



UNITED STATES BANKRUPTCY COURT
Eastern District of California

Honorable Christopher D. Jaime
Bankruptcy Judge
Department B, Courtroom 32
501 I Street, 6th Floor
Sacramento, California

September 2, 2025 at 1:00 p.m.

Unless otherwise ordered, all matters before the Honorable **Christopher Jaime** shall be simultaneously: (1) **In Person** at, **Sacramento Courtroom No. 32, 6th Floor** (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/RemoteAppearances>. 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 D. Jaime
Robert T. Matsui U.S. Courthouse
501 I Street, Sixth Floor
Sacramento, California

PRE-HEARING DISPOSITIONS COVER SHEET

DAY: TUESDAY

DATE: September 2, 2025

CALENDAR: 1:00 P.M. CHAPTER 13

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. 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 and no appearance is necessary. 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 seven (7) days of the final hearing on the matter.

UNITED STATES BANKRUPTCY COURT

Eastern District of California

Honorable Christopher D. Jaime
Bankruptcy Judge
Sacramento, California

September 2, 2025 at 1:00 p.m.

1. [25-21306](#)-B-13 CYNTHIA COVINGTON MOTION TO CONFIRM PLAN
[JLK](#)-1 James L. Keenan 7-15-25 [[31](#)]

Final Ruling

The motion has been set for hearing on the 35-days notice required by Local Bankruptcy Rules 3015-1(d)(1), 9014-1(f)(1), and Federal Rule of Bankruptcy Procedure 2002(b). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). Opposition was filed.

The court has determined that oral argument will not assist in the decision-making process or resolution of the motion. See Local Bankr. R. 9014-1(h), 1001-1(f). This matter will therefore be decided on the papers.

The court's decision is to not confirm the first amended plan.

First, Debtor will not be able to make all payments under the plan and comply with the plan. 11 U.S.C. § 1325(a)(6). Proposed dividends in months 1 through 4 are \$1,904.00 without Trustee compensation and \$2,047.31 with current Trustee compensation. Debtor's payment in months 1 through 4 is only \$1,500.00.

Second, the plan fails to provide for specific monthly payments to be paid toward the mortgage arrears of Class 1 creditor, Aryming Asset Management. Without providing specific monthly dividend amounts to be paid toward the arrears owed to Aryming Asset Management, it cannot be determined whether the plan is feasible.

Third, the plan is not feasible due to the speculative nature of Debtor obtaining a refinance of her mortgage or selling her property by month 37. Debtor has not provided any evidence that she can sell her residence or obtain a refinance of her mortgage at all or in an amount sufficient to comply with the terms of the plan.

The amended plan does not comply with 11 U.S.C. §§ 1322, 1323, and 1325(a) and is not confirmed.

The motion is ORDERED DENIED for reasons stated in the minutes.

The court will issue an order.

September 2, 2025 at 1:00 p.m.

2. [25-22109](#)-B-13 ANA/JOSE LAZO
[SLH](#)-1 Seth L. Hanson

MOTION TO CONFIRM PLAN
7-9-25 [[25](#)]

Final Ruling

The motion has been set for hearing on the 35-days' notice required by Local Bankruptcy Rule 3015-1(d)(1), 9014-1(f)(1), and Federal Rule of Bankruptcy Procedure 2002(b). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). No opposition was filed. The matter will be resolved without oral argument. No appearance at the hearing is required.

The court's decision is to confirm the amended plan.

11 U.S.C. § 1323 permits a debtor to amend a plan any time before confirmation. The Debtors have provided evidence in support of confirmation. No opposition to the motion has been filed by the Chapter 13 Trustee or creditors. The amended plan complies with 11 U.S.C. §§ 1322 and 1325(a) and is confirmed.

The motion is ORDERED GRANTED for reasons stated in the minutes. The Chapter 13 Trustee shall prepare an appropriate order confirming the Chapter 13 plan and submit the proposed order to the court.

The court will issue an order.

3. [25-22928](#)-B-13 LITA BELLAMY OBJECTION TO CONFIRMATION OF
Thru #4 Peter G. Macaluso PLAN BY HRC ISLANDER LLC
7-29-25 [[17](#)]

CONTINUED TO 10/07/25 AT 1:00 P.M. TO BE HEARD AFTER THE CONTINUED MEETING OF CREDITORS SET FOR 9/24/25.

