Dated: July 31, 2026
The following is ORDERED:

Denise E. Barnett
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

In re:
Agnes Louise Clark, Case No. 25-21889-DEB
Debtor. Chapter 13
______________________/

MEMORANDUM OPINION AND ORDER DENYING
MOTION FOR RELIEF FROM AUTOMATIC STAY AND
ADEQUATE PROTECTION PURSUANT TO 11 U.S.C. §§ 362(d)(1) AND 1301(c)

This case came before the Court on December 16, 2025, at 10:00 a.m., on Legacy on Lynnfield's ("Creditor's") *Motion for Relief from Automatic Stay and Adequate Protection* ("Motion for Relief from Stay").[1] The issue before the Court is whether there is "cause" under 11 U.S.C. § 362(d)(1) to grant stay relief to Creditor when Debtor, through her confirmed chapter

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[1] Mot. for Relief from Stay, ECF No. 25.

13 plan, has assumed the lease with the landlord and Debtor is current on post-petition rent payments. Creditor argued that a non-renewal notice that the Creditor issued prior to Debtor's chapter 13 bankruptcy resulted in an expired lease and created "cause" under subsection 362(d)(1) for granting of stay relief.[2] Debtor argued the lease is assumed pursuant to her confirmed chapter 13 plan and she is current on rent payments.[3] Upon review of the record, filed documents, evidence presented, and consideration of the arguments from the parties, the Court denies the Motion for Relief from Stay for the reasons outlined below.

I. FACTUAL AND PROCEDURAL BACKGROUND

A. The Forcible Entry and Detainer Lawsuits and Bankruptcy Filings

On December 13, 2022, Creditor initiated a Forcible Entry and Detainer ("FED") lawsuit against Agnes Louise Clark ("Debtor" or "Ms. Clark") in the Shelby County General Sessions Court ("General Sessions Court") for non-payment of rent. The General Sessions Court entered a judgment in the amount of $7,589.00 on February 23, 2023.[4] On April 14, 2023, Ms. Clark filed an appeal to the Circuit Court of Shelby County for the Thirtieth Judicial District ("Circuit Court"), where the court issued the *Order Granting Motion for Issuance of Writ of Possession* on July 10, 2023.[5] That same day, Ms. Clark filed for chapter 13 bankruptcy.[6] On October 12, 2023, the bankruptcy case was dismissed for failure to make plan payments.[7]

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[2] Hr'g on Dec. 16, 2025, at 10:53 a.m.

[3] Hr'g on Dec. 16, 2025, at 10:49 a.m.

[4] Creditor's Br., Ex. 1, pp. 10-12, ECF No. 73.

[5] Creditor's Br. Ex. 1, pp. 13-15, ECF No. 73.

[6] Volunt. Pet., ECF No. 1 (Case No. 23-21839). *See also* Creditor's Br., Ex. 1, p. 16, ECF No. 73.

[7] Order Dismissing Case, ECF No. 30 (Case No. 23-21839).

On January 1, 2024, Ms. Clark filed another chapter 13 bankruptcy case.[8] On January 30, 2024, Creditor sent its second written notice of non-renewal to Ms. Clark to terminate her Lease Agreement.[9] On April 1, 2024, Creditor sent its third written notice of non-renewal to Ms. Clark.[10] On May 29, 2024, Ms. Clark's bankruptcy was dismissed for failure to make plan payments.[11]

On June 12, 2024, Creditor initiated a second FED lawsuit against Ms. Clark, but before the General Sessions Court could process the lawsuit, Ms. Clark commenced another chapter 13 bankruptcy case on July 10, 2024.[12] On October 25, 2024, the bankruptcy case was dismissed for failure to make plan payments.[13]

On November 8, 2024, Creditor filed a third FED lawsuit against Ms. Clark, but Ms. Clark filed for chapter 13 bankruptcy again on November 20, 2024.[14] The third FED lawsuit was unable to move forward due to the bankruptcy filing.[15] On April 4, 2025, the bankruptcy case was dismissed for failure to make plan payments.[16] Afterwards, Creditor initiated a fourth FED

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[8] Volunt. Pet., ECF No. 1 (Case No. 24-20006). *See also* Creditor's Br., Ex. 1, p. 17, ECF No. 73.

[9] Creditor's Br. Ex. 1, p. 18, ECF No. 73.

[10] Creditor's Br. Ex. 1, p. 19, ECF No. 73.

[11] Order Dismissing Case, ECF No. 31 (Case No. 24-20006). *See also* Creditor's Brief, Ex. 1, p. 17, ECF No. 73.

[12] Volunt. Pet., ECF No. 1 (Case No. 24-23297). *See also* Creditor's Brief, Ex. 1, p. 20, ECF No. 73.

[13] Order Dismissing Case, ECF No. 21 (Case No. 24-23297).

[14] Volunt. Pet., ECF No. 1 (Case No. 24-25782). *See also* Creditor's Brief, Ex. 1, p. 21, ECF No. 73.

