

### UNITED STATES BANKRUPTCY COURT Eastern District of California

### Judge Fredrick E. Clement

Sacramento Federal Courthouse 501 I Street, 7<sup>th</sup> Floor Courtroom 28, Department A Sacramento, California

DAY: MONDAY

DATE: DECEMBER 15, 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 <u>Pre-Hearing Dispositions</u> prior to appearing at the hearing.
- Review the court's <u>Zoom Procedures and Guidelines</u> 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.

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#### PRE-HEARING DISPOSITION INSTRUCTIONS

#### 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. $\frac{25-20906}{ALS-3}$ IN RE: JENNIFER DIMMICK

MOTION TO APPROVE STIPULATION BETWEEN DEBTOR, HER NON-FILING SPOUSE AND FARMERS INSURANCE FEDERAL CREDIT UNION 11-18-2025 [55]

PETER SAUER/ATTY. FOR DBT.
A. SIMON/ATTY. FOR MV.
DEBTORS DISCHARGED: 08/12/25

#### Tentative Ruling

Motion: Approve Stipulation Between Debtor, Debtor's Non-filing

Spouse and Farmers Insurance Federal Credit Union

Notice: LBR 9014-1(f)(2); no written opposition required

Disposition: Denied

Order: Civil minute order

This is a motion to approve a stipulation between the debtor, her non-filing spouse, and Farmers Insurance Federal Credit Union.

#### **FACTS**

Jennifer M. Dimmick and Douglas M. Dimmick are married.

Douglas Dimmick is an agent for Farmers Insurance. As a part of that relationship, he executed an Agent Appointment Agreement. That agreement has not been provided for consideration by the court. Apparently, it defines the rights and duties of Farmers Insurance and Douglas Dimmick via-a-vis his service as an agent, including Douglas Dimmick's commission for writing and/or modifying insurance policies, which are apparently often received over an extended period of time.

In 2022, Douglas Dimmick wished to receive two loans from Farmers Insurance Federal Credit Company, which is wholly independent and separate from the insurance company. In time, the credit union wrote two loans: (1) Loan # XX0210 in the amount of \$14,120.16; and (2) Loan # XX0201 in the amount of \$9,434.73. Both loans are secured by the Farmers Insurance "appointment agreement receivables" and by "The security interests described above include all of the indicated property now owned or hereafter acquired and all accessions, additions, replacements and proceeds, as described in more detail in the body of the Business Credit and Continuing Security Agreement." Business Loan Receipt p. 2, Ex. 1 in Support Mot. Approve Stipulation, ECF No. 57; see also, Business Credit and Continuing Security Agreement para. 10, Ex. 1 in Support Mot. Approve Stipulation; Business Credit Agreement Rider p. 1, Ex. 1 in Support Mot. Approve Stipulation, ECF No. 57; Ex. 2 (same). Farmers Insurance Federal Credit Union has filed a UCC-1 with the California Secretary of State's Office. UCC-1, Ex. 3 in Support Mot. Approve Stipulation, ECF No. 57.

In 2025, Jennifer Dimmick filed a Chapter 7 bankruptcy. Iram Edmonds was appointed, and remains, the trustee. It is an asset

case and remains open. During the bankruptcy, Farmers Insurance Federal Credit Union and Jennifer Dimmick filed a Reaffirmation Agreement. At the initial hearing on the reaffirmation agreement, it was disapproved. Later, Famers Insurance Federal Credit Union requested that the court vacate its order, which the court granted. Later, the court reconvened the hearing on the agreement and Ms. Dimmick withdrew the reaffirmation agreement. The discharge has issued.

This stipulation followed; it is between Jennifer Dimmick, Douglas Dimmick and Farmers Insurance Federal Credit Union. Stipulation, ECF No. 41. It is signed by all three parties, and their counsel. After reciting the history of the debtor-creditor relationship between the credit union and Douglas Dimmick and the reasons the stipulation is necessary, it states:

#### V. STIPULATION

- 20. The statements set forth above are incorporated herein and are acknowledged to be true and correct.
- 21. The Debtor and Mr. Dimmick acknowledge and agree the Credit Union will not be impacted, bound, or affected by 11 USC  $\S$  524(a)(3) with regard to Mr. Dimmick's community property assets. This is permitted under 11 USC  $\S$  523(a)(10).
- 22. The Credit Union's security interest will continue to attach to Mr. Dimmick's Appointment Agreement Receivables to which he is entitled as a result of insurance policies written or modified before and after Debtor filed her petition for bankruptcy.
- 23. It is acknowledged that unless the Court approves this Stipulation and it is fully enforceable that the Credit Union's only recourse to protect its collateral, is to accelerate its loan and to cause the liquidation of its collateral.

Stipulation paras. 20-23, ECF No. 41 (emphasis added).

Farmers Insurance Federal Credit Union moved to approve the stipulation. Mot. Approve Stipulation, ECF No. 42. This court denied the motion without prejudice finding that the movant had failed to serve all creditors. Civ. Minutes, ECF NO. 53.

### PROCEDURE

Farmers Insurance Federal Credit Union now files a second motion to approve the stipulation. Mot. Approve Stipulation, ECF No. 55. The motion has been served on the Chapter 7 trustee, LBR 9036-1, and on all creditors that have filed a Proof of Claim. Fed. R. Bankr. P.

<sup>&</sup>lt;sup>1</sup> The only bankruptcy of which the court is aware for Douglas Dimmick occurred in 2000. *In re Douglas Dimmick*, No. 2000-32538 (Bankr. E.D. Cal. 2000).

2002(a)(2), 2002(h); LBR 2002-3. $^2$  Because the motion was filed on less than 28-day notice, no written opposition is required.

#### LAW

Several provisions of the Bankruptcy Code are implicated by this stipulation. The first section is 11 U.S.C.  $\S$  541; that section defines what is and is not property of the estate in Chapter 7. 11 U.S.C.  $\S\S$  541, 103(a).

- (a) The commencement of a case under section 301, 302, or 303 of this title creates an estate. Such estate is comprised of all the following property, wherever located and by whomever held:
- (1) Except as provided in subsections (b) and (c)(2) of this section, all legal or equitable interests of the debtor in property as of the commencement of the case.
- (2) All interests of the debtor and the debtor's spouse in community property as of the commencement of the case that is—  $^{-}$ 
  - (A) under the sole, equal, or joint management and control of the debtor; or
  - (B) liable for an allowable claim against the debtor, or for both an allowable claim against the debtor and an allowable claim against the debtor's spouse, to the extent that such interest is so liable.

. . .

(6) Proceeds, product, offspring, rents, or profits of or from property of the estate, except such as are earnings from services performed by an individual debtor after the commencement of the case...

### 11 U.S.C. § 541(a).

Conversely, most property acquired by the debtor post-petition is not property of the estate. Contra, 11 U.S.C. § 541(a)(5) (certain inheritances, (a)(6) (proceeds that are earnings for services performed by an individual).

The second section is 11 U.S.C. § 552; that section serves to cut off security interest n property acquired by the debtor or by the estate after the commencement of the case. It provides:

<sup>&</sup>lt;sup>2</sup> The court notes that the movant's Certificates of Service, ECF No. 60 violates LBR 7005-1 (failure to use the official creditors matrix). Future failures to comply with local rules may result in summary denial of the motion or an order to show cause.

