

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

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In Re:

Margaret M. Hughes-Husbands  
SSN XXX-XX-6725  
James F. Husbands  
SSN XXX-XX-9915

**CHAPTER 7 CASE**

**CASE NO. 04-50570 GFK**

Debtor.

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**NOTICE OF HEARING AND MOTION FOR RELIEF FROM STAY**

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

1. Provident Funding Associates, L.P. (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 August 4, 2004, at 1:30 p.m., or as soon thereafter as counsel can be heard, before the Honorable Gregory F. Kishel in Courtroom 2, Fourth Floor of the above entitled Court located at U.S. Courthouse, 515 West First Street, Duluth, Minnesota.

3. Any response to this motion must be filed and delivered not later than July 30, 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 July 26, 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 May 13, 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 \$260,000.00, as evidenced by that certain Promissory Note dated January 24, 2004, 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 January 24, 2004, executed by James F. Husbands and Margaret Hughes-Husbands, husband and wife as joint tenants, recorded April 24, 2002, as Document No. 853743, 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 Saint Louis County, Minnesota and is legally described as follows to-wit:

Beginning at a point on the North line of said Lot Lying 330 feet Easterly along said North line from the Northwest corner thereof; thence East along said North line a distance of 165 feet; thence South parallel with the West line of said Government Lot 2 to the South line of said Government Lot 2, being the shoreline of Daisy Bay of Lake Vermillion; thence Westerly along said South line and the shoreline of Lake Vermillion a distance of 165 feet, more or less. To the point of intersection with a line parallel with the West line of said Government Lot 2 and passing through the point of beginning; thence North along a line parallel with the West line of said Government Lot 2 to the point of beginning. Except that thereof lying Northerly of the centerline of County Road #77.

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 July 2, 2004, Debtor is delinquent in the making of monthly payments as required for the months of January, 2004 through July, 2004, inclusive, in the amount of \$1,999.13 each; accruing late charges 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 \$290,000.00 subject to Secured Creditor's mortgage in excess of \$266,419.69.

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 2nd day of July, 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.

JUN 09 2004 14:18 FR FRANNIE MRS HERNDON 24703 833 5587 TO 917875682 57 P.02/28

NOTE

Loan Number 024177

JANUARY 24, 2002  
(Date)

IRVINE  
(City)

CALIFORNIA  
(State)

4178 COUNTY ROAD 77, TOWER, MINNESOTA 55790  
(Property Address)

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 260,000.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is ALLSTAR LOAN COMPANY DBA ALLSTATE FUNDING, A CALIFORNIA CORPORATION (CFL/DRS # 01147766). I will make all payments under this Note in the form of cash, check or money order. 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 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 MARCH 1, 2002. 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 FEBRUARY 1, 2002, 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 7 CORPORATE PARK, SUITE #200, IRVINE, CALIFORNIA 92606 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. \$ 1,708.01

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) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit;

MULTISTATE FIXED RATE NOTE—Single Family  
Form 3200 1/01  
Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Page 1 of 3

DocId:32000000 800-443-1002  
www.docuSign.com

EXHIBIT

A

JUN 09 2004 14:21 FR FANNIE MAE HERNDON 24783 833 5587 TO 917873682337 P.12/28

MINNESOTA SINGLE FAMILY FARMS AND PRODUCE MSA UNIFORM INSTRUMENT  
FORM 2024 1/01

(Space Above This Line For Recording Data)

### MORTGAGE

After Recording Return To:  
ALLSTAR LOAN COMPANY DBA ALLSTATE  
FUNDING  
7 CORPORATE PARK, SUITE #200  
IRVINE, CALIFORNIA 92606  
Loan Number: 020177

#### 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 **JANUARY 24, 2002**, together with all Riders to this document.
- (B) "Borrower" is **JAMES F. HUSBANDS AND MARGARET HUGHES-HUSBANDS, HUSBAND AND WIFE AS JOINT TENANTS**

Borrower is the mortgagor under this Security Instrument.

- (C) "Lender" is **ALLSTAR LOAN COMPANY DBA ALLSTATE FUNDING**

Lender is a **CORPORATION** organized and existing under the laws of **CALIFORNIA**  
Lender's address is **7 CORPORATE PARK, SUITE #200, IRVINE, CALIFORNIA 92606**

Lender is the mortgagee under this Security Instrument.

