

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
	:	
DITECH HOLDING CORPORATION, <i>et al.</i> ,	:	Case No. 19-10412 (JLG)
	:	
Debtors. ¹	:	(Jointly Administered)
	:	Related Docket No. 3461
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ORDER GRANTING CONSUMER CLAIMS TRUSTEE'S FORTY-SIXTH
OMNIBUS OBJECTION TO PROOFS OF CLAIM (INSUFFICIENT LEGAL BASIS
UNSECURED CONSUMER CREDITOR CLAIMS)

The Consumer Claims Trustee by the *Consumer Claims Trustee's Forty-Sixth Omnibus Objection to Proofs of Claim (Insufficient Legal Basis Unsecured Consumer Creditor Claims)* filed on June 18, 2021 (the "**Objection**"),² seeks an entry of an order, under section 502(b) of the title 11 of the United States Code, Rule 3007(d) of the Federal Rules of Bankruptcy Procedure, and this Court's order for approving procedures for the filing of omnibus objections to proofs of claim (the "**Claim Procedures Order**"), disallowing the Insufficient Legal Basis Unsecured Consumer Creditor Claims on the basis that, for the reasons stated on Exhibit A, such claims fail

¹ The Debtors confirmed the *Third Amended Joint Chapter 11 Plan of Ditech Holding Corporation and Its Affiliated Debtors* (ECF No. 1326) (the "**Third Amended Plan**"), which created the Wind Down Estates. Wind Down Estates, along with the last four digits of their federal tax identification number, as applicable, are Ditech Holding Corporation (0486); DF Insurance Agency LLC (6918); Ditech Financial LLC (5868); Green Tree Credit LLC (5864); Green Tree Credit Solutions LLC (1565); Green Tree Insurance Agency of Nevada, Inc. (7331); Green Tree Investment Holdings III LLC (1008); Green Tree Servicing Corp. (3552); Marix Servicing LLC (6101); Walter Management Holding Company LLC (9818); and Walter Reverse Acquisition LLC (8837). The Wind Down Estates' principal offices are located at 2600 South Shore Blvd., Suite 300, League City, TX 77573.

² Capitalized terms not otherwise herein defined shall have the meanings assigned to them in the Objection.

to state a legal basis for the claim or attach supporting documentation sufficient to establish the legal basis and demonstrate the claimant's right to compensable recovery. It appearing that this Court has jurisdiction to consider the Objection under 28 U.S.C. §§ 157 and 1334; that the relief requested is a core proceeding under 28 U.S.C. §157(b); that venue is proper before this Court under 28 U.S.C. §§ 1408 and 1409; that due and proper notice of the Objection has been provided, and that such notice was adequate and appropriate under the circumstances such that no other or further notice need be provided; that the Objection complies with the Claim Procedures set forth in the Claim Procedures Order; the Court finds and determines that the relief sought in the Objection is in the best interest of the Debtors' estates, creditors, and all parties in interest and that the legal and factual bases set forth in the Objection establish just cause for the relief granted herein, and it is:

ORDERED that the relief requested in the Consumer Claims Trustee's Forty-Sixth Omnibus Objection to Proofs of Claim is granted to the extent provided in this Order;

ORDERED that, under section 502(b) of the Bankruptcy Code, the claims listed on Exhibit A annexed hereto (collectively, the "**Insufficient Legal Basis Unsecured Consumer Creditor Claims**") are disallowed with prejudice;

ORDERED that Epiq Corporate Restructuring, LLC, the Debtors' claims and noticing agent, is directed to mark the Debtors' Claims Register to show the Insufficient Legal Basis Unsecured Consumer Creditor Claims listed on Exhibit A to this Order as disallowed and expunged so that such claims are no longer maintained on the Debtors' Claims Register;

ORDERED that the Trustee is authorized and empowered to take all actions as may be necessary and appropriate to implement the terms of this Order;

ORDERED that notice of the Consumer Claims Trustee's Forty-Sixth Omnibus Objection to Proofs of Claim shall be deemed adequate and appropriate notice of such Objection, and the requirements of Bankruptcy Rule 3007(a), the Order Implementing Certain Notice and Case Management Procedures, entered March 19, 2019 (ECF No. 211), the Claims Procedures Order, and the Local Bankruptcy Rules of this Court are satisfied by such notice;

ORDERED that this Order has no res judicata, estoppel, or other effect on the validity, allowance, or disallowance of any claim not listed in Exhibit A, and the Trustee and any party in interest's rights to object on any basis is expressly reserved with respect to any such claim not listed on Exhibit A;

ORDERED that this Order shall be a final order with respect to each of the Insufficient Legal Basis Unsecured Consumer Creditor Claims identified on Exhibit A, as contemplated by Bankruptcy Rule 9014, as if each such Insufficient Legal Basis Unsecured Consumer Creditor Claim had been individually objected to;

