

UNITED STATES BANKRUPTCY COURT Eastern District of California Honorable René Lastreto II Department B - Courtroom #13 Fresno, California

Hearing Date: Thursday, July 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 $\frac{Pre-Hearing\ Dispositions}{hearing}$ prior to appearing at the hearing.
- 2. Parties appearing via CourtCall are encouraged to review the <u>CourtCall Appearance Information</u>. 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.

9:30 AM

1. 25-11722-B-11 IN RE: ESTATE OF NANCY MCNERNEY

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES 6-10-2025 [17]

DISMISSED 6/24/25

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

DISPOSITION: Vacated as moot.

ORDER: The court will issue an order.

An order dismissing this case was already entered on June 24, 2025. Doc. #21. The Order to Show Cause will be VACATED AS MOOT.

2. $\frac{25-11642}{CAE-1}$ -B-12 IN RE: TONY/JULIE JORGE

STATUS CONFERENCE RE: CHAPTER 12 VOLUNTARY PETITION 5-20-2025 [1]

PETER FEAR/ATTY. FOR DBT.

NO RULING.

3. $\frac{25-11088}{PHL-1}$ -B-11 IN RE: CHEEMA BROTHERS LOGISTICS, INC.

MOTION FOR RELIEF FROM AUTOMATIC STAY 6-25-2025 [84]

UNITED BUSINESS BANK/MV
BEILAL CHATILA/ATTY. FOR DBT.
PATRICIA LYON/ATTY. FOR MV.

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

DISPOSITION: Denied as moot.

ORDER: The court will issue an order.

On July 7, 2025, Cheema Brothers Logistics, Inc. ("Debtor") and United Business Bank ("Movant") filed a Stipulation granting Movant relief from the automatic stay as to the Vehicle which is the subject of the instant stay relief motion. Movant shall submit an order approving the Stipulation with a copy of the Stipulation attached as an exhibit to the proposed order.

Accordingly, this motion will be DENIED AS MOOT.

4. $\frac{25-12231}{\text{MB}-2}$ -B-11 IN RE: THE ROMAN CATHOLIC BISHOP OF FRESNO

CONTINUED MOTION FOR CONTINUED USE OF CASH MANAGEMENT SYSTEM, OPERATIONAL BANK ACCOUNTS AND RELATED INVESTMENT ACCOUNTS, MAINTENANCE OF EXISTING BUSINESS FORMS, EXCUSING COMPLIANCE WITH SECTION 345(B), USE OF CURRENT INVESTMENT POLICY, SCHEDULING A FINAL HEARING 7-1-2025 [10]

HAGOP BEDOYAN/ATTY. FOR DBT.

NO RULING.

11:00 AM

1. 25-11129-B-7 **IN RE: MICHAEL MATSUO**

REAFFIRMATION AGREEMENT WITH AMERICREDIT FINANCIAL SERVICES, INC. 6-5-2025 [21]

JEFFREY ROWE/ATTY. FOR DBT.

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

DISPOSITION: Denied.

ORDER: The court will issue an order.

Debtor's counsel will inform debtor that no appearance is necessary.

A Reaffirmation Agreement between Michael Anthony Matsuo ("Debtor") and AmeriCredit Financial Services for a 2023 Chevrolet Silverado 1500 (VIN: 3GCPADE89PG358365) ("Vehicle") was filed on June 5, 2025. Doc. #21.

11 U.S.C. § 524(c)(6)(A)(ii) states "An agreement between a holder of a claim and the debtor, the consideration for which, in whole or in part, is based on a debt that is dischargeable in a case under this title is enforceable only to any extent enforceable under applicable non-bankruptcy law, whether or not discharge of such debt is waived, only if the court approves such agreement as in the best interest of the debtor."

The documents submitted in support of the reaffirmation agreement include information that the Debtor is a co-signer on the contract. This means another party may be liable for this obligation.

The court finds no evidence that this Reaffirmation Agreement is in the best interest of the Debtor. Accordingly, approval of the Reaffirmation Agreement between Debtor and AmeriCredit Financial Services will be DENIED.

2. 25-11271-B-7 IN RE: REYNALDO CASTILLO

REAFFIRMATION AGREEMENT WITH NOBLE CREDIT UNION 6-11-2025 [15]

ERIC ESCAMILLA/ATTY. FOR DBT.

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

DISPOSITION: Denied.

ORDER: The court will issue an order.

