

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF KENTUCKY
LEXINGTON DIVISION**

IN RE:

CASE NO. 25-50863

LEXINGTON BLUE, INC.

CHAPTER 11

DEBTORS

**AGREED ORDER
(i) MODIFYING AUTOMATIC STAY;
(ii) ABANDONING LEASEHOLD INTEREST; and
(iii) REJECTING COMMERCIAL LEASE**

This matter came before the Court on agreement of the following parties: (i) landlord creditor Burton Properties, LLC (“Landlord” or “Burton”), creditor in the above captioned proceeding, and (ii) Debtor and Debtor in Possession Lexington Blue, Inc. (“Debtor in Possession”) (hereinafter referred to collectively as “Parties”) pursuant to 11 U.S.C. §§362 and 365. The Parties have agreed that Landlord Burton is entitled to an order (i) terminating the stay with respect to the month-to-month commercial lease (the “Lease”) of certain premises located at 287 and 299 Pasadena Drive, Lexington, KY 40503 (the “Premises”), (ii) abandoning the leasehold interest as to the Premises, and (iii) rejecting the Lease, to the extent it has not already expired.

The Parties have represented to the Court that:

1. The Debtor had been occupying the Premises for several years prior to June 16, 2025 (the “Petition Date”). There was originally a written lease, but the lease expired several years ago. The Debtor has been occupying the Premises on a month-to-month lease for some time before the Petition Date. The monthly rent

amount was \$5,150, and the Debtor did not pay rent for April, May, and June 2025, resulting in total unpaid pre-petition rent of \$15,450.00.

2. The Debtor vacated the Premises prior to the Petition Date and does not wish to continue to occupy the Premises or use the Premises in any way. The Premises are at risk of theft, vandalism, and unapproved occupancy, and the Debtor has authorized the Landlord to secure the Premises immediately.
3. The Landlord filed a forcible detainer action with the District Court of Fayette County, Kentucky on May 30, 2025, commencing the case styled Burton Properties, LLC v. Lexington Blue, Inc., et. al. (Fayette District Case No.: 25-C-0430) (the “Eviction Action”). The Fayette District Court issued a Judgment of Forcible Detainer on June 30, 2025 in the Eviction Action. The Landlord was unaware of the pending bankruptcy at the time it sought the Forcible Detainer Judgment.

The Court having reviewed the file and all relevant matters finds itself sufficiently advised and informed, and accordingly, ADJUDICATES AND ORDERS the following:

1. For good cause shown, Creditor’s Motion for Relief from Automatic Stay and for Abandonment is GRANTED.
2. The automatic stay imposed by section 362 of the Bankruptcy Code shall be, and hereby is TERMINATED in all respects as against Creditor so as to permit Creditor to take possession of the Premises and proceed with its state court remedies in connection with the Premises. The Forcible Detainer Judgment entered on June 30, 2025 by the Fayette District Court in the Eviction Action shall not be deemed void by virtue of the automatic bankruptcy stay.

3. The stay shall remain terminated in the event the Debtors convert to a different chapter under the Bankruptcy Code.

4. The Debtor is ordered to ABANDON the Estate's leasehold interest in the Premises, if any.

5. To the extent it has not already been terminated or expired, the Lease of the Premises is hereby REJECTED effective June 15, 2025.

6. This is a final and appealable order and there is no just cause for delay. The Clerk is directed to enter same.

Have seen and Agreed to:

/s/ Stephen Barnes

Stephen Barnes, Attorney

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The affixing of this Court's electronic seal below is proof this document has been signed by the Judge and electronically entered by the Clerk in the official record of this case.



Signed By:
Gregory R. Schaaf
Bankruptcy Judge
Dated: Tuesday, July 8, 2025
(grs)