



MISC 2017016899



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Fee amount: 52.00  
 FB: 43-03449  
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Received - DIANE L. BATTIATO  
 Register of Deeds, Douglas County, NE  
 03/03/2017 14:48:47.00



2017016899

Return to:  
 Grand 72, LLC  
 c/o Metonic Real Estate Solutions, LLC  
 ATTN: Marilyn Watson  
 16910 Frances Street  
 Omaha, NE 68130

### Affidavit Concerning Termination of Lease

This Affidavit is entered into this 27<sup>th</sup> day of Feb., 2017 by Grand 72, LLC, a Nebraska limited liability company, ("Landlord"), regarding a Lease with Hancock Fabrics, Inc., a Delaware corporation ("Tenant").

Whereas, Landlord owns the real estate described as Lots 1 and 2 in BENSON PARK PLAZA REPLAT 3, an Addition to the City of Omaha, as surveyed, platted and recorded in Douglas County, Nebraska ("Subject Property").

Tenant is the tenant under a lease dated August 24, 2006, which recording indenture was recorded on November 13, 2006, as document No. 2006129719, and modified by a Non-Disturbance and Attornment Agreement dated August 24, 2006, recorded on November 13, 2006, as document No. 2006129720, and further modified by a Non-Disturbance and Attornment Agreement dated August 24, 2006, recorded on November 13, 2006, as document No. 2006129721, all records of Douglas County, Nebraska, which lease, as amended, is hereinafter referred to as the "Lease", wherein Landlord is successor landlord, which lease demises to tenant a portion of the Subject Property.

Whereas, on February 2, 2016, Hancock Fabrics, Inc., et al., filed for Bankruptcy in the United States Bankruptcy Court for the District of Delaware, Case Number 16-10296 (BLS), and pursuant to Order dated March 31, 2016, "Order . . . Approving Expedited Procedures for the Rejection or Assumption and Assignment of Executory Contracts and Unexpired Leases", and "Sixth Notice of Rejection of Unexpired Lease or Executory Contract" dated June 17, 2016 (a copy of which is attached hereto as Exhibit A), rejected the Tenant's Lease on the Subject Property effective on June 27, 2016.

Tenant vacated the Subject Property prior to the effective termination date. Now therefore, due to the rejection of the Lease in the Hancock bankruptcy the above referenced lease documents and the underlying Lease are null and void and effectively terminated as of June 27, 2016.

Further affiant sayeth not.

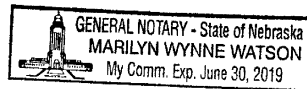
[Signature Page Follows]

Grand 72, LLC, a Nebraska limited liability company  
By: Northwood Properties, Inc., Manager

By: *Randall R. Lenhoff*  
Randall R. Lenhoff, President

State of NEBRASKA            )  
  ) ss.  
County of DOUGLAS         )

The foregoing instrument was acknowledged before me this 27<sup>th</sup> day of Feb., 2017 by Randall R. Lenhoff, President of Northwood Properties, Manager, on behalf of Grand 72, LLC, a Nebraska limited liability company.



*Marilyn Wynne Watson*  
Notary Public

My commission expires June 30, 2019

EXHIBIT A

RECEIVED

JUN 20 2016

JUN 20 2016

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

In re:

HANCOCK FABRICS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 16-10296 (BLS)

Jointly Administered

**SIXTH NOTICE OF REJECTION OF UNEXPIRED  
LEASE OR EXECUTORY CONTRACT**

Re: Unexpired Leases of Nonresidential Real Property Listed on Exhibit A Hereto

**PLEASE TAKE NOTICE** that on March 23, 2016 the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”) entered an order on the *Debtors’ Motion For an Order, Pursuant to Bankruptcy Code Sections 105, 363 and 365 and Bankruptcy Rules 2002, 6004 and 6006, Approving Expedited Procedures for the Rejection or Assumption and Assignment of Executory Contracts and Unexpired Leases* [Docket No. 447] (the “**Order**”).

