

MORDIALLOC SPORTING CLUB INC.

"THE BLOODHOUNDS"



MORDIALLOC FOOTBALL NETBALL CLUB



MORDIALLOC CRICKET CLUB



MORDIALLOC SUPERULES FOOTBALL CLUB



MORDIALLOC REDBACKS
JUNIOR SPORTING CLUB



Our Hospitality & Entertainment Venue
528 Main Street, Mordialloc

Our Indoor Sports Venue **MORDY HQ**
3 Haymer Court, Braeside **Indoor Sports**

Reg No: A0027737R ABN: 71 542 283 944 www.mordyhq.com.au

LETTER TO OUR LIFE & FINANCIAL MEMBERS

From: Board of Management, Mordialloc Sporting Club Inc.

This letter is to update members on important recent developments and future plans for the Club as we enter 2018.

1. Our MordyHQ Venue - 528 Main Street Mordialloc

The Club first commenced leasing the Venue in 1997. The Club's lease was due to expire in 2017.

After negotiations in 2016 with the current landlord (John Barr Investments Pty Ltd), we were unable to reach agreement for another long-term lease on terms which were commercially viable for the Club.

However, we also had the option to purchase the Venue from the landlord. As we saw it as vital for the Club's future that it continue to operate from the Venue, and the new lease offered by the landlord was not commercially viable for the Club, we exercised the option to purchase the venue in January 2017.

The landlord initially disputed the Club's right to exercise the option to purchase the Venue. We were therefore forced to commence proceedings in VCAT to enforce that right. In December 2017, the landlord eventually consented to an order by VCAT declaring that the Club had validly exercised the option to purchase the Venue by the Club's notice given in January 2017. Regrettably, significant legal costs have been incurred by the Club in the VCAT proceeding. The next step is for the price for the purchase of the Venue to be determined under the provisions of the lease.

Members can rest assured that **at all times** the Board of Management has made decisions regarding the Venue with the interests of the Club and its purposes in mind.

In particular, by ensuring that the Club remains commercially sustainable through the long-term operation of the MordyHQ Venue allows the Club to meet its core purpose to support, promote and foster sporting activities, specifically to underpin the MFNC, MCC, MSRFC and our Junior Redbacks programs, and by doing this, giving them the opportunity to grow and thrive for this and future generations.

A Renewed MordyHQ Entertainment Venue



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2. Our new Sporting Pavilion, Ben Kavanagh Reserve, Mordialloc

Your Club, through the Board of Management has negotiated for well over a decade with Local and State Governments for funding support to establish a new sporting home for our constituent clubs.

Ben Kavanagh Reserve and the old HA Droop pavilion have been and remain the Club's spiritual home, especially for our AFL and cricket clubs.

The MFNC and the MCC have been servicing the communities need for sporting pursuits for over 138 years and with **all of our clubs** significantly growing across juniors, men's and women's areas we have been desperate for a new, modern and larger facility.

The Club is financially contributing over \$350,000 in cash and assets directly into the new HA Droop pavilion. This is another part of the story of the critical link between our commercial operations and our sporting operations, in terms of one supporting the other.

Importantly, and counter to some social media speculation, the new HA Droop pavilion is to fully service the day to day operational needs of Football, Cricket and Netball, as the Club works work hard in those areas to grow the sporting families through on-field and off-field successes.

There is no capacity, intention or indeed statutory permission to move any Gaming operations to Ben Kavanagh and the new pavilion. MordyHQ on Main Street is our commercial Hospitality and Gaming home.

We are excited as well to have the local St. John's Ambulance as a sub tenant of the new pavilion. There strong synergies between our Sporting Clubs and St. John's.

The City of Kingston are Project Managing the builder, DURA with stakeholder input from the Club. Our current advice (Jan 2018) is 1st Phase occupancy is due April/May 2018, with full occupancy to follow closely after that, the actual date of occupancy has not been confirmed through the City of Kingston.



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In Summary

Your Club, through its Board of Management has been working hard and diligently over the past five years, through increasingly challenging environments, to get to this point in 2018 where the Club is as well positioned as ever in its 138 year history to survive, grow and thrive well into the future by retaining, renewing and establishing our two core club venues, MordyHQ at 528 Main Street and a new HA Droop Pavilion at Ben Kavanagh Reserve.

We hope this letter assists the understanding of our Financial and Life Members of some of the key Club issues we have been facing and working on. It is important to remind ourselves that the Mordialloc Football Netball Club, the Mordialloc Cricket Club, the Mordialloc Superules Football Club and Mordialloc Junior Redbacks make up the ONE club the Mordialloc Sporting Club Inc.

We will update members with further developments on key issues at appropriate times.

Go Bloodhounds!

Regards

Board of Management

January 2018