

UNITED STATES BANKRUPTCY COURT

Eastern District of California

Honorable Christopher M. Klein
Bankruptcy Judge
Sacramento, California

April 3, 2018 at 1:30 p.m.

1.	18-20612 -C-13	KEITH STEWART	MOTION FOR RELIEF FROM
	SMR -1	Richard Kwun	AUTOMATIC STAY AND/OR MOTION
			FOR RELIEF FROM CO-DEBTOR STAY
			3-6-18 [14]

RAVI SHARMA VS.

Tentative Ruling: The Motion for Relief From the Automatic Stay has been set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(1). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(ii) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995).

Oral argument may be presented by the parties at the scheduled hearing, where the parties shall address the issues identified in this tentative ruling and such other issues as are necessary and appropriate to the court's resolution of the matter.

Below is the court's tentative ruling.

Local Rule 9014-1(f)(1) Motion - Hearing Required.

Correct Notice Provided. The Proof of Service states that the Motion and supporting pleadings were served on Debtor, Debtor's Attorney, Chapter 13 Trustee, and Office of the United States Trustee on March 6, 2018. Twenty-eight days' notice is required. That requirement was met.

The Motion for Relief From the Automatic Stay has been set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(1). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(ii) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). The defaults of the non-responding parties are entered. Upon review of the record there are no disputed material factual issues and the matter will be resolved without oral argument. The court will issue its ruling from the parties' pleadings.

The Motion for Relief From the Automatic Stay is granted.

Ravi Sharma, creditor, seeks relief from the automatic stay to pursue an unlawful detainer action against the debtor with respect to 8668 Palaver Court, Roseville, CA. Creditor filed a Three Day notice on January 11, 2018, a complaint was filed on January 16, 2018, and trial was set for February 5, 2018 in the Placer County Superior Court. Creditor asserts that the debtor failed to pay rent since January 2018.

Trustee's Response

Trustee responds that a plan has been proposed that intends to cure the \$6,600 arrears at \$145 per month over 46 months. The Trustee also points out that the non-filing co-debtor filed a Chapter 13 case on November 5, 2017. Relief from Stay by this movant was granted in that case.

Debtor's Opposition

Debtor opposes the motion on the basis that (1) debtor has attempted to since pay rent and it has not been accepted by the landlord, (2) the landlord/movant did not substantially comply with the eviction requirements, and (3) as the property is the residence of the debtors, it is necessary for an effective reorganization.

Movant's Reply

Movant replies that curing the arrears over 46 months is not curing the arrears in a reasonable time and therefore the plan as written is not feasible. Therefore, there is no possibility of reorganization. Additionally there is no evidence of adequate protection being provided for the movant.

Discussion

The debtor did not make all rent payments. The landlord moved for an unlawful detainer. In response, the debtor filed this bankruptcy case. Pursuant to 11 U.S.C. § 365(b) an executory contract may be assumed only if the default is cured or adequate protection is provided. The statute states that in the absence of a cure, adequate assurance that the Trustee will promptly cure, is sufficient. Here, we have neither a cure, nor adequate assurance that a cure will occur promptly. As the movant stated, 46 months is not prompt.

The court maintains the right to grant relief from stay for cause when the debtor has not been diligent in carrying out his or her duties in the bankruptcy case, has not made required payments, or is using bankruptcy as a means to delay payment or foreclosure. *In re Harlan*, 783 F.2d 839 (B.A.P. 9th Cir. 1986); *In re Ellis*, 60 B.R. 432 (B.A.P. 9th Cir. 1985). The court determines that cause exists for terminating the automatic stay since the debtor has not made post-petition payments. 11 U.S.C. § 362(d)(1); *In re Ellis*, 60 B.R. 432 (B.A.P. 9th Cir. 1985). Additionally, there is no evidence of either a cure of the arrears or adequate assurance

No other or additional relief is granted by the court.

The court shall issue a minute order substantially in the following form holding that:

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

The Motion for Relief From the Automatic Stay filed by the creditor having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the automatic stay provisions of 11 U.S.C. § 362(a) are vacated to allow Ravi Sharma to proceed in litigation in state court for restitution and possession of the real property located at and commonly described as 8668 Palaver Court, Roseville, California.

