

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

Gerald Thomas Rocca
Sharri's School of Dance, Inc.
SSN XXX-XX-2307
Sharri Lynne Rocca
SSN XXX-XX-1032

CHAPTER 7 CASE

CASE NO. 04-34794 GFK

Debtor.

NOTICE OF HEARING AND MOTION FOR RELIEF FROM STAY

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

1. GMAC Mortgage Corporation (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 September 3, 2004, at 10:30 a.m., or as soon thereafter as counsel can be heard, before the Honorable Gregory F. Kishel in Courtroom 228B 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 September 15, 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 September 9, 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 August 17, 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 \$234,000.00, as evidenced by that certain Promissory Note dated April 3, 2001, 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 April 3, 2001, executed by Gerald T. Rocca and Sharri L. Rocca, husband and wife, recorded April 9, 2001, as Document No. 234299, 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 Waseca County, Minnesota and is legally described as follows to-wit:

Starting at the Northeast (NE) corner of Knoll, as the same is platted and recorded in the office of the County Recorder of Waseca County, Minnesota, which point is on the centerline of County State Aid Highway Number Four (4); thence South five degrees, thirty-one minutes (05°31') West two hundred (200.00) feet on the centerline of said highway, on an assumed bearing; thence South five degrees thirty-one minutes (05°31') West eighty-nine and forty-eight hundredths (89.48) feet, on said centerline, to a point of beginning of a curve; thence southwesterly one hundred ten and eighty hundredths (110.80) feet on a curve concave to the West, with a radius of one thousand one hundred forty-six and twenty-eight hundredths (1146.28), and through a central angle of five degrees thirty-two minutes nineteen seconds (05°32'19"); thence North eighty-nine degrees twenty-six minutes twenty-three seconds (89°26'23") East five hundred seventy-two and ninety-four hundredths (572.94) feet on a nontangential line; thence North zero degrees thirty-three minutes thirty-seven seconds (00°33'37") West three hundred ninety-seven and thirty hundredths (397.30) feet; thence South eighty-nine degrees twenty-six minutes twenty-three seconds (89°26'23") West five hundred twenty-five and thirty hundredths (525.30) feet, to the point of beginning; being part of the Northeast Quarter (NE1/4) of the Northwest Quarter (NW1/4), Section ten (10), township one hundred seven (107) North, Range twenty-two (22) West, and containing five (5.00) acres more or less; subject to highway easement on the West side thereof, except the following described parcel: starting at the Northeast (NE) corner of the Knoll, as the same is platted and recorded in the office of the County Recorder of Waseca County, Minnesota, which point is on the centerline of County State and Highway Number Four (4); thence South five degrees thirty-one minutes (05°31') West two hundred (200.00) feet on the centerline of said highway, on an assumed bearing, to a point which is hereafter called the point of beginning; thence South five degrees thirty-one minutes (05°31') West eighty-nine and forty-eight hundredths (89.48) feet, on said centerline, to the point of beginning of a curve; thence Southwesterly one hundred ten and eighty hundredths (110.80) feet on a curve concave to the West, with a radius of one thousand one hundred forty-six and twenty-eight hundredths (1146.28), and through a central angle of five degees thirty-two minutes nineteen seconds (05°32'19"); thence North eighty-nine degrees twenty-six minutes twenty-three seconds (89°26'23") East four hundred sixty (460.00) feet on

a nontangential line; thence North zero degrees thirty-three minutes thirty-seven seconds (89°26'23") East four hundred sixty (460.00) feet on a nontangential line; thence North zero degrees thirty-three minutes thirty-seven seconds (00°33'337") West One hundred ninety-eight and forty-two hundredths (198.42) feet; thence South eight-nine degrees twenty-six minutes twenty-three seconds (89°26'23") West four hundred thirty-three and fifty-three hundredths (433.53) feet, to the point of beginning; being part of the Northeast Quarter (NE1/4) of the Northwest Quarter (NW1/4), Section ten (10), Township one hundred seven (107) North, Range twenty-two (22) West, and containing two and three hundredths (2.03) acres more or less; subject to highway easement on the West side thereof.

