

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

IN RE:)	
)	Case No. 3:16-bk-03837
SWORDS GROUP, LLC,)	Chapter 11
)	Judge Marian F. Harrison
Debtor.)	

**THE DEADLINE FOR FILING A TIMELY RESPONSE IS: MARCH 14, 2017.
IF A RESPONSE IS TIMELY FILED, THE HEARING WILL BE: MARCH 21, 2017,
AT 9:00 A.M., COURTROOM 3, 701 BROADWAY, NASHVILLE, TENNESSEE 37203**

**NOTICE OF MOTION FOR ORDER APPROVING SALE FREE AND CLEAR OF
LIENS, CLAIMS, AND ENCUMBRANCES PURSUANT TO 11 U.S.C. § 363**

Swords Group, LLC (“**Debtor**”) has asked the Court to enter an order authorizing Debtor to sell certain real property located at 207 Hartmann Drive, Lebanon, Tennessee 37087 free and clear of liens, claims, and encumbrances pursuant to 11 U.S.C. § 363.

YOUR RIGHTS MAY BE AFFECTED. If you do not want the Court to grant the attached motion, or if you want the Court to consider your views on the motion, then on or before the date set forth above, you or your attorney must:

1. File with the Court your response or objection explaining your position. **PLEASE NOTE: THE BANKRUPTCY COURT FOR THE MIDDLE DISTRICT OF TENNESSEE REQUIRES ELECTRONIC FILING. ANY RESPONSE OR OBJECTION YOU WISH TO FILE MUST BE SUBMITTED ELECTRONICALLY. TO FILE ELECTRONICALLY, YOU OR YOUR ATTORNEY MUST GO TO THE COURT WEBSITE AND FOLLOW THE INSTRUCTIONS AT: <<https://ecf.tnmb.uscourts.gov>>.**

If you need assistance with Electronic Filing, you may call the Bankruptcy Court at (615) 736-5584. You may also visit the Bankruptcy Court in person at: US Bankruptcy Court, 701 Broadway, 1st Floor, Nashville, TN (Monday - Friday, 8:00 A.M. - 4:00 P.M.).

2. **Your response must state that the application to which you are responding is Motion for Order Approving Sale Free and Clear of Liens, Claims, and Encumbrances Pursuant to 11 U.S.C. § 363.**
3. You must serve your response or objection **by electronic service through the Electronic Filing system** described above.

If a response is filed before the deadline stated above, the hearing will be held at the time and place indicated above. ***THERE WILL BE NO FURTHER NOTICE OF THE HEARING DATE.*** You may check whether a timely response has been filed by calling the Clerk's office at (615) 736-5584 or viewing the case on the Court's website at www.tnmb.uscourts.gov.

If you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the application and may enter an order granting that relief.

DATED: February 21, 2017

Respectfully submitted,

/s/ R. Alex Payne
Griffin S. Dunham
R. Alex Payne
DUNHAM HILDEBRAND, PLLC
2510 Franklin Pike, Suite 210
Nashville, Tennessee 37204
629.777.6529
alex@dhnashville.com
Counsel for the Debtor

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

IN RE:)	
)	Case No. 3:16-bk-03837
SWORDS GROUP, LLC,)	Chapter 11
)	Judge Marian F. Harrison
Debtor.)	

**MOTION FOR ORDER APPROVING SALE FREE AND CLEAR OF
LIENS, CLAIMS, AND ENCUMBRANCES PURSUANT TO 11 U.S.C. § 363**

Swords Group, LLC (the “**Debtor**”) hereby applies to this Court pursuant to 11 U.S.C. § 363 and Rule 6004 of the Federal Rules of Bankruptcy Procedure, for entry of an order authorizing and approving the Debtor’s sale of real property located at 207 Hartmann Drive, Lebanon, Tennessee 37087 (the “**Property**”) to J.D. Eatherly (“**Buyer**”) free and clear of all liens, claims, and encumbrances, for one million one hundred thousand dollars (\$1,100,000).

1. By this Motion, the Debtor seeks entry of an order approving the sale of the Property on the terms set forth herein and granting other relief, including a finding that the sale is in good faith as contemplated by Section 363(m) of the Bankruptcy Code and approval for Debtor to make certain distributions with funds from closing.

2. This Court has jurisdiction over the subject matter of this Motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this Court pursuant to 28 U.S.C. § 1409(a). This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).

3. The Court possesses the requisite authority to grant the relief requested herein pursuant to Title 11 of the United States Code (the “**Bankruptcy Code**”), in particular, Section 363 and Rules 6004 of the Federal Rules of Bankruptcy Procedure.

4. On May 26, 2016, (the “**Petition Date**”), Debtor commenced this case by filing a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.

5. Debtor is in possession of its property and is managing its affairs as Debtor-in-Possession. No Trustee or committee of unsecured creditors has been appointed.