Final Ruling

No appearance at the hearing is required. The court will issue an order.

4. [25-22928](#)-B-13 LITA BELLAMY OBJECTION TO CONFIRMATION OF
LGT-1 Peter G. Macaluso PLAN BY LILIAN G. TSANG
7-30-25 [[21](#)]

CONTINUED TO 10/07/25 AT 1:00 P.M. TO BE HEARD AFTER THE CONTINUED MEETING OF CREDITORS SET FOR 9/24/25.

Final Ruling

No appearance at the hearing is required. The court will issue an order.

5. [25-20331](#)-B-13 DAMONE THOMPSON
[JCK](#)-2 Gregory J. Smith

MOTION TO CONFIRM PLAN
7-17-25 [[55](#)]

Final Ruling

The motion has been set for hearing on the 35-days' notice required by Local Bankruptcy Rule 3015-1(d)(1), 9014-1(f)(1), and Federal Rule of Bankruptcy Procedure 2002(b). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). No opposition was filed. The matter will be resolved without oral argument. No appearance at the hearing is required.

The court's decision is to confirm the amended plan.

11 U.S.C. § 1323 permits a debtor to amend a plan any time before confirmation. The Debtor has provided evidence in support of confirmation. No opposition to the motion has been filed by the Chapter 13 Trustee or creditors. The amended plan complies with 11 U.S.C. §§ 1322 and 1325(a) and is confirmed.

The motion is ORDERED GRANTED for reasons stated in the minutes. The Chapter 13 Trustee shall prepare an appropriate order confirming the Chapter 13 plan and submit the proposed order to the court.

The court will issue an order.

6. [25-20431](#)-B-13 MITCHELL MILES
[DAB](#)-3 David A. Boone

MOTION TO VALUE COLLATERAL OF
LENDMARK FINANCIAL SERVICES
7-28-25 [[52](#)]

CASE DISMISSED: 8/28/25

Final Ruling

The case having been dismissed on August 28, 2025, the motion to value collateral is denied as moot.

The motion is ORDERED DENIED AS MOOT for reasons stated in the minutes.

The court will issue an order.

7. [24-21445](#)-B-13 NINEFF KOOCHOU
[RAS](#)-1 Gregory J. Smith

MOTION FOR RELIEF FROM
AUTOMATIC STAY
7-23-25 [[53](#)]

WELLS FARGO BANK, NATIONAL
ASSOCIATION VS.

Final Ruling

The motion has been set for hearing on 28-days notice. Local Bankruptcy Rule 9014-1(f)(1). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). No opposition was filed. The matter will be resolved without oral argument. No appearance at the hearing is required.

The court's decision is to grant the motion for relief from automatic stay.

Wells Fargo Bank, National Association ("Movant") seeks relief from the automatic stay with respect to real property commonly known as 500 Keys Way, Tracy, California (the "Property"). Movant has provided the Declaration of Dennice Ibarra to introduce into evidence the documents upon which it bases the claim and the obligation secured by the Property.

The Ibarra Declaration states that there are 13 post-petition payments in default totaling \$50,257.31.

From the evidence provided to the court, and only for purposes of this motion, the total debt secured by this Property is determined to be \$1,060,430.16 as stated in Movant's papers. The value of the Property is determined to be \$925,000.00 as stated in Schedules A/B and D filed by Debtor.

Discussion

The court maintains the right to grant relief from stay for cause when a debtor has not been diligent in carrying out his or her duties in the bankruptcy case, has not made required payments, or is using bankruptcy as a means to delay payment or foreclosure. *In re Harlan*, 783 F.2d 839 (B.A.P. 9th Cir. 1986); *In re Ellis*, 60 B.R. 432 (B.A.P. 9th Cir. 1985). The court determines that cause exists for terminating the automatic stay, including defaults in post-petition payments which have come due. 11 U.S.C. § 362(d)(1); *In re Ellis*, 60 B.R. 432 (B.A.P. 9th Cir. 1985).

