UNITED STATES BANKRUPTCY COURT
Eastern District of California

Judge Fredrick E. Clement
Sacramento Federal Courthouse
501 I Street, 7th Floor
Courtroom 28, Department A
Sacramento, California

DAY: **MONDAY**
DATE: **NOVEMBER 3, 2025**
CALENDAR: **10:30 A.M. CHAPTER 7 CASES**

Unless otherwise ordered, all matters before Chief Judge Fredrick E. Clement shall be simultaneously: (1) **IN PERSON** at Sacramento Courtroom No. 28, (2) via **ZOOMGOV VIDEO**, (3) via **ZOOMGOV TELEPHONE**, and (4) via **COURTCALL**.

You may choose any of these options unless otherwise ordered or stated below.

All parties who wish to appear at a hearing remotely must sign up by 4:00 p.m. **one business** day prior to the hearing.

Information regarding how to sign up can be found on the **Court Appearances** page of our website at:

https://www.caeb.uscourts.gov/Calendar/CourtAppearances

Each party who has signed up will receive a Zoom link or phone number, meeting I.D., and password via e-mail.

If the deadline to sign up has passed, parties who wish to appear remotely must contact the Courtroom Deputy for the Department holding the hearing.

Please also note the following:

- Parties in interest may connect to the video or audio feed free of charge and should select which method they will use to appear when signing up.
- Members of the public and the press appearing by **ZoomGov** may only listen in to the hearing using the zoom telephone number. Video appearances are not permitted.
- Members of the public and the press may not listen in to the trials or evidentiary hearings, though they may appear in person in most instances.

To appear remotely for law and motion or status conference proceedings, you must comply with the following guidelines and procedures:

- Review the Pre-Hearing Dispositions prior to appearing at the hearing.
- Review the court's Zoom Procedures and Guidelines for these, and additional instructions.
- Parties appearing via CourtCall are encouraged to review the CourtCall Appearance Information.

If you are appearing by ZoomGov phone or video, please join at least 10 minutes prior to the start of the calendar and wait with your microphone muted until the matter is called.

Unauthorized Recording is Prohibited: Any recording of a court proceeding held by video or teleconference, including screen shots or other audio or visual copying of a hearing is prohibited. Violation may result in sanctions, including removal of court-issued media credentials, denial of entry to future hearings, or any other sanctions deemed necessary by the court. For more information on photographing, recording, or broadcasting Judicial Proceedings, please refer to Local Rule 173(a) of the United States District Court for the Eastern District of California.

RULINGS

Each matter on this calendar will have one of three possible designations: No Ruling, Tentative Ruling, or Final Ruling.

"No Ruling" means the likely disposition of the matter will not be disclosed in advance of the hearing. The matter will be called; parties wishing to be heard should rise and be heard.

"Tentative Ruling" means the likely disposition, and the reasons therefor, are set forth herein. The matter will be called. Aggrieved parties or parties for whom written opposition was not required should rise and be heard. Parties favored by the tentative ruling need not appear. However, non-appearing parties are advised that the court may adopt a ruling other than that set forth herein without further hearing or notice.

"Final Ruling" means that the matter will be resolved in the manner, and for the reasons, indicated below. The matter will not be called; parties and/or counsel need not appear and will not be heard on the matter.

CHANGES TO PREVIOUSLY PUBLISHED RULINGS

On occasion, the court will change its intended ruling on some of the matters to be called and will republish its rulings. The parties and counsel are advised to recheck the posted rulings after 3:00 p.m. on the next business day prior to the hearing. Any such changed ruling will be preceded by the following bold face text: **"[Since posting its original rulings, the court has changed its intended ruling on this matter]"**.

ERRORS IN RULINGS

Clerical errors of an insignificant nature, e.g., nomenclature ("2017 Honda Accord," rather than "2016 Honda Accord"), amounts, ("$880," not "$808"), may be corrected in (1) tentative rulings by appearance at the hearing; or (2) final rulings by appropriate ex parte application. Fed. R. Civ. P. 60(a) *incorporated by* Fed. R. Bankr. P. 9024. All other errors, including those occasioned by mistake, inadvertence, surprise, or excusable neglect, must be corrected by noticed motion. Fed. R. Bankr. P. 60(b), *incorporated by* Fed. R. Bankr. P. 9023.

1. 23-21004-A-7 **IN RE: ERIC HANSEN**
BLF-3

MOTION FOR COMPENSATION FOR LORIS L. BAKKEN, TRUSTEES ATTORNEY(S)
10-6-2025 [33]

ERIC SCHWAB/ATTY. FOR DBT.
DEBTOR DISCHARGED: 07/24/23

Final Ruling

Application: Allowance of First and Final Compensation and Expense Reimbursement
Notice: LBR 9014-1(f)(1); written opposition required
Required Service: Fed. R. Civ. P. 5, Fed. R. Bankr. P. 7005
Disposition: Approved
Order: Civil minute order

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this application was required not less than 14 days before the hearing on the application. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

COMPENSATION AND EXPENSES

In this Chapter 7 case, the Chapter 7 trustee's counsel, Loris L. Bakken, has applied for an allowance of final compensation and reimbursement of expenses. The applicant requests that the court allow compensation in the amount of $3,800.00. The motion itemizes costs and requests reimbursement of costs in the amount of $21.44. The court will apportion the award and approve $3,800.00 as compensation and reimbursement of expenses in the amount of $21.44.

Section 330(a) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services" rendered by a trustee, examiner or professional person employed under § 327 or § 1103 and "reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Reasonable compensation is determined by considering all relevant factors. *See id.* § 330(a)(3).

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on a final basis.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Attorney Loris L. Bakken's application for counsel's allowance of final compensation and reimbursement of expenses has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the application,

IT IS ORDERED that the application is approved on a final basis. The court allows final compensation in the amount of $3,800.00 and reimbursement of expenses in the amount of $21.44.

IT IS FURTHER ORDERED that the trustee is authorized without further order of this court to pay from the estate the aggregate amount allowed by this order in accordance with the Bankruptcy Code and the distribution priorities of § 726.

2. 25-24408-A-7 **IN RE: CECILIA ARAUZA**

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES
10-8-2025 [15]

10/16/2025 FILING FEE PAID $34

Final Ruling

As the fee has been paid in full, the order to show cause is discharged. The case will remain pending.

3. 22-90415-A-7   **IN RE: JOHN MENDOZA**
KMT-7

MOTION TO SELL FREE AND CLEAR OF LIENS AND/OR MOTION FOR COMPENSATION FOR RE/MAX EXECUTIVE, BROKER(S)
10-13-2025 [665]

PETER MACALUSO/ATTY. FOR DBT.
JEFFREY GOLDEN/ATTY. FOR MV.
RESPONSIVE PLEADING

Tentative Ruling

Motion: Sell Real Property and Compensate Real Estate Broker
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Granted
Order: Prepared by moving party

Property: 18361-18377 Main Street, Jamestown, California
Buyer: Dhanoa Hotels, LLC
Sale Price: $735,000.00
Sale Type: Private sale subject to overbid opportunity

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55(c), *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

363(b) SALE OF REAL PROPERTY

Section 363(b)(1) of Title 11 authorizes sales of property of the estate "other than in the ordinary course of business." 11 U.S.C. § 363(b)(1); *see also In re Lionel Corp.*, 722 F.2d 1063, 1071 (2d Cir. 1983) (requiring business justification). The moving party is the Chapter 7 trustee and liquidation of property of the estate is a proper purpose. *See* 11 U.S.C. § 704(a)(1). As a result, the court will grant the motion. The stay of the order provided by Federal Rule of Bankruptcy Procedure 6004(h) will be waived.

SALE FREE AND CLEAR UNDER § 363(f)

The movant has submitted appropriate evidence of creditor WVJP 2021-4, LP's consent. Exhibit D, ECF No. 668. The sale will be free and clear of WVJP 2021-4, LP's security interest in the personal property described above, and such security interest shall attach to the proceeds of the sale with the same priority and validity as it had before the sale. 11 U.S.C. § 363(f)(2). The creditor and the trustee have an approved case administration settlement agreement, ECF No. 56, Ex. B, which was approved by the court, Order, ECF No. 74. This constitutes consent under 11 U.S.C. § 363(f)(2).

Since § 363(f)(2) relief is granted, the order shall state that the sale is free and clear of only the lien identified in this ruling and that such lien shall attach to the proceeds of the sale with the same priority and validity as it had before the sale. The order shall also include the following statement verbatim: "If the filing fee for the motion was deferred and if such fee remains unpaid at the time the order is submitted, then the trustee shall pay the fee for filing this motion to the Clerk of the Bankruptcy Court from the sale proceeds immediately after closing."

COMPENSATION OF BROKER

Section 330(a) of Title 11 authorizes "reasonable compensation for actual, necessary services" rendered by a professional person employed under § 327 and "reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a). Reasonable compensation is determined by considering all relevant factors. *See id.* § 330(a)(3). The trustee is seeking approval of the broker's commission in the amount of $44,100.00 or 6% of the gross sale price. The court finds that the compensation sought is reasonable and will approve the application.

