



**UNITED STATES BANKRUPTCY COURT
Eastern District of California
Honorable René Lastreto II
Department B – Courtroom #13
Fresno, California
Hearing Date: Tuesday, June 10, 2025**

Unless otherwise ordered, all matters before the Honorable René Lastreto II, shall be simultaneously: (1) **In Person** at, Courtroom #13 (Fresno hearings only), (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 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 <https://www.caeb.uscourts.gov/Calendar/CourtAppearances>. 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 [Pre-Hearing Dispositions](#) 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 no hearing on these matters. 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.

9:30 AM

1. [25-10011](#)-B-12 **IN RE: CARL/PATRICIA SOUSA**
[CAE-1](#)

CONTINUED STATUS CONFERENCE RE: CHAPTER 12 VOLUNTARY
PETITION
1-2-2025 [[1](#)]

PETER FEAR/ATTY. FOR DBT.

NO RULING.

2. [25-10011](#)-B-12 **IN RE: CARL/PATRICIA SOUSA**
[FW-2](#)

FURTHER HEARING RE: MOTION TO USE CASH COLLATERAL
1-3-2025 [[7](#)]

PATRICIA SOUSA/MV
PETER FEAR/ATTY. FOR DBT.

NO RULING.

3. [25-10011](#)-B-12 **IN RE: CARL/PATRICIA SOUSA**
[FW-6](#)

CONTINUED MOTION TO CONFIRM CHAPTER 12 PLAN
4-8-2025 [[84](#)]

PATRICIA SOUSA/MV
PETER FEAR/ATTY. FOR DBT.

NO RULING.

4. [25-10088](#)-B-11 **IN RE: AMY CORPUS**
[CAE-1](#)

CONTINUED STATUS CONFERENCE RE: CHAPTER 11 SUBCHAPTER V
VOLUNTARY PETITION
1-14-2025 [[1](#)]

PETER FEAR/ATTY. FOR DBT.

NO RULING.

5. [25-10088](#)-B-11 **IN RE: AMY CORPUS**
[FW-9](#)

CONFIRMATION HEARING RE: CHAPTER 11 SMALL BUSINESS
SUBCHAPTER V PLAN
4-14-2025 [[72](#)]

PETER FEAR/ATTY. FOR DBT.
RESPONSIVE PLEADING

NO RULING.

11:00 AM

1. [25-11232](#)-B-7 **IN RE: MATILDE RIVERA**

PRO SE REAFFIRMATION AGREEMENT WITH NUVISION CREDIT UNION
5-23-2025 [[16](#)]

NO RULING.

2. [25-11188](#)-B-7 **IN RE: NANCY IBARRA RAMIREZ**

REAFFIRMATION AGREEMENT WITH TOYOTA MOTOR CREDIT CORPORATION
5-19-2025 [[16](#)]

SCOTT LYONS/ATTY. FOR DBT.

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

DISPOSITION: Dropped.

ORDER: The court will issue an order.

Debtor's counsel shall notify the debtor that no appearance is necessary.

A Reaffirmation Agreement between Nancy Veronica Ibarra Ramirez ("Debtor") and Toyota Motor Credit Corporation for a 2019 Toyota Highlander was filed on May 19, 2025. Doc. #16.

The court is not approving or denying approval of the reaffirmation agreement. Debtor was represented by counsel when entering into the agreement. The form of the reaffirmation agreement complies with 11 U.S.C. § 524(c) and (k), and it was signed by the Debtor's attorney with the appropriate attestations. Id. Pursuant to § 524(d), the court need not approve the agreement.

1:30 PM

1. [25-11368](#)-B-7 **IN RE: JESSE/DESIREE LEON**
[SLL-1](#)

MOTION TO COMPEL ABANDONMENT
5-8-2025 [\[12\]](#)

DESIREE LEON/MV
STEPHEN LABIAK/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.

Jesse ("Jesse") and Desiree Leon (collectively "Debtors") move for an order compelling chapter 7 trustee Irma C. Edmonds ("Trustee") to abandon the estate's interest in certain business assets (collectively, the "Business Assets") used in the operation Jesse Leon's auto detailing business, Alfa Auto Detailing LLC ("the Company"). Doc. #12 *et seq.*

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, and the defaults of all nonresponding parties will be entered. This motion will be GRANTED.

11 U.S.C. § 554(b) provides that "on request of a party in interest and after notice and a hearing, the court may order the trustee to abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate."

