



UNITED STATES BANKRUPTCY COURT  
Eastern District of California  
Honorable Jennifer E. Niemann  
Hearing Date: Wednesday, February 4, 2026  
Department A – Courtroom #11  
Fresno, California

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Unless otherwise ordered, all matters before the Honorable Jennifer E. Niemann shall be simultaneously: (1) **In Person** at, Courtroom #11, (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 **Remote 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 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:

1. Review the [Pre-Hearing Dispositions](#) prior to appearing at the hearing.
2. 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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## INSTRUCTIONS FOR PRE-HEARING DISPOSITIONS

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

**No Ruling:** All parties will need to appear at the hearing unless otherwise ordered.

**Tentative Ruling:** If a matter has been designated as a tentative ruling it will be called, and all parties will need to appear at the hearing unless otherwise ordered. The court may continue the hearing on the matter, set a briefing schedule, or enter other orders appropriate for efficient and proper resolution of the matter. The original moving or objecting party shall give notice of the continued hearing date and the deadlines. The minutes of the hearing will be the court's findings and conclusions.

**Final Ruling:** Unless otherwise ordered, there will be no hearing on these matters. The final disposition of the matter is set forth in the ruling and it will appear in the minutes. The final ruling may or may not finally adjudicate the matter. If it is finally adjudicated, the minutes constitute the court's findings and conclusions.

**Orders:** Unless the court specifies in the tentative or final ruling that it will issue an order, the prevailing party shall lodge an order within 14 days of the final hearing on the matter.

THE COURT ENDEAVORS TO PUBLISH ITS RULINGS AS SOON AS POSSIBLE. HOWEVER, CALENDAR PREPARATION IS ONGOING AND THESE RULINGS MAY BE REVISED OR UPDATED AT ANY TIME PRIOR TO 4:00 P.M. THE DAY BEFORE THE SCHEDULED HEARINGS. PLEASE CHECK AT THAT TIME FOR POSSIBLE UPDATES.

1. [25-10505](#)-A-11 IN RE: WATTS CHOPPING  
[YW-11](#)

MOTION TO SELL  
 1-6-2026 [[231](#)]

WATTS CHOPPING/MV  
 LEONARD WELSH/ATTY. FOR DBT.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted in part; the court will not make a 11 U.S.C. § 363(m) finding with respect to the buyer's nominee.

ORDER: The minutes of the hearing will be the court's findings and conclusions. The Moving Party shall submit a proposed order after the hearing.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of creditors, the U.S. Trustee, or any other party in interest to file written opposition at least 14 days prior to the hearing as required by LBR 9014-1(f)(1)(B) may be deemed a waiver of any opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). Therefore, the defaults of the above-mentioned parties in interest are entered. Constitutional due process requires a moving party make a *prima facie* showing that they are entitled to the relief sought, which the movant has done in part.

Watts Chopping, Inc. ("DIP") is operating under a confirmed Subchapter V plan of reorganization that was confirmed on August 22, 2025 ("Plan"). Doc. #195. DIP owns real property located at 13627 Chevalier Road, Bakersfield, California (the "Property"). Doc. #231; Schedule A/B, Doc. #1. DIP seeks approval to sell the Property outside the ordinary course of business pursuant to 11 U.S.C. § 363(b)(1) by private sale to Mahal Bros Farms LLC or its nominee (together, "Buyer") for \$1,550,000.00. Doc. #231. DIP believed that the Property had a value of \$650,000.00 when DIP filed its Schedule A/B on February 21, 2025. Decl. of Hayley Watts, Doc. #233. However, DIP has determined the Property now has a value greater than the value indicated in its Schedule A/B. Id.

The Property is encumbered by the following liens:

Name of Creditor	Type of Lien	Estimated Amount of Claim
Kern County Treasurer-Tax Collector	Real Property Tax Lien	\$13,934.93
Ag West Farm Credit PCA	Deed of Trust	\$336,831.26
Ag West Farm Credit FLCA	Deed of Trust	\$367,908.89
Kern County Treasurer-Tax Collector	Personal Property Tax Lien	\$64,919.16
Internal Revenue Service	Tax Lien	\$158,353.23

Watts Decl., Doc. #233. All liens on the Property will be paid in full at close of escrow. Id.

Section 363 of the Bankruptcy Code states that a trustee, or debtor in possession, may use, sell, or lease property of the estate outside the ordinary course of business after notice and a hearing. 11 U.S.C. §§ 363(b)(1), 1184.