Additionally, once a movant under 11 U.S.C. § 362(d)(2) establishes that a debtor or estate has no equity, it is the burden of the debtor or trustee to establish that the collateral at issue is necessary to an effective reorganization. *United Savings Ass'n of Texas v. Timbers of Inwood Forest Associates. Ltd.*, 484 U.S. 365, 375-76 (1988); 11 U.S.C. § 362(g)(2). Based upon the evidence submitted, it appears that there is no equity in the Property. Moreover, the Debtor has failed to establish that the Property is necessary to an effective reorganization. *First Yorkshire Holdings, Inc. v. Pacifica L 22, LLC (In re First Yorkshire Holdings, Inc.)*, 470 B.R. 864, 870 (Bankr. 9th Cir. 2012).]

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 conduct a nonjudicial foreclosure sale pursuant to applicable nonbankruptcy law and their contractual rights, and for any purchaser, or successor to a purchaser, at the nonjudicial foreclosure sale to obtain possession of the Property.

The 14-day stay of enforcement under Rule 4001(a)(3) is not waived.

No other or additional relief is granted by the court.

The motion is ORDERED GRANTED for reasons stated in the minutes.

The court will issue an order.

8. [25-22758](#)-B-13 GERARDO MEDEL
[HWW](#)-4 Hank W. Walth
Thru #9

MOTION TO CONFIRM PLAN
7-23-25 [[33](#)]

Final Ruling

The Debtor having filed a notice of withdrawal for the pending motion, the withdrawal being consistent with any opposition filed to the motion, the court interpreting the notice of withdrawal to be an ex parte motion pursuant to Fed. R. Civ. P. 41(a)(2) and Fed. R. Bankr. P. 9014 and 7014 for the court to dismiss without prejudice the motion, and good cause appearing, the motion is dismissed without prejudice.

The motion is ORDERED DISMISSED WITHOUT PREJUDICE for reasons stated in the minutes.

The court will issue an order.

9. [25-22758](#)-B-13 GERARDO MEDEL
[RAS](#)-1 Hank W. Walth

OBJECTION TO CONFIRMATION OF
PLAN BY TOWD POINT MORTGAGE
TRUST 2020-2
8-19-25 [[41](#)]

Final Ruling

The Debtor having filed a notice of withdrawal of its motion to confirm plan, HWW-4, the objection to confirmation of plan by Towd Point Mortgage Trust 2020-2 is overruled as moot.

The motion is ORDERED OVERRULED AS MOOT for reasons stated in the minutes.

The court will issue an order.

10. [25-23461](#)-B-13 JOSE FUENTES
[ALG](#)-1 Pro Se

MOTION FOR RELIEF FROM
AUTOMATIC STAY
8-13-25 [[18](#)]

DEBTOR DISMISSED: 08/12/25

WILLIAM FREEMAN, TRUSTEE
OF THE FREEMAN FAMILY 1991
REVOCABLE TRUST VS.

Final Ruling

The case having been dismissed on August 12, 2025, the motion for annulment of the automatic stay and to validate a foreclosure sale is denied as moot.

The motion is ORDERED DENIED AS MOOT for reasons stated in the minutes.

The court will issue an order.

Final Ruling

The motion has been set for hearing on the 35-days notice required by Local Bankruptcy Rules 3015-1(d)(1), 9014-1(f)(1), and Federal Rule of Bankruptcy Procedure 2002(b). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). Opposition was filed.

The court has determined that oral argument will not assist in the decision-making process or resolution of the motion. See Local Bankr. R. 9014-1(h), 1001-1(f). This matter will therefore be decided on the papers.

The court's decision is to not confirm the first amended plan.

First, the plan unfairly discriminates between a class or classes of unsecured claims. 11 U.S.C. § 1322(b). The non-standard provisions of the plan propose to pay the nonpriority unsecured portion of the Franchise Tax Board claim as a Class 6 claim to be paid 100.00% while paying 0.00% to other general unsecured claims.

Second, the Debtor will not be able to make all payments under the plan and comply with the plan. 11 U.S.C. § 1325(a)(6). Debtor's plan provides for Santander Consumer USA Inc. for the 2019 Honda Accord as a Class 2 claim in the amount of \$20,914.33 to be paid at 6.24% interest, but does not provide a dollar amount of the monthly dividend to pay such claim, instead providing that the claim shall be paid in equal monthly installments sufficient to pay the claim in full, with interest, by the end of the 48-month term. The payment schedule in the non-standard provisions suggests a dividend of \$493.50 to the Class 2 claim. Santander Consumer USA Inc. has filed a proof of claim with a secured amount of \$22,859.88. Claim 3-1. Absent an amended proof of claim or an order sustaining an objection to the claim, Trustee may not reduce the claim balance. Additionally, the monthly dividend proposed to pay the Class 2 claim will take 54 months to pay.

