

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,

Debtor.

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U.S. BANKRUPTCY COURT
ALBUQUERQUE, NM

Case No. 11-01-10779-SA

**OBJECTION OF OFFICIAL COMMITTEE OF UNSECURED CREDITORS
TO DEBTOR'S MOTION FOR ORDER APPROVING THE
DEBTOR'S REJECTION OF CERTAIN UNEXPIRED
NON RESIDENTIAL REAL ESTATE LEASES**

The Official Committee of Unsecured Creditors (the "UCC") by and through its counsel Pepper Hamilton, LLP (Stuart Hertzberg, Esq. and I. William Cohen, Esq.), and local counsel Davis & Pierce, P.C. (William F. Davis, Esq.), for its Objection, hereby STATES:

1. On February 8, 2001, Debtor filed a Voluntary Petition for relief under Chapter 11 of the Bankruptcy Code. Debtor continues as a Debtor-in Possession.
2. On March 1, 2001, the Debtor filed a Motion for Order Approving the Debtor's Rejection of Certain Unexpired Non Residential Real Estate Leases. The Motion was noticed that same date.
3. Since receipt of the Motion, the UCC and its attorneys and accountants have sought information from the Debtor and its professionals so that the UCC could make an independent determination of whether the lease should be rejected. As requested by the Debtor, the members of the UCC and its professionals have signed a confidentiality agreement to protect any confidential information provided to the UCC.
4. The UCC requested information directly from the Debtor and the Debtor's professionals during its Unsecured Creditors Committee meeting, held on March 16, 2001.
5. Presumably, the information relied on by the Debtor and the Debtor's professionals

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to decide to reject the leases should be readily available.

6. Subsequent to that meeting, the UCC's accountants, Deloitte and Touche, have made requests of the Debtor and the Debtor's accountants, PriceWaterhouseCoopers, for information the UCC needs to evaluate whether the lease should be rejected.

7. Even though these various requests have been made, no information with regard to these leases or the other leases, has been provided by the Debtor or the Debtor's professionals to the UCC or its professionals, except as set forth in the Motion.

8. The UCC needs the financial information requested in order to make a determination with regard to the proposed rejection of leases and fulfill its obligations as the UCC.

9. The UCC is unable to fulfill its duties without this information, and further, developing this information on its own without the help of the Debtor and the Debtor's professionals, will greatly increase the costs of the administration of the estate.

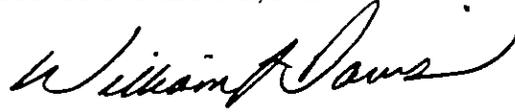
10. If the UCC cannot get this information from the Debtor or the Debtor's professionals, the UCC will have to proceed with formal discovery through depositions and request for production of documents, which will greatly increase the costs of administration of the estate because of unnecessary and duplicative efforts.

11. The delay already caused by the failure to provide the requested information to the UCC is unnecessarily increasing the administrative costs to the estate by the delay in rejecting the leases if that is the ultimate decision.

WHEREFORE, since the UCC has not received information to evaluate whether or not the rejection of the leases herein are in the best interests of the estate and creditors, the UCC objects to approval of the rejection of the leases until information is provided to enable the UCC to make an informed decision, and for such other and further relief as the Court deems just.

Respectfully submitted,

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The undersigned hereby certifies
that a true and accurate copy of
the foregoing was mailed this
23rd day of March, 2001.

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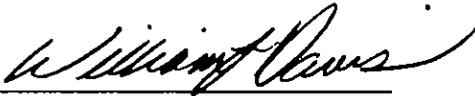
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