UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF COLORADO
Bankruptcy Judge Joseph G. Rosania, Jr.

In re: CHARLES SAMUEL VINSON, SSN: xxx-xx-2216, RENEE ANN VINSON, SSN: xxx-xx-8075, Debtors.	 Case No. 19-10544-JGR Chapter 13

ORDER REGARDING DEBTORS' MOTION TO DISALLOW CLAIM NO. 2-2 OF ROCKY MOUNTAIN BANK & TRUST

Charles Samuel Vinson and Renee Ann Vinson (the "Debtors") have been litigating with creditor Rocky Mountain Bank & Trust (the "Bank") for ten years due to the Debtors' inability to make promissory note payments to the Bank, including the mortgage on their home. The issues presented are whether the Debtors filed their Chapter 13 petition and proposed their Chapter 13 Plan (Debtors' Ex. 2; the "Plan") in good faith, and whether attorney's fees and expenses claimed by the Bank as part of its secured claim, incurred pre- and post-petition, to be paid as an arrearage through their Plan, are reasonable.

BACKGROUND

I. Chapter 13 Case

The Debtors, an elderly couple as that term is defined in C.R.S. 38-41-201(2)(b), filed their Chapter 13 bankruptcy case and Plan on January 25, 2019. The sole purpose of their Chapter 13 case is to retain their home at 30 Briarcrest Place, Colorado Springs, Colorado 80906 (the "Property"). The Property is subject to a first mortgage in favor of the Bank in the original principal amount of $500,000, with a current principal balance of $433,000 (the "Large Note"). The Debtors' undisputed valuation of the Property was $650,000.

The Bank claims approximately $60,000 in pre- and post-petition attorney's fees and expenses incurred in enforcing the Large Note and related deed of trust. The Bank is also claiming approximately $60,000 for default interest, late fees, escrow advances, and other allowable expenses, for a total of approximately $120,000.

The Plan proposes sixty monthly plan payments to the Chapter 13 Trustee in the amount of $1,409, for a total of $84,540. The Plan provides for the cure of the arrearage on the Property owed to the Bank through the Plan. On January 25, 2019, the Debtors estimated that the total pre-petition arrearage was approximately $54,000.

The Debtors propose to make the regular post-petition monthly mortgage payments in the amount of $3,587 directly to the Bank. Under the Plan, administrative expenses for Chapter 13 Trustee fees, the Debtors' attorney's fees and expenses, and priority taxes to the Internal Revenue Service and Colorado Department of Revenue are paid in full. There is no distribution to unsecured creditors, and the Debtors do not seek a discharge. The only unsecured claim is non-dischargeable student loan debt of approximately $200,000 that the Debtors guaranteed for their children. The Debtors stated that the student loan is in forbearance and will not receive any payments under the Plan. The Bank objected to confirmation and requested dismissal of this case.

The Debtors admit that the amount of $60,000 for default interest, late fees, escrow advances, and other allowable expenses is appropriate, but dispute the amount of $60,000 for attorney's fees and expenses. The Debtors objected to the attorney's fees and expenses by filing a Motion to Disallow Claim No. 2-2 on May 9, 2019 (Debtors' Ex. 4). The Bank responded on June 19, 2019, asserting that the attorney's fees and expenses are reasonable (Debtors' Ex. 5). The Court held an evidentiary hearing on confirmation and the claim objection on September 19, 2019, and September 20, 2019. The Court heard the testimony of four witnesses—Mr. Vinson; Mr. Havens, the President of the Bank; Mr. Strauss, one of the Bank's attorneys; and Mr. Gantenbein, called as an expert by the Debtors on the issue of the reasonableness of attorney's fees—and admitted numerous exhibits.

II. Nature of Bank's Debt

The Bank financed the purchase of the Property in 2006. As set forth above, the Bank currently holds the Large Note, which is secured by a first deed of trust against the Property in the original principal amount of $500,000. The Bank previously also held a promissory note secured by a second deed of trust against the Property, for a home equity line of credit in the amount of $16,800 (the "Small Note"). The Debtors paid the Small Note in full in July 2018.

Further, the Bank previously held a promissory note secured by a second deed of trust against certain real property formerly owned by the Debtors in Santa Fe, New Mexico, for a line of credit loan made to the Debtors in 2007. The original amount was $70,000, which was later increased to $119,000 (the "Santa Fe Note"). The Bank voluntarily released the Santa Fe Note without payment in 2014, to accommodate a short sale of the Santa Fe, New Mexico property by the Debtors.