6. Debtor has filed a Chapter 11 plan (the “**Plan**”) that proposes to satisfy Debtor’s primary non-insider debt – secured debt owed to Simmons Bank and property tax debt owed on Debtor’s real estate – through the sale of real property owned by Debtor. While awaiting a final hearing on Debtor’s Plan, Debtor has located and secured a buyer on one of Debtor’s properties.

7. On February 18, 2017, Debtor and Buyer signed the Agreement to sell the Property, the closing of which is expressly subject to approval by this Court.

8. Debtor is the owner of the Property, described as 207 Hartmann Drive, Lebanon, Tennessee 37087. The Property is subject to a recorded security interest in favor of Simmons Bank, and Debtor owes back taxes on the property to the Wilson County, Tennessee Tax Assessor for 2014 through year-to-date 2017.

9. Simmons Bank filed a proof of claim in this case (Claim No. 2) in the amount of \$3,438,992.00. The Simmons Bank claim is also secured by other properties owned by Debtor, which Debtor is also marketing during this Chapter 11 proceeding.

10. Wilson County filed a proof of claim in this case (Claim No. 5), reflecting that Debtor owed approximately \$18,884.75 in taxes with respect to the Property as of September 2016.

ARGUMENT

11. The Debtor has determined in its business judgment that a sale of the Property as set forth herein is in the best interest of creditors and the estate. The offer is the highest and best offer for the Property presented to the Debtor.

12. The Debtor desires to sell the Property under terms and conditions substantially similar to the Contract for Sale of Real Estate (the “**Agreement**”) attached hereto as **Exhibit 1**.

The terms of the Agreement are summarized as follows:

<u>Purchase Price:</u>	\$1,100,000
<u>Earnest Money:</u>	\$100,000
<u>Closing Date:</u>	Within 30 days of closing of the Inspection Period
<u>Inspection Period:</u>	45 days from contract execution
<u>Brokers’ Commission:</u>	6%, upon Court approval

13. The purchaser understands that the Court must approve the sale as a condition to closing. The parties are ready to commence the inspection period upon filing of this motion.

14. Assuming a commission to Charter Development Company (“**Broker**”), the listing agent whose employment approval has been sought in a separately filed motion, of 3%, plus split brokerage commissions to Buyer’s agents of a total of 3%, the estate will net an estimated recovery of approximately \$1,034,000, which amounts will enable Debtor to satisfy outstanding property tax debt on the Property and pay down a significant amount of the secured debt owed to Simmons Bank.

15. Debtor will satisfy the entire tax liability on the Property at closing, leaving approximately \$1,015,000 in remaining sale proceeds, which amounts will be transferred to Simmons Bank, thereby reducing the Bank’s secured claim. Simmons Bank would retain its liens on the other three properties still owned by Debtor’s estate.

16. The Bankruptcy Code authorizes a debtor in possession “after notice and a hearing . . . to use, sell, or lease other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1).

17. Section 363(f) of the Bankruptcy Code provides that a debtor-in-possession may sell property free and clear of any interest in such property under the following circumstances:

- (1) applicable nonbankruptcy law permits sale of such property free and clear of such interest;
- (2) such entity consents;
- (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (4) such interest is in bona fide dispute; or
- (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

18. Debtor has discussed this sale with Simmons Bank, and believes that Simmons Bank will consent to the sale of the Property on the conditions proposed herein, such that the sale satisfies 11 U.S.C. §363(f)(2).

19. Further, Debtor believes that the relief requested herein meets the requirements of Section 363(f) of the Bankruptcy Code. The Debtor is permitted to sell property free and clear of the liens, claims, and encumbrances of any holder of a secured claim because the entities asserting liens on the Property could be compelled in a legal or equitable proceeding to accept a money satisfaction of their interest. Although the price at which the Property is less than the value of Simmons Bank's total lien, Debtor asserts that Simmons Bank will retain a security interest in other properties that exceeds the remaining amount of Simmons Bank's secured claim.

20. Debtor submits that because Simmons Bank is retaining its lien and stands to receive deferred cash payments totaling at least the allowed amount of its claim under Debtor's pending Plan of Reorganization, Simmons Bank could be compelled to accept a monetary satisfaction of its interest in the Property pursuant to 11 U.S.C. §1129(b)(2)(A).

21. Debtor further seeks the protections afforded to a purchaser with regard to sale transactions under 11 U.S.C. §363(m), which provides that the reversal or modification on

appeal of the Court's authorization of a sale or lease of property does not affect the validity of the sale or lease if the entity that purchased or leased the property did so in good faith.

22. Although the Bankruptcy Code does not define good faith, courts have recognized that the kind of misconduct that would destroy a good faith status involves fraud, collusion between the purchaser and other offerors, or an attempt to take grossly unfair advantage of other offerors. *In re Abbotts Dairies*, 788 F.2d 143, 147 (3rd Cir. 1986).

