



**UNITED STATES BANKRUPTCY COURT
Eastern District of California**

Chief Judge Fredrick E. Clement
Sacramento Federal Courthouse
501 I Street, 7th Floor
Courtroom 28, Department A
Sacramento, California

DAY: MONDAY
DATE: NOVEMBER 18, 2024
CALENDAR: 10:30 A.M. CHAPTER 7 CASES

Unless otherwise ordered, all matters before Chief Judge Fredrick E. Clement shall be simultaneously: (1) **IN PERSON** at Sacramento Courtroom No. 28, (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 the 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:

- Review the [Pre-Hearing Dispositions](#) prior to appearing at the hearing.
- Review the court's [Zoom Procedures and Guidelines](#) for these, and additional instructions.
- 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.

PRE-HEARING DISPOSITION INSTRUCTIONS

RULINGS

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

"No Ruling" means the likely disposition of the matter will not be disclosed in advance of the hearing. The matter will be called; parties wishing to be heard should rise and be heard.

"Tentative Ruling" means the likely disposition, and the reasons therefor, are set forth herein. The matter will be called. Aggrieved parties or parties for whom written opposition was not required should rise and be heard. Parties favored by the tentative ruling need not appear. However, non-appearing parties are advised that the court may adopt a ruling other than that set forth herein without further hearing or notice.

"Final Ruling" means that the matter will be resolved in the manner, and for the reasons, indicated below. The matter will not be called; parties and/or counsel need not appear and will not be heard on the matter.

CHANGES TO PREVIOUSLY PUBLISHED RULINGS

On occasion, the court will change its intended ruling on some of the matters to be called and will republish its rulings. The parties and counsel are advised to recheck the posted rulings after 3:00 p.m. on the next business day prior to the hearing. Any such changed ruling will be preceded by the following bold face text: **"[Since posting its original rulings, the court has changed its intended ruling on this matter]"**.

ERRORS IN RULINGS

Clerical errors of an insignificant nature, e.g., nomenclature ("2017 Honda Accord," rather than "2016 Honda Accord"), amounts, ("\$880," not "\$808"), may be corrected in (1) tentative rulings by appearance at the hearing; or (2) final rulings by appropriate ex parte application. Fed. R. Civ. P. 60(a) *incorporated by* Fed. R. Bankr. P. 9024. All other errors, including those occasioned by mistake, inadvertence, surprise, or excusable neglect, must be corrected by noticed motion. Fed. R. Bankr. P. 60(b), *incorporated by* Fed. R. Bankr. P. 9023.

1. [24-23202](#)-A-7 **IN RE: TYRA FRIZELLE AND DEREK BROWN**
[UST-1](#)

MOTION TO EXTEND TIME TO FILE A MOTION TO DISMISS CASE UNDER
SEC. 707(B) AND/OR MOTION TO EXTEND TIME
10-28-2024 [[20](#)]

MIKALAH LIVIAKIS/ATTY. FOR DBT.
JORGE GAITAN/ATTY. FOR MV.

Final Ruling

Motion: Extend Trustee and U.S. Trustee's Deadline for Filing Motion to Dismiss under § 707(b)

Notice: LBR 9014-1(f)(2); no written opposition required

Disposition: Continued to December 16, 2024, at 10:30 a.m.

Order: Civil minute order

The United States Trustee seeks an order extending the time to file a motion to dismiss under 11 U.S.C. § 707(b). The court will continue the motion to allow the movant to serve the interested parties, to include the debtors, with a notice of the motion and continued hearing.

SERVICE ON DEBTORS IS REQUIRED

(e) Dismissal of an individual debtor's chapter 7 case, or conversion to a case under chapter 11 or 13, for abuse

The court may dismiss or, with the debtor's consent, convert an individual debtor's case for abuse under § 707(b) *only on motion and after a hearing on notice to the debtor, the trustee, the United States trustee, and any other entity as the court directs.*

Fed. R. Bankr. P. 1017(e) (emphasis added).

A request for an order, except when an application is authorized by the rules, shall be by written motion, unless made during a hearing. The motion shall state with particularity the grounds therefor, and shall set forth the relief or order sought. Every written motion, other than one which may be considered ex parte, shall be served by the moving party within the time determined under Rule 9006(d). The moving party shall serve the motion on:

(a) *the trustee or debtor in possession* and on those entities specified by these rules; or

(b) the entities the court directs if these rules do not require service or specify the entities to be served.

Fed. R. Bankr. P. 9013 (emphasis added).

Attachment 6B2 to the certificate of service fails to list the address(es) at which the debtors were served with this motion. Accordingly, the court is unable to determine if service complies with required service on the debtors under Fed. R. Bankr. P. 1017, 9013. Certificate of Service, Attachment 6B2, ECF No. 24.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

IT IS ORDERED that the motion is continued to December 16, 2024 at 10:30 a.m. No later than November 25, 2024, the movant shall serve the motion and an amended notice of hearing on all interested parties including the debtors in this case. The notice of hearing shall not require written opposition by the debtors. A certificate of service evidencing proper service of all interested parties shall be filed in compliance with LBR 9014-1(e).

2. [23-23407](#)-A-7 **IN RE: RAYMOND/MARLEN GALLO**
[TBG-14](#)

MOTION TO AVOID LIEN OF AKF, INC.
10-16-2024 [\[161\]](#)

STEPHAN BROWN/ATTY. FOR DBT.
DEBTORS DISCHARGED: 02/08/24

Final Ruling

Motion: Avoid Lien that Impairs Exemption
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Granted
Order: Prepared by moving party

Subject: 1624 Albatross Way, Rocklin, California

Judicial Lien Avoided: \$68,948.64 - AFK, Inc.

