
- Flues and chimneys – structurally unsafe, loose/missing flashing, damaged bricks, cap or cracked joints
- Gutters – leaks, rust, warped, sagging, holes, poorly attached, clogged, overflowing, missing sections of gutter or downspout
- Drainpipes – bent, clogged, unsecured/unclipped, unfixed to stormwater drain
- Soffits and fascia, barges – decay, stains, bent, un-level, incorrectly installed

Landlords and agents can do a few visual checks inside the property to see if there are any obvious issues stemming from above. So eyes up:

Ceiling

- Leaks or seepage
- Brown/yellow/copper stains or water marks
- Bubbling or peeling paint
- Signs of mould
- Obvious sagging
- Cracked cornices or plaster work
- Inhale – any damp or musty smells

Vents and chimneys

- Leaks (water dripping through)

Walls

- Water stains
- Bubbling, cracking or peeling paint or wallpaper

Tenants can also be an invaluable warning system that there are problems. If they call to say there might be a problem with the roof, it's a good idea to get a professional (roof plumber, roof tiler, restoration specialist etc.) on site as soon as possible.

A few dollars spent to address minor issues today, could save thousands down the track and safeguard the property's insurance cover.

Dot the i's and cross the t's

With EOFY fast-approaching, the ATO is reminding property investors about recent changes to deductions.

Yay, its tax time! Said no one, ever (okay the tax accountants love it but the rest of us, not so much). While the thought of having to gather up all that paperwork might fill you with dread, it's important to remember the changes to deductions that property investors can now claim.

A ban on travel-related tax deductions for most real estate investors, and restrictions on claiming depreciation deductions for second-hand items in properties, have both become law and apply this financial year.

The ATO has warned that its "sophisticated systems and analytics" would be checking claims this year to ensure people followed the new rules.

"We will be monitoring returns to identify people who continue to claim these deductions by placing them at different labels," said ATO assistant commissioner Kath Anderson.

"If something doesn't look quite right, it will send up a red flag and we'll investigate further. So it is better to make sure you get it right the first time."

Travel deductions for all individuals apart from those in the business of property investing have been scrapped. This means landlords cannot claim the cost of travelling to their rental to complete maintenance or property inspections. The ATO notes that owning one or several rental properties is not considered being in the business of rental properties and the number of people who are still able to claim this deduction is very small. However, the travel expenses option remains open in the ATO's myTax online lodgement system because of the handful of investors still able to claim, which may lull other property investors into making an incorrect claim.

Investors can only claim deductions related to plant and equipment (dishwashers, ovens, ceiling fans, hot water systems etc.) that they incurred directly (i.e. bought themselves). Depreciating appliances and utilities purchased by previous owners or installed in recent builds is no longer allowed. The depreciation deduction ban only applies to second-hand items bought for an investment property after 9 May 2017. Items purchased before that date can be depreciated as previously. New items bought for older investment properties can also be depreciated.

Despite these new laws, many landlords can continue to claim a range of deductions related to their investment property. But, as always, check with an accountant or taxation specialist about the landlord's specific situation and what supporting documentation would be required.

In FY16, 2.087 million property investors claimed gross rental income of $42.139 billion, and $45.696 billion in deductions, according to statistics from the ATO. The deductions comprised of $21.749 billion in rental interest, $3.271 billion in capital works and $20.676 billion in other rental deductions.

Of the approx. 2.1 million investors, around 1.3 million negatively gear their properties. In Victoria alone, almost 60 per cent of rentals are negatively geared, with landlords claiming an average loss of $6,464 each year.

In FY16, 740,000 rental property schedules from Victorians were filed with the ATO, with 435,000 of these running at a loss. Landlord expenses included:

- $4.2 billion in interest on loans
- $398 million in council rates
- $376 million in maintenance and repairs
- $228 million in body corporate fees
- $100 million in land tax
- $30 million in gardening costs
- $18.8 million for advertising for new tenants
- $7.9 million in stationery, telephone and postage costs

One frequently overlooked legitimate expense deduction is landlord insurance. For most investors, the landlord insurance premiums paid are tax deductible, so make sure the landlord's tax agent is given the property's RentCover policy documents. And for added peace of mind, all RentCover landlord policies provide up to $1,000 cover for professional fees incurred due to a tax audit in respect of income from the rental property.

Trend watch: Be well

Wellness is becoming the newest trend in real estate and Australia is a leading light in the global wellness property market.

