IT IS SO ORDERED.

Dated: November 7, 2025

Tyson A. Crist
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

In re:	:	
Denise Nisha Hines,	:	Case No. 25-32055
	:	Chapter 13
Debtor.	:	Judge Crist
	:	

ORDER GRANTING AMENDED MOTION FOR TURNOVER OF PROPERTY (DOC. 25)

This matter is before the Court on pro se Debtor Denise Nisha Hines's (the "Debtor" and "Ms. Hines") Amended Motion for Turnover of Property (Doc. 25) filed on October 20, 2025 (the "Amended Motion for Turnover"), pursuant to 11 U.S.C. §§ 542(a),[1] 362(a) and 363(e), Creditor Wilshire Consumer Credit ("Wilshire") *Response to Debtor's Motion for Turnover of Property* (Doc. 31) (the "Response"). Through the current Amended Motion for Turnover, Ms. Hines seeks the return of a 2018 BMW X1 (the "vehicle") that she owned and was repossessed by Wilshire prepetition on September 29, 2025, because that left her without any personal means of transportation to work and to medical appointments for her and her children, for which she urgently needs the vehicle. For the reasons set forth in this Order, the Court will grant the Amended Motion for Turnover and hereby requires Wilshire, and any agent of Wilshire currently in possession of

[1] Unless otherwise stated, all references to code sections herein are to sections of Title 11 of the United States Code (the "Bankruptcy Code").

the vehicle, to return the vehicle to Ms. Hines right away so that she may use the vehicle for transportation while she attempts to reorganize her financial affairs in this chapter 13 case.

I. Procedural Background

Debtor filed her pro se Chapter 13 petition initiating this case on October 10, 2025 (Doc. 1), the same day she filed the initial *Emergency Motion for Turnover of Property* (Doc. 10). Although that motion was denied without prejudice due to procedural errors and lack of service,[2] a week later on Friday, October 17, the Debtor filed a *Motion for Expedited Turnover of Property Pursuant to 11 U.S.C. § 542* (Doc. 20), a *Motion for Expedited Hearing or Shortened Notice* (Doc. 21), and a *Certificate of Service* (Doc. 22). On Monday, October 20, the Debtor filed the current Amended Motion for Turnover, along with an *Amended Motion for Expedited Hearing and Shortened Notice* (Doc. 26). In addition, Ms. Hines filed a *Chapter 13 Plan* (Doc. 27), although she used the National Form Chapter 13 plan (Official Form 113), instead of the Mandatory Form Plan adopted in this District, which is required by Local Bankruptcy Rule ("LBR") 3015-1(a). *See* Fed. R. Bankr. P. 3015(c)(1) and 3015.1 (allowing bankruptcy courts within a district to use a local form Chapter 13 instead of Form 113). To her credit, the Debtor corrected this error by filing a Chapter 13 plan using the Mandatory Form Plan on November 6, 2025. Doc. 42. The Debtor also filed her Schedules (A/B-J), Statement of Financial Affairs, and related documents, and an Amended Creditor Matrix List on October 31, 2025. *See* Docs. 28, 29.

On October 22, 2025, the Court entered the *Order Granting, In Part, Amended Motion to Expedite Hearing [Doc. 26], Providing Notice of the Shortened Time to Respond to Debtor's Amended Motion for Turnover of Property [Doc. 25], and Setting Hearing on Debtor's Amended Motion for Turnover of Property on an Expedited Basis* (Doc. 30) (the "Scheduling Order"), scheduling an expedited evidentiary hearing with shortened notice for October 30, 2025, but not on the extremely truncated timeframe the Debtor requested. As ordered by the Court, on October 23, 2025, the Debtor served the Scheduling Order by overnight delivery, electronic mail, and facsimile, as well as contacting and giving notice to Wilshire by telephone. *See* Debtor's Certificate of Service of the Scheduling Order (Doc. 32). Wilshire then filed its Response (Doc. 31) to the Amended Turnover Motion on October 23, 2025.

[2] See *Order Denying Emergency Motion for Turnover of Property, Without Prejudice* (Doc. 15).

