

# UNITED STATES BANKRUPTCY COURT Eastern District of California Honorable Jennifer E. Niemann Hearing Date: Wednesday, August 13, 2025 Department A - Courtroom #11 Fresno, California

Unless otherwise ordered, all matters before the Honorable Jennifer E. Niemann shall be simultaneously: (1) In Person at, Courtroom #11 (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 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 <a href="https://www.caeb.uscourts.gov/Calendar/CourtAppearances">https://www.caeb.uscourts.gov/Calendar/CourtAppearances</a>. Each party 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 who wish to appear remotely must contact the Courtroom Deputy for the Department holding the hearing.

Please also note the following:

- Parties in interest 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 appearing by ZoomGov may only listen in to the hearing using the zoom telephone number. Video appearances are not permitted.
- Members of the public and the press may not listen in to trials or evidentiary hearings, though they may appear in person in most instances.

To appear remotely for law and motion or status conference proceedings, you must comply with the following guidelines and procedures:

- 1. Review the <u>Pre-Hearing Dispositions</u> 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.

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 POSSIBLE UPDATES.

#### 1. $\frac{24-12873}{CAE-1}$ -A-11 IN RE: GRIFFIN RESOURCES, LLC

CONTINUED STATUS CONFERENCE RE: CHAPTER 11 SUBCHAPTER V VOLUNTARY PETITION 10-2-2024 [1]

RILEY WALTER/ATTY. FOR DBT.
CONT'D TO 8/28/25 BY ECF ORDER #373

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

DISPOSITION: Continued to August 27, 2025 at 9:30 a.m.

NO ORDER REQUIRED.

At the request of California Department of Conservation, Geologic Energy Management Division, the court continued this status conference to August 27, 2025 at 9:30 a.m. The court already issued an order on August 7, 2025. Doc. #373.

#### 2. $\underbrace{24-12873}_{DCO-2}$ -A-11 IN RE: GRIFFIN RESOURCES, LLC

MOTION FOR COMPENSATION BY THE LAW OFFICE OF CLIFFORD AND BROWN FOR DONALD C. OLDAKER, SPECIAL COUNSEL(S)  $7-14-2025 \quad [354]$ 

DONALD OLDAKER/MV
RILEY WALTER/ATTY. FOR DBT.
DONALD OLDAKER/ATTY. FOR MV.

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

DISPOSITION: Denied without prejudice.

ORDER: The court will issue an order.

This matter is DENIED WITHOUT PREJUDICE for improper notice.

Service of the motion does not comply with Federal Rule of Bankruptcy Procedure ("Rule") 2002(a)(6), which requires that notice of a motion to approve compensation for more than \$1,000 be served on all creditors at least twenty-one (21) days prior to the hearing date. Here, the certificate of service shows that the movant did not serve all creditors with notice of the motion. Compare Doc. #359 with Doc. #345. Because the movant did not serve all creditors as required by Rule 2002(a)(6), the motion is denied for improper notice.

Further, the movant did not comply with Local Rule of Practice ("LBR") 7005-1, which states that "[u]nless service is on six or fewer parties in interest and a custom service list is used or the persons served are not on the Clerk of the Court's Matrix, the Certificate of Service Form shall have attached to it the Clerk of the Court's Official Matrix, as appropriate; (1) for the case or the adversary proceeding; and (2) the list of Equity Security Holders." Here, because the movant is seeking compensation that requires notice to all

creditors in the debtor's bankruptcy case and there are more than six creditors, the movant needs to use the Clerk of the Court's Official Matrix for the case to comply with LBR 7005-1(a). The movant can download the Clerk of the Court's Official Matrix of creditors on PACER by selecting "Mailing Matrix by Case" after conducting the appropriate case query. The movant must then serve the appropriate pleadings on the parties listed on the Clerk of the Court's Official Matrix and attach a copy of the Clerk of the Court's Official Matrix as Attachment 6B-1 to the completed Certificate of Service Form to show proper service has been made on all creditors.

The court encourages counsel for the movant to review the Federal Rules of Bankruptcy Procedure and the local rules to ensure compliance in future matters or those matters may be denied without prejudice for failure to comply with the applicable rules. The local rules can be accessed on the court's website at <a href="https://www.caeb.uscourts.gov/LocalRulesAndGeneralOrders">https://www.caeb.uscourts.gov/LocalRulesAndGeneralOrders</a>.

#### 3. $\frac{25-10074}{\text{FW}-15}$ -A-12 IN RE: CAPITAL FARMS, INC

MOTION TO REJECT LEASE OR EXECUTORY CONTRACT 7-28-2025 [245]

CAPITAL FARMS, INC./MV PETER FEAR/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 the hearing.

This motion was filed and served on at least 14 days' notice prior to the hearing date 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.

Capital Farms, Inc. ("Debtor"), the debtor and debtor-in-possession in this chapter 12 case, moves the court for authorization to reject an almond purchase contract ("Contract") with T.M. Duche Nut Company ("Duche"). Doc. #245.

Section 365(a) of the Bankruptcy Code states that "subject to the court's approval, [the debtor in possession] may . . . reject any executory contract . . . or unexpired lease of the debtor." In evaluating a decision to reject an executory contract in the Ninth Circuit, "the bankruptcy court should presume that the debtor-in-possession acted prudently, on an informed basis, in good faith, and in the honest belief that the action taken was in the best interests of the bankruptcy estate." Agarwal v. Pomona Valley Med. Grp., Inc. (In repomona Valley Med. Grp., Inc.), 476 F.3d 665, 670 (9th Cir. 2007) (citations omitted). The bankruptcy court should approve the rejection of an executory contract under § 365(a) unless the debtor in possession's conclusion is based on bad faith, whim, or caprice. Id.

Here, on or about May 23, 2023, Debtor, along with several then-related entities, entered into the Contract with Duche to sell approximately 758 acres of almond crops to Duche for the 2025, 2026 and 2027 crop years. The Contract was entered into with respect to the following properties and entities: (1) Brewer Ranch (300 acres) (Debtor); (2) Jameson Ranch (150 acres) (United Farms LLC); (3) Baseline Ranch (150 acres) (Sutter Land LLC); and (4) Natomas Ranch (158 acres) (Sutter Land LLC). Decl. of Shawn Gill, Doc. #247; Ex. A, Doc. #248. Subsequent to signing the Contract, United Farms LLC went out of business and Sutter Land LLC ceased its farming operations. Gill Decl., Doc. #247. Debtor has assumed the farming operations of both United Farms LLC and Sutter Land LLC. Id. In July 2025, Duche contacted Debtor and insisted that all original parties still honor the Contract and threatened legal action if the Contract was not fulfilled. Id.

To ensure funds are available for farming and harvest, it is normal practice in the industry for a processor, like Duche, to advance funds to farmers and then deduct those advances from the contracted crop payment. Gill Decl., Doc. #247. However, Duche is not willing to offer Debtor advances for the 2025, 2026 and 2027 almond crops under the Contract. <a href="Id">Id</a>. Because of the uncertainty over the true parties and terms of the Contract, Debtor wishes to reject the Contract. <a href="Id">Id</a>. Debtor intends to enter into a new contract with Duche as the sole and proper party for the sale of the approximately 758 acres of almond crops for 2025, 2026 and 2027. <a href="Id">Id</a>. The court finds that Debtor's decision to reject the Contract is based on sound business judgment.

Accordingly, pending any opposition being raised at the hearing, the court will GRANT the motion. Debtor will be authorized to reject the Contract, as defined here, in conformance with Debtor's motion. Doc. #245.

# 4. $\frac{22-10778}{BH-1}$ -A-11 IN RE: COMPASS POINTE OFF CAMPUS PARTNERSHIP B, LLC

MOTION FOR ENTRY OF AN ORDER CLARIFYING CERTAIN EFFECTS OF THIS COURT'S FINAL ORDERS AUTHORIZING FORMER DEBTOR TO OBTAIN POST-PETITION FINANCING AND CONFIRMING FORMER DEBTOR'S CHAPTER 11 PLAN  $7-16-2025 \quad [\underline{493}]$ 

MERCED DIP LENDER LLC/MV
NOEL KNIGHT/ATTY. FOR DBT.
THOMAS PHINNEY/ATTY. FOR MV.
DISMISSED 09/25/2024; RESPONSIVE PLEADINGS

#### NO RULING.

# 5. $\frac{25-11791}{CAE-1}$ -A-11 IN RE: FRED RAU DAIRY, INC

CONTINUED STATUS CONFERENCE RE: CHAPTER 11 VOLUNTARY PETITION 5-29-2025 [1]

PETER FEAR/ATTY. FOR DBT.

