



**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION**

In re:

Michael Richard Collier

Debtor(s).

Case No.: 2:21-bk-12272-BB

CHAPTER 7

**ORDER AFTER HEARING ON OSC WHY  
UNIFUND CCF, LLC SHOULD NOT BE  
HELD IN CONTEMPT FOR KNOWING AND  
WILLFUL VIOLATION OF THE DISCHARGE  
INJUNCTION**

Date: March 8, 2023  
Time: 10:00 AM  
Courtroom: 1539

The Court conducted a hearing on March 8, 2023 at 10:00 a.m. in Courtroom 1539 on the above-entitled court on its February 14, 2023 "Order to Show Cause Why Unifund CCR, LLC Should Not be Held in Contempt for its Knowing and Willful Violations of the Discharge Injunction," Docket No. 44 (the "OSC"). Appearances were as noted in the record at the time of hearing on the OSC.

The Court, having reviewed and considered the papers filed on behalf of debtor Michael Richard Collier (the "Debtor") in support of the OSC, the opposition of Unifund

1 CCR, LLC (“Unifund”) thereto, the Debtor’s reply to Unifund’s opposition, the Court’s  
2 records and files in this chapter 7 case (the “Case”) and the oral argument of counsel at  
3 the time of hearing on the OSC, hereby makes the following findings of fact and  
4 conclusions of law:

- 5 1. The Debtor has a son, also named Michael Richard Collier, whose Social  
6 Security Number ends with 6926 and who sometimes refers to himself as  
7 Michael Richard Collier, Jr. (the “Son”).
- 8 2. On or about May 28, 2013, Unifund obtained a state court judgment against the  
9 Son (the “Judgment”) and recorded an abstract of that Judgment in the Office of  
10 the County Recorder for the County of Los Angeles (the “Recorder”) on or about  
11 August 16, 2013.
- 12 3. The abstract of the Judgment that was recorded (the “Abstract”) reports the  
13 name of the judgment debtor as “Michael Collier, aka Michael R. Collier, Jr.,” his  
14 last known address as “27934 Helton Dr., Santa Clarita, CA 91350” and the last  
15 4 digits of the judgment debtor’s Social Security Number as 6926. (The last 4  
16 digits of the Debtor’s Social Security Number are 5861.)
- 17 4. The Debtor owns the real property commonly known as 27934 Helton Drive,  
18 Santa Clarita, CA 91350 (the “Property”).
- 19 5. The recordation of the Judgment with the Recorder caused the real property  
20 records for the County of Los Angeles to reflect the existence of a judgment lien  
21 against the Property (the “Lien”).
- 22 6. The Debtor filed the Case on March 22, 2021. The Debtor included Unifund on  
23 the list of creditors to be served with notice in the Case and included the Lien on  
24 his Schedule D.
- 25 7. On April 19, 2021, the Debtor filed a motion to avoid the Lien as impairing his  
26 homestead exemption in the Property (the “Motion”). This Court granted that  
27 motion by order entered May 21, 2021 (the “Lien Avoidance Order”).

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- 1 8. Unifund was properly served with the Motion and with a copy of the Lien  
2 Avoidance Order.
- 3 9. The Debtor obtained a discharge in the Case (without exception for Unifund) on  
4 June 28, 2021.
- 5 10. On July 2, 2021, as Unifund had not yet taken any steps to cause the Recorder  
6 to remove the Lien from its records with regard to the Property, Debtor's counsel  
7 called Unifund's counsel to demand that Unifund remove the Lien from the  
8 Property. (Debtor testified that he called Unifund several times to make the  
9 same request.)
- 10 11. The only evidence in the record as to the result of these conversations is that  
11 which was offered by the Debtor and his counsel. Both testified that, in each  
12 instance, the person with whom they spoke at Unifund said that he/she/they  
13 would discuss the matter and get back to the caller with a response sometime  
14 thereafter. Neither the Debtor nor his counsel received the promised response  
15 from Unifund at any time thereafter.
- 16 12. Instead, on September 21, 2021, Unifund sent a letter to the Property addressed  
17 to "Michael R. Collier aka Collier, Jr., Michael R," demanding payment of  
18 amounts due under the Judgment.
- 19 13. On April 15, 2022, counsel for the Debtor wrote to Unifund's counsel, notifying  
20 him of the relevant facts and circumstances and demanding that the Lien be  
21 removed from the Property and that collection efforts stop. Additional letters and  
22 notifications are set forth in the declaration of Debtor's counsel filed in support of  
23 the Debtor's request that Unifund be held in contempt and sanctioned.
- 24 14. Unifund ignored the foregoing notifications and demands and, instead, filed a  
25 memorandum of costs and an application for renewal of the Judgment. On May  
26 31, 2022, Unifund filed a notice of renewal of the Judgment. On July 12, 2022,  
27 Unifund recorded its application for renewal of the Judgment with the Recorder.  
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1 15. In its opposition to the OSC, Unifund for the first time offered to record a release  
2 of the Lien as against the Property.

