

23RD ANNUAL

2017 Brisbane River Report



21ST CENTURY BRISBANE RIVER

JOHNSTON  DIXON

Welcome to the 2017 RIVER REPORT, our 23rd annual analysis of the river market.

For the first time in some time better tidings for the river far outweigh the lesser.

In some areas the river has really shone, this year recording an all-time high for the total value of riverfront houses sold.

Whilst we still have some ways to go to revisit the halcyon pre-GFC and 2011 floods debacle days for the river market, we seem well on our way.

Continuing the rebalancing of the market noted in our last report and in line with supply, the number of riverfront house sales upstream of the city are again back above their downstream equivalent to the tune of \$80m versus \$68.8m in sales

It's a very different story with high end riverfront apartments where the sales action seems firmly fixed in the downstream near city river reaches.

River land sales this year retraced much of last year's price and activity spike as the new developments driving it dried up.

There is much else to report this year, not least the progress with the incredible array of projects underway or planned for the river.

As a committed long-term riverfront owner, it's exciting to see the speed in which we're transitioning into the world class river city we always had the potential to be.

We may be at the other end of the world to New York, Paris and London, but sitting on Asia's doorstep and with our capacity to grow, we could soon find ourselves their Southern Hemisphere incarnate.



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RIVERFRONT | RIVERSIDE SALES SUMMARY
ABSOLUTE RIVERFRONT SALES
RIVERFRONT HOUSES

The total value of all absolute riverfront house sales in 2016 has come in at an all-time record high \$148,800,000, a substantial 16% improvement on last year's \$127,810,500. Sales volume also went up year on year from 43 to 47 (Refer Table 2).

The average riverfront house sale price also went up by 6% from \$2,972,337 to \$3,165,950 to be now comfortably back above the pivotal \$3million mark (Table 3).

The all-time record sale price of \$14million set on the river at 46 Aaron Avenue, Hawthorne in 2014 however remains intact with 2016's highest sale the \$8,600,000 paid for 102 Virginia Avenue, Hawthorne, a 5 bedroom home on 1,272m² of land.

There were also an all-time record equalling 36 riverfront house sales over \$2million in 2016 to match 2007's peak result, 7 more than last year. There were also 13 sales in the \$2-3m bracket, up from 10 last year; 10 sales between \$3-4million, 1 down from last year's 11; and 13 sales over \$4million compared to last year's 8, equalling 2010's record performance.

There were 6 sales over \$5million over the year, exactly doubling last year's 3 but still short of 2010's record of 9 sales.

Not included in Table 1 below as it is a sub \$1million sale is the cheapest absolute riverfront house to sell for the year in 47 Stratford Street, Moggill which transacted for \$875,000.

Table 1. Absolute Riverfront House Sales Over \$1 million (2004-2016 Comparative)

	SALES BY PRICE BRACKET										Total
	\$1-2m	\$2-3m	\$3-4m	\$4-5m	\$5-6m	\$6-7m	\$7-8m	\$8-9m	\$9-10m	\$10m+	
2016	10	13	10	7	4	1	-	1	-	-	46
2015	14	10	11	5	1	1	-	-	-	1	43
2014	13	9	9	3	3	1	1	2	-	1	42
2013	13	8	6	3	3	-	1	-	-	-	34
2012	10	8	5	4	-	1	-	-	-	-	28
2011	8	11	5	2	1	1	-	-	-	-	28
2010	7	15	6	4	4	3	1	-	-	1	41
2009	9	7	9	3	-	1	3	-	1	-	33
2008	4	16	3	3	1	2	-	-	-	-	29
2007	12	16	11	3	4	2	-	-	-	-	48
2006	14	10	15	4	-	-	-	-	-	-	43
2005	11	15	5	4	2	-	-	-	-	-	37
2004	20	9	13	4	2	-	-	-	-	-	48

TOP PERFORMING RIVER SUBURB FOR
2016 IS BULIMBA WITH 8 SALES TOTALLING
\$27,765,000, UP 48% ON LAST YEAR

Brisbane's top performing river suburb for 2016 for the first time overtaking neighbouring Hawthorne, the lead suburb for the last three years, is Bulimba which had 8 sales totaling \$27,765,000, up 48% on last year's \$18,670,000. In second place is Norman Park with 6 sales totalling \$22,778,000. Third in line this year is Yeronga recording 5 sales totalling \$21,822,000. Dropping out of the Top 5 this year is long time perennial favourite Chelmer (Table 5).

The most expensive riverfront suburb for the fourth year running with an average house sale price of \$6,093,000 is Hawthorne, up a significant 30% from last year's \$4,667,500 to be just shy of its 2014 record high \$6,142,857. In second place up from third last year is Yeronga with an average sale price of \$4,364,400 from 5 sales, and coming in third Norman Park at an average of \$3,796,333 from 6 sales (Table 8).

Notably absent from this year's list are East Brisbane, West End, Dutton Park, Fairfield, Tennyson, Graceville, Jindalee, Mt Ommaney, Pinjarra Hills, Anstead, Bellbowrie and St Lucia. A notable inclusion this year after a long absence is Moggill recording a lone significant \$4,050,000 sale.

