

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WISCONSIN

In re:

Case Number:

TIMOTHY F. MURPHY
TERRI MURPHY

EF7-83-00829

Debtors.

FINDINGS OF FACT, CONCLUSION OF LAW
AND
ORDER AVOIDING LIEN

FILED

FEB 1 1984

CLERK
U.S. BANKRUPTCY COURT

The debtors, Timothy F. Murphy and Terri Murphy, by their attorney, Mart W. Swenson, having filed an Application to Avoid Lien Which Impairs an Exemption under 11 U.S.C. sec. 522(f)(1982); and a hearing having been held; and the debtors appearing in person and by their attorney; and The American Bank (of Nelson, Wisconsin) appearing by its attorney, Roger L. Hartman of Hartman & Duvall; and the Court having heard the evidence and considered the complete record and file herein, FINDS:

1. That the debtors, Timothy F. Murphy and Terri Murphy, filed for relief under Chapter 7 of the Bankruptcy Code on May 23, 1983.
2. That, on September 16, 1981, the debtors gave The American

Bank (the Bank) a security interest in "All antiques and collectables, all pottery, all jewelry, stones and metals, and all artwork and paintings now owned or hereafter acquired by debtors." And that the Bank duly perfected said security interest.

3. That said security interest was granted to the Bank as added security for a real estate loan from the Bank to the debtors.

4. That the debtors have presented the Court with four itemized lists of possessions. Exhibit 1. Said lists having been originally prepared for insurance purposes.

5. That said lists are labeled "Schedule D Antiques and Collectibles", "Schedule G" (apparently items held for others), "Schedule K Jewelry - Precious Metals & Stones" and "Schedule M Art Collection".

6. That 11 U.S.C. sec. 522(1982) provides, in pertinent part:

- (f) ...the debtor may avoid the fixing of a lien...
to the extent that such lien impairs an exemption...
if such a lien is—
 - (2) a nonpossessory, nonpurchase-money security
interest in any—
 - (A) household furnishings, household goods,...
books,...or jewelry that are held primarily
for...personal...use...

7. That the items listed in Exhibit 1 are of the type set

out in sec. 522(f)(2)(A).

8. That the Bank's security interest is nonpossessory and nonpurchase-money.

9. That the Bank's lien impairs the debtors' exemptions.

CONCLUSION OF LAW

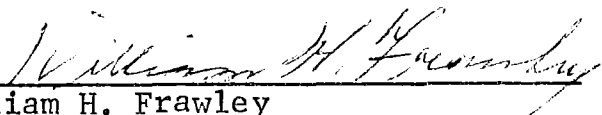
The debtors may avoid the fixing of the Bank's lien.

ORDER

IT IS ORDERED THAT the lien of The American Bank, heretofore set forth, be, and the same hereby is, avoided on the items described in Exhibit 1, without costs to either party.

Dated: February 1, 1984.

BY THE COURT:



William H. Frawley
Bankruptcy Judge