Debtor's counsel will inform debtor that no appearance is necessary.

A Reaffirmation Agreement between Reynaldo Castillo, Jr. ("Debtor") and Noble Credit Union for a 2011 Kia Soul ("Vehicle") was filed on June 11, 2025. Doc. #15.

11 U.S.C. § 524(c)(6)(A)(ii) states "An agreement between a holder of a claim and the debtor, the consideration for which, in whole or in part, is based on a debt that is dischargeable in a case under this title is enforceable only to any extent enforceable under applicable non-bankruptcy law, whether or not discharge of such debt is waived, only if the court approves such agreement as in the best interest of the debtor."

Reaffirming this debt with its remaining term and the current value of the Vehicle is not in the Debtor's best interest. Accordingly, approval of the Reaffirmation Agreement between Debtor and Noble Credit Union will be DENIED.

1. $\frac{23-12602}{ICE-1}$ -B-7 IN RE: CINDY SOLTIS

MOTION TO COMPROMISE CONTROVERSY/APPROVE SETTLEMENT AGREEMENT WITH CINDY LUANGVISETH SOLTIS 5-23-2025 [27]

IRMA EDMONDS/MV
JEFFREY ROWE/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 with a

copy of the stipulation attached as an exhibit. The

stipulation shall also be separately filed and

docketed as a stipulation.

Chapter 7 trustee Irma C. Edmonds ("Trustee") requests an order approving a settlement agreement to resolve allegedly preferential transfer and/or fraudulent transfer litigation pursuant to Fed. R. Bankr. P. ("Rule") 9019. Doc. #27. The debtor is Cindy Soltis ("Debtor"), and the transferees were five of Debtor's friends or family members ("the Transferees"). Id.

No party in interest timely filed written opposition. This motion will be GRANTED.

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 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.

Debtors filed chapter 7 bankruptcy on November 22, 2023. Doc. #1. Trustee was appointed as the interim trustee on that same date and became permanent trustee at the 341 meeting of creditors. Doc. #5; docket generally.

While investigating the assets of the estate, Trustee discovered that among the assets in the estate were claims which accrued prepetition against the Transferees. Doc. #29 (Trustee's Decl.) The Transferees and amounts of the respective claims against them are as follows:

- 1. Sangathit Luangviseth, Debtor's brother, in the sum of \$3,000.00;
- 2. Souk J, Debtor's friend, in the sum of \$3,500.00;
- 3. Tommy Vonghom, Debtor's son, in the sum of \$5,500.00;
- 4. Nee Inthavong, Debtor's sister, in the sum of \$5,000.00; and
- 5. San Souley, Debtor's friend, in the sum of \$1,500.00.

Id. The total of these transfers is \$18,500.00. No adversary proceeding has been filed thus far. Trustee declares that she has settled with Debtor, accepting \$14,000.00 to avoid the litigation expenses, which Trustee anticipates would be more than the \$4,500.00 balance if the maximum recovery was obtained through litigation. Id.

Under the terms of the settlement, Trustee will waive any and all claims of the estate against Debtor and the Transferees in exchange for the settlement amount, which has already been paid in full to Trustee. *Id.*

The court notes that a copy of the settlement agreement has not been filed in this case, though it was submitted as an Exhibit. See Doc. #30. The motion will only be granted if Trustee separately files the settlement agreement and dockets it as a stipulation.

As representative of the chapter 7 bankruptcy estate, Trustee has the authority to settle claims of Debtor subject to court approval. 11 U.S.C. § 323(a). On a motion by the trustee and after notice and a hearing, the court may approve a compromise or settlement. Rule 9019. Approval of a compromise must be based upon considerations of fairness and equity. In re A & C Props., 784 F.2d 1377, 1381 (9th Cir. 1986). The court must consider and balance four factors: (1) the probability of success in the litigation; (2) the difficulties, if any, to be encountered in the matter of collection; (3) the complexity of the litigation involved, and the expense, inconvenience, and delay necessarily attending it; and (4) the paramount interest of the creditors with a proper deference to their reasonable views. In re Woodson, 839 F.2d 610, 620 (9th Cir. 1988).

It appears from the moving papers that the Trustee has considered the $A \& C \ Props.$ and Woodson factors, which weigh in favor of approving the settlement agreement as follows:

1. Probability of success in litigation: While Trustee is confident that litigation would be successful, she believes that the costs of

such litigation would be greater than the difference between the settlement amount and the total of the transfers. This factor favors approval.