All Other Liens:

- Deed of Trust - PennyMac Loan; \$398,338
- Statutory Lien - California Department of Tax & Fee Administration; \$23,293.41

Exemption: \$432,896.59

Value of Property: \$854,528.00

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, incorporated by Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true.

TeleVideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917-18 (9th Cir. 1987).

The debtors seek an order avoiding the judicial lien of AFK, Inc. under 11 U.S.C. § 522(f).

LIEN-AVOIDANCE STANDARDS

Section 522(f) of the Bankruptcy Code authorizes the court to avoid a lien "on an interest of the debtor in property to the extent that such lien impairs an exemption to which the debtor would have been entitled." 11 U.S.C. § 522(f)(1). There are four elements to avoidance of a lien that impairs an exemption: (1) there must be an exemption to which the debtor would have been entitled; (2) the property must be listed on the schedules and claimed as exempt; (3) the lien must impair the exemption claimed; and (4) the lien must be a judicial lien or nonpossessory, nonpurchase-money security interest in property described in § 522(f)(1)(B). *Goswami v. MTC Distrib. (In re Goswami)*, 304 B.R. 386, 390-91 (B.A.P. 9th Cir. 2003). Impairment is statutorily defined: a lien impairs an exemption "to the extent that the sum of - (i) the lien; (ii) all other liens on the property; and (iii) the amount of the exemption that the debtor could claim if there were no liens on the property; exceeds the value that the debtor's interest in the property would have in the absence of any liens." 11 U.S.C. § 522(f)(2)(A).

REVERSE-PRIORITY ANALYSIS

In cases in which there are multiple liens to be avoided, the liens must be avoided in the reverse order of their priority. See *In re Meyer*, 373 B.R. 84, 87-88 (B.A.P. 9th Cir. 2007). "[L]iens already avoided are excluded from the exemption-impairment calculation with respect to other liens." *Id.*; 11 U.S.C. § 522(f)(2)(B).

The judicial liens against the subject real property, listed in the reverse order of their priority are: (i) Creditors Adjustment Bureau, Inc. - \$12,150.56; (ii) Perrin Bernard Supowitz, LLC - \$7,923.03; (iii) Sysco Sacramento, Inc. - \$21,917.52; and (iv) AFK, Inc. - \$68,948.64. The court takes judicial notice of other motions on this calendar that request avoidance of other judicial liens against the subject real property in this matter. Fed. R. Evid. 201. The debtor has claimed a \$432,896.59 exemption in the property.

Excluding all liens against the subject real property that are lower in priority than respondent's lien, the moving party is entitled to relief. The total of the judicial lien, all other liens except junior judicial liens, plus the exemption amount equals approximately \$923,476.64. The value of the property is \$854,528.00. The respondent's judicial lien, all other liens (except junior judicial liens), and the exemption amount together exceed the property's value by an amount greater than or equal to the judicial lien. As a result, the respondent's judicial lien will be avoided entirely.

3. [23-23407](#)-A-7 **IN RE: RAYMOND/MARLEN GALLO**
[TBG-15](#)

MOTION TO AVOID LIEN OF SYSCO SACRAMENTO, INC.
10-16-2024 [\[166\]](#)

STEPHAN BROWN/ATTY. FOR DBT.
DEBTORS DISCHARGED: 02/08/24

Final Ruling

Motion: Avoid Lien that Impairs Exemption

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Granted

Order: Prepared by moving party

Subject: 1624 Albatross Way, Rocklin, California

Judicial Lien Avoided: \$21,917.52 Recorded 3/15/23 Sysco Sacramento, Inc.

All Other Liens:

- Deed of Trust - PennyMac Loan; \$398,338

- Statutory Lien - California Department of Tax & Fee Administration; \$23,293.41

Exemption: \$432,896.59

Value of Property: \$854,528.00

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

The debtors seek an order avoiding the judicial lien of Sysco Sacramento, Inc., under 11 U.S.C. § 522(f).

LIEN-AVOIDANCE STANDARDS

Section 522(f) of the Bankruptcy Code authorizes the court to avoid a lien "on an interest of the debtor in property to the extent that such lien impairs an exemption to which the debtor would have been entitled." 11 U.S.C. § 522(f)(1). There are four elements to avoidance of a lien that impairs an exemption: (1) there must be an exemption to which the debtor would have been entitled; (2) the property must be listed on the schedules and claimed as exempt; (3) the lien must impair the exemption claimed; and (4) the lien must be a judicial lien or nonpossessory, nonpurchase-money security interest in property described in § 522(f)(1)(B). *Goswami v. MTC Distrib. (In re Goswami)*, 304 B.R. 386, 390-91 (B.A.P. 9th Cir. 2003). Impairment is statutorily defined: a lien impairs an exemption "to the extent that the sum of - (i) the lien; (ii) all other liens on the property; and (iii) the amount of the exemption

that the debtor could claim if there were no liens on the property; exceeds the value that the debtor's interest in the property would have in the absence of any liens." 11 U.S.C. § 522(f)(2)(A).

