THE FOLLOWING ORDER
IS APPROVED AND ENTERED
AS THE ORDER OF THIS COURT:

DATED: March 27, 2017

G. Michael Halfenger
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF WISCONSIN

In re:

Lori C. Dohrmann,	Case No. 14-27137-GMH
Debtor.	Chapter 13

ORDER DENYING MOTION TO RECONSIDER

Lori Dohrmann (also known as Lori Sedlak) filed this voluntary chapter 13 case on June 3, 2014. The chapter 13 trustee objected to confirmation of Dohrmann's chapter 13 plan, arguing that Dohrmann had not proposed a plan in good faith. CM-ECF Doc. Nos. 130 and 150. The chapter 13 trustee and Deutsche Bank Trust Company Americas also moved to dismiss Dohrmann's case. See CM-ECF Doc. Nos. 128 & 160.

The court granted the motion to dismiss because it concluded that she had not filed her case in good faith and had not proposed a chapter 13 plan in good faith as required by 11 U.S.C. §1325(a)(3) and (a)(7). See CM-ECF Doc. Nos. 179, 180 & 181. Dohrmann moves for reconsideration. CM-ECF Doc. No. 184. For the following reasons, that motion is denied.

I

Dohrmann's reconsideration motion in part challenges the propriety of the procedures followed in her bankruptcy case. That challenge necessitates an explanation of the case's procedural history.

A

Dohrmann filed this case to continue contesting the validity of a note and mortgage on her home located at 4732 Red Fox Lane, West Bend, Wisconsin (the "Homestead"). This contest began many years ago when Aurora Loan Services LLC, Deutsche Bank's predecessor-in-interest, initiated foreclosure proceedings against Dohrmann in Washington County Circuit Court. See *Aurora Loan Services v. Lori Sedlak*, Case No. 10-CV-1730 (Washington Cnty. Cir. Ct.). That court entered a foreclosure judgment against her on February 3, 2012 (the "State Court Foreclosure Judgment"). *Id.* Dohrmann appealed, but the Wisconsin Court of Appeals dismissed her appeal for lack of jurisdiction because she filed her notice of appeal after the time to appeal had expired. *Aurora Loan Services LLC v. Lori Christine Dohrmann*, Case No. 12-AP-619 (Ct. App. 2012). Case No. 14-27137, CM-ECF Doc. No. 157, Ex. D.

According to the parties, after the appellate court dismissed Dohrmann's appeal the mortgage creditor scheduled an August 15, 2012, sheriff's sale. See Case No. 12-32071, CM-ECF Doc. No. 36. The day before that sheriff's sale Dohrmann filed her first bankruptcy case, Case No. 12-32071 (the "First Bankruptcy Case"), which she also filed under chapter 13. Her schedules in the First Bankruptcy Case disclosed that she had an interest in the Homestead *and* in real property located at 4258 Tireman, Detroit, Michigan (the "Detroit Property"). Case No. 12-32071, CM-ECF Doc. No. 1, at 8. Despite the State Court Foreclosure Judgment, she did not initially list any secured debts. *Id.* at 13. She instead indicated that Aurora Loan Servicing held a $500,000 unsecured claim and Bank of America had a $50,000 unsecured claim. *Id.* at 17. She reported that she incurred both claims in connection with her Homestead. *Id*. She later amended her schedules to remove her ownership interest in the Detroit Property and to indicate that the debts to Aurora and Bank of America were secured but "dispute[d]". Case No. 12-32071, CM-ECF Doc. No. 20, at 2 & 4; CM-ECF Doc. No. 46 at 8 & 15.

The chapter 13 plan Dohrmann proposed in her First Bankruptcy Case paid nothing to secured or unsecured creditors. Case No. 12-32071, CM-ECF Doc. No. 9. The plan stated that Dohrmann would pay a total of $3,000 into the plan and the only person that Dohrmann proposed to pay through the plan was the chapter 13 trustee for the trustee's administrative fees (which Dohrmann estimated at $273). *Id.* Nationstar Mortgage, LLC (to whom Aurora Loan Services, LLC, had transferred its interest in the note and mortgage) filed a secured claim in the First Bankruptcy Case for $498,153.85, including a $78,547.19 mortgage arrearage. See Case No. 12-32071, Claims Register, Proof

of Claim 7. The trustee moved to dismiss the First Bankruptcy Case, and Nationstar moved for relief from the automatic stay. Case No. 12-32071, CM-ECF Doc. Nos. 15, 26 & 28. Dohrmann admitted in response to the motion for relief that she had not made mortgage payments, but she contended that she did not owe any debt to Nationstar. Case No. 12-32071, CM-ECF Doc. No. 31 & 36.

