JOSEPH M. MEIER
COSHO, HUMPHREY, GREENER & WELSH, P.A.
Attorneys at Law
815 West Washington
Boise, Idaho 83702
(208) 344-7811
Attorneys for Debtor

U. S. COURTS
JAN 23 1997
REC'D _____ FILED _____
CAMERON S. BURKE
CLERK

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF IDAHO

In re:	) Chapter 11
	) Case No. 96-3050
Sawtooth Enterprises, Inc.	)
	) **ORDER APPROVING SALE OF**
Debtor.	) **PROPERTY FREE AND CLEAR**
	) **OF LIENS**
	)

This matter having come before the Court on January 13, 1997 based upon the Debtor's Motion for the Entry of Order Approving the Sale of Property filed December 24, 1996, which Motion was Amended by a filing on December 31, 1996 entitled "Amendment To Motion for Entry of Order Approving Sale of Property Free and Clear of Liens" and also which was amended a second time by the "Second Amendment to Motion for Entry of Order Approving Sale of Property Free and Clear of Liens" filed January 6, 1997. Appearances at the hearing were as follows: Joseph M. Meier on behalf of the Debtor in Possession; Art Berry on behalf of Arthur Berry & Co.; David Wishney on behalf of the Sonna Building; Alan Cameron on behalf of Black Bear, Inc.; Derrick O'Neill on behalf of the Margaret Mead Trust; Pat Collins on behalf of Bank of America; and Terry Myers on behalf of Paul Reed, a potential buyer.

Austin Stewart filed a written objection to the sale, unless the sale provided for

47

payment to U.S. Bank in the amount of $6,500.00. Austin Stewart did not appear at the hearing but the Debtor and Bank of America agreed to the disbursement of $6,500.00 from the proceeds to pay U.S. Bank. Arthur Berry objected to the terms of sale on the basis that he had competing buyers for the property as well as seeking compensation for the sale if approved. Bank of America which had filed an objection to the sale, agreed to the terms of the sale and withdrew its objection subject to the terms of this order. This Court having heard the argument of the parties and having over ruled the objection of Arthur Berry to the Motion, and the objection of Austin Stewart, except as specifically resolved by the terms of this order, and good cause appearing therefore;

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. That the Debtor is authorized to sell pursuant to 11 U.S.C. §363(b) and (f) all of its property free and clear of all liens and interests of all parties to Timothy Wells for the sales price of $165,000.00 cash to be closed immediately after entry of this order.

2. Mr. Wells, the Buyer, is also required to pay all lease arrearages incurred on the Ketchum, Idaho and Sonna Building, Boise locations incurred prior to November 27, 1996 and all obligations accruing after the entry of an order authorizing assumption of lease or January 26, 1997 which ever first occurs.

3. That this sale shall be free and clear of liens and interests pursuant to 11 U.S.C. §363(b) and (f) with the liens to attach to the proceeds of the sale.

4. That the personal property being sold to the Buyer is described on Exhibit "A" and attached hereto and incorporated herein by this reference and should be transferred to buyer by Bill of Sale, "as is" "where is" without any warranties. Buyer shall be required to remove all property sold herein from all locations.

IT IS FURTHER ORDERED that from the proceeds of this sale, once receive, shall be disbursed as follows:

1. All reasonable closing costs and recording fees.

2. $6,500.00 to be paid to U.S. Bank.

3. $6,137.51 to be paid to Sonna Building Associates, the landlord of the Main Street property ($3,515.60 December rent and late fees; $694.00 attorney fees and 17 days of January rent and late fees of $1,927.91).

4. PVC $ 1,118.60 payable to Black Bear, Inc. the landlord of the Ketchum, Idaho facility.

5. The balance of the proceeds after payment of 1 through 4 shall be payable to Bank of America.

6. Buyer shall pay for all reasonable repairs and damages to any leasehold premises caused by removal of any or all of the personal property by him or his agents.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Order is entered contemporaneously with an order authorizing the assumption and assignment of the Ketchum, Idaho and Sonna Building leases to Mr. Wells. Mr. Wells is also responsible, as assignee under that Agreement, to pay all amounts to the landlords, and to assume all obligations under the lease as set forth in the Court's Order approving the assumption and assignment of the lease.