- (a) Except as provided in subsection (b) of this section, property acquired by the estate or by the debtor after the commencement of the case is not subject to any lien resulting from any security agreement entered into by the debtor before the commencement of the case.
- (b) (1) Except as provided in sections 363, 506(c), 522, 544, 545, 547, and 548 of this title, if the debtor and an entity entered into a security agreement before the commencement of the case and if the security interest created by such security agreement extends to property of the debtor acquired before the commencement of the case and to proceeds, products, offspring, or profits of such property, then such security interest extends to such proceeds, products, offspring, or profits acquired by the estate after the commencement of the case to the extent provided by such security agreement and by applicable nonbankruptcy law, except to any extent that the court, after notice and a hearing and based on the equities of the case, orders otherwise.

. . .

# 11 U.S.C. $\S$ 552(a)-(b)(1) (emphasis added).

The third section is 11 U.S.C. § 524(a)(3); that section defines the scope of the discharge both as to Jennier Dimmick personally and community property acquired before and after the date of the petition. It provides:

- (a) A discharge in a case under this title--
- . . .
- (2) operates as an injunction against the commencement or continuation of an action, the employment of process, or an act, to collect, recover or offset any such debt as a personal liability of the debtor, whether or not discharge of such debt is waived; and
- (3) operates as an injunction against the commencement or continuation of an action, the employment of process, or an act, to collect or recover from, or offset against, property of the debtor of the kind specified in section 541(a)(2) of this title that is acquired after the commencement of the case, on account of any allowable community claim, except a community claim that is excepted from discharge under section 523, 1192, 1228(a)(1), or 1328(a)(1), or that would be so excepted, determined in accordance with the provisions of sections 523(c) and 523(d) of this title, in a case concerning the debtor's spouse commenced on the date of the filing of the petition in the case concerning the debtor, whether or not discharge of the debt based on such community claim is waived.

11 U.S.C. § 524(a)(1),(a)(3) (emphasis added).

Section 101 amplifies that section by defining "creditor" and "community claim." "The term "creditor" means—(A) entity that has a claim against the debtor that arose at the time of or before the order for relief concerning the debtor...or(C) entity that has a community claim." 11 U.S.C. § 101(10).

Likewise, the code defines community clam. "The term "community claim" means claim that arose before the commencement of the case concerning the debtor for which property of the kind specified in section 541(a)(2) of this title is liable, whether or not there is any such property at the time of the commencement of the case." 11 U.S.C. § 101(7).

The community discharge presents one of the little understood idiosyncrasies of bankruptcy law. As the Ninth Circuit Bankruptcy Appellate Panel explained some years ago.

Under § 524(a)(3), [debtor's] discharge permanently enjoined enforcement of the 1995 Judgment against all future-acquired community property, including both her own and [her non-filing spouse's] interests in her wages. Regardless of whether the community claim was attributable to the actions of the debtor spouse, the nondebtor spouse, or both, the effect of § 524(a)(3) is that all community property acquired post-bankruptcy is protected by the discharge.

. . .

Although the nondebtor spouse is not actually discharged of liability, the consequence of § 524(a)(3) is that the property that is vulnerable to judgment enforcement against a nondebtor spouse is diminished by the protection of after-acquired community property. Hence, a judgment creditor of the nondebtor spouse on a community claim loses the ability to collect from anything other than the judgment debtor's separate property.

In re Kimmel, 378 B.R. 630, 635-36 (B.A.P. 9th Cir. 2007), aff'd, 302 F. App'x 518 (9th Cir. 2008) (emphasis added and citations omitted).

#### **DISCUSSION**

The stipulation states that the credit union's security interest "will continue to attach to Mr. Dimmick's Appointment Agreement Receivables to which he is entitled as a result of insurance policies written or modified before and after Debtor filed her petition for bankruptcy." Stipulation para. 22, ECF No. 41. As a result, two time periods are implicated.

### Proceeds from Policies Written or Modified Before the Petition

As to policies written or modified before the petition, subject to security interest of Farmers Insurance Federal Credit Union, the receivables are property of the estate and the estate but not the debtor continue to be protected by the stay. 11 U.S.C. §§ 541(a)(1), 362(c)(1).

Were the court to construe that portion, viz. policies written or modified before the petition, as an agreement for stay relief, Fed. R. Bankr. P. 4001(d), the court would deny the motion. This motion asks for a comfort order: either Farmers Insurance Federal Credit Union has a properly perfected security interest in Douglas Dimmick's accounts receivable or it does not. For the purposes of this ruling, the court has assumed that such a security interest exists. If it does, the issue is moot. And if it does not, the motion is an attempt to improve the credit union's position vis-àvis the trustee (and by extension other creditors). And that would not be "cause" for relief from the stay. 11 U.S.C. § 362(d)(1). Moreover, while § 362(d)(2) does allow the court to lift the stay where the debtor does not have no equity in the property and it is not necessary for the effective reorganization, the court will not do so here. The movant bears the burden of proof as to the lack of equity, 11 U.S.C. § 362(g), and there has been no such showing here.

The court believes it is more properly characterized as a motion to use property of the estate out of the ordinary course. 11 U.S.C. § 363(b). This too is problematic. At the outset the court notes it is the trustee, and only the trustee, that has the authority to seek to use property of the estate in Chapter 7, not the debtor or a creditor. 11 U.S.C. § 363(b)(1). Moreover, use of estate property under § 363(b) are judged by the sound business purpose and in the best interests of the estate standards. *In re Hernandez*, No. BAP SC-23-1016-BCF, 2023 WL 8453137, at \*4 (B.A.P. 9th Cir. Dec. 6, 2023). Here, the estate benefits not at all from this stipulation. As a result, there is no proper business purpose under § 363(b).

### Proceeds from Policies Written or Modified After the Petition

As to policies written or modified after the petition, the analysis is a bit more nuanced. To the extent that Farmers Insurance Federal Credit has a properly created and perfected security interest in proceeds, it already has the relief it seeks. Section 552(b) provides "a narrow exception to the general rule of 552(a)." In re Bering Trader, Inc., 944 F.2d 500, 502 (9th Cir. 1991).

Two limitations apply. First, for community property acquired post-bankruptcy, i.e., receivables for policies written or modified post-petition the monies must be "proceeds" of the collateral. In re Skagit Pacific Corp., 316 B.R. 330, 337 (9th Cir. BAP 2004) (the creditor must show "a transactional link between the proceeds and the collateral"); In re Kimmel, 378 B.R. 630, 635-636 (9th Cir. 2007); In re Bumstead, 782 F.Supp.3d 1026 (W.D. Wash. 2025).

