

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF SOUTH CAROLINA**

IN RE:

Jeffery nmn Williams and Crystal Key  
Williams,

Debtor(s).

C/A No. 24-03939-HB

Chapter 13

**ORDER DENYING MOTION FOR  
RELIEF FROM STAY**

**THIS MATTER** came before the Court for a hearing on February 13, 2025, to consider the Motion for Relief from Stay (the “Motion”) filed by Sun Communities, Inc. (“Movant”)<sup>1</sup> and the objection thereto filed by Debtors Jeffery Williams (“Mr. Williams”) and Crystal Key Williams (“Ms. Williams”).<sup>2</sup> Debtors own and reside in a mobile home located at 132 Brewster Way, Aiken, SC 29803 in the Crossroads Mobile Home Community (the “Community”) and lease the lot on which it is situated from Movant. Movant seeks relief from the automatic stay pursuant to 11 U.S.C. § 362(d) to evict Debtors based on their default under the lease. At the hearing, appearances were made by James S. Murray (“Murray”) for Movant and Vaughan R. Perry (“Perry”) for Debtors. Testimony was provided by Debtors and Angela Renee Tibbs (“Tibbs”), who is employed by Movant as a Manager of the Community, and exhibits were submitted into evidence. The Court finds as follows.

**FINDINGS OF FACT**

On October 30, 2020, the Community—which is owned by Movant—and Debtors entered a Manufactured Home Community Lease Agreement for State of South Carolina Communities (the “Lease”) under which the Debtors leased the lot on which the mobile home that they own is

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<sup>1</sup> ECF No. 28, filed Jan. 17, 2025.

<sup>2</sup> ECF No. 34, filed Jan. 31, 2025. Debtors also filed a Statement of Dispute setting forth their position. ECF No. 37, filed Feb. 11, 2025.

situated.<sup>3</sup> The original term of the Lease was from November 1, 2020, to October 31, 2021, though the Community could offer Debtors a new lease at the end of the term. The monthly rental amount under the Lease—due the first day of the month—was \$298.00,<sup>4</sup> though Tibbs testified the current monthly rent is \$379.00 and that the rent increases yearly and is due to increase to \$402.00 on the Debtors’ “anniversary date” (presumably October 30, 2025). Under the Lease, failure to pay rent within five (5) days of its due date entitles the Community to evict Debtors. Further, if Movant must move the mobile home from the leased site for any reason, including Debtors’ abandonment of the home or Movant’s right to remove the home pursuant to a Writ of Restitution, Debtors are responsible for all expenses incurred in removing the home from the leased site. The Lease provides that if Debtors default, Movant has the right to terminate the Lease, repossess the premises, and cause Debtors to vacate. In that event, Debtors “shall continue to pay all rent and other charges to [Movant], when due, following the demand for possession of the premises and during the pendency of the action and [Movant] may accept all such payments of rent and other charges without prejudice to the action to evict [Debtors].”

A ledger of payments made by Debtors under the Lease indicates Debtors made late payments in 2021 and 2022.<sup>5</sup>

On May 31, 2022, Debtors filed a petition for relief under Chapter 13 of the Bankruptcy Code with the assistance of counsel to initiate C/A No. 22-01425-dd (the “First Case”). The Lease payments ledger reflects Debtors made their July and August of 2022 payments a few days late, though no late fees were charged. The First Case was dismissed on August 12, 2022, on Debtors’ own motion to dismiss pursuant to [11 U.S.C. § 1307\(b\)](#) without confirming a plan.

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<sup>3</sup> Movant’s Ex. A.

<sup>4</sup> The Lease initially says the monthly amount is \$248.00, and later says the monthly amount is \$298.00.

<sup>5</sup> Movant’s Ex. A.

On September 14, 2022, Debtors filed a petition for relief under Chapter 13 of the Bankruptcy Code with the assistance of counsel to initiate C/A No. 22-02490-hb (the “Second Case”). Debtors’ Schedule J reflected net monthly income of \$3,003.75. On October 12, 2022, the Court entered an Order extending the automatic stay of [11 U.S.C. § 362](#). On December 19, 2022, after having filed two (2) prior Chapter 13 plans, Debtors filed an amended plan. The plan called for monthly payments of \$2,975.00 for sixty (60) months. Section 6.1 of that plan provided “The executory contracts and unexpired leases listed below are assumed and will be treated as specified. All other executory contracts and unexpired leases are rejected.” As the Lease was not listed in Section 6.1, it was rejected. On March 30, 2023, with no objections to confirmation of the plan having been filed, the Court confirmed the December 19, 2022, plan.