The debtor in possession proposing a sale under § 363(b) must demonstrate a valid business justification for the sale and that the sale is proposed in good faith. 240 N. Brand Partners, Ltd. v. Colony GFP Partners, L.P. (In re 240 N. Brand Partners, Ltd.), 200 B.R. 653, 659 (B.A.P. 9th Cir. 1996). "Good faith encompasses fair value, and further speaks to the integrity of the transaction." Id. (quoting In re Wilde Horse Enters., Inc. 136 B.R. 830, 842 (Bankr. C.D. Cal. 1991)). To make such a determination, "the court and creditors must be provided with sufficient information to allow them to take a position on the proposed sale." Wilde Horse Enters., 136 B.R. at 842.

Subject to adjustments to pay secured claims in full, DIP estimates that the \$1,550,000.00 proceeds received from the sale of the Property will be distributed as follows:

	Amount to be Paid	Remaining Balance
Purchase Price		\$1,550,000.00
Kern County Treasurer-Tax Collector	\$13,934.93	\$1,536,065.07
Ag West Farm Credit PCA	\$336,831.26	\$1,199,233.81
Ag West Farm Credit FLCA	\$367,908.89	\$831,324.92
Kern County Treasurer-Tax Collector	\$64,919.16	\$766,405.76
Internal Revenue Service	\$158,353.23	\$608,052.53
Real Estate Commission	\$77,500.00	\$530,552.53
Costs of Sale	\$8,500.00	\$522,052.53
Class One (Priority Claims)	\$111,231.38	\$410,821.15
Class Thirty-two (Gen'l Unsecured Claims)	\$265,621.55	\$145,199.60
DIP's Attorney Fees and Costs	\$20,000.00	\$125,199.60
Subchapter V Trustee Fees and Costs	\$5,000.00	\$120,199.60
Surplus Paid to DIP	\$120,199.60	\$0.00

Watts Decl., Doc. #233. The amount to be paid with respect to the Class One and Class Thirty-two claims are the full amounts owed to those classes under DIP's confirmed Plan. Doc. #231; Plan, Doc. #188; Order, Doc. #195. DIP will use the surplus proceeds to provide working capital for DIP to use in DIP's business as permitted by the Plan. Watts Decl., Doc. #233. The court finds that DIP's business judgment is reasonable, and the proposed sale of the Property is made in good faith.

DIP requests that Buyer be deemed to have acted in good faith pursuant to 11 U.S.C. § 363(m). Section 363(m) provides that the validity of a sale or lease of property under § 363 to a good faith purchaser "cannot be challenged on appeal unless the bankruptcy court's authorization and such sale or lease were stayed pending appeal." Adeli v. Barclay (In re Berkeley Del. Court, LLC), 834 F.3d 1036, 1039 (9th Cir. 2016); 11 U.S.C. § 363(m). "A good faith buyer 'is one who buys "in good faith" and "for value."' '[L]ack of good faith is [typically] shown by 'fraud, collusion between the purchaser and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders.'" Paulman v. Gateway Venture Partners III (In re Filtercorp, Inc.), 163 F.3d 570, 577 (9th Cir. 1998) (internal citations omitted).

Here, Daniel Hoekstra, the real estate broker for both DIP and Mahal Bros Farms LLC, testifies that the sale of the Property is for a fair and reasonable price based on current market conditions and the condition of the Property. Ex. B, Doc. #234; Decl. of Daniel Hoekstra, Doc. #235. There is no evidence of any collusion in an attempt to drive the sale price down. Based on the evidence before the court, the court finds that Mahal Bros Farms LLC is a good faith purchaser for the purpose of 11 U.S.C. § 363(m). The court will not make a 11 U.S.C. § 363(m) finding with respect to any nominee of Mahal Bros Farms LLC because there is insufficient evidence before this court for such a finding.

DIP also requests that the 14-day stay of Federal Rule of Bankruptcy Procedure ("Rule") 6004(h) be waived because Buyer is prepared to close escrow as soon as the bankruptcy court enters an order authorizing the sale of the Property to Buyer. The 14-day stay of Rule 6004(h) is ordered waived because Buyer is prepared to close escrow as soon as the bankruptcy court enters an order granting this motion and permitting the sale of the Property to close promptly will benefit creditors and the estate.

