

### UNITED STATES BANKRUPTCY COURT Eastern District of California Honorable René Lastreto II Department B - 510 19th Street Bakersfield, California

Hearing Date: Thursday, June 5, 2025

At this time, when in-person hearings in Bakersfield will resume is to be determined. No persons are permitted to appear in court for the time being. All appearances of parties and attorneys shall be as instructed below.

Unless otherwise ordered, all matters before the Honorable René Lastreto II shall be simultaneously: (1) via **ZoomGov Video**, (2) via **ZoomGov Telephone**, and (3) 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 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 <a href="https://www.caeb.uscourts.gov/Calendar/CourtAppearances">https://www.caeb.uscourts.gov/Calendar/CourtAppearances</a>. 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  $\frac{\text{Pre-Hearing Dispositions}}{\text{hearing.}}$  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</u> <u>hearing 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.

#### 9:00 AM

### 1. $\underbrace{24-10403}_{\text{WEE}-2}$ -B-13 IN RE: VICKI/ANGELA VALENTYN

MOTION TO CONFIRM PLAN 4-25-2025 [84]

ANGELA VALENTYN/MV WILLIAM EDWARDS/ATTY. FOR DBT. RESPONSIVE PLEADING

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 failure to comply with the Local Rules of Practice ("LBR").

LBR 9004-2(a)(6), (b)(5), (b)(6), (e)(3), LBR 9014-1(c), and (e)(3) are the rules about Docket Control Numbers ("DCN"). These rules require a DCN to be in the caption page on all documents filed in every matter with the court and each new motion requires a new DCN. The DCN shall consist of not more than three letters, which may be the initials of the attorney for the moving party (e.g., first, middle, and last name) or the first three initials of the law firm for the moving party, and the number that is one number higher than the number of motions previously filed by said attorney or law firm in connection with that specific bankruptcy case. Each separate matter must have a unique DCN linking it to all other related pleadings.

On March 9, 2025, the Debtors filed their *Motion to Confirm the Second Amended Plan.* Doc. #68. The DCN for that motion was WEE-2. The DCN for this motion is also WEE-2, and therefore, it does not comply with the local rules. Each separate matter filed with the court must have a different DCN.

For the above reason(s), this motion will be DENIED WITHOUT PREJUDICE.

On May 15, 2025, the Trustee filed an Opposition to this motion. Doc. #91. In addition to noting the procedural error alluded to above, the Trustee also raised several substantive grounds for denying the motion on the merits. *Id.* The court recommends that Debtor's and counsel review the Opposition and consider the Trustee's objections if they elect to refile this motion under a new DCN.

### 2. $\frac{25-11103}{LGT-1}$ -B-13 IN RE: REUBEN/CYNTHIA ABNEY

OBJECTION TO CONFIRMATION OF PLAN BY TRUSTEE LILIAN G. TSANG 5-15-2025 [12]

ROBERT WILLIAMS/ATTY. FOR DBT.

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

DISPOSITION: Continued to July 2, 2025, at 9:00 a.m.

ORDER: The court will issue an order.

Chapter 13 trustee Lilian G. Tsang ("Trustee") objects to confirmation of the *Chapter 13 Plan* filed by Reuben and Cynthia Abney ("Debtors") on April 6, 2025, on the following basis:

1. The Debtors have failed to file, serve, and set a motion to value the collateral of Class 2(B) Creditor AltaOne Federal Credit Union. Until a valuation order is entered, Trustee cannot determine feasibility.

Doc. #12. This objection will be CONTINUED to July 2, 2025, at 9:00 a.m. Unless this case is voluntarily converted to chapter 7, dismissed, or the objection to confirmation is withdrawn, the Debtor shall file and serve a written response to the Objection not later than 14 days before the hearing. The response shall specifically address each issue raised in the objection to confirmation, state whether the issue is disputed or undisputed, and include admissible evidence to support the Debtors' position. Any reply shall be served no later than 7 days before the hearing.

If the Debtor elects to withdraw the plan and file a modified plan in lieu of filing a response, then a confirmable, modified plan shall be filed, served, and set for hearing not later than 7 days before the hearing. If the Debtor does not timely file a modified plan or a written response, this objection will be sustained on the grounds stated in the objection without further hearing.

### 3. $\frac{25-11008}{LGT-1}$ -B-13 IN RE: RAMSES KADANA MUHAMMAD

OBJECTION TO CONFIRMATION OF PLAN BY LILIAN G. TSANG 5-13-2025 [20]

LILIAN TSANG/MV RESPONSIVE PLEADING

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

DISPOSITION: Continued to July 2, 2025, at 9:00 a.m.

ORDER: The court will issue an order.

Chapter 13 trustee Lilian G. Tsang ("Trustee") objects to confirmation of the *Chapter 13 Plan* filed by *pro se* debtor Ramses Kowse Kadana Muhammad ("Debtor") on April 9, 2025, on the following basis:

- 1. The 341 Meeting of Creditors has not been concluded due to Debtor's failure to provide a valid photo ID and a copy of his social security car. The Debtor has also failed to provide Trustee with copies of Debtor's 2024 Federal and State income tax returns and copies of Debtor's payment advices as required by the Code and the Local Rules.
- 2. Debtor did not file the correct version of the official Chapter 13 Plan as required by General Order 18-03.

Doc. #20.

This objection will be CONTINUED to July 2, 2025, at 9:00 a.m. Unless this case is voluntarily converted to chapter 7, dismissed, or the objection to confirmation is withdrawn, the Debtor shall file and serve a written response to the Objection not later than 14 days before the hearing. The response shall specifically address each issue raised in the objection to confirmation, state whether the issue is disputed or undisputed, and include admissible evidence to support the Debtors' position. Any reply shall be served no later than 7 days before the hearing.