**PLEASE TAKE FURTHER NOTICE** that, the Debtors hereby provide this “Notice of Rejection of Unexpired Lease or Executory Contract” (the “**Notice**”) of their unequivocal intent to reject the unexpired leases of nonresidential real property listed on Exhibit A hereto (each, as amended, modified, or supplemented, from time to time, a “**Lease**”, and collectively, the “**Leases**”). Pursuant to the terms of the Order, each Lease shall be deemed rejected effective on the later of (i) the date that is ten (10) days from the date this Notice is filed and served (notwithstanding any extension of the objection deadline beyond such date pursuant to Bankruptcy Rule 9006), and (ii) the date that the Debtors surrender the premises relating to such

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are Hancock Fabrics, Inc. (0905), Hancock Fabrics, LLC (9837), Hancock Fabrics of MI, Inc. (5878), hancockfabrics.com, Inc. (9698), HF Enterprises, Inc. (7249), HF Merchandising, Inc. (8522) and HF Resources, Inc. (9563). The Debtors’ corporate headquarters is located at One Fashion Way, Baldwin, MS 38824.

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Date filed: 6/17/16  
Docket No.: 741

Lease, evidenced by actions such as turning over keys or “key codes” to the landlord (the “**Effective Date of Rejection**”); provided, however, in the event that an objection is filed to this Notice, the Effective Date of Rejection for any Lease shall be the date the Court enters the Lease Rejection Order (as defined below) or such other order approving the rejection of such Lease or such other date as is ordered by the Court.<sup>2</sup>

**PLEASE TAKE FURTHER NOTICE** that, the Debtors intend to abandon the personal property remaining in or on the property that is the subject of each Lease listed on Exhibit A as described in the schedule attached hereto as Attachment I. Pursuant to the terms of the Order, the landlord shall be entitled to dispose of such abandoned personal property without further notice or order from this Court and without liability to the Debtors or any third parties for such disposal.

**PLEASE TAKE FURTHER NOTICE** that, should you object to the Debtors’ rejection of any Lease, or the abandonment of the above-described personal property, you must file and serve a written objection so that such objection is filed with the Court and actually received no later than ten (10) days after the date that the Debtors served this Notice by the following parties: (i) counsel to the Debtors, Richards, Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801, Attention: Mark D. Collins, Esq. (collins@rlf.com) and Michael J. Merchant, Esq. (merchant@rlf.com) and O’Melveny & Myers LLP, 400 South Hope Street, Los Angeles, California 90071, Attention: Stephen H. Warren, Esq. (swarren@omm.com) and Jennifer Taylor, Esq. (jtaylor@omm.com); (ii) counsel to the Creditors’ Committee, Hahn &

<sup>2</sup> Notwithstanding the filing of any objection to this Notice, the Debtors reserve the right to assert that the Effective Date of Rejection should be the later of (i) the date that is ten (10) days from the date this Notice is filed and served (notwithstanding any extension of the objection deadline beyond such date pursuant to Bankruptcy Rule 9006), and (ii) the date that the Debtors surrender the premises relating to such Lease, evidenced by actions such as turning over keys or “key codes” to the landlord.

