

When late walnuts turn golf crisis turns into a perfect storm at Yering Meadows

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Only seven years ago Croydon Golf Club bit the bullet and moved from suburbia to flash new surroundings in the Yarra Valley and rebadged itself as Yering Meadows. It was supposed to be a bold new start to secure a profitable future.

But – as the latest victim in Melbourne's golf recession – the shiny new club is in big trouble. According to a letter from the board to members, memberships have fallen from 1150 to 615. The club owes the National Australia Bank \$3.5 million and the bank is very keen to start getting its money back.

"We will survive," said club president John Surridge.

On Tuesday members meet to hear the board propose selling their equity in the land and leasing the 27-hole golf course back from whoever buys it. But the membership drain continues. The club has lost 134 golfers this year.

The new club is 13 kilometres from the old one. "We have gone from the suburbs to the country and some people just don't want to travel," said Mr Surridge. "Members get older and a lot of people can't be bothered driving."

There is another problem too – the walnuts. When the club moved from Croydon to near Yarra Glen part of the deal from the new council, the Shire of Yarra Ranges, was they include either accommodation for tourists or commercial agriculture on the new golf course.

But one nearby resident objected to the tourist cabin idea, the case went to VCAT and the club eventually decided on the "agriculture" option – and decided to grow walnuts.

Except it seems the walnuts haven't fruited as planned. One former club executive, who asked not to be named, said: "They should have been coming in now. The money from selling them was supposed to top up the club's coffers."

John Surridge denied the yield was down. "They take years and years to mature," he said. He said the crop would come good in 2018. The club has a plantation of 7000 trees over 15 hectares.

Yet another problem – in what Melbourne golf analyst Jeff Blunden calls a "perfect storm" of woes around Yering Meadows – is the golf course itself. It has 27 holes designed by Ross Watson, who has made prestige courses throughout Australia and Malaysia.

But it has a lot of water hazards, in part to prevent flooding and in part to make the course challenging.

"Lots of golfers around here say it is too hard," said a staff member at nearby Gardiners Run.

"The new course is pitched at different market than the previous facility," said Mr Blunden.

Yering Meadows, Gardiners Run and the \$50 million Eastern Golf Club – which opens in two months – are all within five kilometres of each other between Lilydale and Yarra Glen. All three have emerged from continuing turmoil in the industry where private Melbourne courses have been sold, merged or relocated. Plans show Eastern will have an easier course than Yering Meadows.

Mr Blunden said with hindsight "a collective approach to demand in this market" could have been discussed. But as it stands Yering Meadows is "a perfect storm of vulnerable demand, debt, the location they built in plus an agricultural component that has conspired against them."

This story was found at: <http://www.theage.com.au/national/when-late-walnuts-turn-golf-crisis-turns-into-a-perfect-storm-at-yering-meadows-20150421-1mne0x.html>