To grant a motion to abandon property, the bankruptcy court must find either that: (1) the property is burdensome to the estate or (2) of inconsequential value and inconsequential benefit to the estate. *In re Vu*, 245 B.R. 644, 647 (B.A.P. 9th Cir. 2000). As one court noted, "an order compelling abandonment is the exception, not the rule. Abandonment should only be compelled in order to help the creditors by assuring some benefit in the administration of each asset Absent an attempt by the trustee to churn property worthless to the estate just to increase fees, abandonment should rarely be ordered." *In re K.C. Mach. & Tool Co.*, 816 F.2d 238, 246 (6th Cir. 1987). In evaluating a proposal to abandon property, it is the interests of the estate and the creditors that have primary consideration, not the interests of the debtor. *In re Johnson*, 49 F.3d 538, 541 (9th Cir. 1995) (noting that the debtor is not mentioned in § 554). *In re Galloway*, No. AZ-13-1085-PaKiTa, 2014 Bankr. LEXIS 3626, at *16-17 (B.A.P. 9th Cir. 2014).

Through the moving papers, Debtors state that Jessie owned the Company, upon which Debtors rely for their livelihood. Doc. #14. Debtors seek to compel Trustee to abandon the Business Assets, which are listed in the schedules as follows:

Asset	Value	Lien	Exempt Amount	N.C. Gen. Statute	Net
Chase Bank Account (in the Company's name) ending in #5653	\$400.00	\$0.00	\$400.00	§ 1C-1601(a) (2)	\$0.00
Alfa Auto Detailing LLC (corporation and goodwill)	\$1.00	\$0.00	\$0.00	§ 1C-1601(a) (2)	\$0.00
Detailing Equipment	\$1,000.00	\$0.00	\$1,000.00	§ 1C-1601(a) (5)	\$0.00
2015 Ford Transit Connect	\$8,500.00	\$9,767.00 (Westlake Financial)	n/a	n/a	\$0.00

Doc. #14; Doc. #1 (Sched. A/B and D); Doc. #10 (Amended Sched. C). The court notes that Debtors have fully exempted the first three Business Assets using the North Carolina exemption provisions from N.C. Gen. Statute § 1C-1601(a) (2) (the North Carolina wildcard exemption) for the first two assets and § 1C-1601(a) (5) (tools of trade) for the third. Doc. #14; Doc. #10; see N.C. Gen. Statute § 1C-1601(a). The Business Assets are unencumbered except for the 2015 Ford Transit Connect,

which is fully encumbered by the lien of Westlake Financial. Doc. #14; Doc. #1 (Sched. D).

Through his Declaration, Jesse certifies that Debtors are qualified and eligible to claim the exemptions under applicable law. The court is not entirely certain this is the case.

According to the Debtors' Statement of Financial Affairs, the Debtors moved to California in June 2024, resided in North Carolina from June 2023 to June 2024, and resided in Colorado prior to that. Doc. #1 (Statement of Financial Affairs). To determine which state's exemptions, apply when a debtor has lived in several states during the three years before the filing date, the court looks to 11 U.S.C. § 522.

Relevant to the Business Assets at issue here, the court must first determine whether Debtors have resided in the same state for the 730 days prior to filing (i.e. from April 30, 2023, through April 29, 2025). § 522(b)(3)(A). According to their Statement of Financial Affairs, it appears they have not, as they spent part of that 730-day period residing in North Carolina and part of it in California. Accordingly, the court looks next to where Debtors resided during the 180-day period preceding the 730-day period (i.e. November 1, 2022, through April 30, 2023). § 522(b)(3)(4). Looking to the Statement of Financial Affairs once more, the Debtors resided in Colorado during the entirety of that 180-day period, and so Colorado's exemptions would seem to apply. *Id.* The court declines to do Debtors' and Trustee's homework for them, but a cursory review of Colo. Rev. Stat. § 13-54-102 seems to indicate that the unencumbered Business Assets would also be exempt under Colorado law.

The court further notes that the time for objecting to Debtors' claimed exemptions has not run, and the Trustee may yet weigh in on this issue. However, the Trustee has not opposed the instant motion, and Jesse's declarations confirms his understanding that if for any reason it is determined that Debtors are not qualified to claim an exemption in the property listed, or if there is some other error in the exemption claimed, Trustee may demand that Debtor compensate the estate for any damage caused by the claimed exemption. Doc. #14. Debtors further agree to not amend the exemptions affecting the Business Assets unless Trustee stipulates to that amendment or such relief is granted by further order of the court, which contemplates an Amended Schedule C either with Trustee consent or court approval. *Id.*

In other words, even if the wrong exemption statutes were applied, the error may be corrected later if the Trustee so chooses, and any infirmity in the claimed exemptions is not an obstacle to granting the requested relief. The court finds that the Business Assets are of inconsequential value and benefit to the estate. The Business Assets were accurately scheduled and are either fully encumbered or subject to complete exemption, subject to further input from the Trustee.

