FILE BOX #52

Prepared by: [redacted]
Paul J. Huff, Jr., Esq.
Skadden, Arps, Slate, Meagher & Flom (Illinois)
333 West Wacker Drive, Suite 2100
Chicago, Illinois 60606

#314 Bellevue, TN

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STATE OF TENNESSEE)
COUNTY OF WILLIAMSON)

The actual consideration or value, whichever is greater, for this transaction is $**

**This transaction is tax exempt pursuant to Section 1146(c) of the Bankruptcy Code.

Affiant

Subscribed and sworn to before me this 3rd day of September, 1999.

Notary Public

My Commission Expires: 6/13/2001

0633580
99 SEP -8 AM 11:33
REGISTER
WILLIAMSON CO., TN.

Mortgagee: None.

Address of New Owner:	Send Tax Bills to:	Map-Parcel No(s)
W XI/SMC Real Estate LLC 455 South Orange Ave., Suite 700 Orlando, FL 32801	SAME	142-215

SPECIAL WARRANTY DEED

6032 09/08 0101 03CHECK 50.00

THIS INDENTURE, made as of this 30th day of August, 1999, by and between SERVICE MERCHANDISE COMPANY, INC., a Tennessee corporation ("Grantor"), and W XI/SMC Real Estate LLC, a Delaware limited liability company ("Grantee"), having its principal office at the following address 455 South Orange Avenue, Suite 700, Orlando, Florida 32801-3364.

WITNESSETH, that Grantor, for, and in consideration of the sum of TEN DOLLARS and NO/100 ($10.00), in hand paid by Grantee, the receipt whereof is hereby acknowledged, and pursuant to authority of the Board of Directors of Grantor by these presents does REMISE, RELEASE, ALIEN and CONVEY unto Grantee, and to its successors and assigns, FOREVER, pursuant to that certain Order Approving Sale of Non-Residential Real Property and Lease Designation Rights to the Successful Bidder Pursuant to the Terms of Various Agreements entered July 14, 1999, In re: Service Merchandise Company, Inc., et al., Debtors, Case No. 399-02649, all the following described real estate situated in the County of Davidson, State of Tennessee, known and described as follows, to wit:

See legal description attached hereto as Exhibit A and made a part hereof.

Together with all and singular the hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title, interest, claim or demand whatsoever, of Grantor, either in law or equity, of, in and to the above described premises, with the hereditaments and appurtenances along with (a) all buildings, structures, fixtures and other improvements located thereon, (b) any interest of Grantor in the streets adjacent thereto and (c) all easements, rights of

way, servitudes and other rights appurtenant thereto TO HAVE AND TO HOLD the said premises as above described, with the appurtenances, unto Grantee, its successors and assigns forever

And Grantor, for itself, and its successors, does covenant, promise and agree, to and with Grantee, its successors and assigns, that it, and its predecessor corporations by merger, consolidation, change of name, etc., have not done or suffered to be done, anything whereby the said premises hereby granted are, or may be, in any manner encumbered or charged, except as herein recited, and that the said premises against all persons lawfully claiming, or to claim the same, by, through or under it, it WILL WARRANT AND DEFEND, subject to the following: easements, restrictions and matters of record and matters which would be disclosed by an accurate survey, to the extent (and only to the extent) that the same are now in effect and affect said real estate or parts thereof.

THE COVENANTS OF SPECIAL WARRANTY are hereby expressly limited to the acts of Grantor and its predecessor corporations by merger, consolidation, change of name, etc. (but not acts of predecessor grantors) during the time which it (and such predecessor corporations) has (have) been holder of record of the title to the above described real estate.

[Remainder of page intentionally left blank.]

WITNESS THE SIGNATURE of Grantor this 30th day of August, 1999.

GRANTOR:

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SERVICE MERCHANDISE COMPANY, INC.,
a Tennessee corporation

By: _____
Name: C. Steven Moore
Title: VP

WITNESSES

_____

_____

ACKNOWLEDGMENT

STATE OF Tennessee)

COUNTY OF Davidson)

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BEFORE ME, a Notary Public in and for said State and County, duly commissioned and qualified, personally appeared C. Steven Moore with whom I am personally acquainted, or proved to me on the basis or satisfactory evidence, and who, upon oath, acknowledged himself to be the VP of SERVICE MERCHANDISE COMPANY, INC., the within named grantor, a corporation, and that as such VP, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such VP.

WITNESS my hand and seal, this 15th day of July, 1999.