Dohrmann converted her first chapter 13 case to one under chapter 7 on June 14, 2013, and Nationstar subsequently withdrew its motion for relief. Case No. 12-32071, CM-ECF Doc. Nos. 42 & 43. Dohrmann received a chapter 7 discharge on October 1, 2013. Case No. 12-32071, CM-ECF Doc. No. 52. Once Dohrmann's chapter 7 case ended, Nationstar and subsequent holders of Dohrmann's mortgage note were free to pursue foreclosure. See 11 U.S.C. §362(c).

B

Dohrmann's chapter 7 discharge extinguished her personal liability on the mortgage note, but it did not extinguish the mortgage creditor's right to proceed against her Homestead to satisfy her secured debt. Nationstar (or a successor in interest, the record is unclear on this detail) scheduled a sheriff's sale on her Homestead for June 4, 2014. See Case No. 14-27137, CM-ECF Doc. No. 14, at 3.

Dohrmann filed this chapter 13 bankruptcy petition the day before that sheriff's sale. CM-ECF Doc. No. 14, at 3. Before Aurora, Nationstar, or any successor holder of the mortgage note filed a claim, Dohrmann went on the offensive. She filed a plan stating that she intended to contest "the validity of the mortgage held by Aurora Loan Servicing and [ ] motion the bankruptcy court to strip the lien held by Aurora Loan Servicing." Case No. 14-27137, CM-ECF Doc. No. 5, at 5. She stated further that she intended to "mount federal challenge(s) because [she] was a defendant in the state foreclosure case and never had a foreclosure hearing, also Plaintiff, Aurora Loan Servicing, failed to comply with Wisconsin's UCC in many instances, & never showed valuable consideration, were not holders in due course, and had no standing." *Id.* ("&" in original). Dohrmann added that she believed her due process rights had been violated in state court, and "[t]hus the only remedy rests in the federal courts, being left unprotected against further attacks (for example, per UCC, Wis. Stats. 403.309(2))." *Id.* Dohrmann proposed a chapter 13 debt-adjustment plan that paid no one: no administrative claims; no priority unsecured debts; no secured debts; and no unsecured debts. *Id*. at 1–5.

On October 13, 2014, Nationstar filed a $548,038.29 claim on behalf of Deutsche Bank Trust Company Americas as Trustee for Residential Accredit Loans, Inc. Pass Through Certificates 2007-QH2, to which Nationstar had purportedly assigned the mortgage (the "Deutsche Bank Claim"). Case No. 14-27137, Claim 2. Deutsche Bank stated that it holds a claim secured by Dohrmann's Homestead Property. *Id.*

On October 27, 2014, Deutsche Bank moved for relief from stay as to the Homestead Property. Case No. 14-27137, CM-ECF Doc. No. 14. The motion asserted, however, that Nationstar was "the holder and/or owner of the note." Case No. 14-27137, CM-ECF Doc. No. 14, 2. Dohrmann objected to the motion, and the court scheduled a December 9 hearing. Case No. 14-27137, CM-ECF Doc. Nos. 17 & 18. After a judicial reassignment resulting from Chief Judge Pepper's ascendency to the District Court and a health-related adjournment requested by Dohrmann (see Case No. 14-27137, CM-ECF Doc. Nos. 21 & 27), the court held a hearing on Deutsche Bank's motion on February 10, 2015. Case No. 14-27137, CM-ECF Doc. No. 31. The court denied the motion on standing grounds because the motion itself asserted that Nationstar, not Deutsche Bank, held the note and the right to foreclose. Case No. 14-27137, CM-ECF Doc. Nos. 14 and 31.

Deutsche Bank moved for reconsideration on February 24. Case No. 14-27137, CM-ECF Doc. No. 33. The court scheduled an April 13, 2015, hearing on that motion and subsequently denied it. Case No. 14-27137, CM-ECF Doc. No. 53. The court also scheduled a separate evidentiary hearing to be held on May 12 based in part on Dohrmann's assertion, at the February 10, 2015, hearing, that she did not sign the note at issue and intended to object to Deutsche Bank's Claim. Case No. 14-27137, CM-ECF Doc. No. 31. On April 7, 2015, Dohrmann filed an objection to Deutsche Bank's Claim. Case No. 14-27137, CM-ECF Doc. No. 43.