4. 22-90415-A-7 **IN RE: JOHN MENDOZA**
   KMT-8

   MOTION TO SELL FREE AND CLEAR OF LIENS AND/OR MOTION FOR COMPENSATION FOR RE/MAX EXECUTIVE, BROKER(S)
   10-13-2025 [671]

   PETER MACALUSO/ATTY. FOR DBT.
   JEFFREY GOLDEN/ATTY. FOR MV.
   RESPONSIVE PLEADING

Tentative Ruling

Motion: Sell Real Property and Compensate Real Estate Broker
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Granted
Order: Prepared by moving party

Property: 1226 Brookdale Drive, Merced, California
Buyer: Vannak Sao
Sale Price: $270,000.00
Sale Type: Private sale subject to overbid opportunity

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55(c), *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

363(b) SALE OF REAL PROPERTY

Section 363(b)(1) of Title 11 authorizes sales of property of the estate "other than in the ordinary course of business." 11 U.S.C. § 363(b)(1); *see also In re Lionel Corp.*, 722 F.2d 1063, 1071 (2d Cir. 1983) (requiring business justification). The moving party is the Chapter 7 trustee and liquidation of property of the estate is a proper purpose. *See* 11 U.S.C. § 704(a)(1). As a result, the court will grant the motion. The stay of the order provided by Federal Rule of Bankruptcy Procedure 6004(h) will be waived.

SALE FREE AND CLEAR UNDER § 363(f)

The movant has submitted appropriate evidence of creditor WVJP 2021-4, LP's consent. Exhibit D, ECF No. 668. The sale will be free and clear of WVJP 2021-4, LP's security interest in the personal property described above, and such security interest shall attach to the proceeds of the sale with the same priority and validity as it had before the sale. 11 U.S.C. § 363(f)(2). The creditor and the trustee have an approved case administration settlement agreement, ECF No. 56, Ex. B, which was approved by the court, Order, ECF No. 74. This constitutes consent under 11 U.S.C. § 363(f)(2).

Since § 363(f)(2) relief is granted, the order shall state that the sale is free and clear of only the lien identified in this ruling and that such lien shall attach to the proceeds of the sale with the same priority and validity as it had before the sale. The order shall also include the following statement verbatim: "If the filing fee for the motion was deferred and if such fee remains unpaid at the time the order is submitted, then the trustee shall pay the fee for filing this motion to the Clerk of the Bankruptcy Court from the sale proceeds immediately after closing."

COMPENSATION OF BROKER

Section 330(a) of Title 11 authorizes "reasonable compensation for actual, necessary services" rendered by a professional person employed under § 327 and "reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a). Reasonable compensation is determined by considering all relevant factors. *See id.* § 330(a)(3). The trustee is seeking approval of the broker's commission in the amount of $16,200.00 or 6% of the gross sale price. The court finds that the compensation sought is reasonable and will approve the application.

5. 22-90415-A-7 **IN RE: JOHN MENDOZA**
KMT-9

MOTION TO SELL FREE AND CLEAR OF LIENS AND/OR MOTION FOR COMPENSATION FOR RE/MAX EXECUTIVE, BROKER(S)
10-13-2025 [677]

PETER MACALUSO/ATTY. FOR DBT.
JEFFREY GOLDEN/ATTY. FOR MV.
RESPONSIVE PLEADING

Tentative Ruling

Motion: Sell Real Property and Compensate Real Estate Broker
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Granted
Order: Prepared by moving party

Property: 20272 Starr King Drive, Soulsbyville, California
Buyer: Jason N. Baz; Mikayla Camara
Sale Price: $343,000.00
Sale Type: Private sale subject to overbid opportunity

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55(c), *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

363(b) SALE OF REAL PROPERTY

Section 363(b)(1) of Title 11 authorizes sales of property of the estate "other than in the ordinary course of business." 11 U.S.C. § 363(b)(1); *see also In re Lionel Corp.*, 722 F.2d 1063, 1071 (2d Cir. 1983) (requiring business justification). The moving party is the Chapter 7 trustee and liquidation of property of the estate is a proper purpose. *See* 11 U.S.C. § 704(a)(1). As a result, the court will grant the motion. The stay of the order provided by Federal Rule of Bankruptcy Procedure 6004(h) will be waived.

SALE FREE AND CLEAR UNDER § 363(f)

The movant has submitted appropriate evidence of creditor WVJP 2021-4, LP's consent. Exhibit D, ECF No. 668. The sale will be free and clear of WVJP 2021-4, LP's security interest in the personal property described above, and such security interest shall attach to the proceeds of the sale with the same priority and validity as it had before the sale. 11 U.S.C. § 363(f)(2). The creditor and the trustee have an approved case administration settlement agreement, ECF No. 56, Ex. B, which was approved by the court, Order, ECF No. 74. This constitutes consent under 11 U.S.C. § 363(f)(2).

Since § 363(f)(2) relief is granted, the order shall state that the sale is free and clear of only the lien identified in this ruling and that such lien shall attach to the proceeds of the sale with the same priority and validity as it had before the sale. The order shall also include the following statement verbatim: "If the filing fee for the motion was deferred and if such fee remains unpaid at the time the order is submitted, then the trustee shall pay the fee for filing this motion to the Clerk of the Bankruptcy Court from the sale proceeds immediately after closing."

COMPENSATION OF BROKER

Section 330(a) of Title 11 authorizes "reasonable compensation for actual, necessary services" rendered by a professional person employed under § 327 and "reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a). Reasonable compensation is determined by considering all relevant factors. *See id.* § 330(a)(3). The trustee is seeking approval of the broker's commission in the amount of $20,580.00 or 6% of the gross sale price. The court finds that the compensation sought is reasonable and will approve the application.

6. 25-24719-A-7 **IN RE: ANAMARIA CRUZ**
FW-1

MOTION FOR RELIEF FROM AUTOMATIC STAY
10-2-2025 [14]

MATTHEW DECAMINADA/ATTY. FOR DBT.
FANNY WAN/ATTY. FOR MV.
LAKEVIEW LOAN SERVICING, LLC VS.

Final Ruling

Motion: Relief from Stay
Disposition: Denied without prejudice
Order: Civil minute order

The court will deny the motion without prejudice on grounds of insufficient service of process. A motion for relief from stay is a contested matter requiring service of the motion in the manner provided by Federal Rule of Bankruptcy Procedure 7004. Fed. R. Bankr. P. 4001(a)(1), 9014(b). Under Rule 7004, service on an individual must be made by first class mail addressed to the individual's dwelling house or usual place of abode or to the place where the individual regularly conducts a business or profession." Fed. R. Bankr. P. 7004(b)(1). A debtor in bankruptcy may be served before the case is dismissed or closed "at the address shown in the petition or to such other address as the debtor may designate in a filed writing." Fed. R. Bankr. P. 7004(b)(9).

Here, service of the motion was insufficient. As to debtor's counsel, filing is service. Fed. R. Bankr. P. 9036. Neither the attachments or a matrix have been attached to the certificate of service, ECF No. 20. Thus, the court is unable to ascertain whether the debtor has been served with the motion and service as required under Rule 9013(b).

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

The Lakeview Loan Servicing, LLC's motion for relief from automatic stay has been presented to the court. Because of the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the motion is denied without prejudice.

7. 24-21421-A-7 **IN RE: ROSA VALLE ST. ANDRE**
DNL-4

MOTION FOR COMPENSATION BY THE LAW OFFICE OF DESMOND, NOLAN, LIVAICH & CUNNINGHAM FOR J. RUSSELL CUNNINGHAM, TRUSTEES ATTORNEY(S)
10-2-2025 [32]

PETER MACALUSO/ATTY. FOR DBT.
J. CUNNINGHAM/ATTY. FOR MV.
DEBTOR DISCHARGED: 07/22/24

Final Ruling

Application: Allowance of Final Compensation and Expense Reimbursement
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Approved
Order: Civil minute order

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this application was required not less than 14 days before the hearing on the application. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

COMPENSATION AND EXPENSES

In this Chapter 7 case, Geoffrey Richards, the Chapter 7 trustee, has applied for an allowance of final compensation and reimbursement of expenses for trustee's counsel, Desmond, Noland, Livaich & Cunningham. The applicant requests that the court allow compensation in the amount of $14.803.00 and reimbursement of expenses in the amount of $197.00.

Section 330(a) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services" rendered by a trustee, examiner or professional person employed under § 327 or § 1103 and "reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Reasonable compensation is determined by considering all relevant factors. *See id.* § 330(a)(3).

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on a final basis.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

The Chapter 7 Trustee's application for allowance of final compensation and reimbursement of expenses has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the application,

IT IS ORDERED that the application is approved on a final basis. The court allows final compensation in the amount of $14,803.00 and reimbursement of expenses in the amount of $197.00.

IT IS FURTHER ORDERED that the trustee is authorized without further order of this court to pay from the estate the aggregate amount allowed by this order in accordance with the Bankruptcy Code and the distribution priorities of § 726.

8. 24-25726-A-7 **IN RE: TESSA MARIE BRICKER**
KMM-1

MOTION FOR RELIEF FROM AUTOMATIC STAY
9-25-2025 [16]

DAVID RITZINGER/ATTY. FOR DBT.
KIRSTEN MARTINEZ/ATTY. FOR MV.
DEBTOR DISCHARGED: 03/31/25
TOYOTA MOTOR CREDIT CORPORATION VS.

Final Ruling

Motion: Stay Relief
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Granted in part, denied in part as moot
Order: Civil minute order

Subject: 2018 Lexus IS
Value of Collateral: $23,600.00
Aggregate of Liens: $26,150.77
Discharge: March 31, 2025

These minutes constitute the court's findings of fact and conclusions of law required by Fed. R. Civ. P. 52(a), *incorporated by* Fed. R. Bankr. P. 7052, 9014(c). The findings of fact are as set forth above; the conclusions of law are as set forth below.