[15] Creditor's Brief, ECF No. 73. *See* 11 U.S.C. § 362(a) (2026) (prohibiting action against the Debtor's estate upon filing of the petition).

[16] Order Dismissing Case, ECF No. 39 (Case No. 24-25782).

lawsuit against Ms. Clark, to which Ms. Clark commenced her current chapter 13 bankruptcy on April 11, 2025.[17]

B. Ms. Clark's Current Chapter 13 Bankruptcy Case

Ms. Clark is a 72-year old tenant residing in an unit ending with W02 under a residential lease agreement ("Lease Agreement") located at Walnut Hall, Memphis, Tennessee ("Walnut Hall").[18] On April 11, 2025 ("Petition Date"), Ms. Clark filed a voluntary petition commencing this chapter 13 case.[19] Ms. Clark's schedules show she is unemployed and has a combined monthly income of $2,265.00, consisting of $978.00 in social security, $537.00 in food stamps, and $750.00 from her son.[20] Ms. Clark has $2,118.00 in monthly expenses (including rent payment), leaving $147.00 in monthly net income.[21] Ms. Clark has no dependents.[22]

On the Petition Date, Ms. Clark filed her chapter 13 plan, which was subsequently amended on August 18, 2025.[23] Both the original chapter 13 plan and the amended chapter 13 plan treated Creditor under a special class of unsecured claims in the amount of $1,300.00 to be paid at $100.00 monthly with a 0.00% rate of interest.[24] Ms. Clark assumed the lease agreement through the amended chapter 13 plan.[25]

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[17] Creditor's Brief, ECF No. 73. *See also* Volunt. Pet., ECF No. 1.

[18] Hr'g on June 17, 2025, at 10:41 a.m.; Hr'g on Sept. 9, 2025, at 11:08 a.m.; Creditor's Brief, Ex. 2, p. 25, ECF No. 73; and Debtor's Reply Brief, ECF No. 75.

[19] Volunt. Pet., ECF No. 1.

[20] Volunt. Pet., Sch. I, ECF No. 1.

[21] Volunt. Pet., Sch. J, ECF No. 1.

[22] Volunt. Pet., Sch. J, ECF No. 1.

[23] Ch. 13 Plan, ECF No. 2 and Am. Ch. 13 Plan, ECF No. 39.

[24] Ch. 13 Plan, ECF No. 2 and Am. Ch. 13 Plan, ECF No. 39.

[25] *See* Am. Ch. 13 Plan, ECF No. 39. *See also* Ch. 13 Plan, ECF No. 2.

On April 15, 2025, Ms. Clark filed a *Verified Motion of Debtor to Impose Automatic Stay Under Section 362(c)(4) as to All Creditors* ("Motion to Impose Stay").[26] This Court entered an *Order Granting Verified Motion of Debtor to Impose Automatic Stay Pursuant to 11 U.S.C. § 362(c)(4)* on May 21, 2025.[27] On May 23, 2025, Creditor filed its *Motion for Relief from Stay*, contending that: "Debtor's lease was properly terminated with the non-renewal notice, no new lease has been signed, and therefore, the Debtor no-longer has a leasehold interest or right to occupancy in the property."[28] Creditor also claimed that Ms. Clark defaulted on her rental payments.[29]

On June 23, 2025, the chapter 13 trustee filed her *Objection to Confirmation* ("Objection") of Debtor's chapter 13 plan.[30] On September 5, 2025, this Court entered an *Order Sustaining in Part Trustee's Objection to Confirmation* ("Order Sustaining Trustee's Objection") under which the parties agreed to enter into a consent agreement "to treat any amount of Claim No. 4 of [Creditor], above the $1,300.00 already provided in the Plan, as general unsecured," although not in the trustee's written objection.[31] On September 2, 2025, the order confirming the chapter 13 plan was confirmed, reflecting the language in the *Order Sustaining In Part Trustee's Objection*.[32]

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[26] Mot. to Impose Stay, ECF No. 10.

[27] Order Granting Mot. to Impose Stay, ECF No. 24.

[28] Mot. for Relief from Stay, ECF No. 25.

[29] Mot. for Relief from Stay, ECF No. 25.

[30] Obj. to Confirmation of Ch. 13 Plan, ECF No. 30.

[31] Order Sustaining Trustee's Obj., ECF No. 49.

[32] Order Confirming Ch. 13 Plan, ECF No. 45.

