

UNITED STATES BANKRUPTCY COURT Eastern District of California Honorable René Lastreto II Department B - Courtroom #13 Fresno, California Hearing Date: Tuesday, February 25, 2025

Unless otherwise ordered, all matters before the Honorable René Lastreto II, shall be simultaneously: (1) **In Person** at, Courtroom #13 (Fresno hearings only), (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 or their attorneys who wish to appear at a hearing remotely must sign up by <u>4:00 p.m. one business day</u> prior to the hearing. Information regarding how to sign up can be found on the **Remote Appearances** page of our website at <u>https://www.caeb.uscourts.gov/Calendar/CourtAppearances</u>. Each party/attorney 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 and their attorneys who wish to appear remotely must contact the Courtroom Deputy for the Department holding the hearing.

Please also note the following:

• Parties in interest and/or their attorneys 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 who wish to attend by ZoomGov may only listen in to the hearing using the Zoom telephone number. Video participation or observing are not permitted.

• Members of the public and the press may not listen in to trials or evidentiary hearings, though they may attend in person unless otherwise ordered.

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

- 1. Review the <u>Pre-Hearing Dispositions</u> 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.

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

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 <u>no hearing</u> <u>on these matters</u>. 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.

Post-Publication Changes: 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 any possible updates.

9:30 AM

1. <u>20-10809</u>-B-11 **IN RE: STEPHEN SLOAN** WF-27

MOTION TO SELL 2-4-2025 [805]

TERRENCE LONG/MV PETER FEAR/ATTY. FOR DBT. DANIEL EGAN/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 will submit a proposed order after hearing.

Terence J. Long, Plan Administrator in the above-styled Chapter 11 case ("Plan Administrator" or "Long") moves for an order, pursuant to 11 U.S.C. § 363 and Federal Rule of Bankruptcy Procedure 6004, authorizing the sale of real property consisting of a 3.3-acre parcel of vacant land located in San Andreas, California ("the 3.3 Parcel"). Doc. #805. Long also seeks an order allowing him to pay broker commissions from the sale proceeds, as well as customary closing costs and property taxes. *Id*.

Written opposition was not required and may be presented at the hearing. In the absence of opposition, this motion will be GRANTED.

This motion was filed and served 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.

Stephen William Sloan ("Debtor") filed Chapter 11 bankruptcy on March 2, 2020. Doc. #1. On February 2, 2022, the plan of reorganization was confirmed which, *inter alia*, appointed Long as Plan Administrator. Doc. #483. Pursuant to provisions of the plan, Long has authority to liquidate the assets of Emerald California Investments, LLC ("Emerald") collectively known as the "Calaveras Properties" which include the 3.3-Acre Parcel. *Id*.

On or about April 15, 2024, the court approved the motion to retain Pearson Realty to market the Calaveras Properties. Doc. #674. Long previously filed a motion seeking authorization of this and other properties to the MACT Health Board, Inc. ("Purchaser" or "MACT")(Doc. #749). Long declares that the prior sale fell through because of complications involving a lot line adjustment and past due property taxes. Doc. #807 (Decl. of Terrance Long). Long declares that Purchaser subsequently offered to purchase just the 3.3-acre Parcel for a reduced purchase price of \$33,000.00. *Id*. Long avers that a lot line adjustment will not be necessary to close the sale of this property. *Id*.

DISCUSSION

Sale of Property

11 U.S.C. § 363(b)(1) allows the trustee (or, in this instance, the Plan Administrator) to "sell, or lease, other than in the ordinary course of business, property of the estate." Proposed sales under 11 U.S.C. \S 363(b) are reviewed to determine whether they are: (1) in the best interests of the estate resulting from a fair and reasonable price; (2) supported by a valid business judgment; and (3) proposed in good faith. In re Alaska Fishing Adventure, LLC, 594 B.R. 883, 887 (Bankr. D. Alaska 2018) citing 240 N. Brand Partners v. Colony GFP Partners, Ltd. P'ship (In re 240 N. Brand Partners), 200 B.R. 653, 659 (B.A.P. 9th Cir. 1996); In re Wilde Horse Enters., Inc., 136 B.R. 830, 841 (Bankr. C.D. Cal. 1991). In the context of sales of estate property under § 363, a bankruptcy court "should determine only whether the trustee's judgment was reasonable and whether a sound business justification exists supporting the sale and its terms." Alaska Fishing, 594 B.R. at 889, quoting 3 Collier on Bankruptcy ¶ 363.02[4] (Richard Levin & Henry J. Sommer, 16th ed.). "[T]he trustee's business judgment is to be given 'great judicial deference." Id., citing In re Psychometric Sys., Inc., 367 B.R. 670, 674 (Bankr. D. Colo. 2007); In re Bakalis, 220 B.R. 525, 531-32 (Bankr. E.D.N.Y. 1998).

Sales to an insider are subject to heightened scrutiny. Alaska Fishing Adventure, LLC, 594 B.R. at 887 citing Mission Product Holdings, Inc. v. Old Cold, LLC (In re Old Cold LLC), 558 B.R. 500, 516 (B.A.P. 1st Cir. 2016). There is nothing in the record suggesting that Buyer is an insider with respect to Debtor. Buyer is neither listed in the schedules nor the master address list. Docs. #1; #2; #16; #19.

Property is not explicitly listed in *Schedule A/B*, but Debtor's 100% ownership of Emerald is listed on line 19 as having a value of \$4,000,000.00. Doc. #1. In Section 4.01.9 of the Plan, Emerald is described as owning two properties: (1) approximately 140 acres in Calaveras County (estimated value of \$3 million), and (2) Debtor's personal residence located at 317 Kingsbury Drive, Aptos, California (estimated value of \$3 million with approximately \$1.5 million in debt on the property. Doc. #483 (*Exhib. A*).

It appears that the Calaveras Properties represent a subset of the 140 acres owned by Emerald and were to be sold separately according to the

Plan Administrator's prior Motion to Employ. See Doc. #652. The 3.3-Acre Parcel, in turn, is a subset of the Calaveras Properties. Doc. #807. That prior motion identified three parcels to be marketed and sold by Pearson Realty: (1) "the Almond Orchard," (2) "the Pistachio Orchard," and (3) "the Adjacent Vacant Land." Id. It is not immediately clear to what portions of the Emerald property (which has a total estimated value of \$3 million) constitute the 3.3-Acre Parcel that is being sold pursuant to this motion. except that it is apparently a subset of the larger Calaveras Properties plot. The Plan Administrator will have opportunity to clarify the issue at the hearing.

Debtor did not exempt Property in Schedule C. Doc. #1.

The Plan Administrator has entered into a contract ("Purchase Agreement") with Buyer to sell the 3.3-Acre Parcel for \$33,000.00, with a deposit of \$3,000.00 and a close of escrow on or before March 18, 2025. Doc. #805, #808. The sale contract is subject to various terms and conditions outlined in Addendum No. 1 to the contract, most notably that (1) the sale of Property is as-is, where-is, with no warranties and (2) the sale is subject to overbid and the final approval of this court. *Id*. The Plan Administrator estimates that, after closing costs, the sale will generate approximately \$23,331.00 for the estate. Doc. #807; see also Doc. #808 (*Exhib. H*).

There is no indication that the 3.3-Acre Parcel is encumbered. The motion also proposes to pay a 6% commission to the realtors, to be split between Pearson Realty and buyer's realtor. Doc. #805.

The sale under these circumstances should maximize potential recovery for the estate. The sale of the Property appears to be in the best interests of the estate because it will provide liquidity that can be distributed for the benefit of unsecured claims. The sale appears to be supported by a valid business judgment and proposed in good faith. Therefore, this sale is an appropriate exercise of Trustee's business judgment and, assuming no opposition is presented at the hearing, will be given deference.

Real Estate Brokers' Compensation

This motion affects the proposed disposition of estate assets and the Broker. Under Fed. R. Civ. P. ("Civ. Rule") 21 (Rule 7021 incorporated in contested matters under Rule 9014(c)), the court will exercise its discretion to add Broker as a party.

LBR 9014-1(d)(5)(B)(ii) permits joinder of claims for authorization for the sale of real property and allowance of fees and expenses for such professional under 11 U.S.C. §§ 327, 328, 330, 363, and Rule 6004.

On March 19, 2024, the Plan Administrator moved to employ Pearson Realty to assist in carrying out the Plan Administrator's duties by selling the assets of Emerald, including the Calaveras Properties. Doc. #652. The court authorized Broker's employment on April 15, 2024, under 11 U.S.C. §§ 327 and 328. Doc. #674.

