



UNITED STATES BANKRUPTCY COURT
Eastern District of California

Honorable Christopher M. Klein
Bankruptcy Judge
Sacramento, California

August 26, 2026 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 [Pre-Hearing Dispositions](#) prior to appearing at the hearing.
2. Parties appearing via CourtCall are encouraged to review the [CourtCall Appearance Information](#).

If you are appearing by ZoomGov phone or video, please join at least 10 minutes prior to the start of the calendar and wait with your microphone muted until the matter is called.

Unauthorized Recording is Prohibited: Any recording of a court proceeding held by video or teleconference, including "screen shots" or other audio or visual copying of a hearing is prohibited. Violation may result in sanctions, including removal of court-issued medical 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 2026 at 1:30 p.m.

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1. [22-20801](#)-C-13 WILLIE BAILEY MOTION TO WAIVE FINANCIAL
[PSB](#)-2 Pauldeep Bains MANAGEMENT COURSE REQUIREMENT,
WAIVE SECTION 1328 CERTIFICATE
REQUIREMENT, CONTINUE CASE
ADMINISTRATION, SUBSTITUTE
PARTY, AS TO DEBTOR
7-16-26 [[61](#)]

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 41 days' notice was provided. Dkt. 65.

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 Substitute is granted.

Debtor's spouse Robin Bailey filed this Motion (1) offering a suggestion of death of the debtor, Willie James Bailey; (2) seeking authority to substitute as a representative; and (3) seeking waiver of the 11 U.S.C. § 1328 certification requirement.

The movant argues the Motion should be granted because (1) the movant is knowledgeable of the debtor's financial affairs, and (2) the movant is capable of making the plan payments.

The movant filed as Exhibit A, a copy of a Certificate of Death showing the debtor passed away on June 18, 2026. Dkt. 64.

DISCUSSION

Federal Rule of Bankruptcy Procedure 1016 provides that a Chapter 13 case where the debtor dies or becomes incompetent may proceed and be concluded in the same manner, so far as possible, as though the death or incompetency had not occurred, if further administration is possible and in the best interest of the parties.

Based on the evidence provided, and no party in interest having

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proffered opposition, the court determines that further administration of this Chapter 13 case is in the best interests of all parties, and that the movant may continue to administer the case on behalf of the deceased debtor. Additionally, the court finds good cause to waive the 11 U.S.C. § 1328 certification requirement.

Therefore, 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 for Substitute After Death filed by Debtor 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, and Robin Bailey is substituted as the successor-in-interest to Willie James Bailey and is allowed to continue the administration of this Chapter 13 case pursuant to Federal Rule of Bankruptcy Procedure 1016.

IT IS FURTHER ORDERED that the 11 U.S.C. § 1328 certification requirement is waived.

2. [20-22830](#)-C-13 DAMION HRIBIK
[RAS](#)-1 Gary Fraley

MOTION FOR RELIEF FROM
AUTOMATIC STAY
7-16-26 [[81](#)]

ONITY MORTGAGE CORPORATION
VS.

Final Ruling: No appearance at the August 26, 2026 hearing is required.

The Motion has been set on Local Rule 9014-1(f)(1) procedure which requires 28 days' notice. The Proof of Service shows that 41 days' notice was provided. Dkt. 86.

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 for Relief from the Automatic Stay is granted.

Onity Mortgage Corporation fka PHH Mortgage Corporation ("Movant") filed this Motion seeking relief from the automatic stay as to the debtor's real property located at 4204 Sierra Gold Drive, Antelope, California (the "Property").

Movant argues cause for relief from stay exists pursuant to 11 U.S.C. § 362(d)(1) because the debtor is delinquent \$21,481.03 postpetition payments. Declaration, Dkt. 85.

DISCUSSION

Upon review of the record, the court finds cause for relief from stay exists pursuant to 11 U.S.C. § 362(d)(1) because the debtor is delinquent \$21,481.03 postpetition payments.