On August 8, 2025, Creditor filed Proof of Claim No. 4 in the amount of $21,300.00 for "[r]ent, late fees, and all associated arrearages all per lease agreement."[33] On August 18, 2025, Ms. Clark filed her *Objection to Claim Number 4* ("Objection to Claim"), stating that Proof of Claim No. 4 was filed late and Creditor did not attach documentation showing rent arrears.[34] The matter was set for a hearing on September 23, 2025, at 10:00 a.m., where the Court sustained Ms. Clark's Objection to Claim and disallowed the Claim (Claim No. 4), and subsequently entered an *Order Sustaining Objection to Claim Number 4*.[35]

At a hearing on September 9, the parties agreed to a consent order, where Creditor would assist Ms. Clark in transferring to a different unit located on Walnut Hall.[36] On November 6, 2025, the parties filed their *Consent Order Granting Relief from the Automatic Stay and Providing Adequate Protection* ("Consent Order"), where the parties agreed that any post-petition rent and late fees due for October 2025 and November 2025 were due on or before November 5, 2025, and if Ms. Clark defaulted, then Creditor would file a request for an expedited hearing requesting relief from the automatic stay to allow Creditor to proceed with eviction proceedings.[37] The Consent Order also stated that Ms. Clark would vacate the property by November 30, 2025, at 11:59 p.m., and if Ms. Clark failed to vacate by that time, Creditor would also request an expedited hearing for relief from the automatic stay.[38]

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[33] Proof of Claim No. 4.

[34] Obj. to Claim, ECF No. 40.

[35] Order Sustaining Obj. to Claim No. 4. (ECF No. 57).

[36] Hr'g on Sept. 9, 2025, at 11:08 a.m.

[37] Consent Order, ECF No. 61.

[38] Consent Order, ECF No. 61.

On December 4, 2025, Creditor filed a *Request for Reset for Expedited Hearing on Motion for Relief from Automatic Stay Pursuant to Consent Order* ("Request for Reset"), claiming that Ms. Clark violated the terms of the Consent Order by not vacating her Walnut Hall unit.[39] The Court scheduled Creditor's *Request for Reset* to be heard on December 16, 2025, at 10:00 a.m.[40] At the hearing, counsel for both parties were present, as well as Ms. Clark. After taking into consideration the parties' respective arguments and positions, the Court took the matter under advisement and ordered Creditor to submit any post-hearing submissions within 21 days, and for Ms. Clark to file her response to Creditor's post-hearing submissions 14 days after Creditor's submissions.[41]

On January 6, 2026, Creditor filed its *Brief in Support of Motion for Relief from the Automatic Stay After Default Under Consent Order Granting Relief from the Automatic Stay and Providing Adequate Protection*, along with exhibits ("Creditor's Brief").[42] On January 18, 2026, Ms. Clark filed her *Brief in Reply to Motion for Relief from the Automatic Stay After Default Under Consent Order Granting Relief from the Automatic Stay and Providing Adequate Protection* ("Debtor's Reply Brief").[43]

C. The Residential Lease Agreement

Creditor argues it should be granted relief from the automatic stay to proceed with eviction proceedings with Ms. Clark because the non-renewal notices sent to Ms. Clark prior to

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[39] Request for Reset, ECF No. 66.

[40] Notice of Reset Hr'g, ECF No. 67.

[41] Hr'g on Dec. 16, 2025, at 10:58 a.m.

[42] Creditor's Br., ECF No. 73.

[43] Debtor's Reply Br., ECF No. 75.

Ms. Clark's bankruptcy filings effectively terminated her lease, pursuant to the Lease Agreement.[44] Ms. Clark's chapter 13 plan showed that the Lease Agreement was assumed.[45]

The Lease Agreement is a standard eight-page lease agreement, with 30 additional pages of addendums and disclosures.[46] Paragraph 3 outlines the terms of the Lease Agreement, showing that the Lease Agreement began on March 23, 2022, and ended on March 22, 2023.[47] Paragraph 3 provides that the Lease Agreement would automatically renew month-to-month unless either party gives at least 60 days written notice of termination or intent to move-out as required by paragraph 45 ("Move-Out Notice"). Pursuant to section 6, Ms. Clark was to pay $1,238.00 monthly via an online portal.[48] Additionally, paragraph 33 provides that defaulting on rent payments are grounds for eviction.[49] Creditor issued two non-renewal letters to Ms. Clark on January 30, 2024, and on April 1, 2024.[50]

D. Positions of the Parties

1. The Hearings

The Court held five separate hearings on Creditor's *Motion for Relief from Stay*. The Court held the first hearing on June 17, 2025. Creditor claimed it sent non-renewal notices to Ms.

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[44] Hr'g on June 17, 2025, at 10:41 a.m. and Hr'g on Dec. 16, 2025, at 10:51-10:58 a.m.

[45] Am. Ch. 13 Plan, at ECF Nos. 39.

[46] Creditor's Br.ief, Ex. 2, pp. 25-62, ECF No. 73.

[47] Creditor's Br., Ex. 2, p. 25, ECF No. 73.

[48] Creditor's Br., Ex. 2, p. 25, ECF No. 73.

[49] Creditor's Br., Ex. 2, p. 29, ECF No. 73.

[50] Creditor's Br., Ex. 1, pp. 18-19, ECF No. 73. The Lease Agreement is a standard eight-page lease agreement, with 30 additional pages of addendums and disclosures.

