

# 2014 River Report

THE DEFINITIVE 20<sup>TH</sup> ANNUAL



TRUSTED  
**27**  
YEARS



JOHNSTON  
DIXON QUALITY  
PROPERTY

# Absolute Riverfront House Sales up 26% in 2013 to \$97,584,000



JOSEPHINE JOHNSTON-ROWELL  
RIVERFRONT DIRECTOR

Welcome to the 2014 river report, our 20th annual synopsis of the river market.

Final analysis of the river market for 2013 show that the green shoots of the river recovery that we previewed as starting to emerge in our last report have now broadly taken root with several market sectors experiencing substantive growth.

Finalised sales figures for 2013 show that annualised riverfront house sales turnover was up a full 26% for the year, within which were sizable increases in both volume and average sales prices.

Particularly strong in 2013 and a positive harbinger of the river market generally was the more than one-third leap in the sum total value of all absolute riverfront property sales over the year (houses, land and development sites).

From an individual viewpoint, Hawthorne in the inner South-East was Brisbane's standout performer, taking out the rare accolade for both the highest individual riverfront house sale price achieved for the year as well as that of the highest average riverfront house sale price.

There were four absolute riverfront house sales over \$5million over the year, this the best result achieved for the river since the 2011 floods.

With much of that pain behind us and the potential for even greater exoneration of Wivenhoe Dam (though not its operators) ahead with the impending Class Action, the coming period for our river should soon start to look more like that achieved over its quite illustrious past.

JOSEPHINE JOHNSTON-ROWELL

t: (07) 3858 8820  
m: 0414 233 575  
e: josephine@johnstondixon.com

## RIVERFRONT | RIVERSIDE SALES SUMMARY

### ABSOLUTE RIVERFRONT SALES

#### RIVERFRONT HOUSES

The total value of all absolute riverfront house sales recorded over calendar year 2013 was \$97,584,000, a significant 26% improvement on 2012's total of \$77,347,250.

The volume of sales also increased from 30 to 35, a similar significant 16% rise. The average house sale price in 2013 also rose, albeit only marginally, from \$2,578,241 to \$2,788,114, a figure still well below the \$3,545,597 pre-flood high of 2010 (refer Table 6).

The highest absolute riverfront house sale recorded for the year was a modern contemporary home on 1,654m<sup>2</sup> located at 114 Virginia Avenue, Hawthorne which sold for \$7,480,000. The highest sale in 2012 was also in Hawthorne, a \$6,030,750 transaction.

In 2013 there were twenty-one absolute riverfront house sales over \$2million compared to 2012's eighteen, again an increase of 16%. There were eight sales in the \$2-3million bracket (unchanged from 2012), and seven over \$4million (up an impressive 40% on last year's five but still well short of the thirteen \$4million+ sales recorded at the 2010 peak).

#### Absolute Riverfront \$1m+ House Sales (2007-2013 Comparative)

	SALES BY PRICE BRACKET						
	\$1-2m	\$2-3m	\$3-4m	\$4-5m	\$5-6m	\$6m+	\$7m+
2013	13	8	6	3	3	-	1
2012	10	8	5	4	-	1	-
2011	8	11	5	2	1	1	-
2010	7	15	6	4	4	3	2
2009	9	7	9	3	-	1	4
2008	4	16	3	3	1	2	-
2007	12	16	11	3	4	2	-

### "HAWTHORNE 2013's TOP RIVER SUBURB"

Brisbane's top performing river suburb for 2013 ending Chelmer's three year reign at the top was Hawthorne with five sales totalling \$24,190,000. In second place was Yeronga with five sales totalling \$10,925,000, and in third Norman Park with two totalling \$7,200,000.

Hawthorne also took out the title of Brisbane's most expensive river suburb in 2013 with its average price of \$4,838,000, marginally higher than St Lucia's 2012 peak average high of \$4,650,000. St Lucia was noticeably absent from the Top 5 this year, as were other perennial favourites Chelmer, Tennyson and Bulimba. Kenmore however was a surprise return, coming in at fifth place with four sales totalling \$6,062,500 (Refer Table 4).

#### RIVERFRONT LAND

There were seven absolute riverfront land sales this year, one up on 2012 but still 50% short of 2007's peak. The total value of sales were down a significant 56% from \$15,225,000 to \$6,690,000, the average price similarly down to \$1,338,000 from \$2,537,500.

The highest riverfront land sale in 2013 was the \$2,300,000 paid for 40 acres at Hawkesbury Rd, Anstead and the lowest \$790,000 paid for a 603m<sup>2</sup> lot in King Arthur Tce, Tennyson.

#### RIVERFRONT DEVELOPMENT SITES

The only absolute riverfront site transacted in 2013 was 600 Coronation Drive, Toowong, a 15,000m<sup>2</sup> (former ABC) site with more than 120m frontage, which attained \$20,876,669.



