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IN THE
COURT OF APPEALS OF INDIANA

Ocwen Loan Servicing, LLC,
Appellant-Defendant,

v.

Dorothy Chambliss,
Appellee-Plaintiff.

March 26, 2021

Court of Appeals Case No.
20A-PL-1050

Appeal from the Lake Superior
Court

The Honorable Kristina C. Kantar,
Judge

Trial Court Cause No.
45D04-1704-PL-36

Pyle, Judge.

Statement of the Case

[1] Ocwen Loan Servicing, LLC (“Ocwen”) appeals the trial court’s order on the parties’ cross-motions for summary judgment in this quiet title action filed by Dorothy Chambliss (“Chambliss”). Chambliss, who had been paying on her

mortgage with Ocwen, filed a complaint to quiet title and asserted that the legal effect of her Chapter 13 bankruptcy discharge, which had been entered eight years earlier, had extinguished her mortgage with Ocwen as well as Ocwen's rights to enforce it or assert a future foreclosure claim. After reviewing Chambliss' Chapter 13 bankruptcy plan and the bankruptcy trustee's final report and concluding that the bankruptcy court had intended to allow only a portion of Ocwen's bankruptcy claim on the mortgage and had discharged the remaining amount, the trial court denied Ocwen's summary judgment motion and granted Chambliss' cross-motion for summary judgment.

[2] Here, Chambliss attempted to use a quiet title action as a means to determine the legal effect of her Chapter 13 bankruptcy discharge order in relation to her mortgage with Ocwen. Because the ultimate issue in this case was based solely on a bankruptcy matter and determination that had been under the jurisdiction of the bankruptcy court, the trial court was not the proper forum for a determination of the legal effect of bankruptcy court's discharge order. Accordingly, we vacate the trial court's judgment and remand with instructions for the trial court to dismiss Chambliss' complaint to quiet title.

[3] We vacate the trial court's judgment and remand.

Issue

Whether the trial court erred in its summary judgment rulings.

Facts

- [4] This appeal involves Chambliss' residence located at 1023 Drackert Street in Hammond, Indiana ("the Property"). Chambliss and her husband ("Husband"), who is now deceased, purchased the Property in 1971.
- [5] On July 3, 2002, Chambliss and Husband refinanced their mortgage on the Property. They executed a fifteen-year balloon note ("the Note") in the amount of \$72,500.00 with Accredited Home Lenders ("Accredited"), Ocwen's predecessor-in-interest. Under the Note, Chambliss and Husband were to pay \$581.83 per month beginning on September 1, 2002. The Note also provided that if Chambliss and Husband owed any amounts on August 1, 2017, then they would be required to "pay those amounts in full on that date[.]" (App. Vol. 2 at 38). That same day, Chambliss and Husband also executed a mortgage ("the Mortgage") in favor of Accredited, and they used the Property as security for repayment of the Note. The Mortgage was never recorded.
- [6] On April 9, 2004, Chambliss and Husband filed a Chapter 13 bankruptcy petition in the U.S. Bankruptcy Court for the Northern District of Indiana under cause number 04-61677. We pause here to note that a Chapter 13 bankruptcy is a "reorganization" type of bankruptcy, under which "the debtor

pays his [or her] creditors as much as he [or she] can afford over a three or five-year period.” *McCullough v. CitiMortgage, Inc.*, 70 N.E.3d 820, 826 (Ind. 2017).¹

[7] On May 7, 2004, Chambliss and Husband filed a Chapter 13 Plan (“Chapter 13 Plan”), in which they proposed to make sixty monthly payments of \$908.86 to the trustee for disbursement to their various creditors. Paragraph 3(a) on the Chapter 13 Plan form provided as follows:

3. Allowed claims against the Debtor shall be paid in accordance with the provisions of the Bankruptcy Code and this Plan.

a. Secured creditors shall retain their mortgage, lien or security interest in their collateral under^[2] the Debtor(s) has/have been Discharged. Upon the Discharge being granted *and if* the Secured creditors in the Plan have had their *secured claim paid-in-full in accordance with the confirmed Plan*, the Secured creditors included in the Plan shall be deemed to have their full claims satisfied and shall immediately terminate any mortgage, lien or security interest on the Debtor’s(s’) property which was in existence at the time of the Plan’s filing, or the Court may order termination.

