

UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF MICHIGAN

IN RE:

ROLAND LR MUDGET and  
HIEDI ANN MUDGET

Debtor(s)/

CASE NO.: DK12-10989  
CH. 7

NOTICE TO CREDITORS AND OTHER PARTIES IN INTEREST

**TRUSTEE'S MOTION FOR AUTHORITY TO SELL  
RIGHT TO RECEIVE PAYMENTS UNDER §363(b)**

Please take notice that the above-referenced motion has been filed with the Bankruptcy Court. **Your rights may be affected.** You should read these papers carefully and discuss them with your attorney. (If you do not have an attorney, you may wish to consult one.)

If you want the court to consider your views on this matter, attend the hearing scheduled for February 23, 2016 at 10:00 a.m. at the United States Bankruptcy Court, U.S. Courthouse and Federal Building, 410 West Michigan, Room 114, Kalamazoo, Michigan.

You or your attorney may wish to file a response explaining your position. Such response should be received at least seven days prior to the scheduled hearing. A copy should also be served upon the party who has filed the motion and to his/her attorney.

If you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.

Notice and motion returned to Thomas C. Richardson, Esq. for service upon the matrix. (February 2, 2016-kt)  
Court to serve Buyer's List.

February 2, 2016

DANIEL M. LAVILLE  
CLERK OF BANKRUPTCY COURT

/s/

BY: Kathleen Trapp, Deputy Clerk



NOTICE IS HEREBY GIVEN that the court may, in its discretion, orally continue or adjourn the above hearing on the record in open court. If this occurs, parties in interest will not be given further written notice of the new hearing date. If an entity is not present at the originally scheduled hearing, information regarding the time, date and place of an orally continued or adjourned hearing may be accessed through the Bankruptcy Court's web site ([www.miwb.uscourts.gov](http://www.miwb.uscourts.gov)) provided the person has a PACER login and password, or by visiting the Clerk's Office of the United States Bankruptcy Court located at One Division Avenue North, 2nd Floor, Grand Rapids, Michigan 49503. Information about a PACER login and password may be obtained by either calling PACER service center between 8:00 a.m. and 5:00 p.m. Monday through Friday, CST at (800) 676-6856 or via its web site at <http://pacer.pcs.uscourts.gov>.

UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF MICHIGAN - SOUTHERN DIVISION

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IN RE:

Case No: DK 12-10989  
(Chapter 7 filed 12/26/12)

ROLAND LR MUDGET and  
HIEDI ANN MUDGET,

Debtors

HON. SCOTT W. DALES  
Bankruptcy Judge

**MOTION FOR AUTHORITY TO SELL  
RIGHT TO RECEIVE PAYMENTS UNDER §363(b)**

Thomas C. Richardson, Trustee, moves, pursuant to Bankruptcy Rule 6004, for an Order authorizing him to sell the right to receive payments from Debtors.

1. He is the Trustee in this Chapter 7 filed December 26, 2012.
2. Included in the assets of the Bankruptcy Estate is the right to receive monthly payments from debtors for purchase of the Estate's equity in their mobile home ("Payment Rights") in accordance with the following (copies attached):

- Motion for Approval of Sale of Property of the Estate dated December 23, 2013
- Order Approving Sale dated January 31, 2014
- Promissory Note dated February 5, 2014
- Security Agreement dated February 5, 2014

3. Trustee is not aware of any liens that would apply to the Payment Rights.
4. Trustee received an offer to purchase the Payment Rights from Morganford Holding, LLC, on January 28, 2016 for the sum of \$4,967.72. The offeror is not an insider.

5. The Trustee proposes that the Estate's interest in the Payment Rights be offered for sale in open Bankruptcy Court on the following terms:

- (a) A copy of the Morganford Holding, LLC offer shall be provided to interested parties by Trustee upon request.

- (b) Bidding at the hearing will commence at \$5,200.00 with subsequent bids in increments of not less than \$100. Written bids may be submitted to the Trustee prior to the hearing on this Motion by mail, fax or e-mail, provided that they must be received by the end of the day prior to the sale hearing. If a higher written bid is received prior to the day of the sale hearing, bidding shall start at \$100.00 above the highest such written bid. No contingent bids shall be received.
- (c) The sale shall be on a cash basis with the successful bidder being required to deposit \$500.00 at the conclusion of the bidding and make payment in full of the balance in cash or certified funds. The deposit of the successful bidder shall be retained by the Trustee and shall not be refundable in the event the successful bidder fails to close for any reason other than failure of the Court to approve the sale. Trustee may close sale to the next high bidder if the high bidder fails to timely pay the deposit or close.
- (d) The expenses of custody, protection, and insurance or sale of the Payment Rights, as well as expenses of sale, including administrative and all legal expenses of these proceedings relating to the protection and sale of said Payment Rights, shall be charged against the sale proceeds with priority over all lien creditors and other claimants.
- (e) Any person objecting to the validity, propriety or legality, and/or having any objection of any kind to the sale as described herein, shall file a written objection to the sale on or before five (5) business days before the date set for the hearing on this Motion and simultaneously serve a copy thereof on the attorney for the Trustee at the addresses listed on this Motion, in accordance with Bankruptcy Rule 6004(b).

6. Payments received by Trustee after January 28, 2016 would belong to the buyer and be credited against the high bid. A payment of \$364.00 was received on February 1, 2016.

7. The Payment Rights shall be sold on an "as is, where is" basis, without representation or warranty, express or implied, of any kind, nature or description, including, without limitation, any warranty by description or marketability, merchantability, or usability, or of fitness for any purpose.

8. Trustee calculates the balance on the promissory note as of January 28, 2016 to be approximately \$6,194.00. Trustee does not warrant the exact balance due but will provide interested parties a listing of all payments made along with the pertinent documents so that they can make their own calculations.

9. Paragraph 4 of the Stipulated Motion for Approval of Settlement filed October 16, 2013

(DOC #10) provided:

In the event the Debtors are ten (10) days in arrears on any payment, the Trustee will send a Notice of Default to the Debtors and their attorneys. If the default is not cured within thirty (30) days thereafter, the Trustee may liquidate the manufactured home. Yankee Springs MHC, LLC is given a first right of refusal to purchase the manufactured home at the same price offered by a third party to the Trustee.

10. Trustee does not believe that the right of refusal applies in this case since Trustee is not liquidating the manufactured home but rather selling the rights to payment, but notice is being given to Yankee Springs MHC, LLC and its attorney to make sure that they do not claim such a right.

11. The Trustee believes that the sale of the Payment Rights, under the terms described above, is reasonable and should be accepted.

WHEREFORE, Thomas C. Richardson, Trustee, requests an Order of this Honorable Court authorizing him to sell the Payment Rights in accordance with the terms hereinabove stated, and providing that the sale to the high bidder in Court be confirmed and the Bankruptcy Rule 6004(g) stay be waived.

Dated: 2/2/16

/s/  
Thomas C. Richardson, Trustee (P31750)  
P. O. Box 51067  
Kalamazoo, MI 49005-1067  
(269) 349-7415