



Signed and Filed: January 10, 2024

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HANNAH L. BLUMENSTIEL  
U.S. Bankruptcy Judge

6 Attorney for Debtor  
7 Timothy Edward Simpson

10 **UNITED STATES BANKRUPTCY COURT**  
11 **NORTHERN DISTRICT OF CALIFORNIA**  
12 **SAN FRANCISCO DIVISION**

14 **In re** ) **Case No. 23-30555 HLB 13**  
15 )  
16 **TIMOTHY EDWARD SIMPSON** ) **Chapter 13**  
17 )  
18 **Debtor(s).** ) **ORDER VALUING COLLATERAL OF**  
19 ) **GSPC RECOVERY FUND, LLC UNDER**  
20 ) **§ 506 AND FRBP 3012**  
21 )  
22 ) **Date:**  
23 ) **Time:**  
24 ) **Place:** Telephonic/ Videoconference  
Courtroom 19  
450 Golden Gate Avenue  
16th Floor  
San Francisco, CA  
**Judge:** Hon. Hannah L. Blumenstiel

25 On December 18, 2023, the debtor filed a Motion to Avoid Judicial Lien of Creditor GSPC  
26 RECOVERY FUND, LLC (hereinafter "Lienholder") under § 522(f) and § 506 and FRBP 3012,  
27 Dkt. # 22. The collateral secures a lien against the property commonly known as 1174 Sheila

1 Lane, Pacifica, CA 94044, A.P.N. 023-270-410 and more fully described in Exhibit A hereto (the  
2 “Property”), which lien was recorded in County of San Mateo on or about March 9, 2021 as  
3 document 2021-038315 (hereinafter the “Lien”).

4 The court finds that notice of the motion upon Lienholder was proper. Lienholder having  
5 failed to file timely opposition to the debtor's motion, the court hereby orders as follows.

- 6
- 7 (1) For purposes of the debtor’s chapter 13 plan only, the collateral is valued at  
8 \$1,100,000.00, the Lien is valued at zero, GSPC Recovery Fund, LLC does not have a  
9 secured claim, and the Lien may not be enforced, pursuant to 11 U.S.C. §§ 506, 1322  
10 (b)(2) and 1327.
- 11 (2) This order shall become part of the debtor's confirmed chapter 13 plan.
- 12 (3) Upon completion of plan payments in the debtor's chapter 13 case, the Lien shall be void  
13 and unenforceable for all purposes, and upon application by the debtor, the court will enter  
14 an appropriate form of FINAL ORDER ON VALUATION OF COLLATERAL OF GSPC  
15 RECOVERY FUND, LLC UNDER § 506 AND FRBP 3012.
- 16 (4) If the debtor's chapter 13 case is dismissed or converted to one under another chapter  
17 before the debtor completes plan payments, this order shall cease to be effective and the  
18 Lien shall be retained to the extent recognized by applicable nonbankruptcy law, and upon  
19 application by the lienholder, the court will enter an appropriate form of order restoring the  
20 Lien.
- 21 (5) Except as provided by separate, subsequent order of this court, the Lien may not be  
22 enforced so long as this order remains in effect.

23  
24 ***\*\* END OF ORDER \*\****

# **EXHIBIT A**

## **LEGAL DESCRIPTION**

All that certain real property in the City of Pacifica, County of San Mateo, State of California, described as follows:

Lot 2 in Block 3, as shown on that certain Map entitled, "Linda Mar No. 28 Pacifica, California", filed in the Office of the County Recorder of San Mateo County, State of California, on December 19, 1962 in Book 57 of Maps at Pages 25 and 26.

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Signed and Filed: July 19, 2024

1 DAVID BURCHARD  
2 CHAPTER 13 STANDING TRUSTEE  
3 P.O. BOX 8059  
4 FOSTER CITY, CA 94404  
5 (650) 345-7801 FAX (650) 345-1514  
6 (707) 544-5500 FAX (707) 544-0475

HANNAH L. BLUMENSTIEL  
U.S. Bankruptcy Judge

9 IN THE UNITED STATES BANKRUPTCY COURT  
10 NORTHERN DISTRICT OF CALIFORNIA

11 In re:

12 TIMOTHY EDWARD SIMPSON

13 Case No.: 23-30555 HLB

14 Chapter 13

15 Debtor(s)

16 ORDER CONFIRMING CHAPTER 13 PLAN

17 After notice and opportunity for a hearing it is determined  
18 that the Chapter 13 plan satisfies the requirements of 11 U.S.C. §  
19 1325. Therefore, **IT IS ORDERED** that the plan filed at docket #35 is  
20 confirmed.

