

UNITED STATES BANKRUPTCY COURT
Eastern District of California

Honorable Ronald H. Sargis
Chief Bankruptcy Judge
Sacramento, California

June 22, 2021 at 1:30 p.m.

1.	<u>18-27002-E-13</u> JEFFREY/JESSICA BALUGO <u>APN-1</u> Mary Ellen Terranella TOYOTA MOTOR CREDIT CORP., VS.	CONTINUED MOTION FOR RELIEF FROM AUTOMATIC STAY 2-25-21 [40]
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Tentative Ruling: Oral argument may be presented by the parties at the scheduled hearing, where the parties shall address the issues identified in this tentative ruling and such other issues as are necessary and appropriate to the court's resolution of the matter.

Local Rule 9014-1(f)(1) Motion—Hearing Required.

Sufficient Notice Provided. The Proof of Service states that the Motion and supporting pleadings were served on Debtor, Debtor's Attorney, Chapter 13 Trustee, and Office of the United States Trustee on February 25, 2021. By the court's calculation, 33 days' notice was provided. 28 days' notice is required.

The Motion for Relief from the Automatic Stay has been set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(1). Failure of the respondent and other parties in interest to file written opposition at least fourteen days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995) (upholding a court ruling based upon a local rule construing a party's failure to file opposition as consent to grant a motion). The defaults of the non-responding parties and other parties in interest are entered.

The Motion for Relief from the Automatic Stay is XXXXX.

Toyota Motor Credit Corporation ("Movant") seeks relief from the automatic stay with respect to an asset identified as a 2015 Toyota Sienna, VIN ending in 6637 ("Vehicle"). The moving party has provided the Declaration of Hillary Coffelt to introduce evidence to authenticate the documents upon which it bases the claim and the obligation owed by Jeffrey Balajadia Balugo and Jessica Dinora Balugo ("Debtor").

Movant argues Debtor has not made two (2) post-petition payments, with a total of \$1,522.16

in post-petition payments past due. Declaration, Dckt. 43.

Additionally, after review of the account, Creditor asserts that Creditor has been unable to verify whether Debtor has insurance coverage on the Vehicle and thus Creditor believes that Debtor is operating the property without having any insurance coverage thereon. *Id.*

Movant has also provided a copy of the NADA Valuation Report for the Vehicle. The Report has been properly authenticated and is accepted as a market report or commercial publication generally relied on by the public or by persons in the automobile sale business. FED. R. EVID. 803(17).

TRUSTEE'S OPPOSITION

Trustee filed an Opposition on March 15, 2021 stating that Trustee has disbursed total payments in the amount of \$20,628.00. Dckt. 46. Moreover, Trustee requests the court take into consideration that although Debtor is in default \$1,1000, as of the date of Trustee's response, Trustee will disburse \$3,111.90 to Creditor as the March 2021 payment. Declaration, Dckt. 47.

DEBTOR'S OPPOSITION

Debtor filed an Opposition on March 16, 2021. Dckt. 49. Debtor asserts having made a payment of \$3,000.00 to the Trustee on March 1, 2021. Trustee will disburse \$3,111.90 to Creditor for the March 2021 disbursements after which the remaining balance due to Creditor will be \$1,041.85. Additionally, Debtor contends that on March 2, 2021 Debtor's counsel forwarded proof of current insurance through Allstate of the Vehicle to Creditor's counsel.

DISCUSSION

From the evidence provided to the court, and only for purposes of this Motion for Relief, the debt secured by this asset is determined to be \$4,153.75 (Declaration, Dckt. 43), while the value of the Vehicle is determined to be \$20,875.00, as stated in Schedules A/B filed by Debtor.

