

Dated: February 14, 2025 The following is ORDERED:

Denise E. Barnett
UNITED STATES BANKRUPTCY JUDGE

### UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF TENNESSEE WESTERN DIVISION

In re:	
Rolesha C. Edmondson,	Case No.: 22-23059
Debtor.	Chapter 13

# MEMORANDUM OPINION AND ORDER APPROVING IN PART DEBTOR'S ATTORNEY'S APPLICATION FOR COMPENSATION

This case came before the Court on Bruce A. Ralston's ("Mr. Ralston's") *Application for Allowance of Compensation and Reimbursement of Necessary Expenses for Ralston Buchanan, PLLC* ("Fee Application"). Mr. Ralston represents Rolesha C. Edmondson (the "Debtor" or "Ms. Edmondson") in this Chapter 13 case. Upon review of the record and the Fee Application (including the supplement to the Fee Application<sup>2</sup> ("Supplement")), the Fee Application is approved in part for the reasons outlined below.

<sup>&</sup>lt;sup>1</sup> Appl. for Compensation, ECF No. 79.

<sup>&</sup>lt;sup>2</sup> Supp. to Appl. for Compensation, ECF No. 85.

#### I. BACKGROUND

### A. Procedural and Factual History

Before Ms. Edmondson filed for bankruptcy, she worked in the Information Technology unit of a local hospital where she earned about \$100,000 a year or \$8,333 a month.<sup>3</sup> She had a monthly mortgage payment of \$1,198.74.<sup>4</sup> Later, Ms. Edmondson was diagnosed with cancer.<sup>5</sup> Due to her illness she could no longer work.<sup>6</sup> Without an income, Ms. Edmondson could not pay her mortgage.<sup>7</sup> The bank began foreclosing on her home.<sup>8</sup> On July 27, 2022, Ms. Edmondson filed for bankruptcy to the halt foreclosure process.<sup>9</sup>

On September 6, 2022, the chapter 13 trustee objected to confirmation because

Ms. Edmondson had no income and could not fund a chapter 13 plan. On September 20, 2022,
the bank objected to confirmation because the plan failed to adequately provide for its claim on

Ms. Edmondson's home. Due to these issues, the Court continued the confirmation hearing five
times. Before the Court confirmed her plan, Ms. Edmondson amended her Schedules A/B, D, I,
and J to resolve the objections. The amended Schedule I shows that Ms. Edmondson would
work part time, but her mother would primarily support her and help with plan payments.

<sup>&</sup>lt;sup>3</sup> Hearing on the Fee Application and Supplement on October 29, 2024 ("Hearing on Oct. 29, 2024"), at 11:34 a.m.

<sup>&</sup>lt;sup>4</sup> Claim No. 18-1.

<sup>&</sup>lt;sup>5</sup> Hearing on Oct. 29, 2024, at 11:27 a.m.

<sup>&</sup>lt;sup>6</sup> Schedule I, ¶ 13, ECF No. 8. (Ms. Edmondson was unable to work due to her illness).

<sup>&</sup>lt;sup>7</sup> Hearing on Oct. 29, 2024, at 11:20 a.m.

<sup>&</sup>lt;sup>8</sup> *Id*.

<sup>9</sup> Id.

<sup>&</sup>lt;sup>10</sup> Obj. to Confirmation filed by chapter 13 trustee, ECF No. 15.

<sup>&</sup>lt;sup>11</sup> Obj. to Confirmation filed by Creditor, ECF No. 21.

<sup>&</sup>lt;sup>12</sup> Am. Schedule A/B and Am. Schedule D, ECF No. 29; Am. Schedule I and Am. Schedule J, ECF No. 34.

<sup>&</sup>lt;sup>13</sup> Am. Schedule I and Am. Schedule J, ECF No. 34.

