



28 September 2026

Dear Chairperson / Committee Members / Owners / Managers,

***Subject:** South Yarra Square is fighting back against building defects
—and we want to protect your building's anonymity while we do it*

If you read the news, you may already know our building: **South Yarra Square**
(<https://southyarrasquareresidents.com>).

Our legacy defect crisis has been heavily publicised, and we have openly exposed the catastrophic structural and regulatory failures that occurred under the historic watch of Melbourne City Council and the Victorian Government.

To be heard, we had no choice but to go public. Our building's structural defects date back to its construction period between 1989 to 1995, well past the current standard 10-year liability threshold. When we approached councils, government bodies, and law firms for help, we were repeatedly turned away and told we were simply "out of time." No one was willing to look deeper into the systemic fraud and malfeasance embedded in our case.

What has happened to us, through no fault of our own, is morally reprehensible and legally questionable. We made the decision to challenge the status quo, to question the very foundations on which the building industry sits. In doing so, we uncovered the dark, unspoken reality of the Australian housing market: **the current legal system actively penalises transparency and is deliberately designed to protect the wrongdoers.**

Under the *Building Act 1993*, arbitrary liability limits like Section 134 force owners into a devastating catch-22. If a building reveals its defects, property values plummet and apartments and homes become unfinanceable. The state and federal governments have effectively **incentivised a "pass-the-parcel" game**, forcing good citizens into silence or pressuring them to sell to other unsuspecting buyers just to survive financially.

The recent and proposed building reforms acknowledge a broken system but only provide Band-Aid fixes.

Numerous owners—of both individual freestanding homes and large-scale apartment complexes—have approached us with stories of **catastrophic life ruining building defects**. While some owners fall outside the arbitrary 10-year 'long-stop' period, others are well within it yet still find themselves completely without recourse. The deck is stacked against property owners.



We want to use our public profile to advocate for meaningful change; whilst shielding your building from the pitfalls we've endured.

We are building a **Confidential Legacy Defect Coalition** to target the Victorian State Government, opposing political parties, and the Federal Government. We are demanding a systemic safety net—including a government-backed Legacy Rectification Fund, parent-company liability under the *Corporations Act*, and urgent changes to unfair federal tax treatments that leave owner-occupiers funding massive emergency levies out of post-tax income.

Help Us, Help You: Our Shield, Your Anonymity

We have already taken the public hit so that you don't have to. We are inviting your building to join our lobbying block with **anonymity**:

- **What we tell politicians:** *"South Yarra Square is the public face of this movement, but we stand alongside an aligned coalition of X apartment blocks and houses, representing X total homes and residents, and an aggregate \$X million in legacy structural failures.*
- **What stays hidden:** Your street address, your specific defect reports, and your current property values.
- **What you gain:** You gain a powerful seat at the legislative table with zero public exposure.

Our Multi-Jurisdictional Targets

We are currently deploying a comprehensive policy brief to state and federal MPs focusing on:

1. **State (Section 134 of *Building Act 1993*):** Extending limitation periods where structural fraud or systemic surveyor failures occurred.
2. **State (Section 128 of *Building Act 1993*):** Amendments to impose mandatory site inspections throughout the building stages and remove immunity; removing the legal wall of plausible deniability for improper signoffs.
3. **State (Section 46 of *Building Act 1993*):** Section 46 states an Occupancy Permit does not constitute evidence that the building complies with the Act or building regulations including National Construction Code (NCC). Demand compliance with the NCC and insert a sub-section explicitly establishing that the issuance of an Occupancy Permit does not release, extinguish, or diminish the strict liability of the developer, builder, or Special Purpose Vehicles (SPV) for latent structural non-compliance or hidden structural defects.
4. **State (*Wrongs Act 1958*):** Created a Systemic Failure of Accountability. This Act eliminates centralized accountability for construction projects. It allows developers



and builders to pass the buck, forcing owners into a continuous, exhausting legal loop when defects arise. Demand accountability.

5. **Federal (*Corporations Act 2001*):** Piercing the corporate veil of SPVs used by developers to escape liability through deregistration. Mandate the disqualification of directors who have managed two or more SPVs that were wound up or deregistered leaving unresolved structural defect claims exceeding a statutory threshold.
6. **Federal (*Income Tax Assessment Act 1997*):** Demand tax deductibility or offsets for owner-occupier emergency levies. Demand changes to the Tax Consolidation Rules where corporate groups exploit SPVs in the construction industry - running up losses, letting the SPV go bust and keeping the tax consolidation profits at the parent company level, using the losses to offset any future tax the company may pay.

Next Steps

We are already fighting this battle on the front lines, but we need the raw power of numbers to break through the bureaucratic walls of Councils and parliament.

If you or your committee are tired of fighting an invisible battle alone and wants to add your numbers to a powerful lobbying block, please contact us at contact@southyarrasquare.org. We are here to help and can arrange a confidential discussion with our supportive Committee.

In solidarity,

The OC Committee

South Yarra Square Owners Corporation



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**#OWNERS
RIGHTS!!**