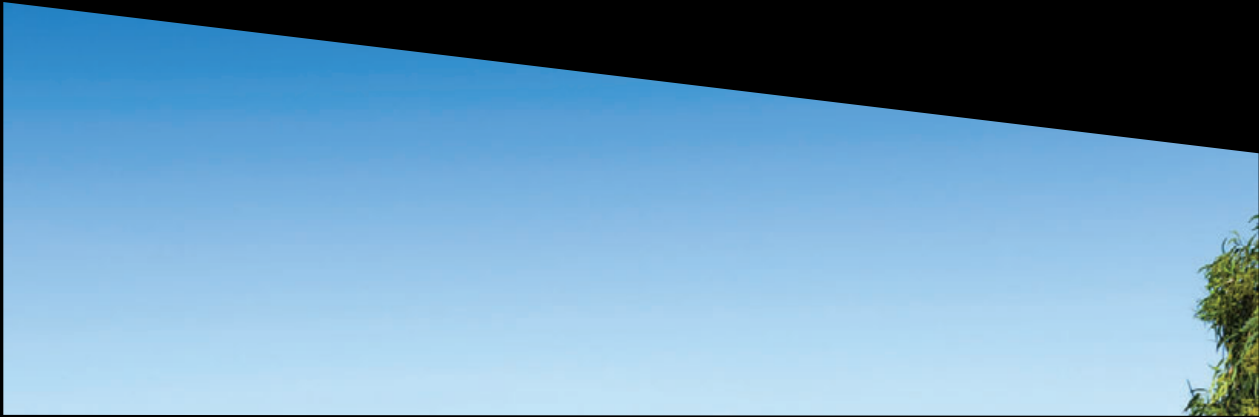


THE 21ST ANNUAL

River Report 2015





Welcome to the 2015 River Report, our 21st annual synopsis of the river market.

What has been a bumper year for the market sees values and volume back at record levels. Significantly for the river (as predicted as imminent last year), is the rivers first individual \$10 million+ sale.

At \$14 million (\$18 million if you count the subsequent related purchase new door), the landmark sale represents the highest single house sale in Brisbane's history.

Overall sales figures for the year show riverfront house sales turnover jumped an incredible 50%, and volume 22%. We also recorded a significant 8 riverfront sales over \$5 million for the year.

Clear in the report also is that despite a number of curved balls (poorly managed floods, GFC's etc), riverfront house price growth has remained quite extraordinary.

In 2000 the average was sub-\$1 million, by 2004 it had passed \$2 million, and by 2008 exceeded \$3 million. With the fast shrinking pool of riverfront property and our fast growing population, expect a \$4 million+ average to soon be a reality.

Today's new much tighter, twice tested flood mitigation procedures have done much to restore confidence in the river, so too the long list of exciting projects now either underway or in advanced planning that will herald in the next golden era for our one and only Brisbane River.

Personally, I can't wait!





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RIVERFRONT | RIVERSIDE SALES SUMMARY
ABSOLUTE RIVERFRONT SALES

RIVERFRONT HOUSES

The total value of all absolute riverfront house sales recorded over calendar year 2014 was \$147,333,000, a new all-time record high for the river and a massive 50% improvement on last year's total of \$97,584,000. From that we can safely say that the river is back in favour.

The volume of sales also increased significantly from 35 to 43, a 22% annual rise. The average riverfront house sale price enjoyed a similar 22% leap taking it from \$2,788,114 to \$3,426,349, and placing it on the cusp of overtaking its pre-2010 flood high of \$3,545,597 (table 3).

As we predicted as imminent last year, 2014 also saw a new record high house price of \$14 million set on the river with the sale of "Cramsie" in Aaron Avenue, Hawthorne, a magnificent Colonial home gracing 3,457m² of prime absolute riverfront land (across 5 lots).

The landmark sale sets not only a new all-time high for our river, it represents by some margin the most expensive house sale in Brisbane's history. The buyer, also took up the option to acquire the adjoining vacant riverfront block for a further \$4 million, adding 1,088m² to the already grand estate.

In 2014 there were 29 absolute riverfront house sales over \$2 million compared to 2013's 21, an increase of 33%, but still short of 2010's 34 and 2007's 33. There were 9 sales in the \$2-3 million bracket (1 up from 2013), and an impressive 11 sales over \$4 million compared to last year's 7 and 2012's 5. 2010 still holds the \$4 million+ record with 13 sales.