RIVERFRONT LAND

Absolute riverfront land sales volume fell by more than 50% this year to just 3 from last year's 8 and fell in total value also by a substantial 74% from \$18,045,000 to just \$4,640,000, its lowest composite since 1998. The average land price likewise came down from \$2,255,000 to \$1,546,620, its second lowest average since 2004 and a figure which is almost half 2007's peak average price of \$3,007,500 (Table 7)

The highest riverfront land sale in 2016 was the \$2,100,000 paid for 516m² of land at 124a Quay St, Bulimba and the lowest \$1,200,000 for 496m² of land at 140 Hargreaves Avenue, Chelmer.

RIVERFRONT DEVELOPMENT SITES

There were no absolute riverfront development site sales this year in stark comparison to last year's total of \$33,570,000.

RIVERFRONT HOUSES / LAND / DEVELOPMENT SITES COMBINED

The total combined value of all absolute riverfront sales dropped 14% this year from \$179,425,500 to \$153,440,000 (Table 2).

Table 2. Absolute Riverfront Sales Numbers and Values - All price ranges (2004-2016 Comparative)

	NUMBER OF SALES				VALUE OF SALES			
	HOUSES	VACANT LAND	DEVELOPMENT SITES	TOTAL	HOUSES	VACANT LAND	DEVELOPMENT SITES	TOTAL
2016	47	3	0	50	\$148,800,000	\$4,640,000	-	\$153,440,000
2015	43	8	5	56	\$127,810,500	\$18,045,000	\$33,570,000	\$179,425,500
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	\$2,000,000	\$92,572,250
2011	28	7	1	36	\$74,911,000	\$11,131,200	-	\$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 25% to 30 from 2015's 24. Total sales values also increased a significant 42% from \$45,941,000 to \$65,317,000. The average riverside house price also rose to \$2,177,000 from \$2,088,227 to set a new all-time record high, topping the previous peak of \$1,740,976 set in 2012.

Unusually this year the highest riverside house sale price eclipsed its absolute riverfront equivalent, with riverside 89 Welsby St, New Farm selling for \$10,500,000 whereas absolute riverfront 102 Virginia Avenue, Hawthorne brought in \$8,600,000. The second highest riverside house price was nearby 51 MacQuarie St, Teneriffe at \$4,200,000 and the lowest 15 Coolaroo Cr, Jindalee at \$670,000.

RIVERSIDE LAND

Volume wise riverside land sales also outperformed absolute riverfront land sales with a total of 11 sales versus its riverfront equivalents 3, the 11 sales however still well short of last year's 19. Total sales value also dropped a substantial 65% from \$17,346,500 to \$10,513,000.

The highest price paid for a riverside allotment this year was \$1,325,000 for 1,011m² at 23 Arbour St, Sherwood, and the lowest \$470,000 for 715m² of land at 36 Riverpoint Bd, Riverhills. The average riverside land price rose slightly however from \$912,974 to \$955,727.

