

PRESS RELEASE

Cologne, 25 August 2023

GÖRG advises project developer GERCH on reorganisation in self-administration

Due to impending insolvency, four GERCH umbrella companies (GERCHGROUP AG, GERCH Development GmbH, Marathon Beteiligungsgesellschaft mbH and GERCH Beteiligungen GmbH) filed an application for the opening of insolvency proceedings in self-administration with the Düsseldorf Local Court on 23 August 2023. The Executive Board of the Düsseldorf-based project developer, which is active throughout Germany, will be supported in the proceedings by the two experienced GÖRG restructuring and insolvency experts Dr Raul Taras and Holger Rhode, who have been appointed as members of the Executive Board and managing directors.

GERCH has run into difficulties due to external factors: The Ukraine war, accompanied by inflation, as well as the almost collapsed transaction market, have caused difficulties for the entire construction and project developer industry. Added to this are the considerably higher interest rates and the reluctance on the financing market, which present project developers with additional challenges.

With the application for self-administration, GERCH is striving for sustainable reorganisation in order to re-establish a solid and stable economic basis for the company. The aim is to continue all current projects while taking into account the interests of the respective project and financing partners. On 23 August 2023, the court granted the application and ordered provisional self-administration. GERCH's business operations will continue without restriction during the proceedings. GERCH's current nine project developments have a total volume of around four billion euros.

Reorganisation in self-administration

The GERCH management team of Mathias Düsterdick and Christoph Hüttemann will remain in office during the reorganisation proceedings and still have the authority to act and issue instructions. They will be supported by the two GÖRG partners Dr. Raul Taras and Holger Rhode, who, together with Thomas Montag from the management consultancy MONTAG & MONTAG, have been appointed to the management team as board members/chief restructuring officers for the implementation of the self-administration. "We will now analyse the situation in detail for each project company and for each real estate project and hold talks with all project and financing partners in a timely manner in order to find economic solutions," says the restructuring team.

The team is complemented by GÖRG partners Dr. Christian Wolf and Oliver Nobel, who are particularly experienced in the area of distressed real estate and who, together with Dr. Raul Taras, Holger Rhode and Thomas Montag, are looking after the numerous project companies in order to stabilise them, develop turnaround strategies with the business partners involved and, if possible, avoid further insolvency proceedings.

The Düsseldorf Local Court has also appointed lawyer Dr. Jens M. Schmidt from the law firm Runkel Rechtsanwälte in Wuppertal as the company's provisional trustee. In this role, he will actively accompany the reorganisation proceedings on behalf of the court in the interest of the creditors.

The self-administration and the provisional administrator will now examine all reorganisation options in order to give GERCH and its business partners a new perspective.

Self-Administration

GÖRG Partnerschaft von Rechtsanwälten mbB

Dr. Raul Taras (Chief Restructuring Officer, Partner, Restructuring, Cologne)
Holger Rhode (Chief Restructuring Officer, Partner, Insolvency Administration, Düsseldorf)
Dr. Christian Wolf (Partner, Restructuring, Cologne)
Oliver Nobel, MBA (Wales) (Partner, Restructuring/Real Estate Law, Frankfurt/Cologne)
Dr. Xaver Hofmeier (Associate, Restructuring, Cologne)
Susanne Pulvermacher (Counsel, Insolvency Administration, Düsseldorf)
Guido Utsch (Partner, Insolvency Administration, Cologne)
Andreas Peter (Partner, Banking & Finance, Munich)
Dr. Thomas Lange (Partner, Banking & Finance, Cologne)
Dr. Dennis Hog, MRICS (Partner, Real Estate Law, Frankfurt)
Dr. Damian Tigges (Partner, Real Estate Law, Cologne)
Dr. Laura Rayak, LL.M. (Associate, Real Estate Law, Cologne)
Dr. Philipp Naab (Partner, Real Estate Law, Frankfurt)
Yvonne Hoppenstaedt (Associate, Real Estate Law, Frankfurt)
Frithjof Terberger (Associated Partner, Real Estate Law, Frankfurt)
Tamara Schwarz, LL.M. (Senior Legal Consultant, Real Estate Law, Frankfurt)

MONTAG & MONTAG

Dipl. Kfm. Thomas Montag (Chief Restructuring Officer)
Dipl. Kfm. Roman Bausch (Restructuring Consultant)

Trustee

Runkel Rechtsanwälte

Dr. Jens M. Schmidt (Provisional Trustee)

Your contact at GÖRG

Dr. Raul Taras
Phone +49 221 33660-301, E-Mail: rtaras@goerg.de
Holger Rhode
Phone +49 211 8368060-0, E-Mail: hrhode@goerg.de

Communications & Marketing

Benjamin Kuthning
Phone +49 221 33660-161, E-Mail: bkuthning@goerg.de

About GÖRG

GÖRG is one of Germany's leading independent commercial law firms and is among the top 10 German insolvency law firms. With around 350 lawyers and tax advisors work at five central locations in Hamburg, Berlin, Cologne, Frankfurt/M. and Munich as well as in 26 other insolvency administration offices nationwide. Among them are numerous insolvency and restructuring experts who have already drawn attention to themselves in renowned insolvency and restructuring proceedings throughout Germany.

Our Offices

BERLIN

Kantstr. 164, 10623 Berlin
Phone +49 30 884503-0
Fax +49 30 882715-0

HAMBURG

Alter Wall 20 - 22, 20457 Hamburg
Phone +49 40 500360-0
Fax +49 40 500360-99

FRANKFURT AM MAIN

Ulmenstr. 30, 60325 Frankfurt am Main
Phone +49 69 170000-17
Fax +49 69 170000-27

COLOGNE

Kennedyplatz 2, 50679 Köln
Phone +49 221 33660-0
Fax +49 221 33660-80

MUNICH

Prinzregentenstr. 22, 80538 München
Phone +49 89 3090667-0
Fax +49 89 3090667-90