



**UNITED STATES BANKRUPTCY COURT
Eastern District of California
Honorable René Lastreto II
Department B - 510 19th Street
Bakersfield, California**

Hearing Date: Wednesday, September 4, 2024

At this time, when in-person hearings in Bakersfield will resume is to be determined. No persons are permitted to appear in court for the time being. All appearances of parties and attorneys shall be as instructed below.

Unless otherwise ordered, all matters before the Honorable René Lastreto II shall be simultaneously: (1) via **ZoomGov Video**, (2) via **ZoomGov Telephone**, and (3) via **CourtCall**. You may choose any of these options unless otherwise ordered or stated below.

All parties or their attorneys who wish to appear at a hearing remotely must sign up by **4:00 p.m. one business day** prior to the hearing. Information regarding how to sign up can be found on the **Remote Appearances** page of our website at <https://www.caeb.uscourts.gov/Calendar/RemoteAppearances>. Each party/attorney who has signed up will receive a Zoom link or phone number, meeting I.D., and password via e-mail.

If the deadline to sign up has passed, parties and their attorneys who wish to appear remotely must contact the Courtroom Deputy for the Department holding the hearing.

Please also note the following:

- Parties in interest and/or their attorneys may connect to the video or audio feed free of charge and should select which method they will use to appear when signing up.
- Members of the public and the press who wish to attend by ZoomGov may only listen in to the hearing using the Zoom telephone number. Video participation or observing are not permitted.
- Members of the public and the press may not listen in to trials or evidentiary hearings, though they may attend in person unless otherwise ordered.

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

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

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

Unauthorized Recording is Prohibited: Any recording of a court proceeding held by video or teleconference, including "screen shots" or other audio or visual copying of a hearing is prohibited. Violation may result in sanctions, including removal of court-issued media credentials, denial of entry to future hearings, or any other sanctions deemed necessary by the court. For more information on photographing, recording, or broadcasting Judicial Proceedings, please refer to Local Rule 173(a) of the United States District Court for the Eastern District of California.

INSTRUCTIONS FOR PRE-HEARING DISPOSITIONS

Each matter on this calendar will have one of three possible designations: No Ruling, Tentative Ruling, or Final Ruling. These instructions apply to those designations.

No Ruling: All parties will need to appear at the hearing unless otherwise ordered.

Tentative Ruling: If a matter has been designated as a tentative ruling it will be called, and all parties will need to appear at the hearing unless otherwise ordered. The court may continue the hearing on the matter, set a briefing schedule, or enter other orders appropriate for efficient and proper resolution of the matter. The original moving or objecting party shall give notice of the continued hearing date and the deadlines. The minutes of the hearing will be the court's findings and conclusions.

Final Ruling: Unless otherwise ordered, there will be no hearing on these matters. The final disposition of the matter is set forth in the ruling and it will appear in the minutes. The final ruling may or may not finally adjudicate the matter. If it is finally adjudicated, the minutes constitute the court's findings and conclusions.

Orders: Unless the court specifies in the tentative or final ruling that it will issue an order, the prevailing party shall lodge an order within 14 days of the final hearing on the matter.

Post-Publication Changes: The court endeavors to publish its rulings as soon as possible. However, calendar preparation is ongoing, and these rulings may be revised or updated at any time prior to 4:00 p.m. the day before the scheduled hearings. Please check at that time for any possible updates.

9:00 AM

1. [23-11502](#)-B-13 **IN RE: ERIN STEVENSON**
[MJD-3](#)

MOTION TO MODIFY PLAN
7-16-2024 [\[84\]](#)

ERIN STEVENSON/MV
MATTHEW DECAMINADA/ATTY. FOR DBT.
RESPONSIVE PLEADING

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

DISPOSITION: Continued to October 2, 2024, at 9:00 a.m.

ORDER: The court will issue an order.

Erin David Stevenson ("Debtor") moves for an order confirming the *Modified Chapter 13 Plan* dated July 16, 2024. Docs. #84, #88. Debtor's current plan was confirmed on May 17, 2024. Doc. #77. Chapter 13 trustee Lilian G. Tsang ("Trustee") timely objected to confirmation of the modified plan for the following reason(s):

1. In Nonstandard Provision 7.01, the plan asserts that Debtor has paid a total of \$18,275.00 into his plan "through July 2024" but also states that the proposed new monthly payment will commence in July 2024. It is unclear whether the new payment is a part of the aggregate payment or not. The Trustee's records indicate that the aggregate payment of \$18,275.00 represents payments through June 2024, not July. However, the Debtor's July payment was only \$2,335.00 instead of the proposed \$2,415.00.
2. Debtor incorrectly places Class 1 creditor Karpe Real Estate Center in Class 2.
3. The proposed monthly payment of \$2,415.00 is insufficient to fully fund the plan and must be increased to \$2,448.78 per month starting in August 2024.

Doc. #91.

This motion to confirm plan will be CONTINUED to **October 2, 2024, at 9:00 a.m.** Unless this case is voluntarily converted to chapter 7, dismissed, or all objections to confirmation are withdrawn, the Debtor shall file and serve a written response to the objections no later than fourteen (14) days before the continued hearing date. The response shall specifically address each issue raised in the objection(s) to confirmation, state whether each issue is disputed or undisputed, and include admissible evidence to support the Debtor's position. Any replies shall be filed and served no later than seven (7) days prior to the hearing date.

If the Debtor elects to withdraw the plan and file a modified plan in lieu of filing a response, then a confirmable, modified plan shall be filed, served, and set for hearing not later than seven (7) days before the continued hearing date. If the Debtor does not timely file a modified plan or a written response, the objection will be sustained on the grounds stated, and the motion will be denied without further hearing.