Second, the security interest attaches to "identifiable" proceeds of the collateral. *Skagit Pacific*, 316 B.R. at 337 (applying Washington's version of UCC 9-315); Cal. Commercial Code § 9-315

(requiring proceeds to be "identifiable"); Bumstead, 782 F.Supp.3d at 1028-1029. Moreover, where proceeds have been commingled with other proceeds, there must be a strong showing that the proceeds arise from the collateral. "The creditor must "provide documentation of its identifiable or traced proceeds" using an approved tracing methodology. Skagit, 316 B.R. at 338. The "self-serving testimony of a creditor is inadequate." Bumstead, 782 F. Supp. 3d at 1029. While an adversary proceeding, Fed. R. Bankr. P. 7001, would be required to determine whether any of the proceeds received post-petition were identifiable proceeds to the collateral (also receivables), here, it seems unlikely.

As a result, it appears that all of Douglas Dimmick's post-petition receivables are, in fact, free and clear of Farmers Insurance Federal Credit Union Liens and, unless otherwise provided by law, the community discharge applies. 11 U.S.C. §§ 524(a)(3), 101(7), 101(10).

The stipulation seeks to encumber community property acquired post-petition in favor of the credit union; it does not impose personal liability on Jennifer Dimmick. This court believes this to be a species of reaffirmation. 11 U.S.C. § 524(c) ("An agreement between the holder of a claim and the debtor, the consideration for which, in whole or in part, is based on a debt that is dischargeable..."); Cf., Skagit Pacific, 316 B.R. at 337; Bumstead, 782 F.Supp.3d at 1028-1029.

Subject to court approval, the debtor could have reaffirmed the debt. 11 U.S.C.  $\S$  524(c). But the debtor, and her spouse, did not do so. Civ. Minutes, ECF No. 39 (withdrawing the reaffirmation agreement).

The debtor and her spouse may not circumvent the reaffirmation process and protections by stipulation. Section 524(c) provides:

An agreement between a holder of a claim and the debtor, the consideration for which, in whole or in part, is based on a debt that is dischargeable in a case under this title is enforceable only to any extent enforceable under applicable nonbankruptcy law, whether or not discharge of such debt is waived, only if—

- (1) such agreement was made before the granting of the discharge under section 727, 1141, 1192, 1228, or 1328 of this title;
- (2) the debtor received the disclosures described in subsection (k) at or before the time at which the debtor signed the agreement;
- (3) such agreement has been filed with the court and, if applicable, accompanied by a declaration or an affidavit of the attorney that represented the debtor during the course of negotiating an agreement under this subsection, which states that—

- (A) such agreement represents a fully informed and voluntary agreement by the debtor;
- (B) such agreement does not impose an undue hardship on the debtor or a dependent of the debtor; and
- (C) the attorney fully advised the debtor of the legal effect and consequences of—(i) an agreement of the kind specified in this subsection; and (ii) any default under such an agreement;
- (4) the debtor has not rescinded such agreement at any time prior to discharge or within sixty days after such agreement is filed with the court, whichever occurs later, by giving notice of rescission to the holder of such claim;
- (5) the provisions of subsection (d) of this section have been complied with...

### 11 U.S.C. $\S$ 524(c) (emphasis added).

Agreement that does not comply with the strictures of 11 U.S.C. § 524(c) should not be approved.

Reaffirmation agreements are not favored under the Bankruptcy Code and strict compliance with the Bankruptcy Code's reaffirmation requirements is mandatory. An agreement to reaffirm a debt otherwise dischargeable in bankruptcy is enforceable only if all conditions set forth in 11 USC § 524 are met. [In re Bennett (9th Cir. 2002) 298 F3d 1059, 1067; In re Getzoff (9th Cir. BAP 1995) 180 BR 572, 574 (collecting cases); In re Kamps (BC CD CA 1998) 217 BR 836, 840-841 (collecting cases)].

Reaffirmation agreements are not favored under the Bankruptcy Code and strict compliance with the Bankruptcy Code's reaffirmation requirements is mandatory. An agreement to reaffirm a debt otherwise dischargeable in bankruptcy is enforceable only if all conditions set forth in 11 USC § 524 are met. [In re Bennett (9th Cir. 2002) 298 F3d 1059, 1067; In re Getzoff (9th Cir. BAP 1995) 180 BR 572, 574 (collecting cases); In re Kamps (BC CD CA 1998) 217 BR 836, 840-841 (collecting cases)].

March, Ahart & Shapiro, California Practice Guide: Bankruptcy § 22:1896-1897 (2025).

Here, the stipulation is untimely, and the debtors have not received the procedural protections contemplated by 11 U.S.C. \$ 524(c).

For each of these reasons, the motion will be denied, and stipulation is disapproved in toto.

#### CIVIL MINUTE ORDER

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

Farmers Insurance Federal Credit Union's motion as 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; and

IT IS FUTHER ORDERED that the Stipulation Between Debtor, her Non-Filing Spouse and Farmers Insurance Federal Credit Union is disapproved and is of no force or effect.

# 2. <u>19-22509</u>-A-7 **IN RE: ULISES MEZA**DNL-16

MOTION FOR COMPENSATION BY THE LAW OFFICE OF DESMOND, NOLAN, LIVAICH & CUNNINGHAM FOR J. RUSSELL CUNNINGHAM, TRUSTEES ATTORNEY(S)

11-20-2025 [252]

GABRIEL LIBERMAN/ATTY. FOR DBT.
J. CUNNINGHAM/ATTY. FOR MV.
DEBTOR DISCHARGED: 01/07/22

### Tentative Ruling

Application: Allowance of Final Compensation and Expense

Reimbursement

Notice: LBR 9014-1(f)(2); no 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). 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, J. Michael Hopper, the trustee, has applied for an allowance of final compensation and reimbursement of expenses for his general counsel Desmond, Nolan, Livaich & Cunningham. The applicant requests that the court allow compensation in the amount of \$65,359.00 and reimbursement of expenses in the amount of \$854.06.

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.

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 \$65,359.00 and reimbursement of expenses in the amount of \$854.06.

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  $\S$  726.

# 3. $\underline{19-22509}$ -A-7 IN RE: ULISES MEZA DNL-17

MOTION FOR COMPENSATION FOR J. MICHAEL HOPPER, CHAPTER 7 TRUSTEE(S)

11-20-2025 [<u>258</u>]

GABRIEL LIBERMAN/ATTY. FOR DBT.
J. CUNNINGHAM/ATTY. FOR MV.
DEBTOR DISCHARGED: 01/07/22

#### Tentative Ruling

Application: Allowance of Compensation and Expense Reimbursement

Notice: LBR 9014-1(f)(2); no 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). 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

A trustee's compensation is considered in accordance with §§ 326(a) and 330(a). In 2005, "Congress removed Chapter 7 trustees from the list of professionals subject to the Section 330(a)(3) factors. . . . [and] introduced a new provision to Section 330 requiring courts to treat the reasonable compensation awarded to trustees as a 'commission, based on Section 326.'" Matter of JFK Capital Holdings, L.L.C., 880 F.3d 747, 752 (5th Cir. 2018) (quoting 11 U.S.C. § 330(a)(7)). "[A] trustee's request for compensation should be presumed reasonable as long as the amount requested does not exceed the statutory maximum calculated pursuant to § 326. [A]bsent extraordinary circumstances, bankruptcy courts should approve chapter 7, 12 and 13 trustee fees without any significant additional review. If the court has found that extraordinary circumstances are present, only then does it become appropriate to conduct a further inquiry to determine whether there exists a rational relationship between the compensation requested and the services rendered." In re Ruiz, 541 B.R. 892, 896 (B.A.P. 9th Cir. 2015) (second alteration in original) (citations omitted) (internal quotation marks omitted).