Clark, but was unable to evict her due to Ms. Clark's numerous bankruptcy filings.[51] Creditor also stated that it wanted to pursue renovations on the unit but could not because Ms. Clark remains in her apartment unit despite the non-renewal notices.[52] While other tenants were either moved or transferred to different units, Creditor explained that this was not an option for Ms. Clark because she was currently in eviction proceedings due to non-payment of pre-petition rent under the Lease Agreement and Tennessee Law.[53] In response, Ms. Clark's counsel argued that Walnut Hall had recently undergone changes in management and Ms. Clark had been diligently paying her rent, which Creditor has consistently accepted through its online portal.[54] The Court continued the hearing to July 15, 2025, to allow the parties to work together to help Ms. Clark move to a different unit.[55]

The Court held the second hearing on July 22, 2025.[56] Debtor's counsel stated that Ms. Clark was "trying to get moved into another location" and that she was current on her rent.[57] Creditor's counsel claimed that Creditor showed Ms. Clark some units but expressed concern about not obtaining stay relief and proceeding with eviction proceedings should Ms. Clark "not want to stay" in her new unit.[58] Counsel for Ms. Clark stated he would encourage Ms. Clark to

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[51] Hr'g on June 17, 2025, at 10:38 a.m.

[52] Hr'g on June 17, 2025, at 10:38 a.m.

[53] Hr'g on June 17, 2025, at 10:39 a.m.

[54] Hr'g on June 17, 2025, at 10:41 a.m.

[55] Hr'g on June 17, 2025, at 10:44 a.m.

[56] The July 15, 2025, hearing was continued to July 22, 2025, by Announcements provided to the Court by the chapter 13 trustee.

[57] Hr'g on July 22, 2025, at 10:17 a.m.

[58] Hr'g on July 22, 2025, at 10:18 a.m.

move out of her unit by September 2025.[59] Creditor claimed that all units were renovated except Ms. Clark's unit.[60] The Court continued the matter to August 12, 2025.[61]

At the third hearing on August 12, 2025, the Court continued the matter to September 9, 2025, at the request of counsel for Ms. Clark.[62] The fourth hearing on the matter was held on September 9, 2025. The parties agreed to enter a *Consent Order*, which would state that Ms. Clark would vacate her apartment unit by November 2025 and if she does not do so, then Creditor could reset the motion for a hearing.[63]

The Court held the fifth hearing on the matter on December 16, 2025, on which Creditor's attorney filed a Request to Reset the hearing because Ms. Clark failed to vacate her apartment unit.[64] Creditor's counsel argued that it is seeking stay relief because Ms. Clark failed to vacate her apartment unit by November 30, 2025, as stated in the *Consent Order*.[65] Ms. Clark's counsel responded that Ms. Clark had "worked hard" to move to a different unit by sending applications to Creditor, but Creditor denied Ms. Clark's applications and would not allow her to move to a different unit.[66] Ms. Clark's counsel also stated that Ms. Clark was in the courtroom holding a manila envelope filled with receipts, proving that she "faithfully pays her

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[59] Hr'g on July 22, 2025, at 10:18 a.m.

[60] Hr'g on July 22, 2025, at 10:19 a.m.

[61] Hr'g on July 22, 2025, at 10:21 a.m.

[62] Hr'g on Aug. 12, 2025, at 11:30 a.m.

[63] Hr'g on Sept. 9, 2025, at 11:08 a.m.

[64] Hr'g on Dec. 16, 2025, at 10:46 a.m. and Request for Reset, ECF No. 66.

[65] Hr'g on Dec. 16, 2025, at 10:47 a.m.

[66] Hr'g on Dec. 16, 2025, at 10:47 a.m.

rent."[67] Creditor's counsel argued that Creditor tried to find another unit for Ms. Clark but was "unable to accommodate her" because her rental application was rejected.[68] Creditor's counsel explained that Creditor uses a third-party vendor when tenants apply to transfer units and they rejected Ms. Clark's application.[69] Creditor's counsel advised that the language that Creditor would accommodate Ms. Clark in finding a new unit was not included the *Consent Order*.[70] Additionally, Creditor's counsel claimed Creditor and Ms. Clark "do not get along at this point" and Creditor would like to renovate Ms. Clark's apartment unit.[71] Creditor's counsel explained Creditor has been "following their policies and procedures as they would with any other tenant" for the transfer of units.[72] Creditor argued it had "cause" under subsection 362(d)(1) because Creditor had sent the non-renewal notice, stating the Lease Agreement would not be renewed and Ms. Clark has been in a month-to-month lease since March 2023.[73]

2. Creditor's Brief and Debtor's Reply Brief

In its Brief, Creditor made three arguments — (1) A debtor could not assume a lease that had already been terminated pre-petition, (2) the determination of termination of a residential lease was "context-specific" pursuant to Tennessee law, and (3) the Lease Agreement was properly terminated by Creditor pre-petition.[74]

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[67] Hr'g on Dec. 16, 2025, at 10:46 a.m.