2. [23-11103](#)-B-13 **IN RE: MIGUEL BELLO**
[RSW-1](#)

MOTION TO MODIFY PLAN
7-13-2024 [\[43\]](#)

MIGUEL BELLO/MV
ROBERT WILLIAMS/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.

Miguel Bello ("Debtor") moves for an order confirming Debtors' *First Modified Chapter 13 Plan* dated July 13, 2024. Docs. #43, #47. The Debtor's prior plan was confirmed on August 29, 2023. Docs. #10, #24.

No party has timely objected.

This motion was set for hearing on 35 days' notice as required by Local Rule of Practice ("LBR") 3015-1(d)(1). The failure of any party in interest, including but not limited to creditors, the U.S. Trustee, and the case Trustee, to file written opposition at least 14 days prior to the hearing as required by LBR 9014-1(f)(1)(B) may be deemed a waiver of any opposition to the granting of the motion. *Cf. Ghazali v. Moran*, 46 F.3d 52, 53 (9th Cir. 1995). Therefore, the defaults of the above-mentioned parties in interest are entered. Upon default, factual allegations will be taken as true (except those relating to amounts of damages). *Televideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917 (9th Cir. 1987).

The motion requests that the confirmed plan be modified as follows:

1. The modified plan provides for an aggregate payment of \$9,209.00 through July 2024, with monthly payments increasing in August 2024 from \$920.75 per month to \$1,010.00 per month.
2. The plan is otherwise unchanged.

Doc. #43.

Debtor declares that this modification is necessary because Debtor fell behind in his plan payments after losing his job, but he is employed again and can afford to make the new plan payment of \$1,010.00 per month. Doc. #45. On July 13, 2024, Debtor filed an Amended Schedule I & J that indicates a monthly net income of \$1,013.34, which is sufficient to make the proposed monthly plan payments.

No party has objected, and so, this motion is GRANTED. The order shall include the docket control number of the motion, shall reference the plan by the date it was filed, and shall be approved as to form by Trustee.

3. [24-11213](#)-B-13 **IN RE: JEANNE CHRISTENSEN**
[LGT-1](#)

OBJECTION TO CONFIRMATION OF PLAN BY LILIAN G. TSANG
7-22-2024 [\[19\]](#)

LILIAN TSANG/MV
ROBERT WILLIAMS/ATTY. FOR DBT.

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

DISPOSITION: Continued to October 2, 2024, at 9:00 a.m.

ORDER: The court will issue an order.

Chapter 13 trustee Lilian G. Tsang ("Trustee") objects to confirmation of the *Chapter 13 Plan* filed by Jeanne Louise Christensen ("Debtor") on May 3, 2024, on the following basis:

1. Debtor's Schedule I & J filed at the inception of the case indicate that Debtor's only income came from Social Security. However, Debtor testified that she has since obtained employment. Trustee requests copies of Debtor's pay advices and that Debtor amend her Schedule I & J, as Trustee cannot determine feasibility otherwise.
2. Debtor has exempted real property which she later testified is in a Trust. Trustee has requested copies of all trust documents and cannot determine the liquidation value without them.

Doc. #19.

This objection will be CONTINUED to October 2, 2024, at 9:00 a.m. Unless this case is voluntarily converted to chapter 7, dismissed, or the objection to confirmation is withdrawn, the Debtors shall file and serve a written response to the Objection not later than **14 days before the hearing**. The response shall specifically address each issue raised in the objection to confirmation, state whether the issue is disputed or undisputed, and include admissible evidence

to support the Debtors' position. Any reply shall be served no later than **7 days before the hearing**.

If the Debtors elect to withdraw the plan and file a modified plan in lieu of filing a response, then a confirmable, modified plan shall be filed, served, and set for hearing not later than **7 days before the hearing**. If the Debtors do not timely file a modified plan or a written response, this objection will be sustained on the grounds stated in the objection without further hearing.

4. [24-11521](#)-B-13 **IN RE: MANUEL HERRERA AND SUSAN VILLA-HERRERA**
[LGT-1](#)

CONTINUED OBJECTION TO CONFIRMATION OF PLAN BY LILIAN G.
TSANG
7-23-2024 [[19](#)]

LILIAN TSANG/MV
ROBERT WILLIAMS/ATTY. FOR DBT.

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

DISPOSITION: Overruled.

ORDER: The court will prepare the order.

This matter was originally set for hearing on August 7, 2024. Doc. #23.

Chapter 13 trustee, Lilian G. Tsang ("Trustee"), objects to confirmation of the Chapter 13 Plan filed by Manuel Herrera and Susan Villa-Herrera (collectively "Debtors") on June 2, 2014, on the following basis:

1. Co-Debtor Susan Villa-Herrera failed to appear at the 341 meeting of creditors conducted on July 16, 2024. The continued meeting is scheduled for August 6, 2024. Trustee will supplement this Objection upon discovery of further issues regarding confirmation if necessary.

Doc. #19. It appears that Debtors attended the continued 341 meeting on August 6, 2024. See *Docket, generally*. Accordingly, this Objection will be OVERULED.

5. [19-11333](#)-B-13 **IN RE: DEMITRIUS BARRERA**
[LGT-1](#)

MOTION TO DISMISS CASE
7-16-2024 [\[44\]](#)

LILIAN TSANG/MV
ROBERT WILLIAMS/ATTY. FOR DBT.

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

DISPOSITION: Granted.

ORDER: The court will issue an order.