Accordingly, there being no opposition, this motion will be GRANTED. The order shall specifically include the property to be abandoned.

2. [25-10275](#)-B-7 **IN RE: VALERIE MICOLA**
[MAZ-1](#)

MOTION TO SELL
5-9-2025 [[17](#)]

VALERIE MICOLA/MV
MARK ZIMMERMAN/ATTY. FOR DBT.

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

DISPOSITION: Denied without prejudice.

ORDER: The court will prepare the order.

Valerie Micola ("Debtor") moves for court authorization to sell real property located at 891 Kazarian St., Tulare, CA ("the Property") for \$235,000.00 to Herrera Real Estate Investments Co. ("Buyer"). Doc. #17.

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. Nevertheless, for the reasons outlined below, this motion will be DENIED.

Debtor filed her petition for Chapter 7 bankruptcy on January 31, 2025, with Peter L. Fear ("Trustee") appointed as case Trustee. Docs. #1, #6, *docket generally*. On March 12, 2025, the Trustee filed a *Notice of Filing Report of No Distribution*, which set April 11, 2025, as the deadline to file any objections to the report. Doc. #14. The deadline passed without objection. Debtor filed this motion on May 9, 2025. Doc. #17. Debtor received a Chapter 7 discharge on May 30, 2025.

As was stated in *In re Bunn-Rodemann*:

This Debtor has elected to file the present Chapter 7 case, rather than a Chapter 13 or Chapter 11 case. One of the immediate results of electing to file a Chapter 7 case is that all of the property of the estate is placed under the exclusive control of the Chapter 7 Trustee. The Chapter 7 Trustee is the representative of the bankruptcy estate. 11 U.S.C. § 323(a). He is the only person, absent an order of the court, authorized to collect, control, authorize the use of, liquidate, and disburse the property of the estate. 11 U.S.C. §§ 704(a), 721, 726.1

In filing the Chapter 7 case, the Debtor transferred [the Property] to the estate, giving control to the Chapter 7 Trustee to administer this Property as part of the bankruptcy estate. The Debtor no longer has the right or power to conduct a short-sale, control, or use this property of the bankruptcy estate.

491 B.R. 132, 135-36 (Bankr. E.D. Cal. 2013). Thus, so long as the estate exists and the Property is part of it, the Trustee and not the Debtor has the power to sell the Property. The estate still exists because, even though a Report of No Distribution has been entered, the case has not been closed. See 11 U.S.C. § 544(d) (stating that estate property not otherwise administered remains estate property until the case is closed, at which time it is deemed abandoned).

The court also notes that no motion to abandon the Property has been filed by any party. *See docket generally*.

There are three ways property can be abandoned under 11 U.S.C. Section 554. First, a bankruptcy trustee may obtain a court order authorizing abandonment of the property, but only after notice and hearing. 11 U.S.C. Section 554(a). Second, a party in interest may seek a court order directing the trustee to abandon the property, but again, only after notice and hearing. 11 U.S.C. 554(b). Third, once the bankruptcy case is *closed*, all scheduled, unadministered, and non-exempt property of the estate is deemed abandoned. 11 U.S.C. Section 554(c).

In re Reed, 89 B.R. 100, 103 (Bankr. C.D. Cal. 1988). The proper approach for Debtor in this instance would have been to either first move for an order directing Trustee to abandon the Property from the estate (which likely would have been granted as, between the outstanding mortgage and Debtor's exemption, there is no equity for creditors) or else asking the Trustee to facilitate the sale through normal § 363 sale procedures (which would include, *inter alia*, overbid procedures which Debtor did not include in this motion).

The fact that a Report of No Distribution has been filed by the Trustee does not change the character of the property of the estate. Alternatively, to the extent the property was exempt without timely objection it was then removed from the estate. *Taylor v. Freeland & Kronz*, 503 U.S. 638 (1992). Then no order approving a sale would be necessary. The Debtor is then free to sell without court approval once the property is abandoned, or the case closed.