The motion is GRANTED. DIP is authorized to sell the Property pursuant to 11 U.S.C. § 363(b)(1). The court finds that Mahal Bros Farms LLC is a good faith purchaser for the purpose of 11 U.S.C. § 363(m). The 14-day stay of Rule 6004(h) is ordered waived.

2. [22-12016](#)-A-11     **IN RE: FUTURE VALUE CONSTRUCTION, INC.**  
[SA-1](#)

MOTION FOR RELIEF FROM AUTOMATIC STAY  
1-16-2026    [\[639\]](#)

LOGAN INVESTMENTS, INC./MV  
D. GARDNER/ATTY. FOR DBT.  
SIMON ARON/ATTY. FOR MV.

TENTATIVE RULING:            This matter will proceed as scheduled.

DISPOSITION:                Granted.

ORDER:                        The minutes of the hearing will be the court's findings and conclusions. The Moving Party shall submit a proposed order after the hearing.

This motion was filed and served on at least 14 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(2) and will proceed as scheduled. Unless opposition is presented at the hearing, the court intends to enter the respondents' defaults and grant the motion. If opposition is presented at the hearing, the court will consider the opposition and whether further hearing is proper pursuant to LBR 9014-1(f)(2). The court will issue an order if a further hearing is necessary.

The movant, Logan Investments, Inc., as agent for Robert Korda, Trustee of the Survivor's Trust created under the Robert and Rosina Korda Living Trust dated August 28, 2002 ("Movant"), seeks relief from the automatic stay under 11 U.S.C. § 362(d)(1) and (d)(2) with respect to undeveloped real property commonly known as Lakeview at Rio Bravo, Bakersfield, California ("Lakeview Lots") plus Phase 1, Lot 8, 12104 Wildhorse Avenue ("Lot 8", and together with the Lakeview Lots, the "Property"). Doc. #639.

Future Value Construction, Inc. ("Debtor"), the debtor and debtor-in-possession in this chapter 11 bankruptcy case, owns and operates a residential subdivision in Bakersfield, California that consists of the Lakeview Lots. Decl. of Ron Sentchuk, Doc. #642. The Lakeview Lots consist of 7 finished lots, 44 partially finished lots, and 21.2 acres of vacant land approved for development into approximately 62 lots. In addition, Debtor owns Lot 8 and three other lots located in Santa Barbara, California. Id.

On or about September 7, 2021, Debtor entered into a loan transaction with Movant for an initial principal amount of \$2.6 million that matured on April 2, 2023. Sentchuk Decl., Doc. #642. The promissory note is secured by a senior

lien on all but two of the Lakeview Lots as well as a senior lien on Lot 8. Id. Debtor has been in default on the loan since at least November 1, 2022. Id. Movant was preparing to record a notice of default when Debtor filed its chapter 11 bankruptcy case on November 28, 2022. Id.

Movant has not received any payments on its loan during Debtor's chapter 11 case. Sentchuk Decl., Doc. #642. In addition, Debtor has failed to pay real property tax installments for the Property since the installment payment due on November 1, 2021. Id. Outstanding real property tax obligations, including penalties, currently total \$127,180.00. Id. Movant's loan matured during the bankruptcy case, and Movant is currently owed \$4,875,736.94, consisting of principal balance, accrued interest, late charges and unpaid legal fees and advances. Id. In addition, there is a junior deed of trust against the Property in favor of CAVU/Rock Properties Project, LLC in the original principal amount of \$1.32 million. Id.

Movant recently obtained a current opinion of value of the Property by a leading land sale and consulting firm. Based on that opinion, Movant asserts a market value for the Lakeview Lots of \$4,394,500.00 as of December 31, 2025. Sentchuk Decl., Doc. #642; Decl. of Dana Levy, Doc. #641; Ex. 7, Doc. #643. Movant asserts a current market value for Lot 8 of \$100,000.00. Levy Decl., Doc. #641.

#### **RELIEF UNDER 11 U.S.C. § 362(d) (1)**

11 U.S.C. § 362(d) (1) allows the court to grant relief from the stay for cause, including the lack of adequate protection. "Because there is no clear definition of what constitutes 'cause,' discretionary relief from the stay must be determined on a case by case basis." In re Mac Donald, 755 F.2d 715, 717 (9th Cir. 1985).

