

<p>Attorney or Party Name, Address, Telephone &amp; FAX Numbers, State Bar Number &amp; Email Address</p> <p>YOUNG K. CHANG, ESQ. [#164906] LAW OFFICES OF YOUNG K. CHANG 3580 Wilshire Blvd., #1405 Los Angeles, CA 90010 Tel: 213-480-1050 Fax: 213-480-1028 Email: ybklaw3@gmail.com</p> <p><input type="checkbox"/> Debtor appearing without attorney <input checked="" type="checkbox"/> Attorney for:</p>	<p>FOR COURT USE ONLY</p> <div data-bbox="1047 262 1432 535"><p><b>FILED &amp; ENTERED</b></p><p><b>JUN 07 2018</b></p><p>CLERK U.S. BANKRUPTCY COURT Central District of California BY tatum DEPUTY CLERK</p></div> <p><b>CHANGES MADE BY COURT</b></p>
<p><b><u>NOT FOR PUBLICATION</u></b></p> <p><b>UNITED STATES BANKRUPTCY COURT</b> <b>CENTRAL DISTRICT OF CALIFORNIA – <u>LOS ANGELES</u> DIVISION</b></p>	
<p>In re:</p> <p>SEON IK HWANG,</p> <p>Debtor(s).</p>	<p>CASE NUMBER: 2:17-bk-18033-RK CHAPTER: 7</p> <p><b>ORDER <input type="checkbox"/> GRANTING <input checked="" type="checkbox"/> DENYING DEBTOR'S MOTION TO AVOID LIEN UNDER 11 U.S.C. § 522(f) (REAL PROPERTY)</b></p> <p><input checked="" type="checkbox"/> No hearing held <input type="checkbox"/> Hearing held DATE: TIME: COURTROOM: ADDRESS:</p>
<p><b>Creditor Holding Lien to be Avoided (name):</b> <b>BANK OF HOPE successor-in-interest by merger between BBCN BANK and WILSHIRE BANK</b></p>	

The Motion was: ☐ Opposed ☒ Unopposed ☐ Settled by stipulation

Pursuant to 11 U.S.C. § 522(f), Debtor moved to avoid a judicial lien on real property claimed to be exempt. The court finds and orders as follows:

1. ☐ Notice of this Motion complied with LBR 9013-1(d).
2. ☒ Notice of this Motion complied with LBR 9013-1(o).
  - a. ☒ There was no opposition and request for hearing.

"Bankruptcy Code" and "11 U.S.C." refer to the United States Bankruptcy Code, Title 11 of the United States Code.  
"FRBP" refers to the Federal Rules of Bankruptcy Procedure. "LBR" and "LBRs" refer to the Local Bankruptcy Rule(s) of this court.

This form is mandatory. It has been approved for use in the United States Bankruptcy Court for the Central District of California.

- b. ☐ Hearing requested and held as indicated in the caption.
3. ☐ Motion granted as set forth in the **Attachment** to this order.
4. ☒ Motion denied on the following grounds: ☐ with prejudice ☒ without prejudice
- a. ☒ Insufficient notice

Debtor's lien avoidance motion under 11 U.S.C. § 522(f) is a contested matter under Fed. R. Bankr. P. 9014. See *In re Frates*, 507 B.R. 298, 302 (9th Cir. BAP 2014). As indicated on the abstract of judgment, the affected lienholder is Bank of Hope Bank, which is an FDIC insured depository institution (FDIC #26610), which must be served by certified mail pursuant to Fed. R. Bankr. P. 7004(h), 4003(d) and 9014. *In re Frates*, 507 B.R. at 302. The proof of service for the motion shows that Debtor served counsel for the lienholder in the state court litigation. As the Bankruptcy Appellate Panel held in *In re Villar*, 317 B.R. 88 (9th Cir. BAP 2004), service on state court counsel is insufficient service for procedural due process purposes unless there is evidence showing that state court counsel is authorized to accept service in the bankruptcy case. *In re Villar*, 317 B.R. at 93-94. The abstract of judgment from 2017 listed the address of state court counsel as the address of the lienholder, but it is not shown that this is still correct now in 2018, or that state court counsel is authorized to accept service in this bankruptcy case for the lienholder. Although J. Alexandra Rhim of the law firm of Hemar, Rouso & Heald, LLP filed a request to be added to the courtesy notification of electronic filing (Docket No. 9), there is insufficient evidence to show Ms. Rhim represents Bank of Hope in this bankruptcy case or is otherwise authorized to accept service on behalf of the bank.

The proof of service shows service by certified mail on Bank of Hope, successor-in-interest by merger between BBNC Bank and Wilshire Bank, c/o Kevin S. Kim, Officer, 3731 Wilshire Blvd., #1000, Los Angeles, CA 90010 and Agent for Service of Process, Adam Karaski, 3731 Wilshire Blvd., #1000, Los Angeles, CA 90010. However, according to the FDIC website and the Bank of Hope website, the address of the bank's headquarters and location for service of legal process is 3200 Wilshire Blvd., Suite 1400, Los Angeles, CA 90010. There is no evidence that Bank of Hope was served at its 3200 Wilshire Blvd. address. Debtor must serve the affected lienholder, Bank of Hope, at a proper address, such as the official address listed for the bank on the FDIC BankFind webpage by certified mail to the attention of an officer of the institution designated by the institution pursuant to Fed. R. Bank. P. 7004(h). *In re Frates*, 507 B.R. at 302-303.

- b. ☐ Insufficient evidence of the exempt status of the property in question
- c. ☐ Failure to comply with FRBP 7004(b)(3) or FRBP 7004(h).
- d. ☐ Insufficient evidence of fair market value.
- e. ☐ Motion is incomplete.
- f. ☐ Other (*specify*):

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5. ☒ The court further orders as follows (*specify*): The court is posting this order online on the court's website under court opinions as a courtesy reminder to the bar that a motion to avoid lien will not be granted unless there is proper service on the affected lienholder in order to accord procedural due process to that party since its property rights are being affected by the motion.

The court grants leave to Debtor to file an amended motion within 60 days of the date of entry of this order to correct the service deficiencies identified in this order.

☐ See attached page

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Date: June 7, 2018



Robert Kwan  
United States Bankruptcy Judge