DEFAULT OF RESPONDENT

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

STAY RELIEF

"[A]fter notice and a hearing," the court may terminate, annul, modify or condition the stay: (1) "for cause, including the lack of adequate protection"; or (2) "with respect to a stay of an act against property [of the estate]" if the debtor lacks "equity" in that property and if that "property is not necessary for an effective reorganization." 11 U.S.C. § 362(d); *see also* Fed. R. Bankr. P. 4001(a)(1). The party seeking stay relief bears the burden of proof as to "the debtor's equity in the property" and on the validity and perfection of its security interest, as well as the amount of its debt. 11 U.S.C. § 362(g)(1); *In re Dahlquist*, 34 B.R. 476, 481 (Bankr. S.D. 1983). The party opposing stay relief, e.g., the debtor or Chapter 7 trustee, bears the burden of proof on all other issues. 11 U.S.C. § 362(g)(2).

As to the Debtor

The motion will be denied in part as moot to the extent it seeks stay relief as to the debtor. The stay that protects the debtor terminates at the entry of discharge. 11 U.S.C. § 362(c)(2). In this case, discharge has been entered. As a result, the motion will be denied as moot as to the debtor.

<u>As to the Estate</u>

"[A]fter notice and a hearing," the court may terminate, annual, modify or condition the stay: (1) "for cause, including the lack of adequate protection"; or (2) "with respect to a stay of an act against property [of the estate]" if the debtor lacks "equity" in that property and if that "property is not necessary for an effective reorganization." 11 U.S.C. § 362(d); *see also* Fed. R. Bankr. P. 4001(a)(1). The party seeking stay relief bears the burden of proof as to "the debtor's equity in the property" and on the validity and perfection of its security interest, as well as the amount of its debt. 11 U.S.C. § 362(g)(1); *In re Dahlquist*, 34 B.R. 476, 481 (Bankr. S.D. 1983). The party opposing stay relief, e.g., the debtor or Chapter 7 trustee, bears the burden of proof on all other issues. 11 U.S.C. § 362(g)(2).

Section 362(d)(2) authorizes stay relief if the debtor lacks equity in the property and the property is not necessary to an effective reorganization. 11 U.S.C. § 362(d)(2). Chapter 7 is a mechanism for liquidation, not reorganization, and, therefore, property of the estate is never necessary for reorganization. *In re Casgul of Nevada, Inc.*, 22 B.R. 65, 66 (B.A.P. 9th Cir. 1982). In this case, the aggregate amount due all liens exceeds the value of the collateral and the debtor has no equity in the property. The motion will be granted, and the 14-day stay of Federal Rule of Bankruptcy Procedure 4001(a)(3) will be waived. No other relief will be awarded.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Toyota Motor Corporation's motion for relief from the automatic stay has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the motion,

IT IS ORDERED that the motion is granted in part and denied as moot in part. The automatic stay is vacated with respect to the interest of the trustee in the property described in the motion, commonly known as 2018 Lexus IS. Relief from the automatic stay as to the interest of the debtor in such property is denied as moot given the entry of the discharge in this case. 11 U.S.C. § 362(c)(2)(C).

IT IS FURTHER ORDERED that the 14-day stay of the order under Federal Rule of Bankruptcy Procedure 4001(a)(3) is waived. Any party with standing may pursue its rights against the property pursuant to applicable non-bankruptcy law.

IT IS FURTHER ORDERED that no other relief is awarded. To the extent that the motion includes any request for attorney's fees or other costs for bringing this motion, the request is denied.

9. 25-24130-A-7 **IN RE: LUIS BENUTO**
MJD-1

MOTION TO CONVERT CASE FROM CHAPTER 7 TO CHAPTER 13
10-13-2025 [19]

MATTHEW DECAMINADA/ATTY. FOR DBT.

Tentative Ruling

Motion: Convert Case from Chapter 7 to Chapter 13
Notice: LBR 9014-1(f)(2); no written opposition required
Disposition: Granted
Order: Civil minute order

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917–18 (9th Cir. 1987).

CONVERSION UNDER § 706(a)

Section 706 of the Bankruptcy Code gives chapter 7 debtors a qualified conversion right. *See* 11 U.S.C. § 706(a), (d). A debtor's right to convert a case from Chapter 7 to Chapter 11, 12, or 13 is conditioned on (i) the debtor's eligibility for relief under the chapter to which the case will be converted and (ii) the case not having been previously converted under §§ 1112, 1208, or 1307. 11 U.S.C. § 706(a), (d); *see also Marrama v. Citizens Bank of Mass.*, 549 U.S. 365, 372–74 (2007) (affirming denial of debtor's conversion from Chapter 7 to Chapter 13 based on bad faith conduct sufficient to establish cause under § 1307(c)).

The secured and unsecured debt amounts shown in the debtor's schedules are below the debt limits provided in § 109(e). *See* 11 U.S.C. § 109(e). The case has not been previously converted under § 1112, 1208, or 1307 of the Bankruptcy Code. *See id.* § 706(a). No party in interest has questioned the debtor's eligibility for relief under Chapter 13. The Chapter 7 Trustee has filed limited opposition; however, it does not rise to the level of ineligibility for conversion.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

The debtor's motion to convert this case from chapter 7 to chapter 13 has been presented to the court. Having considered the motion, oppositions, responses and replies, if any, and having heard oral argument presented at the hearing,

IT IS ORDERED that the motion is granted. The court converts this case from chapter 7 to chapter 13.

10. 16-25431-A-7 **IN RE: C./CLAUDIA WRIGHT**
SLP-1

MOTION TO AVOID LIEN OF HERITAGE SERVICE CORPORATION
10-7-2025 [65]

STACIE POWER/ATTY. FOR DBT.
DEBTORS DISCHARGED: 09/18/17

Final Ruling

Motion: Avoid Lien that Impairs Exemption
Disposition: Denied without prejudice
Order: Civil minute order

The debtor seeks an order avoiding the judicial lien of Heritage Service Corporation.

The motion will be denied without prejudice as follows.

MOTION IS NOT SUPPORTED BY ADMISSIBLE EVIDENCE

The motion to avoid lien is not supported by any admissible evidence as required. LBR 9014-1(d)(3)(D). There is no documentary evidence which shows that a judicial lien exits. No exhibits have been filed with the motion showing proof of a judicial lien.

SERVICE

A motion to avoid a lien is a contested matter requiring service of the motion in the manner provided by Federal Rule of Bankruptcy Procedure 7004. Fed. R. Bankr. P. 4003(d), 9014(b); *see also In re Villar*, 317 B.R. 88, 92 n.6 (B.A.P. 9th Cir. 2004). Under Rule 7004, service on corporations and other business entities must be made by mailing a copy of the motion "to the attention of an officer, a managing or general agent, or to any other agent authorized by appointment or by law to receive service of process." Fed. R. Bankr. P. 7004(b)(3).

The movant has served Heritage Operating LP. Certificate of Service, ECF No. 71. It is unclear how this organization is related to Heritage Service Corporation. There has been no service to Heritage Service Corporation. *Id.*

Dismissal of Action for Failure to Comply with Local Rules

> Failure of counsel or of a party to comply with these Rules, with the Federal Rules of Civil Procedure or the Federal Rules of Bankruptcy Procedure, or with any order of the Court may be grounds for imposition of any and all sanctions authorized by statute or rule or within the inherent power of the Court, including, without limitation, *dismissal of any action*, entry of default, finding of contempt, imposition of monetary sanctions or attorneys' fees and costs, and other lesser sanctions.

LBR 1001-1(g)(emphasis added).

The debtor has failed to use Form EDC 7-005 in memorializing service in this matter. The motion will be denied without prejudice.

VIOLATION OF LBR 9014-1(c)

The docket control number given for this matter violates the court's Local Rules, LBR 9014-1(c), regarding proper use of docket control numbers. When using a docket control number, a party must use both letters (usually initials of the attorney for the movant) and a number. The numerical portion of the docket control number must be "the number that is one number higher than the number of motions previously filed by said attorney" in that particular case. LBR 9014-1(c)(3). Thus, a party may not use the same docket control number on separate matters filed in the same case.

The docket control number used in this motion was used in *five* previous motions by the debtor – all motions to avoid lien, ECF Nos. 34, 46, 52, 57, and 62.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Debtor's motion to avoid judicial lien has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the motion is denied without prejudice.

11. 25-22551-A-7 **IN RE: YOUNGSOON CHOI**
JDS-2

MOTION FOR RELIEF FROM AUTOMATIC STAY
9-29-2025 [200]

JACQUELINE SERRAO/ATTY. FOR MV.
NEWREZ LLC VS.
RESPONSIVE PLEADING

Tentative Ruling

Motion: Stay Relief
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Denied
Order: Civil minute order

Subject: 1605 Auseon Avenue, Oakland, California
Movant's Valuation of Property: $500,000.00
Trustee's Listing of Property: $499,000.00
Delinquency: 3 post-petition payments/ $8,329.15

Creditor NewRez, LLC, has claimed debtor has a delinquency of $8,329.15. The trustee has opposed the motion for relief because the trustee is attempted to sell the property for $499,000.00.

STAY RELIEF

Subsection (d)(1) of § 362 of Title 11 provides for relief from stay for "cause, including the lack of adequate protection of an interest in property of such party." 11 U.S.C. § 362(d)(1). Adequate protection may consist of a lump sum cash payment or periodic cash payments to the entity entitled to adequate protection "to the extent that the stay . . . results in a decrease in the value of such entity's interest in property." 11 U.S.C. § 361(1).

