



**UNITED STATES BANKRUPTCY COURT
Eastern District of California
Honorable René Lastreto II
Department B – Courtroom #13
Fresno, California
Hearing Date: Tuesday, August 12, 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. [25-10345](#)-B-12 **IN RE: KENNETH/BEVERLY ZWART**
[CAE-1](#)

CONTINUED STATUS CONFERENCE RE: CHAPTER 12 VOLUNTARY PETITION
2-6-2025 [[1](#)]

DAVID JOHNSTON/ATTY. FOR DBT.

NO RULING.

2. [23-10457](#)-B-11 **IN RE: MADERA COMMUNITY HOSPITAL**
[PSJ-56](#)

CONTINUED OMNIBUS OBJECTION TO CLAIMS
3-28-2025 [[2119](#)]

NICHOLAS RUBIN/MV
RILEY WALTER/ATTY. FOR DBT.
ANDREW SHERMAN/ATTY. FOR MV.

NO RULING.

3. [25-11064](#)-B-11 **IN RE: CHEEMA INVESTMENTS, LLC**
[CAE-1](#)

CONTINUED STATUS CONFERENCE RE: CHAPTER 11 SUBCHAPTER V
VOLUNTARY PETITION
4-2-2025 [[1](#)]

BEILAL CHATILA/ATTY. FOR DBT.

NO RULING.

4. [25-11064](#)-B-11 **IN RE: CHEEMA INVESTMENTS, LLC**
[UST-1](#)

CONTINUED MOTION TO DISMISS CASE AND/OR MOTION TO CONVERT
CASE FROM CHAPTER 11 TO CHAPTER 7
7-8-2025 [[90](#)]

U.S. TRUSTEE/MV
BEILAL CHATILA/ATTY. FOR DBT.
MICHAEL FLETCHER/ATTY. FOR MV.

NO RULING.

5. [25-12080](#)-B-12 **IN RE: BRAD DUINKERKEN**
[CAE-1](#)

STATUS CONFERENCE RE: CHAPTER 12 VOLUNTARY PETITION
6-24-2025 [[1](#)]

DISMISSED 7/23/25

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

DISPOSITION: Concluded and dropped from the calendar.

No order is required.

On July 23, 2025, the court entered an order was entered dismissing this case for failure to timely file documents. Doc #20. Accordingly, this Status Conference is hereby CONCLUDED and DROPPED from the calendar.

6. [25-11088](#)-B-11 **IN RE: CHEEMA BROTHERS LOGISTICS, INC.**

CONTINUED ORDER TO SHOW CAUSE - FAILURE TO PAY FEES
7-8-2025 [[95](#)]

BEILAL CHATILA/ATTY. FOR DBT.

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

DISPOSITION: The OSC will be vacated.

ORDER: The court will issue an order.

The record shows that the \$34.00 filing fee was paid on July 28, 2025. Accordingly, this order to show cause will be VACATED.

7. [25-11088](#)-B-11 **IN RE: CHEEMA BROTHERS LOGISTICS, INC.**
[CAE-1](#)

CONTINUED STATUS CONFERENCE RE: CHAPTER 11 SUBCHAPTER V
VOLUNTARY PETITION
4-2-2025 [[1](#)]

BEILAL CHATILA/ATTY. FOR DBT.

NO RULING.

8. [25-11088](#)-B-11 **IN RE: CHEEMA BROTHERS LOGISTICS, INC.**
[UST-1](#)

CONTINUED MOTION TO DISMISS CASE AND/OR MOTION TO CONVERT
CASE FROM CHAPTER 11 TO CHAPTER 7
7-8-2025 [[96](#)]

TERRI DIDION/MV
BEILAL CHATILA/ATTY. FOR DBT.
MICHAEL FLETCHER/ATTY. FOR MV.

NO RULING.

9. [25-10996](#)-B-11 **IN RE: PARJODH SINGH AND SARAVJEET KAUR**

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES
7-22-2025 [[115](#)]

\$34.00 FILING FEE PAID 7/23/25

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

DISPOSITION: The OSC will be vacated.

ORDER: The court will issue an order.

The record shows that the \$34.00 filing fee was paid on July 23, 2025.
Accordingly, this order to show cause will be VACATED.

10. [25-10996](#)-B-11 **IN RE: PARJODH SINGH AND SARAVJEET KAUR**
[CAE-1](#)

CONTINUED STATUS CONFERENCE RE: CHAPTER 11 SUBCHAPTER V
VOLUNTARY PETITION
3-31-2025 [[1](#)]

NO RULING.

11:00 AM

1. [25-11706](#)-B-7 **IN RE: PHIA XIONG AND Y VU**

REAFFIRMATION AGREEMENT WITH WESTLAKE SERVICES, LLC
7-21-2025 [[16](#)]

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 Phia and Justin Xiong ("Debtors") and Westlake Services, LLC for a 2003 Toyota Camry ("Vehicle") was filed on July 21, 2025. Doc. #16.

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 Debtors are 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 Debtors. Accordingly, approval of the Reaffirmation Agreement between Debtors and Westlake Services will be DENIED.

2. [25-11557](#)-B-7 **IN RE: LISET SANCHEZ**

REAFFIRMATION AGREEMENT WITH SANTANDER CONSUMER USA INC.
6-19-2025 [\[16\]](#)

SCOTT LYONS/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 Liset Sanchez ("Debtor") and Santander Consumer USA, Inc. for a 2022 Hyundai Sonata ("Vehicle") was filed on June 19, 2025. Doc. #16.

