

SIGNED.



Dated: April 05, 2010

*James M. Marlara*  
JAMES M. MARLAR  
Chief Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF ARIZONA

In re: ) Chapter 13  
RONDA A LEAR, )  
Debtor. ) No. 4:09-bk-14969-JMM  
**MEMORANDUM DECISION**

On April 1, 2010, this court considered evidence regarding the value of a certain two-acre parcel owned by the Debtor in connection with a motion for relief from stay filed by secured creditor, Lawrence E. Fournier (DN 21).

The parties have approached the value question from different perspectives. The Debtor looks at the question from a "present use" position, and values the land at \$75,000 (Ex. 1). The secured creditor considers the highest and best use of the collateral security, with the aim being to maximize recovery on the outstanding debt. It believes that the land can be easily split into two parcels, and, after expending about \$10,000 for the costs associated therewith, could realize about \$155,000 for the property (Ex. A.).

When deciding value, § 506(a) of the Bankruptcy Code requires a court to adhere to a certain standard:

Such value shall be determined in light of the purpose of the valuation and of the proposed disposition or use of such property.

1           If a secured creditor were to market this property, after foreclosure, it would take all  
2 the necessary steps to recover its outstanding debt, including past-due interest, fees and costs. In  
3 this case, it would double the value of the two-acre parcel by splitting it and selling it as two parcels,  
4 after making improvements (or lowering the asking price).

5           For purposes of this case, the court finds the value of the Debtor's two-acre residential  
6 parcel, as to secured creditor, to be \$165,000.

7           An evidentiary hearing on Mr. Fournier's motion for stay relief will be held on **April**  
8 **27, 2010, at 1:30 p.m.**, Courtroom 329, 38 South Scott Avenue, Tucson, Arizona.

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10                   DATED AND SIGNED ABOVE.

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12 COPIES to be sent by the Bankruptcy Notification  
13 Center ("BNC") to the following:

14 Cheryl K. Copperstone, Attorney for Debtor

15 Charles H. Whitehill, Attorney for Lawrence E. Fournier

16 Dianne C. Kerns, Trustee

17 Office of the U.S. Trustee  
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