The chapter 13 trustee asks the court to dismiss this case for material default by the Debtor with respect to a term of a confirmed plan (11 U.S.C. § 1307(c)(6) and termination of a confirmed plan by reason of the occurrence of a condition specified in the plan other than completion of payments under the plan [11 U.S.C. § 1307(c)(8)]. Doc. #44. Debtor did not oppose.

Unless the trustee's motion is withdrawn before the hearing, the motion will be granted without oral argument for cause shown.

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

As of July 16, 2024, plan payments are delinquent in the amount of \$698.57. The total claims filed herein require an aggregate payment of \$129,693.83. Debtor has only paid \$123,780.00. To complete the case and avoid dismissal, Debtor needs to pay the delinquency of \$698.57 plus an additional \$5,215.26 for a total sum of \$5,913.83. Doc. #46.

Under 11 U.S.C. § 1307(c), the court may convert or dismiss a case, whichever is in the best interests of creditors and the estate, for

"cause". "A debtor's unjustified failure to expeditiously accomplish any task required either to propose or to confirm a chapter 13 plan may constitute cause for dismissal under § 1307(c)(1)." *Ellsworth v. Lifescape Med. Assocs., P.C. (In re Ellsworth)*, 455 B.R. 904, 915 (B.A.P. 9th Cir. 2011). There is "cause" for dismissal under 11 U.S.C. § 1307(c)(6) for failure to complete the terms of the confirmed plan. Doc. #46.

The Trustee has presented no evidence or analysis whether dismissal or conversion would be in the best interests of the estate. The court must review that issue on these motions. The confirmed Plan in this case proposed a 100% payment to allowed unsecured claims. The court has reviewed the schedules filed in the case-nearly five years old-and based on the schedules, the exemptions claimed, considering the age of this case, and the terms of the Plan, dismissal is in the best interests of the creditors and the estate under § 1307 (c).

Accordingly, the motion will be GRANTED. The case will be dismissed.

6. [24-11833](#)-B-13 **IN RE: NANCY RODRIGUEZ**

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES
8-5-2024 [\[17\]](#)

\$270.00 INSTALLMENT PAYMENT 8/6/24

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

DISPOSITION: The OSC will be vacated.

ORDER: The court will issue an order.

The record shows that the installment fees now due have been paid. Accordingly, the order to show cause will be VACATED.

The order permitting the payment of filing fees in installments will be modified to provide that if future installments are not received by the due date, the case will be dismissed without further notice or hearing.

7. [24-11650](#)-B-13 **IN RE: BEDROS BALIAN**
[BRK-2](#)

MOTION FOR RELIEF FROM AUTOMATIC STAY
8-12-2024 [\[36\]](#)

JERRY LEWANDOWSKI/MV
BRIAR KEELER/ATTY. FOR MV.

After posting the original pre-hearing dispositions, the court has supplemented its intended ruling on this matter.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted.

ORDER: The minutes of the hearing will be the court's findings and conclusions. The Moving Party shall submit a proposed order after hearing.

Jerry Lewandowski ("Movant") seeks relief from the automatic stay under 11 U.S.C. §§ 362(d)(1) and (d)(2) to permit Movant to proceed with an unlawful detainer action in Kern County Superior Court Case No. BCL-23-017502 ("the Unlawful Detainer Action") against Bedros Boghos Balian ("Debtor") before the Kern County Superior Court ("the State Court"). Doc. #36 *et seq.* The Unlawful Detainer Action is in reference to Debtor's occupancy of property located at 21369 McIntosh Street, Tehachapi, CA 93651-2504 (the "Property"). *Id.* Movant also requests waiver of the 14-day stay of Federal Rule of Bankruptcy Procedure ("Rule") 4001(a)(3). *Id.*

Written opposition was not required and may be presented at the hearing. On September 3, 2024, Debtor did file a Response in opposition which also requested a four-week continuance. Doc. ##51,52. The request for continuance is denied. Debtor will have opportunity at the hearing to expand on the issues raised in his Response.

This motion was filed and served pursuant to Local Rule of Practice ("LBR") 9014-1(f)(2) and will proceed as scheduled. Unless further opposition is presented at the hearing, the court is inclined to GRANT the motion. At the hearing, the court will consider the opposition already raised by Debtor and any further opposition raised before determining whether further hearing is proper pursuant to LBR 9014-1(f)(2). The court will issue an order if a further hearing is necessary.

BACKGROUND

Except where noted otherwise, the factual background of this matter is derived from Movant's Declaration. See Doc. #39. If any of Movant's factual statements are incorrect, Debtor will have opportunity to correct such inaccuracies at the hearing.

Movant declares that in July of 2021, Debtor asked Movant to loan him money for the purchase of a house. Movant declined to do so but

agreed to purchase the Property and allow Debtor to reside at the Property rent free for six months, during which time Debtor would obtain financing to purchase the Property from Movant for the sum of \$399,999.00. This agreement was not reduced to writing or otherwise memorialized.

Debtor did not obtain financing, but Movant nevertheless continued to allow Debtor to live rent-free on the Property based on continued representations that Debtor would eventually purchase the Property.

In 2023, Movant chose to sell the Property, and on August 1, 2023, Movant's attorney served Debtor with a 60-day Notice of Termination. Debtor did not timely vacate the Property, and Movant filed the Unlawful Detainer Action against Debtor in the State Court. Movant declares that the State Court Action does not seek to recover any unpaid rent but simply to remove Debtor from the Property.

The State Court set June 18, 2024, as the trial date, but Debtor filed *pro se* for Chapter 13 bankruptcy on June 14, 2024, and served the Notice of Stay of Proceedings on the day trial was set to commence. Movant avers that all discovery has been completed and all pretrial documents were filed with the State Court.

