

**IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF ARKANSAS
CENTRAL DIVISION**

**IN RE: BILLY JOE ROPER, JR. and
VANESSA GABRIELLE ROPER, DEBTORS**

**CASE NO.: 4:23-bk-10768
CHAPTER 7**

ORDER DENYING MOTION TO STAY

On May 15, 2025, this court entered its *Order* at docket entry 40 granting the Chapter 7 trustee's *Motion to Approve Sale of Estate's One-Half Interest in Real Property, Free and Clear of Liens and Claims* ("Motion to Sell") filed on March 26, 2025, at docket entry 24. Logan Riffenburg ("Riffenburg"), an objecting party, filed a notice of appeal and, thereafter, on May 29, 2025, his *Motion to Stay Trustee Sale Pending Resolution of Appeal* ("Motion to Stay") at docket entry 49. The trustee filed his *Response* on June 6, 2025, at docket entry 53. The Motion to Stay and the Response came on for hearing on June 18, 2025. For the reasons stated herein, the relief requested in the Motion to Stay is denied.

I. HISTORY

The debtors, Billy Joe Roper, Jr. and Vanessa Gabrielle Roper, filed their Chapter 7 bankruptcy proceeding on March 16, 2023. This current matter concerns principally separate debtor Vanessa Gabrielle Roper ("Roper"). Riffenburg is Roper's ex-husband.

M. Randy Rice, the Chapter 7 trustee ("Rice"), filed on June 18, 2024, in an associated adversary proceeding, case no. 4:23-ap-01024, his *Amended Complaint to Determine Estate's Interest in Real Property, to Set Aside Fraudulent Conveyance and to Sell Real Property, Free and Clear of Liens, Claims and Interests of Defendants* ("Complaint") at docket 29. Rice named as defendants Riffenburg, Roper, and their daughter Claudia L. Riffenburg ("Claudia Riffenburg").

Prior to Roper's bankruptcy and during their marriage, Roper and Riffenburg acquired an eighty-acre tract in Stone County, Arkansas. They sundered their marriage by a Decree of Divorce entered June 23, 2022. Rice alleges in his Complaint:

The Divorce Decree contained a property settlement that was incorporated and adopted therein. On page 3 of the Divorce Decree [sic], the property settlement agreement states that “The parties are owners of real property located at 390 Haywood Lane, Mountain View, Arkansas. This real property shall become the sole property of Claudia L. Riffenburg[.]” As stated earlier, the Divorce Decree was filed of record on June 23, 2022, in Stone County Circuit Court. The Divorce Decree has not been filed in the real property records section of Stone County as of today’s date. Nevertheless, [Rice] asserts that Claudia [Riffenburg] may assert an interest in the real property based upon the Divorce Decree.

(Amended Complaint to Determine Estate’s Interest in Real Property, to Set Aside Fraudulent Conveyance and to Sell Real Property, Free and Clear of Liens, Claims and Interests of Defendants, at 3, ECF No. 29).

In his Complaint, Rice sought first to avoid Claudia Riffenburg’s interest pursuant to 11 U.S.C. §§ 544, 550, and 551; then, to either force an involuntary sale of the entire tract pursuant to 11 U.S.C. § 363(h) or allow Rice to sell solely the estate’s one-half undivided interest by public or private sale.

Rice succeeded through summary judgment in avoiding the anticipated but unconsummated transfer to Claudia Riffenburg under the property settlement. Thereafter, rather than force an involuntary sale of the entire tract under § 363(h), Rice filed his Motion to Sell solely the estate’s one-half interest in the eighty-acre tract. Over Riffenburg’s objection, the court granted Rice’s Motion to Sell. Riffenburg appeals and asks for a stay.

II. ANALYSIS-THE STANDARDS FOR A STAY PENDING APPEAL

This court may stay its orders or judgments while under appeal:

The bankruptcy court has discretion to grant a stay on such terms as are just, pursuant to Rule 8005, Federal Rules of Bankruptcy Procedure. However, the moving party must make a particular showing in order for a stay to be imposed. Specifically, the movant must demonstrate:

- (1) he is likely to prevail on the merits of the appeal;
- (2) he will suffer irreparable injury if the stay is denied;
- (3) the other party will not be substantially harmed by the stay; and
- (4) the public interest will be served by the granting of the stay.

In re Cockings, 172 B.R. 257, 259–60 (Bankr. E.D. Ark. 1994) (citations omitted).

- (1) Whether Riffenburg is likely to prevail on the merits of the appeal.

This demands the court's objective analysis unconstrained by sentiment as reversal is always a possibility. Assuming all other factors are met, caution might dictate staying the matter on appeal. In this instance, however, several factors compel the opposite conclusion.

First, Riffenburg did not raise or argue any non-bankruptcy state or federal law prohibiting Rice, as successor to Roper's interest, from selling unimpeded her undivided one-half interest in the real property. Once the court extinguished Claudia Riffenburg's interest, the property interest became freely alienable. Unquestionably, Riffenburg would prefer not being an involuntary co-owner with a third party not his ex-wife or their daughter. Riffenburg did not, however, raise any legal impediment to the undesired result effected by this court's Order.