Further, Ms. Edmondson's monthly mortgage payments increased to \$1,878.72.<sup>14</sup> On February 21, 2023, the Court confirmed the chapter 13 plan.<sup>15</sup>

Three months after confirmation, on May 5, 2023, Ms. Edmondson moved to sell her home and alluded to the buyer negotiating a short sale with the bank. <sup>16</sup> In its response, the bank stated that it would not accept anything less than the full amount of the remaining mortgage. <sup>17</sup>

Two months after Ms. Edmondson's motion, on July 13, 2023, Ms. Edmondson filed a supplement to the motion to sell, indicating she would sell the house for the full amount of the remaining mortgage. <sup>18</sup> On July 26, 2023, the Court granted Ms. Edmondson's motion to sell her home. <sup>19</sup> Afterwards, Ms. Edmondson moved in with her mother. <sup>20</sup> Later, Ms. Edmondson's mother would lose her house too. <sup>21</sup>

Ms. Edmondson has not fully recovered and has had trouble maintaining plan payments.<sup>22</sup> Further, during her bankruptcy, both Ms. Edmondson and her mother were in two separate car accidents.<sup>23</sup> During the course of the case, the chapter 13 trustee has moved to dismiss for failure to pay four times.<sup>24</sup>

<sup>&</sup>lt;sup>14</sup> Notice of Mortgage Payment Change, ECF No. 58.

<sup>&</sup>lt;sup>15</sup> Order Confirming Chapter 13 Plan, ECF No. 39.

<sup>&</sup>lt;sup>16</sup> Mot. to Sell Debtor's Home, ECF No. 49. In real estate, a "short sale" is when a buyer buys property for less than the amount that the seller owes on the property, and the bank accepts the proceeds in full satisfaction of the seller's debt.

<sup>&</sup>lt;sup>17</sup> Resp. to Mot. to Sell Debtor's Home, ECF No. 54.

<sup>&</sup>lt;sup>18</sup> Supp. to Mot. to Sell Debtor's Home, ECF No. 62.

<sup>&</sup>lt;sup>19</sup> Order Granting Mot. to Sell, ECF No. 63.

<sup>&</sup>lt;sup>20</sup> Hearing on Oct. 29, 2024, at 11:26 a.m.

<sup>&</sup>lt;sup>21</sup> *Id*.

<sup>&</sup>lt;sup>22</sup> Id. at 11:25 a.m.

<sup>&</sup>lt;sup>23</sup> *Id*.

<sup>&</sup>lt;sup>24</sup> Trustee's Mot. to Dismiss due to Failure to Pay, ECF Nos. 57, 73, 83, and 92.

Ms. Edmondson's case was complex, requiring Mr. Ralston to work more than he would in a routine chapter 13 bankruptcy case. On July 2, 2024, Mr. Ralston filed his Fee Application.<sup>25</sup>

### **B.** Hearings

In the Fee Application, many of Mr. Ralston's descriptions of his services were vague.

During a hearing on August 6, 2024, the Court asked Mr. Ralston to explain his fees.<sup>26</sup>

Mr. Ralston explained that Ms. Edmondson had cancer, several car accidents, lost her house, moved a couple times, and there were ongoing issues with the mortgage company.<sup>27</sup> Mr. Ralston said this was a difficult case and she was a very engaged client who always kept him informed.<sup>28</sup>

He diligently tried to save her house but ultimately failed.<sup>29</sup> Because the Court needed more detailed descriptions, the Court directed Mr. Ralston to file a supplemental fee chart.<sup>30</sup>

On October 3, 2024, Mr. Ralston filed the Supplement.<sup>31</sup> Still many of the descriptions were vague. On October 29, 2024, the Court held another hearing for Mr. Ralston to explain the services vaguely listed in the Fee Application and Supplement and how those services benefited the estate.<sup>32</sup> Mr. Ralston explained that he could not remember the details of the services listed in the Fee Application and Supplement.<sup>33</sup> He further explained that there are countless times he has

<sup>&</sup>lt;sup>25</sup> Appl. for Compensation, ECF No. 79.