The Debtor, pro se, appeared in-person for the hearing in the courtroom, and Cynthia A. Jeffrey, representing Wilshire, appeared by telephone. In accordance with the Scheduling Order, prior to 12:00 p.m. on the day of the hearing, the Debtor filed an Exhibit List (Doc. 36), which included Exhibit 1 – Debtor's Written Statement and Response to Creditor's Response to Motion for Turnover of Property and Expedited Hearing, which essentially was a reply to the Response filed by Wilshire,[3] along with documents that she planned to introduce at the hearing, being Exhibits 2 through 9 proposed exhibits on October 30, 2025 (Doc. 36). Wilshire did not file an exhibit list or exhibits. Debtor was the only person to testify at the hearing. At the Debtor's request and without objection, the Court admitted Debtor's Exhibits 2a, 3, 3a, 3b, 5, and 8.[4] After Ms. Hines offered her story under oath and answered questions from the Court, at Ms. Jeffrey's request and in order to provide both parties a full and fair opportunity to make a complete record and arguments for the Court's consideration, and because the sound quality of Ms. Jeffrey's connection was sufficient for the Court and witness to clearly hear, the Court permitted the cross-examination of the Debtor by Ms. Jeffrey. At this time, however, this is not an accommodation that parties can or should anticipate being afforded as the Court's policy will remain, as was set forth in the Scheduling Order, that "parties not appearing at the hearing in-person may not be permitted to examine witnesses or seek to introduce evidence." Scheduling Order (Doc. 30) at 3. And either way, it still will not enable any counsel or parties who are not present in the courtroom to introduce any evidence.

At the completion of the hearing, because the Debtor had testified about certain documents that she did not have in paper format, but was able to show the Court through use of an electronic

[3] The Court construes Exhibit 1 as a reply brief with legal argument, rather than a document of any evidentiary value.

[4] Exhibit 2 is an Endorsement Policy Declaration showing the Debtor has a one-year insurance policy on the vehicle that commenced on October 23, 2025. Exhibit 2a is an October 26, 2025 letter sent via email from Ms. Hines to Wilshire concerning her assertion that Wilshire, through a representative, that the vehicle would be released once insurance coverage was provided. The email includes hearsay and is also not particularly relevant to the turnover issue. Exhibit 3 is a January 4, 2024 "Progress Note" from OrthoCincy that addresses the Debtor's medical issues related due to the Debtor's automobile accident. Document 3-A is a letter form TriHealth Cancer Institute about a separate medical issue of the Debtor. The letters are consistent with what the Debtor testified to about her multiple medical issues. Document 3-B concerns a medical issue of one of the Debtor's minor children and is mostly relevant as to the Debtor's transportation needs. Exhibit 5 is a document from Wilshire titled Notice of Our Plan to Sell Property, which is mostly relevant as evidence of the Debtor's ownership of the vehicle and Wilshire's possession of the vehicle. Further, it provides background to the need for turnover and the impetus for the bankruptcy filing itself. Exhibit 8 is a Traffic Crash Report concerning the Debtor's automobile accident of December 31, 2023. That document is consistent with the Debtor's testimony as to the timing of the accident, and the discussion about the pending state court litigation concerning that accident.

device utilizing the document camera, the Court requested that Debtor file copies of those documents and documents she discussed during her testimony in order to complete the record. In compliance, on October 31, 2025, the Debtor filed copies of the Certificate of Registration for the vehicle, the Promissory Note and Security Agreement Motor Vehicle Direct – Consumer Purpose (the "Note") entered into on May 22, 2022 between the Debtor and First Electronic Bank, an insurance binder dated October 25, 2025 showing $25,000 in property damage coverage for the vehicle and a receipt for payment to General Insurance, a receipt for a $100 payment toward the filing fee in this case,[5] and a letter from the Debtor's fiancé Gary Seegers concerning his contribution to the Debtor's household income. Doc. 38. The Debtor also filed a further supplemental filing (Doc. 40), providing with a letter and a copy of her insurance policy, seeking to further clarify the vehicle is fully insured from property damage.

The Debtor also filed her Amended Schedule J (Doc. 39), which reflected more of her actual expenses, as discussed at the hearing, which therefore reduced her monthly net income from $2,078.80 to $980. *Compare* Schedule J (Doc. 28 at 32-34) *with* Am. Schedule J (Doc. 39 at 3-5). The concerns with Amended Schedule J are discussed in detail below.

