

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

TOWN SPORTS INTERNATIONAL, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 20-12168 (CSS)

(Jointly Administered)

Hearing Date:

October 14, 2020 at 2:00 p.m. (ET)

Objection Deadline:

October 7, 2020 at 4:00 p.m. (ET)

**SECOND OMNIBUS MOTION OF DEBTORS PURSUANT TO SECTIONS 105(a),
365(a), AND 554(a) OF THE BANKRUPTCY CODE, AUTHORIZING THE DEBTORS
TO (I) REJECT CERTAIN UNEXPIRED LEASES OF NONRESIDENTIAL
REAL PROPERTY EFFECTIVE AS OF SEPTEMBER 29, 2020 AND
(II) ABANDON PROPERTY IN CONNECTION THEREWITH**

**PARTIES RECEIVING THIS MOTION SHOULD LOCATE THEIR
NAMES AND THEIR LEASE LISTED ON SCHEDULE 1 TO THE
PROPOSED ORDER ATTACHED HERETO AS EXHIBIT A.**

The debtors and debtors in possession in the above-captioned cases (collectively, the “Debtors”) hereby move (this “**Motion**”) and respectfully state as follows:

RELIEF REQUESTED

1. By this Motion, the Debtors seek entry of an order, substantially in the form attached hereto as Exhibit A (the “**Proposed Order**”): (a) authorizing the rejection of certain unexpired leases or occupancy agreements of nonresidential real property (including, without limitation, any and all amendments, modifications, side letters, memoranda of understanding,

¹ The last four digits of Town Sports International, LLC’s federal tax identification number are 7365. The mailing address for Town Sports International, LLC is 399 Executive Boulevard, Elmsford, New York 10523. Due to the large number of debtors in these cases, for which the Debtors have requested joint administration, a complete list of the Debtors, the last four digits of their federal tax identification numbers, and their addresses are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <http://dm.epiq11.com/TownSports>, or by contacting the proposed undersigned counsel for the Debtors.

documents incorporated by reference) (each, a “**Rejected Lease**,” and collectively, the “**Rejected Leases**”), a list of which is annexed as Schedule 1 to the Proposed Order, effective as of September 29, 2020 (the “**Rejection Date**”), and (b) authorizing the Debtors to abandon the personal property located at the premises related to the Rejected Leases (collectively, the “**Premises**”) as of the Rejection Date. In support of this Motion, the Debtors rely upon and incorporate by reference the *Declaration of Phillip Juhan in Support of Debtors’ Chapter 11 Petitions and First Day Pleadings* [Docket No. 12] (the “**First Day Declaration**”). In further support of this Motion, the Debtors respectfully state as follows:

JURISDICTION

2. This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b), and, under Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), the Debtors consent to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution. Venue of these cases and this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409. The statutory and legal predicates for the relief requested herein are sections 105(a), 365(a) and 554(a) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “**Bankruptcy Code**”), and Rules 6006 and 6007 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

BACKGROUND

I. General

3. On September 14, 2020 (the “**Petition Date**”), each of the Debtors commenced a voluntary case under chapter 11 of the Bankruptcy Code. These chapter 11 cases have been jointly consolidated for administrative purposes only.

4. The Debtors continue to operate their businesses and manage their properties as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On September 24, 2020, the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”) appointed an official committee of unsecured creditors (the “**Committee**”) in these chapter 11 cases. No trustee or examiner has been appointed in the chapter 11 cases.

5. Additional information regarding the Debtors’ businesses, capital structure and the events leading up the Petition Date is set forth in the First Day Declaration.

II. Rejection of the Leases

6. As set forth in more detail in the First Day Declaration, the Debtors are currently lessees under various unexpired nonresidential leases. In the months leading up to the Petition Date, the Debtors engaged in extensive negotiations in an attempt to renegotiate the terms of certain leases, seeking, *inter alia*, rent concessions from the applicable landlords. Ultimately, however, Debtors have determined that, in an exercise of their sound business judgment, the rejection of the Rejected Leases on Schedule 1 to the Proposed Order is in the best interests of the Debtors and their estates.