Pursuant to the employment order, the Plan Administrator requests to compensate Pearson Realty and the Buyer's broker with a commission of 6%, which will be split equally between Broker and the buyer's real estate broker. Doc. #733. Buyer's broker is Berkshire Hathaway HomeServices Drysdale Properties ("Berkshire Hathaway"). Pearson Realty and Berkshire Hathaway would each receive a 3% commission or \$1,800.00 each, if there are no overbidders and Property is sold at the proposed sale price. The court will authorize Plan Administrator to pay broker commissions as prayed.

Overbid Procedure

Any party wishing to overbid shall, prior to the hearing, comply with the overbid procedures as outlined in the motion beginning on page 4. See Doc. #805, pg. 4.

Waiver of 14-day Stay

The Plan Administrator does not request waiver of the 14-day stay of Rule 6004(h), and no such relief will be granted.

Conclusion

Written opposition to this motion was not required. If no such opposition is presented at the hearing, this motion will be GRANTED. The Plan Administrator will be authorized: (1) to sell the Property to the prevailing bidder at the hearing, as determined at the hearing; (2) to execute all documents necessary to effectuate the sale of the Property; (3) to pay broker commission in the amount of 6% of the total sale price to be split evenly between seller's broker and the buyer's broker, as determined at the hearing; and (4) to pay all costs, commissions, and real property taxes directly from escrow. 2. <u>20-10809</u>-B-11 **IN RE: STEPHEN SLOAN** WF-28

MOTION FOR ORDER APPROVING EXTENSION OF LISTING AGREEMENTS 2-4-2025 [810]

TERRENCE LONG/MV PETER FEAR/ATTY. FOR DBT. DANIEL EGAN/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 will submit a proposed order after hearing.

Terence J. Long, Plan Administrator in the above-styled Chapter 11 case ("Plan Administrator" or "Long") moves for an order, extending certain listing agreements between Plan Administrator and Pearson Realty to July 31, 2025. Doc. #810.

Written opposition was not required and may be presented at the hearing. In the absence of opposition, this motion will be GRANTED.

This motion was filed and served 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.

Stephen William Sloan ("Debtor") filed Chapter 11 bankruptcy on March 2, 2020. Doc. #1. On February 2, 2022, the plan of reorganization was confirmed which, *inter alia*, appointed Long as Plan Administrator. Doc. #483. Pursuant to provisions of the plan, Long has authority to liquidate the assets of Emerald California Investments, LLC ("Emerald") collectively known as the "Calaveras Properties" which include the 3.3-Acre Parcel which is the subject of the previous motion to sell. *Id*.

On April 15, 2024, this court granted Plan Administrator's motion to employ Pearson Realty to market and sell various properties of Debtor. Doc. #601. These properties include: (1) 143.08 acres of vacant land in Calaveras County ("the Remaining Property"); (2) 58.21 acres of vacant land in Calaveras County; (3) a 50.45-acre almond orchard in Los Banos, CA; and (4) a 64.6-acre pistachio orchard in Los Banos, CA. Doc. #702. Of those, all but the Remaining Property have been sold, and the sale of 3.3 acres of the remaining Property is set for hearing on February 25, 2025.

The original listing agreements expired on July 31, 2024, and the Plan Administrator sought and obtained an extension of the listing agreements to January 31, 2025. Id; Doc. #731. The Plan Administrator declares his belief that extending the listing agreements will afford him time to continue to administer the Plan.

Written opposition was not required. This matter will proceed as scheduled. In the absence of any opposition at the hearing, the court is inclined to GRANT this motion.

3. <u>25-10011</u>-B-12 IN RE: CARL/PATRICIA SOUSA CAE-1

STATUS CONFERENCE RE: CHAPTER 12 VOLUNTARY PETITION 1-2-2025 [1]

PETER FEAR/ATTY. FOR DBT.

NO RULING.

4. $\frac{25-10011}{FW-2}$ -B-12 IN RE: CARL/PATRICIA SOUSA

CONTINUED MOTION TO USE CASH COLLATERAL 1-3-2025 [7]

PATRICIA SOUSA/MV PETER FEAR/ATTY. FOR DBT.

NO RULING.

5. $\frac{24-12751}{CAE-1}$ -B-11 IN RE: BIKRAM SINGH AND HARSIMRAN SANDHU

CONTINUED CHAPTER 11 VOLUNTARY PETITION 9-22-2024 [1]

PETER FEAR/ATTY. FOR DBT.

After posting the original pre-hearing dispositions, the court has modified its intended ruling on this matter.

NO RULING.

6. $\frac{17-13797}{WJH-18}$ -B-9 IN RE: TULARE LOCAL HEALTHCARE DISTRICT

CONTINUED OBJECTION TO CLAIM OF TULARE HOSPITALIST GROUP, CLAIM NUMBER 231 1-8-2020 [1784]

TULARE LOCAL HEALTHCARE DISTRICT/MV RILEY WALTER/ATTY. FOR DBT.

After posting the original pre-hearing dispositions, the court has modified its intended ruling on this matter.

FINAL RULING: There will be no hearing in this matter.

DISPOSITION: Continued to March 11, 2025, at 9:30 a.m.

No order is required.

On February 19, 2025, the court approved a stipulation to CONTINUE this matter to March 11, 2025, at 9:30 a.m. Doc. #2754. Counsel for the District does not need to appear at the February 25, 2025, hearing.

7. $\frac{17-13797}{WJH-19}$ -B-9 IN RE: TULARE LOCAL HEALTHCARE DISTRICT

CONTINUED OBJECTION TO CLAIM OF GUPTA-KUMAR MEDICAL PRACTICE, CLAIM NUMBER 232 1-8-2020 [1789]

TULARE LOCAL HEALTHCARE DISTRICT/MV RILEY WALTER/ATTY. FOR DBT.

After posting the original pre-hearing dispositions, the court has modified its intended ruling on this matter.

FINAL RULING: There will be no hearing in this matter.

DISPOSITION: Continued to March 11, 2025, at 9:30 a.m.

No order is required.

On February 19, 2025, the court approved a stipulation to CONTINUE this matter to March 11, 2025, at 9:30 a.m. Doc. #2754. Counsel for the District does not need to appear at the February 25, 2025, hearing.

8. <u>17-13797</u>-B-9 **IN RE: TULARE LOCAL HEALTHCARE DISTRICT** WJH-25

CONTINUED OBJECTION TO CLAIM OF INPATIENT HOSPITAL GROUP, INC., CLAIM NUMBER 230 1-10-2020 [1834]

TULARE LOCAL HEALTHCARE DISTRICT/MV RILEY WALTER/ATTY. FOR DBT.

After posting the original pre-hearing dispositions, the court has modified its intended ruling on this matter.

FINAL RULING: There will be no hearing in this matter.

DISPOSITION: Continued to March 11, 2025, at 9:30 a.m.

No order is required.

On February 19, 2025, the court approved a stipulation to CONTINUE this matter to March 11, 2025, at 9:30 a.m. Doc. #2754. Counsel for the District does not need to appear at the February 25, 2025, hearing.

9. $\frac{24-11198}{FW-9}$ -B-12 IN RE: EDUARDO/AMALIA GARCIA

MOTION TO SELL FREE AND CLEAR OF LIENS 2-4-2025 [113]

AMALIA GARCIA/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 will submit a proposed order after hearing.

Eduardo Zavala Garcia and Amalia Perez Garcia, Debtors in possession in the above-styled case ("Debtors" or "DIP") move for an order authorizing Debtors to sell certain property described below pursuant to 11 U.S.C. § 363(f) and § 1206, with senior liens to be paid in order of priority out of escrow. Doc. #193. The proposed sale price is \$5,000,000.00 and the proposed buyer is Lahava Green Energy Ltd. ("Proposed Buyer" or "Lahava"). Neither Debtor nor Proposed Buyer has retained the services of a realtor or broker in conjunction with the proposed sale, and Debtors do not seek authorization to pay any realtor or broker in this motion. Doc. #116 (Memorandum of Authorities). The motion is supported by: (1) the Declaration of Eduardo Garcia; (2) a Memorandum and Points of Authority; and (3) Exhibits in the form of the proposed Sale Contract (the "Contract") and the preliminary title report. Docs. ##115-117.

Written opposition was not required and may be presented at the hearing. In the absence of opposition, this motion will be GRANTED.

This motion was filed and served 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.

BACKGROUND

Debtors filed for Chapter 12 relief on May 1, 2024. Doc. #1. On November 7, 2024, the court confirmed the Debtors' *Modified Chapter 12 Plan dated July 30, 2024*, ("the Plan") subject to certain stipulations between Debtors, Robott Land Company, Inc. ("Robott"), and Chapter 12 Trustee Lilian G. Tsang ("Trustee"). Docs. #101 (the Confirmation Order), #42 (the Plan), #88, #91, and #120 (the Stipulations).