- 2. <u>Collection</u>: Collection will not be an issue if the settlement is approved, and Debtor has, in fact, already paid the agreed-upon amount. Collection will only be a factor if the Trustee pursues litigation, though that will add costs which would offset any additional benefit gained through such litigation.
- 3. <u>Complexity of litigation</u>: Trustee avers that the issues are not complex but that litigation "would require a significant amount of administrative expenses for the bankruptcy estate." Settlement would reduce expenses and provide a speedy resolution to the matter for the benefit of creditors.
- 4. <u>Paramount interests of creditors</u>: Though no creditors have made their views known, Trustee believes that creditors would support approval of the settlement because it provides a guaranteed recovery for the estate while avoiding the risk and expense of litigation. This factor supports approval of the settlement.

The A & C Props. and Woodson factors appear to weigh in favor of approving the settlement. Therefore, the settlement appears to be a fair, equitable, and reasonable exercise of Trustee's business judgment. The court may give weight to the opinions of the trustee, the parties, and their attorneys. In re Blair, 538 F.2d 849, 851 (9th Cir. 1976). Furthermore, the law favors compromise and not litigation for its own sake. Id.

Accordingly, this motion will be GRANTED. The settlement between the estate and Debtor will be approved.

This ruling is not authorizing the payment of any fees or costs associated with the settlement. Additionally, Trustee shall attach a copy of the settlement agreement as an exhibit to the proposed order and shall separately file the settlement agreement and docket it as a stipulation.

2. $\frac{25-12002}{RSS-1}$ -B-7 IN RE: COLTON LEACH AND JESSICA FOSTER

MOTION FOR RELIEF FROM AUTOMATIC STAY 6-20-2025 [22]

PROMONTORY POINT APARTMENTS LLC/MV RICHARD SONTAG/ATTY. FOR MV.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: The court intends to grant the motion for relief

on the grounds stated in the motion.

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

findings and conclusions. The Moving Party shall

submit a proposed order after hearing.

Promontory Point Apartments, LLC ("Movant") seeks relief from the automatic stay under 11 U.S.C. §§ 362(d)(1) and (d)(2) with respect to 211 Promontory Drive W., Newport Beach, California 92660 ("Newport Property"). Doc. #22. Movant also requests waiver of the 14-day stay of Fed. R. Bankr. P. 4001(a)(4). *Id*.

Written opposition was not required and may be presented at the hearing. In the absence of opposition, this motion will be GRANTED.

This motion was filed and served pursuant to Local Rule of Practice ("LBR") 9014-1(f)(2) and will proceed as scheduled. Unless opposition is presented at the hearing, the court intends to enter the respondents' defaults and GRANT the motion. If opposition is presented at the hearing, the court will consider the opposition and whether further hearing is proper pursuant to LBR 9014-1(f)(2). The court will issue an order if a further hearing is necessary.

Because no opposition has been filed thus far, the facts will be drawn from the moving papers, except where noted otherwise. Docs. ##22 et seq. The Debtors in this case are Colton Leach and Jessica Foster ("Colton," "Jessica," or collectively "Debtors"). According to the petition, Colton lives at 49 N. Pollasky Avenue, Clovis, California 93612 ("the Clovis Property") but maintains a mailing address at the Newport Property, which is where Jessica resides. Doc. #1.

Movant owns the Newport Property and has rented to Aidar Khakimianov and Irina Moreva (the "Renters") who both reside at the Newport Property pursuant to a rental agreement to which neither Debtor appears to be a party. On April 5, 2025, Movant filed an action for unlawful detainer against the Renters in the Superior Court of California, County of Orange, Case No. 90-2025-01478529-CL-UD-CJC ("the Unlawful Detainer Action"). On May 16, 2025, Colton filed a prose answer in the Unlawful Detainer Action despite being neither a resident of the Newport Property nor a signatory to the rental

agreement. On June 16, 2025, Debtors filed this Chapter 7 case, thereby triggering the automatic stay and preventing the Unlawful Detainer Action from proceeding. Doc. #1.

