

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
SHREVEPORT DIVISION

In re: §
Chapter 13 Trustee Procedures for §
Administration of Home Mortgage §
Payments §

**CHAPTER 13 TRUSTEE PROCEDURES FOR ADMINISTRATION OF HOME
MORTGAGE PAYMENTS ADOPTED BY THE COURT ON 1/30/2015**

1. If there is a default as of (i) the petition date, (ii) the date of plan confirmation, or (iii) the date of the filing of a plan modification on a claim secured by a security interest in real property that is the debtor's principal residence pursuant to the terms of 11 U.S.C. § 1322(b)(5) (the "Ongoing Mortgage"), then the Chapter 13 plan must provide for regular monthly payments of the Ongoing Mortgage, including applicable escrow amounts, through the Chapter 13 Trustee. This paragraph does not preclude the use of direct mortgage payments if a default on the Ongoing Mortgage has been cured by a consensual loan modification. In addition, the Chapter 13 Trustee shall have the discretion to allow direct Ongoing Mortgage payments, when the default is less than \$500 due to escrow shortages, late charges or a payment shortfall of less than one month.

2. If there is no default as of (i) the petition date, (ii) the date of plan confirmation, or (iii) the date of the filing of a plan modification on an Ongoing Mortgage, then the Chapter 13 plan shall provide for either (a) regular monthly payments of the Ongoing Mortgage, including applicable escrow amounts, to be made through the Chapter 13 Trustee, or (b) direct payments by the Debtor of the regular monthly mortgage payment due under the Ongoing Mortgage, including applicable escrow amounts.

3. The following requirements will apply to all cases in which the Chapter 13 plan provides for payment of the ongoing mortgage.

4. The Trustee is authorized to disburse funds in payment of all regular contractual installment payments and other charges arising pursuant to the claim of a creditor that become due following the commencement of a case pursuant to the terms of the note and security agreement applicable to the claim. Disbursements should commence as soon as is practicable. If the Trustee has available funds, the initial disbursement may precede the hearing on plan confirmation.

5. The Chapter 13 Trustee is not required to disburse funds hereunder to a claimant unless the Chapter 13 Trustee is satisfied that good funds have been received from the Debtor.

6. Amounts received by the holder of the ongoing mortgage prior to confirmation must be applied by the holder to the next payment due without penalty under the terms of the note; or the holder must notify the Trustee in writing that it waives all late charges that accrue after the order for relief in this case. Amounts received by the holder of the ongoing mortgage after

confirmation must be applied in accordance with the plan.

7. Changes to payments on an Ongoing Mortgage are governed by FED. R. BANKR. P. 3002.1, which rule is incorporated into these procedures.

8. When a conduit mortgage payment made by the Chapter 13 Trustee is adjusted pursuant to a properly filed Notice of Mortgage Payment Change, the Debtor(s)' Chapter 13 plan payments will be automatically increased or decreased by (i) the amount of the increase or decrease required by the Notice of Payment Change; and (ii) the amount of the increase or decrease in the Chapter 13 Trustee fee that is caused by the change.

9. The Chapter 13 Trustee must file a notice of any adjustment in the plan payment amount, and such notice must be served on the Debtor(s) and Debtor(s)' counsel.

10. The Chapter 13 Trustee shall not make payments on the Ongoing Mortgage at the changed amount if:

a. A timely objection to the Notice of Payment Change is filed, or the Chapter 13 Trustee has filed a motion seeking a stay of the Notice of Payment Change; or

b. The Debtor has sought and obtained a stay of the Notice of Payment Change.

11. If a Notice of Payment Change is stayed, but later determined to have been correct, then the Debtor shall be required to make all additional payments that accrued during the period of the stay within 30 days of the date the stay is terminated, with interest on such amounts at the non-default contract rate under the Ongoing Mortgage.

12. If a Notice of Payment Change is implemented, but later determined to have been incorrect, then the Debtor shall be allowed to recoup any excess payment that was made plus interest on such amounts at the contract rate under the Ongoing Mortgage.

13. The recovery of fees and expenses by the holder of a claim secured solely by a security interest in the Debtor's principal residence is governed by FED. R. BANKR. P. 3002.1. If the payments on such a claim are paid through the Chapter 13 Trustee, then the Chapter 13 Trustee may pay the fees, expenses or other charges that are governed by FED. R. BANKR. P. 3002.1 in compliance with this paragraph 8. If the payments on such a claim are paid directly by the Debtor, then the Debtor shall directly pay the fees, expenses or other charges that are governed by FED. R. BANKR. P. 3002.1 or object thereto.

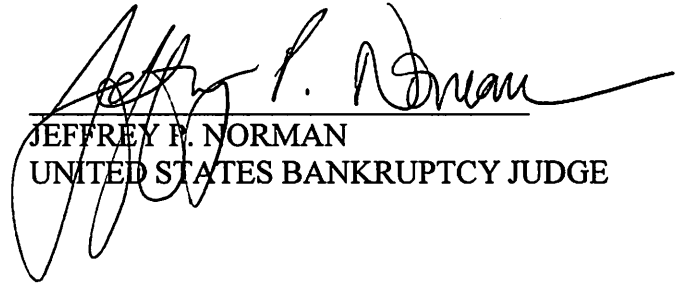
14. If a Chapter 13 plan is made deficient or not feasible as a result of a payment change or an expense reimbursement requirement, then the Chapter 13 Trustee or the Debtor may seek a modification of the plan pursuant to 11 U.S.C. § 1329, or file a motion to dismiss or convert the case.

15. Chapter 13 Trustee is authorized to submit an amended wage withholding order as may be required, and is authorized to pay the changed mortgage payment amount per the notice.

16. These procedures may be varied in a particular case only by order of the Court.

17. This Standing Order shall only apply to those Chapter 13 cases presided over by Judge Jeffrey P. Norman.

DATE: 1/30/2015



JEFFREY P. NORMAN
UNITED STATES BANKRUPTCY JUDGE