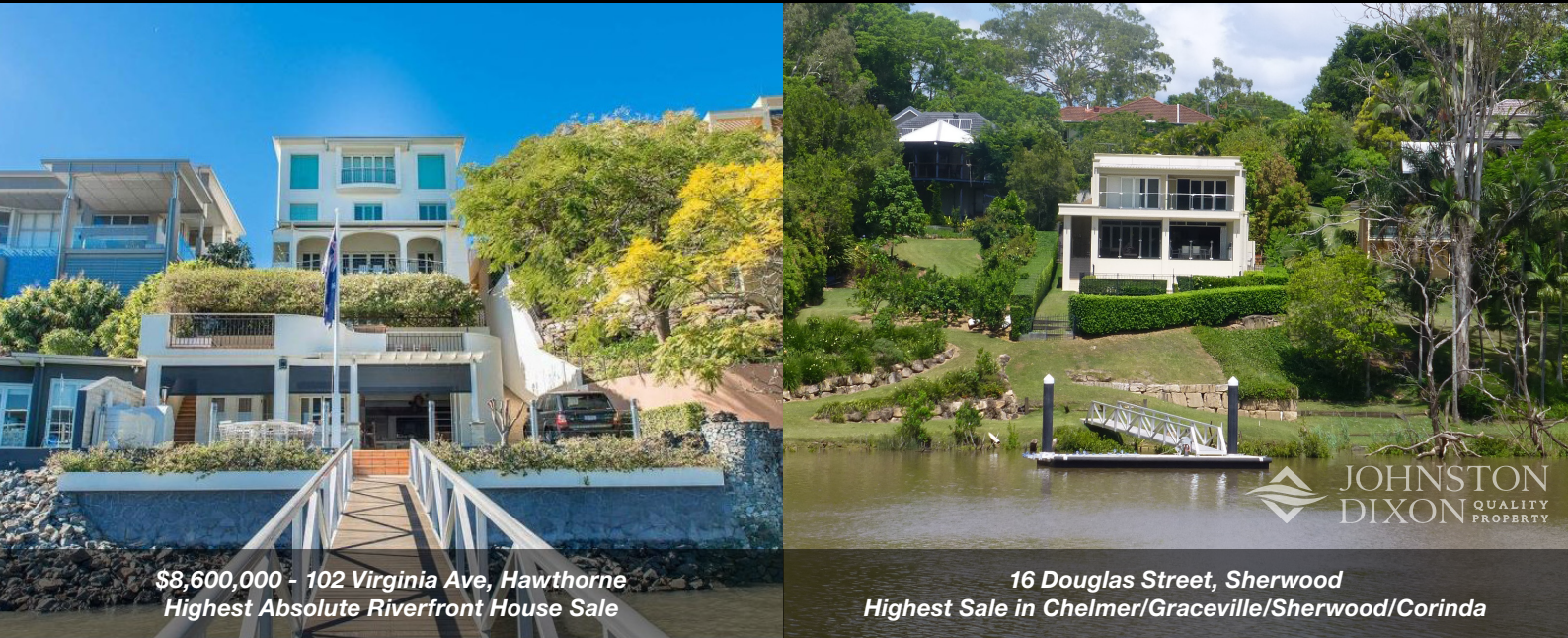
RIVERSIDE DEVELOPMENT SITES

There was just the 1 riverside site sold this year, 80-86 Oxlade Drive, New Farm whose 4 lots across 2,388m² of land realised \$17,350,000.

RIVERSIDE HOUSES / LAND / DEVELOPMENT SITES COMBINED

The total combined value of all riverside houses, land and site sales for 2016 was \$27,863,000 coming from 12 sales. Last year there was a total of \$69,837,500 from 43 sales.

2016'S TOTAL OF ALL RIVERFRONT AND RIVERSIDE HOUSE, LAND
AND SITE SALES IS \$181,302,860, 25% DOWN ON LAST YEAR'S
\$242,713,000 AND ALMOST 38% OFF 2007'S PEAK OF \$295,898,179