The petition in this pro se case was skeletal. The 341 meeting of creditors is set for July 14, 2025. Doc. #2. Debtors filed the petition on June 16, 2025, and filed Schedules A/B on June 17, 2025. Doc. #9. In those Schedules, Debtors list three single-family homes, none of which are the Newport Property and none of which is either of their resident or mailing addresses. No other assets are listed save for \$15,109.00 in personal and household items. Id. The case is presently set for dismissal for incomplete filing due to Debtors' failure to timely file the remaining Schedules and other required documents. Doc. #16.

1 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).

11 U.S.C. § 362(d)(2) allows the court to grant relief from the stay if the debtor does not have an equity in such property and such property is not necessary to an effective reorganization.

Here, there is no indication whatsoever that Debtors have any equity in the Newport Property because they have no ownership right to it. Nor, based on the evidence submitted so far, do they have any other kind of possessory interest arising from a lease agreement or any other source. At best, Jessica, who claims the Newport Property as her residence without being a lessee, is a squatter, which represents "cause" to lift the stay under § 361(d)(1). In re Richter, 525 B.R. 735, 759 (Bankr. C.D. Cal. 2015). Going by the Debtors' own filings, they appear to be totally unconnected to the Newport Property beyond the fact that Jessica resides there and Colton's mail is sent there. Finally, the Property is not necessary to an effective reorganization because Debtors are in chapter 7.

In the absence of any persuasive evidence or opposition at the hearing, this motion will be GRANTED pursuant to 11 U.S.C. \$ 362(d)(1) and (d)(2) to permit the Movant to proceed with the Unlawful Detainer Action.

The 14-day stay of Fed. R. Bankr. P. 4001(a)(4) will be ordered waived because Debtors do not have any interest in the Newport Property which might give rise to appeal and because there is a pending state court case which has been put into abeyance by what seems, based on the evidence before the court, to have been an abuse of the bankruptcy process. No other relief is awarded.

3. $\frac{25-11504}{AP-1}$ -B-7 IN RE: JEFFREY/SHELLEY KELLER

MOTION FOR RELIEF FROM AUTOMATIC STAY 6-3-2025 [13]

UNITED WHOLESALE MORTGAGE, LLC/MV NEIL SCHWARTZ/ATTY. FOR DBT. WENDY LOCKE/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.

United Wholesale Mortgage, LLC ("Movant") seeks relief from the automatic stay under 11 U.S.C. §§ 362(d)(1) and (d)(2) with respect to 15021 Pinion Court, Bakersfield, California 93314 ("Property"). Doc. #13. Jeffrey James and Shelley Lynn Keller ("Debtors") did not oppose and no other party in interest timely filed written opposition. This motion will be GRANTED.

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. 10020995). 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 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.

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).

11 U.S.C. \S 362(d)(2) allows the court to grant relief from the stay if the debtor does not have an equity in such property and such property is not necessary to an effective reorganization.

After review of the included evidence, the court finds that "cause" exists to lift the stay because Debtors have failed to make at least 3 complete pre-petition payments. The Movant has produced evidence that Debtors are delinquent at least \$13,046.43, and the entire balance of \$579,664.86 is due. Doc. #17.

The court also finds that the Debtors do not have any equity in the Property, and the Property is not necessary to an effective reorganization because Debtors are in chapter 7. The property is valued at \$520,536.00 and Debtors owe \$579,664.86. Doc. #18.

Accordingly, the motion will be granted pursuant to 11 U.S.C. §§ 362(d)(1) and (d)(2) to permit the Movant to dispose of its collateral pursuant to applicable law and to use the proceeds from its disposition to satisfy its claim. No other relief is awarded.

4. $\frac{25-10605}{\text{FW}-1}$ -B-7 IN RE: JOSE MARTINEZ CRUZ AND STEPHANY MARTINEZ

MOTION FOR RELIEF FROM AUTOMATIC STAY 6-4-2025 [19]

FREEDOM MORTGAGE CORPORATION/MV MARK ZIMMERMAN/ATTY. FOR DBT. FANNY WAN/ATTY. FOR MV.

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

DISPOSITION: Denied.

ORDER: The court will prepare the order.

Freedom Mortgage ("Movant") seeks relief from the automatic stay under 11 U.S.C. § 362(d)(1) with respect to property located 1375 E. Carmelo Ave, Tulare, CA 93274 ("Property") and owned by Jose and Stephanie Martinez ("Debtors"). Doc. #19 et seq. More specifically, Movant seeks to have the stay lifted to the extent needed to allow Debtors to enter into and execute a Subordinate Note ("the Note") made payable to the Secretary of Housing and Urban Development ("HUD") in the principal sum of \$7,312.50 and to record the Note against the Property as a second deed of trust ("the HUD Deed") junior to Movant's first deed of trust. Doc. #21, #23. The Property is presently encumbered by a deed of trust in favor of Movant in the amount of \$226,324.00. Id.