On August 15, 2023, the Chapter 13 Trustee filed a Petition to Dismiss Case alleging Debtors were behind \$7,900.00 on plan payments as of that date. The next day, on request of the Chapter 13 Trustee, the Court entered a form order denying the Petition to Dismiss based upon an agreement between the Chapter 13 Trustee and Debtors, and providing the case could be dismissed on request of the Chapter 13 Trustee without further notice or hearing if the Debtors failed to comply with that agreement or failed to timely make plan payments. On November 27, 2023, the Court granted Debtors’ uncontested motion for a moratorium on plan payments for a period of three (3) months, necessitating an increase in the remaining payments from \$2,975.00 per month to \$3,180.00 per month.

On June 13, 2024, Movant, having not received any payments from Debtors since August 5, 2022, according to the Lease payments ledger,<sup>6</sup> filed a Motion for Relief from Stay asserting cause existed to grant relief from stay on the grounds that Debtors were delinquent on rent in the

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<sup>6</sup> An entry on the ledger on December 31, 2023, labeled “Credit Memo – Balance Transfer”, reduces the account balance by half, presumably to account for the double charging of rent from September 2022 to December 2023.

amount of \$7,432.00, Debtors have no equity in the lot, and the lot is not necessary for an effective reorganization. Debtors filed an objection that was generic and did not specifically address the grounds presented in the motion. On July 25, 2024, the Court held a hearing at which Murray appeared for Movant and Perry appeared for Debtors. Debtors did not appear, and Perry indicated that without their testimony, Debtors did not have any evidence or arguments to present in opposition to the motion. The hearing lasted approximately three (3) minutes, and Murray was ordered to file a proposed order granting the motion. On August 8, 2024, the Court entered an Order granting Movant relief from the automatic stay to evict Debtors. Tibbs testified that Movant filed an Application for Ejectment in state court in October 2024.

On October 17, 2024, the Chapter 13 Trustee filed a Motion to Dismiss based on Debtors' failure to comply with the August 16, 2023, Order. On October 23, 2024, the Court entered an Order granting the motion and dismissing the case. The Lease payments ledger reflects that Debtors did not make the payments due to Movant for the months of June to October 2024.

On October 31, 2024, Debtors filed a petition for relief under Chapter 13 of the Bankruptcy Code with the assistance of Perry to initiate the above-captioned case. On November 6, 2024, Debtors filed schedules and statements.<sup>7</sup> Debtors' Schedule I reflects that both Debtors are employed and have a combined monthly income of \$7,823.50. Debtors' Schedule J indicates that Debtors have a net monthly income of \$3,938.50.

Debtors also filed a Chapter 13 plan on November 6, 2024.<sup>8</sup> That plan proposed monthly plan payments of \$2,925.00 for sixty (60) months. In Section 6.1 of the plan, Debtors proposed to assume the lease with Movant, with Debtors to maintain regular payments and the Chapter 13

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<sup>7</sup> ECF No. 10; Debtors' Ex. 1 (Schedules I and J).

<sup>8</sup> ECF No. 11.

Trustee to make disbursements on the prepetition arrearage. Movant did not file an objection to confirmation of that plan.

Debtors filed a Motion to Extend Automatic Stay<sup>9</sup> and a Motion for Temporary Extension of Stay.<sup>10</sup> The Court entered an Order temporarily extending the automatic stay to the date of the hearing on Debtors' Motion to Extend Automatic Stay<sup>11</sup> and, with no objections to such motion having been filed and with the Chapter 13 Trustee indicating on the docket that she had no objection, the Court entered an Order granting the motion and extending the automatic stay to all creditors for the life of the case.<sup>12</sup>

On January 17, 2025, on the request of the Chapter 13 Trustee, the Court entered a form order denying confirmation of Debtors' plan and requiring Debtors to file a modified plan within ten (10) days.<sup>13</sup>

Also on January 17, 2025, Movant filed the Motion, asserting cause exists to grant relief from stay on the grounds that Debtors are delinquent on rent, Debtors have no equity in the lot, and the lot is not necessary for an effective reorganization. Debtors filed a timely objection thereto, alleging they have attempted to make post-petition payments to Movant during this case, but Movant has refused to accept them. They further allege the cost to move the mobile home is substantial and moving the mobile home could cause irreparable damage thereto, and assert Movant is adequately protected pursuant to the January 27, 2025, plan (described below).