Among the assets of the estate are certain parcels of land in Kern County, California (collectively "the Property"). See Doc. #116. The two parcels bear assessor's parcel numbers 503-041-14 and 503-041-23, and the Property is legally described in the Memorandum of Points and Authorities, the declaration of Debtor Eduardo Garcia, and the Contract. See Docs. ##115-117. The court notes that Motion implies that parcel 503-041-17 is part of this sale (see Doc. #113, \P 3), but the rest of the moving papers indicate that it is only the other two parcels previously mentioned.

The Property consists of 197.27 farmable acres, including approximately 81.4 acres of table grape vineyard, with the remainder being irrigable farmland. *Id*.

The Property is described as an asset of the estate in Section 4.02.1 of the Plan, which describes the farm as a "Solar Farm Property" and says that the Property has a sale price of \$5,000,000.00 and secures the Class 3 claim (Robott). Docs. #88, #120. Robott's Class 3 claim is \$7,671,283.48 as of the filing date, is fully secured. *Id.* This claim is cross-collateralized against other assets of the Debtors. Doc. #115.

Robott's lien will attach to the proceeds of the sale, and DIP anticipates that, after payment out of escrow of delinquent taxes on the Property, the entirety of the proceeds will be paid to reduce Robott's claim. *Id.* The Motion proposes that payments from escrow to secured claim holders be treated as constructive disbursements for which the Chapter 12 Trustee shall be entitled to compensation. Doc. #113.

DISCUSSION

The Sale.

Under 11 U.S.C. § 363(f), the DIP may sell estate property of the estate outside the ordinary course of business, after notice and a hearing, free and clear of "any interest in such property of an entity other than the estate" if one of several conditions apply. 11 U.S.C.S. § 363(f). Relevant to this matter, 11 U.S.C. § 1206 states that:

After notice and a hearing, in addition to the authorization contained in section 363(f), the trustee in a case under this chapter may sell property under section 363(b) and (c) free and clear of any interest in such property of an entity other than the estate if the property is farmland, farm equipment, or property used to carry out a commercial fishing operation (including a commercial fishing vessel), except that the proceeds of such sale shall be subject to such interest.

11 U.S.C.S. § 1206. A debtor in possession in a Chapter 12 case has all the rights of a trustee and may perform all the functions and duties of a trustee (except for certain duties specified by the Code or where otherwise limited or prescribed by the court). 11 U.S.C. § 1203. Thus, the Debtors, subject to notice, a hearing, and court approval, may sell farmland provided that the proceeds of the sale are subject to the interest of the former lienholders, which is what the Motion proposes.

Sales to an insider are subject to heightened scrutiny. Alaska Fishing Adventure, LLC, 594 B.R. at 887 citing Mission Product Holdings, Inc. v. Old Cold, LLC (In re Old Cold LLC), 558 B.R. 500, 516 (B.A.P. 1st Cir. 2016). There is nothing in the record suggesting that Proposed Buyers are insiders with respect to Debtor.

The Property is listed in *Schedule A/B* in two separate entries with a combined value of \$4,105,400.00. Doc. #1 (Sched. A/B, Exhibit A). Debtors did not exempt the Property, which is fully encumbered.

The sale under these circumstances should maximize potential recovery for the estate. The sale of the Property, as contemplated by the confirmed Plan, appears to be in the best interests of the estate because it will substantially reduce Robott's claim and increase the likelihood that other creditors may benefit from the sale of other assets. The sale appears to be supported by a valid business judgment and proposed in good faith. Therefore, this sale is an appropriate exercise of Trustee's business judgment and will be given deference. If there are no objections at the hearing, the court is inclined to GRANT the motion to sell, subject to higher and better bids at the hearing.

Real Estate Brokers' Compensation

No broker or realtor is involved in this transaction.

Overbid Procedure

Any party wishing to overbid shall comply with the overbid procedures as outlined in the Notice accompanying the Motion. Doc. #114.

Waiver of 14-day Stay

The DIP does not request waiver of the 14-day stay of Rule 6004(h), and no such relief will be granted.

Conclusion

This matter will proceed as scheduled. If there is no opposition at the hearing, the *Motion to Sell Free and Clear of Liens* will be GRANTED. The DIP will be authorized: (1) to sell the Property to the prevailing bidder at the hearing, as determined at the hearing; (2) to execute all documents necessary to effectuate the sale of the Property; and (3) to pay all costs, commissions, and real property taxes directly from escrow. The 14-day stay of Rule 6004(h) will not be waived.

11:00 AM

1. 24-13026-B-7 IN RE: RENIISHA MCCLINTON

REAFFIRMATION AGREEMENT WITH HYUNDAI CAPITAL AMERICA 1-21-2025 [16]

ERIC ESCAMILLA/ATTY. FOR DBT.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Denied.

ORDER: The court will issue an order.

Debtor's counsel will inform debtor that no appearance is necessary.

A Reaffirmation Agreement between Reniisha McClinton ("Debtor") and Hyundai Motor Finance for a 2023 Hyundai Kona (VIN: KMBK53A39PU981836) ("Vehicle") was filed on January 21, 2025. Doc. #16.

11 U.S.C. § 524(c)(6)(A)(ii) states "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 non-bankruptcy law, whether or not discharge of such debt is waived, only if the court approves such agreement as in the best interest of the debtor."

Reaffirming this debt with its remaining term and the current value of the Vehicle is not in the Debtor's best interest. Approval of the reaffirmation agreement is DENIED.

2. 24-13329-B-7 IN RE: PATRICIA FLORES

REAFFIRMATION AGREEMENT WITH TRAVIS CREDIT UNION 1-29-2025 [15]

JEFFREY ROWE/ATTY. FOR DBT.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Denied.

ORDER: The court will issue an order.

Debtor's counsel will inform debtor that no appearance is necessary.

A Reaffirmation Agreement between Patricia Flores ("Debtor") and Travis Credit Union for a 2020 Ford F-150 ("Vehicle") was filed on January 29, 2025. Doc. #15.

11 U.S.C. § 524(c)(6)(A)(ii) states "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 non-bankruptcy law, whether or not discharge of such debt is waived, only if the court approves such agreement as in the best interest of the debtor."

The documents submitted in support of the reaffirmation agreement include information that the Debtor is a co-signer on the contract. This means another party may be liable for this obligation.

Though there is no presumption of undue hardship because the lender is a Credit Union, reaffirming this debt is not in the Debtor's best interest. Approval of the reaffirmation agreement is DENIED.

3. 24-13156-B-7 IN RE: LAVALLE BANKS AND SADIE FICKLE

PRO SE REAFFIRMATION AGREEMENT WITH CAPITAL ONE AUTO FINANCE 1-28-2025 [23]

NO RULING.

4. 24-13367-B-7 IN RE: MICHAEL/ELISA LOPEZ

REAFFIRMATION AGREEMENT WITH CARVANA, LLC 1-24-2025 [17]

ERIC ESCAMILLA/ATTY. FOR DBT.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Denied.

ORDER: The court will issue an order.

Debtors' counsel will inform debtor that no appearance is necessary.

A Reaffirmation Agreement between Michael and Elisa Lopez ("Debtors") and Carvana, LLC for a 2018 Tesla Model 3 Sedan ("Vehicle") was filed on January 24, 2025. Doc. #17.

11 U.S.C. § 524(c)(6)(A)(ii) states "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

non-bankruptcy law, whether or not discharge of such debt is waived, only if the court approves such agreement as in the best interest of the debtor."

The documents submitted in support of the reaffirmation agreement include information that the Debtors are co-signers on the contract. This means another party may be liable for this obligation. Reaffirming this debt is not in the Debtors' best interest.

Nothing prevents the Debtors from continuing to make payments to the Creditor nor the Creditor from accepting those payments. Approval of the reaffirmation agreement is DENIED.

5. 24-13370-B-7 IN RE: ADAM MACIAS

REAFFIRMATION AGREEMENT WITH AMERICAN HONDA FINANCE CORPORATION 1-28-2025 [15]

ANH NGUYEN/ATTY. FOR DBT.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Denied.

ORDER: The court will issue an order.

Debtor's counsel will inform debtor that no appearance is necessary.

A Reaffirmation Agreement between Adam Macias ("Debtor") and American Honda Finance Corporation for a 2024 Honda Accord ("Vehicle") was filed on January 28, 2025. Doc. #15.

11 U.S.C. § 524(c)(6)(A)(ii) states "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 non-bankruptcy law, whether or not discharge of such debt is waived, only if the court approves such agreement as in the best interest of the debtor."