In short, § 330(a)(7) "treats the commission as a fixed percentage, using Section 326 not only as a maximum but as a baseline presumption for reasonableness in each case." Matter of JFK Capital Holdings, 880 F.3d at 755. This provision "is best understood as a directive to simply apply the formula of § 362 in every case." Id. at 753-54. The "reduction or denial of compensation . . . should be a rare event" occurring only when truly exceptional circumstances are present. Id. at 756.

In this Chapter 7 case, the trustee has applied for an allowance of compensation and reimbursement of expenses. The court finds (1) that the compensation requested by the trustee is consistent with 11 U.S.C. § 326(a); (2) that no extraordinary circumstances are present in this case, see In re Salgado-Nava, 473 B.R. 911 (B.A.P. 9th Cir. 2012); and (3) that expenses for which reimbursement is sought are actual and necessary.

#### 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 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 to the trustee compensation in the amount of \$18,672.74 and reimbursement of expenses in the amount of \$0.00.

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.

4.  $\frac{18-27710}{DNL-3}$ -A-7 IN RE: UNITED GLOBAL LLC

MOTION TO EMPLOY BACHECKI, CROM & CO., LLP AS ACCOUNTANT(S) 11-20-2025 [55]

PETER MACALUSO/ATTY. FOR DBT.
J. CUNNINGHAM/ATTY. FOR MV.

### Tentative Ruling

Application: Approval of Employment

Notice: LBR 9014-1(f)(2); no written opposition required

Disposition: Approved

Order: Prepared by applicant pursuant to the instructions below

Unopposed applications 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).

The court may approve employment of professional persons who "do not hold or represent an interest adverse to the estate, and that are disinterested persons." 11 U.S.C. § 327(a); see also id. § 101(14) (defining "disinterested person"). From the factual information provided in the motion and supporting papers, the court will approve the employment.

The order shall contain the following provision: "Nothing contained herein shall be construed to approve any provision of any agreement between [professional's name] and the estate for indemnification, arbitration, choice of venue, jurisdiction, jury waiver, limitation of damages, or similar provision." The order shall also state its effective date, which date shall be 30 days before the date the employment application was filed except that the effective date shall not precede the petition date.

# 5. $\frac{24-22311}{\text{KMT}-6}$ -A-7 IN RE: KRISTOPHER/SHANNON KASHUBA

MOTION FOR COMPENSATION BY THE LAW OFFICE OF KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD FOR GABRIEL P. HERRERA, TRUSTEES ATTORNEY(S) 11-13-2025 [61]

ESTELA PINO/ATTY. FOR DBT.
GABRIEL HERRERA/ATTY. FOR MV.
DEBTORS DISCHARGED: 09/12/24

### Final Ruling

Application: Allowance of First and 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, the trustee has applied for an allowance of final compensation and reimbursement of expenses for Gabriel P. Herrera. The applicant requests that the court allow compensation in the amount of \$12,045.00 and reimbursement of expenses in the amount of \$271.27.

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.

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 \$12,045.00 and reimbursement of expenses in the amount of \$271.27.

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.

# 6. $\underline{25-25412}$ -A-7 IN RE: IZABELLA VASQUEZ-SOLIS KMM-1

MOTION FOR RELIEF FROM AUTOMATIC STAY 11-5-2025 [16]

ADAM GARCIA/ATTY. FOR DBT.
KIRSTEN MARTINEZ/ATTY. FOR MV.
AMERICAN HONDA FINANCE CORPORATION VS.

#### Final Ruling

Motion: Stay Relief

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Granted

Order: Civil minute order

Subject: 2024 Honda Prologue

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

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). Here, cause exists under subsection (d)(1) because in the debtor's Statement of Intention, ECF No. 1, the debtor states that she does not intend to assume the lease. This is sufficient cause to grant the motion for relief.

The court does not address grounds for relief under  $\S$  362(d)(2) as relief is warranted under  $\S$  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.

American Honda Finance 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. The automatic stay is vacated with respect to the property described in the motion, commonly known as 2024 Honda Prologue, 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.

# 7. $\frac{25-24314}{EJS-1}$ IN RE: MICHAEL/SUSAN COLE

MOTION TO AVOID LIEN OF NEWCO CAPITAL GROUP VI LLC 11-14-2025 [22]

ERIC SCHWAB/ATTY. FOR DBT.

## Final Ruling

Motion: Avoid Lien that Impairs Exemption Disposition: Denied without prejudice

Order: Civil minute order

The court will deny the motion without prejudice on grounds of insufficient service of process on the responding party. 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).

Service of the motion was insufficient. The motion was not mailed to the attention of an officer, managing or general agent, or other agent authorized to accept service.

#### CIVIL MINUTE ORDER

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

Debtor's motion to avoid 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.

# 8. $\frac{22-90415}{BLF-20}$ -A-7 IN RE: JOHN MENDOZA

MOTION FOR COMPENSATION FOR LORIS L. BAKKEN, TRUSTEES ATTORNEY(S)  $11-17-2025 \quad \ [713]$ 

PETER MACALUSO/ATTY. FOR DBT.

# Final Ruling

Application: Allowance of First and 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, Loris L. Bakken, attorney for the trustee, has applied for an allowance of final compensation and reimbursement of expenses. The applicant requests that the court allow compensation in the amount of \$112,805.00 and reimbursement of expenses in the amount of \$677.70.

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 Bakken'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 \$112,805.00 and reimbursement of expenses in the amount of \$677.70.

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  $\S$  726.

# 9. $\frac{22-90415}{GG-17}$ -A-7 IN RE: JOHN MENDOZA

MOTION FOR COMPENSATION BY THE LAW OFFICE OF GOLDEN GOODRICH LLP FOR JEFFREY I. GOLDEN, SPECIAL COUNSEL(S) 11-17-2025 [719]

PETER MACALUSO/ATTY. FOR DBT.

#### Tentative Ruling

Application: Allowance of Fifth Interim 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). 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, Golden Goodrich LLP, special counsel for the trustee, has applied for an allowance of a fifth interim compensation and reimbursement of expenses. The compensation and expenses requested are based on a contingent fee approved pursuant

to § 328(a) of the Bankruptcy Code. The applicant requests that the court allow compensation in the amount of \$38,930.00 and reimbursement of expenses in the amount of \$345.34.

"Section 328(a) permits a professional to have the terms and conditions of its employment pre-approved by the bankruptcy court, such that the bankruptcy court may alter the agreed-upon compensation only 'if such terms and conditions prove to have been improvident in light of developments not capable of being anticipated at the time of the fixing of such terms and conditions.' In the absence of preapproval under § 328, fees are reviewed at the conclusion of the bankruptcy proceeding under a reasonableness standard pursuant to 11 U.S.C. § 330(a)(1)." In re Circle K Corp., 279 F.3d 669, 671 (9th Cir. 2002) (footnote omitted) (quoting 11 U.S.C. § 328(a)). "Under section 328, where the bankruptcy court has previously approved the terms for compensation of a professional, when the professional ultimately applies for payment, the court cannot alter those terms unless it finds the original terms to have been improvident in light of developments not capable of being anticipated at the time of the fixing of such terms and conditions." Pitrat v. Reimers (In re Reimers), 972 F.2d 1127, 1128 (9th Cir. 1992) (internal quotation marks omitted).