Second, Riffenburg may not even be an aggrieved party, merely an unhappy one. As stated above, he interposed no legal reason why he could in state court or elsewhere stop or impede Roper or any successor owner from selling her one-half interest. Riffenburg neither asserted nor enjoyed any status or standing as an aggrieved party in that regard.

Third, during the hearing Riffenburg declined membership and standing as a creditor in this bankruptcy. This self-inflicted conundrum results in Riffenburg, a non-creditor, arguing that he should be able to object while interposing no legal basis as an aggrieved party to Rice's sale of the undivided one-half interest. Riffenburg simply argues there should be no sale because he posits that Roper has no creditors, and her assets should not be used to pay Billy Joe Roper Jr.'s debts.

These assertions ignore three things: first, Roper in her schedules lists other creditors for which no objections have been filed; second, if Riffenburg is not a creditor or even an aggrieved party, then he may have no standing to object to the sale or the other claims; and third, by every metric Riffenburg actually is a creditor in this bankruptcy case. On the latter point, this court at the Motion to Sell hearing repeatedly inquired of Riffenburg's counsel if Riffenburg was a creditor, a status pertinent to the issue of standing. Riffenburg's counsel would not concede that he was a creditor even though *arguendo* Riffenburg is perhaps Roper's largest creditor based on the breach of a non-dischargeable property settlement agreement incorporated into a divorce decree. No definitive ruling is made in this regard, but the court at the Motion to Sell hearing conferred standing on Riffenburg—seemingly contrary to his wishes—based upon the broad definition of a claim contained in the Code.

Fourth—and despite Riffenburg's assertions to the contrary—the court did not shift to Riffenburg the burden of proof. Rather, Riffenburg had merely the burden of going forward with the basis for his objection; the ultimate burden remained with Rice.

Fifth, Riffenburg complains he was not allowed to litigate the validity of various debts Roper listed on her schedules and commensurate proofs of claim. Yet, Riffenburg nor anyone else has filed any objections to claims, the claimants are not on notice, and they did not know to appear and defend their claims. Due process applies to them also. The court preserved and still has not ruled on any issues of substantive consolidation or the validity of any claims scheduled and/or filed in this case against Roper. These issues have not been pertinent to the narrow path Rice adopted of first dealing solely with the avoidance of Claudia Riffenburg's interest using the trustee's strong-arm powers and then selling Roper's undivided one-half interest without forcing a sale of the whole. The remaining issues are preserved and still extant.

Riffenburg has not filed a proof of claim, refuses to assert or acknowledge that he is a creditor, does not substantively contradict the sale's price or Rice's legal ability to sell the undivided one-half interest, argues that Roper has no creditors despite Roper scheduling creditors, and tilts at a hypothetical distribution of the sale proceeds. The hurdles are self-inflicted. Riffenburg's arguments would be more persuasive were he to acknowledge that he or Claudia Riffenburg are creditors—and, following a procedurally correct claims process, perhaps the largest and sole creditor—and addressed the trustee and court from that perspective. Up to and through the Motion to Sell hearing, he has declined to do so. Riffenburg simply feels Rice should abandon the property to him. These predicates do not justify impeding Rice from liquidating and realizing value from property of the estate consistent with his duties under 11 U.S.C. § 704.

(2) Whether Riffenburg will suffer irreparable injury if the stay is denied.

Here, the answer is no. Inside or outside bankruptcy, Roper's undivided one-half interest is alienable. Rice is merely reducing that interest to a satisfactory value amenable to distribution. While a puzzler, Riffenburg has spurned asserting any rights in this bankruptcy as a creditor, thus refusing to position himself as the largest and perhaps only creditor with the leverage that might afford him in seeking either abandonment of the property or the full value of its sale. The court will not succor Riffenburg with an argument he has declined up to and through the Motion to Sell hearing, the result of which offends.

(3) Whether Rice will not be substantially harmed by the stay.

Rice is performing his statutorily mandated duty to administer property of the estate. Riffenburg complains of unhappiness rather than legal grievance or standing. Rice has a buyer who for \$40,000 is willing to purchase an undivided one-half interest in property of the estate.

There is no guarantee that the purchaser will remain amenable to closing at a date uncertain. Riffenburg cannot post a satisfactory bond, and Rice should be permitted to complete his task.

(4) Whether the public interest will be served by the granting of the stay.

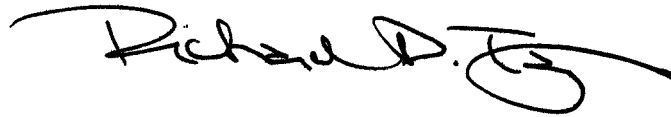
There is no public interest served one way or the other in this proceeding.

III. CONCLUSION

For the reasons stated herein, the Motion to Stay is denied.

IT IS SO ORDERED.

Dated this this 20th day of June 2025.

A handwritten signature in black ink, appearing to read "Richard D. Taylor", with a stylized flourish at the end.

HONORABLE RICHARD D. TAYLOR
UNITED STATES BANKRUPTCY JUDGE

cc: M. Randy Rice
Hamilton Moses Mitchell
Kevin P. Keech
John Alexander Flynn
Billy Joe Roper, Jr.
Vanessa Gabrielle Roper
Logan R. Riffenburg