

CONSTRUCTION RELATED BANKRUPTCIES

Our construction team represents owner-developers, general contractors, construction managers, trade contractors, material suppliers and sureties in bankruptcy proceedings involving construction projects.

REPRESENTATIVE MATTERS

We represented a large, international construction management firm in connection with the restoration and conversion to residential use of an historic, high rise, CBD office building. The masonry contract included the removal and cleaning of original bricks from the building, and the supply of new custom bricks to blend with the original. When the masonry contractor defaulted, the construction manager terminated its contract. In response, the masonry contractor sued the construction manager and filed for bankruptcy. Our construction team obtained an order from the bankruptcy court directing the masonry contractor to turn over the original bricks to the construction manager, and then negotiated a successful resolution of all claims by the masonry contractor against the construction manager. As a result, the construction manager was able to replace the masonry contractor and complete the job in a timely fashion.

We represented an owner-developer in the bankruptcy of its concrete contractor on a large nursing home project. The concrete contractor filed a construction lien claim against the property of the owner and then filed bankruptcy. In litigation in the bankruptcy court, our construction team prevailed and all of the concrete contractor's claims against the owner were dismissed and the construction lien claim was discharged. By obtaining prompt relief from the bankruptcy court, the owner was able to complete the job in a timely fashion resulting in a successful project.