

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS**

**ADMINISTRATIVE PROCEDURES FOR CLAIMS SECURED BY REAL ESTATE**  
**(Last Amended Effective May 1 , 2024)**

1. These Procedures apply to all claims secured by real property that are treated in a chapter 13 plan.
2. Plans must provide for the payment through the Chapter 13 Trustee of a claim secured by real property if there is a default on the claim as of (i) the petition date, (ii) the date of the plan confirmation hearing, (iii) the date of the filing of a plan modification, or (iv) the date of the plan modification hearing. This paragraph does not apply if a default is cured by a consensual loan modification.

**Debtor(s)' reporting requirements**

3. Not later than 5 days after a case is filed, the Debtor(s) must provide the Chapter 13 Trustee with the following information in writing on each claim that will be made under the Plan through the Chapter 13 Trustee:
  - a. The complete payee name, payment address and payee e-mail address (if available).
  - b. The account number assigned to the claim.
  - c. A copy of the most recent statement reflecting the amount and due date of contractual payments on the claim.
  - d. A telephone number for the servicer, if any, of the claim.

**Disbursement of funds**

4. The Chapter 13 Trustee will disburse funds in accordance with the terms of the plan and these procedures. Disbursements should commence as soon as practicable.
5. If the Chapter 13 Trustee is disbursing funds in payment of the regular contractual installment payments due under a claim secured by real property and the Chapter 13 Trustee has available funds and sufficient payment remittance information, the initial disbursement should precede the hearing on plan confirmation.
6. No disbursements shall be made until good and sufficient funds have been received by the Chapter 13 Trustee. The Chapter 13 Trustee shall retain any percentage fee collected related to payments disbursed pursuant to these procedures.

**Payment changes**

7. FED. R. BANKR. P. 3002.1 applies in accordance with its terms to claims (1) that are secured by a security interest in the Debtor(s)' principal residence, and (2) for which the Plan provides that either the Chapter 13 Trustee or the Debtor(s) will make contractual installment payments.
8. In addition to the matters set forth in paragraph 6, FED. R. BANKR. P. 3002.1(b), (c), (d), (e), (f), (g), (h) and (i) apply to all claims secured by real property owned by the Debtor(s) or the bankruptcy estate.
9. If a Notice of Payment Change is filed regarding a claim paid by the Chapter 13 Trustee, the Chapter 13 Trustee must commence payments in the changed amount beginning with the next payment due at least 21 days after the filing of the notice. The plan payments will be adjusted accordingly pursuant to the terms of the confirmed plan. Notwithstanding the foregoing, the Chapter 13 Trustee shall not pay the changed amount if an objection to the Notice of Payment Change has been filed and a stay of the Notice of Payment Change has been ordered by the Court.
10. If a Notice of Payment Change is stayed, but later determined to have been correct, then Debtor(s) shall be required to make all additional payments that accrued during the period of the stay within 30 days of the date the stay is terminated, and the plan payments will automatically adjust retroactively as if the mortgage payment had not been stayed.
11. If a Notice of Payment Change is implemented, but later determined to have been incorrect, the Debtor(s) shall be allowed to recoup any excess payment that was made. If the claim is paid by the Chapter 13 Trustee, the excess payments will be credited to the next installment(s) due.

### **Plan completion**

12. Upon the completion of a Plan providing for payments through the Chapter 13 Trustee on a claim secured by real property, the Chapter 13 Trustee must file a Notice of Final Cure Payment and Motion to Deem Claim Secured by Real Property Current or Satisfied utilizing proposed form and order 13-201.
13. Upon the completion of a Plan providing for payments to be paid directly by the Debtor(s), the Debtor(s) may file a Motion to Deem Claim Secured by Real Property Current or Satisfied and proposed form of order using 13-202

### **Recovery of fees and expenses**

14. If claims are paid by the Chapter 13 Trustee, the Chapter 13 Trustee must also pay the fees, expenses and other charges that are governed by FED. R. BANKR. P. 3002.1(c) (as extended by these Procedures) in compliance with this paragraph. If claims are paid directly by the Debtor(s), then the Debtor(s) must directly pay the fees, expenses and other charges in compliance with this paragraph.

- a. If an objection challenging a fee, expense and/or other charge is filed within 30 days of a notice filed pursuant to FED. R. BANKR. P. 3002.1(c) (as extended by these Procedures), then the fee, expense and/or other charge shall be paid only after the entry of an order allowing such fee, expense and/or other charge. Any allowed amounts shall be paid after payment of all other secured and priority claims, but before payment of all general unsecured claims. If the payment of the amounts due would render the Plan deficient because of a shortfall of available funds, the Chapter 13 Trustee must file a Notice of Plan Payment Adjustment to provide sufficient funds to pay all secured and priority claims in full.
  - b. If payments are made under this Paragraph 14, but the fees, expenses or charges are later not allowed, the Debtor(s) or the Chapter 13 Trustee (as applicable) shall be allowed to recoup any excess payment.
  - c. Nothing in this Paragraph 14 governs the period over which fees, expenses, and/or other charges may be paid under a modified plan.
15. Regular contractual installments received by the holder of the claim prior to confirmation must be applied by the holder to the next payment due without penalty unless the holder files a notice in this case within 30 days of the date that the Plan is confirmed that it waives all late charges that accrue after the order for relief in this case. Amounts received by the holder after confirmation must be applied in accordance with the Plan.
16. These Procedures may be varied in a particular case only by order of the Court.