Hessen, LLP, 488 Madison Avenue, New York, NY 1002, Attention: Mark S. Indelicato, Esq. (mindelicato@hahnhessen.com), Mark T. Power, Esq. (mpower@hahnhessen.com), and Janine M. Figueiredo, Esq. (jfigueiredo@hahnhessen.com) and Klehr Harrison Harvey Branzburg LLP, 919 N. Market Street, Suite 1000, Wilmington, DE 19801, Attention: Domenic E. Pacitti, Esq. (dpacitti@klehr.com) and Sally E. Veghte, Esq. (sveghte@klehr.com); (iii) the Office of the United States Trustee for the District of Delaware, J. Caleb Boggs Federal Building, 844 North King Street, Suite 2207, Wilmington, DE 19801, Attention: Mark Kenney, Esq. (mark.kenney@usdoj.gov); (iv) counsel to GACP, Term Agent under the prepetition credit facility, Paul Hastings LLP, 75 East 55th Street, New York, NY 10022, Attention: Andrew Tenzer, Esq. (andrewtenzer@paulhastings.com); (v) counsel to Deutsche Bank National Trust Company, as trustee under the indenture for the Floating Rate Series A Secured Notes due 2017, Emmet, Marvin & Martin LLP, 120 Broadway, 32<sup>nd</sup> Floor, New York, NY 10271, Attention: Margery A. Colloff, Esq. (mcolloff@emmetmarvin.com); (vi) counsel to certain secured noteholders, K&L Gates, 599 Lexington Avenue, New York, NY 10022, Attention: John A. Bicks, Esq. (john.bicks@klgates.com); (vii) as applicable, the landlord or counterparty to the Lease and any parties to any subleases; and (viii) any other interested parties to the Lease.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the terms of the Order, if no objection is filed and served with respect to a Lease subject to this Notice in accordance with the above procedures, the Debtors will file with the Court a certificate of no objection with the proposed form of order, attached hereto as Attachment II (upon entry, the “**Lease Rejection Order**”), that provides, *inter alia*, that the rejection of such Lease shall become effective on the later of (i) ten (10) days from the date the applicable Notice was filed and served on the affected counterparty or landlord (notwithstanding any extension of the objection deadline beyond such

date pursuant to Bankruptcy Rule 9006), and (ii) the date that the Debtors surrender the premises relating to such Lease, evidenced by actions such as turning over keys or “key codes” to the affected landlord. In the event that an objection is filed to this Notice, the Effective Date of Rejection for any Lease shall be the date the Court enters the Lease Rejection Order or such other order approving the rejection of such Lease or such other date as ordered by the Court.<sup>3</sup>

**PLEASE TAKE FURTHER NOTICE** that, if an objection is properly filed and timely served in accordance with the above, unless the parties agree otherwise in writing, a hearing will be scheduled to consider such objection. If that objection is overruled by the Court or withdrawn, the rejection of the Lease shall be deemed effective on the Effective Date of Rejection.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the terms of the Order, should you have a claim for any damages as a result of the Debtors’ rejection of any Lease, or the abandonment of the above-described personal property, you must submit a proof of claim to Kurtzman Carson Consultants LLC at: Hancock Fabrics Claims Processing, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, CA 90245, on or before the later of (i) the date that is 30 days after the entry of the Lease Rejection Order or such other order approving the rejection of such Lease, or (ii) the bar date established by this Court for filing proofs of claim against the Debtors. If you do not properly and timely file such proof of claim, you shall be forever barred from asserting any claims for such rejection damages.

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<sup>3</sup> The proposed Lease Rejection Order is an omnibus order that provides for the rejection of all Leases identified on Exhibit A to this Notice. The Debtors reserve the right to submit multiple or separate orders to the Court should they deem it appropriate.

Dated: June 17, 2016  
Wilmington, Delaware

*/s/ Rachel L. Biblo*

**RICHARDS, LAYTON & FINGER, P.A.**

Mark D. Collins (No. 2981)  
Michael J. Merchant (No. 3854)  
Rachel L. Biblo (No. 6012)  
Brett M. Haywood (No. 6166)  
One Rodney Square  
920 North King Street  
Wilmington, Delaware 19801  
Telephone: (302) 651 7700  
Facsimile: (302) 651-7701

- and -

**O'MELVENY & MYERS LLP**

Stephen H. Warren (admitted *pro hac vice*)  
Karen Rinehart (admitted *pro hac vice*)  
400 South Hope Street  
Los Angeles, CA 90071-2899  
Telephone: (213) 430-6000  
Facsimile: (213) 430-6407