II. Jurisdiction

This Court has subject matter jurisdiction over this contested matter pursuant to 28 U.S.C. § 1334(b) and (e)(1) and Amended General Order No. 05-02 of the District Court for the Southern District of Ohio (Amended Standing Order of Reference). This is a core proceeding under 28 U.S.C. § 157(b)(2)(E); this Court may enter a final judgment within its constitutional authority; and this matter is properly before the Court by way of a motion – the Debtor's Motion – given the December 1, 2024 amendment to Federal Rule of Bankruptcy Procedure ("Bankruptcy Rule") 7001(a) which excepts and no longer requires an adversary proceeding for "a proceeding by an individual debtor to recover tangible personal property under § 542(a) . . . [.]"[6]

[5] The Court granted the Debtor's Application for Individuals to Pay the Filing Fee in Installments (Docs. 3, 4). Under the Court's order, the initial payment of $100 was due on October 30, 2025. The Debtor completed the first payment the morning of October 31, 2025, as reflected on the docket in this case. Another $100 is due on November 28, 2025, with the remaining $113 due on December 29, 2025. Doc. 4.

[6] "Effective December 1, 2024, Rule 7001(a) was amended by excluding from the definition of adversary proceedings 'a proceeding by an individual debtor to recover tangible personal property under § 542(a)'." 10 *Collier on Bankruptcy* ¶ 7001.02[6] at 7001-9 (Richard Levin & Henry J. Sommer eds., 16th ed.).

III. Findings of Fact

A. Preliminary Matters

Before delving into the facts underlying the present Amended Motion for Turnover, there are two issues of note. First, at the hearing the Court asked Ms. Hines how she prepared her papers filed with the Court. This was prompted by the fact that Debtor, as a pro se party, had submitted fairly detailed filings with citations to sections of the Bankruptcy Code, Tile 28 of the United States Code, as well as the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules, including her motions, 21-day notices of motions, certificates of service, and proposed orders. *See* Docs. 10, 16, 17, 20-22, 25-26, and 36). She readily admitted that she utilized Chat GPT to make her filings look "more professional," but also testified that she had done some research on her own. But as to the actual preparation of her filings, she essentially "cut and paste" from what Chat GPT provided in response to her prompts. This raises the issue of the use of artificial intelligence ("AI") in filings with this Court, which the Court has recently perceived in other pro se cases. The Court advised Ms. Hines that while the use of AI in preparation of filings is not currently prohibited, and that this Court does not yet have a formal policy on the topic, she is ultimately responsible for anything she files with this Court regardless of how it is generated, such that she could get herself into trouble by filing documents with the Court that contain made-up, "hallucinated," case cites or other inaccuracies, whether legal or factual.

Second, at the outset of the hearing the Court asked Mr. Hines whether she had attempted to hire an attorney to represent her in this bankruptcy case, given that Chapter 13 is difficult for pro se parties to navigate and that she would be better off to have counsel. She testified that she had attempted to hire an attorney, but they wanted $1,500 to file the bankruptcy and she did not have that kind of money; in other words, she could not afford to hire counsel. And the Court notes that this issue was exacerbated by the fact that she needed to file quickly in order to attempt to recover her vehicle, leaving little time to come up with this amount of money.

B. Events Leading Up to the Amended Motion for Turnover

Turning back to the key facts relevant to the Amended Motion for Turnover, there is no dispute that Wilshire repossessed the vehicle prepetition on September 29, 2025 and, by all accounts, is currently holding the vehicle, by and through an agent of Wilshire, either a towing company, which is where Ms. Hines was allowed to retrieve her personal belongings from the

vehicle, or, as set forth in the "Notice of Our Plan to Sell Property" that Ms. Hines received from Wilshire, Americas AA Columbus Fair, 4700 Groveport Road, Columbus, Ohio 43207. *See* Ex. 5 (Doc. 36-5). The vehicle was scheduled to be auctioned on October 29, 2025, but given that Wilshire had notice of both the bankruptcy and the Amended Motion for Turnover, that auction should not have taken place and presumably did not take place.[7]

The vehicle is listed on the Debtor's schedules with a value of $9,200. Doc. 28 at 4. The Debtor scheduled Wilshire as a secured creditor with a balance owed of $18,026.51. *Id.* at 15. Wilshire asserted a similar balance due in its Response, $17,951.51. Doc. 31 at ¶ 4. As Ms. Hines testified as the hearing, the debt to Wilshire was not incurred to purchase the vehicle. Rather, she had purchased the used 2018 vehicle in January 2022 for cash after winning $150,000 on a $5 scratch-off lottery ticket.[8] Several months later, on May 25, 2022 (Doc. 38-2), she got the loan from First Electronic Bank.[9] She testified to this at the hearing and said that she would produce the loan documents after the hearing. In any event, Wilshire confirmed the existence of the loan in its Response (Doc. 31 at 1, ¶ 3), and that loan was allegedly secured by the vehicle, as further suggested by Wilshire's repossession of the vehicle, although neither party, as of yet, has submitted a certificate of title to the Court. The balance due on the loan, as identified by both Ms. Hines in her Schedule D and by Wilshire in its Response, is approximately twice the original principal amount due to missed payments and the extraordinary annual percentage rate disclosed in the Note, which is 98.83% – a finance charge of $17,151.40 on the principal amount of $8,000. *See* Doc. 38-2. Wilshire also asserted in its Response that the loan matured on May 24, 2025, which is