Table 1.
Absolute Riverfront House Sales over \$1 million (2004-2014 Comparative)

| | SALES BY PRICE BRACKET | | | | | | | | | |
|------|------------------------|--------|--------|--------|--------|--------|--------|--------|---------|--------|
| | \$1-2m | \$2-3m | \$3-4m | \$4-5m | \$5-6m | \$6-7m | \$7-8m | \$8-9m | \$9-10m | \$10m+ |
| 2014 | 13 | 9 | 9 | 3 | 3 | 1 | 1 | 2 | - | 1 |
| 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 | 1 | - | - | 1 |
| 2009 | 9 | 7 | 9 | 3 | - | 1 | 3 | - | 1 | - |
| 2008 | 4 | 16 | 3 | 3 | 1 | 2 | - | - | - | - |
| 2007 | 12 | 16 | 11 | 3 | 4 | 2 | - | - | - | - |
| 2006 | 14 | 10 | 15 | 4 | - | - | - | - | - | - |
| 2005 | 11 | 15 | 5 | 4 | 2 | - | - | - | - | - |
| 2004 | 20 | 9 | 13 | 4 | 2 | - | - | - | - | - |

"HAWTHORNE 2014's TOP RIVER SUBURB"

Brisbane's top performing river suburb for 2014 for the second year in a row was Hawthorne with 7 sales totalling \$43,000,000. In second place with 6 sales totalling \$31,300,000 was Norman Park, and third Chelmer with 5 sales totalling \$10,227,000 (table 6).

Hawthorne also took out the title of Brisbane's most expensive river suburb for the second year in a row with an average price of \$6,143,000, up 26% on 2013's average \$4,838,000. In second place was Norman Park with an average sale price of \$5,216,000 (table 5).

RIVERFRONT LAND

There were only 4 absolute riverfront land sales this year, well down on last year's 7. Despite this the total value of the sales rose to \$7,664,000 from 2013's \$6,690,000. The average vacant riverfront land price also increased a full 47% from \$1,338,000 to \$1,916,000.

The highest riverfront land sale in 2014 was \$4,000,000 paid for a 1,088m² lot at 50 Aaron Avenue, Hawthorne, and the lowest, \$700,000 paid for 520m² at Fraser Terrace, Highgate Hill.

RIVERFRONT DEVELOPMENT SITES

Only one absolute riverfront site was recorded over 2014, a sale transacted at 160 Macquarie Street, St Lucia for \$6,750,000.

RIVERFRONT HOUSES / LAND / DEVELOPMENT SITES COMBINED

The total value of all absolute riverfront sales combined in 2014 increased a substantial 29% from 2013's \$125,150,669 to \$161,747,000. The total number of sales also increased from 43 to 48 (table 9).

Table 2.
Absolute Riverfront Sales Numbers and Values (2004-2014 Comparative)

| | NUMBER OF SALES | | | | VALUE OF SALES | | | |
|------|-----------------|-------------|-------------------|-------|----------------|--------------|-------------------|---------------|
| | HOUSES | VACANT LAND | DEVELOPMENT SITES | TOTAL | HOUSES | VACANT LAND | DEVELOPMENT SITES | TOTAL |
| 2014 | 43 | 4 | 1 | 48 | \$147,333,000 | \$7,664,000 | \$6,750,000 | \$161,747,000 |
| 2013 | 35 | 7 | 1 | 43 | \$97,584,000 | \$6,690,800 | \$20,876,669 | \$125,150,699 |
| 2012 | 30 | 6 | - | 36 | \$77,347,250 | \$15,225,000 | - | \$92,572,250 |
| 2011 | 28 | 7 | 1 | 36 | \$74,911,000 | \$11,131,200 | \$2,000,000 | \$88,042,200 |
| 2010 | 41 | 4 | - | 45 | \$145,369,500 | \$9,537,500 | - | \$154,907,000 |
| 2009 | 33 | 7 | - | 40 | \$113,528,000 | \$16,234,893 | - | \$129,762,893 |
| 2008 | 29 | 11 | - | 40 | \$88,571,700 | \$27,468,000 | - | \$116,039,700 |
| 2007 | 48 | 14 | 3 | 65 | \$141,247,500 | \$46,219,000 | \$17,600,000 | \$205,066,500 |
| 2006 | 43 | 8 | 2 | 53 | \$118,740,000 | \$19,140,000 | \$17,250,000 | \$155,130,000 |
| 2005 | 37 | 12 | 9 | 58 | \$93,660,000 | \$22,800,000 | \$67,200,000 | \$188,670,000 |
| 2004 | 50 | 6 | 3 | 59 | \$126,790,000 | \$9,070,000 | \$23,660,000 | \$159,520,000 |

