

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF INDIANA  
HAMMOND DIVISION

IN RE: )  
 )  
STACEY LAUERMAN and ) CASE NO. 06-61999 JPK  
MICHAEL A. LAUERMAN, ) Chapter 7  
 )  
Debtors. )

ORDER FOR HEARING ON DEBTORS' MOTION  
TO RE-OPEN BANKRUPTCY CASE ("MOTION")

The Motion, filed on February 20, 2010, requests that this Chapter 7 case (closed by order entered on December 18, 2008) be re-opened so that the debtors can amend Schedule C, and then file a motion to avoid lien – presumably pursuant to 11 U.S.C. § 522(f) – on property which is the debtors' principal residence. The Motion was served upon Methodist Hospitals, care of a law firm, and the court infers that Methodist Hospitals has a judicial lien which the debtors will now seek to avoid if the case is re-opened. Several things are confusing about the Motion and the record. First, Schedule A states that the debtors' bankruptcy case included property located at 7458 Grant Street, Merrillville, Indiana, owned as "joint tenants". If truly joint tenants, then each debtor had an undivided interest in that property; however, it is possible that the designation "joint tenants" was used when in fact the arrangement was tenancies by the entirety. This issue becomes relevant because while Schedule F designates Methodist Hospitals as a creditor with respect to a joint debt, paragraph 4(a) of the Statement of Financial Affairs filed at the inception of the case states that the defendant in a collection suit filed by Methodist Hospitals, in which garnishment was being undertaken, is solely Stacey Lauerman. If the subject property was actually owned as tenants by the entireties and a judgment lien was taken solely against one of the two spouses, that lien never attached to the property anyway, and there is no jurisdictional basis upon which to grant the relief ultimately sought if the case is re-opened. Additionally, paragraph 4(a) of the Statement of Financial

Affairs designates other creditors having judgment liens, none of whom were apparently served with the Motion, but who would appear to be in similar circumstances to Methodist Hospitals. Paragraph 4(a) also states that at the time of the filing of the case, a dissolution of marriage action between both of the debtors (presumably) was pending, which raises a question of the status of title now with respect to the subject real estate. Additionally, apart from a mortgagee, no creditor was designated as a secured creditor in part D, including any judgment lien creditor, and Schedule C claimed no exemption whatsoever for any real property.

In short, the court has questions as to whether or not any relief can be granted even if the case were re-opened, and for that reason it is necessary to conduct a hearing on the foregoing Motion.

IT IS ORDERED that a hearing will be held on **April 9, 2010, at 10:00 A.M.** with respect to the Motion.

Dated at Hammond, Indiana on March 3, 2010.

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

Distribution:

Debtors, Attorney for Debtors

Trustee, US Trustee

Methodist Hospitals, c/o Hodges & Davis, 8700 Broadway, Merrillville, IN 46410