

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW MEXICO

OCT 25 PM 4:00

U.S. BANKRUPTCY COURT
ALBUQUERQUE, NM

IN RE:

FURR'S SUPERMARKETS, INC.
Debtor.

No. 11-01-10779 SA

**OBJECTION TO DEBTOR'S MOTION TO EMPLOY REAL ESTATE BROKER
FOR EL PASO DISTRIBUTION CENTER**

COMES NOW the United States Trustee for the District of New Mexico and pursuant to 28 U.S.C. §586(a)(3)(A) hereby objects to the employment application, on the following grounds:

1. The listing agreement discusses an Intermediary Relationship in paragraph 6. The agency relationship to be created is very similar to what is generally termed a "dual agency" relationship in New Mexico. While such a relationship may be legal under New Mexico statute, it may not be appropriate under the Bankruptcy Code. The Code does not generally allow a professional to represent both sides to the same transaction.

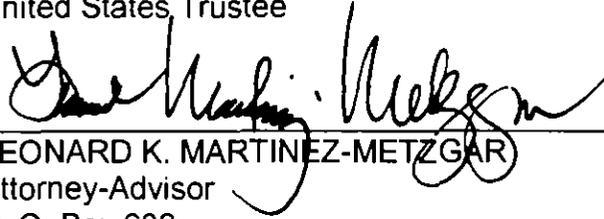
2. On page 7 of the motion, there is discussion regarding the realtor receiving payment upon entry of the order approving the leasehold interest in the distribution center. It seems more appropriate for the realtor to be paid at closing of the sale. Further, in paragraph 5 of the listing agreement there is discussion regarding cooperating with other brokers and sharing of compensation. More disclosure should be provided in this regard.

Wherefore, the U.S. Trustee objects to the employment application until all these matters are resolved.

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Respectfully submitted,

BRENDA MOODY-WHINERY
United States Trustee



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I HEREBY CERTIFY that a true copy of the foregoing has been mailed to the following counsel on this 25th day of October 2001.



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