

IN THE SUPREME COURT OF NOVA SCOTIA  
IN BANKRUPTCY AND INSOLVENCY

**Citation:** Bray , Re, 2006 NSSC 385

**Date:** December 19, 2006

**Docket:** B-24157 and B-24150

**Registry:** Halifax

District of Nova Scotia  
Division No. 1 - Halifax  
Court Nos. 24157 and 24150  
Estate Nos. 51-097354 and 51-097318

**In the Matter of the Bankruptcy of John Frances Bray and Sheila Bray**

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**LIBRARY HEADING**

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**Registrar:** Richard W. Cregan, Q.C.

**Heard:** September 25, 2006

**Written Decision:** December 19, 2006

**Subject:** How should the value of the equity in a bankrupt's home be determined.

**Summary:** Prior to the discharge of the bankrupts, husband and wife, they had made an arrangement with the Trustee respecting paying for the equity in their home. They made some payments, but presumably because of impecuniosity did not make them all.

**Issue:** They decided to sell the home. In order to facilitate the sale, a portion of the proceeds was being held in trust by a solicitor to await the direction of the court as how the portion should be

shared.

**Result:**

It was held that their failure to respond to requests by the Trustee for payments over a lengthy period of time entitled the Trustee to reopen the arrangement to reflect a substantial increase in the value of the home. It was determined that the property should be revalued as of the date of the bankrupts' discharge and the proceeds in trust were directed to be shared accordingly.

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