(App. Vol. 2 at 148) (emphasis and footnote added). In Paragraph 4, which explained that the trustee would make disbursements to various creditors, Chambliss listed the Mortgage—which was held by Ocwen’s predecessor-in-

¹ By contrast, a Chapter 7 bankruptcy is a “liquidation” type bankruptcy, under which “the debtor surrenders his [or her] assets (subject to certain exemptions) and in exchange is relieved of his [or her] debts (with certain exceptions), thus giving [the debtor] a ‘fresh start.’” *McCullough*, 70 N.E.3d at 826 (cleaned up).

² The language of Paragraph 3(a) was printed on a Chapter 13 Plan form. The word “under” appears to be a typo that should instead be the word “until.”

interest PCFS Mortgage Resources (“Ocwen’s Mortgage Predecessor”) at that time—as being a “Secured Claim[]” and a “Secured Debt[] Which *Will Extend Beyond* the Length of the Plan[.]” (App. Vol. 2 at 148) (emphasis added).³

Specifically, Chambliss listed that Ocwen’s Mortgage Predecessor had a secured claim of \$71,689.98 plus \$1,910.71 in arrears (totaling \$73,600.69) and that her normal monthly payment for the secured claim was \$582.83.⁴ In paragraph five, Chambliss “propose[d] to cure defaults” to Ocwen’s Mortgage Predecessor by making monthly payments to the trustee. (App. Vol. 2 at 149). In paragraph ten, which related to “liens [that] shall be avoided[,]” Chambliss listed “NONE[.]” (App. Vol. 2 at 149).

[8] The Bankruptcy Court approved the Chapter 13 Plan on July 28, 2004 and issued a four-page order.⁵ On August 24, 2004, Ocwen’s Mortgage Predecessor filed a proof of claim, on which Ocwen listed that it had a secured claim totaling \$71,915.65, which included \$1,431.33 in arrearages. However, in the exhibits attached to the proof of claim, Ocwen listed that Chambliss owed \$71,689.98 in principal balance plus an arrearage of \$1,431.33.

³ In contrast, Chambliss listed the servicer of her car loan as having a “Secured Claim[]” and a “Secured Debt[] Which Will *Not* Extend Beyond the Length of the Plan[.]” (App. Vol. 2 at 148) (emphasis added).

⁴ We note that Chambliss’ monthly payment of \$582.83 x 60 months of the proposed plan would equal \$34,969.80.

⁵ Neither party included the Bankruptcy Court’s approval order in their designated evidence. However, the Bankruptcy Court docket that was included in the designated evidence reveals that the plan was approved.

[9] Chambliss and Husband twice amended their Chapter 13 Plan, once on February 22, 2006 and again on December 1, 2006. In the December 2006 amended plan, Chambliss listed that Ocwen’s Mortgage Predecessor had a secured claim of \$71,689.98 plus arrears of \$1,431.33 and that this secured debt would [e]xtend [b]eyond the [l]ength of the Plan[.]” (App. Vol. 2 at 83). Additionally, in paragraph ten, which related to “liens [that] shall be avoided[,]” Chambliss again listed “NONE[.]” (App. Vol. 2 at 84). In paragraph five, Chambliss “propose[d] to cure defaults” to Ocwen’s Mortgage Predecessor by making monthly payments to the trustee. (App. Vol. 2 at 84). At the time of the December 2006 amended plan, Chambliss had twenty-nine remaining monthly payments of \$830.79 to make to the trustee for distribution to her creditors. The Bankruptcy Court approved the December amendment to the Chapter 13 Plan on December 27, 2006.⁶

[10] The bankruptcy trustee filed the Trustee’s Final Report and Account (“Trustee’s Report”) on September 23, 2009. In the Trustee’s Report, the trustee indicated that Ocwen’s Mortgage Predecessor⁷ had been paid “Secured Payments” of \$36,718.29 for a “Mortgage Ongoing” and \$1,431.33 for a “Mortgage

⁶ Neither party included the Bankruptcy Court’s order approving the December plan amendment in their designated evidence. However, the Bankruptcy Court docket that was included in the designated evidence reveals that the amended plan was approved.

