

**STATE OF MICHIGAN
IN THE SIXTH CIRCUIT COURT FOR THE COUNTY OF OAKLAND**

UNITED WHOLESALE MORTGAGE, LLC,

Plaintiff,

Case No. 2024-210391-CB

Hon. Victoria Valentine

v.

MICHAEL HOLLOWAY,

Defendant.

William E. McDonald, III (P76709)
Mahde Y. Abdallah (P80121)
BUSH SEYFERTH PLLC
100 W. Big Beaver Road, Suite 400
Troy, MI 48084
T/F: (248) 822-7800
mcdonald@bsplaw.com
abdallah@bsplaw.com
Attorneys for Plaintiff

Michael Holloway
1556 Ledbury Drive
Bloomfield Hills, MI 48304
bankaimike@gmail.com
Pro Se Defendant

**OPINION AND ORDER GRANTING UNITED WHOLESALE MORTGAGE, LLC’S
MOTION FOR JUDGMENT**

At a session of said Court held on the
11th day of April 2025 in the County of
Oakland, State of Michigan

PRESENT: HON. VICTORIA A. VALENTINE

This matter is before the Court on Plaintiff UNITED WHOLESALE MORTGAGE LLC’S (“UWM”) motion for summary disposition under MCR 2.116 (C)(9) and for entry of a default judgment under MCR 2.603(B)(3). The Court file reflects that Defendant Michael Holloway (“Holloway”) did not file a response to the Motion nor an Answer to the Complaint. The Court, having reviewed UWM’s Brief and pleadings, dispenses with oral argument under

MCR 2.119(E)(3).¹ For the reasons set forth below, the Court respectfully GRANTS UWM's Motion for entry of Judgment.

FACTUAL OVERVIEW

This case concerns Defendant Holloway's failure to fully repay a \$30,000.00 loan to Plaintiff UWM. UWM, as a benefit for its employees, created the Forgivable Loan and Restricted Stock Unit Program (the "Program"), under which it provides selected employees "the ability to obtain an interest-bearing forgivable personal loan."² Under the program, if any employee elects to participate in the Program and obtain the loan, he or she must execute a promissory note relating to the loan.³ The Program also provides that if the participating employee "remains employed with UWM for three (3) years from [his or her] acceptance of the Program," "UWM will forgive the Loan in its entirety."⁴ Otherwise, if the participating employee's "employment with UWM ends within three (3) years of entering the Program, [the employee] agrees to fully re-pay to UWM the outstanding balance of" the loan.⁵

Holloway elected to participate in the Program to obtain a \$30,000 loan, and he signed a Participant Acknowledgment for the Program on January 23, 2023.⁶ In the Acknowledgment, Holloway acknowledged that he "received a copy of the Program" and had "read it, understood it, and agree[d] to comply with it."⁷ Holloway also "acknowledge[d] and

¹ Under MCR 2.603(B), Notice of Request for a Default Judgment must be given if (i) the party against whom the default judgment is sought has appeared in the action;(ii) the request for entry of a default judgment seeks relief different in kind from, or greater in amount than, that stated in the pleadings; or (iii) the pleadings do not state a specific amount demanded. Here, Holloway has failed to file notice of appearance under MCR 2.117(A). Further, the Complaint states a specific amount demanded of \$30,000 plus interest, attorney fees, costs and less any setoffs or prior payments.

² See Plaintiff's MSD Exhibits 1: Program and Promissory Note, at p 1.

³ See Plaintiff's MSD Exhibit 2: Complaint, ¶5.

⁴ See Plaintiff's MSD Exhibit 2: Complaint, ¶6.

⁵ See Plaintiff's MSD Exhibit 2: Complaint ¶7.

⁶ See Plaintiff's MSD Exhibit 2: Complaint ¶8.