23. Debtor submits that the proposed method of conducting the sale is reasonable, appropriate, and designed to ensure fairness. Unless specifically disputed, the Debtor requests that the sale should be entitled to the protections of Section 363(m) of the Bankruptcy Code. If the good faith of the Debtor or the Buyer is disputed, the Debtor requests that such dispute be determined at the hearing on this Motion.

24. The Buyer is not an insider of Debtor and no proceeds of the sale will be paid to either Debtor or any insiders.

25. Debtor believes that the sale is for fair market value. Debtor is not aware of any actual or potential higher or better offers.

26. Debtor will also provide to any requesting party a copy of the proposed closing documents to be prepared and executed by the parties. Debtor will also promptly file a report of sale following the sale of the Property.

27. The Debtor further requests the authority to use the proceeds from the sale of the Property to pay at closing (i) the lien of the Lender; (ii) any other claims that constitute liens on the Property, to include the tax claims of Wilson County, Tennessee; and (iii) allowed commissions to Charter Development Company, as broker.

WHEREFORE, Debtor respectfully requests the entry of an order (i) authorizing the sale of the Property free and clear of all liens, claims interests and encumbrances in accordance with the procedures set forth herein; (ii) finding that the Debtor and buyer have proceeded in good faith; (iii) authorizing payments to Simmons Bank, Wilson County, Tennessee, and Charter Development Company; and (iv) for such other and further relief as is appropriate and just.

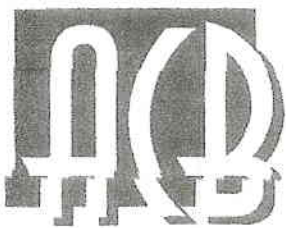
Respectfully submitted,

/s/ R. Alex Payne
Griffin S. Dunham
R. Alex Payne
DUNHAM HILDEBRAND, PLLC
2510 Franklin Pike, Suite 210
Nashville, Tennessee 37204
629.777.6529
alex@dhnashville.com
Counsel for the Debtor

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed electronically on February 21, 2017 and that service was made to (i) all parties consenting to electronic service via the CM/ECF system; (ii) the Office of the United States Trustee via e-mail; and (iii) All of Debtor's creditors via e-mail, fax, or U.S. mail.

/s/ R. Alex Payne
R. Alex Payne



Anderson Commercial Brokerage

CONTRACT FOR SALE OF REAL ESTATE

THIS CONTRACT OF SALE (hereinafter the "Contract") made this ____ day of February 2017, by and between Swords Group L.L.C., a Tennessee Limited Liability Company, hereinafter called the Seller, and J.D. Eatherly or assigns, hereinafter called the Buyer:

WITNESSETH:

That the Seller, in consideration of the sum of One Hundred Thousand Dollars and No/Cents (\$100,000.00) as earnest money (hereinafter the "Earnest Money") and in part payment of the purchase price, hereby agrees to sell and convey to said Buyer, or to such person as he may in writing direct, the following described real estate in Wilson County, Lebanon, Tennessee the following properties to wit:

207 Hartmann Dr., Tax ID# 058J Group B Ctrl Map 058M Parcel 037.00; Containing approximately 2.25 acres and all improvements. Legal Description to Follow as Exhibit "A", Tax Map as Exhibit "B" and Survey as Exhibit "C" (Hereinafter referred to as the "Property").

CONSIDERATION: Buyer agrees to purchase said real estate (hereinafter called the "Property") and to pay therefore the total sum of One Million One Hundred Thousand 00/100 Dollars (\$1,100,000.00) (hereinafter called the "Purchase Price") payable cash at closing, subject to the Earnest Money deposited herewith.

1. Taxes. Taxes for current year to be prorated. Back taxes to be paid by Seller.
2. Cost of Deed and Recording Fees. Cost of deed preparation to be paid for by Seller. Recording of the deed and all transfer tax costs to be paid by Buyer.
3. Ratable Items. All ongoing costs, expenses, rents or other ratable items to be prorated as of the date of closing.
4. Title Insurance.

(a) Promptly following the execution and delivery of this Contract, Seller shall apply to First American Title, or Old Republic Insurance Company, by and through its agent Rochelle, McCulloch & Aulds, PLLC ("Title Insurer") for a title insurance commitment (the "Title Commitment") in the amount of the Purchase Price which shall disclose the state of the title to the Property and shall constitute the commitment of the Title Insurer to insure the title at closing in the name of Buyer or its successors or assigns, with a title insurance policy in an ALTA Form -- B of Owners title insurance.