⁷ At the time of the Trustee’s Report, Litton Loan was the Chambliss’ mortgage service provider.

Arrearage[.]” (App. Vol. 2 at 177).⁸ These payments were for principal only and did not include interest. The Trustee’s Report contains an apparent typo because it lists that the “Claim Asserted” by Ocwen’s Mortgage Predecessor for the mortgage as \$“9,999,999.99[.]” (App. Vol. 2 at 177). The Trustee’s Report correctly listed that the “Claim Asserted” by Ocwen’s Mortgage Predecessor for the arrearage as \$1,431.33. (App. Vol. 2 at 177).

[11] On October 26, 2009, the Bankruptcy Court ordered a discharge of Chambliss’ Chapter 13 bankruptcy (“Discharge Order”) under section 1328(a) of title 11 of the United States Bankruptcy Code. This Discharge Order contained an “Explanation of Bankruptcy Discharge in a Chapter 13 Case” (“Chapter 13 Discharge Explanation”). (App. Vol. 2 at 87, 179) (modified from all upper case). The Chapter 13 Discharge Explanation provided, in relevant part, as follows:

Collection of Discharged Debts Prohibited

The discharge prohibits any attempt to collect from the debtor a debt that has been discharged. . . .

However, a creditor may have the right to enforce a valid lien, such as a mortgage or security interest, against the debtor’s property after the bankruptcy, if that lien was not avoided or eliminated in the bankruptcy case. Also, a debtor may voluntarily pay any debt that has been discharged.

⁸ The Trustee’s Report also provided that the “Claim Allowed” and the “Principal Paid” for Ocwen’s Mortgage Predecessor “Mortgage Ongoing” was \$36,718.29. The “Claim Allowed” and the “Principal Paid” for the arrearage was \$1,431.33. (App. Vol. 2 at 177).

Debts That are Discharged

The chapter 13 discharge order eliminates a debtor’s legal obligation to pay a debt that is discharged. Most, but not all, types of debts are discharged if the debt is provided for by the chapter 13 plan or is disallowed by the court pursuant to section 502 of the Bankruptcy Code.

Debts That are Not Discharged

Some of the common types of debts which are not discharged in a chapter 13 bankruptcy case are:

* * * * *

f. Debts provided for under section 1322(b)(5) of the Bankruptcy Code and on which the last payment is due after the date on which the final payment under the plan was due

* * * * *

This information is only a general summary of the bankruptcy discharge. There are exceptions to these general rules

(App. Vol. 2 at 87, 179) (emphasis in original).

[12] Following the Chapter 13 bankruptcy discharge, Chambliss and Husband continued to make payments on the Mortgage. Husband died on July 31, 2011. In July 2011, Ocwen became the servicer of the Mortgage.

[13] In February 2014, Chambliss and Ocwen entered into a loan modification agreement (“the Loan Modification Agreement”), which modified the Note and Mortgage. The Loan Modification Agreement listed Chambliss and the Estate of Husband as the borrowers. The Loan Modification Agreement reduced Chambliss’ principal balance to \$65,737.91 and provided for forty

monthly payments of \$335.92 beginning on May 1, 2014. Additionally, \$14,181.06 of the new principal balance was deferred and “treated as a non-interest bearing forbearance” upon which Chambliss was “not obligated to pay interest or make monthly payments on any portion of it.” (App. Vol. 2 at 63). Specifically, the entire deferred principal balance was eligible for forgiveness as long as Chambliss did not have three or more monthly payments in default. As a precondition of the Loan Modification Agreement, Chambliss agreed to have “the title insurance company insuring the lien of the Mortgage assure[] [Ocwen] (or otherwise confirm[] to its satisfaction) that the Mortgage, as modified by this [Loan Modification] Agreement, continues to enjoy lien priority for the full amount of the Note[.]” (App. Vol. 2 at 62). Additionally, under the Loan Modification Agreement, Chambliss agreed that “all terms and provisions of the Loan Documents [collectively defined as the Note and the Mortgage], except as expressly modified by this Agreement, remain in full force and effect” and that she and Ocwen “w[ould] be bound by, and w[ould] comply with, all of the terms and conditions of the Loan Documents.” (App. Vol. 2 at 66).