- (D) "Note" means the promissory note signed by Borrower and dated **JANUARY 24, 2002**. The Note states that Borrower owes Lender **TWO HUNDRED SIXTY THOUSAND AND 00/100 Dollars (U.S. \$260,000.00)** plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **FEBRUARY 1, 2032**.

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

**EXHIBIT B**

JUN 09 2004 14:21 FR FANNIE MAE WERNDON 24723 533 5587 TO 317875682 37 P.13/28

(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
- Condominium Rider
- Balloon Rider
- Planned Unit Development Rider
- 1-4 Family Rider
- Biweekly Payment Rider
- Second Home 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 or 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 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 5 of this Security Instrument.

(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2401 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 of SAINT LOUIS (Name of Recording Jurisdiction)  
(Type of Recording Jurisdiction)

BEGINNING AT A POINT ON THE NORTH LINE OF SAID LOT LYING 330 FEET EASTERLY ALONG SAID NORTH LINE FROM THE NORTHWEST CORNER THEREOF; THENCE EAST ALONG SAID NORTH LINE A DISTANCE OF 165 FEET; THENCE SOUTH PARALLEL WITH THE WEST LINE OF SAID GOVERNMENT LOT 2 TO THE SOUTH LINE OF SAID GOVERNMENT LOT 2, BEING THE SHORELINE OF DELAY BAY OF LAKE VERMILLION; THENCE EASTERLY ALONG SAID SOUTH LINE AND THE SHORELINE OF LAKE VERMILLION A DISTANCE OF 168 FEET, MORE OR LESS, TO THE POINT OF INTERSECTION WITH A LINE PARALLEL WITH THE WEST LINE OF SAID GOVERNMENT LOT 2 AND PASSING THROUGH THE POINT OF BEGINNING; THENCE NORTH ALONG A LINE PARALLEL WITH THE WEST LINE OF SAID GOVERNMENT LOT 2 TO THIS POINT OF BEGINNING.  
EXCEPT THAT THEREOF LYING NORTHERLY OF THE CENTERLINE OF COUNTY ROAD #77  
A.P.N. #: 367-0010-01195

JUN 09 2004 14:22 FR FANNIE MAE HERNDON 24783 833 5587 TO 91787368737 P.14/28

which currently has the address of 4178 COUNTY ROAD 77  
TOWER (City) , Minnesota 55790 (Zip Code) ("Property Address")

TOGETHER WITH all the improvements now or hereafter created 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.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payment is insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payment in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it becomes due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

JUN 09 2004 14:27 FR FANNIE MAE HERNDON 24783 833 5587 TO 91787565737 P.23/28

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.

*[Signature]*  
\_\_\_\_\_  
(Seal)  
JAMES F. HUSBANDS -Borrower

*[Signature]*  
\_\_\_\_\_  
(Seal)  
MARGARET HUGHES -HUSBANDS -Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

*[Signature]*  
\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

Witness:  
\_\_\_\_\_

Witness:  
\_\_\_\_\_

State of Minnesota  
County of SAINT LOUIS

The instrument was acknowledged before me on January 30, 2002 by  
JAMES F. HUSBANDS AND MARGARET HUGHES-HUSBANDS, HUSBAND AND WIFE  
AS JOINT TENANTS



*[Signature]*  
\_\_\_\_\_  
Notary Public

(Seal)

My commission expires:  
October 13, 2004

This instrument was drafted by:

The statements for the real property described in this instrument should be sent to:  
ALLSTAR LOAN COMPANY DBA ALLSTATE FUNDING  
7 CORPORATE PARK, SUITE #200  
IRVINE, CALIFORNIA, 92606

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

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In Re:

**CHAPTER 7 CASE**

Margaret M. Hughes-Husbands  
SSN XXX-XX-6725  
James F. Husbands  
SSN XXX-XX-9915

**CASE NO. 04-50570 GFK**

Debtor.

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**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 July 2, 2004, Debtor is delinquent for the monthly payments as required for the months of January, 2004 through July, 2004, in the amount of \$1,999.13 each; accruing late charges 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 \$290,000.00 subject to Secured Creditor's mortgage in excess of \$266,419.69.