⁷ See Plaintiff's MSD Exhibit 2: Complaint ¶9 and Exhibit attached thereto.

underst[ood] that as a condition for receiving a forgivable Loan under the Program," he had to "execute the Promissory Note in the form attached as Appendix A, which evidences [his] obligation to repay any outstanding Loan received under the Program if, within three years of entering the Program, [his] employment with UWM ends (voluntarily or involuntarily)."⁸

In the Promissory Note, Holloway agreed that "the entire unpaid balance of the Loan shall become immediately due and payable by [him] without notice or demand if [his] employment with UWM ends (voluntarily or involuntarily, and for any or no reason) before" the Repayment/Forgiveness Period end."⁹ Holloway also agreed in the Promissory Note "to pay all actual expenditures incurred by UWM in collecting any amount due under this Promissory Note, including all costs of legal action and reasonable attorneys' fees."¹⁰

After Holloway signed the Program Acknowledgement and Promissory Note, UWM issued a \$30,000 loan check to Holloway.¹¹ Subsequently, Holloway's employment with UWM ended on May 8, 2024; less than 3 years from the date he executed the Program Acknowledgement and Promissory Note.¹² The entire unpaid balance of the loan, plus interest, became immediately due and payable upon the conclusion of his employment.¹³ Yet, Holloway failed to repay the complete balance of the loan.¹⁴ UWM filed this lawsuit against Holloway to recover the loan balance.

⁸ See Plaintiff's MSD Exhibit 2: Complaint ¶10 and Exhibit attached thereto.

⁹ See Plaintiff's MSD Exhibit 2: Complaint ¶12 and Exhibit attached thereto.

¹⁰ See Plaintiff's MSD Exhibit 2: Complaint ¶13 and Exhibit attached thereto.

¹¹ See Plaintiff's MSD Exhibit 2: Complaint ¶14.

¹² See Plaintiff's MSD Exhibit 2: Complaint ¶15.

¹³ See Plaintiff's MSD Exhibit 2: Complaint ¶17.

¹⁴ See Plaintiff's MSD Exhibit 2: Complaint ¶18.

PROCEDURAL OVERVIEW

On October 16, 2024, UWM filed this one-count breach of contract complaint against Holloway, seeking repayment of the loan, plus applicable interest, costs, and attorney fees.¹⁵ Holloway was personally served with the Summons and Complaint on November 7, 2024.¹⁶ Under MCR 2.108(A)(1), Holloway was required to answer or otherwise respond to the Complaint by November 28, 2024. On November 27, 2024, Holloway, in pro per,¹⁷ submitted his Answer to the Court clerk for filing,¹⁸ This Answer, however, was rejected by the clerk on December 2, 2024.¹⁹ On December 30, 2024, a computer-generated show cause order dated December 28, 2024, was entered regarding the UWM's failure to request a default. Accordingly, on January 14, 2024, UWM filed the Default Request and Entry for Holloway, which was entered by the court clerk on the same day,²⁰ and served on Holloway on January 15, 2025.²¹

UWM now brings this Motion for Summary Disposition under MCR 2.116(C)(9) and for Entry of a Default Judgment under MCR 2.603.²²

STANDARD OF REVIEW

"Summary disposition under MCR 2.116(C)(9) is proper if a defendant fails to plead a valid defense to a claim." *Village of Dimondale v Grable*, 240 Mich App 553, 564 (2000)

¹⁵ See Complaint.

¹⁶ See Plaintiff's MSD Exhibit 4: Affidavit of Process Server.

¹⁷ Courts usually view briefs filed by parties proceeding in propria persona more leniently than we would for a party proceeding with the assistance of a lawyer. *Hein v Hein*, 337 Mich App 109, 115 (2021). However, self-represented parties must nonetheless abide by the court rules. *Bachor v Detroit*, 49 Mich App 507, 512 (1973).

¹⁸ See Plaintiff's MSD Exhibit 3: Purported "Answer."

¹⁹ See Plaintiff's MSD Exhibit 5: Rejection emails from info@truefiling.com.

²⁰ See Plaintiff's MSD Exhibit 6: Default Request and Entry.

²¹ See Court file: Certificate of Mailing.

²² The Court files reflects that the Motion was served on Holloway at the email address he used to file his Answer, which was subsequently rejected.