Real estate and communities that put peoples' health at the centre of design and development are the next frontier in residential real estate.

To combat modern problems of sedentary lives, unhealthy diets, stress, social isolation, loneliness, pollution and nature-deprivation, real estate developers are creating and expanding 'wellness homes and communities' which include structures that aim to support the holistic health of residents.

The push to create residential communities that foster healthy lifestyles is seeing 'wellness' being integrated into the DNA of the real estate industry. And given that wellness in real estate is a $134 billion industry, growing annually by 6.4 per cent, it's little wonder Australian investors and agents are tapping into the trend. In fact, with a value of $9.5 billion, Australia is currently the third-largest wellness real estate market globally. Many believe investment in this sector will continue to grow as people's health and behaviour is positively impacted by their homes and community spaces.

The Global Wellness Institute's *Build Well to Live Well* report found that the potential for the wellness property sector is huge, with consumer demand for healthy homes outstripping supply. In the US there are 1.3 million potential buyers each year but there is only a pipeline of 355 projects.

Australia boasts the second highest number of projects in the pipeline – 189 residential properties that incorporate intentional wellness elements – with a trend towards centralised, larger-scale developments with a greater focus on sustainability.

Australia has been a trailblazer for the development of wellness lifestyle real estate since its first projects started in the early 2000s. Growth in the market, underpinned by support from government at all levels, has been spurred by population growth, ample land for development and concerns about urban sprawl. In the last five years, developments have ramped up dramatically with many medium-to-large-scale suburban mixed-use and master-planned communities being developed in every major metropolitan market across the country.

Consumers are demanding healthier built environments and are willing to pay more for them. According to the GWI, residential developments that have been partially or fully planned with wellness-enhancing features are achieving premium prices – averaging 10 to 25 per cent more.

GWI found homebuyers and renters are willing to pay extra for built environment features (design approaches, infrastructure, and amenities) that improve their health and wellbeing including:

- Proximity and easy access to high-quality natural and recreational amenities
- New Urbanist features such as mixed-use, higher-density, transit-oriented, and traditional neighbourhood design
- Neighbourhood walkability
- Sustainability features (homes with green certification labels and energy-efficient features)
- Healthy home features

There are currently more than 740 projects built, partially built or in development across 34 countries. The GWI estimates there are over 1.5 million units/homes either already built or planned to be built over the next couple of decades which will encompass 560,000 acres of land and house more than 4.1 million people.

Upshots for investors include: “faster-than-expected sales and lease-up rates (and even waiting lists); lower-than-projected turnover; and higher sales prices and rental rates”. So embracing the wellness movement might be just the ticket for landlords looking to augment and possibly future-proof their investment property portfolio or for agents trying to carve out a niche market.

Staff profile: Sara Talbot

Absence (from insurance industry) makes the heart grow fonder

When Sara Talbot moved to Australia from the UK, she stepped outside the insurance industry…but not for long.

“I started my insurance career in sales at 18. In the UK I worked for Direct Line, Hill House Hammond, The Royal Bank of Scotland and Bupa,” explained the Claims Specialist in our Melbourne office.

“When I moved to Australia I had a break from insurance and went into retail. But insurance is the field that suits me best. It’s what I know and enjoy the most.”

Sara previously worked as an internal claims assessor for another insurer. When she found out about the position at RentCover, she had already heard so many good things about our company, that she quickly applied. After joining our team in August 2017, she felt right at home resuming her 15-year-long career in the industry.

Like many of her colleagues, Sara loves that work is different every day – and she loves it when she’s thrown a curve ball.

“We often receive claims that may be a little out of the ordinary. But we treat this as a learning curve. It helps us gain the knowledge we need to help other clients in the future,” Sara said.

“It’s very rewarding knowing that you are helping people who have suffered a loss. It’s always a nice feeling when you can finalise someone’s claim with a positive outcome.”

Sara believes that the way RentCover handles claims is one of the things our clients really appreciate.

“We are thorough when we work on the claims that come in. We have all been trained extremely well and we also try to educate our clients so they know what they are entitled to claim. And when we make a decision on a claim, we make sure we clearly explain the reasons behind that decision,” she said.

Away from the office, Sara loved to hit the gym – but she now loves to hit the shops. Being seven months’ pregnant, weekends are spent choosing baby clothes and getting everything ready for the new arrival.