7. Because the Rejected Leases are not essential to the Debtors’ ongoing operations and restructuring strategy, the Debtors have determined that rejecting the Rejected

Leases is appropriate and, importantly, will avoid any further risks or costs that may be associated with the Rejected Leases on a postpetition basis.

RELIEF REQUESTED

8. By this Motion, to preserve and maximize the value of their estates, the Debtors seek to reject the Rejected Leases and abandon any interest that the Debtors have in the underlying Premises, effective as of the Rejection Date. The Debtors have determined that the Rejected Leases are not integral to the Debtors' chapter 11 efforts, are not otherwise beneficial to the Debtors' estates, and present burdensome contingent liabilities. In addition, the Debtors seek to abandon, effective as of the Rejection Date, any Personal Property that remains as of such date on the Premises, to the extent applicable. In light of the Debtors' efforts to preserve and maximize the value of their estates, and to avoid incurring costs and expenses that are no longer integral to the Debtors' business operations and these chapter 11 efforts, the Debtors submit that this related relief is necessary and appropriate.

BASIS FOR RELIEF

I. Rejection of the Rejected Leases Effective as of the Rejection Date Reflects the Debtors' Sound Business Judgment

9. Section 365(a) of the Bankruptcy Code provides, in pertinent part, that a debtor-in-possession "subject to the court's approval, may assume or reject any executory contract or unexpired lease of the debtor." 11 U.S.C. § 365(a). As courts have held, "[t]he purpose behind allowing the assumption or rejection of executory contracts is to permit the trustee or debtor-in-possession to use valuable property of the estate and to 'renounce title to and abandon burdensome property.'" Orion Pictures Corp. v. Showtime Networks, Inc. (In re Orion Pictures Corp.), 4 F.3d 1095, 1098 (2d Cir. 1993) (quoting 2 Collier on Bankruptcy ¶ 365.01[1] (15th ed. 1993)).

10. The standard applied to determining whether the rejection of an unexpired lease should be authorized is the “business judgment” standard. See Sharon Steel Corp. v. Nat’l Fuel Gas Distr. Corp., 872 F.2d 36, 40 (3d Cir. 1989); see also In re HQ Global Holdings, Inc., 290 B.R. 507, 513 (Bankr. D. Del. 2003) (stating that a debtor’s decision to reject an executory contract is governed by the business judgment standard and can only be overturned if the decision was the “product of bad faith, whim, or caprice”). Once a debtor states a valid business justification, “[t]he business judgment rule ‘is a presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the company.’” Official Comm. of Subordinated Bondholders v. Integrated Res., Inc. (In re Integrated Res., Inc.), 147 B.R. 650, 656 (S.D.N.Y. 1992) (quoting Smith v. Van Gorkom, 488 A.2d 858, 872 (Del. 1985)).

11. The business judgment rule is crucial in chapter 11 cases and shields a debtor’s management from judicial second-guessing. See Comm. of Asbestos Related Litigants and/or Creditors v. Johns-Manville Corp., 60 B.R. 612, 615–16 (Bankr. S.D.N.Y. 1986) (“The Code favors the continued operation of a business by a debtor and a presumption of reasonableness attached to a debtor’s management decisions.”). Generally, courts defer to a debtor-in-possession’s business judgment to reject a lease. See, e.g., NLRB v. Bildisco & Bildisco, 465 U.S. 513, 523 (1984); In re Minges, 602 F.2d 38, 43 (2d Cir. 1979); In re Riodizio, 204 B.R. 417, 424–25 (Bankr. S.D.N.Y. 1997); In re G Survivor Corp., 171 B.R. 755, 757 (Bankr. S.D.N.Y. 1994).

