

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF INDIANA  
HAMMOND DIVISION

IN RE: )  
 )  
MANFRED HUDI and ) CASE NO. 05-67740 JPK  
KRISTY MARIE HUDI, ) Chapter 7  
 )  
Debtors. )

ORDER DENYING MOTION TO STRIP LIENS (“MOTION”)

On February 24, 2009, the debtors, by counsel, filed the Motion. The Motion seeks judicial lien avoidance pursuant to 11 U.S.C. § 522(f) with respect to multiple judgment lien holders: Svetanoff and Associates PC; Schilling Brothers Lumber and Hardware, Inc.; Ocwen Financial Services, Inc.; and the United States of America, Internal Revenue Service. By order entered on April 13, 2009, the court denied the Motion with respect to the United States of America, Internal Revenue Service. At a hearing held in this case on July 10, 2009, discussions were had with counsel for the debtors and the Chapter 7 Trustee regarding various matters, including the Motion. It was determined that the Motion should be denied, as it may be necessary to file an adversary proceeding to determine various matters in relation to liens against real property interests held by the bankruptcy estate.<sup>1</sup>

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<sup>1</sup> The court also notes that customarily an order is entered denying a motion which seeks to initiate a contested matter involving multiple parties, although no such order was entered in this case. Contested matters are provided for by Fed.R.Bankr.P. 9014, and subparagraph (c) of that Rule incorporates various provisions of Part VII of the Federal Rules of Bankruptcy Procedure as being applicable to contested matters. Rule 9014(a) essentially provides that a contested matter may only be initiated against a single party, by providing that “reasonable notice and opportunity for hearing shall be afforded the party against whom relief is sought”; the court finds it significant that the phrase “party or parties” was not utilized in this Rule. The reason for this is made clear by the omission of certain rules from Rule 9014(c), most noticeably Rules 7018, 7019 and 7020 of the Federal Rules of Bankruptcy Procedure. Those rules respectively apply Rules 18 (Joinder of Claims), 19 (Required Joinder of Parties) and 20 (Permissive Joinder of Parties) to adversary proceedings. The foregoing three rules are the provisions of the Federal Rules of Civil Procedure which provide for joinder of claims and parties in a single action, and the absence of incorporation of those provisions into procedures applicable to contested matters indicates that multiple claims and multiple parties are not to be addressed in a single contested matter.

IT IS ORDERED that the Motion is denied as to Svetanoff and Associates PC; Schilling Brothers Lumber and Hardware, Inc.; and Ocwen Financial Services, Inc., without prejudice.

Dated at Hammond, Indiana on July 17, 2009.

/s/ J. Philip Klingeberger  
J. Philip Klingeberger, Judge  
United States Bankruptcy Court

Distribution:  
Debtors, Attorney for Debtors  
Trustee, US Trustee