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

RIVERSIDE HOUSES

The number of riverside house sales increased 40% from 22 to 31 in 2014, and their value 57% from \$31,779,500 to \$50,097,388. The average riverside house price increased 23% from \$1,444,522 to \$1,789,192 to nearly match 2012's record high of \$1,740,976. The highest riverside house sale for 2014 at \$5,150,000 was recorded in Macquarie Street, Teneriffe, the lowest, \$608,888 in La Belle Court, Westlake.

RIVERSIDE LAND

There were just four riverside land sales recorded this year, only one up on 2013 and 2012. The combined value was down from \$3,965,000 to \$2,500,500, a 36% decrease. The highest was \$1,250,000 paid for a 731m² lot along Kingsford Smith Drive, Hamilton. The lowest was the \$395,000 paid for a 10,260m² lot at Landing Place, Moggill. The average riverside land price dropped 52% from \$1,321,666 to \$625,125

RIVERSIDE DEVELOPMENT SITES

Over 2014, there were 5 riverside land site sales recorded totaling \$15,801,500, a massive 248% lift over 2013's modest total of \$6,370,000.

RIVERSIDE HOUSES / LAND / DEVELOPMENT SITES COMBINED

The total combined value of all riverside houses, land and sites sales for 2014 was \$68,399,388 from 40 sales recorded. This represents a 62% increase in value from 2013's total of \$42,114,500 from 26 sales.

2014'S GRAND TOTAL OF ALL RIVER SALES (ABSOLUTE RIVERFRONT AND RIVERSIDE HOUSE, LAND AND SITE SALES) WAS \$230,146,388, A SIGNIFICANT 37% RISE OVER 2013'S \$167,265,169