[7] The Supreme Court has ruled that passive retention of the vehicle by Wilshire does not violate § 362(a)(3) (although it did not address other sections of § 362(a)), and that turnover is the appropriate remedy for the return of estate property. *Chicago v. Fulton*, 592 U.S. 154, 160-62 (2021).

[8] As confirmed by her testimony, at the time she owned a 2017 Kia Forte for which she owed money to Santander Bank, which has already filed a proof of claim, No. 2-1, in this case on October 17, 2025. Ms. Hines testified that she returned and stopped paying on this vehicle due to the high interest rate, which the Retail Installment Sale Contract attached to Claim No. 2-1 indicates was disclosed as an annual percentage rate of 24.99%. But that is far less than the annual percentage rate on Ms. Hines's current loan.

[9] According to the Note, the lender is First Electric Bank, but Wilshire accepts the payments on the Note as the apparent servicer and agent. Doc. 38-2.

confirmed by the Note that Ms. Hines submitted.[10] As stated above, Wilshire has not yet filed a proof of claim, but the claims bar date is not until December 19, 2025.

The Debtor's financial issues are, at least in part, created by various medical issues related to a December 31, 2023 automobile accident that caused her to be unable to work until May 2024, due to a broken right thumb, and which also impacted her children. *See* Traffic Crash Report – Ex. 8 (Doc. 36-8); OrthoCincy – Notes from Care Team – Ex. 3 (Doc. 36-3). The Debtor also testified to medical issues involving both her and her minor children that were unrelated to the accident, including her chronic blood loss and anemia for which she requires infusions every several months to replenish her blood iron levels, and including her child's severe asthma, all of which require her to have ready access to a personal means of transportation based on where she presently resides without any good access to public transportation.

The Amended Chapter 13 plan seeks to cramdown the vehicle loan by bifurcating the claim into secured and unsecured portions. Doc. 42, ¶ 5.1.4(A), at 4. The secured portion would be in the amount of $9,200, paid at $185 each month, including a pre-confirmation adequate protection payment, with the claim to be paid interest at the rate of 6%. *Id.*at ¶ 5.1.4(A), at 4 & ¶ 3, at 2. As stated by Wilshire counsel, both the value and interest rate are potential confirmation issues. In any event, the balance of the claim, $8,826.51 based upon the total claim of $18,026.51 listed on Schedule D, would be paid as a non-priority unsecured claim. The Debtor proposes to pay $550 a month as a total payment for her Chapter 13 plan for 60 months. *Id.* at ¶ 2.1, at 1. The Debtor has proposed a "pot plan" with a total payment of $33,000. *Id.* at ¶ 2.2, at 2. The Amended Chapter 13 Plan, however, does not include a proper certificate of service. *Id.* at 10.

A review of the Debtor's schedules reflects that Debtor does not own any real property, and excepting the vehicle does not have any other secured debts. Doc. 28 at 3, 15. The Debtor has only two notable assets beyond the vehicle. First, Ms. Hines testified that she is owed $14,745 in child support, although her testimony was that it is uncollectible. Second, the Debtor asserts she

[10] Although not submitted until after the hearing at which Ms. Hines testified about the loan she took, there is no dispute between the parties that there is a loan between them and promissory notes are self-authenticating commercial paper that is not hearsay because they are writings that have legal significance such that the "verbal acts doctrine applies." *See* Fed. R. Evid. 902(9); *Rogan v. Bank One, N.A. (In re Cook)*, 457 F.3d 561, 566 (6th Cir. 2006) ("the promissory note is self-authenticating evidence pursuant to Rule 902 of the Federal Rules of Evidence."); *Berkley v. Deutsche Bank Nat'l Trust Co.*, No. 2:12-cv-02642-JTF-cgc, 2014 U.S. Dist. LEXIS 63179, at *9-10 ("The United States Court of Appeals for the Sixth Circuit has recognized the 'verbal acts doctrine," which is based upon the Advisory Committee note to Rule 801(c) of the Federal Rules of Evidence).