<sup>&</sup>lt;sup>26</sup> Hearing on the Fee Application on August 6, 2024 ("Hearing on Aug. 6, 2024"), at 10:18 a.m.

<sup>&</sup>lt;sup>27</sup> Id. at 10:20 a.m.

<sup>&</sup>lt;sup>28</sup> *Id.* at 10:24 a.m.

<sup>&</sup>lt;sup>29</sup> *Id*.

<sup>&</sup>lt;sup>30</sup> *Id*.

<sup>&</sup>lt;sup>31</sup> Supp. to Appl. for Compensation, ECF No. 85.

<sup>&</sup>lt;sup>32</sup> Hearing on Oct. 29, 2024, at 11:19 a.m.

<sup>&</sup>lt;sup>33</sup> *Id.* at 11:19 a.m.

a quick phone call with the client, and he doesn't have time to write it down and "poof it's gone."<sup>34</sup>

Ms. Edmondson's chapter 13 case was not routine. Mr. Ralston explained that Ms. Edmondson's illness, income tax issues, <sup>35</sup> sale of her home, sale of her mother's home, and car accidents all added to the case's complexity. <sup>36</sup> All these issues required Mr. Ralston to constantly communicate with Ms. Edmondson and other interested parties. <sup>37</sup> The Trustee contested the time spent to prepare the Supplement but not whether Mr. Ralston's fee application was reasonable under 11 U.S.C. § 330. <sup>38</sup>

### C. Fee Application

Originally, Mr. Ralston agreed to the \$3,800 "no-look fee."<sup>39</sup> Because of Ms. Edmondson's complications, Mr. Ralston spent much more time on her case than he would for a routine chapter 13 case. So, Mr. Ralston filed the Fee Application.<sup>40</sup> The Fee Application covered the period from July 2022 to June 2024 and totaled \$6,647.57 (\$6,604.33 for fees and

<sup>&</sup>lt;sup>34</sup> *Id.* at 11:20 a.m.

<sup>&</sup>lt;sup>35</sup> Claim No. 5-1 (The IRS had a priority claim of \$20,918.13 and a general unsecured claim of \$32,067.66).

<sup>&</sup>lt;sup>36</sup> Hearing on Oct. 29, 2024, at 11:27 a.m.

<sup>&</sup>lt;sup>37</sup> *Id.* at 11:21 a.m. – 11:26 a.m. (Mr. Ralston had to communicate with the man selling Ms. Edmondson's home. Also, Mr. Ralston had to communicate with Ms. Edmondson's mother after her car accident and after her home had been ransacked (which Ms. Edmondson had been living in) and she and Ms. Edmondson had to find an apartment to live in).

<sup>&</sup>lt;sup>38</sup> *Id.* at 11:31 a.m.

<sup>&</sup>lt;sup>39</sup> Disclosure of Compensation, ¶ 1, ECF No. 8. On the petition date, the local "no look" fee for a chapter 13 case was \$3,800. In 2024, the Western District of Tennessee Bankruptcy Court increased the "no look" fee to \$4,750 upon entry of the Standing Order No. 24-0001.

<sup>&</sup>lt;sup>40</sup> Appl. for Compensation, ECF No. 79.

\$43.24 for expenses).<sup>41</sup> Mr. Ralston had already received \$3,653.14 for his services, a portion of the "no look" fee.<sup>42</sup>

In the Supplement, Mr. Ralston added an additional \$2,070 for preparing the Supplement and another \$884.76 for services he forgot to include in the Fee Application, totaling \$9,632.33.<sup>43</sup> Mr. Ralston is seeking \$5,832.33 beyond the "no look" fee.<sup>44</sup>