"[U]nder section 362(d)(1), the stay must be terminated for 'cause.' Lack of adequate protection is but one example of "cause" for relief from stay." *In re Ellis*, 60 B.R. 432, 435 (B.A.P. 9th Cir. 1985). The panel in the *Ellis* case rejected the argument that under § 362(d)(1) "the stay can only be terminated if [the movant-creditors] show a lack of adequate protection." *Id.*

The movant NewRez LLC, argues that the automatic stay should be lifted due to the failure to make 3 post-petition payments totaling $8,329.15.

The Chapter 7 Trustee Kimberly J. Husted has filed opposition to the instant motion, ECF No. 238. The trustee states that she is in the process of liquidating the property. The court has already approved an order, KMT-3, regarding the employment of Reed Block Realty as the estate's real estate broker to market and sell the property. *Id.* The subject property is listed at $499,000.00. *Id.* There is still significant equity left in the property, approximately 30% equity cushion for the movant. *Id.* *See also,* Movant's Information Sheet, ECF No. 202. The debtor has also opposed the motion, asking to allow the trustee time to sell the property. Opposition, ECF No. 236.

Due to the progress made on liquidating the property by the trustee and the significant equity cushion, the court believes that the movant does not have sufficient cause to terminate the automatic stay. As such, the motion for relief will be denied.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Movant's motion for relief from the automatic stay has been presented to the court. Having considered the motion together with papers filed in support and opposition, and having heard the arguments of counsel, if any,

IT IS ORDERED that the motion is denied.

12. 25-22551-A-7 **IN RE: YOUNGSOON CHOI**
PGM-10

MOTION BY TO WITHDRAW AS ATTORNEY
10-8-2025 [228]

YOUNGSOON CHOI/ATTY. FOR MV.

Final Ruling

An order granting the substitution of attorney Peter Macaluso for Attorney Cindy Lee Hill has been granted. As such, this matter is resolved and will be dropped from the calendar. No appearances are necessary.

13. 25-22551-A-7 **IN RE: YOUNGSOON CHOI**
PGM-3

OBJECTION TO CLAIM OF BANK OF AMERICA, N.A., CLAIM NUMBER 5-1
9-8-2025 [138]

PETER MACALUSO/ATTY. FOR MV.

Final Ruling

Objection: Objection to Claim
Notice: LBR 3007-1(b)(2); no written opposition required
Disposition: Overruled without prejudice
Order: Civil minute order

Chapter 7 Debtor Youngsoon Choi objects to the allowance of Claim No. 5-1 filed by the claimant. The court will overrule the objection for the reasons discussed.

STANDING

A chapter 7 debtor's standing to bring claims objections depends on whether the outcome of the claim objection affects the debtor in some way. *See Dellamarggio ex rel. Barker v. B-Line, LLC (In re Barker)*, 306 B.R. 339, 346-47 (Bankr. E.D. Cal. 2004). "This [standing] requirement is satisfied by cognizable prospects of receiving a distribution or of a nondischargeable debt being affected." *Gilliam v. Speier (In re KRSM Props., LLC)*, 318 B.R. 712, 716 n.3 (B.A.P. 9th Cir. 2004); *see also* Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, *California Practice Guide: Bankruptcy* ¶ 17:1362 (rev. 2016) (standing conferred by existence of surplus estate or an outcome that would affect a nondischargeable debt). The burden is on the debtor to show standing. *See An-Tze Cheng v. K & S Diversified Invs., Inc. (In re An-Tze Cheng)*, 308 B.R. 448, 454 (B.A.P. 9th Cir. 2004) (placing burden on objecting party to demonstrate standing), *aff'd*, 160 F. App'x 644 (9th Cir. 2005).

Here, the debtor has failed to meet the burden of proof to show standing. The debtor has not shown how the outcome of the claim objection will affect the debtor. *See*, Motion, ECF No. 138; *see also*, Declaration, ECF No. 141. As such, the objection will be overruled without prejudice.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Debtor's objection to Claim No. 5-1 has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the objection is overruled without prejudice.

14. 25-22551-A-7 **IN RE: YOUNGSOON CHOI**
PGM-4

OBJECTION TO CLAIM OF BANK OF AMERICA, N.A., CLAIM NUMBER 6-1
9-8-2025 [144]

PETER MACALUSO/ATTY. FOR MV.

Final Ruling

Objection: Objection to Claim
Notice: LBR 3007-1(b)(2); no written opposition required
Disposition: Overruled without prejudice
Order: Civil minute order

Chapter 7 Debtor Youngsoon Choi objects to the allowance of Claim No. 6-1 filed by the claimant. The court will overrule the objection for the reasons discussed.

STANDING

A chapter 7 debtor's standing to bring claims objections depends on whether the outcome of the claim objection affects the debtor in some way. *See Dellamarggio ex rel. Barker v. B-Line, LLC (In re Barker)*, 306 B.R. 339, 346-47 (Bankr. E.D. Cal. 2004). "This [standing] requirement is satisfied by cognizable prospects of receiving a distribution or of a nondischargeable debt being affected." *Gilliam v. Speier (In re KRSM Props., LLC)*, 318 B.R. 712, 716 n.3 (B.A.P. 9th Cir. 2004); *see also* Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, *California Practice Guide: Bankruptcy* ¶ 17:1362 (rev. 2016) (standing conferred by existence of surplus estate or an outcome that would affect a nondischargeable debt). The burden is on the debtor to show standing. *See An-Tze Cheng v. K & S Diversified Invs., Inc. (In re An-Tze Cheng)*, 308 B.R. 448, 454 (B.A.P. 9th Cir. 2004) (placing burden on objecting party to demonstrate standing), *aff'd*, 160 F. App'x 644 (9th Cir. 2005).

Here, the debtor has failed to meet the burden of proof to show standing. The debtor has not shown how the outcome of the claim objection will affect the debtor. *See*, Motion, ECF No. 144; *see also*, Declaration, ECF No. 147. As such, the objection will be overruled without prejudice.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Debtor's objection to Claim No. 6-1 has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the objection is overruled without prejudice.

15. 25-22551-A-7 **IN RE: YOUNGSOON CHOI**
PGM-5

OBJECTION TO CLAIM OF BANK OF AMERICA, N.A., CLAIM NUMBER 7-1
9-8-2025 [149]

PETER MACALUSO/ATTY. FOR MV.

Final Ruling

Objection: Objection to Claim
Notice: LBR 3007-1(b)(2); no written opposition required
Disposition: Overruled without prejudice
Order: Civil minute order

Chapter 7 Debtor Youngsoon Choi objects to the allowance of Claim No. 7-1 filed by the claimant. The court will overrule the objection for the reasons discussed.

STANDING

A chapter 7 debtor's standing to bring claims objections depends on whether the outcome of the claim objection affects the debtor in some way. *See Dellamarggio ex rel. Barker v. B-Line, LLC (In re Barker)*, 306 B.R. 339, 346-47 (Bankr. E.D. Cal. 2004). "This [standing] requirement is satisfied by cognizable prospects of receiving a distribution or of a nondischargeable debt being affected." *Gilliam v. Speier (In re KRSM Props., LLC)*, 318 B.R. 712, 716 n.3 (B.A.P. 9th Cir. 2004); *see also* Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, *California Practice Guide: Bankruptcy* ¶ 17:1362 (rev. 2016) (standing conferred by existence of surplus estate or an outcome that would affect a nondischargeable debt). The burden is on the debtor to show standing. *See An-Tze Cheng v. K & S Diversified Invs., Inc. (In re An-Tze Cheng)*, 308 B.R. 448, 454 (B.A.P. 9th Cir. 2004) (placing burden on objecting party to demonstrate standing), *aff'd*, 160 F. App'x 644 (9th Cir. 2005).

Here, the debtor has failed to meet the burden of proof to show standing. The debtor has not shown how the outcome of the claim objection will affect the debtor. *See*, Motion, ECF No. 149; *see also*, Declaration, ECF No. 151. As such, the objection will be overruled without prejudice.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Debtor's objection to Claim No. 7-1 has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the objection is overruled without prejudice.

16. 25-22551-A-7 **IN RE: YOUNGSOON CHOI**
PGM-6

OBJECTION TO CLAIM OF BANK OF AMERICA, N.A., CLAIM NUMBER 8-1
9-8-2025 [154]

PETER MACALUSO/ATTY. FOR MV.

Final Ruling

Objection: Objection to Claim
Notice: LBR 3007-1(b)(2); no written opposition required
Disposition: Overruled without prejudice
Order: Civil minute order

Chapter 7 Debtor Youngsoon Choi objects to the allowance of Claim No. 8-1 filed by the claimant. The court will overrule the objection for the reasons discussed.

STANDING

A chapter 7 debtor's standing to bring claims objections depends on whether the outcome of the claim objection affects the debtor in some way. *See Dellamarggio ex rel. Barker v. B-Line, LLC (In re Barker)*, 306 B.R. 339, 346-47 (Bankr. E.D. Cal. 2004). "This [standing] requirement is satisfied by cognizable prospects of receiving a distribution or of a nondischargeable debt being affected." *Gilliam v. Speier (In re KRSM Props., LLC)*, 318 B.R. 712, 716 n.3 (B.A.P. 9th Cir. 2004); *see also* Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, *California Practice Guide: Bankruptcy* ¶ 17:1362 (rev. 2016) (standing conferred by existence of surplus estate or an outcome that would affect a nondischargeable debt). The burden is on the debtor to show standing. *See An-Tze Cheng v. K & S Diversified Invs., Inc. (In re An-Tze Cheng)*, 308 B.R. 448, 454 (B.A.P. 9th Cir. 2004) (placing burden on objecting party to demonstrate standing), *aff'd*, 160 F. App'x 644 (9th Cir. 2005).