[68] Hr'g on Dec. 16, 2025, at 10:48 a.m.

[69] Hr'g on Dec. 16, 2025, at 10:46 a.m.

[70] Hr'g on Dec. 16, 2025, at 10:46-10:50 a.m. *See also* Consent Order, ECF No. 61.

[71] Hr'g on Dec. 16, 2025, at 10:48 a.m.

[72] Hr'g on Dec. 16, 2025, at 10:51 a.m.

[73] Hr'g on Dec. 16, 2025, at 10:53-10:55 a.m.

[74] Creditor's Br., ECF No. 73.

First, Creditor argued that Ms. Clark could not assume a residential lease that had been terminated or expired pre-petition, citing to *Robinson v. Chicago Housing Authority* from the Seventh Circuit and *In re Stoltz* in the Second Circuit.[75]

Second, Creditor argued that Ms. Clark's Lease Agreement effectively terminated pre-petition pursuant to the Tennessee Uniform Residential Landlord and Tenant Act, specifically Tenn. Ann. Code § 66-28-512(b).[76] Ms. Clark defaulted on her lease pre-petition.[77] Creditor claimed that Ms. Clark's lease was converted to a month-to-month lease when Ms. Clark failed to provide the requisite 60 day written notice of termination or intent to move out.[78] Subsequently, on January 30, 2024, and on April 1, 2024, Creditor issued non-renewal notices to terminate the lease and evict Ms. Clark, but was thwarted due to Ms. Clark's previous bankruptcy filings.[79]

Third, Creditor argued that the Lease Agreement was expired or terminated, because the multiple non-renewal notices sent to Ms. Clark were all issued pre-petition.[80] Creditor was also granted a judgment from the General Sessions Court and the Circuit Court prior to Ms. Clark's current chapter 13 bankruptcy case.[81]

[75] Creditor's Br., ¶ 4, ECF No. 73. *See Robinson v. Chicago Hous. Auth.*, 54 F.3d 316, 320 (7th Cir. 1995) (holding that the lease could not be assumed because the lease ended pre-petition under Illinois law); *Brattleboro Housing Authority v. Stolz (In re Stoltz)*, 197 F.3d 625, 629-30 (2nd Cir. 1999) (explaining that because the term "unexpired" is not defined in the Bankruptcy Code, property interests are defined by state law).

[76] Creditor's Br., ¶ 5, ECF No. 73. *See also* Tenn. Ann. Code § 66-28-512(b) (2026) ("The landlord or the tenant may terminate a month-to-month tenancy by a written notice given to the other at least thirty (30) days prior to the periodic rental date specified in the notice.").

[77] Creditor's Br., ¶ 5, ECF No. 73.

[78] Creditor's Br., ¶ 5, ECF No. 73.

[79] Creditor's Br., Ex. 1, pp. 18-19, ECF No. 73.

[80] Creditor's Br., ¶ 6, ECF No. 73.

[81] Creditor's Br., ¶ 6, ECF No. 73.

In her *Reply Brief*, Ms. Clark responded to Creditor's arguments. First, Ms. Clark argued that debtors could assume leases that had either been terminated or expired pre-petition.[82] Ms. Clark argued that Line 10 of the *Order Confirming Plan Combined with Related Orders* ("Order Confirming Plan") lists Creditor as a "Special Class Unsecured" creditor and Line 16 of the *Order Confirming Plan* explicitly stated that Ms. Clark assumed her Lease Agreement.[83] Ms. Clark added that the principle of *res judicata* was applicable to the *Order Confirming Plan* pursuant to *In re Parker*.[84] Ms. Clark also stated that Creditor misinterpreted *Robinson*.[85]

Second, Ms. Clark argued that contrary to Creditor's argument, Tennessee law protects debtors from a creditor's prior termination letters.[86] Ms. Clark asserted that Creditor misinterpreted the holding in *Smith*, given that Creditor continued to accept Ms. Clark's rental payments two years since sending her the non-renewal notices.[87] Ms. Clark also quoted Tenn. Ann. Code § 66-28-508, that states: "If the landlord accepts rent without reservation and with knowledge of a tenant default, the landlord by such acceptance condones the default and thereby

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[82] Debtor's Reply Br., ¶¶ 13-15, ECF No. 75.

[83] Debtor's Reply Br., ¶ 13, ECF No. 75.

[84] Debtor's Reply Br., ¶ 13, ECF No. 75. *See, e.g., In re Parker,* Case No. 18-23444, 2022 WL 17591603 (Bankr. W.D. Tenn. Dec. 8, 2022) (citing *Bullard v. Blue Hills Bank,* 575 U.S. 496, 502 (2015)). The Supreme Court in *Bullard* explained that "[w]hen the bankruptcy court confirms a plan, its terms become binding on debtor and creditor alike" pursuant to 11 U.S.C. ¶ 1327(a). *Bullard*, 575 U.S. at 502.

