

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF OREGON

MERITAGE HOMEOWNERS'  
ASSOCIATION,

Plaintiff,

v.

NICHOLAS LEE WATT and  
PATRICIA MOUDY WATT,

Defendants.

No. 3:16-mc-00519-HZ

OPINION & ORDER

HERNÁNDEZ, District Judge:

Bankruptcy Judge Randall Dunn issued his sua sponte Report and Recommendation ("R&R") [1] in Bankruptcy Case Adversary Proceeding No. 16-03073-rld on October 18, 2016.


Judge Randall recommends that this Court withdraw the reference with respect to this case. In

short, the R&R states that there are several factors which make adjudication of this case in Bankruptcy Court impracticable. This Court has jurisdiction over this case under 28 U.S.C. §§ 1334 and 157. “The district court may withdraw, in whole or in part, any case or proceeding referred under this section, on its own motion or on timely motion of any party, for cause shown.” 28 U.S.C. § 157(d); see also LR 2100-4 (permitting the bankruptcy judge to sua sponte issue a recommendation that the reference be withdrawn).

Factors supporting withdrawal of the reference include: substantial and predominate state law issues independent of any bankruptcy issues; parallel litigation pending in district court which could produce inconsistent results; judicial economy; and the possibility that the Bankruptcy Court lacks constitutional authority to adjudicate some claims in this case. Having reviewed the R&R, Plaintiff’s Complaint, and relevant legal authorities, the Court finds no error. No party objects to the R&R.

The Court ADOPTS Bankruptcy Judge Dunn’s R&R [1]. Accordingly, the reference of Bankruptcy Case Adversary Proceeding No. 16-03073-rld is WITHDRAWN. Pursuant to 28 U.S.C. § 157, the Court may refer back to the Bankruptcy Court those parts of the case which require bankruptcy-laden determinations should the need arise.

Dated this 19 day of January, 2017.

  
MARCO A. HERNÁNDEZ  
United States District Judge