There were 36 Absolute Riverfront House Sales over \$2million in 2016

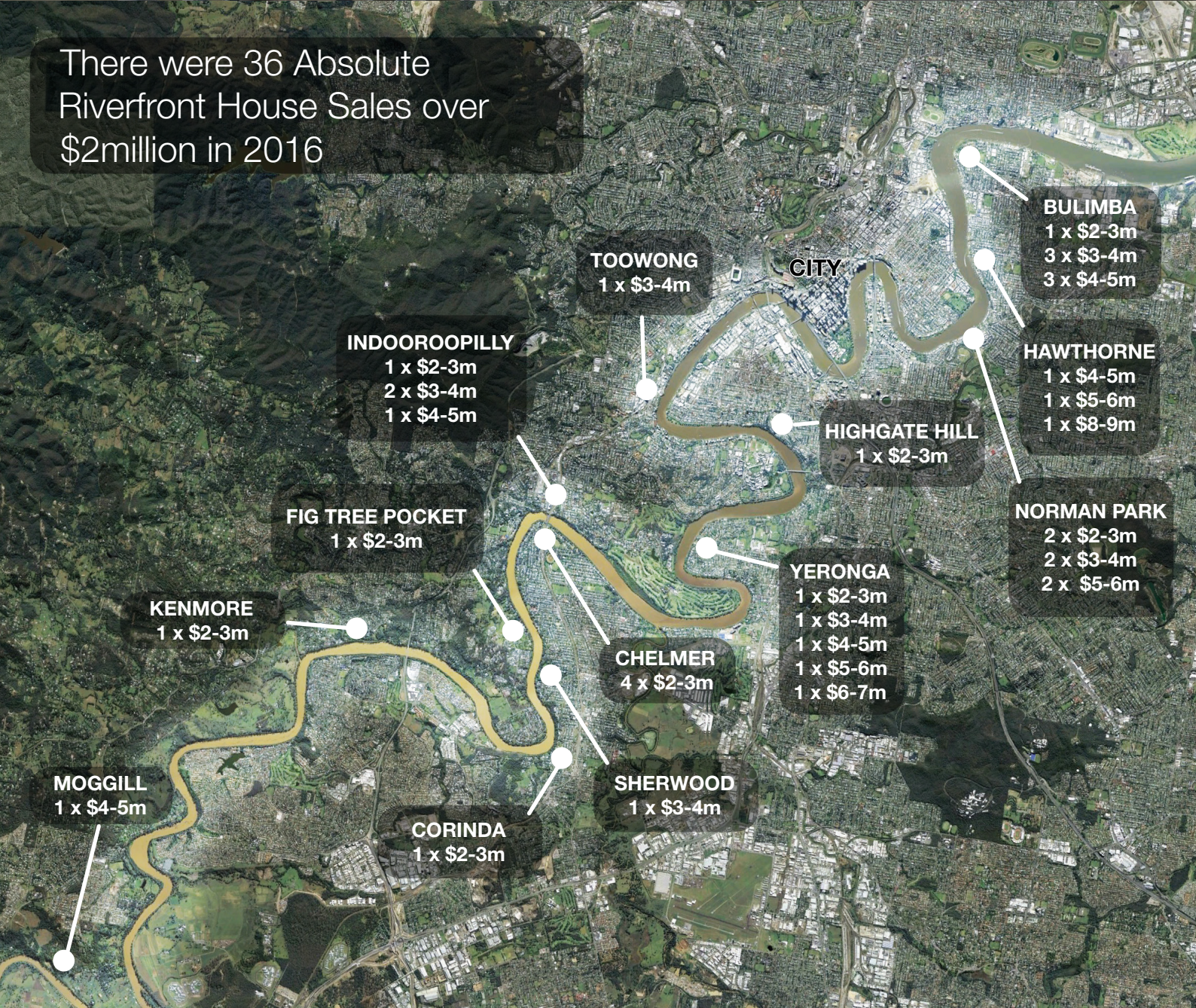


Table 3. Absolute Riverfront Sale Price Averages (excluding development sites)

	HOUSES		VACANT LAND	
	AVERAGE PRICE	NUMBER OF SALES	AVERAGE PRICE	NUMBER OF SALES
2016	\$3,165,950	47	\$1,546,620	3
2015	\$2,972,337	43	\$2,255,000	8
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

THERE WERE A RECORD EQUALLING 36 ABSOLUTE RIVERFRONT HOUSE SALES OVER \$2MILLION IN 2016 MATCHING 2007’S PEAK RESULT AND 7 MORE THAN LAST YEAR