has a claim for the automobile accident, which she values at around $50,000, as she testified at the hearing, although that is based on nothing but her sense of the case and she anticipated soon learning more after an upcoming meeting to discuss her case with the attorney representing her in the personal injury action. This pending action is identified in Part 4 of her Statement of Financial Affairs, item 9, as Case A 2405781 pending in the Hamilton County Court. She also listed a potential personal injury claim for a slip and fall incident at Kroger. It was unclear if or when a settlement of the automobile accident litigation might occur, which would be a potential source of funding for her Chapter 13 plan. The Debtor lists one priority debt, $5,294.43 owed to the City of Cincinnati. The Debtor also identified a debt for $35,745 in student loans, albeit buried in the summary of the claims in Part 2 of her Schedule E/F, and also lists a total of other unsecured debts of $39,791.03, for total debt of $75,536.03. Many of the debts are not properly scheduled. Instead, the debts are listed as a separate attachment to the schedules. *See* Official Form 106E/F – Part 2: Continuation Page – Nonpriority Unsecured Claims (Doc. 28 at 24-25).

The Debtor also listed the vehicle loan as an executory contract or lease, but it appears to be neither, instead it is simply a promissory note with a security agreement. The Debtor also entered into a "rent-to-own" agreement regarding a washer dryer and a PlayStation, and listed the agreement as current with a $266 monthly payment, but it is unclear when the payments end on this obligation.

The Debtor's original Schedule I and J left the Court with an uncertain impression of the Debtor's net monthly income. The Debtor identifies her monthly income as coming from five sources, which are summarized as follows and discussed below: (1) employment at UC Health (take-home pay of $561.80), (2) Social Security benefits for two of her minor children ($1,857), (3) Food Stamps ($994), (4) Delivery Income from VEHO ($1,018), and (5) contributions from her fiancé ($920). In total, the Debtor's monthly income is scheduled at $4,430.80. Again, the Debtor also indicated, and this was consistent with her testimony, that "income may increase with additional VEHO shifts and work hours." Doc. 28 at 31. As noted, the Schedule J only listed two expenses: (1) rent ($3,100) and (2) automobile insurance ($172), for a total of $3,272. Thus, the Debtor listed her monthly net income at $2,078.80. However, this figure was inflated because it failed to account for various expenses such as food, medical care, and other necessities.

The Debtor has recently obtained employment from University of Cincinnati ("UC") Health as a Patient Information Clerk and nets $561.80 per month. Schedule I, Part 2, Item 7 (Doc. 28). The Debtor receives $1,857 in Social Security related to her minor children. *Id.*, Item 8e. The Debtor receives $994 in food stamps, which may be at temporary risk due to the current shutdown of the federal government. *Id.*, Item 8f. Further, the Debtor purports to earn $1,018 in other monthly income from VEHO (rideshare), but that income varies month-to-month and obviously she cannot make that income without a vehicle. The testimony indicated that it was a delivery service that Debtor had signed up for to earn extra money. The Debtor also testified that she occasionally delivered for DoorDash. Finally, the Debtor receives $920 toward the household from her fiancé. *Id.*, Item 11. The total monthly income was originally listed as $4,430.80, but Schedule I stated that income may increase due to more VEHO shifts, and more hours with UC health. The Debtor testified that she was able to obtain more shifts for delivery through VEHO if the vehicle is returned to her, and is able to obtain additional shifts from UC Health in order to increase her income. As discussed further below, the Debtor showed a higher income on her Amended Schedule J (expenses), but did not file an Amended Schedule I (income).

The Debtor testified that she has three minor children, ages 9, 12, and 14. The Debtor's fiancé has a 16 year old child. The Debtor lives in a house in Mason, Ohio, and lists the rent at $3,100 per month, and the vehicle insurance at $172 in her original Schedule J. However, the original Schedule J did not list any other common expenses such as day care, food, utilities, or medical expenses. According to the Debtor's testimony, her fiancé pays for these other expenses, and as noted, the Debtor receives food stamps.