## RIVERFRONT HOUSES / LAND / DEVELOPMENT SITES COMBINED

The total value of all absolute riverfront sales combined in 2013 increased a hefty 35% from 2012's \$92,572,250 to \$125,150,669. The total number of sales also increased a quite significant 19% from thirty-six to forty-three.

### Absolute Riverfront Sales Numbers and Values (2007-2013 Comparative)

	NUMBER OF SALES			
	HOUSES	VACANT LAND	DEVELOPMENT SITES	TOTAL
2013	35	7	1	43
2012	30	6	-	36
2011	28	7	1	36
2010	41	4	-	45
2009	33	7	-	40
2008	29	11	-	40
2007	48	14	3	65

*"THE TOTAL VALUE OF ALL ABSOLUTE RIVERFRONT SALES UP 35% IN 2013"*

	VALUE OF SALES			
	HOUSES	VACANT LAND	DEVELOPMENT SITES	TOTAL
2013	\$97,584,000	\$6,690,800	\$20,876,669	\$125,150,699
2012	\$77,347,250	\$15,225,000	-	\$92,572,250
2011	\$74,911,000	\$11,131,200	\$2,000,000	\$88,042,200
2010	\$145,369,500	\$9,537,500	-	\$154,907,000
2009	\$113,528,000	\$16,234,893	-	\$129,762,893
2008	\$88,571,700	\$27,468,000	-	\$116,039,700
2007	\$141,247,500	\$46,219,000	\$17,600,000	\$205,066,500

## RIVERSIDE HOUSE AND LAND SALES *(Properties separated from the river by a road or parkland)*

### RIVERSIDE HOUSES

The number of riverside house sales increased slightly from 21 to 22 in 2013 but the total value dropped 13% from \$36,560,500 to \$31,779,500. The average riverside house price was also down 17% from 2012's \$1,740,976 to \$1,444,522. The highest house sale for 2013 was \$2,500,000 recorded in Addison Avenue, Bulimba, and the lowest, \$660,000 in Mt Ommaney Drive, Jindalee.

### RIVERSIDE LAND

There were just three vacant riverside land sales recorded over the year, unchanged from 2012. Their combined value however was up a substantial 57% from \$2,510,000 to \$3,965,000. The highest sale recorded was the \$1,415,000 paid for a 2,600m<sup>2</sup> allotment in Robertson Place, Fig Tree Pocket. The average riverside land price was up 57% from \$836,666 to \$1,321,666, a result driven by diminishing availability.

### RIVERSIDE DEVELOPMENT SITES

Over 2013 there was only the one riverside land site sale recorded, the \$6,370,000 paid for a 6,838m<sup>2</sup> site in Addison Avenue, Bulimba.

### RIVERSIDE HOUSES & LAND COMBINED

The total combined value of riverside houses, land and sites for 2013 was \$42,114,500 from 26 sales recorded. This represents a 7% increase in value from the \$39,070,500 from 24 sales in 2012.

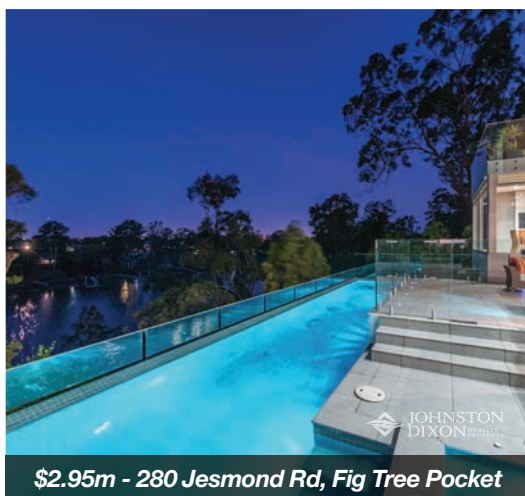
*2013's GRAND TOTAL of all river sales (absolute riverfront and riverside house, land and site sales) was \$167,265,169, a significant 27% rise over 2012's \$131,642,750*



