

UNITED STATES BANKRUPTCY COURT

Eastern District of California

Honorable Ronald H. Sargis

Bankruptcy Judge
Sacramento, California

June 12, 2025 at 11:00 a.m.

1. [24-90708-E-11](#) MCAP LLC
[CAE-1](#)

**CONTINUED STATUS CONFERENCE RE:
VOLUNTARY PETITION
11-21-24 [1]**

**The Status Conference Will be Conducted
at 10:30 a.m. in Conjunction With the Motion
to Authorize Stipulation**

Debtor's Atty: Michael Jay Berger

Notes:

Continued from 4/17/25. The Debtor in Possession reporting that a tentative agreement has been reached with respect to the Loan.

Operating Reports filed: 5/14/25

[MJB-4] Motion to Approve Stipulation for Plan Treatment filed 5/2/25 [Dckt 47]; set for hearing 6/12/25 at 10:30 a.m.

[CAE-1] Debtor's Case Status Conference Report #3 filed 5/29/25 [Dckt 54]

The Status Conference is XXXXXXX

JUNE 10, 2025 STATUS CONFERENCE

The Debtor in Possession filed an updated Status Report on May 29, 2025. Dckt. 54. The Status Report provides an update with respect to the Stipulation between the Debtor in Possession and creditor Michael K. Tansy, Pepa Sandalska, and Merced Hospitality, Inc.

At the Status Conference, XXXXXXX

APRIL 17, 2025 STATUS CONFERENCE

On April 3, 2025, the Debtor in Possession filed an updated Status Conference Statement. The Debtor in Possession reports that a tentative agreement has been reached with respect to the MPCP Loan.

At the Status Conference, counsel for the Debtor in Possession reported that the agreement was ready to be finalized. The court authorizes the Debtor in Possession set the hearing for the Motion to Approve the Agreement on either a Sacramento or Modesto Division courthouse calendar for Department E.

The Status Conference is continued to 11:00 a.m. on June 12, 2025.

JANUARY 16, 2025 STATUS CONFERENCE

MCAP LLC, the Debtor in Possession, filed its Status Conference Report on January 2, 2025. Dckt. 19. The Debtor in Possession identifies the Bankruptcy Estates sole significant asset being real property located in Modesto, California. The Schedules list Debtor's secured and unsecured claims to total \$1,311,000. The Debtor in Possession anticipates having a proposed plan filed by February 19, 2025.

At the Status Conference, counsel for the Debtor in Possession reported that the Debtor in Possession intends to proceed with the development of the 4 acres of undeveloped property.

After the Status Conference, the court reviewed the Debtor's Schedules. Dckt. 1. The only asset of the Debtor as of the filing of this Bankruptcy Case is the undeveloped real property which Debtor states has a value of \$1,800,000. *Id.* at 9. Debtor states that it has no personal property assets.

Debtor's two main creditors are Monterey Peninsula Capital Partners, Inc., with a claim secured by the real property, which Debtor listed as being (\$1,200,000), and Stanislaus County for an "Unknown" secured property claim on Schedule D. *Id.* at 12. Three creditors with general unsecured claims are listed on Schedule E/F, in amounts stated by Debtor to total (\$111,000). *Id.* at 14.

On the Statement of Financial Affairs Debtor states having no gross income from operation of a business or non-business revenue. *Id.* at 18

2. [23-90111-E-11](#) **MICHAEL HOFMANN**
[23-9006](#)
CAE-1
HOFMANN V. HOFMANN ET AL

CONTINUED STATUS CONFERENCE RE:
NOTICE OF REMOVAL
5-14-23 [\[1\]](#)

Plaintiff's Atty: Brian S. Haddix
Defendant's Atty: unknown

Adv. Filed: 5/14/23
Answer: none

Nature of Action:
Validity, priority or extent of lien or other interest in property
Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)

Notes:
Continued from 4/17/25

The Status Conference is XXXXXXX.

JUNE 12, 2025 STATUS CONFERENCE

On June 6, 2025, Plaintiff-Debtor Michael Hofmann filed an updated Status Report. Dckt. 41. Plaintiff-Debtor reports that the settlement discussions had failed and the Parties are no longer exchanging proposes.

Plaintiff-Debtor believes that the remaining issues can be resolved through cross summary judgment motions. Plaintiff-Debtor requests that the court continue the Status Conference to June 26, 2025, which will then be conducted in conjunction with the Motion for entry of Discharge. It is suggested that at that date and time Plaintiff-Debtor will propose a schedule for the filing of the Summary Judgment Motions.

No updated Status Reports have been filed by the Defendants.

The State Court Action which was pending when Plaintiff-Debtor's Bankruptcy Case was filed on March 20, 2023. Plaintiff-Debtor confirmed his Subchapter V Plan two years later, with the confirmation order being entered on March 12, 2025.

Though this court has been ready to address the dispute between Plaintiff-Debtor and the Defendants (family member who have been "warring" with the Plaintiff-Debtor well before the bankruptcy Case was filed) that was removed over from State Court, neither parties appears to have much interest in taking advantage of the wide related to jurisdiction for bankruptcy matters in federal court.

At this juncture, one of two things will happen. If the Parties actually intend to prosecute the claims in this Adversary Proceeding in federal court, then this Adversary Proceeding and the underlying

Bankruptcy Case will be assigned to a new judge. In light of the judge to whom it is now assigned retiring the end of August 2025, the delay in prosecution has come to the point where cross summary judgment motions or other proceedings cannot be reasonably set to this court's calendar.

Alternatively, given that the Plan has been confirmed in the Bankruptcy Case, then remand to State Court may be appropriate.

Though Plaintiff-Debtor requests that the court not address how this Adversary Proceeding will proceed until the end of June 2025, the court does not concur that such a continuance is reasonable. Those the Plaintiff-Debtor and the Defendants have been presented with a special federal forum which could promptly get the dispute resolved, none of them has availed themselves of it. It is time for the Parties, that is All Of The Parties, to either "fish or cut bait."

At the Status Conference, **XXXXXXX**

FINAL RULINGS

3. [24-90418-E-11](#) ART BUILDINGS LLC
[CAE-1](#)

CONTINUED STATUS CONFERENCE RE:
VOLUNTARY PETITION
7-19-24 [\[1\]](#)

CASE DISMISSED
6/2/25

Final Ruling: No appearance at the June 12, 2025 Status Conference is required.

Debtor's Atty: Michael Jay Berger

Notes:

Continued from 4/17/25

[CAE-1] Debtor's Case Status Conference Report #4 filed 5/29/25 [Dckt 161]

Order Granting Motion to Dismiss filed 6/2/25 [Dckt 164]; oral motion to dismiss made at the 5/29/25 hearing

The Status Conference is concluded and removed from the Calendar, the court having dismissed this Bankruptcy Case (Order; Dckt. 164).