

SAMPLE DEFAULT JUDGMENT IN MORTGAGE STRIP CASES

Rev 04-2016

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

IN RE:)	
)	Case No.
Debtor(s))	
)	
_____)	
Plaintiff)	
)	Adversary Proceeding
)	No.
)	
Vs.)	
)	
Defendant)	
_____)	

DEFAULT JUDGMENT

This matter comes before the Court upon the Motion for Default Judgment filed by (Plaintiff) and (date) (docket no.) (the "Motion").

IT IS ORDERED, ADJUDGED AND DECREED as follows:

The security interest / mortgage of the Defendant in real property owned by the Plaintiff at (common address) , further described as (legal address) (the "Real Property") is not supported by any value in the Real Property in excess of the value encumbered by prior liens. Therefore, the Defendant does not hold a claim secured by any interest of the Plaintiff in the Real Property pursuant to 11 U.S.C. §506(a).

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The Defendant's claim evidenced by the promissory note ("Note") made by the Plaintiff and payable to the Defendant shall be treated under the Plaintiff's Chapter 13 plan as a non-priority general unsecured claim in the amount of the filed Proof of Claim, or in such other amount as may be allowed by the Court.

The Defendant shall hold a Lien in and against the Real Property with such priority given by applicable law for the full amount due under the Note in the event of either (a) the dismissal of the Plaintiff's chapter 13 case, (b) the conversion of the Plaintiff's chapter 13 case to any other chapter under the United States Bankruptcy Code; or (c) if the Real Property is sold or refinanced prior to the Plaintiff's receipt of a chapter 13 discharge.

Upon completion of the Plaintiff's chapter 13 plan or the entry of a chapter 13 discharge, the Defendant's lien shall be void for all purposes with respect to the Real Property. To evidence the avoidance of such lien, the Plaintiff may record a certified copy of this Judgment, with a copy of the Plaintiff's chapter 13 discharge order, with the appropriate county recorder's office.

IT IS SO ORDERED.

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