#### NO RULING.

#### 6. $\frac{25-11791}{FW-1}$ -A-11 IN RE: FRED RAU DAIRY, INC

FINAL HEARING RE: MOTION FOR ORDER PROHIBITING FROM ALTERING, REFUSING, OR DISCONTINUING SERVICE AND/OR MOTION FOR ORDER DETERMINING ADEQUATE ASSURANCE OF PAYMENT FOR FUTURE UTILITY SERVICES 6-26-2025 [35]

FRED RAU DAIRY, INC/MV PETER FEAR/ATTY. FOR DBT.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted on a final basis.

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.

This motion was set for hearing pursuant to an interim order prohibiting Pacific Gas & Electric ("PG&E"), the debtor's utility service provider, from altering, refusing or discontinuing service and confirming the debtor's proposed adequate assurance of future performance to PG&E ("Interim Order"). Doc. #67. The motion was heard initially on July 16, 2025, and granted on an interim basis. Because the notice of hearing does not require written opposition (Doc. #36), opposition to the granting of this motion on a final basis may be raised at the hearing. Unless opposition is presented at the hearing, the court intends to enter the respondents' defaults and prohibit PG&E, on a final basis, from altering, refusing or discontinuing service and confirming, on a final basis, the debtor's proposed adequate assurance of future performance to PG&E under the conditions as set forth in the Interim Order. If opposition is presented at the hearing, the court will consider the opposition and whether further hearing is proper. The court will issue an order if a further hearing is necessary.

By this motion, Fred Rau Dairy, Inc. ("DIP"), the chapter 11 debtor and debtor-in-possession, seeks an order prohibiting PG&E from altering, refusing, or discontinuing utility service to DIP based on DIP's proposed adequate assurance of future performance payment to PG&E of a cash deposit in the amount of \$70,000 ("Adequate Assurance Deposit"), which represents two months of DIP's monthly average utility consumption, less any amounts for any pre-petition utility deposits DIP already has with PG&E. Doc. #35. The Adequate Assurance Deposit will be paid in two equal monthly installments of \$35,000, with the single deposit to serve as the deposit for all utility service accounts DIP may have with PG&E. Decl. of Michael Reid, Doc. #37. The first installment of the Adequate Assurance Deposit shall be provided to PG&E within ten (10) business days after receipt by DIP or DIP's counsel of a written request from PG&E for adequate assurances pursuant to 11 U.S.C. § 366(c). Doc. #35.

Should PG&E contest the proposed Adequate Assurance Deposit, PG&E shall have 30 days from the entry of any order granting this motion to file and serve upon DIP a request for adequate assurance. Doc. #35. This request must specify: (i) the location and account number(s) for which utility services are provided; (ii) the outstanding balance on the account; (iii) a summary of DIP's payment history on each listed account; (iv) the reason why DIP's deposit is not satisfactory adequate assurance of payment; and (v) PG&E's proposal of what constitutes satisfactory assurance of payment. Id. Failure by PG&E to timely file and serve a request as delineated above shall result in PG&E being deemed to have received satisfactory adequate assurance of payment, and PG&E shall be

prohibited from altering, refusing, or discontinuing utility services to DIP. <u>Id.</u> In the event PG&E files and serves a request that DIP deems to be unreasonable, DIP shall set a hearing on shortened time to determine the issue, and PG&E shall not alter, refuse, or discontinue service unless the court, following a hearing, so orders. Id.

Bankruptcy Code section 366(c)(2) permits a utility company to alter, refuse, or discontinue service to a chapter 11 debtor unless, within 30 days after the filing of the petition, the utility receives adequate assurance of payment for post-petition utility service that is satisfactory to the utility. Here, the motion was filed within 30 days of the petition date.

The court finds good cause exists under 11 U.S.C.  $\S$  366(c) to determine that PG&E has been provided with adequate assurance of future performance through the proposed Adequate Assurance Deposit and proposed objection procedure and may not alter, refuse or discontinue any utility service to DIP, and DIP is not required to provide PG&E with additional deposits or security beyond that as set forth in the motion.

Accordingly, pending opposition being raised at the hearing, the court will GRANT the motion on a final basis.

#### 7. $\frac{25-11791}{FW-2}$ -A-11 IN RE: FRED RAU DAIRY, INC

FURTHER HEARING RE: MOTION TO USE CASH COLLATERAL 5-30-2025 [4]

FRED RAU DAIRY, INC/MV PETER FEAR/ATTY. FOR DBT.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted on a final basis through October 31, 2025.

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.

This motion was initially set for final hearing on June 25, 2025 pursuant to the initial motion papers and an interim order authorizing use of cash collateral. Doc. ##4, 13. The final hearing was continued to July 16, 2025 (Doc. #43), and subsequently to August 13, 2025 ("Interim Order"). Doc. #68. The final hearing was set on at least 14 days' notice prior to the hearing date pursuant to Federal Rule of Bankruptcy Procedure 4001(b)(2) and Local Rule of Practice 9014-1(f)(2) and will proceed as scheduled. Because the request authorizing final use of cash collateral through October 31, 2025 was set on less than 28 days' notice, opposition to the final use of cash collateral may be raised at the hearing. Unless opposition is presented at the hearing, the court intends to enter the respondents' defaults and grant use of cash collateral on a final basis through October 31, 2025. If opposition is presented at the hearing, the court will consider the opposition and whether further hearing is proper. The court will issue an order if a further hearing is necessary.

Fred Rau Dairy, Inc. ("DIP"), the chapter 11 debtor and debtor-in-possession, originally moved the court for an order authorizing DIP to use the cash collateral of: (i) AgWest Farm Credit ("AgWest"); (ii) Farm Credit Leasing

Services; (iii) Stanislaus Farm Supply Co.; (iv) Nutrien Ag Solutions, Inc.; and (v) Associated Feed and Supply through August 17, 2025 on a final basis subject to a weekly budget. Motion, Doc. #4; Am. Ex. B, Doc. #28; Interim Order, Doc. #68. DIP originally sought court authorization to use cash collateral to pay expenses incurred by DIP in the normal course of its business. Motion, Doc. #4. DIP conducts both dairy farming and crop farming. Decl. of Michael Reid, Doc. #6. DIP has approximately 2,600 Holstein cows, springers, heifers and bulls as well as approximately 150 Angus steers and farms approximately 2,750 acres of farmland. Id.

On July 30, 2025, DIP filed an updated budget to support its request for use of cash collateral through October 31, 2025. Doc. #75. On July 31, 2025, AgWest and DIP entered into a stipulation for DIP's use of AgWest's cash collateral ("Stipulation"). Doc. #77.

Pursuant to 11 U.S.C. § 363, a debtor in possession can use property of the estate that is cash collateral by obtaining either the consent of each entity that has an interest in such cash collateral or court authorization after notice and a hearing. 11 U.S.C. § 363(c)(2). "The primary concern of the court in determining whether cash collateral may be used is whether the secured creditors are adequately protected." In re Plaza Family P'ship, 95 B.R. 166 (E.D. Cal. 1989) (citing 11 U.S.C. § 363(e)). Bankruptcy Code section 361(1) states that adequate protection may be provided by "requiring the [debtor in possession] to make a cash payment or periodic cash payments to such entity, to the extent that the stay under section 362 of this title, use, sale, or lease under section 363 of this title, or any grant of a lien under section 364 of this title results in a decrease in the value of such entity's interest in such property." 11 U.S.C. § 361(1). Pursuant to 11 U.S.C. § 363(p), DIP carries the burden of proof on the issue of adequate protection.