Here, the debtor has failed to meet the burden of proof to show standing. The debtor has not shown how the outcome of the claim objection will affect the debtor. *See*, Motion, ECF No. 154; *see also*, Declaration, ECF No. 157. As such, the objection will be overruled without prejudice.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Debtor's objection to Claim No. 8-1 has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the objection is overruled without prejudice.

17. 25-22551-A-7 **IN RE: YOUNGSOON CHOI**
PGM-7

OBJECTION TO CLAIM OF BANK OF AMERICA, N.A., CLAIM NUMBER 9-1
9-8-2025 [159]

PETER MACALUSO/ATTY. FOR MV.

Final Ruling

Objection: Objection to Claim
Notice: LBR 3007-1(b)(2); no written opposition required
Disposition: Overruled without prejudice
Order: Civil minute order

Chapter 7 Debtor Youngsoon Choi objects to the allowance of Claim No. 9-1 filed by the claimant. The court will overrule the objection for the reasons discussed.

STANDING

A chapter 7 debtor's standing to bring claims objections depends on whether the outcome of the claim objection affects the debtor in some way. *See Dellamarggio ex rel. Barker v. B-Line, LLC (In re Barker)*, 306 B.R. 339, 346-47 (Bankr. E.D. Cal. 2004). "This [standing] requirement is satisfied by cognizable prospects of receiving a distribution or of a nondischargeable debt being affected." *Gilliam v. Speier (In re KRSM Props., LLC)*, 318 B.R. 712, 716 n.3 (B.A.P. 9th Cir. 2004); *see also* Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, *California Practice Guide: Bankruptcy* ¶ 17:1362 (rev. 2016) (standing conferred by existence of surplus estate or an outcome that would affect a nondischargeable debt). The burden is on the debtor to show standing. *See An-Tze Cheng v. K & S Diversified Invs., Inc. (In re An-Tze Cheng)*, 308 B.R. 448, 454 (B.A.P. 9th Cir. 2004) (placing burden on objecting party to demonstrate standing), *aff'd*, 160 F. App'x 644 (9th Cir. 2005).

Here, the debtor has failed to meet the burden of proof to show standing. The debtor has not shown how the outcome of the claim objection will affect the debtor. *See*, Motion, ECF No. 159; *see also*, Declaration, ECF No. 161. As such, the objection will be overruled without prejudice.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Debtor's objection to Claim No. 9-1 has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the objection is overruled without prejudice.

18. 25-22551-A-7 **IN RE: YOUNGSOON CHOI**
PGM-8

OBJECTION TO CLAIM OF BANK OF AMERICA, N.A., CLAIM NUMBER 10-1
9-8-2025 [164]

PETER MACALUSO/ATTY. FOR MV.

Final Ruling

Objection: Objection to Claim
Notice: LBR 3007-1(b)(2); no written opposition required
Disposition: Overruled without prejudice
Order: Civil minute order

Chapter 7 Debtor Youngsoon Choi objects to the allowance of Claim No. 10-1 filed by the claimant. The court will overrule the objection for the reasons discussed.

STANDING

A chapter 7 debtor's standing to bring claims objections depends on whether the outcome of the claim objection affects the debtor in some way. *See Dellamarggio ex rel. Barker v. B-Line, LLC (In re Barker)*, 306 B.R. 339, 346-47 (Bankr. E.D. Cal. 2004). "This [standing] requirement is satisfied by cognizable prospects of receiving a distribution or of a nondischargeable debt being affected." *Gilliam v. Speier (In re KRSM Props., LLC)*, 318 B.R. 712, 716 n.3 (B.A.P. 9th Cir. 2004); *see also* Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, *California Practice Guide: Bankruptcy* ¶ 17:1362 (rev. 2016) (standing conferred by existence of surplus estate or an outcome that would affect a nondischargeable debt). The burden is on the debtor to show standing. *See An-Tze Cheng v. K & S Diversified Invs., Inc. (In re An-Tze Cheng)*, 308 B.R. 448, 454 (B.A.P. 9th Cir. 2004) (placing burden on objecting party to demonstrate standing), *aff'd*, 160 F. App'x 644 (9th Cir. 2005).

Here, the debtor has failed to meet the burden of proof to show standing. The debtor has not shown how the outcome of the claim objection will affect the debtor. *See*, Motion, ECF No. 164; *see also*, Declaration, ECF No. 166. As such, the objection will be overruled without prejudice.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Debtor's objection to Claim No. 10-1 has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the objection is overruled without prejudice.

19. 25-22551-A-7 **IN RE: YOUNGSOON CHOI**
PGM-9

OBJECTION TO CLAIM OF BANK OF AMERICA, N.A., CLAIM NUMBER 11-1
9-9-2025 [169]

PETER MACALUSO/ATTY. FOR MV.

Final Ruling

Objection: Objection to Claim
Notice: LBR 3007-1(b)(2); no written opposition required
Disposition: Overruled without prejudice
Order: Civil minute order

Chapter 7 Debtor Youngsoon Choi objects to the allowance of Claim No. 11-1 filed by the claimant. The court will overrule the objection for the reasons discussed.

STANDING

A chapter 7 debtor's standing to bring claims objections depends on whether the outcome of the claim objection affects the debtor in some way. *See Dellamarggio ex rel. Barker v. B-Line, LLC (In re Barker)*, 306 B.R. 339, 346-47 (Bankr. E.D. Cal. 2004). "This [standing] requirement is satisfied by cognizable prospects of receiving a distribution or of a nondischargeable debt being affected." *Gilliam v. Speier (In re KRSM Props., LLC)*, 318 B.R. 712, 716 n.3 (B.A.P. 9th Cir. 2004); *see also* Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, *California Practice Guide: Bankruptcy* ¶ 17:1362 (rev. 2016) (standing conferred by existence of surplus estate or an outcome that would affect a nondischargeable debt). The burden is on the debtor to show standing. *See An-Tze Cheng v. K & S Diversified Invs., Inc. (In re An-Tze Cheng)*, 308 B.R. 448, 454 (B.A.P. 9th Cir. 2004) (placing burden on objecting party to demonstrate standing), *aff'd*, 160 F. App'x 644 (9th Cir. 2005).

Here, the debtor has failed to meet the burden of proof to show standing. The debtor has not shown how the outcome of the claim objection will affect the debtor. *See*, Motion, ECF No. 169; *see also*, Declaration, ECF No. 171. As such, the objection will be overruled without prejudice.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Debtor's objection to Claim No. 11-1 has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the objection is overruled without prejudice.

20. 25-20564-A-7 **IN RE: DONALD/ANGELA TINSLEY**
TNT-4

MOTION FOR CLARIFICATION OF ORDER AVOIDING JUDICIAL LIEN OF DOMUS CONSTRUCTION & DESIGN, INC.
9-26-2025 [170]

DONALD TINSLEY/ATTY. FOR MV.
DEBTORS DISCHARGED: 09/24/25

Final Ruling

Motion: Clarification of Order
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Granted
Order: Order to be prepared by movant

The debtor requests clarification on the Motion to Avoid Lien of Domus Construction & Design, Inc. Debtors request a clarifying order confirming that the avoided lien includes both Instrument No. 2014-0000047-00 and Instrument No. 2021-0024080, and that the lienholder of record, in both instances, is Northern California Collection Service, Inc., assignee of the judgment granted to Domus Construction & Design, Inc.

Rule 60

Rule 60 provides, "The court may correct a clerical mistake or a mistake arising from oversight or omission whenever one is found in a judgment, order, or other part of the record." Fed. R. Civ. P. 60(a), *incorporated by* Fed. R. Bankr. P. 9024.

Clerical errors that may be corrected under Rule 60(a) are aptly described as "blunders in execution." *Tattersalls, Ltd. v. DeHaven*, 745 F.3d 1294, 1297 (9th Cir. 2014) ("In determining whether a mistake may be corrected under Rule 60(a), 'our circuit focuses on what the court originally intended to do.'" (quoting *Blanton v. Anzalone*, 813 F.2d 1574, 1577 (9th Cir. 1987))). Errors that may not be corrected under this rule are described as substantive errors. Rule 60(a) cannot be used to correct an error arising from instances in which the court changes its mind. *See id.*

The Ninth Circuit has elaborated on further allowable uses of Rule 60(a). It concluded that "the Rule allows a court to clarify a judgment in order to correct a failure to memorialize part of its decision, to reflect the necessary implications of the original order, to ensure that the court's purpose is fully implemented, or to permit enforcement. The touchstone of Rule 60(a) in all these cases is fidelity to the intent behind the original judgment." *Tattersalls, Ltd.*, 745 F.3d at 1298 (internal quotation marks omitted) (citations omitted).

Thus, the court will grant the motion and clarify that the order confirming the avoided lien includes both Instrument No. 2014-0000047-00 and Instrument No. 2021-0024080, and that the lienholder of record, in both instances, is Northern California Collection

Service, Inc., assignee of the judgment granted to Domus Construction & Design, Inc.