12. Upon finding that the Debtors have exercised their sound business judgment in determining that the rejection of the Rejected Leases is in the best interests of the Debtors and their estates, the Court should approve the proposed rejections under section 365(a) of the Bankruptcy Code. See, e.g., Westbury Real Estate Ventures, Inc. v. Bradlees, Inc. (In re Bradlees

Stores, Inc.), 194 B.R. 555, 558 n.1 (Bankr. S.D.N.Y. 1996); see also Summit Land Co. v. Allen (In re Summit Land Co.), 13 B.R. 310, 315 (Bankr. D. Utah 1981) (holding that, absent extraordinary circumstances, court approval of a debtor’s decision to assume or reject an executory contract “should be granted as a matter of course”). If a debtor’s business judgment has been reasonably exercised, a court should approve the assumption or rejection of an unexpired lease. See, e.g., Sharon Steel Corp., 872 F.2d at 39–40.

13. As discussed above, the Debtors have ceased operating out of the leased premises before or on the Rejection Date. The Debtors submit that, in their business judgment, the Rejected Leases are unnecessary to the continued conduct of the Debtors’ operations and the Debtors. As a result, the Debtors submit that there is no basis to retain the Rejected Leases on Exhibit 1 and that rejecting those Rejected Leases would provide a benefit to the Debtors and their estates by removing any ongoing costs or obligations in connection with the Rejected Leases.

14. To avoid paying any unnecessary expenses related to the Rejected Leases, the Debtors seek to reject the Rejected Leases effective as of the Rejection Date. A court may permit such retroactive rejection to avoid unduly exposing a debtor’s estate to unwarranted postpetition administrative or other expenses. See Thinking Machs. v. Mellon Fin. Servs. Corp. (In re Thinking Machs. Corp.), 67 F.3d 1021, 1028 (1st Cir. 1995) (“In the section 365 context . . . bankruptcy courts may enter retroactive orders of approval, and should do so when the balance of equities preponderates in favor of such remediation.”); In re DBSI, Inc., 409 B.R. 720, 734 n.4 (Bankr. D. Del. 2009) (“Under appropriate circumstances, [a] Court may enter a lease rejection order with an effective date earlier than the date the order is entered.”); In re Chi-Chi’s, Inc., 305 B.R. 396, 399 (Bankr. D. Del. 2004) (finding that “the court’s power to grant retroactive relief is derived from the bankruptcy court’s equitable powers so long as it promotes the purposes

of §365(a)” and granting retroactive relief to the date on which the debtors surrendered the premises to their landlords); In re Fleming Cos., Inc., 304 B.R. 85, 96 (Bankr. D. Del. 2003) (retroactive rejection permitted to the date of the motion or the date the premises surrendered).

15. When principles of equity so dictate, courts may permit retroactive rejection to the date on which the counterparty to the lease was given definitive notice of the debtor’s intent to reject. See In re KDA Grp., Inc., No. 16-21821-GLT, 2017 WL 4216563, at *4 (Bankr. W.D. Pa. Sept. 20, 2017) (“[M]any courts within the Third Circuit have adopted the notion that a lease may be retroactively rejected when principles of equity so dictate.”) (quotations omitted); In re Fleming Cos. Inc., 304 B.R. at 96 (“[T]o grant nunc pro tunc rejection, the Debtors must have stated an unequivocal intent to reject the leases.”). Courts in this jurisdiction have previously considered the question of retroactive rejection of unexpired leases. See In re Namco Cybertainment, Inc., Case No. 98-00173 (PJW) (Bankr. D. Del. Feb. 6, 1998). In Namco, the court permitted retroactive rejection on the conditions that (a) the property (and the keys thereto) subject to a lease were surrendered with an unequivocal statement of abandonment to the landlord or lessor, (b) the motion was filed and served on the landlord or lessor, (c) the official committee consented to the relief requested in the motion, and (d) the debtor acknowledged that it would not have the right to withdraw the motion prior to the hearing.