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 Santander Consumer USA, Inc. will be DENIED.

1:30 PM

1. [22-10005](#)-B-7 **IN RE: PATRICIA TESSENDORE**
[ADJ-8](#)

MOTION FOR COMPENSATION BY THE LAW OFFICE OF FORES MACKO
JOHNSTON & CHARTRAND FOR ANTHONY D. JOHNSTON, TRUSTEES
ATTORNEY(S)
7-1-2025 [[152](#)]

TIMOTHY SPRINGER/ATTY. FOR DBT.
ANTHONY JOHNSTON/ATTY. FOR MV.

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

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order that
conforms with the opinion below.

Anthony D. Johnston ("Johnston") and the law firm of Fores Macko Johnston & Chartrand (formerly named Fores Macko Jackson, a Professional Law Corporation ("Applicant") seeks approval of a first and final allowance of compensation under 11 U.S.C. §§ 330 of the Bankruptcy Code for professional services rendered and reimbursement for expenses incurred as attorney for Irma Edmonds, Trustee in the above-styled case ("Trustee"). Doc. #152.

Applicant was employed to perform services under § 327 of the Code pursuant to an order of this court dated December 21, 2020. Doc. #66. This is Applicant's first and final request for compensation, covering the period from June 6, 2022, through July 1, 2025. Doc. 152.

It appears that Johnston was the only person employed by Applicant to work on this case. *Id.* Johnston provided **30.4** billable hours at a rate of \$375.00 per hour, totaling **\$11,400.00** in fees. Docs. ##155-56. Applicant also incurred **\$260.43** in expenses for copies, postage, and telephonic appearance at court hearings. *Id.* These combined fees and expenses total **\$11,660.43**.

11 U.S.C. § 330(a)(1)(A) and (B) permit approval of "reasonable compensation for actual, necessary services rendered by . . . [a] professional person, or attorney" and "reimbursement for actual, necessary expenses." In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, extent, and value of such services, considering all relevant factors, including those enumerated in subsections (a)(3)(A) through (E). § 330(a)(3). Previous interim compensation awards under 11 U.S.C. § 331, if any, are subject to final review under § 330.

Applicant's services here included, without limitation: asset analysis and recovery; asset dispositions; fee/employment applications; and case administration. Docs. ##155-56. The court finds the services and expenses reasonable, actual, and necessary. The Trustee has reviewed the Application and finds the requested fees and expenses to be reasonable. Doc. #154.

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 has responded, and the defaults of all such parties are entered.

This Application is GRANTED. The court will approve on a final basis under 11 U.S.C. § 330 compensation in the amount of **\$11,400.00** in fees and **\$260.43** in expenses. The court grants the Application for a total award **\$11,660.43** as an administrative expense of the estate and an order authorizing and directing the Trustee to pay such to Applicant from the first available estate funds.

2. [25-11710](#)-B-7 **IN RE: ARTURO LEDEZMA**
[KMM-1](#)

MOTION FOR RELIEF FROM AUTOMATIC STAY
6-26-2025 [[13](#)]

VW CREDIT, INC./MV
GRISELDA TORRES/ATTY. FOR DBT.
KIRSTEN MARTINEZ/ATTY. FOR MV.

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

DISPOSITION: Denied as moot.

ORDER: The Moving Party shall submit a proposed order in
conformance with the ruling below.

This motion relates to an executory contract or lease of personal property. The case was filed on May 24, 2025, and the lease was not assumed by the chapter 7 trustee within the time prescribed in 11 U.S.C. § 365(d)(1). Pursuant to § 365(p)(1), the leased property is no longer property of the estate and the automatic stay under § 362(a) has already terminated by operation of law.

Since there is no opposition from the debtor, the court is unaware if debtor exercised his option to assume the lease under § 365(p)(2).

Movant may submit an order denying the motion and confirming that the automatic stay has already terminated on the grounds set forth above. No other relief is granted. No attorney fees will be awarded in relation to this motion.

3. [23-12426](#)-B-7 **IN RE: RAUL FERNANDEZ-MARTINEZ**
[FW-4](#)

MOTION TO SELL FREE AND CLEAR OF LIENS AND/OR MOTION FOR
COMPENSATION FOR BERKSHIRE HATHAWAY HOMESERVICES CALIFORNIA
REALTY, BROKER(S)
6-17-2025 [[61](#)]

PETER FEAR/MV
TIMOTHY SPRINGER/ATTY. FOR DBT.
GABRIEL WADDELL/ATTY. FOR MV.

TENTATIVE RULING: This matter will proceed for higher and better
bids only.

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 hearing.

Peter L. Fear, Chapter 7 trustee of the above-referenced bankruptcy estate ("Trustee"), moves for authority (1) to sell, pursuant to 11 U.S.C. § 363, real property commonly known as 3032 West Alamos Avenue, Fresno, CA 93722 ("the Property") to The Lai Family Declaration of Trust ("Buyer") for the amount of \$265,000.00; and (ii) to pay a broker commission of six percent (6%), pursuant to § 328, to be split equally between seller's broker and buyer's broker. Doc. #61 *et seq.* Buyer has paid a \$7,950.00 deposit. Doc. 63. The Property is being sold "as is, where is" with limited disclosures. *Id.* The seller will not remove remaining debris, maintain the property, or do any repairs, including, but not limited to, smoke and carbon monoxide detectors or water heater bracing. *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 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). Therefore, the defaults of the above-mentioned parties in interest are entered and the matter will proceed for higher and better bids only. Upon default, factual allegations will be taken as true (except those relating to amounts of damages). *Televideo Systems, Inc. v. Heidenthal*, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires that a plaintiff make a *prima facie* showing that they are entitled to the relief sought, which the movant has done here.