# Significant 2013 Riverfront Sales Snapshot



\$5.25m - 79 King Arthur Tce, Tennyson



\$2.95m - 280 Jesmond Rd, Fig Tree Pocket



\$2.25m - 126 Kadumba St, Yeronga

There were 21 absolute riverfront house sales over \$2m recorded in 2013

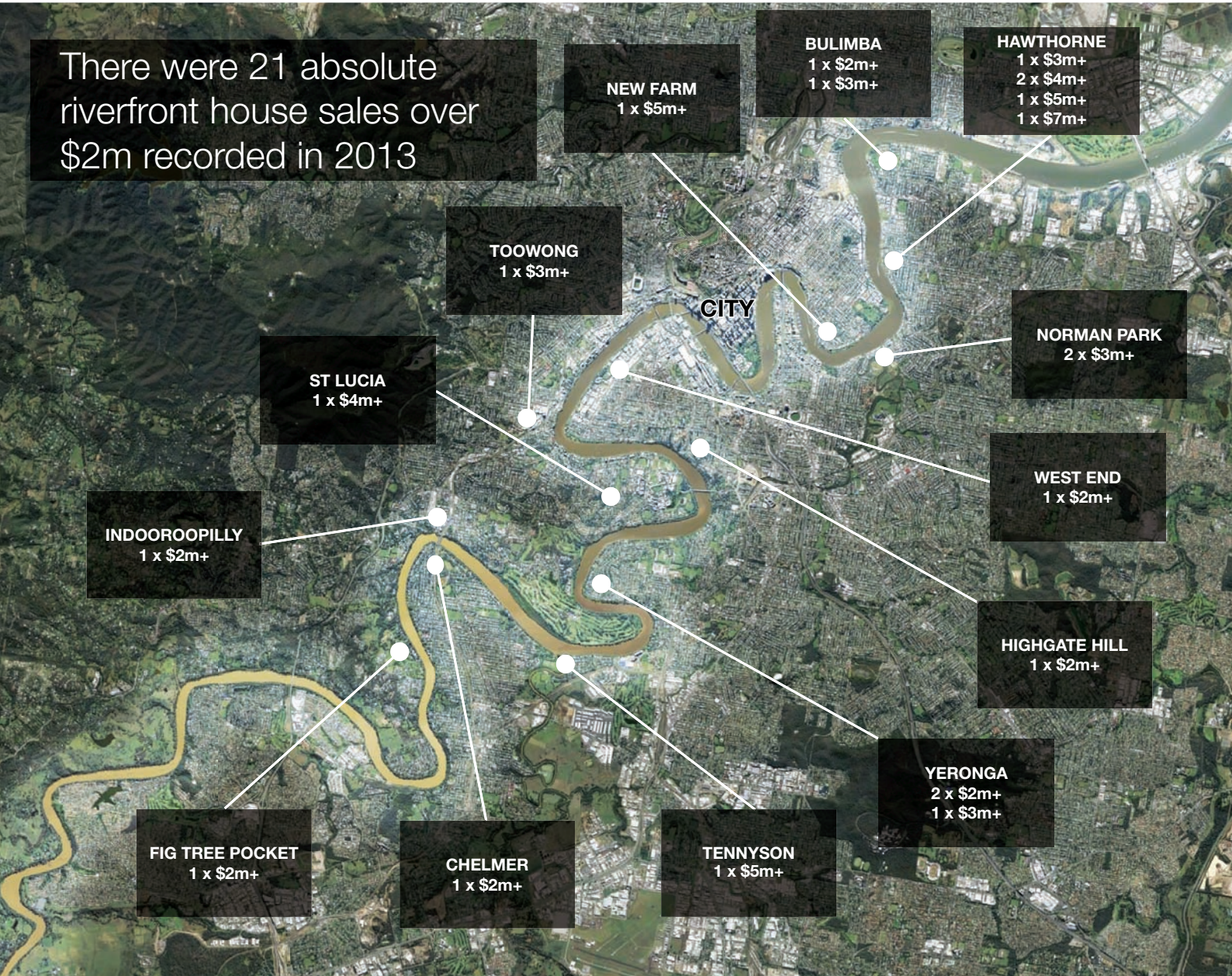






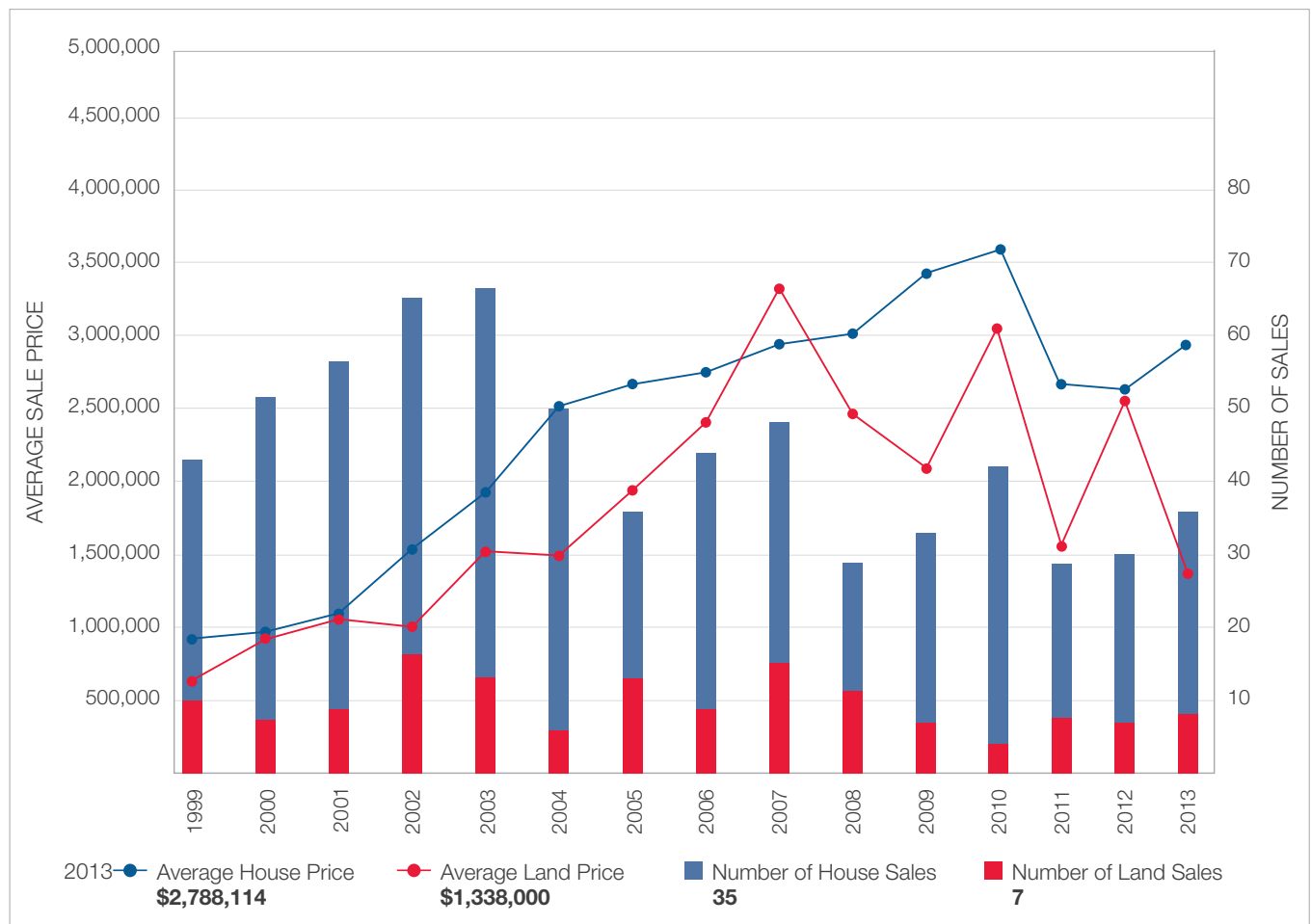
Table 1.

**Absolute Riverfront Sale Price Averages** (excluding development sites)

	HOUSES		VACANT LAND	
	AVERAGE PRICE	NUMBER OF SALES	AVERAGE PRICE	NUMBER OF SALES
2013	\$2,788,114	35	\$1,338,000	7
2012	\$2,578,241	30	\$2,537,500	6
2011	\$2,675,392	28	\$1,590,171	7
2010	\$3,545,597	41	\$3,007,500	4
2009	\$3,440,242	33	\$2,014,418	7
2008	\$3,054,196	29	\$2,497,090	11
2007	\$2,942,656	48	\$3,301,357	14
2006	\$2,761,290	43	\$2,392,500	8
2005	\$2,666,687	37	\$1,900,416	12
2004	\$2,535,810	50	\$1,511,667	6
2003	\$1,890,103	66	\$1,530,417	12
2002	\$1,554,344	64	\$1,040,875	16
2001	\$1,131,349	56	\$1,099,277	9
2000	\$ 961,490	51	\$ 894,500	8

Table 2.