21. 24-24267-A-7 **IN RE: RIKI TROWE**
OB-1

MOTION FOR ORDER RE POST-PETITION EARNINGS OF DEBTOR
10-2-2025 [176]

OMERO BANUELOS/ATTY. FOR DBT.
RESPONSIVE PLEADING

Final Ruling

Motion: Order on Post-Petition Earnings of Debtor
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Denied
Order: Civil minute order

The debtor has filed a motion requesting that the court enter an order confirming that the compensation for personal serves performed under the agreement are post-petition earnings and not property of the estate. The court denies this motion because an adversary proceeding is necessary for the following reasons.

ADVERSARY PROCEEDING REQUIRED

There are significant procedural differences between contested matters and adversary proceedings. *In re Boni*, 240 B.R. 381, 385-86 (9th Cir. BAP 1999). As a result, it is error for a bankruptcy court to determine property interests outside of an adversary proceeding. *See, e.g.*, *In re Commercial W. Fin. Corp.*, 761 F.2d 1329, 1336-38 (9th Cir. 1985) (reversing order confirming chapter 11 plan because plan proponent attempted to invalidate liens through plan confirmation process rather than an adversary proceeding); *In re Cogliano*, 355 B.R. 792, 805 (9th Cir. BAP 2006) (holding that "the bankruptcy court lacked authority to determine whether the IRA was property of the estate" outside of an adversary proceeding).

Failure to proceed through an adversary proceeding can be considered harmless error under certain circumstances. *In re Munoz*, 287 B.R. 546, 551 (9th Cir. BAP 2002). However, such a failure is harmless error only if the following conditions are satisfied: (1) the material facts were few and undisputed, (2) the dispositive issues were pure questions of law, (3) neither party expressed any discontent with the contested matter procedures the bankruptcy court utilized, and (4) the Bankruptcy Appellate Panel was "satisfied that neither the factual record nor the quality of the presentation of the arguments would have been materially different had there been an adversary proceeding. *See*, *In re Jahr*, BAP No. EW-11-1538-MkHJu, 2012 WL 3205417, at *5 (9th Cir. BAP Aug. 1, 2012) (citing *In re Munoz*, 287 B.R. at 551). These conditions are not present in the instant case.

As such, the order will be denied. This matter requires an adversary proceeding to determine the issue of whether the post-petition earnings are a part of the bankruptcy estate.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Debtor’s motion for an order on post-petition earnings has been presented to the court. Having considered the motion together with papers filed in support and opposition, and having heard the arguments of counsel, if any,

IT IS ORDERED that the motion is denied.

22. 25-24269-A-7 **IN RE: JUMAR DE GUZMAN**
    SKI-1

    MOTION FOR RELIEF FROM AUTOMATIC STAY
    9-29-2025 [15]

    JEANNE SERRANO/ATTY. FOR DBT.
    SHERYL ITH/ATTY. FOR MV.
    SANTANDER BANK, N.A. VS.

Final Ruling

Motion: Stay Relief
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Granted
Order: Civil minute order

Subject: 2020 Nissan 370Z
Cause: delinquent installment payments 37 months/$31,730.83

These minutes constitute the court’s findings of fact and conclusions of law required by Fed. R. Civ. P. 52(a), *incorporated by* Fed. R. Bankr. P. 7052, 9014(c). The findings of fact are as set forth above; the conclusions of law are as set forth below.

DEFAULT OF RESPONDENT

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

STAY RELIEF

"[A]fter notice and a hearing," the court may terminate, annul, modify or condition the stay: (1) "for cause, including the lack of adequate protection"; or (2) "with respect to a stay of an act against property [of the estate]" if the debtor lacks "equity" in that property and if that "property is not necessary for an effective reorganization." 11 U.S.C. § 362(d); *see also* Fed. R. Bankr. P. 4001(a)(1). The party seeking stay relief bears the burden of proof as to "the debtor's equity in the property" and on the validity and perfection of its security interest, as well as the amount of its debt. 11 U.S.C. § 362(g)(1); *In re Dahlquist*, 34 B.R. 476, 481 (Bankr. S.D. 1983). The party opposing stay relief, e.g., the debtor or Chapter 7 trustee, bears the burden of proof on all other issues. 11 U.S.C. § 362(g)(2).

Subsection (d)(1) of § 362 of Title 11 provides for relief from stay for "cause, including the lack of adequate protection of an interest in property of such party." 11 U.S.C. § 362(d)(1). The debtor bears the burden of proof. 11 U.S.C. § 362(g)(2). Adequate protection may consist of a lump sum cash payment or periodic cash payments to the entity entitled to adequate protection "to the extent that the stay . . . results in a decrease in the value of such entity's interest in property." 11 U.S.C. § 361(1). "An undersecured creditor is entitled to adequate protection only for the decline in the [collateral's] value *after* the bankruptcy filing." *See* Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, *California Practice Guide: Bankruptcy* ¶ 8:1065.1 (rev. 2019) (citing *United Sav. Ass'n v. Timbers of Inwood Forest Assocs., Ltd.*, 484 U.S. 365, 370-73 (1988)); *see also In re Weinstein*, 227 BR 284, 296 (9th Cir. BAP 1998) ("Adequate protection is provided to safeguard the creditor against depreciation in the value of its collateral during the reorganization process"); *In re Deico Electronics, Inc.*, 139 BR 945, 947 (9th Cir. BAP 1992) ("Adequate protection payments compensate undersecured creditors for the delay bankruptcy imposes upon the exercise of their state law remedies").

The debtor is obligated to make debt payments to the moving party pursuant to a loan contract that is secured by a security interest in the debtor's vehicle described above. The debtor has defaulted on such loan with the moving party, and post-petition payments are past due. Vehicles depreciate over time and with usage. As a consequence, the moving party's interest in the vehicle is not being adequately protected due to the debtor's ongoing post-petition default. Additionally, the creditor is in possession of the vehicle and the debtor has not listed the vehicle in Schedules A/B. Voluntary Petition, ECF No. 1.

Cause exists to grant relief under § 362(d)(1). The motion will be granted, and the 14-day stay of Federal Rule of Bankruptcy Procedure 4001(a)(3) will be waived. No other relief will be awarded.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Santander Bank, N.A.'s motion for relief from the automatic stay has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the motion,

IT IS ORDERED that the motion is granted. The automatic stay is vacated with respect to the property described in the motion, commonly known as 2020 Nissan 370Z, as to all parties in interest. The 14-day stay of the order under Federal Rule of Bankruptcy Procedure 4001(a)(3) is waived. Any party with standing may pursue its rights against the property pursuant to applicable non-bankruptcy law.

IT IS FURTHER ORDERED that no other relief is awarded. To the extent that the motion includes any request for attorney's fees or other costs for bringing this motion, the request is denied.

23. 25-20483-A-7 **IN RE: BARRIE EVES**
KA-5

MOTION FOR RELIEF FROM AUTOMATIC STAY
10-6-2025 [38]

JAMES SHEPHERD/ATTY. FOR DBT.
KIMBERLY AHRENS/ATTY. FOR MV.
DEBTOR DISCHARGED: 07/01/25
AHRENS LAW, APC VS.

Final Ruling

Motion: Relief from Stay
Disposition: Denied without prejudice
Order: Civil minute order

Motion: Relief from Stay
Disposition: Denied without prejudice
Order: Civil minute order

The court will deny the motion without prejudice on grounds of insufficient service of process. A motion for relief from stay is a contested matter requiring service of the motion in the manner provided by Federal Rule of Bankruptcy Procedure 7004. Fed. R. Bankr. P. 4001(a)(1), 9014(b). Under Rule 7004, service on an individual must be made by first class mail addressed to the individual's dwelling house or usual place of abode or to the place where the individual regularly conducts a business or profession." Fed. R. Bankr. P. 7004(b)(1). A debtor in bankruptcy may be served before the case is dismissed or closed "at the address shown in the petition or to such other address as the debtor may designate in a filed writing." Fed. R. Bankr. P. 7004(b)(9).

Here, service of the motion was insufficient. As to debtor's counsel, filing is service. Fed. R. Bankr. P. 9036. Neither an attachment nor a matrix have been attached to the certificate of service, ECF No. 20. Thus, the court is unable to ascertain whether the debtor has been served with the motion and service as required under Rule 9013(b).

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

The Lakeview Loan Servicing, LLC's motion for relief from automatic stay has been presented to the court. Because of the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the motion is denied without prejudice.

24. 25-24284-A-7 **IN RE: DANNY/STEPHI MU**
EJS-1

MOTION TO AVOID LIEN OF MIDLAND FUNDING, LLC
9-24-2025 [13]

ERIC SCHWAB/ATTY. FOR DBT.

Final Ruling

Motion: Avoid Lien that Impairs Exemption
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Granted
Order: Prepared by moving party

Judicial Lien Avoided: $2,415.00 (Midland Funding, LLC)
All Other Liens:
- [Deed of Trust] $114,160.00
Exemption: $528,000.00
Value of Property: $610,400.00

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

The debtor seeks an order avoiding the judicial lien of creditor Midland Funding, LLC, under 11 U.S.C. § 522(f).

LIEN AVOIDANCE

Section 522(f) of the Bankruptcy Code authorizes the court to avoid a lien "on an interest of the debtor in property to the extent that such lien impairs an exemption to which the debtor would have been entitled." 11 U.S.C. § 522(f)(1). There are four elements to avoidance of a lien that impairs an exemption: (1) there must be an exemption to which the debtor would have been entitled; (2) the property must be listed on the schedules and claimed as exempt; (3) the lien must impair the exemption claimed; and (4) the lien must be a judicial lien or nonpossessory, nonpurchase-money security interest in property described in § 522(f)(1)(B). *Goswami v. MTC Distrib. (In re Goswami)*, 304 B.R. 386, 390-91 (B.A.P. 9th Cir. 2003). Impairment is statutorily defined: a lien impairs an exemption "to the extent that the sum of - (i) the lien; (ii) all other liens on the property; and (iii) the amount of the exemption that the debtor could claim if there were no liens on the property; exceeds the value that the debtor's interest in the property would have in the absence of any liens." 11 U.S.C. § 522(f)(2)(A).