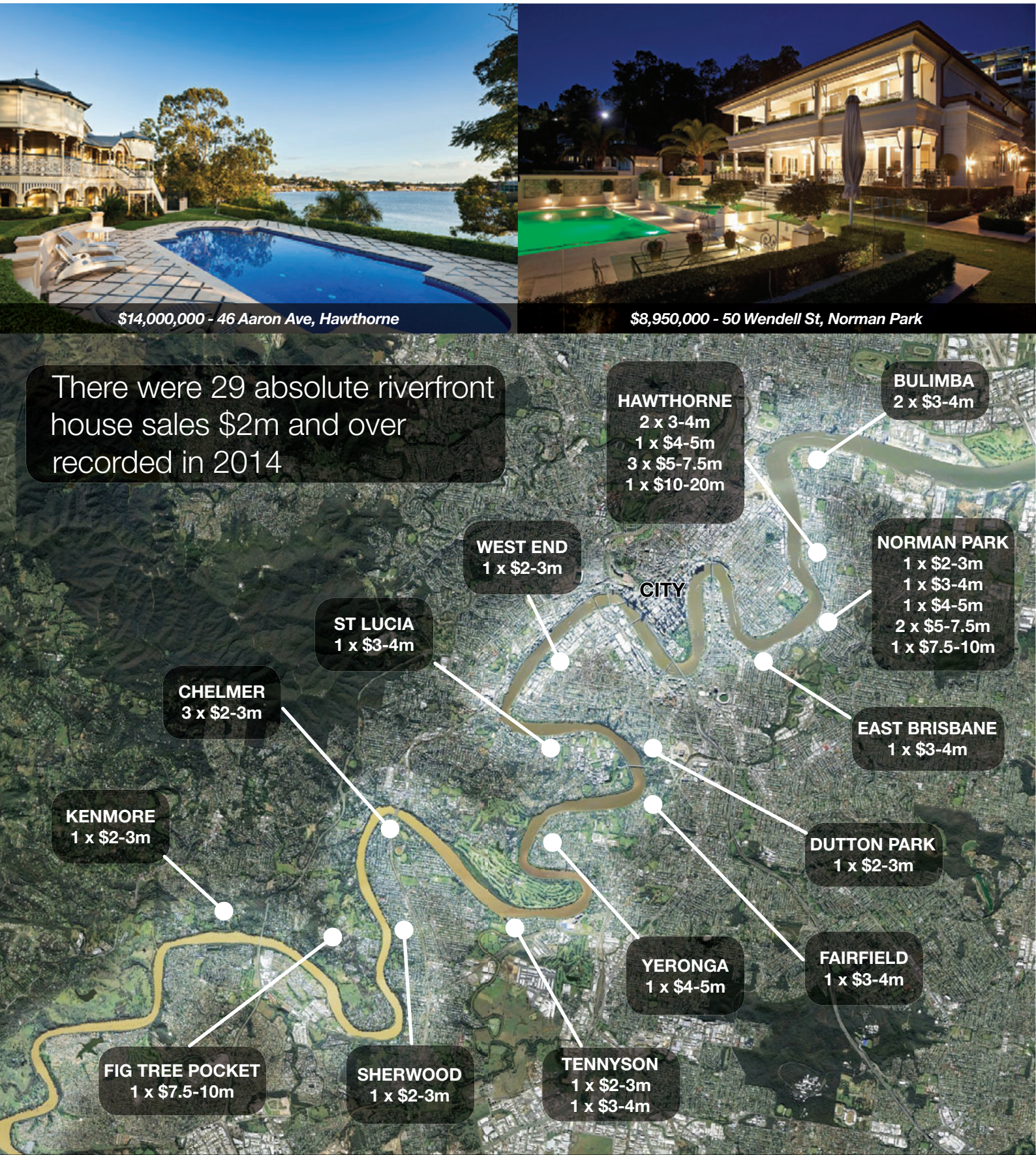


Table 3.

Absolute Riverfront Sale Price Averages (excluding development sites)

| | HOUSES | | VACANT LAND | |
|------|---------------|-----------------|---------------|-----------------|
| | AVERAGE PRICE | NUMBER OF SALES | AVERAGE PRICE | NUMBER OF SALES |
| 2014 | \$3,426,349 | 43 | \$1,916,000 | 4 |
| 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 4.

