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Minn. Stat. § 480A.08, subd. 3 (2016).*

**STATE OF MINNESOTA  
IN COURT OF APPEALS  
A16-1962**

Federal National Mortgage Association,  
Respondent,

vs.

Valerie R. LeMaster, et al.,  
Appellants.

**Filed July 10, 2017  
Affirmed  
Schellhas, Judge**

Dakota County District Court  
File No. 19AV-CV-16-2923

Kevin T. Dobie, Usset, Weingarden & Liebo, P.L.L.P., Minneapolis, Minnesota (for  
respondent)

Valerie LeMaster, Inver Grove Heights, Minnesota (attorney pro se and for appellants)

Considered and decided by Halbrooks, Presiding Judge; Worke, Judge; and  
Schellhas, Judge.

**UNPUBLISHED OPINION**

**SCHELLHAS**, Judge

In this post-foreclosure-sale eviction action in which the district court granted summary judgment in favor of respondent, appellants argue that the court abused its discretion and violated appellants' procedural due-process rights by declining to grant them a prejudgment stay. We affirm.

## FACTS

Appellants Valerie LeMaster, attorney pro se, and Steven Hauschildt owned real property (the property) that was encumbered by a mortgage in favor of respondent Federal National Mortgage Association (Fannie Mae). On May 1, 2013, after appellants defaulted in their payments on the mortgage, the mortgage servicer transferred servicing responsibilities to Green Tree Servicing LLC. On January 7, 2014, Green Tree purchased the property at a mortgage-foreclosure sheriff's sale, subject to appellants' six-month right of redemption. On January 22, 2014, Green Tree conveyed the sheriff's certificate of sale to Fannie Mae. Appellants did not redeem the property from the foreclosure but continued to reside at the property through the time of oral argument in this appeal—April 26, 2017.

LeMaster commenced an action against Green Tree on July 6, 2014, claiming that the sheriff's sale was void because Green Tree violated Minn. Stat. §§ 58.13 (deceptive practices in connection with a residential loan transaction), 582.043 (loss mitigation) (2012). On February 4, 2015, the district court granted summary judgment in favor of Green Tree and dismissed LeMaster's claims with prejudice. This court affirmed that summary judgment in an unpublished opinion. *LeMaster v. Green Tree Servicing, LLC* (*LeMaster I*), No. A15-0552 (Minn. App. Dec. 28, 2015), *review denied* (Minn. Mar. 15, 2016).

In October 2016, Fannie Mae filed an eviction action against appellants and, in November, a notice of motion and motion for summary judgment. On December 7, the date set for trial, Fannie Mae moved for summary judgment, arguing that no genuine issues of material fact existed. Appellants opposed the motion; argued that Fannie Mae had no

right to possess the home; asked for summary judgment in their favor; and, in the alternative, asked that the district court stay the eviction. The court granted summary judgment in favor of Fannie Mae, denied LeMaster’s request for a stay of the eviction, and delayed the issuance of a writ of recovery for seven days.

This appeal follows.

## DECISION

### I

On appeal from summary judgment, appellate courts review “a district court’s grant of summary judgment de novo, determining whether there is any genuine issue of material fact and whether the district court erred in its application of the law.” *Fed. Home Loan Mortg. Corp. v. Mitchell*, 862 N.W.2d 67, 72 (Minn. App. 2015) (quotation omitted), *review denied* (Minn. June 30, 2015). We “view the evidence in the light most favorable to the party against whom summary judgment was granted.” *STAR Ctrs., Inc. v. Faegre & Benson, L.L.P.*, 644 N.W.2d 72, 76–77 (Minn. 2002). No genuine issue for trial exists “where the record taken as a whole could not lead a rational trier of fact to find for the nonmoving party.” *DLH, Inc. v. Russ*, 566 N.W.2d 60, 69 (Minn. 1997) (quotation omitted).

“Eviction actions are summary proceedings that are intended to adjudicate only the limited question of present possessory rights to the property.” *Mitchell*, 862 N.W.2d at 72 (quotation omitted). “The purpose of an eviction action is only to determine present possession and not to adjudicate the ultimate legal or equitable rights of ownership.” *Id.* (quotation omitted). “Parties generally may not litigate related claims in an eviction

action.” *Id.* (quotation omitted). “Challenges to the validity of a foreclosure may be litigated in an eviction action ‘only’ when it is the sole forum available.” *Id.* (quoting *Fraser v. Fraser*, 642 N.W.2d 34, 40–41 (Minn. App. 2002)). LeMaster challenged the validity of the mortgage foreclosure in *LeMaster I* long before Fannie Mae sought to evict appellants from the property.

In this eviction appeal, appellants challenge the district court’s grant of summary judgment in favor of Fannie Mae and argue that the court abused its discretion when it denied their request to stay the eviction action “until all claims in the lawsuit are finally resolved in” *LeMaster I*. Appellants do not dispute that they failed to redeem the property from the mortgage foreclosure and that they have remained in possession of the property since the sheriff’s foreclosure sale. Nor do appellants dispute that, under Minn. Stat. § 504B.285, subd. 1(a)(1)(ii) (2016), a person entitled to possess real property “may recover possession by eviction when” a person holds over on the property “after the expiration of the time for redemption on foreclosure of a mortgage.” Appellants instead argue that, under the terms of a joint stipulation and order filed on August 22, 2014, in *LeMaster I*, Fannie Mae does not have a right of possession and is estopped from bringing an eviction action.

The terms of the joint stipulation and order in *LeMaster I* state, in pertinent part, that “[Green Tree] and/or its successors and assigns shall not file or seek an eviction action against [LeMaster] until all claims in the above-captioned Lawsuit are finally resolved.” Appellants argue that the terms of the stipulation and order remain in effect because all claims in *LeMaster I* are not “finally resolved.” We disagree.