The Court advised Ms. Hines that her Schedule J was deficient because it did not list all of her expenses, which suggested that she would need to file an Amended Schedule I and J. Following the hearing she filed an Amended Schedule J, but not an Amended Schedule I. Doc. 39. In addition to the monthly rent originally listed, and about which Ms. Hines testified, Ms. Hines added expenses within the Amended Schedule J for the following:

- Utilities (total): $749
- Food and housekeeping supplies: $50
- Childcare or child educational costs $0
- Clothing, laundry, and dry cleaning $50

- Personal Care Products and services $50
- Medical and dental expenses $0
- Entertainment $40
- Food $50
- Transportation $150
- Automobile Insurance $221.88

The Debtor now lists her monthly net income at $5,350 on Schedule J, which is $1,119.20 higher than previously stated, although, again, there is no Amended Schedule I to break down this figure. In any event, with the income and expenses provided on Amended Schedule J, the Debtor has a monthly net income at $980. But that figure, even at the higher income, appears unrealistic because it counts the food stamps as income, but not as a corresponding expense given that the listed food expense is only $50. In addition, the Court calculated the total expenses on Amended Schedule J to be $4,410.28, rather than the $4,370 listed by the Debtor. Also, the childcare figure is listed at $0, which does not make sense given that she has three children. Therefore, the Debtor's net income on Amended Schedule J appears inflated, and it appears, in reality, that her projected income approximates her asserted expenses. Thus, for any Chapter 13 plan to be successful, the Debtor would need at least another $550 each month, which is the figure she listed in her only proposed plan. The Debtor also testified she is paying $50 or $60 for a student loan which is not accounted for on Amended Schedule J. As noted, the automobile accident settlement is a potential source of funds, but the status of the litigation is uncertain, beyond the Debtor stating she planned to meet with the litigation counsel soon to go over her case.[11]

The Debtor does have the vehicle insured, and, although the Debtor did not produce a certificate of title or memorandum of title, the Debtor's schedules, the auction notice, and the Debtor's registration, combined with the fact that Wilshire repossessed the vehicle from her and filed the Response in opposition to her Amended Motion for Turnover all indicate that the vehicle is indeed owned by the Debtor.

[11] The Court alerted Debtor to the fact that she needs to obtain the Court's approval for the continued employment of her personal injury counsel pursuant to 11 U.S.C. § 327.

IV. Analysis

A. Use of Artificial Intelligence in Court Filings

Addressing the tangential issue first, Chat GPT is generally understood to be the most problematic AI platform to use for drafting legal filings due to its propensity to "hallucinate" (make up) case law that does not actually exist. Parties, including pro se parties, must be aware that if they file papers with this Court that contain made-up case law or other baseless assertions or mischaracterizations of the law generated by AI, they will be held to account for this conduct and can, and likely will, be held personally responsible for not reviewing, verifying, and removing all such inaccurate statements from their papers before filing them with this Court pursuant to Rule 9011(b) of the Federal Rules of Bankruptcy Procedure. It does not matter that Chat GPT or some other AI program came up with it because it is the live human party or attorney who signs the document, as required by Rule 9011(a), and is therefore responsible for everything contained and represented to the Court in each filing. In this instance, the Court has not identified any hallucinated case law, but issues this as a warning, and anticipates that it may soon adopt a formal policy on the use of AI.

B. Amended Motion for Turnover

Back to the core matter at hand, the Amended Motion for Turnover, as the current Court recently explained in its first decision addressing turnover sought by a chapter 13 debtor since Rule 7001(a) was amended effective December 1, 2024, the following analysis likewise applies to this case:

> Turnover is governed by § 542(a) of the Bankruptcy Code. As the [p]ersonal [p]roperty was indisputably seized prepetition, the appropriate remedy is to seek turnover. *City of Chicago v. Fulton*, 592 U.S. at 159-63, 141 S.Ct. 585. [T]his is the "right place" for this dispute to have been brought. Additionally, . . . pursuant to a recent change to the Bankruptcy Rules, the Debtor is entitled to proceed by motion. Fed. R. Bankr. P. 7001(a). "[T]he burden of proving each element by a preponderance of the evidence" rests with the Debtor. *Bailey v. Suhar* (*In re Bailey*), 380 B.R. 486, 490 (B.A.P. 6th Cir. 2008).
>
> The turnover section of the Bankruptcy Code, which is section 542, states with exceptions not at issue in this case, that:
>
> > [A]n entity, other than a custodian, in possession, custody, or control, during the case, of property that the trustee may use, sell, or lease under section 363 of this title, or that the debtor may exempt

> under section 522 of this title, shall deliver to the trustee, and account for, such property or the value of such property, unless such property is of inconsequential value or benefit to the estate.
>
> 11 U.S.C. § 542(a). Because a chapter 13 debtor has "the rights and powers of a trustee," "exclusive of the trustee," under various sub-parts of section 363, "a chapter 13 debtor has standing to bring a turnover action under § 542." *In re Jackson*, No. 24-5021, 2024 WL 4806395, at *5, 2024 Bankr. LEXIS 2795, at *14 (Bankr. E.D. Ky. Nov. 15, 2024) (citing *TranSouth Fin. Corp. v. Sharon* (*In re Sharon*), 234 B.R. 676, 686-87 (B.A.P. 6th Cir. 1999)).
>
> [T]he elements of a turnover action are "(1) that the property is or was in the possession, custody or control of an entity during the pendency of the case, (2) that the property may be used by the trustee in accordance with § 363 or exempted by the debtor under § 522; and (3) that the property has more than inconsequential value or benefit to the estate." *Bailey*, 380 B.R. at 490 (quoted in *Jackson*, 2024 WL 4806395, at *6).