REVERSE-PRIORITY ANALYSIS

In cases in which there are multiple liens to be avoided, the liens must be avoided in the reverse order of their priority. See *In re Meyer*, 373 B.R. 84, 87-88 (B.A.P. 9th Cir. 2007). "[L]iens already avoided are excluded from the exemption-impairment calculation with respect to other liens." *Id.*; 11 U.S.C § 522(f)(2)(B).

The judicial liens against the subject real property, listed in the reverse order of their priority are: (i) Creditors Adjustment Bureau, Inc. - \$12,150.56; (ii) Perrin Bernard Supowitz, LLC - \$7,923.03; (iii) Sysco Sacramento, Inc. - \$21,917.52; and (iv) AFK, Inc. - \$68,948.64. The court takes judicial notice of other motions on this calendar that request avoidance of other judicial liens against the subject real property in this matter. Fed. R. Evid. 201. The debtor has claimed a \$432,896.59 exemption in the property.

Excluding all liens against the subject real property that are lower in priority than respondent's lien, the moving party is entitled to relief. The total of the judicial lien, all other liens except junior judicial liens, plus the exemption amount equals approximately \$945,394.16. The value of the property is \$854,528.00. The respondent's judicial lien, all other liens (except junior judicial liens), and the exemption amount together exceed the property's value by an amount greater than or equal to the judicial lien. As a result, the respondent's judicial lien will be avoided entirely.

4. [23-23407](#)-A-7 **IN RE: RAYMOND/MARLEN GALLO**
[TBG-16](#)

MOTION TO AVOID LIEN OF CREDITORS ADJUSTMENT BUREAU, INC.
10-17-2024 [\[171\]](#)

STEPHAN BROWN/ATTY. FOR DBT.
DEBTORS DISCHARGED: 02/08/24

Final Ruling

Motion: Avoid Lien that Impairs Exemption

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Granted

Order: Prepared by moving party

Subject: 1624 Albatross Way, Rocklin, California

Judicial Lien Avoided: Creditors Adjustment Bureau, Inc.; \$12,150.56

All Other Liens:

- Deed of Trust - PennyMac Loan; \$398,338

- Statutory Lien - California Department of Tax & Fee
Administration; \$23,293.41

Exemption: \$432,896.59

Value of Property: \$854,528.00

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

The debtors seek an order avoiding the judicial lien of Creditors Adjustment Bureau, Inc., under 11 U.S.C. § 522(f).

LIEN-AVOIDANCE STANDARDS

Section 522(f) of the Bankruptcy Code authorizes the court to avoid a lien "on an interest of the debtor in property to the extent that such lien impairs an exemption to which the debtor would have been entitled." 11 U.S.C. § 522(f)(1). There are four elements to avoidance of a lien that impairs an exemption: (1) there must be an exemption to which the debtor would have been entitled; (2) the property must be listed on the schedules and claimed as exempt; (3) the lien must impair the exemption claimed; and (4) the lien must be a judicial lien or nonpossessory, nonpurchase-money security interest in property described in § 522(f)(1)(B). *Goswami v. MTC Distrib. (In re Goswami)*, 304 B.R. 386, 390-91 (B.A.P. 9th Cir. 2003). Impairment is statutorily defined: a lien impairs an exemption "to the extent that the sum of - (i) the lien; (ii) all other liens on the property; and (iii) the amount of the exemption that the debtor could claim if there were no liens on the property;

exceeds the value that the debtor's interest in the property would have in the absence of any liens." 11 U.S.C. § 522(f)(2)(A).

REVERSE-PRIORITY ANALYSIS

In cases in which there are multiple liens to be avoided, the liens must be avoided in the reverse order of their priority. See *In re Meyer*, 373 B.R. 84, 87-88 (B.A.P. 9th Cir. 2007). "[L]iens already avoided are excluded from the exemption-impairment calculation with respect to other liens." *Id.*; 11 U.S.C § 522(f)(2)(B).

The judicial liens against the subject real property, listed in the reverse order of their priority are: (i) Creditors Adjustment Bureau, Inc. - \$12,150.56; (ii) Perrin Bernard Supowitz, LLC - \$7,923.03; (iii) Sysco Sacramento, Inc. - \$21,917.52; and (iv) AFK, Inc. - \$68,948.64. The court takes judicial notice of other motions on this calendar that request avoidance of other judicial liens against the subject real property in this matter. Fed. R. Evid. 201. The debtor has claimed a \$432,896.59 exemption in the property.

Excluding all liens against the subject real property that are lower in priority than respondent's lien, the moving party is entitled to relief. The total of the judicial lien, all other liens except junior judicial liens, plus the exemption amount equals approximately \$965,467.75. The value of the property is \$854,528.00. The respondent's judicial lien, all other liens (except junior judicial liens), and the exemption amount together exceed the property's value by an amount greater than or equal to the judicial lien. As a result, the respondent's judicial lien will be avoided entirely.

5. [23-23407](#)-A-7 **IN RE: RAYMOND/MARLEN GALLO**
[TBG-17](#)

MOTION TO AVOID LIEN OF PERRIN BERNARD SUPOWITZ, LLC
10-17-2024 [\[176\]](#)

STEPHAN BROWN/ATTY. FOR DBT.
DEBTORS DISCHARGED: 02/08/24

Final Ruling

Motion: Avoid Lien that Impairs Exemption
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Granted
Order: Prepared by moving party

Subject: 1624 Albatross Way, Rocklin, California

Judicial Lien Avoided: \$7,923.03 - Perrin Bernard Supowitz, LLC

All Other Liens:

- Deed of Trust - PennyMac Loan; \$398,338
- Statutory Lien - California Department of Tax & Fee
Administration; \$23,293.41

Exemption: \$432,896.59

Value of Property: \$854,528.00

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

The debtors seek an order avoiding the judicial lien of Perrin Bernard Supowitz, LLC under 11 U.S.C. § 522(f).