The documents submitted in support of the reaffirmation agreement include information that the Debtor is a co-signer on the contract. This means another party may be liable for this obligation. Reaffirming this debt is not in the Debtors' best interest.

Nothing prevents the Debtors from continuing to make payments to the Creditor nor the Creditor from accepting those payments. Approval of the reaffirmation agreement is DENIED.

6. 24-12797-B-7 IN RE: LLURIANA ROCHA-ZAMORA

REAFFIRMATION AGREEMENT WITH CARMAX AUTO FINANCE 1-7-2025 [19]

SCOTT LYONS/ATTY. FOR DBT.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Denied.

ORDER: The court will issue an order.

Debtor's counsel shall notify the debtor that no appearance is necessary.

A Reaffirmation Agreement between Lluriana Rocha-Zamora ("Debtor") and CarMax Auto Finance for a 2019 Jeep Compass was filed on January 7, 2025. Doc. #19.

Fed. R. Bankr. P. ("Rule") 4008(a) requires a reaffirmation agreement to be filed no later than 60 days after the first date set for the meeting of creditors.

In this case, the meeting of creditors was set for November 4, 2024, and therefore, the deadline to file the reaffirmation agreement was January 3, 2025, and the Reaffirmation Agreement was filed on January 7, 2025. Doc. #19. No factual basis for the court to extend the time to file the reaffirmation agreement has been presented supporting the motion.

Accordingly, approval of the Reaffirmation Agreement between Debtor and CarMax Auto Finance will be DENIED.

1. $\frac{24-13417}{\text{SL}-1}$ -B-7 IN RE: ROBERT ZAMARRIPA SL-1

MOTION TO CONVERT CASE FROM CHAPTER 7 TO CHAPTER 13 1-13-2025 [15]

SCOTT LYONS/ATTY. FOR DBT.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted.

ORDER: The Movant will prepare the order

Robert Zamarripa ("Debtor") moves for an order voluntarily converting this case under Chapter 7 to one under Chapter 13 pursuant to 11 U.S.C. § 706(a). Doc #15.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1). Thus, pursuant to LBR 9014-1(f)(1)(B), the failure of any party in interest (including but not limited to creditors, the debtor, the U.S. Trustee, or any other properly-served party in interest) to file written opposition at least 14 days prior to the hearing may be deemed a waiver of any such opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). When there is no opposition to a motion, the defaults of all parties in interest who failed to timely respond will be entered, and, in the absence of any opposition, the movant's factual allegations will be taken as true (except those relating to amounts of damages). Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary when an unopposed movant has made a prima facie case for the requested relief. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006).

No party in interest timely filed written opposition, and the defaults of all nonresponding parties will be entered. This motion will be GRANTED.

11 U.S.C. § 706(a) allows a debtor in chapter 7 to convert to chapter 13 "at any time," unless the case was previously converted to chapter 7 from another chapter.

However, the Supreme Court in *Marrama v. Citizens Bank*, 549 U.S. 365, 371-72 (2007), held that a debtor does not have an absolute right to convert a chapter 13 under § 706(a), but also must be eligible to be a debtor under chapter 13. The Supreme Court held that "[i]n practical effect, a ruling that an individual's Chapter 13 case should be dismissed or converted to Chapter 7 because of prepetition bad-faith

conduct, including fraudulent acts committed in an earlier Chapter 7 proceeding, is tantamount to a ruling that the individual does not qualify as a debtor under Chapter 13." Therefore, the court must find that the debtor is eligible to be a debtor under chapter 13 in conformance with 11 U.S.C. § 1307(c).

Here, the motion is accompanied by a Declaration from the Debtor averring that he wishes to convert because he received a Notice of Intent to Close Case without Entry of Discharge on account of a prior Chapter 7 case in which he received a discharge and which he filed less than eight years prior to the filing of the instant case. Doc. #17. Debtor's prior case, 17-10460, was filed on February 13, 2017. Id. Debtor declares that he is eligible to be a Chapter 13 debtor and will comply with the requirements of Chapter 13. Id. This case has not previously been converted under 11 U.S.C. § 706 or 11 U.S.C. § 1112. Id; Docket generally.

Debtor's schedules do show regular income for he and his non-filing spouse. Though it does appear Debtor may be "below median" in income. Very little is left over at the end of the month. A feasible Plan will be difficult, but not impossible. Debtor states one of the vehicle purchase money security interests will be paid through a proposed Plan.

The court finds that this case has not been previously converted to chapter 7 from another chapter, and that the debtor is eligible to be a debtor under chapter 13 in conformance with 11 U.S.C. § 1307(c). Therefore, this case shall be converted to chapter 13.

2. $\frac{24-12520}{PPR-4}$ -B-7 IN RE: FRIDA ORTEGA

MOTION FOR RELIEF FROM AUTOMATIC STAY AND/OR MOTION FOR ADEQUATE PROTECTION 1-29-2025 [44]

NASA FEDERAL CREDIT UNION/MV D. GARDNER/ATTY. FOR DBT. LEE RAPHAEL/ATTY. FOR MV. DISCHARGED 12/12/24

FINAL RULING: There will be no hearing on this matter.

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

ORDER: The Moving Party shall submit a proposed order in conformance with the ruling below.

NASA Federal Credit Union ("Movant") seeks relief from the automatic stay under 11 U.S.C. §§ 362(d)(1) and (d)(2) with respect to a 2018 Toyota Camry (VIN: 4T1B11HK3JU543589 ("Vehicle"). Doc. #44. Movant also requests waiver of the 14-day stay of Fed. R. Bankr. P. 4001(a)(3). *Id*.

Frida Sofia Ortega ("Debtor") did not oppose. No other party in interest timely filed written opposition. Debtor's Statement of Intention indicated that the Vehicle would be surrendered. Doc. #1. This motion will be GRANTED IN PART AND DENIED IN PART.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of the creditors, the debtors, 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). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006). Therefore, the defaults of the above-mentioned parties in interest are entered and the matter will be resolved without oral argument. Upon default, factual allegations will be taken as true (except those relating to amount of damages). Televideo Systems, Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires that a plaintiff make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

11 U.S.C. § 362(c)(2)(C) provides that the automatic stay of § 362(a) continues until a discharge is granted. The debtors' discharge was entered on December 12, 2024. Doc. #37. Therefore, the automatic stay terminated with respect to the debtors on December 12, 2025. This motion will be DENIED AS MOOT IN PART as to the debtors' interest and will be GRANTED IN PART for cause shown as to the chapter 7 trustee's (or estate's) interest.

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 an 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 with respect to the chapter 7 trustee because Debtor has failed to make two pre-petition payments totaling \$1,683.11 and one post-petition payment totaling \$359.69. Movant has produced evidence that Debtor owes \$11,874.56 to Movant. Docs. #46; #48.

The court also finds that the Debtor does not have any equity in the Vehicle and the Vehicle is not necessary to an effective reorganization because this is a chapter 7 case. Movant values the Vehicle at \$9,600.00 and Debtor owes \$11,874.56, which leaves Movant under secured.

Accordingly, the motion will be GRANTED IN PART as to the trustee's interest pursuant to § 362(d)(1) and (d)(2) and DENIED AS MOOT IN PART as to the Debtor's interest under § 362(c)(2)(C). According to the Debtor's Statement of Intention, the Vehicle will be surrendered.

3. <u>24-13023</u>-B-7 IN RE: JESUS/JUANA TORRES UST-1

MOTION TO APPROVE STIPULATION TO DISMISS CHAPTER 7 CASE WITHOUT ENTRY OF DISCHARGE 1-22-2025 [18]

TRACY DAVIS/MV TIMOTHY SPRINGER/ATTY. FOR DBT. DEANNA HAZELTON/ATTY. FOR MV.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in conformance with the ruling below with a copy of the stipulation attached as an exhibit.

Tracy Hope Davis, the United States Trustee for Region 17 ("UST"), moves for an order approving a stipulation with Jesus and Juana Torres ("Debtors") to dismiss this chapter 7 case without entry of discharge. Doc. #18 et seq.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of the 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). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006). Therefore, the defaults of the above-mentioned parties in interest are entered and the matter will be resolved without oral argument. Upon default, factual allegations will be taken as true (except those relating to amounts of damages). Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires that a plaintiff make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

No party in interest timely filed written opposition. This motion will be GRANTED.