- and -

**O'MELVENY & MYERS LLP**

Jennifer Taylor (admitted *pro hac vice*)  
Two Embarcadero Center, 28<sup>th</sup> Floor  
San Francisco, CA 94111  
Telephone: (415) 984-8700  
Facsimile: (415) 984-8701

Attorneys for the  
Debtors and Debtors in Possession

## Excerpt from EXHIBIT A to EXHIBIT A

STORE #	STORE ADDRESS	LANDLORD	LEASE DESCRIPTION (all as amended, modified, or supplemented from time to time)	LANDLORD ADDRESS	LANDLORD'S COUNSEL'S ADDRESS
1639.01	3800 3rd St. N., St. Cloud, MN	Plaza 15 Investment LLC	Lease dated March 23, 2000 between Plaza 15 Investment LLC, as successor Landlord and Hancock Fabrics, Inc., as Tenant	c/o United Properties Investment, L.L.C., Attention: Jeana Livingston, 3600 American Blvd. W., Suite 750, Minneapolis, MN 55431	
1645.01	1721 W. Palmetto Street, Florence, SC	Master Landlord: J. Madison Rainwater Investment Corporation	Lease dated October 8, 2002 between J. Madison Rainwater Investment Corporation, as Landlord and Hancock Fabrics, Inc., as Tenant	1637 W. Palmetto St., Florence, SC 29501	
1645.02	1725B Palmetto Street, Florence, SC	Subtenant: CTK Pizza, Inc.	Sublease dated March 30, 2006 between Hancock Fabrics, Inc., as Sublessor, and CTK Pizza, Inc., as successor Subtenant	Subtenant's Address: 2300 Second Loop Road Florence 29501	
1645.03	1725A W. Palmetto Street, Florence, SC	Subtenant: C.T.K. Enterprises, LLC	Sublease dated March 3, 2006 between Hancock Fabrics, Inc., as Sublessor, and C.T.K. Enterprises, Inc., as Subtenant	Subtenant's Address: 2300 Second Loop Road Florence 29501	
1645.04	1719 W. Palmetto Street, Florence, SC	Subtenant: Suit World Inc.	Sublease dated November 16, 2001 between Hancock Fabrics, Inc., as Sublessor and Suit World Inc., as Subtenant	Subtenant's Address: 1121 Broad Street, Suite 11, Sumter, SC 29501	
1646.02	123 Market Place Drive, Anderson, SC	Tristate SC One, LP	Lease dated May 18, 2012 between Tristate SC One, LP, as Landlord and Hancock Fabrics, Inc., as Tenant	2801 Liberty Avenue, Suite 100, Pittsburgh, PA 15222	
1648.02	4839 N. 72nd St., Omaha, NE	Grand 72, LLC	Lease dated July 9, 2010 between Grand 72, LLC, as Landlord and Hancock Fabrics, Inc., as successor Tenant	780 N. 114th St., Omaha, NE 68154	
1649.01	3501 S. 84th St., Omaha, NE	Westgate Group, LLC	Lease dated September 10, 2002 between Westgate Group, LLC, as successor Landlord and Hancock Fabrics, Inc., as Tenant	c/o First Management, Inc., 1941 S. 42nd St., Suite 550, Omaha, NE 68105	
1656.01	210 S. Silver Springs Rd., West Park Center, Cape Girardeau, MO	Wal-Mart Stores East, LP	Sublease Agreement dated July 29, 1992 between Wal-Mart Stores East, LP, as successor Sublessor and Hancock Fabrics, Inc., as successor Subtenant	701 South Walton Blvd., Bentonville, AR 72716	
1658.02	1314 Bridford Parkway., Greensboro, NC	DMC Properties, Inc.	Lease dated August 9, 2011 between DMC Properties, Inc., as Landlord and Hancock Fabrics, Inc., as Tenant	415 Minuet Lane, Suite F, Charlotte, NC 28217	

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