The Bank filed a second amended proof of claim on June 16, 2019, for a secured claim in the amount of $530,439 (Bank's Ex. C).

III. Chapter 7 Case

The Debtors previously filed a Chapter 7 case in this District on October 30, 2017, Case No. 17-20032-JGR, in which they received their discharge on February 8, 2018. The Bank obtained relief from the automatic stay in the Chapter 7 case on March 28, 2018, to foreclose the second deed of trust on the Property. Since the Chapter 7 Trustee administered certain non-exempt assets, the Chapter 7 case remains open but should be closed within a few months. The Bank incurred attorney's fees and expenses in the

Chapter 7 case for analyzing the case and obtaining relief from stay to continue the foreclosure sale of the second deed of trust.

IV. State Court Litigation and Foreclosures

In late 2016, the Bank filed a state court collection action against the Debtors on the Santa Fe note. The Debtors, who disputed the default amounts claimed by the Bank, retained counsel and answered. The Bank filed a motion for summary judgment, and the Debtors responded on October 30, 2017 (Bank's Exs. T, U, V, and W). The action was stayed when the Debtors filed their Chapter 7 case on October 30, 2017. The Bank incurred attorney's fees and expenses in this action.

The Bank also filed four foreclosure actions on the Property. The first foreclosure action on the Large Note was filed in 2010 and cured thereafter. A second foreclosure action on the Large Note was filed in 2015 and cured thereafter. A third foreclosure action on the Small Note was filed in 2017 and cured thereafter when the Debtors paid the cure amount in full in July 2018. The Bank incurred attorney's fees and expenses in the first three foreclosure actions, but the Debtors cured each of those foreclosures.

A fourth foreclosure action on the Large Note was filed in 2018, which prompted the Debtors to file this case. The Debtors contested the fourth foreclosure action on the Large Note by objecting to the Bank's motion for order authorizing foreclosure sale because they disputed the amount of the attorney's fees and expenses claimed by the Bank, which, at that time, was $40,000. The state court overruled the objection and allowed the Bank to proceed with the foreclosure sale (Bank's Exs. P, Q, R, and S). The state court judge, without receiving any evidence, opined that the request for $40,000 in attorney's fees was "outrageous" but declined to rule on the issue in the narrow context of a C.R.C.P. 120 proceeding. The Bank incurred attorney's fees and expenses in the contested foreclosure action.

V. Bank's Discovery in Chapter 13 Case

The Bank conducted more discovery than the Court has previously seen in a Chapter 13 case. The Bank took the deposition of Mr. Vinson and issued three subpoenas to witnesses, two of which were previous counsel for the Debtors. One lawyer, Keith Gantenbein, was forced to retain counsel to defend the discovery, and the other lawyer, Milnor Senior, filed a motion to quash. The Court is unclear as to what information was possessed by previous counsel that is relevant to the issues here. If the Bank wanted to determine how much opposing counsel charged to represent the Debtors, it could have simply asked the question. Instead, the Bank forced Keith Gantenbein to retain counsel to create a privilege log for attorney-client and work product privileges. The Bank withdrew the subpoena to Milnor Senior prior to the date and time set for the discovery dispute hearing.

CONFIRMATION

This Court has subject matter jurisdiction over confirmation of the Plan and the claim objection under 28 U.S.C. § 1334, 28 U.S.C. § 157(a), and 28 U.S.C. §§ 157(b)(1) and (b)(2)(A) and (L).

The Chapter 13 Trustee also objected to confirmation. However, since the Chapter 13 Trustee did not participate or appear at the hearing, the Court finds that the Chapter 13 Trustee abandoned his objection.

The Bank argues that the Court cannot confirm the Plan and does not need to reach the issue of whether the attorney's fees are reasonable. The Bank claims that: (i) the Debtors have not filed their case or proposed their Plan in good faith due to their continuing litigation with the Bank; (ii) the Debtors are seeking to impermissibly modify the mortgage on the Property contrary to 11 U.S.C. §1322(b)(2); (iii) the Debtors have misled the Court by not acceding to the Bank's demand for $60,000 in attorney's fees and adding that amount into the arrearage; (iv) the Court must strictly scrutinize the bona fides of this Chapter 13 case filed on the heels of the previous Chapter 7 case, otherwise known as a Chapter 20; and (v) the Plan is not feasible.