Debtors filed chapter 7 bankruptcy October 18, 2024. Doc. #1. UST is prepared to file a motion to dismiss for abuse under 11 U.S.C. § 707(b)(1), 707(b)(2)(presumed abuse) and (b)(3) (bad faith and/or totality of circumstances abuse). However, Debtors do not wish to defend UST's allegations and elect to voluntarily dismiss this Chapter 7 case prior to entry of a discharge Doc. #20 (Stipulation). A chapter 7 case may be dismissed only after notice and a hearing and only for "cause." 11 U.S.C. § 707(a) provides three statutorily enumerated grounds establishing cause, but these are not exclusive. Sherman v. SEC (In re Sherman), 491 F.3d 948, 970 (9th Cir. 2007); Hickman v. Hana (In re Hickman), 384 B.R. 832, 840 (B.A.P. 9th Cir. 2008). Under 11 U.S.C. § 707(b), an individual chapter 7 consumer debtor's case may be dismissed for presumed abuse or where abuse is demonstrated by bad faith or the totality of the circumstances of the debtor's financial condition. See 11 U.S.C. § 707(b)(1)-(b)(3).

Here, UST is prepared to file a motion to dismiss pursuant to 707(b)(1) and (b)(3), but Debtor has opted to voluntarily dismiss the case instead. Doc. #20. No creditors timely filed written opposition, and there does not appear to be any benefit to creditors in keeping this case open.

Accordingly, the motion will be GRANTED. The stipulation to dismiss will be approved and the case will be dismissed. The proposed order shall include an attached copy of the stipulation as an exhibit.

4. $\frac{24-10726}{MJ-3}$ -B-7 IN RE: RODNEY/AMIE WOLFORD

MOTION FOR RELIEF FROM AUTOMATIC STAY 1-7-2025 [42]

ACAR LEASING LTD/MV D. GARDNER/ATTY. FOR DBT. MEHRDAUD JAFARNIA/ATTY. FOR MV. DISCHARGED 7/8/24

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Denied as moot.

ORDER: The Moving Party shall submit a proposed order in conformance with the ruling below.

This motion relates to an executory contract or lease of personal property. The case was filed on March 22, 2024, and the lease was not assumed by the chapter 7 trustee within the time prescribed in 11 U.S.C. § 365(d)(1). Pursuant to § 365(p)(1), the leased property is no longer property of the estate and the automatic stay under § 362(a) has already been terminated by operation of law.

Since there is no opposition from the Debtors, the court is unaware if Debtors exercised their option to assume the lease under § 365(p)(2).

Movant may submit an order denying the motion and confirming that the automatic stay has already terminated on the grounds set forth above.

No other relief is granted. No attorney fees will be awarded in relation to this motion.

5. <u>24-13227</u>-B-7 IN RE: STEPHANIE/DOUGLAS FOSTER PFT-1

OPPOSITION RE: TRUSTEE'S MOTION TO DISMISS FOR FAILURE TO APPEAR AT SEC. 341(A) MEETING OF CREDITORS 12-10-2024 [<u>18</u>]

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Conditionally denied.

ORDER: The court will issue the order.

Chapter 7 trustee Peter L. Fear ("Trustee") seeks dismissal of this case for the debtor's failure to appear and testify at the § 341(a) meeting of creditors held on December 9, 2024. Doc. #18.

Stephanie and Douglas Foster ("Debtors") timely opposed. Doc. #22. Debtors encountered unforeseen family emergencies and inadvertently missed the meeting.

This motion to dismiss will be CONDITIONALLY DENIED.

Debtors shall attend the meeting of creditors rescheduled for March 13, 2025, at 3:00 p.m. See, Doc. #25. If Debtors fail to appear and testify at the rescheduled meeting, Trustee may file a declaration with a proposed order and the case may be dismissed without a further hearing.

The times prescribed in Fed. R. Bankr. P. 1017(e)(1) and 4004(a) for the Chapter 7 Trustee and U.S. Trustee to object to Debtors' discharge or file motions for abuse, other than presumed abuse under § 707, are extended to 60 days after the conclusion of the meeting of creditors. 6. <u>25-10133</u>-B-7 **IN RE: MARIA CORREA** LEH-1

MOTION TO DISMISS DUPLICATE CASE 1-22-2025 [7]

MARIA CORREA/MV LAYNE HAYDEN/ATTY. FOR DBT.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted, case dismissed.

ORDER: The court will issue an order.

Maria Correa ("Debtor") moves this court to dismiss this voluntary Chapter 7 case on the grounds that two identical voluntary Chapter 7 cases were accidentally filed on January 18, 2025: case number 25-10129 ("the Main Case") and case number 25-10133 ("the Duplicate Case"). Doc. #7.

The court notes the presence of two procedural defects in the moving papers.

First, LBR 9004-2(c)(1) requires all motions, certificates of service, and other specified pleadings to be filed as separate documents. LBR 9004-2(e)(1), (e)(2), and LBR 9014-1(e)(3) require the proof of service for any documents to be itself filed as a separate document, and copies of the pleadings and documents served SHALL NOT be attached to the proof of service filed with the court. Here, certificates of service were attached to each document. Doc. #7. Movant may use one certificate of service if it includes only documents related to a single matter. See LBR 9004-2(e)(3).

Second, the certificates of service do not comply with LBR 7005-1. LBR 7005-1 requires the service of pleadings and other documents be documented using the Official Certificate of Service Form (Form EDC 007-005). The Official Certificate of Service Form may be found on the court's Website using the Rules & Forms, forms link.

Nevertheless, the court elects to ignore the procedural errors and GRANT this motion for the reasons outlined below.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1). Thus, pursuant to LBR 9014-1(f)(1)(B), the failure of any party in interest (including but not limited to creditors, the debtor, the U.S. Trustee, or any other properly-served party in interest) to file written opposition at least 14 days prior to the hearing may be deemed a waiver of any such opposition to the granting of the motion. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). When there is no opposition to a motion, the defaults of all parties in interest who failed to timely respond will be entered, and, in the absence of any opposition, the movant's factual allegations will be taken as true (except those relating to amounts of damages). *Televideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917 (9th Cir. 1987). Because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary when an unopposed movant has made a prima facie case for the requested relief. *See Boone v. Burk (In re Eliapo)*, 468 F.3d 592 (9th Cir.)

As outlined in the Motion/Memorandum, which for purposes of this opinion, the court construes to be a statement under oath by Hayden in his capacity as an officer of the court, Hayden filed a petition on behalf of Debtor on January 18, 2025, which was entered by the Clerk's Office as Case No. 25-10131 ("the Other Case"). Doc. #7. Hayden avers that "[a]pproximately 10 minutes after the initial filing, a duplicate petition for the same debtor was automatically filed by the court's electronic filing system without any input or action from [Hayden]." *Id.* This resulted in the creation of the instant case, Case No. 25-10135, which is duplicative with the Other Case. *Id.* Hayden further avers that he communicated with the Clerk's office before filing this motion. *Id.*

Debtor argues that pursuant to 11 U.S.C. § 707(b) any party in interest may move for dismissal of a Chapter 7 case. *Id.* No substantive action has occurred in the instant case other than the appointment of an interim trustee and certain notices from the Clerk's Office. *See Docket Generally.* The court agrees that dismissal of this duplicative action will streamline proceedings and conserve judicial resources.

No party in interest has objection to this motion, which will be GRANTED. This case is hereby DISMISSED as duplicative.

7. <u>25-10135</u>-B-7 **IN RE: STEPHANIE URITA** <u>LEH-1</u>

MOTION TO DISMISS DUPLICATE CASE 1-22-2025 [7]

STEPHANIE URITA/MV LAYNE HAYDEN/ATTY. FOR DBT.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted, case dismissed.

ORDER: The court will issue an order.

Stephanie Urita ("Debtor") moves this court to dismiss this voluntary Chapter 7 case on the grounds that two identical voluntary Chapter 7 cases were accidentally filed on January 18, 2025: case number 2510131 ("the Main Case") and case number 25-10135 ("the Duplicate Case"). Doc. #7.

The court notes the presence of two procedural defects in the moving papers.

First, LBR 9004-2(c)(1) requires all motions, certificates of service, and other specified pleadings to be filed as separate documents. LBR 9004-2(e)(1), (e)(2), and LBR 9014-1(e)(3) require the proof of service for any documents to be itself filed as a separate document, and copies of the pleadings and documents served SHALL NOT be attached to the proof of service filed with the court. Here, certificates of service were attached to each document. Doc. #7. Movant may use one certificate of service if it includes only documents related to a single matter. See LBR 9004-2(e)(3).

Second, the certificates of service do not comply with LBR 7005-1. LBR 7005-1 requires the service of pleadings and other documents be documented using the Official Certificate of Service Form (Form EDC 007-005). The Official Certificate of Service Form may be found on the court's Website using the Rules & Forms, forms link.