The responding party's judicial lien, all other liens, and the exemption amount together totals $644,575.00 which exceeds the property's value of $610,400.00 by an amount greater than or equal to the judicial lien of $2,415.00. As a result, the responding party's judicial lien will be avoided entirely.

25. 25-25187-A-7 **IN RE: CURTIS EDWARDS**

ORDER TO SHOW CAUSE FOR FAILURE TO UPDATE CONTACT INFORMATION IN PACER
10-10-2025 [13]

ANTHONY ROTHMAN/ATTY. FOR DBT.
RESPONSIVE ENTRY: 10/14/2025

Final Ruling

The Order to Show Cause is discharged. No appearances are required. The court will issue a civil minute order.

26. 25-24089-A-7 **IN RE: OPEN RANGE PROPERTY LLC**
CZ-1

MOTION TO RECONSIDER AND/OR MOTION TO RECONVERT CASE FROM CHAPTER 7 TO CHAPTER 11
10-3-2025 [64]

CYRUS ZAL/ATTY. FOR DBT.
RESPONSIVE PLEADING

No Ruling

27. 22-21095-A-7 **IN RE: CALIFORNIA HISPANIC COMMISSION ON**
ALCOHOL AND DRUG ABUSE, INC.
DNL-10

MOTION TO APPROVE STIPULATION RE: ADMINISTRATIVE RENT CLAIM
10-13-2025 [164]

GALEN GENTRY/ATTY. FOR DBT.
J. CUNNINGHAM/ATTY. FOR MV.

Tentative Ruling

Motion: Approve Compromise or Settlement of Controversy
Notice: LBR 9014-1(f)(2); no written opposition required
Disposition: Granted
Order: Civil minute order

Parties to Compromise: Trustee Susan Smith; Debtor California Hispanic Commission on Alcohol and Drug Abuse, Inc.; Claimant Thomas Keiser
Dispute Compromised: Payment of Claim 45-1
Summary of Material Terms: Proof of Claim 45-1 will be allowed in the amount of $13,500 as an administrative expense and $24,833.53 as a timely filed general unsecured claim. Trustee will pay the administrative portion to claimant from available funds under § 726(b).

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

SERVICE AND NOTICE

As of November 1, 2022, the court adopted Local Bankruptcy Rules 2002-3, 9036-1 and 7005-1 (requiring attorneys and trustees to use a standardized Certificate of Service, EDC 7-005).

The form certificate of service is intended to allow parties to memorialize service efficiently and accurately, and to aid the court in ensuring sufficient service is achieved in each proceeding.

Matrix

> Where the Clerk's Matrix of Creditors is attached to the Certificate of Service form, *such list shall be downloaded not more than 7 days prior to the date of serving the pleadings and other documents and shall reflect the date of downloading.* The serving party may download that matrix either in "pdf label format" or in "raw data format." Where the matrix attached is in "raw data format," signature on the Certificate of Service is the signor's representation that no changes, e.g., additions, deletions, modifications, of the data have been made except: (1) formatting of existing data; or (2)

> removing creditors from that list by the method described in paragraph (c) of this rule.

LBR 7005-1(d)(emphasis added).

In this case the matrix attached to the certificate of service is dated October 1, 2025. *See* Certificate of Service, ECF No. 168. Service of the motion occurred on October 12, 2025. *Id.* The matrix is dated more than 7 days prior to the date of service of the motion and therefore does not comply with LBR 7005-1. Since no additional creditors were added in the time between when the matrix was dated and when service on the motion occurred, the court will not deny this matter. However, the movant is advised to comply with the Local Bankruptcy Rules in the future.

APPROVAL OF COMPROMISE

In determining whether to approve a compromise under Federal Rule of Bankruptcy Procedure 9019, the court determines whether the compromise was negotiated in good faith and whether the party proposing the compromise reasonably believes that the compromise is the best that can be negotiated under the facts. *In re A & C Props.*, 784 F.2d 1377, 1381 (9th Cir. 1986). More than mere good faith negotiation of a compromise is required. The court must also find that the compromise is fair and equitable. *Id.* "Fair and equitable" involves a consideration of four factors: (i) the probability of success in the litigation; (ii) the difficulties to be encountered in collection; (iii) the complexity of the litigation, and expense, delay and inconvenience necessarily attendant to litigation; and (iv) the paramount interest of creditors and a proper deference to the creditors' expressed wishes, if any. *Id.* The party proposing the compromise bears the burden of persuading the court that the compromise is fair and equitable and should be approved. *Id.*

The movant requests approval of a compromise that settles the dispute described above. The compromise is reflected in the settlement agreement attached to the motion as an exhibit. Based on the motion and supporting papers, the court finds that the compromise presented for the court's approval is fair and equitable considering the relevant *A & C Properties* factors. The probability of success in litigation weighs in favor of stipulation because the claimant is likely entitled to $13,500.00 as an allowed Chapter 7 administrative claim due to post-petition rents. Litigation would be timely and cause unnecessary expense as well as inconvenience. Additionally, the stipulation is in the paramount interest of creditors due to avoiding timely and costly litigation. The compromise or settlement will be approved.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Chapter 7 Trustee Susan K. Smith's motion to approve a compromise has been presented to the court. Having considered the motion, oppositions, responses and replies, if any, and having heard oral argument presented at the hearing,

IT IS ORDERED that the motion is granted. The court hereby approves the compromise that is reflected in the settlement agreement attached to the motion as an exhibit and filed at docket no. 166.

28. 22-21095-A-7 **IN RE: CALIFORNIA HISPANIC COMMISSION ON** ALCOHOL AND DRUG ABUSE, INC.
DNL-11

MOTION FOR ADMINISTRATIVE EXPENSES
10-13-2025 [169]

GALEN GENTRY/ATTY. FOR DBT.
J. CUNNINGHAM/ATTY. FOR MV.

Tentative Ruling

Motion: Allowance and Payment of Administrative Expenses
Notice: LBR 9014-1(f)(2); no written opposition required
Disposition: Granted
Order: Prepared by moving party

Description of Expenses: $8,000.00 in post-petition rent to Claimant Lilia Ojano-Bracco, Proof of Claim No. 55-1
Statutory Basis for Administrative Priority: § 503(b)(1)(A) ("actual and necessary expenses of preserving the estate")

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

SERVICE AND NOTICE

As of November 1, 2022, the court adopted Local Bankruptcy Rules 2002-3, 9036-1 and 7005-1 (requiring attorneys and trustees to use a standardized Certificate of Service, EDC 7-005).

The form certificate of service is intended to allow parties to memorialize service efficiently and accurately, and to aid the court in ensuring sufficient service is achieved in each proceeding.

Matrix

> Where the Clerk's Matrix of Creditors is attached to the Certificate of Service form, *such list shall be downloaded not more than 7 days prior to the date of serving the pleadings and other documents and shall reflect the date of downloading.* The serving party may download that matrix either in "pdf

> label format" or in "raw data format." Where the matrix attached is in "raw data format," signature on the Certificate of Service is the signor's representation that no changes, e.g., additions, deletions, modifications, of the data have been made except: (1) formatting of existing data; or (2) removing creditors from that list by the method described in paragraph (c) of this rule.

LBR 7005-1(d)(emphasis added).

In this case the matrix attached to the certificate of service is dated October 1, 2025. *See* Certificate of Service, ECF No. 173. Service of the motion occurred on October 12, 2025. *Id.* The matrix is dated more than 7 days prior to the date of service of the motion and therefore does not comply with LBR 7005-1. Since no additional creditors were added in the time between when the matrix was dated and when service on the motion occurred, the court will not deny this matter. However, the movant is advised to comply with the Local Bankruptcy Rules in the future.

ADMINISTRATIVE EXPENSES

"A creditor claiming administrative expense treatment under § 503(b)(1)(A) must show that the claim: [1] arose postpetition; [2] arose from a transaction with the trustee or DIP (as opposed to the preceding [prepetition] entity) or that the claimant gave consideration to the trustee or DIP; and [3] directly and substantially benefited the estate." Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, *California Practice Guide: Bankruptcy* ¶ 17:507 (rev. 2017) (citing cases).

These expenses arose post-petition. They arose from transactions between the claimant and the estate. And by incurring these expenses, the estate received in exchange a direct and substantial benefit. Thus, the expenses described are actual and necessary costs or expenses of preserving the estate under § 503(b)(1)(A).

These expenses will be allowed as an administrative expense under § 503(b)(1)(A) and may distributed in accordance with the priorities set forth in § 726(a)(1) and § 507(a) of the Bankruptcy Code.

29. 22-21095-A-7 **IN RE: CALIFORNIA HISPANIC COMMISSION ON ALCOHOL AND DRUG ABUSE, INC.**
DNL-12

MOTION FOR ADMINISTRATIVE EXPENSES
10-13-2025 [174]

GALEN GENTRY/ATTY. FOR DBT.
J. CUNNINGHAM/ATTY. FOR MV.