The Debtors argue that: (i) they filed their case and proposed their Plan in good faith to save their family home, from which they each operate a business; (ii) they have the income from Mr. Vinson's relatively new, but successful, occupation as a real estate broker to make the Plan payments to the Chapter 13 Trustee and the regular monthly mortgage payments to the Bank; and (iii) their dispute over the Bank's attorney's fees is legitimate. The Debtors claim that they are not seeking to impermissibly modify the mortgage on the Property. Rather, they dispute the amount claimed under the Large Note for attorney's fees and request a judicial determination thereof.

The Bank claims that the Debtors' bad faith is illustrated by their filing this Chapter 13 case shortly after the previous Chapter 7 case, which Chapter 7 case remains open. The Bank also claims that confirmation of the Plan should be denied and the case dismissed under the *Flygare/Pioneer Bank* factors.

The *Flygare/Pioneer Bank* factors are:

(1) the amount of the proposed payments and the amount of the debtor's surplus;
(2) the debtor's employment history, ability to earn and likelihood of future increases in income;
(3) the probable or expected duration of the plan;
(4) the accuracy of the plan's statements of the debts, expenses and percentage repayment of unsecured debt and whether any inaccuracies are an attempt to mislead the court;
(5) the extent of preferential treatment between classes of creditors;
(6) the extent to which secured claims are modified;
(7) the type of debt sought to be discharged and whether any such debt is non-dischargeable in Chapter 7;
(8) the existence of special circumstances such as inordinate medical expenses;
(9) the frequency with which the debtor has sought relief under the Bankruptcy Reform Act;
(10) the motivation and sincerity of the debtor in seeking Chapter 13 relief;
(11) the burden which the plan's administration would place upon the trustee;
(12) whether the debtor has stated his debts and expenses accurately;

(13) whether the debtor has made any fraudulent misrepresentation to mislead the bankruptcy court; and
(14) whether the debtor has unfairly manipulated the Bankruptcy Code.

See Flygare v. Boulden, 709 F.2d 1344, 1347–48 (10th Cir. 1983) (citation omitted); *see also Pioneer Bank of Longmont v. Rasmussen*, 888 F.2d 703, 704 n. 3 (10th Cir. 1989) (citation omitted) (reconfirming *Flygare* factors for good faith evaluation and adding three additional factors).

Specifically, the Bank claims that the ongoing dispute regarding the amount of its claim shows that the Debtors are acting in bad faith and that, by disputing such claim, they are attempting to impermissibly modify the Bank's claim secured by the Property.

Mr. Vinson credibly testified at the hearing. The Debtors provided the Bank with discovery. Although the Debtors have had considerable difficulty paying the Bank, they are entitled to pursue their legal rights in contesting the foreclosure, entitled to dispute the amount of the Bank's attorney's fees and expenses, entitled to attempt to retain the Property, and entitled to file bankruptcy. The Court finds that the Debtors' case and proposed Plan are not violative of the *Flygare/Pioneer Bank* factors, and that the Debtors filed the case and proposed their Plan in good faith. The Court does not believe it has been misled by the Debtors in any respect. They are not impermissibly modifying the Bank's claim. Rather, the Debtors are disputing the precise amount of such claim.

The Court agrees with the reasoning of *Zeman v. Waterman (In re Waterman)*, 469 B.R. 334 (D. Colo. 2012), regarding Chapter 20 cases. In *Waterman,* the district court, acting in an appellate capacity, rejected a *per se* rejection of Chapter 20 cases and indicated that a debtor's good faith must be measured on a case-by-case approach. There, the court found that the filing of a Chapter 13 bankruptcy case on the heels of having received a Chapter 7 discharge should raise a red flag as to whether the Chapter 20 plan is proposed in good faith. *Id*. at 340–41. Here, the Debtors filed their Chapter 13 case as a final effort to retain the Property, and their fee dispute is legitimate.

The Bank also argues that the Debtors do not have the income to fund the Plan and make the regular monthly mortgage payments to the Bank. It claims that the Debtors have not met their burden of proof because their income is questionable, internally inconsistent, and insufficient to make the required payments.