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.

No party in interest timely filed written opposition, and the defaults of all nonresponding parties are entered. Nevertheless, this motion will be DENIED for the reasons outlined below.

First, the docket reflects that Debtors obtained a discharge on June 30, 2025. Doc. #26. Accordingly, the automatic stay terminated on that date, and this motion is therefore moot as to the Debtors. They are not protected by the automatic stay but are protected by the discharge injunction. 11 362(C)(C)(C).

Second, the Debtors signed the post-petition promissory note and the second deed of trust after the filing of the petition and without seeking court approval. Doc. #23 (Exhibits D and E). However, the Debtors cannot incur new debt without court approval unless it is both unsecured and in the ordinary course of business. 11 U.S.C. § 363. No such court approval was sought or given, and so the promissory note and the second deed of trust are voidable if not void post-petition under 11 U.S.C. § 549. The court will not retroactively grant approval to Debtors' efforts to incur new secured debt under these circumstances.

Finally, while Movant articulates this motion as one seeking stay relief, it seems that what Movant actually wants is a declaration that the Note is valid and that the second deed of trust will be valid if perfected. Further Movant wants a declaration that the new obligation is not precluded by the discharge order. Such relief is beyond what can be granted in a stay relief motion and would require an adversary proceeding. Fed. R. Bankr. Pro. 7001(i).

For the foregoing reasons, this motion is DENIED.

5. 25-11907-B-7 IN RE: NASRADDEN ALKOBADI

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES 6-16-2025 [18]

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

DISPOSITION: Dropped and taken off calendar.

NO ORDER REQUIRED.

An order dismissing the case was entered on June 27, 2025. Doc. #30. Accordingly, this Order to Show Cause will be taken off calendar as moot. No appearance is necessary.

6. $\frac{24-11015}{CAE-1}$ -B-7 IN RE: PINNACLE FOODS OF CALIFORNIA LLC

CONTINUED STATUS CONFERENCE RE: CHAPTER 11 SUBCHAPTER V VOLUNTARY PETITION 4-22-2024 [1]

KEITH OWENS/ATTY. FOR DBT.

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

DISPOSITION: Concluded and dropped from the calendar.

NO ORDER REQUIRED.

On March 27, 2025, the curt entered an order converting this case from one under Chapter 11 Subchapter V to one under Chapter 7. Doc. #514. Accordingly, this Status Conference will be CONCLUDED AND DROPPED from the calendar.

7. $\frac{21-11746}{RMP-4}$ -B-7 IN RE: ARNOLDO CASTRO

MOTION TO COMPEL ABANDONMENT 6-2-2025 [46]

U.S. BANK NATIONAL ASSOCIATION/MV T. O'TOOLE/ATTY. FOR DBT. RENEE PARKER/ATTY. FOR MV.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted.

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

findings and conclusions. Order preparation to be

determined at the hearing.

U.S. Bank N.A. ("Movant" or "U.S. Bank") moves for an order compelling chapter 7 trustee Irma C. Edmonds ("Trustee") to abandon the estate's interest in real property located at 236 North 4th Street, Orange Cove, CA 93646 ("the Property") on the basis that the Property has no equity and is therefore burdensome to the estate or of inconsequential value and benefit to the estate under 11 U.S.C. § 554(b). Doc. #46 et seq.

Written opposition was not required and may be presented at the hearing. In the absence of opposition, the court is inclined to GRANT this motion.

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. Nevertheless, for the reasons outlined below, hearing on this matter will proceed as scheduled. The court is inclined to GRANT this motion.

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).

Here, the debtor is Arnold Castro ("Debtor"), who filed this Chapter 7 case on July 13, 2021. Doc. #1. The 341 meeting was conducted on August 16, 2021, and the Chapter 7 Trustee issued a Notice of Assets three days later and a Notice to Creditors to File Proof of Claim one day after that. Doc. #15; Docket generally. The Debtor obtained a discharge on October 25, 2021, just over three months after filing the case and almost four years ago. Docket generally. On February 22, 2022, the Trustee filed a Certification of Services Rendered. Doc. #19.