And we think Sara’s ability to “pick things up with my toes” is a skill that will really come in handy as a new mum!

RentCover News & Events

Stars shine bright

The winners of RentCover's inaugural Star Awards have been announced.

The Star Awards are designed to recognise and reward those employees who have made an outstanding contribution to our vision, purpose, goals, behaviours and values. The awards are a great opportunity for us to acknowledge and celebrate the contribution and achievements of our colleagues at RentCover.

Gathering at the Crown Casino, a black tie soiree was held to present the awards.

And the winners were…

- *Rising Star Award* – **Kaila Webb** (State Manager – WA Relationship Management)
- *Leadership Award* – **Karlee Halliday** (National Relationship Manager)
- *Commendable Award* – **Steven de Santa-ana** (Tech Services Analyst)
- *Executive Choice Award* – **Susan Lam** (Office Manager)
- *Group Services Award (team)* – **Brad Stenton and the Finance Team**
- *Group Services Award (individual)* – **Aleksandar Kachelov** (IT Support Officer)

Steven de Santa-ana was greeted with cheers as he was awarded *RentCover Employee of the Year*. Humble in his victory, Steven was a very popular choice, having received five separate nominations over the year. In presenting the award, Sharon Fox-Slater remarked that Steven's multiple nominations highlighted "time and time again that he has a wealth of knowledge and experience and is very gracious in his sharing of his knowledge".

The night of fabulous frocks, frivolity and fun, fine food, fantastic entertainment and footy legend David Parkin as our keynote speaker was enjoyed by employees, guests, family and friends.

Huge congratulations to all the nominees, winners and the team who made it such a special night!

EBM Executive Chairman Alan Bishop congratulates Steven de Santa-anna on becoming the 2018 RentCover Employee of the Year.

RentCover Managing Director Sharon Fox-Slater presents Steven de Santa-anna with his Employee of the Year Award.

Aleksandar Kachelov with Sharon

Brad Stenton accepts the award on behalf of the Finance Team

Kaila Webb with Sharon

Karlee Halliday with Sharon

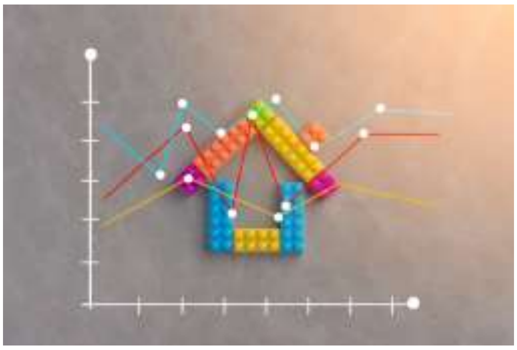
Susan Lam with Sharon

L-R: Clifton Warren (external consultant) with EBM's Ward Dedman (Managing Director – Operations), Chris Lane (CoverLink General Manager) and Alan Bishop (Executive Chairman).

Keynote speaker David Parkin encouraged the audience to "perform with greater effectiveness and rise to greater heights in your business and personal life".

Mark Seymour (of Hunters & Collectors fame) with his band, The Undertow, had everyone singing and dancing.

Employee of the Year Steven de Santa-anna is held aloft by RentCover's Leadership Team (clockwise from top), Sharon Fox-Slater, Karlee Halliday, Jolene Dawson, Lush Edirisinghe, Katrina Tsitsis and Alison Cadwallader.



Investment Property Market Snapshot

Latest industry statistics and analysis.

Mixed bag for rents
Capital city asking rents for houses fell in May by 1.6 per cent to $554 p/w, while rents for units rose 0.5 per cent to $445 p/w, according to SQM Research. Across the capitals: Canberra ($618 p/w for houses / $441 p/w for units); Sydney ($726 / $525); Darwin ($540 / $402); Brisbane ($446 / $367); Adelaide ($382 / $299); Hobart ($397 / $360); Melbourne ($533 / $409); and Perth ($421 / $324).

Vacancy rates steady
Data from SQM Research indicated that national vacancy rates held steady in April, at 2.1 per cent, or 67,854 properties. Vacancy rates declined in Adelaide and Melbourne (down 0.1 per cent to 1.3 per cent), Brisbane (-0.2 / 3.0) and Darwin (-0.3 / 3.3). Perth (4.1 per cent) and Sydney (2.3 per cent) held steady, while Canberra (up 0.2 per cent to 0.8 per cent) and Hobart (+0.1 / 0.7) saw rates rise.