Language vacating stay

Based on the foregoing, the Motion is granted. The court shall issue an order terminating and vacating the automatic stay to allow Movant, and its agents, representatives and successors, and all other creditors having lien rights against the Property, to repossess, dispose of, or sell the asset pursuant to applicable nonbankruptcy law and their contractual rights, and for any purchaser, or successor to a purchaser, to obtain possession of the asset.

Request for Waiver of Fourteen-Day Stay of Enforcement

Federal Rule of Bankruptcy Procedure 4001(a)(3) stays an order granting a motion for relief from the automatic stay for fourteen days after the order is entered, unless the court orders otherwise. Movant requests that the court grant relief from the Rule as adopted by the United States Supreme Court.

Movant has not pleaded adequate facts and presented sufficient evidence to support the court waiving the fourteen-day stay of enforcement required under Federal Rule of Bankruptcy Procedure 4001(a)(3), and this part of the requested relief is not granted.

No other or additional relief is granted by the court.

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 Onity Mortgage Corporation ("Movant") having been presented to the court, and upon review of the pleadings, evidence, arguments of counsel, and good cause appearing,

IT IS ORDERED that the automatic stay provisions of 11 U.S.C. § 362(a) are vacated 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 under any trust deed that is recorded against the real property commonly known as 4204 Sierra Gold Drive, Antelope, California, ("Property") to secure an obligation to exercise any and all rights arising under the promissory note, trust deed, and applicable nonbankruptcy law to conduct a nonjudicial foreclosure sale and for the purchaser at any such sale to obtain possession of the Property.

IT IS FURTHER ORDERED that the fourteen-day stay of enforcement provided in Federal Rule of Bankruptcy Procedure 4001(a)(3) is not waived for cause.

No other or additional relief is granted.

Final Ruling: No appearance at the August 26, 2026 hearing is required.

The Motion has been set on Local Rule 9014-1(f)(1) notice which requires 28 days' notice. The Proof of Service shows that 35 days' notice was provided. Dkt. 34.

Upon review of the Motion and supporting pleadings, and the files in this case, the court has determined that oral argument will not be of assistance in ruling on the Motion.

The Motion to Dismiss is denied without prejudice as moot.

The Chapter 13 Trustee filed this Motion to Dismiss arguing that cause for dismissal exists because the debtor is \$56,971.93 delinquent in plan payments, which is supported by declaration. Dkt. 33. Trustee asserts that the plan requires the debtor to refinance her secured loan and make a balloon payment at the end of the 42 month plan. Month 42 was May, 2026.

Debtor filed an opposition (Dkt. 35) on July 11, 2026, asserting that debtor paid off the loan with funds she received from her adult children and she believes the plan is now complete.

The Chapter 13 Trustee filed a reply on July 17, 2026. Dkt. 39. Trustee asserts that the loan was to be paid through the plan and that the debtor did not file a modified plan. The confirmed plan is still delinquent \$56,971.93.

A review of the docket shows the debtor filed a notice of conversion, and the case was converted to Chapter 7 on August 6, 2026 Dkts. 43 & 46.

Debtor may convert a Chapter 13 case to a Chapter 7 case at any time. 11 U.S.C. § 1307(a). The right is nearly absolute, and the conversion is automatic and immediate. Fed. R. Bankr. P. 1017(f)(3); In re Bullock, 41 B.R. 637, 638 (Bankr. E.D. Penn. 1984); In re McFadden, 37 B.R. 520, 521 (Bankr. M.D. Penn. 1984). Debtor's case was converted to a proceeding under Chapter 7 by operation of law once the Notice of Conversion was filed on August 7, 2026. McFadden, 37 B.R. at 521.

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 Dismiss the Chapter 13 case filed by the Chapter 13 Trustee, David P. Cusick, 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 to Dismiss is denied without prejudice as moot.