Third, with regard to the interest paid to Santander Consumer USA, the court takes judicial notice of the prime rate of interest as published in a leading newspaper. *Bonds, Rates & Credit Markets: Consumer Money Rates*, Wall St. J., August 30, 2025, http://online.wsj.com/mdc/public/page/mdc_bonds.html. The current prime rate is 7.50%. To set the appropriate rate, courts utilize the "formula approach" of *Till v. SCS Credit Corp.*, 124 S.Ct. 1951 (2004), which takes into consideration the national prime rate and adjusts it for a greater risk of default posed by a debtor. Courts have typically adjusted the interest rate by 1% to 3%. The court finds that an interest rate of 8.50% to be appropriate. If either party disputes the interest rate, it may request an evidentiary hearing in either the subsequent motion to confirm or any opposition/objection thereto. The request shall appear in the caption of the document in which it is made. If an evidentiary hearing is requested, the document(s) shall also identify the interest rate expert(s). The court may also appoint its own interest rate expert, Fed. R. Evid. 706(a), and if it does it may allocate the expert's compensation among the parties as appropriate. Fed. R. Evid. 706(c). All parties, attorneys, and witnesses will be required to appear in person for the evidentiary hearing. Telephonic and/or video appearances will not be permitted.

Fourth, the non-standard provisions of the plan state that Debtor's counsel has moved to set aside the original Disclosure of Compensation of Attorney for Debtor filed by the prior counsel. A review of the court's docket shows that no such motion has been filed nor has the court entered an order pertaining to attorney compensation.

The amended plan does not comply with 11 U.S.C. §§ 1322, 1323, and 1325(a) and is not confirmed.

The motion is ORDERED DENIED for reasons stated in the minutes.

The court will issue an order.

Tentative Ruling

The motion has been set for hearing on the notice required by Local Bankruptcy Rule 9014-1(f)(1). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). The defaults of the non-responding parties are entered.

The court has determined that oral argument will not assist in the decision-making process or resolution of the motion. See Local Bankr. R. 9014-1(h), 1001-1(f). This matter will therefore be decided on the papers.

The court's decision is to conditionally grant the motion to sell.

The Bankruptcy Code permits Chapter 13 debtors to sell property of the estate after a noticed hearing. 11 U.S.C. §§ 363(b) and 1303. Debtors propose to sell property described as 389 Celia Court, Oakdale, California ("Property").

Proposed purchasers Zackary Skinner and Carley Hansen have agreed to purchase the Property for \$575,000.00. The net proceeds after payment of the current mortgage, closing costs, and fees will be \$323,324.05. Debtors are prepared to pay the remainder of their 100% plan to the Chapter 13 Trustee at the close of escrow by paying all net sales proceeds to the Trustee.

The Chapter 13 Trustee ("Trustee") filed a limited objection stating that the motion appears to provide that the closing or disbursing agent associated with the sale shall receive all loan proceeds from the buyers and disburse the loan proceeds to pay the impaired arrearage claim of Servbank on behalf of the Trustee. Trustee requests that the court's order approving the motion to sell specifically allows the Trustee to make a demand to escrow for all funds necessary to pay the balance owed in the Chapter 13 plan plus the statutory trustee fee on the pre-petition mortgage arrearage claim of Servbank. Additionally, Trustee requests to approve and sign off the final and updated estimated closing statement prior to closing of escrow. The Trustee is not opposed to resolving the above issues in an the order approving the sale.

Creditor Servbank, N.A. has filed a non-opposition to the Debtors' motion to sell provided that it is paid in full from proceeds of the sale pursuant to an updated payoff demand.

At the time of the hearing the court will announce the proposed sale and request that all other persons interested in submitting overbids present them in open court.

Based on the evidence before the court, the court determines that the proposed sale is in the best interest of the estate. The motion is conditionally granted.

The motion is ORDERED CONDITIONALLY GRANTED for reasons stated in the minutes.

Debtors' attorney shall submit an order consistent with the Trustee's standard sale language. The order shall be approved by the Trustee.

