

SIGNED.

Dated: June 7, 2012



A handwritten signature in black ink, reading "James M. Marlar", is positioned above the printed name of the Chief Bankruptcy Judge.

James M. Marlar, Chief Bankruptcy Judge

1
2
3
4
5
6
7 **UNITED STATES BANKRUPTCY COURT**
8 **DISTRICT OF ARIZONA**

9 In re:

10 JOSEPH A MARRERO and ROSEANN
11 MARRERO

12 Debtors.

Chapter 13

No. 4:10-bk-40326-JMM

MEMORANDUM DECISION

13 A hearing was held on June 5, 2012 which dealt with the threshold issue in this
14 Chapter 13 case: Are the Debtors eligible for relief under this chapter? See Debtors' Objection
15 to Claim 13 filed by Gregory J. Hughes and Response and Request for Hearing to Liquidate
16 Amount filed by Susan Lundquist and Gregory J. Hughes ("Hughes") (ECF Nos. 57 and 60).

17 The parties are familiar with the facts, and have well-briefed the legal issue. This court
18 must determine, based upon the pleadings and exhibits before it, whether the Debtors'
19 unsecured debts exceed \$360,475. 11 U.S.C. § 109(e).

20 Based on the Superior Court's summary judgment finding of liability against the
21 Debtors, and in favor of claimants Hughes, the court gives prima facie validity to the Hughes'
22 Proof of Claim. FED. R. BANKR. P. 3001(f). The court must also conclude that even if
23 there may be debate over the exact amount of the claim (or indeed the totality of all of
24 the Debtors' unsecured claims), it is clear that, for purposes of any initial and threshold
25
26
27
28

1 ruling on eligibility, that the unsecured claims appear to easily exceed the statutory debt
2 limit of \$360,475.¹

3 Accordingly, a separate order will be entered which dismisses this Chapter 13
4 proceeding. All other unresolved motions are thereby rendered moot.

5
6 DATED AND SIGNED ABOVE.

7
8 COPIES to be sent by the Bankruptcy Noticing
Center ("BNC") to the following:

9 Attorney for Debtors
10 Jason M. Kelly, Attorney for Susan Lundquist and Gregory J. Hughes
11 Trustee
Office of the U.S. Trustee

12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27 _____
28 ¹ The Hughes' proof of claim was filed for \$526,108.74, and for an additional \$16,426.47. As pointed out at oral argument, another creditor claims \$379,582.41. The total amount of all unsecured claims in the case, according to the Claims Register, is \$1,060,366.86. It appears likely that non-contingent unsecured claims will exceed the statutory limit.