Tentative Ruling

Motion: Allowance and Payment of Administrative Expenses
Notice: LBR 9014-1(f)(2); no written opposition required
Disposition: Granted
Order: Prepared by moving party

Description of Expenses: $5,631.88 in post-petition rent to Claimant James Hernandez, Proof of Claim No. 58-1
Statutory Basis for Administrative Priority: § 503(b)(1)(A) ("actual and necessary expenses of preserving the estate")

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917–18 (9th Cir. 1987).

SERVICE AND NOTICE

As of November 1, 2022, the court adopted Local Bankruptcy Rules 2002-3, 9036-1 and 7005-1 (requiring attorneys and trustees to use a standardized Certificate of Service, EDC 7-005).

The form certificate of service is intended to allow parties to memorialize service efficiently and accurately, and to aid the court in ensuring sufficient service is achieved in each proceeding.

Matrix

> Where the Clerk's Matrix of Creditors is attached to the Certificate of Service form, *such list shall be downloaded not more than 7 days prior to the date of serving the pleadings and other documents and shall reflect the date of downloading.* The serving party may download that matrix either in "pdf label format" or in "raw data format." Where the matrix attached is in "raw data format," signature on the Certificate of Service is the signor's representation that no changes, e.g., additions, deletions, modifications, of the data have been made except: (1) formatting of existing data; or (2) removing creditors from that list by the method described in paragraph (c) of this rule.

LBR 7005-1(d)(emphasis added).

In this case the matrix attached to the certificate of service is dated October 1, 2025. *See* Certificate of Service, ECF No. 178. Service of the motion occurred on October 12, 2025. *Id.* The matrix is dated more than 7 days prior to the date of service of the motion and therefore does not comply with LBR 7005-1. Since no additional creditors were added in the time between when the matrix was dated and when service on the motion occurred, the court will not deny this matter. However, the movant is advised to comply with the Local Bankruptcy Rules in the future.

ADMINISTRATIVE EXPENSES

"A creditor claiming administrative expense treatment under § 503(b)(1)(A) must show that the claim: [1] arose postpetition; [2] arose from a transaction with the trustee or DIP (as opposed to the preceding [prepetition] entity) or that the claimant gave consideration to the trustee or DIP; and [3] directly and substantially benefited the estate." Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, *California Practice Guide: Bankruptcy* ¶ 17:507 (rev. 2017) (citing cases).

These expenses arose post-petition. They arose from transactions between the claimant and the estate. And by incurring these expenses, the estate received in exchange a direct and substantial benefit. Thus, the expenses described are actual and necessary costs or expenses of preserving the estate under § 503(b)(1)(A).

These expenses will be allowed as an administrative expense under § 503(b)(1)(A) and may distributed in accordance with the priorities set forth in § 726(a)(1) and § 507(a) of the Bankruptcy Code.

30. 22-21095-A-7 **IN RE: CALIFORNIA HISPANIC COMMISSION ON** ALCOHOL AND DRUG ABUSE, INC.
DNL-14

MOTION TO PAY
10-13-2025 [179]

GALEN GENTRY/ATTY. FOR DBT.
J. CUNNINGHAM/ATTY. FOR MV.

No Ruling

31. 22-21095-A-7 **IN RE: CALIFORNIA HISPANIC COMMISSION ON** ALCOHOL AND DRUG ABUSE, INC.
DNL-9

MOTION TO APPROVE STIPULATION RE: ADMINISTRATIVE RENT CLAIM
10-13-2025 [159]

GALEN GENTRY/ATTY. FOR DBT.
J. CUNNINGHAM/ATTY. FOR MV.

Tentative Ruling

Motion: Approve Compromise or Settlement of Controversy
Notice: LBR 9014-1(f)(2); no written opposition required
Disposition: Granted
Order: Civil minute order

Parties to Compromise: Trustee Susan Smith; Debtor California Hispanic Commission on Alcohol and Drug Abuse, Inc.; Claimant Willard Michlin as trustee for the Mest Unlimited Trust
Dispute Compromised: Payment of Claim 8-1
Summary of Material Terms: Proof of Claim 8-1 will be allowed in the amount of $32,152.40 as an administrative expense and $18,500.04 as a timely filed general unsecured claim. Trustee will pay the administrative portion to claimant from available funds under § 726(b).

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

SERVICE AND NOTICE

As of November 1, 2022, the court adopted Local Bankruptcy Rules 2002-3, 9036-1 and 7005-1 (requiring attorneys and trustees to use a standardized Certificate of Service, EDC 7-005).

The form certificate of service is intended to allow parties to memorialize service efficiently and accurately, and to aid the court in ensuring sufficient service is achieved in each proceeding.

<u>Matrix</u>

> Where the Clerk's Matrix of Creditors is attached to the Certificate of Service form, *such list shall be downloaded not more than 7 days prior to the date of serving the pleadings and other documents and shall reflect the date of downloading.* The serving party may download that matrix either in "pdf label format" or in "raw data format." Where the matrix attached is in "raw data format," signature on the Certificate of Service is the signor's representation that no changes, e.g., additions, deletions, modifications, of the data have been made except: (1) formatting of existing data; or (2)

removing creditors from that list by the method described in paragraph (c) of this rule.

LBR 7005-1(d)(emphasis added).

In this case the matrix attached to the certificate of service is dated October 1, 2025. *See* Certificate of Service, ECF No. 163. Service of the motion occurred on October 12, 2025. *Id*. The matrix is dated more than 7 days prior to the date of service of the motion and therefore does not comply with LBR 7005-1. Since no additional creditors were added in the time between when the matrix was dated and when service on the motion occurred, the court will not deny this matter. However, the movant is advised to comply with the Local Bankruptcy Rules in the future.

APPROVAL OF COMPROMISE

In determining whether to approve a compromise under Federal Rule of Bankruptcy Procedure 9019, the court determines whether the compromise was negotiated in good faith and whether the party proposing the compromise reasonably believes that the compromise is the best that can be negotiated under the facts. *In re A & C Props.*, 784 F.2d 1377, 1381 (9th Cir. 1986). More than mere good faith negotiation of a compromise is required. The court must also find that the compromise is fair and equitable. *Id.* "Fair and equitable" involves a consideration of four factors: (i) the probability of success in the litigation; (ii) the difficulties to be encountered in collection; (iii) the complexity of the litigation, and expense, delay and inconvenience necessarily attendant to litigation; and (iv) the paramount interest of creditors and a proper deference to the creditors' expressed wishes, if any. *Id.* The party proposing the compromise bears the burden of persuading the court that the compromise is fair and equitable and should be approved. *Id.*

The movant requests approval of a compromise that settles the dispute described above. The compromise is reflected in the settlement agreement attached to the motion as an exhibit. Based on the motion and supporting papers, the court finds that the compromise presented for the court's approval is fair and equitable considering the relevant *A & C Properties* factors. The probability of success in litigation weighs in favor of stipulation because the claimant is likely entitled to $32,152.40 as an allowed Chapter 7 administrative claim due to post-petition rents. Litigation would be timely and cause unnecessary expense as well as inconvenience. Additionally, the stipulation is in the paramount interest of creditors due to avoiding timely and costly litigation. The compromise or settlement will be approved.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Chapter 7 Trustee Susan K. Smith's motion to approve a compromise has been presented to the court. Having considered the motion, oppositions, responses and replies, if any, and having heard oral argument presented at the hearing,

IT IS ORDERED that the motion is granted. The court hereby approves the compromise that is reflected in the settlement agreement attached to the motion as an exhibit and filed at docket no. 161.

32. 21-22898-A-7 **IN RE: HEATH V. FULKERSON LLC**
NBF-2

MOTION FOR COMPENSATION FOR MICHAEL GABRIELSON, ACCOUNTANT(S)
9-29-2025 [224]

GABRIEL LIBERMAN/ATTY. FOR DBT.

Final Ruling

Application: Compensation and Expenses
Disposition: Disapproved without prejudice
Order: Civil minute order

The hearing on an application for approval of compensation or reimbursement of expenses, when the application requests approval of an amount exceeding $1000, must be noticed to all creditors and parties in interest in the debtor's bankruptcy case as required by Federal Rule of Bankruptcy Procedure 2002(a)(3).

The motion will be disapproved without prejudice as follows.

SERVICE AND NOTICE

As of November 1, 2022, the court adopted Local Bankruptcy Rules 2002-3, 9036-1 and 7005-1 (requiring attorneys and trustees to use a standardized Certificate of Service, EDC 7-005).

The form certificate of service is intended to allow parties to memorialize service efficiently and accurately, and to aid the court in ensuring sufficient service is achieved in each proceeding.

<u>Matrix</u>

> Where the Clerk's Matrix of Creditors is attached to the Certificate of Service form, *such list shall be downloaded not more than 7 days prior to the date of serving the pleadings and other documents and shall reflect the date of downloading.* The serving party may download that matrix either in "pdf label format" or in "raw data format." Where the matrix attached is in "raw data format," signature on the Certificate of Service is the signor's representation that no changes, e.g., additions, deletions, modifications, of the data have been made except: (1) formatting of existing data; or (2)

removing creditors from that list by the method described in paragraph (c) of this rule.

LBR 7005-1(d)(emphasis added).

In this case there is no matrix attached to the certificate of service. *See* Certificate of Service, ECF No. 229. Accordingly, service of the motion does not comply with LBR 7005-1, and the court cannot determine if all creditors and parties in interest were served with the motion. The court will disapprove the motion without prejudice.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Attorney Michael R. Gabrielson's application for compensation has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the application is disapproved without prejudice.