

INDIANA COURT OF APPEALS

Derek Steven McCauley v. Newrez LLC d/b/a Shellpoint Mortgage Servicing

25A-MF-973 (Ind. Ct. App. Jan. 27, 2026) · No. 25A-MF-973 · Decided January 27, 2026

SUMMARY

The Indiana Court of Appeals affirmed the denial of Derek Steven McCauley’s motion to vacate a mortgage-foreclosure judgment in favor of Newrez LLC d/b/a Shellpoint Mortgage Servicing. The court held that McCauley waived appellate review by failing to present a coherent or cogent argument and summarily rejected his sovereign-citizen theories as legally baseless.

CASE DETAILS

COURT	Indiana Court of Appeals
WRITING FOR THE COURT	Judge DeBoer; Judge Bradford; Judge Weissmann
JURISDICTION	Indiana Court of Appeals
DECIDED	January 27, 2026
DOCKET	25A-MF-973
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from the denial of McCauley's motion to vacate a foreclosure judgment entered in favor of Shellpoint.
STANDARD OF REVIEW	The court applied waiver for failure to present cogent appellate argument and did not reach the merits of the foreclosure judgment.
PRECEDENTIAL VALUE	Published Indiana Court of Appeals opinion; precedential
PARTIES	Derek Steven McCauley v. Newrez LLC d/b/a Shellpoint Mortgage Servicing

TOPICS

- foreclosure
- mortgages
- appellate procedure
- waiver
- summary judgment

PRACTICE AREAS

- real estate
- mortgage foreclosure
- civil procedure
- appellate procedure
- remedies

QUESTIONS PRESENTED

1. Whether McCauley presented a cogent appellate argument sufficient to obtain review of the trial court's denial of his motion to vacate the foreclosure judgment.
2. Whether McCauley's sovereign-citizen-style arguments provided a legally cognizable basis for relief from the foreclosure judgment.

HOLDINGS

1. A pro se litigant is held to the same standards as trained counsel and waives appellate review when the appellant fails to present a coherent and cogent argument supported by the appellate rules.
2. Sovereign-citizen theories asserting that a person is beyond the jurisdiction of the courts are legally baseless and may be summarily rejected.

KEY QUOTATIONS

“In short, by failing to present any cogent argument based in law or fact, McCauley has waived appellate review of the trial court’s decision.” (at 5)

“Regardless of an individual’s claimed status of descent, be it as a ‘sovereign citizen,’ a ‘secured-party creditor,’ or a ‘flesh-and-blood human being,’ that person is not beyond the jurisdiction of the courts.” (at 5)

FACTUAL BACKGROUND

Shellpoint sought to foreclose a mortgage on real estate owned by McCauley, alleging default on the promissory note. Shellpoint designated evidence that it was the holder of the note and that McCauley had defaulted, while McCauley did not respond to the summary-judgment motion or designate opposing evidence. McCauley advanced sovereign-citizen-style arguments, refused repeatedly to identify himself at hearings, and later sought to vacate the resulting foreclosure judgment.

PROCEDURAL HISTORY

Shellpoint filed a mortgage-foreclosure complaint alleging that McCauley had defaulted on the underlying promissory note. The trial court granted Shellpoint's motions for summary judgment and default judgment and entered judgment foreclosing the mortgage. After the trial court denied McCauley's motion to vacate the judgment, he appealed pro se. The Indiana Court of Appeals affirmed because his appellate brief presented no coherent or cogent argument.

DISPOSITION

affirmed

CASES CITED

- Flowers v. Jugg, 24A-CT-1131, at *1 n.1 (Ind. Ct. App. Oct. 4, 2024) (mem.)
- Lewis v. State, 532 S.W.3d 423, 430 (Tex. App.—Houston [14th Dist.] 2016)
- Martin v. Hunt, 130 N.E.3d 135, 136 (Ind. Ct. App. 2019)

- *Spainhower v. Smart & Kessler, LLC*, 176 N.E.3d 258, 263 (Ind. Ct. App. 2021)
- *Basic v. Amouri*, 58 N.E.3d 980, 984 (Ind. Ct. App. 2016)
- *U.S. v. Benabe*, 654 F.3d 753, 767 (7th Cir. 2011)

OPINION

JUDGE DEBOER, J.