[14] That same day, Chambliss executed a balloon disclosure that was “incorporated into” the Loan Modification Agreement. (App. Vol. 2 at 68). The balloon disclosure provided that the Loan Modification Agreement “contain[ed] a balloon feature that require[d] [Chambliss] to make an additional payment based on the future appreciation of the Property” and that “[a] single balloon payment w[ould] be due and payable in full on 8/1/2017[.]” (App. Vol. 2 at 68).

[15] In April 2017, Chambliss filed a complaint to quiet title on the Property against Ocwen, Accredited, and “any other person or entity claiming an interest” in the Property. (App. Vol. 2 at 21). Chambliss asserted that she had “clear, unencumbered title to the Property as against any and all persons whomsoever” and sought to quiet the title on the Property against Ocwen and any of its predecessors in interest. (App. Vol. 2 at 21). Chambliss requested the trial court to enter a “Judgment declaring that Dorothy Chambliss is the sole owner of the Property, extinguishing any claim to the Property from any other person or entity[.]” (App. Vol. 2 at 21-22).

[16] When Ocwen filed its answer, it stated that it held a first mortgage on the Property. Ocwen also stated that the debt on the Mortgage was not delinquent and was not in default sufficient to warrant foreclosure. Ocwen requested that “no judgment be taken against it[.]” (App. Vol. 2 at 23). During discovery, Ocwen learned that the Mortgage on the Property had never been recorded.

[17] Thereafter, the parties filed cross-motions for summary judgment. The focus of both parties’ summary judgment motions was what had been the legal effect of the Chapter 13 discharge on the Mortgage and Ocwen’s rights to enforce it. In other words, both parties questioned whether the mortgage lien on the Property, or a portion thereof, had been discharged in Chambliss’ Chapter 13 bankruptcy.

[18] Ocwen designated the following evidence in support of its summary judgment motion: (1) Chambliss’ complaint; (2) Ocwen’s requests for admissions and

Chambliss' responses and exhibits (the Note, the Mortgage, and the 2014 Loan Modification) attached to the responses; (3) an affidavit from an Ocwen senior loan analyst, who averred that Ocwen had continued to receive payments from Chambliss even after she had filed her complaint to quiet title and who attached a transaction history report that included Chambliss' payments on the Property and other financial data from July 2011, when Ocwen became servicer of the Note and the Mortgage, to August 2018; (4) Chambliss' amended Chapter 13 bankruptcy plan filed in December 2006; and (5) Chambliss' Chapter 13 Discharge Order.⁹

[19] Ocwen made two arguments on summary judgment. First, it argued that the Mortgage was valid and enforceable even though it had never been recorded. Second, Ocwen argued that the Mortgage was valid and enforceable notwithstanding Chambliss' Chapter 13 discharge. Ocwen asserted that Chambliss, in her Chapter 13 plan and pursuant to 11 U.S.C. § 1322(b)(5), had "proposed to cure the mortgage delinquency" and that she had "maintain[ed] post-petition payments on a debt [that] would not be paid off within the terms of her plan" but that her Chapter 13 bankruptcy did not discharge her liability for the Mortgage. (App. Vol. 2 at 30). Ocwen argued that it was entitled to summary judgment because its designated evidence showed that "Chambliss continued to pay the mortgage debt serviced by Ocwen following her discharge

⁹ The summary judgment brief was filed by PHH Mortgage Corporation ("PHH"), which was a subsidiary of Ocwen and the successor by merger to Ocwen. In the brief, PHH still identified itself as Ocwen.

in bankruptcy, following the loan modification [that] she herself [had] obtained, and following the filing of this lawsuit.” (App. Vol. 2 at 31). Ocwen requested the trial court to grant its summary judgment motion and to “enter judgment to declare that the [M]ortgage held and serviced by Ocwen is prior and superior to any right, title, claim or interest of Dorothy Chambliss, in the principal dollar amount of \$49,830.68 as of 10-23-18 plus interest, advances, fees and charges as allowed by the Note and secured by the Mortgage[.]” (App. Vol. 2 at 31).