11 U.S.C. § 362(d)(1): Grant Relief for Cause

Whether there is cause under 11 U.S.C. § 362(d)(1) to grant relief from the automatic stay is a matter within the discretion of a bankruptcy court and is decided on a case-by-case basis. *See J E Livestock, Inc. v. Wells Fargo Bank, N.A. (In re J E Livestock, Inc.)*, 375 B.R. 892 (B.A.P. 10th Cir. 2007) (quoting *In re Busch*, 294 B.R. 137, 140 (B.A.P. 10th Cir. 2003)) (explaining that granting relief is determined on a case-by-case basis because "cause" is not further defined in the Bankruptcy Code); *In re Silverling*, 179 B.R. 909 (Bankr. E.D. Cal. 1995), *aff'd sub nom. Silverling v. United States (In re Silverling)*, No. CIV. S-95-470 WBS, 1996 U.S. Dist. LEXIS 4332 (E.D. Cal. 1996). While granting relief for cause includes a lack of adequate protection, there are other grounds. *See In re J E Livestock, Inc.*, 375 B.R. at 897 (quoting *In re Busch*, 294 B.R. at 140). The court maintains the right to grant relief from stay for cause when a debtor has not been diligent in carrying out his or her duties in the bankruptcy case, has not made required payments, or is using bankruptcy as a means to delay payment or foreclosure. *W. Equities, Inc. v. Harlan (In re Harlan)*, 783 F.2d 839 (9th Cir. 1986); *Ellis v. Parr (In re Ellis)*, 60 B.R. 432 (B.A.P. 9th Cir. 1985).

Here, a default has occurred, and Debtor and Trustee have presented evidence that it is being

addressed, with it having been substantially cured. Because of the default, it was necessary for Movant to seek the relief and have the default addressed - whether through a cure or relief from the stay.

Movant's secured claim of (\$23,589.00) (Amended Order, Dckt. 30) is provided for in the confirmed Chapter 13 Plan. Pursuant to the terms of the Chapter 13 Plan, Movant's claim is amortized over 60 months with 3.54% interest.

Counsel for the Trustee testifies that as of his March 15, 2021 Declaration the Chapter 13 Trustee had disbursed \$20,628.00 to Movant, of which the Trustee computes \$19,435.25 went to principal and \$1,192.75 to interest. Dckt. 47. Then, for the March 2021 distribution there will be \$3,111.90 disbursed to Movant its secured claim, of which \$3,062.90 is for principal and \$49.00 to interest. With this disbursement, the principal amount of the secured claim will have been reduced by \$22,498.15, which leave a remaining claim balance of (\$1,090.85) (without taking into any additional costs, fees, or expenses).

Debtor also states in the Opposition that proof of insurance will be provided to Movant. No evidence of such insurance or that it has been provided is offered by Debtor, as no declaration was filed with the Debtor's opposition.

At the March 30, 2021 hearing, the parties requested the hearing to be continued in light of the reduction of the debt.

June 22, 2021 Hearing

As f the court's drafting of this pre-hearing disposition, no supplemental documents have been filed.

At the hearing **xxxxxxx**

Tentative Ruling: Oral argument may be presented by the parties at the scheduled hearing, where the parties shall address the issues identified in this tentative ruling and such other issues as are necessary and appropriate to the court's resolution of the matter.

Local Rule 9014-1(f)(1) Motion—No Opposition Filed.

Sufficient Notice Provided. The Proof of Service states that the Motion and supporting pleadings were served on Debtor, Debtor's Attorney, Chapter 13 Trustee, and Office of the United States Trustee on May 12, 2021. By the court's calculation, 41 days' notice was provided. 28 days' notice is required.

The Motion for Relief from the Automatic Stay has been set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(1). Failure of the respondent and other parties in interest to file written opposition at least fourteen days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995) (upholding a court ruling based upon a local rule construing a party's failure to file opposition as consent to grant a motion). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. *See Law Offices of David A. Boone v. Derham-Burk (In re Eliapo)*, 468 F.3d 592, 602 (9th Cir. 2006). Therefore, the defaults of the non-responding parties and other parties in interest are entered. Upon review of the record, there are no disputed material factual issues, and the matter will be resolved without oral argument. The court will issue its ruling from the parties' pleadings.