21 ATTORNEY FEES

22 **IT IS FURTHER ORDERED** that the attorney's fees for the  
23 debtor(s)' attorney in the full amount of \$11,600.00 are approved,  
24 \$11,600.00 of which was paid prior to the filing of the petition.  
25 Provided that the attorney and debtor have executed and filed a  
26 Rights and Responsibilities of Chapter 13 Debtors and Their  
27 Attorneys, the balance of \$0.00, shall be paid by the chapter 13  
28 Trustee from plan payments in accordance with Section 6 of the plan.

**IT IS FURTHER ORDERED,**

1) Section 2.1 of the plan shall reflect the estimated total months of 60.

Concurred as to special provisions content:

/s/ Matthew D Metzger  
MATTHEW D. METZGER  
Attorney for Debtor(s)

Concurred as to special provisions content:

/s/ Brisa Ramirez  
Brisa Ramirez  
Attorney for David Burchard  
Chapter 13 Trustee

\* \* \* \* \* END OF ORDER \* \* \* \* \*

Court Service List

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TIMOTHY EDWARD SIMPSON  
1174 SHEILA LANE  
PACIFICA, CA 94044

# Chapter 13 Plan

Debtor 1:

Debtor 2 (Spouse, if filing):

## United States Bankruptcy Court - Northern District of California

Case Number (if known):

Check if this is an amended plan

Amended Sections:

### Section 1: Notices

**Note:** In a joint case, reference to a Debtor includes both Debtor 1 and Debtor 2. Whenever there are check boxes in this plan providing a choice, "None" or "Not included" will be presumed if no boxes are checked.

**To Debtors:** This form sets out permissible options for chapter 13 cases in the Northern District of California. The text of the provisions in this form plan may not be altered. Any nonstandard provision must be stated in § 10 of this plan and you must check "Included" in § 1.4 below. Any nonstandard provision placed elsewhere is ineffective. **Use of this form is mandatory.**

**To Creditors:** Your rights may be affected by this plan. Your claim may be reduced, modified, or eliminated.

You should read this plan carefully and discuss it with your attorney, if you have one in this bankruptcy case. If you do not have an attorney, you may wish to consult one.

The following matters may be of particular importance. *Debtor must check one box on each line to state whether or not the plan includes each of the following items. If an item is checked as "Not included" or if both boxes are checked or unchecked, the provision will be ineffective if set out later in the plan.* This may also be accomplished by a separately filed motion as indicated in the applicable section.

1.1	<b>A provision that limits the amount of a secured claim based on a valuation of the collateral for the claim, see Class 3.</b>	<input type="checkbox"/> Included	<input checked="" type="checkbox"/> Not Included
1.2	<b>A provision that avoids a security interest or lien, see Class 4.</b>	<input type="checkbox"/> Included	<input checked="" type="checkbox"/> Not Included
1.3	<b>A provision that avoids a judicial lien or nonpossessory nonpurchase money lien, see Class 6.</b>	<input checked="" type="checkbox"/> Included	<input type="checkbox"/> Not Included
1.4	<b>Nonstandard provisions, see § 10.</b>	<input checked="" type="checkbox"/> Included	<input type="checkbox"/> Not Included

### Section 2: Plan Payments & Length of Plan

#### 2.1 Debtor will make payments to the Trustee as follows:

<input type="button" value="Add Row"/>	<input type="button" value="Remove Row"/>		
Dollar Amount	Number of Months	Total	
\$3,225	59	\$190,275	
Additional Payments (see § 2.3):		\$367,725	
Estimated Total Months: 59	<b>Estimated Total Payments:</b>	\$558,000	

**2.2 The initial plan payment to the Trustee is due 30 days after the petition date. After the initial plan payment to the Trustee, regular plan payments must be received by the Trustee not later than the 20th day of each month. Payments will be made from future income in the following manner:**

Check all that apply:

Debtor will make payments directly to the Trustee.

Debtor will make payments pursuant to a payroll deduction (wage) order.

Other:

**2.3 Additional payments**

Check one:

Debtor will make additional payment(s) to the Trustee from other sources, as specified below. Describe in the box below the source, estimated amount, and date of each anticipated payment. Explain further as needed in § 10.