If the Debtor elects to withdraw the plan and file a modified plan in lieu of filing a response, then a confirmable, modified plan shall be filed, served, and set for hearing not later than 7 days before the hearing. If the Debtor does not timely file a modified plan or a written response, this objection will be sustained on the grounds stated in the objection without further hearing.

### 4. $\frac{25-10111}{LGT-1}$ -B-13 IN RE: DANNY HERRERA

MOTION TO DISMISS CASE 4-16-2025 [16]

ROBERT WILLIAMS/ATTY. FOR DBT. WITHDRAWN

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

DISPOSITION: Withdrawn.

No order is required.

On May 22, 2025, the Trustee withdrew this *Motion to Dismiss Case*. Doc. #28. Accordingly, this motion is WITHDRAWN.

### 5. $\underbrace{25-11017}_{LGT-1}$ -B-13 IN RE: CARLOS TORRES

OBJECTION TO CONFIRMATION OF PLAN BY LILIAN G. TSANG 5-13-2025 [12]

LILIAN TSANG/MV RABIN POURNAZARIAN/ATTY. FOR DBT.

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

DISPOSITION: Continued to July 2, 2025, at 9:00 a.m.

ORDER: The court will issue an order.

Chapter 13 trustee Lilian G. Tsang ("Trustee") objects to confirmation of the *Chapter 13 Plan* filed by Carlos Torres ("Debtor") on March 31, 2025, on the following basis:

- 1. The 341 Meeting of Creditors has not been concluded due to Debtor's failure to provide all the documents requested by the Trustee. The continued meeting will be held on June 10, 2025. Trustee may supplement this Objection based on the information adduced at the 341 meeting.
- 2. Debtor must amend Form 122C-1 to fully complete the means test.

Doc. #20.

This objection will be CONTINUED to July 2, 2025, at 9:00 a.m. Unless this case is voluntarily converted to chapter 7, dismissed, or the objection to confirmation is withdrawn, the Debtor shall file and serve a written response to the Objection not later than 14 days before the hearing. The response shall specifically address each issue raised in the objection to confirmation, state whether the issue is disputed or undisputed, and include admissible evidence to

support the Debtors' position. Any reply shall be served no later than 7 days before the hearing.

If the Debtor elects to withdraw the plan and file a modified plan in lieu of filing a response, then a confirmable, modified plan shall be filed, served, and set for hearing not later than 7 days before the hearing. If the Debtor does not timely file a modified plan or a written response, this objection will be sustained on the grounds stated in the objection without further hearing.

### 6. $\frac{25-10720}{LGT-1}$ -B-13 IN RE: DARON NUNN

CONTINUED OBJECTION TO CONFIRMATION OF PLAN BY LILIAN G. TSANG

4-17-2025 [12]

LILIAN TSANG/MV ROBERT WILLIAMS/ATTY. FOR DBT. RESPONSIVE PLEADING

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

DISPOSITION: Continued to July 2, 2025, at 9:00 a.m.

ORDER: The court will issue an order.

Chapter 13 trustee Lilian G. Tsang ("Trustee") objects to confirmation of the *Chapter 13 Plan* filed by Daron Dawayne Nunn ("Debtor") on March 11, 2025, on the following basis:

- 1. The plan payments must be increased to \$3,563.00 per month to complete payments within 5 years. Trustee is not opposed to addressing this in the confirmation order.
- 2. Debtor will need to amend the Statement of Financial Affairs to list income reported on Debtor's 2023 tax return but not included in the filings.
- 3. Trustee requests Debtor's February and March 2025 bank statements to review Debtor's income for those months, as he is a 1099 employee. Debtor must also provide a Profit and Loss statement for those months.

Doc. #12. On May 19, 2025, Debtor responded, stating that the documents requested under Objections #2 and #3 have been provided to Trustee. Doc. #20. Debtor acknowledges Trustee's argument regarding Objection #1 (the monthly plan payment) but argues that the proposed increase -- \$13.00 per month, representing .038% of the proposed payment -- is de minimis and should be resolved after the Notice of Filed Claims is filed by the Trustee. Id.

On May 22, 2025, the Trustee supplemented the objection as follows:

- 1. After further review of additional claims filed, Trustee now asserts that the plan payment must be increased to at least \$3,586.68 per month to be feasible, which is an increase of \$36.68.
  - a. Also, First-Citizens Bank & Trust Company/Loancare, LLC has filed a proof of claim for a property located in Bakersfield, California that is not Debtor's residence and is not disclosed on any schedules or in the plan. The proof of claim lists \$66,916.37 in arrears. The schedules must be amended to account for this property and the Plan amended to provide for it.
- 2. Objections #2 and #3 are resolved.

Doc. #21.

This objection will be CONTINUED to July 2, 2025, at 9:00 a.m. Unless this case is voluntarily converted to chapter 7, dismissed, or the objection to confirmation is withdrawn, the Debtor shall file and serve a written response to the remaining objections raised in the Supplemental not later than 14 days before the hearing. The response shall specifically address each issue raised in the supplemental objection to confirmation, state whether the issue is disputed or undisputed, and include admissible evidence to support the Debtors' position. Any reply shall be served no later than 7 days before the hearing.

If the Debtor elects to withdraw the plan and file a modified plan in lieu of filing a response, then a confirmable, modified plan shall be filed, served, and set for hearing not later than **7 days** before the hearing. If the Debtor does not timely file a modified plan or a written response, this objection will be sustained on the grounds stated in the objection without further hearing.

