

UNITED STATES BANKRUPTCY COURT

Eastern District of California

Honorable Ronald H. Sargis

Bankruptcy Judge
Modesto, California

May 4, 2023 at 2:00 p.m.

1. [20-90115-E-7](#) **ALIMUTHANA**
[21-9008](#)
MCGRANAHAN V. SUWAID ET AL

**CONTINUED PRE-TRIAL CONFERENCE
RE: AMENDED COMPLAINT FOR
AVOIDANCE OF UNAUTHORIZED
POST-PETITION TRANSFER,
RECOVERY OF AVOIDED PROPERTY AS
TO ALL DEFENDANTS AND
DECLARATORY RELIEF
6-1-22 [33]**

Plaintiff's Atty: Daniel L. Egan; Jason Eldred

Defendant's Atty:

David C. Johnston [Bader Alikassim Suwaid]

Timothy J. Silverman [GNN Real Estate and Mortgage, Inc.]

Gurjeet S. Rai [Ali Muthana]

Adv. Filed: 7/26/21

Answer:

8/27/21 [Bader Alikassim Suwaid]

9/20/21 [GNN Real Estate and Mortgage, Inc.]

Amd. Cmplt Filed: 6/1/22

Answer:

8/2/22 [GNN Real Estate and Mortgage, Inc.]

8/18/22 [Ali Muthana]

Amd. Answer:

9/7/22 [GNN Real Estate and Mortgage, Inc.]

Nature of Action:

Recovery of money/property - other

Validity, priority or extent of lien or other interest in property

Declaratory judgment

Notes:

Continued from 1/26/23

May 4, 2023 at 2:00 p.m.

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The Status Conference is XXXXXXX

MAY 4, 2023 STATUS CONFERENCE

The court has entered a separate judgment in favor of the Plaintiff-Trustee against Defendant-Debtor Ali Saeed Muthana and Defendant Bader Suwaid. The only remaining claims to be adjudicated are against Defendant GNN Real Estate and Mortgage, Inc. (“GNN”)

The court has approved a settlement between the Plaintiff-Trustee and GNN. On April 27, 2023, a Stipulation to Dismiss this Adversary Proceed was filed by all parties, including the two Defendants against who there is a Final Judgment issued by this court.

It being unclear whether the Plaintiff-Trustee and other Parties were seeking to dismiss this Adversary Proceeding and vacate the Final Judgment (upon which the court subsequently approved the sale of the real property that is the subject of the dispute in this Adversary Proceeding), or “merely” dismiss the action as it relates to GNN.

The court has set a Dismissal Status Conference for June 6, 2023.

At the May 4, 2023 Status Conference, XXXXXXX

FINAL RULINGS

2. [19-90003-E-7](#) NATHAN DAMIGO CONTINUED STATUS CONFERENCE RE:
[19-9006](#) CAE-1 COMPLAINT
SINES ET AL V. DAMIGO 1-30-19 [\[1\]](#)

Final Ruling: No appearance at the May 4, 2023 Status Conference is required.

Plaintiff's Atty: Robert L. Eisenbach
Defendant's Atty: *Pro Se*

Adv. Filed: 1/30/19
Answer: none

Nature of Action:
Dischargeability - willful and malicious injury

Notes:
Continued from 11/10/22 by request of the Parties. Parties to serve and file Updated Status Reports on or before 4/25/23.

Request for continuance of status conference [by Defendant] filed 4/11/23 [Dckt 48]

Status Report [by Plaintiff] filed 4/17/23 [Dckt 49]

The Status Conference is continued to 2:00 p.m. on November 16, 2023.
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MAY 4, 2023 STATUS CONFERENCE

On April 17, 2023, Plaintiff filed an updated Status Report, requesting that the Status Conference be continued to a date in November 2023. Dckt. 49. Plaintiff reports that the District Court has issued the judgment and an appeal has now been taken to the Fourth Circuit Court of Appeals.

Defendant filed an Updated Status Report on April 11, 2023, which also requests that the Status Conference be continued until November 2023, in light of the appeal being prosecuted. Dckt. 48.

As requested by the Parties, the court continues the Status Conference to November 16, 2023, concurring with the Parties that such continuance under these circumstances.

The court shall issue an 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 Continued Status Conference having been scheduled by the court, the Updated Status Reports requesting the Status Conference be continued in light of the appeal of the District Court Action, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the Status Conference is continued to **2:00 p.m. on November 16, 2023**.

[illegible]

SUBCHAPTER V

Final Ruling: No appearance at the May 4, 2023 Status Conference is required.

Debtor's Atty: Brian S. Haddix

Notes:

[DB-1] Motion for Relief from the Automatic Stay [by Sharon Hofmann and Gary Hofmann] filed 3/23/23 [Dckt 16]; heard 4/6/23. Continued to 5/18/23: Supplemental Motion pleadings, if any, to be filed and served by 4/13/23; Opposition pleadings to be filed and served by 4/27/23; Replies, if any, to be filed and served by 5/4/23.

[BSH-1] Application to Employ Brian S. Haddix As Counsel filed 4/21/23 [Dckt 53]

Debtor's Chapter 11 - Subchapter V Status Report filed 4/23/23 [Dckt 56]

Trustee Report at 341 Meeting lodged 4/25/23; continued to 5/3/23

The Status Conference is continued to 10:00 a.m. on May 18, 2023, to be conducted in conjunction with the hearing on the Motion for Relief From the Automatic Stay filed by Sharon Hofmann and Gary Hofmann.

On April 23, 2023, the Subchapter V Debtor/Debtor in Possession filed a Status Report. Dckt. 56. He advises the court and parties in interest that in lengthy State Court litigation involving family property and siblings, the State Court ordered the residence property sold. The Debtor/Debtor in Possession

asserts that he was “frozen out of the sale process and Debtor’s siblings entered into a purchase agreement with a third party.” Status Report, p. 2:1-4; Dckt. 56.

The State Court ordered Debtor/Debtor in Possession to vacate the property withing twenty-one days, and on the twentieth day the Debtor commenced this Bankruptcy Case. *Id.*, p. 2:5-8. The Debtor/Debtor in Possession reports that he is continuing to reside in the residence. Further, that the siblings have filed a Motion for Relief from the Stay, which is set for hearing on May 18, 2023.

Review of Debtor’s Schedules

On Schedule A/B Debtor lists the 13330 Valley Home Rd property, identified as consisting of three parcels. The first parcel (“Parcel 1”)is stated to have a value of \$545,000.00, with Debtor’s interest stated to have a value of \$43,600.00 (Debtor claimed a homestead exemption in this parcel); ; the second parcel (“Parcel 2”) having a value of \$350,000 (“Parcel 2”), in which Debtor’s interest has a value of \$28,000; and the third parcel (“Parcel 3”) having a value of \$150,000, with Debtor’s interest has a value of \$12,000. Dckt 1 at 7-8.

On Schedule D Debtor lists a creditor having a claim for (\$205,000) secured by Parcel 2.

On Schedule I, Debtor states that he is self-employed, and in doing so is paid “wages” in the amount of \$12,959.00 a month. Debtor has withholding taken against himself of (\$1,217.00) per month on his \$12,959 in self-employment wages. Debtor also states receiving \$3,290.00 a month in Social Security benefits. *Id.* At 33-34.

The court continues the Status Conference to be conducted at the same time and date as the hearing on the Motion for Relief From the Automatic Stay filed by Debtor/Debtor in Possession’s siblings to allow for the sale of the residence property that is the subject of the State Court litigation.