Table 4. Absolute Riverfront Sales History

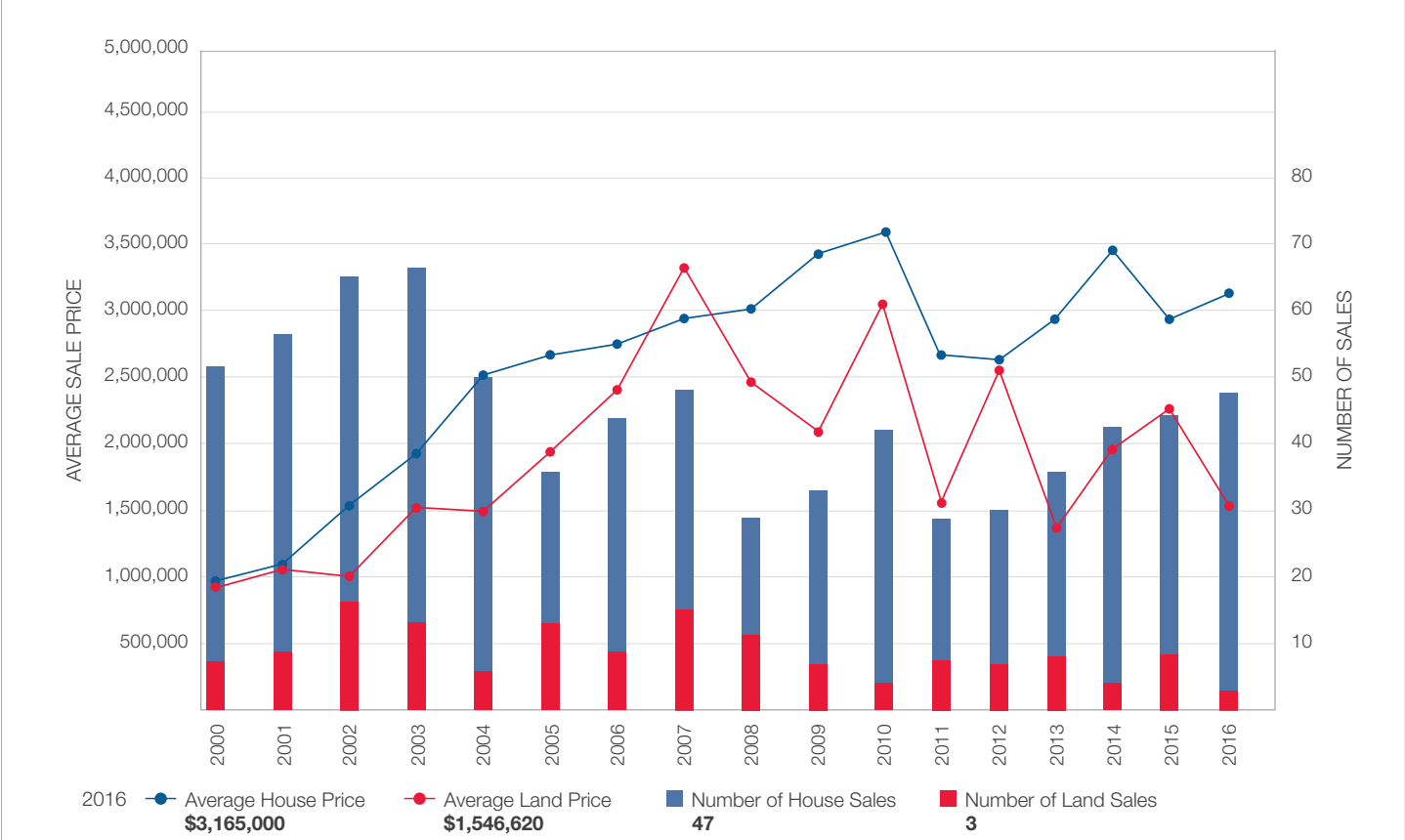


Table 5. Top Five Suburbs by Absolute Riverfront House Price Comparative

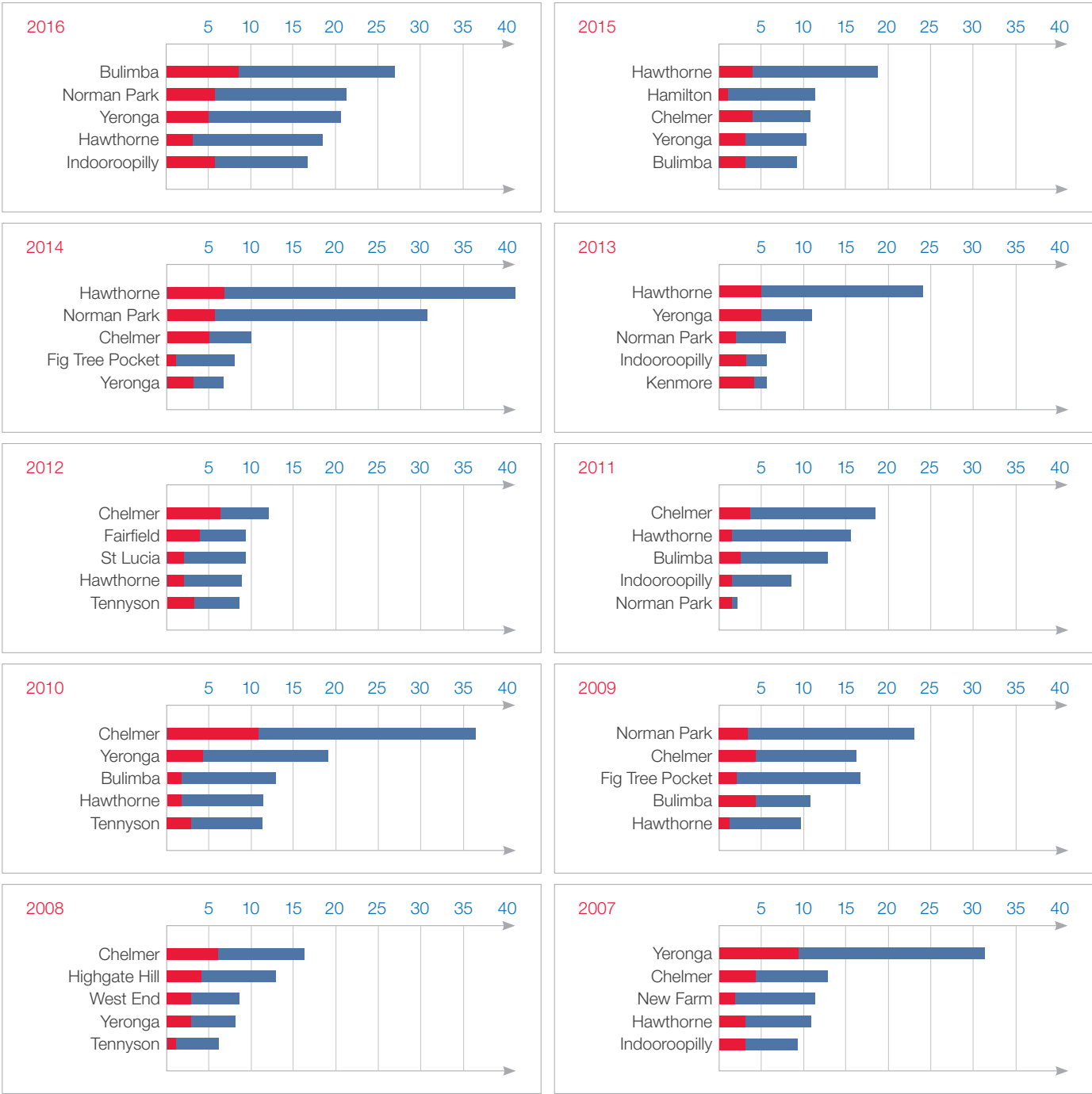


Table 6. Average Absolute Riverfront House Prices by Area

AREA	NUMBER OF SALES	TOTAL SALES VALUE	AVERAGE PRICE
Bulimba / Hawthorne / Norman Park / East Brisbane	17	\$68,823,000	\$4,048,412
West End / Dutton Park / Highgate Hill	1	\$2,400,000	
Fairfield / Yeronga / Tennyson	5	\$21,822,000	\$4,364,000
Chelmer / Graceville / Sherwood / Corinda	8	\$18,470,000	\$2,308,750
Jindalee / Mt Ommaney / Westlake	1	\$1,700,000	
Pinjarra Hills / Moggill / Anstead / Bellbowrie	5	\$8,465,000	\$1,693,000
Toowong / St Lucia / Indooroopilly	7	\$20,520,000	\$2,931,428
Fig Tree Pocket / Kenmore	3	\$6,600,000	\$2,200,000