LIEN-AVOIDANCE STANDARDS

Section 522(f) of the Bankruptcy Code authorizes the court to avoid a lien "on an interest of the debtor in property to the extent that such lien impairs an exemption to which the debtor would have been entitled." 11 U.S.C. § 522(f)(1). There are four elements to avoidance of a lien that impairs an exemption: (1) there must be an exemption to which the debtor would have been entitled; (2) the property must be listed on the schedules and claimed as exempt; (3) the lien must impair the exemption claimed; and (4) the lien must be a judicial lien or nonpossessory, nonpurchase-money security interest in property described in § 522(f)(1)(B). *Goswami v. MTC Distrib. (In re Goswami)*, 304 B.R. 386, 390-91 (B.A.P. 9th Cir. 2003). Impairment is statutorily defined: a lien impairs an exemption "to the extent that the sum of - (i) the lien; (ii) all other liens on the property; and (iii) the amount of the exemption that the debtor could claim if there were no liens on the property;

exceeds the value that the debtor's interest in the property would have in the absence of any liens." 11 U.S.C. § 522(f)(2)(A).

REVERSE-PRIORITY ANALYSIS

In cases in which there are multiple liens to be avoided, the liens must be avoided in the reverse order of their priority. See *In re Meyer*, 373 B.R. 84, 87-88 (B.A.P. 9th Cir. 2007). "[L]iens already avoided are excluded from the exemption-impairment calculation with respect to other liens." *Id.*; 11 U.S.C § 522(f)(2)(B).

The judicial liens against the subject real property, listed in the reverse order of their priority are: (i) Creditors Adjustment Bureau, Inc. - \$12,150.56; (ii) Perrin Bernard Supowitz, LLC - \$7,923.03; (iii) Sysco Sacramento, Inc. - \$21,917.52; and (iv) AFK, Inc. - \$68,948.64. The court takes judicial notice of other motions on this calendar that request avoidance of other judicial liens against the subject real property in this matter. Fed. R. Evid. 201. The debtor has claimed a \$432,896.59 exemption in the property.

Excluding all liens against the subject real property that are lower in priority than respondent's lien, the moving party is entitled to relief. The total of the judicial lien, all other liens except junior judicial liens, plus the exemption amount equals approximately \$953,317.19. The value of the property is \$854,528.00. The respondent's judicial lien, all other liens (except junior judicial liens), and the exemption amount together exceed the property's value by an amount greater than or equal to the judicial lien. As a result, the respondent's judicial lien will be avoided entirely.

6. [24-23608](#)-A-7 **IN RE: KRISTINA FRASIER AND BO MCBRAYER**
[DWE-1](#)

MOTION FOR RELIEF FROM AUTOMATIC STAY
9-30-2024 [\[12\]](#)

MIKALAH LIVIAKIS/ATTY. FOR DBT.
DANE EXNOWSKI/ATTY. FOR MV.
FREEDOM MORTGAGE CORPORATION VS.
RESPONSIVE PLEADING

Final Ruling

This case was converted to Chapter 13 on November 5, 2024.

Upon conversion, the case was transferred to Department E. The hearing on this motion for stay relief is continued to December 10, 2024, at 1:30 p.m. before the Hon. Ronald H. Sargis.

7. [24-22311](#)-A-7 **IN RE: KRISTOPHER/SHANNON KASHUBA**
[KMT-4](#)

MOTION TO COMPROMISE CONTROVERSY/APPROVE SETTLEMENT
AGREEMENT WITH KRISTOPHER KASHUBA AND SHANNON LYNN KASHUBA
10-21-2024 [[39](#)]

ESTELA PINO/ATTY. FOR DBT.
GABRIEL HERRERA/ATTY. FOR MV.
DEBTORS DISCHARGED: 09/12/24

Tentative Ruling

Motion: Approve Compromise of Controversy
Notice: LBR 9014-1(f)(1); written opposition required
Disposition: Granted
Order: Civil minute order

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

Chapter 7 trustee, Nikki Farris, seeks an order approving the settlement agreement between the trustee and the debtors. The agreement calls for: (1) a sale of estate assets to the debtors; and (2) abandonment of estate assets by the trustee which are not part of the sale transaction. A motion to abandon has been filed to be heard concurrently with this motion (KMT-5).

APPROVAL OF COMPROMISE

In determining whether to approve a compromise under Federal Rule of Bankruptcy Procedure 9019, the court determines whether the compromise was negotiated in good faith and whether the party proposing the compromise reasonably believes that the compromise is the best that can be negotiated under the facts. *In re A & C Props.*, 784 F.2d 1377, 1381 (9th Cir. 1986). More than mere good faith negotiation of a compromise is required. The court must also find that the compromise is fair and equitable. *Id.* "Fair and equitable" involves a consideration of four factors: (i) the probability of success in the litigation; (ii) the difficulties to be encountered in collection; (iii) the complexity of the litigation, and expense, delay and inconvenience necessarily attendant to litigation; and (iv) the paramount interest of creditors and a proper deference to the creditors' expressed wishes, if any. *Id.* The party proposing the compromise bears the burden of persuading the court that the compromise is fair and equitable and should be approved. *Id.*

Settlement Agreement

The relevant terms of the Settlement Agreement are: (1) the debtors shall pay to the trustee \$44,663.55; (2) the debtors shall purchase the bankruptcy estate's interest, if any, in a 2018 GMC Sierra for the net purchase price of \$9,048.74; and (3) the bankruptcy estate's interest in Folsom Moving & Storage, LLC, 301 Chandler Court, Roseville, California, personal injury settlements, the back due child support, and a 2019 Jeep Grand Cherokee shall be deemed abandoned pursuant to 11 U.S.C. section 554. Settlement Agreement, Exhibit A, ECF No. 42.