This motion will be GRANTED. The hearing will proceed for higher and better bids only.

The Motion to Sell.

11 U.S.C. § 363(b)(1) allows the trustee to "sell, or lease, other than in the ordinary course of business, property of the estate." Proposed sales under 11 U.S.C. § 363(b) are reviewed to determine whether they are: (1) in the best interests of the estate resulting from a fair and reasonable price; (2) supported by a valid business judgment; and (3) proposed in good faith. *In re Alaska Fishing Adventure, LLC*, 594 B.R. 883, 887 (Bankr. D. Alaska 2018) citing *240 N. Brand Partners v. Colony GFP Partners, Ltd. P'ship (In re 240 N. Brand Partners)*, 200 B.R. 653, 659 (B.A.P. 9th Cir. 1996); *In re Wilde Horse Enters., Inc.*, 136 B.R. 830, 841 (Bankr. C.D. Cal. 1991). In the context of sales of estate property under § 363, a bankruptcy court "should determine only whether the trustee's judgment was reasonable and whether a sound business justification exists supporting the sale and its terms." *Alaska Fishing*, 594 B.R. at 889, quoting 3 Collier on Bankruptcy ¶ 363.02[4] (Richard Levin & Henry J. Sommer, 16th ed.). "[T]he trustee's business judgment is to be given 'great judicial deference.'" *Id.*, citing *In re Psychometric Sys., Inc.*, 367 B.R. 670, 674 (Bankr. D. Colo. 2007); *In re Bakalis*, 220 B.R. 525, 531-32 (Bankr. E.D.N.Y. 1998).

Sales to an insider are subject to heightened scrutiny. *Alaska Fishing Adventure, LLC*, 594 B.R. at 887 citing *Mission Product Holdings, Inc. v. Old Cold, LLC (In re Old Cold LLC)*, 558 B.R. 500, 516 (B.A.P. 1st Cir. 2016). There is nothing in the record suggesting Buyer is an insider with respect to Debtor. Buyer is neither listed in the schedules nor the master address list. Docs. #1; #4.

Property is listed in *Schedule A/B* with a value of \$300,700.00. Doc. #1. Debtor did not exempt Property in *Schedule C*. *Id.*

Trustee avers that he does not think the Property will sell for more than the outstanding liens and that any proceeds for bankruptcy estate will be limited to the agreed-upon carveout from the SBA as discussed more fully below.

11 U.S.C. § 363(f) (sales free and clear of liens).

The trustee may sell estate property of the estate outside the ordinary course of business, after notice and a hearing, free and clear of "any interest in such property of an entity other than the estate, only if" any of the following five conditions apply:

- (1) applicable non-bankruptcy law permits sale of such property free and clear of such interest;
- (2) such entity consents;
- (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (4) such interest is in bona fide dispute; or

(5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f).

Trustee declares the "interests" relevant to this motion to be as follows:

1. *Taxes currently owed or in default.* These taxes will be paid in full through escrow.
2. *Union Bank.* The deed of trust recorded on January 13, 2014, in favor of Union Bank, N.A. in the original indebtedness of \$117,000.00 will be paid in full through escrow.
3. *The SBA.* The deed of trust recorded on January 13, 2014, in favor of Fresno First Bank ("the SBA Loan") in the original indebtedness of \$250,000.00 will be treated as agreed to by the U.S. Small Business Administration ("SBA") pursuant to the Stipulation ("the Stipulation") discussed below. The SBA's lien is attached to the Property and also to two 2019 53-foot Great Dane Trailers ("the Trailers").
4. *City of Fresno.* This is a lien in favor of the City of Fresno for unpaid utility bills. Trustee anticipates that the City of Fresno will consent to this sale under the terms as discussed below.
5. *The American Contractors Indemnity Company ("ACIC").* This refers to an abstract of judgment recorded by ACIC on April 24, 2023. Trustee anticipates that the City of Fresno will consent to this sale under the terms as discussed below.
6. *Pape Truck Leasing, Inc. d/b/a Pae Kenworth Paclease ("Pape").* This refers to an abstract of judgment recorded by Pape on August 22, 2023. Trustee disputes this lien on the grounds that it was recorded less than 90 days prior to the filing of the petition and is thus subject to avoidance as a preferential transfer. An adversary proceeding seeking to avoid this lien is pending before the court.

Doc. #61.

The Stipulation was filed jointly by Trustee and the SBA on August 1, 2025. Doc. #67. Pursuant to its terms, the SBA consents to the sale of both the Property and the Trailers free and clear of its liens but with the lien to attach to the net proceeds of the sales. *Id.* The SBA agrees to a \$30,000.00 carve-out from the proceeds of the sales. *Id.* That is, if the net proceeds of the combined sales of the Property and Trailers are insufficient to pay both (a) the SBA's claim in full and (b) provide at least \$30,000 for the bankruptcy estate, the SBA agrees to a carve-out from the SBA's share of the net proceeds of the sales to allow the bankruptcy estate to recover \$30,000 from the sales. *Id.*

As to the liens of the City of Fresno and the ACIC, Trustee states that he anticipates these creditors will consent to the sale and accept payment of less than the full amount owed to them. Doc. #64.