The stipulation and order in *LeMaster I* are not in effect because all claims in that action were finally resolved when the Minnesota Supreme Court denied review of this court's decision on March 15, 2016.<sup>1</sup> Fannie Mae, as successor to Green Tree, therefore has a right of possession to the property and was not estopped from seeking an eviction action against appellants. The district court properly granted summary judgment in favor of Fannie Mae because no genuine issues of material fact exist regarding Fannie Mae's right of possession and its satisfaction of the requirements of the eviction statute.

We also conclude that the district court did not abuse its discretion by denying appellants' request to stay the eviction proceedings. "A party attempting to stay an eviction action must provide a case-specific justification for granting a stay." *Mitchell*, 862 N.W.2d at 73 (quotation omitted). Even if appellants had a legitimate dispute regarding the validity of the mortgage foreclosure, "[a] dispute regarding the underlying mortgage is not such a reason." *Id.* (quotation omitted). And even if appellants had provided a case-specific reason, the district court was not obligated to grant a stay of the eviction proceedings. *Id.* But a district court abuses its discretion when it declines to stay an eviction action when a separate civil action is pending that involves counterclaims and defenses essential to a fair determination of the eviction action. *See Bjorklund v. Bjorklund Trucking, Inc.*, 753 N.W.2d 312, 318–19 (Minn. App. 2008), *review denied* (Minn. Sept. 23, 2008). Because

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<sup>1</sup> Following the supreme court's denial of review of this court's decision, *LeMaster* again attempted to challenge the validity of the foreclosure in *LeMaster I* by moving to vacate the judgement in its entirety under rule 60.02. The district court denied the motion. *LeMaster v. Green Tree Servicing, LLC*, No. 19HA-CV-14-2658 (Minn. Dist. Ct. Feb. 15, 2017) (order).

at the time of the eviction action in this case, all claims in *LeMaster I* were finally resolved, the district court did not abuse its discretion by declining to stay the eviction action.

## II

Appellants argue that the district court violated their procedural due-process rights by using a standardized eviction template form for the order and by ruling from the bench before reviewing their summary-judgment pleadings. Appellants also argue that the court's approach to disposing of the eviction action suggested implicit bias against them. We are unpersuaded.

The United States and Minnesota Constitutions guarantee the right to due process of law. U.S. Const. amend. XIV, § 1; Minn. Const. art. 1, § 7. “Whether the government has violated a person’s procedural due process rights is a question of law that [appellate courts] review de novo.” *Sawh v. City of Lino Lakes*, 823 N.W.2d 627, 632 (Minn. 2012). Appellate courts “conduct a two-step analysis to determine whether the government has violated an individual’s procedural due process rights.” *Id.* First, we “identify whether the government has deprived the individual of a protected life, liberty, or property interest.” *Id.* If no individual has been deprived of such an interest, then no process is due. *Id.* If an individual has been deprived of a protected interest, “the second step requires us to determine whether the procedures followed by the government were constitutionally sufficient.” *Id.*

Because eviction from the property deprives LeMaster of possession of property, which is a property interest, we must determine whether the process provided was sufficient. *See Bd. of Regents of State Colleges v. Roth*, 408 U.S. 564, 571–72, 92 S. Ct.

2701, 2706 (1972) (explaining that, “the property interests protected by procedural due process extend well beyond actual ownership of real estate, chattels, or money”). In doing so, we balance the three factors set forth in *Mathews v. Eldridge*: (1) “the private interest that will be affected by the official action”; (2) “the risk of an erroneous deprivation of such interest through the procedures used, and the probable value, if any, of additional or substitute procedural safeguards”; and (3) “the Government’s interest, including the function involved and the fiscal and administrative burdens that the additional or substitute procedural requirement would entail.” *Sawh*, 823 N.W.2d at 632 (quoting *Mathews v. Eldridge*, 424 U.S. 319, 321, 96 S. Ct. 893, 896 (1976)).

First, appellants’ property rights constitute an important interest. Second, appellants acknowledge that an eviction proceeding is summary in nature, and they do not clearly explain the due process to which they believe they were entitled but did not receive. They have provided no authority that required the district court to specifically address their defenses in its eviction order and they point to no record evidence that the court’s use of a form order encouraged or evinced any “implicit bias.” Although the court did not include a detailed analysis in its order, the court explained on the record its reasoning for its decision at the hearing.

And the record reflects that Fannie Mae’s counsel informed the court that appellants had submitted a summary-judgment motion earlier in the week and that the pleadings had been scanned into the record the morning of the hearing. The court therefore was aware that appellants’ summary-judgment pleadings existed. Moreover, appellants admit that LeMaster discussed their defenses to the eviction action “in detail during the hearing.”

Because the court allowed LeMaster to present her defenses during the hearing, and because LeMaster has not articulated any likely benefit of requiring the district court to address her defenses in the eviction order or delay ruling on the motion, the second *Mathews* factor weighs against LeMaster.

As to the third *Mathews* factor, the government has a strong interest in judicial economy and in resolving cases quickly. Prohibiting the district court from utilizing form orders and requiring the district court to issue detailed orders in all summary eviction proceedings would cause delay and likely considerable expense. The third *Mathews* factor therefore weighs against appellants. *See Mitchell*, 862 N.W.2d at 72; *see also* Minn. Stat. § 504B.001, subd. 4 (2016) (defining eviction action as a “summary court proceeding to remove a tenant or occupant from or otherwise recover possession of real property”).

We conclude that the district court did not violate appellants’ procedural due-process rights by using a standardized eviction template for the order or by ruling from the bench on appellants’ summary-judgment motion, even if such ruling occurred before the court reviewed their pleadings.

**Affirmed.**