Movant now requests relief from the automatic stay under 11 U.S.C. §§ 362(d)(1) and (d)(2) to allow the Unlawful Detainer Action to proceed on the grounds that cause exists to do so and because modifying the stay will not affect any asset of the estate as the Property is not a part of the estate and Movant does not seek to recover any unpaid rent owed by Debtor.

According to Debtor's Schedules, Debtor asserts that Movant has an unsecured claim against him for unpaid rent in the amount of \$24,000.00. Doc. #19 (*Sched. C*). Debtor does not list any ownership interest in the Property nor any lease agreement (written or otherwise) between Debtor and Movant in his Schedules. *Id.* (*Sched. A/B, Sched. G*). Movant has not filed a Proof of Claim against Debtor.

DISCUSSION

Although Debtor asserts that Movant has a claim for unpaid rent, there is no evidence before the court of any lease agreement such that 11 U.S.C. § 365 is implicated. Movant seeks only to allow the Unlawful Detainer Action to proceed so that he can regain possession of the Property and sell it, and Movant indicates that he is not seeking any unpaid rent from Debtor.

11 U.S.C. § 362(c)(2)(C) provides that the automatic stay of § 362(a) continues until the case is closed, dismissed, or discharge is granted or denied, whichever is earliest. The case is ongoing, and so the automatic stay is still in effect.

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 an equity in such property and such property is not necessary to an effective reorganization.

When a movant prays for relief from the automatic stay to initiate or continue non-bankruptcy court proceedings, a bankruptcy court must consider the "Curtis factors" in making its decision. *In re Kronemyer*, 405 B.R. 915, 921 (9th Cir. B.A.P. 2009) (applying the factors articulated in *In re Curtis*, 40 B.R. 795, 799-800 (Bankr. D. Utah 1984)). The relevant 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 foreign proceeding involves the debtor as a fiduciary;
4. whether a specialized tribunal has been established to hear the particular cause of action and whether that tribunal has the expertise to hear such cases;
5. whether the debtor's insurance carrier has assumed full financial responsibility for defending the litigation;
6. whether the action essentially involves third parties, and the debtor functions only as a bailee or conduit for the goods or proceeds in question;
7. whether the litigation in another forum would prejudice the interests of other creditors, the creditors' committee, and other interested parties;
8. whether the judgment claim arising from the foreign action is subject to equitable subordination under section 510(c);
9. whether movant's success in the foreign proceeding would result in a judicial lien avoidable by the debtor under section 522(f);
10. the interests of judicial economy and the expeditious and economical determination of litigation for the parties;
11. whether the foreign proceedings have progressed to the point where the parties are prepared for trial; and
12. the impact of the stay on the parties and the "balance of hurt."

Truebro, Inc. v. Plumberex Specialty Prods., Inc. (In re Plumberex Specialty Prods., Inc.), 311 B.R. 551 (Bankr. C.D. Cal. 2004) (citing *Curtis*, 40 B.R. at 799-800); see also *Kronemyer*, 405 B.R. at 921.

1. Whether the relief will result in a partial or complete resolution of the issues: Movant argues that the first *Curtis* factor supports granting relief from the stay, as the State Court Action only contains a state law claim for unlawful detainer, a claim which Movant argues could be fully adjudicated within a month in the State Court if stay relief is granted.

2. The lack of any connection with or interference with the bankruptcy case: Movant argues that resolution of the State Court

Action is wholly unrelated to the Debtor's bankruptcy case because the Property is not a part of the estate and is not even mentioned in Debtor's Schedules. Also, the State Court Action only seeks possession of the Property and does not seek to recover unpaid rent. Thus, allowing the State Court Action to proceed will not impact the bankruptcy at all.

3. Whether the foreign proceeding involves the debtor as a fiduciary: This factor does not appear to be relevant.

4. Whether a specialized tribunal has been established to hear the particular cause of action and whether that tribunal has the expertise to hear such cases: An unlawful detainer action is, in this court's view, a fairly straightforward legal proceeding that requires neither a specialized tribunal nor any technical expertise. That said, unlawful detainer is a matter of state law, and the State Court is probably better situated to hear the Unlawful Detainer Action than this court given the absence of any nexus to the bankruptcy case. Any legal or factual issues which may complicate this matter are also implicate state law. The State Court is more familiar with those issues.

5. Whether the debtor's insurance carrier has assumed full financial responsibility for defending the litigation: This factor does not appear to be relevant.

5. Whether the action essentially involves third parties, and the debtor functions only as a bailee or conduit for the goods or proceeds in question: This factor does not appear to be relevant.

7. Whether the litigation in another forum would prejudice the interests of other creditors, the creditors' committee, and other interested parties: Movant argues that allowing the State Court Action to proceed would not result in prejudice to any other creditors or interested parties. The only parties involved in the State Court Action are Movant, Debtor, and Debtor's spouse, and the State Court Action does not involve any estate assets or risk prejudice to any other aspect of the bankruptcy.

8. Whether the judgment claim arising from the foreign action is subject to equitable subordination under Section 510(c): This factor does not appear to be relevant.

9. Whether movant's success in the foreign proceeding would result in a judicial lien avoidable by the debtor under Section 522(f): As Movant does not seek to recover any money damages through the Unlawful Detainer Action, no lien will result even if the Movant prevails in state court.

