

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

Tyrone T. Block
SSN XXX-XX-3943

CHAPTER 7 CASE

CASE NO. 04-34364 DDO

Debtor.

NOTICE OF HEARING AND MOTION FOR RELIEF FROM STAY

TO: Debtor and other entities specified in Local Rule 9013-3(a).

1. The Provident Bank (hereinafter "Secured Creditor"), by its undersigned attorney moves the Court for the relief requested below and gives notice of hearing herewith.

2. The Court will hold a hearing on this motion on October 25, 2004, at 9:30 a.m., or as soon thereafter as counsel can be heard, before the Honorable Dennis D. O'Brien in Courtroom 228A of the above entitled Court located at U.S. Courthouse, 316 North Robert Street, St. Paul, Minnesota.

3. Any response to this motion must be filed and delivered not later than October 20, 2004, which is three days before the time set for the hearing (excluding Saturdays, Sundays and holidays), or served and filed by mail not later than October 14, 2004, which is seven days before the time set for the hearing (excluding Saturdays, Sundays and holidays). **UNLESS A RESPONSE OPPOSING THE MOTION IS TIMELY FILED, THE COURT MAY GRANT THE MOTION WITHOUT A HEARING.**

4. This Court has jurisdiction over this motion pursuant to 28 U.S.C. §§ 157 and 1334, Federal Rule of Bankruptcy Procedure 5005 and Local Rule 1070-1. This proceeding is a core proceeding. The petition commencing this case was filed on July 28, 2004. The case is now pending in this Court.

5. This motion arises under 11 U.S.C. § 362 and Federal Rule of Bankruptcy Procedure 4001. This motion is filed under Federal Rule of Bankruptcy Procedure 9014 and Local Rules 9013-1 - 9019-1.

Movant requests relief from the automatic stay with respect to property subject to a lien. Movant requests said relief be effective immediately notwithstanding Federal Rule of Bankruptcy Procedure 4001(a)(3).

6. Debtor is indebted to Secured Creditor in the original principal amount of \$176,800.00, as evidenced by that certain Promissory Note dated February 3, 2003, a copy of which is attached hereto as Exhibit "A", together with interest thereon.

7. Debtor's indebtedness is secured by a mortgage on real estate in which Debtor has an interest as evidenced by that certain mortgage deed dated February 3, 2003, executed by Tyrone Block and Terronya Block, husband and wife, recorded , as Document No. , a copy of which is attached hereto as Exhibit "B". The name and address of the original creditor is contained in the attached Exhibit "B". The property is located in Dakota County, Minnesota and is legally described as follows to-wit:

Lot 15, Block 2, McClung and McMurrans Addition to St. Paul, Dakota County, Minnesota.

Secured Creditor is now the holder of said mortgage and is entitled to enforce the terms thereof.

8. At all times material, Debtor was in default of the payments and performance of obligations to Secured Creditor.

9. Pursuant to 11 U.S.C. § 362(g) the burden is on Debtor to prove absence of cause and/or adequate protection. This Secured Creditor's interest in the property is not adequately protected where, as of October 11, 2004, Debtor is delinquent in the making of monthly payments as required for the months of June, 2004 through October, 2004, inclusive, in the amount of \$1,315.83 each; accruing late charges of \$30.17 and attorneys fees and costs of \$700.00. Debtor has failed to make any offer of adequate protection.

10. Debtor has no equity in the property and the property is not necessary to an effective organization. The value of the property as scheduled by Debtor is \$266,000.00 subject to Secured Creditor's mortgage in excess of \$181,476.74.

The property is also subject to a second lien in favor of Ocwen Federal Bank in excess of \$44,000.00. The property is also subject to a lien in favor of Absolute Bail Bond Co. in excess of \$20,000.00.

Considering selling costs of 10%, Debtor has no real equity in the property. Since this is a liquidation case, no reorganization is being attempted.

11. Secured Creditor desires to protect its interest in the aforementioned property and requests the Court to vacate the stay of actions and allow foreclosure pursuant to Minnesota law.

12. Secured Creditor has incurred and will incur legal fees and costs to protect and enforce its rights in the subject property.

WHEREFORE, Secured Creditor, by its undersigned attorney, moves the Court for an order for judgment that the automatic stay provided by 11 U.S.C. § 362(a) be modified so to permit the movant to commence mortgage foreclosure proceedings under Minnesota law and for such other relief as may be just and equitable.

Dated this 11th day of October, 2004.