DATED this 23rd day of January, 1997.

Alfred C. Hagan
Bankruptcy Judge

cc MEIER(2)
UST
1/23/97

APPROVED AS TO FORM:

Timothy Wells, Buyer

Pat Collins, Attorney for
Bank of America

ASSET LIST

DOWNTOWN

Value	Qty	Equipment
200	23	Black Chairs
200	3	Small Black Tables
30	1	Large Black Table
65	2	Large Black Square Tables
1000	30	The Buckin' Bagel Log Chairs
100	5	Cowhide Bar Chairs
150	5	Small Round Oak Tables
300	4	Square Oak Tables
300	3	Large Round Oak Tables
100	1	Pine Coffee Table
100	4	Lounge Chairs
80	2	Wooden Baby Chairs at $71.95
0	2	Wooden Garbage Barrels
400	1	Cherry Coffee Hutch with Marble Top
500	1	3 Door Beverage Display Unit
500	1	Panasonic 7500 Cash Register
	1	Panasonic 7500 Cash Register
100	1	Epson Thermal Printer
	1	Epson Thermal Printer
300	1	Spartan Refrigerated Showcase
500	1	Spartan 15 Basket Bagel Showcase
100	1	Savory Conveyer Toaster
100	1	Panasonic Type V10 Thermal Printer
500	1	True Sandwich Prep Unit 3 Door
400	1	True Sandwich Prep Unit 2 Door
1000	1	Astra Espresso Machine
200	2	Coffee Grinders
0	2	Paper Cup Dispensers
0	1	Small Sink and Cabinet Unit
200	1	Scotsman Ice Machine
75	2	Wells Lite Line Soup Warmer
150	1	Panasonic Commercial Microwave
200	1	Micron DX4 100Mhz W/16MB and Monitor
100	1	Firefighter Safe
100	1	HP LaserJet 4L
0	1	Quicktel XEBA External Fax
10	1	4 Drawer Metal File Cabinet
10	1	AT&T Cordless Phone

EXHIBIT
3A

Value	Qty	Equipment
0	1	TI 10 Key Calculator
100	1	JVC Stereo Receiver
500	1	6' Steel Table
100	1	Teac 5CD Player
10	2	Plastic Roll Carts
200	22	Wire Bagel Baskets at $21
0	3	6' Stainless Steel Shelves
75	1	Kenmore 13 Cubic Foot Freezer Chest
500	1	Hobart LX18H Dishwasher
50	1	3 Basin Stainless Sink
0	1	Utensil Rack
2500	1	9' x 16' x 8' Walk In w/1 1/2 HP High Humidity Coil
100	1	Vegetable Sink
	~~1~~	~~Hobart Slicer*~~
50	1	Stainless Steel Work Bench
200	1	Stainless Steel Bagel Trough
75	1	Star 2 Burner Hot Plate
100	4	4 Shelf Wire Storage Rack
20	1	2 Shelf Wire Storage Rack
	1	4' x 4' Gas Hood
2000	1	Gas Kettle with Hood
6000	1	20 Pan Reed Rotating Over
50	26	Aluminum Bagel Sleeves
10	1	3 Bin Dunnage Cart
0	1	Floor Fan
100	14	Framed Pictures
100	2	Wall Boxes
250	1	Wood Sculpture with Neon Lasso
0	1	Half Barrel Display Case
25	1	Old Saddle
150	2	Ceiling Fans
100	5	Black Bar Chairs
100	1	Bar Table with Marble Top
100	4	Stereo Speakers
100	50'	Track Lighting
20	1	3 Shelf Black Wall Unit

