

## UNITED STATES BANKRUPTCY COURT Eastern District of California

## Chief Judge Fredrick E. Clement

Sacramento Federal Courthouse 501 I Street, 7<sup>th</sup> Floor Courtroom 28, Department A Sacramento, California

DAY: MONDAY

DATE: MAY 20, 2024

CALENDAR: 10:30 A.M. CHAPTER 7 CASES

Unless otherwise ordered, all matters before Chief Judge Fredrick E. Clement shall be simultaneously: (1) IN PERSON at Sacramento Courtroom No. 28, (2) via ZOOMGOV VIDEO, (3) via ZOOMGOV TELEPHONE, and (4) via COURTCALL.

You may choose any of these options unless otherwise ordered or stated below.

All parties who wish to appear at a hearing remotely must sign up by 4:00 p.m. one business day prior to the hearing.

Information regarding how to sign up can be found on the **Remote Appearances** page of our website at:

https://www.caeb.uscourts.gov/Calendar/RemoteAppearances.

Each party who has signed up will receive a Zoom link or phone number, meeting I.D., and password via e-mail.

If the deadline to sign up has passed, parties who wish to appear remotely must contact the Courtroom Deputy for the Department holding the hearing.

Please also note the following:

- Parties in interest may connect to the video or audio feed free of charge and should select which method they will use to appear when signing up.
- Members of the public and the press appearing by ZoomGov may only listen in to the hearing using the zoom telephone number. Video appearances are not permitted.
- Members of the public and the press may not listen in to the trials or evidentiary hearings, though they may appear in person in most instances.

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

- Review the <u>Pre-Hearing Dispositions</u> prior to appearing at the hearing.
- Review the court's <u>Zoom Procedures and Guidelines</u> for these, and additional instructions.
- 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.

#### PRE-HEARING DISPOSITION INSTRUCTIONS

#### RULINGS

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

"No Ruling" means the likely disposition of the matter will not be disclosed in advance of the hearing. The matter will be called; parties wishing to be heard should rise and be heard.

"Tentative Ruling" means the likely disposition, and the reasons therefor, are set forth herein. The matter will be called. Aggrieved parties or parties for whom written opposition was not required should rise and be heard. Parties favored by the tentative ruling need not appear. However, non-appearing parties are advised that the court may adopt a ruling other than that set forth herein without further hearing or notice.

"Final Ruling" means that the matter will be resolved in the manner, and for the reasons, indicated below. The matter will not be called; parties and/or counsel need not appear and will not be heard on the matter.

### CHANGES TO PREVIOUSLY PUBLISHED RULINGS

On occasion, the court will change its intended ruling on some of the matters to be called and will republish its rulings. The parties and counsel are advised to recheck the posted rulings after 3:00 p.m. on the next business day prior to the hearing. Any such changed ruling will be preceded by the following bold face text: "[Since posting its original rulings, the court has changed its intended ruling on this matter]".

## ERRORS IN RULINGS

Clerical errors of an insignificant nature, e.g., nomenclature ("2017 Honda Accord," rather than "2016 Honda Accord"), amounts, ("\$880," not "\$808"), may be corrected in (1) tentative rulings by appearance at the hearing; or (2) final rulings by appropriate ex parte application. Fed. R. Civ. P. 60(a) incorporated by Fed. R. Bankr. P. 9024. All other errors, including those occasioned by mistake, inadvertence, surprise, or excusable neglect, must be corrected by noticed motion. Fed. R. Bankr. P. 60(b), incorporated by Fed. R. Bankr. P. 9023.

## 1. $\frac{24-20205}{KMM-1}$ -A-7 IN RE: ERNEST HUNTLEY

MOTION FOR RELIEF FROM AUTOMATIC STAY 4-15-2024 [14]

GERALD WHITE/ATTY. FOR DBT.
KIRSTEN MARTINEZ/ATTY. FOR MV.
NISSAN MOTOR ACCEPTANCE COMPANY LLC VS.
TRUSTEE NON-OPPOSITION

## Final Ruling

Motion: Stay Relief

Notice: LBR 9014-1(f)(1); non-opposition filed by trustee

Disposition: Granted
Order: Civil minute order

Subject: 2023 Nissan Rogue 2WD

Cause: delinquent installment payments 4 months/\$2,602.03

These minutes constitute the court's findings of fact and conclusions of law required by Fed. R. Civ. P. 52(a), *incorporated by* Fed. R. Bankr. P. 7052, 9014(c). The findings of fact are as set forth above; the conclusions of law are as set forth below.

Nissan Motor Acceptance Company, LLC, seeks an order for relief from the automatic stay of 11 U.S.C. § 362(a). The Statement of Intentions filed in this case indicates the debtor's intention to surrender the vehicle, ECF No. 1. Moreover, the movant has already received possession of the subject vehicle. The Chapter 7 trustee has filed a non-opposition to the motion.

#### DEFAULT OF RESPONDENT

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, incorporated by Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. TeleVideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917-18 (9th Cir. 1987).

