

THIS IS A SAMPLE DOCUMENT.
YOUR DOCUMENT SHOULD BE CUSTOMIZED ACCORDING TO THE FACTS OF
YOUR OWN CASE, AND THE REQUIREMENTS OF YOUR BANKRUPTCY COURT.

AGREEMENT FOR LUMP SUM REDEMPTION OF PROPERTY

This Agreement is entered into by and between:

Debtor: _____

Creditor: _____

BACKGROUND

1. The Debtor filed a voluntary petition for relief under Chapter 7 of the Bankruptcy Code in:
The United States Bankruptcy Court for the _____ District of _____;
Case number _____;
Chapter 7
2. The Creditor holds a secured claim against the Debtor's personal property described below.
3. The Debtor has elected to redeem the property pursuant to 11 U.S.C. § 722.
4. The parties agree to permit redemption by a lump sum, subject to Court approval.

PROPERTY SUBJECT TO REDEMPTION

The property to be redeemed is:

Description: _____

Serial / VIN (if applicable): _____

SECURITY INTEREST

The creditor holds a valid, perfected lien against the property securing a consumer debt. The property is tangible personal property intended primarily for personal, family, or household use.

AGREEMENT TO REDEEM

Pursuant to 11 U.S.C. § 722, the Debtor agrees to redeem the Property by paying the Creditor a single lump-sum payment equal to the current replacement value of the Property.

The parties agree as follows:

Agreed Redemption Amount: \$ _____

Payment Method: _____

Payment Deadline: _____

LIEN RELEASE

Upon receipt of the full lump-sum payment:

1. The Creditor's lien on the Property shall be fully satisfied and released.
2. The property shall be owned by the Debtor free and clear of the lien.
3. Any remaining balance on the underlying debt shall be treated as unsecured and subject to discharge.

COURT APPROVAL REQUIRED

This Agreement is not effective unless and until it is approved by the United States Bankruptcy Court, and incorporated into an order of the Court.

AGREED AND ACCEPTED:

(Your name), Debtor

Date: _____

Authorized Representative, (creditor)

Creditor address: _____

Date: _____