The Debtors filed amended Schedules I and J on September 12, 2019, showing monthly gross income in the amount of $15,667 and expenses in the amount of $8,551, for monthly net income in the amount of $7,116. Mr. Vinson has transitioned his real estate business from buying and selling properties to acting as a real estate broker for third parties. Mr. Vinson reports monthly gross income in the amount of $12,640 from real estate broker's commissions, and Mrs. Vinson reports monthly gross income in the amount of $3,027 from the sale of art (Debtors' Ex. 15). As of the date of the hearing, the Debtors were current on their Plan payments and post-petition mortgage payments.

The feasibility of a plan or projections underlying a plan is a fact-intensive question. The Bank complains that it was not provided with support documentation for the income. The Bank conducted discovery in this Chapter 13 case and never brought any discovery

disputes with the Debtors to the Court. The Debtors are small business owners with rudimentary books and records. The Tenth Circuit Bankruptcy Appellate Panel has noted that "questions about plan feasibility are resolved by giving the debtor the benefit of the doubt when the projections warrant it." *In re Woods*, 465 B.R. 196, 209 (10th Cir. BAP (Colo.) 2012), *vacated on other grounds,* 743 F.3d 689 (10th Cir. 2014). Here, the projections of future income are reasonable and warrant giving the Debtors the benefit of the doubt. The Court is certain that the matter will be brought promptly to its attention if the Debtors are unable to make either the Plan payments or mortgage payments. This is the Debtors' final chance to retain the Property.

CLAIM OBJECTION

The crux of the ongoing dispute is whether the attorney's fees and expenses claimed by the Bank are reasonable. Under the American Rule, *see Alyeska Pipeline Serv. Co. v. Wilderness Soc'y*, 421 U.S. 240 (1975), each party pays its own attorney's fees and expenses incurred in litigation unless there is a contract or statute which provides otherwise. The right to claim the fees and expenses here arises both under federal law because the Bank is an oversecured creditor entitled to reasonable fees under 11 U.S.C. § 506(b), and under state law as a matter of contract in Section 9 of the deed of trust related to the Large Note (Bank's Ex. C).

Under Colorado state law, attorney's fees claimed under a contract are subject to a reasonableness standard, *see Cherry Creek Sch. Dist. No. 5 v. Voelker*, 859 P.2d 805, 813–14 (Colo. 1993), which is determined by reference to the so-called lodestar factors, *see Dubray v. Intertribal Bison Co-op.*, 192 P.3d 604, 608 (Colo. App. 2008).

The lodestar amount "represents the number of hours reasonably expended multiplied by a reasonable hourly rate." *Id*. (citation omitted). "That amount may then be adjusted based upon several factors, including the amount in controversy, the length of time required to represent the client effectively, the complexity of the case, the value of the legal services to the client, awards in similar cases, and the degree of success achieved." *Id*. (citation omitted).

The Bank is claiming $60,000 in attorney's fees for the time period from April 2016 to June 2019, to enforce its rights under the Large Note. The Bank stated that it is not seeking to collect attorney's fees in connection with either the Santa Fe Note or the Small Note. Counsel to the Bank, S&D Law, LLC (the "Firm"), provided the Court with the monthly legal fee statements it sent to the Bank (Bank's Ex. M) and a summary of the fees (Bank's Ex. AA). The Bank called Richard Strauss of the Firm to testify that the legal services were, in fact, provided and, in his opinion, reasonable.

Although the Debtors discharged their personal liability under all three promissory notes when they received their Chapter 7 discharge, there is no dispute that the Bank's security interest and rights under the promissory notes and deeds of trust in the Property rides through the Chapter 7 case. *See Johnson v. Home State Bank*, 501 U.S. 78 (1991). The Bank's debt secured by the Property is effectively a non-recourse obligation of the Debtors. *See In re Sorenson*, 575 B.R. 527, 531 (Bankr. D. Colo. 2017).

The Debtors endorsed an expert witness on fees, Keith Gantenbein. The Court notes that Mr. Gantenbein previously represented the Debtors in the motions practice on the contested foreclosure on the Large Note, and he was a target of the Bank's discovery in this case. He submitted an expert witness report (Debtors' Ex. 17) and testified that normal fees for a non-contested non-judicial foreclosure sale would be in the range of $1,600 to $2,200, and the total fees charged by the Bank in connection with the Large Note should be at most $15,000.

The Local Rules of Bankruptcy Procedure provide the standards for fee applications in this District. Specifically, L.B.R. 2016-1 requires a narrative by category addressing the lodestar factors, time records expressed in tenth of an hour increments, separate billing categories, and prohibits lumping attorney time. Although the Court did not order the Bank to follow L.B.R. 2016-1, there is no other way to determine if the fees are reasonable without applying the Rule to the Firm's legal fee statements.