The Motion for Relief from the Automatic Stay is denied without prejudice, the court providing adequate protection for payment of the secured claim through the insurance proceeds, which shall be paid by the insurance company to the Chapter 13 Trustee, who will then disburse the amount to Movant to pay its secured claim.

Ford Motor Credit Company LLC ("Movant") seeks relief from the automatic stay to allow Movant to continue advancing a claim with Debtor's automobile insurance carrier, CSAA Insurance with respect to an asset identified as a 2013 Ford Edge, VIN ending in 6882 ("Vehicle"). The moving party has provided the Declaration of Kristie Pone to introduce evidence to authenticate the documents upon which it bases the claim and the obligation owed by Neil Christopher Arundell Haynes ("Debtor").

Movant asserts that the Vehicle was involved in a collision in April 2021 and deemed a total loss. Movant argues that as lienholder of the Vehicle, Movant is the named loss payee. Thus, relief is

needed so that they may obtain and apply the insurance proceeds to the remaining balance on the secured claim (estimated payoff is \$6,463.87). Declaration, Dckt. 86. According to the insurance carrier, the net settlement amount is \$13,815.30; and Movant adds that any overage will be sent to the Trustee's office. *Id.*

TRUSTEE'S RESPONSE

The Chapter 13 Trustee, David P. Cusick ("Trustee"), filed a Response on June 7, 2021. Dckt. 24. Trustee asserts that Debtor is current under the confirmed plan and Movant is included in the plan as a Class 2 (A) and has been paid a total of \$2,231.68 with the last payment of \$127.67 disbursed on May 28, 2021. Further, the Trustee requests the court into consideration that, according to Trustee's records, the remaining due on Creditor's proof of claim is \$6,208.60 (\$8,440.28 claimed - \$2,231.68 principal paid), where \$127.67 was paid by check dated May 28, 2021 and \$127.60 was paid by check dated April 30, 2021.

DISCUSSION

The court may grant relief from stay for cause when it is necessary to allow litigation in a nonbankruptcy court. 3 COLLIER ON BANKRUPTCY ¶ 362.07[3][a] (Alan N. Resnick & Henry J. Sommer eds. 16th ed.). The moving party bears the burden of establishing a prima facie case that relief from the automatic stay is warranted, however. *LaPierre v. Advanced Med. Spa Inc. (In re Advanced Med. Spa Inc.)*, No. EC-16-1087, 2016 Bankr. LEXIS 2205, at *8-9 (B.A.P. 9th Cir. May 23, 2016). To determine "whether cause exists to allow litigation to proceed in another forum, 'the bankruptcy court must balance the potential hardship that will be incurred by the party seeking relief if the stay is not lifted against the potential prejudice to the debtor and the bankruptcy estate.'" *Id.* at *9 (quoting *Green v. Brotman Med. Ctr., Inc. (In re Brotman Med. Ctr., Inc.)*, No. CC-08-1056-DKMo, 2008 Bankr. LEXIS 4692, at *6 (B.A.P. 9th Cir. Aug. 15, 2008)) (citing *In re Aleris Int'l, Inc.*, 456 B.R. 35, 47 (Bankr. D. Del. 2011)). The basis for such relief under 11 U.S.C. § 362(d)(1) when there is pending litigation in another forum is predicated on factors of judicial economy, including whether the suit involves multiple parties or is ready for trial. *See Christensen v. Tucson Estates, Inc. (In re Tucson Estates, Inc.)*, 912 F.2d 1162 (9th Cir. 1990); *Packerland Packing Co. v. Griffith Brokerage Co. (In re Kemble)*, 776 F.2d 802 (9th Cir. 1985); *Santa Clara Cty. Fair Ass'n v. Sanders (In re Santa Clara Cty. Fair Ass'n)*, 180 B.R. 564 (B.A.P. 9th Cir. 1995); *Truebro, Inc. v. Plumberex Specialty Prods., Inc. (In re Plumberex Specialty Prods., Inc.)*, 311 B.R. 551 (Bankr. C.D. Cal. 2004).