As adequate protection for DIP's use of cash collateral, DIP will grant replacement liens to Farm Credit Leasing Services, Stanislaus Farm Supply Co., Nutrien Ag Solutions, Inc. and Associated Feed and Supply (collectively, "Secured Creditors") to the extent Secured Creditors' cash collateral is used. Based on the budget filed on July 30, 2025, DIP's use of cash collateral will generate more income than the cash collateral contemplates to be used. Doc. #75. In addition, DIP will make post-petition interest-only payments to AgWest plus regular payments on the solar leases and an equipment loan. Doc. #75; Stipulation, Doc. #77.

Because AgWest has stipulated to the use of its cash collateral, the court only needs to authorize DIP's use of Secured Creditors' cash collateral. The court finds DIP has met its burden of showing that Secured Creditors are adequately protected for DIP's use of their cash collateral by the proposed replacement liens and post-petition interest-only payments to AgWest plus regular payments on the solar leases and an equipment loan. Doc. #75. Moreover, DIP needs to use the cash collateral to continue its post-petition business operations. Reid Decl., Doc. #6.

Accordingly, pending opposition being raised at the hearing, the court will GRANT DIP's request to use cash collateral on a final basis through October 31, 2025 on the terms set forth in the motion, as amended by interim orders and the Stipulation, and subject to the budget filed as Doc. #75.

1.  $\frac{24-10200}{\text{JES}-2}$  -A-7 IN RE: DMW INDUSTRIES, INC.

MOTION FOR COMPENSATION FOR JAMES E. SALVEN, ACCOUNTANT(S) 6-29-2025 [63]

JAMES SALVEN/MV D. GARDNER/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.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of 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 Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires a moving party make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

James E. Salven ("Movant"), certified public accountant for chapter 7 trustee Jeffrey Vetter ("Trustee"), requests allowance of final compensation and reimbursement for expenses for services rendered from June 27, 2024 through June 30, 2025. Doc. #63; Ex. A, Doc. #67. Movant provided accounting services valued at \$4,000.00 after a voluntary reduction of \$928.00, and requests compensation for that amount.  $\underline{\text{Id.}}$  Movant requests reimbursement for expenses in the amount of \$389.81. Doc. #63. This is Movant's first and final fee application. Trustee has no objection to the fees and expenses requested. Doc. #65.

Section 330(a)(1) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services rendered" and "reimbursement for actual, necessary expenses" to a "professional person." 11 U.S.C.  $\S$  330(a)(1). 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, taking into account all relevant factors. 11 U.S.C.  $\S$  330(a)(3).

Movant's services included, without limitation: (1) preparing employment application and conducting conflict review; (2) inputting and reviewing prior tax data and returns; (3) preparing and finalizing tax returns; (4) developing balance sheets and income statements; and (5) preparing and filing fee application. Decl. of James E. Salven, Doc. #66; Ex. A & B, Doc. #67. The court finds the compensation and reimbursement for expenses sought are reasonable, actual, and necessary.

This motion is GRANTED on a final basis. The court allows final compensation in the amount of \$4,000.00 and reimbursement for expenses in the amount of \$389.81. Trustee is authorized to make a combined payment of \$4,389.81, representing compensation and reimbursement for expenses, to Movant. Trustee is authorized to pay the amount allowed by this order from available funds only if the estate is administratively solvent and such payment is consistent with the priorities of the Bankruptcy Code.

#### 2. $\frac{07-13703}{\text{FW}-2}$ -A-7 IN RE: TONY VALLES

MOTION TO EMPLOY SETH S. WEBB AS SPECIAL COUNSEL AND/OR MOTION TO EMPLOY RYAN KRAL AS SPECIAL COUNSEL 7-14-2025 [38]

PETER FEAR/MV
PETER SAUER/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.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of 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 Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires a moving party make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

Peter L. Fear ("Trustee"), the chapter 7 trustee of the bankruptcy estate of Tony A. Valles ("Debtor"), moves the court for an order authorizing the employment of Brown & Crouppen ("B&C") and Beasley, Allen, Crow, Methvin, Portis, & Miles, PC ("Beasley") (together, "Special Purpose Counsel") pursuant to 11 U.S.C. §§ 327 and 328. Doc. #38. Trustee seeks authority to employ Special Purpose Counsel on a contingent fee basis and unambiguously requests approval under 11 U.S.C. § 328. Id.

Section 327(a) of the Bankruptcy Code provides, in relevant part, "the trustee, with the court's approval, may employ one or more attorneys . . . that do not hold or represent an interest adverse to the estate, and that are disinterested persons, to represent or assist the trustee in carrying out the trustee's duties under this title." 11 U.S.C. § 327(a). The trustee may, with the court's approval, employ a professional on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis. 11 U.S.C. § 328(a). An application to employ a professional on terms and conditions to be

pre-approved by the court must unambiguously request approval under § 328.

See Circle K. Corp. v. Houlihan, Lokey, Howard & Zukin, Inc., 279 F.3d 669, 671 (9th Cir. 2002).

On or about March 2, 2020, Debtor retained B&C to pursue a liability claim against the manufacturer of Roundup for alleged harm to Debtor from use of the product that arose pre-petition (the "Claim"). Decl. of Seth S. Webb, Doc. #40; Decl. of Ryan Kral, Doc. #41. B&C subsequently associated with Beasley to assist in prosecuting the Claim. <u>Id.</u> Special Purpose Counsel has represented Debtor for several years, is familiar with the Claim, and has considerable experience representing numerous individuals against manufacturers where the type of claim asserted by Debtor is similar. <u>Id.</u>; Decl. of Peter L. Fear, Doc. #42.

The court finds that Special Purpose Counsel are disinterested persons as defined by 11 U.S.C. § 101(14) and do not hold or represent an interest adverse to the estate. Webb Decl., Doc. #40; Kral Decl., Doc. #41; Fear Decl., Doc. #42. Trustee requires Special Purpose Counsel's services to evaluate and present, for the benefit of the estate, a settlement offer attributable to an asset of the estate. The settlement will enable Trustee to administer the estate for the benefit of creditors and enable Trustee to close the case. Special Purpose Counsel will assist Trustee with performing other necessary terms of the settlement and continuing litigation.

Trustee unambiguously requests pre-approval of payment to Special Purpose Counsel pursuant to 11 U.S.C.  $\S$  328. Doc. #38. Upon court approval of the settlement, Trustee will pay a contingency fee of 45% plus costs incurred to Special Purpose Counsel. <u>Id.</u> Special Purpose Counsel will split the contingency fee award between themselves, with 80% of the contingency fee award allocated to B&C and 20% of the contingency fee award allocated to Beasley. Id.

Accordingly, this motion is GRANTED. The arrangement between Trustee and Special Purpose Counsel is reasonable in this instance. Trustee shall submit a form of order specifically stating that employment of Special Purpose Counsel has been approved pursuant to 11 U.S.C. § 328.

# 3. $\frac{25-11303}{\text{CJK}-1}$ -A-7 IN RE: ALEJANDRO RAMOS-SANCHEZ

MOTION FOR RELIEF FROM AUTOMATIC STAY 7-14-2025 [18]

LAKEVIEW LOAN SERVICING, LLC/MV SCOTT LYONS/ATTY. FOR DBT. CHRISTINA KHIL/ATTY. FOR MV. DISCHARGED 8/11/25

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

DISPOSITION: Granted in part and denied as moot in part.

ORDER: The Moving Party shall submit a proposed order in conformance

with the ruling below.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of 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 Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires a movant make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

The motion will be GRANTED IN PART as to the trustee's interest and DENIED AS MOOT IN PART as to the debtor's interest pursuant to 11 U.S.C. \$ 362(c)(2)(C). The debtor's discharge was entered on August 11, 2025. Doc. #24. The motion will be GRANTED IN PART for cause shown as to the chapter 7 trustee.

The movant, Lakeview Loan Servicing, LLC ("Movant"), seeks relief from the automatic stay under 11 U.S.C. § 362(d)(1) and (d)(2) with respect to real property located at 2646 S. Fairway Court in Visalia, California 93277 ("Property"). Doc. #18.

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 any 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 the debtor has failed to make at least three complete pre- and post-petition payments. Movant has produced evidence that the debtor is delinquent in the amount of \$5,640.88 for payments due since April 1, 2025, less funds held in a suspense account. Decl. of Linda Brown, Doc. #20.