13. [25-23067](#)-B-13 RAYSHUN/CHRISTINA DORSEY OBJECTION TO CONFIRMATION OF
[LGT](#)-1 Nicholas Wajda PLAN BY LILIAN G. TSANG
8-1-25 [[13](#)]

Final Ruling

The *initial* Chapter 13 Plan filed June 19, 2025, is not confirmable and the objection is not one that may be resolved in the confirmation order. Nevertheless, because this is the *initial* Chapter 13 Plan, the procedure in Local Bankr. R. 3015-1(c)(4) applies.

The court's decision is to **continue the hearing to September 9, 2025, at 1:00 p.m., conditionally sustain the objection, and deny confirmation of the plan.**

First, Debtors will not be able to make all payments under the plan and comply with the plan. 11 U.S.C. § 1325(a)(6). The plan provides a 100% repayment to general unsecured claims in the amount of \$175,901.62. Paragraph 2.01 of Debtors' plan provides for a monthly plan payment of \$3,739.00. The Debtors have failed to provide admissible evidence that their plan is mathematically feasible. The current plan payment proposal will require the plan term of 87 months to fund.

Second, the plan provides for the payment of fees in excess of the fixed compensation allowed in Local Bankr. R. 2016-1(c). Per Section 3.06 of the plan, Debtors' attorney is charging \$12,000.00 for his services and received a pre-petition retainer in the amount of \$2,000.00. In accordance with Local Bankr. R. 2016-1(c)(4), Debtors' counsel would only be entitled to \$4,000.00 (or 50%) upon plan confirmation, with the balance of \$6,000.00 to be paid in equal monthly installments over the life of the plan. Accordingly, the attorney fee monthly dividend shall be \$500.00 for months 1 through 8, and then \$115.39 in months 9 through 60.

The plan does not comply with 11 U.S.C. §§ 1322 and 1325(a). The objection is sustained and the plan is not confirmed.

Conditional Nature of this Ruling

Because the objection has been filed, set, and served under Local Bankruptcy Rules 3015-1(c)(4) and 9014-1(f)(2), any party in interest shall have until 5:00 p.m. on September 5, 2025, to file and serve a response to the objection(s). See Local Bankr. R. 3015-1(c)(4), 9014-1(f)(2)(C). Any response shall be served on the Chapter 13 Trustee, the Debtors, the Debtors' attorney, and/or the attorney for the objecting party by facsimile or email.

If no response is timely filed and served, the objection will be deemed sustained for the reasons stated hereinabove, this ruling will no longer be conditional and will become the court's final decision, and the continued hearing on September 9, 2025, at 1:00 p.m. will be vacated.

If a response is timely filed and served, the court will hear the objection on September 9, 2025, at 1:00 p.m.

The objection is ORDERED CONDITIONALLY SUSTAINED for reasons stated in the minutes.

The court will issue an order.

14. [24-25871](#)-B-13 MARICHELL BAUTISTA
FW-1 James L. Keenan

MOTION FOR RELIEF FROM
AUTOMATIC STAY AND/OR MOTION
FOR RELIEF FROM CO-DEBTOR STAY
7-25-25 [[41](#)]

FREEDOM MORTGAGE CORPORATION
VS.

Final Ruling

The motion has been set for hearing on 28-days notice. Local Bankruptcy Rule 9014-1(f)(1). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). No opposition was filed. The matter will be resolved without oral argument. No appearance at the hearing is required.

The court's decision is to grant the motion for relief from automatic stay.

Freedom Mortgage Corporation ("Movant") requests relief from the automatic stay under 11 U.S.C. § 362 as to the Debtor, and non-filing co-debtor stay under 11 U.S.C. § 1301, and Debtor's bankruptcy estate for the limited purpose of providing stay relief to the extent needed for Debtor and co-debtor to enter into a partial claim agreement involving the Department of Housing and Urban Development ("HUD"), whereby HUD issued funds to Movant to resolve, in whole or part, a default with respect to Movant's loan.

On February 5, 2025, after the instant bankruptcy case was filed, Debtor executed a Subordinate Note in the principal sum of \$12,823.07 made payable to the Secretary of Housing and Urban Development (the "Subordinate Note"). The Subordinate Note resolves delinquent amounts under the existing loan with Movant (who holds the first lien on the Property). The Subordinate Note is secured by a junior deed of trust in favor of HUD.