After review of the included evidence, the court finds that "cause" exists to lift the stay because Debtor has failed to (i) make any payments on Movant's loan since November 1, 2022, (ii) payoff the loan at maturity, and (iii) pay post-petition real property taxes. In addition, Movant lacks adequate protection because the value of the Property securing Movant's loan is less than the amount owed by Debtor on Movant's loan, and the senior real property tax lien continues to accrue, further eroding Movant's secured position in the Property.

#### **RELIEF UNDER 11 U.S.C. § 362(d) (2)**

11 U.S.C. § 362(d) (2) allows the court to grant relief from the stay if the debtor does not have any equity in such property and such property is not necessary to an effective reorganization.

Once no equity is shown, it is Debtor's burden to establish that the Property is necessary for an effective reorganization. 11 U.S.C. § 362(g); United Sav. Ass'n of Texas v. Timbers of Inglewood Forest Assocs., Ltd., 484 U.S. 365, 375 (1988). To make this showing under Timbers, Debtor must show: (1) the Property is needed for an effective reorganization; and (2) the Property is essential for an effective reorganization that is in prospect, which means "a reasonable possibility of a successful reorganization within a reasonable time." Timbers, 484 U.S. at 375-76.

The court finds that Debtor does not have any equity in the Property. The Property is valued at \$4,494,500.00, and Debtor owes real property taxes of \$127,180.00 plus \$4,875,736.94 to Movant. Moreover, there is a junior lien against the Lakeview Lots that further erodes any equity Debtor may have in the Property.

It is then Debtor's burden to show that the Property is necessary for an effective reorganization that is in prospect. Here, Debtor has been in bankruptcy for nearly three and one-half years. Debtor is still working on obtaining issuance of a recorded tract map for Phase 2 of the Lakeview Lots ("Phase 2 Tract Map") so Debtor can start selling those lots. It is Movant's understanding that issuance of the Phase 2 Tract Map will take another 6 months. Debtor has repeatedly represented to this court during the pendency of this bankruptcy case that its reorganization relies on the issuance of the Phase 2 Tract Map. Because it will take an additional 6 months for the Phase 2 Tract Map to be recorded, it does not appear that an effective reorganization of Debtor is in prospect.

## CONCLUSION

Accordingly, the motion will be granted pursuant to 11 U.S.C. § 362(d)(1) and (d)(2) to permit Movant to dispose of its collateral pursuant to applicable law and to use the proceeds from its disposition to satisfy its claim. No other relief is awarded.

The 14-day stay of Federal Rule of Bankruptcy Procedure 4001(a)(3) will be ordered waived because Debtor has failed to (i) make any payments on Movant's loan since November 1, 2022, (ii) payoff the loan at maturity, and (iii) pay post-petition real property taxes. In addition, Movant lacks adequate protection for its security interest in the Property.

3. [24-11422](#)-A-12     **IN RE: IGNACIO/CASAMIRA SANCHEZ**  
[FW-9](#)

CONTINUED MOTION TO AMEND ORDER ON MOTION TO EMPLOY  
12-17-2025    [\[231\]](#)

CASAMIRA SANCHEZ/MV  
PETER FEAR/ATTY. FOR DBT.

TENTATIVE RULING:            This matter will proceed as scheduled.

DISPOSITION:                  Granted.

ORDER:                          The minutes of the hearing will be the court's findings and conclusions. The Moving Party shall submit a proposed order after the hearing.

This motion was filed and served on at least 14 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(2) and continued to permit the moving party to supplement the record. The matter will proceed as scheduled. At the prior hearing, the court continued the deadline for opposition and permitted opposition to be raised at the continued hearing. Unless opposition is presented at the hearing, the court intends to enter the respondents' defaults and grant the motion. If opposition is presented at the hearing, the court will consider the opposition and whether further hearing is proper pursuant to LBR 9014-1(f)(2). The court will issue an order if a further hearing is necessary.

Ignacio Sanchez and Casamira Ada Sanchez (together, "Debtors") originally moved the court to amend the order employing Jim Merlo Real Estate ("Broker") to provide for a 6% broker commission instead of a 4% commission with respect to the sale of (a) 158.38 acres of farmland situated in Orosi, County of Tulare, California, including trees, vines and outbuildings (together, "Meyerstein

Ranch”), (b) 14.286 acres situated in Dinuba, County of Tulare, California, including a packing house and cold storage facility (together, “Packing House”), and (c) any other real property sold by Broker on behalf of Debtors. Doc. #231. However, after further review of the record and applicable documents, Debtors believe Broker was previously employed pursuant to 11 U.S.C. § 327, and not 11 U.S.C. § 328, which would have fixed the broker fee at 4%.