Trustee further anticipates that the reduced payments can be paid out of the SBA carve out. *Id.* If either or both creditors do not consent to this treatment or if the SBA is unwilling to reduce its claim to an amount sufficient to obtain consent from these creditors, Trustee anticipates that it will be necessary to withdraw this motion and abandon the Property from the estate. *Id.* Trustee declares that if the Property is foreclosed upon, the net proceeds will be insufficient to pay these creditors anything after senior lienholders are paid. *Id.*

Subject to Trustee obtaining consent from the City of Fresno and ACIC, the motion to sell free and clear of liens is GRANTED.

The motion to compensate Berkshire Hathaway.

Trustee also seeks authority to pay Berkshire Hathaway HomeServices California Realty through Robert Casey ("Broker") a real estate commission under § 328. Broker was employed as broker for the estate. Doc. #61. The listing agreement provides for a commission of 6% for Broker, split 50/50 between seller's Broker and buyer's broker. Doc. #63. Trustee believes this is a reasonable compensation for the services performed by Broker, including extensive work to remove squatters from the Property, listing the Property for sale, soliciting offers, showing the Property, marketing the Property, and negotiating the terms of the sale with buyer. *Id.* Trustee requests that seller's Broker and buyer's broker receive the commission stated herein. *Id.*

This motion affects the proposed disposition of estate assets and the Broker. Under Fed. R. Civ. P. ("Civ. Rule") 21 (Rule 7021 incorporated in contested matters under Rule 9014(c)), the court will exercise its discretion to add Broker as a party.

LBR 9014-1(d) (5) (B) (ii) permits joinder of claims for authorization for the sale of real property and allowance of fees and expenses for such professional under 11 U.S.C. §§ 327, 328, 330, 363, and Rule 6004.

On February 7, 2024, the court approved the employment of Broker to assist Trustee in carrying out the Trustee's duties by selling the Property. Doc. #31.

Pursuant to the employment order, Trustee requests to compensate Broker with a commission of 6%, which will be split equally between Broker and the buyer's real estate broker. Doc. #27. Proposed Buyers' broker is Azelle Lai of ZState Realty ("Buyer's Broker"). Doc. #63. Broker and Buyer's Broker would each receive a 3.0% commission, or \$7950.00, if there are no overbidders and Property is sold at the proposed sale price. The court will authorize Trustee to pay broker commissions as prayed.

Overbid Procedure

Any party wishing to overbid shall, prior to the hearing, comply with the overbid procedures as outlined in the Motion and the Notice accompanying the Motion. Docs. ##61-62.

Waiver of 14-day Stay

Trustee does not request waiver of the 14-day stay of Rule 6004(h), and no such relief will be granted.

Conclusion

This matter will proceed as scheduled. Subject to Trustee obtaining consent to the sale from the City of Fresno and ACIC, the *Motion to Sell Free and Clear of Liens* will be GRANTED. Trustee will be authorized: (1) to sell the Property to the prevailing bidder at the hearing, as determined at the hearing; (2) to execute all documents necessary to effectuate the sale of the Property; (3) to pay broker commission in the amount of 6% of the total sale price to be split evenly between Broker and the buyer's broker, as determined at the hearing; and (4) to pay all costs, commissions, and real property taxes directly from escrow. The 14-day stay of Rule 6004(h) will not be waived.

4. [25-12448](#)-B-7 **IN RE: NICOLAS GOMEZ MADRID**
[BDB-1](#)

MOTION TO COMPEL ABANDONMENT
7-28-2025 [[12](#)]

NICOLAS GOMEZ MADRID/MV
BENNY BARCO/ATTY. FOR DBT.

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 hearing.

Nicolas Gomez Madrid ("Debtor") moves for an order compelling chapter 7 trustee Irma C. Edmonds ("Trustee") to abandon the estate's interest in property used in the operation of Debtor's sole proprietorship (collectively, the "Business Assets"). Doc. #12.

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 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.

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).

Debtor has a trucking license and operates a trucking business as a sole proprietorship. Doc. #14. Debtor seeks to compel Trustee to abandon the Business Assets, which are listed in the schedules as follows:

Asset	Value	Exempt	Lien	Net
2014 Utility Trailer ("the Trailer"). 300R-refrigerated unit. Total hours of operation: 33,150	\$8,000.00	\$8,000.00 C.C.P. \$ 704.060	\$0.00	\$0.00
CDL-Class A license ("the CDL")	\$0.00	\$0.00	\$0.00	\$0.00
2021 Peterbilt 579 ("the Truck"). 631547 miles.	\$45,000.00	\$0.00	\$57,631.00	\$0.00

Id.; Doc. #1 (Sched. A/B, C, and D). The Truck is fully encumbered by the lien of Mercedes-Benz Financial Services with a total indebtedness of \$57,631.00. Doc. #1 (Sched. D). The remaining Business Assets are not encumbered by any secured creditors. *Id.* Debtor exempted the Trailer for its full value under Cal. Code Civ. Proc. § 704.060. Doc. #1 (Sched. C). The CDL has no value.