#### STAY RELIEF

"[A]fter notice and a hearing," the court may terminate, annul, modify or condition the stay: (1) "for cause, including the lack of adequate protection"; or (2) "with respect to a stay of an act against property [of the estate]" if the debtor lacks "equity" in that property and if that "property is not necessary for an effective reorganization." 11 U.S.C. § 362(d); see also Fed. R. Bankr. P. 4001(a)(1). The party seeking stay relief bears the burden of proof as to "the debtor's equity in the property" and on the validity and perfection of its security interest, as well as the amount of its debt. 11 U.S.C. § 362(g)(1); In re Dahlquist, 34 B.R.

476, 481 (Bankr. S.D. 1983). The party opposing stay relief, e.g., the debtor or Chapter 7 trustee, bears the burden of proof on all other issues. 11 U.S.C.  $\S$  362(g)(2).

Subsection (d)(1) of § 362 of Title 11 provides for relief from stay for "cause, including the lack of adequate protection of an interest in property of such party." 11 U.S.C. § 362(d)(1). The debtor bears the burden of proof. 11 U.S.C. § 362(q)(2). Adequate protection may consist of a lump sum cash payment or periodic cash payments to the entity entitled to adequate protection "to the extent that the stay . . . results in a decrease in the value of such entity's interest in property." 11 U.S.C. § 361(1). "An undersecured creditor is entitled to adequate protection only for the decline in the [collateral's] value after the bankruptcy filing." See Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, California Practice Guide: Bankruptcy ¶ 8:1065.1 (rev. 2019) (citing United Sav. Ass'n v. Timbers of Inwood Forest Assocs., Ltd., 484 U.S. 365, 370-73 (1988)); see also In re Weinstein, 227 BR 284, 296 (9th Cir. BAP 1998) ("Adequate protection is provided to safeguard the creditor against depreciation in the value of its collateral during the reorganization process"); In re Deico Electronics, Inc., 139 BR 945, 947 (9th Cir. BAP 1992) ("Adequate protection payments compensate undersecured creditors for the delay bankruptcy imposes upon the exercise of their state law remedies").

The debtor is obligated to make debt payments to the moving party pursuant to a loan contract that is secured by a security interest in the debtor's vehicle described above. The debtor has defaulted on such loan with the moving party, and postpetition payments are past due. Vehicles depreciate over time and with usage. As a consequence, the moving party's interest in the vehicle is not being adequately protected due to the debtor's ongoing postpetition default.

Cause exists to grant relief under § 362(d)(1). The motion will be granted, and the 14-day stay of Federal Rule of Bankruptcy Procedure 4001(a)(3) will be waived. No other relief will be awarded.

#### CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Nissan Motor Acceptance Company, LLC's motion for relief from the automatic stay has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the motion,

IT IS ORDERED that the motion is granted. The automatic stay is vacated with respect to the property described in the motion, commonly known as a 2023 Nissan Rogue 2WD, as to all parties in interest. The 14-day stay of the order under Federal Rule of

Bankruptcy Procedure 4001(a)(3) is waived. Any party with standing may pursue its rights against the property pursuant to applicable non-bankruptcy law.

IT IS FURTHER ORDERED that no other relief is awarded. To the extent that the motion includes any request for attorney's fees or other costs for bringing this motion, the request is denied.

## 2. $\underbrace{24-20707}_{\text{KTS}-2}$ -A-7 IN RE: JOHNNY GARCIA

MOTION FOR RELIEF FROM AUTOMATIC STAY 4-19-2024 [43]

C. GREER/ATTY. FOR MV. CLI ATLAS ASHTON LLC VS.

## Tentative Ruling

Motion: Stay Relief to Pursue Unlawful Detainer Action and Writ of

Possession

Notice: LBR 9014-1(f)(2); no written opposition required

Disposition: Granted only to the extent specified in this ruling

Order: Civil minute order

Subject: Exercise of state law rights and remedies to obtain possession of real property located at 691 Stoneybrook Dr. #85, Corona, California including all actions necessary to pursue an unlawful detainer action and execute a writ of possession Cause: Delinquent lease payments; 2 payments totaling - \$3,840.00 pre-petition; 2 payments totaling \$3,840.00 post-petition

These minutes constitute the court's findings of fact and conclusions of law required by Fed. R. Civ. P. 52(a), incorporated by Fed. R. Bankr. P. 7052, 9014(c). The findings of fact are as set forth above; the conclusions of law are as set forth below.

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, incorporated by Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. TeleVideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917-18 (9th Cir. 1987).

CLI Atlas Ashton, LLC, seeks an order for relief from the automatic stay of 11 U.S.C. § 362(a). The debtor defaulted on lease payments owed to movant. The filing of the instant bankruptcy case prevented the movant from achieving a judgment in the unlawful detainer proceeding filed against the debtor prepetition.

### STAY RELIEF

Section 362(d)(1) authorizes stay relief for cause. Cause is determined on a case-by-case basis and may include the existence of litigation pending in a non-bankruptcy forum that should properly be pursued. *In re Tucson Estates, Inc.*, 912 F.2d 1162, 1169 (9th Cir. 1990).