Nevertheless, the court elects to ignore the procedural errors and GRANT this motion for the reasons outlined below.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1). Thus, pursuant to LBR 9014-1(f)(1)(B), the failure of any party in interest (including but not limited to creditors, the debtor, the U.S. Trustee, or any other properly-served party in interest) to file written opposition at least 14 days prior to the hearing may be deemed a waiver of any such opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). When there is no opposition to a motion, the defaults of all parties in interest who failed to timely respond will be entered, and, in the absence of any opposition, the movant's factual allegations will be taken as true (except those relating to amounts of damages). Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary when an unopposed movant has made a prima facie case for the requested relief. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir.)

As outlined in the Motion/Memorandum, which for purposes of this opinion, the court construes to be a statement under oath by Hayden in his capacity as an officer of the court, Hayden filed a petition on behalf of Debtor on January 18, 2025, which was entered by the Clerk's Office as Case No. 25-10131 ("the Other Case"). Doc. #7. Hayden avers that "[a]pproximately 10 minutes after the initial filing, a duplicate petition for the same debtor was automatically filed by the court's electronic filing system without any input or action from [Hayden]." *Id.* This resulted in the creation of the instant case, Case No. 25-10135, which is duplicative with the Other Case. *Id.* Hayden further avers that he communicated with the Clerk's office before filing this motion. *Id.*

Debtor argues that pursuant to 11 U.S.C. § 707(b) any party in interest may move for dismissal of a Chapter 7 case. *Id.* No substantive action has occurred in the instant case other than the appointment of an interim trustee and certain notices from the Clerk's Office. *See Docket Generally.* The court agrees that dismissal of this duplicative action will streamline proceedings and conserve judicial resources.

No party in interest has objection to this motion, which will be GRANTED. This case is hereby DISMISSED as duplicative.

8. $\frac{21-11746}{\text{RMP}-1}$ -B-7 IN RE: ARNOLDO CASTRO

MOTION TO COMPEL ABANDONMENT 1-31-2025 [24]

U.S. BANK NATIONAL ASSOCIATION/MV T. O'TOOLE/ATTY. FOR DBT. RENEE PARKER/ATTY. FOR MV. WITHDRAWN

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Withdrawn

No order is required.

On February 6, 2025, U.S. Bank N.A. ("Movant") voluntarily dismissed this *Motion for an Order Compelling Trustee to Abandon Property of the Estate*. Docs. ##24-25, amended by Docs. ##26-29. See Doc. #30. Accordingly, this motion is WITHDRAWN.

9. <u>23-10450</u>-B-7 IN RE: MARK/THERESA PARKER JES-4

MOTION FOR COMPENSATION FOR JAMES SALVEN, CHAPTER 7 TRUSTEE(S) 1-23-2025 [86]

JAMES SALVEN/MV GABRIEL WADDELL/ATTY. FOR DBT.

After posting the original pre-hearing dispositions, the court has supplemented its intended ruling on this matter.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in conformance with the ruling below.

James E. Salven ("Trustee"), a certified public accountant appointed as Chapter 7 Trustee in this case, requests fees of \$11,444.05 and costs of \$251.09 for a total award of \$11,685.14 as statutory compensation and actual and necessary expenses. Doc. 86 *et seq*.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1). Thus, pursuant to LBR 9014-1(f)(1)(B), the failure of any party in interest (including but not limited to creditors, the debtor, the U.S. Trustee, or any other properly-served party in interest) to file written opposition at least 14 days prior to the hearing may be deemed a waiver of any such opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). When there is no opposition to a motion, the defaults of all parties in interest who failed to timely respond will be entered, and, in the absence of any opposition, the movant's factual allegations will be taken as true (except those relating to amounts of damages). Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary when an unopposed movant has made a prima facie case for the requested relief. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006).

No party in interest timely filed written opposition, and the defaults of all nonresponding parties will be entered. This motion will be GRANTED.

Mark Allan Parker and Theresa Renee Parker ("Debtors") filed chapter 7 bankruptcy on March 9, 2023. Doc. #1. Trustee was appointed as interim trustee on that same date and became permanent trustee on June 9, 2017. Doc. #5; Docket generally.

11 U.S.C. § 326 permits the court to allow reasonable compensation to the chapter 7 trustee under § 330 for the trustee's services. Section 326(a) states:

In a case under chapter 7 or 11, other than a case under subchapter V of chapter 11, the court may allow reasonable compensation under section 330 of this title of the trustee for the trustee's services, payable after the trustee renders such services, not to exceed 25 percent on the first \$5,000 or less, 10 percent on any amount in excess of \$5,000 but not in excess of \$50,000, 5 percent on any amount in excess of \$50,000 but not in excess of \$1,000,000, and reasonable compensation not to exceed 3 percent of such moneys in excess of \$1,000,000, upon all moneys disbursed or turned over in the case by the trustee to parties in interest, excluding the debtor, but including all holders of secured claims.

11 U.S.C. § 326(a). To restate these percentages, a Chapter 7 Trustee is entitled a maximum reimbursement of:

1. \$25% of the first \$5,000.00 in disbursements;

- 2. \$10% of the next \$45,000.00 in disbursements, if any;
- 3. 5% of the next \$95,000.00 in disbursements, if any;
- 4. 3% of any further disbursements exceeding \$1,000,000.00.

11 U.S.C. § 330 requires the court to find that the fees requested are reasonable and for actual and necessary services to the estate, as well as reimbursement for actual and necessary expenses. 11 U.S.C. § 330(a) (1) (A) & (B).

Trustee states that the total disbursements (other than to Debtor) amounted to \$163,880.94. Doc. #89. Trustee seeks statutory reimbursement as follows:

25% of first \$5,000.00	\$1,250.00
10% of next \$45,000.00	\$4,500.00
5% of the remaining \$113,880.94	\$5,694.05
0% of the remaining \$0.00	\$0.00
TOTAL	\$11,444.05

Id. These percentages comply with the percentage restrictions imposed by § 326(a). The services performed by Trustee included but were not limited to: selling (with court approval) excess equity in a vehicle back to Debtors; collecting non-exempt tax refunds; employing (with court approval) general and special counsels; ensuring that inheritance monies in which debtors held an interest were turned over to the estate; settling issues over a trust in the name of a deceased mother between Debtors and other beneficiaries; and fee applications. Doc. #88. The court finds these services and expenses reasonable, actual, and necessary. Trustee also seeks expenses as follows:

TOTAL					\$251.09
Postage					\$32.00
Other					\$12.66
Motions	(re	sale	of	vehicle to Debtors)	\$10.26
Motions	(re	sale	of	equity to Debtors)	\$124.32
Faxes/Le	ettei	îs			\$25.25
Copies					\$46.60

Id. The court finds these fees reasonable.

The court finds Trustee's services were actual and necessary to the estate, and the fees are reasonable and consistent with § 326(a). The motion will be GRANTED and Trustee will be awarded fees of \$11,444.05 and costs of \$251.09 for a total award of \$11,685.14 as statutory compensation and actual and necessary expenses, to be paid by the estate as funds become available.

10. $\frac{24-13356}{\text{KMM}-1}$ -B-7 IN RE: QUINTON/JENNIFER GREEN

MOTION FOR RELIEF FROM AUTOMATIC STAY 1-16-2025 [19]

TOYOTA MOTOR CREDIT CORPORATION/MV PETER BUNTING/ATTY. FOR DBT. KIRSTEN MARTINEZ/ATTY. FOR MV.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in conformance with the ruling below.

Toyota Motor Credit Corporation ("Movant") seeks relief from the automatic stay under 11 U.S.C. §§ 362(d)(1) and (d)(2) with respect to a 2021 Hyundai Elantra, (V.I.N. KMHLS4AG5MU184159) ("Vehicle"). Doc. #19.

Quinton and Jennifer Green ("Debtors") did not oppose. Debtors' Statement of Intention indicated that the Vehicle would be surrendered. Doc. #1. No other party in interest timely filed written opposition. This motion will be GRANTED.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of the

creditors, the debtor, 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). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. *See Boone v. Burk (In re Eliapo)*, 468 F.3d 592 (9th Cir. 2006). Therefore, the defaults of the above-mentioned parties in interest are entered and the matter will be resolved without oral argument. Upon default, factual allegations will be taken as true (except those relating to amount of damages). *Televideo Systems, Inc. v. Heidenthal*, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires that a plaintiff make a *prima facie* showing that they are entitled to the relief sought, which the movant has done here.

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 an 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 Debtors have failed to make one (1) complete pre-petition payment and one (1) post-petition payment. The Movant has produced evidence that Debtors are delinquent at least \$27,216.48. Docs. ##22-23.

The court also finds that the Debtors do not have any equity in the Vehicle and the Vehicle is not necessary to an effective reorganization because Debtor is in chapter 7. The Vehicle is valued at \$18,775.00 and Debtors owe \$27,216.48. Doc. #22.