3214 Lakeshore Dr · Old Hickory · Tennessee 37138 · Tele: 615.754.2442 · Fax: 615.357-0724 ·
rita.acb@comcast.net

Anderson Commercial Brokerage

2

(b) The Title Commitment shall be on the ALTA standard form and shall contain no exceptions other than the usual standard printed exceptions, exceptions for current real property taxes, any lease that is in effect as of the closing, and all rights of the tenant pursuant to the lease, and such easements and restrictions of record, zoning and building ordinances and other matters as may be approved by Buyer. Buyer shall have ten (10) days after receipt of delivery of the Title Commitment within which to notify the Seller, in writing, of Buyer's disapproval of any exception(s) shown in said Title Commitment. In the event of such disapproval, Seller shall have ten (10) days following receipt of such notice from Buyer within which to either (a) remove any disapproved exception(s) or matter(s), or (b) notify Buyer that Seller is either unwilling or unable to remove any disapproved exception(s) or matter(s). In the event Seller notifies Buyer that it is either unwilling or unable to remove said items, Buyer shall have the option to proceed to closing with the disapproved items or to declare this Contract null and void by written notice to Seller whereupon neither party shall have any further liability to the other, and all Earnest Money shall be promptly returned to Buyer. The standard exceptions for mechanics and materialmen's liens and parties in possession shall be removed based on an affidavit and indemnity agreement satisfactory to the Title Insurer to be signed by Seller. Following closing, a policy of owner's title insurance will be issued to Buyer at the expense of the Seller, which policy shall contain no exceptions except for current taxes and such other exceptions as shall be permitted after review of the Title Commitment by Buyer. Buyer or its assigns to receive benefit of simultaneous issue for a loan title policy, at Buyer's expense. *The standard survey exception shall be deleted from the title policy based upon the survey specified in paragraph 7 hereof, if obtained and if sufficient to cause the Title Insurer to delete the survey exception.*

5. Earnest Money. Earnest Money in the amount stated above on page one is to be deposited with Rochelle, McCulloch & Aulds, PLLC ("Escrow Agent") within three business days following the mutual execution of this Contract by Buyer and Seller. Said money will be disbursed in accordance with the terms of this Contract and that certain escrow agreement between Buyer and Seller which shall be executed contemporaneously with this agreement and is attached hereto as Exhibit D (the "Escrow Agreement"). The parties hereby authorize Escrow Agent to deposit the Earnest Money in its general escrow or earnest money account, commingled with other escrow funds, and at a FDIC insured state or national bank in Nashville, Tennessee. The Escrow Agent shall have no duty to pay interest upon or otherwise invest the Earnest Money. In the event Escrow Agent shall become in doubt as to the ownership of the Earnest Money or as to Escrow Agent duties with respect thereto, Escrow Agent shall have the right to retain possession and control over the said Earnest Money until such time as either (a) the parties agree in writing as to the disposition of the same or (b) a court of competent jurisdiction enters a final order directing its disposition. In the event of any dispute, Escrow Agent shall additionally be authorized to interplead the Earnest Money to a court of competent jurisdiction with Escrow Agent expenses and attorney's fees being a charge against the funds deposited with the court.

6. Type of Deed. Seller will convey by General Warranty Deed marketable and insurable fee simple title to the Property (as evidenced by Buyer's ability to obtain title insurance containing standard provision of marketability of title) including all improvements and appurtenances thereto.

7. Survey.

(a) Within seven (7) days following the execution and delivery of this Contract, Seller shall furnish to Buyer its current survey, if Seller is in possession or control of such a survey, showing the Property and all improvements. Buyer at its option and expense may update survey or, if no such survey exists, may obtain a new survey to be prepared by a surveyor reasonably acceptable to Seller and which report shall be certified to Buyer and the Title Insurer, and shall be sufficient in form and content of ALTA /ACSM Standards to enable the Title Insurer to delete the survey exception from the Title Policy.

3214 Lakeshore Dr · Old Hickory · Tennessee 37138 · Tele: 615.754.2442 · Fax: 615.357-0724 ·
rita.acb@comcast.net

(b) Buyer shall have ten (10) days after receipt of delivery of said survey within which to notify the Seller, in writing, of Buyer's disapproval of any items or matters shown in said survey if a survey is furnished to Buyer by Seller. In the event Buyer obtains a new survey, Buyer shall have ten (10) days after receipt of delivery of said survey within which to notify the Seller, in writing, of Buyer's disapproval of any items or matters shown in said survey. In the event of such disapproval, Seller shall have ten (10) days following receipt of such notice from Buyer within which to either (a) remove any disapproved items or matter(s), or (b) notify Buyer that Seller is either unwilling or unable to remove any disapproved exception(s) or matter(s). In the event Seller notifies Buyer that it is either unwilling or unable to remove said items, Buyer shall have the option to proceed to closing with the disapproved items or to declare this Contract null and void by written notice to Seller whereupon neither party shall have any further liability to the other, and all Earnest Money shall be promptly returned to Buyer.

8. Environmental Report

(a) During the Inspection Period, Buyer, at its option and expense, may obtain a current Phase I Environmental Report (the "Environmental Report"), which report shall be prepared by a licensed environmental engineer reasonably acceptable to Seller and which report shall be certified to the Buyer.