* Is property leased from L.D.P. Leasing

FAIRVIEW

Value	Qty	Equipment
	~~10~~	~~Bagel Racks with Boards*~~
	3	Shelf Storage Units 4 Shelf*
500	29	Black Chairs
100	5	Black Bar Chairs
150	1	Bar Corner Unit
75	2	Baby High Chairs
0	1	Wooden Garbage Barrel
250	1	Pine Coffee Hutch
100	3	Rubber Maid Carts
	~~1~~	~~True 2 Door Beverage Display Cooler*~~
	~~1~~	~~Epson Thermal Receipt Printer*~~
	~~1~~	~~Panasonic 7500 Cash Register*~~
	~~1~~	~~Spartan Refrigerated Show Case*~~
750	1	True Sandwich Prep Unit
	~~1~~	~~Savory Conveyor Toaster*~~
	~~1~~	~~True Sandwich Prep Unit*~~
	~~1~~	~~Bagel Display Case 16 Basket*~~
150	1	Front Counter Buildout
20	1	Storage Racks 3 Shelf
200	1	Amana Commercial Microwave
75	1	IDEA Hitec Food Warmer
75	1	IDEA Hitec Food Warmer
	1	ASTRA Espresso Machine
50	1	Coffee Grinder
70	2	Commodity Cart 3 Bin
500	1	Scotsman Ice Machine (Small)
25	1	Shelf Display Unit 7 Compartment
	~~1~~	~~Reed Oven 4 Shelf Rotating with Bagel Tray and Baking Sleeves*~~
	~~1~~	~~Bagel Kettle (Gas)*~~
	~~25~~	~~Wire Bagel Baskets*~~
10	1	Long Single Shelf
200	1	Stainless Steel Sink 1 Well
200	1	General Slicer
50	1	Star 2 Burner Electric Hot Plate
200	2	Stainless Steel Tables
200	1	Chest Freezer
500	1	Hobart Dishwasher
300	1	Stainless Steel Sink 3 Well
50	1	Utensil Storage Rack
25	1	6' Ladder

Value	Qty	Equipment
25	1	Shop Vac
	1	Shelf Storage Unit 3 Rack*
100	1	Canon BJC-210 Printer
100	1	Constream Digital Audio Receiver
200	1	Fischer Receiver with Remote
300	1	Dell 433 SL Desk Top Computer
75	1	GE Cordless Telephone
25	1	CASIO Ten Key
	1	Sentry Sage
50	1	4 Drawer Steel File Cabinet
500	10	Framed Pictures Western Theme
		Track Lighting
100	2	Audio Speakers
100	2	Ceiling Fans
		Glass Wear, Plastic Wear, Misc. Kitchen Tools
50	2	Wheeled Garbage Cans Plastic Gray
80	4	Plastic Trash Cans
50	2	Electric Signs
	~~1~~	~~Walkin Retarder/Refer* 8 x 17'6"8"2.5" high*~~
	~~1~~	~~Sta-Pro 4' x 4' Vapor Hood~~

*Shaded areas have no value and leased from L.D.P. Leasing.

COMMISSARY

Value	Qty	Equipment
200	1	Moline Spiral Mixer 350 lb.
500	1	Bagel Former/Divider
500	1	Bagel Former/Divider
50	1	Electric Air Compressor 4 Gallon
500	1	Federal Proof Box
200	1	Hobart Slicer
100	1	Hobart Chopper
300	1	Hobart Mixer 60 Qt.
200	1	Hobart Mixer 20 Qt.
200	2	Poly Top Work Tables
		White Desk
		Gray Desk
		Black Desk
		Brown Desk
		Table
		Bookcase
850	17	Dough Racks
	~~5~~	~~Dough Racks*~~
300	12	Commodity Bins
2500 (approx.)	550	Proofing Boards at $4.65
	~~250~~	~~Proofing Boards at $46.5*~~
600	12	Log Chairs
100	1	Small Reefer.
50	1	HP DeskJet 600 Printer
300	1	Micron Desktop Computer Millinia
50	1	Epson Action Laser 1400 Printer
50	2	File Cabinet Steel 4 Drawer
50	1	Particle Board Locker
		Misc. Kitchen Tools
50	1	Deep Fryer
50	2	Heated Display Cases
25	1	Lincoln Lettuce King
25	1	Stainless Steel Cart
25	1	Small. Electric Oven
50	1	Gas Griddle with 2 Burners
30	2	Hand Vegetable Slicers
25	1	Elect. Bagel Slicer
50	1	Cratco Drink Dispenser
25	1	Toro 3HP Snow Blower
50	1	Brother Intellifon Plain Paper Lazeerfax

