



**SO ORDERED.**

**SIGNED this 31 day of January, 2007.**

**ROBERT E. NUGENT  
UNITED STATES CHIEF BANKRUPTCY JUDGE**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF KANSAS**

|  |   |                          |
|--|---|--------------------------|
| <b>IN RE:</b>                          | ) |                          |
|  | ) |                          |
| <b>MARY ANN VILLA,</b>                 | ) | <b>Case No. 05-13309</b> |
|  | ) | <b>Chapter 7</b>         |
| <b>Debtor.</b>                         | ) |                          |
| _____                                  | ) |                          |
| <b>J. MICHAEL MORRIS, Trustee,</b>     | ) |                          |
|  | ) |                          |
| <b>Plaintiff,</b>                      | ) |                          |
| <b>v.</b>                              | ) | <b>Adv. No. 05-5737</b>  |
|  | ) |                          |
| <b>HOME PRIDE FINANCE CORPORATION,</b> | ) |                          |
| <b>21ST MORTGAGE CORPORATION and,</b>  | ) |                          |
| <b>SOUTH SIDE HOMES, INC.,</b>         | ) |                          |
|  | ) |                          |
| <b>Defendants.</b>                     | ) |                          |
| _____                                  | ) |                          |

**JUDGMENT ON DECISION**

The trustee brought this adversary proceeding to avoid 21<sup>st</sup> Mortgage Corporation's lien in debtor's mobile home under 11 U.S.C. § 544(a) and preserve the same for the benefit of the

estate under § 551. The Court holds that 21st Mortgage Corporation failed to perfect its security interest in the mobile home by complying with K.S.A. § 58-4202(g). As a result, its security interest is subordinate to the interests of lien creditors under K.S.A. § 84-9-317 and the trustee may avoid it using his hypothetical lien creditor powers under § 544(a).

JUDGMENT is entered in favor of the Trustee on his complaint and 21<sup>st</sup> Mortgage Corporation's lien is avoided and preserved for the benefit of the estate.