Dohrmann suffered further health problems in April 2015, and to accommodate her request for additional time, the court converted the May 12, 2015, hearing from an evidentiary hearing to a status conference. CM-ECF Doc. No. 53. The court subsequently rescheduled the evidentiary hearing on the debtor's objection to Deutsche Bank's Claim for July 10, 2015. Case No. 14-27137, CM-ECF Doc. No. 58.

On June 12, 2015, Dohrmann filed a "motion to the court for the court to exercise its lawful authority to preside over the inspection, examination and testing of the original note and other documents requested in discovery by Lori Dohrmann and retain care, custody and control of such documents". Case No. 14-27137, CM-ECF Doc. No. 65 (internal capitalization omitted). In her motion, Dohrmann alleged that the note and mortgage were forgeries; she requested that the court allow her experts to inspect, examine and test the documents used in support of Deutsche Bank's Claim. *Id*. at 2–5.

On June 17, 2015, Dohrmann filed a motion to expand the time to conduct discovery, including additional time to have the claim documents analyzed by her forensic examiners and to take depositions of expert witnesses. CM-ECF Doc. No. 66. Based on these motions, the court adjourned the evidentiary hearing on Deutsche Bank's Claim to October 14, 2015. CM-ECF Doc. No. 68. The court also set September 30, 2015, discovery deadline, and set a hearing on the examination of the documents and a deposition of a Deutsche Bank representative for August 31, 2015. *Id.* In part because

Deutsche Bank's and Nationstar's filings had created confusion over ownership of the mortgage-note claim, the court ordered Deutsche Bank to produce at the August 31, 2015, hearing, the original note, the original addendum, the original mortgage and recorded copies of all of the assignments of the original mortgage, and all other original documents on which Deutsche Bank based its claim. Case No. 14-27137, CM-ECF Doc. No. 78.

The court held the August 31 hearing on the inspection and testing of the original documents as scheduled. The court also then conducted a preliminary inquiry into Dohrmann's motion for summary judgment, which she filed on August 21, 2015. Case No. 14-27137, CM-ECF Doc. No. 110. During a recess in the hearing, Dohrmann's forensic experts examined the documents produced by Deutsche Bank, and Dohrmann deposed two persons who Deutsche Bank identified as its Rule 30(b)(6) deponents. *Id*. When the hearing reconvened the parties voiced disagreement about continued possession of the produced documents. Dohrmann contended that the court should take possession of the documents that Deutsche Bank produced as originals to preserve the chain of custody of those documents because she believed that Deutsche Bank had previously submitted forged documents.

To resolve this dispute the court made the following documents part of the record and took physical possession of them: (A) the adjustable rate note and the addendum to adjustable rate note; (B) photocopy of endorsements on the reverse side of the adjustable rate note; (C) the mortgage and the adjustable rate rider; and (D) the assignment of the mortgage to Deutsche Bank. Case No. 14-27137, CM-ECF Doc. No. 110, at 3–4. In open court and in the presence of counsel, Dohrmann, and Dohrmann's experts, these documents were placed in a sealed envelope and at the end of the hearing they were delivered to the Clerk of the Bankruptcy Court who is maintaining the documents in the Clerk's safe until further order. CM-ECF Doc. No. 110, at 4.

On September 8, 2015, Dohrmann filed another motion for the enlargement of time to complete discovery, among other requests. CM-ECF Doc. 111. The court held a hearing on that request on September 22, 2015. CM-ECF Doc. No. 126. The court also scheduled a chapter 13 plan confirmation status hearing for the same date. At the September 22 hearing, the chapter 13 trustee reported that Dohrmann had made plan payments, but the plan did not provide for payment of any creditors. Deutsche Bank and Real Time Resolutions, Inc., were the only creditors who had filed proofs of claim before the claims-bar deadline. The plan did not provide for payment of Real Time Resolutions, Inc.'s secured claim, and the plan provided only that Dohrmann would dispute Deutsche Bank's Claim rather than pay it through the plan. *Id.* at 1. The trustee requested additional time to consider whether to object to confirmation of Dohrmann's plan. The trustee also stated that she might move to dismiss the case. *Id.*