Here, the vehicle has been destroyed and now there are insurance proceeds that are to be paid for the Vehicle. Debtor has filed no opposition to the auto insurance proceeds being paid directly to the Chapter 13 Trustee, and for the Trustee to use the proceeds to pay Movant's secured claim. The balance of the monies, **XXXXXX**

The Motion is denied without prejudice, the court providing adequate protection in the form of having the insurance proceeds disbursed directly to the Chapter 13 Trustee, all rights to and interest in said proceeds of Movant attaching to the insurance proceeds, and the Chapter 13 Trustee then disbursing such proceeds in the amounts necessary to pay Movant's secured claim.

The court shall issue an order substantially in the following form holding that:

Findings of Fact and Conclusions of Law are stated in the Civil Minutes for the hearing.

The Motion for Relief from the Automatic Stay filed by Ford Motor Credit Company LLC (“Movant”) having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the Motion is denied without prejudice, the court providing adequate protection in the insurance proceeds as provided herein.

IT IS FURTHER ORDERED that:

- (1). The Debtor shall, and the Chapter 13 Trustee is authorized to, independently pursue the payment of the insurance claim for the loss of the 2013 Ford Edge, VIN ending in 6882;
- (2). That the insurance company shall pay all of the insurance proceeds of said claim directly to the Chapter 13 Trustee in this case;
- (3). The Chapter 13 Trustee shall first disburse such portion of the insurance proceeds to Movant to pay its secured claims; and
- (4). Upon payment of the secured claim, the remaining amount of the insurance proceeds shall **xxxxxxx**

IT IS FURTHER ORDERED that, CSAA Insurance, or any other insurance company making payment for the damage or loss to said vehicle, is authorized to make payment of all insurance proceeds for such loss directly to the Chapter 13 Trustee, and that all such payments shall be made directly to the Chapter 13 Trustee.

**WILMINGTON SAVINGS FUND
SOCIETY, FSB VS.
DEBTOR DISMISSED: 5/21/2021**

Tentative Ruling: Oral argument may be presented by the parties at the scheduled hearing, where the parties shall address the issues identified in this tentative ruling and such other issues as are necessary and appropriate to the court's resolution of the matter.

Local Rule 9014-1(f)(1) Motion—No Opposition Filed.

Sufficient Notice Provided. The Proof of Service states that the Motion and supporting pleadings were served on Debtor (*pro se*), Chapter 13 Trustee, and Office of the United States Trustee on May 19, 2021. By the court's calculation, 34 days' notice was provided. 28 days' notice is required.

The Motion for Relief from the Automatic Stay has been set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(1). Failure of the respondent and other parties in interest to file written opposition at least fourteen days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995) (upholding a court ruling based upon a local rule construing a party's failure to file opposition as consent to grant a motion). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. *See Law Offices of David A. Boone v. Derham-Burk (In re Eliapo)*, 468 F.3d 592, 602 (9th Cir. 2006). Therefore, the defaults of the non-responding parties and other parties in interest are entered.

The Motion for Relief from the Automatic Stay is denied without prejudice as moot, the automatic stay having been terminated by dismissal of this bankruptcy case.

Creditor Wilmington Savings Fund Society, FSB, dba Christiana Trust individually but as trustee for Pretium Mortgage Acquisition Trust ("Movant") seeks relief from the automatic stay with respect to Mozella Wright's ("Debtor") real property commonly known as 3916 Fargo Way, North Highlands, California ("Property"). Movant has provided the Declaration of Genevieve A. Jacobs to introduce evidence to authenticate the documents upon which it bases the claim and the obligation secured by the Property.

The instant case was dismissed on May 21, 2021, for failure to timely file bankruptcy petition documents. Dckt. 18.

