

U.S. COURTS

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF IDAHO

| | | |
|----------------------------|---|-------------------------------------|
| In re: |) | Case No. 96-3050 ACH |
| |) | Chapter 11 |
| |) | |
| Sawtooth Enterprises, Inc. |) | MOTION SEEKING AUTHORITY |
| dba The Buckin' Bagel |) | TO ASSUME AND ASSIGN |
| Debtor. |) | FOUR LEASES OF REAL PROPERTY |
| |) | AND TO REJECT TWO LEASES |
| |) | OF REAL PROPERTY |

Debtor-In-Possession, in accordance hereby moves this Court for an Order authorizing the assumption and the rejection of the following real property leases in which Debtor is a tenant. This motion also seeks authority to assign the two assumed leases to Timothy Wells or the court approved buyer of the Debtor's personal property described in a motion seeking approval of sale filed concurrent with this motion. This motion is made pursuant to 11 U.S.C. §365(b)(1) and the assignment is pursuant to 11 U.S.C. §365(f)(2).

The leases to be assumed are as follows:

1. Lease with the Sonna Building Associates. This is a lease of a space located on Main Street Boise Idaho. The Debtor is behind on the rent as of the date the petition was filed on November 27, 1997. The debtor also has not paid any rent since November 27, 1996. The rent per month is approximately \$3,200.per month and the remaining term of the lease is approximately 3.5 years. The Buyer of the personal property has agreed to the assignment of the obligations and rights under the lease and further has agreed to cure all prepetition defaults and shall pay all rent and obligations accruing after the court enters an order

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approving the sale of the personal property. The debtor-in-possession shall pay from the sales proceeds all rent accrued from November 27, 1996 through the date of the Court order to be entered approving the sale.

2. Lease with Black Bear, Inc.. This is a lease of a space located on in Ketchum, Idaho. The Debtor is behind on the rent as of the date the petition was filed on November 27, 1997. The debtor also has not paid any rent since November 27, 1996. The rent per month is approximately \$1,000.00 per month(to increase pursuant to the lease terms) and the remaining term of the lease is approximately 7 years. The Buyer of the personal property has agreed to the assignment of the obligations and rights under the lease and further has agreed to cure all prepetition defaults and shall pay all rent and obligations accruing after the court enters an order approving the sale of the personal property. The debtor-in-possession shall pay from the sales proceeds all rent accrued from November 27, 1996 through the date of the Court order to be entered approving the sale.

The Assignee\Buyer described above shall hold Debtor harmless on all further obligations under these leases and shall pay the obligations as described herein. Debtor's Estate shall have no further responsibility for any payments under these leases, except as described in this motion to pay the post petition rent incurred through the date of the order entered approving the sale of personal property. This assumption and assignment is conditioned upon the court entering an order approving the sale of the personal property.

The Debtor-in-Possession also moves to reject the leases of real property described below:

1. The lease with Margaret Mead Trust which leased a premises on Fairview Avenue Boise. This lease is not being assumed or assigned to the buyer.

2. The lease with Express Building LLC on a lease in Boise, Idaho commonly referred

to as the Commissary Building. This lease is not being assumed or assigned to the buyer.

The rejections shall be effective as early as practical but in no event later than January 26, 1997. The Buyer shall remove the personal property from the rejected lease premises which is being purchased by it. The Debtor shall remove the balance of the personal property owned by the debtor from the Commissary Building as soon as practical.

Wherefore the Debtor-in-Possession moves as follows:

1. For an order permitting it to assume and immediately assign the Boise-Main Street Lease and the Ketchum Idaho lease to the approved buyer of the personal property;

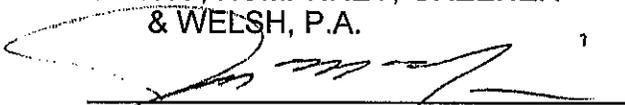
2. For an order authorizing payment of the lease arrearage to these two landlords as outlined in the order seeking approval of sale of personal property.

3. For an order authorizing the rejection of the real property leases located at the Fairview Ave and the commissary building in Boise, Idaho. The postpetition lease arrearage shall be paid as outlined in the motion for approval of sale and the prepetition arrearage shall be treated as prepetition unsecured claims in the bankruptcy proceeding.

4. For such other relief as is appropriate under the circumstances.

DATED this 24th day of December, 1996.

COSHO, HUMPHREY, GREENER
& WELSH, P.A.



Joseph M. Meier, Attorney for Debtor