But as the Property has not been abandoned, it remains part of the estate, and Trustee retains the exclusive right to sell it. Accordingly, this motion to sell will be DENIED WITHOUT PREJUDICE. Debtor may seek to have the Property abandoned and then sell it. In fact, Debtor may instead simply choose to wait, as the Trustee has entered a Report of No Distribution and Debtor has received a discharge. Consequently, unless there are any new developments keeping the case open, a Final Decree will likely be entered soon, at which point the estate property will revert to the Debtor, rendering the need for court approval unnecessary.

3. [19-15396](#)-B-7 **IN RE: JUAN/MARYLOU BARRAGAN**
[ICE-1](#)

MOTION FOR COMPENSATION FOR IRMA EDMONDS, CHAPTER 7 TRUSTEE(S)
5-9-2025 [158](#)

IRMA EDMONDS/MV
SCOTT LYONS/ATTY. FOR DBT.
IRMA EDMONDS/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.

Irma Edmonds ("Trustee"), Chapter 7 Trustee in this case, requests fees of **\$18,774.12** and costs of **\$134.48** for a total award of **\$18,908.60** as statutory compensation and actual and necessary expenses. Doc. 158 *et seq.*.

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, and the defaults of all nonresponding parties will be entered. This motion will be GRANTED.

Juan and Marylou ("Debtor") filed chapter 13 bankruptcy on December 31, 2019, and it was converted to a case under Chapter 7 on April 26, 2022. Docs. #1, #78. Trustee was appointed as interim trustee on April 26, 2022, and became permanent trustee on May 31, 2022. Doc. #4; Docket generally.

11 U.S.C. § 326 permits the court to allow reasonable compensation to the chapter 7 trustee under § 330 for the trustee's services. Section 326(a) states:

In a case under chapter 7 or 11, other than a case under subchapter V of chapter 11, the court may allow reasonable compensation under section 330 of this title of the trustee for the trustee's services, payable after the trustee renders such services, not to exceed 25 percent on the first \$5,000 or less, 10 percent on any amount in excess of \$5,000 but not in excess of \$50,000, 5 percent on any amount in excess of \$50,000 but not in excess of \$1,000,000, and reasonable compensation not to exceed 3 percent of such moneys in excess of \$1,000,000, upon all moneys disbursed or turned over in the case by the trustee to parties in interest, excluding the debtor, but including all holders of secured claims.

11 U.S.C. § 326(a). To restate these percentages, a Chapter 7 Trustee is entitled a maximum reimbursement of:

1. \$25% of the first \$5,000.00 in disbursements;
2. \$10% of the next \$45,000.00 in disbursements, if any;
3. 5% of the next \$95,000.00 in disbursements, if any;
4. 3% of any further disbursements exceeding \$1,000,000.00.

11 U.S.C. § 330 requires the court to find that the fees requested are reasonable and for actual and necessary services to the estate, as well as reimbursement for actual and necessary expenses. 11 U.S.C. § 330(a)(1)(A) & (B).

Trustee states that the total disbursements (other than to Debtor) amounted to \$310,482.42. Doc. #161. Trustee seeks statutory reimbursement as follows:

25% of first \$5,000.00	\$1,250.00
10% of next \$45,000.00	\$4,500.00
5% of the remaining \$260,482.42	\$13,024.12
3% of \$0.00	\$0.00
TOTAL	\$18,774.12

Doc. #207. These percentages comply with the percentage restrictions imposed by § 326(a). The services performed by Trustee included, but were not limited to:

1. The administration of estate assets in the form two real properties which the Trustee sold pursuant to the order of this court (Docs. #112, #128);
2. Preparation of the Final Report;
3. Matters pertaining to the disbursement of funds;
4. Preparation and filing of this fee application; and
5. All other statutory duties required of the Chapter 7 Trustee.

Id. Trustee also seeks expenses as follows:

Copies	\$56.60
Postage	\$9.60
Distribution Checks	\$29.00
Distribution Postage	\$1.36
Distribution Postage	\$18.98
Distribution Postage	\$3.54
Distribution Copies	\$15.40
TOTAL	\$134.48

Id. The court finds these fees reasonable.

The court finds Trustee's services were actual and necessary to the estate, and the fees are reasonable and consistent with § 326(a). The motion will be GRANTED and Trustee will be awarded the requested fees of **\$18,774.12** and costs of **\$134.48** for a total award of **\$18,908.60** as statutory compensation and actual and necessary expenses.