During the September 22, 2015, hearing, counsel for Deutsche Bank reported that he might be unable to continue to represent Deutsche Bank because Dohrmann had commenced a lawsuit against him and others in the District Court for the Eastern District of Wisconsin. Case No. 14-27137, CM-ECF Doc. No. 126; see also *Sedlak v. Trebon & Mayhew*, Case No. 15-CV-567 (E.D. Wis. 2015). Based in part on this, Deutsche Bank did not object to Dohrmann's request to extend the time to complete discovery and delay an evidentiary hearing on Dohrmann's objection to Deutsche Bank's Claim. Case No. 14-27137, CM-ECF Doc. No. 126. In light of these developments the court scheduled an adjourned confirmation hearing for November 17, 2015, stayed further discovery until that date, and canceled the evidentiary hearing set for October 14, 2015. *Id.* at 2.

On October 26, 2015, the trustee objected to confirmation and moved to dismiss the case. Case No. 14-27137, CM-ECF Doc. Nos. 128 and 130. At the November 17, 2015, hearing the trustee reported several concerns with Dohrmann's plan, including her use of the chapter 13 plan to litigate with Deutsche Bank. Case No. 14-27137, CM-ECF Doc. No. 137. The trustee noted that the plan did not provide for the payment of Deutsche Bank's Claim, even if the court resolved the debtor's claim objection in Deutsche Bank's favor. *Id.* at 2.

When asked to explain the purpose of her debt-adjustment plan, Dohrmann responded that she intended to oppose Deutsche Bank's Claim. Dohrmann argued that the bankruptcy court is a court of equity and that her plan proposed to get rid of Deutsche Bank's lien. When asked what she thought would happen if the court overrruled her objection to the Deutsche Bank Claim, she replied that she would then be "out of chapter 13." *Id.* at 2. The court afforded Dohrmann a final opportunity to file an amended feasible plan and adjourned the hearing on confirmation, on the trustee's motion to dismiss, and the debtor's objection to Deutsche Bank's Claim to February 2, 2016. *Id*. at 2.

The debtor filed her amended plan on December 28, 2015. Case No. 14-27137, CM-ECF Doc. No. 143. The amended plan added a debt allegedly owed to the City of Detroit secured by the Detroit Property. Case No. 14-27137, CM-ECF Doc. No. 143. Dohrmann filed amended schedules with the amended plan. Case No. 14-27137, CM-ECF Doc. No. 142. These amended schedules assert, for the first time, that Dohrmann has an interest in the Detroit Property. Compare Case No. 14-27137, CM-ECF Doc. No. 142, at 1 to CM-ECF Doc. No. 1, at 8. And Dohrmann also filed a proof of claim on behalf of the City of Detroit for $1,965. Claim No. 3-1. She amended that claim to only $50.43 a few months later. Claim No. 3-2.

The trustee objected to confirmation of the amended plan on January 15, 2016. Case No. 14-27137, CM-ECF Doc. No. 150. The court held an adjourned hearing on confirmation, on the motion to dismiss, and on the debtor's objection to the Deutsche Bank Claim on February 2, 2016. At the February 2, 2016, hearing, the chapter 13 trustee

raised the following obstacles to confirmation: (a) the amended chapter 13 plan was not substantiated by a budget; (b) the amended plan proposed to pay real estate taxes to the City of Detroit for the Detroit Property, while, at the same time, the debtor was not paying a secured claim filed by Real Time with respect to that property; and (c) the proof of claim the debtor filed on behalf of the City of Detroit was untimely. Case No. 14-27137, CM-ECF Doc. No. 158, at 1-2. Dohrmann conceded at the hearing that she added the Detroit claim so that she could propose a plan that paid at least one creditor. *Id.* at 2. The court gave the parties leave to file additional documents and adjourned the hearing to April 12, 2016. *Id.* at 3.

Dohrmann testified at the April 12, 2016, hearing. At the conclusion of that hearing, the court took the matter under advisement to consider whether to deny confirmation of the plan and dismiss the case because Dohrmann had not demonstrated good faith in either proposing her debt-adjustment plan or filing her bankruptcy case. Case No. 14-27137, CM-ECF Doc. No. 169.