Table 7. Absolute Riverfront Sales Chronology (since 2000)

	HIGHEST		LOWEST		AVERAGE	
	HOUSE	LAND	HOUSE	LAND	HOUSE	LAND
2016	\$8,600,000	\$2,100,000	\$875,000	\$1,200,000	\$3,165,000	\$1,546,620
2015	\$11,800,000	\$5,690,000	\$849,000	\$550,000	\$2,972,337	\$2,255,000
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 8. Top Performing Suburb by Average Absolute Riverfront House Price

	FIRST	SECOND	THIRD
2016	Hawthorne \$6,093,000	Yeronga \$4,364,400	Norman Park \$3,796,333
2015	Hawthorne \$4,667,500	Pinjarra Hills \$3,735,000	Yeronga \$3,600,000
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

Table 9. Combined Absolute Riverfront Sales (House & Land)

	NUMBER OF SALES	TOTAL VALUE
2016	50	\$153,439,860
2015	56	\$179,425,500
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

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

NORTH SOUTH DIVIDE

There were \$35,585,000 in absolute riverfront house sales on the North side of the River this year versus \$113,215,000 South side

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

The total number of Riverfront Apartment* sales recorded in Brisbane over \$2million in 2016 increased 8% from 34 to 37 and in total value by 14% from \$103,146,375 to \$117,865,000. The average premium apartment price also increased, albeit marginally, from \$3,033,716 to \$3,185,540.

Top Performing Suburbs by Average Premium Apartment Price

SUBURB	NUMBER OF SALES	VALUE OF SALES	AVERAGE PRICE
Brisbane City	5	\$18,325,000	\$3,665,000
Hamilton	3	\$7,550,000	\$2,516,667
Kangaroo Point	5	\$15,130,000	\$3,026,000
New Farm	9	\$29,250,000	\$3,250,000
Newstead	7	\$22,245,000	\$3,117,857
South Brisbane	1	\$3,190,000	-
St Lucia	1	\$2,275,000	-
Teneriffe	5	\$17,550,000	\$3,510,000
West End	1	\$2,350,000	-
TOTAL	37	\$117,865,000	\$3,185,540

New Farm overtook neighbouring Newstead this year as the apartment world’s top performer recording 9 sales totalling nearly \$30million. 4 of the sales were in Cutters Landing, 2 in The Refinery, and 1 each in Aquila and Altura on Moray St, and Solitaire in Griffith St. In second spot is Newstead with its total of \$22,245,000 from 7 sales, all these at Pier apartments at Waterfront. In third spot is Brisbane’s CBD with a total of 5 sales totalling \$18,325,000, 2 in Riparian and 1 each in Skyline, Admiral Quays and Admiralty Towers 2.

The most expensive apartment sale this year is the \$8million paid for 172/32 Macrossan Street, Brisbane City, a 969m² luxury 5 bedroom, 7 bathroom penthouse apartment in Admiralty Quays, reportedly made by Therese Rein and Kevin Rudd. Second highest is the \$6.2million paid for a 4 bedroom, 3 bathroom apartment in Pier One at 350/1 Newstead Terrace, Newstead. Third spot is taken by the sale of 6/81 Moray Street, Newfarm, a 329m² apartment in Aquila which transacted for \$5.7m. Other notable sales were \$5.6m in One Macquarie, Teneriffe, \$4.65m at One Scott St, Kangaroo Pt, and \$4m in Cutters Landing, Hollins Crescent, New Farm.

“THIS YEAR THERE WERE 34 APARTMENT SALES OVER \$2 MILLION DOWNSTREAM OF THE CBD COMPARED TO JUST 3 UPSTREAM”



*Note that the River Report groups all river apartment sales whether riverfront or riverside under the one banner.

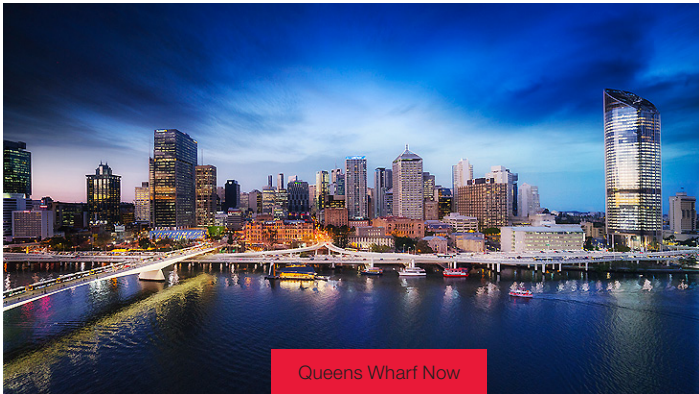
QUEENS WHARF ~ CHANGE MOVING AT LIGHT SPEED...

Queens Wharf whilst only announced in 2014 is already underway with the demolition of older buildings making way for the incredible new infrastructure that will put Brisbane on a pedestal with the finest river cities in the world.