(b) Buyer shall have ten (10) days after receipt of delivery of the Environmental Report, but in no event later than ten (10) days prior to the expiration of the Inspection Period, within which to give written notice to Seller of Buyer's disapproval of any condition shown in said Environmental Report. Upon receipt of such notice, Seller shall have ten (10) days in which to state its intention to remedy any disapproved condition and the parties shall negotiate and document an agreement for the Seller's remedy. Should Seller be unwilling or unable to remedy Buyer's disapproved conditions, Buyer may proceed to closing with the disapproved conditions or declare this Contract null and void by written notice to Seller, whereupon neither party shall have any further liability to the other and all Earnest Money shall be promptly returned to Buyer.

9. Inspection Period. From the execution of this Contract, the Inspection Period (the "Inspection Period") shall be forty-five (45) days; Buyer shall inspect the Property and determine in its sole and absolute discretion whether the Property is acceptable to Buyer. This includes, but is not limited to, inspection of all encumbrances, legal, physical, or otherwise, as well as any easements of record to Buyer's full, personal, absolute satisfaction. If Buyer determines in its sole and absolute discretion the Property to be unacceptable and elects not to proceed with the purchase contemplated hereby, Buyer shall, on or before the expiration of the Inspection Period, give Seller written notice this Contract is null and void, whereupon neither party shall have any further liability to the other and all Earnest Money shall be promptly returned to Buyer. In the event Buyer fails to notify Seller in writing during the Inspection Period that this condition has not been satisfied, this condition shall conclusively be deemed for all purposes to have been satisfied and the Property shall be deemed acceptable.

See bottom of page

J.F.E

10. Right to Inspect. Upon notice as hereinafter set forth, Buyer may at all times before the closing go upon the Property, with Seller's agent present if desired by Seller, with its own personnel, its agents, and engineers as needed, to inspect, examine, survey or otherwise do whatever Buyer deems necessary by way of inspection, engineering, tests and planning for the Property. Buyer agrees to provide Seller with not less than one (1) business days' notice and the opportunity to accompany Buyer, its agents and representatives on any such inspection of the Property. **Section 9 continued: In the event the Phase I Environmental Report obtained during the Inspection Period reveals any material adverse conditions, Buyer shall notify seller in writing, and Buyer and Seller may agree to extend the Inspection Period up to an additional thirty (30) days, as necessary.**

J.F.E

Property. This privilege shall include the right to make soil tests, borings, and other tests required to obtain any information necessary to determine subsurface conditions, all of which shall be satisfactory to Buyer for its contemplated use of the Property as determined within the Inspection Period. In its exercise of the privileges granted by this paragraph, Buyer shall substantially restore the Property to its original condition prior to the commencement of engineering work and shall indemnify and hold harmless the Seller from all loss, damage, or expense, including any claims of third parties for damage to person or property, arising from or attributable to Buyer's use of, or activities upon, the Property prior to the closing. ~~In the event this suit is not closed for any reason, Buyer shall deliver to Seller copies of all drawings, studies, tests, and other materials, which it may have compiled with respect to the Property in preparation for the purchase of the same. Buyer's obligations set forth in this Paragraph 10 shall survive the closing or the prior termination of this Contract for any reason.~~

11. Lease, Maintenance Contracts, and Warranties. Buyer's obligations under this Contract are conditioned upon examination during the Inspection Period of documents covering the operation of the Property. Seller to provide Buyer any documents relevant to the sale of this property that he may have in possession within seven (7) days from date of fully executed contract, including but not limited to Leases, Surveys, any type Easements Agreements, and Phase One reports.

12. Seller Representations. Seller hereby agrees and represents that as of the date of this Contract, the following statements are true:

- (a) Utilities, including water, sanitary sewer, gas, electricity, and telephone are available at or near the boundary of the Property. Seller does not make any representations or warranties as to the sufficiency or capacity of such utilities and Buyer shall satisfy itself as to such matters as part of its own due diligence.
- (b) Seller is lawfully possessed with fee simple title to the Property, subject only to those matters shown in the Title Commitment, has full right to sell it, and this Contract is the duly authorized and binding act of Seller.
- (c) There are no lease option agreements, service contracts, licenses, timber contracts, mineral conveyances, or other contracts, which affect the Property, except for any such agreements disclosed pursuant to Item 11 above.
- (d) The Property has direct access to a public right-of-way.
- (e) All taxes and assessments constituting a lien upon the Property have been paid in full or shall be paid at or prior to closing. Seller has not been notified of any future improvements by any public authority, any part of the costs of which might be assessed against the Property.
- (f) To the best of Seller's knowledge, there are no laws, ordinances, or restrictions, or any changes contemplated therein, any judicial or administrative actions, any actions by adjacent landowners, any natural or artificial conditions upon the Property, any hazardous materials or conditions at or near the Property, or any other facts or conditions known to Seller which would have an adverse effect upon the Property or its value, or which might delay the immediate development of the Property, which facts or conditions have not been disclosed in writing to Buyer or disclosed by the Title Commitment.
- (g) To the best of Seller's knowledge, the Property has not been damaged or affected by flood or storm runoff water, and that the Property is not in a flood hazard area.