ORDERED that any stay of this Order pending appeal by any claimants whose claims are subject to this Order shall apply only to the contested matter that involves such claim and shall not act to stay the applicability and /or finality of this Order with respect to the other contested matters listed in the Objection or this Order;

ORDERED that the terms and conditions of this Order are effective immediately upon entry;

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: November 8, 2021
New York, New York

/s/ *James L. Garrity, Jr.*

HONORABLE JAMES L. GARRITY, JR.
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

**Consumer Claims Trustee's Forty-Sixth Omnibus Objection to Proofs of Claim
(Insufficient Legal Basis Unsecured Consumer Creditor Claims)**

Creditor/Address	Claim Number	Total Claim Amount	Basis for Objection
Bagozzi, Anthony Huron Charter Township, MI	24604	\$2,000.00	Claimant sought insurance reimbursement for repairs to home. Check reissued by Debtors and claim satisfied. Claim filed untimely.
Block, George R Jr & Christina Hampstead, NC	1959	\$24,013.61	Claim for Debtors' failure to disburse restricted escrow funds for home repairs. Funds transferred and ultimately disbursed by successor servicer. Claim satisfied.
Cairo, Mary P & William San Diego, CA	22974	\$2,700.00	General allegations of missapplied payments and negative credit reporting fail to state a legal claim upon which relief may be granted.
Castro, Carmen Brooklyn, NY	20753	\$0.00	Claimant alleges that Ditech made unwarranted disbursement from escrow account to water and sewer authority. The Consumer Claims Trustee is unable to substantiate any alleged accounting errors based on review of Debtor's books & records. Fails to state a claim upon which relief may be granted.
Chavis, Glen N South Hill, VA	2784	\$1,147.48	Claim for Debtor's failure to disburse escrow surplus check which Debtor eventually reissued. Claim satisfied. Claim filed untimely.
Garcia-Kuhn, Teresa Colorado Springs, CO	542	\$447,558.81	Claimant alleges that deed of trust was void and that Ditech had no interest in the property. Issues resolved with successor servicer and title insurer. Fails to state an affirmative monetary claim upon which relief may be granted.
Hall, Marie G., Estate of Levittown, PA	2251	\$0.00	Claim provides no information regarding any alleged wrongdoing by Debtors. Fails to state a claim for which relief can be granted. Claim filed untimely.

Exhibit A

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Creditor/Address	Claim Number	Total Claim Amount	Basis for Objection
Hillard, Nathan & Sarah Titusville, FL	24015	\$206.34	Claim for duplicate payment of mortgage insurance premiums. Credit ultimately applied by successor servicer. Claim satisfied. Claim filed untimely.
Orolowski, Heather Southfield, MI	23643	\$0.00	Claimant disputes balance on loan. Based on information provided, claim is not supported by Debtors' books & records. Fails to state a claim for which relief can be granted.
Ou, Lihua Raleigh, NC	1361	\$5,000,000.00	Fails to state a claim upon which relief can be granted and inconsistent with Debtor's books & records; asserts claims on behalf of unnamed claimants.
Petsche, Judy K Shellsburg, IA	2324	\$0.00	Claimant objects to letter from Debtors regarding an escrow shortage, and a subsequent account arrears. After review of the Debtors books and records, the escrow calculation and account deficiency appear correct. Fails to state a claim upon which relief may be granted.
Smith, Scott Southfield, MI	23610	\$0.00	Claimant alleges problems with assignments and with payment applications that predate Debtor's servicing of account. Claim fails to state a claim against Debtors for which relief may be granted. Any claims would also be barred by the statute of limitations and/or judicial estoppel.
Todaro, Alicia & Robert Holden, MO	20347	\$296,782.16	Claimants' allegations of improper fees and misapplication of payments are not supported by Debtor's books and records. Claimants are therefore unable to show any conduct of Debtors caused their default. Consumer Claims Trustee is unable to discern a cognizable legal claim based on the facts provided.

Exhibit A

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Creditor/Address	Claim Number	Total Claim Amount	Basis for Objection
Wagoner, Laurie Sun Valley, NV	23194	\$0.00	Claim asserts an additional five years was added on to mortgage at the modification. Claim fails to state a claim against Debtors upon which relief may be granted. Claim also alleges overcharge of insurance premiums in 2011. Any contract or UDAP claim arising from that transaction is outside the statute of limitations.
Williamson, Ellen Fort Meyers, FL	420	\$100,000.00	Claimant fails to state a claim against Debtors upon which relief may be granted; claim precluded by another court decision.
Wilusz, Michael Hazel Park, MI	20516	\$1,245.77	Claimant's statement of late fees is inconsistent with Debtor's books and records. Late fees alleged do not appear to have been assessed. Fails to state a claim upon which relief can be granted.