

UNITED STATES BANKRUPTCY COURT

Eastern District of California

Honorable Christopher M. Klein Bankruptcy Judge Sacramento, California

August 26, 2025 at 1:30 p.m.

Unless otherwise ordered, all matters before the Honorable Christopher M. Klein shall be simultaneously: (1) In Person, at Sacramento Courtroom #35, (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 https://www.caeb.uscourts.gov/Calendar/CourtAppearances. 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 medica 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.

UNITED STATES BANKRUPTCY COURT

Eastern District of California

Honorable Christopher M. Klein Bankruptcy Judge Sacramento, California

August 26, 2025 at 1:30 p.m.

1. <u>25-20414</u>-C-13 JUDY NGUYEN CDL-1 Colby LaVelle

CONTINUED MOTION TO CONFIRM PLAN 7-7-25 [29]

Tentative Ruling:

The Motion has been set on Local Rule 9014-1(f)(1) procedure which requires 35 days' notice. The Proof of Service shows that 35 days' notice was provided. Dkt. 39.

The Motion to Confirm is granted.

The debtor filed this Motion seeking to confirm the Chapter 13 Plan (Dkt. 32) filed on July 7, 2025.

The Chapter 13 Trustee filed a notice of withdrawal of opposition on August 18, 2025. Dkt. 48.

DISCUSSION

Upon review of the record, there being no further opposition, the court finds the plan does not comply with 11 U.S.C. $\S\S$ 1322 and 1325(a). The Motion is denied, and the plan is not confirmed.

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

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

The Motion to Confirm filed by the debtor, Judy Nga Nguyen, having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the Motion is granted, the debtor's Chapter 13 Plan (Dkt. 32) meets the requirements of 11 U.S.C. §§ 1322 and 1325(a), and the plan is confirmed. Debtor's counsel shall prepare an appropriate order confirming the Chapter 13 Plan, transmit the proposed order to the Chapter 13 Trustee for approval as to form, and if so approved, the trustee will submit the proposed order to the court.

2. <u>25-20024</u>-C-13 RHOEL COLOMA AND MAUREEN FLORES-COLOMA Candace Brooks

MOTION FOR CONSENT TO ENTER INTO LOAN MODIFICATION AGREEMENT 8-5-25 [67]

Tentative Ruling:

The Motion has been set on Local Rule 9014-1(f)(2) notice which requires 14 days' notice. The Proof of Service shows that 20 days' notice was provided. Dkt. 71.

The Motion to Incur Debt is granted.

Debtors filed this Motion seeking authority to enter into a loan modification agreement.

The proposed financing is in the principal amount of \$328,843.02, paid at 6.00% interest over a 15 year term. Monthly payments are proposed to be \$2,774.96.

The court finds that the proposed credit, based on the unique facts and circumstances of this case, is reasonable. There being no opposition from any party in interest and the terms being reasonable, the Motion is granted.

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

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

The Motion to Incur Debt filed by debtors, Rhoel O. Coloma and Maureen Eliza Flores-Coloma, having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the Motion is granted. The debtor's counsel shall prepare an appropriate order granting the Motion, transmit the proposed order to the Chapter 13 Trustee for approval as to form, and if so approved submit the proposed order to the court.

3.

Final Ruling: No appearance at the August 26, 2025 hearing is required.

The Motion has been set on Local Rule 9014-1(f)(1) procedure which requires 35 days' notice. The Proof of Service shows that 48 days' notice was provided. Dkt. 30.

No opposition has been filed. Therefore, the court enters the defaults of the non-responding parties in interest, finds there are no disputed material factual issues, and determines the matter will be resolved without oral argument. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995); *Law Offices of David A. Boone v. Derham-Burk (In re Eliapo)*, 468 F.3d 592, 602 (9th Cir. 2006).

The Motion to Confirm is granted.

The debtor filed this Motion seeking to confirm the Amended Chapter 13 Plan (Dkt. 29) filed on July 9, 2025.

No opposition to the Motion has been filed.

Upon review of the record, the court finds the plan complies with 11 U.S.C. $\S\S$ 1322 and 1325(a). The Motion is granted, and the plan is confirmed.

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

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

The Motion to Confirm filed by the debtor, John Pereira, III, having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the Motion is granted, the debtor's Amended Chapter 13 Plan (Dkt. 29) meets the requirements of 11 U.S.C. §§ 1322 and 1325(a), and the plan is confirmed. The Chapter 13 Trustee shall prepare an appropriate order confirming the Chapter 13 plan and submit the proposed order to the court.

4. <u>24-25578</u>-C-13 WANDA COOPER WW<u>-5</u> Mark Wolff

MOTION FOR CLARIFICATION OF ORDER DISGORGING FEES 7-23-25 [70]

No Tentative Ruling:

The Motion has been set on Local Rule 9014-1(f)(1) notice which requires 28 days' notice. The Proof of Service shows that 34 days' notice was provided. Dkt. 72.

The Motion to Disgorge fees is xxxxx.

Debtor, Wanda Cooper, seeks an order clarifying the court's order disgorging fees (Dkt. 63) that was entered on June 11, 2025 because the order does not address whether the \$1,505.00 paid to debtor's former attorney should be returned. Debtor contends there was an oversight or ommission pursuant to Rule 60(a) and 60(b).

OPPOSITION

Timothy Walsh, debtor's former attorney, filed an opposition to the motion on August 7, 2025. Dkt. 73. The opposition contends that the court did not make a mistake in its order.