No other or additional relief is granted.

CITY OF SACRAMENTO VS.

Tentative Ruling: The Motion to Value was properly set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(2). Consequently, the Debtor, Creditors, the Trustee, the U.S. Trustee, and any other parties in interest were not required to file a written response or opposition to the motion. If any of these potential respondents appear at the hearing and offers opposition to the motion, the court will set a briefing schedule and a final hearing unless there is no need to develop the record further. If no opposition is offered at the hearing, the court will take up the merits of the motion.

Oral argument may be presented by the parties at the scheduled hearing, where the parties shall address the issues identified in this tentative ruling and such other issues as are necessary and appropriate to the court's resolution of the matter.

Below is the court's tentative ruling, rendered on the assumption that there will be no opposition to the motion. If there is opposition presented, the court will consider the opposition and whether further hearing is proper pursuant to Local Bankruptcy Rule 9014-1(f)(2)(iii).

Local Rule 9014-1(f)(2) Motion.

Correct Notice Provided. The Proof of Service states that the Motion and supporting pleadings were served on Debtor, Debtor's Attorney, Chapter 13 Trustee, parties requesting special notice, and Office of the United States Trustee on February 16, 2018. 14 days' notice is required.

The Motion for Relief from Automatic Stay was properly set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(2). The Debtor, Creditors, the Trustee, the U.S. Trustee, and any other parties in interest were not required to file a written response or opposition to the motion. At the hearing -----
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The for Relief from the Automatic stay is xxxxxx.

City of Sacramento seeks relief from the automatic stay with respect to the receivership case No 34-0218-00224983 as it relates to the real property commonly known as 2016 Florin Road, Sacramento, California.

The movant asserts that the subject property is a public nuisance that is a threat to the public. The City of Sacramento commenced a state court action and obtained an order granting the appointment of a receiver, but the order is stayed pending this motion.

The debtor filed a response indicating that there are a number of material disputed facts. Therefore, the debtor requested the court to allow for further briefings.

The hearing was continued and both parties filed supplemental briefing.

Debtor's Supplemental Reply

Debtor asserts that due to numerous bad acts by the City, that are themselves a violation of public policy, relief from stay cannot be granted on a public policy concern theory. The problem on the property was litter and clutter in need of removal. Debtor has had "open" cases for debris and clutter, but all of those cases were closed as the debtor fixed each of these issues. Additionally, the city has not disclosed its own pecuniary

interest in the property as a result of the 2008 default judgment in the amount of \$232,625. There is no clutter and debris and there is no safety hazard on the property. In short, there is no justification for relief from the stay.

The debtor previously had filed a chapter 13 case, during the pendency of which the movant, without applying for relief from stay, obtained a default judgment against the debtor and went onto the premises to take him off the property at gun point and drop him off at a McDonalds. Then the city served him with a serious of court pleadings, sent to the subject property where they had just kicked him out of.

Movant's Supplemental Reply

Movant states that an evidentiary hearing is improper here where the question is whether the exercise of police power of a local government is exempt from the automatic stay. The city asserts that it is only looking to collect attorneys fees from the Default Judgment by this action, not the entire judgment amount. The court should grant relief to allow the state court to deal with the issue of the public nuisance, rather than adjudicate it in federal court.

The court shall issue a minute order substantially in the following form holding that:

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

The Motion for Relief From the Automatic Stay filed by the creditor having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that xxxxxxxxx

3. [12-40030](#)-C-13 RICHARD/GLORIE JONES
[EGS](#)-1 Douglas Jacobs

MOTION FOR RELIEF FROM
AUTOMATIC STAY AND/OR MOTION TO
CONFIRM TERMINATION OR ABSENCE
OF STAY
3-3-18 [[138](#)]

WILMINGTON SAVINGS FUND
SOCIETY, FSB VS.

Final Ruling: No appearance at the April 3, 2018 hearing is required.

Local Rule 9014-1(f)(1) Motion - No Opposition Filed.