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on an interim 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.

Golden Goodrich LLP's application for allowance of fifth interim 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 an interim basis. The court allows interim compensation in the amount of \$38,930.00 and reimbursement of expenses in the amount of \$345.34.

# 10. $\underline{22-90415}$ -A-7 IN RE: JOHN MENDOZA KMT-10

PETER MACALUSO/ATTY. FOR DBT. LORIS BAKKEN/ATTY. FOR MV.

#### 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: 20400 Starr King Drive, Sonora, California

Buyer: Venessa Lines; Jeremy Lines

Sale Price: \$375,000.00

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). 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).

### SECTION 363(b)(1)

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 court takes judicial notice of the voluntary petition, schedules, and statements filed in this case, as well as judicial notice of their contents. Fed. R. Evid. 201. The contents of the schedules and statements are non-hearsay admissions of the debtors to the extent they are offered against the debtors in this matter. Fed. R. Evid. 801(d)(2)(A), (D).

The movant has attached Exhibit D, ECF No. 730, to the instant motion to showing the courts order approving the motion for approval of the case administration settlement agreement between the trustee

and WJVP 2021-4, LP. The court has taken judicial notice and referred to the Case Administration Settlement Agreement, ECF No. 56. The agreement states as follows:

Estate Property: In the event that Trustee liquidates property in which Debtor or Debtor's trust had an interest as of the petition date ("Estate Property"), and such Estate Property is encumbered by a judgment lien in favor of WVJP, and if WVJP and Trustee mutually agree to the sale, WVJP agrees to carve out of WVJP's entitlement, on a sale by sale basis, the lesser of (i) 10% of WVJP's entitlement, or (ii) 10% of the total unsecured claims pool, up to a collective maximum of 10% of the unsecured claims pool. For the purposes of this subsection only, WVJP's entitlement means net proceeds after deducting costs of sale; satisfying senior liens, paying agreed additional disposition, or property preservation costs, reserving for estimated tax liabilities, and reserving agreed reasonable administrative expenses incurred by the Estate at the time of sale.

Case Administration Settlement Agreement, ECF No. 56.

The court believes that the creditors consent can be implied from the language above. Since the movant has submitted appropriate evidence of WJVP, LP's consent, the sale will be free and clear of creditor'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.  $\S$  363(f)(2). If the creditor objects to this understanding of the settlement agreement, they may appear at the hearing and be heard on the matter.

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."

## SECTION 330(a)

Section 330(a) of Title 11 authorizes "reasonable compensation for actual, necessary services" rendered by a professional person employed under  $\S$  327 and "reimbursement for actual, necessary expenses." 11 U.S.C.  $\S$  330(a). Reasonable compensation is determined by considering all relevant factors. See id.  $\S$  330(a)(3). The broker seeks to be paid 6% of the gross sale price which may be split with any buyer's broker. The court finds that the compensation sought is reasonable and will approve the application.

# 11. $\frac{22-90415}{PEQ-6}$ -A-7 IN RE: JOHN MENDOZA

MOTION FOR COMPENSATION FOR RYAN, CHRISTIE, QUINN, BAKER & OAKES, LLP, ACCOUNTANT(S) 11-12-2025 [700]

PETER MACALUSO/ATTY. FOR DBT.

#### Final Ruling

Application: Allowance of Interim 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, Paul E. Quinn, accountant for the trustee, has applied for an allowance of interim compensation and reimbursement of expenses. The application requests that the court allow compensation in the amount of \$28,794.00 and reimbursement of expenses in the amount of \$0.00.

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 an interim basis as to the amounts requested. Such amounts shall be perfected, and may be adjusted, by a final application for compensation and expenses, which shall be filed prior to case closure.

#### 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.

Accountant Paul E. Quinn's application for allowance of interim 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. The court allows interim compensation in the amount of \$28,794.00 and reimbursement of expenses in the amount of \$0.00. The fees and costs are allowed pursuant to 11 U.S.C. § 331 as interim fees and costs, subject to final review and allowance pursuant to 11 U.S.C. § 330. Such allowed amounts shall be perfected, and may be adjusted, by a final application for allowance of compensation and reimbursement of expenses, which shall be filed prior to case closure.

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  $\S$  726.

# 12. <u>25-25021</u>-A-7 **IN RE: VANESSA JORDAN** SDA-1

MOTION FOR RELIEF FROM AUTOMATIC STAY 11-17-2025 [14]

MOHAMMAD MOKARRAM/ATTY. FOR DBT. SERGIO DEARAUJO VS.

#### Final Ruling

Motion: Stay Relief

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Denied without prejudice

Order: Civil minute order

Sergio DeAraujo c/o American Estate Trust seeks an order for relief from the automatic stay of 11 U.S.C. § 362(a). The motion will be denied without prejudice as follows.

### NON-COMPLIANCE WITH LBR 4001-1

The movant has not filed and served completed Form EDC 3-468, "Relief from Stay Summary Sheet." But this was required by LBR 4001-1(a)(3).

# NON-COMPLIANCE WITH LBR 7005-1

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 service of pleadings and other documents in adversary proceedings, contested matters in the

bankruptcy case, and all other proceedings in the Eastern District of California Bankruptcy Court by either attorneys, trustees, or other Registered Electronic Filing System Users shall be documented using the Official Certificate of Service Form (Form EDC 007-005) adopted by this Court.

LBR 7005-1 (emphasis added).

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. Pursuant to LBR 7005-1 use of Form EDC 7-005 is mandatory in this matter.

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

#### 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. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that motion is denied without prejudice.

# 13. $\frac{16-90434}{\text{KMT}-3}$ -A-7 IN RE: DANIEL TEGTMEYER

MOTION TO COMPROMISE CONTROVERSY/APPROVE SETTLEMENT AGREEMENT WITH A PRODUCT MANUFACTURER 11-17-2025 [36]

CHRISTIAN YOUNGER/ATTY. FOR DBT. GABRIEL HERRERA/ATTY. FOR MV. DEBTORS DISCHARGED: 09/26/16

# Final Ruling

The motion is denied because creditors were not served. Fed. R. Bankr. 2002(a)(3). The court will not invoke Fed. R. Bankr. P. 2002(h), incorporated by LBR 2002-3, where—as here—the trustee has failed to give the notice required by Federal Rule of Bankruptcy Procedure 3002(c)(5)(B). A civil minute order shall issue.

# 14. $\frac{24-25836}{KJH-2}$ -A-7 IN RE: REGINALD JACKSON

MOTION FOR COMPENSATION FOR MICHAEL GABRIELSON, ACCOUNTANT(S)  $11-15-2025 \quad [90]$ 

#### Final Ruling

Application: Allowance of First and 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, Michael Gabrielson, accountant for the trustee, has applied for an allowance of final compensation and reimbursement of expenses. The applicant requests that the court allow compensation in the amount of \$2,092.50 and reimbursement of expenses in the amount of \$71.79.

