

UNITED STATES DISTRICT COURT
DISTRICT OF NEW HAMPSHIRE

Federal National Mortgage
Association

v.

Civil No. 10-cv-412-LM

Ledgewood Hills Condominium
Association, et al.

O R D E R

Before the court is a Renewed Partially Assented-to Motion for Entry of Default Judgment and for Judgment on Interpleader Claims (doc. no. 16), filed by defendant Ledgewood Hills Condominium Association ("Ledgewood").

This case was originally filed in Hillsborough County Superior Court, Northern District, as a bill of interpleader. Plaintiff Federal National Mortgage Association ("FNMA") held a power of sale first mortgage on real property ("the Property") owned by defendant Thomas F. Morris ("Morris"). The Property is a condominium unit for which Ledgewood serves as the condominium unit owners' association pursuant to N.H. Rev. Stat. Ann. § 356-B:7.

Following a foreclosure auction of the Property on July 29, 2009, and after deducting mortgage loan costs, FNMA was left with \$142,120.70, which it deposited with the court when it filed the bill of interpleader. FNMA named LedgeWood as defendant, since it was a lienholder, and because there were federal tax liens on the Property, FNMA added the Internal Revenue Service ("IRS") as a defendant. Since Morris had been the owner of the Property until the foreclosure, FNMA also added him as a defendant.

Despite being served at his last known address, Morris neither appeared, answered the bill of interpleader, nor filed a claim in the state court action. On June 21, 2010, the state court issued a "Notice of Final Default" to Morris. On September 17, 2010, the United States (as the properly named defendant for the IRS) removed the case to this court. This court received and deposited the interpleaded funds in escrow (doc. no. 11). On November 22, 2010, the court entered default against Morris (doc. no. 10), indicating that a damages hearing would be scheduled upon adjudication of all the remaining claims.

On January 26, 2011, LedgeWood filed the instant motion, assented to by the United States and FNMA, seeking default

judgment against Morris and judgment on the interpleader claims (doc. no. 16).¹ LedgeWood, the United States, and FNMA agree on the manner and amount of disbursement of the funds.

For the reasons stated therein, LedgeWood's motion (doc. no. 16) is granted. Accordingly, the court issues the following order:

A. Pursuant to Rules 54(c) and 55(b)(2) of the Federal Rules of Civil Procedure, the court enters judgment for FNMA in the amount of \$1559.00, for LedgeWood in the amount of \$19,786.11, and for the United States in the amount of \$109,050.94, plus statutory interest from January 10, 2011. The judgment amounts are to be paid to the respective parties, pursuant to 28 U.S.C. § 2042, from the funds deposited with the clerk.

B. Default judgment is entered against Morris with respect to the claims of FNMA, LedgeWood, and the United States, pursuant to Rule 55(b). Morris is awarded a judgment as to the balance of the funds deposited with the clerk, after payment of the amounts set forth in paragraph A. The judgment amount is to be paid to Morris so long as he makes claim to it within five

¹ The record reveals that Morris was served, in accordance with Local Rule 55.1(b), with a copy of this motion. Morris has filed no response.

years from the date of this order. If he makes no such claim within that time, the funds shall be paid to the United States Treasury, pursuant to 28 U.S.C. § 2042.

SO ORDERED.



Landya B. McCafferty
United States Magistrate Judge

Dated: February 15, 2011

cc: Thomas J. Donovan, Esq.
Charles W. Gallagher, Esq.
Karen Wozniak, Esq.