10. The interests of judicial economy and the expeditious and economical determination of litigation for the parties: Movant argues that granting stay relief will serve the interests of judicial economy, as the Unlawful Detainer Action has no connection to the bankruptcy estate or the bankruptcy case and only contains a state law claim to regain possession of property not a part of the

estate. Movant directs the court to Ninth Circuit precedent stating that it:

will often be more appropriate to permit proceedings to continue in their place of origin, when no great prejudice to the bankruptcy estate would result, in order to leave the parties to their chosen forum and to relieve the bankruptcy court from many duties that may be handled elsewhere.

Doc. #38; *In re Santa Clara Cnty. Fair Ass'n, Inc.*, 180 B.R. 564, 566 (B.A.P. 9th Cir. 1995) (quoting S. Rep. No. 989, 95th Cong., 2d Sess. 50, reprinted in 1978 U.S.C.C.A.N. 5836).

It is also evident that pre-trial preparations were completed before this bankruptcy case was filed. This also militates in favor of modifying the stay.

11. Whether the foreign proceedings have progressed to the point where the parties are prepared for trial: As Debtor filed for Chapter 13 literally on the eve of trial, this factor would support lifting the stay.

12. The impact of the stay on the parties and the "balance of hurt": As Movant notes, the "balance of hurt" favors lifting the stay. The Movant owns the Property and wishes to sell it but cannot do so while it is occupied by Debtor and his wife, who do not and have never paid rent. Meanwhile, Movant incurs expenses for maintenance, insurance, and taxes. Movant cannot alleviate this "hurt" until the State Court Action is resolved, and he can either take possession of the Property or at least obtain a judicial determination of his rights in the Property.

Debtor, on the other hand, has no legal right to occupy the Property, either through ownership or a lease agreement. Movant also suggests that the facts surrounding this *pro se* bankruptcy filed on the eve of trial indicate that Debtor's purpose in filing for bankruptcy was solely to prevent the Unlawful Detainer Action from proceeding.

After consideration of the *Curtis* factors as outlined by the Movant, the court is inclined to find that they favor lifting the automatic stay as requested. If there is no opposition at the hearing, this motion will be GRANTED only for the limited purpose of allowing the Unlawful Detainer Action to proceed in the State Court for the sole purpose of resolving the unlawful detainer question and Debtor's right, if any, to possession of the Property. No claim against the estate may be asserted without further order of the court.

The 14-day stay of Fed. R. Bankr. P. 4001(a)(3) will be ordered waived so that Movant may reschedule trial in the State Court Action as expeditiously as possible.

8. [22-10957](#)-B-13 **IN RE: BRYAN URNER AND JULIE VANDERNOOR URNER**
[LGT-1](#)

MOTION TO DISMISS CASE
7-11-2024 [\[55\]](#)

LILIAN TSANG/MV
ROBERT WILLIAMS/ATTY. FOR DBT.
RESPONSIVE PLEADING

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

DISPOSITION: Continued to October 2, 2024, at 9:00 a.m.

ORDER: The court will issue an order.

On July 11, 2024, Lilian G. Tsang ("Trustee") filed this *Motion to Dismiss Case* for failure to make plan payments. Doc. #55. *Opposition*. Doc. #65. On August 16, 2024, Bryan Edward Urner and Julie Michelle Vandernoer Urner ("Debtors") filed their *Second Modified Plan* which provides for a total payment of \$143,550.00 through August 2024, and beginning September 2024, monthly payments of \$5,000.00 through the remainder of the plan. Doc. #61. The *Second Modified Plan* was accompanied by a motion to confirm same which is set for hearing on October 2, 2024. Docs. #59, #60.

Accordingly, the instant motion to dismiss is CONTINUED to October 2, 2024, at 9:00 a.m. to be heard in conjunction with Debtor's *Motion to Confirm Second Amended Plan*.

9. [24-11688](#)-B-13 **IN RE: LAUTALA TUPOU**
[LGT-1](#)

OBJECTION TO CONFIRMATION OF PLAN BY LILIAN G. TSANG
8-13-2024 [[31](#)]

LILIAN TSANG/MV
MATTHEW RESNIK/ATTY. FOR DBT.

After posting the original pre-hearing dispositions, the court has modified its intended ruling on this matter.

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

DISPOSITION: Continued to October 2, 2024, at 9:00 a.m.

ORDER: The court will issue an order.

Chapter 13 trustee Lilian G. Tsang ("Trustee") objects to confirmation of the *Chapter 13 Plan* filed by Lautala Onesi Tupou ("Debtor") on July 2, 2024, on the following basis:

1. The secured claims of several creditors appear to be misclassified as Class 1 claims, but the plan neither specifies an arrearage amount nor a dividend to be paid for any arrears. Also, Debtor's Schedule J includes direct payments to be made to these creditors.

Doc. #31.

This objection will be CONTINUED to October 3, 2024, at 9:00 a.m. Unless this case is voluntarily converted to chapter 7, dismissed, or the objection to confirmation is withdrawn, the Debtors shall file and serve a written response to the Objection not later than **14 days before the hearing**. The response shall specifically address each issue raised in the objection to confirmation, state whether the issue is disputed or undisputed, and include admissible evidence to support the Debtors' position. Any reply shall be served no later than **7 days before the hearing**.

If the Debtors elect to withdraw the plan and file a modified plan in lieu of filing a response, then a confirmable, modified plan shall be filed, served, and set for hearing not later than **7 days before the hearing**. If the Debtors do not timely file a modified plan or a written response, this objection will be sustained on the grounds stated in the objection without further hearing.

10:00 AM

1. [23-12520](#)-B-7 **IN RE: EMCAST CONSTRUCTION INC**
[JMV-2](#)

MOTION FOR ADMINISTRATIVE EXPENSES
8-6-2024 [\[30\]](#)

JEFFREY VETTER/MV
PATRICK KAVANAGH/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.

