UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF GEORGIA, ATLANTA DIVISION

Collective Concepts LLC v. PennyMac Loan Services, LLC

Collective Concepts · No. 25-62743-PWB · Decided December 30, 2025

SUMMARY

The United States Bankruptcy Court for the Northern District of Georgia denied Collective Concepts LLC’s motion under Federal Rule of Civil Procedure 60(b)(4) to vacate as void an order granting PennyMac Loan Services, LLC in rem relief under 11 U.S.C. § 362(d)(4). The court held that PennyMac was a party in interest, that the automatic stay and § 362(d)(4) could apply despite PennyMac not being a creditor of Collective and the property not being estate property, and that multiple bankruptcy filings constituted a scheme to hinder or delay foreclosure. The court also rejected arguments concerning jurisdiction after dismissal, evidentiary support, and due process.

CASE DETAILS

COURT	United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division
WRITING FOR THE COURT	Paul W. Bonapfel
JURISDICTION	United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division
DECIDED	December 30, 2025
DOCKET	25-62743-PWB
DISPOSITION	other
PROCEDURAL POSTURE	Collective Concepts LLC moved under Federal Rule of Civil Procedure 60(b)(4), made applicable by Federal Rule of Bankruptcy Procedure 9024, to vacate as void the Court's prior order granting PennyMac in rem relief from the automatic stay under 11 U.S.C. § 362(d)(4).
STANDARD OF REVIEW	The Court considered whether the prior in rem order was void or otherwise subject to relief under Federal Rule of Civil Procedure 60(b)(4).
PRECEDENTIAL VALUE	Unknown

PARTIES	Collective Concepts LLC d/b/a Coll Concepts, LLC v. PennyMac Loan Services, LLC

TOPICS

automatic stay · chapter 11 · bankruptcy · statutory interpretation · civil procedure

PRACTICE AREAS

Bankruptcy · Civil procedure · Real estate foreclosure

QUESTIONS PRESENTED

1. Whether a secured lender that is not a creditor of the debtor and whose collateral is not property of the debtor's estate may obtain in rem relief under 11 U.S.C. § 362(d)(4).
2. Whether multiple bankruptcy filings by an individual debtor and an affiliated limited liability company may constitute a scheme to delay, hinder, or defraud creditors under § 362(d)(4).
3. Whether the Bankruptcy Court lost authority to rule on PennyMac's motion for in rem relief after orally ruling that Collective's case should be dismissed.
4. Whether granting in rem relief based in part on testimony from Collective's owner violated due process or required formal admission of undisputed documentary materials.
5. Whether Collective, a limited liability company, could file motions and otherwise represent itself without counsel in federal court.

HOLDINGS

1. PennyMac was a party in interest entitled to seek relief under § 362(d)(4), and the Court had authority to grant in rem relief even though PennyMac was not Collective's creditor and the property was not owned by or included in Collective's bankruptcy estate.
2. The filings constituted a scheme to delay or hinder PennyMac's foreclosure rights involving multiple bankruptcy filings affecting the property, and the conduct of Solomon and the affiliated entity could be considered in determining whether Collective's petition was part of that scheme.
3. The Court retained authority to decide the pending § 362(d)(4) motion and to enter the in rem order before entering the dismissal order.
4. The in rem order did not violate due process because Collective received notice of PennyMac's motion and an opportunity to be heard at a hearing, where Solomon appeared and testified.
5. A limited liability company may not represent itself in federal court and may proceed only through an attorney; therefore, Collective lacked authority to file pro se motions.

KEY QUOTATIONS

> *"Collective cannot have its cake and eat it, too."* (II.A)

> *“This is a textbook case of a scheme to hinder or delay creditors by engaging in multiple bankruptcy filings involving the Property.”* (II.B)

> *“The Court did not “impute” Mr. Solomon’s testimony to Collective; the Court heard Mr. Solomon’s testimony on Collective’s behalf.”* (II.D)

FACTUAL BACKGROUND

Rene Solomon filed two individual bankruptcy cases within thirteen months; both were dismissed after no chapter 13 plan payments were made. On November 3, 2025, the day before a scheduled foreclosure sale, Solomon filed a chapter 11 petition on behalf of Collective Concepts LLC, which occupied the property but claimed no ownership interest in it and had no debt to PennyMac. Solomon then notified PennyMac's counsel that Collective's filing imposed an automatic stay and demanded cancellation of the foreclosure sale. The property had previously been transferred by quitclaim deed to a trust for which Solomon was trustee, while PennyMac held a security interest in the property.

PROCEDURAL HISTORY

Collective filed a chapter 11 petition pro se on November 3, 2025, shortly before a scheduled foreclosure sale of real property occupied by Collective. After a December 11, 2025 hearing, the Court granted PennyMac in rem relief under § 362(d)(4), finding that three bankruptcy filings involving the property formed a scheme to hinder or delay creditors, and entered the in rem order on December 17, 2025, followed by a supplemental order. Collective then moved to vacate the order as void, and the Court denied the motion.

DISPOSITION

other

CASES CITED

- Rowland v. Cal. Men's Colony, Unit II Men's Advisory Council, 506 U.S. 194, 201–02 (1993)
- Palazzo v. Gulf Oil Corporation, 764 F.2d 1381, 1385 (11th Cir. 1985)
- In re Duncan & Forbes Dev., Inc., 368 B.R. 27, 32 (Bankr. C.D. Cal. 2006)
- Mullane v. Central Hanover Bank & Trust Co., 339 U.S. 306, 314 (1950)