The court also finds that the debtor does not have any equity in the Property after taking into account costs of sale and the Property is not necessary to an effective reorganization because the debtor is in chapter 7. The Property is valued at \$319,900.00 and the Property is encumbered by Movant's lien in the amount of \$308,354.21 plus a junior lien in favor of Cal FHA in the amount of \$11,196.00. Schedule D, Doc. #1; Brown Decl., Doc. #20.

Accordingly, the motion will be granted pursuant to 11 U.S.C. § 362(d)(1) and (d)(2) to permit 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.

The order shall also provide that the bankruptcy proceeding has been finalized for purposes of California Civil Code § 2923.5.

The 14-day stay of Fed. R. Bankr. P. 4001(a)(3) will be ordered waived because the debtor has failed to make at least three complete pre- and post-petition payments to Movant.

#### 4. $\underbrace{25-11514}_{MJ-1}$ -A-7 IN RE: ALEXIS SILVA-CABRERA

MOTION FOR RELIEF FROM AUTOMATIC STAY 6-27-2025 [13]

AMERICREDIT FINANCIAL SERVICES, INC./MV PETER BUNTING/ATTY. FOR DBT.
MEHRDAUD JAFARNIA/ATTY. FOR MV.
RESPONSIVE PLEADING

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.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). On July 22, 2025, the debtor filed a response stating that the debtor does not oppose the motion. Doc. #19. The failure of 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). 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 non-responding 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 a movant make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

The movant, AmeriCredit Financial Services, Inc. dba GM Financial ("Movant"), seeks relief from the automatic stay under 11 U.S.C. § 362(d)(1) with respect to a 2019 Chevrolet Equinox, VIN: 2GNAXLEXXK6188857 ("Vehicle"). Doc. #13.

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." <u>In re Mac Donald</u>, 755 F.2d 715, 717 (9th Cir. 1985).

After review of the included evidence, the court finds that "cause" exists to lift the stay because the debtor has failed to make at least three complete pre- and post-petition payments. Movant has produced evidence that the debtor is delinquent by at least \$1,988.66, including late fees of \$32.60. Decl. of Tina Carr, Doc. #15. The debtor does not oppose the motion. Doc. #19.

Accordingly, the motion will be granted pursuant to 11 U.S.C. § 362(d)(1) to permit 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.

The 14-day stay of Fed. R. Bankr. P. 4001(a)(3) will be ordered waived because the debtor has failed to make at least three pre- and post-petition payments to Movant and the Vehicle is a depreciating asset.

#### 5. $\underbrace{25-10832}_{MML-3}$ IN RE: FERNANDO LUGO CERVANTES

MOTION FOR RELIEF FROM AUTOMATIC STAY 7-16-2025 [50]

THE LAW FIRM OF MALLISON & MARTINEZ/MV ERIC ESCAMILLA/ATTY. FOR DBT. STAN MALLISON/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.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of 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 Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires a moving party make a prima facie showing that they are entitled to the relief sought, which the movants have done here.

As a procedural matter, the exhibits do not comply with LBR 9004-2(b)(5), which provides that "[t]he first page of each document filed shall contain a caption setting forth the name of the court, the title of the case or proceeding, the bankruptcy case, adversary proceeding, and/or miscellaneous proceeding number, the title of the document, and, if applicable, the Docket Control Number, and the date, time, and location of the hearing." LBR 9004-2(b)(5). Here, the exhibits to the motion were filed without a caption page. Doc. #53. In the future, counsel for the moving party should ensure that filed pleadings comply with this court's Local Rules of Practice or those matters may be denied without prejudice for failure to comply with the applicable rules. The local rules can be accessed on the court's website at https://www.caeb.uscourts.gov/LocalRulesAndGeneralOrders.

Juventino Ortiz and Mariano Carranza ("Movants") seek relief from the automatic stay under 11 U.S.C. § 362(d)(1). Doc. #50. Movants have a claim against Fernando Lugo Cervantes ("Debtor") arising out of a pre-petition violation of the California Labor Code. <u>Id.</u> Movants request relief from the automatic stay to proceed with the prosecution of their wage and hour and Private Attorney General Act claims against Debtor currently pending in Fresno County Superior Court as <u>Ortiz et al. v. FLC Farm Labor Contracting</u>, Case No. 24CECG02055 ("State Court Action"). Memo P&A, Doc. #54.

11 U.S.C. § 362(d)(1) allows the court to grant relief from the stay for cause. "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). When a movant seeks for

relief from the automatic stay to initiate or continue non-bankruptcy court proceedings, a bankruptcy court may consider the "Curtis factors" in making its decision. Kronemyer v. Am. Contrs. Indem. Co. (In re Kronemyer), 405 B.R. 915, 921 (B.A.P. 9th Cir. 2009). "[T]he Curtis factors are appropriate, nonexclusive, factors to consider in deciding whether to grant relief from the automatic stay" to allow litigation in another forum. Id. The Curtis factors include: (1) whether the relief will result in a partial or complete resolution of the issues; (2) the lack of any connection with or interference with the bankruptcy case; (3) whether the non-bankruptcy forum has the expertise to hear such cases; (4) whether litigation in another forum would prejudice the interests of other creditors; and (5) the interest of judicial economy and the expeditious and economical determination of litigation for the parties. In re Curtis, 40 B.R. 795, 799-800 (Bankr. D. Utah 1984).

Here, Movants do not seek to enforce any judgment against Debtor or property of the estate, so permitting Movants to pursue a judgment in state court will not prejudice the interests of other creditors. The state court has expertise in California employment law. Movants are seeking only to liquidate their claim, and there will be minimal interference with the bankruptcy case. Decl. of Cody A. Bolce, Doc. #52. Finally, the interests of judicial economy favor granting relief from the automatic stay so that Movants can continue with the discovery process and prevent further delay in litigation. Memo P&A, Doc. #54. For these reasons, the court finds that cause exists to lift the stay.

6.  $\frac{25-12137}{SKI-1}$ -A-7 IN RE: JOHNNY ROBISON

MOTION FOR RELIEF FROM AUTOMATIC STAY 7-8-2025 [12]

AMERICREDIT FINANCIAL SERVICES, INC./MV R. BELL/ATTY. FOR DBT. SHERYL ITH/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.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of 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 abovementioned 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 a movant make a *prima facie* showing that they are entitled to the relief sought, which the movant has done here.

The movant, AmeriCredit Financial Services, Inc. dba GM Financial ("Movant"), seeks relief from the automatic stay under 11 U.S.C. § 362(d)(1) and (d)(2) with respect to a 2020 Chevrolet Equinox, VIN: 2GNAXHEV0L6192560 ("Vehicle"). Doc. #12.

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 any 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 the debtor has failed to make at least four complete prepetition payments. Movant has produced evidence that the debtor is delinquent by at least \$2,224.28 plus late fees of \$83.40. Decl. of Phillip Ford, Doc. #15. According to the debtor's Statement of Intention, the Vehicle will be surrendered. Doc. #1.

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 the debtor is in chapter 7. <u>Id.</u> The Vehicle is valued at \$17,950.00 and the debtor owes \$19,785.24. Ford Decl., Doc. #15; Decl. of John Eng, Doc. #17.

Accordingly, the motion will be granted pursuant to 11 U.S.C. § 362(d)(1) and (d)(2) to permit 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.

The 14-day stay of Fed. R. Bankr. P. 4001(a)(3) will be ordered waived because the debtor has failed to make at least four pre-petition payments to Movant and the Vehicle is a depreciating asset.

#### 7. $\frac{24-12145}{\text{JES}-2}$ -A-7 IN RE: ERIK LUNA

MOTION FOR COMPENSATION FOR JAMES E. SALVEN, ACCOUNTANT(S)  $7-3-2025 \quad [39]$ 

LAYNE HAYDEN/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.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of 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 Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires a moving party make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

James E. Salven ("Movant"), certified public accountant for chapter 7 trustee Peter L. Fear ("Trustee"), requests allowance of final compensation and reimbursement for expenses for services rendered from June 24, 2025 through July 3, 2025. Doc. #39. Movant provided accounting services valued at \$1,064.00, and requests compensation for that amount. Doc. #39. Movant requests reimbursement for expenses in the amount of \$154.66. Doc. #39. This is Movant's first and final fee application. Trustee has no objection to the fees and expenses requested. Doc. #43.