Thereafter, nothing happened in the case until the Trustee filed a Report of No Assets on January 31, 2023, before reversing course one week later (February 8, 2023) to file a second Notice of Assets almost 18 months after the first Notice of Assets was filed. Docket generally. The Trustee took no further action regarding potential assets available for distribution, and the case remained completely stagnant until January 31, 2025, almost two years later, when U.S. Bank filed the first of four Motions to Compel Abandonment of the Property. Docs. #24, #32, #40, and #46. The first motion was withdrawn by U.S. Bank, and the second and third were denied without prejudice for procedural errors. Docs. #30, #38, and #44. At no point during this succession of motions by U.S. Bank did Debtor, Trustee, or any other party object or respond. Docket generally.

The instant *Motion to Compel* at last appears free of procedural deficiencies. Once again, no party has deigned to respond to the motion, which is ripe for review.

Debtor's Schedule A/B valued the Property at \$266,200.00 as of the filing date. Doc. #1. Debtor fully exempted that value on Schedule C

pursuant to C.C.P. § 704.730. *Id.* Debtor's Schedule D listed U.S. Bank as a creditor with a fully secured claim for \$193,990.65. *Id.* No party has ever raised objection to any of Debtor's Schedules vis a vis the Property.

Movant contends that the Property should be abandoned from the estate because there is no equity in it. Movant bases this contention on Debtor's Schedules, which are attached as exhibits to the instant motion, and the following formulation:

Scheduled Value of the Property	\$266,200.00
Scheduled Exemption	\$300,000.00
Encumbrance per Schedule D	\$193,990.65
Equity	(\$72,209.35)

Doc. #46. This formulation, which is found only in the motion itself and not any supporting documents, is mathematically incorrect, and by the court's estimation, the Debtor's equity (or rather lack thereof) in the Property is a negative \$227,790.65. On page 2 of the motion in footnote 1, Movant askes the court to "take judicial notice of the Schedules pursuant to Rules 201(b) and (d) of the Federal Rules of Evidence and Bankruptcy Rule 9017. Doc. #46, n1. It is not immediately clear what Movant wants the court to take judicial notice of, but the court assumes Movant wishes the court to accept as accurate the valuation of the Property, the amount of its encumbrance, and the maximum value of Debtor's exemption in the Property as outlined in said Schedules. While perhaps hyper-technical, the moving papers do not include any admission or evidence on the part of Movant indicating that believes the Debtor's schedules accurately reflect the relevant values. Id.

No party in interest timely filed written opposition, and the defaults of all nonresponding parties will be entered. However, hearing in this matter shall proceed so that Movant may provide evidentiary support for its reliance on the figures as outlined in the cited Schedules. Also, the court would like very much to hear from Trustee as to why a Notice of Assets was filed over two years ago with no further action by Trustee to distribute any estate assets. The court would also like to hear from both Trustee and Debtor's counsel as to why this case is still open almost four years after Debtor received a discharge. In the absence of any persuasive response leading to an alternative outcome, the court is inclined to GRANT this motion

The order shall specifically include the property to be abandoned.

8. $\frac{23-12646}{EAT-2}$ -B-7 IN RE: TIMOTHY/ANDREA PUERNER

MOTION FOR AUTHORITY TO ENTER INTO SUBORDINATE PARTIAL CLAIM MORTGAGE AGREEMENT ON REAL PROPERTY 6-23-2025 [50]

LAKEVIEW LOAN SERVICING, LLC/MV ROBERT CERVANTES/ATTY. FOR DBT. CASSANDRA RICHEY/ATTY. FOR MV.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted.

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

findings and conclusions. The Moving Party shall

submit a proposed order after the hearing.

Lakeview Loan Servicing, LLC ("Lakeview" or "Movant") moves for entry of an order authorizing a loan transaction which cures a delinquency in the amount of \$16,719.01 ("the Delinquency") to the mortgage secured by real property owned by Timothy and Andrea Puerner ("Debtors") and commonly known as 5852 E. Eugenia Ave, Fresno, CA 93727 ("the Property"). Doc. #50.

Lakeview is the Debtors' mortgagee pursuant to a Note and First Deed of Trust ("the Lakeview Note" and "the Lakeview Deed") upon which the Delinquency is owed. Docs. ##52-53.