[85] Debtor's Reply Br., ¶ 15, ECF No. 75. *See, e.g., Robinson,* 54 F.3d at 318 (*citing Gallatin Housing Authority v. Talley (In re Talley)*, 69 B.R. 219, 223 (Bankr. M.D. Tenn. 1986)). Ms. Clark's counsel pointed out that *Talley* found that the "execution of a writ of possession marks the point after which a debtor may not rehabilitate a residential lease." *Talley*, 69 B.R. at 223.

[86] Debtor's Reply Br., ¶ 16-17, ECF No. 75.

[87] Debtor's Reply Br., ¶ 16, ECF No. 75. *See also Smith v. Holt*, 193 S.W.2d 100, 102 (Tenn. App. Ct. 1945) (concluding that "when defendants held over after the expiration of their original lease . . . the landlord had the right to elect to treat their holding over either as an unlawful detainer or as a creating a new tenancy for another term.").

waives such landlord's right and is estopped from terminating the rental agreement as to that breach."[88]

Third, Ms. Clark argued that the Lease Agreement did not expire or terminate. Creditor cited to Ms. Clark's prior bankruptcy filings to support termination of the Lease Agreement.[89] Ms. Clark's *Reply Brief* points out that Creditor acknowledged that while Ms. Clark owed Creditor $8,957.40 on October 12, 2023, that amount decreased to $5,222.00 on December 31, 2023, indicating that Creditor accepted an additional $3,735.40 in rental payments from Ms. Clark after the dismissal of her first bankruptcy case.[90] Ms. Clark also argued that Creditor's Proof of Claim (Claim No. 4) did not contain the necessary attachments and Creditor never filed a proof of claim in any of Ms. Clark's prior bankruptcies.[91]

Further, Ms. Clark asserted that Creditor never produced a ledger, despite Creditor admitting that property management changed multiple times.[92] Ms. Clark pointed out that (in her 2023 case) Creditor did not object to the confirmation of Ms. Clark's chapter 13 plan, and Creditor did not claim the expiration of Ms. Clark's lease as a grounds for relief.[93] Rather, Creditor sought relief because Ms. Clark defaulted on her rent.[94] Ms. Clark also cited to 11

[88] Debtor's Reply Br., ¶ 17, ECF No. 75. *See also* Tenn. Ann. Code § 66-28-508 (2026).

[89] Debtor's Reply Br., ¶¶ 18-34, ECF No. 75.

[90] Debtor's Reply Br., ¶ 18, ECF No. 75.

[91] Debtor's Reply Br., ¶ 19-23, ECF No. 75.

[92] Debtor's Reply Br., ¶ 24, ECF No. 75.

[93] Debtor's Reply Br., ¶ 25, ECF No. 75.

[94] Debtor's Reply Br., ¶ 26, ECF No. 75.

U.S.C. § 365, which allows a debtor to assume or reject an unexpired lease.[95] Ms. Clark asserts that Creditor failed to either help her move out of Walnut Hall or transfer her to a different unit on Walnut Hall, despite being current on her rent payments.[96]

II. LEGAL DISCUSSION[97]

The quintessential tenet of the bankruptcy code is the automatic stay provision set forth in 11 U.S.C. § 362. Section 362 prohibits "any act to obtain possession of property of the estate or of property from the estate or to exercise control over property of the estate" upon the filing of the bankruptcy petition.[98] Subsection 362(d)(1) states that courts may grant relief from the automatic stay to creditors for cause, including a lack of adequate protection of the party's interests.

Subsection 362(d)(1) provides, in relevant part, that:

> (d) On request of a party in interest and after notice and a hearing, the court shall grant relief from the stay provided under subsection (a) of this section, such as by terminating, annulling, modifying, or conditioning such stay—
>
> (1) *for cause*, including the lack of adequate protection of an interest in property of such party in interest[.][99]

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[95] Debtor's Reply Br., ¶ 29, ECF No. 75. Ms. Clark's counsel cited to *Richmond Leasing Co. v. Capital Bank, N.A. See Richmond Leasing Co. v. Capital Bank, N.A.*, 762 F.2d 1303, 1310 (5th Cir. 1985) (explaining that 11 U.S.C. § 365 of the Bankruptcy Code provided a mean by which a debtor could "force another party to an executory contract to continue to perform under the contract if (1) the debtor can provide adequate assurance that it, too, will continue to perform, and if (2) the debtor can cure any defaults in its past performance.").

[96] Debtor's Reply Br., ¶¶ 30-34, ECF No. 75.

[97] The Court has subject-matter jurisdiction pursuant to 28 U.S.C. § 1334(b). Venue is proper in this District. 28 U.S.C. §§ 1408, 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(G).

[98] 11 U.S.C. § 362(a)(3) (2026).

[99] 11 U.S.C. § 362(d)(1) (2026).