(h) There shall be no material adverse change in the title, physical condition, and/or any other matter warranted or represented herein related to the Property between the date hereof and the date of closing.

Seller shall continue all routine maintenance and repair of the property including the grounds, parking and drive areas, and all improvements, until the closing date.

13. Intentionally Deleted.

14. Risk of Loss and Condemnation. All risk of loss of or to the Property in whole or in part shall remain on Seller until transfer of legal title to Buyer at closing. If, before closing, any condemnation proceeding is or has been commenced with respect to the Property or any casualty results in damage to the Property or improvements thereon, Buyer shall have the option of either terminating this Contract or of completing the purchase contemplated herein. In the event Buyer elects to terminate the Contract, Buyer shall be entitled to the return of all Earnest Money, and all parties shall be relieved from any further liability hereunder. If, however, Buyer shall elect to complete this transaction, there shall be no reduction in the Purchase Price and Buyer shall be entitled, in the case of fire or other casualty, to receive from the insurance carrier all insurance proceeds or, in the case of condemnation, to receive the entire award for the Property or the portion thereof so taken. Buyer shall be required to pay or absorb any "deductible" in the event Buyer receives the insurance proceeds. Seller shall execute and deliver to Buyer on the closing hereunder all proper instruments for the assignment and collection of any such proceeds and awards.

15. Successors and Assigns. This Contract shall inure to the benefit of and be binding upon the heirs, representatives, successors, and assigns of Seller and Buyer. Any rights and obligations under the Contract shall be freely assignable to any other person, firm or corporation by either party provided the assigning party remains liable in the event of default by the assignee.

16. Entire Contract and Binding Effect. This Contract and its exhibits constitute the entire agreement of the parties and no other statement or representation shall be considered a part of this Contract, or binding upon the parties, unless contained herein or set forth in written agreement executed by Seller and Buyer and made a part hereof.

17. Closing Date. This sale shall be closed no earlier than thirty (30) days of the end of the inspection period, or ten days from date of United States Bankruptcy Court approval at such place and time as mutually agreed. This sale will be closed by the office of:

Rochelle, McCulloch & Aulds, P.L.L.C.
109 Castle Heights Ave.
Lebanon, TN 37087
615-444-1433 Office

18. Possession. Possession shall pass to Buyer at the time of closing.

Anderson Commercial Brokerage

6

19. Brokers, Commission, and Responsibility.

(a) Broker. Seller and Buyer each warrant to the other that they have engaged no brokers in this transaction other than Terry Smith Broker, Charter Development Company; Anderson Commercial Brokerage, Broker; Ed Herbert, Broker, HCR Associates and Seller and Buyer each indemnifies and holds harmless the other party and Broker from any liability (including costs and attorney's fees incurred in the defense thereof) resulting from claims by any other agent or broker claiming by or through such party.

(b) Commission. Upon the closing of this transaction, a real estate brokerage commission shall be paid by Seller, cash at closing a total of six percent (6 %) of the purchase price allocated as follows:

Three Percent (3 %) to Charter Development Company, 720B South Church Street
P.O. Box 2511, Murfreesboro, Tennessee 37133-2511; 615-329-8000 Office, 615-973-4138 Cell, Terry Smith
Broker, tsmith@charterdevelopment.com

One and one half percent (1.5%) to Anderson Commercial Brokerage, 3214 Lakeshore Dr., Old Hickory, Tennessee
37138 ; 615-754-2442 Office; 615-357-0724 Fax; Rita Anderson, Broker, rita.acb@comcast.net

One and one half percent (1.5%) to HCR Associates, P.O. Box 41722, Nashville, TN 37204, 615-320-9572 Office
615-482-7006 Cell, Ed Herbert Broker, ed@edherbert.com

(c) Consult Legal Counsel. This is intended to be a legally binding contract. READ IT CAREFULLY. BROKER OR ITS AGENTS OR EMPLOYEES AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS DOCUMENT MAKE NO REPRESENTATION OR RECOMMENDATION OR THE TRANSACTION CONTEMPLATED HEREIN. The Broker cannot give you legal advice. Seller and Buyer are advised to consult legal and other counsel concerning this transaction.

20. Time Periods. All time periods referred to in this Contract are to be counted in calendar days. Any time periods set forth in this Contract which fall on a weekend or national holiday, shall be moved to the next succeeding calendar working day. Mutual execution of this Contract shall, for all purposes, be deemed to be the latest of the dates of execution by Seller or Buyer. Time is of the essence to this Contract and all provisions herein.