Investor mortgages decline
ABS housing finance data (seasonally adjusted) showed investor housing commitments fell 9 per cent, or $1.07 billion, between February and March 2018. The $10.9 billion in mortgages was made up of $1 billion for construction of new dwellings (down 18.9 per cent over the month) and $9.9 billion for established dwellings (down 7.9 per cent). It was the largest decline since September 2015. Owner-occupier commitments also fell 1.9 per cent to $21 billion. The total value of dwelling finance commitments, excluding alterations and additions, fell 4.4 per cent to $31.9 billion.

Rents flatten
The monthly market report from rent.com.au revealed rents flattened across the country in April. No change was recorded for unit prices with the median price remaining at $440 p/w, while house prices were up 1.18 per cent to $430 p/w with the average price per room at $180.

Dwelling value growth falls
According to CoreLogic's *Economic Property Review* for April 2018, nationally dwelling value growth fell by 0.5 per cent over the first quarter of the year. Over the 12 months to March 2018, dwelling values increased 1.2 per cent – the slowest annual rate of growth since December 2012.

Home values hold steady
CoreLogic's *Property Market Indicator* for May showed home values in Sydney, Melbourne and Brisbane all held steady. Adelaide rose 0.2 per cent and Perth declined 0.1 per cent.

Rental affordability
The May Rental Affordability Index found Hobart was the least affordable capital city in Australia to rent in, requiring 29 per cent of household income to pay the rent. Sydney came in second least affordable at 27 per cent, followed by Adelaide (26 per cent), Brisbane (25 per cent), Melbourne (24 per cent) and the ACT (23 per cent), with and Perth the most affordable at 21 per cent. The RAI is released biannually by National Shelter, Community Sector Banking and SGS Economics & Planning, and measures rental affordability relative to household income.

Perth remains most affordable capital
Data from ratings agency Moody's has found that Perth is the most affordable capital city when it comes to buying houses and apartments. In the year to March 2018, the proportion of income needed for mortgage repayments dropped to 19.2 per cent (down from 20.2 per cent in March 2017). Calculation was based on a two-income household taking out an 80 per cent LVR loan to buy a property at the median price. Perth's median house price sat at $464,238 in April, compared to the national average of $554,605, according to CoreLogic RP Data.

Listings and asking prices decline
Data from SQM Research revealed both property listings and asking prices fell across Australia in April. Residential listings fell by 3.8 per cent from March, while asking prices fell 0.8 per cent for houses and 0.2 per cent for units.

Government collects $52.2Bn from property taxes
CoreLogic's analysis of data from the ABS showed that state and local governments collected $52.2 billion from property taxes in FY17 – the highest level since 1999-2000. The figure was up 5.9 per cent on FY16. The taxes comprise 52.8 per cent of all tax revenue for state and local governments.

WA increases foreign buyers' surcharge
The WA Government has announced its intention to raise the foreign buyers' surcharge to seven per cent (up from four per cent). The new rate is set to come into effect from 1 January 2019 and applies to the dutiable value of residential property purchased by foreigners, including corporations and trusts (excludes commercial transactions and significant residential developments). The fee is in addition to the normal transfer duty payable. The Queensland Government is also raising its rate to seven per cent from 1 July 2018.

Removing negative gearing would impact market
Research by the Centre for International Economics, commissioned by the HIA, has found rental prices would rise and housing affordability would worsen if tax on investing in residential homes increased. The HIA noted that if the Government made changes to negative gearing and CGT, investors would leave the market which would drive the price of rentals up, exacerbate the current undersupply of housing and further reduce efficiency in the housing market.

News in brief

ACT introduces rental guarantor legislation

The ACT Government has become the first Australian jurisdiction to enact legislation that allows licensed commercial rental bond guarantors to operate. Landlord, tenant and managing agent must all agree to a commercial bond guarantee arrangement before it can go ahead. The bond guarantee providers must be approved by the ACT Government through ACCESS Canberra.

NSW property owners continue to pay ESL

Property owners in NSW will continue to pay an emergency services levy in FY18 and beyond. An indefinite delay was announced in May, despite the NSW Government announcing plans to scrap the levy on insurance premiums from July last year and replace it with a new fee alongside council rates based on the value of the property. The NSW Parliament will hold a public hearing, on 13 August 2018, to examine the funding of emergency services.