The Code does not define the term "cause," but bankruptcy courts have concluded that "cause" should be determined on a case-by-case basis.[100]

Subsection 362(d)(1) further provides that "cause" also includes lack of "adequate protections."[101] A landlord is not adequately protected if the tenant fails to pay post-petition rent.[102] A debtor's post-petition failure to comply with the terms of a lease agreement, including failure to pay rent and other assessments, constitutes "cause" to grant a landlord relief from the automatic stay.[103] Pursuant to subsection 362(g), "[i]n any hearing under subsection (d) or (e) of this section concerning relief from the stay of any act under subsection (a) of this section—(1) the party requesting such relief has the burden of proof on the issue of the debtor's equity in

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[100] *See In re Jeffers*, 572 B.R. 681, 684 (Bankr. N.D. Ohio 2017) (explaining that "[c]ause may exist in a wide variety of circumstances."); *In re Combs*, 435 B.R. 467, 471 (Bankr. E.D. Mich. 2010) (concluding that "in determining whether cause exists, the bankruptcy court should base its decision on the hardships imposed on the parties with an eye towards the overall goals of the Code."); *In re Shultz*, 325 B.R. 197, 201 (Bankr. N.D. Ohio 2005) (concluding that "cause" requires that the creditor make "minimal threshold" showing that providing stay relief would "perceptibly further those ends sought by the Code.").

[101] 11 U.S.C. § 362(d)(1) (2026).

[102] *See In re Plumeri*, 434 B.R. 315, 323 (S.D.N.Y. 2010) (agreeing with the bankruptcy court that the landlord lacked adequate protection, where the debtor kept her landlord "at bay for too long without paying rent."). *See also In re Poissant*, 405 B.R. 267, 271-72 (Bankr. N.D. Ohio 2009) (citing *United Savs. Ass'n v. Timbers of Inwood Forest Assocs.*, 484 U.S. 365, 370 (1988)) (explaining that "[c]ause" under section 362(d)(1) includes "adequate protection" and that adequate protection may be provided "only after there is a judicial determination that a secured creditor's interest is not adequately protected.").

[103] *See generally Lamarche v. Miles*, 416 B.R. 53, 54-63 (E.D.N.Y. 2009) (explaining that "in the context of a tenant's obligations to make payments to a landlord where a Chapter 13 petition has been filed, 'cause' can arise when a tenant fails to make post-petition payments or to otherwise meet his rental obligations.") (citation omitted). Courts have further elaborated that "cause" exists to grant relief from the automatic stay if a tenant failed to satisfy his residential lease agreement in violation of state law. *See In re Griggsby*, 404 B.R. 83, 93-94 (Bankr. S.D.N.Y. 2009) (holding that "cause" existed for relief from automatic stay considering the debtor's failure to show grounds upon which a state court would vacate warrant of eviction); *Schewe v. Daglow* (*In re Schewe*), 94 B.R. 938, 945 (Bankr. W.D. Mich. 1989) (finding that a creditor may evict a debtor without prior bankruptcy court approval if the residential property is not protected by the automatic stay, regardless of whether the debtor entered the lease pre-petition or post-petition); *Bucknell Leasing Corp. v. Darwin (In re Darwin),* 22 B.R. 259, 264-65 (Bankr. E.D.N.Y. 1982) (concluding that the landlord was entitled to have the automatic stay lifted where the debtor had no rights under both the residential lease and New York law at the time the debtor filed his bankruptcy petition, because the debtor had failed to make current post-petition rent payments for the months of February, March, and April).

property; and (2) the party opposing such relief has the burden of proof on all other issues."[104] Ms. Clark does not have equity in the leasehold interest under the Lease Agreement, and so she must show that "cause" does not exist to grant relief from the automatic stay. Ms. Clark has met her burden.

A. Lease Agreement Assumed in Confirmed Chapter 13 Plan

First, through her *Chapter 13 Plan*, Ms. Clark assumed the Lease Agreement with Creditor in paragraph 16 of the confirmed *Chapter 13 Plan*.[105] The automatic stay applies to property of the estate and debtor's property.[106] In chapter 13, the term "property of the estate" is defined under sections 541 and 1306 of the Bankruptcy Code.[107] Subsection 1306(a) has expanded "property of the estate" to include post-petition property and earnings received before the case is closed, dismissed, or converted.[108] Further, subsection 1306(b) a debtor remains in possession of all property of the estate, except as provided in the confirmed plan and confirmation order.[109] Here, Ms. Clark's month-to-month lease is property of her bankruptcy

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[104] 11 U.S.C. § 362(g) (2026).

[105] Order Confirming Ch. 13 Plan, ECF No. 45.

[106] 11 U.S.C. § 362 (2026) ("any act to obtain possession of *property of the estate* or of *property from the estate* or to exercise control over *property of the estate*" (emphasis added)).

[107] 11 U.S.C. §§ 541 and 1306 (2026).