Section 330(a)(1) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services rendered" and "reimbursement for actual, necessary expenses" to a "professional person." 11 U.S.C. § 330(a)(1). 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, taking into account all relevant factors. 11 U.S.C. § 330(a)(3).

Movant's services included, without limitation: (1) preparing, serving and filing employment application; (2) conducting conflict review; (3) inputting various tax return data to tax system; (4) preparing and prompting determination letters; and (5) preparing, filing and serving fee application. Decl. of James E. Salven, Doc. #41; Ex. A, Doc. #42. The court finds the compensation and reimbursement for expenses sought are reasonable, actual, and necessary.

This motion is GRANTED on a final basis. The court allows final compensation in the amount of \$1,064.00 and reimbursement for expenses in the amount of \$154.66. Trustee is authorized to make a combined payment of \$1,218.66, representing compensation and reimbursement for expenses, to Movant. Trustee is authorized to pay the amount allowed by this order from available funds only if the estate is administratively solvent and such payment is consistent with the priorities of the Bankruptcy Code.

## 8. $\frac{24-11258}{\text{JRL}-4}$ -A-7 IN RE: ORA HOWARD

MOTION TO AVOID LIEN OF WINDSOR NORTH OWNERS ASSOCIATION, LLC 6-26-2025 [ $\frac{43}{3}$ ]

ORA HOWARD/MV JERRY LOWE/ATTY. FOR DBT.

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

DISPOSITION: Denied without prejudice.

ORDER: The court will issue an order.

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This matter is DENIED WITHOUT PREJUDICE for improper notice.

Federal Rule of Bankruptcy Procedure ("Rule") 9014(b) requires a motion to avoid a lien under 11 U.S.C. § 522(f) be served "in the manner provided for service of a summons and complaint by Rule 7004." Service of the motion on Windsor North Owners Association, LLC ("Creditor") does not satisfy Rule 7004.

Rule 7004(b)(3) provides that service upon an unincorporated association be mailed "to the attention of an officer, managing or general agent, or to any other agent authorized by appointment or law to receive service of process[.]" Fed. R. Bankr. P. 7004(b)(3). The certificate of service filed in connection with this motion shows that the motion and related pleadings were served on Creditor's authorized agent, but not in the name of Creditor. See Doc. #47. Thus, service on Creditor is not proper.

As a further procedural matter, according to Debtor's Schedule D, the Property is encumbered by a judicial lien in favor of State of California - EDD in the amount of \$8,507.00. Schedule D, Doc. #1. When determining whether a judicial lien is subject to avoidance under 11 U.S.C. § 522(f)(1), 11 U.S.C. § 522(f)(2)(A)(ii) requires the court to consider all other liens on the property, which the motion does not do. Doc. #43. Because neither Schedule D nor the motion include the necessary information for the court to determine whether the judicial lien in favor of State of California - EDD should be included in the avoidance analysis for Creditor's lien, the court is unable to make the proper calculation to rule on this motion.

As a further procedural matter, the motion and supporting declaration assert that Debtor's property is encumbered by a Deed of Trust recorded by First NLC Financial Services, LLC on July 24, 2007. Decl. of Ora Mae Howard, Doc. #45. However, there is no information provided in the motion as to the amount of this loan, which the court is required to consider to make the necessary calculations to rule on the motion.

The court encourages counsel to review the Federal Rules of Bankruptcy Procedure and the local rules to ensure compliance in future matters or those matters may be denied without prejudice for failure to comply with the applicable rules. The local rules can be accessed on the court's website at <a href="https://www.caeb.uscourts.gov/LocalRulesAndGeneralOrders">https://www.caeb.uscourts.gov/LocalRulesAndGeneralOrders</a>.

## 9. $\frac{17-13776}{\text{JES}-2}$ -A-7 IN RE: JESSICA GREER

MOTION FOR COMPENSATION FOR JAMES E. SALVEN, CHAPTER 7 TRUSTEE(S)  $6-28-2025 \quad [\frac{141}{2}]$ 

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

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted in part, expenses reduced to \$129.05.

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.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The

failure of 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 non-responding parties in interest are entered. Constitutional due process requires a moving party make a prima facie showing that they are entitled to the relief sought, and the court needs clarification before it can grant this motion.

James E. Salven ("Trustee"), the chapter 7 trustee, requests allowance of final compensation and reimbursement for expenses for services rendered as trustee in this case. Doc. #141. Movant provided trustee services valued at \$11,228.36, and requests compensation for that amount. Doc. #141. Movant also requests reimbursement for expenses in the amount of \$130.05. Id.

Section 330(a)(1) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services rendered" and "reimbursement for actual, necessary expenses" to a chapter 7 trustee. 11 U.S.C.  $\S$  330(a)(1). In determining the amount of reasonable compensation to be awarded a chapter 7 trustee, the court shall treat such compensation as a commission, based on  $\S$  326 of the Bankruptcy Code. 11 U.S.C.  $\S$  330(a)(7).

Since being appointed to this case on October 2, 2017, Trustee administered the estate, employed counsel and accountants, disposed of estate property, reviewed and reconciled financial records, and prepared final filings. Exs. A, B & C, Doc. #144. Trustee demonstrates reasonable compensation in accordance with the statutory framework of  $\S$  326. Ex. A, Doc. #144.

However, the exhibits filed in support of the motion show Movant incurred expenses in the amount of \$129.05, not \$130.05. Exs. B & C, Doc. #144. The court is inclined to award only \$129.05 for reimbursement of actual and necessary expenses unless Movant can explain at the hearing why reimbursement for expenses should be awarded in the amount of \$130.05.

Accordingly, the court is inclined to GRANT this motion on a final basis with an adjustment to the amount awarded for expenses. The court allows final statutory compensation in the amount of \$11,228.36 and reimbursement for expenses in the amount of \$129.05. Trustee is authorized to make a combined payment of \$11,357.41, representing compensation and reimbursement for expenses, to Movant. Trustee is authorized to pay the amount allowed by this order from available funds only if the estate is administratively solvent and such payment is consistent with the priorities of the Bankruptcy Code.

## 10. $\frac{17-13776}{RTW-2}$ -A-7 IN RE: JESSICA GREER

MOTION FOR COMPENSATION FOR RATZLAFF TAMBERI & GILL, LLP, ACCOUNTANT(S) 6-27-2025 [135]

RATZLAFF TAMBERI & GILL, LLP/MV PETER FEAR/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.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of 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 abovementioned 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 a moving party make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

Ratzlaff, Tamberi & Gill, LLP ("Movant"), certified public accountant for chapter 7 trustee James E. Salven¹ ("Trustee"), requests allowance of final compensation and reimbursement for expenses for services rendered from March 27, 2025 through June 23, 2025. Doc. #135; Ex. A, Doc. #139. Movant provided accounting services valued at \$2,310.00 and requests compensation for that amount. Ex. A, Doc. #139. Movant also requests reimbursement for expenses in the amount of \$21.24. Id. This is Movant's first and final fee application. Trustee has no objection to the fees and expenses requested. Doc. #138.

Section 330(a)(1) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services rendered" and "reimbursement for actual, necessary expenses" to a "professional person." 11 U.S.C. § 330(a)(1). 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, taking into account all relevant factors. 11 U.S.C. § 330(a)(3).

Movant's services included, without limitation: (1) reviewing information regarding tax matters of the debtor; (2) corresponding with Trustee; (3) preparing and finalizing tax returns; and (4) preparing, filing and serving fee application. Decl. of Christopher A. Ratzlaff, Doc. #137; Ex. A, Doc. #139. The court finds the compensation and reimbursement sought are reasonable, actual, and necessary.

This motion is GRANTED on a final basis. The court allows final compensation in the amount of \$2,310.00 and reimbursement for expenses in the amount of \$21.24. Trustee is authorized to make a combined payment of \$2,331.24, representing compensation and reimbursement, to Movant. Trustee is authorized to pay the amount allowed by this order from available funds only if the estate is administratively solvent and such payment is consistent with the priorities of the Bankruptcy Code.