Debtor certifies that Debtor was qualified and eligible to claim the Truck exemption under applicable law and understands that if for any reason it is determined that Debtor is 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. Debtor agrees to not amend the exemptions affecting the Business Assets unless Trustee stipulated to that amendment or such relief is granted by further order of the court. *Id.*

Written opposition was not required and may be presented at the hearing. In the absence of opposition, the court will find that the Business Assets are of inconsequential value and benefit to the estate. The Business Assets were accurately scheduled and is encumbered or exempted in their entirety. Therefore, the court intends to GRANT this motion.

The order shall specifically include the property to be abandoned.

5. [25-12453](#)-B-7 **IN RE: PEDRO NUNEZ**

ORDER TO APPEAR AND SHOW CAUSE WHY A PATIENT CARE OMBUDSMAN
SHOULD NOT BE APPOINTED
7-24-2025 [\[6\]](#)

HENRY NUNEZ/ATTY. FOR DBT.

NO RULING.

The court issued this order to show cause why a patient care ombudsman should not be appointed pursuant to 11 U.S.C. § 333. Doc. #6. Pedro Nunez ("Debtor") timely filed a response in the form of a Declaration by Henry D. Nunez ("Nunez"), Debtor's counsel. Doc. #12

This order to show cause will be called and proceed as scheduled.

Debtor has described himself in the petition as a "health care business" as defined in 11 U.S.C. § 101(27A). Doc. #1. (Form 101. Voluntary Petition Attachment ("Form 101")).

In chapters 7, 9, or 11 cases in which the debtor is a health care business, Fed. R. Bankr. P. ("Rule") 2007.2(a) requires the court to order the appointment of a patient care ombudsman under 11 U.S.C. § 333(a)(1), unless, on motion of the UST or another party in interest filed within 21 days of the petition date or another time fixed by the court, the court finds that appointment of a patient care ombudsman is not necessary under the specific circumstances of the case and for the protection of patients. Under § 333(a)(1), the court shall order within 30 days of the petition the appointment of an ombudsman to monitor the quality of patient care and represent the interests of the patients, unless such appointment is not necessary for the protection of patients under the circumstances of the case.

The term "health care business" is broadly defined under 11 U.S.C. § 101(27A) as:

(A) . . . any public or private entity (without regard to whether that entity is organized for profit or not for profit) that is primarily engaged in offering to the general public facilities and services for—

- (i) the diagnosis or treatment of injury, deformity, or disease; and
- (ii) surgical, drug treatment, psychiatric, or obstetric care; and

(B) includes—

- (i) any—
 - (I) general or specialized hospital;
 - (II) ancillary ambulatory, emergency, or surgical treatment facility;

- (III) hospice;
- (IV) home health agency; and
- (V) other health care institution that is similar to an entity referred to in subclause (I), (II), (III), or (IV); and
- (ii) any long-term care facility, including any—
 - (I) skilled nursing facility;
 - (II) intermediate care facility;
 - (III) assisted living facility;
 - (IV) home for the aged;
 - (V) domiciliary care facility; and
 - (VI) health care institution that is related to a facility referred to in subclause (I), (II), (III), (IV), or (V), if that institution is primarily engaged in offering room, board, laundry, or personal assistance with activities of daily living and incidentals to activities of daily living.

§ 101(27A).

Debtor's Form 101 reflects that he operated a dental practice under multiple names and at multiple locations:

1. Pete D. Nunez D.D.S. at 3248 E. Shields Avenue, Fresno, CA;
2. Shields Dental Group, a DBA, at 3248 E. Shields Avenue, Fresno, CA;
3. Del Mar Dental Group, a DBA, at 1211 N. Del Mar, Fresno, CA; and
4. Family Dental and Othoponics-Madera, a DBA, at 708 W. Yosemite Avenue, Madera, CA.

Doc. #1 (Form 101).

The Declaration states that Debtor is disabled and has been legally blind since 2019, and that he has sold his dental practice(s). Doc. #12. Nunez declares that the dental practices located at 3248 E. Shields Avenue and at 1211 Del Mar Avenue ("the Fresno Offices") were sold in 2017 to Leticia Ramirez, DDS and Enrique Urruchi, DDS, d/b/a Asiri Dental (collectively "Asiri Dental"). *Id.* The sale to Asiri Dental included Debtor's client list, records, and assets, and Nunez declares that there is no reason for a patient care ombudsman as to any patients treated at the Fresno Offices because those patients are already being cared for by Asiri Dental. *Id.*

Nunez further declares that the dental practice located at 708 W. Yosemite Avenue ("the Madera Office") was sold in 2019 to Jose Jaurequi, DDS, d/b/a Santa Maria Dental ("Jaurequi"). *Id.* The sale to Jaurequi included Debtor's client list, records, and assets, and Nunez

declares that there is no reason for a patient care ombudsman as to any patients treated at the Madera Office because those patients are already being cared for by Jaurequi at his office located at 1182 Country Club Drive, Madera, CA. *Id.* Nunez declares that Debtor has not provided any patient care since the sale of the Madera Office in 2019. *Id.*

Debtor contends that appointment of a patient care ombudsman is not necessary because all of Debtor's former patients are now being cared for by other providers. *Id.*

This matter will be called as scheduled. The court is inclined to VACATE the order to show cause because it does not appear appointment of a patient care ombudsman is necessary for the protection of patients under the circumstances of this case.

6. [24-11160](#)-B-7 **IN RE: ALLYN GOODALL TRUCKING, INC**
[JES-2](#)

MOTION FOR COMPENSATION FOR JAMES E. SALVEN, ACCOUNTANT(S)
7-1-2025 [\[55\]](#)

JAMES SALVEN/MV
PETER FEAR/ATTY. FOR DBT.