Accordingly, the motion will be granted pursuant to 11 U.S.C. \$\$ 362(d)(1) and (d)(2) to permit the 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. According to the Debtors' Statement of Intention, the Vehicle will be surrendered. 11. <u>24-12357</u>-B-7 **IN RE: NATHAN/VICKI CROUCH** PPR-3

MOTION TO APPROVE LOAN MODIFICATION 1-27-2025 [33]

ROCKET MORTGAGE, LLC/MV BENNY BARCO/ATTY. FOR DBT. LEE RAPHAEL/ATTY. FOR MV.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Denied without prejudice.

ORDER: The court will issue an order.

This motion will be DENIED WITHOUT PREJUDICE for the reasons outlined below.

This is the second effort by Rocket Mortgage, LLC f/k/a Quicken Loans, LLC ("Rocket") to obtain an order from the court to permit Rocket and Nathan and Vicki Crouch ("Debtors") to enter into a loan modification on a lien secured by real property commonly known as 2851 Winery Ave., Clovis, CA 93612 ("Property"). Doc. #33. The court denied without prejudice Rocket's prior Motion to Approve Loan Modification for various procedural errors which appear to have been corrected in this second attempt. See Doc. #31.

Unfortunately, this second bite at the apple is marred by more substantive issues. Rocket's motion states in relevant part:

WHEREAS the Parties request permission to enter into a loan modification agreement, a copy of which is attached hereto as Exhibit "A".

Doc. #33. The agreement purportedly attached as Exhibit "A" is also referenced in the Declaration of Roger Konkel, Loss Mitigation Officer for Rocket. Doc. #35.

However, no Exhibits were filed with the motion, nor were the terms of the loan modification agreement outlined in any of the moving papers. Furthermore, while the Motion purports to have been filed jointly by Rocket and Debtors through their undersigned attorney, the moving papers do not include Declarations from Debtors or their counsel, nor does it include the signatures of Debtors or their counsel anywhere that might attest to their joinder of this motion.

It appears Debtors received their discharge on December 10, 2024. The effect of the discharge on the automatic stay is set forth in § 362 (c)(2). The court declines to enter a declaratory judgment here as there is no statutory basis to do so in this context other than through an adversary proceeding.

In the absence of a copy of the Loan Modification Agreement to review and of any clear evidence of Debtor's informed acquiescence to a loan modification, the court cannot approve the agreement even if it is necessary for this court to do so. Accordingly, this motion will be DENIED WITHOUT PREJUDICE.

12. $\frac{20-12969}{ADJ-4}$ -B-7 IN RE: CARLOS CORTES AND BERTHA SPINDOLA

MOTION FOR COMPENSATION BY THE LAW OFFICE OF FORES MACKO JOHNSTON AND CHARTRAND FOR ANTHONY D. JOHNSTON, TRUSTEES ATTORNEY(S) 1-24-2025 [56]

SCOTT LYONS/ATTY. FOR DBT. ANTHONY JOHNSTON/ATTY. FOR MV.

FINAL RULING: There will be no hearing in this matter.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order that conforms with the opinion below.

Anthony D. Johnston ("Applicant") seeks approval of a first and final allowance of compensation under 11 U.S.C. § 330 of the Bankruptcy Code for professional services rendered and reimbursement for expenses incurred as attorney for Irma Edmonds, Trustee in the above-styled case ("Trustee'). Doc. #56.

Applicant was employed to perform services under § 327 of the Code pursuant to an order of this court dated December 21, 2020. Doc. #19. This is Applicant's first and final request for compensation, covering the period from November 12, 2020, through January 24, 2025. Doc. #59.

It appears that Applicant was the only person at Applicant's firm to work on this case. *Id.* Applicant provided **24.2** billable hours at a rate of \$325.00 per hour, totaling **\$7,865.00** in fees. *Id.* Applicant also incurred **\$217.71** in expenses for copies, postage, and telephonic appearance at court hearings. Doc. #60 (Exhib. C). These combined fees and expenses total **\$8,082.71**.

11 U.S.C. § 330(a)(1)(A) and (B) permit approval of "reasonable compensation for actual, necessary services rendered by . . . [a] professional person, or attorney" and "reimbursement for actual, necessary expenses." In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, extent, and value of such services, considering all relevant factors, including those enumerated in subsections (a) (3) (A) through (E). § 330(a) (3). Previous interim compensation awards under 11 U.S.C. § 331, if any, are subject to final review under § 330.

Applicant's services here included, without limitation: asset analysis and recovery; litigation; and fee/employment applications. Doc. #59. The court finds the services and expenses reasonable, actual, and necessary. The Trustee has reviewed the Application and finds the requested fees and expenses to be reasonable. Doc. #58.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1). Thus, pursuant to LBR 9014-1(f)(1)(B), the failure of any party in interest (including but not limited to creditors, the debtor, the U.S. Trustee, or any other properly-served party in interest) to file written opposition at least 14 days prior to the hearing may be deemed a waiver of any such opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). When there is no opposition to a motion, the defaults of all parties in interest who failed to timely respond will be entered, and, in the absence of any opposition, the movant's factual allegations will be taken as true (except those relating to amounts of damages). Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary when an unopposed movant has made a prima facie case for the requested relief. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006).

No party in interest has responded, and the defaults of all such parties are entered.

This Application is GRANTED. The court will approve on a final basis under 11 U.S.C. § 330 compensation in the amount of **\$7,865.00** in fees and **\$217.71** in expenses. The court grants the Application for a total award **\$8,082.71** as an administrative expense of the estate and an order authorizing and directing the Trustee to pay such to Applicant from the first available estate funds. 13. 24-11372-B-7 IN RE: MONIQUE GRIJALVA JCW-1

MOTION FOR RELIEF FROM AUTOMATIC STAY 1-21-2025 [23]

CAPITAL ONE AUTO FINANCE/MV BENNY BARCO/ATTY. FOR DBT. JENNIFER WONG/ATTY. FOR MV. DISCHARGED 10/15/24

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Denied without prejudice.

ORDER: The court will issue an order.

Capital One Auto Finance ("Movant") seeks relief from the automatic stay under 11 U.S.C. §§ 362(d)(1) and (d)(2) with respect to a Chevrolet Silverado 1500 Crew Cab LT Pickup (VIN: 3GCPCSE00DG298271) ("Vehicle"). Doc. #23.

This motion will be DENIED WITHOUT PREJUDICE for failure to comply with the Local Rules of Practice ("LBR").

LBR 4001-1 states that motions for relief from the automatic stay of 11 U.S.C. § 362(a) shall be set for hearing in accordance with LBR 9014. LBR 9014, in turn, states that, under LBR 9014-1(d)(3)(B)(i), the Notice of the motion must include the names and addresses of the persons who must be served with such opposition. Here, the Notice only directed that written opposition should be served upon Movant's counsel. *See Doc. #24*. However, as the motion to lift stay implicates assets of the estate, the U.S. Trustee is included among "the persons who must be served with such opposition."

Accordingly, the Notice is deficient, and this motion must be DENIED WITHOUT PREJUDICE.

14. $\frac{22-10974}{PFC-1}$ -B-7 IN RE: FRANCISCO SAMANIEGO

TRUSTEE'S FINAL REPORT 1-16-2025 [105]

T. O'TOOLE/ATTY. FOR DBT. GABRIEL WADDELL/ATTY. FOR MV.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in conformance with the ruling below.

Peter L. Fear ("Trustee"), Chapter 7 Trustee in this case, requests fees of **\$14,150.22** and costs of **\$54.44** as statutory compensation and actual and necessary expenses. Doc. 106.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1). Thus, pursuant to LBR 9014-1(f)(1)(B), the failure of any party in interest (including but not limited to creditors, the debtor, the U.S. Trustee, or any other properly-served party in interest) to file written opposition at least 14 days prior to the hearing may be deemed a waiver of any such opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). When there is no opposition to a motion, the defaults of all parties in interest who failed to timely respond will be entered, and, in the absence of any opposition, the movant's factual allegations will be taken as true (except those relating to amounts of damages). Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary when an unopposed movant has made a prima facie case for the requested relief. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006).

No party in interest timely filed written opposition, and the defaults of all nonresponding parties will be entered. This motion will be GRANTED.

Francisco Samaniego ("Debtor") filed chapter 13 bankruptcy on June 10, 2022. Doc. #1. The case was converted to Chapter 7 on August 31, 2022, and Trustee was appointed as interim trustee on that same date and became permanent trustee on June 9, 2017. Docs. ##32-33; Docket generally.