On January 27, 2025, Debtors filed a modified Chapter 13 plan.<sup>14</sup> That plan proposes monthly plan payments of \$2,965.00 for twenty-four (24) months followed by monthly payments

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<sup>9</sup> ECF No. 13.

<sup>10</sup> ECF No. 18.

<sup>11</sup> ECF No. 19.

<sup>12</sup> ECF No. 25.

<sup>13</sup> ECF No. 29.

<sup>14</sup> ECF No. 31; Debtors' Ex. 2.

of \$2,580.00 for thirty-six (36) months. In Section 6.1 of the plan, Debtors again propose to assume the lease with Movant, with Debtors to maintain regular payments and the Chapter 13 Trustee to make disbursements on the prepetition arrearage. However, Debtors added a provision that the arrearage would be cured in twenty-four (24) months. A confirmation hearing is scheduled for February 27, 2025, and objections to confirmation were due by February 20, 2025. As of the date of entry of this Order, Movant has not filed a timely objection to Debtors' January 27, 2025, plan, and Movant has not otherwise objected to its treatment under the plan or a cure period of twenty-four (24) months.

At the February 13, 2025, hearing on the Motion, Tibbs, a Manager of the mobile home Community in which Debtors live, testified that Debtors are currently delinquent on the Lease in the approximate amount of \$10,300.00, and that they last made a payment in September of 2022. Tibbs testified that Movant has refused to accept Debtors' tender of post-petition lot rent because Movant is in the process of ejecting Debtors and it is Movant's policy to not communicate with or take payments from residents who are in bankruptcy. She testified that last year, she had a mobile home removed from the Community and it cost around \$3,000.00.

Ms. Williams testified that she and Mr. Williams did not pay lot rent during their Second Case because they mistakenly thought it was included in their bankruptcy plan payment. Ms. Williams also testified that she experienced medical problems during the Second Case that caused her to miss work, which contributed to the Debtors' inability to make plan payments, but that her income will not be interrupted in this case because she is able to work from home. She testified that she and Mr. Williams have attempted to make lot rent post-petition but have not been able to because the Movant's payment system is "locked" and will not allow them to make the payments. Mr. Williams testified that he and Ms. Williams have set aside enough money to cover the missed

post-petition payments. Ms. Williams testified she and Mr. Williams obtained an estimate of the cost to move the mobile home from the Community to a new location from M&M Mobile Home Movers. That estimate, which was admitted into evidence as Debtors' Exhibit 3 and is dated February 10, 2025, was \$11,500.00. Mr. Williams testified that the mobile home lacks "tongues" which are necessary to move the mobile home, and Ms. Williams testified that the need to weld them onto the mobile home added to the estimated cost. It is not clear from the estimate how much the installation of tongues would add to the cost.

### **CONCLUSIONS OF LAW**

The Court has jurisdiction over this matter pursuant to [28 U.S.C. §§ 1334](#) and [157](#), this matter is a core proceeding pursuant to [28 U.S.C. § 157\(b\)\(2\)\(G\)](#), and the Court may enter a final order.

The filing of a bankruptcy petition "operates as a stay, applicable to all entities, of" a number of actions, including "the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding against the debtor that was or could have been commenced before the commencement of the case under this title, or to recover a claim against the debtor that arose before the commencement of the case under this title" and "any act to obtain possession of property of the estate or of property from the estate or to exercise control over property of the estate[.]" [11 U.S.C. § 362\(a\)](#). [11 U.S.C. § 362\(d\)](#) provides that the Court shall grant relief from stay (1) "for cause, including the lack of adequate protection of an interest in property of such party in interest...", or (2) if "the debtor does not have an equity in such property" and "such property is not necessary to an effective reorganization[.]" "The party requesting relief has the initial burden of proving cause exists for relief from the automatic stay, including lack of adequate protection, and lack of equity in the property." *In re*