Certainly the grand scale and magnificence of the 21st century project is unprecedented in the city’s and the country’s history.

When the principal 1.2km foreshore phase of the landmark development is completed as soon as 2022, among a suite of world class facilities and retail will be Brisbane’s first six star hotels and more than 50 restaurants and bars.

The secondary phase of the development which will include more than 150,000m² of residential floor area and associated recreational infrastructure is due for completion at the latest by 2035.



Queens Wharf Now



Queens Wharf 2022

2011 QUEENSLAND FLOODS CLASS ACTION



‘TRIAL IMMINENT’

January 2017 marked the 6th anniversary of the devastating 2011 flood which affected vast areas of Brisbane, Ipswich and surrounding areas.

The trial of the 2011 Queensland Floods class action filed by Maurice Blackburn in July 2014 has been set down to commence in October this year in the Supreme Court of New South Wales.

There are now over 6,000 group members involved in the action claiming compensation for the loss and damage suffered as a result of the flood.

It is alleged that the negligent operation of Wivenhoe and Somerset dams caused the flood to be significantly greater than it otherwise would have been. The defendants in the class action, Seqwater, SunWater and the State of Queensland, were the operators of the dams during the flood event.

A large amount of evidence has been exchanged between the parties in the case from a range of experts including dam engineers, meteorologists, flood forecasters, hydrologists, hydraulic engineers, dam safety engineers and accounting experts.

A key issue in the case is whether the dam operators were negligent in failing to make releases from the dams early in response to rainfall forecasts which were predicting heavy rains. It is alleged that critical aspects of the manual which sets out the dam operational procedures that should be undertaken by dam operators during the flood event were not followed.

A court-ordered mediation will take place later this year. If the case is not settled at the mediation, it will proceed to trial in October.

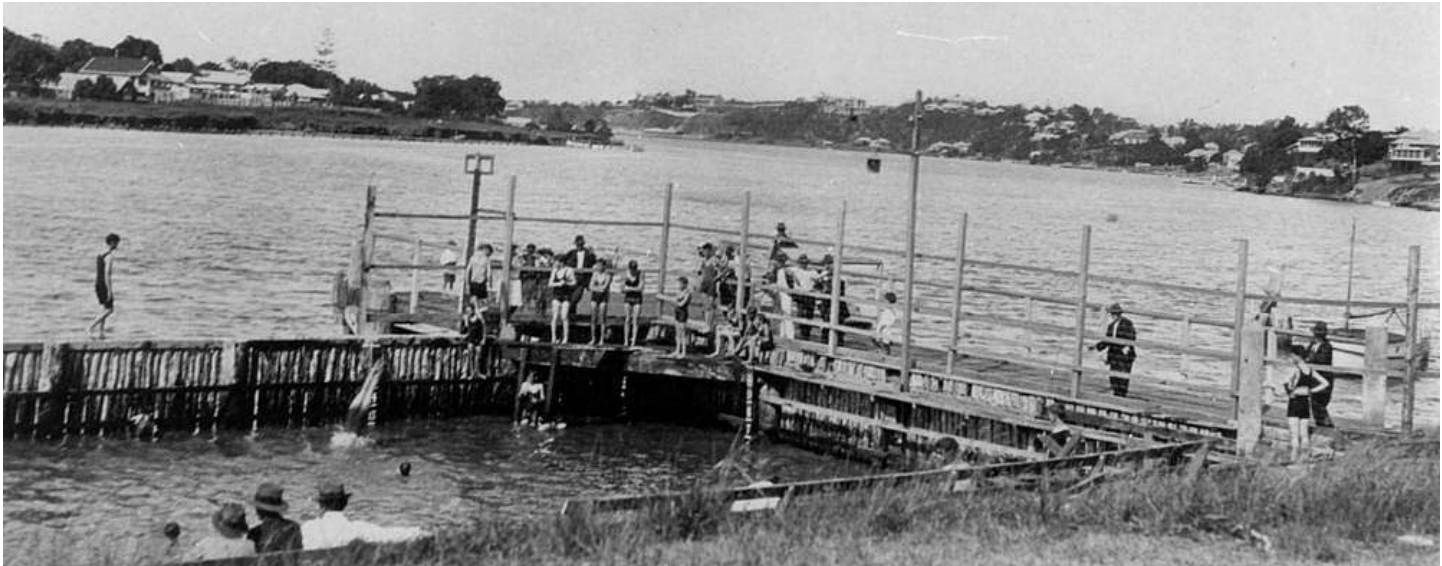
In the heat of summer in days gone by and long before air-conditioning, to cool off Brisbane donned its anything but skimpy knee to neck swimming attire and descended to any of the many public baths that lined the inner city reaches of the river.

The baths were deemed necessary because in the 19th century very few people could swim and bull sharks were as omnipresent as today, only back then in the pre-dredging clearer water, you could also see them. Certain chosen spots on the river such as Mowbray Park shown in the illustration below were sectioned off for safe bathing, an idea that was taken up by a number of private owners who put in their own.