**Absolute Riverfront Sales History**



# Hawthorne Brisbane's Top Performing Riverfront Suburb

**Table 3.**

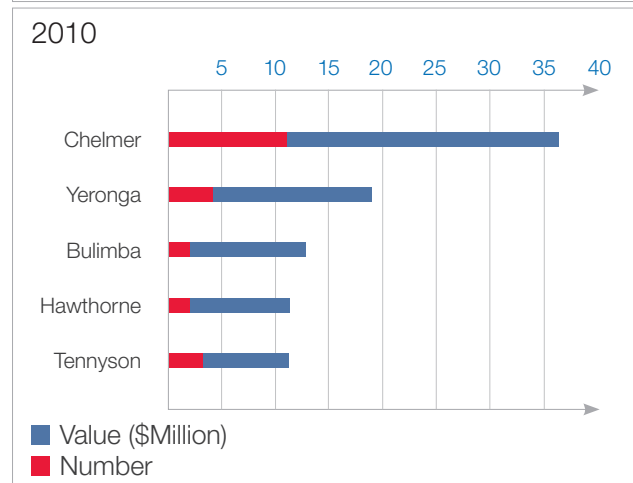
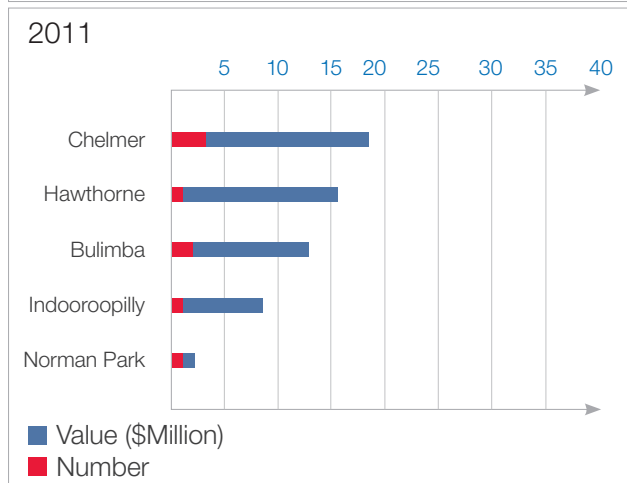
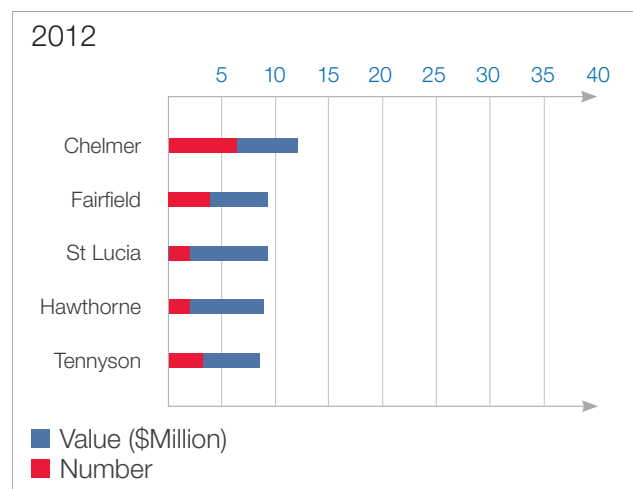
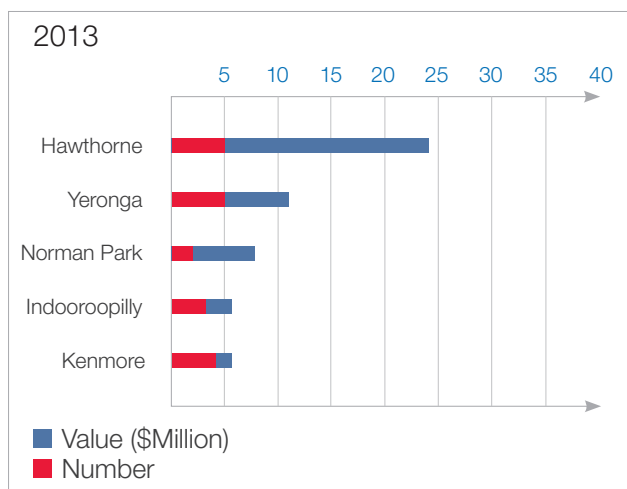
## Top Performing Suburb by Average Absolute Riverfront House Price

	FIRST	SECOND	THIRD
2013	Hawthorne \$4,838,000	Norman Park \$3,600,000	Bulimba \$2,764,500
2012	St Lucia \$ 4,650,000	Hawthorne \$4,515,875	Tennyson \$2,934,333
2011	Hawthorne \$4,025,000	Chelmer \$2,564,285	Bulimba \$2,526,000
2010	Hawthorne \$5,695,000	Yeronga \$4,972,500	Tennyson \$3,768,333
2009	Fig Tree Pocket \$8,325,000	Norman Park \$3,809,166	Chelmer \$3,790,000
2008	Highgate Hill \$3,310,000	Chelmer \$2,698,333	Yeronga \$2,558,333
2007	Hawthorne \$3,616,667	Yeronga \$3,482,222	Chelmer \$3,130,000
2006	Bulimba \$3,033,333	Yeronga \$2,914,050	Chelmer \$2,732,857
2005	Fig Tree Pocket \$4,075,000	Hawthorne \$3,625,000	Yeronga \$2,070,000
2004	New Farm \$3,617,000	Hawthorne \$3,525,000	Fig Tree Pocket \$3,520,000
2003	St Lucia \$2,916,667	Newstead \$2,715,833	Fig Tree Pocket \$2,615,545
2002	Hawthorne \$2,440,000	Norman Park \$2,340,000	Bulimba \$2,193,333
2001	Kangaroo Point \$2,034,185	New Farm \$1,758,333	Yeronga \$1,655,375
2000	Hawthorne \$1,200,000	Chelmer \$1,115,250	New Farm \$1,040,833