<sup>&</sup>lt;sup>1</sup> The motion states that Movant is "engaged by Jeffrey Vetter, Trustee," in this bankruptcy case. However, based on the court's record and the statement of Trustee filed with this motion, the chapter 7 trustee in this case is James E. Salven. Doc. ##135, 138. The court assumes the motion mistakenly refers to Jeffrey Vetter and was intended to refer to James E. Salven.

#### 11. $\frac{21-12182}{DMG-2}$ -A-7 **IN RE: JERRY DAVID**

MOTION TO AVOID LIEN OF CAPITAL ONE BANK, (USA), N.A. 7-22-2025 [35]

JERRY DAVID/MV
D. GARDNER/ATTY. FOR DBT.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Denied.

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

and conclusions. The court will issue an order after the

hearing.

This motion was filed and served on at least 14 days' notice prior to the hearing date 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 deny 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.

As a procedural matter, the caption of the motion states that the motion is a motion to avoid judicial lien of Real Property Management Central Valley. Doc. #35. However, the contents of the motion, including the prayer for relief, requests the court avoid the judicial lien of Capital One Bank (USA) N.A. Id. Because the notice of hearing and supporting evidence clearly states that the motion applies to the judicial lien of Real Property Management Central Valley, the court deems notice of the motion to be proper notwithstanding the fact that the motion refers to a judicial lien held by Capital One Bank (USA) N.A.

Jerry Wayne David ("Debtor"), the debtor in this chapter 7 case, moves pursuant to 11 U.S.C. § 522(f) and Federal Rules of Bankruptcy Procedure 4003(d) and 9014 to avoid the judicial lien of Real Property Management Central Valley ("Creditor") on the residential real property commonly referred to as 10329 Golf Link Road, Turlock, California 95380 (the "Property"). Doc. #35; Schedule C, Doc. #1; Schedule D, Doc. #1.

In order 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). 11 U.S.C. § 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)).

Where the movant seeks to avoid multiple liens as impairing the debtor's exemption, 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). Liens already avoided are excluded from the exemption-impairment calculation with respect to other liens. <a href="Id.">Id.</a>; 11 U.S.C.</a> 522(f)(2)(B). The court "must approach lien avoidance from the back of the line, or at least some point far enough back in line that there is no nonexempt equity in sight." <a href="All Points Cap. Corp. v. Meyer">All Points Cap. Corp. v. Meyer</a> (In re Meyer), 373 B.R. 84, 88 (B.A.P. 9th Cir. 2007). "[J]udicial liens are avoided in reverse order until

the marginal lien, i.e., the junior lien supported in part by equity, is reached." Id.

Debtor filed this bankruptcy petition on September 13, 2021. Doc. #1. A judgment was entered against Debtor in the amount of \$8,214.00 in favor of Creditor on March 6, 2019. Ex. A, Doc. #38. The abstract of judgment was recorded pre-petition in Merced County on May 2, 2019, as document number 2019012598. Ex. A, Doc. #38. However, the Property is located in Stanislaus County. Schedule A/B, Doc. #1. Because the abstract of judgment filed with the motion was not recorded in the same county in which the Property is located, that abstract of judgment did not create a judicial lien on the Property. Cal. Civ. Proc. § 697.340(a). Thus, there is no judicial lien of Creditor on the Property that impairs Debtor's exemption.

Accordingly, this motion is DENIED.

#### 12. 21-12182-A-7 **IN RE: JERRY DAVID** DMG-3

MOTION TO AVOID LIEN OF CAPITAL ONE BANK, (USA), N.A. 7-22-2025 [30]

JERRY DAVID/MV D. GARDNER/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 the hearing.

This motion was filed and served on at least 14 days' notice prior to the hearing date 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.

As a procedural matter, the caption of the motion states that the motion is a motion to avoid judicial lien of Jonathan Neil & Associates Inc. Doc. #30. However, the contents of the motion including the prayer for relief requests the motion to avoid the judicial lien of Capital One Bank (USA) N.A. Id. Because the notice of hearing and supporting evidence clearly states that the motion applies to the judicial lien of Jonathan Neil & Associates Inc., the court deems notice of the motion to be proper notwithstanding the fact that the motion refers to a judicial lien held by Capital One Bank (USA) N.A.

Jerry Wayne David ("Debtor"), the debtor in this chapter 7 case, move pursuant to 11 U.S.C. § 522(f) and Federal Rules of Bankruptcy Procedure 4003(d) and 9014 to avoid the judicial lien of Jonathan Neil & Associates, Inc. ("Creditor") on the residential real property commonly referred to as 10329 Golf Link Road, Turlock, California 95380 (the "Property"). Doc. #30; Schedule C, Doc. #1; Schedule D, Doc. #1.

In order 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). 11 U.S.C. § 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)).

Where the movant seeks to avoid multiple liens as impairing the debtor's exemption, 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). Liens already avoided are excluded from the exemption-impairment calculation with respect to other liens. Id.; 11 U.S.C. § 522(f)(2)(B). The court "must approach lien avoidance from the back of the line, or at least some point far enough back in line that there is no nonexempt equity in sight." All Points Cap. Corp. v. Meyer (In re Meyer), 373 B.R. 84, 88 (B.A.P. 9th Cir. 2007). "[J]udicial liens are avoided in reverse order until the marginal lien, i.e., the junior lien supported in part by equity, is reached." Id.

Debtor filed this bankruptcy petition on September 13, 2021. Doc. #1. A judgment was entered against Debtor in the amount of \$33,467.07 in favor of Creditor on March 3, 2020. Ex. A, Doc. #33. The abstract of judgment was recorded pre-petition in Stanislaus County on March 26, 2020, as document number 2020-0021993-00. Ex. A, Doc. #33. The lien attached to Debtors' interest in the Property located in Stanislaus County. Id. Debtor asserts a market value for the Property as of the petition date at \$490,000.00. Schedule A/B, Doc. #1. The Property also is encumbered by a mortgage in favor of Envoy Mortgage in the amount \$235,000.00. Schedule D, Doc. #1. Debtor claimed an exemption of \$472,646.34 in the Property under California Code of Civil Procedure § 704.730. Schedule C, Doc. #1.

While Debtor is under the impression that there is a senior judicial lien with respect to a lien held by Real Property Management Central Valley entered on March 6, 2019 for \$8,214.00, as explained in the ruling on calendar matter #11, because that abstract of judgment was not recorded in the county in which the Property was located, that abstract of judgment did not create a judicial lien on the Property. See calendar matter #11 above. Thus, the court will not consider that lien in its calculations regarding this motion. Debtor has also set for hearing a motion to avoid a junior judicial lien on the Property that is being denied (see calendar matter #13 below).

Applying the statutory formula:

Amount of Creditor's judicial lien		\$33,467.07
Total amount of all other liens on the Property (excluding	+	\$235,000.00
junior judicial liens)		
Amount of Debtors' claim of exemption in the Property	+	\$472,646.34
		\$741,113.41
Value of Debtors' interest in the Property absent liens	_	\$490,000.00
Amount Creditor's lien impairs Debtors' exemption		\$251,113.41

After application of the arithmetical formula required by § 522(f)(2)(A), the court finds there is insufficient equity to support Creditor's judicial lien. Therefore, the fixing of this 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  $11 \text{ U.S.C.} \S 522(f)(1)$ . Accordingly, this motion is GRANTED. The proposed order

shall state that Creditor's judicial lien is avoided on the subject Property only and include a copy of the abstract of judgment as an exhibit.

# 13. $\frac{21-12182}{DMG-4}$ -A-7 IN RE: JERRY DAVID

MOTION TO AVOID LIEN OF CAPITAL ONE BANK, (USA), N.A. 7-22-2025 [25]

JERRY DAVID/MV
D. GARDNER/ATTY. FOR DBT.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Denied.

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

and conclusions. The court will issue an order after the

hearing.

This motion was filed and served on at least 14 days' notice prior to the hearing date 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 deny 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.

As a procedural matter, the certificate of service showing that the motion and supporting documents were served on all parties in interest (Doc. #29) does not comply with Local Rule of Practice 9004-1(c), which requires that all certifications shall be signed by the person offering the evidentiary material contained in the document. Here, the name of the person signing the certificate of service was typed on the Certificate of Service Form, but the Certificate of Service Form is not signed. Because a signed certificate of service was not filed, this court cannot confirm that notice of the motion was proper.

