

Media Source: The Sunday Age
Date of Publication: Sunday 29th August
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The longer view

In its second decade, Docklands is maturing as well as growing, writes Josh Jennings.

DOCKLANDS resident Sue Cook lived in Malvern before buying a three bedroom off-the-plan apartment in 40-storey Docklands building Tower 5 eight years ago. Today, her views, of about 270 degrees, face north, overlooking the water, the speedboats and the yachts. A Docklands resident for five years now, she has barely been back to the eastern suburbs in that time.

"I didn't have any expectations about community feel but the community feel on the south side of Docklands, which is Yarra's Edge, is just huge," she says. "Everybody comments on it; people know each other and they talk to each other in the lift. People say 'hello' by name, and there's just a great sense of community."

Oliver Hume Real Estate Group figures show two active residential projects beginning in Melbourne's Docklands, Southbank and city area in the first half of last year compared with 15 for the same period this year.

The latest projection from strategic property consultancy **Charter Keck Cramer** (CKC) is that apartment stocks in the city, Southbank, Docklands and St Kilda Road will increase by about 5900 between 2010-2012.

It's a considerable increase, says Peter Koulizos, a property academic at the school of commerce, at the University of South Australia.

"Some suburbs don't have 5000 people in them. You're looking at housing somewhere between 5000 and 15,000 people. That's a lot of people," he says.

Robert Papaleo, director of CKC, puts the resurgence in development down to several factors. "Well, obviously, the 2009 figure was affected negatively by the GFC ... and also the lull in the established housing market in that period," he says. "The factors underpinning growth in 2010 have included the lifting of uncertainty around the economy and stronger performance of the established housing market, and almost the catch-up in supply due to the undersupply in previous periods."

In Docklands, where development is only half-complete, the 6000-strong population is expected to rise to 15,000 by 2020. The Second Decade of the Docklands project, a consultation process headed by the VicUrban and City of Melbourne partnership, began this month with the aim of giving people a say on the Docklands' second decade.

One of the best indicators of how successfully the vision for Docklands is coming to life is the extent to which investment in Docklands continues, says David Young, VicUrban's general manager of project planning and design.

"The first decade saw \$6 billion worth of investment in Docklands, and in the second decade we'll need a further \$9 billion to complete development," Mr Young says.

"So a continued investment in Docklands is a very high priority. But it's really got to be an investment in quality, and there's got to be a real diversity of activities and opportunities and things for people to see and do. There's a lot of work to be done."

Hugh Martin, executive director of property developer Vivas Lend Lease, says his company is now seeing strongest demand in the \$600,000 to \$1.2 million price bracket. A recent release of 144 apartments through its Docklands-based Serrata development has sold well, he says.

"We released 144 apartments about three weeks ago, and we're at the 80 mark now for pre-sales before we actually commence construction."

Figures from Oliver Hume show that projects begun in metropolitan Melbourne in the six months leading up June 30, 2008 averaged 61 apartments, compared with 150 apartments for the same period this year. Of the 15 residential development projects active in the Docklands, Southbank and CBD area in the first half of this year, the average number of apartments exceeds 400 for each.

Mr Koulizos cautions prospective buyers to be mindful of the potential drawbacks of high-density apartment living.

"If you can buy them in a small group of four or eight or even 15, your body corporate (owners' corporation) fees are in the hundreds a year rather than the thousands a year and you've got more chance of having a carpark if you're in an area just outside the CBD than you have if you're buying in an apartment block.

"If you have 400 apartments, it's pretty hard to find a space for 400 cars."

The move from traditional low-density living in Australia towards higher-density living more in line with European and American models amounts to big differences in lifestyle, says David Hallett, of architectural services organisation Archicentre. And this will suit some residents better than others, he believes.

"You have less private open space - less gardens and less outdoor living opportunities - and, I guess, less privacy because all of your neighbours are so much closer, particularly with respect to noise. The up side, of course, is that you can live closer to the CBD, which is the trade-off."