\* Note: averages only provided where there are 2 or more sales

**Table 4.**

## Absolute Riverfront House Sales Comparative – Top Five Suburbs by Value





**Table 5.**

**Average Absolute Riverfront House Prices by Area**

AREA	NUMBER OF SALES	TOTAL SALES VALUE	AVERAGE PRICE
Bulimba / Hawthorne / Norman Park / East Brisbane	9	\$36,919,000	\$4,102,111
West End / Dutton Park / Highgate Hill	2	\$4,550,000	\$2,275,000
Fairfield / Yeronga / Tennyson	6	\$16,175,000	\$2,695,833
Chelmer / Graceville / Sherwood / Corinda	3	\$6,005,000	\$2,001,666
Jindalee / Mt Ommaney / Westlake	4	\$5,530,000	\$1,382,500
Pinjarra Hills / Moggill / Anstead / Bellbowrie	-	-	-
Toowong / St Lucia / Indooroopilly	5	\$14,192,500	\$2,838,500
Fig Tree Pocket / Kenmore	5	\$9,012,500	\$1,802,500

**Table 6.**

**Absolute Riverfront Sales Chronology (since 2000)**

	HIGHEST		LOWEST		AVERAGE	
	HOUSE	LAND	HOUSE	LAND	HOUSE	LAND
2013	\$7,480,000	\$2,300,000	\$975,000	\$790,000	\$2,788,114	\$1,338,000
2012	\$6,030,750	\$5,000,000	\$755,000	\$950,000	\$2,578,241	\$2,571,451
2011	\$6,250,000	\$3,100,000	\$1,131,000	\$900,000	\$2,675,392	\$1,590,171
2010	\$10,300,000	\$5,500,000	\$1,500,000	\$800,000	\$3,545,597	\$3,007,500
2009	\$9,500,000	\$3,500,000	\$1,111,000	\$1,345,000	\$3,440,242	\$2,014,418
2008	\$6,800,000	\$5,050,000	\$1,330,000	\$825,000	\$3,054,196	\$2,497,090
2007	\$6,100,000	\$7,200,000	\$1,100,000	\$1,230,000	\$2,942,656	\$3,301,357
2006	\$4,600,000	\$5,050,000	\$1,250,000	\$825,000	\$2,761,290	\$2,392,500
2005	\$5,500,000	\$3,175,000	\$1,175,000	\$950,000	\$2,666,687	\$1,900,416
2004	\$5,250,000	\$2,400,000	\$825,000	\$970,000	\$2,535,810	\$1,511,667
2003	\$8,200,000	\$3,660,000	\$490,000	\$495,000	\$1,890,013	\$2,470,727
2002	\$4,100,000	\$2,900,000	\$365,000	\$295,000	\$1,554,344	\$1,040,875
2001	\$2,700,000	\$3,200,000	\$409,000	\$393,000	\$1,131,349	\$1,099,277
2000	\$2,900,000	\$1,290,000	\$375,000	\$470,000	\$961,490	\$894,500

**Table 7.**

**Combined Riverfront Sales (House & Land)**

	NUMBER OF SALES	TOTAL VALUE
2013	43	\$125,150,669
2012	36	\$92,572,250
2011	36	\$88,042,200
2010	45	\$154,907,000
2009	40	\$129,762,893
2008	40	\$116,039,700
2007	65	\$205,066,500
2006	53	\$137,875,500
2005	58	\$186,252,436
2004	59	\$159,520,500
2003	81	\$166,295,860
2002	86	\$136,898,000
2001	65	\$73,249,055
2000	59	\$55,880,500



456 Hawkesbury Rd, Moggill

Brisbane's Top  
Riverfront  
Land Sale in 2013



29 Robertson Pl, Fig Tree Pocket

Brisbane's Top  
Riverside  
Land Sale in 2013

## Premium \$2million+ Apartment Sales up 83% to \$107,750,500

### PREMIUM RIVERFRONT & RIVERSIDE APARTMENT SALES (\$2MILLION+)

There were a total of 37 riverfront|riverside apartment\* sales recorded in Brisbane over \$2million during calendar year 2013. The total value of the 37 sales amounted to \$107,750,500, this a massive 83% improvement on 2012's total of \$58,820,000 that was effected from a much lesser 16 sales.

2013's result achieved at an average sales price of \$2,912,176, a substantial 21% discount on last year's average of \$3,676,250.

The three highest prices achieved for any Brisbane river apartment over calendar year 2013 were all located within Mirvac's 'Pier' development at Newstead Terrace, Newstead. These three premier sales were transacted at \$5,800,000, \$5,500,000 and \$5,300,000 respectively.

Newstead quite dominated the top end riverfront apartment sales generally with total sales of \$53,427,500, or 49% of Brisbane's combined total for the year. 2012's peak performer New Farm came in second with \$30,928,000 in total sales across the premium \$2million+ bracket.

Of the 37 sales effected in 2013, 33 were located north of the river, amazingly all but one of those in the progressively fashionable New Farm to Newstead reach. There were only 4 premium apartment sales south of the river, 3 in Kangaroo Point, and 1 in Tennyson, the latter along with the sale of a full floor apartment in Toowong, pertinently the only two \$2million+ apartment sales upstream of the CBD recorded in 2013.