7. <u>24-11521</u>-B-13 **IN RE: MANUEL HERRERA AND SUSAN** VILLA-HERRERA JCW-1

MOTION FOR RELIEF FROM AUTOMATIC STAY 5-5-2025 [49]

FORD MOTOR CREDIT COMPANY LLC/MV ROBERT WILLIAMS/ATTY. FOR DBT. JENNIFER WONG/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.

Ford Motor Credit Company, LLC ("Movant") seeks relief from the automatic stay under 11 U.S.C. § 362(d)(1) with respect to a 2021 Ford Explorer XLT Sport Utility 4D (VIN:1FMSK7DH0MGA83966)("Vehicle").

Doc. #49. Movant also requests waiver of the 14-day stay of Fed. R. Bankr. P. 4001(a)(4). Id.

Movant's motion for relief from the automatic stay will be granted without oral argument based upon well-pled facts.

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.

This motion relates to an executory contract or lease of personal property. The lease matured on September 24, 2024, with a remaining balance due of \$5,148.43. Docs. #51, #53.

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).

After review of the included evidence, the court finds that "cause" exists to lift the stay for the following reasons. First, it appears that Manuel Herrera and Susan Josie Villa-Herrera ("Debtors") have made no payments since the filing of the petition and apparently have made no payments since approximately September 3, 2024. Debtors' failure to pay the balance of the lease or surrender the Vehicle upon lease maturity constitutes cause for relief from stay. Doc. #51. Second, the value of the Vehicle is depreciating and continues to depreciate. *Id.* Thus, Movant is not adequately protected.

Also, the confirmed Plan shows payments are to be made to the lessor as the lease was assumed. Based on the evidence, all payments have not been made on an assumed lease which is another "cause" for relief.

Accordingly, the motion will be granted pursuant to 11 U.S.C. § 362(d)(1) to permit the Movant to dispose of the Vehicle pursuant to applicable law and to use the proceeds from its disposition to satisfy its claim.

The 14-day stay of Rule 4001(a)(4) will be ordered waived because Debtors have failed to make any payments to Movant since the filing of the petition notwithstanding the assumption of the lease, and the Vehicle is a depreciating asset.

8. 25-11223-B-13 IN RE: ABEL RAZO

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES 5-20-2025 [18]

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: The minutes of the hearing will be the court's

findings and conclusions.

ORDER: The court will issue an order.

This matter will proceed as scheduled. If the fees due at the time of the hearing have not been paid prior to the hearing, the case will be dismissed on the grounds stated in the OSC.

If the installment fees due at the time of hearing are paid before the hearing, the order permitting the payment of filing fees in installments will be modified to provide that if future installments are not received by the due date, the case will be dismissed without further notice or hearing.

9.  $\frac{25-10527}{RSW-3}$ -B-13 IN RE: CELESTINE APUSEN

MOTION TO CONFIRM PLAN 5-1-2025 [29]

CELESTINE APUSEN/MV ROBERT WILLIAMS/ATTY. FOR DBT. RESPONSIVE PLEADING

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

DISPOSITION: Continued to July 2, 2025, at 9:00 a.m.

ORDER: The court will issue an order.

Celestine Apusen ("Debtor") moves for an order confirming the *Chapter 13 Plan* dated March 19, 2025. Doc. #29. No plan has been confirmed so far. Chapter 13 trustee Lilian G. Tsang ("Trustee") timely objected to confirmation of the plan for the following reason(s):

1. The plan impermissibly modifies the claim of Class 1 creditor Loancare, which is secured only by a security interest in real property that is Debtor's principle residence. Also, the minimum monthly plan payment needed to cover disbursements for the Class 1 claim, the Class 2 claim of Logix, and attorney's

- fees at Trustee's current compensation of 9% is \$3,596.00, which exceeds the proposed plan payment of \$3,500.00
- 2. The plan relies on a pending motion to value the collateral of Class 2B creditor Citibank, which the court has granted. See Item #6, below. However, there are inconsistencies between Debtor's Schedules I & J and Debtor's pay advices which require further documentation.
- 3. There are inconsistencies between Debtor's pay advices and Debtor's Form 122C-1 which prevent the Trustee from determining whether the plan meets the liquidation test.

Doc. #40.

This motion to confirm plan will be CONTINUED to <u>July 2, 2025, at 9:00 a.m.</u> Unless this case is voluntarily converted to chapter 7, dismissed, or all objections to confirmation are withdrawn, the Debtor shall file and serve a written response to the objections no later than fourteen (14) days before the continued hearing date. The response shall specifically address each issue raised in the objection(s) to confirmation, state whether each issue is disputed or undisputed, and include admissible evidence to support the Debtor's position. Any replies shall be filed and served no later than seven (7) days prior to the hearing date.

If the Debtor elects to withdraw the plan and file a modified plan in lieu of filing a response, then a confirmable, modified plan shall be filed, served, and set for hearing not later than seven (7) days before the continued hearing date. If the Debtor does not timely file a modified plan or a written response, the objection will be sustained on the grounds stated, and the motion will be denied without further hearing.

10.  $\frac{25-10527}{RSW-4}$ -B-13 IN RE: CELESTINE APUSEN

MOTION TO AVOID LIEN OF CITIBANK, N.A. 5-8-2025 [35]

CELESTINE APUSEN/MV
ROBERT WILLIAMS/ATTY. FOR DBT.

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.