Having considered the motion's well-pleaded facts, the court finds cause to grant stay relief subject to the limitations described in this ruling.

The moving party shall have relief from stay to enforce its rights and remedies to obtain possession of the real property described above and to pursue an unlawful detainer action through judgment and execution of a writ of possession if necessary.

The moving party may also file post-judgment motions, and appeals. But no bill of costs may be filed without leave of this court, no attorney's fees shall be sought or awarded, and no action shall be taken to collect or enforce any money judgment against debtor, except by (1) filing a proof of claim in this court or (2) filing an adversary proceeding to determine the debt nondischargeable, and executing on a favorable judgment entered in such adversary proceeding.

The motion will be granted to the extent specified herein, and the stay of the order provided by Federal Rule of Bankruptcy Procedure 4001(a)(3) will be waived. No other relief will be awarded.

## VIOLATION OF LBR 9014-1(d)(4), (e)(3)

Except as provided herein, each of the documents described in subpart (d)(1) hereof shall be filed as a separate document. A motion or other request for relief and a memorandum of points and authorities thereto may be filed together as a single document when not exceeding six (6) pages in length, including the caption page.

LBR 9014-1(d)(4)(emphasis added).

The Movant filed the following documents in support of this motion: 1) Declaration; and 2) Exhibits, ECF No. 45. However, the documents do not comply with LBR 9014-1(d)(4) which requires that each document be filed with the court as a separate document. Failure to comply with LBR 9014-1 in the future may result in a denial of relief or sanctions. LBR 1001-1(q).

## Certificate of Service Not Filed as Separate Document

The proof of service for all pleadings and documents filed in support or opposition to a motion shall be filed as a separate document and shall bear the Docket Control Number. Copies of the pleadings and documents served shall not be attached to the proof of service.

Instead, the proof of service shall identify the title of the pleadings and documents served.

LBR 9014-1(e)(3).

The certificate of service in this case was attached to the declaration and exhibits filed in support of the motion, ECF No. 45. This contravenes LBR 9014-1(e)(3) which requires that the certificate of service be filed as a separate document. Failure to comply with LBR 9014-1 in the future may result in a denial of relief or sanctions. LBR 1001-1(g).

#### CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

CLI Atlas Ashton, LLC's motion for relief from the automatic stay has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the motion,

IT IS ORDERED that the motion is granted to the extent specified in this order. The automatic stay is vacated to allow the movant to enforce its rights and remedies against the debtor to obtain possession of real property located at 691 Stoneybrook Dr. #85, Corona, California and to pursue an unlawful detainer action through judgment and execution of a writ of possession, if necessary.

IT IS FURTHER ORDERED that the movant may also file post-judgment motions and appeals. But no bill of costs may be filed without leave of this court, no attorney's fees shall be sought or awarded, and no action shall be taken to collect or enforce any money judgment against debtor, except by (1) filing a proof of claim in this court or (2) filing an adversary proceeding to determine the debt nondischargeable, and executing on a favorable judgment entered in such adversary proceeding. And the stay of the order provided by Federal Rule of Bankruptcy Procedure 4001(a) (3) will be waived.

## 3. $\frac{24-20310}{\text{CAS}-1}$ -A-7 IN RE: RONALD ORTEZ

MOTION FOR RELIEF FROM AUTOMATIC STAY 4-17-2024 [18]

GEORGE BURKE/ATTY. FOR DBT. CHERYL SKIGIN/ATTY. FOR MV. CAPITAL ONE AUTO FINANCE VS. TRUSTEE NON-OPPOSITION

### Final Ruling

Motion: Stay Relief

Notice: LBR 9014-1(f)(1); Non-opposition filed by trustee

Disposition: Granted

Order: Civil minute order

Subject: 2017 Ram 1500 Crew Cab Express Pickup 4D 5 1/2 ft Cause: delinquent installment payments 2 months/\$1,867.96

These minutes constitute the court's findings of fact and conclusions of law required by Fed. R. Civ. P. 52(a), *incorporated by* Fed. R. Bankr. P. 7052, 9014(c). The findings of fact are as set forth above; the conclusions of law are as set forth below.

Capital One Auto Finance seeks an order for relief from the automatic stay of 11 U.S.C.  $\S$  362(a).

### DEFAULT OF RESPONDENT

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, incorporated by Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. TeleVideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917-18 (9th Cir. 1987).

### STAY RELIEF

"[A]fter notice and a hearing," the court may terminate, annul, modify or condition the stay: (1) "for cause, including the lack of adequate protection"; or (2) "with respect to a stay of an act against property [of the estate]" if the debtor lacks "equity" in that property and if that "property is not necessary for an effective reorganization." 11 U.S.C. § 362(d); see also Fed. R. Bankr. P. 4001(a)(1). The party seeking stay relief bears the burden of proof as to "the debtor's equity in the property" and on the validity and perfection of its security interest, as well as the amount of its debt. 11 U.S.C. § 362(g)(1); In re Dahlquist, 34 B.R. 476, 481 (Bankr. S.D. 1983). The party opposing stay relief, e.g., the debtor or Chapter 7 trustee, bears the burden of proof on all other issues. 11 U.S.C. § 362(g)(2).