Absolute Riverfront Sales History

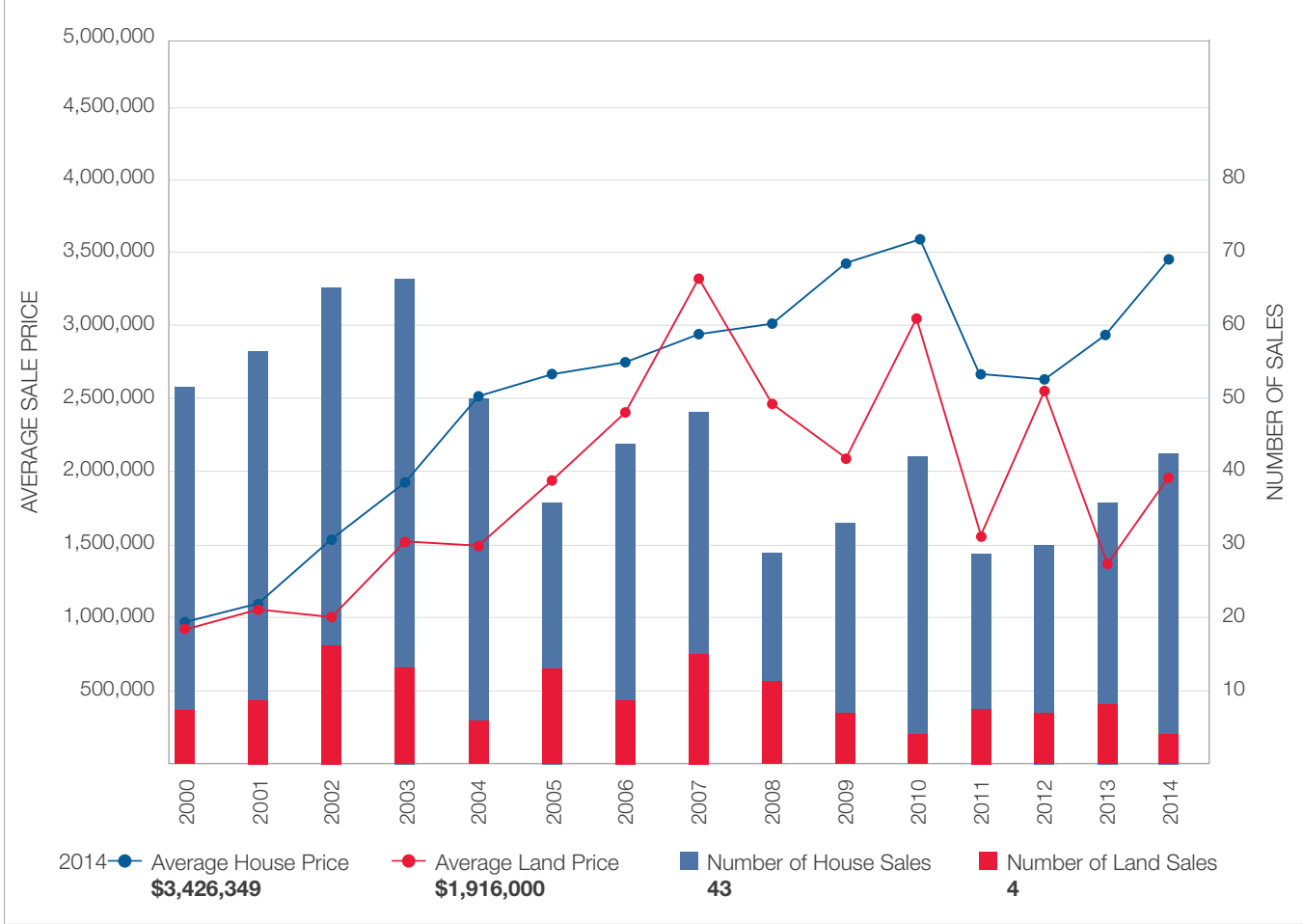




Table 5.
Top Performing Suburb by Average Absolute Riverfront House Price

| | FIRST | SECOND | THIRD |
|------|-----------------------------|-------------------------|-----------------------------|
| 2014 | Hawthorne \$6,143,000 | Norman Park \$5,216,000 | Bulimba \$3,500,000 |
| 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 6.
Absolute Riverfront House Sales Comparative – Top Five Suburbs by Value