Debtors filed this chapter 12 bankruptcy case on May 27, 2024. Doc. #1. On August 30, 2024, Debtors filed an ex parte application to employ Broker to sell Meyerstein Ranch, Packing House and two other parcels of real property, one of which has been sold (“Application”). Doc. ##73, 231. The Application provided, pursuant to four listing agreements that each terminated on December 31, 2024 (together, the “Agreements”), for a 2% commission to Broker as the sellers’ broker and a 4% commission if Broker also brought in a successful buyer. Doc. #73; Ex. A, Doc. #74. The court approved the Application on September 9, 2024. Order, Doc. #90.

The court confirmed Debtors’ chapter 12 plan on November 27, 2024. Doc. #153. Based on copies of new listing agreements filed with the court, Broker was employed by Debtors pursuant to new listing agreements entered into after Debtors’ chapter 12 plan was confirmed to sell the Meyerstein Ranch and the Packing House for a total 6% commission to brokers representing the selling and purchasing parties. Exs. A & B, Doc. #246.

After reviewing the record, the court determines that a 6% commission to brokers representing the selling and purchasing parties is proper. Broker was appointed pursuant to 11 U.S.C. § 327, and not 11 U.S.C. § 328, which would have fixed the broker fee at 4%. In addition, Debtors have properly noticed the payment of a 6% commission with respect to sales of both the Meyerstein Ranch and the Packing House, and no creditor or other party in interest has opposed a 6% commission.

Accordingly, the court approves a 6% commission with respect to sales of both the Meyerstein Ranch and the Packing House.

4. [25-26635](#)-A-9     **IN RE: DIABLO GRANDE COMMUNITY FACILITIES DISTRICT NO. 1**  
[CAE-1](#)

CONTINUED STATUS CONFERENCE RE: CHAPTER 9 VOLUNTARY PETITION  
11-25-2025    [\[1\]](#)

JOSEPH BUCHMAN/ATTY. FOR DBT.

TENTATIVE RULING:            This matter will proceed as scheduled.

DISPOSITION:                Continue to April 15, 2026 at 9:30 a.m.

ORDER:                        The minutes of the hearing will be the court’s findings and conclusions. The court will issue an order after the hearing.

Because the debtor proposes to hold a status conference on April 15, 2026 at 9:30 a.m. if an objection to the debtor’s chapter 9 petition is filed, the court will continue this status conference to April 15, 2026 at 9:30 a.m. The court will require the debtor to file and serve an updated status report no later than April 8, 2026.



5. [25-10074](#)-A-12     **IN RE: CAPITAL FARMS, INC**  
[CAE-1](#)

CONTINUED STATUS CONFERENCE RE: CHAPTER 12 VOLUNTARY PETITION  
1-10-2025    [\[1\]](#)

PETER FEAR/ATTY. FOR DBT.

NO RULING.

In the debtor's status report filed on January 21, 2026 (Doc. #375), the debtor requested that the court confirm an amended chapter 12 plan that is an exhibit to the status report ("Modified Plan") at the February 4 status conference hearing. The court will not proceed with confirmation of the Modified Plan on February 4, 2026 because the debtor has not (1) filed and served on creditors and other interested parties a new declaration to provide the facts necessary to support the findings the court is required to make in order to confirm the Modified Plan, and (2) filed with the court a clean version of the Modified Plan with the correct date as a separate docket entry.

Due to the change in plan payments and updated projections, the court will require the debtor to notice the new confirmation hearing and provide creditors with a new deadline to object to the Modified Plan pursuant to Federal Rule of Bankruptcy Procedure 2002(a)(8). At the status conference, counsel for the debtor should be prepared to discuss dates for a confirmation hearing that comply with 11 U.S.C. § 1224.

6. [25-11791](#)-A-11     **IN RE: FRED RAU DAIRY, INC**  
[CAE-1](#)

CONTINUED STATUS CONFERENCE RE: CHAPTER 11 VOLUNTARY PETITION  
5-29-2025    [\[1\]](#)

PETER FEAR/ATTY. FOR DBT.

TENTATIVE RULING:            This matter will proceed as scheduled.

DISPOSITION:                    Continue to March 25, 2026 at 9:30 a.m.

ORDER:                            The minutes of the hearing will be the court's findings and conclusions. The court will issue an order after the hearing.