The movant requests approval of a compromise. The compromise is reflected in the settlement agreement attached to the motion as an exhibit. Based on the motion and supporting papers, the court finds that the compromise presented for the court's approval is fair and equitable considering the relevant *A & C Properties* factors. The compromise or settlement will be approved.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

The Chapter 7 trustee's motion to approve a compromise has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the motion,

IT IS ORDERED that the motion is granted. The court hereby approves the compromise that is reflected in the settlement agreement filed concurrently with the motion as Exhibit A and filed at docket no. 42.

8. [24-24076](#)-A-7 **IN RE: OLGA WOODS**
[KMM-1](#)

MOTION FOR RELIEF FROM AUTOMATIC STAY
10-18-2024 [\[11\]](#)

CARL GUSTAFSON/ATTY. FOR DBT.
KIRSTEN MARTINEZ/ATTY. FOR MV.
WELLS FARGO BANK, N.A. VS.

Final Ruling

Motion: Stay Relief

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Granted

Order: Civil minute order

Subject: 2018 Honda Civic Sedan

Cause: delinquent installment payments 2 months/\$912.96

Statement of Intentions: Surrender, ECF No. 1

These minutes constitute the court's findings of fact and conclusions of law required by Fed. R. Civ. P. 52(a), *incorporated* by Fed. R. Bankr. P. 7052, 9014(c). The findings of fact are as set forth above; the conclusions of law are as set forth below.

Wells Fargo Bank, N.A. seeks an order for relief from the automatic stay of 11 U.S.C. § 362(a).

DEFAULT OF RESPONDENT

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

STAY RELIEF

"[A]fter notice and a hearing," the court may terminate, annul, modify or condition the stay: (1) "for cause, including the lack of adequate protection"; or (2) "with respect to a stay of an act against property [of the estate]" if the debtor lacks "equity" in that property and if that "property is not necessary for an effective reorganization." 11 U.S.C. § 362(d); *see also* Fed. R. Bankr. P. 4001(a)(1). The party seeking stay relief bears the burden of proof as to "the debtor's equity in the property" and on the validity and perfection of its security interest, as well as the amount of its debt. 11 U.S.C. § 362(g)(1); *In re Dahlquist*, 34 B.R. 476, 481 (Bankr. S.D. 1983). The party opposing stay relief, e.g., the debtor or Chapter 7 trustee, bears the burden of proof on all other issues. 11 U.S.C. § 362(g)(2).

Subsection (d)(1) of § 362 of Title 11 provides for relief from stay for "cause, including the lack of adequate protection of an interest in property of such party." 11 U.S.C. § 362(d)(1). The debtor bears the burden of proof. 11 U.S.C. § 362(g)(2). Adequate protection may consist of a lump sum cash payment or periodic cash payments to the entity entitled to adequate protection "to the extent that the stay . . . results in a decrease in the value of such entity's interest in property." 11 U.S.C. § 361(1). "An undersecured creditor is entitled to adequate protection only for the decline in the [collateral's] value after the bankruptcy filing." See Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, *California Practice Guide: Bankruptcy* ¶ 8:1065.1 (rev. 2019) (citing *United Sav. Ass'n v. Timbers of Inwood Forest Assocs., Ltd.*, 484 U.S. 365, 370-73 (1988)); see also *In re Weinstein*, 227 BR 284, 296 (9th Cir. BAP 1998) ("Adequate protection is provided to safeguard the creditor against depreciation in the value of its collateral during the reorganization process"); *In re Deico Electronics, Inc.*, 139 BR 945, 947 (9th Cir. BAP 1992) ("Adequate protection payments compensate undersecured creditors for the delay bankruptcy imposes upon the exercise of their state law remedies").

The debtor is obligated to make debt payments to the moving party pursuant to a loan contract that is secured by a security interest in the debtor's vehicle described above. The debtor has defaulted on such loan with the moving party, and postpetition payments are past due. Vehicles depreciate over time and with usage. As a consequence, the moving party's interest in the vehicle is not being adequately protected due to the debtor's ongoing postpetition default.

Cause exists to grant relief under § 362(d)(1). The motion will be granted, and the 14-day stay of Federal Rule of Bankruptcy Procedure 4001(a)(3) will be waived. No other relief will be awarded.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Wells Fargo Bank, N.A.'s motion for relief from the automatic stay has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the motion,

IT IS ORDERED that the motion is granted. The automatic stay is vacated with respect to the property described in the motion, commonly known as a 2018 Honda Civic Sedan, as to all parties in interest. The 14-day stay of the order under Federal Rule of Bankruptcy Procedure 4001(a)(3) is waived. Any party with standing may pursue its rights against the property pursuant to applicable non-bankruptcy law.

