

Stub Rent and the Way Around Montgomery Ward

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The article addresses the different positions of courts on the payment of "stub rent." Stub rent is the unpaid rent due from the date of the bankruptcy through the end of that month under a lease requiring payment on the first of the month and also relates to the debtor's use of the premises during this period. Parties continue to argue that the payment of stub rent is an obligation that must be performed at the outset of a bankruptcy, or alternatively, that it should be treated as a general unsecured claim. The article analyzes cases, including the *In re Goody's Family Clothing* line of cases and the Third Circuit's decision in *Montgomery Ward*.