The court shall issue an order granting relief from automatic stay pursuant to 11 U.S.C. § 362(d)(1) for the limited purpose and to the extent needed for Debtor to enter into and execute the HUD note, deed of trust, and related loan documents, and to record the HUD deed of trust against the Property

The 14-day stay of enforcement under Rule 4001(a)(3) is not waived.

The request for relief from stay as to non-filing co-debtor, Reynaldo B Ayenza, shall be granted pursuant to 11 U.S.C. § 1301.

No other or additional relief is granted by the court.

The motion is ORDERED GRANTED for reasons stated in the minutes.

The court will issue an order.

15. [25-23077](#)-B-13 DENNIS MILLER
[LGT](#)-1 Natali A. Ron

OBJECTION TO CONFIRMATION OF
PLAN BY LILIAN G. TSANG
7-31-25 [[12](#)]

Final Ruling

The *initial* Chapter 13 Plan filed June 20, 2025, is not confirmable and the objection is not one that may be resolved in the confirmation order. Nevertheless, because this is the *initial* Chapter 13 Plan, the procedure in Local Bankr. R. 3015-1(c)(4) applies.

The court's decision is to **continue the hearing to September 9, 2025, at 1:00 p.m., conditionally sustain the objection, and deny confirmation of the plan.**

Debtor's plan provides for priority claims in the amount of \$4,528.00. The Internal Revenue Service has filed an amended proof of claim with a priority portion of \$27,768.98. Claim 4-3. The plan is not feasible with the filed priority claim. 11 U.S.C. § 1325(a)(6).

The plan does not comply with 11 U.S.C. §§ 1322 and 1325(a). The objection is sustained and the plan is not confirmed.

Conditional Nature of this Ruling

Because the objection has been filed, set, and served under Local Bankruptcy Rules 3015-1(c)(4) and 9014-1(f)(2), any party in interest shall have until 5:00 p.m. on September 5, 2025, to file and serve a response to the objection(s). See Local Bankr. R. 3015-1(c)(4), 9014-1(f)(2)(C). Any response shall be served on the Chapter 13 Trustee, the Debtor, the Debtor's attorney, and/or the attorney for the objecting party by facsimile or email.

If no response is timely filed and served, the objection will be deemed sustained for the reasons stated hereinabove, this ruling will no longer be conditional and will become the court's final decision, and the continued hearing on September 9, 2025, at 1:00 p.m. will be vacated.

If a response is timely filed and served, the court will hear the objection on September 9, 2025, at 1:00 p.m.

The objection is ORDERED CONDITIONALLY SUSTAINED for reasons stated in the minutes.

The court will issue an order.

Final Ruling

The motion has been set for hearing on the 35-days notice required by Local Bankruptcy Rules 3015-1(d)(1), 9014-1(f)(1), and Federal Rule of Bankruptcy Procedure 2002(b). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). Opposition was filed.

The court has determined that oral argument will not assist in the decision-making process or resolution of the motion. See Local Bankr. R. 9014-1(h), 1001-1(f). This matter will therefore be decided on the papers.

The court's decision is to not confirm the first amended plan.

First, the plan fails to provide for monthly payments to be paid toward the arrears to Class 1 creditors, Mrc/United Wholesale M and Trinity Lane Owners Association. Until specific dividends towards the arrears are provided in the plan, feasibility cannot be determined. 11 U.S.C. § 1325(d)(5)(B)(ii).

Second, the plan lists Mrc/United Wholesale M as a Class 1 claim holding a lien encumbering Debtor's home, with arrears of \$7,562.96. However, the proof of claim filed by Selene Finance LP, which appears to be the same claim, lists arrears in the amount of \$7,969.01. Claim 13-2. Absent a sustained objection to the proof of claim, the plan does not provide for the full amount of the arrears. 11 U.S.C. § 1325(d)(5)(B)(ii).

Third, the plan lists Mrc/United Wholesale M as a Class 1 claim holding a lien encumbering Debtor's home, with an ongoing conduit mortgage payment of \$2,445.18. However, the proof of claim filed by Selene Finance LP, which appears to be the same claim, lists a monthly ongoing mortgage payment of \$2,473.99. Claim 13-2. Absent a sustained objection to the proof of claim, the plan does not provide for the full amount of the arrears. 11 U.S.C. § 1325(d)(5)(B)(ii).

