UNITED STATES BANKRUPTCY COURT Eastern District of California

Honorable Christopher D. Jaime 1200 I Street, Suite 200 Modesto, California

PRE-HEARING DISPOSITIONS COVER SHEET

DAY: TUESDAY

DATE: May 13, 2025

CALENDAR: 1:00 P.M. CHAPTER 13

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. The court may continue the hearing on the matter, set a briefing schedule, or enter other orders appropriate for efficient and proper resolution of the matter. The original moving or objecting party shall give notice of the continued hearing date and the deadlines. The minutes of the hearing will be the court's findings and conclusions.

Final Ruling: Unless otherwise ordered, there will be no hearing on these matters and no appearance is necessary. 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 seven (7) days of the final hearing on the matter.

UNITED STATES BANKRUPTCY COURT

Eastern District of California

Honorable Christopher D. Jaime Bankruptcy Judge **Modesto, California**

May 13, 2025 at 1:00 p.m.

1. <u>25-90050</u>-B-13 TRAVIS/CONSTANCE WOOTEN CRG-1 Carl R. Gustafson

MOTION TO CONFIRM PLAN 3-27-25 [32]

Final Ruling

The motion has been set for hearing on the 35-days notice required by Local Bankruptcy Rules 3015-1(d)(1), 9014-1(f)(1), and Federal Rule of Bankruptcy Procedure 2002(b). 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)(B) is considered to be the equivalent of a statement of nonopposition. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). Opposition was filed by the Chapter 13 Trustee.

The court has determined that oral argument will not assist in the decision-making process or resolution of the motion. See Local Bankr. R. 9014-1(h), 1001-1(f). This matter will therefore be decided on the papers.

The court's decision is to not confirm the first amended plan.

First, on March 27, 2025, Debtors filed an Amended Schedule E/F, which lists the total nonpriority debt at \$135,749.61. However, the amended plan filed March 27, 2025, has the general unsecured debt at \$85,370.77. Until an explanation is provided as to the difference in the amounts, feasibility of the plan cannot be determined.

Second, Class 1 creditor Loancare has filed Proof of Claim 18-1. Since the on-going mortgage payment and the pre-petition arrears have come in higher than listed, the amended plan is not feasible.

Third, Debtors have not provided the Chapter 13 Trustee with a Class 1 Checklist as requested by the Trustee.

The amended plan does not comply with 11 U.S.C. $\S\S$ 1322, 1323, and 1325(a) and is not confirmed.

The motion is ORDERED DENIED for reasons stated in the minutes.

The court will issue an order.

2. <u>23-90576</u>-B-13 GURMAIL SINGH AND KULDEEP KAUR

David C. Johnston

MOTION FOR COMPENSATION FOR DAVID C. JOHNSTON, DEBTORS ATTORNEY(S)
4-20-25 [105]

DEBTORS DISMISSED: 09/03/24

Final Ruling

The motion has been set for hearing on less than 28-days notice. Local Bankruptcy Rule 9014-1(f)(2). Parties in interest were not required to file a written response or opposition

The court has determined that oral argument will not assist in the decision-making process or resolution of the motion. See Local Bankr. R. 9014-1(h), 1001-1(f). This matter will therefore be decided on the papers.

The court's decision is to conditionally grant the motion for compensation and continue the matter to May 20, 2025, at 1:00 p.m.

Fees and Costs Requested

David Johnston ("Movant"), the attorney to Chapter 13 Debtors, moves for an allowance of compensation for services provided to the Debtors in the sum of \$5,960.00. Movant was retained to file a Chapter 13 petition to discuss and address a foreclosure against real property where they conducted a trucking business through U.S. Jet Trans Inc., an imminent unlawful detainer trial, a large judgment lien on their home which impeded refinancing, a \$500,000 U.S. Small Business Administration loan which was in default, a lawsuit seeking return of their Range Rover, and numerous other financial and legal issues. Events which occurred prior to Movant ever being consulted, such as the foreclosure of the Debtors' real property and entry of a large default judgment against the Debtors, made success in the Chapter 13 case difficult. Nonetheless, the Debtors received nine months of relief from creditors with substantial debt and litigation.