[20] When Chambliss filed her cross-motion for summary judgment, she designated the following evidence: (1) her complaint; (2) Ocwen’s answer; (3) Ocwen’s designated evidence from its summary judgment motion; (4) Ocwen’s response to discovery requests; (5) Chambliss’ affidavit, in which she averred that she had learned in 2017 that the Mortgage on the Property had not been recorded and that it continued to be unrecorded; and (6) documents from her prior Chapter 13 bankruptcy case, which included: (a) the docket; (b) bankruptcy schedules; (c) Chapter 13 Plan filed in May 2004; (d) the proof of claim filed by Ocwen’s Mortgage Predecessor; (e) the Trustee’s Bankruptcy Report; (f) Chapter 13 Discharge Order.

[21] Chambliss argued that the issue for the summary judgment was whether her “Chapter 13 discharge preclude[d] [Ocwen], or anyone else, from attempting to foreclose on the Mortgage.” (App. Vol. 2 at 91). She asserted that her Chapter 13 bankruptcy was a “Super Discharge” and that the Mortgage had been discharged under the bankruptcy discharge statute, 11 U.S.C. § 1328(a). (App. Vol. 2 at 92). She argued that her Chapter 13 “Plan [had] provide[d], consistent

with 11 U.S.C. § 1325(a)(5), that a security interest against property owned by Ms. Chambliss w[ould] be terminated upon Discharge.” (App. Vol. 2 at 93). Chambliss acknowledged that there was “an exception to 11 U.S.C. § 1325(a)([5]) when the lien in question secures one’s personal residence, namely 11 U.S.C. § 1322(b)(2),” but she argued that the exception was inapplicable because Ocwen had never recorded the mortgage. (App. Vol. 2 at 93). Chambliss asserted that Paragraph 3(a) of her Chapter 13 Plan also provided that the Mortgage would end upon the Chapter 13 discharge. She argued that Ocwen was deemed to have accepted the Chapter 13 Plan when the bankruptcy court had approved the plan and that Ocwen could have objected to the Plan but had not done so. Chambliss asserted that her Chapter 13 bankruptcy had modified the rights of Ocwen under the Mortgage and that the Mortgage on the Property had been “extinguished” in 2009 by the Chapter 13 Discharge Order. (App. Vol. 2 at 94). More specifically, Chambliss argued that any remaining liability under the mortgage had been extinguished with the discharge because her Chapter 13 Plan had allowed only a portion of Ocwen’s claim on the Mortgage and that that portion had been paid in full.

[22] Additionally, Chambliss argued about hypothetical scenarios. For example, Chambliss opined as to what would have happened during her Chapter 13 bankruptcy if Ocwen’s bankruptcy claim would have been treated as an unsecured claim. Also, although foreclosure on the Mortgage was not at issue, Chambliss argued that her Chapter 13 discharge precluded Ocwen from “attempting to foreclose on the Mortgage.” (App. Vol. 2 at 91).

[23] Ocwen filed a response to Chambliss' motion and argued that Chambliss' suggestion that her Chapter 13 bankruptcy had discharged the Mortgage because it had been unrecorded at the time of her bankruptcy was misplaced. Ocwen pointed out that Chambliss, in her own Chapter 13 Plan, had listed the Mortgage with an amount of claim of \$71,689.98 as a secured debt that would extend beyond the length of the Chapter 13 plan. Ocwen asserted that "[c]onfirmation of [Chambliss'] plan would have neither truncated nor avoided the mortgage lien." (App. Vol. 2 at 181). Additionally, Ocwen pointed out that Ocwen's claim had not been paid in full.

[24] The trial court held a hearing on the cross motions in February 2020. During the hearing Chambliss' counsel clarified that Ocwen had not filed a counterclaim for foreclosure and stated that the summary judgment dealt only with Chambliss' complaint to quiet title. The parties agreed that the issue before the trial court turned on an interpretation of Chambliss' bankruptcy case to determine whether Ocwen had a valid lien on the Property, or stated differently, whether the Mortgage executed by Chambliss in 2002 had survived the Chapter 13 bankruptcy. The trial court judge stated that she was "not really sure of all the nuances of all the bankruptcy sections" and that "anything that would clarify that would be greatly appreciated." (Tr. Vol. 2 at 5).

