



CHAPTER 131E

ARTICLE 13 - TEMPORARY MANAGEMENT OF LONG-TERM CARE FACILITIES

N.C.G.S. § 131E-241.

Avoidance of preexisting leases, mortgages, and contracts.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	c. 390, s. 1 — first act in the lineage	21 September 2026, 04:18 UTC	14951dd7ae7e18a3abc71ac6 - e4531dff881b4e5fa10556dd - a1acbb40e5eb8951

- § 131E-241(a)** A temporary manager shall not be required to honor any lease, mortgage, secured transaction, or other wholly or partially executory contract entered into by the respondent, licensee, or administrator of the long-term care facility if the temporary manager demonstrates to the court that the rental price, rate of interest, or other compensation to be paid under the contract or agreement is unreasonable in light of conditions existing at the time the agreement was entered into by the parties or in light of the relationship of the parties.
- § 131E-241(b)** If the temporary manager is in possession of real estate or goods subject to a lease, mortgage, security interest, or other contract that the temporary manager is permitted to avoid under subsection (a) of this section, and if the real estate or goods are necessary for the continued operation of the long-term care facility, the temporary manager may apply to the court to set a reasonable rental price, rate of interest, or other compensation to be paid by the temporary manager during the duration of the temporary management. The court shall hold a hearing on the application within 15 days after receipt of the application. At least 10 days prior to the hearing, the temporary manager shall send notice of the application to any known person with any beneficial interest in the property involved.
- § 131E-241(c)** Payment by the temporary manager of the amount determined by the court to be reasonable is a defense to any action against the temporary manager for payment or for possession of the goods or real estate subject to the lease, mortgage, security interest, or other contract involved by any person who received such notice, but the payment

does not relieve the obligee of liability for the difference between the amount paid by the temporary manager and the amount due under the original lease, mortgage, or security interest involved.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
1 ACT

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

1 1993 TICK HEIGHT = ACTS IN THAT YEAR DASHED = RECODIFICATION, NOT AMENDMENT 1994			
Nº	YEAR	ACT	CHARACTER
01	1993	c. 390, s. 1	ENACTED

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 131E-241 (1993).

PINPOINT

N.C. Gen. Stat. § 131E-241(a) (1993).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE
(1993, c. 390, s. 1.)

SET IN SPECTRAL AND ARCHIVO
NORTH CAROLINA LAW — STATUTE EXPORT, FORMAT V1

