UNITED STATES BANKRUPTCY COURT, DISTRICT OF NEW MEXICO

In re Amber Saenz

No. 25-10458-j13 (Bankr. D.N.M. Apr. 20, 2026) · No. 25-10458-j13 · Decided April 20, 2026

SUMMARY

The United States Bankruptcy Court for the District of New Mexico partially granted and otherwise denied Amber Saenz's motion to reconsider the denial of confirmation of her Chapter 13 plan. The court withdrew its prior discussion of the New Mexico Home Loan Protection Act as dicta but reaffirmed that the plan failed to satisfy 11 U.S.C. § 1325(a)(5)(B)(ii) because it did not provide for payment of the full value of First National Bank's secured claim during the plan term. The court therefore declined to decide whether the loan had been reinstated under the state statute.

CASE DETAILS

COURT	United States Bankruptcy Court, District of New Mexico
WRITING FOR THE COURT	Robert H. Jacobvitz
JURISDICTION	United States Bankruptcy Court for the District of New Mexico
DECIDED	April 20, 2026
DOCKET	25-10458-j13
DISPOSITION	other
PROCEDURAL POSTURE	Motion to reconsider denial of chapter 13 plan confirmation.
PRECEDENTIAL VALUE	Unpublished
PARTIES	Amber Saenz v. First National Bank

TOPICS

chapter 13 · bankruptcy · statutory interpretation · reorganization · mortgages · real estate · plain meaning rule

PRACTICE AREAS

Bankruptcy · Chapter 13 · Plan Confirmation · Secured Claims

QUESTIONS PRESENTED

1. Whether the debtor's chapter 13 plan satisfied the confirmation requirements of 11 U.S.C. § 1325(a)(5)(B)(ii) when the plan proposed to continue regular monthly payments on a home loan after the plan

term, rather than paying the full allowed secured claim over the plan term.

2. Whether the court's prior ruling regarding the New Mexico Home Loan Protection Act was dicta and should be withdrawn.

HOLDINGS

1. The plan did not satisfy § 1325(a)(5)(B)(ii) because the phrase 'property to be distributed under the plan' means distributions made by the end of the plan term; payments continuing after the plan term are not 'under the plan.' Therefore, the debtor must pay the full allowed amount of the secured claim over the plan term.
2. The prior ruling on the NMHLPA was dicta because the plan could not be confirmed regardless of whether the loan was reinstated under that act. The court withdrew that portion of its prior opinion.

KEY QUOTATIONS

> *“the value, as of the effective date of the plan, of property to be distributed under the plan on account of such claim is not less than the allowed amount of such claim.”* (at 4)

> *“There is . . . no principled basis for preventing a debtor from taking advantage of maintaining payments on a long-term debt under § 1322(b)(5) merely because the debtor has not defaulted, because the original agreement can be given effect without resort to a cure.”* (at 3 n.3)

FACTUAL BACKGROUND

Debtor Amber Saenz filed a chapter 13 bankruptcy case after receiving a chapter 7 discharge. She had a home loan from First National Bank secured by her principal residence. The chapter 7 discharge eliminated her personal liability, making the loan non-recourse. She proposed a chapter 13 plan that treated the loan by continuing regular monthly payments, claiming the loan was reinstated under the New Mexico Home Loan Protection Act. The bank objected, arguing the plan did not satisfy § 1325(a)(5)(B)(ii) because it did not pay the full value of the secured claim over the plan term. The court previously denied confirmation, and debtor sought reconsideration.

PROCEDURAL HISTORY

Debtor filed a chapter 13 plan. First National Bank objected. The bankruptcy court denied confirmation, finding the plan did not satisfy § 1325(a)(5)(B)(ii). Debtor moved for reconsideration, arguing that the loan was reinstated under the New Mexico Home Loan Protection Act. The court held a hearing and issued this opinion granting the motion in part (withdrawing dicta) and denying it in part.

DISPOSITION

other

CASES CITED

- Jones v. Branch Banking & Trust Co. (In re Jones), No. 05-07958-RDD, 2010 WL 11546121 (E.D.N.C. Feb. 9, 2010)
- Matter of Gordon, 217 B.R. 973 (Bankr. S.D. Ga. 1997)
- In re Nieves, 647 B.R. 809 (1st Cir. BAP 2023)

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