16. Here, the Debtors submit that the Court should authorize the rejection of the Rejected Leases effective as of the Rejection Date. *First*, there is no benefit to the Debtors’ estates from the Rejected Leases because the Debtors no longer occupy the Premises. The Debtors do not need the leasehold interests created by the Rejected Leases to conduct their go-forward businesses. On the other hand, requiring the Debtors to continue to perform under the Rejected Leases after the Rejection Date could impose onerous obligations on the Debtors and their estates. *Second*, the

Debtors believe that the filing and service of this Motion fulfills the purpose of the Namco factors under the circumstances here – establishing an unequivocal relinquishment. The filing of this Motion serves to underscore and reiterates the Debtors' unequivocal intent to abandon their interest in the Premises. Without a retroactive date of rejection, the Debtors may incur unnecessary administrative charges for a lease and contract that are not necessary to their ongoing business operations.

17. Moreover, the lessor under the Rejected Leases will not be unduly prejudiced if the Rejected Leases are rejected effective as of the Rejection Date because, on the Rejection Date, the Debtors have served this Motion on the lessor and/or its agents or representatives by overnight delivery, electronic mail and/or facsimile, thereby advising such lessor that the Debtors intend to reject the Rejected Leases effective as of the Rejection Date. Furthermore, the Debtors have, on or before the date hereof, relinquished the keys to the Premises and provided the alarm code(s) to the lessor or its representative, abandoned the Premises and, in conjunction therewith, indicated that they were unequivocally surrendering possession as a result thereof. The keys were delivered to the lessor under the Rejected Leases, together with an appropriate correspondence, on or before the Rejection Date.

18. In light of the foregoing facts and circumstances, the Debtors respectfully submit that their rejection of the Rejected Leases under section 365(a) of the Bankruptcy Code, effective as of the Rejection Date, is a sound exercise of their business judgment and is necessary, prudent, and in the best interests of the Debtors, their estates, and their creditors.

II. Authorizing the Debtors to Abandon Any Personal Property Remaining at the Premises as of the Rejection Date is Appropriate

19. In the event that any Personal Property does remain on the Premises as of the Rejection Date, the Debtors request the Court's approval of the Debtors' abandonment of such

Personal Property (collectively, the “**Abandoned Personal Property**”), pursuant to section 554(a) of the Bankruptcy Code, effective as of the Rejection Date.

20. Section 554(a) of the Bankruptcy Code provides that “[a]fter notice and a hearing, the [debtor] may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate.” 11 U.S.C. § 554(a). The right to abandon is virtually unfettered, unless abandonment of the property will contravene laws designed to protect public health and safety and the property poses an imminent threat to the public’s welfare. See In re Midlantic Nat’l Bank, 474 U.S. 494, 501 (1986). Neither of these limitations is relevant in this case.

21. The Debtors submit that any Abandoned Personal Property is of inconsequential value or burdensome to the Debtors’ estates to remove. Among other things, the Debtors believe that the cost of retrieving, marketing, and reselling the Abandoned Personal Property—to the extent there is any—outweighs any recovery that the Debtors and their estates could reasonably hope to attain for such Abandoned Personal Property. As a result, the Debtors have determined, in their business judgment, that the abandonment of any such Abandoned Personal Property, effective as of the Rejection Date, is a sound exercise of their business judgment, and is necessary, prudent, and in the best interests of the Debtors, their estates, and creditors.

RESERVATION OF RIGHTS

22. Nothing contained herein should be construed as a waiver of any of the Debtors’ rights, defenses, or counterclaims with respect to the Rejected Leases. Nor does anything contained herein constitute an acknowledgement that either the Rejected Leases constitute an unexpired lease of nonresidential real property or executory contract under section 365 of the

Bankruptcy Code, and have not otherwise expired by its own terms or upon agreement of the parties as of the date hereof.

NOTICE

23. Notice of this Motion has been provided to: (i) the U.S. Trustee, (ii) counsel to the Committee, (iii) counsel to Tacit; (iv) counsel to the Ad Hoc Lender Group, (v) the lessors under the Rejected Leases (via overnight delivery), and (vi) all parties that have requested notice in these cases pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

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CONCLUSION

WHEREFORE, the Debtors request the entry of the Proposed Order, granting the relief requested herein and such other and further relief as is just and proper.

