

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF VIRGINIA  
Lynchburg Division**

In re PATRICK J. HAMILTON and ) Case No. 10-60532-LYN  
DAWN M. HAMILTON, )  
 )  
Debtors. )  
\_\_\_\_\_ )

**ORDER OVERRULING OBJECTION  
TO CLAIM #6 OF BEACON CREDIT UNION**

This matter comes before the court on the Debtors’ objection to the secured status of claim no. 6 of Beacon Credit Union (“the Creditor”) in the amount of \$1,162.58. The proof of claim indicates that the claim is secured by a truck and a motorcycle. The Creditor asserts in the proof of claim that the claim is fully secured.

The objection to claim provides:

Debtors object to secured portion of the claim. No equity in property of the debtors. Truck PO valued at \$1,600.00, motorcycle valued at \$1,000.00. Treat entire of the claim in amount of \$1163.58 as nonpriority general unsecured.

No statutory basis is given for the objection. It appears that the Debtors are asserting under 11 U.S.C. § 506(a) that the claim should be bifurcated into a secured portion (equal to \$00.00) and an unsecured portion equal to the amount of the claim. The problem from the Debtors’ perspective is that the fair market value of the collateral, *according to the Debtors*, is greater than the amount of the claim. Thus, the claim is fully secured and the objection to claim must be overruled.

Accordingly, the objection to claim no. 6 of Beacon Credit Union shall be, and hereby is, overruled.

So ORDERED.

Upon entry of this order, the Clerk shall forward a copy to Stephen E. Dunn, Esq., counsel for the debtors, the Chapter 13 trustee, and Beacon Credit Union.

Entered on this 11 th day of April, 2011.



  
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William E. Anderson  
United States Bankruptcy Judge

The seal of the United States Bankruptcy Court is visible in the background, featuring a central star and the words "SEAL" and "UNITED STATES BANKRUPTCY COURT".