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 September 3, 2004, Debtor is delinquent in the making of monthly payments as required for the months of June, 2004 through September, 2004, inclusive, in the amount of \$1,683.17 each for the months of June, 2004 through July, 2004 and \$1,800.003 each for the months August, 2004 through September, 2004; accruing 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 \$300,000.00 subject to Secured Creditor's mortgage in excess of \$231,768.06.

The property is also subject to a second mortgage in favor of First National Bank in excess of \$43,000.00.

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 3rd day of September, 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.

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Page 017

NOTE
(MULTISTATE FIXED RATE)

Loan No: 127010

April 3, 2001
(Date)

Waseca
(City)
15230 Snake Trail
Waseca, MN 56093
(Property Address)

Minnesota
(State)

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$234,000.00 (this amount is called "Principal"), plus interest, to the order of Lender. Lender is Home Town Mortgage, Inc.

(this amount is called



I will make all payments under this Note in the form of cash, check or money order.

I understand that Lender may transfer this Note. 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 6.875 %.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the 1st day of each month beginning on June 1, 2001

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. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on May 1, 2031, 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 207 Chestnut Street, Suite 210
Chaska, MN 55318

or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$1,537.21

4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a)

MULTISTATE FIXED RATE NOTE - Single Family - FNMA/FHLMC Uniform Instrument
Form 3200 1/01
Lender Form No. (MNO) 448-2255
LF#FNMA3300 1/01

Page 1 of 3

Initial:

EXHIBIT

234299

000011625

234299 - 15 pages

JOYCE OLVER, WISCON CO. TREASURER

Office of County Recorder
County of Waseca, Minnesota

DATE April 9, 2001
REGISTRATION TAX HERBON OF \$ 538.20 PAID
TREASURER'S RECEIPT NO. 2769
Sydney Rost
Deputy COUNTY TREASURER
COUNTERSIGNED
Lucille Hester Deputy
COUNTY AUDITOR

I hereby certify that the within instrument was
filed in this office for record on the 9th
day of April A.D. 2001 at
2:30 o'clock P. M. and was duly
microfilmed as Document No. 234299

1:30

Anderson Olson
County Recorder

By _____ Deputy

Loan No: 127010

(Space Above This Line For Recording Date)

MORTGAGE

2nd + 1st A. Harts



15

M T O R

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 31. 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 April 3, 2001 together with all Riders to this document.

(B) "Borrower" is Gerald T. Rocca and Sharrl L. Rocca, husband and wife

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is Home Town Mortgage, Inc.

Lender is a
organized and existing under the laws of Minnesota
Lender's address is 207 Chestnut Street, Suite 210
Chaska, MN 55318

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated April 3, 2001

The Note states that Borrower owes Lender Two Hundred Thirty Four Thousand DOLLARS and Zero CENTS

Dollars (U.S. \$ 234,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than May 1, 2031

(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.

MINNESOTA - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
Form 3024 1/01
LRRP Form Inc (602) 440-3555
LPI#PNMA3024 1/01 (A)

EXHIBIT B

recap # 234300 (4-9-01)

234299

(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
- Biweekly Payment Rider
- Other(s) [specify]
- Condominium Rider
- Planned Unit Development Rider
- V.A. Rider
- Second Home Rider
- 1-4 Family Rider

(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.

(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 insurances 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. §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.

[Handwritten signature]

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Page 004

234299

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

(Type of Recording Jurisdiction)

of

Waseca
(Name of Recording Jurisdiction)

See attached exhibit A

which currently has the address of

15250 *RS*
18444 Snake Trail
(Street)

Waseca
(City)

, Minnesota

56003
(Zip Code)

("Property Address"):

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

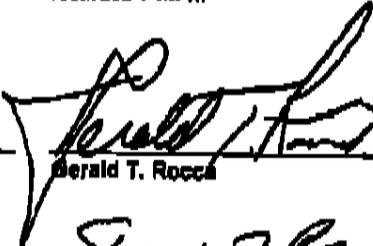
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BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witness:



Gerald T. Rocca (Seal) -Borrower



Sherri L. Rocca (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

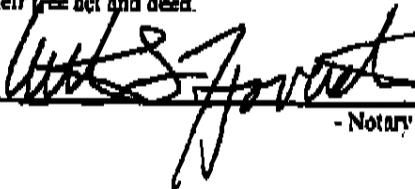
[Space Below This Line For Acknowledgment]

STATE OF MINNESOTA, Waseca County ss:

On this 3rd day of April, 2001, before me appeared Gerald T. Rocca and Sherri L. Rocca, husband and wife

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/har/their free act and deed.