Correct Notice Provided. The Proof of Service states that the Motion and supporting pleadings were served on Debtor, debtor's attorney, Chapter 13 Trustee, and Office of the United States Trustee on March 3, 2018. Twenty-eight days' notice is required.

The Motion for Relief From the Automatic Stay has been set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(1). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(ii) is considered to be the equivalent of a statement of nonopposition. *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 Law Offices of David A. Boone v. Derham-Burk (In re Eliapo)*, 468 F.3d 592, 602 (9th Cir. 2006). Therefore, the defaults of the non-responding parties are entered. Upon review of the record there are no disputed material factual issues and the matter will be resolved without oral argument. The court will issue its ruling from the parties' pleadings.

The Motion for Relief From the Automatic Stay is granted.

Wilmington Savings Fund Society, FSB, seeks relief from the automatic stay with respect to the real property commonly known as 9506 Dillon Court, Durham, California.

The McMahan Declaration states that the Debtor has not made 15 post-petition payments, with a total of \$80,100.24 in post-petition payments past due. From the evidence provided to the court, and only for purposes of this Motion for Relief, the debt secured by this property is determined to be \$1,105,828.21, as stated in the McMahan Declaration, while the value of the property is determined to be \$550,000.00, as stated in Schedules A and D filed by Debtor.

The court maintains the right to grant relief from stay for cause when the debtor has not been diligent in carrying out his or her duties in the bankruptcy case, has not made required payments, or is using bankruptcy as a means to delay payment or foreclosure. *In re Harlan*, 783 F.2d 839 (B.A.P. 9th Cir. 1986); *In re Ellis*, 60 B.R. 432 (B.A.P. 9th Cir. 1985). The court determines that cause exists for terminating the automatic stay since the debtor has not made post-petition payments. 11 U.S.C. § 362(d)(1); *In re Ellis*, 60 B.R. 432 (B.A.P. 9th Cir. 1985).

The court shall issue a minute order terminating and vacating the automatic stay to allow Wilmington Savings Fund Society, FSB, and its agents, representatives and successors, and all other creditors having lien rights against the property, to conduct a nonjudicial foreclosure sale pursuant to applicable nonbankruptcy law and their contractual rights, and for any purchaser, or successor to a purchaser, at the nonjudicial foreclosure sale to obtain possession of the property.

The moving party has not pleaded adequate facts and presented sufficient evidence to support the court waving the 14-day stay of enforcement required under Rule 4001(a)(3), and this part of the requested relief is not granted.

No other or additional relief is granted by the court.

The court shall issue a minute order substantially in the following form holding that:

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

The Motion for Relief From the Automatic Stay filed by the creditor having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the automatic stay provisions of 11 U.S.C. § 362(a) are vacated to allow Wilmington Savings Fund Society, FSB, its agents, representatives, and successors, and trustee under the trust deed, and any other beneficiary or trustee, and their respective agents and successors under any trust deed which is recorded against the property to secure an obligation to exercise any and all rights arising under the promissory note, trust deed, and applicable nonbankruptcy law to conduct a nonjudicial foreclosure sale and for the purchaser at any such sale obtain possession of the real property commonly known as 9506 Dillon Court, Durham, California.

No other or additional relief is granted.

WELLS FARGO BANK, N.A. VS.

Tentative Ruling: The Motion for Relief From the Automatic Stay has been set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(1). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(ii) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995).

Oral argument may be presented by the parties at the scheduled hearing, where the parties shall address the issues identified in this tentative ruling and such other issues as are necessary and appropriate to the court's resolution of the matter.

Below is the court's tentative ruling.

Local Rule 9014-1(f)(1) Motion - Hearing Required.

Correct Notice Provided. The Proof of Service states that the Motion and supporting pleadings were served on Debtor, Debtor's Attorney, Chapter 13 Trustee, and Office of the United States Trustee on November 28, 2017. Twenty-eight days' notice is required. That requirement was met.

The Motion for Relief From the Automatic Stay has been set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(1). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(ii) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). The defaults of the non-responding parties are entered. Upon review of the record there are no disputed material factual issues and the matter will be resolved without oral argument. The court will issue its ruling from the parties' pleadings.