On June 21, 2016, the court announced its ruling. The court found that the debtor had not filed her chapter 13 case or her chapter 13 plan with any intent of pursuing the debt-adjustment ends that chapter 13 contemplates. Instead, she filed her plan and her chapter 13 case as a means to continue a two-party dispute over the enforceability of a mortgage and promissory note – a two-party dispute that the state courts had resolved. Because she recently obtained a chapter 7 discharge, she has few, if any, unsecured debts, and she is ineligible for a chapter 13 discharge as a matter of law. Her failure to establish good faith in proposing her debt-adjustment plan and filing her bankruptcy case bars confirmation of her plan. See 11 U.S.C. §1325(a)(3) & (a)(7). Case No. 14-27137, CM-ECF Doc. No. 180. Moreover, the court found that considering the totality of the circumstances her case was an abuse of the provisions and purpose of Chapter 13 requiring dismissal for cause under 11 U.S.C. §1307(c). See *In re Love*, 957 F.2d 1350, 1355–57 (7th Cir. 1992); *In re Schaitz*, 913 F.2d 452, 453–54 (7th Cir. 1990).

Court minutes entered on June 23 and a June 24 order memorialize and give effect to the June 21 oral ruling. See Case No. 14-27137, CM-ECF Doc. Nos. 179 and 181. A recording of the oral ruling is available on the court's docket.

II

A

On July 1, 2016, Dohrmann filed a motion for reconsideration, which she styled, "verified motion for reconsideration of the decision and order of the judge due to new evidence, legal error, prejudice[,] and multiple misrepresentations of Deutsche Bank" (the "Motion to Reconsider"). Case No. 14-27137, CM-ECF Doc. No. 184 (internal capitalization omitted). Deutsche Bank objected to her motion. Case No. 14-27137, CM-

ECF Doc. No. 190. The court scheduled a September 21, 2016 hearing on her motion. Dohrmann requested that the court adjourn the hearing for 45 days to allow her to attend to her son's health issues. Case No. 14-27137, CM-ECF Doc. No. 196. The court granted that request and rescheduled the hearing for November 7, 2016. Case No. 14-27137, CM-ECF Doc. No. 197.

B

Because Dohrmann filed her motion to reconsider within 14 days of the June 24 final order, the court treats her motion as a motion to reconsider under Federal Rule of Civil Procedure 59(e) (incorporated by Federal Rule of Bankruptcy Procedure 9023). See *Helm v. Resolution Trust Corp.*, 43 F.3d 1163, 1166–67 (7th Cir. 1995). "A Rule 59 motion will be successful only where the movant clearly establishes: '(1) that the court committed a manifest error of law or fact, or (2) that newly discovered evidence precluded entry of judgment.'" *Cincinnati Life Ins. Co. v. Beyrer*, 722 F.3d 939, 954 (7th Cir. 2013) (quoting *Blue v. Hartford Life & Accident Ins. Co.*, 698 F.3d 587, 598 (7th Cir. 2012)). Rule 59(e) provides a narrow avenue for reconsideration: "'Rule 59(e) allows the movant to bring to the [] court's attention a manifest error of law or fact, or newly discovered evidence. It does not provide a vehicle for a party to undo its own procedural failures, and it certainly does not allow a party to introduce new evidence or advance arguments that could and should have been presented to the [] court prior to the judgment.'" *Cincinnati Life Ins. Co.*, 722 F.3d at 954 (quoting *Bordelon v. Chi. Sch. Reform Bd. of Trs.*, 233 F.3d 524, 529 (7th Cir. 2000) (internal citation and quotation marks omitted)).

Despite its caption, Dohrmann's motion to reconsider does not suggest any legal error or present any newly discovered evidence. *Id*. Dohrmann's motion reiterates arguments presented previously and, even if one could plausibly label any of her arguments "new," they are all ones that she could have raised earlier. Therefore, Rule 59 provides her no relief. *Id.*

