

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re

FURR'S SUPERMARKETS, INC.,

Debtor.

No. 11-01-10779 SA

**MILLARD REFRIGERATED SERVICES' OBJECTION TO DEBTOR'S
MOTION FOR ORDER EXTENDING TIME WITHIN WHICH DEBTOR
MAY ASSUME OR REJECT UNEXPIRED LEASES OF NONRESIDENTIAL REAL
PROPERTY**

MILLARD REFRIGERATED SERVICES INC., ("Millard") by its undersigned counsel of record, for its Objection to the Debtor's Motion for Order Extending Time Within Which Debtor May Assume or Reject Unexpired Leases of Nonresidential Real Property, states:

1. Millard is lessor under a certain Lease and Handling Agreement whereby Furr's leases from Millard a certain cold storage warehouse located at 10500 Railroad Dr, El Paso, TX. Also, pursuant to said Agreement, Millard stores and ships perishable items for ultimate delivery to Furr's retail stores.

2. Debtor's Motion states that most of its Unexpired Leases are for real estate on which Debtor operates its stores and that Debtor requires additional time to determine whether such leases should be assumed or rejected.

3. Millard's lease is for one of two distribution centers used by the Debtor in distributing its goods to its grocery stores. Debtor's lease of Millard's distribution center is necessary for the continued operation of Debtor's retail locations. Debtor's motion states that pending assumption or rejection, such leases as Millard's will continue to receive postpetition rental payments.

Notwithstanding Debtor's intent to make such postpetition payments,

Millard asserts that a six-month extension is too long and does not provide Millard with sufficient assurances that its lease obligations will be honored and may have a detrimental impact on Millard's own longterm business planning.

4. Millard would consent to Debtor's requested extension if Debtor would agree to entry of a stipulated order providing for the automatic lifting of the stay to permit Millard to terminate the lease and re-let the premises immediately upon default by the Debtor in postpetition rental payments.

WHEREFORE, Millard Refrigerated Services Inc. prays that this Court deny Debtor's Motion and that it be granted such other relief as is just.

LINDA S. BLOOM P. A.

Inc.

By Linda S. Bloom
Attorney for Millard Refrigerated Services

PO Box 218
Albuquerque NM 87103
(505) 764-9600

I hereby certify that a true and correct copy of the foregoing was mailed this 8th day of March 2001 to the following:

Office of US Trustee
PO Box 608
Albuquerque NM 87103

Jacobvitz, Thuma & Walker PC
David Thuma
500 Marquette NW Suite 650
Albuquerque NM 87102

Linda S. Bloom