Subsection (d)(1) of § 362 of Title 11 provides for relief from stay for "cause, including the lack of adequate protection of an interest in property of such party." 11 U.S.C. § 362(d)(1). The debtor bears the burden of proof. 11 U.S.C. § 362(g)(2). Adequate protection may consist of a lump sum cash payment or periodic cash payments to the entity entitled to adequate protection "to the extent that the stay . . . results in a decrease in the value of such entity's interest in property." 11 U.S.C. § 361(1). "An undersecured creditor is entitled to adequate protection only for the decline in the [collateral's] value after the bankruptcy filing." See Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, California Practice Guide: Bankruptcy ¶ 8:1065.1 (rev. 2019) (citing United Sav. Ass'n v. Timbers of Inwood Forest Assocs., Ltd., 484 U.S. 365, 370-73 (1988)); see also In re Weinstein, 227 BR 284, 296 (9th Cir. BAP 1998) ("Adequate protection is provided to safeguard the creditor against depreciation in the value of its collateral during the reorganization process"); In re Deico Electronics, Inc., 139 BR 945, 947 (9th Cir. BAP 1992) ("Adequate protection payments compensate undersecured creditors for the delay bankruptcy imposes upon the exercise of their state law remedies").

The debtor is obligated to make debt payments to the moving party pursuant to a loan contract that is secured by a security interest in the debtor's vehicle described above. The debtor has defaulted on such loan with the moving party, and postpetition payments are past due. Vehicles depreciate over time and with usage. As a consequence, the moving party's interest in the vehicle is not being adequately protected due to the debtor's ongoing postpetition default.

Cause exists to grant relief under § 362(d)(1). The motion will be granted, and the 14-day stay of Federal Rule of Bankruptcy Procedure 4001(a)(3) will be waived. No other relief will be awarded.

#### CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Capital One Auto Finance's motion for relief from the automatic stay has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the motion,

IT IS ORDERED that the motion is granted. The automatic stay is vacated with respect to the property described in the motion, commonly known as a 2017 Ram 1500 Crew Cab Express Pickup 4D 5 1/2 ft, as to all parties in interest. The 14-day stay of the order under Federal Rule of Bankruptcy Procedure 4001(a)(3) is waived. Any party with standing may pursue its rights against the property pursuant to applicable non-bankruptcy law.

IT IS FURTHER ORDERED that no other relief is awarded. To the extent that the motion includes any request for attorney's fees or other costs for bringing this motion, the request is denied.

## 4. $\frac{22-20526}{\text{KJH}-2}$ IN RE: KENNETH THOMAS

MOTION FOR COMPENSATION FOR GABRIELSON & COMPANY, ACCOUNTANT(S)  $4-22-2024 \quad [140]$ 

WILLARD FIELDS/ATTY. FOR DBT. DEBTOR DISCHARGED: 06/08/22

## Final Ruling

Application: Allowance of First and Final Compensation and Expense

Reimbursement

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Approved
Order: Civil minute order

Compensation Allowed: \$3,731.00 Reimbursement of Expenses: \$84.51

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, incorporated by Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this application was required not less than 14 days before the hearing on the application. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. TeleVideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917-18 (9th Cir. 1987).

### COMPENSATION AND EXPENSES

In this Chapter 7 case, Gabrielson & Company, accountant for the trustee, has applied for an allowance of final compensation and reimbursement of expenses. The applicant requests that the court allow compensation in the amount of \$3,731.00 and reimbursement of expenses in the amount of \$84.51.

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

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on a final basis.

#### CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Gabrielson & Company's application for allowance of final compensation and reimbursement of expenses has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the application,

IT IS ORDERED that the application is approved on a final basis. The court allows final compensation in the amount of \$3,731.00 and reimbursement of expenses in the amount of \$84.51.

IT IS FURTHER ORDERED that the trustee is authorized without further order of this court to pay from the estate the aggregate amount allowed by this order in accordance with the Bankruptcy Code and the distribution priorities of  $\S$  726.

## 5. $\frac{22-20526}{PA-3}$ -A-7 IN RE: KENNETH THOMAS

MOTION FOR COMPENSATION BY THE LAW OFFICE OF PINO & ASSOCIATES FOR ESTELA O. PINO, TRUSTEES ATTORNEY(S) 4-22-2024 [146]

WILLARD FIELDS/ATTY. FOR DBT. DEBTOR DISCHARGED: 06/08/22

### Final Ruling

Application: Allowance of First and Final Compensation and Expense

Reimbursement

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Approved
Order: Civil minute order

Compensation Allowed: \$20,000
Reimbursement of Expenses: \$383.22

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, incorporated by Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this application was required not less than 14 days before the hearing on the application. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. TeleVideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917-18 (9th Cir. 1987).