Dated: Wilmington, Delaware
September 29, 2020

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Sean T. Greecher

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*Proposed Counsel to the Debtors
and Debtors in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

TOWN SPORTS INTERNATIONAL, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 20-12168 (CSS)

(Jointly Administered)

Hearing Date: October 14, 2020 at 2:00 p.m. (ET)

Obj. Deadline: October 7, 2020 at 4:00 p.m. (ET)

NOTICE OF MOTION

TO: (I) THE U.S. TRUSTEE; (II) PROPOSED COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS; (III) COUNSEL TO TACIT CAPITAL, LLC; (IV) COUNSEL TO THE AD HOC TERM LENDER GROUP; (V) THE LESSORS UNDER THE REJECTED LEASES; AND (VI) ALL PARTIES THAT, AS OF THE FILING OF THIS MOTION, HAVE REQUESTED NOTICE IN THESE CHAPTER 11 CASES PURSUANT TO BANKRUPTCY RULE 2002.

PLEASE TAKE NOTICE that the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) have filed the attached *Second Omnibus Motion of Debtors Pursuant to Sections 105(a), 365(a), and 554(a) of the Bankruptcy Code, Authorizing the Debtors to (I) Reject Certain Unexpired Leases of Nonresidential Real Property Effective as of September 29, 2020 and (II) Abandon Property in Connection Therewith* (the “**Motion**”).

PLEASE TAKE FURTHER NOTICE that any objections or responses to the relief requested in the Motion must be filed on or before **October 7, 2020 at 4:00 p.m. (ET)** (the “**Objection Deadline**”) with the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801. At the same time, copies of any responses or objections to the Motion must be served upon the proposed undersigned counsel to the Debtors so as to be received on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE THAT A HEARING TO CONSIDER THE MOTION WILL BE HELD ON OCTOBER 14, 2020 AT 2:00 P.M. (ET) BEFORE THE HONORABLE CHRISTOPHER S. SONTCHI IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 5TH FLOOR, COURTROOM NO. 6, WILMINGTON, DELAWARE 19801.

¹ The last four digits of Town Sports International, LLC’s federal tax identification number are 7365. The mailing address for Town Sports International, LLC is 399 Executive Boulevard, Elmsford, New York 10523. Due to the large number of debtors in these cases, for which the Debtors have requested joint administration, a complete list of the Debtors, the last four digits of their federal tax identification numbers, and their addresses are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <http://dm.epiq11.com/TownSports>, or by contacting the proposed undersigned counsel for the Debtors.

PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTIONS OR RESPONSES TO THE MOTION ARE TIMELY FILED AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED THEREIN WITHOUT FURTHER NOTICE OR A HEARING.

Dated: Wilmington, Delaware
September 29, 2020

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Sean T. Greecher

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*Proposed Counsel to the Debtors
and Debtors in Possession*

EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

TOWN SPORTS INTERNATIONAL, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 20-12168 (CSS)

(Jointly Administered)

Ref. Docket No. ____

**SECOND OMNIBUS ORDER, PURSUANT TO SECTIONS 105(a), 365(a), AND
554(a) OF THE BANKRUPTCY CODE, AUTHORIZING THE DEBTORS
TO REJECT (I) CERTAIN UNEXPIRED LEASES OF NONRESIDENTIAL
REAL PROPERTY EFFECTIVE AS OF THE REJECTION DATE AND
(II) ABANDON PROPERTY IN CONNECTION THEREWITH**

