


George C. Paine, II
US Bankruptcy Judge
Dated: 03/27/08



**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

In re:)	
)	
SOFA EXPRESS, INC.)	Case No. 07-09024
)	Chapter 11
Debtor.)	Judge Paine
_____)	

**ORDER AUTHORIZING DEBTOR TO SELL DEBTOR'S PROPERTY
OUTSIDE OF THE ORDINARY COURSE OF BUSINESS**

Sofa Express, Inc. (the "Debtor") filed a Motion For Authorization To Sell Debtor's Property Outside Of The Ordinary Course Of Business on March 13, 2008 (the "Motion"). The Motion requested authority pursuant to 11 U.S.C. §§ 105(a), 363(b), 363(f) 363(m), 1146(c) and Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") for the Debtor to sell the Owned Property¹ outside the ordinary course of business, on the terms and conditions set forth in the Sale Agreement substantially in the form attached to the Motion as Exhibit A. The Court having reviewed the Motion at an Expedited Hearing scheduled for March 25, 2008, and there being no objections to the Motion, and the Court having considered the statements of counsel and the evidence adduced with respect to the Motion at a hearing before the Court (the "Hearing"), the Court finds that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this district pursuant to 28 U.S.C. § 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion and the

¹ All capitalized terms herein, not otherwise defined, shall have the same meaning ascribed to them in the Motion.

Hearing was sufficient under the circumstances, (e) the Debtor's proposed sale of the Owned Property is a reasonable, informed and good faith exercise of the Debtor's business judgment, and (f) the conditions for sale of the Owned Property under Section 363 of the Bankruptcy Code have been satisfied. Accordingly, the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish grounds for the relief granted herein;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The Debtor is hereby AUTHORIZED to enter into the Sale Agreement substantially in the form attached to the Motion as Exhibit A, pay the 2007 Taxes in sum no less than \$22,575.52 and to take all actions necessary to sell the Owned Property to HRE Nashville of Tennessee, LLC, the purchaser set forth in the Sale Agreement ("HRE"), outside of the ordinary course of business pursuant to 11 U.S.C. §§ 105(a), 363(b), 363(f), 363(m), 1146(a) and Bankruptcy Rules 2002 and 6004.
3. Pursuant to Section 363(f) of the Bankruptcy Code, the Owned Property shall be sold free and clear of any and all liens, claims, encumbrances and interests, including, but not limited to: (i) any and all pre-petition claims and liens asserted by Wells Fargo Retail Finance, LLC (the "Lender"); (ii) any and all post-petition claims and liens asserted by the Lender; (iii) tax lien creditor claimants; (iv) mechanics' lien creditor claimants; and (v) any and all other mortgages, security interests, conditional sales or title retention agreements, pledges, hypothecations, liens, judgments, taxes, encumbrances or claims of any kind or nature, whether matured or unmatured, contingent or not contingent, liquidated or unliquidated (including, without limitation, any and all "claims" as defined in section 101(5) of the Bankruptcy Code), whether arising by agreement, any statute or otherwise and whether arising before, on or after the date on which this Chapter 11 case was commenced (collectively, the "Liens"), with such Liens,

if any, to attach to the consideration previously paid to the Debtor by the Agent for the right to sell the Owned Property, with the same validity, force and effect as the same had with respect to the Owned Property, subject to any and all Debtor's defenses, claims and/or counterclaims or setoffs that may exist. Notwithstanding the above, this conveyance shall be subject to any existing easements of public record respecting the Owned Property.

4. The Sale Agreement was negotiated and proposed, and has been entered into by the parties in good faith within the meaning of Section 363(m) of the Bankruptcy Code, at arm's length bargaining positions, and without collusion; HRE is a good faith purchaser of the Owned Property within the meaning of Section 363(m) of the Bankruptcy Code and entitled to the protections thereof. The sale of the Owned Property shall be protected by Section 363(m) of the Bankruptcy Code in the event that this Order is reversed or modified on appeal.

5. Pursuant to Section 1146(a) of the Bankruptcy Code, the sale of the Owned Property is exempt from all transfer taxes that would otherwise be imposed on this transaction and may not be taxed under any law imposing a stamp tax or similar tax.

6. The register or recorder of deeds (or other similar recording agency) in the jurisdiction where the Owned Property is located and each and every title insurance company is hereby directed to accept this Order as sole and sufficient evidence of the transfer of the Owned Property to HRE free and clear of all Liens, and such register or recorder of deeds (or other similar recording agency) and each such title insurance company may rely upon this Order in consummating the transactions under the Sale Agreement.

7. The provisions of Bankruptcy Rules 6004(h) staying the effectiveness of this Order for ten days are hereby waived, and this Order shall be effective immediately upon entry thereof.

8. Any objection to the sale of the Owned Property, that has not been withdrawn, waived or settled, and all reservations of rights included in such objections or addressed by this Order are hereby overruled.

9. The Debtor is authorized to take all such actions and execute all such documents as are necessary or appropriate to implement the terms of the Sale Agreement and this Order.

10. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

<p>THIS ORDER WAS SIGNED AND ENTERED ELECTRONICALLY AS INDICATED AT THE TOP OF THE FIRST PAGE.</p>

APPROVED FOR ENTRY:

/s/ William L. Norton III

William L. Norton, III (TN 10075)
BOULT, CUMMINGS, CONNERS & BERRY, PLC
1600 Division St., Suite 700
Nashville, Tennessee 37203
(615) 252-2397
fax: (615) 252-6397
bnorton@boultcummings.com
and

ALSTON & BIRD LLP
Dennis J. Connolly
Jason H. Watson
Wendy R. Reiss
1201 West Peachtree Street
Atlanta, Georgia 30309-3424
Telephone: (404) 881-7000
Facsimile: (404) 881-7777
jason.watson@alston.com
wendy.reiss@alston.com

Attorneys for Debtor

Bankruptcy Noticing Center
2525 Network Place, 3rd Floor
Herndon, Virginia 20171-3514

CERTIFICATE OF SERVICE

District/off: 0650-3
Case: 07-09024

User: bmp2450
Form ID: pdf001

Page 1 of 1
Total Served: 1

Date Rcvd: Mar 27, 2008

The following entities were served by first class mail on Mar 29, 2008.
db +Sofa Express, Inc., 4600 S. Hamilton Rd., Groveport, OH 43125-9636

The following entities were served by electronic transmission.
NONE.

TOTAL: 0

***** BYPASSED RECIPIENTS *****

NONE.

TOTAL: 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

I, Joseph Speetjens, declare under the penalty of perjury that I have served the attached document on the above listed entities in the manner shown, and prepared the Certificate of Service and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Mar 29, 2008

Signature:

A handwritten signature in black ink, reading "Joseph Speetjens", written over a horizontal line.