Add Row	Remove Row				
Source	Estimated Dollar Amount	Payment Date			
refinance of real property or other source	\$367,725.00	Jun 30, 2028			

**Section 3: Claims**

**Need to file proof of claim and determination of classification.** A creditor, including a secured creditor, must file an allowable proof of claim in order to receive disbursements from the Trustee, whether or not this plan mentions the creditor's claim. Unless the court orders otherwise, the Trustee will make distributions only on filed proofs of claim. Unless the court orders otherwise, the proof of claim shall determine the amount and classification of a claim.

**Section 4: Pre-confirmation adequate protection payments to secured creditors**

None. The rest of this claim provision need not be completed or reproduced.

**Section 5: Treatment of Claims**

**Class 1: Secured claims on which Debtor had defaulted before the petition date. Debtor does not intend to alter terms except to cure arrears**

None. The rest of this claim provision need not be completed or reproduced.

**Class 2: Secured claims which mature before the projected date of the last payment due under this plan which are intended to be paid in full or any other secured claim that is to be paid in full through the plan by the Trustee**

None. The rest of this claim provision need not be completed or reproduced.

**Treatment.** The claims listed below are secured claims that are expected to be fully paid, with interest, before the last payment is due to the Trustee under this plan, or are secured claims that Debtor seeks to have paid in full through the plan, with interest. Claims will be paid interest at 0% unless otherwise stated below

Add Row	Remove Row				
Creditor Name	Collateral	Claim Amount	Interest Rate %	Monthly Payment	Start Date (Month/Year)
Internal Revenue Service	1174 Sheila Lane Pacifica, CA 94044	\$230,477	7.78	\$2,000	9/2023
Franchise Tax Board	1174 Sheila Lane Pacifica, CA 94044	\$25,465	7.78	\$900	9/2023

**Class 3: Secured claims on which Debtor proposes to limit the claim amount to the value of the collateral pursuant to 11 U.S.C. § 506(a) and § 1325 (stripped down)**

None. The rest of this claim provision need not be completed or reproduced.

**Class 4: Secured claims on which Debtor proposes to treat the claim as fully unsecured pursuant to 11 U.S.C. § 506(d), § 1322(b) (2) and § 1325 (voiding liens)**

None. The rest of this claim provision need not be completed or reproduced.

**Class 5: Secured claims excluded from 11 U.S.C. § 506 valuation by the “hanging paragraph” of § 1325(a), which are subject to In re Penrod, 611 F.3d 1158 (9th Cir. 2010) (e.g., “910 Claims”)**

None. If “None” is checked, the rest of this claim provision need not be completed or reproduced.

**Class 6: Secured claims on which Debtor proposes to limit the claim amount pursuant to 11 U.S.C. § 522(f) and Bankruptcy Rule 4003(d)**

None. The rest of this claim provision need not be completed or reproduced.

**Treatment:** The judicial liens or nonpossessory, nonpurchase money security interests securing the claims impair certain exemptions to which Debtor would have been entitled under 11 U.S.C. § 522(b). Unless the court orders otherwise, a judicial lien or security interest securing a claim identified will be avoided to the extent that it impairs such exemptions upon entry of the order confirming the plan, or the granting of a motion seeking such relief. The amount of the judicial lien or security interest that is avoided will be treated as a Class 14 nonpriority general unsecured claim to the extent allowed, unless entitled to priority or special treatment. The amount, if any, of the judicial lien or security interest that is not avoided will be paid in full as a secured claim under the plan. See 11 U.S.C. § 522(f) and Bankruptcy Rule 4003(d).

*Means of accomplishing this provision (check one):*

By motion. Debtor will file and serve a separately noticed motion. Such motion must be served in the same manner as a summons and complaint under Rule 7004. Identify claims below.

Add Row	Remove Row	Creditor Name	Collateral	Estimated Claim Amount	Value of Secured Claim	Interest Rate %	Monthly Payment	Start Date (Month/Year)
		GSPC Recovery Fund, LLC	1174 Sheila Lane Pacifica, CA 94044	\$214,778	0	0	0	

**Class 7: Secured claims which Debtor proposes to satisfy by surrender of collateral**

None. The rest of this claim provision need not be completed or reproduced.

**Class 8: Secured claims on which Debtor was not in default on the petition date. Debtor does not intend to modify the claimant’s rights.**

None. The rest of this claim provision need not be completed or reproduced.

**Treatment:** Claimant will retain its lien until the underlying debt is paid in full under nonbankruptcy law. The Debtor or a third party shall make all regularly scheduled contractual payments coming due postpetition.