Upon the motion (the “**Motion**”)² of the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) for the entry of an order, pursuant to sections 105(a), 365(a), and 554(a) of the Bankruptcy Code, authorizing the Debtors to (i) reject the Rejected Leases set forth on Schedule 1 to this Order, effective as of September 29, 2020 (the “**Rejection Date**”), and (ii) abandon, effective as of the Rejection Date, any Personal Property that remains, as of the Rejection Date, on the Premises subject to the Rejected Leases; and upon consideration of the First Day Declaration and the record of these chapter 11 cases; and having determined that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 1334 and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and having determined that this is a core matter pursuant to 28

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² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

U.S.C. § 157(b)(2) and that this Court may enter a final order consistent with Article III of the United States Constitution; and having determined that venue of these chapter 11 cases and of the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and having determined that due and adequate notice of the Motion has been given under the circumstances, and that no other or further notice need be given; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. Pursuant to sections 105(a) and 365(a) of the Bankruptcy Code and Bankruptcy Rule 6006, the Rejected Leases, to the extent not already terminated in accordance with their applicable terms or upon agreement of the parties, are hereby rejected by the Debtors, with such rejection being effective as of the Rejection Date.
3. Pursuant to sections 105(a) and 554(a) of the Bankruptcy Code and Bankruptcy Rule 6007, any Personal Property remaining, as of the Rejection Date, on the Premises is hereby abandoned by the Debtors, with such abandonment being effective as of the Rejection Date.
4. Nothing herein shall prejudice the rights of the Debtors to assert that the Rejected Leases were terminated prior to the Rejection Date, or that any claim for damages arising from the rejection of the Rejected Leases is limited to the remedies available under any applicable termination provision of the Rejected Leases, or that any such claim is an obligation of a third party, and not that of the Debtors or their estates, or to otherwise contest any claims that may be asserted in connection with the Rejected Leases.

5. Claims arising out of the rejection of the Rejected Leases must be filed on or before the later of (i) the deadline for filing proofs of claim based on prepetition claims against any of the Debtors as set by an order of this Court or (ii) thirty (30) days after entry of this Order.

6. The Debtors are authorized to execute and deliver all instruments and documents, and take such other actions as may be necessary or appropriate, to implement and effectuate the relief granted by this Order.

7. This Order is immediately effective and enforceable, notwithstanding the possible applicability of Bankruptcy Rule 6004(h) or otherwise.

8. The requirements in Bankruptcy Rule 6006 and 6007 are satisfied.

9. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

SCHEDULE 1**Rejected Leases**

DEBTOR	COUNTERPARTY	COUNTERPARTY'S ADDRESS	REJECTED AGREEMENT	REJECTION DATE
TSI Commack, LLC	Heatherwood Towers	c/o Garden Realty Management LLC 500 Old Country Road Suite 200 Garden City, NY 11530 Attn: Karen Siegel – Sr. Property Manager	Real Property Lease for Club located at 6136 Jericho Turnpike, Commack, NY	September 29, 2020
TSI Bayridge 86th Street LLC	429-441 86 th Street LLC	Attn: Max Klein, CPA 500 Fifth Avenue, 54 th Floor New York, NY 10110 and c/o Wharton Properties LLC 429-441 86th Street LLC 500 Fifth Avenue, 54th Floor New York, NY 10110	Real Property Lease for Club located at 439 86 th Street, Brooklyn, NY	September 29, 2020

DEBTOR	COUNTERPARTY	COUNTERPARTY'S ADDRESS	REJECTED AGREEMENT	REJECTION DATE
TSI East 86, LLC	Garth Organization	Attn: Daniel Friedland 161 East 86 th Street Company LLC 250 West 49 th Street New York, NY 10019 and Attn: Daniel Friedland 161 East 86 th Street Company LLC 157 East 86 th Street New York, NY 10028	Real Property Lease for Club located at 161 East 86 th Street, New York, NY	September 29, 2020
TSI Lincoln, LLC	61 West 62 Owners Corp	FirstService Residential P.O. Box 302, ACCT#064-578 Emerson, NJ 07630 Attn: Tiffany Maisonet and Gloria Damura	Real Property Lease for Club located at 61 West 62nd Street New York, NY	September 29, 2020
TSI Cobble Hill, LLC	110 BP Property LLC	64 Beaver Street, Suite 108 New York, NY 1000	Real Property Lease for Club located at 96 Boerum Place Brooklyn, NY	September 29, 2020
TSI Hoboken, LLC	Washington-Hudson Associates	C/O Jeff Koenig 130 North Main Street Suite 201 New City, NY 10956	Real Property Lease for Club located at 59 Newark Street Hoboken, NJ	September 29, 2020
TSI Brooklyn Belt, LLC	D&M Kings Realty, LLC	Daniel Annuziata 170 Ocean Terrace Staten Island, NY 10301	Real Property Lease for Club located at 1736 Shore Parkway Brooklyn, NY	September 29, 2020