The Bank's Exhibits M and AA fail on all grounds. It has taken the Court hours to decipher a reasonable fee. The Court reviewed the one hundred and thirty-four pages on two different occasions and took fifteen pages of internal notes. The legal fee statements were in reverse chronological order, the fee summary contained a math error that took several hours to uncover, the attorney time was hopelessly lumped, the categories were hopelessly lumped, the categories were combined between the three promissory notes, three lawyers worked on the file—two partners and one associate, there were multiple inter-office communications, there was legal research on fundamental bankruptcy law issues, and there was random allocation of fees between categories. If the Bank had filed a fee application under L.B.R. 2016-1, it would have been denied with leave to supplement the application to conform with the Rule. Even where, as here, the Court did not order the Bank to comply with the Rule, the Court could have concluded that none of the Bank's fees are reasonable based upon its deficient submissions alone. Nonetheless, the undersigned undertook an independent review of the Bank's fees.

The undersigned practiced bankruptcy law and related litigation for thirty-three years prior to taking the bench and served as a Chapter 7 Trustee and Chapter 7 Trustee's counsel. The role of Chapter 7 Trustee requires the retention of counsel wherein the Chapter 7 Trustee is the client. The role of counsel to the Chapter 7 Trustee is to pursue legal representation of the estate, which culminates in filing an attorney fee application under the Rule. Thus, the undersigned was a client who reviewed fee applications and counsel who prepared fee applications for other clients for over thirty years. The undersigned also served as counsel to Chapter 11 debtors-in-possession and filed numerous fee applications for professional compensation under applicable rules for many years. These experiences provide a substantial background in reviewing and determining whether attorney's fees are reasonable.

The Bank is claiming attorney's fees under the Large Note for the time period from April 2016 through June 2019, for the 2017 Chapter 7 bankruptcy case, the 2018 foreclosure action and related motions practice, and the 2019 Chapter 13 case. The Bank is claiming attorney's fees in the amount of $27,318 for pre-petition services and $32,711 for post-petition services, for a total of $60,000. Included in the fee request are fees and expenses in the amount of $3,577.97 for outside bankruptcy counsel, Sender & Smiley.

The Debtors claim that the Bank is only entitled to recover reasonable attorney's fees after July 2018, when they paid the Small Note pursuant to a cure statement (Bank's Ex. K) issued by the Bank. The Debtors assert that there was a line item for attorney's fees in the cure statement, and that when they paid the cure, it included all previous attorney's fees under either the Large Note or the Small Note under state law. *See* C.R.S. 38-38-104. The Court disagrees. The Bank is entitled to reasonable attorney's fees on the Large Note as a separate legal obligation from the Small Note because the cure statement specifically referenced the Small Note, and the Large Note remained outstanding.

The Bank claims that it is entitled to recover attorney's fees and expenses for services relating to the Large Note for the time period from April 2016 through June 2019. It contends that the Large Note and the Small Note were separate obligations with fees allocable to each note, and that when the Debtors paid the Small Note pursuant to the cure statement, that payment included all fees incurred in connection with the Small Note only.

The pre-petition fees cover the time period from July 2016 through January 2019. Altogether, there are thirty-eight legal fee statements totaling one hundred and thirty-four pages. The Firm created two billing categories: 16005- (Rocky Mountain Bank & Trust/Vinson) and 16007- (Rocky Mountain Bank and Trust/Vinson)(HELOC Foreclosure and First Deed of Trust). By its description, billing category 16007 lumps together fees for the HELOC, fees for the Small Note (which was cured and for which the Bank is not claiming fees), and fees for collection of the Large Note.

The Court reviewed every time entry and attempted to un-lump the time and un-lump the categories. As a result of this tedium, the Court determined that the only way to evaluate the reasonableness of the fees was to dissect and analyze the one hundred and thirty-four pages of thirty-eight separate legal fee statements, using L.B.R. 2016-1 as a guide.

As a result, the Court separated the fees for the Large Note into three categories: (i) Chapter 7; (ii) Large Note 2018 foreclosure and related litigation; and (iii) post-petition. Further, the only way to evaluate the reasonableness of the fees was to assign a reasonable hourly rate for the services. The Firm used two partners and one associate. The blended hourly rate is approximately $350, and the Court used $300 per hour as a reasonable hourly rate.