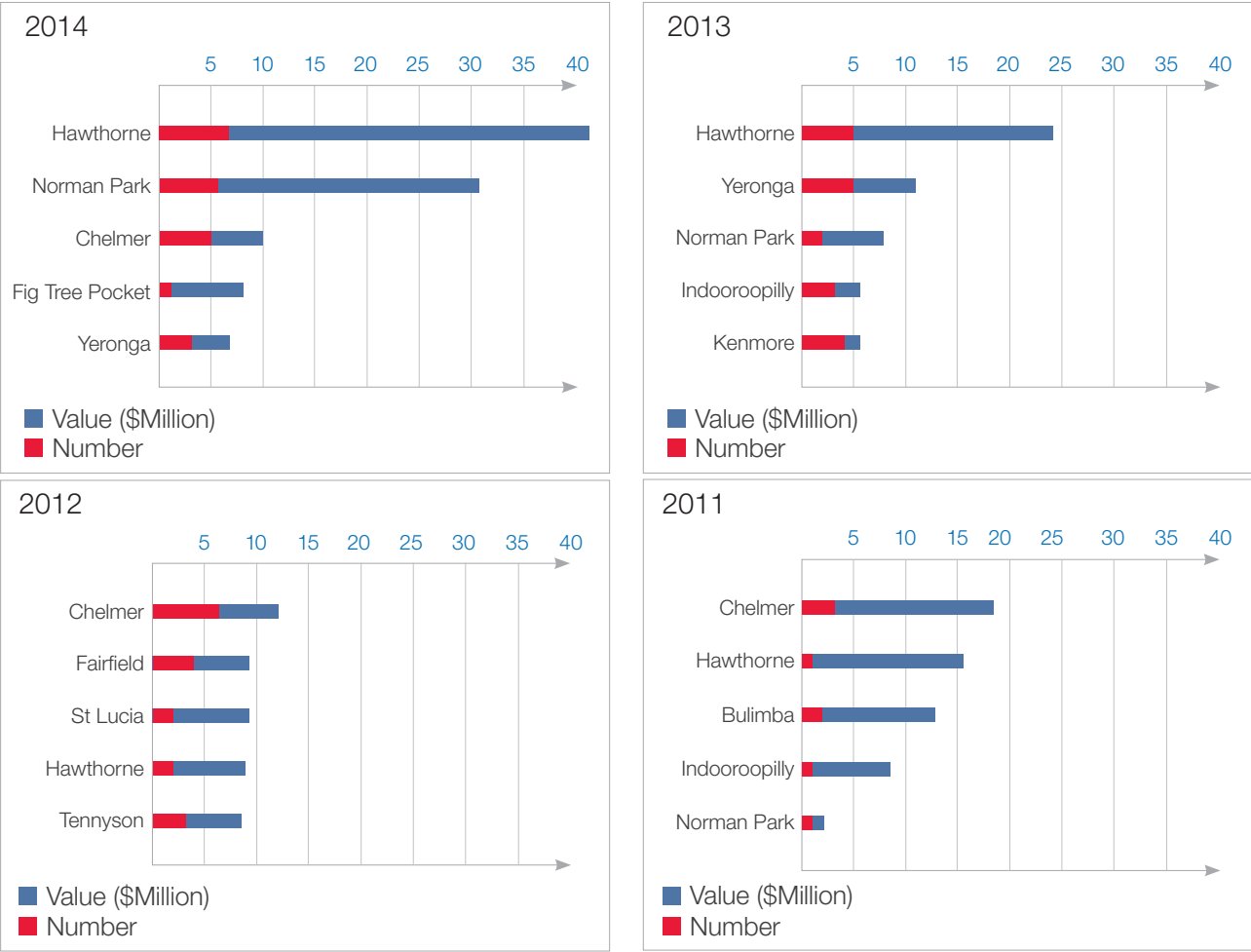


Table 7.
Average Absolute Riverfront House Prices by Area

| AREA | NUMBER OF SALES | TOTAL SALES VALUE | AVERAGE PRICE |
|---|-----------------|-------------------|---------------|
| Bulimba / Hawthorne / Norman Park / East Brisbane | 16 | \$84,700,000 | \$5,293,750 |
| West End / Dutton Park / Highgate Hill | 2 | \$4,475,000 | \$2,237,500 |
| Fairfield / Yeronga / Tennyson | 7 | \$18,460,000 | \$2,637,142 |
| Chelmer / Graceville / Sherwood / Corinda | 9 | \$17,442,000 | \$1,938,000 |
| Jindalee / Mt Ommaney / Westlake | 3 | \$4,618,000 | \$1,539,333 |
| Pinjarra Hills / Moggill / Anstead / Bellbowrie | 3 | \$3,375,000 | \$1,125,000 |
| Toowong / St Lucia / Indooroopilly | 1 | \$3,238,000 | \$3,238,000 |
| Fig Tree Pocket / Kenmore | 2 | \$11,025,000 | \$5,512,500 |

Table 8.
Absolute Riverfront Sales Chronology (since 2000)

| | HIGHEST | | LOWEST | | AVERAGE | |
|------|--------------|-------------|-------------|-------------|-------------|-------------|
| | HOUSE | LAND | HOUSE | LAND | HOUSE | LAND |
| 2014 | \$14,000,000 | \$4,000,000 | \$875,000 | \$700,000 | \$3,426,349 | \$1,916,000 |
| 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 9.
Combined Riverfront Sales (House & Land)

| | NUMBER OF SALES | TOTAL VALUE |
|------|-----------------|---------------|
| 2014 | 48 | \$161,747,000 |
| 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 |

‘RECORD \$84,700,000
IN RIVERFRONT SALES
FROM BULIMBA TO EAST-
BRISBANE REACH’



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

There were 28 riverfront | riverside apartment* sales recorded in Brisbane over \$2 million over calendar year 2014. The total value of these sales was \$79,845,750 representing a 25% decrease on last year's total of \$107,750,500 from 37 sales. The number of sales over \$2 million also fell 25%.

The three highest prices achieved for any Brisbane river apartment over calendar year 2014 were in New Farm, Kangaroo Point, and Toowong respectively, these transacted at \$4,500,000; \$4,000,000, and \$3,800,000.

