

NOT FOR PUBLICATION

FILED

UNITED STATES COURT OF APPEALS

OCT 22 2026

FOR THE NINTH CIRCUIT

MOLLY C. DWYER, CLERK
U.S. COURT OF APPEALS

IN RE: SHAWN SHARON MELAMED,
JENOUS TOOTIAN, DEBTORS

No. 25-3606

D.C. No.

2:24-cv-02607-JLS

AMY GOLDMAN, Chapter 7 Trustee of
the Estate of Shawn Sharon Melamed and
Jenous Tootian,

MEMORANDUM*

Plaintiff - Appellant,

v.

SHAWN DARDASHTI, an individual,

Defendant - Appellee.

Appeal from the United States District court
for the Central District of California
Josephine L. Staton, District Judge, Presiding

Submitted October 19, 2026**
Pasadena, California

Before: BUMATAY, VANDYKE, and MENDOZA, JR., Circuit Judges.

* This disposition is not appropriate for publication and is not precedent except as provided by Ninth Circuit Rule 36-3.

** The panel unanimously concludes this case is suitable for decision without oral argument. *See* Fed. R. App. P. 34(a)(2).

This appeal arises from a fraudulent transfer action brought by a Chapter 7 Trustee. After a four-day bench trial, the bankruptcy court found that the Trustee failed to carry her burden of proof and entered judgment for Defendant. The Trustee appealed to the district court, which affirmed. The Trustee now appeals to this Court, asking us to re-weigh the evidence and make new credibility determinations to set aside the trial verdict. But we are in a far worse position than the bankruptcy court to make those factual determinations. Because we find that the bankruptcy court did not clearly err in its factfinding or apply an incorrect legal standard, we affirm.

I.

“We review the district court’s decision on an appeal from the bankruptcy court *de novo*” but “[w]e apply the same standard of review to the bankruptcy court’s findings as did the district court.” *In re Mortg. Store, Inc.*, 773 F.3d 990, 994 (9th Cir. 2014). “In reviewing decisions of the bankruptcy court, legal conclusions are reviewed *de novo*, factual determinations are reviewed for clear error, and mixed questions of law and fact are reviewed *de novo*.” *Banks v. Gill Distrib. Ctrs., Inc.*, 263 F.3d 862, 867 (9th Cir. 2001). “A finding is clearly erroneous if it is illogical, implausible, or without support in the record.” *United States v. Sanmina Corp.*, 968 F.3d 1107, 1116 (9th Cir. 2020) (quotation omitted).

II.

The Trustee’s appeal raises the same issues she argued before the district

court. We find no basis to disturb the bankruptcy court's holding.

First as to the Trustee's argument that the bankruptcy court applied the wrong legal standard, a holistic review of the bankruptcy court's opinion shows this was not the case. Besides one incorrect statement in the bankruptcy court's summary of the legal standard, there is no reference in the opinion to actually drawing an inference for Defendant. Indeed, the bankruptcy court credited the Trustee's rent-as-loan-payment evidence as "facially quite persuasive" but found it was "just as consistent" with Defendant wanting to cover his carrying costs—i.e., the Trustee could not carry her burden of proof because the evidence was at equipoise, not because an inference was drawn for Defendant. And as the district court noted, the bankruptcy court stated it was taking the self-interested motives of both the Trustee and Defendant into account in drawing its conclusions. That would not have been appropriate if it were required to resolve all inferences in favor of the Defendant, since under that standard, all "[t]he evidence of the [Defendant] is to be believed" without making a credibility determination. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 255 (1986). To the contrary, the bankruptcy court found that Defendant was complicit in fraud and did not credit his testimony about the original plan to defraud a lender.

The remainder of the Trustee's arguments go to how the bankruptcy court weighed the evidence and are therefore subject to clear error review. *Banks*, 263

F.3d at 867. She again argues that the true property value was more than \$1,150,000, relying primarily on her expert's valuation. But the court's finding on property valuation—that \$1,150,000 was not a low purchase price—was not “illogical” nor “without support in the record.” *See Sanmina Corp.*, 968 F.3d at 1116. To the contrary, the court cited specific deficiencies in the valuation given by the Trustee's expert, and record evidence in support of the \$1,150,000 valuation. The Trustee also cites the fact that debtor Shawn Melamed's lawyer, Rebekah Shadpour, at one point listed the property for sale for as much as \$2,150,000, but “[n]othing came of this listing”—it never sold at that amount. Clear error exists “when the reviewing court is left with the ‘definite and firm conviction that a mistake has been made.’” *In re Adamson Apparel, Inc.*, 785 F.3d 1285, 1291 (9th Cir. 2015) (citation modified). That is not the case here.

The Trustee then asks us to re-do the bankruptcy court's math on Melamed's rent payments to find that they really were loan payments. If we properly compute Defendant's carrying costs, the Trustee says, they amount to \$7,166.66 per month, and the amount above that Melamed paid indicates a loan of \$1,300,000 at 10% interest. But that is not the function of clear error review. Indeed, this argument appears to reprise the “loan value” theory that the bankruptcy court rejected, on the grounds that it was speculative and not sufficiently aligned with the \$1,384,113.04 Defendant actually paid (including the undisclosed \$200,000). We thus find no clear

error.

Finally, the Trustee asks us to reverse the bankruptcy court's credibility determinations. Again, we decline to do so. She argues that the evidence contradicts Defendant's statement that he did not read the AALT and other aspects of his testimony. But nothing in the bankruptcy court's analysis turns on whether Defendant read it. The bankruptcy court found it could not "determine if he actually read it" and that he "may have known about the deception to SPS"—and thus the bankruptcy court did *not* find him credible as to that issue.¹ The Trustee also attacks the finding that Shadpour was "shockingly not credible," arguing that her testimony in support of the loan was corroborated by other evidence. But we recognize "the superiority of the trial judge's position to make determinations of credibility." *Anderson v. City of Bessemer City, N.C.*, 470 U.S. 564, 574 (1985); *see also In re Weinberg*, 410 B.R. 19, 28 (9th Cir. B.A.P. 2009), *aff'd*, 407 Fed. App'x 176 (9th Cir. 2010) ("The bankruptcy court's witness credibility findings are entitled to special deference."). The bankruptcy court cited specific reasons for its credibility finding, including that Shadpour's testimony was "so consistent that it reached the point of sounding rehearsed," that "[a]ny time she was pressed on cross examination,

¹ Indeed, Defendant's brief before us acknowledges his involvement in the scheme to defraud SPS. But the existence of a fraud on SPS is not disputed, and Defendant's involvement does not answer the question of whether a loan existed, on which the Trustee bears the burden of proof.

even rather gently, she got quite defensive,” that she “simply did not answer questions she did not like,” and that she had bias towards Defendant because of his separate suit against her regarding the additional \$200,000 fee. Given these reasons, the court did not clearly err in finding her not credible.

AFFIRMED.²

² Because we affirm the district court’s opinion upholding the trial verdict for Defendant, we decline to address Defendant’s argument that a prior district court decision erroneously held that the Trustee had standing to pursue a common law fraudulent claim transfer even though the property was over-encumbered.