The Bank did not provide the Court with an identification of the fees in categories (i) and (ii). The legal fee statements from April 2016 to January 2019 combined fees for the Santa Fe Note litigation, the Small Note bankruptcy relief from stay and foreclosure, and the Large Note litigation and foreclosure. More than half of the time spent in this time period was attributable to the Santa Fe Note litigation and the Small Note representation. The Santa Fe Note litigation covered the time period from April 2016 through 2017, and the Small Note representation covered the time period from 2017 through 2018.

In the Chapter 7 matter, the primary focus of the Bank was to obtain relief from stay to continue with the Small Note foreclosure. It is a one attorney matter. The Firm billed for reviewing the file, researching bankruptcy law, inter-office conferences, filing a

proof of claim, and attending the meeting of creditors. The Bank retained an outside bankruptcy law firm, Sender & Smiley, to file the relief from stay pleadings, for which it charged $2,312.97. The Sender & Smiley amount is properly chargeable to the Small Note, which has been paid.

Since the Firm did not organize its time records in accordance with the above three categories, the Court reviewed the legal fee statements and time entries and concludes that the Bank is entitled to attorney's fees in the Chapter 7 case allocable to the Large Note in the amount of **$600**, which is two hours at the hourly rate of $300. The Court is tempted to award zero fees in this category because the Debtor's Chapter 7 case was straight-forward and presented no unusual issues, and the focus was on the Small Note.

The second category is the Large Note foreclosure and related litigation. After the Bank filed the public trustee foreclosure action, the Debtors objected to the foreclosure sale and contested the attorney's fees claimed by the Bank, at that time, in the amount of $40,000, in a contested C.R.C.P. 120 proceeding. The state court judge overruled the objection and entered the order allowing the foreclosure to proceed.

Thus, the Bank incurred attorney's fees and expenses in filing the foreclosure action and engaging in the motions practice. The Court does not believe that the state court held an evidentiary hearing or that personal appearance by the attorneys in Colorado Springs in the motions practice was required. However, the Bank was successful in obtaining the order over the objection of the Debtors. After reviewing the pleadings in the action and the legal fee statements, the Court concludes that the Bank is entitled to attorney's fees in the amount of **$4,200**, which is fourteen hours at the hourly rate of $300, for the foreclosure action and motions practice allocable to the Large Note.

The third category is for post-petition services. The Bank requests $32,711 for post-petition services. The Firm filed three proofs of claim, objected to confirmation, attended the meeting of creditors, objected to the motion to disallow its claim, conducted discovery, and appeared at scheduling conferences on confirmation and the fee issue. The Firm is requesting fees for one hundred and twenty-six hours of post-petition services. Included in this amount is $1,100 for outside bankruptcy counsel, Sender & Smiley. The results of the discovery were unclear, including the discovery conducted of the Debtors. The Bank was overly aggressive in the post-petition period, using several lawyers on another one lawyer matter and engaging in far-fetched discovery. The animosity between the parties was palpable.

The Court draws a distinction between the legal fees billed to a private client financial institution versus disputed legal fees which are required to be reasonable under federal and state law. The Court finds that a reasonable fee for the post-petition services is ten hours at the rate of $300, for a total of **$3,000** plus the Sender & Smiley fee in the amount of **$1,100**, for a total of **$4,100**.

The Court awards no expenses for the pre-petition timeframe because they are not definitively allocable. The Court awards all requested expenses in the post-petition timeframe in the amount of **$2,800.85**.

CONCLUSION

In summary, reasonable attorney's fees are awarded in the amount of **$8,900** plus expenses in the amount of **$2,800.85**, for a total of **$11,700.85**. Accordingly,

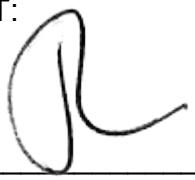
IT IS ORDERED that the Debtors' Motion to Disallow Claim No. 2-2 of Rocky Mountain Bank & Trust (Doc. 35) is granted in part as set forth above.

IT IS FURTHER ORDERED that the Clerk of the Court shall enter judgment accordingly.

IT IS FURTHER ORDERED that the Debtors shall amend their Chapter 13 plan consistent with this order within fourteen (14) days.

Dated this 5th day of December, 2019.

BY THE COURT:



Joseph G. Rosania, Jr.
United States Bankruptcy Judge