Jeffrey M. Vetter ("Trustee"), Chapter 7 Trustee in the above-styled case, moves for authorization to pay certain administrative expenses owed by Emcast Construction Inc. ("Debtor"). Doc. #30. Trustee requests authorization to pay the taxes owed by the estate, which consists of \$800.00 owed to the California Franchise Tax Board ("the CFTB") for calendar year 2024 and up to \$850.00 for any additional tax liability owed by Debtor. Trustee declares that he will seek court approval if any taxing agencies are owed in excess of \$850.00. Doc. #32.

The declaration supporting the motion references the administrative claim asserted by the CFTB for tax year 2024. Taxes incurred by estates are administrative claims under § 503 (b)(1)(B). The payment of this claim is appropriate as a priority claim under § 507 (a)(2). The Trustee's request for authority to pay other tax claims incurred by the Debtor, if any, is also appropriate. Those claims, if they exist, are priority if qualified under § 507(a)(8). The existence of the claims should be known since the Trustee's accountant prepared tax returns.

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 any party in interest, including but not limited to 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). In the absence of opposition, the matter may be resolved without oral argument. Upon default of non-moving parties, factual allegations will be taken as true (except those relating to the 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.

No party in interest responded to this motion, and the defaults of all such parties will be entered.

11 U.S.C. § 503 allows an entity to file a request for payment of administrative expenses. After notice and a hearing, payment of certain administrative expenses shall be allowed, except where precluded under § 502(f). Here, Trustee seeks authorization to pay taxes assessed against the Debtor as administrative expenses pursuant to § 503(b)(1), which allows for administrative claims arising from "the actual, necessary costs and expenses of preserving the estate." 11 U.S.C. § 503(b)(1)(A). Furthermore, § 503(b)(1)(B) specifically contemplates allowing administrative expenses for the payment of taxes such as those assessed by the CFTB. 11 U.S.C. § 503(b)(1)(B). Trustee also seeks pre-authorization to pay anticipated outstanding tax bills up to a maximum of \$850.00 without further order of the court.

No opposition has been filed in response to the motion. Accordingly, this motion is GRANTED. Trustee is authorized to pay administrative expenses under 11 U.S.C. § 503(b)(1)(B) to the CFTB in the amount of **\$800.00** for calendar year 2024. Trustee is further authorized to pay up to **\$850.00** for any additional tax liabilities owed by debtor but not yet paid without further order of the court.

2. [23-12637](#)-B-7 **IN RE: AUTOMATION ELECTRICAL AND INSTRUMENTATION
[JMV-2](#)**

MOTION FOR ADMINISTRATIVE EXPENSES
8-6-2024 [\[32\]](#)

JEFFREY VETTER/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.

Jeffrey M. Vetter ("Trustee"), Chapter 7 Trustee in the above-styled case, moves for authorization to pay certain administrative expenses owed by Automation Electrical and Instrumentation ("Debtor"). Doc. #32. Trustee requests authorization to pay the taxes owed by the estate, which consists of \$800.00 owed to the California Franchise Tax Board ("the CFTB") for calendar year 2024 and up to \$850.00 for any additional tax liability owed by Debtor. Trustee declares that

he will seek court approval if any taxing agencies are owed in excess of \$850.00. Doc. #34.

The declaration supporting the motion references the administrative claim asserted by the CFTB for tax year 2024. Taxes incurred by estates are administrative claims under § 503 (b) (1) (B). The CFTB also filed a claim including alleged priority and general unsecured taxes totaling over \$23,000.00. Approximately \$9,000.00 is asserted by the CFTB as being priority under § 507(a) (8). The Trustee's request for authorization to pay up to \$850.00 for unexpected taxes is appropriate. This motion only asks for limited relief, and it is up to the Trustee to examine the claims of the taxing agencies and assert any objections since the Trustee's accountant has prepared tax returns.

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 any party in interest, including but not limited to 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). In the absence of opposition, the matter may be resolved without oral argument. Upon default of non-moving parties, factual allegations will be taken as true (except those relating to the 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.

No party in interest responded to this motion, and the defaults of all such parties will be entered.

11 U.S.C. § 503 allows an entity to file a request for payment of administrative expenses. After notice and a hearing, payment of certain administrative expenses shall be allowed, except where precluded under § 502(f). Here, Trustee seeks authorization to pay taxes assessed against the Debtor as administrative expenses pursuant to § 503(b) (1), which allows for administrative claims arising from "the actual, necessary costs and expenses of preserving the estate." 11 U.S.C. § 503(b) (1) (A). Furthermore, § 503(b) (1) (B) specifically contemplates allowing administrative expenses for the payment of taxes such as those assessed by the CFTB. 11 U.S.C. § 503(b) (1) (B). Trustee also seeks pre-authorization to pay anticipated outstanding tax bills up to a maximum of \$850.00 without further order of the court.

No opposition has been filed in response to the motion. Accordingly, this motion is GRANTED. Trustee is authorized to pay administrative expenses under 11 U.S.C. § 503(b)(1)(B) to the CFTB in the amount of **\$800.00** for calendar year 2024. Trustee is further authorized to pay up to **\$850.00** for any additional tax liabilities owed by debtor but not yet paid without further order of the court.

3. [24-11370](#)-B-7 **IN RE: RACHEL ZIEGLER**
[SKI-1](#)

MOTION FOR RELIEF FROM AUTOMATIC STAY
7-17-2024 [[21](#)]

SANTANDER CONSUMER USA INC./MV
GREGORY SHANFELD/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.