In addition, the motion does not demonstrate error. She does not refute the finding that she failed to proceed in good faith. "[G]ood faith under Chapter 13 depends on the totality of the circumstances, and [the Seventh Circuit has] enumerated a number of those circumstances of which the most fundamental and encompassing is whether the debtor has dealt fairly with his creditors. . . . Is he really trying to pay the creditors to the reasonable limit of his ability or is he trying to thwart them? A sincere effort at repayment is a sine qua non of good faith". *In re Schaitz*, 913 F.2d 452, 453–54 (7th Cir. 1990) (internal citations and quotations omitted). The Seventh Circuit has also identified factors indicating whether a reorganization plan or petition are in good faith. See, e.g., *In re Sidebottom*, 430 F.3d 893, 899 (7th Cir. 2005); *In re Love*, 957 F.2d 1350, 1354–57 (7th Cir. 1992); *In re Smith*, 848 F.2d 813, 817–21 (7th Cir. 1988); *Ravenot v. Rimgale (In re Rimgale)*, 669 F.2d 426, 430–33 (7th Cir. 1982). "[T]he focus of the good faith inquiry under both

Section 1307 [as cause for dismissal] and Section 1325 [as grounds to deny plan confirmation] is often whether the filing is fundamentally fair to creditors and, more generally, is the filing fundamentally fair in a manner that complies with the spirit of the Bankruptcy Code's provisions." *Love*, 957 F.2d at 1357. Dohrmann's bankruptcy filings lack these essential hallmarks.

This case is devoid of a reorganizational purpose. Dohrmann is ineligible for a discharge in chapter 13 or chapter 7. See 11 U.S.C. §§727(a)(8); 1328(f)(1). While that ineligibility alone does not preclude her from maintaining a chapter 13 debt-adjustment plan, her plan has no debt-adjustment purpose. Her plan essentially pays no debts. The plan's failure to pay any debts was identified at hearings in 2015 as grounds for opposing confirmation and dismissing the case. See Case No. 14-27137, CM-ECF Doc. No. 137. To afford Dohrmann a final opportunity to cure this fatal deficiency, the court ordered her to file a feasible plan by January 5, 2016. *Id.*

She filed an amended plan on December 28, 2015. Case No. 14-27137, CM-ECF Doc. No. 143. The amended plan proposed to pay $1,985 to the City of Detroit to cure past-due debt secured by the Detroit Property. *Id.* It also stated that she challenged the validity of the mortgage on her Homestead, but did not provide for any payment to the holder of that debt. *Id.* On the same day she filed the amended plan, she filed a proof of claim for the City of Detroit, even though the deadline for doing so had long passed. See Fed. R. Bankr. P. 3002(c)(1) (government claims in a chapter 13 case must be filed no later than 180 days the order for relief, i.e., filing of the petition) & 3004 (affording the debtor an additional 30 days to file a claim on behalf of a creditor). The trustee objected to the claim as being untimely. Case No. 14-27137, CM-ECF Doc. Nos. 155 & 161. The trustee also objected to the amended plan. CM-ECF Doc. No. 150.

On March 11, 2016, Dohrmann amended the claim she had filed on behalf of the City of Detroit to assert a claim for a mere $50.43. Case No. 14-27137, Claim 3-2. Dohrmann also filed a motion to extend the time to file a proof of claim on behalf of the City of Detroit. Case No. 14-27137, CM-ECF Doc. No. 163. The claim is purportedly secured by a property not identified in her original schedules. When she filed her amended plan to add Detroit as a creditor, she filed amended schedules in which she stated, "It was my understanding that the City of Detroit took this property back through tax foreclosure. I recently received a property tax bill that indicated I was still the owner." Case No. 14-27137, CM-ECF Doc. No. 142, at 1.

As the court explained in dismissing the case, the claim filed by the debtor on behalf of the City of Detroit is suspect. The chapter 13 trustee reported at the November 17, 2015, hearing that the debtor testified at an adjourned meeting of creditors that she no longer had an interest in the Detroit Property. Case No. 14-27137, CM-ECF Doc. Nos. 135 & 137. Dohrmann filed the claim long after the deadline. The claim is for a nominal

amount, and Dohrmann only asserted it after the court ordered her to file an amended feasible plan. See Case No. 14-27137, CM-ECF Doc. No. 137. Dohrmann concedes that she came up with this claim to stay in bankruptcy. See Case No. 14-27137, CM-ECF Doc. No. 156 & 158. She also did not propose to pay the $67,877.44 mortgage claim on the Detroit Property (see Real Time Resolutions, Inc. claim 1-1), suggesting that she had no intent to preserve her ownership of the property. Moreover, Dohrmann's plan to pay the chapter 13 trustee $2,160 over 36 months ($60 per month) to address a claim for $50.43 lacks a good-faith reorganizational basis. Dohrmann's plan would serve only to allow her to maintain the Bankruptcy Code's automatic stay on efforts to collect. See 11 U.S.C. §362(a).

