

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA

FILED
U.S. BANKRUPTCY COURT
WESTERN DISTRICT OF NC

MAY 15 2020

STEVEN T. SALATA, CLERK
CHARLOTTE DIVISION
MDW

In re:)
)
ADMINISTRATION OF CONDUIT)
MORTGAGE CLAIMS IN CHAPTER)
13 CASES FOLLOWING NOTICES)
OF FORBEARANCE RELATED TO)
COVID-19)
_____)

JUDGMENT ENTERED ON MAY 15 2020

The Coronavirus Aid, Relief, and Economic Security (CARES) Act became law on March 27, 2020. Among other provisions, the CARES Act provides relief for certain borrowers on their home mortgage loans.

In connection with the relief offered by the CARES Act, Conduit Creditors (as defined in Local Rule 3003-1) are offering borrowers, including borrowers that are debtors in active bankruptcy cases, relief from their ongoing mortgage payments in the form of forbearance. Conduit Creditors have begun filing documents ("Forbearance Notices") with the court that set out a number of months during which no payment is required.

NOW, THEREFORE, in order to effectuate the relief from ongoing mortgage payments intended by these Forbearance Notices and to provide a consistent manner for Chapter 13 Trustees to administer their cases, it is appropriate for this court to enter an administrative order providing guidance on how Forbearance Notices will be treated in Chapter 13 cases.

IT IS HEREBY ORDERED that upon receipt of a filed Forbearance Notice, the Chapter 13 Trustee shall, effective with the next disbursement cycle, begin reserving on the ongoing post-petition contractual payments to the Conduit Creditor consistent with the Forbearance Notice, pending further order of the Court.

This is the 14 Day of May, 2020.

Laura Turner Beyer

Laura Turner Beyer
Chief United States Bankruptcy Judge

J. Craig Whitley

J. Craig Whitley
United States Bankruptcy Judge

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