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

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order that conforms with the opinion below.

James Salven, C.P.A. ("Applicant") seeks approval of a final allowance of compensation under 11 U.S.C. §§ 330 of the Bankruptcy Code for professional services rendered and reimbursement for expenses incurred as accountant for Irma Edmonds, Trustee in the above-styled case ("Trustee"). Doc. #55 *et seq.*

Applicant was employed to perform services under § 327 of the Code pursuant to an order of this court dated June 15, 2024. Doc. #14. This is Applicant's first and final request for compensation.

Applicant seeks **\$4,500.00** in fees based on **17.7** billable hours at \$280.00 per hour from May 26, 2024, through June 2, 2025. Doc. #58. Applicant also seeks reimbursement in the amount of **\$545.81** for expenses for copying, postage, tax return processing, and the cost of serving the fee application. *Id.*

11 U.S.C. § 330(a)(1)(A) and (B) permit approval of "reasonable compensation for actual, necessary services rendered by . . . [a] professional person, or attorney" and "reimbursement for actual,

necessary expenses." In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, extent, and value of such services, considering all relevant factors, including those enumerated in subsections (a)(3)(A) through (E). § 330(a)(3). Previous interim compensation awards under 11 U.S.C. § 331, if any, are subject to final review under § 330.

Applicant's services here included, without limitation: preparation and finalization of tax returns for debtor; reconstruction of the debtor's balance sheets; derivation of income statements from April 1, 2022 through the filing date; and employment/fee applications. Doc. #58. The court finds the services and expenses reasonable, actual, and necessary. The Trustee has reviewed the Application and finds the requested fees and expenses to be reasonable. Doc. #59.

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 has responded, and the defaults of all such parties are entered.

This Application is GRANTED. The court will approve on a final basis under 11 U.S.C. § 330 compensation in the amount of **\$4,500.00** in fees and **\$545.81** in expenses. The court grants the Application for a total award **\$5,045.81** as an administrative expense of the estate and an order authorizing and directing the Trustee to pay such to Applicant from the first available estate funds.

7. [25-11975](#)-B-7 **IN RE: LUIS/MAGDALENA SANTANA**
[TCS-1](#)

MOTION TO AVOID LIEN OF CAPITAL ONE BANK (USA) N.A.
7-11-2025 [\[11\]](#)

MAGDALENA SANTANA/MV
TIMOTHY SPRINGER/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.

Luis and Magdalena Santana ("Debtors") move for an order avoiding a judicial lien pursuant to 11 U.S.C. § 522(f) in favor of Capital One Bank (USA) N.A. ("Creditor") in the sum of \$2,342.87 and encumbering residential real property located at 4045 North Briarwood Ave., Fresno, California 93705 ("the Property"). Doc. #11.

Debtor complied with Fed. R. Bankr. P. 7004(b)(3) by serving Creditor's registered agent for service of process via first class mail on July 11, 2025. Doc. #15. Debtor also complied with Rule 7004(h), which requires service to be made on an insured depository institution by certified mail and addressed to an officer except where the three exceptions specified in subsections (h)(1)-(3) apply. *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 chapter 7 trustee, the U.S. Trustee, or any other party in interest to file written opposition at least 14 days prior to the hearing as required by LBR 9014-1(f)(1)(B) may be deemed a waiver of any opposition to the granting of the motion. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. *See Boone v. Burk (In re Eliapo)*, 468 F.3d 592 (9th Cir. 2006). Therefore, the defaults of the 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.

To avoid a lien under 11 U.S.C. § 522(f)(1), the movant must establish four elements: (1) there must be an exemption to which the debtor

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

Here, a judgment was entered against Magdalena Santan in favor of Creditor in the amount of \$2,342.87 on April 14, 2022. Doc. #14 (Exhib. D). The abstract of judgment was issued on July 18, 2022, and was recorded in Fresno County on August 3, 2022. *Id.* That lien attached to Debtor's interest in Property. *Id.*; Doc. #13. Debtor estimates that the current amount owed on account of this lien is \$2,342.87. Doc #13.

As of the petition date, Property had an estimated value of approximately \$412,200.00. Doc. #1 (Sched. A/B). Debtors claimed a \$200,000.00 exemption in Property pursuant to Cal. Code Civ. Proc. ("CCP") § 704.730. Doc. #1 (Sched. C).

Property is encumbered by a first mortgage in favor of Selene Finance ("Selene") in the amount of \$247,451.00. Doc. #1 (Sched. D). Property's encumbrances can be illustrated as follows:

Creditor	Amount	Recorded	Status
1. Selene	\$247,541.00	n/a	Unavoidable
2. Creditor	\$2,342.87	8/3/22	Avoidable.