The applicable Bankruptcy Code provision for the matter before the court is 11 U.S.C. § 362(c)(1) and (2). That section provides:

In relevant part, 11 U.S.C. § 362(c) provides:

(c) Except as provided in subsections (d), (e), (f), and (h) of this section—

(1) the stay of an act against property of the estate under subsection (a) of this section continues until such **property is no longer property of the estate**;

(2) the stay of any other act under subsection (a) of this section continues until the earliest of—

(A) the time the case is closed;

(B) *the time the case is dismissed*; or

(C) if the case is a case under chapter 7 of this title concerning an individual or a case under chapter 9, 11, 12, or 13 of this title, the time a discharge is granted or denied;

11 U.S.C. § 362(c) (emphasis added).

When a case is dismissed, 11 U.S.C. § 349 discusses the effect of dismissal. In relevant part, 11 U.S.C. § 349 states:

(b) Unless the court, for cause, orders otherwise, a dismissal of a case other than under section 742 of this title—

(1) reinstates—

(A) any proceeding or custodianship superseded under section 543 of this title;

(B) any transfer avoided under section 522, 544, 545, 547, 548, 549, or 724(a) of this title, or preserved under section 510(c)(2), 522(i)(2), or 551 of this title; and

(C) any lien voided under section 506(d) of this title;

(2) vacates any order, judgment, or transfer ordered, under section 522(i)(1), 542, 550, or 553 of this title; and

(3) *revests the property of the estate in the entity in which such property was vested immediately before the commencement of the case under this title.*

11 U.S.C. § 549(c) (emphasis added).

Therefore, as of May 21, 2021, the automatic stay as it applies to the Property, and as it

applies to Debtor, was terminated by operation of law. At that time, the Property ceased being property of the bankruptcy estate and was abandoned, by operation of law, to Debtor.

The court shall issue an order confirming that the automatic stay was terminated and vacated as to Debtor and the Property on May 21, 2021.

The court shall issue an order substantially in the following form holding that:

Findings of Fact and Conclusions of Law are stated in the Civil Minutes for the hearing.

The Motion for Relief from the Automatic Stay filed by Creditor Wilmington Savings Fund Society, FSB, dba Christiana Trust individually but as trustee for Pretium Mortgage Acquisition Trust (“Movant”) having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the Motion is denied without prejudice as moot, this bankruptcy case having been dismissed on May 21, 2021 (prior to the hearing on this Motion). The court, by this Order, confirms that the automatic stay provisions of 11 U.S.C. § 362(a) were terminated as to Mozella Wright (“Debtor”) pursuant to 11 U.S.C. § 362(c)(2)(B) and the real property commonly known as 3916 Fargo Way, North Highlands, California, pursuant to 11 U.S.C. § 362(c)(1) and § 349(b)(3) as of the May 21, 2021 dismissal of this bankruptcy case.

SUBCHAPTER V

Debtor's Atty: Roderick L. MacKenzie

Notes:

Notice [re Judge Nunley's judgment in favor of Plaintiffs Thomas T. Aoki and Aoki Diabetes Research Institute] filed 5/27/21 [Dckt 24]

[RHS-1] Order to Show Cause re Dismissal for Failure to File Documents filed 6/1/21 [Dckt 26], set for hearing 6/22/21 at 1:30 p.m.

[TF-1] Motion for Relief from Stay [MP Holdings, LLC] filed 6/2/21 [Dckt 27], set for hearing 7/1/21 at 10:00 a.m.

The Status Conference is XXXXX.

This Subchapter V case was filed on May 11, 2021 by Bionica, Inc, the Debtor and Debtor in Possession. Lisa A. Holder is the Subchapter V Trustee. The Order setting the Initial Status Conference required the Debtor/Debtor in Possession to file a status report. No status report has been filed.