"THERE WERE ONLY 2  
APARTMENT SALES OVER  
\$2 MILLION UPSTREAM OF  
THE CBD IN 2013"



\*Given the grey area surrounding which apartments may rightly be described as riverfront over riverside created by the many and varied types of apartments developed in and around Brisbane City coupled with the fact that most have been marketed as riverfront regardless, for this current and all future River Reports, all river apartment sales cited will appear under the one broad banner.

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"NEWSTEAD ACCOUNTED FOR 49% OF ALL SIGNIFICANT  
APARTMENT SALES IN 2013, INCLUDING ALL OF THE TOP 3"

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The River Report is published each year as soon as practicable after all of the previous year's finalised sales data becomes available. All data represented in the report is from our own records or from requisite government records departments. As part of our forensic certification process ensuring complete accuracy, all related party or other non-genuine sales data that may distort the official record has been removed.





## RIVER TIDINGS

### QUEENSLAND FLOODS CLASS ACTION

It appears that it's all systems go for what should be Australia's largest ever class action. The closing date for signing up for compensation in the mass negligence action against SEQWater and the Queensland Government has passed with the next step formal commencement of the action in the NSW courts (Queensland having no legal avenue for such an action).

Whilst perhaps short of any acceptance of culpability but timely for the class action nonetheless, the State Government's recent surprise admission that they would handle future release of water from Wivenhoe Dam differently in any future significant rain event than they did previously should give some early comfort to compensation claimants and more broadly to all those living (or contemplating living) on the river or in other areas affected by the devastating 2011 floods.



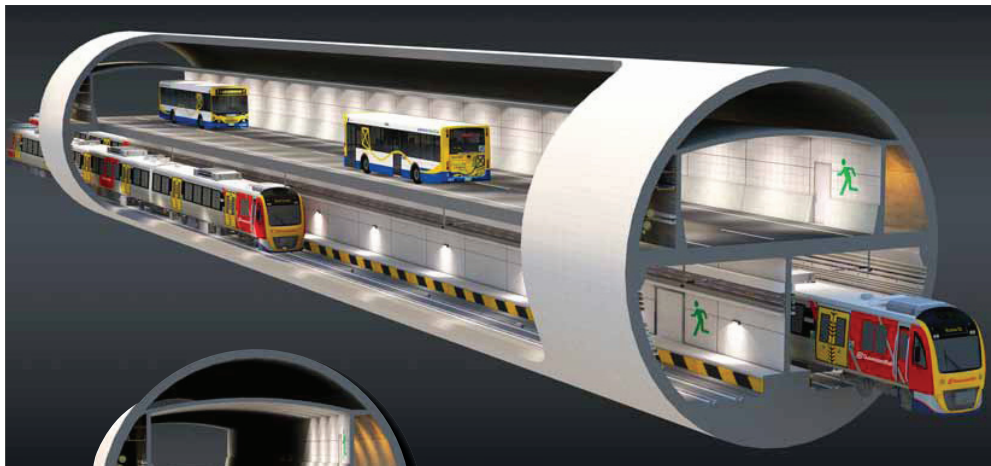
### BUILDING HEIGHTS MATTERS

The decision by council to allow householders on the river (and elsewhere in flood affected areas) to raise the maximum height limit of their houses by 1 metre from 8.5 metres to 9.5 metres, initially a decision meant to be only temporary but which has since taken on greater permanence and universality, has the potential to forever change Brisbane's architectural landscape.

The change potentially makes possible third floors where previously only two were possible. As has been playing out publicly in the media recently, some householders embracing the new building codes are finding that doing so can be at the cost (and chagrin) of neighbour's previously assured viewpoints and breezes. Change is indeed inevitable but rarely comfortable and there are always winners and losers.

### 2020 (TUNNEL) VISION

If you have been wondering what the strange structures popping up in several near city reaches of the river recently were, rest assured that despite the similarity, they are not oil rigs in miniature exploiting some secret under river oil reserve or such like.



*'3D SLICE OF  
THE NEW 'BAT'  
TUNNEL'*

Rather, they are rather sophisticated geotechnical survey vessels systematically sampling the river bed sub-strata to ensure its suitability for the construction of the proposed Underground Bus and Train project (or BAT), a 5.4km double deck tunnel linking Dutton Park and Spring Hill which we are told is due for completion by 2020.

# New Farm Riverwalk

Given how integral it is to so many facets of Brisbane's unique culture, our one and only river is deserved of its iconic status.

This is not just due to its key but still developing status as a convenient means of day to day transport in and around our fair city, but to its longstanding and still growing popularity for exercise, recreational, entertainment and relaxation pursuits.

As we well know, securing a prime view of its sanguine beauty usually commands another zero to the price of any piece of real estate. Brisbane is after all The River City.

Interacting with the river on a daily basis has become the natural order of things for many with our CityCats, bridges and riverside walking paths today representing a seamless integration of the daily commute.