[25] Ocwen referred the trial court to Section 1322 of the Bankruptcy Code, which relates to the contents of a bankruptcy plan, and Section 1328, which relates to discharge, in support of its argument that the Mortgage had been treated as a secured ongoing debt and had survived Chambliss' Chapter 13 bankruptcy.

Additionally, Ocwen directed the trial court to the Chapter 13 Plan, which specifically provided that the Mortgage was a secured debt that extended beyond the length of the plan. Ocwen stated as follows:

So[,] by the very terms of the plan itself, Your Honor, we see that the treatment [of the Mortgage] isn't one where the debt was paid and satisfied in full over the course of the bankruptcy and subject to having its lien terminated upon the completion of the bankruptcy case and the entry of a Chapter 13 discharge. This was an ongoing secured claim that was treated that way. It survived past the discharge of the bankruptcy case and it still is in effect today.

(Tr. Vol. 2 at 9). Ocwen further argued that the Mortgage, despite it being unrecorded, was “still a valid lien on the [P]roperty[.]” (Tr. Vol. 2 at 9).

Ocwen further asserted that the “lack of recording did not affect the secured creditor’s status” and did not render the lien invalid, but instead, it affected the “matter of perfection in priority.” (Tr. Vol. 2 at 9). Ocwen also referred the trial court to the fact that Chambliss had affirmed the validity of the Note and the Mortgage when she had signed the Loan Modification Agreement years after her Chapter 13 discharge.

[26] Chambliss asserted that the parties had operated under a “mutual mistake” during the bankruptcy when the parties had treated the Mortgage as if it had been recorded. (Tr. Vol. 2 at 13). Chambliss acknowledged that she had signed the Loan Modification Agreement but argued that it too was “under a mutual mistake that th[e] [M]ortgage was still in existence.” (Tr. Vol. 2 at 13-14).

Chambliss contended that Ocwen had failed to protect its security interest because it had failed to record the mortgage and argued as follows:

In this particular case, the lender [Ocwen], for better or for worse, has to lie with the fact that for 19 years, or it's now 18 years, this mortgage has never been recorded, and they've never done anything to perfect that security interest. With that being the case, in recognition of the fact that the Bankruptcy Code authorizes it, the plan requires it, that Ocwen has received through the plan \$38,000.00, that Ocwen has received several thousand more dollars in 2017, with payments on the mortgage. With all the equities in mind in that situation, the Court should enter judgment in favor of Ms. Chambliss, being that this mortgage is exhausted, or the original mortgage in the first place, and her house is free and clear of any claim by Ocwen.

(Tr. Vol. 2 at 15).

[27] The trial court subsequently entered an order granting Chambliss' summary judgment motion and denying Ocwen's summary judgment motion. In its order, the trial court noted that the Mortgage had never been recorded but determined that "the non-recording d[id] not invalidate the mortgage." (App. Vol. 2 at 12). The trial court stated that a review of the Chapter 13 Plan showed that only a "portion" of Ocwen's claim had been allowed and that it contained "no language providing for post-bankruptcy mortgage payments to [Ocwen]." (App. Vol. 2 at 14). Specifically, the trial court determined as follows:

[Ocwen's] claim as a secured Creditor was allowed under the [Chapter 13] [P]lan *in the amount of \$36,718.29* with an additional arrearage amount allowed for \$1431.33, and [Ocwen] received this amount in full. The Court is unable to find any language in

the Plan which addresses [Chambliss'] Post-Bankruptcy obligations to [Ocwen]. [Ocwen] could have sought clarification or direction from the Bankruptcy Court as to this issue, however [Chambliss] received a discharge in 2009 and the record as it exists is what is available to the Court. [Chambliss'] continued payments to [Ocwen] Post-Bankruptcy do not serve as an admission of continued obligation.

(App. Vol. 2 at 15) (emphasis in original).