On Schedule A/B, Dckt. 17 at 1-8, Debtor states that it had no cash, no bank or other financial accounts, and no real property. Debtor reports having some inventory and tools, and a "factor/warehouse" in which it is a tenant. *Id.* at 6. Debtor/Debtor in Possession's Monthly Operating Report for May 2021 reports there being \$0.00 in cash or other monies received and no disbursements in connection with the business of the bankruptcy estate. Dckt. 35.

On June 2, 2021, MP Holdings, LLC ("Movant") filed a Motion for Relief From the Automatic Stay (Dckt. 27) which states with particularity (Fed. R. Bankr. P. 9013) the following grounds and relief requested:

- A. Movant seeks relief from the automatic stay to proceed with an unlawful detainer action in state court. Motion, p. 1:20-23.
- B. The grounds for relief are stated as being: "The Motion is brought pursuant to in re Windmill Farms, Inc. [841 F.2d 1467, 1471 (9th Cir. 1988)]. . . 11 U.S.C. § 365(b)(1)(A), and 11 U.S.C. §§ 362(d)(1) and (2)." *Id.*, p.1:23-24.

Other than stating this legal conclusion and making reference to a case and some statutes, nothing is stated with particularity as to the grounds for the relief or the grounds which support such relief.

- C. That in the "Petition" the Debtor does not identify any assets with which to cure any

pre-petition arrearage, so there can be no assumption of the lease. Further there is an \$128,970.29 in pre-petition arrearage. *Id.*, p. 1:26-29, 2:1-3.

At the Status Conference, **XXXXXXX**

Tentative Ruling: Oral argument may be presented by the parties at the scheduled hearing, where the parties shall address the issues identified in this tentative ruling and such other issues as are necessary and appropriate to the court's resolution of the matter. If the court's tentative ruling becomes its final ruling, then the court will make the following findings of fact and conclusions of law:

The Order to Show Cause was served by the Clerk of the Court on Debtor, Debtor's Attorney, Subchapter V Trustee, and Office of the U.S. Trustee as stated on the Certificate of Service on June 4, 2021. The court computes that 18 days' notice has been provided.

The Order to Show Cause was issued due to Debtor's failure to file the following documents in this case: List of Equity Security Holders and Statement Re: Corporate Debtor.

The Order to Show Cause for Failure to File Documents is XXXXXX.

**ORDER TO SHOW CAUSE
DISMISSAL OF CASE FOR FAILURE TO FILE DOCUMENTS**

On May 11, 2021, Bionica Inc, the Debtor and Debtor in Possession, commenced this voluntary Subchapter V Case. When filed, the Debtor had not included some of the required documents to commence and proceed with prosecuting this Subchapter V Case. The Clerk of the Court issued a Notice of Incomplete Filing and Notice of Intent to Dismiss if the Debtor did not have all of the missing documents filed by May 25, 2021.

While the Debtor filed substantially all of the missing documents on May 25, 2021; Dckts 15, 16, 17, 18, 19, 20, 21,22, and 23; it appears that the following required documents have not been filed:

- List of Equity Security Holders, and
- Statement Re: Corporate Debtor

It appears that this may have been an oversight. In getting all the Schedules, Statement of Financial Affairs, and Attorney's Disclosure Statement, the above documents may have been dismissed.

June 22, 2021 Hearing

At the hearing XXXXXXXXXX

FINAL RULINGS

6. [19-24878-E-13](#) **RACHELLE STRATTON** **MOTION FOR RELIEF FROM**
[DWE-1](#) **Paul Bains** **AUTOMATIC STAY**
FREEDOM MORTGAGE CORPORATION **5-21-21 [68]**
VS.

DEBTOR DISMISSED: 05/21/2021

Final Ruling: No appearance at the June 22, 2021 hearing is required.

Local Rule 9014-1(f)(1) Motion—No Opposition Filed.

Sufficient Notice Provided. The Proof of Service states that the Motion and supporting pleadings were served on Debtor, Debtor's Attorney, Chapter 13 Trustee, and Office of the United States Trustee on May 21, 2021. By the court's calculation, 32 days' notice was provided. 28 days' notice is required.