IN THE Court of Appeals of Indiana FILED Derek Steven McCauley, Jan 27 2026, 9:11 am CLERK Appellant-Defendant Indiana Supreme Court Court of Appeals and Tax Court v. Newrez LLC d/b/a Shellpoint Mortgage Servicing, Appellee-Plaintiff January 27, 2026 Court of Appeals Case No. 25A-MF-973 Appeal from the Marion Superior Court The Honorable Katie R. Melnick, Magistrate The Honorable Andrew J. Borland, Magistrate Trial Court Cause No. 49D11-2212-MF-43771 Opinion by Judge DeBoer Judges Bradford and Weissmann concur.

Court of Appeals of Indiana | Opinion 25A-MF-973 | January 27, 2026 Page 1 of 6 DeBoer, Judge. Case Summary [1] In this mortgage foreclosure action, Derek McCauley appeals the trial court’s decision to deny his motion to vacate its judgment in favor of Newrez LLC d/b/a Shellpoint Mortgage Servicing (Shellpoint).

Because McCauley failed to present any coherent, let alone cogent, arguments on appeal, he has waived appellate review of the trial court’s decision. Accordingly, we affirm. Facts and Procedural History [2] Shellpoint filed a complaint to foreclose a mortgage against real estate owned by McCauley, alleging that McCauley had defaulted on the underlying promissory note.

In response to that complaint, McCauley filed a litany of documents advancing a series of incoherent assertions commonly made by acolytes of the “sovereign citizen” movement. 1 For example, in one filing McCauley wrote that Shellpoint had “received payment as PAY TO THE ORDER OF NEWREZ LLC on Allonge to Promissory Note from the credit derived from the Plaintiff’s signature on the Note thus discharging the mortgage.” Appellant’s Appendix Vol.

3 at 22. This nonsensical claim is a textbook example of the kind of arguments commonly made by sovereign 1 “Sovereign citizens” are “a loosely-formed group of citizens who believe that they are sovereign individuals’ beyond the reach of the courts.” *Flowers v. Jugg*, 24A-CT-1131, at *1 n.1 (Ind. Ct. App. Oct. 4, 2024) (mem.) (quoting *Lewis v. State*, 532 S.W.3d 423, 430 (Tex.

App.—Houston [14th Dist.] 2016)), trans denied. This Court “and our sister courts have repeatedly rejected such arguments as baseless.” *Id.* Court of Appeals of Indiana | Opinion 25A-MF-973 | January 27, 2026 Page 2 of 6 citizens in an attempt to “avoid[] mortgage payments by denying the legitimacy of bank claims based on a variety of pseudo-historical/legal propositions[.]” Jessica K. Phillips, *Not All Pro Se Litigants Are Created Equally: Examining the Need for New Pro Se Litigant Classifications Through the Lens of the Sovereign Citizen Movement*, 29 GEO.

J. LEGAL ETHICS 1221, 1225 (2016). [3] Shellpoint moved to strike McCauley's filings, and McCauley repeatedly refused to identify himself at the hearing on that motion. When the trial court asked McCauley what his name was, he replied, I'm here by special appearance. Upon proof of claim, I will conditionally accept your offer to move forward in this case upon proof that this is a court of record and that this is a land court that has jurisdiction and venue under the constitution to litigate cases on land.

2 I'm an authorized representative and a beneficiary. Transcript at 5. When the court directly asked McCauley if he was "Derek Steven McCauley[.]" he answered that he was "the attorney-in-fact" 3 and "authorized representative." Id. at 9.

The trial court proceeded with the hearing "under the assumption that [he was] Derek Steven McCauley 2 A common pseudo-argument made by sovereign citizens attempting to challenge a court's jurisdiction is that the court only has authority to hear cases under "maritime or admiralty law[.]" Marissa Bryan, Sovereign Citizens: A Response in Absence of Direction, 17 CHARLESTON L. REV. 247, 256 (2022).

3 It is also common for sovereign citizens to purport to have given themselves "power of attorney—over themselves—and subsequently declare[] [that they are] 'sovereign' and exempt from all laws." Julia Melle, Illogical Extremes: The Sovereign Citizens Movement and the First Amendment, 22 TEMP. POL. & CIV. RTS. L. REV. 554 (2013). Court of Appeals of Indiana | Opinion 25A-MF-973 | January 27, 2026 Page 3 of 6 appearing pro se" and ultimately granted Shellpoint's motion to strike.