[28] Ocwen then filed a motion to correct error, in which it argued that the trial court had erroneously read the Chapter 13 Plan and had erroneously applied federal bankruptcy law when it concluded that Ocwen's bankruptcy claim was allowed only in the amount of \$36,718.29. Ocwen argued that the Mortgage had been "cured and maintained" during the bankruptcy and had "passe[d] through the Chapter 13 process unimpaired." (App. Vol. 2 at 189). Ocwen also argued that the trial court had erred by concluding that Ocwen's lien had been discharged by the bankruptcy and by entering judgment that prevented Ocwen from enforcing its mortgage lien. The trial court denied Ocwen's motion.¹⁰

Ocwen now appeals.

Decision

[29] Ocwen argues that the trial court erred by denying Ocwen's summary judgment motion and by granting Chambliss' cross-motion for summary judgment on

¹⁰ The trial court partially granted Ocwen's motion to correct error on a factual issue regarding the treatment of a rental property during the bankruptcy that the trial court had conflated with the Property. As a result of the trial court's mistake, it struck one paragraph from its summary judgment order.

Chambliss' complaint to quiet title action to the Property. Ocwen asserts that the "sole issue for the trial court, and now for this Court, is to determine the legal effect of the bankruptcy on Ocwen's interest under the Mortgage."

(Ocwen's Br. 8).

[30] "It is neither this court's purpose nor its function to construe bankruptcy laws; the bankruptcy courts have exclusive jurisdiction over bankruptcy cases and are well-equipped to balance the competing debtor-creditor interests inherent in bankruptcy disputes." *Holiday v. Kinslow*, 659 N.E.2d 647, 649 (Ind. Ct. App. 1995). Because bankruptcy law is exclusively federal, it preempts state law pursuant to the supremacy clause; therefore, Indiana courts have limited jurisdiction over matters relating to bankruptcy proceedings. *See Goodman v. Serine*, 6 N.E.3d 481, 483-84 (Ind. Ct. App. 2014). Indeed, "there should be no legitimate question about the legislative intent to vest the [federal court] with a complete, pervasive, jurisdiction over all matters that have to do with a bankruptcy case." *Id.* (cleaned up). "When the bankruptcy court addresses a specific issue bearing on a state claim, we should apply the bankruptcy court's finding unless doing so would compromise Indiana's legal framework." *Id.* at 484.

[31] Here, Chambliss filed a complaint to quiet title to the Property in an attempt to preclude Ocwen from filing a future mortgage foreclosure or from otherwise asserting any rights under the Mortgage. "An action to quiet title brings into issue all claims regarding the property in question." *Chmiel v. US Bank Nat'l Ass'n*, 109 N.E.3d 398, 407 (Ind. Ct. App. 2018). "A plaintiff may recover only

upon the strength of h[er] own title and must show that [s]he has legal title with a present right of possession paramount to the title of the defendant.” *Id.*

[32] By filing her complaint to quiet title, Chambliss commenced an adversarial proceeding to challenge the viability of Ocwen’s secured claim following her Chapter 13 bankruptcy. Essentially, Chambliss attempted to use a quiet title action as a sword to cut off Ocwen’s rights under the Mortgage by asserting that her Chapter 13 bankruptcy had extinguished the Mortgage and Ocwen’s rights thereunder. If—after paying on the Mortgage for more than eight years after her bankruptcy discharge, including three years of paying on the Loan Modification Agreement—Chambliss was unclear regarding the legal effect of her Chapter 13 bankruptcy discharge order in relation to the Mortgage with Ocwen, she should have sought relief or clarification from the bankruptcy court that had entered the order at issue instead of filing a state court action seeking to have the trial court interpret the legal effect of her bankruptcy cause. *See* 11 U.S.C. § 350(b) (providing that a bankruptcy “case may be reopened in the court in which such case was closed to administer assets, to accord relief to the debtor, or for other cause).

[33] Because this appeal solely involves a bankruptcy matter that was subject to the bankruptcy court’s jurisdiction, we vacate the trial court’s judgment and direct it to dismiss this quiet title action. *See Goodman*, 6 N.E.3d at 484 (explaining that the trial court was not the proper forum for the resolution of a purchaser’s quiet title action because the issue in the quiet title action involved property that had been part of a bankruptcy proceeding and subject to the jurisdiction of the

bankruptcy court; vacating a trial court's judgment and ordering the trial court to dismiss a quiet title action).

[34] Vacated.

Vaidik, J., and Brown, J., concur.