#### **SERVICE**

## Rule 5, Rule 7004 Service

Service of the motion on the interested parties in this motion for compensation is required in accordance with Fed. R. Civ. Proc. 5, Fed. R. Bankr. P. 2002. The Certificate of Service in this matter should indicate that service is made under Rule 5, and not made pursuant to Fed, R. Bankr. P. 7004. Thus, while service has been correctly accomplished in this case it is improperly memorialized in Parts 6 and 7 of the certificate of service. Here the certificate indicates service under Fed. R. Bankr. P. 7004. See Certificate of Service, Section 6, 7, ECF No. 151.

### COMPENSATION AND EXPENSES

In this Chapter 7 case, Pino & Associates, attorney for the trustee, has applied for an allowance of first and final compensation and reimbursement of expenses. The applicant requests that the court allow compensation in the amount of \$20,000 and reimbursement of expenses in the amount of \$383.22.

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).

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on a final basis.

#### CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Pino & Associates' application for allowance of final compensation and reimbursement of expenses has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the application,

IT IS ORDERED that the application is approved on a final basis. The court allows final compensation in the amount of \$20,000 and reimbursement of expenses in the amount of \$383.22.

IT IS FURTHER ORDERED that the trustee is authorized without further order of this court to pay from the estate the aggregate amount allowed by this order in accordance with the Bankruptcy Code and the distribution priorities of  $\S$  726.

## 6. 23-24331-A-7 **IN RE: JAYATON THOMAS**

MOTION FOR DISQUALIFICATION OF MCCARTHY & HOLTHUS LLP AS COUNSEL FOR JPMORGAN CHASE BANK, N.A., AND ALL ASSIGNEES AND/OR SUCCESSORS, ET AL. 4-15-2024 [87]

JAYATON THOMAS/ATTY. FOR MV. DEBTOR DISCHARGED: 03/15/24 RESPONSIVE PLEADING

#### Final Ruling

Motion: Motion to disqualify counsel

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Denied without prejudice

Order: Civil minute order

#### SERVICE AND NOTICE

"The due process requirements for notice are relatively minimal; they merely require notice 'reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections."

In re 701 Mariposa Project, LLC, 514 B.R. 10, 15 (B.A.P. 9th Cir. 2014) (citing Mullane v. Cent. Hanover Bank & Trust Co., 339 U.S. 306, 314, 70 S.Ct. 652, 94 L.Ed. 865 (1950)).

## Notice

- (i) The notice of hearing shall advise potential respondents whether and when written opposition must be filed, the deadline for filing and serving it, and the names and addresses of the persons who must be served with any opposition.
- (ii) If written opposition is required, the notice of hearing shall advise potential respondents that the failure to file timely written opposition may result in the motion being resolved without oral argument and the striking of untimely written opposition.
- (iii) The notice of hearing shall advise respondents that they can determine whether the matter has been resolved without oral argument or whether the court has issued a tentative ruling, and can view [any] pre-hearing dispositions by checking the Court's website at www.caeb.uscourts.gov after 4:00 P.M. the day before the hearing, and that parties appearing telephonically must view the pre-hearing dispositions prior to the hearing.

(iv) When notice of a motion is served without the motion or supporting papers, the notice of hearing shall also succinctly and sufficiently describe the nature of the relief being requested and set forth the essential facts necessary for a party to determine whether to oppose the motion. However, the motion and supporting papers shall be served on those parties who have requested special notice and those who are directly affected by the requested relief.

LBR 9014-1(B).

The notice of motion in this case fails to comply with LBR 9014-1(B)(i), (iii). The notice states:

Pursuant to Local Rule 9014-1(d) Opposition to motions made pursuant to this subparagraph may be presented at or before the hearing, or if the matter may not require a hearing pursuant to B.L.R. 6006-1(b), by filed opposition before the 24-hour-hour period has elapsed.

Notice of Motion, ECF No. 88.

The notice fails to clearly state whether written opposition to the motion is required as it cites an inapplicable code section (B.L.R. 6006-1(b)) or advise respondents how the motion may be opposed. The notice also fails to advise respondents how they can determine whether the matter has been resolved. Notice of Motion, ECF No. 88.

## Service

- (b) Service by first class mail Except as provided in subdivision (h), in addition to the methods of service authorized by Rule 4(e)-(j) F.R.Civ.P., service may be made within the United States by first class mail postage prepaid as follows:
- (1) Upon an individual other than an infant or incompetent, by mailing a copy of the summons and complaint to the individual's dwelling house or usual place of abode or to the place where the individual regularly conducts a business or profession.

Fed. R. Bankr. P. 7004(b)(1).

The motion to disqualify the attorneys in this motion is a contested proceeding. As such, service is required under Fed. R. Bankr. P. 7004. Rule 7004(b)(1) allows service of the motion by first class mail, but it does not allow service by facsimile.

The certificate of service filed in this matter shows that service was made upon the responding parties via facsimile. Certificate of

Service, ECF No. 89. Service does not comply with Rule 7004. The motion will be denied without prejudice.

### CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Jayaton Thomas's motion has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the motion is denied without prejudice.

## 7. 24-20959-A-7 IN RE: OCTOPUS P AND L INVESTMENTS LLC

TRUSTEE'S MOTION TO DISMISS FOR FAILURE TO APPEAR AT SEC. 341(A) MEETING OF CREDITORS 4-18-2024 [27]

EDWARD WEBER/ATTY. FOR MV.

### Final Ruling

Motion: Dismiss Case and Extend Trustee's Deadlines

Notice: LBR 9014-1(f)(1); written opposition filed by creditor

Disposition: Continued to June 17, 2024, at 10:30 a.m.

Order: Civil minute order

Opposing creditor, FMC T.D. Investments, LLC, opposed the trustee's motion to dismiss and requested a hearing. Notice of Hearing and Opposition, ECF No. 36. The hearing will be continued to allow the opposing creditor to correctly serve his opposition and give notice of the continued hearing.

## SERVICE AND NOTICE

"The due process requirements for notice are relatively minimal; they merely require notice 'reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections."

In re 701 Mariposa Project, LLC, 514 B.R. 10, 15 (B.A.P. 9th Cir. 2014) (citing Mullane v. Cent. Hanover Bank & Trust Co., 339 U.S. 306, 314, 70 S.Ct. 652, 94 L.Ed. 865 (1950)).

#### Service

The certificate of service does not show that the motion was mailed to the debtor at the address indicated on the petition. Fed. R. Bankr. P. 7004(b)(9). This is because the certificate fails to include the required attachment, showing who was served and the address at which served. Certificate of Service, ECF No. 37.

#### CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

IT IS ORDERED that the motion is continued to June 17, 2024, at 10:30 a.m. No later than May 27, 2024, the opposing creditor shall file and serve a notice of continued hearing, and all supporting evidence, and a certificate of service evidencing service of the documents. The certificate of service shall comply with LBR 7005-1 and all requirements stated on the Official Certificate of Service form.

# 8. $\underbrace{24-20959}_{\text{ETW}-1}$ -A-7 IN RE: OCTOPUS P AND L INVESTMENTS LLC

MOTION FOR RELIEF FROM AUTOMATIC STAY 5-6-2024 [30]

EDWARD WEBER/ATTY. FOR MV. FMC T.D. INVESTMENTS LLC VS.

## Final Ruling

Motion: Stay Relief under § 362(d)(4)

Notice: LBR 9014-1(f)(2); written opposition filed Disposition: Continued to June 17, 2024, at 10:30 a.m.

Order: Civil minute order

Subject: 725 Tuolumne Street, Vallejo, California

Movant, FMC T.D. Investments, LLC, seeks an order for relief from the stay of 11 U.S.C. \$ 362(a). The motion will be continued to allow the movant to correct defects in the notice and service of this motion.

### SERVICE AND NOTICE

"The due process requirements for notice are relatively minimal; they merely require notice 'reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections."

In re 701 Mariposa Project, LLC, 514 B.R. 10, 15 (B.A.P. 9th Cir. 2014) (citing Mullane v. Cent. Hanover Bank & Trust Co., 339 U.S. 306, 314, 70 S.Ct. 652, 94 L.Ed. 865 (1950)).

## Service

A motion for relief from stay is a contested matter requiring service of the motion in the manner provided by Federal Rule of Bankruptcy Procedure 7004. Fed. R. Bankr. P. 4001(a)(1), 9014(b). Under Rule 7004, service on an individual must be made by first

class mail addressed to the individual's dwelling house or usual place of abode or to the place where the individual regularly conducts a business or profession." Fed. R. Bankr. P. 7004(b)(1). A debtor in bankruptcy may be served before the case is dismissed or closed "at the address shown in the petition or to such other address as the debtor may designate in a filed writing." Fed. R. Bankr. P. 7004(b)(9).

The certificate of service does not show that the motion was mailed to the debtor at the address indicated on the petition. Fed. R. Bankr. P. 7004(b)(9). This is because the certificate fails to include the required attachment, showing who was served and the address at which served. Certificate of Service, ECF No. 35.

## Notice LBR 9014-1(f)

In the Eastern District of California notice of a motion must comply with the requirements of either LBR 9014-1(f)(1), or (2). The rule allows a choice of two different notice periods. LBR 9014-1(f)(1) requires 28 days' notice of the motion and written opposition to be filed with the court and served on the moving party not later than 14 days prior to the hearing on the motion. Conversely, LBR 9014-1(f)(2) requires only 14 days' notice of the motion and does not require the opposing party to file and serve written opposition prior to the hearing on the motion. See, LBR 9014-1(f)(1), (2).

## LBR 9014-1(d)(3)(B)(i)

The notice of hearing shall advise potential respondents whether and when written opposition must be filed, the deadline for filing and serving it, and the names and addresses of the persons who must be served with any opposition.

. . .

LBR 9014-1(d)(3)(B) (emphasis added).

