FILED

UNITED STATES BANKRUPTCY COURT

SEP 29 1986

WESTERN DISTRICT OF WISCONSIN

JUERIK, U.S. BANKRUPTCY COURT

In re:

Case Number:

RANDY ROBERT CARLSGAARD SUSAN EILEEN CARLSGAARD

SF7-86-00905

Debtors.

ORDER

The court having this day entered its memorandum opinion, findings of fact, and conclusions of law;

NOW, THEREFORE, IT IS ORDERED that the debtors' motion to avoid the liens of Heights Finance Company is hereby denied.

September 29, 1986. Dated:

BY THE COURT:

William H. Frawley

U.S. Bankruptcy Judge

cc: Attorney Thomas Moran Attorney John Hedtke

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MEMORANDUM OPINION, FINDINGS OF FACT, AND CONCLUSIONS OF LAW

The debtors, by Thomas Moran, have brought a motion pursuant to 11 U.S.C. § 522(f) and Bankruptcy Rule 4003 to avoid liens on property. The Heights Finance Company (Heights) appears by John Hedtke and objects to the motion. A hearing was scheduled in this matter for August 29, 1986, and the parties were ordered to submit the issues to the court through briefs. The parties have been provided ample time to file briefs.

The debtors apparently purchased a bed, two nightstands, and a dresser in May of 1985. The debtors granted Thorp Loan and Thrift Company (Thorp) a purchase money security interest in the mentioned items. This security interest was assigned by Thorp to Heights on November 1, 1985. The debtors assert that a security interest loses its purchase money character upon assignment. The court disagrees. A perfected security interest can be assigned. Wis. Stat. § 409.302(2). See also B. Clark, The Law of Secured Transactions Under the Uniform Commercial Code. ¶ 2.16 (1980). The debtors have not provided any support for their assertions

that the assignment caused the security interest to lose its purchase money character. It is the conclusion of the court that the debtors' motion to avoid the liens of Heights should be denied.

This opinion shall constitute findings of fact and conclusions of law in accordance with Bankruptcy Rule 7052.

Dated: September 29, 1986.

BY THE COURT:

William H. Frawley U.S. Bankruptcy Judge