Add Row	Remove Row	Creditor Name	Collateral	Contractual Payment	Person who will pay debt
		Specialized Loan Servicing LLC senior mortgage - loan servicer	1174 Sheila Lane Pacifica, CA 94044	\$2,338	Debtor
		Specialized Loan Servicing LLC junior mortgage - loan servicer	1174 Sheila Lane Pacifica, CA 94044	\$1,727	Debtor

**Class 9: Non-Assigned Priority Domestic Support Obligations - § 507(a)(1)(A) and § 1322(a)(2)** None. The rest of this claim provision need not be completed or reproduced.**Class 10: Assigned Priority Domestic Support Obligations - § 507(a)(1)(B), § 1322(a)(4)** None. The rest of this claim provision need not be completed or reproduced.**Class 11: Priority Taxes - § 507(a)(8), § 1322(a)(2)** None. The rest of this claim provision need not be completed or reproduced.**Treatment:** All allowed priority tax claims shall be paid in full in deferred cash payments by the Trustee pursuant to § 507(a)(8) and § 1322(a)(2).

Add Row

Remove Row

Creditor Name	Estimated Claim Amount	Interest Rate %
Internal Revenue Service	\$135,798	7.78
Franchise Tax Board	\$22,831	7.78

**Class 12: Other Priority Claims** None. The rest of this claim provision need not be completed or reproduced.**Class 13: Nonpriority General Unsecured Claims (Afforded Special Treatment, including co-signed debts)** None. The rest of this claim provision need not be completed or reproduced.**Class 14: Nonpriority General Unsecured Claims****Treatment:** Allowed claims will be paid by the Trustee, from funds remaining after payment of all other allowed claims, as follows:*Check One:* **Fixed dollar dividend:** allowed general unsecured claims shall be paid by the Trustee an aggregate dividend of which shall be shared pro rata by claimants.**Section 6: Unclassified Claims and Expenses****Trustee's Fees.** The Trustee's fees are governed by 28 U.S.C. § 586(e), may change during the course of the case, but cannot exceed 10% of receipts.**Debtor's attorney fees.**Debtor's attorney was paid  prior to the filing of the case. Additional fees of  shall be paid upon court approval. Debtor's attorney will seek approval either by:

complying with General Order 35; or

Debtor's attorney's fees shall be paid  of each monthly plan payment.

**Other Administrative Expenses.**

as allowed by 11 U.S.C § 1326(b). Name of party owed:

**Section 7: Executory Contracts and Unexpired Leases**

None. The rest of this claim provision need not be completed or reproduced.

**Executory Contracts and Unexpired Leases Assumed.** Debtor assumes the executory contracts and unexpired leases listed below. Debtor shall pay any postpetition contract or lease payment directly. Any prepetition arrears will be paid in full by the Trustee.

Add Row

Remove Row

Other Party	Description of Contract or Lease	Contract Payment	Estimated Arrearage	Monthly Payments on Arrears	Start Date (Month/Year)
America Honda Finance	Honda CRV	\$429	0	0	n.a.

**Executory Contracts and Unexpired Leases Rejected.** Debtor rejects the executory contracts and unexpired leases listed below. Upon confirmation of the plan, the automatic stay arising under § 362(a) shall be terminated.

Add Row

Remove Row

Other Party	Description of Contract or Lease

**Section 8: Vesting of Property of the Estate**

Property of the estate (check one):

Reverts in Debtor upon confirmation. Debtor may sell, refinance, or execute a loan modification without prior court approval or order if the Trustee approves the transaction.

Regardless of vesting of property of the estate:

- during the pendency of the case, the Trustee is not required to file income tax returns for the estate or insure any estate property; and
- the court shall be empowered to enforce Bankruptcy Rule 3002.1; and to provide any other relief necessary to effectuate this plan, the orderly administration of this case, and the protection of property of Debtor and property of the estate.

**Section 9: Miscellaneous Provisions**

**9.1 Direct Secured Debt Payments.** Unless the court otherwise orders, if Debtor elects to pay installment payments directly to the lender(s) on real property secured debt that is in default on the filing date, Debtor shall file a declaration under penalty of perjury on each anniversary of the plan's confirmation of having made those payments and shall serve each declaration on the Trustee.