IT IS FURTHER ORDERED that no other relief is awarded. To the extent that the motion includes any request for attorney's fees or other costs for bringing this motion, the request is denied.

9. [24-21688](#)-A-7 **IN RE: FRANCESCA CHANG**
[KMT-2](#)

MOTION FOR COMPENSATION BY THE LAW OFFICE OF KRONICK,
MOSKOVITZ, TIEDEMANN & GIRARD FOR GABRIEL P. HERRERA,
TRUSTEES ATTORNEY(S)
10-25-2024 [\[36\]](#)

DEBTOR DISCHARGED: 08/26/24

Tentative Ruling

Application: Allowance of First and Final Compensation and Expense Reimbursement

Notice: LBR 9014-1(f)(2); non opposition filed by the debtor

Disposition: Approved

Order: Civil minute order

Compensation: \$3,290.00

Reimbursement of expenses: \$5.12

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

COMPENSATION AND EXPENSES

In this Chapter 7 case, Kronick, Moskovitz, Tiedemann & Girard, attorney(s) for the trustee, has applied for an allowance of final compensation and reimbursement of expenses. The applicant requests that the court allow compensation in the amount of \$3,290.00 and reimbursement of expenses in the amount of \$5.12.

Section 330(a) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services" rendered by a trustee, examiner or professional person employed under § 327 or § 1103 and "reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Reasonable compensation is determined by considering all relevant factors. See *id.* § 330(a)(3).

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on a final basis.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Kronick, Moskovitz, Tiedemann & Girard's application for allowance of final compensation and reimbursement of expenses has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the application,

IT IS ORDERED that the application is approved on a final basis. The court allows final compensation in the amount of \$3,290.00 and reimbursement of expenses in the amount of \$5.12.

IT IS FURTHER ORDERED that the trustee is authorized without further order of this court to pay from the estate the aggregate amount allowed by this order in accordance with the Bankruptcy Code and the distribution priorities of § 726.

10. [22-22290](#)-A-7 **IN RE: AMD METAL WORKS, INC**
[DNL-12](#)

MOTION TO APPROVE STIPULATION
10-25-2024 [\[204\]](#)

MARK WOLFF/ATTY. FOR DBT.
J. CUNNINGHAM/ATTY. FOR MV.

Tentative Ruling

Motion: Approve Compromise or Settlement of Controversy
Notice: LBR 9014-1(f)(2); no written opposition required
Disposition: Granted
Order: Civil minute order

Parties to Compromise: Trustee; Taylor Lacy Properties, LLC, Claim No. 22

Dispute Compromised: Resolution of Administrative Claim

Summary of Material Terms: (1) TLP claim shall be allowed in the amount of \$30,635.42; (2) \$6,779.97 of claim shall be allowed as an administrative expense; and (3) the balance, \$23,855.45, shall be allowed as a general unsecured claim.

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, incorporated by Fed. R. Bankr. P. 7055, 9014(c). The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

Geoffrey Richards, Chapter 7 trustee, seeks an order approving the Stipulation with Taylor Lacy Properties, LLC. The stipulation has been filed concurrently with this motion as Exhibit A, ECF No. 206, authorizes the trustee to pay \$6,779.97 to the claimant as an administrative expense. The remainder of Claim NO. 22 will be allowed as an unsecured claim. The trustee has indicated that he does not anticipate a distribution to unsecured creditors in this case.

APPROVAL OF COMPROMISE

In determining whether to approve a compromise under Federal Rule of Bankruptcy Procedure 9019, the court determines whether the compromise was negotiated in good faith and whether the party proposing the compromise reasonably believes that the compromise is the best that can be negotiated under the facts. *In re A & C Props.*, 784 F.2d 1377, 1381 (9th Cir. 1986). More than mere good faith negotiation of a compromise is required. The court must also find that the compromise is fair and equitable. *Id.* "Fair and equitable" involves a consideration of four factors: (i) the probability of success in the litigation; (ii) the difficulties to be encountered in collection; (iii) the complexity of the litigation, and expense, delay and inconvenience necessarily attendant to litigation; and (iv) the paramount interest of creditors and a proper deference to the creditors' expressed wishes, if any. *Id.* The party proposing the compromise bears the burden of persuading the court that the compromise is fair and equitable and should be approved. *Id.*

The movant requests approval of a compromise that settles the dispute described above. The compromise is reflected in the settlement agreement attached to the motion as an exhibit. Based on the motion and supporting papers, the court finds that the compromise presented for the court's approval is fair and equitable considering the relevant *A & C Properties* factors. The compromise or settlement will be approved.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Geoffrey Richard's motion to approve a compromise has been presented to the court. Having considered the motion, oppositions, responses and replies, if any, and having heard oral argument presented at the hearing,

IT IS ORDERED that the motion is granted. The court hereby approves the compromise that is reflected in the settlement agreement attached to the motion as Exhibit A and filed at docket no. 206.

11. [22-22290](#)-A-7 **IN RE: AMD METAL WORKS, INC**
[DNL-9](#)

MOTION FOR COMPENSATION BY THE LAW OFFICE OF DESMOND, NOLAN,
LIVAICH & CUNNINGHAM FOR BENJAMIN C. TAGERT, TRUSTEES
ATTORNEY(S)
10-18-2024 [[197](#)]

MARK WOLFF/ATTY. FOR DBT.
J. CUNNINGHAM/ATTY. FOR MV.