The Fee Application outlined Mr. Ralston's rates and his services. Mr. Ralston has been a bankruptcy attorney for 31 years<sup>45</sup> and charges \$300 an hour for his legal services and \$100 an hour for his secretary's services. And In the Fee Application, under Exhibit B, Mr. Ralston itemized and described the services. And Many of the descriptions were so vague that it was impossible to determine if the services were unnecessarily duplicative, not reasonably likely to benefit Ms. Edmondson's estate, or not necessary to the administration of the case. In response, the Court directed Mr. Ralston to file a supplement with better descriptions. The Supplement also had vague fee descriptions:

DESCRIPTION	TIME	TOTAL
	(HOURS)	
EMAIL TO CLIENT	3.65	\$1,055.00
T/C FROM CLIENT	2.08	\$558.00
EMAIL FROM CLIENT	1.3	\$390.00
REPLY TO CLIENT'S EMAIL	0.3	\$90.00
EMAIL TO OPPOSING COUNSEL	0.1	\$30.00
RESPONSE FROM CLIENT	0.08	\$25.00

<sup>&</sup>lt;sup>41</sup> Appl. for Compensation Ex. B, at 2, ECF No. 79.

<sup>&</sup>lt;sup>42</sup> Appl. for Compensation, ¶ 5, ECF No. 79.

<sup>&</sup>lt;sup>43</sup> Supp. to Appl. for Compensation, ECF No. 85.

<sup>&</sup>lt;sup>44</sup> Appl. for Compensation, ¶ 5, ECF No. 79.

<sup>&</sup>lt;sup>45</sup> *Id.* ¶ 2, ECF No. 79.

<sup>&</sup>lt;sup>46</sup> Appl. for Compensation Ex. B, at 1-21, ECF No. 79.

<sup>&</sup>lt;sup>47</sup> *Id* 

<sup>&</sup>lt;sup>48</sup> Hearing on Aug. 6, 2024, at 10:26 a.m.

DESCRIPTION	TIME	TOTAL
	(HOURS)	
EMAIL	0.06	\$20.00
CLIENT CALLED	0.18	\$18.00
RESPONSE TO CLIENT	0.05	\$15.00
T/C FROM PAUL SPINA	0.08	\$8.00
TOTAL	7.88	\$2,209.00
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### II. LEGAL DISCUSSION<sup>50</sup>

Bankruptcy Rule 2016(a)<sup>51</sup> requires an attorney's fee application to show in detail the amounts requested and the services rendered. Section 330<sup>52</sup> of the Bankruptcy Code governs

- (a) (1) After notice to the parties in interest and the United States Trustee and a hearing, and subject to sections 326, 328, and 329, the court may award to a trustee, a consumer privacy ombudsman appointed under section 332, an examiner, an ombudsman appointed under section 333, or a professional person employed under section 327 or 1103—
- (A) reasonable compensation for actual, necessary services rendered by the trustee, examiner, ombudsman, professional person, or attorney and by any paraprofessional person employed by any such person; and
- (B) reimbursement for actual, necessary expenses.
- (2) The court may, on its own motion or on the motion of the United States Trustee, the United States Trustee for the District or Region, the trustee for the estate, or any other party in interest, award compensation that is less than the amount of compensation that is requested.
- (3) In determining the amount of reasonable compensation to be awarded to an examiner, trustee under chapter 11, or professional person, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—
- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.
- (4) (A) Except as provided in subparagraph (B), the court shall not allow compensation for—

<sup>&</sup>lt;sup>49</sup> Supp. to Appl. for Compensation, ECF No. 85.

<sup>&</sup>lt;sup>50</sup> The Court has subject-matter jurisdiction under 28 U.S.C. § 1334(b). Venue is proper in this District. 28 U.S.C. §§ 1408 and 1409. This is a core proceeding under 28 U.S.C. § 157(b)(2)(A). The following shall constitute the court's findings of fact and conclusions of the law in accordance with Rule 7052, Federal Rules of Bankruptcy Procedure.