21. Notices. Any notice, or other communication hereunder shall be in writing and shall be deemed to have been duly given if delivered in person or sent by prepaid first class registered or certified mail, or by Federal Express or similar express mail service, to the address as follows:

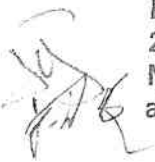
TO SELLER: Swords Group LLC
P.O. Box 1748
Mt Juliet, TN 37121

TO BROKER: Terry Smith
Charter Development Company
P.O. Box 2511
Murfreesboro, Tennessee 37133-2511

With Notice to Sellers Legal Counsel:

R. Alex Payne

Dunham Hildebrand, PLLC
2510 Franklin Pike, Suite 210
Nashville, Tennessee 37204
alex@dhnashville.com



3214 Lakeshore Dr · Old Hickory · Tennessee 37138 · Tele: 615.754.2442 · Fax: 615.357-0724 ·
rita.acb@comcast.net

Anderson Commercial Brokerage

7

TO BUYER: J.D. Eatherly.
1720 West End Ave. Suite 600
Nashville, TN 37203
Email: serena@vastland.com

TO BROKER: Rita Anderson
Anderson Commercial Brokerage
3214 Lakeshore Dr.
Old Hickory, Tennessee 37138
615-357-0721 Office
615-804-3046 Cell
rita.acb@comcast.net

Ed Herbert Broker
HCR Associates
P. O. Box 41722
Nashville, TN 37204
615-320-9572 Office
615-482-7006 Cell
ed@edherbert.com

With Notice to Buyer

Legal Counsel: Brian Mitchell
2012 21st Ave
Nashville, TN 37212
615-383-2903 Office
bmitchell@rudytittle.com

The addresses for the purposes of this paragraph may be changed by giving notice as provided herein. Notices shall also be deemed to have been given upon receipt or actual knowledge, by any means, of the information contained in said notice.

22. Default. Should the Buyer fail to purchase the Property and such failure constitutes a default in the performance of this Contract on its part and at the time and in the manner specified, then unless Buyer cures such failure within five (5) days after Seller gives Buyer written notice thereof, Seller, as its sole and exclusive remedy, may terminate this Contract and receive the Earnest Money as full and agreed upon liquidated damages, whereupon neither party shall have any further liability to the other. Should the Seller fail to consummate the sale of the Property and such failure constitutes a default under the terms and conditions of this Contract, then, unless Seller cures such failure within five (5) days after Buyer gives it written notice thereof, Buyer may, as its sole and exclusive remedy, either (i) declare this Contract null and void, in which event the Earnest Money shall be refunded to Buyer and neither party shall have any further liability to the other, or (ii) file an action for specific performance within sixty (60) days of such refusal or default.

In the event of any legal action to interpret or enforce the terms or conditions of this Contract, the prevailing party shall be entitled to recover from the other all costs and expenses incurred thereby including reasonable attorneys' fees. Any action to interpret or enforce this contract shall be maintained only in a court having a venue in Davidson County, Tennessee, and shall be governed by Tennessee law.

Notwithstanding the foregoing, should Seller be unsuccessful in obtaining approval of this sale from the Bankruptcy Court within the Inspection Period, and any extensions thereof, Seller shall notify Buyer in writing. Seller's failure to secure approval of the sale by the Bankruptcy Court shall not constitute an event of default under this Agreement unless the failure is caused by Seller's inaction in seeking approval. Should the Bankruptcy Court deny Seller's motion to sell the Property, Buyer and Seller shall have an additional fifteen (15) day period within which to negotiate changes to this Agreement and update the terms of sale.



3214 Lakeshore Dr · Old Hickory · Tennessee 37138 · Tele: 615.754.2442 · Fax: 615.357-0724 ·
rita.acb@comcast.net

Anderson Commercial Brokerage

23. (a) Closing of this sale is subject to the approval of the United States Bankruptcy Court for the Middle District of Tennessee, which Seller shall promptly seek. Seller shall file a motion to approve this sale within five (5) business days of the binding date of this Agreement, and shall obtain Court approval prior to setting a closing date.

23. Other Provisions.

- (a) [Redacted] See above.
(b) [Redacted] See below at bottom of page.
(c) [Redacted] See below at bottom of page.
(d) [Redacted] See below at bottom of page.
(e) [Redacted] See below at bottom of page.
(f) [Redacted] See below at bottom of page.

Handwritten initials: TFE, FAB, KDD, KAD, PDD, SOB

Buyer (g) [Redacted] shall obtain a letter from the City of Lebanon stating the size of the utility service lines water, sewer, & gas within the buyer's inspection period.

(h) Seller has complied with section 11 of this contract, providing buyer with its existing phase one report and Alta survey and other specified documents in the time specified.

(b) Seller shall assign and transfer to Buyer, by such assignments and transfers as may be acceptable to Buyer, at the Closing:

(1) All existing service contracts, employment contracts or other contracts at or pertaining to the operation of the Property which Buyer elects at its option to assume, and all warranties, benefiting or affecting the Property or any part thereof, all to the extent transferable without cost to Seller.