The New Farm Riverwalk built in 2003 as a floating walkway linking the Howard Smith Wharves to Merthyr Road in New Farm represented a key component of Brisbane's river scene as it joined an ever increasing number of riverside residents with all manner of eateries, entertainment and employment options that the area and the city had to offer.

It was planned that as New Farm and the greater Brisbane population grew, so too would the walkway's usage. Just prior to the 2011 floods, the New Farm Riverwalk was estimated to be used by some 3,000 people per day.

Unsurprisingly, following its highly public virtual destruction in the 2011 floods, much time, money and resources has gone into designing its replacement, not just so it might better withstand another flood event, but that it be better suited to the community's needs for now and into the future.

At the core of the upgraded Riverwalk design is its varied construction base method which this time will use pylons, some 37 of them, to securely anchor the walkway to the riverbed.

Not only is this expected to prove far more flood-resilient, as the walkway will now be elevated above the mean sea level, it will be less prone to saltwater corrosion than was its predecessor.

Lord Mayor Graham Quirk has said of the new structure, "Sitting on piles, the height of the Riverwalk deck will be approximately 3.4m above sea level. This is below the 1 in 100 year flood level, but high enough to minimise corrosion caused by the salt water environment."

An added benefit of this new design is that the structure's solid foundations will help reduce maintenance costs, taking them down to an estimated \$330,000 a year from the previous reported \$650,000.

This ongoing saving has been fundamental to getting funding approval for the new walkway given its construction of \$72million to



The New Raised Walkway



Proposed Swinging Boat Access

the taxpayer is more than four times that of the original, which was built for \$17million just 11 years ago.

According to council, with the substantial cost increase comes significant improvements to public amenity.

Not only will the new Riverwalk be more resilient and viable long term, but aesthetically and structurally, it will boast:

- A new alignment that will take users further out into the river along much of the walkway, improving the river experience for them while increasing privacy for residents.
- Segregated pedestrian and cycle paths, these 2.5 metres and 3.5 metres wide respectively.
- Shaded rest and viewing areas at various locations on the walkway.
- 24 hour lighting along the full length of the path.





....back from the drink



A further feature of the new design will be the implementation of a rotating moveable section to allow for mooring access by the owners of the homes located inside the confines of the walkway.

As with all council projects, environmental sustainability is a primary concern. Construction of the walkway in its entirety will be effected working wholly within the council's strict environmental sustainability guidelines.

As such, any waste material from construction will be disposed of in licensed landfills, and all concrete will be poured via a secure floating pipeline with an overflow catchment system securely in place.

Whilst as would be expected with any undertaking as large as the walkway disruption to the local community is to be expected, council states that measures are being taken to ensure such disruption is kept to a minimum with most works to be undertaken during the day, though they do concede that some properties in close proximity may experience some low level construction noise and increased lighting during the work.

Maritime Safety Queensland has introduced a strict six knot speed limit around the site for the duration of construction.

The rebuild is being financed under existing Natural Disaster Relief and Recovery Arrangements, with 75 percent of such funding coming from the Federal Government and 25 percent from the Queensland Government. The work itself is being carried out by John Holland Group.

The pile works for the project are in the latter stages of completion and weather permitting we should see the balance works of the walkway finished and open to the public around July of this year.

Further information on the walkway is available by calling 1800 010 705.

# Final *The* Word

House sales on Sydney Harbour in the double digit millions have long been common fare. Indeed all of Sydney's Top 20 waterfront sales last year were over \$10million, and some by a very long way.

Double digit outcomes on the water here in Brisbane however have proven far more elusive. Unless we care to count the sale of two side by side properties in Hamilton a few years back which combined totaled \$10.3million, we are still yet to have one, although we have gone close, through a \$9.5million sale in Fig Tree Pocket.

That could well soon change.

Over recent times a number of decidedly grand mansions have been quietly taking shape along a number of prime reaches of our river front, any number of which were they to be offered to the market, would readily merit solid double digit outcomes.

Take a lazy trip along the river anywhere from Fig Tree Pocket through to Hamilton and you may be amazed at the recent transformation.

And what we are currently witnessing may prove to be just the tip of the iceberg. A decade of growth in Australia's other resource rich state Western Australian fuelled by iron ore prices rising ten fold (to \$200 a tonne) saw Perth's riverfront house values soar into double digit millions to peak at \$57.5million, setting a new Australian record.

With the effects of Queensland's recent natural disasters now well and truly behind us, economists are saying that it's our turn to shine.

Our employment, retail and economic growth numbers are already again heading north, and so soon should many of the people selling out in Sydney (and Melbourne) to head for the sun and vie for Brisbane's ever shrinking pool of absolute riverfront holdings, among which I am proud to say today may be found some truly world class offerings, all standing ready to shatter our current low hanging ceiling price.

Josephine Johnston-Rowell