- Notary Public

My Commission expires:

This instrument was prepared by: Home Town Mortgage, Inc.
207 Chestnut Street, Suite 210
Chaska, MN 55318

Tax statement sent to: Home Town Mortgage, Inc.
207 Chestnut Street, Suite 210
Chaska, MN 55318

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Page 815

234299

EXHIBIT A

STARTING AT THE NORTHEAST (NE) CORNER OF THE KNOLL, AS THE SAME IS PLATTED AND RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF WASECA COUNTY, MINNESOTA, WHICH POINT IS ON THE CENTERLINE OF COUNTY STATE AID HIGHWAY NUMBER FOUR (4); THENCE SOUTH FIVE DEGREES, THIRTY-ONE MINUTES (05°31') WEST TWO HUNDRED (200.00) FEET ON THE CENTERLINE OF SAID HIGHWAY, ON AN ASSUMED BEARING; THENCE SOUTH FIVE DEGREES THIRTY-ONE MINUTES (05°31') WEST EIGHTY-NINE AND FORTY-EIGHT HUNDREDTHS (89.48) FEET, ON SAID CENTERLINE, TO A POINT OF BEGINNING OF A CURVE; THENCE SOUTHWESTERLY ONE HUNDRED TEN AND EIGHTY HUNDREDTHS (110.80) FEET ON A CURVE CONCAVE TO THE WEST, WITH A RADIUS OF ONE THOUSAND ONE HUNDRED FORTY-SIX AND TWENTY-EIGHT HUNDREDTHS (1146.28), AND THROUGH A CENTRAL ANGLE OF FIVE DEGREES THIRTY-TWO MINUTES NINETEEN SECONDS (05°32'19"); THENCE NORTH EIGHTY-NINE DEGREES TWENTY-SIX MINUTES TWENTY-THREE SECONDS (89°26'23") EAST FIVE HUNDRED SEVENTY-TWO AND NINETY-FOUR HUNDREDTHS (572.94) FEET ON A NONTANGENTIAL LINE; THENCE NORTH ZERO DEGREES THIRTY-THREE MINUTES THIRTY-SEVEN SECONDS (00°33'37") WEST THREE HUNDRED NINETY-SEVEN AND THIRTY HUNDREDTHS (397.30) FEET; THENCE SOUTH EIGHTY-NINE DEGREES TWENTY-SIX MINUTES TWENTY-THREE SECONDS (89°26'23") WEST FIVE HUNDRED TWENTY-FIVE AND THIRTY HUNDREDTHS (525.30) FEET, TO THE POINT OF BEGINNING; BEING PART OF THE NORTHEAST QUARTER (NE¼) OF THE NORTHWEST QUARTER (NW¼), SECTION TEN (10), TOWNSHIP ONE HUNDRED SEVEN (107) NORTH, RANGE TWENTY-TWO (22) WEST, AND CONTAINING FIVE (5.00) ACRES MORE OR LESS; SUBJECT TO HIGHWAY EASEMENT ON THE WEST SIDE THEREOF, EXCEPT THE FOLLOWING DESCRIBED PARCEL: STARTING AT THE NORTHEAST (NE) CORNER OF THE KNOLL, AS THE SAME IS PLATTED AND RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF WASECA COUNTY, MINNESOTA, WHICH POINT IS ON THE CENTERLINE OF COUNTY STATE AID HIGHWAY NUMBER FOUR (4); THENCE SOUTH FIVE DEGREES THIRTY-ONE MINUTES (05°31') WEST TWO HUNDRED (200.00) FEET ON THE CENTERLINE OF SAID HIGHWAY, ON AN ASSUMED BEARING, TO A POINT WHICH IS HEREAFTER CALLED THE POINT OF BEGINNING; THENCE SOUTH FIVE DEGREES THIRTY-ONE MINUTES (05°31') WEST EIGHTY-NINE AND FORTY-EIGHT HUNDREDTHS (89.48) FEET, ON SAID CENTERLINE, TO THE POINT OF BEGINNING OF A CURVE; THENCE SOUTHWESTERLY ONE HUNDRED TEN AND EIGHTY HUNDREDTHS (110.80) FEET ON A CURVE CONCAVE TO THE WEST, WITH A RADIUS OF ONE THOUSAND ONE HUNDRED FORTY-SIX AND TWENTY-EIGHT HUNDREDTHS (1146.28), AND THROUGH A CENTRAL ANGLE OF FIVE DEGREES THIRTY-TWO MINUTES NINETEEN SECONDS (05°32'19"); THENCE NORTH EIGHTY-NINE DEGREES TWENTY-SIX MINUTES TWENTY-THREE SECONDS (89°26'23") EAST FOUR HUNDRED SIXTY (460.00) FEET ON A NONTANGENTIAL LINE; THENCE NORTH ZERO DEGREES THIRTY-THREE MINUTES THIRTY-SEVEN SECONDS (00°33'37")