The earliest of the formal baths was Victoria Baths established in 1857 just downstream of the Victoria Bridge and later the ‘floating’ Metropolitan Baths on the site of the Howard Smith Wharves. With the construction of the wharves, these were towed upstream to where Edward and Alice Street meet to become Brisbane’s first swimming club, ‘The Old Brisbane’s Amateurs’.

The physiology of the Brisbane River in the 1800’s was very different from today. Particularly popular back then were the gleaming fine white sands of the South Brisbane reach of the river and out in the country just a short manual ferry hop across the river from frontier town Indooroopilly were Chelmer’s famed white sandy beaches, the grandest of which was right under where the Walter Taylor bridge sits today.

For the more adventurous and long before either of our coastal getaways were established (indeed they were a world away), Sandgate, a day trip by train, became Brisbane’s first true ‘seaside resort’, an early antipodean equivalent to the old country’s Bangor, Brighton or Blackpool. It was most famous for its seapool which today no longer exists though a few vestiges of it still may be seen at low tide.



Mowbray Park Baths, Image courtesy State Library of Queensland

NEW AGE POOL IDEA FLOATED

A 21st century version of the original colonial floating baths was recently floated for a section of the Teneriffe reach of the river to complement other significant development recently undertaken that has seen the area transition from a semi-industrial backwater to a hip, vibrant, progressive riverfront community, not unlike London’s Canary wharf.

The concept still in planning would see a half-size olympic pool and associated infrastructure attached to a floating pontoon like structure moored on the river. That might sound crazy but so did the Eiffel Tower and the Sydney Harbour Bridge Climb.



Artist's impression of the floating pool proposal

‘NEW AGE
FLOATING POOL’

LIGHT AT THE END OF THE TUNNEL? LET’S HOPE ITS A TRAIN!

It has been quite an on again off again affair for Brisbane’s \$5bn+ Cross River Rail Link Project linking Bowen Hills to Woolloongabba but despite the political tug of war that has hitherto effectively undermined all attempts to get it out of the ground, because its need is now so great all of a sudden the political imperative is bipartisan, swinging the pendulum inexorably towards it happening over not happening.

Whilst such matters are never easy to quantify and are often better left not, government websites claim that the project has the capacity to deliver commuter road travel time savings of 40% and a public transport equivalent of 25%.

Regardless of what the real figures may be, Brisbane has a growing road and rail infrastructure problem that needs to be addressed in a hurry.



Roma Street

Newman’s tunnelling exploits may have eased immediate congestion problems but in a fast growing city and area, every solution has a limited shelf life (and the faster the growth, the shorter that shelf life, Dubai airport a great example, where growth is such that development never seems to stop).

For Brisbane right now we need more bridges and roads and or to come up with other longer term (temporary) solutions.

As with most other great river cities in the world, we probably need an enhanced combination of what we already have for both rail and road which will require a combination of new bridges, tunnels and roads.

The present State Government despite its previous bitter opposition in opposition is now very keen to have the Cross River Rail project go ahead, preferably on its terms one of which is the federal government counterpart (currently of a different persuasion) funding a large part of its significant cost.

The Federal Government on the other hand despite much positive noise around stepping in to assist the project last year is now pontificating with the argument that whilst the need is clearly there, the current concept doesn’t work.

Regardless of who ends up funding its construction and when and why, there will likely and rightly be a significant user pays component to it, much like Newman’s tunnel legacy today but likely with the process of commercialising them better managed than previously (at least that’s the hope) given the lessons learned last time around.

‘CHANGE IS INEVITABLE
IMPROVEMENT IS OPTIONAL’



The Final Word

'WHERE WE ARE ON THE RIVER'

To know where you are going you need to know where you are.

So where are we? Well that depends on where you are in the market.

The river has four discrete markets; 'Entry' presently \$1 - \$2million; 'Main' \$2 - \$4million; 'Premium' \$4 - \$8million; & 'Super-premium' \$8million and over.

*The **Entry** market as the only housing affordability sensitive sector in today's cheap finance environment is and has been both the most active and the sector which has seen the greatest post flood recovery. The positive impetus for the sector will continue and even gain momentum short to medium term.*

*The **Main** market given it's traditionally driven by the fortunes of business is yet to fully recover. Taking up the cudgel from the business sector increasingly are the professions, particularly medicos, some wealthier Chinese, and those moving up from the entry level, but it won't get fully back on to its feet until the economy does.*

*Most of the mining boom high flyers that drove the **Premium** market so hard last decade are gone. Though the void left by them is being slowly filled by Chinese brave enough to test their country's \$50,000 annual limit on overseas investment, emerging e-entrepreneurs, and the spike in expats bowing out (of the UK principally), the sector remains well shy of its halcyon pre-2011 days. Expect a slow but steady recovery.*

*The **Super-premium** market though is different, because it is different, the product usually unique, rare, often finite, and the buyers unusually wealthy. That Brisbane has so few truly iconic properties compared to other capitals to divide among its super-rich makes them quite economic downturn resistant, though not entirely downturn proof. Short of a severe global shock, the sector should retain its traditional solidity.*

Josephine Johnston-Rowell

