

Two companies fail after Dyldam property developer's \$280m collapse

Australia's third-largest apartment builder went under last year and the fallout has continued from its demise.



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Two Australian companies have collapsed after being caught up in the failure of a high profile property developer called Dyldam Developments, which went under last year owing more than \$280 million.

The companies, called Tallahon No. 1 and James 88, were owed \$5.3 million and \$3 million respectively as part of Dyldam Developments' collapse, according to documents lodged with the corporate regulator ASIC, reported [The Australian](#).

But now the firms have gone into liquidation with David Mansfield from Deloitte appointed to deal with the fallout. News.com.au reached out to Mr Mansfield for comment.

Tallahon reportedly owned 41 units at Mt Druitt in Sydney's west worth \$20.5 million.

Dyldam Developments was Australia's third-largest apartment builder, according to the Housing Institute of Australia, after being established in 1987.



Savant was a \$150m residential project by developer Dyldam. Picture: Supplied

Its liquidation was handled by Cathro & Partners, which said in a creditors report that Dyldam “grew into one of the more well-known high density apartment developers in the Sydney metropolitan area” before its downfall in January last year.

At the time, chief executive Sam Fayad cited a breakdown in the company’s relationship with its Chinese backer, as well as funding delays and family-related litigation for its demise.

Liquidators said in the creditor’s report that by the time it went under, it had stopped developing new projects and several sites were either in receivership or had been foreclosed.

Receivers repossessed eight of Dyldam’s development sites on behalf of private lenders in January 2021, including the proposed \$808 million The Opera development in Western Sydney, where it had planned 1200 apartments across eight buildings.



An artists' impression of a proposed Dyldam project. Picture: Supplied

It was also planning to develop one of Brisbane's best known pubs the Chalk Hotel into a \$150 million project involving three apartment towers with 400 units, but it was repossessed too.

Back in 2018, Dyldam said it had more than \$6 billion worth of projects in the pipeline.

The latest collapses are part of a horror time for the construction industry, which saw dozens of companies fail in 2022 with the grim news also continuing this year.

Awarding winning residential building company Delco Building Group went under last week owing \$780,000 to 50 creditors, [which also impacted five projects](#) which were significantly large houses.



The Dyldam tower proposed for the former Cumberland Newspapers site at 142-154 Macquarie St, Parramatta. Picture: Supplied

It emerged in January that [two more construction companies](#) in Western Australia went under due to labour shortages and increasing construction costs.

Last year, a number of large firms entered into insolvency over the past year including [Probuild](#), [Condev Construction](#), [Pivotal Homes](#), [Waterford Homes](#), [Privium](#), [Home Innovation Builders](#) and [Norris Construction Group](#).

It was caused by a perfect storm of supply chain disruptions, skilled labour shortages, skyrocketing costs of materials and logistics, and extreme weather events.