The notice filed and served in this matter states that the motion was filed pursuant to "Local Rule of Practice 9014(f)(1)". See, Notice, 1:26-27, ECF No. 31. The notice further provides as follows that no opposition is required as the motion is being heard on 14 days' notice. Id.

The notice also states:

IF NO RESPONSE IS TIMELY FILED AND SERVED, the Court may, in its discretion, GRANT THE MOTION PRIOR TO THE HEARING, WITHOUT FURTHER NOTICE, and strike the hearing.

*Id.*, 2:23-25.

The court cannot determine whether the motion is brought under LBR 9014-1(f)(1) or (f)(2). Nor will the court presume the conclusion an opposing party might reach about whether written opposition is

necessary. The notice given in this matter does not satisfy the requirements of LBR 9014(d)(3)(B).

Creditors and parties in interest have not received "notice reasonably calculated . . . to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections." SEC v. Ross, 504 F.3d 1130, 1138 (9th Cir. 2007) (quoting Mullane v. Cent. Hanover Bank & Trust Co., 339 U.S. 306, 314 (1950)). Further, LBR 9014-1(d)(3) requires that the notice of hearing advise potential respondents whether and when written opposition must be filed, the deadline for filing and serving it, and the names and addresses of the persons who must be served with the opposition. Because creditors do not have adequate notice of when and how to present their objections, due process has not been satisfied.

## CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

IT IS ORDERED that the motion is continued to June 17, 2024, at 10:30 a.m. No later than May 27, 2024, the moving party shall file and serve an amended notice of hearing, the motion and all supporting evidence, and a certificate of service evidencing service of the documents.

IT IS FURTHER ORDERED that the hearing shall be noticed pursuant to LBR 9014-1(f)(2) and the notice shall comply with the requirements of LBR 9014-1(f)(2). The certificate of service shall comply with LBR 7005-1 and all requirements as stated on the Official Certificate of Service form.

## 9. $\frac{20-25064}{BHS-5}$ IN RE: WILLIAM STELL

MOTION FOR COMPENSATION FOR BARRY H. SPITZER, TRUSTEES ATTORNEY(S) 4-11-2024 [71]

MICHAEL HAYS/ATTY. FOR DBT. DEBTORS DISCHARGED: 02/16/21

## Final Ruling

Application: Allowance of First and Final Compensation and Expense

Reimbursement

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Approved
Order: Civil minute order

Compensation Allowed: \$8,627.50
Reimbursement of Expenses: \$125.11

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, incorporated by Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this application was required not less than 14 days before the hearing on the application. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. TeleVideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917-18 (9th Cir. 1987).

#### COMPENSATION AND EXPENSES

In this Chapter 7 case, Barry H. Spitzer, attorney for the trustee, has applied for an allowance of final compensation and reimbursement of expenses. The applicant requests that the court allow compensation in the amount of \$8,627.50 and reimbursement of expenses in the amount of \$125.11.

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).

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on a final basis.

### CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Barry H. Spitzer's application for allowance of final compensation and reimbursement of expenses has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the application,

IT IS ORDERED that the application is approved on a final basis. The court allows final compensation in the amount of \$8,627.50 and reimbursement of expenses in the amount of \$125.11.

IT IS FURTHER ORDERED that the trustee is authorized without further order of this court to pay from the estate the aggregate amount allowed by this order in accordance with the Bankruptcy Code and the distribution priorities of  $\S$  726.

## 10. $\underline{23-24578}$ -A-7 IN RE: ALEXANDRA GEE PJK-1

MOTION FOR RELIEF FROM AUTOMATIC STAY 4-16-2024 [17]

STEVEN ALPERT/ATTY. FOR DBT. PATRICK KANE/ATTY. FOR MV. DEBTORS DISCHARGED: 03/18/24 M&T BANK VS.

## Final Ruling

Motion: Stay Relief

Notice: LBR 9014-1(f)(1); written opposition required Disposition: Granted in part, denied as moot in part

Order: Civil minute order

Subject: 2022 Heartland Mallard Tailwind T180BH Travel Trailer

Cause: delinquent installment payments 4 months/\$5,503.28

Discharge: March 18, 2024

These minutes constitute the court's findings of fact and conclusions of law required by Fed. R. Civ. P. 52(a), *incorporated by* Fed. R. Bankr. P. 7052, 9014(c). The findings of fact are as set forth above; the conclusions of law are as set forth below.

M&T Bank seeks an order for relief form the automatic stay of 11 U.S.C.§ 362(a).

#### DEFAULT OF RESPONDENT

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, incorporated by Fed. R. Bankr. P. 7055, 9014(c). The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. TeleVideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917-18 (9th Cir. 1987).

#### STAY RELIEF

"[A]fter notice and a hearing," the court may terminate, annul, modify or condition the stay: (1) "for cause, including the lack of adequate protection"; or (2) "with respect to a stay of an act against property [of the estate]" if the debtor lacks "equity" in that property and if that "property is not necessary for an effective reorganization." 11 U.S.C. § 362(d); see also Fed. R. Bankr. P. 4001(a)(1). The party seeking stay relief bears the burden of proof as to "the debtor's equity in the property" and on the validity and perfection of its security interest, as well as the amount of its debt. 11 U.S.C. § 362(g)(1); In re Dahlquist, 34 B.R. 476, 481 (Bankr. S.D. 1983). The party opposing stay relief, e.g., the debtor or Chapter 7 trustee, bears the burden of proof on all other issues. 11 U.S.C. § 362(g)(2).