[SEAL]

Anne McCarthy
NOTARY PUBLIC

My Commission Expires: July 28, 2001

EXHIBIT "A"

LEGAL DESCRIPTION

A tract of land in the Second, formerly the Ninth, Civil District of Davidson County, Tennessee, being Map 142 Parcel 215 Bellevue Shopping Center, Phase II (a planned unit development), as of record in Plat Book 7900, page 267, Register's Office for Davidson County, Tennessee, to which plan reference is hereby made for a more complete description.

Being the same property conveyed to Service Merchandise Company, Inc. by deed from Robert P. Thomas, Trustee, with full power to sell, mortgage, transfer, and convey without joinder of any beneficiary of record in Book 5228, page 278, Register's Office for Davidson County, Tennessee.

Also included with this conveyance are Grantors rights in and to the following:

Perpetual easements for ingress and egress and for utilities set forth in the Joint Access and Utility Agreement recorded at Book 8293, Page 3; as amended in Book 8323, Page 82; Book 8323, Page 100 and Book 8323, Page 106.

Perpetual easements for use of common areas, for access, ingress and egress to the adjoining public road and for utilities set forth in the Reciprocal Easement and Development Agreement recorded in Book 5364, Page 790 as amended by the instrument recorded at Book 5579, Page 493.

Sanitary sewer easement set forth in the instrument recorded at Book 8297, Page 112.

Exhibit B

RECEIVED FOR ENTRY
AUG 10 1999
BY C. Chatman
DEPUTY CLERK

NUNC PRO TUNC

JUL 14 1999

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

In re:	)	Case No. 399-026-49
SERVICE MERCHANDISE COMPANY, INC., et al.,	)	Chapter 11
Debtors.	)	Judge Paine
	)	Jointly Administered

BOOK 11654 PAGE 234

ORDER APPROVING SALE OF FEE PROPERTY WITH RESPECT TO STORE NUMBER 314 TO W XI/SMC REAL ESTATE LLC PURSUANT TO THE TERMS OF ASSET PURCHASE AGREEMENT

This Order is entered in connection with the Order Approving Sale of Non-Residential Real Property and Lease Designation Rights to the Successful Bidder Pursuant to the Terms of the Various Agreements (the "Master Order") entered on July 14, 1999 on Motion (the "Motion") of Service Merchandise Company, Inc. ("Service Merchandise") and 31 of its affiliates (the "Affiliate Debtors"), debtors and debtors-in-possession in the above-captioned cases (Service Merchandise and the Affiliate Debtors, collectively, the "Debtors") so as to facilitate the sale and closing of the fee property associated with Debtors' Store #314 (the "Property") to W XI/SMC Real Estate LLC ("Purchaser"). All matters considered by the Court in connection with the entry of the Master Order, including the Motion, all objections and other papers filed in opposition or support thereto, testimony at the hearing (the "Sale Hearing") held on July 12, 1999, arguments made by counsel, and affidavits, exhibits and other matters introduced into evidence at the Sale Hearing, shall also serve as the basis for the entry of this Order.

177505.01-ChicagoS2A

Attest:
A True Copy
Certified this 8-12-99
U.S. Bankruptcy Court
By M. KOENIG
Deputy Clerk

Re: #932 #735

1201

FINDINGS OF FACT AND CONCLUSIONS OF LAW:

A. The legal description of the Property is attached hereto as Exhibit A.

B. A well-advertised, fair and spirited auction (the "Auction") with respect to the Property was held on July 8, 1999. Purchaser was the successful bidder for the Property at the Auction.

C. The applicable Debtors and the Purchaser executed an Asset Purchase Agreement (the "Asset Purchase Agreement") effective as of the entry of the Master Order with respect to the sale of the Property for a purchase price of $1,500,000. The Asset Purchase Agreement constitutes a valid and binding contract between the applicable Debtors and Purchaser and was admitted into evidence and approved at the Sale Hearing.

D. Purchaser and Debtors engaged in good faith, arm's-length negotiations prior to entering into the respective Asset Purchase Agreements.

E. The Purchaser was, or had the opportunity to be, represented by counsel of its choosing.

F. The Purchaser did not have an undue advantage over the other potential buyers and bidders at the Auction.

G. Purchaser is a third-party purchaser unrelated to the Debtors. Purchaser is not a successor in interest to the Debtors.