DISCUSSION

Pursuant to \$ 329(b), the Court may cancel an agreement for representation in a case under Title 11 between a debtor and attorney that was entered into one year before the filing of a case and order the return of any payment made under that agreement that exceeds the reasonable value of the services provided. 11 U.S.C. \$ 329(b).

At the hearing xxxxxxxxxx

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

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

The Motion to Disgorge Fees filed by Wanda Cooper having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the Motion is xxxxxxxxxx

OBJECTION TO CONFIRMATION OF PLAN BY LILIAN G. TSANG 8-4-25 [29]

Tentative Ruling:

The Objection has been set on Local Rule 9014-1(f)(2) notice which requires 14 days' notice. The Proof of Service shows that 22 days' notice was provided. Dkt. 33.

The Objection to Confirmation of Plan is sustained.

The Chapter 13 Trustee, Lilian Tsang ("Trustee"), opposes confirmation of the Chapter 13 plan on the basis that:

- 1. Debtor fails to disclose high value assets in schedules;
- 2. Petition was filed in bad faith;
- 3. Meeting of Creditors has not concluded;
- 4. Debtor has failed to provide complete income tax returns;
- 5. Debtor has failed to provide required business documents;
- 6. Debtor has failed to provide bank account statements; and
- 7 Debtor did not submit a Domestic Support Obligation Checklist.

DEBTOR'S OPPOSITION

The debtor filed an response on August 12, 2025. Dkt. 41. Debtor concedes the plan is not confirmable.

DISCUSSION

Debtor concedes the plan is not comply with 11 U.S.C. $\S\S$ 1322 and 1325(a) and is not confirmable.

That is reason to deny confirmation. Therefore, the Objection is sustained.

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

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

The Objection to the Chapter 13 Plan filed by the Chapter 13 Trustee, Lilian Tsang, having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the Objection is sustained.

. <u>25-22891</u>-C-13 KENNETH DONOHUE MFC-1 Peter Macaluso

MOTION FOR RELIEF FROM AUTOMATIC STAY 8-5-25 [34]

LAURIE DONOHUE VS.

Tentative Ruling:

The Motion has been set on Local Rule 9014-1(f)(2) procedure which requires 14 days' notice. The Proof of Service shows that 22 days' notice was provided. Dkt. 40.

The Motion for Relief from the Automatic Stay is granted.

Laurie Donohue ("Movant") filed this Motion seeking relief from the automatic stay to allow pending divorce proceeding in Place County, Case No. SDR-57868 (the "Litigation") to be concluded.

Movant argues that cause exists to allow the Family Law Court to enter a final judgment and thus resolve Movant's claim and allow Movant to file a proof of claim. Declaration, Dkt. 36.

Debtor filed a response (Dkt. 42) on August 12, 2027, representing he does not oppose the Motion.

DISCUSSION

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

The court finds that the nature of the Litigation warrants relief from stay for cause.

The court shall issue an order modifying the automatic stay as it applies to Debtor to allow Movant to continue the Litigation. The automatic stay is not modified with respect to enforcement of the judgment against the debtor, the Chapter 13 Trustee, or property of the bankruptcy estate. Any judgment obtained shall be submitted to this court for the proper treatment of any claims arising under the Bankruptcy Code.

No other or additional relief is granted by the court.

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

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

The Motion for Relief from the Automatic Stay filed by Laurie Donohue ("Movant") having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the automatic stay provisions of 11 U.S.C. § 362(a) are modified as applicable to the debtor to allow Movant, its agents, representatives, and successors, and trustee under the trust deed, and any other beneficiary or trustee, and their respective agents and successors to proceed with litigation in Family Law Court in Placer County, Case No. SDR-57868.

IT IS FURTHER ORDERED that the automatic stay is not modified with respect to enforcement of any judgment the debtor, the Chapter 13 Trustee, or property of the bankruptcy estate. Any judgment obtained by Movant shall be submitted to this court for the proper treatment of any claims arising under the Bankruptcy Code.

No other or additional relief is granted.

7. <u>25-20193</u>-C-13 CATHERINE PIZARRO Peter Macaluso

CONTINUED MOTION FOR RELIEF FROM AUTOMATIC STAY AND/OR MOTION FOR RELIEF FROM CO-DEBTOR STAY 7-10-25 [49]

NATIONSTAR MORTGAGE LLC VS.

No Tentative Ruling:

The Motion has been set on Local Rule 9014-1(f)(1) procedure which requires 28 days' notice. The Proof of Service shows that 33 days' notice was provided. Dkt. 55.

The Motion for Relief from the Automatic Stay is xxxxx.

Nationstar Mortgage LLC ("Movant") filed this Motion seeking relief from the automatic stay as to property commonly known as 9470 Winding River Way, Elk Grove, CA (the "Property").

Movant argues cause for relief from stay exists pursuant to 11 U.S.C. \S 362(d)(1) because the debtor is delinquent \$11,876.73 in postpetition payments. Declaration, Dkt. 51. Movant also argues cause exists pursuant to 11 U.S.C. \S 362(d)(2) because the total debt secured by the Property exceeds the value of the Property, which is \$750,000.00.

Additionally, Movant is seeking relief from the co-debtor stay because it will be irreparably harmed from not receiving payments while the debtor and co-debtor enjoy the use and possession of the Property.

DEBTOR'S OPPOSITION

Debtor filed an Opposition on July 29, 2025. Dkt. 58. Debtor asserts that although the debtor is not current in payments to the Movant, there is equity of \$56,099.65 to protect the Movant.

DISCUSSION

At the hearing xxxxxxxxx

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

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

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

IT IS ORDERED that the automatic stay provisions of 11 U.S.C. \S 362(a) are xxxxxxxx