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 2nd day of July, 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

CASE NO. 04-50570 GFK

Margaret M. Hughes-Husbands  
SSN XXX-XX-6725  
James F. Husbands  
SSN XXX-XX-9915

AFFIDAVIT OF  
KRISTEN GOURLEY

Debtor

Kristen Gourley, being first duly sworn on oath, deposes and states:

1 That he/she is the Bankruptcy Specialist of Provident Funding Associates, L P

2 Provident Funding Associates, L.P., 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 January 24, 2002, executed by James F. Husbands and Margaret Hughes-Husbands, husband and wife as joint tenants, recorded April 24, 2002, as Document No. 853743. The property is located in Saint Louis County, Minnesota and is legally described as follows, to-wit:

Beginning at a point on the North line of said Lot Lying 330 feet Easterly along said North line from the Northwest corner thereof; thence East along said North line a distance of 165 feet; thence South parallel with the West line of said Government Lot 2 to the South line of said Government Lot 2, being the shoreline of Daisy Bay of Lake Vermillion; thence Westerly along said South line and the shoreline of Lake Vermillion a distance of 165 feet, more or less. To the point of intersection with a line parallel with the West line of said Government Lot 2 and passing through the point of beginning; thence North along a line parallel with the West line of said Government Lot 2 to the point of beginning. Except that thereof lying Northerly of the centerline of County Road #77..

3 That he/she has reviewed the account records relating to the Husbands' mortgage loan, account no 1112010575

4 That as of June 18, 2004, the following amounts were owing on this account:

Unpaid Principal:	\$254,894.19
Interest through June 18, 2004	9,602.20
Attorney's Fees:	700.00
Late Charges:	597.60
Other Fees:	25.50
Foreclosure Fees & Costs:	600.00
<b>TOTAL:</b>	<b>\$266,419.69</b>

5 That the mortgage loan is delinquent for monthly mortgage payments for the months of January, 2004 through June, 2004 in the amount of \$1,999.13 each.

6 This affidavit is given in support of the motion of Provident Funding Associates, L P for relief from the automatic stay

PROVIDENT FUNDING ASSOCIATES, L.P.

By *Kristen Gourley*  
Its Bankruptcy Specialist

Subscribed and sworn to before me  
this 23<sup>rd</sup> day of JUNE, 2004.

*Susan Tamboury*  
Notary Public  
0533 1



**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

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In Re:

**CHAPTER 7 CASE**

Margaret M. Hughes-Husbands  
SSN XXX-XX-6725  
James F. Husbands  
SSN XXX-XX-9915

**CASE NO. 04-50570 GFK**

Debtor.

**UNSWORN DECLARATION  
FOR PROOF OF SERVICE**

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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 July 2, 2004, I served the annexed Notice of Hearing and Motion for Relief from Stay, Memorandum in Support of Motion for Relief, Affidavit of Kristen Gourley, 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:

Margaret M. Hughes-Husbands  
James F. Husbands  
4178 County Road 77  
Tower, MN 55790-8132

Robert R. Kanuit  
4815 W Arrowhead Rd Ste 230  
Hermantown, MN 55811

Daniel R. Bina  
Rte 4 Box 205E  
Pine City, MN 55063

U.S. Trustee  
1015 U.S. Courthouse  
300 South 4<sup>th</sup> Street  
Minneapolis, MN 55415

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

Dated this 2nd day of July, 2004.

          /e/ Joanna Cheyka            
Joanna Cheyka

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

In Re:

Margaret M. Hughes-Husbands  
SSN XXX-XX-6725  
James F. Husbands  
SSN XXX-XX-9915

**CHAPTER 7 CASE**

**CASE NO. 04-50570 GFK**

Debtor.

**ORDER**

The above entitled matter came on for hearing upon motion of Provident Funding Associates, L.P. (hereinafter "Secured Creditor"), pursuant to 11 U.S.C. § 362 on August 4, 2004, at U.S. Courthouse, 515 West First Street, Duluth, 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 January 24, 2004, executed by James F. Husbands and Margaret Hughes-Husbands, husband and wife as joint tenants, recorded April 24, 2002, as Document No. 853743 covering real estate located in Saint Louis County, Minnesota, legally described as follows, to-wit:

Beginning at a point on the North line of said Lot Lying 330 feet Easterly along said North line from the Northwest corner thereof; thence East along said North line a distance of 165 feet; thence South parallel with the West line of said Government Lot 2 to the South line of said Government Lot 2, being the shoreline of Daisy Bay of Lake Vermillion; thence Westerly along said South line and the shoreline of Lake Vermillion a distance of 165 feet, more or less. To the point of intersection with a line parallel with the West line of said Government Lot 2 and passing through the point of beginning; thence North along a line parallel with the West line of said Government Lot 2 to the point of beginning. Except that thereof lying Northerly of the centerline of County Road #77

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