Final Ruling

Application: Allowance of First and Final Compensation and Expense
Reimbursement

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Approved

Order: Civil minute order

Compensation: \$78,463.00

Reimbursement of expenses: \$4,386.93

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this application was required not less than 14 days before the hearing on the application. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

COMPENSATION AND EXPENSES

In this Chapter 7 case, Desmond, Nolan, Livaich & Cunningham, attorney for the trustee, has applied for an allowance of final compensation and reimbursement of expenses. The applicant requests that the court allow compensation in the amount of \$78,463.00 and reimbursement of expenses in the amount of \$4,386.93.

Section 330(a) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services" rendered by a trustee, examiner or professional person employed under § 327 or § 1103 and "reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Reasonable compensation is determined by considering all relevant factors. See *id.* § 330(a)(3).

Services Performed

The trustee's administration of this estate required significant litigation.

Counsel performed the following services on behalf of the estate:
(1) Case Administration; (2) Litigation & Contested Matters; (3) Asset Analysis and Recovery; (4) Asset Disposition; (5) Relief from

Stay/Adequate Protection Proceedings; (6) Fee/Employment Applications; (7) Tax Issues; (8) Claims Administration and Objections; (9) Settlement/Non-Binding ADR; (10) Discovery; and (11) Other (Investigation and Resolution of A/R Claims).

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on a final basis.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Desmond, Nolan, Livaich & Cunningham's application for allowance of final compensation and reimbursement of expenses has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the application,

IT IS ORDERED that the application is approved on a final basis. The court allows final compensation in the amount of \$78,463.00 and reimbursement of expenses in the amount of \$4,386.93.

IT IS FURTHER ORDERED that the trustee is authorized without further order of this court to pay from the estate the aggregate amount allowed by this order in accordance with the Bankruptcy Code and the distribution priorities of § 726.

12. [21-22898](#)-A-7 **IN RE: HEATH V. FULKERSON LLC**
[DNL-7](#)

OBJECTION TO CLAIM OF HEATH FULKERSON, CLAIM NUMBER 5-1 AND
8-1 AND/OR OBJECTION TO CLAIM OF CHRISTIAN FULKERSON, CLAIM
NUMBER 6-1 AND 9-1
9-24-2024 [[197](#)]

GABRIEL LIBERMAN/ATTY. FOR DBT.
J. CUNNINGHAM/ATTY. FOR MV.

Tentative Ruling

Objection: Objection to Claim

Notice: LBR 3007-1(b)(1); written opposition required

Disposition: Sustained; denied as to compensation sought

Order: Prepared by objecting party

Unopposed objections are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c); LBR 9001-1(d), (n) (contested matters include objections). Written opposition to the sustaining of this objection was required not less

than 14 days before the hearing on this objection. None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

TRUSTEE OBJECTION

Chapter 7 trustee Nikki Farris objects to the allowance of Proofs of Claim No. 5-1 ("POC 5-1"), 6-1 ("POC 6-1"), 8-1 ("POC 8-1"), and 9-1 ("POC 9-1") (collectively hereinafter, "Wage Claims") filed by Heath Fulkerson and Christian Fulkerson (collectively, "Insiders") on the grounds that the Wage Claims are (1) defective on their face under Fed. R. Bankr. P. 3001 (a) and otherwise incomplete under Fed. R. Bankr. P. 3001 (c) (1); and (2) the Insiders do not have an employee-employer relationship with the debtor.

The trustee contends that: (1) each of the Wage Claims is defective on its face because the amount on which priority is asserted exceeds the statutory limit on the petition date; and (2) is presented by an insider of the debtor.

Additionally, the trustee contends that none of the Wage Claims have been filed with any evidence that would support that the Insiders had an employer-employee relationship with the debtor, or that either of the Insiders is entitled to wages or salaries in any amount.

The trustee reviewed records provided to her, including those produced by the debtor's insurance carrier and CPA. The records do not suggest that Wage Claims could be supported, and the trustee has not been provided with documentation supporting that the Insiders had an employer-employee relationship with the debtor. Additionally, the financial records produced do not support the Wage Claims. Considering these deficiencies, the trustee seeks an order disallowing each of the Wage Claims in their entirety.

CLAIM OBJECTIONS

A proof of claim is "deemed allowed, unless a party in interest . . . objects." 11 U.S.C. § 502(a). Federal Rule of Bankruptcy Procedure 3001(f) creates an evidentiary presumption of validity for "[a] proof of claim executed and filed in accordance with [the] rules." Fed. R. Bankr. P. 3001(f); see also *Litton Loan Servicing, LP v. Garvida (In re Garvida)*, 347 B.R. 697, 706-07 (B.A.P. 9th Cir. 2006). This presumption is rebuttable. See *Garvida*, 347 B.R. at 706. "The proof of claim is more than some evidence; it is, unless rebutted, prima facie evidence. One rebuts evidence with counter-evidence." *Id.* at 707 (citation omitted) (internal quotation marks omitted).

"A creditor who files a proof of claim that lacks sufficient support under Rule 3001(c) and (f) does so at its own risk. That proof of claim will lack prima facie validity, so any objection that raises a legal or factual ground to disallow the claim will likely prevail absent an adequate response by the creditor." *Campbell v.*

Verizon Wireless S-CA (In re Campbell), 336 B.R. 430, 436 (B.A.P. 9th Cir. 2005).

"A claim that is not regular on its face does not qualify as having been 'executed and filed in accordance with these rules.'" *Garvida*, 347 B.R. at 707 n.7 (quoting Fed. R. Bankr. P. 3001(f)). Such a claim lacks prima facie validity.

