

The order below is hereby signed.

Signed: April 16, 2008.



S. Martin Teel, Jr.
S. Martin Teel, Jr.
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF COLUMBIA

In re)
)
MARY RUTH KING,) Case No. 07-00685
) (Chapter 7)
Debtor.) **Not for Publication in**
) **West's Bankruptcy Reporter**

MEMORANDUM DECISION AND ORDER
DISAPPROVING REAFFIRMATION AGREEMENT

On March 20, 2008, the debtor filed a reaffirmation agreement with USA Discounters Credit Corp. The agreement provides that the debtor has agreed to reaffirm \$14,000 of debt. The reaffirmation agreement relates to various items of equipment and furniture that the debtor purchased, including a 50" plasma television for \$5,000.00, a computer for \$1,999.00, a projection HDTV for \$4,499.00, and various bedroom and dining room furniture, for an aggregate purchase price of \$22,106.00. (The reaffirmation agreement includes a list of items, and the \$22,106.00 figure is for those that are not marked "returned" or "never got.") The property, which the debtor has owned for various numbers of years, is not worth \$14,000.00. The debtor, whose finances are strapped, has insufficient income to make the

monthly payment called for by the reaffirmation agreement, and a 50" plasma television and a projection HDTV are luxury items that the debtor can ill afford. Moreover, the creditor would have to incur substantial expenses in retrieving, storing, and selling the property, and would only lose money if it were to insist on a reaffirmation agreement for the full replacement value of the property instead of agreeing to reaffirmation at a lower sum that still lets it come out ahead of what would occur on a repossession. For all of these reasons, the reaffirmation agreement is not in the best interests of the debtor, and imposes an undue hardship on the debtor. It is accordingly

ORDERED that the reaffirmation agreement between the debtor and USA Discounters Credit Corp. is DISAPPROVED.

[Signed and dated above.]

Copies to: Debtor; USA Discounters Credit Corp., 3320 Holland Road, Virginia Beach, VA 23452 Attention: Robert S. Perry, Counsel