SA abolishes stamp duty on commercial property

Following reductions in the past two years, South Australia is abolishing stamp duty on non-residential and non-primary-production property transfers. From 1 July 2018, the stamp duty on commercial property transfers will no longer be payable.

1 in 2 invest overseas

A survey by WorldFirst found 50 per cent of respondents would consider investing in property overseas. Australia's high property prices were cited by 61 per cent as the reason why they would consider buying offshore. Thirty-five per cent said they would choose a property they could use as a holiday rental themselves, while 27 per cent said they'd choose a property they could retire into.

Brisbane and Perth make global top-performing list

A recovery in premium residential markets in Brisbane and Perth has resulted in the capitals entering the Knight Frank global list of top-performing cities for the first time. Brisbane came in 19th on the list, while Perth came in 21st (out of 43 cities). Seoul topped the list and Sydney and Melbourne continued to rank in the top 10.

Landlord's rant goes viral

After tenants caused $70,000 worth of damage to his investment property, Melbourne tradie Troy Love took to social media to vent. Video of the damage – including huge piles of rubbish outside, damage inside and feral cats in the house – was viewed more than 800,000 times on Facebook, with thousands posting comments calling for an overhaul of Australia's tenancy laws.

Tech watch: new apps and platforms

Realar Places is an augmented reality app that enables buyers to visualise off-the-plan properties by projecting a 3D model of a property onto any flat surface. Currently only available in Australia (available on Apple devices and soon on android), the technology runs solely from the app which means it can be used by anyone with a compatible smart phone (no need for bulky VR/AR headsets). Agents can use the software using a paid subscription-based model.

HomePrezzo enables agents to create compelling video and social posts using CoreLogic data. The digital marketing platform enables agents to use the templates to create customised videos to showcase specific suburbs and properties or data-driven gifs.

Realestate.com.au has launched the second product in its Agent Edge suite of personal branding products. Agent Match connects agents with the website's audience of sellers who are interested in finding an agent, providing appraisal opportunities and the chance to pitch for their listings.

CoVESTA is a fractional investment platform that offers investors the opportunity to fractionally invest from one per cent of the price of in any property of their choosing from cash savings or from super held in a SMSF. Investors who invest and rent a property with a minimum of five per cent of a property can become a co-owner and tenant of the property for up to five years.

Future release: Google Duplex is an AI assistant that can intelligently book appointments for users seamlessly like a human would (using real conversations), in order to improve the experience for both businesses and users while saving time.

Rent.com.au acquires RentPay
Rental property website rent.com.au has acquired RentPay, a rental payments system, from MYOB. The site will acquire the RentPay system and customer base (6,000 renters currently use the system to pay their rent using a variety of payment methods). The payment gateway will continue to be operated by MYOB's payment solutions division, and rent.com.au will offer landlords and agents payment solutions to facilitate rent collection, reconciliations and accounting.

Chronic shortage of affordable rentals for welfare recipients
Research by Anglicare has revealed a chronic shortage of affordable rentals across Australia. To be affordable, the rent needed to be no more than 30 per cent of a household budget. It was found that less than 0.01 per cent of rental properties were affordable for a single person on Newstart, 0.27 per cent for a single parent on Newstart with one child and 0.72 per cent for a single person on the Disability Support Pension. No properties in Sydney, Canberra, Melbourne, Adelaide, Darwin or Perth were found to be affordable for a single person on Newstart or Youth Allowance.

Three cities make the list of the most expensive to build in
Sydney (19th), Melbourne (21st) and Brisbane (22nd) were included in the *International Construction Costs 2018* report from Arcadis which lists the 25 most expensive cities globally in which to build property. San Francisco topped the list, followed by New York and Hong Kong.

Legal corner: PM fined $25K for stealing rent & Domain fined $15K for ad
Sunshine Coast PM, Elizabeth Provan, has been fined $25,000 and banned for 10 years after stealing $46,793 in rent. The director and former principal licensee of Dicky Beach RE was found guilty of wrongfully converting trust money for her own use and asking tenants to place rent money into her own personal account.

Fairfax Media has been fined $15,000 over a newspaper ad it printed two years ago promoting Domain, its RE arm. The ad used phrases including '#1 property app in Australia' despite Fairfax giving an undertaking to the court not to publish such phrases. The case follows a legal dispute between Domain and News Corp-owned REA Group about use of the phrases. The judge has ordered Fairfax to pay the fine within 28 days and has awarded indemnity costs to REA.