WILFORD & GESKE

By /e/ James A. Geske

James A. Geske
Attorneys for Secured Creditor
7650 Currell Blvd., Ste 300
Woodbury, MN 55125
651-209-3300
Attorney Reg. No. 14969X

THIS COMMUNICATION IS FROM A DEBT COLLECTOR ATTEMPTING TO COLLECT A DEBT. ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

ADJUSTABLE RATE NOTE

(LIBOR 6 Month Index (As Published In The Wall Street Journal) - Rate Caps)

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENT. THIS NOTE LIMITS THE AMOUNT MY INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY.

February 3, 2003
(Date)

IRVINE
(City)

288 HURLEY STREET EAST, WEST ST PAUL, MN 55118
(Property Address)

MINNESOTA ADJUSTABLE RATE COMPANY
California
I hereby certifies that this copy is a true and correct copy of the original.
By: _____
Title _____
Date _____

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay US \$ 176,800 00 (this amount is called "principal"), plus interest, to the order of the Lender The Lender is Aames Funding Corporation DBA Aames Home Loan

I understand that the Lender may transfer this Note The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder "

2. INTEREST

Interest will be charged on unpaid principal until the full amount of principal has been paid I will pay interest at a yearly rate of 8 150 % The interest rate I will pay may change in accordance with Section 4 of this Note

The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making payments every month

I will make my monthly payments on the 1st day of each month beginning on April 1st 2003 I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note My monthly payments will be applied to interest before principal If, on March 1, 2033, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date "

I will make my monthly payments at 350 South Grand Avenue, 47th Floor, LOS ANGELES, CA 90071 or at a different place if required by the Note Holder

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of US \$ 1,315 83 This amount may change

(C) Monthly Payment Changes

Changes in my monthly payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the 1st day of March 2005, and on that day every 6th month thereafter Each date on which my interest rate could change is called a "Change Date "

MINNESOTA ADJUSTABLE RATE NOTE - LIBOR 6 MONTH INDEX (AS PUBLISHED IN THE WALL STREET JOURNAL) - Single Family

AP838MN (0205) DOC # 505121 APPL # 0004694260
VMP MORTGAGE FORMS (800)521 7281

Initials JB

EXHIBIT A

UNIVERSAL TITLE COMPANY
 hereby certifies that this copy is a
 true and correct copy of the original

By: _____
 Title: _____
 Date: _____

[Space Above This Line for Recording Data]

MORTGAGE

Return To
 Aames Funding Corporation DBA Aames Home Loan
 350 South Grand Avenue, 42nd Floor
 Los Angeles, CA 90071
 Attn Collateral Control

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated February 3, 2003, together with all Riders to this document.

DOC # 327421 APPL # 0004694260
 MINNESOTA-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3024 1/01

566-5(MN) (0005) 01
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Initials TB
 TB

VMP MORTGAGE FORMS (800)521 7291



EXHIBIT B

(B) "Borrower" is TYRONE BLOCK AND TERRONYA BLOCK, HUSBAND AND WIFE

Borrower is the mortgagor under this Security Instrument

(C) "Lender" is Aames Funding Corporation DBA Aames Home Loan

Lender is a Corporation

organized and existing under the laws of The State of California

Lender's address is 350 South Grand Avenue, 42nd Floor, Los Angeles, CA 90071

Lender is the mortgagee under this Security Instrument

(D) "Note" means the promissory note signed by Borrower and dated February 3, 2003

The Note states that Borrower owes Lender One Hundred Seventy Six Thousand Eight Hundred and No/100 Dollars

(US \$ 176,800 00) plus interest Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than March 1, 2033

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property"

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower The following Riders are to be executed by Borrower [check box as applicable]

- Adjustable Rate Rider
- Balloon Rider
- VA Rider
- Condominium Rider
- Planned Unit Development Rider
- Biweekly Payment Rider
- Second Home Rider
- 1-4 Family Rider
- Other(s) [specify]

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions

(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization

(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers

(K) "Escrow Items" means those items that are described in Section 3

DOC # 317422

APPL # 0004694260

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Initials JB

Form 3024 1/01

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for (i) damage to, or destruction of, the Property, (ii) condemnation or other taking of all or any part of the Property, (iii) conveyance in lieu of condemnation, or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument

(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note, and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns, with power of sale, the following described property located in the County [Type of Recording Jurisdiction]

of DAKOTA

[Name of Recording Jurisdiction]

Lot 15, Block 2, McClung and McMurrans Addition to St. Paul, Dakota County, Minnesota.