The timing of Dohrmann's petition also supports the conclusion that she is simply using the Bankruptcy Code as a shield against an impending sheriff's sale. The Bankruptcy Code authorizes debtors to use the tools of chapter 13 to adjust creditors' claims, including mortgage creditors. But strategically filing for bankruptcy on the eve of foreclosure without any intent or ability to confirm a chapter 13 debt-adjustment plan that provides for the mortgage claim or otherwise improves the debtor's financial position is impermissible. Dohrmann is not trying to repay her mortgage creditor; her plan proposes to pay nothing to her mortgage creditor. After more than 18 months to propose a good-faith plan, Dohrmann proposed a plan paying $50.43 to Detroit and nothing to Deutsche Bank. She also has not made mortgage payments, nor provided adequate protection to Deutsche Bank, nor is there any evidence that she has escrowed funds to pay Deutsche Bank should her challenge to the Deutsche Bank Claim fail. All this makes inescapable a conclusion that Dohrmann filed for bankruptcy to defeat the bank's ability use its state-law collection remedies and did so without any intent to pursue a debt-adjustment course allowed by chapter 13. That is bad faith. *In re Schaitz*, 913 F.2d at 453–54.

Finally, Dohrmann seeks both to use bankruptcy not only as a shield to stave off collection efforts, but also as a sword to attack collaterally a judgment entered against her by a Wisconsin trial court and made uncontestable after she failed timely to appeal. The *Rooker-Feldman* doctrine likely deprives this court of jurisdiction to entertain her proposed contest. See *Exxon Mobil Corp. v. Saudi Basic Indus. Corp.*, 544 U.S. 280, 284–88 (2005). And, even if the court could entertain that contest, claim and issue preclusion would appear to be an insurmountable barrier to the relief she seeks. *Kruckenberg v. Harvey*, 694 N.W.2d 879, 884–85 (Wis. 2005) (discussing the elements of claim preclusion under Wisconsin law); *Precision Erecting, Inc. v. M&I Marshall & Ilsley Bank*, 592 N.W.2d 5, 11–14 (Wis. Ct. App. 1998) (discussing issue preclusion under Wisconsin law); *First Weber Grp., Inc. v. Horsfall*, 738 F.3d 767, 773 (7th Cir. 2013) (discussing issue preclusion under Wisconsin law: "When an issue of fact or law is actually litigated and determined by a valid and final judgment, and the determination is essential to the judgment, the determination is conclusive in a subsequent action between the parties, whether on the

same or a different claim." (internal quotations omitted)).

In sum, Dohrmann has not demonstrated that she has pursued her bankruptcy case in good faith or that she proposed a plan in good faith. Indeed, the record shows that Dohrmann proceeded in bad faith—she had no intent and made no effort to reorganize any debts.

Dohrmann has sought to use the bankruptcy court as an alternate appellate court to re-litigate matters already decided by the Wisconsin state courts. She has championed these arguments not only in this court, but also in the District Court, which dismissed her case against Deutsche Bank, its lawyers, and others on *Rooker-Feldman* grounds. See *Sedlak v. Trebon & Mayhew*, Case No. 2:15-cv-567-RTR, CM-ECF Doc. 58 (E.D. Wis. May 27, 2016). As another bankruptcy judge has observed, "[n]othing in the history or structure of the Bankruptcy Code suggests that Congress ever intended the code as simply providing an alternative federal forum for the resolution of state law claims, let alone serving as a forum of last resort when a litigant had been unsuccessful in other courts." *In re Sawyer*, No. 07-10252, 2007 WL 1725627 at *7 (Bankr. E.D. Va. June 13, 2007). Dohrmann's bankruptcy case is simply an effort to continue her dispute with a mortgage creditor and avoid the creditor's exercise of rights finally established by state courts. Continuing this two-party dispute is an anathema to the provisions, purpose, and spirit of the Bankruptcy Code.

Nothing in Dohrmann's request for reconsideration persuades me that this conclusion or my finding of bad faith is erroneous. The totality of the circumstances demonstrates that Dohrmann filed her plan and her petition in bad faith.

Accordingly,

The debtor's motion for reconsideration is DENIED.

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