Celestine Apusen ("Debtor") moves for an order avoiding a judicial lien pursuant to 11 U.S.C. § 522(f) in favor of Citibank, N.A. ("Creditor") in the sum of \$8,558.69 and encumbering residential real property located at 2801 La Calle Sabio Avenue, Rosamond, California ("Property"). Doc. #35.

Debtor complied with Fed. R. Bankr. P. 7004(b)(3) by serving Creditor's registered agent for service of process via first class mail on June 15, 2025. Doc. #17. Debtor also complied with Rule 7004(h), which requires service to be made on an insured depository institution by certified mail and addressed to an officer except where the three exceptions specified in subsections (h)(1)-(3) apply.

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 chapter 7 trustee, 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 abovementioned 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.

To avoid a lien under 11 U.S.C. § 522(f)(1), the movant must establish four elements: (1) there must be an exemption to which the debtor would be entitled under § 522(b); (2) the property must be listed on the debtor's schedules as exempt; (3) the lien must impair the exemption; and (4) the lien must be either a judicial lien or a non-possessory, non-purchase money security interest in personal property listed in § 522(f)(1)(B). § 522(f)(1); Goswami v. MTC Distrib. (In re Goswami), 304 B.R. 386, 390-91 (B.A.P. 9th Cir. 2003) (quoting In re Mohring, 142 B.R. 389, 392 (Bankr. E.D. Cal. 1992), aff'd, 24 F.3d 247 (9th Cir. 1994)).

Here, a judgment was entered against Debtor in favor of Creditor in the amount of \$8,558.69 on February 21, 2023. Doc. #38 (Exhib. 4). The abstract of judgment was issued on March 3, 2023, and was recorded in Kern County on March 9, 2023. *Id.* That lien attached to Debtor's interest in Property. *Id.*; Doc. #37. Debtor estimates that the current amount owed on account of this lien is \$8,558.69. *Id.* 

As of the petition date, Property had an approximate value of \$518,300.00. Doc. #34 (Amended Sched. A/B). Debtor claimed a \$395,000.00 exemption in Property pursuant to Cal. Code Civ. Proc. ("CCP") § 704.730. Doc. #34 (Amended Sched. C).

Property is encumbered by a first deed of trust in favor of Loancare LLC ("Loancare") in the amount of \$476,303.24. Doc. #38 (Sched. D). Property is also encumbered by a second deed of trust in favor of the California Housing Finance Agency ("CHFA") in the amount of

\$8,027.00, and a third deed of trust also in favor of the CHFA in the amount of \$12,414.00. Doc. #28 (Sched. D). Property's encumbrances can be illustrated as follows:

Creditor	Amount	Recorded	Status
1. Loancare	\$476,303.24		Unavoidable
2. CHFA 1	\$8,027.00		Unavoidable
3. CHFA 2	\$12,414.00		Unavoidable
4. Creditor	\$8,558.00	3/9/23	Avoidable

When a debtor seeks to avoid multiple liens under § 522(f)(1) and there is equity to which liens can attach, the liens must be avoided in the reverse order of their priority. Bank of Am. Nat'l Tr. & Sav. Ass'n v. Hanger (In re Hanger), 217 B.R. 592, 595 (B.A.P. 9th Cir. 1997), aff'd, 196 F.3d 1292 (9th Cir. 1999). Liens already avoided are excluded from the exemption impairment calculation. Ibid.; § 522(f)(2)(B). Here, Debtor only seeks to avoid the most junior lien.

"Under the full avoidance approach, as used in Brantz, the only way a lien would be avoided 'in full' was if the debtor's gross equity were equal to or less than the amount of the exemption." Bank of Am. Nat'l Tr. & Sav. Ass'n v. Hanger (In re Hanger), 217 B.R. 592, 596 (B.A.P. 9th Cir. 1997), aff'd, 196 F.3d 1292 (9th Cir. 1999), citing In re Brantz, 106 B.R. 62, 68 (Bankr. E.D. Pa. 1989) ("Avoidance of all judicial liens results unless (3) [the result of deducting the debtor's allowable exemptions and the sum of all liens not avoided from the value of the property] is a positive figure."), citing In re Magosin, 75 B.R. 545, 547 (Bankr. E.D. Pa. 1987) (judicial lien was avoidable in its entirety where equity is less than exemption).

This lien is the most junior lien subject to avoidance and there is not any equity to support the lien. Strict application of the § 522(f)(2) formula with respect to Creditor's junior lien is illustrated as follows:

Amount of judgment lien		8,558.00
Total amount of unavoidable liens (incl. 3 deeds of		
trust)		496,744.24
Debtor's claimed exemption in Property	+	395,000.00
Sum		\$900,302.24
Debtor's claimed value of interest absent liens	_	518,300.00
Extent lien impairs exemption		\$382,002.24

All Points Capital Corp. v. Meyer (In re Meyer), 373 B.R. 84, 91 (B.A.P. 9th Cir. 2007); accord. Hanger 217 B.R. at 596, Higgins v. Household Fin. Corp. (In re Higgins), 201 B.R. 965, 967 (B.A.P. 9th Cir. 1996); cf. Brantz, 106 B.R. at 68, Magosin, 75 B.R. at 549-50, In re Piersol, 244 B.R. 309, 311 (Bankr. E.D. Pa. 2000). Since there is no equity for liens to attach and this case does not involve fractional interests or co-owned property with non-debtor third parties, the § 522(f)(2) formula can be re-illustrated using the Brantz formula with the same result:

Fair market value of Property		\$518,300.00
Total amount of unavoidable liens (incl. 3 deeds of trust)	_	\$496,744.24
Homestead exemption	_	395,000.00
Remaining equity for judicial liens	=	(\$373 <b>,</b> 444.2 4)
Creditor's judicial lien	_	\$8,558.00
Extent Debtor's exemption impaired	=	(\$382,002.2 4)

After application of the arithmetical formula required by 11 U.S.C. § 522(f)(2)(A), there is insufficient equity to support any judicial liens. Therefore, the fixing of Creditor's judicial lien impairs Debtor's exemption in the Property and its fixing will be avoided.