Fourth, the plan provides for a lease held by Simply Safe as a Class 1 Claim. Class 1 claims include "all delinquent secured claims that mature after the completion of the plan" Since the above creditor is a lease holder and not a secured claim, the plan cannot provide for Simply Safe in Class 1.

The amended plan does not comply with 11 U.S.C. §§ 1322, 1323, and 1325(a) and is not confirmed.

The motion is ORDERED DENIED for reasons stated in the minutes.

The court will issue an order.

17. [22-90093](#)-B-13 JAMES RIDDLE
[JNV](#)-9 Jason N. Vogelpohl

MOTION TO MODIFY PLAN
7-29-25 [[158](#)]

Final Ruling

The motion has been set for hearing on the 35-days' notice required by Local Bankruptcy Rules 3015-1(d)(2), 9014-1(f)(1), and Federal Rule of Bankruptcy Procedure 3015(g). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). Opposition was filed.

The court has determined that oral argument will not assist in the decision-making process or resolution of the motion. See Local Bankr. R. 9014-1(h), 1001-1(f). This matter will therefore be decided on the papers.

The court's decision is to not permit the requested modification and not confirm the modified plan.

First, the plan provides for payments to creditors for a period longer than 5 years. 11 U.S.C. § 1322(d). The current plan payment proposal causes the plan to take 20.07 months to fund in the remaining 20 months.

Second, the claims of Class 2 creditors Beneficial State Bank (2014 Ford Edge), Lendmark Financial Services LLC (2010 GMC Sierra), and OneMain (2012 Chevrolet Equinox) are taking 20.79 months to fund in the remaining 20 months. They also all remain delinquent including Lendmark Financial Services LLC (2012 Toyota Yaris). The delinquency must be addressed in a modified plan.

Third, Debtor failed to select the box in Section 1.02 of the modified plan filed July 29, 2025. Therefore, the Nonstandard provisions attached to the end of the plan shall not be given effect. This cannot be resolved in an order confirming plan and must be addressed in modified plan.

The modified plan does not comply with 11 U.S.C. §§ 1322 and 1325(a) and is not confirmed.

The motion is ORDERED DENIED for reasons stated in the minutes.

The court will issue an order.

Final Ruling

The motion has been set for hearing on the 35-days notice required by Local Bankruptcy Rules 3015-1(d)(1), 9014-1(f)(1), and Federal Rule of Bankruptcy Procedure 2002(b). The failure of the respondent and other parties in interest to file written opposition at least 14 days prior to the hearing as required by Local Bankruptcy Rule 9014-1(f)(1)(B) is considered to be the equivalent of a statement of nonopposition. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). Opposition was filed.

The court has determined that oral argument will not assist in the decision-making process or resolution of the motion. See Local Bankr. R. 9014-1(h), 1001-1(f). This matter will therefore be decided on the papers.

The court's decision is to **continue the matter to September 16, 2025, at 1:00 p.m.**

The Chapter 13 Trustee filed an objection to confirmation on grounds that the sale of Debtor's residential property is speculative, Debtor is delinquent in plan payments, Debtor has not filed all applicable tax returns, and Debtor failed to make a selection under Section 3.05 as to attorney compensation and therefore will need to seek approval of fees through a fee application filed with the court.

Debtor's counsel filed a response stating that all issues have been resolved except for the failure to elect attorney compensation under Local Bankr. R. 2016-1(e). Debtor's counsel states that the Trustee adopts a strict, narrow interpretation of Rule 2016-1(e) - that because there was no election in the original plan that was filed by then pro se debtor, the subsequently substituted in counsel must seek court approval of fees or seek relief as provided in Rule 60.

Debtor's counsel acknowledges that Debtor had filed the first plan pro se and therefore did not make any election at Section 3.05. When counsel substituted in and thereafter filed first and second amended plans, counsel elected approval of fees by complying with Local Bankr. R. 2016-1(c) "no look fee" in both amended plans. Counsel requests that the Trustee's objection be overruled and the plan confirmed, or alternatively that the motion to confirm be continued to be heard in conjunction with counsel filing a Rule 60 motion.

The court will continue the motion to confirm to September 16 at 1:00 p.m., and Debtor's counsel shall set for hearing a Rule 60 motion to be heard on the same hearing date and time.

The court will issue an order.