

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF WISCONSIN

MAY 9 1984

CLERK  
U.S. BANKRUPTCY COURT

In re:

Case Number:

THOMAS J. HOFFMAN, JR.

WF7-84-544

Debtor.

FINDINGS OF FACT, CONCLUSIONS OF LAW  
AND  
ORDER TERMINATING STAY

Creditor State Bank of Medford, by Attorney Thomas M. Rusch of Rusch & Rusch, having filed motions for relief from automatic stay in these related proceedings;<sup>1</sup> and Debtors Lakeview Foods & Dairy, Inc., and Thomas J. Hoffman, Jr., by Slaby, Deda, Henderson and Cowser Law Office, having opposed said motions; and the matters having come on for hearing before the Court; and all parties appearing by counsel; the Court, having heard testimony and the oral argument of counsel, having considered the briefs filed herein, the entire record and proceedings and being fully advised in the premises, FINDS THAT:

1. Debtors Lakeview Foods & Dairy, Inc., and Thomas J. Hoffman, Jr., owe Creditor State Bank of Medford over \$285,000.

2. The Bank has a security interest in certain real estate mortgaged by Debtor Hoffman and in all of the assets, accounts receivable and inventory of Debtor Lakeview.

<sup>1</sup> Essentially identical decision entered in In re Lakeview Foods & Dairy, Inc., WF11-83-01775 (Bankr. W.D.Wis. May 9, 1984).

3. The Bank's security interest in Debtor Lakeview accounts receivable and inventory extends to post-petition accounts receivable and inventory as the proceeds of pre-petition assets, accounts receivable and inventory. 11 U.S.C. 552(b).

4. The current value of the aforementioned collateral is:

Residence	45,000.00
3 wild forties	15,000.00
Lakeview plant and all equipment	99,113.00
Unpaid taxes through 1983	(5,069.00)
77 Ford truck with freezer	5,000.00
82 American Eagle automobile	6,500.00
72 Chevrolet truck	700.00
68 Ford truck	200.00
Inventory and Accounts Receivable	<u>67,537.00</u>
TOTAL	233,981.00

5. Accordingly, the Debtors have no equity in the secured property. Compare Paragraph 1 with Paragraph 5.

6. Debtor Lakeview has filed a proposed Disclosure Statement and Plan calling for the liquidation of the Debtor.

7. Accordingly, the secured property is not necessary to an effective reorganization.

8. The Bank's security interest is not adequately

protected and the Debtors have not proposed any 11 U.S.C. sec. 361 relief to adequately protect the Bank's interest.

9. As Debtor Lakeview ceased operation as a going concern on April 1, 1984, it is not necessary for this Court to reach the Bank's motion respecting cash collateral.

10. In light of the Order lifting the automatic stay in this proceeding, infra, it is not necessary for this Court to reach the Debtor Lakeview's motion respecting cash collateral.

CONCLUSION OF LAW

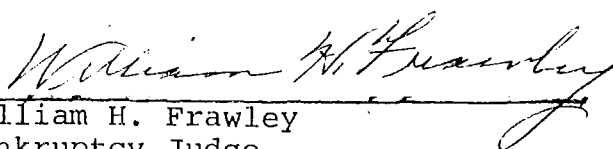
This Court must grant relief to The State Bank of Medford from the stay provided under 11 U.S.C. sec. 362(a). 11 U.S.C. sec. 362(d).

ORDER

IT IS ORDERED THAT the 11 U.S.C. sec. 362(a) automatic stay in these proceedings be, and the same hereby is, terminated as to The State Bank of Medford.

Dated: May 9, 1984.

BY THE COURT:

  
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William H. Frawley  
Bankruptcy Judge