The Motion for Relief From the Automatic Stay is granted.

Wells Fargo Bank, N.A. seeks relief from the automatic stay with respect to the real property commonly known as 11779 Gold Parke Lane, Gold River, California.

Debtor has not made 5 post-petition payments, with a total of \$10,689.66 in post-petition payments past due. From the evidence provided to the court, and only for purposes of this Motion for Relief, the debt secured by this property is determined to be \$314,222.02 (including \$314,244.02 secured by movant's first trust deed), while the value of the property is determined to be \$375,000.00, as stated in Schedules A and D filed by Debtor.

Debtor's Response

Debtor responds that Wells Fargo is listed as a class 1 claim under the plan that is to come on for hearing on January 9, 2018 at 2:00 p.m. The plan suspends any and all delinquent post-petition mortgage arrears and proposes to pay all post-petition arrears.

Trustee's Response

Trustee points out that the debtor is delinquent \$13,835.00 under the confirmed plan. No payment have been made curing pre-petition arrears. The Trustee has filed an opposition to the debtor's Motion to Modify.

Trustee filed a status report indicating that the debtor is delinquent \$4,334.00 under the terms of the confirmed plan.

Discussion

The court maintains the right to grant relief from stay for cause when the debtor has not been diligent in carrying out his or her duties in the bankruptcy case, has not made required payments, or is using bankruptcy as a means to delay payment or foreclosure. *In re Harlan*, 783 F.2d 839 (B.A.P. 9th Cir. 1986); *In re Ellis*, 60 B.R. 432 (B.A.P. 9th Cir. 1985). The court determines that cause exists for terminating the automatic stay since the debtor has not made post-petition payments. 11 U.S.C. § 362(d)(1); *In re Ellis*, 60 B.R. 432 (B.A.P. 9th Cir. 1985).

Additionally, Movant has provided sufficient grounds to grant relief from the co-debtor stay under 11 U.S.C. § 1301(a). Movant has established, pursuant to 11 U.S.C. § 1301(a), that it would be irreparably harmed if relief from the co-debtor stay were not granted.

The court shall issue a minute order terminating and vacating the automatic stay to allow Wells Fargo Bank, N.A., and its agents, representatives and successors, and all other creditors having lien rights against the property, to conduct a nonjudicial foreclosure sale pursuant to applicable nonbankruptcy law and their contractual rights, and for any purchaser, or successor to a purchaser, at the nonjudicial foreclosure sale to obtain possession of the property.

The moving party has not pleaded adequate facts and presented sufficient evidence to support the court waving the 14-day stay of enforcement required under Rule 4001(a)(3), and this part of the requested relief is not granted.

No other or additional relief is granted by the court.

The court shall issue a minute order substantially in the following form holding that:

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

The Motion for Relief From the Automatic Stay filed by the creditor having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the automatic stay provisions of 11 U.S.C. § 362(a) are vacated to allow Wells Fargo Bank, N.A., its agents, representatives, and successors, and trustee under the trust deed, and any other beneficiary or trustee, and their respective agents and successors under any trust deed which is recorded against the property to secure an obligation to exercise any and all rights arising under the promissory note, trust deed, and applicable nonbankruptcy law to conduct a nonjudicial foreclosure sale and for the purchaser at any such sale obtain possession of the real property commonly known as 11779 Gold Parke Lane, Gold River, CA.

IT IS FURTHER ORDERED that the co-debtor stay provisions of 11 U.S.C. § 1301(a) are vacated to allow Wells Fargo Bank, N.A., its agents, representatives, and successors, and trustee under the trust deed, and any other beneficiary or trustee, and their respective agents and successors under any trust deed which is recorded against the property to secure an obligation to exercise any and all rights arising under the promissory note, trust deed, and applicable nonbankruptcy law to

conduct a nonjudicial foreclosure sale and for the purchaser at any such sale obtain possession of the real property commonly known as 11779 Gold Parke Lane, Gold River, CA.

No other or additional relief is granted.