Debtor has established the four elements necessary to avoid a lien under § 522(f)(1). Accordingly, this motion will be GRANTED. The proposed order shall state that Creditor's lien is avoided from the subject Property only and include a copy of the abstract of judgment as an exhibit.

### 11. $\frac{23-11439}{RSW-2}$ -B-13 IN RE: FELIX/IRENE MONTIEL

MOTION TO MODIFY PLAN 4-14-2025 [78]

IRENE MONTIEL/MV
ROBERT WILLIAMS/ATTY. FOR DBT.

TENTATIVE RULING: This matter will proceed as scheduled. .

DISPOSITION: Granted or denied without prejudice.

ORDER: The minutes of the hearing will be the court's

findings and conclusions. Order preparation

determined at the hearing.

Felix and Irene Montiel ("Debtors") move for an order confirming the Second Modified Chapter 13 Plan dated April 14, 2025. Doc. #78. Debtor's current plan was confirmed on March 5, 2024. Doc. #68.

No party has timely objected.

This motion was set for hearing on 35 days' notice as required by Local Rule of Practice ("LBR") 3015-1(d)(1). The failure of any party in interest, including but not limited to creditors, the U.S. Trustee, and the case Trustee, 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). Therefore, the defaults of the above-mentioned parties in interest are entered. 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).

The motion requests that the confirmed plan be modified as follows:

- 1. The plan will increase from 59 month to 60 months.
- 2. Plan payments in the aggregate of \$33,000.00 through April 2025, with monthly payments increasing from \$2,126.98 to \$2,230.00 in May 2025 and continuing for the life of the plan.
- 3. Section 3.06 is modified to provide that debtors' attorney shall be paid \$440.79 through April 2025 and then monthly payments of \$75.88 beginning in May 2025.
- 4. Section 3.07 is modified to (a) provide that Class 1 creditor Select Portfolio Servicing shall be paid regular monthly mortgage payments and that all missed regular monthly mortgage payments shall be paid by month 60 with late fees and (b) that Select Portfolio shall be paid \$4,211.61 on the arrearage claim through April 2025 and shall be paid a monthly arrearage dividend of \$573.47 beginning in May 2025.
- 5. The plan is otherwise unchanged.

Doc. #82.

Debtors aver that this modification is necessary because they fell behind in plan payments due to unexpected expenses, but they can afford the new plan payment because Mr. Montiel has taken on a second job. Doc. #80. Mr. Montiel declares that an amended budget is "forthcoming," *Id.*, but no such amendment has been filed to date.

No party in interest has objected, and the defaults of all non-responding parties in interest are entered. However, in the absence of the Amended Schedules I & J alluded to by Debtors, the motion is not supported by sufficient evidence. If the Amended Schedules are filed before the hearing date, this motion will be GRANTED. If not, this motion will be DENIED WITHOUT PREJUDICE to the filing of a further modified plan.

## 12. $\underline{25-10461}$ -B-13 IN RE: JASON CAULEY LGT-1

CONTINUED OBJECTION TO CONFIRMATION OF PLAN BY TRUSTEE LILIAN G. TSANG 3-21-2025 [17]

ROBERT WILLIAMS/ATTY. FOR DBT. WITHDRAWN

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

DISPOSITION: Withdrawn.

No order is required.

On May 8, 2025, the Trustee withdrew this Objection to Confirmation. Doc. #26. Accordingly, this Objection is WITHDRAWN.

# 13. $\underline{24-13665}_{DMG-1}$ -B-13 IN RE: JUSTIN/SHARLENE TUEY

CONTINUED MOTION TO CONFIRM PLAN 3-26-2025 [46]

SHARLENE TUEY/MV

D. GARDNER/ATTY. FOR DBT.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Denied without prejudice.

ORDER: The minutes of the hearing will be the court's

findings and conclusions. Order preparation

determined at the hearing.

This matter was originally heard on May 7, 2025. Doc. #75.

Justin and Sharlene Tuey ("Debtors") move for an order confirming the First Modified Chapter 13 Plan dated March 26, 2025. Doc. #46. No plan has been confirmed so far. Chapter 13 trustee Lilian G. Tsang ("Trustee") timely objected to confirmation of the plan for the following reason(s):

- 1. The plan does not provide for all the Debtors' projected disposable income to be applied to unsecured creditors. Debtors must file a Form 122C-2.
- 2. The Disclosure of Compensation of Attorney for Debtor form filed on December 20, 2024, is incorrect and is not the standard form for this district.
- 3. Trustee requests proof of income received since Mr. Tuey began his new job.

Doc. #60. Debtors filed a Disclosure of Compensation of Attorney and a Form 122-C on April 30, 2025. Docs. #69-70. On May 2, 2025, the Trustee filed a Supplemental Objection stating that Objections #2 and #3 are resolved, but additional documents are required to resolve Objection #1, specifically an Amended Form 122C-1 and Form 122C-2 to include all gross income received within the six months prior to the petition date. Doc. #73.

