

LEGAL UPDATES

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WeWork Files for Bankruptcy, Seeks to Renegotiate Hundreds of Leases

On November 6, 2023, WeWork, Inc. and 516 affiliate companies each voluntarily filed petitions in the United States Bankruptcy Court for the District of New Jersey seeking protection under Chapter 11 of the United States Bankruptcy Code. WeWork's stated goals for the bankruptcy are to achieve a strategic reorganization of the company, to rationalize its commercial lease portfolio, and position the company for sustainable, long-term growth.

As part of its reorganization process, WeWork has retained an agent to work through its existing lease portfolio to determine which locations are considered viable on a go forward basis. WeWork will reject 69 current leases it considers expendable at the outset of the bankruptcy; however, it has announced that it intends to request lease reductions and/or accommodations from approximately 400 of its landlords which it considers go-forward locations only if certain financial accommodations can be met.

Husch Blackwell routinely represents landlord interests in federal bankruptcy proceedings. We assist our landlord clients on a wide variety of bankruptcy issues, including lease negotiations, lease assumption/rejection issues, plan disputes, and claims filing, among other areas.

Contact us

To the extent you are implicated by the WeWork bankruptcy, Husch Blackwell has a team of attorneys ready to assist. Please contact Caleb Holzaepfel or your Husch Blackwell attorney to discuss.