DEBTOR	COUNTERPARTY	COUNTERPARTY'S ADDRESS	REJECTED AGREEMENT	REJECTION DATE
TSI Connecticut Ave, LLC	FP 1211 Connecticut Avenue, LLC	The RMR Group LLC Dept # 1000 P.O Box 826452 Philadelphia, PA 19182-6452	Real Property Lease for Club located at 1211 Connecticut Avenue, N.W. Washington, DC	September 29, 2020
TSI Westwood, LLC	Jefferson Realty Group, LLC	Bruce Meisel. Esq. 263 Center Ave. P.O. Box 66 Westwood, NJ 07675	Real Property Lease for Club located at 35 Jefferson Avenue Westwood, NJ	September 29, 2020
TSI Jersey City, LLC	Cal-Harbor II & III Urban Renewal Assoc.	Mack-Cali Realty Corporation P.O. Box 416533 Boston, MA 02241-6533	Real Property Lease for Club located at 147 Plaza Two, Harborside Financial Center Jersey City, NJ	September 29, 2020
TSI Wellington, LLC	Station Landing III LLC	2310 Washington Street Newton Lower Falls, MA 02462	Real Property Lease for Club located at 70 Station Landing Medford, MA	September 29, 2020
TSI West Hartford, LLC	Sof-Ix Blueback Square Holdings, L.P.	P.O. Box 75762 Baltimore, MD 21275-5762	Real Property Lease for Club located at 65 Memorial Road Building C West Hartford, CT	September 29, 2020
TSI Greenpoint, LLC	B. Mangreen Properties, LLC	11 Summer Street Forrest Hills, NY 11375	Real Property Lease for Club located at 910 Manhattan Ave. a/k/a 147 Greenpoint Ave. Brooklyn, NY	September 29, 2020

DEBTOR	COUNTERPARTY	COUNTERPARTY'S ADDRESS	REJECTED AGREEMENT	REJECTION DATE
TSI Avenue A, LLC	28-30 Avenue A, LLC	Singh Equities, LLC 22 West 27th St, 8th Floor New York, NY 10001	Real Property Lease for Club located at 28-30 Avenue A New York, NY	September 29, 2020
TSI Astor Place, LLC	Lafayette-Astor Associates LLC	P.O. Box 432 Emerson, NJ 07630	Real Property Lease for Club located at 4 Astor Place New York, NY	September 29, 2020
TSI Westboro Tennis, LLC (30 Oak Street Parking Lot)	Chase Realty Trust	Glickman Kovago & Jacobs Management 1 Mercantile St., Suite 510 Worcester, MA 01608	Real Property Lease for Parking Lot located at 30 Oak Street Westborough, MA	September 29, 2020
TSI Westboro Tennis, LLC (30 Oak)	JSP Realty Investments LLC	45 Oak Street Westborough, MA 01581	Real Property Lease for Club located at 30 Oak Street Westborough, MA	September 29, 2020
TSI Westboro Tennis, LLC (35 Chauncy)	STORE Master Funding VIII, LLC	8377 E Hartford Drive Suite 100 Scottsdale, AZ 85255	Real Property Lease for Club located at 35 Chauncy Street Westborough, MA	September 29, 2020
TSI Alameda Total Woman, LLC	MGP XII South Shore Center	425 California Street, 10th floor San Francisco, CA 94104	Real Property Lease for Club located at Alameda South Shore Center 2247 South Shore Center Alameda, CA	September 29, 2020