Similar to 2013, Newstead dominated top end riverfront apartment sales with a total of 10 sales totaling \$29,150,750 in the Pier Waterfront development alone. Sales on the south side of the river increased from 3 in 2013 to 10 in 2014 including two in Kangaroo Point, 3 sales in East Brisbane, 1 in St Lucia and 3 in Toowong.

"21 \$2MILLION + APARTMENT SALES DOWNSTREAM OF CBD AND 7 UPSTREAM"



1001/21 Patrick Lane, Toowong - \$3,800,000

'HIGHEST RECORDED APARTMENT SALE UPSTREAM OF THE CBD'

*Given the grey area and sensitivities surrounding whether a certain apartment building is riverfront or riverside and the fact that most are marketed as riverfront regardless of their true river status, the River Report groups all river apartment sales under the one banner.

2011 QUEENSLAND FLOODS CLASS ACTION UPDATE



The Queensland floods class action is now well underway. The action has been brought on behalf of those who suffered loss or damage as a result of the Queensland floods in January 2011.

Maurice Blackburn lawyers, acting for group members, say that close to 5,000 clients have signed up to the class action with their combined losses expected to exceed \$1.5 billion. That makes the 2011 Queensland Floods Class Action the largest and highest value class actions claim in Australian history.

The claim has been brought against Seqwater and Sunwater as operators of the Wivenhoe and Somerset dams, and the State of Queensland ('the defendants').

The claim alleges that Seqwater and Sunwater were negligent in their operation of the dams both during the lead up to the January 2011 floods, as well as during the floods. It also alleges that all three defendants are liable in nuisance and trespass for causing or permitting flood waters to enter onto the plaintiff's and group members' properties, causing loss or damage.

Maurice Blackburn filed an Amended Statement of Claim on 20 February 2015, which provided further detail about the ways in which it is claimed that the operators of the dams acted incompetently during the period from 1 December 2010 to the end of January 2011.

Maurice Blackburn says that had the dams been operated as they ought to have been, it's possible that no releases would have needed to have been made at all from Wivenhoe Dam during the heaviest period of flooding. As it was, unprecedented volumes of water were spilled from the dam over a period of some days causing most, if not all, of the catastrophic flooding and damage that followed.

The Defendants maintain that their operations were not negligent and they say that they needed to release those large volumes of water in order to protect the dams' safety. The specifics of the defendants' defences however will not be known until mid-April 2015 when they file their statements of defence.

The next stage of the proceeding will be for the parties to exchange all documents held by them relevant to the proceedings, and to prepare and exchange all their evidence. Additional applications could arise out of that process that could potentially delay the progress of the claim. However, we are told that if all goes to plan, the current timetable will see the class action proceeding to trial in the New South Wales Supreme Court in July of next year.

This will be welcome news to those who own property along the Brisbane River and who are anxious to not only recover losses, but also to see the reputation of Brisbane's premium riverside properties fully restored as a safe and desirable place in which to live.

If it can be established that the operators of Wivenhoe and Somerset dams were responsible for the flooding that occurred, rather than Queensland weather or any inherent risks posed by the existence of the dams themselves, then that will undoubtedly give potential purchasers of riverside properties far greater comfort in the safety and security of their investments.

Maurice Blackburn tell us that they remain confident of a successful outcome to the proceedings.

Short of the parties agreeing to settle in the interim, we will look to provide you with a further formal update on the case in next year's report.



Fig.1 'Grace on Coronation' - Timeless Majestic Space Age Future for the river

THE BRISBANE RIVER - APPROPRIATELY THE NEW MILLENNIUM'S NEXT DUBAI OR SHANGHAI

Whilst true that Brisbane's most famous geographic landmark in our river has never stopped evolving, its evolution is about to seriously step up a gear (or two).

Leading the coming golden development era for the river will be the futuristic 'Grace on Coronation' proposal destined to rise high above a broad near city reach of the river across the old disused ABC site at Toowong.

Space age 'Grace on Coronation' (Fig. 1) at Toowong will comprise three towers of up to 25 storeys and feature 486 luxury riverfront apartments and eight villas. About half of the 1.5 hectare site will be conserved for landscaped public parklands.

The \$420 million development will also ensure the heritage-listed Middenbury House located on the property will be protected, with the potential to be transformed into a cafe or gallery.

