

UNITED STATES BANKRUPTCY COURT

MIDDLE DISTRICT OF NORTH CAROLINA

In re: Banowsky Brothers)	
Furniture, Inc.)	Case No. 18-CH11-XXXX
)	
Debtor)	Chapter 11
)	

MOTION FOR AUTHORIZATION TO REJECT
PREPETITION EXECUTORY LEASE AGREEMENT

The Debtor-in-Possession (DIP), pursuant to 11 USC §365, hereby moves the court for authorization to reject the pre-petition executory lease agreement between Banowsky Brothers Furniture, Inc. and Columbiana Leasing Company (the Lease).

In support of its motion the DIP would show the court that the Lease was entered into on June 1, 2016 and expires of its own terms on May 31, 2019. The Lease involves space in Fair City Shopping Center in Raleigh, North Carolina, in which the DIP has operated a retail furniture store selling its furniture products directly to the public. Sales of furniture in the leased space have steadily declined over the past 18 months and no longer represent a profitable venture for the DIP. Moreover, as part of its anticipated plan of reorganization, the DIP will no longer be making the kind of furniture sold in the leased space and will no longer be making any kind of furniture suitable for sale in the leased space. Consequently, it would be unduly burdensome to the estate to continue the Lease obligation.

The DIP would also show the court that the only post-petition obligation owed to Columbiana Leasing Company by the DIP is the base rent amount which was due June 1, 2018 in the amount of \$750 which will be treated as an administrative expense in the plan of reorganization to be proposed by the DIP.

/s/ Lisa M. Forsyth

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NOTICE OF MOTION FOR AUTHORIZATION
TO REJECT EXECUTORY LEASE AGREEMENT AND HEARING

NOTICE is hereby given that on June 20, 2018 the Debtor in Possession filed a Motion for Authorization to Reject Prepetition Executory Lease Agreement. A copy of the motion is attached.

A hearing on the motion will be held before the Court on July 2, 2018 in Room 301 of the Federal Building in Greensboro, North Carolina.

Date: June 20, 2016

CERTIFICATE OF SERVICE BY MAIL,
HAND DELIVERY, OR ELECTRONIC FILING

I certify that the foregoing Motion for Authorization to Reject Prepetition Executory Lease Agreement and the accompanying Notice of Hearing were served upon the following parties in interest by hand delivery or by first-class, postage prepaid United States Mail [names and addresses of each person or entity served omitted from illustration] and upon the following parties in interest by electronic mail [names of each person or entity served omitted from illustration] on this June 20, 2016.

/s/ Lisa M. Forsyth
Lisa M. Forsyth