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Page 016

234299

WEST ONE HUNDRED NINETY-EIGHT AND FORTY-TWO HUNDREDTHS (198.42) FEET; THENCE SOUTH EIGHT-NINE DEGREES TWENTY-SIX MINUTES TWENTY-THREE SECONDS (89°26'23") WEST FOUR HUNDRED THIRTY-THREE AND FIFTY-THREE HUNDREDTHS (433.53) FEET, TO THE POINT OF BEGINNING; BEING PART OF THE NORTHEAST QUARTER (NE¼) OF THE NORTHWEST QUARTER (NW¼), SECTION TEN (10), TOWNSHIP ONE HUNDRED SEVEN (107) NORTH, RANGE TWENTY-TWO (22) WEST, AND CONTAINING TWO AND THREE HUNDREDTHS (2.03) ACRES MORE OR LESS; SUBJECT TO HIGHWAY EASEMENT ON THE WEST SIDE THEREOF.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

CHAPTER 7 CASE

Gerald Thomas Rocca
Sharri's School of Dance, Inc.
SSN XXX-XX-2307
Sharri Lynne Rocca
SSN XXX-XX-1032

CASE NO. 04-34794 GFK

Debtor.

**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 September 3, 2004, Debtor is delinquent for the monthly payments as required for the months of June, 2004 through September, 2004, in the amount of \$1,683.17 each for the months of June, 2004 through July, 2004 and \$1,800.003 each for the months August, 2004 through September, 2004; accruing 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 \$300,000.00 subject to Secured Creditor's mortgage in excess of \$231,768.06.

The property is also subject to a second mortgage in favor of First National Bank in excess of \$43,000.00.

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 3rd day of September, 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

Gerald Thomas Rocca
Sharri's School of Dance Inc.
SSN XXX-XX-2307
Sharri Lynne Rocca
SSN XXX-XXX-1032

CASE NO. 04-34794 GFK

**AFFIDAVIT OF
HELEN LUTSENKO**

Debtor.

Helen Lutsenko, being first duly sworn on oath, deposes and states:

1. That she is the Bankruptcy Specialist of GMAC Mortgage Corporation.
2. GMAC Mortgage Corporation, 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 April 3, 2001, executed by Gerald T. Rocca and Sharri L. Rocca, husband and wife, recorded April 9, 2001, as Document No. 234299. The property is located in Waseca County, Minnesota and is legally described as follows, to-wit:

Starting at the Northeast (NE) corner of Knoll, as the same is platted and recorded in the office of the County Recorder of Waseca County, Minnesota, which point is on the centerline of County State Aid Highway Number Four (4); thence South five degrees, thirty-one minutes (05°31') West two hundred (200.00) feet on the centerline of said highway, on an assumed bearing; thence South five degrees thirty-one minutes (05°31') West eighty-nine and forty-eight hundredths (89.48) feet, on said centerline, to a point of beginning of a curve; thence southwesterly one hundred ten and eighty hundredths (110.80) feet on a curve concave to the West, with a radius of one thousand one hundred forty-six and twenty-eight hundredths (1146.28), and through a central angle of five degrees thirty-two minutes nineteen seconds (05°32'19"); thence North eighty-nine degrees twenty-six minutes twenty-three seconds (89°26'23") East five hundred seventy-two and ninety-four hundredths (572.94) feet on a nontangential line; thence North zero degrees thirty-three minutes thirty-seven seconds (00°33'37") West three hundred ninety-seven and thirty hundredths (397.30) feet; thence South eighty-nine degrees twenty-six minutes twenty-three seconds (89°26'23") West five hundred twenty-five and thirty hundredths (525.30) feet, to the point of beginning; being part of the Northeast Quarter (NE1/4) of the Northwest Quarter (NW1/4), Section ten (10), township one hundred seven (107) North, Range twenty-two (22) West, and containing five (5.00) acres more or less; subject to highway easement on the West side thereof, except the following described parcel: starting at the Northeast (NE) corner of the Knoll, as the same is platted and recorded in the office of the County Recorder of Waseca County, Minnesota, which point is on the centerline of County State and Highway Number Four (4); thence South five degrees thirty-one minutes (05°31') West two hundred (200.00) feet on the centerline of said highway, on an assumed bearing, to a point which is hereafter called the point of beginning; thence South five degrees thirty-one minutes (05°31') West eighty-nine and forty-eight hundredths (89.48) feet, on said centerline, to the point of beginning of a curve; thence Southwesterly one hundred ten and eighty hundredths (110.80) feet on a curve concave to the West, with a radius of one thousand one hundred forty-six and twenty-eight hundredths (1146.28), and through a central angle of five degrees thirty-two minutes nineteen seconds (05°32'19"); thence North eighty-nine degrees twenty-six minutes twenty-three seconds (89°26'23") East four hundred sixty (460.00) feet on a nontangential line; thence North zero degrees thirty-three minutes thirty-seven seconds (00°33'37") West One hundred ninety-eight and forty-two hundredths (198.42) feet; thence South eight-nine degrees twenty-six minutes twenty-three seconds (89°26'23") West four hundred thirty-three and fifty-three hundredths (433.53) feet, to the point of beginning; being part of the Northeast Quarter (NE1/4) of the Northwest Quarter (NW1/4), Section ten (10), Township one hundred seven (107) North, Range twenty-two (22) West, and containing two and three hundredths (2.03) acres more or less; subject to highway easement on the West side thereof.

3. That she has reviewed the account records relating to the Rocca's mortgage loan, account no. 0640011625.
4. That as of August 31, 2004, the following amounts were owing on this account:

Unpaid Principal:
Interest through August 31, 2004

\$224,788.43
5,165.48

Attorney's Fees:	700.00
Non-Escrow Advances:	554.74
Escrow Balance:	559.41

TOTAL: \$231,768.06

5. That the mortgage loan is delinquent for monthly mortgage payments for the months of June, 2004 through July, 2004 in the amount of \$1,683.17 each and August, 2004 in the amount of \$1,800.03.

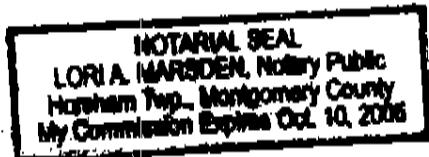
6. This affidavit is given in support of the motion of GMAC Mortgage Corporation for relief from the automatic stay.

GMAC MORTGAGE CORPORATION

By Helen Hutsepko
Its Bankruptcy Specialist

Subscribed and sworn to before me
this 01 day of September, 2004.

Loria Marsden
Notary Public



**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

CHAPTER 7 CASE

Gerald Thomas Rocca
Sharri's School of Dance, Inc.
SSN XXX-XX-2307
Sharri Lynne Rocca
SSN XXX-XX-1032

CASE NO. 04-34794 GFK

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 September 3, 2004, I served the annexed Notice of Hearing and Motion for Relief from Stay, Memorandum in Support of Motion for Relief, Affidavit of Helen Lutsenko, 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:

Gerald T. Rocca
Sharri L. Rocca
15250 Snake Trl
Waseca, MN 56093

Ford Motor Credit Company
c/o Stewart, Zlimen & Jungers, LTD
430 Oak Grove Street, #200
Minneapolis, MN 55403

Christopher M. Kennedy
Kennedy & Kennedy
PO Box 3223
Mankato, MN 56002-3223

Paul W. Bucher
PO Box 549
Rochester, MN 55903-0549

First National Bank
101 North State Street
Waseca, MN 56093

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

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

Dated this 3rd day of September, 2004.