[108] Subsection 1306(a) reads:

> (a)Property of the estate includes, in addition to the property specified in section 541 of this title—
> (1) all property of the kind specified in such section that the debtor acquires after the commencement of the case but before the case is closed, dismissed, or converted to a case under chapter 7, 11, or 12 of this title, whichever occurs first; and
> (2) earnings from services performed by the debtor after the commencement of the case but before the case is closed, dismissed, or converted to a case under chapter 7, 11, or 12 of this title, whichever occurs first.

11 U.S.C. § 1306(a) (2026).

[109] 11 U.S.C. §§ 541 and 1306 (2026) (b) ("Except as provided in a confirmed plan or order confirming a plan, the debtor shall remain in possession of all property of the estate.").

estate. The *Order Confirming Plan* states, "All property shall remain property of the Chapter 13 estate under 11 U.S.C. §§ 541(a) and 1306(a) and shall revest in the Debtor(s) only upon discharge pursuant to §§ 1328(a), conversion of the case, or specific order of the Court which states otherwise."[110] The *Order* goes on to state, "[t]he debtor(s) shall remain in possession of and in control of all property of the estate not transferred to the Trustee, and shall be responsible for the protection and preservation of all such property, pending further orders of the Court."[111] In its post-hearing brief, Creditor contends that the lease cannot be assumed because it expired pre-petition.[112] Creditor, however, did not file an objection to confirmation of the chapter 13 plan (or amended plan). The terms of the confirmed chapter 13 plan and confirmation order control.[113] Consistent with the confirmed plan, the Creditor's argument that "cause" exists because the lease expired or terminated is unpersuasive.

B. Assumption of the Lease Agreement <u>*Moots Creditor's "Expired Lease" Argument.*</u>

Section 365(d)(2) allows a chapter 13 debtor to assume or reject an unexpired lease of residential real property at any time before confirmation.[114] Subsection 1322(b)(7)[115] allows the

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110 Order Confirming Ch. 13 Plan, ECF No. 45.

111 Order Confirming Ch. 13 Plan, ECF No. 45.

112 Creditor's Br., ECF No. 73.

113 11 U.S.C. §1327(a) (2026) ("The provisions of a confirmed plan bind the debtor and each creditor . . .). *See also In re Parker*, Case No. 18-23444, 2022 WL 17591603 (Bankr. W.D. Tenn. Dec. 8, 2022) (citing *Bullard v. Blue Hills Bank,* 575 U.S. 496, 502 (2015)). The Supreme Court in *Bullard* explained that "[w]hen the bankruptcy court confirms a plan, its terms become binding on debtor and creditor alike" pursuant to 11 U.S.C. ¶ 1327(a). *Bullard*, 575 U.S. at 502.

114 11 U.S.C. § 365(d)(2) (2026) ("In a case under chapter 9, 11, 12, or 13 of this title, the trustee may assume or reject an executory contract or unexpired lease of residential real property or of personal property of the debtor at any time before the confirmation of a plan but the court, on the request of any party to such contract or lease, may order the trustee to determine within a specified period of time whether to assume or reject such contract or lease.").

115 Subsection 1322(b)(7) reads:

chapter 13 debtor to provide for assumption of any unexpired lease in the chapter 13 plan. The chapter 13 plan may provide for cure of the default.[116] Here, Ms. Clark complied with subsections 365(d)(2) and 1322(b)(7) when her chapter 13 plan provided for assumption and cure of the lease.[117] Creditor did not object to confirmation of the chapter 13 plan. The plan was confirmed.[118] With the assumed lease, Ms. Clark has an obligation to keep-up with her ongoing rent payments and make her chapter 13 plan payments (so that the landlord's cure amount, if any, is paid), and failure to do so, may provide sufficient "cause" to grant relief from the automatic stay to Creditor.

III. CONCLUSION AND ORDER

For the reasons stated above, the Court finds and concludes that Legacy on Lynnfield's *Motion for Relief from the Automatic Stay* (ECF No. 25) should be denied due to lack of cause. Accordingly, it is **ORDERED**:

Creditor's *Motion for Relief from the Automatic Stay* is **DENIED,** without prejudice.

> (b) Subject to subsections (a) and (c) of this section, the plan may—
> (7) subject to section 365 of this title, provide for the assumption, rejection, or assignment of any executory contract or unexpired lease of the debtor not previously rejected under such section;

11 U.S.C. §1322(b)(7) (2026).

[116] *Gallatin Housing Authority vs Tally (In re Talley)*, 69 B.R. 219, 222 (Bankr. M.D. Tenn. 1986) (discussing the landlord's objection to confirmation of the chapter 13 plan, contending that the debtor's lease was expired).

[117] *See* 11 U.S.C. § 365(d)(2) (2026) (permitting debtor to assume an unexpired lease); 11 U.S.C. §1322(b)(7) (2026) (permitting the Chapter 13 plan to provide for an assumed unexpired lease).

[118] Order Confirming Ch. 13 Plan, ECF No. 45.

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