Santander Consumer USA Inc. ("Movant") seeks relief from the automatic stay under 11 U.S.C. § 362(d)(1) with respect to a 2018 Kia Sportage ("Vehicle"). Doc. #21. Movant also requests waiver of the 14-day stay of Fed. R. Bankr. P. 4001(a)(3). Id.

Rachel Baby Ziegler ("Debtor") did not file opposition and the Vehicle was impounded on May 23, 2024. No party in interest timely filed written opposition. This motion will be GRANTED.

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

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).

After review of the included evidence, the court finds that "cause" exists to lift the stay because Debtor has missed two pre-petition payments totaling \$676.69 and one post-petition payment in the amount of \$342.23. Docs. ##24-25. Additionally, the Vehicle was impounded on May 23, 2024. *Id.* Since the Vehicle has been recovered, the only issue is disposition of the collateral.

Accordingly, the motion will be granted pursuant to 11 U.S.C. § 362(d)(1) to permit the 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 Debtor has failed to make two pre- and one post-petition payments to Movant, the Vehicle is a depreciating asset, and the Vehicle is impounded.

10:30 AM

1. [24-11751](#)-B-11 **IN RE: VALDOR LLC**
[ALG-1](#)

MOTION FOR RELIEF FROM AUTOMATIC STAY
7-15-2024 [\[28\]](#)

MV FUND I, LLC, ET AL./MV
ARNOLD GRAFF/ATTY. FOR MV.
DISMISSED 7/31/24

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

DISPOSITION: Denied without prejudice.

ORDER: The court will issue an order.

MV Fund I, LLC *et al.* ("Movant") moves for an order terminating the automatic stay of 11 U.S.C. § 362(a) as it applies to Movant and certain real property owned in part by Valdor LLC ("Debtor"). Doc #28.

An order dismissing this case was already entered on July 31, 2024. (Doc. #48). Furthermore, the Debtor has already filed a new Chapter 11 case, Case No. 24-12162, and Movant has already filed a *Motion for Relief* in the new case that is substantially similar to this motion. (*See Item #2, below*).

While the court could deny this motion as moot on that basis, the court also notes a procedural deficiency, arising from Movant's failure to comply with the Local Rules of Practice ("LBR").

LBR 4001-1 states that motions for relief from the automatic stay of 11 U.S.C. § 362(a) shall be set for hearing in accordance with LBR 9014. LBR 9014, in turn, states that, under LBR 9014-1(d)(3)(B)(i), the Notice of the motion must include the names and addresses of the persons who must be served with such opposition. Here, the Notice only directed that written opposition should be served upon Movant's counsel. *See Doc. #29*. However, as the motion to lift stay implicates assets of the estate, the U.S. Trustee is included among "the persons who must be served with such opposition." Accordingly, the Notice is deficient, and this motion must be DENIED WITHOUT PREJUDICE.

2. [24-12162](#)-B-11 **IN RE: VALDOR LLC**
[ALG-1](#)

MOTION FOR RELIEF FROM AUTOMATIC STAY
8-1-2024 [[11](#)]

MV FUND I, LLC/MV
ARNOLD GRAFF/ATTY. FOR MV.

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

DISPOSITION: Denied without prejudice.

ORDER: The court will enter the order.

MV Fund I, LLC, et al. ("Movant") seeks an order lifting the automatic stay under 11 U.S.C. § 362 in the above-captioned matter so that Movant may enforce its remedies against the property in accordance with applicable non-bankruptcy law on the real property commonly known as 1305 Avenida Sabia, Bakersfield, California (the "Property").

This motion will be DENIED WITHOUT PREJUDICE for failure to comply with the Local Rules of Practice ("LBR").

LBR 4001-1 states that motions for relief from the automatic stay of 11 U.S.C. § 362(a) shall be set for hearing in accordance with LBR 9014. LBR 9014, in turn, states that, under LBR 9014-1(d)(3)(B)(i), the Notice of the motion must include the names and addresses of the persons who must be served with such opposition. Here, the Notice only directed that written opposition should be served upon Movant's counsel. *See Doc. #17*. However, as the motion to lift stay implicates assets of the estate, the U.S. Trustee is included among "the persons who must be served with such opposition." Accordingly, the Notice is deficient, and this motion must be DENIED WITHOUT PREJUDICE.

3. [24-12162](#)-B-11 **IN RE: VALDOR LLC**
[CAE-1](#)

STATUS CONFERENCE RE: CHAPTER 11 SUBCHAPTER V VOLUNTARY
PETITION
7-30-2024 [[1](#)]

NO RULING.

4. [24-12162](#)-B-11 **IN RE: VALDOR LLC**
[CAE-1](#)

CORRECTED ORDER TO SHOW CAUSE
8-21-2024 [[31](#)]

NO RULING.

11:00 AM

1. [23-12838](#)-B-7 **IN RE: TONY/ELIZABETH GOWER**
[24-1007](#) [CAE-1](#)

CONTINUED STATUS CONFERENCE RE: COMPLAINT
4-18-2024 [[1](#)]

KAPITUS SERVICING, INC. V.
GOWER
BRIAN HARVEY/ATTY. FOR PL.

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

DISPOSITION: Continued to November 6, 2024, at 11:00 a.m.

ORDER: The court will enter the order.

Pursuant to a Stipulation of the parties filed on September 3, 2024 (Doc. #18), this matter will be CONTINUED to November 6, 2024, at 11:00 a.m.

11:30 AM

1. [24-11736](#)-B-7 **IN RE: AMARJEET GILL**

REAFFIRMATION AGREEMENT WITH AMERICAN HONDA FINANCE
CORPORATION
7-26-2024 [[13](#)]

ROBERT WILLIAMS/ATTY. FOR DBT.

