Laura J. Monroe
PERDUE, BRANDON, FIELDER,
COLLINS & MOTT
P. O. Box 817
Lubbock, Texas 79408
(806)744-5091, FAX (806)744-9953

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COURT
ALBUQUERQUE N.M.

ATTORNEY FOR:
ANDREWS ISD AND CITY OF ANDREWS
ANDREWS COUNTY TAX OFFICE
MIDLAND COUNTY TAX OFFICE

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

IN RE:	§	
	§	CASE NO. 01-10779
FURR'S SUPERMARKETS, INC.	§	
	§	CHAPTER 11
DEBTOR	§	

OBJECTION TO THE DEBTOR'S MOTION FOR ORDER APPROVING SALE OF SOME OR ALL OF DEBTOR'S OPERATING ASSETS AND GRANTING RELATED RELIEF

NOW COME Andrews ISD and City of Andrews, Andrews County Tax office and Midland County Tax Office, (hereinafter "Claimants") and file this their Objection to the Debtor's Motion for Order Approving Sale of Some or All of Debtor's Operating Assets and Granting Related Relief, and for cause of such would show the court the following:

1. These Claimants have the following claims against this debtor for pre-petition taxes for the years 2000 and 2001: Andrews ISD and City of Andrews in the amount of $9,791.95 for 2001 taxes, Andrews County Tax Office in the amount of $10,160.59 for 2000 and 20001 taxes, and Midland County Tax Office in the amount of $4,410.68 for 2000 and 2001 taxes.

2. The Texas Property Tax Code creates a lien on all taxable property as of January 1 of each year to secure the taxes eventually imposed in that

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year on that property, whether real estate or business personal property. TEX. PROP. TAX CODE ANN. §32.01. That lien is superior to virtually all other liens pursuant to TEX PROP. TAX CODE ANN. §32.05, even to those liens created prior in time to the tax liens in question. Thus, the tax liens in favor of the Claimants arising for the tax years 2000 and 2001 are clearly superior to any liens now existing.

3. The property which debtor now seeks to sell has delinquent and current ad valorem property tax liens attached to it.

4. There is no reasonable basis for asking Claimants as secured claimants to delay receipt of payment past closing of any sales of property subject to Claimants' tax liens. Indeed, payment as soon as practically possible, will save the bankruptcy estate continuing interest, to which over-secured claimants such as these taxing entities are entitled.

5. Claimants have no objection to the transfer of the Debtor's property if Claimants' lien for outstanding 2000 taxes are paid in full at the time of closing. Further, the 2001 taxes, while not currently due, should have their lien retained and the purchaser should assume liability for payment of the 2001 taxes by court order.

5. Claimants' taxes are provided for by the laws of the State of Texas and should not be jeopardized by a transfer in interest of the property upon which the taxes are assessed.

Therefore, the Claimants pray this Court deny sale of property or in the alternative, require payment of 2000 taxes at closing, and provide for retention of liens and assumption of liability by purchaser of 2001 taxes. Claimants further request other and such relief as is just and proper.

Dated June 13, 2001

Respectfully submitted,

PERDUE, BRANDON, FIELDER,
COLLINS & MOTT, L.L.P.
P. O. Box 817
Lubbock, Texas 79408-0817
(806) 744-5091, FAX (806)744-9953
Attorneys for Claimants:
Andrews ISD and City of Andrews
Andrews County Tax Office
Midland County Tax Office

By Laura J. Monroe
Laura J. Monroe
Texas State Bar Number 142723000

CERTIFICATE OF SERVICE

I hereby certify that I have placed a copy of the above Objection to the Debtor's Motion for Order Approving Sale of Some of All of Debtor's Operating Assets and Granting Related Relief the following by First Class U.S. Mail on this 13th day of June, 2001:

JACOBVITZ THUMA & WALKER, P.C.
Robert H. Jacobvits
David T. Thuma
500 Marquette N.W., Suite 650
Albuquerque, New Mexico 87102

SKADDEN, ARPS, SLATE, MEAGHER & FLOM
Richard Levin
Stephen J. Lubben
300 South Grand Avenue, Suite 3400
Los Angeles, California 90071-3144

Laura J. Monroe
Laura J. Monroe