

Michael Reed  
MCCREARY, VESELKA, BRAGG, AND ALLEN, P.C.  
P. O. Box 26990  
Austin, Texas 78755  
512-451-9000

FILED  
01 AUG 20 PM 1:57

Attorneys for County of Brewster, Midland Central Appraisal  
District

IN THE UNITED STATES BANKRUPTCY COURT FOR THE  
DISTRICT OF ALBUQUERQUE  
NEW MEXICO DIVISION

IN THE MATTER OF:

CASE NO. 01-10779-SA

FURR'S SUPERMARKETS, INC.

DEBTOR

CHAPTER 11

OBJECTION TO THE DEBTOR'S AMENDED MOTION FOR (I) APPROVAL OF  
WIND-DOWN BUDGET... (VI) APPROVING THE SETTLEMENT OF SALE  
ESTATE CLAIMS AGAINST THE SECURED LENDERS...

TO THE HONORABLE BANKRUPTCY JUDGE:

NOW COME County of Brewster, Midland Central Appraisal District, hereinafter referred to as claimants, and file their Objection to the Debtor's Amended Motion for (i) Approval of Wind-Down Budget... (vi). Approving the Settlement of Sale Estate Claims Against the Secured Lenders... and would show the Court the following:

I.

Claimants are political subdivisions of the State of Texas.

II.

There are property taxes for the tax year 2000 and estimated taxes for the year 2001 on the Debtor's property. These property taxes were duly assessed in accordance with the laws of the State of Texas and constitute a valid, liquidated secured claim against the Debtor's property and are entitled to priority over other secured claims under 11 U.S.C. § 506.

917

III.

While the debtor has proposed in its motion to retain funds in the amount of \$350,000.00 as adequate protection for taxes on the Texas and New Mexico properties, that amount is entirely inadequate. No less than the amount of \$150,555.87 should be retained and segregated for Brewster County and Midland Central Appraisal District alone.

IV.

The laws of the State of Texas, Property Tax Code, Section 32.05(b), give the tax lien securing property taxes priority over any other claim lien against these properties. These tax claims are entitled to priority as a secured claim, and over other secured claims, according to the 11 U.S.C. § 506. Stanford v. Butler, 826 F.2d 353 (5th Cir. 1987).

V.

Inasmuch as these claims are oversecured and will be entitled to interest under § 506(b) upon payment, such portion of these claims as are presently delinquent should be paid promptly, to avoid the accumulation of interest to the estate.

VI.

WHEREFORE, claimants pray that the Court deny the relief being requested by this Motion and order the retention and segregation of no less than \$150,555.87 for Brewster County and Midland Central Appraisal District, order payment of delinquent taxes from the proceeds of this sale, and further request other and such relief as is just and proper.

Dated: August 17, 2001

Respectfully submitted,

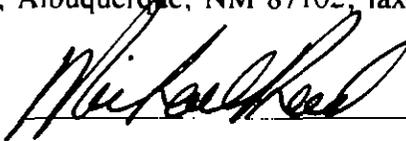
McCREARY, VESELKA, BRAGG & ALLEN, P.C.  
Attorneys for Claimants, County of Brewster, Midland  
Central Appraisal District  
P. O. Box 26990  
Austin, Texas 78755  
(512) 451-9000



Michael Reed  
State Bar Number 16685400

CERTIFICATE OF SERVICE

I hereby certify that I have placed a copy of the above Objection to the Debtor's Amended Motion for (i) Approval of Wind-Down Budget, (vi) Approving the Settlement of Sale Estate Claims Against the Secured Lenders... to Furr's Supermarkets, Inc., 4411 The 25 Way N E Ste 100, Albuquerque, NM 87109; Robert H. Jacobvitz and David T. Thuma, Attorney for Debtor, JACOBVITZ, THUMA & WALKER, P.C., 500 Marquette N W Suite 650, Albuquerque, NM 87102, fax number (505) 766-9787, on August 17, 2001, by First Class U. S. Mail.



Michael Reed