Lender Bankruptcies

Chapter 11 Documents

Petition. The filing of the brief petition for chapter 11 relief document formally starts the bankruptcy case. It creates the bankruptcy estate consisting of a broad range of the debtor's interests in property. The petition filing also triggers the automatic bankruptcy stay. 11 U.S.C. § 362. Subject to very limited exceptions, the automatic stay bars the commencement and continuation of legal proceedings against the debtor. Creditors may continue with legal proceedings against the debtor only with permission from the bankruptcy court obtained through a formal motion for relief from the stay. 11 U.S.C. § 362(d). The automatic stay does not apply to non filing co-defendants, including prior and subsequent assignees of a loan obligation.

Chapter 11 Plan. The chapter 11 debtor has 120 days from the date of the commencement of the case within which it has an exclusive right to submit a plan of reorganization for court approval. 11 U.S.C. § 1121. The Code sets certain required contents for a chapter 11 plan. 11 U.S.C. § 1123. The creditor may seek extensions of this time for submitting a plan, and these requests are often approved. If the exclusivity period passes without the debtor's having filed a plan, creditors may submit their own plans. By order the court sets deadlines for creditors to accept or reject a debtor's proposed plan. 11 U.S.C. § 1126, F. R. Bank. P. 3018(a). Creditors may vote to approve the plan or they may file objections. After a hearing the court decides whether to confirm a particular plan. 11 U.S.C. §§1128, 1129.

Order for Claim Bar Date. In chapter 11 cases the court sets the deadline by which creditors must file a proof of claim. F.R. Bankr. P. 3003(c)(3). The court may extend this time by further order. The concept of a claim is broad and does not require that the creditor have a judgment against the debtor or have commenced litigation over the claim. A creditor files a claim using Official Bankruptcy Form 10. The form is generally available through local bankruptcy court websites. If the creditor is entitled to any priority status, this can be indicated on the form. Borrower creditors may have the status of secured creditors based on setoff rights. The claim will be allowed unless an objection to it is filed and sustained. The claim allows the creditor to share in any distributions from the bankruptcy estate and entitles to creditor to notice of certain proceedings as the case moves on.

Order Confirming Chapter 11 Plan. The requirements for obtaining a court order confirming a plan are set forth in 11 U.S.C. § 1129. If the plan meets the minimal requirements of the Code, the court may confirm it with the consent of creditors under § 1129(a) or without the consent of creditors under § 1129(b). The plan establishes a broad revision of the debtor's contractual obligations that is binding on all creditors. The plan may provide for the sale of assets of the debtor. 11 U.S.C. § 1123(b)(4).

Order for Transfer of Assets. In addition to sales authorized under the chapter 11 plan, the court may approve the sale of assets of the debtor's estate before a plan is confirmed. 1 U.S.C. § 363(b),(f). A debtor may propose to sell assets free and clear of claims against the debtor under certain circumstances. However, 2005 amendments to the Code preserve many consumer defenses from attempts to sell assets free and clear of these claims. 11 U.S.C. § 363(o).

The list of bankrupt lenders and pertinent documents:

Accredited Home Lender
Motion for an order establishing
claim bar date
Order for Claim Bar Date
Petition
Aegis Mortgage Corporation
Claim bar date order
Petition
Plan
Transfer of asset order
American Home Mortgage Holding
Claim bar date order
Petition
Plan
Transfer of asset order
BNC Mortgage LLC
Voluntary Petition
Delta Financial Corporation
Claim bar date order
Petition
Plan
Transfer of assets order
Sale of asset order
Fieldstone Mortgage Corp
Petition
Confirmation Plan Order
Plan
First Magnus Financial
Claim bar date order
Petition
Plan
Second Amended Plan
Confirmation Plan Order
Transfer of asset order
First NLC Financial Services
Claim bar date order
Petition
Fremont General
Claim bar date order
Petition
HomeBanc Funding Corporation
Disclosure Statement
Motion – bar date order
Claim bar date order
Petition
Plan
Motion – transfer asset order
Transfer of assets order
HomeBanc Funding Corporation II
Petition
HomeBanc Mortgage Partners, LLC
Petition
HomeBanc Corp. Petition
HomeBank Mortgage Acceptance Corp.
Petition
MILA Inc.
Motion – claim bar date order
Bar date order
Petition
Mortgage Lender Network USA
Claim bar date order
Petition
Plan
Transfer of assets order
Mortgage Ltd.
Claim bar date order
Petition
New Century Financial Corp.
Claim bar date order
Petition and New Century
TRS Holdings Petition
Plan
Confirmation of plan
Transfer of assets order
New Century Mortgage Corporation
Petition
Oak Street Financial
Petition
Old Canal
Petition
OWNIT Mortgage Corp.
Claim bar date order
Plan
Plan Confirmation Order
Petition
Transfer of assets order
People’s Choice Home Loan
Motion – claim bar date
Claim bar date order
Plan
Confirmation of Plan
Petition (People’s Choice Funding Corp.)
Petition (People’s Choice Financial Corp.)
Transfer of assets order
Quality Home Loans
Claim bar date order
Plan
Petition
Transfer of assets order
ResMae Mortgage Corp.
Claim bar date order
Plan
Confirmation of plan
Petition
Transfer of assets order
Southstar Funding
Petition
Sale of assets order
WAMU
Claim bar date order
Washington Mutual, Inc. Petition
Transfer of assets order
WMI Investment Corp. Petition

See also: Bankruptcy Mortgage Project: Local rules, forms, general orders, and court opinions addressing a variety of mortgage issues in consumer bankruptcy cases.