Parcel ID Number
288 HURLEY STREET EAST
WEST ST PAUL
("Property Address")

which currently has the address of
[Street]
[City], Minnesota 55118 [Zip Code]

DOC # 317423

APPL # 0004694250

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Initials JB
AB

Form 3024 1/01

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it

Witnesses.

Tyrone Block (Seal)
TYRONE BLOCK -Borrower

Terronya Block (Seal)
TERRONYA BLOCK -Borrower

(Seal)
-Borrower

STATE OF MINNESOTA,

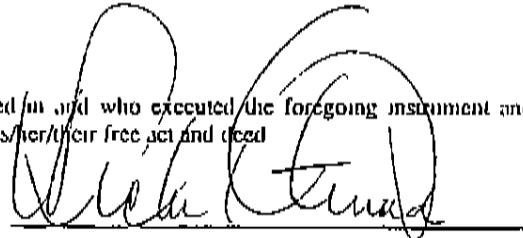
Dakota

County ss:

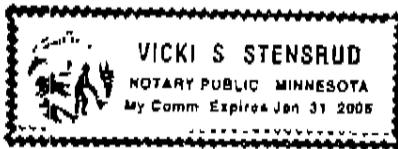
On this 4th day of February, 2003
TYRONE BLOCK, TERRONYA BLOCK, HUSBAND AND WIFE

, before me appeared

to me personally known to be the person(s) described in and who executed the foregoing instrument and
acknowledged that he/she/they executed the same as his/her/their free act and deed



Notary Public
My Commission Expires



This instrument was drafted by:

Aames Funding Corporation DBA Aames Home Loan
350 South Grand Ave. 42nd Floor
Los Angeles, CA 90071

Tax statements for the real property described in this instrument should be sent to
Aames Home Loan
350 South Grand Avenue, 47th Floor
LOS ANGELES, CA 90071

DOC # 317435

APPL # 0004694260

WHP-6(MN) (0005) 01

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Initials TB
TB

Form 3024 1/01

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

Tyrone T. Block
SSN XXX-XX-3943

Debtor.

CHAPTER 7 CASE

CASE NO. 04-34364 DDO

**MEMORANDUM IN SUPPORT OF
MOTION FOR RELIEF FROM STAY**

ARGUMENT

I. CAUSE EXISTS FOR THE GRANTING OF RELIEF FROM THE AUTOMATIC STAY PURSUANT TO 11 U.S.C. § 362(d)(1) WHERE THE INTEREST OF THIS SECURED CREDITOR IS NOT ADEQUATELY PROTECTED.

Pursuant to 11 U.S.C. § 362(g) the burden is on Debtor to prove absence of cause and/or adequate protection. Secured Creditor's interest in the property is not adequately protected where:

1. As of October 11, 2004, Debtor is delinquent for the monthly payments as required for the months of June, 2004 through October, 2004, in the amount of \$1,315.83 each; accruing late charges of \$30.17 and attorneys fees and costs of \$700.00.

2. Debtor has failed to make any offer of adequate protection.

II. THE AUTOMATIC STAY SHOULD BE MODIFIED PURSUANT TO 11 U.S.C. § 362(d)(2) WHERE (1) DEBTOR DOES NOT HAVE ANY EQUITY IN THE PROPERTY, AND (2) THE PROPERTY IS NOT NECESSARY TO AN EFFECTIVE REORGANIZATION.

The first requirement under § 362(d)(2) is met where the total of all the encumbrances against the property is in excess of the value of the property. The value of the property as scheduled by Debtor is \$266,000.00 subject to Secured Creditor's mortgage in excess of \$181,476.74.

The property is also subject to a second lien in favor of Ocwen Federal Bank in excess of \$44,000.00.

The property is also subject to a lien in favor of Absolute Bail Bond Co. in excess of \$20,000.00.

Considering selling costs of 10%, Debtor has no real equity in the property. Since this is a liquidation case, no reorganization is being attempted.

CONCLUSION

Secured Creditor is entitled to relief from the automatic stay pursuant to 11 U.S.C. § 362(d)(1) for cause, and where its interest in the secured property is not adequately protected. Secured Creditor is also entitled to relief from the automatic stay pursuant to 11 U.S.C. § 362(d)(2) where Debtor has no equity in the property, and where the property is not necessary to an effective reorganization.

Secured Creditor respectfully requests an Order of this Court modifying the automatic stay consistent with the attached proposed Order.

Dated this 11th day of October, 2004.