Debtors commenced this Chapter 7 case on November 29, 2023. Doc. #1. They obtained a discharge on March 29, 2024. Doc. #33. The proposed loan transaction will provide for up to \$16,119.01 to be paid through an interest-free note in favor of the Secretary of the U.S. Department of Housing and Urban Development ("HUD" and "the HUD Note"). Docs. ##48-49. These funds will be used to cure the Delinquency. *Id.* The HUD Note will be paid in full upon maturity of the Lakeview Note on June 1, 2046, or in the event of sale or refinance. Doc. #48. To secure the Note, Movant has requested Debtors sign a subordinate deed of trust on the Property ("the HUD Deed"). *Id.* After the loan is funded, Debtors will be current on the Lakeview Note. *Id.* No terms under the Lakeview Note or the Lakeview Deed are being modified. *Id.*

The motion is accompanied by (a) the *Declaration* of Jacqueline VandDerMiller, an Assistant Secretary for Movant acting as Attorney in Fact for Movant under a Limited Power of Attorney, and (b) *Exhibits* consisting of copies of the Lakeview Note, the Lakeview Deed, the Assignment of Deed of Trust, and the HUD Note and Deed. *Id*.

Written opposition was not required and may be presented at the hearing. In the absence of opposition, this motion will be GRANTED.

This motion was filed and served pursuant to Local Rule of Practice ("LBR") 9014-1(f)(2) and will proceed as scheduled. Unless opposition is presented at the hearing, the court intends to enter the respondents' defaults and grant the motion. If opposition is presented at the hearing, the court will consider the opposition and whether further hearing is proper pursuant to LBR 9014-1(f)(2). The court will issue an order if a further hearing is necessary.

Accordingly, subject to opposition raised at the hearing, the court is inclined to GRANT the motion. Debtor is authorized, but not required, to enter into the proposed transaction consistent with the motion.

9. $\underline{25-11466}_{B-7}$ IN RE: CHRISTIE PEREZ-PEEL KMM-1

MOTION FOR RELIEF FROM AUTOMATIC STAY 6-6-2025 [11]

TOYOTA MOTOR CREDIT CORPORATION/MV D. GARDNER/ATTY. FOR DBT. KIRSTEN MARTINEZ/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.

Toyota Motor Credit Corporation ("Movant") seeks relief from the automatic stay under 11 U.S.C. §§ 362(d)(1) and (d)(2) with respect to a 2020 Toyota Camry, (V.I.N. 4T1K61AK1LU307697) ("Vehicle"). Doc. #11.

Christie Perez-Peel ("Debtor") did not oppose and no other party in interest timely filed written opposition. Debtor's Statement of Intention indicated that the Vehicle would be surrendered. This motion will be GRANTED.

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.

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).

11 U.S.C. § 362(d)(2) allows the court to grant relief from the stay if the debtor does not have an equity in such property and such property is not necessary to an effective reorganization.

After review of the included evidence, the court finds that "cause" exists to lift the stay because Debtor has failed to make at least six (6) complete pre-petition payments. The Movant has produced evidence that Debtor is delinquent at least \$4,444.47. Doc. #13.

The court also finds that the Debtor does not have any equity in the Vehicle and the Vehicle is not necessary to an effective reorganization because Debtor is in chapter 7. The Vehicle is valued at \$25,700.00 and Debtor owes \$30,422.23. Docs. #13, #15.

Accordingly, the motion will be granted pursuant to 11 U.S.C. §§ 362(d)(1) and (d)(2) to permit the Movant to dispose of its collateral pursuant to applicable law and to use the proceeds from its disposition to satisfy its claim. No other relief is awarded. According to the Debtor's Statement of Intention, the Vehicle will be surrendered.

10. $\underline{24-11015}_{DL-6}$ -B-7 IN RE: PINNACLE FOODS OF CALIFORNIA LLC

MOTION TO SELL, SELL FREE AND CLEAR OF LIENS, COMPROMISE CONTROVERSY WITH LANDLORDS OF STORES AND ASCENTIUM CAPITAL/THE BANCOR BANK, ASSUME LEASE, ASSUME LEASE, VALUE COLLATERAL OF PERSONAL PROPERTY, ESTABLISH CARVE-OUTS, AUTHORIZE DISBURSEMENT OF SALES PROCEEDS 6-27-2025 [588]

WALTER DAHL/MV KEITH OWENS/ATTY. FOR DBT. WALTER DAHL/ATTY. FOR MV. OST 6/30/25

NO RULING.