

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

IN RE:

CASE NO. 3:11-bk-07371-PMG

FRANK DUANE JOHNSON and
ISABEL LIBIA JOHNSON,

Debtors.

**ORDER GRANTING DEBTORS' MOTION TO DETERMINE
SECURED STATUS OF HSBC MORTGAGE SERVICES, INC.
AND TO STRIP LIEN EFFECTIVE UPON DISCHARGE**

THIS CASE is before the Court on the Debtors' Motion to Determine Secured Status of the Lien of the Claimant, HSBC Mortgage Services, Inc., and to Strip Lien (Doc. No. 9), and said Claimant having failed to file any response or request for hearing with respect to the Debtors' Motion, it is

ORDERED:

1. The Motion to Determine Secured Status of the Lien of the Claimant, HSBC Mortgage Services, Inc., and to Strip Lien filed by the Debtors, Frank Duane Johnson and Isabel Libia Johnson, is granted pursuant to 11 U. S. C. § 506(a).

2. A Proof of Claim filed by HSBC Mortgage Services, Inc., or any successor or assign shall be treated as an unsecured claim in this Chapter 13 Case.

3. The real property (the "Real Property") that is the subject of the Motion is located at 990 Coliseum Avenue, S.W., Live Oak, Florida 32064, and more particularly described as follows:

Lot 11 and Lot 12 Townsend Village Unit 1 as recorded in Plat Book 1, Page 121, of the Public Records of Suwannee County, Florida, situated in Section 27, Township 2 South, Range 13 East, of said county.

TOGETHER WITH part of the West Half (W 1/2) of the East Half (E 1/2) of the Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4) of said Section 27, Township 2 South, Range 13 East, Suwannee County, Florida, being more particularly described as follows: For Point of Beginning commence at the Northwest corner of said Lot 11, Townsend Village, Unit 1, thence run South 00°37'30" East a distance of 85.00 feet; thence run South 89°57'00" West, a distance of 5.00 feet; thence run North 00°37'30" West, a distance of 85.00 feet; thence run North 89°57'00" East, a distance of 85.00 feet to the Point of Beginning, being also known as the East 5.00 feet of Lot 14, Block 2, Townsend Village, Unit 2, unrecorded.

4. The second mortgage held by HSBC Mortgage Services, Inc. recorded on June 15, 2006, in Official Record Book 1302, Page 398, Public Records of Suwannee County, Florida, shall be deemed void and shall be extinguished automatically, without further court order, upon entry of the Debtors' discharge in this Chapter 13 Case; provided, however, that the Court reserves jurisdiction to consider, if appropriate, the avoidance of HSBC Mortgage Services, Inc.'s lien prior to the entry of the Debtors' discharge. Further, if this case is converted to a case under Chapter 7, or if this Chapter 13 Case is dismissed, the mortgage will no longer be considered void and shall be restored as a secured debt for the full amount of HSBC Mortgage Services, Inc.'s claim.

Done and Ordered in Jacksonville, Florida on March 7, 2012.

BY THE COURT

Paul M. Glenn
Paul M. Glenn
United States Bankruptcy Judge

Copies furnished to:

Douglas W. Neway, Esquire, Post Office Box 4308, Jacksonville, Florida 32201
David Norris, President and Chief Executive Officer, Home Loan Center, Inc., 163 Technology Drive, Irvine, California 92618
C T Corporation System, as registered agent for HSBC Mortgage Services, Inc., 1200 South Pine Island Road, Plantation, Florida 33324
Andrew J. Decker, III, Esquire, Post Office Drawer 1288, Live Oak, Florida 32064