3 16. To its opposition, Unifund attached a copy of an email dated February 22, 2023,  
4 that it claims (without a supporting declaration) to have sent to counsel for the  
5 Debtor after being served with the Debtor's motion requesting the issuance of an  
6 order to show cause re contempt. In that email, Unifund's counsel claims that,  
7 during a telephone conversation that occurred on October 13, 2022, someone at  
8 Unifund advised Debtor's counsel or his staff that the judgment debtor and the  
9 Debtor have different social security numbers. Unifund does not, even in this  
10 unauthenticated letter, offer to take any steps to remove the cloud on title to the  
11 Property that resulted from recordation of the Abstract.

12 17. The Court finds that Unifund never offered to take any steps to cause the  
13 Recorder to remove the Lien from the Property until after it was served with the  
14 OSC and that, but for the issuance of the OSC, Unifund would not have made  
15 such an offer.

16 18. The Court finds that Unifund knowingly and willfully violated the Lien Avoidance  
17 Order and the Discharge Injunction by failing to take any steps to cause the Lien  
18 to be removed from the Property even after having been advised that the  
19 Abstract had wrongfully clouded the Debtor's title to the Property.

20  
21 In light of the foregoing,

22 **IT IS HEREBY ORDERED** that the Court will refrain from holding Unifund in  
23 contempt for knowingly and willfully failing to comply with the Lien Avoidance Order and  
24 violating the Debtor's discharge injunction if Unifund does all of the following within time  
25 frames set forth below:

26 1. Delivers to counsel for the Debtor:

27 a. an executed and notarized release of the Lien as against the  
28 Property with 14 days after entry hereof;

1           b. an executed and notarized release of the Lien as against any real  
2           property that the Debtor may acquire in the future within 14 days  
3           after written request therefor from the Debtor (which request must  
4           be accompanied by evidence that the Debtor owns the real  
5           property in question and that the Son does not own an interest in  
6           such property);

7           2. Submits a written request to the court that issued the Judgment (the “State  
8           Court”) to enter an amended form of judgment and issue an amended  
9           abstract of that judgment that more clearly reflect that the Judgment is  
10          against the Son, whose Social Security Number ends with 6926, and not  
11          against the Debtor, whose Social Security Number ends with 5861, once  
12          Unifund and the Debtor have agreed upon a proposed form of amended  
13          judgment and abstract;

14          3. If the State Court issues an amended abstract of judgment, records that  
15          abstract with the Recorder within 7 days after receiving the issued abstract  
16          from the State Court; and

17          4. Compensates the Debtor for the cost of having to bring a motion and  
18          obtain the issuance of the OSC in order to cause Unifund to remove the  
19          Lien from the Property by paying such amounts as the Court may order  
20          within 14 days after entry of an order setting the amount of such  
21          compensation.

22           **IT IS HEREBY FURTHER ORDERED** that the Court will conduct a continued  
23          hearing to determine the amount of attorneys’ fees and expenses to be paid to the  
24          Debtor pursuant to paragraph 4 above on April 19, 2023 at 10:00 a.m. in Courtroom  
25          1539 of the above-entitled Court (and via Zoom for Government). Debtor’s counsel  
26          shall serve and file not later than April 5, 2023, one or more declarations under penalty  
27          of perjury with attached fee statement(s) setting forth the attorneys’ fees and expenses  
28          that the Debtor has incurred in connection with his efforts to cause Unifund to remove

1 the Lien from the Property, including without limitation prosecuting a motion to have  
2 Unifund held in contempt and to obtain sanctions. Unifund may serve and file any  
3 opposition that it may have to the amount of fees and expenses requested by the  
4 Debtor not later than April 12, 2023.

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25 Date: March 21, 2023



26 Sheri Bluebond  
27 United States Bankruptcy Judge  
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