The Motion for Relief from the Automatic Stay has been set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(1). Failure of the respondent and other parties in interest to file written opposition at least fourteen days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995) (upholding a court ruling based upon a local rule construing a party's failure to file opposition as consent to grant a motion). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. *See Law Offices of David A. Boone v. Derham-Burk (In re Eliapo)*, 468 F.3d 592, 602 (9th Cir. 2006). Therefore, the defaults of the non-responding parties and other parties in interest are entered. Upon review of the record, there are no disputed material factual issues, and the matter will be resolved without oral argument. The court will issue its ruling from the parties' pleadings.

The Motion for Relief from the Automatic Stay is denied without prejudice as moot, the automatic stay having been terminated by dismissal of this bankruptcy case.

Freedom Mortgage Corporation ("Movant") seeks relief from the automatic stay with respect to Rachelle Ann Stratton's ("Debtor") real property commonly known as 1517 Fallbrook St, West Sacramento, California ("Property"). Movant has provided the Declaration of Maria McDevitt to introduce evidence to authenticate the documents upon which it bases the claim and the obligation secured by the Property.

The instant case was dismissed on May 21, 2021, for delinquency. Dckt. 76.

The applicable Bankruptcy Code provision for the matter before the court is 11 U.S.C. § 362(c)(1) and (2). That section provides:

In relevant part, 11 U.S.C. § 362(c) provides:

(c) Except as provided in subsections (d), (e), (f), and (h) of this section—

(1) the stay of an act against property of the estate under subsection (a) of this section continues until such **property is no longer property of the estate;**

(2) the stay of any other act under subsection (a) of this section continues until the earliest of—

(A) the time the case is closed;

(B) *the time the case is dismissed;* or

(C) if the case is a case under chapter 7 of this title concerning an individual or a case under chapter 9, 11, 12, or 13 of this title, the time a discharge is granted or denied;

11 U.S.C. § 362(c) (emphasis added).

When a case is dismissed, 11 U.S.C. § 349 discusses the effect of dismissal. In relevant part, 11 U.S.C. § 349 states:

(b) Unless the court, for cause, orders otherwise, a dismissal of a case other than under section 742 of this title—

(1) reinstates—

(A) any proceeding or custodianship superseded under section 543 of this title;

(B) any transfer avoided under section 522, 544, 545, 547, 548, 549, or 724(a) of this title, or preserved under section 510(c)(2), 522(i)(2), or 551 of this title; and

(C) any lien voided under section 506(d) of this title;

(2) vacates any order, judgment, or transfer ordered, under section 522(i)(1), 542, 550, or 553 of this title; and

(3) *revests the property of the estate in the entity in which such property was vested immediately before the commencement of the case under this title.*

11 U.S.C. § 549(c) (emphasis added).

Therefore, as of May 21, 2021, the automatic stay as it applies to the Property, and as it applies to Debtor, was terminated by operation of law. At that time, the Property ceased being property of the bankruptcy estate and was abandoned, by operation of law, to Debtor.

The court shall issue an order confirming that the automatic stay was terminated and vacated as to Debtor and the Property on May 21, 2021.

The court shall issue an order substantially in the following form holding that:

Findings of Fact and Conclusions of Law are stated in the Civil Minutes for the hearing.

The Motion for Relief from the Automatic Stay filed by Freedom Mortgage Corporation (“Movant”) having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the Motion is denied without prejudice as moot, this bankruptcy case having been dismissed on May 21, 2021 (prior to the hearing on this Motion). The court, by this Order, confirms that the automatic stay provisions of 11 U.S.C. § 362(a) were terminated as to Rachelle Ann Stratton (“Debtor”) pursuant to 11 U.S.C. § 362(c)(2)(B) and the real property commonly known as 1517 Fallbrook St, West Sacramento, California, pursuant to 11 U.S.C. § 362(c)(1) and § 349(b)(3) as of the May 21, 2021 dismissal of this bankruptcy case.