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.

Accountant Michael Gabrielson'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 \$2,092.50 and reimbursement of expenses in the amount of \$71.79.

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.

# 15. $\frac{25-24341}{\text{FEC}-1}$ -A-7 IN RE: LISA CALHOON

MOTION WAIVER OF CREDIT COUNSELING, MOTION FOR EXEMPTION FROM FINANCIAL MANAGEMENT COURSE 11-10-2025 [25]

LISA CALHOON/ATTY. FOR MV.

#### No Ruling

# 16. $\underline{22-20257}$ -A-7 IN RE: CRAIG ROWLAND DNL-13

MOTION FOR COMPENSATION BY THE LAW OFFICE OF DESMOND, NOLAND, LIVAICH AND CUNNINGHAM FOR J. RUSSELL CUNNINGHAM, TRUSTEES ATTORNEY(S)

11-17-2025 [108]

LUCAS GARCIA/ATTY. FOR DBT. DEBTOR DISCHARGED: 09/13/22

# Tentative 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, the trustee J. Michael Hopper has applied for an allowance of final compensation and reimbursement of expenses for Attorney J. Russel Cunningham. Since the first filing of this application, the trustee has filed a supplemental brief, ECF No. 118. The trustee has stated that in response to an unofficial objection from a creditor, the trustee and counsel have agreed to "reduce its compensation by \$8,000.00, thus capping its total compensation at \$67,000.00, inclusive of fees and expenses, to accommodate a partial distribution to general unsecured creditors". Id.

The court believes that with the cap at \$67,000.00, the applicant now requests that the court allow compensation in the amount of \$65,259.89 and reimbursement of expenses in the amount of \$1,740.11.

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.

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 \$65,259.89 and reimbursement of expenses in the amount of \$1,740.11.

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.

# 17. $\underline{22-20257}$ -A-7 IN RE: CRAIG ROWLAND DNL-15

MOTION FOR COMPENSATION FOR J. MICHAEL HOPPER, CHAPTER 7 TRUSTEE(S)  $\,$ 

11-17-2025 [114]

LUCAS GARCIA/ATTY. FOR DBT. DEBTOR DISCHARGED: 09/13/22

#### Final Ruling

Application: Allowance of 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

A trustee's compensation is considered in accordance with §§ 326(a) and 330(a). In 2005, "Congress removed Chapter 7 trustees from the list of professionals subject to the Section 330(a)(3) factors. . . . [and] introduced a new provision to Section 330 requiring courts to treat the reasonable compensation awarded to trustees as a 'commission, based on Section 326.'" Matter of JFK Capital Holdings, L.L.C., 880 F.3d 747, 752 (5th Cir. 2018) (quoting 11 U.S.C. § 330(a)(7)). "[A] trustee's request for compensation should be presumed reasonable as long as the amount requested does not exceed the statutory maximum calculated pursuant to § 326. [A]bsent extraordinary circumstances, bankruptcy courts should approve chapter 7, 12 and 13 trustee fees without any significant additional review. If the court has found that extraordinary circumstances are present, only then does it become appropriate to conduct a further inquiry to determine whether there exists a rational relationship between the compensation requested and the services rendered." In re Ruiz, 541 B.R. 892, 896 (B.A.P. 9th Cir. 2015) (second alteration in original) (citations omitted) (internal quotation marks omitted).

In short, § 330(a)(7) "treats the commission as a fixed percentage, using Section 326 not only as a maximum but as a baseline presumption for reasonableness in each case." Matter of JFK Capital Holdings, 880 F.3d at 755. This provision "is best understood as a directive to simply apply the formula of § 362 in every case." Id. at 753-54. The "reduction or denial of compensation . . . should be

a rare event" occurring only when truly exceptional circumstances are present. *Id.* at 756.

In this Chapter 7 case, the trustee has applied for an allowance of compensation and reimbursement of expenses. The court finds (1) that the compensation requested by the trustee is consistent with 11 U.S.C. § 326(a); (2) that no extraordinary circumstances are present in this case, see In re Salgado-Nava, 473 B.R. 911 (B.A.P. 9th Cir. 2012); and (3) that expenses for which reimbursement is sought are actual and necessary.

#### 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 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 to the trustee compensation in the amount of \$26,339.12 and reimbursement of expenses in the amount of \$0.00.

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  $\S$  726.

# 18. $\frac{25-20758}{HLR-1}$ -A-7 IN RE: JOHN/TAMARA ACORD

MOTION TO COMPEL ABANDONMENT 11-4-2025 [19]

KRISTY HERNANDEZ/ATTY. FOR DBT. DEBTORS DISCHARGED: 06/09/25 TRUSTEE NON-OPPOSITION

#### Final Ruling

**Motion:** Compel Abandonment of Property of the Estate **Notice:** LBR 9014-1(f)(1); written opposition required

Disposition: Granted

Order: Prepared by moving party pursuant to the instructions below

Subject: 1869 Morella Circle, Roseville, California

Value: \$856,000.00

1st Trust Deed: \$507,260 [United Wholesale]
2nd Trust Deed: \$229,228.00 [PNC Mortgage]

Secured Lien: \$50,332.00 [Tesla]

Exemption: \$69,180.00
Non-Exempt Equity: \$0.00

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).

Property of the estate may be abandoned under § 554 of the Bankruptcy Code if property of the estate is "burdensome to the estate or of inconsequential value and benefit to the estate." See 11 U.S.C. § 554(a)-(b). Upon request of a party in interest, the court may issue an order that the trustee abandon property of the estate if the statutory standards for abandonment are fulfilled.

The movant bears the burden of proof. In re Pilz Compact Disc., Inc., 229 B.R. 630 (Bankr. E.D. Pa. 1999) (Chapter 7 trustee). "[B] urdensome to the estate" means "consumes the resources and drains the income of the estate." In re Smith-Douglass, Inc., 856 F.2d 12, 16 (4th Cir. 1988). "[O]f inconsequential value and benefit to the estate" refers to assets not likely to be liquidated for the benefit of creditors. 11 U.S.C. § 704(a)(1); Matter of Taxman Clothing Co., 49 F3d 310, 315 (7th Cir. 1995) (Chapter 7 trustee has no duty to liquidate assets where costs of doing so likely to exceed asset's value). Of inconsequential value and benefit to the estate includes assets that (1) have no equity (including post-petition appreciation), In re Viet Vu, 245 B.R. 644 (9th Cir. BAP 2000); and (2) assets with equity, which has been wholly and properly exempted by the debtor. In re Montanaro, 307 B.R. 194 (Bankr. E.D. Cal. 2004).

The real property described above is either burdensome to the estate or of inconsequential value to the estate. An order compelling abandonment is warranted.