*Morgan*, 630 B.R. 476, 479 (Bankr. D.S.C. 2021) (citing 11 U.S.C. § 362(g); *In re Toomer*, No. 10-07273-JW, 2011 WL 8899488, at \*2 (Bankr. D.S.C. Oct. 5, 2011)). “Once the creditor makes a *prima facie* case, the burden shifts to the debtor on all other issues.” *Morgan*, 630 B.R. at 479 (quoting *In re Garcia*, 584 B.R. 483, 488-89 (Bankr. S.D.N.Y. 2018)).

The Court determines whether a creditor’s interest in property is adequately protected on a case-by-case basis. *R&J Contractor Servs., LLC v. Vancamp*, No. RDB-22-2101, 2023 WL 2811570, at \*3 (D. Md. Apr. 6, 2023) (citing *In re Robbins*, 964 F.2d 342, 345 (4th Cir. 1992)). While “adequate protection” is not defined in the Bankruptcy Code, 11 U.S.C. § 361 provides that adequate protection for purposes of Section 362 may be provided by (1) “a cash payment or periodic cash payments” to the creditor to the extent that the Section 362 stay results in a decrease in value of the creditor’s interest; (2) providing an additional or replacement lien to the creditor to the extent that the Section 362 stay results in a decrease in value of the creditor’s interest; or (3) “granting such other relief...as will result in the realization by [the creditor] of the indubitable equivalent of [the creditor’s] interest in such property.” “The absence of a definition of adequate protection in the Code coupled with the ‘flexibility’ of § 361(3) suggests that adequate protection may be shown in a variety of ways.” *Suntrust Bank v. Den-Mark Constr., Inc.*, 406 B.R. 683, 696 (E.D.N.C. 2009) (quoting *In re Reading Tube Indus.*, 72 B.R. 329, 333 (Bankr. E.D. Pa. 1987)). “[A] judicial determination” of adequate protection “is a question of fact rooted in measurements of value and the credibility of witnesses.” *Vancamp*, 2023 WL 2811570, at \*5 (quoting *In re Snowshoe Co., Inc.*, 789 F.2d 1085, 1088 (4th Cir. 1986)).

Movant has made an initial showing of cause for relief from stay, as Debtors have accrued a considerable delinquency in their lot rent before and after this case was filed. However, the Court concludes that relief from stay is not warranted at this stage. While Debtors should have



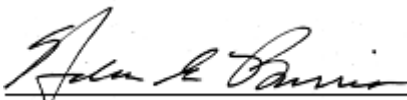
known that the rent was not, in fact, included in their plan payment in the Second Case, Movant's witness was adamant that Movant has refused to have any contact with or accept post-petition rent payments from Debtors during this case.

The stay in this case is in place pursuant to 11 U.S.C. § 362(c)(3)(B) and the December 4, 2024, Order extending the automatic stay. Movant did not object to extension of the stay. Debtors' plan appears feasible, as there is a cushion in the budget, and Ms. Williams testified that the issues causing a disruption in her income in the Second Case have been resolved. The property in question is Debtors' home and the evidence indicates they will suffer a significant expense and hardship if relief is granted. The plan proposes to assume whatever rights Debtors have under the lease and cure the arrearage in two (2) years through disbursements made by the Chapter 13 Trustee while Debtors maintain ongoing payments, and Movant has not objected to this treatment nor argued that the cure period is too long. Debtors testified that they have reserved and are ready to pay accrued post-petition rent to Movant. It therefore appears that Movant's interest is adequately protected, and no cause exists that is sufficient to warrant relief from stay at this time. Should Debtors be unable to confirm a Chapter 13 plan with appropriate treatment of Movant's claim within a reasonable time, or should Debtors default in their obligations to Movant under any confirmed plan, Movant may renew its Motion for Relief from Stay.

**IT IS, THEREFORE, ORDERED** the Motion for Relief from Stay filed by Sun Communities, Inc. is **denied without prejudice**.

**FILED BY THE COURT**  
**02/24/2025**



  
Chief US Bankruptcy Judge  
District of South Carolina