The Debtors paid Movant \$3,000 prior to the petition date. Dkt. 13. In the Debtors' Chapter 13 plan, Movant "opted out" of the "no-look fee" and agreed to file a motion for allowance of attorney's fees. Movant's exhibits show that at least 14.90 hours of legal services were performed on behalf of Debtors at a rate of \$400 per hour, thus totaling \$5,960. Based on the prior payment and adjustment of \$3,000, the amount now due is \$2,960.

Section 330(a) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services" rendered by a trustee, examiner or professional person employed under \$ 327 or \$ 1103 and "reimbursement for actual, necessary expenses." 11 U.S.C. \$ 330(a)(1). Reasonable compensation is determined by considering all relevant factors. See id. \$ 330(a)(3).

Here, Movant's services included: (1) meeting with Debtors to discuss financial and legal issues; (2) explaining the advantages and disadvantages of bankruptcy chapters 7, 11, and 13; (3) filing the chapter 13 petition and advising the superior court of the automatic stay; and (4) appearing at the meeting of creditors, reviewing proofs of claim, helping to file the missing income tax returns, providing documents to the Chapter 13 Trustee, reviewing three objections to confirmation, reviewing three motions for relief from the automatic stay, reviewing the Trustee's motion to dismiss case, and communicating with Debtors regarding the importance of making plan payments and providing documents to the Chapter 13 Trustee. The court finds that the compensation sought is reasonable, actual, and necessary, and the court will approve the motion.

Movant is allowed the following amounts as compensation to this professional in this case:

Fees and expenses \$5,960
Prior payments and adjustments \$3,000
Total due \$2,960

May 13, 2025 at 1:00 p.m. Page 2 of 5

Conditional Nature of this Ruling

Because the motion has been filed, set, and served under Local Bankruptcy Rule 9014-1(f)(2), any party in interest shall have until 5:00~p.m. on Friday, May 16, 2025, to file and serve an opposition or other response to the motion. See Local Bankr. R. 9014-1(f)(2)(C). Any opposition or response shall be served on the Chapter 13 Trustee and the United States trustee by facsimile or email.

If no opposition or response is timely filed and served, the motion will be deemed granted for the reasons stated hereinabove, this ruling will no longer be conditional and will become the court's final decision, and the continued hearing on May 20, 2025, at 1:00 p.m. will be vacated.

If an opposition or response is timely filed and served, the court will hear the motion on May 20, 2025, at 1:00 p.m.

3. <u>25-90144</u>-B-13 TIMOTHY/COREENA BUTOW LGT-1 Nicholas Wajda

CONTINUED OBJECTION TO CONFIRMATION OF PLAN BY LILIAN G. TSANG 4-7-25 [16]

Final Ruling

This matter was continued from May 6, 2025, to allow any party in interest to file a response by 5:00 p.m. Friday, May 9, 2025. Nothing was filed. Therefore, the court's conditional ruling at dkt. 24, sustaining the objection, shall become the court's final decision. The continued hearing on May 13, 2025, at 1:00 p.m. is vacated.

The objection is ORDERED SUSTAINED for reasons stated in the minutes.

The court will issue an order.

4. <u>24-90060</u>-B-13 LUIS/ANGELA OLIVEIRA DCJ-1 David C. Johnston

DEBTORS DISMISSED: 08/29/24

CONTINUED MOTION FOR COMPENSATION FOR DAVID C. JOHNSTON, DEBTORS ATTORNEY(S) 4-13-25 [82]

Final Ruling

This matter was continued from May 6, 2025, to allow any party in interest to file a response by 5:00 p.m. Friday, May 9, 2025. Nothing was filed. Therefore, the court's conditional ruling at dkt. 87, granting the motion for compensation, shall become the court's final decision. The continued hearing on May 13, 2025, at 1:00 p.m. is vacated.

The motion is ORDERED GRANTED for reasons stated in the minutes.

The court will issue an order.