# 19. $\frac{25-20564}{\text{KMT}-3}$ IN RE: DONALD/ANGELA TINSLEY

MOTION TO COMPROMISE CONTROVERSY/APPROVE SETTLEMENT AGREEMENT WITH MICHAEL DAVIS, ALI PAYRAVI, AND SHIVA NAYEB 11-17-2025 [177]

GABRIEL HERRERA/ATTY. FOR MV. DEBTORS DISCHARGED: 09/24/25

# Final Ruling

Motion: Approve Compromise of Controversy

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Granted

Order: Civil minute order

Subject: 1517 Midway Drive, Woodland, California

Parties to Agree: Donald Ray Tinsley, Jr.; Angela June Tinsley;

Michael Davis; Ali Payravi; Shiva Nayeb

Terms of Agreement: 1) Sale of subject property for purchase price of \$875,000.00 as is, where is, and subject to the Buyers' own investigation pursuant to the terms and conditions provided in the Purchase and Sale Agreement and Joint Escrow Instructions attached to the Agreement ("Purchase Agreement"); 2) The order denying SAD-1, the Motion to Confirm No Automatic Stay is in Effect or in the Alternative Motion for Annulment of the Stay in the Bankruptcy Case ("Motion") shall be in full force and effect; and 3) The Buyer's appeal of the order denying SAD-1 shall be dismissed with prejudice with each side to bear their own attorneys' fees and costs.

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).

#### 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. 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 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.

Trustee's motion to approve a compromise 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 court hereby approves the compromise that is reflected in the settlement agreement attached to the motion as exhibit and filed at docket no. 180.

# 20. $\frac{25-20564}{\text{KMT}-4}$ -A-7 IN RE: DONALD/ANGELA TINSLEY

MOTION TO SELL FREE AND CLEAR OF LIENS 11-20-2025 [184]

GABRIEL HERRERA/ATTY. FOR MV. DEBTORS DISCHARGED: 09/24/25

# [Since posting its original rulings, the court has changed its intended ruling on this matter]

#### Tentative Ruling

Motion: Sell Property

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Granted

Order: Prepared by moving party

Property: 1517 Midway Drive, Woodland, California
Buyers: Michael Davis; Ali Payravi; and Shiva Nayeb

Sale Price: \$875,000.00

Sale Type: Private sale subject to overbid opportunity

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).

#### SECTION 363(b)(1)

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 sale will be free and clear of U.S. Bank N.A., Domus Construction & Design, A. Teichert & Sons, Adler Tank Rental, City of Woodland, and Financial Pacific Insurance's interest in the real property described above, and such 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). A sale may be done free and clear if a bona fide dispute exists. That is the case here. The court will not approve the sale free and clear of any other lien or interest not identified in this paragraph.

The order shall state that the sale is free and clear of only the interest identified and that such interest 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 or debtor in possession shall pay the fee for filing this motion to the Clerk of the Bankruptcy Court from the sale proceeds immediately after closing."

### GOOD FAITH PURCHASER

The court finds that the buyers are deemed good faith purchasers pursuant to 11 U.S.C. \$ 363(m). They are seeking to purchase the property "in good faith" and "for value". See In re Ewell, 958 F. 2d 276, 281 (9th Cir. 1992).

The court will grant the trustee's motion to sell property free and clear of liens.

21.  $\underline{24-24267}$ -A-7 IN RE: RIKI TROWE DNL-14

CONTINUED MOTION FOR BAD FAITH DETERMINATION 10-20-2025 [193]

OMERO BANUELOS/ATTY. FOR DBT. J. CUNNINGHAM/ATTY. FOR MV.

### Final Ruling

Pursuant to the Joint Status Report para. 8, ECF No. 237, the motion is continued to February 2, 2026, at 10:30 a.m. Not later than 14 days before the parties shall file a joint status report indicating: (1) whether discovery is complete and, if not, the unresolved discovery and the time necessary to complete discovery; (2) whether the matter is ready for a scheduling order setting the matter for resolution, addressing: (A) trial will be live or (B) without a live hearing after augmenting the record. A civil minute order shall issue.

# 22. $\frac{22-21669}{DNL-30}$ -A-7 IN RE: LINDSAY/LISA BRAKEL

MOTION FOR COMPENSATION BY THE LAW OFFICE OF MARTINIS & FARLEY FOR BYRON FARLEY, SPECIAL COUNSEL(S)  $11-17-2025 \quad [672]$ 

BYRON FARLEY/ATTY. FOR DBT. J. CUNNINGHAM/ATTY. FOR MV. DEBTORS DISCHARGED: 10/28/25

## Final Ruling

Application: Allowance of Second Interim 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, the trustee has applied for an allowance of interim compensation and reimbursement of expenses for Martinis & Farley, special counsel for the trustee. The compensation and expenses requested are based on a contingent fee approved pursuant to § 328(a) of the Bankruptcy Code. The applicant requests that the court allow compensation in the amount of \$1,027.50 and reimbursement of expenses in the amount of \$1.94.

"Section 328(a) permits a professional to have the terms and conditions of its employment pre-approved by the bankruptcy court, such that the bankruptcy court may alter the agreed-upon compensation only 'if such terms and conditions prove to have been improvident in light of developments not capable of being anticipated at the time of the fixing of such terms and conditions.' In the absence of preapproval under § 328, fees are reviewed at the conclusion of the bankruptcy proceeding under a reasonableness standard pursuant to 11 U.S.C. § 330(a)(1)." In re Circle K Corp., 279 F.3d 669, 671 (9th Cir. 2002) (footnote omitted) (quoting 11 U.S.C. § 328(a)). "Under section 328, where the bankruptcy court has previously approved the terms for compensation of a professional, when the professional ultimately applies for payment, the court cannot alter those terms unless it finds the original terms to have been improvident in light of developments not capable of being anticipated at the time of the fixing of such terms and conditions." Pitrat v. Reimers (In re Reimers), 972 F.2d 1127, 1128 (9th Cir. 1992) (internal quotation marks omitted).

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on an interim 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.

Trustee's application for allowance of interim 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 an interim basis. The court allows interim compensation in the amount of \$1,027.50 and reimbursement of expenses in the amount of \$1.94.

# 23. $\underline{25-20483}$ -A-7 IN RE: BARRIE EVES KA-7

MOTION FOR RELIEF FROM AUTOMATIC STAY 11-14-2025 [46]

JAMES SHEPHERD/ATTY. FOR DBT. KIMBERLY AHRENS/ATTY. FOR MV. AHRENS LAW, APC VS.

#### Tentative Ruling

Motion: Stay Relief to Pursue State-Court Litigation Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Denied

Order: Civil minute order

Subject: Liquidating attorney's fee post-trial

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

Section 362(d)(1) authorizes stay relief for cause. Cause is determined on a case-by-case basis and may include the existence of litigation pending in a non-bankruptcy forum that should properly be pursued. *In re Tucson Estates, Inc.*, 912 F.2d 1162, 1169 (9th Cir. 1990).

In this instance, the creditors are requesting stay relief solely to allow the state court to rule on the post-trial motion for fees and costs. This is unnecessary. Creditors have filed claims in this case which are presumptively valid. Fed. R. Bankr. P. 3001(f). There is not sufficient cause to grant stay relief. As such, the motion will be denied.