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

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

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

Amount of judgment lien		2,342.87
Total amount of unavoidable liens (incl. liens not yet avoided)	+	247,451.00
Debtor's claimed exemption in Property	+	200,000.00
Sum	=	\$449,793.87
Debtor's claimed value of interest absent liens	-	412,200.00
Extent lien impairs exemption	=	\$37,593.87

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

Fair market value of Property		\$412,200.00
Total amount of unavoidable liens (incl. liens not yet avoided)	-	\$247,451.00
Homestead exemption	-	200,000.00
Remaining equity for judicial liens	=	(\$35,251.00)
Creditor's judicial lien	-	\$2,342.87
Extent Debtor's exemption impaired	=	(\$37,593.87)

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

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

8. [25-11880](#)-B-7 **IN RE: SAM STAFFORD AND ROSE AUSTIN**

MOTION FOR WAIVER OF THE CHAPTER 7 FILING FEE OR OTHER FEE
6-5-2025 [\[7\]](#)

ROSE AUSTIN/MV
SAM STAFFORD/ATTY. FOR MV.
DISMISSED 6/24/25

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

DISPOSITION: Denied as moot.

ORDER: The court will issue an order.

An order dismissing this case was already entered on June 24, 2025.
Doc. #25. The motion will be DENIED AS MOOT.

9. [23-12383](#)-B-7 **IN RE: ANGELES ESTRADA**
[ADJ-5](#)

MOTION FOR COMPENSATION FOR ANTHONY D. JOHNSTON, TRUSTEES
TRUSTEES ATTORNEY(S)
6-27-2025 [\[65\]](#)

MARK ZIMMERMAN/ATTY. FOR DBT.
ANTHONY JOHNSTON/ATTY. FOR MV.

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

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order that
conforms with the opinion below.

Anthony D. Johnston ("Johnston") and the law firm of Fores Macko Johnston & Chartrand ("the Firm") (collectively "Applicant") seek approval of a first and final allowance of compensation under 11 U.S.C. §§ 330 of the Bankruptcy Code for professional services rendered and reimbursement for expenses incurred as attorney for Irma Edmonds, Trustee in the above-styled case ("Trustee"). Doc. #65.

Applicant was employed to perform services under § 327 of the Code pursuant to an order of this court dated February 21, 2024. Doc. #24. This is Applicant's first and final request for compensation, covering the period from June 6, 2022, through July 1, 2025. Doc. 152.

It appears that Johnston was the only person employed by the Firm to work on this case. *Id.* Johnston provided **14.40** billable hours at a rate of \$375.00 per hour, totaling **\$5,400.00** in fees. Docs. #67, 69. Johnston advises that an associate with the Firm appeared at a hearing

on a motion to sell property, but no compensation is sought for that appearance. Doc. #69. Applicant also incurred **\$136.50** in expenses for copies, postage, and telephonic appearance at court hearings. Doc. #65. These combined fees and expenses total **\$5,536.50**. These fees and expenses were incurred during the period from February 5, 2024, through June 27, 2025. Doc. #67.

11 U.S.C. § 330(a)(1)(A) and (B) permit approval of "reasonable compensation for actual, necessary services rendered by . . . [a] professional person, or attorney" and "reimbursement for actual, necessary expenses." In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, extent, and value of such services, considering all relevant factors, including those enumerated in subsections (a)(3)(A) through (E). § 330(a)(3). Previous interim compensation awards under 11 U.S.C. § 331, if any, are subject to final review under § 330.

Applicant's services here included, without limitation: asset dispositions; fee/employment applications; and case administration. Docs. #67, #69. The court finds the services and expenses reasonable, actual, and necessary. The Trustee has reviewed the Application and finds the requested fees and expenses to be reasonable. Doc. #68.

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 has responded, and the defaults of all such parties are entered.

This Application is GRANTED. The court will approve on a final basis under 11 U.S.C. § 330 compensation in the amount of **\$5,400.00** in fees and **\$136.50** in expenses. The court grants the Application for a total award **\$5,536.50** as an administrative expense of the estate and an order authorizing and directing the Trustee to pay such to Applicant from the first available estate funds.

10. [22-11587](#)-B-7 **IN RE: CARY SHAKESPEARE**
[DMG-6](#)

MOTION TO SELL
7-9-2025 [[127](#)]

JEFFREY VETTER/MV
LEONARD WELSH/ATTY. FOR DBT.
D. GARDNER/ATTY. FOR MV.

TENTATIVE RULING: This matter will proceed for higher and better
bids, only.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order
after hearing.

Chapter 7 trustee Jeffrey M. Vetter ("Trustee") seeks authorization to sell the Chapter 7 estate's interest in personal property, specifically, a 10% membership interest in Centennial Properties, LLC (Schedule B, #19) to Dr. Armi Walker ("Buyer" or "Dr. Walker") for \$50,000.00 pursuant to 11 U.S.C. § 363, and subject to higher and better bids at the hearing. Doc. #127 *et seq.* The motion is accompanied by Trustee's Declaration. Doc. #129.

No party in interest timely filed written opposition. This motion will be GRANTED, and the hearing will proceed for bid solicitations only.

This motion was set for hearing on 28 days' notice as required by Local Rule of Practice ("LBR") 9014-1(f)(1) and Rule 2002(a)(2) and (a)(6). 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). Therefore, the defaults of the above-mentioned parties in interest are entered and the matter will proceed for higher and better bids only. 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.

BACKGROUND

Cary Shakespeare ("Debtor") filed a voluntary petition under Chapter 7 on September 13, 2022. Doc. #1. Trustee was appointed on an interim basis that same day and as trustee as of the date of the 341 Meeting of Creditors. Doc. #5; Docket generally.