Sunland Group, the developer behind the Versace Hotel, Abian and Q1, engaged world renowned Iraqi-British architect Dame Zaha Hadid of Zaha Hadid Architects for the landmark project, the first woman to receive the Pritzker Architecture Prize, and who is famed for designing London's Olympic Aquatics Centre.

The unique, organic, sculptural design was created to taper, so that each structure would have a minimised footprint, leaving the riverfront open to the public to create a vibrant civic space for Toowong within a new riverside park.

The development will be accessed by both Coronation Drive and Archer Street, with both points of entry directly leading to a basement car park designed to minimise vehicular flow within the site.

'Grace on Coronation' will be more than complimented by 'Queens Wharf' in the city, a multi-billion dollar entertainment and leisure extravaganza proposed to integrate key defining riverfront areas of the inner city like the Botanic Gardens, the Queen Street Mall, the Cultural Precinct, South Bank, the Parliamentary Precinct and the Brisbane River.

According to the National Trust the name 'Queen's Wharf' harks back to 1825 when a wharf was constructed on the northern bank of the Brisbane River.

The Wharf marks the spot where Brisbane started 180 years ago, and is now the place where the history and foundations of our capital are to be transformed into a contemporary expression of Brisbane as a new world city.

Currently the area contains significant heritage buildings, a number of under-utilised government buildings and neglected land under the Riverside Expressway.

The redevelopment is touted to transform all this into a unique and vibrant new development that attracts visitors and investment, reconnects the activity of the Brisbane city centre to the river, preserves and celebrates Brisbane's heritage, and delivers high quality public spaces.

Two ambitious concepts for Queens Wharf have been recently unveiled, both showcasing an impressive scale of work.



Fig.2 Destination Brisbane Queens Wharf Proposal

Destination Brisbane Consortium (Fig.2), made up of the Echo Entertainment Group, Far East Consortium and Chow Tai Fook Enterprises, in their proposal envision transforming the Treasury casino and converting its heritage building into a shopping centre. Their proposal also includes five new hotels, (three with a six-star rating), a new lyric theatre at South Bank, and 12 football fields of public space.

The competition, Crown and Chinese partners Greenland (Fig.3), propose three hotels in an integrated resort of public gardens, pools and a rooftop the size of the Gabba. The consortium also plans a bridge with a waterfall feature linking South Bank to the opposite side of the river.

The preferred tenderer will be announced later this year.

With these proposed developments on top of the previously announced Kurilpa Riverfront Renewal Project that will see 25 hectares of prime West End riverfront land transformed into a riverfront destination of world class.

For the Brisbane River it seems, the only way is up.



Fig.3 Crown | Greenland Queens Wharf Proposal

N.B. The RIVER REPORT © is compiled from JOHNSTON DIXON Quality Property own records and appropriate government department records. As part of our forensic certification process, all related party or other non-genuine sales data are excised from the report.

Final *The* Word

In this column last year we confidently predicted that an individual \$10 million+ sale on the river was imminent. This has since come to pass in no small measure courtesy of a landmark \$14 million sale in Hawthorne (where a subsequent related party purchase next door took the acquisition total to \$18million).

The inexorable upward march of riverfront prices and average values of course should not come as a surprise. As a city Brisbane is blessed with only one river, it has a finite number of properties directly fronting it (indeed a dwindling number of same), and a general fast growing population.

Applying this simple equation, you may instead indeed wonder why historic price growth for the river has not been greater than it has.

Were it not for the lamentable events of January 2011, average riverfront values may well be some 20 – 30% ahead of where they are now, an assumption we can arrive at by simply continuing the riverfront property pre-flood long term capital growth trajectory line.

Certainly the GFC didn't lay a glove on the river, indeed the pace of average riverfront price growth actually accelerated in the years between the onset of the GFC and the 2011 floods occurring.

Sadly where the GFC failed, the 2011 floods succeeded, much to the financial and emotional detriment of the river, the circumstances around which as we know being currently the subject of the largest Class Action in Australia's history.

Sticking with the mathematical equation theme, are then today's near fully recovered (near record) average riverfront values just a pit stop on the road back to where they should be had their growth not been so rudely interrupted.

Obviously we don't have a crystal ball to be able to know for sure, but perhaps we don't need one..

Josephine Johnston-Rowell