11 U.S.C. § 326 permits the court to allow reasonable compensation to the chapter 7 trustee under § 330 for the trustee's services. Section 326(a) states:

In a case under chapter 7 or 11, other than a case under subchapter V of chapter 11, the court may allow reasonable compensation under section 330 of this title of the trustee for the trustee's services, payable after the trustee renders such services, not to exceed 25 percent on the first \$5,000 or less, 10 percent on any amount in excess of \$5,000 but not in excess of \$50,000, 5 percent on any amount in excess of \$50,000 but not in excess of \$1,000,000, and reasonable compensation not to exceed 3 percent of such moneys in excess of \$1,000,000, upon all moneys disbursed or turned over in the case by the trustee to parties in interest, excluding the debtor, but including all holders of secured claims.

11 U.S.C. § 326(a). To restate these percentages, a Chapter 7 Trustee is entitled a maximum reimbursement of:

5. \$25% of the first \$5,000.00 in disbursements;
6. \$10% of the next \$45,000.00 in disbursements, if any;
7. 5% of the next \$95,000.00 in disbursements, if any;
8. 3% of any further disbursements exceeding \$1,000,000.00.

11 U.S.C. § 330 requires the court to find that the fees requested are reasonable and for actual and necessary services to the estate, as well as reimbursement for actual and necessary expenses. 11 U.S.C. § 330(a) (1) (A) & (B).

Trustee states that the total disbursements (other than to Debtor) amounted to \$139,159.00. Doc. #207. Trustee seeks statutory reimbursement as follows:

TOTAL	\$14,150.22
3% of \$0.00	\$0.00
5% of the remaining \$168,004.37	\$8,400.22
10% of next \$45,000.00	\$4,500.00
25% of first \$5,000.00	\$1,250.00

Doc. #107. These percentages comply with the percentage restrictions imposed by § 326(a). The services performed by Trustee included, but were not limited to:

- 1. The administration of an estate asset in the real property for which Trustee employed a real estate age and sold.
- The filing of an adversary proceeding against a party listed in property records but who did not have an interest in the property. The adversary was successful and realized funds for the estate.
- 3. Handling of matters pertaining to the estate's tax refund.
- 4. Claim administration.
- 5. Review and reconciliation of bank statements.
- 6. OUST Reporting.
- 7. Preparation of the Final Report.

8. Matters pertaining to the disbursement of funds.

Id. Trustee also seeks expenses as follows:

TOTAL	\$55.44
Submission of TFR and TDR Signatures	\$5.00
Postage	\$3.96
Postage	\$3.48
Notice of Fee Application	\$30.00
Distribution	\$11.00
Claims Register	\$2.00

Id. The court finds these fees reasonable.

The court finds Trustee's services were actual and necessary to the estate, and the fees are reasonable and consistent with § 326(a). No party in interest responded in opposition, and the defaults of all nonresponding parties are entered. The motion will be GRANTED and Trustee will be awarded the requested fees and costs.

15. <u>18-12189</u>-B-7 **IN RE: DEE DINKEL** JES-5

MOTION FOR COMPENSATION FOR JAMES E. SALVEN, CHAPTER 7 TRUSTEE(S) 1-23-2025 [104]

JAMES SALVEN/MV

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in conformance with the ruling below.

James E. Salven ("Trustee"), successor Chapter 7 Trustee in this case, requests fees of **\$13,072.46** and costs of **\$85.42** as statutory compensation and actual and necessary expenses. Doc. 104.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1). Thus, pursuant to LBR 9014-1(f)(1)(B), the failure of any party in interest (including but not limited to creditors, the debtor, the U.S. Trustee, or any other properly-served party in interest) to file written opposition at least 14 days prior to the hearing may be deemed a waiver of any such opposition to the granting of the motion. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). When there is no opposition to a motion, the defaults of all parties in interest who failed to timely respond will be entered, and, in the absence of any opposition, the movant's factual allegations will be taken as true (except those relating to amounts of damages). Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary when an unopposed movant has made a prima facie case for the requested relief. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006).

No party in interest timely filed written opposition, and the defaults of all nonresponding parties will be entered. This motion will be GRANTED.

Dee Dinkel ("Debtor") filed chapter 7 bankruptcy on May 31, 2018. Doc. #1. The case was closed on September 17, 2018, and subsequently reopened on October 11, 2023, with Trustee appointed as interim trustee that same day. Docs. #17, ##22-23. Trustee declares that the case was reopened to resolve a previously undisclosed personal injury matter. Doc. #106.

11 U.S.C. § 326 permits the court to allow reasonable compensation to the chapter 7 trustee under § 330 for the trustee's services. Section 326(a) states:

In a case under chapter 7 or 11, other than a case under subchapter V of chapter 11, the court may allow reasonable compensation under section 330 of this title of the trustee for the trustee's services, payable after the trustee renders such services, not to exceed 25 percent on the first \$5,000 or less, 10 percent on any amount in excess of \$5,000 but not in excess of \$50,000, 5 percent on any amount in excess of \$50,000 but not in excess of \$1,000,000, and reasonable compensation not to exceed 3 percent of such moneys in excess of \$1,000,000, upon all moneys disbursed or turned over in the case by the trustee to parties in interest, excluding the debtor, but including all holders of secured claims.

11 U.S.C. § 326(a). To restate these percentages, a Chapter 7 Trustee is entitled a maximum reimbursement of:

1. \$25% of the first \$5,000.00 in disbursements;

- 2. \$10% of the next \$45,000.00 in disbursements, if any;
- 3. 5% of the next \$95,000.00 in disbursements, if any;
- 4. 3% of any further disbursements exceeding \$1,000,000.00.

11 U.S.C. § 330 requires the court to find that the fees requested are reasonable and for actual and necessary services to the estate, as well as reimbursement for actual and necessary expenses. 11 U.S.C. § 330(a) (1) (A) & (B).

Trustee states that the total disbursements (other than to Debtor) amounted to \$139,159.00. Doc. #207. Trustee seeks statutory reimbursement as follows:

TOTAL	\$13,072.46
3% of \$0.00	\$0.00
5% of the remaining \$146,449.19	\$7 , 322.46
10% of next \$45,000.00	\$4,500.00
25% of first \$5,000.00	\$1,250.00

Doc. #107. These percentages comply with the percentage restrictions imposed by § 326(a). The services performed by Trustee included, but were not limited to:

- 1. Employing general and special counsels for the benefit of the estate.
- 2. Seeking and obtaining court approval of a compromise in the undisclosed personal injury matter.
- 3. Employing (with court approval) and ensuring tax returns for the estate were prepared and filed.
- 4. Fee applications.
- 5. Final distribution of funds and case closing (pending).

Id. Trustee also seeks expenses as follows:

Copies	\$32.40
Faxes/Letters	\$8.00
Commission Application	\$28.82
Postage	\$16.20
TOTAL	\$85.42

Id. The court finds these fees reasonable.

The court finds Trustee's services were actual and necessary to the estate, and the fees are reasonable and consistent with § 326(a). The motion will be GRANTED and Trustee will be awarded the requested fees and costs.

16. <u>24-13489</u>-B-7 IN RE: HARPREET SINGH AND AMANDEEP KAUR KMM-1

MOTION FOR RELIEF FROM AUTOMATIC STAY 1-17-2025 [17]

WELLS FARGO BANK, N.A./MV PETER BUNTING/ATTY. FOR DBT. KIRSTEN MARTINEZ/ATTY. FOR MV.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in conformance with the ruling below.

Wells Fargo Bank N.A. ("Movant") seeks relief from the automatic stay under 11 U.S.C. §§ 362(d)(1) and (d)(2) with respect to a 2022 Tesla Model Y, (VIN: 7SAYGDEF6NF443381) ("Vehicle"). Doc. #17.

Harpreet and Amandeep Singh ("Debtors") did not oppose. No other party in interest timely filed written opposition. Debtors' Statement of Intention indicated that the Vehicle would be surrendered. Doc. #1. This motion will be GRANTED.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of the creditors, the debtor, 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). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006). Therefore, the defaults of the above-mentioned parties in interest are entered and the matter will be resolved without oral argument. Upon default, factual allegations will be taken as true (except those relating to amount of damages). Televideo Systems, Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires that a plaintiff make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

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 an 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 Debtors have failed to make at least three (3) complete pre-petition payments and one (1) post-petition payment. The Movant has produced evidence that Debtors are delinquent at least \$3,982.74. Docs. ##20-21.

The court also finds that the Debtors do not have any equity in the Vehicle and the Vehicle is not necessary to an effective reorganization because Debtor is in chapter 7. The Vehicle is valued at \$34,600.00 and Debtors owe \$43,725.09. Doc. #21.

Accordingly, the motion will be GRANTED pursuant to 11 U.S.C. §§ 362(d)(1) and (d)(2) to permit the 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. According to the Debtors' Statement of Intention, the Vehicle will be surrendered.