In re Fire, No. 25-31277, 2025 WL 2490649, at *4–5 (Bankr. S.D. Ohio Aug. 27, 2025) (footnotes omitted).

There is no dispute as to the first element needed for turnover. Wilshire, directly or by and through an agent, is in possession of the vehicle. Second, the evidence shows that the vehicle would be used by the Debtor for needed transportation for work, her and her children's medical appointments, and other day-to-day purposes. The question becomes the third element: is the vehicle of more than inconsequential value or benefit to the estate? The vehicle clearly has no equity, given the exorbitant amount of interest that has accrued, such that Debtor is seeking to cram down the loan obligation, but that relief, and the use of the vehicle as part of the Debtor's rehabilitation, is a legitimate use under § 363 and chapter 13 generally.

As to the third element, the value to the estate is "de-emphasized." 5 Collier on Bankruptcy ¶ 542.03[4] (16th ed. 2025). Which is why the property must be of "inconsequential value or benefit to the estate" for turnover to be denied. § 542(a). In other words, "[t]urnover is excused only if the property is of both inconsequential value and inconsequential benefit to the estate." 5 Collier on Bankruptcy ¶ 542.03[4].

The Court finds that in Debtor's present situation she has little hope of rehabilitation in Chapter 13 without a vehicle, this is the vehicle she owns, and acquiring another vehicle would be difficult given that she testified she cannot afford to pay an attorney $1,500 to assist her with this case. The vehicle is therefore significantly valuable to the Debtor and her estate, for purposes of

transporting her to work, her and her children to medical appointments, and to use to generate income through her rideshare work. *See In re Fire*, 2025 WL 2490649, at *4–5 & n. 14. The testimony made clear that public transportation was not realistic because the Debtor lives in Mason, Ohio, a northern suburb of Cincinnati, and she presently must walk for around 30 minutes to get to a bus stop. And because she works in the Clifton neighborhood of Cincinnati, which is approximately 21.6 miles from her current residence,[12] a vehicular means of transportation is the only alternative; thus, a necessity. Debtor and her children have serious on-going medical conditions, about which she testified in detail and for which she submitted the letters admitted into evidence. *See* Ex. 3 (Doc. 36-3 at 1-2), Ex. 3-A (Doc. 36-3 at 3), and Ex. 3-B (Doc. 36-3). Further, she testified that her fiancé does not own a vehicle, that rideshare services such as Uber and Lyft are far too expensive to use on a regular basis, and that she was only able to attend the hearing held in Dayton through the generosity of her mother-in-law, who had rented a car for her and her fiancé for two days.

On the other hand, is there is a viable path forward for the Debtor to confirm a Chapter 13 plan and keep the vehicle? And is that a consideration in analyzing whether to order Wilshire to turn over the vehicle to the Debtor pursuant to § 542(a)? The answer, although not addressed by either party, appears to be "no" given the language of § 542(a).

Nonethless, for the sake of completeness, if we assume that non-priority unsecured creditors will not receive any dividend under a realistic budget, the Debtor will still need to pay the determined cramdown amount of the vehicle with interest, and the priority claim owed to the City of Cincinnati Finance for income tax, assuming it files a claim. If we take the Debtor's net income from her Schedule I, as set forth in her Amended Schedule J, which is $5,350, and subtract the listed expenses, she is left with $939.62 ($980 minus the $40.28 math error on Amended Schedule J). However, if food is accounted for as an expense, which the Debtor listed at only

[12] This is based upon Ms. Hines's current residential address set forth in the Voluntary Petition (Doc. 1), namely 6572 Farmbrooke Court, Mason, Ohio 45050, and her current work address, which is UC Health, LLC, 3200 Burnet Avenue, Cincinnati, Ohio 45229.