<sup>&</sup>lt;sup>51</sup> If an attorney "seeks from the estate interim or final compensation for services or reimbursement of necessary expenses, [the attorney] must file an application showing: *in detail* the amounts requested and services rendered, time spent, and expenses incurred." Fed. R. Bankr. P. 2016(a) (emphasis added).

<sup>&</sup>lt;sup>52</sup> Subsection 330(a) reads:

compensation for a debtor's attorney's legal fees and for preparing the fee application.<sup>53</sup> The attorney applying for compensation bears the burden to prove that his fees are reasonable under section 330.<sup>54</sup>

## The Bankruptcy Code requires the bankruptcy court to use a two-step framework when analyzing an attorney's fee application.

In 1991, the Sixth Circuit Court of Appeals held in its seminal opinion, *In re Boddy*,<sup>55</sup> that bankruptcy courts must at least discuss the lodestar framework when determining adequate compensation of attorney's fees.<sup>56</sup> Under the lodestar framework, the court first multiplies the "attorney's reasonable hourly rate by the number of hours reasonably expended" to determine the "lodestar amount."<sup>57</sup> Once the court determines the lodestar amount, it may decrease the amount based on the lodestar factors.<sup>58</sup> Three years later, Congress codified the lodestar method and

<sup>(</sup>i) unnecessary duplication of services; or

<sup>(</sup>ii) services that were not-

<sup>(</sup>I) reasonably likely to benefit the debtor's estate; or

<sup>(</sup>II) necessary to the administration of the case.

<sup>(</sup>B) In a chapter 12 or chapter 13 case in which the debtor is an individual, the court may allow reasonable compensation to the debtor's attorney for representing the interests of the debtor in connection with the bankruptcy case based on a consideration of the benefit and necessity of such services to the debtor and the other factors set forth in this section.

<sup>(5)</sup> The court shall reduce the amount of compensation awarded under this section by the amount of any interim compensation awarded under section 331, and, if the amount of such interim compensation exceeds the amount of compensation awarded under this section, may order the return of the excess to the estate.

<sup>(6)</sup> Any compensation awarded for the preparation of a fee application shall be based on the level and skill reasonably required to prepare the application.

<sup>(7)</sup> In determining the amount of reasonable compensation to be awarded to a trustee, the court shall treat such compensation as a commission, based on section 326. 11 U.S.C. § 330(a) (2025).

<sup>&</sup>lt;sup>53</sup> 11 U.S.C. § 330(a)(4)(B) (2025).

<sup>&</sup>lt;sup>54</sup> In re Andresiak, 578 B.R. 624, 626 (Bankr. W.D. Mich. 2017) (citing In re Copeland, 154 B.R. 693, 699 (Bankr. W.D. Mich. 1993).

<sup>&</sup>lt;sup>55</sup> In re Boddy, 950 F.2d 334 (6th Cir. 1991).

<sup>&</sup>lt;sup>56</sup> *Id.* at 338.

<sup>&</sup>lt;sup>57</sup> Id. at 337 (quoting Grant v. George Schumann Tire & Battery Co., 908 F.2d 874, 879 (11th Cir. 1990)).

<sup>&</sup>lt;sup>58</sup> In re Vill. Apothecary, Inc., 45 F.4th 940, 944 (6th Cir. 2022) (dictum) (describing the background of section 330).

some of its factors by adding subsection 330(a)(3).<sup>59</sup> But until 2022, the Sixth Circuit Court of Appeals had not addressed how the amendments affected *Boddy*.