**9.2 Limited stay relief.** Notwithstanding 11 U.S.C. §§ 362 and 1301, any secured creditor may transmit to Debtor and codebtor payment coupon books and other statements, notices of payment changes or interest rate changes, escrow account statements, and other statements concerning postpetition obligations, if such documents conform to bankruptcy-specific forms required by a federal statute, regulation, or rule, or contain a conspicuous disclaimer that they are being provided for informational purposes only and are not a demand for payment.

**9.3 Effect of relief from automatic and codebtor stays.** As soon as practicable after the Trustee receives notice of an order granting relief from stay, the Trustee shall cease making distributions on all claims secured by such collateral, unless the court orders otherwise.

**9.4 Distribution of plan payment by the Trustee in non-conduit cases.** Debtor's monthly plan payment must be sufficient to pay in full: (a) Trustee's fees, (b) the monthly dividends specified in Section 6 for Debtor's attorney's fees and administrative expenses, (c) the monthly dividends payable on account of Class 1, 2, 3, 5, and 6 claims, and executory contract and unexpired lease arrearage claims.

If Debtor tenders a partial monthly plan payment to the Trustee, the Trustee shall pay, to the extent possible, such fees, expenses, and claims in the order specified in the paragraph above. If the amount paid by Debtor is insufficient to pay all dividends due on account of fees, payments, expenses, and claims within a subpart of the above paragraph, such dividends shall be paid pro rata, on account of any of the fees, payments, expenses, and claims within such subpart.

Once a monthly plan payment, or a portion thereof, is not needed to pay a monthly dividend because a fee, expense, or claim is not allowed or has been paid in full, such plan payment shall be paid pro rata, based on claim balance, to holders of: first, Debtor's attorney's fees, and administrative expenses in Section 6; second, claims in Classes 1, 2, 3, 5, and 6, and executory contract and unexpired lease arrearage claims; third, priority claims in Classes 9, 10, 11, 12; fourth, unsecured claims in Class 13; and fifth, unsecured claims in Class 14.

#### Section 10: Non-Standard Plan Provisions

None. The rest of this provision need not be completed or reproduced.

*Under Bankruptcy Rule 3015(c), nonstandard provisions must be set forth below. Nonstandard provisions set out elsewhere in this plan are ineffective.*

**The following plan provisions will be effective only if there is a check in Box 1.4 "Included" in Section 1.**

#### **10.1 Amount of Payment in Section 2.3 Shall Be Reduced to Amount Necessary Sufficient to Pay Claim 5-3 and Claim 10-2.**

The purpose of the additional payment in section 2.3 is to provide sufficient funds necessary to pay only the secured tax liens asserted by Internal Revenue Service ("IRS") in Claim 5-3 and the Franchise Tax Board in Claim 10-2 ("FTB") (the "Tax Lien Payoff Balance"). The precise amount of the Tax Lien Payoff Balance will vary depending on when the Debtor can make the payment, via a refinance or other source. The Chapter 13 shall calculate interest at the rate specified in Section 5, Class 2 to determine the precise amount of the Tax Lien Payoff Balance, based on the date when the Debtor supplies funds necessary to complete the Tax Lien Payoff Balance, either through a refinance or other available source.

#### **10.2 Interest Rate Payable to Secured and Priority Unsecured Claims of Governmental Taxing Entities: 7.78%**

The interest rate payable to secured portions and priority unsecured portions of Claim 5-3 filed by the IRS and Claim 10-2 filed by the FTB shall be 7.78%, which represents the federal short-term April 2024 monthly rate of 4.78% plus 3 percentage points. See 26 U.S.C. § 6621(a)(2).

**Section 11: Signatures**

**By filing this document, each Debtor signing below certifies that (a) the wording and order of the provisions in this plan are identical to those contained in form chapter 13 plan, other than any nonstandard provisions included in Section 10, (b) that the plan has been proposed in good faith, (c) that the information provided in this plan is true and correct to the best of Debtor's knowledge, and (d) that Debtor will be able to make all plan payments and otherwise comply with plan provisions. Further, the statements in Attachment(s) A, B, C, and D, if applicable, are true and correct, under penalty of perjury.**

X:/s/ Timothy Edward Simpson	X:
Signature of Debtor 1	Signature of Debtor 2
Executed On: 6/14/2024	Executed On:
MM / DD / YYYY	MM / DD / YYYY

**The undersigned certifies under penalty of perjury that the wording and order of provisions in this plan are identical to those contained in the form chapter 13 plan, other than any nonstandard provision included in Section 10.**

X:/s/ Matthew D. Metzger	Date: 6/14/2024
Signature of Attorney Debtor(s)	MM / DD / YYYY