Among the assets in the Chapter 7 estate is a 10% membership interest ("the Interest") in Centennial Properties LLC ("the LLC") valued at \$134,156.74. Doc. #1 (Schedule A/B). However, Trustee declares that Debtor and his representatives have been unable to recall how that value was determined. Doc. #129. After examining debtor and administering this case, Trustee believes that the sole "hard asset" of the LLC is real property located at 1801 16th Street, Bakersfield, California ("the Property"). *Id.* Trustee states that the value of the Property is between \$2 and \$3 million, but it is subject to a loan of about \$1 million secured by a deed of trust. *Id.* As the Interest is only a 10% stake, the value of the equity to which the estate is entitled could be anywhere between \$100,000.00 and \$200,000.00. *Id.*

This is Trustee's second motion seeking sale of the Interest. *Id.*; Doc. #116. Trustee withdrew the prior motion filed on April 21, 2025, after opposition from Jan Shakespeare ("Jan"), Debtor's ex-wife, who objected to Trustee's valuation and efforts to market the Interest and Trustee's alleged failure to give proper Notice to the other shareholders in the LLC. Docs. #121, #129.

Trustee now renews the motion to sell the Interest for the sum of \$50,000.00 to Dr. Walker, who is a colleague of the Debtor. Doc. #129. This is a cash sale, and the entire purchase price has already been tendered by Dr. Walker and is held in Trustee's account. *Id.*

Trustee declares that the other members of the LLC have consented to the sale of Debtor's Interest and that the sale "will not interfere with the other members' rights, the operation of the business, or the operating agreement of the LLC." *Id.* However, no declarations or exhibits have been provided to confirm that other than Trustee's own declaration, and the moving papers do not even list the other stakeholders. *Docket generally.* Unlike the prior motion to sell, Jan has not objected to or opposed the instant motion. No written agreement between Trustee and Dr. Walker has been presented to the court.

DISCUSSION

Sale of Property

11 U.S.C. § 363(b)(1) allows the trustee to "sell, or lease, other than in the ordinary course of business, property of the estate." Proposed sales under 11 U.S.C. § 363(b) are reviewed to determine whether they are: (1) in the best interests of the estate resulting from a fair and reasonable price; (2) supported by a valid business judgment; and (3) proposed in good faith. *In re Alaska Fishing Adventure, LLC*, 594 B.R. 883, 887 (Bankr. D. Alaska 2018) citing *240 N. Brand Partners v. Colony GFP Partners, Ltd. P'ship (In re 240 N. Brand Partners)*, 200 B.R. 653, 659 (B.A.P. 9th Cir. 1996); *In re Wilde Horse Enters., Inc.*, 136 B.R. 830, 841 (Bankr. C.D. Cal. 1991). In the context of sales of estate property under § 363, a bankruptcy court "should determine only whether the trustee's judgment was reasonable

and whether a sound business justification exists supporting the sale and its terms." *Alaska Fishing*, 594 B.R. at 889, quoting 3 Collier on Bankruptcy ¶ 363.02[4] (Richard Levin & Henry J. Sommer, 16th ed.). "[T]he trustee's business judgment is to be given 'great judicial deference.'" *Id.*, citing *In re Psychometric Sys., Inc.*, 367 B.R. 670, 674 (Bankr. D. Colo. 2007); *In re Bakalis*, 220 B.R. 525, 531-32 (Bankr. E.D.N.Y. 1998).

Sales to an insider are subject to heightened scrutiny. *Alaska Fishing Adventure, LLC*, 594 B.R. at 887 citing *Mission Product Holdings, Inc. v. Old Cold, LLC (In re Old Cold LLC)*, 558 B.R. 500, 516 (B.A.P. 1st Cir. 2016). Trustee does not address whether Dr. Walker is an insider or, if so, what impact that would have on the court's ruling. The court notes that Debtor's Schedule E/F lists Dr. Walker as having a claim of \$305,094.00 for an unspecified loan, and the Claims Register reflects that Dr. Walker holds an unsecured claim against Debtor in the amount of \$353,762.42 for "Money loaned." Doc. #1 (Sched. E/F); POC #9-1. The moving papers do not address the applicability of credit bidding by Dr. Walker, but Trustee's declaration indicates that Dr. Walker has paid \$50,000.00 in cash into Trustee's account. Doc. #129.

The Interest is listed in *Schedule A/B* with a value of \$134,165.74. Doc. #1 (Sched. A/B). Debtor did not exempt the Interest. Doc. #1 (Sched. C).

The Interest is not encumbered, and there will be no costs or broker commissions associated with the sale, so the entirety of the sale price (\$50,000.00 if there are no overbids) will be net proceeds for the estate.

The sale under these circumstances should maximize potential recovery for the estate. The sale of the Interest appears to be in the best interests of the estate because it will provide liquidity that can be distributed for the benefit of unsecured claims. The sale appears to be supported by a valid business judgment and proposed in good faith. There are no objections to the motion. Therefore, this sale is an appropriate exercise of Trustee's business judgment and will be given deference.

Overbid Procedure

Any party wishing to overbid shall, prior to the hearing, comply with the overbid as outlined in the Motion and the Notice accompanying the Motion. Docs. #127-28.

Waiver of 14-day Stay

Trustee does not request waiver of the 14-day stay of Rule 6004(h), and no such relief will be granted.

Conclusion

No party in interest timely filed written opposition. This motion will be GRANTED. Trustee will be authorized: (1) to sell the Interest to the prevailing bidder at the hearing, as determined at the hearing; and (2) to authorize Trustee to sign such documents necessary to transfer the membership interest. The 14-day stay of Rule 6004(h) will not be waived.