(internal citations omitted). If, based on the pleadings, a defendant's asserted defenses are "so clearly untenable as a matter of law that no factual development could possibly deny plaintiffs right to recovery," then summary disposition is proper. *Id.* at 564-65 (internal citations omitted) (internal quotation marks omitted).

Further, a party may move for a default judgment under MCR 2.603(B)(3). "In default cases, whether to hold a hearing on damages is within the trial court's discretion." *Semaan v Smith Bldg and Dev Corp*, No. 284284, 2009 WL 2448165, at *5 (Mich App August 11, 2009). Under MCR 2.603(B)(3)(b), "if in order for a court to enter a default judgment or carry it into effect, it is necessary to determine the amount of damages, a court may conduct a hearing." *Semaan*, 2009 WL 2448165, at *5.

ANALYSIS

Despite Holloway's attempt to file an Answer, the Court file does not reflect that one was filed in conformity with the Court rules. Accordingly, a default was entered against him, which was served on him on January 15, 2025, and which he never moved to have set aside. See MCR 2.603(D). As a result, UMW is entitled to entry of a Default Judgment under MCR 2.603(B).

And, even if the Court was to consider Holloway's rejected Answer, UMW would nevertheless be entitled to Summary Disposition under (C)(9). Holloway failed to plead a defense and failed to raise any affirmative defenses. In fact, Holloway admitted in his rejected Answer the following: he elected to participate in the Program to obtain the \$30,000; he signed the Participant Acknowledgment for the Program as well as the Promissory Note;²³ that because his employment ended before a date that was three years after the execution of the

²³ See Plaintiff's MSD Exhibits 2 and 3, ¶¶8-11.

Promissory Note, the entire unpaid balance of the Loan, plus interest, became immediately due and payable;²⁴ and that he breached the Promissory Note by failing to immediately repay the full amount due after his employment ended.²⁵ As a result, Holloway would be entitled to summary disposition under MCR 2.116(C)(9) because he admitted to liability on the breach-of-contract claim and does not raise any affirmative defenses to the claim.

As to damages, the Promissory Note provides that UMW is entitled to the balance owed under the promissory note, plus interest, costs of legal action and reasonable attorney fees.²⁶ To support its damages, UMW attaches the following documents:

- Payment History, which reflects a principal balance owed of \$29,180.26.²⁷
- Breakdown of “interest based upon the short-term applicable federal rate (as published by the Internal Revenue Service)” as [January 23, 2023], which is provided for under the Promissory Note²⁸ and which amounts to \$2,862.76,²⁹
- The affidavit of Mahde Y. Abdallah, from Bush Seyferth PLLC, UWM’s attorney of record attorney,³⁰ which sets forth the costs and attorney fees incurred in collecting the amount due under the promissory note.

CONCLUSION

After thoroughly reviewing UWM’s motion, brief, and attached exhibits, along with the Complaint, the Court finds that judgment should be entered against Holloway in the total amount of \$33,894.52. This amount breaks down as follows:

Item	Amount
Principal Balance	\$29,180.26

²⁴ See Plaintiff’s MSD Exhibits 2 and 3, ¶17.
²⁵ See Plaintiff’s MSD Exhibits 2 and 3, ¶22.
²⁶ See Plaintiff’s MSD Exhibit 1
²⁷ See Plaintiff’s MSD Exhibit 7.
²⁸ See Plaintiff’s MSD Exhibit 1.
²⁹ See Plaintiff’s MSD Exhibit 8
³⁰ See Plaintiff’s MSD Exhibit 9.

Interest	\$2,862.76
Costs and Attorneys' Fees	\$1,851.50
Grand Total:	\$33,894.52

IT IS HEREBY ORDERED that a Judgment shall enter in Plaintiff's favor against Holloway in the amount of \$33,894.52. Plaintiff shall prepare and submit a final judgment for entry within 5 days of the date of this Opinion.

This is a final order and closes the case.

IT IS SO ORDERED.



DATED: 4/11/25