DEBTOR	COUNTERPARTY	COUNTERPARTY'S ADDRESS	REJECTED AGREEMENT	REJECTION DATE
TSI Westlake Total Woman, LLC	SDG Russell Ranch Associates LLC	30770 Russell Ranch Rd. Suite I Westlake Village, CA 91362	Real Property Lease for Club located at The Shoppes at Westlake Village 30770 Russell Ranch Rd, Bldg. D, Ste. H Westlake Village, CA	September 29, 2020
TSI Torrance, LLC Total Woman	Torrance Towne Center Associates, LLC	PNC Bank Lockbox 911974 P.O. Box 31001-1974 Pasadena, CA 91110-1974	Real Property Lease for Club located at Torrance Towne Center 2755-E Pacific Coast Highway Torrance CA	September 29, 2020
TSI Cal. Glendale, LLC	Onni Brand Limited Partnership	611 N. Grand Blvd, Suite 170 Glendale, CA 91203	Real Property Lease for Club located at Glendale Center 601 N. Brand Avenue Glendale, CA	September 29, 2020
TSI Peabody, LLC	SCF RC Funding IV LLC	47 Hulfish Street, Suite 210 Princeton, NJ 08542	Real Property Lease for Club located at 194 Newbury Street Peabody, MA	September 29, 2020
TSI Salisbury, LLC	SCF RC Funding IV LLC	47 Hulfish Street, Suite 210 Princeton, NJ 08542	Real Property Lease for Club located at 191 Elm Street Salisbury, MA	September 29, 2020

DEBTOR	COUNTERPARTY	COUNTERPARTY'S ADDRESS	REJECTED AGREEMENT	REJECTION DATE
TSI Salisbury, LLC	Corned Beef & Cabbage Realty Dev. Corp	211 Elm Street Salisbury, MA 01952	Real Property Lease for Club located at 191 Elm Street Unit 191B Salisbury, MA	September 29, 2020
TSI Methuen, LLC	SCF RC Funding IV LLC	47 Hulfish Street, Suite 210 Princeton, NJ 08542	Real Property Lease for Club located at 116 Pleasant Valley Street Methuen, MA	September 29, 2020
TSI ATC Alico Mission, LLC	Alico Station LLC	11501 Northlake Drive Cincinnati, OH 45249	Real Property Lease for Club located at Alico Commons Shopping Center 16970 Alico Mission Way Fort Myers, FL	September 29, 2020
TSI ATC Beneva Road, LLC	Sarasota Commons, Ltd.	30 West Mashta Drive Suite 400 Key Biscayne, FL 33149	Real Property Lease for Club located at 935 North Beneva Road - Space #501 Sarasota, FL	September 29, 2020
TSI Tamiami Trail, LLC	Charlotte County Waterfront Properties	18350 Murdock Circle, #102 Port Charlotte, FL 33948	Real Property Lease for Club located at 1000 Tamiami Trail Murdock Town Center Port Charlotte, FL	September 29, 2020

DEBTOR	COUNTERPARTY	COUNTERPARTY'S ADDRESS	REJECTED AGREEMENT	REJECTION DATE
TSI Grand Central, LLC	200 Park	LP General Post Office P.O. Box 27996 New York, NY 10087	Real Property Lease for Club located at 200 Park Ave New York, NY	September 29, 2020
TSI Lynnfield, LLC	Wakefield Sports, LLC	440 Bedford St Lexington, MA 02420	Real Property Lease for Club located at 425 Walnut Street Lynnfield, MA	September 29, 2020
TSI Lexington (MA), LLC	Cresset Lexington, LLC	120 Water Street, 2nd Floor Boston, MA 02109	Real Property Lease for Club located at 475 Bedford Street Lexington, MA	September 29, 2020