$50,[13] it does not appear the Debtor could fund the plan at the proposed $550 payment.[14] The proposed Chapter 13 plan provides that monthly payment to Wilshire on its secured claim would be $185. Also, the Debtor is assuming a purported lease from creditor "Rent-2-Own" for a washer dryer and PlayStation at $266 per month, but it is unclear when that lease terminates. And this ignores the current issue of food stamps funding being in peril, at least temporarily due to the on-going shutdown of the federal government. Moreover, the odds are that Ms. Hines will have a tough time, both in confirming a Chapter 13 plan without the assistance of counsel, and in completing payments under a plan, if she is able to confirm one. However, as she testified at the hearing, she had attempted to engage counsel and she simply could not afford the $1,500 payment that counsel required, and she is entitled to attempt this on her own. That said, these are ultimately confirmation issues for another day, including the feasibility of any proposed plan, and there is at least a plausible chance of her being able to proceed with this chapter 13 case, particularly if she regains possession of the vehicle. *See* 11 U.S.C. § 1325(a)(6) (requiring, for confirmation, that "the debtor will be able to make all payments under the plan and to comply with the plan"). Moreover, if she does not comply with obligations to make payments under her proposed Chapter 13 plan to the Chapter 13 Trustee, then Wilshire can assess whether to pursue relief from the automatic stay pursuant to § 362(d), and Wilshire can seek adequate protection of its interest under § 363(e) "at any time." *In re Jackson*, 2024 Bankr. LEXIS 2795, at *19 n.8. But those are not defenses.

While the ultimate figures and construction of Ms. Hines's chapter 13 plan remain uncertain, and the Debtor would greatly benefit from bankruptcy counsel to sort through those issues, were she able to afford one, it is also possible that the Chapter 13 plan could be funded to a significant degree by a settlement from the automobile accident, which would require this Court's approval of the retention of special counsel under § 327(e), as well as this Court's approval of any settlement reached by such counsel on her behalf. Although the Court is skeptical, the Debtor is

[13] It appears that the Debtor listed the food expense at $50 because of the balance being covered by food stamps, but by providing the food stamps as income without a corresponding expense, it distorts the Debtor's true monthly net income. The Court does not find this an attempt by the Debtor to be deceptive, but merely an error in completing the Schedule J form properly.

[14] The Debtor apparently did make her first plan payment of $550 on November 6, 2025, by TFS, a payment system used by the Chapter 13 Trustee. *See* Doc. 41 (receipt of payment). This payment would be considered timely. *See* 11 U.S.C. § 1326(a)(1) (requiring the first plan payment "no later than 30 days after the date of the filing of the plan or the order of relief, whichever is earlier").

entitled to go through the process of formulating and attempting to confirm a chapter 13 plan. Most importantly to the present matter, she needs a vehicle to have any hope of doing so.

Finally, although Ms. Hines has taken steps to ensure that Wilshire is protected as a named insured, and she referenced § 363(e) in her Amended Motion for Turnover, turnover is not conditioned upon adequate protection under § 363(e). *See In re Jackson*, No. 24-5021, 2024 WL 4806395, at *5, 2024 Bankr. LEXIS 2795, at *18-19 (Bankr. E.D. Ky. Nov. 15, 2024); *TranSouth Fin. Corp. v. Sharon* (*In re Sharon*), 234 B.R. 676, 684 (B.A.P. 6th Cir. 1999). Nevertheless, it is notable that the Amended Plan does provide a $185 pre-confirmation payment each month to Wilshire. Doc. 42 ¶ 3, at 2.

Ultimately, although the Debtor faces an uphill battle in this Chapter 13 case, the Court finds that the Debtor has met all three prongs of the elements for turnover under § 542 and therefore the Court will grant the Debtor's Amended Motion for Turnover.

V. Conclusion

Based upon the foregoing, the Amended Motion for Turnover is hereby **GRANTED**. Wilshire, and any agent, employee, or contractor that Wilshire has directed to and is presently maintaining possession of the vehicle, is hereby **ORDERED** to turn over the vehicle to the Debtor immediately.

IT IS SO ORDERED.

Copies to:

Default List, Plus

Westlake Service Inc./ Wilshire Consumer Credit, 4751 Wilshire Blvd, Ste 100, Los Angeles, CA 90010-3847

Wilshire Consumer Credit/ Westlake Services LLC, 4751 Wilshire Boulevard, Los Angeles, CA 90010

Wilshire Consumer Credit, 4727 Wilshire Blvd. Suite 100, Los Angeles, CA 90010

Westlake Services, LLC c/o Corporate Creations Network Inc. 119 E. Court Street, Cincinnati, Ohio 45202 (Registered Agent)