/e/ Joanna Cheyka
Joanna Cheyka

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

Gerald Thomas Rocca
Sharri's School of Dance, Inc.
SSN XXX-XX-2307
Sharri Lynne Rocca
SSN XXX-XX-1032

CHAPTER 7 CASE

CASE NO. 04-34794 GFK

Debtor.

ORDER

The above entitled matter came on for hearing upon motion of GMAC Mortgage Corporation (hereinafter "Secured Creditor"), pursuant to 11 U.S.C. § 362 on September 3, 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 April 3, 2001, executed by Gerald T. Rocca and Sharri L. Rocca, husband and wife, recorded April 9, 2001, as Document No. 234299 covering real estate located in Waseca County, Minnesota, legally described as follows, to-wit:

Starting at the Northeast (NE) corner of Knoll, as the same is platted and recorded in the office of the County Recorder of Waseca County, Minnesota, which point is on the centerline of County State Aid Highway Number Four (4); thence South five degrees, thirty-one minutes (05°31') West two hundred (200.00) feet on the centerline of said highway, on an assumed bearing; thence South five degrees thirty-one minutes (05°31') West eighty-nine and forty-eight hundredths (89.48) feet, on said centerline, to a point of beginning of a curve; thence southwesterly one hundred ten and eighty hundredths (110.80) feet on a curve concave to the West, with a radius of one thousand one hundred forty-six and twenty-eight hundredths (1146.28), and through a central angle of five degrees thirty-two minutes nineteen seconds (05°32'19"); thence North eighty-nine degrees twenty-six minutes twenty-three seconds (89°26'23") East five hundred seventy-two and ninety-four hundredths (572.94) feet on a nontangential line; thence North zero degrees thirty-three minutes thirty-seven seconds (00°33'37") West three hundred ninety-seven and thirty hundredths (397.30) feet; thence South eighty-nine degrees twenty-six minutes twenty-three seconds (89°26'23") West five hundred twenty-five and thirty hundredths (525.30) feet, to the point of beginning; being part of the Northeast Quarter (NE1/4) of the

Northwest Quarter (NW1/4), Section ten (10), township one hundred seven (107) North, Range twenty-two (22) West, and containing five (5.00) acres more or less; subject to highway easement on the West side thereof, except the following described parcel: starting at the Northeast (NE) corner of the Knoll, as the same is platted and recorded in the office of the County Recorder of Waseca County, Minnesota, which point is on the centerline of County State and Highway Number Four (4); thence South five degrees thirty-one minutes (05°31') West two hundred (200.00) feet on the centerline of said highway, on an assumed bearing, to a point which is hereafter called the point of beginning; thence South five degrees thirty-one minutes (05°31') West eighty-nine and forty-eight hundredths (89.48) feet, on said centerline, to the point of beginning of a curve; thence Southwesterly one hundred ten and eighty hundredths (110.80) feet on a curve concave to the West, with a radius of one thousand one hundred forty-six and twenty-eight hundredths (1146.28), and through a central angle of five degees thirty-two minutes nineteen seconds (05°32'19"); thence North eighty-nine degrees twenty-six minutes twenty-three seconds (89°26'23") East four hundred sixty (460.00) feet on a nontangential line; thence North zero degrees thirty-three minutes thirty-seven seconds (89°26'23") East four hundred sixty (460.00) feet on a nontangetial line; thence North zero degrees thirty-three minutes thirty-seven seconds (00°33'337")West One hundred ninety-eight and forty-two hundredths (198.42) feet; thence South eight-nine degrees twenty-six minutes twenty-three seconds (89°26'23") West four hundred thirty-three and fifty-three hundredths (433.53) feet, to the point of beginning; being part of the Northeast Quarter (NE1/4) of the Northwest Quarter (NW1/4), Section ten (10), Township one hundred seven (107) North, Range twenty-two (22) West, and containing two and three hundredths (2.03) acres more or less; subject to highway easement on the West side thereof

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