

LEASE REJECTION

The Debtor may seek, for cause shown, to delay its compliance with terms of the lease for 60 days following the petition date, but no longer than 60 days. Stated differently, it must continue to pay postpetition obligations until it decides to assume or reject. That said, 60 days is not the deadline to assume or reject. For non-residential real property leases, the deadline is 120 days after the filing or the date of plan confirmation, whichever comes first. The 120-day period can be extended by 90 days upon a showing of cause and can be further extended beyond that date only upon prior written consent of the lessor. 11 U.S.C. Section 365(d)(4)

1. Debtor may seek to delay its compliance with the terms of the lease for 60 days following the petition date, but no more
2. The deadline for assuming or rejecting a non-residential property lease is 120 days post-filing
3. This deadline of 120 days can be extended by a further 90 days, but no more without the written consent of the lessor
4. Post-petition, the Debtor must stay current on its payments to the lessor until they have rejected the lease