As a further procedural matter, the caption of the motion states that the motion is motion to avoid judicial lien of Baker Distributing Company LLC. Doc. #25. However, the contents of the motion including the prayer for relief requests the motion to avoid the judicial lien of Capital One Bank (USA) N.A. <a href="Id">Id</a>. Because the notice of hearing and supporting evidence clearly states that the motion applies to the judicial lien of Baker Distributing Company LLC, the court deems the motion was intended to avoid the judicial lien of Baker Distributing Company LLC notwithstanding the fact that the motion refers to a judicial lien held by Capital One Bank (USA) N.A.

Even if notice was proper, the court would deny the motion based on the merits. Jerry Wayne David ("Debtor"), the debtor in this chapter 7 case, moves pursuant to 11 U.S.C. § 522(f) and Federal Rules of Bankruptcy Procedure 4003(d) and 9014 to avoid the judicial lien of Baker Distributing Company, LLC ("Creditor") on the residential real property commonly referred to as 10329 Golf Link Road, Turlock, California 95380 (the "Property"). Doc. #25; Schedule C, Doc. #1; Schedule D, Doc. #1.

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

Where the movant seeks to avoid multiple liens as impairing the debtor's exemption, 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). Liens already avoided are excluded from the exemption-impairment calculation with respect to other liens. Id.; 11 U.S.C. § 522(f)(2)(B). The court "must approach lien avoidance from the back of the line, or at least some point far enough back in line that there is no nonexempt equity in sight." All Points Cap. Corp. v. Meyer (In re Meyer), 373 B.R. 84, 88 (B.A.P. 9th Cir. 2007). "[J]udicial liens are avoided in reverse order until the marginal lien, i.e., the junior lien supported in part by equity, is reached." Id.

Debtor filed this bankruptcy petition on September 13, 2021. Doc. #1. A judgment was entered against Debtor in the amount of \$15,753.98 in favor of Creditor on February 28, 2020. Ex. A, Doc. #28. The abstract of judgment was recorded pre-petition in Merced County on February 25, 2021, as document number 2021008743. Ex. A, Doc. #28. However, the Property is located in Stanislaus County. Schedule A/B, Doc. #1. Because the abstract of judgment filed with the motion was not recorded in the same county in which the Property is located, that abstract of judgment did not create a judicial lien on the Property. Cal. Civ. Proc. § 697.340(a). Thus, there is no judicial lien of Creditor on the Property that impairs Debtor's exemption.

Accordingly, this motion is DENIED.

#### 14. $\frac{24-12084}{LNH-2}$ -A-7 IN RE: JANETTE MAPANAO

MOTION TO SELL AND/OR MOTION TO PAY 7-14-2025 [45]

JEFFREY VETTER/MV STEPHEN LABIAK/ATTY. FOR DBT. LISA HOLDER/ATTY. FOR MV.

TENTATIVE RULING: This matter will proceed as scheduled for higher and

better offers.

DISPOSITION: Granted if the lienholder consents to the sale.

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.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of 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 non-responding parties in interest are entered. This matter will proceed as scheduled for higher and better offers.

As a procedural matter, the chapter trustee asserts that Discovery Bay Marina ("Marina") holds a lien on the houseboat to be sold pursuant to this motion. However, it does not appear that Marina received notice of this motion, and there is no indication in the moving papers whether Marina affirmatively consents to the sale of the Property, although it appears that Marina's lien will be paid from the sale proceeds. Doc. ##45, 49, 51. The court will consider granting the motion if either Marina acknowledges receiving timely notice of the motion or affirmatively consents to the proposed sale either at the hearing or by signing off on the proposed order approving the sale.

Jeffrey M. Vetter ("Trustee"), the chapter 7 trustee of the bankruptcy estate of Janette Dulay Mapanao ("Debtor"), moves the court pursuant to 11 U.S.C. § 363 for an order authorizing the sale of a 26' Minimo Houseboat, Vessel Hull Number ESMBSM8006D221, located at Discovery Bay Marina, California (the "Property") to Richard Sellers of Cruise Haven Mgmt., Inc. ("Buyer") for the purchase price of \$25,000.00, subject to higher and better bids at the hearing. Doc. #45. The Property is co-owned by Debtor and Jonathan Bareng. Id. Mr. Bareng consents to the sale of the Property to Buyer. Decl. of Jonathan Bareng, Doc. #47. Trustee states that any liens or encumbrances attaching to the Property will be paid at close out of escrow as well as Mr. Bareng's net 50% interest in the Property. Doc. #45; Decl. of Jeffrey M. Vetter, Doc. #49. Trustee also seeks authorization to pay a commission for the sale to Simpson Yachts ("Broker") as boat broker for the estate. Doc. #45.

#### Selling Property of Estate under 11 U.S.C. § 363(b)(1) Permitted

Pursuant to 11 U.S.C. § 363(b)(1), the trustee, after notice and a hearing, may "use, sell, or lease, other than in the ordinary course of business, property of the estate." Proposed sales under § 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, Ltd. v. Colony GFP Partners, L.P. (In re 240 N. Brand Partners, Ltd.), 200 B.R. 653, 659 (B.A.P. 9th Cir. 1996)). "In the context of sales of estate property under § 363, a bankruptcy court 'should determine only whether the trustee's judgment [is] reasonable and whether a sound business justification exists supporting the sale and its terms.'" Alaska Fishing Adventure, 594 B.R. at 889 (quoting 3 COLLIER ON BANKRUPTCY ¶ 363.02[4] (Richard Levin & Henry J. Sommer eds., 16th ed.)). "[T]he trustee's business judgment is to be given great judicial deference." Id. at 889-90 (quoting In re Psychometric Sys., Inc., 367 B.R. 670, 674 (Bankr. D. Colo. 2007)).

Trustee believes that approval of the sale on the terms set forth in the motion is in the best interests of creditors and the estate. Vetter Decl., Doc. #49. After researching and consulting Broker, Trustee believes the Property is valued at \$25,000.00. Id. The offer is significantly lower than the value of the Property listed in Debtor's schedules due to the poor condition of the Property and market interest. Id.; Decl. of Chris Simpson, Doc. #48. Buyer tendered an offer of \$25,000.00, which Trustee has accepted conditioned upon the court's approval and better and higher offers at the hearing. Vetter Decl., Doc. #49. Mr. Bareng is co-owner of the Property and has consented to the sale. Id.; Bareng Decl., Doc. #47. The Property was sold by Marina at a post-petition lien sale. Vetter Decl., Doc. #49. Because the sale was post-petition, Marina restored ownership of the Property to Trustee to sell the Property. Id. Marina has an encumbrance on the Property in the amount of \$2,834.00, which will be paid with the sale proceeds. Id.; Ex. C, Doc. #50. Trustee also expects to pay a \$6,000.00 commission to Broker. Vetter Decl., Doc. #49. Trustee estimates a benefit to the estate of \$5,693.00 from the sale of the Property to Buyer. Id.

The Property will be sold at a price greater than the aggregate value of all liens on the Property and it appears that the sale of the estate's interest in the Property is in the best interests of the estate, the Property will be sold for a fair and reasonable price, and the sale is supported by a valid business judgment and proposed in good faith.

Accordingly, subject to Marina consenting to the sale and subject to overbid offers made at the hearing, the court will GRANT Trustee's motion and authorize the sale of the Property pursuant to 11 U.S.C. § 363(b)(1). The motion does not specifically request, nor will the court authorize, the sale free and clear of any liens or interests. According to Trustee, the encumbrance of Marina will be paid from the sale proceeds. Vetter Decl., Doc. #49.

#### Compensation to Broker

Trustee also seeks authorization to pay Broker a commission for the sale of the Property. This court has determined that employment of Broker is in the best interests of the estate and has previously authorized a percentage commission payment structure pursuant to 11 U.S.C. § 328. Order, Doc. #37.

Trustee seeks to pay Broker a 10% commission on the sale of the Property as the broker for the sale. Decl. of Trustee, Doc. #49. Trustee estimates that Broker's commission for the sale of the Property will equal \$6,000.00. Id. The court finds the compensation sought is reasonable, actual, and necessary.