#### CIVIL MINUTE ORDER

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

Creditor'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. The automatic stay will remain in place.

# 24. $\frac{25-21388}{\text{JCW}-1}$ -A-7 IN RE: DYLAN TRENT

MOTION FOR RELIEF FROM AUTOMATIC STAY 11-12-2025 [28]

BRIAN COGGINS/ATTY. FOR DBT.
JENNIFER WONG/ATTY. FOR MV.
DEBTOR DISCHARGED: 07/14/25
THE HUNTINGTON NATIONAL BANK VS.

#### Final Ruling

Motion: Stay Relief

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Granted

Order: Civil minute order

Subject: 2022 Grand Design Solitude Value of Collateral: \$58,200.00 Aggregate of Liens: \$90,131.06

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).

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. As a consequence, 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.

Huntington National Bank'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 2022 Grand Design Solitude, 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.

#### 25. 25-23997-A-7 IN RE: KAREY KOSKI

TRUSTEE'S MOTION TO DISMISS FOR FAILURE TO APPEAR AT SEC. 341(A) MEETING OF CREDITORS 11-10-2025 [30]

#### Tentative Ruling

Motion: Dismiss Case and Extend Trustee's Deadlines

Notice: LBR 9014-1(f)(1); written opposition required or case

dismissed without hearing

Disposition: Conditionally denied in part, granted in part

Order: Civil minute order

#### DISMISSAL

Chapter 7 debtors shall attend the § 341(a) meeting of creditors. 11 U.S.C. § 343. A continuing failure to attend this meeting may be cause for dismissal of the case. See 11 U.S.C. §§ 105(a), 343, 707(a); In re Witkowski, 523 B.R. 300, 307 n.8 (B.A.P. 1st Cir. 2014) ("Some courts have ruled that the failure to attend the § 341 meeting of creditors constitutes 'cause' for dismissal.").

In this case, the debtor has failed to appear at a scheduled meeting of creditors required by 11 U.S.C. § 341. Because the debtor's failure to attend this meeting has occurred once, the court will not dismiss the case on condition that the debtor attend the next creditors' meeting. But if the debtor does not appear at the continued meeting of creditors, the case will be dismissed on trustee's declaration without further notice or hearing.

### EXTENSION OF DEADLINES

The court will grant the motion in part to the extent it asks for an extension of deadlines. The court extends the following deadlines to 60 days after the next continued date of the creditors' meeting: (1) the trustee and all creditors' deadline to object to discharge under § 727, see Fed. R. Bankr. P. 4004(a); and (2) the trustee and all creditors' deadline to bring a motion to dismiss under § 707(b) or (c) for abuse, other than presumed abuse, see Fed. R. Bankr. P. 1017(e). These deadlines are no longer set at 60 days after the first creditors' meeting.

#### CIVIL MINUTE ORDER

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

Findings of Fact and Conclusions of Law are stated in the Civil Minutes of the hearing.

IT IS ORDERED that the Motion to Dismiss is denied on the condition that the debtor attend the next continued § 341(a) meeting of creditors at a date to be determined. But if the debtor does not

appear at this continued meeting, the case will be dismissed on trustee's declaration without further notice or hearing.

IT IS ALSO ORDERED that following deadlines shall be extended to 60 days after the next continued date of the creditors' meeting: (1) the trustee and all creditors' deadline to object to discharge under § 727, see Fed. R. Bankr. P. 4004(a); and (2) the trustee and all creditors' deadline to bring a motion to dismiss under § 707(b) or (c) for abuse, other than presumed abuse, see Fed. R. Bankr. P. 1017(e).

# 26. $\frac{25-24997}{PGM-1}$ -A-7 IN RE: JOHN/KRISSTA ROSS

MOTION TO REDEEM 11-12-2025 [21]

PETER MACALUSO/ATTY. FOR DBT.

### Final Ruling

Motion: Authorize Redemption of Tangible Personal Property

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Granted

Order: Prepared by moving party

Subject: Four tires

Redemption price: \$100.00

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 authorizing redemption of four tires (personal property). The debtor proposes to redeem the vehicle from respondent Les Schwab Tire Centers of California for the sum of \$100.00.

#### REDEMPTION

Pursuant to  $\S$  722, an individual debtor in Chapter 7 may redeem tangible personal property from a lien on such property by paying the lienholder the amount of the allowed secured claim. 11 U.S.C.  $\S$  722. The tangible personal property must be "intended primarily for personal, family, or household use." *Id*.

Additionally, the property must have been exempted under § 522 or abandoned under § 554. *Id.* And the lien on the property must "secur[e] a "dischargeable consumer debt." *Id.* 

The redemption price is the amount of the allowed secured claim, which amount is "determined based on the replacement value of such property as of the date of the filing of the petition without deduction for costs of sale or marketing." Id. § 506(a)(2).

The debtor requests authority to redeem tangible personal property, described in the motion, from the lien on such property. See Fed. R. Bankr. P. 6008. See also Declaration of Krissta Ross, ECF No. 23. The property has been claimed exempt (or abandoned). See Am. Schedule C, ECF No. 13. The court values the property at the amount set forth in the motion (the redemption price). No party in interest has disputed whether the debt is dischargeable. The court will grant the motion and authorize the proposed redemption. Payment shall be tendered to the respondent within 30 days of the entry of the order granting the motion.

The movant shall prepare an order which conforms to the court's ruling.

# 27. $\frac{21-22898}{NBF-2}$ -A-7 IN RE: HEATH V. FULKERSON LLC

MOTION FOR COMPENSATION FOR MICHAEL GABRIELSON, ACCOUNTANT(S) 11-5-2025 [230]

GABRIEL LIBERMAN/ATTY. FOR DBT.

### Final Ruling

Application: Allowance of First and 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, Michael R. Gabrielson, accountant for the trustee, has applied for an allowance of final compensation and reimbursement of expenses. The applicant requests that the court allow compensation in the amount of \$2,418.00 and reimbursement of expenses in the amount of \$89.25.

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.

Michael R. Gabrielson'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 \$2,418.00 and reimbursement of expenses in the amount of \$89.25.

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  $\S$  726.

# 28. $\frac{24-22469}{CRG-8}$ -A-7 IN RE: JENNIFER RODRIGUE

STATUS CONFERENCE RE: MOTION FOR SANCTIONS FOR VIOLATION OF THE AUTOMATIC STAY 4-8-2025 [282]

CARL GUSTAFSON/ATTY. FOR DBT. DEBTOR DISCHARGED: 09/30/25

# Final Ruling

This matter is continued to February 23, 2026, at 10:30 a.m. Not later than February 9, 2026, the parties shall file a joint status report. The parties are ordered to participate in the Bankruptcy Dispute Resolution Program. The court will select a mediator and notify the parties of the individual appointed to serve as mediator.

# 29. $\frac{25-23596}{CCR-1}$ -A-7 IN RE: NUSHAKE, INC.

MOTION FOR RELIEF FROM AUTOMATIC STAY 12-1-2025 [ $\underline{20}$ ]

DAVID JOHNSTON/ATTY. FOR DBT. CHERYL ROUSE/ATTY. FOR MV. JAIME CHIOK VS.

# No Ruling