

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Bruce Allan Rahn and Lonna Jean Rahn

Debtors.

Bky No. 02-84189
ADV No.

Chapter 7

Terri A. Georgen, Trustee,

Plaintiff,

vs.

COMPLAINT

David Rahn,

Defendant.

Terri A. Georgen, Trustee (“Trustee”) of the Bankruptcy Estate of Bruce Allan Rahn and Lonna Jean Rahn , (“Debtors”) as and for her Complaint against David Rahn, states and alleges as follows:

1. The Trustee is the duly appointed Chapter 7 Trustee of the bankruptcy estate of the Debtors.
2. This bankruptcy case was commenced by the filing of a voluntary bankruptcy petition on November 19, 2002.
3. This adversary proceeding is a core proceeding within the meaning of 28 U.S.C. §157(b)(2).
4. This court has jurisdiction of this adversary proceeding pursuant to 28 U.S.C. §§157 and 1334. This case arises under 11 U.S. C. §§544, 547, 548 and 550.

5. In January, 2002, the Debtors owned an undivided ½ interest in real property in St. Louis County, Minnesota, legally described as follows:

North Half of Northeast Quarter (N ½ of NE 1/4) Section Twenty-two (22), Township Fifty-three (53) North of Range Seventeen (17) West of the Fourth Principal Meridian according to the U.S. Government Survey thereof;

(“Property”)

6. That on or about February 12, 2002, the Debtors signed a warranty deed (“Deed”) transferring the Property to David Rahn (“Transfer One”).
7. David Rahn is a relative of the Debtors and so is an insider pursuant to 11 U.S.C. § 101(31).
8. That, on or about March 11, 2002, the Deed was recorded in the St. Louis County Recorder’s office as Document No. 00843325 (“Transfer Two”).
9. That Transfers One and Two were purportedly made on account of antecedent debt owed to David Rahn by 7 West, Inc., a corporation.
10. At all relevant times there existed at least one creditor of the Debtors.
11. That, upon information and belief, neither Bruce Rahn nor Lonna Jean Rahn personally owed money to David Rahn.
12. If the transfers to the Defendant of the Property were for antecedent debt owed by the Debtors, then they are avoidable by the Trustee pursuant to 11 U.S.C. § 547 and recoverable pursuant to 11 U.S.C. § 550.
13. If the transfers of the Property to the Defendant were for debt for which the Debtors were not liable, then the transfers are avoidable by the Trustee pursuant to 11 U.S.C. § 548, and recoverable pursuant to 11 U.S.C. § 550.

14. Alternatively, the transfers of the Property to the Defendant are avoidable and recoverable pursuant to 11 U.S.C. § 544 and Minn. Stat. §§ 513.44 and 513.45 and recoverable pursuant to 11 U.S.C. § 550 and Minn. Stat. §513.47.

WHEREFORE, the Plaintiff respectfully requests that this Court makes its Order:

1. Avoiding the transfers to the Defendant of the Property pursuant to 11 U.S.C. §547 and awarding recovery of those transfers from the Defendant pursuant to 11 U.S.C. §550; or
2. Avoiding the transfers to the Defendant of the Property pursuant to 11 U.S.C. §544, Minn Stat. §§513.44 and 513.45 and ordering recovery pursuant to 11 U.S.C. §550 and Minn. Stat. §513.47; or
3. Avoiding the transfers to the Defendant of the Property pursuant to 11 U.S.C. §548 and ordering recovery pursuant to 11 U.S.C. §550; or
4. Avoiding the transfers to the Defendant of the Property pursuant to the above statutory provisions, with the transfers automatically preserved for the benefit of the estate pursuant to 11 U.S.C. §551.
5. Awarding the Plaintiff her costs and disbursements in this action and any other or further relief as the court deems just and equitable.

FULLER, SEAVER & RAMETTE, P.A.

Dated: March __17____, 2004

By: ___/e/ Randall L. Seaver_____
Randall L. Seaver 152882
101 West Burnsville Parkway, Suite 201
Burnsville, MN 55337
(952) 890-0888

Attorneys for Plaintiff

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Bruce Allan Rahn and Lonna Jean Rahn

Debtors.

Bky No. 02-84189

ADV No.

Chapter 7

UNSWORN CERTIFICATE OF SERVICE

I, Roger B. Seaver, declare under penalty of perjury that on March 18, 2004 I mailed a copy of the Summons and Complaint along with all exhibits thereto first class mail, postage prepaid to each entity named below at the address stated below for each entity:

Office of the United States Trustee
1015 U.S. Courthouse
300 South Fourth Street
Minneapolis, MN 55415

David Rahn
17129 235th Court
Hutchinson, MN 55350

CERTIFIED AND FIRST-CLASS

FULLER, SEAVER & RAMETTE, P.A.

Dated: March 18, 2004

By: /e/ Roger Seaver _____

Roger B. Seaver 251227
12400 Portland Avenue South, Suite 132
Burnsville, MN 55337
(952) 890-0888