H. Purchaser is a "good faith" purchaser entitled to the protection of section 363(m) of the Bankruptcy Code.

I. No agreement prohibited by section 363(m) of the Bankruptcy Code exists with respect to Purchaser.

J. The sale of the Property to the Purchaser is a reasonable and valid exercise of the Debtors' business judgment.

K. The relief requested in the Motion with respect to the Property is in the best interests of the Debtors' estates and creditors and is appropriate under section 363 of the Bankruptcy Code.

L. The Court has statutory authority to approve the transactions contemplated herein pursuant to section 363 of the Bankruptcy Code and Rules 2002, 6004 and 9014 of the Federal Rules of Bankruptcy Procedure.

M. It is necessary and appropriate for the Court to retain jurisdiction to interpret and enforce the terms of this Order and to adjudicate, if necessary, any and all disputes concerning any provision hereof. Accordingly,

IT IS HEREBY ORDERED THAT:

1. The Debtors are authorized to enter into the Asset Purchase Agreement and the terms of the Asset Purchase Agreement (as may be subsequently modified by the Debtors within their reasonable business judgement) are hereby approved pursuant to section 363 of the Bankruptcy Code.

2. The Debtors are authorized to sell the Property to the Purchaser free and clear of all liens, claims, encumbrances and interests (other than as set forth in the Asset Purchase Agreement) pursuant to section 363(f) of the Bankruptcy Code, with all such valid and enforceable liens, claims, encumbrances and interest to attach to the proceeds of the sale of the Property in the same relative priority as existed with respect to the Property. The proceeds from the sale of the Property shall be distributed only pursuant to the Master Order or other subsequent order of the Court.

3. The Debtors and their officers, employees and agents are authorized to perform all of their obligations, take whatever actions necessary, and issue, execute and deliver whatever documents, deeds and bills of sale as may be necessary or appropriate to implement and effectuate the Asset Purchase Agreement in accordance with the terms of this Order.

4. In accordance with section 1146(c) of the Bankruptcy Code, the sale, transfer and conveyance of the Property to Purchaser is hereby exempt from the imposition and payment of any law imposing a stamp tax, transfer tax or similar tax.

5. Each and every federal, state and local government agency or department is thereby directed to accept any and all documents and instruments necessary or appropriate to consummate the transaction contemplated by the Asset Purchase Agreement, all without the imposition and payment of any stamp tax, transfer tax or similar tax, pursuant to section 1146(c) of the Bankruptcy Code. The register or recorder of deeds (or other similar recording agency) is hereby directed to accept and include a certified copy of this Order along with the deed used to record and index the transfer of the Property in the applicable public records.

6. This Court shall retain jurisdiction, even after the closing of these chapter 11 cases, to interpret, implement and enforce the terms of this Order and the Agreement and to resolve any disputes or controversies arising in, under, in relation to or in connection with this Order or the Asset Purchase Agreement.

7. This Order shall be effective nunc pro tunc to the date of the Master Order.

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ENTER on this ___ day of August, 1999.

Judge George C. Paine II

MAIL TO:

✓ All creditors and/or parties in interest
✓ Debtor(s)
✓ Attorney for debtor(s)
✓ Trustee
___ Attorney for trustee
___ Attorney for plaintiff/movant
___ Attorney for defendant/respondent
___ All parties listed on bottom of order
___ All parties listed in cert. of service
___ As stated in order
___ Debtor's employer
✓ U.S. Trustee

INTERNAL ROUTING:

___ Chief Deputy Clerk
___ Courtroom Deputy
___ Calendar Clerk
___ Conversion Clerk
___ Financial Clerk
___ Judgment Book
___ Discharge Clerk

___ Copy to be picked up at front counter by:

_____

ALL MAILING TO BE DONE BY:
(Note: send copy of routing slip)

___ Walk through
___ attorney for debtor
___ attorney for movant
___ trustee/attorney for trustee
___ Other: _____

RECORDERS MEMO
LEGIBILITY OF WRITING, TYPING OR PRINTING IN THIS DOCUMENT UNSATISFACTORY WHEN RECEIVED

APPROVED FOR ENTRY

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EXHIBIT A
LEGAL DESCRIPTION

Bellevue, TN

BOOK 11654 PAGE 240

A tract of land in the Second, formerly the Ninth, Civil District of Davidson County, Tennessee, being Map 142 Parcel 215 Bellevue Shopping Center, Phase II (a planned unit development), as of record in Plat Book 7900, page 267, Register's Office for Davidson County, Tennessee, to which plan reference is hereby made for a more complete description.

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