## As to the Debtor

The motion will be denied in part as moot to the extent it seeks stay relief as to the debtor. The stay that protects the debtor terminates at the entry of discharge. 11 U.S.C. § 362(c)(2). In this case, discharge has been entered. As a result, the motion will be denied as moot as to the debtor.

## As to the Estate

"[A]fter notice and a hearing," the court may terminate, annual, modify or condition the stay: (1) "for cause, including the lack of adequate protection"; or (2) "with respect to a stay of an act against property [of the estate]" if the debtor lacks "equity" in that property and if that "property is not necessary for an effective reorganization." 11 U.S.C. § 362(d); see also Fed. R. Bankr. P. 4001(a)(1). The party seeking stay relief bears the burden of proof as to "the debtor's equity in the property" and on the validity and perfection of its security interest, as well as the amount of its debt. 11 U.S.C. § 362(g)(1); In re Dahlquist, 34 B.R. 476, 481 (Bankr. S.D. 1983). The party opposing stay relief, e.g., the debtor or Chapter 7 trustee, bears the burden of proof on all other issues. 11 U.S.C. § 362(g)(2).

The debtor is obligated to make debt payments to the moving party pursuant to a loan contract that is secured by a security interest in the debtor's vehicle described above. The debtor has defaulted on such loan with the moving party, and postpetition payments are past due. Vehicles depreciate over time and with usage. As a consequence, the moving party's interest in the vehicle is not being adequately protected due to the debtor's ongoing postpetition default.

Cause exists to grant relief under § 362(d)(1). The motion will be granted, and the 14-day stay of Federal Rule of Bankruptcy Procedure 4001(a)(3) will be waived. No other relief will be awarded.

Section 362(d)(2) authorizes stay relief if the debtor lacks equity in the property and the property is not necessary to an effective reorganization. 11 U.S.C. § 362(d)(2). Chapter 7 is a mechanism

for liquidation, not reorganization, and, therefore, property of the estate is never necessary for reorganization. In re Casgul of Nevada, Inc., 22 B.R. 65, 66 (B.A.P. 9th Cir. 1982). In this case, the aggregate amount due all liens exceeds the value of the collateral and the debtor has no equity in the property. The motion will be granted, and the 14-day stay of Federal Rule of Bankruptcy Procedure 4001(a)(3) will be waived. No other relief will be awarded.

### CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

M&T Bank's motion for relief from the automatic stay has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the motion,

IT IS ORDERED that the motion is granted in part and denied as moot in part. The automatic stay is vacated with respect to the interest of the trustee in the property described in the motion, commonly known as a 2022 Heartland Mallard Tailwind T180BH Travel Trailer . Relief from the automatic stay as to the interest of the debtor in such property is denied as moot given the entry of the discharge in this case. 11 U.S.C.  $\S$  362(c)(2)(C).

IT IS FURTHER ORDERED that the 14-day stay of the order under Federal Rule of Bankruptcy Procedure 4001(a)(3) is waived. Any party with standing may pursue its rights against the property pursuant to applicable non-bankruptcy law.

IT IS FURTHER ORDERED that no other relief is awarded. To the extent that the motion includes any request for attorney's fees or other costs for bringing this motion, the request is denied.

## 11. $\frac{24-21788}{MS-1}$ -A-7 IN RE: NICOLE JACKSON

MOTION TO DISMISS DUPLICATE CASE 4-30-2024 [13]

MARK SHMORGON/ATTY. FOR DBT.

#### Final Ruling

Motion: Dismiss Chapter 7 Case

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Denied without prejudice

Order: Civil minute order

The debtor seeks an order dismissing the case, contending that the case is a duplicate of a previously filed case. The debtor contends that this case was filed in error.

The motion will be denied without prejudice.

#### SERVICE

Unless service is on six or fewer parties in interest and a custom service list is used or the persons served are not on the Clerk of the Court's Matrix, the Certificate of Service Form shall have attached to it the Clerk of the Court's Official Matrix, as appropriate: (1) for the case or the adversary proceeding; (2) list of ECF Registered Users; (3) list of persons who have filed Requests for Special Notice; and/or (4) the list of Equity Security Holders.

LBR 7005-1(a) (emphasis added).

Because more than six parties were required to be served a custom service list may not be used as an attachment to the Certificate of Service. Counsel has not affixed the Clerk of the Court's Matrix to the certificate of service. This is not in compliance with LBR 7-005. The rule requires that the Clerk of the Court's Official Matrix for persons who have filed Requests for Special Notice be used in this instance. Certificate of Service, ECF No. 16.

### CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

The debtor's motion to dismiss has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the motion is denied without prejudice.