Value	Qty	Equipment
90	3	4 Shelf Plastic Shelving Units
25	1	Floor Fan
25	1	6 Wheel Flat Dolly
25	1	4 Ft. Stepladder
200	20	Cookie Baking Pans
50	1	Royal Cash Register
150	6	Plastic Lawn Tables
240	24	Plastic Lawn Chairs
80	8	Plastic Storage Bins
0	40,000	16 Oz. Cups
0	52,000	12 Oz. Cups
0	30,000	Cream Cheese Labels
20	1	Dolly
0	13,000	Freezer Bags
0	50,000	Paper Bags
200	10	Rack Covers
160	16	5 Gallon Buckets Malt
320	64	50 Lb. Bags Flour
~~1000~~	~~1~~	~~Tommy Lift Gate~~
	~~1~~	~~Vegetable Sink~~
	~~1~~	~~3 Tub Sink~~
	~~1~~	~~Fisher Faucet~~
5000		20 x 40 Walkin Refer

Honda Accord

KETCHUM

Value	Qty	Equipment
500	1	Three Door Reach In Beverage Cooler
120	6	24" Wooden Tables
300	20	Oak Chairs
50	1	Lighted 12 Basket Bagel Display Case
200	1	2 Wand Ferna Espresso Machine
20	1	Log Chair
	3	3 x 5' Chalk boards
10		Radio Shack Stereo
100	1	Receiver
75	1	Pioneer CD Player
50	1	Milano Espresso Bean Grinder
200	1	2 Door Delfield Refrigerated Sandwich Unit
10	4	Garbage Cans
100	1	Savory Industrial Toaster
10	1	Hamilton Beach Blender
600	1	Ruby Industrial Juicer
10	6	Metal Baking Trays
6000	1	Reed 5 Shelf Rotating Pizza Over with Bagel Counter and Exhaust Hood
200	1	Large Bagel Kettle and Steam Hood
4000	1	9 x 12' Cold Storage Unit
100	1	Canon BJ 200ex Printer
10	2	Telephones
10	3	3 x 5' Pin Boards
150	1	Fire Fyter Safe
10	1	4 Drawer Steel File Cabinet
150	1	Amana Radarange Microwave Oven
	1	Wooden Locker with Lock
10	1	Sentry Lock Box
200	4	2 Bin Commodity Bins
500	1	Scotsman Ice Machine (Small)
175	5	4 Shelf Storage Racks
100	1	Trash/Counter Buildout
150	1	Epson Thermal Receipt Printer
500	1	Migali Sandwich Prep Unit
400	1	Migali Sandwich Prep Unit
500	1	Panasonic Cash Register
50	1	Wood Build Out Display Case
200	18	Bagel Baskets
500	1	Hobart 20 Qt. Mixer
5000	1	Molline 350 Lb. Mixer

Value	Qty	Equipment
50	1	6' Ladder
2000	1	Proof Box
75	1	Star 2 Burner Electric Hot Plate
50	1	1 Well Prep Sink with Faucet
200	2	Prep Stainless Steel Prep Tables with Poly Surface
100	1	Berkel Slicer
10	1	Wet Dry Vac
15	1	Small Porcelain Sink
100	1	3 Well Stainless Steel Sink with Faucet
200	1	Hobart Dishwasher
150	1	Rheem 60 Gallon Electric Hot Water Heater
200	1	Hobart 6' Upright Freezer
500		Small Kitchen Tools
500		Cookware
300		Plastic Items