Because the debtor's monthly operating reports are current, the court intends to continue this status conference to March 25, 2026 at 9:30 a.m. based on the debtor's status report filed on January 28, 2026. Doc. #223. The court will require the debtor to file and serve an updated status report no later than March 18, 2026.

7. [25-26635](#)-A-9      **IN RE: DIABLO GRANDE COMMUNITY FACILITIES DISTRICT NO. 1**  
[BWS-1](#)

MOTION FOR ENTRY OF ORDER DIRECTING AND APPROVING FORM OF NOTICE AND/OR  
MOTION FOR ENTRY OF ORDER SETTING DEADLINE FOR FILING OBJECTIONS TO  
PETITION  
1-21-2026    [[15](#)]

DIABLO GRANDE COMMUNITY  
FACILITIES DISTRICT NO. 1/MV  
JOSEPH BUCHMAN/ATTY. FOR DBT.

NO RULING.

11:00 AM

1. [25-13255](#)-A-7      **IN RE: YVETTE ORTIZ**

PRO SE REAFFIRMATION AGREEMENT WITH NUVISION CREDIT UNION  
1-13-2026    [[19](#)]

NO RULING.

1. [25-13471](#)-A-7     **IN RE: VERNICE BENNETT**  
[BMJ-1](#)

MOTION FOR RELIEF FROM AUTOMATIC STAY  
1-20-2026    [\[28\]](#)

FIRST NATIONAL BANK AND TRUST COMPANY OF WEATHERFORD/MV  
PETER SAUER/ATTY. FOR DBT.  
FERNANDO ALMARAZ/ATTY. FOR MV.  
DISCHARGED 1/28/26

TENTATIVE RULING:            This matter will proceed as scheduled.

DISPOSITION:                Granted in part and denied as moot in part.

ORDER:                        The minutes of the hearing will be the court's findings  
and conclusions. The Moving Party shall submit a proposed  
order after hearing.

This motion was filed and served on at least 14 days prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(2) and will proceed as scheduled. Unless opposition is presented at the hearing, the court intends to enter the respondents' defaults and grant the motion in part and deny as moot in part. If opposition is presented at the hearing, the court will consider the opposition and whether further hearing is proper pursuant to LBR 9014-1(f)(2). The court will issue an order if a further hearing is necessary.

The motion will be GRANTED IN PART as to the trustee's interest and DENIED AS MOOT IN PART as to the debtor's interest pursuant to 11 U.S.C. § 362(c)(2)(C). The debtor's discharge was entered on January 28, 2026. Doc. #36. The motion will be GRANTED IN PART for cause shown as to the chapter 7 trustee.

The movant, First National Bank and Trust Company of Weatherford dba First Bank Texas ("Movant"), seeks relief from the automatic stay under 11 U.S.C. § 362(d)(1) and (d)(2) with respect to real property located at Lot 70, Deer Crossing Lot, Dublin, Texas 76466 ("Property"). Doc. #28.

11 U.S.C. § 362(d)(1) allows the court to grant relief from the stay for cause, including the lack of adequate protection. "Because there is no clear definition of what constitutes 'cause,' discretionary relief from the stay must be determined on a case by case basis." In re Mac Donald, 755 F.2d 715, 717 (9th Cir. 1985).

11 U.S.C. § 362(d)(2) allows the court to grant relief from the stay if the debtor does not have any equity in such property and such property is not necessary to an effective reorganization.

After review of the included evidence, the court finds that "cause" exists to lift the stay because the debtor has failed to make at least 15 complete pre- and post-petition payments. Movant has produced evidence that the debtor is delinquent by at least \$10,601.70 and the entire balance of \$86,819.17 is due. Decl. of LeeAnn Neal, Doc. #33.

The court also finds that the debtor does not have any equity in the Property and the Property is not necessary to an effective reorganization because the

debtor is in chapter 7. The property is valued at \$80,000.00 and the debtor owes \$86,819.17. Neal Decl., Doc. #33.

Accordingly, the motion will be granted pursuant to 11 U.S.C. § 362(d)(1) and (d)(2) to permit Movant to dispose of its collateral pursuant to applicable law and to use the proceeds from its disposition to satisfy its claim. No other relief is awarded.

The 14-day stay of Fed. R. Bankr. P. 4001(a)(4) will be ordered waived because the debtor has failed to make at least 15 payments, both pre- and post-petition, to Movant.