This contract is subject to the above provisions or Buyer shall at its option declare this Contract null and void by written notice to Seller, whereupon neither party shall have any further liability to the other and all Earnest Money shall be promptly returned to Buyer.

24. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

25. Offer. Until fully executed by all parties, this writing shall be construed to be an offer to sell or purchase. Unless Offer is extended in writing, this offer shall expire at 5:00 p.m. on February _____, 2017.

23. Other provisions continued.

(b) Seller shall remove its personal property and equipment from the building upon completion of the Inspection Period, or upon Buyer's notification that the Environmental Phase I has been satisfactorily completed and Buyer intends to proceed with the transaction. Seller shall have 30 days to remove its personal property, perform the necessary repairs identified below with respect to such personal property, which shall be completed prior to Closing.

(c) After the removal of equipment by Seller that is anchored to the floor, all holes that were drilled in the floor to insert anchor bolts will be plugged by Seller.

(d) A licensed electrician will be used by Seller to disconnect power to all equipment within the building. All conduit and electrical wiring from the equipment to the circuit breaker panel (power shut off) will be removed. The existing circuit breaker panels will remain in their current configuration.

(e) A licensed roofer will be used by Seller to repair the roof in the area where the equipment extends through the roof.

Handwritten initials: dtd, JAK, JDR, JDD

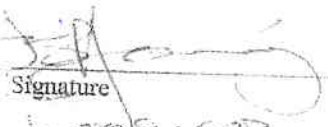

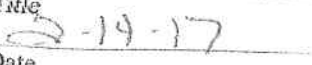
3214 Lakeshore Dr • Old Hickory • Tennessee 37138 • Tele: 615.754.2442 • Fax: 615.357-0724 • rita.acb@comcast.net



Anderson Commercial Brokerage

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year set out below.

Seller: Swords Group LLC

Buyer: J.D. Eatherly


Signature

Title

Date


Signature

Date

Seller: Trustee, Chapter 11 for Swords Group LLC

Signature

Date



ACB4/ACB Holding 207 Hartmann Dr/Contracts/PSA02082017

3214 Lakeshore Dr · Old Hickory · Tennessee 37138 · Tele: 615.754.2442 · Fax: 615.357-0724 ·
rita.acb@comcast.net

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

IN RE:)	
)	Case No. 3:16-bk-03837
SWORDS GROUP, LLC,)	Chapter 11
)	Judge Marian F. Harrison
Debtor.)	

**[PROPOSED] ORDER GRANTING DEBTOR’S MOTION FOR ORDER
APPROVING SALE FREE AND CLEAR OF LIENS, CLAIMS, AND ENCUMBRANCES
PURSUANT TO 11 U.S.C. § 363**

This matter came on for consideration on the *Motion for Order Approving Sale Free and Clear of Liens, Claims, and Encumbrances Pursuant to 11 U.S.C. § 363* (the “Motion”). In the Motion, Debtor sought entry of an order approving the sale of certain real property located at 207 Hartmann Drive, Lebanon, Tennessee 37087 (the “Property”) free and clear of liens, claims, and encumbrances pursuant to Section 363 of the Bankruptcy Code and Rule 6004 of the Federal Rules of Bankruptcy Procedure.

It appears to the Court that the terms and conditions of sale set forth in Exhibit 1 to the Motion are appropriate and reasonable. It further appears that notice of the Motion was properly given pursuant to the Federal Rules of Bankruptcy Procedure and this Court’s local rules, and that no party has filed an objection to the relief sought in the Motion.

IT IS THEREFORE ORDERED that the Motion is granted, and that Debtor is authorized to sell, free and clear of all liens, the Property located at 207 Hartmann Drive, Lebanon, Tennessee 37087, in accordance with the terms set forth in Exhibit 1 to the Motion.

IT IS FURTHER ORDERED that the Sale is entitled to the protections of Section 363(m) of the Bankruptcy Code.

IT IS FURTHER ORDERED that the Debtor is authorized and directed to use the proceeds from the sale of the Property to pay at closing (i) the lien of the Lender, Simmons Bank; (ii) any other claims that constitute liens on the Property, to include the tax claims of Wilson County, Tennessee; and (iii) allowed commissions to Charter Development Company, as broker.

IT IS SO ORDERED.

THIS ORDER WAS SIGNED AND ENTERED
ELECTRONICALLY AS INDICATED AT THE TOP OF THE FIRST PAGE

APPROVED FOR ENTRY:

/s/ R. Alex Payne
Griffin S. Dunham
R. Alex Payne
DUNHAM HILDEBRAND, PLLC
2510 Franklin Pike, Suite 210
Nashville, Tennessee 37204
629.777.6529
alex@dhnashville.com
Counsel for the Debtor