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APR 09 2007

U.S. BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA**

8	In re:)	Chapter 11
9	JOE MARTINEZ, SR. and and ELEANOR)	No. 0:07-bk-00016-JMM
10	MARTINEZ,)	No. 2-07-bk-00243-JMM
)	(Jointly Administered)
	<u>Debtors.</u>)	
11	In re)	MEMORANDUM DECISION
12	ANTHONY D. MARTINEZ (dba)	
13	MARTINEZ FARMS),)	
	<u>Debtor.</u>)	

15 The Debtors have asked permission, brought on in an emergency fashion, to borrow \$425,000
16 in order to plant cotton and condition 505 acres for that purpose.

17 The chapter 11 case of Joe and Eleanor Martinez (07-16) was filed on January 16, 2007. It
18 is jointly administered with the case of Anthony D. Martinez, filed on January 22, 2007 (07-243).

19 The instant motion was filed on April 2, 2007 (Dkt. #89) and a hearing was held on April 6,
20 2007. The initial motion contained only a scant outline of what was anticipated to be accomplished by the
21 loan, and it drew two objections. (Dkts. #95 and #99.)

22 The points raised by the objecting parties are meritorious. In particular, the information to
23 support a loan of this magnitude, and the details thereof, are minimal. Thus, the court lacks the necessary
24 supporting information to confidently grant the request. Lack of confidence in the Debtors' request translates
25 into a finding that the Debtors cannot carry the requisite burden of proof of convince the court that such a
26 loan is in the best interests of the estate.

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1 Simply because the motion is couched as an "emergency" is not, by itself, enough of a reason
2 to run roughshod over the need for the court and creditors to be provided with enough information to make
3 an informed decision.

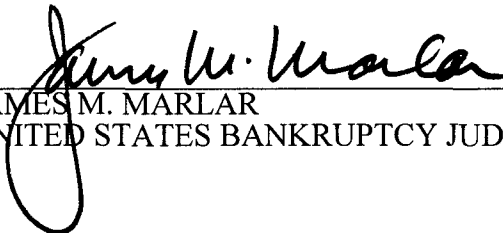
4 By now, the Debtors should have filed monthly operating reports concerning January and
5 February, but no such reports appear on the docket. Nor has a plan been filed.

6 The court has also read the exhibit filed by the Debtors, which consists of their attorney's
7 letter to the lender, and a short attempt at calculating a crop budget. The information provided is insufficient
8 to support the request. Additionally, the court reviewed the affidavit of Jean Gastelluberry and finds the
9 clarity of his views to have merit.

10 Ultimately, the court concludes that without a plan, or without a more complete hearing as
11 to the loan request, it is premature to begin incurring substantially more debt for a cotton operation, when
12 the Debtors' past experience appears to be in the hay, not cotton, business.

13 The motion will be denied. A separate order will be entered. FED. R. BANKR. P. 9021.

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15 DATED: April 9, 2007.

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18 JAMES M. MARLAR
19 UNITED STATES BANKRUPTCY JUDGE

1 COPIES served as indicated below
this 9th day of April, 2007, upon:

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By /s/ M. B. Thompson
Judicial Assistant