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

DISPOSITION: Denied.

ORDER: The court will issue an order.

Debtor's counsel will inform debtor that no appearance is necessary.

A Reaffirmation Agreement between Amarjeet Gill ("Debtor") and American Honda Finance Company for a 2022 Honda Accord ("Vehicle") was filed on July 26, 2024. Doc. #13.

11 U.S.C. § 524(c)(6)(A)(ii) states "An agreement between a holder of a claim and the debtor, the consideration for which, in whole or in part, is based on a debt that is dischargeable in a case under this title is enforceable only to any extent enforceable under applicable non-bankruptcy law, whether or not discharge of such debt is waived, only if the court approves such agreement as in the best interest of the debtor."

Here, the Vehicle is valued at \$25,325.00. The amount being reaffirmed by Debtor is \$32,355.85 with an 11.25% interest rate. Debtor has negative equity of \$7,030.85 with approximately 55 months (over four years) remaining on the loan and only \$70.00 (**not** including this payment) remaining in the budget every month according to the Debtor's schedules. The documents submitted in support of the motion include information that the Debtor is a co-signer on the contract. This means another party may be liable for this obligation.

Reaffirming this debt with its remaining term and the current value of the Vehicle is not in the Debtor's best interest. Accordingly, approval of the Reaffirmation Agreement between Debtor and American Honda Finance Corporation will be DENIED.

2. [24-11736](#)-B-7 **IN RE: AMARJEET GILL**

REAFFIRMATION AGREEMENT WITH BANK OF AMERICA, N.A.
7-31-2024 [\[14\]](#)

ROBERT WILLIAMS/ATTY. FOR DBT.

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

DISPOSITION: Dropped.

ORDER: The court will issue an order.

Debtor's counsel shall notify the debtor that no appearance is necessary.

A Reaffirmation Agreement between Amarjeet Gill ("Debtor") and Bank of America for a 2019 Honda Pilot was filed on July 31, 2024. Doc. #14.

The court is not approving or denying approval of the reaffirmation agreement. Debtor was represented by counsel when entering into the agreement. The form of the reaffirmation agreement complies with 11 U.S.C. § 524(c) and (k), and it was signed by the Debtor's attorney with the appropriate attestations. *Id.* Pursuant to § 524(d), the court need not approve the agreement.

3. [24-11351](#)-B-7 **IN RE: MARIA MENDIVIL**

REAFFIRMATION AGREEMENT WITH TOYOTA MOTOR CREDIT CORPORATION
7-24-2024 [\[14\]](#)

ROBERT WILLIAMS/ATTY. FOR DBT.

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

DISPOSITION: Denied.

ORDER: The court will issue an order.

Debtor's counsel will inform debtor that no appearance is necessary.

A Reaffirmation Agreement between Maria Mendivil ("Debtor") and Toyota Motor Credit Corporation for a 2020 Lexus NX ("Vehicle") was filed on July 24, 2024. Doc. #14.

11 U.S.C. § 524(c)(6)(A)(ii) states "An agreement between a holder of a claim and the debtor, the consideration for which, in whole or in part, is based on a debt that is dischargeable in a case under this title is enforceable only to any extent enforceable under

applicable non-bankruptcy law, whether or not discharge of such debt is waived, only if the court approves such agreement as in the best interest of the debtor."

Here, Debtor has approximately 56 months (over four years) remaining on the loan and \$0.00 (**not** including this payment) remaining in the budget every month according to the Debtor's schedules. The evidence submitted supporting this motion includes information that this debtor is a co-signer on the loan and so another party may be liable for the obligation.

The court finds no evidence that this Reaffirmation Agreement is in the best interest of the Debtor. Accordingly, approval of the Reaffirmation Agreement between Debtor and Toyota Motor Credit Corporation will be DENIED.

4. [24-11368](#)-B-7 **IN RE: ANTONIO/DIANA CRUZ**

REAFFIRMATION AGREEMENT WITH KITSAP CREDIT UNION
8-14-2024 [\[23\]](#)

JULIE MORADI-LOPES/ATTY. FOR DBT.

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

DISPOSITION: Denied.

ORDER: The court will issue an order.

Debtor's counsel will inform debtor that no appearance is necessary.

A Reaffirmation Agreement between Antonio Cruz and Diana E. Cruz ("Debtors") and Kitsap Credit Union for Solar Panels ("Property") was filed on August 14, 2024. Doc. #23.

Fed. R. Bankr. Proc. 4008(a) states: ". . . The reaffirmation agreement shall be accompanied by a cover sheet, prepared as prescribed by the appropriate Official Form. . . ."

Here, Kitsap Credit Union did not attach a cover sheet as required by Fed. R. Bankr. Proc. 4008(a). In addition, the reaffirmation agreement states the original loan amount to be \$33,353.92. The amount to be reaffirmed is \$52,234.70 and Kitsap Credit Union provides no explanation for the \$21,880.78 increase to the original loan amount.

The Debtors shall have 14 days to refile revised reaffirmation agreement addressing the increased loan amount and including a cover sheet, prepared as prescribed by the appropriate Official Form. The revised documents shall also include an explanation why

reaffirmation of this agreement is not an undue hardship. Though the creditor is a credit union, that means there is no presumption of an undue hardship. But the amount of the deficit in the Debtors' budget as shown in the schedules and reaffirmation documents more than establishes an undue hardship without the presumption.

Additionally, the revised documents should more clearly establish why reaffirming this debt is in the Debtors' best interest.