Id. at 24. [4] Shellpoint later filed a motion for summary judgment and a motion for default judgment. In support of the motion for summary judgment, Shellpoint designated, among other things, a Shellpoint employee's affidavit which affirmed that Shellpoint was the holder of a promissory note secured by a mortgage against McCauley's property and that McCauley had defaulted on the note.

McCauley did not respond to that motion or designate any evidence in opposition to it in accordance with Trial Rule 56(C). [5] At the hearing on the motions for summary judgment and default judgment, McCauley again repeatedly refused to identify himself and merely declared that he was "the implied surety and the subrogee for Derek McCauley." Id. at 48.

As it had done previously, the trial court proceeded with the hearing, reasoning that McCauley had either failed to appear or was handling the hearing pro se, and heard argument from Shellpoint. When the court asked McCauley for his response, he declared, in part: If it's implied that I am the surety, then I'm a subrogee and you [are] a subrogor. Since equity sees me as the beneficiary and sees you as the trustee, now you have the duty to transfer the collateral securities to me, the beneficiary, and bring the account balance to zero constituting merger and settlement.

Id. at 53. The court aptly observed that “it [was] unclear... what relief [was] being requested by” McCauley, determined that McCauley had failed to Court of Appeals of Indiana | Opinion 25A-MF-973 | January 27, 2026 Page 4 of 6 properly respond to Shellpoint’s motion for summary judgment, and indicated that it would grant both the motion for summary judgment and the motion for default judgment.

Id. at 54. [6] After the hearing, the trial court entered judgment in Shellpoint’s favor, foreclosing Shellpoint’s mortgage against McCauley’s property. Over a month later, McCauley filed a motion asking the court to vacate the judgment, which the court denied. McCauley now appeals. Discussion and Decision [7] Though McCauley proceeds in this appeal pro se, we hold such litigants to the same standard as trained counsel and require them to follow procedural rules.

Martin v. Hunt, 130 N.E.3d 135, 136 (Ind. Ct. App. 2019). Moreover, this Court has repeatedly recognized that it “will not become an advocate for a party, or address arguments that are... too poorly developed or expressed to be understood.” Spainhower v. Smart & Kessler, LLC, 176 N.E.3d 258, 263 (Ind. Ct. App. 2021) (quoting Basic v. Amouri, 58 N.E.3d 980, 984 (Ind.

Ct. App. 2016), reh’g denied), reh’g denied, trans. denied. A party—even one proceeding pro se—may waive appellate review when they “fail[] to present cogent argument on appeal.” Basic, 58 N.E.3d 984. [8] McCauley’s appellate brief fails to present any coherent, let alone cogent, argument as required by the Appellate Rules. See Ind. Appellate Rule 46(A)(8)(a) (providing that an appellant’s “argument must contain the contentions of the appellant on the issues presented, supported by cogent Court of Appeals of Indiana | Opinion 25A-MF-973 | January 27, 2026 Page 5 of 6 reasoning”).

Instead, McCauley’s brief repeats many of the same sovereign citizen pseudo-arguments made to the trial court. We take the approach modeled by the Seventh Circuit when addressing similar arguments and summarily reject them as having no basis in law or fact. See U.S. v. Benabe, 654 F.3d 753, 767 (7th Cir. 2011) (“Regardless of an individual’s claimed status of descent, be it as a ‘sovereign citizen,’ a ‘secured-party creditor,’ or a ‘flesh-and- blood human being,’ that person is not beyond the jurisdiction of the courts.

These theories should be rejected summarily, however they are presented.”), reh’g denied, cert. denied. [9] In short, by failing to present any cogent argument based in law or fact, McCauley has waived appellate review of the trial court’s decision. Conclusion [10] The judgment of the trial court is affirmed.

[11] Affirmed. Bradford, J., and Weissmann, J., concur. APPELLANT PRO SE Derek Steven McCauley Indianapolis, Indiana ATTORNEYS FOR APPELLEE Shannon O’Connell Egan Nathan H. Blaske Dinsmore & Shohl LLP Cincinnati, Ohio Court of Appeals of Indiana | Opinion 25A-MF-973 | January 27, 2026 Page 6 of 6