In 2022, the Sixth Circuit Court of Appeals addressed whether courts may apply lodestar factors not codified under subsection 330(a)(3).<sup>60</sup> Before answering that question, the Sixth Circuit explained that section 330 now requires a two-part analysis.<sup>61</sup> First, the court determines whether the fees are compensable under subsection 330(a)(4).<sup>62</sup> Only then may the court use its discretion and reduce the compensable fees using the factors under subsection 330(a)(3) or other relevant factors.<sup>63</sup> Separately, under subsection 330(a)(6), the court may award an attorney for the time to prepare the fee application.<sup>64</sup>

## 1. First Step: Some of Mr. Ralston's fee are non-compensable under subsection 330(a)(4).

Under the first step, the Court must determine whether the fees are compensable. Fees are non-compensable under subsection 330(a)(4) if they are (1) duplicative, (2) not reasonably likely to benefit the debtor's estate, or (3) not necessary to the administration of the case.<sup>65</sup> In a Chapter 13 case, compensable fees include "reasonable compensation to the debtor's attorney for representing the debtor's interest in connection with the bankruptcy case."<sup>66</sup>

<sup>&</sup>lt;sup>59</sup> See Id. at 945 (citing Bankruptcy Reform Act of 1994, Pub. L. No. 103-394, § 224, 108 Stat. 4106, 4130-31 (1994)).

<sup>&</sup>lt;sup>60</sup> See generally In re Vill. Apothecary, Inc., 45 F.4th 940 (6th Cir. 2022); see also In re Vaughn, 660 B.R. 827, 849 (Bankr. S.D. Ohio 2024) (holding that Village Apothecary applies to Chapter 13 proceedings).

<sup>&</sup>lt;sup>61</sup> *Id.* at 945 ("§ 330(a)(4) deals with a precursory question: whether the fees are compensable").

<sup>&</sup>lt;sup>62</sup> Id.

<sup>&</sup>lt;sup>63</sup> Id.

<sup>&</sup>lt;sup>64</sup> 11 U.S.C. § 330(a)(6) (2025).

<sup>&</sup>lt;sup>65</sup> *Id.* § 330(a)(4)(A) (2025).

<sup>&</sup>lt;sup>66</sup> *Id.* § 330(a)(4)(B) (2025).

When a debtor's attorney submits a fee application with vague entries, courts often disallow those entries because it is impossible to determine what services were provided.<sup>67</sup> Vague entries generally do not explain the task to which the work relates.<sup>68</sup> Put another way, when the fee description is vague, the court cannot determine if it complies with subsection 330(a)(4). Therefore, the attorney fails to meet his burden.

Mr. Ralston's fee application has several vague entries:

DESCRIPTION	TIME	TOTAL
	(HOURS)	
EMAIL TO CLIENT	3.65	\$1,055.00
T/C FROM CLIENT	2.08	\$558.00
EMAIL FROM CLIENT	1.3	\$390.00
REPLY TO CLIENT'S EMAIL	0.3	\$90.00
EMAIL TO OPPOSING COUNSEL	0.1	\$30.00
RESPONSE FROM CLIENT	0.08	\$25.00
EMAIL	0.06	\$20.00
CLIENT CALLED	0.18	\$18.00
RESPONSE TO CLIENT	0.05	\$15.00
T/C FROM PAUL SPINA	0.08	\$8.00
TOTAL	7.88	\$2,209.00

During the hearings held on August 6, 2024, and October 29, 2024, Mr. Ralston could not explain how these fees complied with subsection 330(a)(4). Because these descriptions are so vague and Mr. Ralston could not explain them, the fees are non-compensable.

The remaining fee entries are either descriptive, or, during the hearings, Mr. Ralston adequately described the work related to the fee entries. None were duplicative or unnecessary. All were likely to benefit the estate at the time or were to represent the debtor's interest in connection with the case. This leaves \$7,423.33 in compensable fees.

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<sup>&</sup>lt;sup>67</sup> In re Pochron, 2022 Bankr. LEXIS 1041, 2022 WL 1085459, at \*26 (Bankr. S.D. Ohio April 8, 2022) (citing In re Maruko Inc., 160 B.R. 633, 641 (Bankr. S.D. Cal. 1993) (citations omitted)).

<sup>&</sup>lt;sup>68</sup> In re Smith, 624 B.R. 781, 797 (Bankr. D. S.C. 2021).