WILFORD & GESKE

By /e/ James A. Geske

James A. Geske
Attorneys for Secured Creditor
7650 Currell Blvd., Ste 300
Woodbury, MN 55125
651-209-3300
Attorney Reg. No. 14969X

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

CHAPTER 7 CASE

Tyrone T. Block
SSN XXX-XX-3943

CASE NO. 04-34364 DDO

**AFFIDAVIT OF
JOY BASKIN**

Debtor.

Joy Baskin, being first duly sworn on oath, deposes and states:

1. That she is the Bankruptcy Specialist of PCFS.

2. PCFS, is now the holder of a mortgage on real property in which the debtor has an interest. The debtor's indebtedness is evidenced by that certain mortgage deed dated February 3, 2003, executed by Tyrone Block and Terronya Block, husband and wife. The property is located in Dakota County, Minnesota and is legally described as follows, to-wit:

Lot 15, Block 2, McClung and McMurrans Addition to St. Paul, Dakota County, Minnesota.

3. That she has reviewed the account records relating to the Block mortgage loan, account no. 4694260.

4. That as of September 17, 2004, the following amounts were owing on this account:

Unpaid Principal:	\$175,026.58
Interest through September 17, 2004	5,627.66
Attorney's Fees:	700.00
Late Charges:	30.17
Legal Fees:	327.33
NSF Fees:	35.00
TOTAL:	\$181,476.74

5. That the mortgage loan is delinquent for monthly mortgage payments for the months of June, 2004 through September, 2004 in the amount of \$1,315.83 each.

6. This affidavit is given in support of the motion of PCFS for relief from the automatic stay.

PCFS

By

Joy S. Baskin

Its Bankruptcy Specialist

Subscribed and sworn to before me

this _____ day of _____, 2004.

Sonja McIntosh

Notary Public



SONJA McINTOSH
Notary Public, State of Ohio
My Commission Expires
March 5, 2007

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

Tyrone T. Block
SSN XXX-XX-3943

CHAPTER 7 CASE

CASE NO. 04-34364 DDO

Debtor.

**UNSWORN DECLARATION
FOR PROOF OF SERVICE**

Joanna Cheyka, employed by Wilford & Geske, attorneys licensed to practice law in this Court, with office address at 7650 Currell Blvd., Ste 300, Woodbury, Minnesota, declares that on October 11, 2004, I served the annexed Notice of Hearing and Motion for Relief from Stay, Memorandum in Support of Motion for Relief, Affidavit of Joy Baskin, and proposed Order to each person referenced below, a copy thereof by enclosing the same in an envelope with first class mail postage prepaid and depositing the same in the post office at Woodbury, Minnesota addressed to each of them as follows:

Tyrone T. Block
288 Hurley Street East
West St. Paul, MN 55118

Absolute Bail Bond co.
378 E 8th Street
St. Paul, 55101

Terronya Block
288 Hurley Street East
West St. Paul, MN 55118

John A. Hedback
2855 Anthony Ln S Ste 201
St. Anthony, MN 55418

David D. Kingsbury
Kingsbury & Associates LTD
14827 Energy Way
Apple Valley, MN 55124

U.S. Trustee
1015 U.S. Courthouse
300 South 4th Street
Minneapolis, MN 55415

Ocwen Federal Bank
PO Box 514577
Los Angeles, CA 90051-4577

And I declare, under penalty of perjury, that the foregoing is true and correct.

Dated this 11th day of October, 2004.

/e/ Joanna Cheyka
Joanna Cheyka

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

Tyrone T. Block
SSN XXX-XX-3943

Debtor.

CHAPTER 7 CASE

CASE NO. 04-34364 DDO

ORDER

The above entitled matter came on for hearing upon motion of The Provident Bank (hereinafter "Secured Creditor"), pursuant to 11 U.S.C. § 362 on October 25, 2004, at U.S. Courthouse, 316 North Robert Street, St. Paul, Minnesota. Appearances were as noted in the record. Based upon the evidence adduced at said hearing, the arguments of counsel, and the Court being fully advised of the premises,

IT IS HEREBY ORDERED that Secured Creditor, its assignees and/or successors in interest, is granted relief from the stay of actions imposed by 11 U.S.C. § 362 with regard to that certain mortgage deed dated February 3, 2003, executed by Tyrone Block and Terronya Block, husband and wife, recorded , as Document No. covering real estate located in Dakota County, Minnesota, legally described as follows, to-wit:

Lot 15, Block 2, McClung and McMurrans Addition to St. Paul, Dakota County, Minnesota
and may pursue its remedies under state law in connection with the subject note and mortgage deed.

Notwithstanding Federal Rules of Bankruptcy Procedure 4001(a)(3), this Order is effective immediately.

Dated: _____

Judge of Bankruptcy Court