On May 15, 2025, Debtors filed two documents: a Declaration from D. Max Gardner ("Gardner"), Debtors' counsel, and an Exhibit consisting of what appears to be a completed draft for a Form 122-C which has not yet been filed with the court. Docs. ##78-79. Gardner declares his belief that the Form 122C in the Exhibit resolves the Trustee's remaining objection, but he argues that, because Debtors' business closed in December, their six-month prepetition income should not control the plan's duration and that, while the current plan is a 60-month plan, he requests that the court confirm it as a 36-month plan instead. Doc. #78. Gardner also states that, if necessary, Debtor will file a modified plan to set the term at three years. *Id*.

This matter will proceed as scheduled, so that the court can determine whether Trustee's objections have been fully resolved and

whether Trustee is not opposed to reducing the plan's term to 36 months through the confirmation order. The court is inclined to require a modified plan since the duration now requested by the Debtors is significantly less than first proposed.

### 14. $\frac{24-10693}{TCS-4}$ -B-13 IN RE: ANTHONY MARQUEZ

CONTINUED MOTION TO MODIFY PLAN 3-28-2025 [58]

ANTHONY MARQUEZ/MV TIMOTHY SPRINGER/ATTY. FOR DBT. RESPONSIVE PLEADING WITHDRAWN

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

DISPOSITION: Granted.

ORDER: The moving party will prepare the order in

conformity with this ruling.

This matter was originally heard on May 7, 2025. Doc. #69.

Anthony Marquez ("Debtor") moves for an order confirming the Third Modified Chapter 13 Plan dated March 28, 2025. Doc. #58. The current plan dated March 20, 2024, was confirmed on July 5, 2024. Docs. #3, #26. The Trustee objected to confirmation, and the court continued this matter to give the Debtor opportunity to respond. Docs. #65, #69. The Trustee subsequently withdrew the Objection. Doc. #74. This motion is ripe for consideration.

The 60-month plan proposes the following terms:

- Debtor's aggregate payment for months 1-12 will be \$14,581.70.
   Debtor's payments for months 13-60 will be \$1,000.00 per month, reduced from \$2,700.00
- 2. Creditor Transport Funding will be moved from Class 2 to Class 3 and receive an aggregate of \$7,008.40 for secured payments under the plan prior to the reclassification. The remainder of this Creditor's claim will be treated as unsecured after the sale of the collateral.
- 3. All creditors to receive and retain all amounts paid prior to the filing of this amended plan.
- 4. All distribution changes from the prior plan to begin following Debtor's month 13 payment.
- 5. The plan is otherwise unchanged with a 1% dividend to general unsecured creditors.

Doc. #62.

This motion was set for hearing on 35 days' notice as required by Local Rule of Practice ("LBR") 3015-1(d)(1). The failure of the creditors, the chapter 13 trustee, 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). The Trustee timely objected but subsequently withdrew that objection. The defaults of all other non-responding 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.

This motion will be GRANTED. The confirmation order shall include the docket control number of the motion and reference the plan by the date it was filed.

#### 15. 25-10596-B-13 **IN RE: ANTHONY BROWN**

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES 5-5-2025 [51]

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: The minutes of the hearing will be the court's

findings and conclusions.

ORDER: The court will issue an order.

This matter will proceed as scheduled. If the fees due at the time of the hearing have not been paid prior to the hearing, the case will be dismissed on the grounds stated in the OSC.

If the installment fees due at the time of hearing are paid before the hearing, the order permitting the payment of filing fees in installments will be modified to provide that if future installments are not received by the due date, the case will be dismissed without further notice or hearing.

### 16. $\frac{25-10596}{LGT-1}$ -B-13 IN RE: ANTHONY BROWN

MOTION TO DISMISS CASE 5-8-2025 [56]

LILIAN TSANG/MV

The court intends to dismiss this case in matter #15 above. If dismissed, this motion will be OVERRULED AS MOOT. If the case is not dismissed, this motion will be granted as follows:

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

DISPOSITION: Granted.

ORDER: The minutes of the hearing will be the court's

findings and conclusions. The court will issue an

order.

The chapter 13 trustee asks the court to dismiss this case under 11 U.S.C. § 1307(c)(1) for unreasonable delay by debtor that is prejudicial to creditors and 11 U.S.C. § 1307(c)(4) debtor's failure to commence making plan payments. Doc. #56. Debtor did not oppose.

Unless the trustee's motion is withdrawn before the hearing, the motion will be GRANTED without oral argument for cause shown.

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.

Here, the chapter 13 trustee asks the court to dismiss this case under 11 U.S.C. \$ 1307(c)(1) for unreasonable delay by Debtor that is prejudicial to creditors and 11 U.S.C. \$ 1307(c)(4) for failure to commence making timely plan payments and for:

- Failure to appear at 341 Meeting of creditors on April 15, 2025;
- Failure to provide required documents to trustee;
- Failure to file a complete plan of reorganization.

Under 11 U.S.C. § 1307(c), the court may convert or dismiss a case, whichever is in the best interests of creditors and the estate, for cause. "A debtor's unjustified failure to expeditiously accomplish any task required either to propose or to confirm a chapter 13 plan may constitute cause for dismissal under § 1307(c)(1)." Ellsworth v. Lifescape Med. Assocs., P.C. (In re Ellsworth), 455 B.R. 904, 915 (B.A.P. 9th Cir. 2011). There is "cause" for dismissal under 11 U.S.C. § 1307(c)(1) for unreasonable delay.

The trustee has reviewed the schedules and determined that this case has a liquidation value of \$1,837.50 after trustee compensation. Doc. #58. This amount is comprised of the value of debtor's clothing and bank accounts. Id. The liquidation value of this case is de minimis. Therefore, dismissal, rather than conversion, serves the interests of creditors and the estate.