## 2. Second Step: Mr. Ralston's remaining compensable fees are reasonable given the complexity of this case.

After a court determines which fees are compensable, a court may then award reasonable compensation for actual, necessary services rendered by the attorney and the attorney's paraprofessional and reimburse actual and necessary expenses.<sup>69</sup> When determining whether the compensable fees are reasonable, courts consider six factors under subsection 330(a)(3):

- (A) the time spent on such services;
- (B) the rate charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under [11 USC §§ 101 et seq.];
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.<sup>70</sup>

Subsection 330(a)(3) also directs the Court to consider all relevant factors, which may include lodestar factors not codified into the code, like the results obtained factor. Many of these factors weigh in favor of granting the remainder of Mr. Ralston's fee application.

Mr. Ralston charged a reasonable hourly rate for himself and his secretary. A \$300 per hour attorney rate and \$100 per hour legal secretary rate are reasonable in the Western District of Tennessee.<sup>72</sup> The blended rate is \$256.33 an hour.

<sup>&</sup>lt;sup>69</sup> 11 U.S.C. § 330(a)(1) (2025).

<sup>&</sup>lt;sup>70</sup> *Id.* § 330(a)(3) (2025).

<sup>&</sup>lt;sup>71</sup> In re Vill. Apothecary, Inc., 45 F.4th at 949 (explaining that because section 330 grants the bankruptcy courts discretion when awarding fees, the list of factors under subsection 330(a)(3) are illustrative, permitting "courts to consider factors not listed").

<sup>&</sup>lt;sup>72</sup> In re Erby, 2023 Bankr. LEXIS 2290, at \*12-\*13 (Bankr. W.D. Tenn. December 4, 2023) (stating that the attorney's "itemized statement reflects an hourly rate of \$150 – a very modest amount and well within the customary rate in this jurisdiction"). Although Mr. Ralston's rate is double that of the attorney in Erby, he has practiced bankruptcy for 31 years and has demonstrated the skill and knowledge to justify a \$300 hourly rate.

Mr. Ralston spent a reasonable amount of time providing his legal services. He explained that this was not a routine chapter 13 case—Ms. Edmondson had been diagnosed with cancer; lost her home; moved in with her mother, who later lost her home as well; and suffered several car accidents. Further, Ms. Edmondson's illness made routine matters more complex and difficult to accomplish.

Given the case's complexity and its issues, Mr. Ralston's services were necessary to the administration of the case. Further, because Mr. Ralston has been practicing bankruptcy for 31 years, he has demonstrated skill and experience in the bankruptcy field.

At first glance, the results weigh against awarding Mr. Ralston all the remaining compensable fees. Ms. Edmondson lost her home during the bankruptcy. Afterwards, she moved in with her mother, who also lost her home during the bankruptcy. Yet, the results obtained factor does not accurately reflect Mr. Ralston's performance or the reasonableness of his fees.

Ms. Edmondson filed for bankruptcy to stop a creditor from foreclosing on her home. She likely could no longer afford to pay her mortgage because of her illness. Ms. Edmondson's amended Schedules I and J explained that her mother would help her pay the chapter 13 plan, but her mother could not afford the plan payments with the mortgage. So, Ms. Edmondson had to sell her home. In sum, Ms. Edmondson lost her home because of a series of unfortunate events, unrelated to the services that Mr. Ralston provided. The compensable fees (less the fees for preparing the fee application) are reasonable, totaling \$5,353.33.

