



Association of Ukrainians in Victoria (AUV)

Українська Громада Вікторії (УГВ)

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SPECIAL RESOLUTION TO AUTHORISE THE SALE OF ASSOCIATION OF UKRAINIANS IN VICTORIA (AUV) ASSET – APARTMENT 803, 19 RUSSELL STREET, ESSENDON

Resolution 1: That the sale of apartment 803, 19 Russell St, Essendon, be approved.

Explanation to Members

The AUV Board is proposing the sale of the above property. The AUV is still in significant debt – in excess of \$550,000 and is having difficulty in moving forward in its aspirations for its own stability and growth, the growth and stability of its Branches as well as the broader Ukrainian Community. Currently, AUV investments are all held in property - seven units, 19 Russell St, Essendon - which are returning a very poor rate. The rental per month on average after expenses ranges between \$902 to \$1,365/apartment/month.

Owners Corporation fees vary for each apartment between \$4500 and \$5,995/apartment/year – approximately \$35,000 for seven (7) AUV apartments. In addition, AUV pays the State Revenue Office land tax for each apartment, City of Moonee Valley rates, Greater Western Water and Landlord Insurance as well as repairs required not funded by the Owners Corporation.

Apartment 803 has been recommended by the Agent as the least desirable of all our units due to the internal layout and it no longer has city skyline views, but rather looks on to the facade of a new building. The other units are also two-bedroom, two-bathroom of which four have city skyline views. Current rent per week for Unit 803 is \$485/week. The rental income for all units ranges between \$451/week to \$511/week. This does not reflect the current rental market but is rather the result of the lengthy contracts put in place during COVID and the inability to attract renters during that time.

Special resolution of the Board of AUV

Total yearly operational costs for AUV far exceed any income produced. In addition to normal running costs, the interest we are paying on our loan is approximately \$20,000/year with interest rates rising. The only other income that AUV receives is from hall hire, alcohol sales and grants. One major grant supporting salaries is terminating on 30 June 2023.

Releasing some of this money by way of selling this apartment will provide us with the ability to pay off our loan and begin strategic planning.

Therefore, in accordance with Clause 73.6 of the AUV Constitution, the AUV Board, at its meeting of 22 March 2023, resolved to sell the above property and to call an AUV Special General Meeting for 13 May 2023 to request the approval of members for the proposal.