Accordingly, the motion will be GRANTED, and the case dismissed.

#### 10:00 AM

#### 1. 25-11308-B-7 **IN RE: JEOVANA JORDAN**

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES 5-8-2025 [16]

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

DISPOSITION: Dropped and taken off calendar.

NO ORDER REQUIRED.

An Order Approving Payment of Filing Fee in Installments was entered on May 22, 2025, Doc. #31. Accordingly, this Order to Show Cause for Failure to Pay Fees will be taken off calendar as moot. No appearance is necessary.

### 2. $\frac{25-11123}{\text{JMV}-1}$ -B-7 IN RE: DIRECT SAFETY SOLUTIONS

MOTION TO EMPLOY GOULD AUCTION & APPRAISAL COMPANY AS AUCTIONEER, AUTHORIZING SALE OF PROPERTY AT PUBLIC AUCTION AND AUTHORIZING PAYMENT OF AUCTIONEER FEES AND EXPENSES 5-7-2025 [8]

JEFFREY VETTER/MV

D. GARDNER/ATTY. FOR DBT.

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

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in

conformance with the ruling below.

Chapter 7 trustee Jeffrey Vetter ("Trustee") seeks authorization to (a) employ Jerry Gould ("Gould") of Gould Auction and Appraisal Company ("Auctioneer") under 11 U.S.C. § 328; (b) sell the estate's interest in certain estate assets ("the Assets") at public auction under § 363(b)(1); and (c) compensate Auctioneer under §§ 327(a) and 328. Doc. #8 et seq. The auction will be held on or after June 28, 2025, beginning at 9:00 a.m. at 6100 Price Way, Bakersfield, California. Id. The Debtor corporation ("Debtor") is Direct Safety Solutions. Id.

The Assets are more fully described in the moving papers but broadly consist of the following:

- 1. A Yale forklift;
- 2. Gloves, hard hats, and first aid supplies'
- 3. Breathing tanks;
- 4. Air compressors;
- 5. Miscellaneous hand tools;

- 6. Office Equipment;
- 7. Commercial shelving; and
- 8. Approximately 27 trailers identified by VIN number in the moving papers.

Id. Neither Schedule A/B nor the moving papers clearly place a value on any of the Assets, but the total value of those items listed in Schedule A/B which are marked for "Liquidation" (and which appear to be the Assets for sale in this motion) is equal to approximately \$55,000.00. Doc. #5 (Schedule A/B).

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. This motion will be GRANTED.

#### Employment and Compensation

This motion affects the proposed disposition of estate assets and Auctioneer. 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 Auctioneer as a party.

LBR 9014-1(d)(5)(B)(iii) permits joinder of requests for authorization to employ a professional, i.e., auctioneer, for sale of estate property at public auction, and allowance of fees and expenses for such professional under 11 U.S.C. §§ 327, 328, 330, 363, and Rules 6004-05.

- 11 U.S.C. § 327 allows the trustee, with the court's approval, to employ one or more attorneys, accountants, auctioneers, or other professional persons to represent or assist the trustee in carrying out the trustee's duties. The professional is required to be a disinterested person and neither hold nor represent interests adverse to the estate. § 327(a).
- 11 U.S.C. § 328(a) permits employment of "a professional person under section 327" on "any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis." Section

328(a) further "permits a professional to have the terms and conditions of its employment pre-approved by the bankruptcy court, such that the bankruptcy court may alter the agreed-upon compensation only 'if such terms and conditions and conditions prove to have been improvident in light of developments not capable of being anticipated at the time of the fixing of such terms and conditions." In re Circle K Corp., 279 F.3d 669, 671 (9th Cir. 2002).

Under these sections, Trustee requests to employ and compensate Auctioneer by paying: (i) a 15% commission on the gross proceeds from the sale; (ii) an additional 10% premium to be paid by the buyer; (iii) an additional 3% fee paid to the online service Proxibid, if the buyer makes use of that service; (iv) estimated expenses for pickup and storage not to exceed \$6,250.00, and (v) reimbursement for "extraordinary expenses" not to exceed \$1,500.00, without further order of the court, with any additional fees for extraordinary expenses subject to court approval. Doc. #8 et seq.

Trustee and Gould, Auctioneer's owner, filed declarations attesting that Auctioneer is a disinterested person as defined in § 101(14) and does not hold any interests adverse to the estate in accordance with § 327(a). Doc. #10. With respect to Debtor, Auctioneer is not a creditor, equity security holder, insider, investment banker for a security of the debtor within the three years before the petition date, or an attorney for such investment banker, and within two years of the petition date was not a director, officer, or employee of the Debtor or an investment banker. Id. Auctioneer does not have an interest materially adverse to the interest of the estate, creditors, Debtor, equity security holders, an investment banker for a security of the debtors, or any other party in interest, and had not served as an examiner in this case. Id. Auctioneer does not have any connection with any creditors, parties in interests, their attorneys, accountants, the U.S. Trustee, or anyone employed by the U.S. Trustee. Id. Additionally, no agreement exists between Auctioneer or any other person for the sharing of compensation received by Auctioneer in connection with the services rendered. Id.