# 3. The Court disallows 4.0 hours of time Mr. Ralston spent preparing the Supplement.

After Mr. Ralston submitted his Fee Application, the Court requested that he supplement the Fee Application describing the services provided. Because Mr. Ralston did not take contemporaneous notes that adequately described his entries, he had to sift through his files to

figure out what work he was charging for. Mr. Ralston included the additional time in his fee application.<sup>73</sup> Mr. Ralston spent 6.9 hours preparing his fee application and charged \$2,070.<sup>74</sup>

The Code permits the Court to award compensation to professionals for preparing a fee application.<sup>75</sup> The compensation must be "based on the level and skill reasonably required to prepare the application."<sup>76</sup> Usually, courts allow attorneys to charge up to one hour to prepare a fee application in chapter 13 cases.<sup>77</sup>

The Court allows 2.9 hours of attorney time and disallows 4.0 hours to prepare the Fee Application. The Court appreciates that Mr. Ralston spent so much time preparing the application, but this cost could have been avoided if he had contemporaneously described his entries better than "email to client" or "email from client." By way of example, the Court was hoping to see entries that state "email to client (or from client) regarding trustee's objection to confirmation," not simply "email to (or from) client."

Although it is uncommon for a court to allow more than one hour to prepare a fee application, the Court will allow 2.9 hours to prepare the fee application for three reasons. First, there is no local guidance that may aide local consumer attorneys in preparing a fee application

<sup>&</sup>lt;sup>73</sup> Supp. to Appl. for Compensation, ECF No. 85.

<sup>&</sup>lt;sup>74</sup> Id.

<sup>&</sup>lt;sup>75</sup> 11 U.S.C. § 330(a)(6) (2025).

<sup>&</sup>lt;sup>76</sup> *Id*.

<sup>&</sup>lt;sup>77</sup> A survey of consumer bankruptcy cases in the Sixth Circuit shows that most courts allow only up to one hour to prepare a fee application. *In re Andresiak*, 574 B.R. at 626 ("While this court has previously commented that an hour of time for preparation of a fee application is generally the maximum amount the court will approve in a Chapter 13 case, it has also cautioned that one hour may not be reasonable in all cases.") (citing *In re Acevedo*, 2014 Bankr. LEXIS 4949, 2014 WL 6775272, at \*3 (Bankr. W.D. Mich. Nov. 24, 2014)); *see also In re Hirsch*, 550 B.R. 126, 143 (Bankr. W.D. Mich. 2016) (granting 0.7 hours apportioned between attorney and paraprofessional to prepare fee application).

(when seeking amounts beyond the "no look" fee). Record, it is uncommon for consumer attorneys in this district to prepare and submit fee applications for amounts beyond the "no look" fee. Third, the Court directed Mr. Ralston to create the Supplement.

This Court appreciates the tireless services consumer attorneys provide to their individual debtor clients and wants to encourage attorneys to provide needed nonroutine services. However, in their fee applications, attorneys must describe the services with enough detail that would allow the Court to discern what the services provided. To the extent an attorney realizes that a case may be a nonroutine chapter 13 case (outside the "no look" fee), it is advisable to contemporaneously keep track of the time and work performed (and even invest in fee application software).

#### III. CONCLUSION AND ORDER

For the reasons stated above, the Court finds and concludes that Mr. Ralston's Application is approved in part and denied in part. Accordingly, it is **ORDERED**:

- 1. The Fee Application is APPROVED, IN PART.
- 2. The Fee Application is reduced from \$9,675.57 to **\$6,266.57**, awarding Mr. Ralston attorney's fees in the amount of \$6,223.33 and reimbursement of expenses in the amount of \$43.24.
- 3. From the total award of attorney's fees and reimbursement of costs in the amount of \$6,266.57, Mr. Ralston is entitled **to be paid \$2,613.43**, after subtracting fees already paid, \$3,653.14.

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<sup>&</sup>lt;sup>78</sup> See In re Vaughn, 660 B.R. at 845 (discussing Local Bankruptcy Rule 2016-1 (S.D. Ohio), instructing attorneys to file itemized fee applications to support the requested fee); see also Memorandum Regarding Allowance of Compensation and Reimbursement of Expenses for Professionals Under 11 U.S.C. § 330(a) attached as Exhibit 5 of the Western District of Michigan local bankruptcy rules ("[e]very application must succinctly... [describe] the nature and substance of the work").