The court finds that the wage claims are not supported by the information gleaned during the trustee's investigation of this matter. Specifically, the trustee's investigation has not netted sufficient evidence that the claimants were employees of the debtor. Neither have the claimants provided such information to the trustee as requested. Accordingly, the court will sustain the objection and disallow the claims in their entirety.

Attorney Fees

(c) Supporting information

(1) Claim based on a writing

Except for a claim governed by paragraph (3) of this subdivision, when a claim, or an interest in property of the debtor securing the claim, is based on a writing, a copy of the writing shall be filed with the proof of claim. If the writing has been lost or destroyed, a statement of the circumstances of the loss or destruction shall be filed with the claim.

(2) Additional requirements in an individual debtor case: sanctions for failure to comply

In a case in which the debtor is an individual:

(A) If, in addition to its principal amount, a claim includes interest, fees, expenses, or other charges incurred before the petition was filed, an itemized statement of the interest, fees, expenses, or charges shall be filed with the proof of claim.

(B) If a security interest is claimed in the debtor's property, a statement of the amount necessary to cure any default as of the date of the petition shall be filed with the proof of claim.

(C) If a security interest is claimed in property that is the debtor's principal residence, the attachment prescribed by the appropriate Official Form shall be filed with the proof of claim. If an escrow account has been established in connection with the claim, an escrow account statement prepared as of the date the petition was filed and, in a form, consistent with applicable nonbankruptcy law shall be filed with the attachment to the proof of claim.

(D) If the holder of a claim fails to provide any information required by this subdivision (c), the court may, after notice and hearing, take either or both of the following actions:

(i) preclude the holder from presenting the omitted information, in any form, as evidence in any contested

matter or adversary proceeding in the case, unless the court determines that the failure was substantially justified or is harmless; or
(ii) award other appropriate relief, including reasonable expenses and attorney's fees caused by the failure.

. . .

Fed. R. Bankr. P. 3001(c) (emphasis added).

The trustee seeks \$6,185.00 in attorney compensation from the claimants under Fed. R. Bankr. P. 3001(c)(2)(D)(ii) for her investigation of the four claims which are the subject of this objection. The court denies this relief as the trustee has not proven that the claims were based upon a writing as required or that the debtor in this case is an individual.

13. [24-22311](#)-A-7 **IN RE: KRISTOPHER/SHANNON KASHUBA**
[KMT-5](#)

MOTION TO ABANDON
11-4-2024 [44]

ESTELA PINO/ATTY. FOR DBT.
GABRIEL HERRERA/ATTY. FOR MV.
DEBTORS DISCHARGED: 09/12/24

Tentative Ruling

Motion: Authorize Trustee's Abandonment of Property of the Estate

Notice: LBR 9014-1(f)(2); no written opposition required

Disposition: Granted only as to the assets described in the motion

Order: Prepared by moving party pursuant to the instructions below

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, incorporated by Fed. R. Bankr. P. 7055, 9014(c). The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

ABANDONMENT

The chapter 7 trustee moves for an order authorizing her abandonment of the bankruptcy estate's interest in the following assets which are described in the motion, ECF No. 44: (1) Folsom Moving & Storage, LLC; (2) real property located at 301 Chandler Court, Roseville, California; (3) personal injury settlements from Karen McGuire, et al.; (4) back due child support; and (5) a 2019 Jeep Grand Cherokee.

The movant bears the burden of proof. *In re Pilz Compact Disc., Inc.*, 229 B.R. 630 (Bankr. E.D. Pa. 1999) (Chapter 7 trustee). "[B]urdensome to the estate" means "consumes the resources and

drains the income of the estate." *In re Smith-Douglass, Inc.*, 856 F.2d 12, 16 (4th Cir. 1988). "[O]f inconsequential value and benefit to the estate" refers to assets not likely to be liquidated for the benefit of creditors. 11 U.S.C. § 704(a)(1); *Matter of Taxman Clothing Co.*, 49 F3d 310, 315 (7th Cir. 1995) (Chapter 7 trustee has no duty to liquidate assets where costs of doing so likely to exceed asset's value). Of inconsequential value and benefit to the estate includes assets that (1) have no equity (including post-petition appreciation), *In re Viet Vu*, 245 B.R. 644 (9th Cir. BAP 2000); and (2) assets with equity, which has been wholly and properly exempted by the debtor. *In re Montanaro*, 307 B.R. 194 (Bankr. E.D. Cal. 2004).

11 U.S.C. § 554(a)

"After notice and a hearing, the trustee may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate." 11 U.S.C. § 554(a).

The trustee investigated the assets of the estate. She has determined that the real property, Folsom Moving & Storage, LLC, and the Jeep Grand Cherokee are subject to liens. After accounting for the liens and/or the debtors' allowed exemption in these assets there is no equity for the estate.

While the trustee considered objecting to the debtors' claim of exemption in the personal injury settlements and the back due child support a settlement agreement for sale of the estate's interest in these assets to the debtors was negotiated. The debtors' purchase of these assets from the estate is the subject of a companion motion to approve the settlement (KMT-4), to be heard concurrently with this motion.

Accordingly, the court finds that the assets described above are either burdensome to the estate or of inconsequential value to the estate. An order authorizing the trustee's abandonment of such assets is warranted. The order will authorize abandonment of only the assets that are described in the motion.