Trustee declares that it is necessary to employ Auctioneer to liquidate the Assets. Doc. #11. Trustee believes that the proposed fees and expenses for services are reasonable and customary for the services to be rendered by Auctioneer. *Id.* Auctioneer will assist Trustee by generally performing and assisting Trustee in matters customarily done and performed by auctioneers in connection with an auction sale of property. *Id.* 

The court will authorize Auctioneer's employment pursuant to 11 U.S.C. §§ 327(a), 328 and authorize Trustee to pay as follows:

- a. a 15% commission on the gross proceeds from the sale;
- b. an additional 10% premium to be paid by the buyer;
- c. an additional 3% fee paid to the online service Proxibid, if the buyer makes use of that service;
- d. estimated expenses for pickup and storage not to exceed \$6,250.00, and

e. reimbursement for "extraordinary expenses" not to exceed \$1,500.00, without further order of the court, with any additional fees for extraordinary expenses subject to court approval

#### Proposed Sale

11 U.S.C. § 363(b)(1) allows the trustee to "sell, or lease, other than in the ordinary course of business, property of the estate." Proposed sales under 11 U.S.C. § 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 North Brand Partners, Ltd. v. Colony GFP Partners, Ltd. P'ship (In re 240 N. Brand Partners, Ltd.), 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 Adventure, LLC, 594 B.R. at 889, quoting 3 Collier on Bankruptcy ¶ 363.02[4] (Richard Levin & Henry J. Sommer eds., 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).

Here, the Assets are listed in the schedules as having an aggregate value of approximately \$55,000.00. Doc. #5 (Sched. A/B). The Assets do not appear to be encumbered. Doc. #1 (Sched. D). Debtor is a corporate entity, so no exemptions apply.

The motion does not list a proposed sale price but rather seeks the best price that can be obtained at open auction. However, given the fact that expenses are limited to an absolute maximum of \$7,750.00, that auctioneer fees are limited to 15%, and that no Debtor's exemption will be applied, the court concludes that the auction will almost inevitably produce at least some net proceeds for the estate.

Trustee believes that using the auction process to sell Assets will result in the quickest liquidation for the best possible price because it will be exposed to many prospective purchasers. Doc. #11. Based on Trustee's experience, this could yield the highest net recovery to the estate, both in terms of time efficiency and the amount that will be realized from the sale. *Id*.

Sale by auction under these circumstances should maximize potential recovery for the estate such that the sale of the Assets would be in the best interests of the estate if it will provide liquidity to the estate 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 will be given deference.

#### Conclusion

No party in interest objected to the instant motion, which is Granted. Trustee will be permitted to employ Auctioneer, sell the Assets at public auction, and pay Auctioneer for its services as outlined above. If the sale is completed, Trustee will be authorized to compensate Auctioneer as follows:

- a. a 15% commission on the gross proceeds from the sale;
- b. an additional 10% premium to be paid by the buyer;
- c. an additional 3% fee paid to the online service Proxibid, if the buyer makes use of that service;
- d. estimated expenses for pickup and storage not to exceed \$6,250.00, and
- e. reimbursement for "extraordinary expenses" not to exceed \$1,500.00, without further order of the court, with any additional fees for extraordinary expenses subject to court approval.

#### 3. 25-11033-B-7 **IN RE: ANDRES GARCIA**

ORDER TO SHOW CAUSE FOR FAILURE TO UPDATE CONTACT INFORMATION IN PACER 4-17-2025 [ $\underline{13}$ ]

DAVID CHUNG/ATTY. FOR DBT.

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

DISPOSITION: The OSC will be vacated.

ORDER: The court will issue an order.

The record shows that the matter has been corrected by counsel. Accordingly, this order to show cause will be VACATED. No appearance is necessary.

#### 4. 25-11441-B-7 IN RE: JOCELYN KOSGERYAN

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES 5-16-2025 [14]

JULIE MORADI-LOPES/ATTY. FOR DBT.

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

DISPOSITION: The OSC will be vacated.

ORDER: The court will issue an order.

The record shows that the \$338.00 filing fee was paid on May 22, 2025. Accordingly, this order to show cause will be VACATED.

#### 11:00 AM

1.  $\frac{24-13712}{25-1012}$  -B-7 IN RE: MARIANO MARTINEZ-GONZALEZ

STATUS CONFERENCE RE: COMPLAINT 3-17-2025 [1]

LUNA ET AL V. MARTINEZ-GONZALEZ REISSUED SUMMONS 8/6/25

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

DISPOSITION: Removed from calendar.

ORDER: The court will prepare the order.

On March 17, 2025, a Summons and Notice of Status Conference was set in this adversary proceeding setting the initial Status Conference for May 5, 2025. Doc. #3. On May 8, 2025, a summons was reissued setting the next Status Conference for August 6, 2025, at 11:00 a.m. Accordingly, this Status Conference, which was set by the March 17, 2025, summons will be REMOVED from the calendar.

2.  $\frac{23-12573}{25-1011}$  -B-7 IN RE: JULIE BLACK

STATUS CONFERENCE RE: COMPLAINT 3-13-2025 [1]

BLACK V. DEPARTMENT OF EDUCATION/AIDVANTAGE NEIL SCHWARTZ/ATTY. FOR PL.

NO RULING.

3.  $\frac{20-10809}{21-1039}$ -B-11 IN RE: STEPHEN SLOAN

MOTION TO REOPEN DISCOVERY 5-28-2025 [175]

SANDTON CREDIT SOLUTIONS MASTER FUND IV, LP V. SLOAN ET PETER SAUER/ATTY. FOR MV.

NO RULING.

### 11:30 AM

1. <u>25-10742</u>-B-7 **IN RE: EMMANUEL FOBI** 

PRO SE REAFFIRMATION AGREEMENT WITH TD BANK, N.A. 4-23-2025 [ $\underline{13}$ ]

NO RULING.