

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,

Case No. 11-01-10779 SA
Chapter 11

Debtor.

**ORDER GRANTING IN PART DEBTOR'S MOTION TO REJECT CERTAIN
UNEXPIRED REAL ESTATE LEASES, SUBLEASES, AND EQUIPMENT
LEASES WITH RESPECT TO FURR'S 5 LLC AND FURR'S 7 LLC**

THIS MATTER came before the Court (a) on the Motion to Reject Certain Unexpired Real Estate Leases, Subleases, and Equipment Leases filed on June 25, 2001 (Doc. No. 665) (the "Motion") filed by the debtor and debtor in possession Furr's Supermarkets, Inc. ("Debtor"), represented by Skadden, Arps, Slate, Meagher & Flom, LLP and Jacobvitz, Thuma & Walker, P.C. (Robert H. Jacobvitz and David T. Thuma); (b) on the timely objection filed to the Motion by, among others, Jontz, P.C. (Robert A. Johnson); (c) for preliminary hearing on the Motion and the Objections on July 20, 2001; and (d) on the stipulation set forth in this Order by and between Debtor and BVP.

Having reviewed the Motion, and based upon the stipulation of the parties hereto, and being otherwise advised in the matter, THE COURT FINDS: (a) Debtor commenced this case by filing a voluntary petition on February 8, 2001 in this Court under chapter 11 of title 11 of the United States Bankruptcy Code; (b) the Debtor continues to operate its business and manage its properties as debtor-in-possession under Bankruptcy Code §§ 1107(a) and 1108; (c) Debtor filed the Motion on June 25, 2001; (d) a timely objection to the Motion was filed by, among others, Furr's 5 LLC and Furr's 7 LLC ("Furr's 5" and "Furr's 7") (Doc. No.

720), represented by Fairfield, Farrow, Flowers, & Strotz, P.C. (John Farrow); (e) Furr's 5, Furr's 7 and the Debtor have agreed and stipulated to the terms of this Order; (f) the requirements of Bankruptcy Code §365 have been satisfied with respect to the relief granted by this Order; and, (g) entry of this Order, without further notice or hearing, is appropriate.

THEREFORE, THE COURT ORDERS:

1. As used in this Order, the following terms are defined as follows:

a. The "Closed Stores" means the five grocery stores that the Debtor closed in May 2001 more particularly described as follows:

CLOSED STORE NO.	CLOSED STORE ADDRESS
#871	8100 Ventura NE, Albuquerque, NM
#903	810 East 21st Street, Clovis, NM
#944	115 Americas Ave. S, El Paso, TX
#946	6910 N Mesa Dr, El Paso, TX
#951	10765 Kenworthy, El Paso, TX

b. The "Closed Store Leases" means the five real property leases for the Closed Stores, more particularly described in Exhibit A, attached hereto;

c. The "Equipment Leases" are the personal property leases for equipment other personal property located, among other places, at the Closed Stores, and which leases as to the Closed Stores are more particularly described in Exhibit "C," attached to the Motion;

d. The "Leased Property" means the real and personal property leased under, by and through the Closed Store Leases and the Equipment Leases;

e. The "Rejected Leases" are the Closed Store Leases for the following

Closed Stores;

STORE NO.	PROPERTY LEASED	LESSOR
#944	115 Americas Ave. S, El Paso, TX	Furrs 7, LLC 1818 N. Farwell Ave Milwaukee, WI 53202
#946	6910 N Mesa Dr, El Paso, TX	Furrs 5, LLC 1818 N. Farwell Ave Milwaukee, WI 53202

f. The “Rejected Leased Property” means the Leased Property leased under, by and through the Rejected Leases; and

g. All references to “Furr’s 6, LLC” in the Motion and the Exhibits attached to the Motion are deemed to be references to “Furr’s 7, LLC.”

2. The Debtor’s rejection of the Rejected Leases is approved, as provided in this Order. The lessors on the Rejected Leases shall permit access to the respective Closed Stores during ordinary business hours, or by arrangement, for no less than seven (7) days from the date of entry of this Order, to allow the Debtor, and/or the vendors/lessors under rejected Equipment Leases, to take possession of the Leased Property located in such Closed Stores, to the extent such repossession has been authorized by other court order.

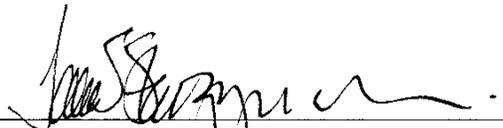
3. If the Debtor has not already done so, the Debtor immediately will surrender the Rejected Leased Property, and is deemed to have surrendered such Rejected Leased Property effective as of August 20, 2001, if such Rejected Leased Property is surrendered within seven (7) days after entry of this Order.

4. The automatic stay provided by 11 U.S.C. §362(a) is terminated as to the Rejected Leases and the Rejected Leased Property to permit the lessors to take possession of the Rejected Leased Property under the Rejected Leases; the stay remains in full force and

effect as to all other leases and Leased Property, except as provided by other or further order of the Court.

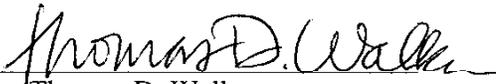
5. Determination of the effective date of the Debtor's rejection of the Rejected Leases is reserved and all arguments with respect to the effective date are preserved. Notwithstanding the foregoing, the outside effective date of such rejection shall be August 20, 2001, without prejudice to any party to argue that an earlier date is the effective date of rejection.

6. This Order does not resolve any issues, claims and defenses regarding allowance, amount, or payment of administrative expense claims, if any, of the vendors/lessors of the Rejected Leased Property; all such issues, claims and defenses being preserved without prejudice.



JAMES S. STARZYNSKI
U.S. Bankruptcy Judge

AGREED TO SUBMITTED BY:
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By 
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By Approved by telephone 8/23/01 

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Attorneys for Furr's 5 LLC and Furr's 7 LLC



I hereby certify that a true and correct copy
of the foregoing was either electronically
transmitted, faxed, delivered or mailed to
the listed counsel and parties on:

AUG 30 2001

Mary B. Anderson

Exhibit A--Closed Store Leases

STORE NO.	PROPERTY LEASED	LESSOR	MONTHLY RENT	LEASE TERM
#871	8100 Ventura NE, Albuquerque, NM	Broadway Vista Partners 559 S. Palm Canyon Dr. #B-212 Palm Springs, CA 92263-6600	\$46,754.48	Ends in 10/17/25
#903	810 East 21st Street, Clovis, NM	Claus Doelling Fuchsberger DAMM 2 25335 Elmshorn Germany	\$30,250.00	Ends 8/3./05
#944	115 Americas Ave. S, El Paso, TX	Furrs 7, LLC 1818 N. Farwell Ave Milwaukee, WI 53202	\$37,258.94	Ends 12/31/19
#946	6910 N Mesa Dr, El Paso, TX	Furrs 5, LLC 1818 N. Farwell Ave Milwaukee, WI 53202	\$51,731.14	Ends 12/31/19
#951	10765 Kenworthy, El Paso, TX	CenterAmerica Property Trust, L.P. 3901 Bellaire Blvd Houston, TX 77025	\$37,895.98	Ends 10/24/20