#### Conclusion

Accordingly, subject to overbid offers made at the hearing and Trustee adequately supplementing the record at the hearing, the court will GRANT Trustee's motion and authorize the sale of the Property to Buyer pursuant to 11 U.S.C. § 363(b)(1). Trustee is authorized to pay Broker for services as set forth in the motion.

15.  $\frac{25-11588}{\text{SLL}-1}$ -A-7 IN RE: AARON FISHER

MOTION TO COMPEL ABANDONMENT 7-14-2025 [17]

AARON FISHER/MV STEPHEN LABIAK/ATTY. FOR DBT.

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

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in conformance

with the ruling below.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of creditors, the 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 amount of damages). Televideo Systems, Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires a movant make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

Aaron Michael Fisher ("Debtor"), the chapter 7 debtor in this case, moves the court to compel the chapter 7 trustee to abandon the estate's interest in real property located at 4629 West Prescot Court, Visalia, California 93291 (the "Property"). Doc. #17. Debtor asserts that there is no non-exempt equity in the Property and the Property therefore has no value to the bankruptcy estate. Doc. #17; Decl. of Aaron Michaels Fisher, Doc. #19. No opposition has been filed in response to this motion.

11 U.S.C. § 554(b) permits the court, on request of a party in interest and after notice and a hearing, to order the trustee to abandon property that is burdensome to the estate or of inconsequential value and benefit to the estate. Vu v. Kendall (In re Vu), 245 B.R. 644, 647 (B.A.P. 9th Cir. 2000). To grant a motion to abandon property, the bankruptcy court must find either that the property is (1) burdensome to the estate or (2) of inconsequential value and inconsequential benefit to the estate.  $\underline{\text{Id.}}$  (citing  $\underline{\text{Morgan v. K.C. Mach. \& Tool}}$  Co. (In re K.C. Mach. &  $\underline{\text{Tool Co.}}$ ), 816 F.2d 238, 245 (6th Cir. 1987)). However, "an order compelling abandonment [under § 554(b)] 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."  $\underline{\text{Id.}}$  (quoting K.C. Mach. & Tool Co., 816 F.2d at 246).

Here, Debtor does not allege that the Property is burdensome to the estate. Motion, Doc. #17. Therefore, Debtor must establish that the Property is of inconsequential value and benefit to the estate. 11 U.S.C. § 554(b); Vu, 245 B.R. at 647. Debtor's Property is valued at \$514,000.00 and is encumbered by a mortgage totaling \$378,080.00. Am. Schedule A/B, Doc. #15; Schedule D, Doc. #1; Fisher Decl., Doc. #19. Under California Civil Procedure Code § 704.730, Debtor claimed a \$135,920.00 exemption in the Property. Am. Schedule C, Doc. #15; Fisher Decl., Doc. #19. The court finds that Debtor has met his burden of establishing by a preponderance of the evidence that the Property is of inconsequential value and benefit to the estate.

Accordingly, this motion is GRANTED. The order shall specifically identify the property abandoned.

#### 16. $\frac{25-11570}{\text{WJH}-1}$ -A-7 IN RE: SCOTTY PEREIRA

MOTION FOR RELIEF FROM AUTOMATIC STAY 7-30-2025 [50]

EUGENE OPINSKI/MV DAVID JOHNSTON/ATTY. FOR DBT. IAN QUINN/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.

This motion was filed and served on at least 14 days' notice prior to the hearing date 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.

The movants, OP Development, Inc. and Eugene Opinski ("Movants"), seek relief from the automatic stay under 11 U.S.C. § 362(d)(1) to permit Movants to reduce a prejudgment writ of attachment to judgment in litigation pending in Merced County Superior Court as OP Development, Inc. et al. v. Scotty Pereira, Case No. 18-CV-02285 ("State Court Action"), so Movants can perfect their lien before the underlying lien is extinguished in this chapter 7 case of Scotty Silva Pereira ("Debtor"). Doc. #50.

Movants collectively loaned \$309,900.00 to Debtor to allow Debtor to purchase the real property referred to as 4018 Boulder Creek Court, Merced, California 95248 (the "Property"). Decl. of Eugene Opinski ("E. Opinski Decl."), Doc. #52; Decl. of Gregory Opinski ("G. Opinski Decl."), Doc. #56. Both loans were evidenced by executed promissory notes and were to be secured by deeds of trust to the Property that were never recorded. E. Opinski Decl., Doc. #52; G. Opinski Decl., Doc. #56; Ex. A, Doc. #53. Debtor failed to make a payment on either loan. E. Opinski Decl., Doc. #52; G. Opinski Decl., Doc. #56. Movants sent a notice of default and demanded payment in full by June 7, 2018. Id. Debtor failed to make the loan payment in full, and Movants subsequently recorded a notice of default on June 14, 2018, in Merced County. Id.

On June 8, 2018, Movants sued Debtor to enforce Movants' rights under the promissory notes and commenced the State Court Action. E. Opinski Decl., Doc. #52; G. Opinski Decl., Doc. #56; Ex. B, Doc. #53. On August 23, 2019, Movants obtained a prejudgment writ of attachment against Debtor in the amount of \$331,862.80, which was recorded on October 17, 2019. E. Opinski Decl., Doc. #52; G. Opinski Decl., Doc. #56. The state court, through several court orders that have been recorded, has extended the writ of attachment through August 23, 2025. Id.

Trial in the State Court Action was set for June 18, 2024. E. Opinski Decl., Doc. #52; G. Opinski Decl., Doc. #56. On April 17, 2024, Debtor filed a chapter 7 petition, which was later dismissed. Case No. 24-10971, Doc. ##1, 23. After dismissal, Movants filed a request for trial setting conference which was

scheduled for May 14, 2025. E. Opinski Decl., Doc. #52; G. Opinski Decl., Doc. #56. On the day of the trial setting conference, Debtor filed a second chapter 7 petition. Doc. #1. The state court judge stayed the State Court Action and did not set a trial date. E. Opinski Decl., Doc. #52; G. Opinski Decl., Doc. #56.

11 U.S.C. § 362(d)(1) allows the court to grant relief from the stay for cause. "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). When a movant seeks relief from the automatic stay to continue non-bankruptcy court proceedings, a bankruptcy court may consider the " $\underline{\text{Curtis}}$  factors" in making its decision. Kronemyer v. Am. Contrs. Indem. Co. (In re Kronemyer), 405 B.R. 915, 921 (B.A.P. 9th Cir. 2009). "[T]he Curtis factors are appropriate, nonexclusive, factors to consider in decifing whether to grant relief from the automatic stay" to allow litigation in another forum.  $\underline{\text{Id.}}$  The relevant  $\underline{\text{Curtis}}$  factors include: (1) whether the relief will result in a partial or complete resolution of the issues; (2) the lack of any connection with or interference with the bankruptcy case; (3) whether the non-bankruptcy forum has the expertise to hear such cases; (4) whether litigation in another forum would prejudice the interests of other creditors; (5) the interest of judicial economy and the expeditious and economical determination of litigation for the parties; (6) whether the litigation in the other forum has progressed to the point where the parties are prepared for trial; and (7) the impact of the automatic stay and the "balance of hurt." In re Curtis, 40 B.R. 795, 799-800 (Bankr. D. Utah 1984). Here, the Curtis factors support finding cause to grant relief from stay as requested in the motion.

Granting relief from stay to permit the state court to reduce a prejudgment writ of attachment to a judgment will allow Movants to perfect their lien against the Property. It is in the interests of judicial economy and more expeditious and economical to lift the automatic stay to permit the state court to reduce a prejudgment writ of attachment to a judgment because public policy favors permitting Movants to seek a judgment in state court. Because this suit has been pending since 2018 and is ready to proceed to trial, lifting the automatic stay would benefit all parties by permitting the state court to proceed to a judgment.

Accordingly, the court finds that cause exists to lift the stay, and this motion will be GRANTED pursuant to 11 U.S.C. § 362(d)(1) to permit Movants to take the necessary actions to reduce a prejudgment writ of attachment to a judgment in the State Court Action. No other relief is awarded.