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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

IN RE: ) Case No. 04 C 7177
)
FEDERAL TRADE COMMISSION, ) Judge Joan H. Lefkow
Plaintiff, ) FILED
) SEP. 29, 2005
v. ) SEP 29 2005 WH
)
3R BANCORP, et al., )
Defendants. ) MICHAEL W. DOBBINS
) CLERK, U.S. DISTRICT COURT

COVER SHEET FOR THIRD INTERIM APPLICATION FOR
PROFESSIONAL COMPENSATION

Name of Applicant: Nancy A. Ross and High Ridge Partners, Inc.
Authorized to Provide
Professional Services to: Receiver

Date of Order Authorizing Employment: November 17, 2004

Period for Which
Compensation is Sought: From: April 1, 2005
Through: August 31, 2005

Amount of Fees Sought: \$281,873.00

Amount of Expense
Reimbursement Sought: \$ 48,199.68

This is an: Interim Application [X] Final Application

If this is not the first application filed herein by this professional, disclose as to all prior fee applications:

Table with 5 columns: Date Filed, Period Covered, Total Requested (Fees and Expenses), Total Allowed, Any Amount Ordered Withheld. Rows include dates 01/14/05 and 05/31/05 with corresponding fee amounts.

The aggregate amount of fees and expenses paid to the Applicant to date for services rendered and expenses incurred herein is: \$481,444.11

Applicant: High Ridge Partners, Inc.

Date: September 30, 2005

By: Nancy A. Ross (handwritten signature)

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

IN RE:	)	Case No. 04 C 7177
	)	
FEDERAL TRADE COMMISSION,	)	Judge Joan H. Lefkow
Plaintiff,	)	
	)	
v.	)	
	)	
3R BANCORP. <i>et al.</i> ,	)	
Defendants.	)	
_____	)	

**THIRD APPLICATION OF NANCY A. ROSS AND HIGH RIDGE PARTNERS, INC.  
FOR ALLOWANCE OF INTERIM COMPENSATION AS RECEIVER AND AGENT  
FOR RECEIVER**

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To: The Honorable Joan H. Lefkow, United States District Court

This application of Nancy A. Ross (“Receiver”) and the firm of High Ridge Partners, Inc. (“HRP” or “Receiver’s Agent”) for allowance of interim compensation for services rendered as Receiver and agent for the Receiver:

1. On November 17, 2004, Honorable Joan H. Lefkow entered an *EX PARTE* TEMPORARY RESTRAINING ORDER WITH ASSET FREEZE, OTHER EQUITABLE RELIEF, AND ORDER TO SHOW CAUSE WHY A PRELIMINARY INJUNCTION SHOULD NOT ISSUE, with an expiration date of the Temporary Restraining Order of December 2, 2004. As of the date of the aforementioned order, Nancy A. Ross was appointed Receiver for the following Defendants: 3R Bancorp; 3R e-

solutions, Inc., also doing business as CR Bancorp, Euro Banca, 3R Companies, 3R Ventures, 3R Call Centers, 3R Solutions, 3RE E-Solutions, R 3R E-Solutions, E3R E-Solutions, and E3R Capital Solutions; 3R E-Solutions Corporation; National United Properties, LLC; 3R Real Estate Corporation, formerly Fairview, Inc. and still internally doing business under that name; and E Three R Info Systems Pvt. Ltd., also known as E 3R InfoSystems Pvt. Ltd. On December 2, 2004, the Honorable Joan H. Lefkow entered the following order: ORDER EXTENDING TEMPORARY RESTRAINING ORDER, which extended the Initial Order, in full force and effect, against Defendants Oliver McKinney and Brian Murphy, to December 16, 2004. The Honorable Joan H. Lefkow also entered four additional orders on December 2, 2004, all with the caption reading STIPULATION AND ORDER EXTENDING TEMPORARY RESTRAINING ORDER. These orders were in relation to the following Defendants: Kirt Charter; John Perton; National United Properties, LLC; and 3R Bancorp, 3R e-Solutions, Inc., 3R E-Solutions Corporation, 3R Real Estate Corporation, E Three R InfoSystems Pvt. Ltd, and Ranbir Sahni, and served to extend the Initial order, in full force and effect through and until the date of the hearing on Plaintiff's motion for a preliminary injunction on January 6, 2005 at 11:59 p.m., or a later date if extended by the court. On January 6, 2005 the Honorable Joan H. Lefkow entered the following order: Stipulated Order for Preliminary Injunction with Asset Freeze and other Equitable Relief Against Defendants 3R Bancorp, 3R E-Solutions, Inc., 3R E-Solutions Corporation, 3R Real Estate Corporation, E Three R InfoSystems Pvt. Ltd., and Ranbir Sahni. (The above-mentioned orders are referred to hereinafter as the "Orders").

2. This is an application, made pursuant to the Orders and Northern District of Illinois Local Rule 66.1(a)(i), for allowance of interim compensation in the amount of \$281,873.00 for actual, necessary and reasonable professional services provided by the Receiver and HRP and reimbursement of actual and necessary expenses totaling \$48,199.68 in connection with this Case during the period April 1, 2005 through August 31, 2005. Pursuant to the procedures established in the Court's order "Administrative Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals," entered on March 11, 2005, the Receiver and HRP have previously received payments in the amount of \$125,490.46 for services rendered and expenses incurred from April 1, 2005 through August 31, 2005. Accordingly, the Receiver and HRP seek approval in the amount of \$330,072.68 for the fees and expenses generated in this period and payment of the unpaid balance of \$204,582.22.<sup>1</sup>

3. The Orders directed and authorized the Receiver to accomplish the following (summarized for reporting purposes): Assume full control of Receivership Defendants by removing, as necessary any director, officer, employee, independent contractor, or agent of the Receivership Defendant; Take exclusive custody, control and possession of all assets and documents of Receivership Defendants; Take all steps necessary to secure the business premises of the Receivership Defendants; Conserve, hold, and manage all receivership assets, and perform all acts necessary to preserve the value of the assets; Enter into contracts and purchase insurance as necessary; Prevent the inequitable distribution of assets and protect the interest of consumers and creditors who have

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<sup>1</sup> Rule 66.1 requires receiverships to be administered similar to cases under the Bankruptcy Code. Accordingly, Applicants prepared this application in compliance with §§330 and 331 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 2016.

transacted business with the Receivership Defendants; Manage and administer the business of the Receivership Defendants until further order of the court; Choose, engage, and employ attorneys, accountants, appraisers, and other independent contactors and technical specialists as necessary; Make payments and disbursements from the receivership estate that are necessary for carrying out the directions of the order; Determine and implement the manner in which the Receivership Defendants will comply with this order and all other applicable laws; Institute, compromise, adjust, appear in, intervene in, or become party to such actions or proceedings to preserve or recover assets; Defend, compromise, adjust, or otherwise dispose of any or all actions or proceedings instituted in the past or future against the Receiver, or against the Receivership Defendants to preserve the assets of the Receivership Defendants; Continue and conduct the business of the Receivership Defendants, in good faith, in such manner to operate the business profitably and lawfully; Issue subpoenas to obtain documents and records pertaining to the receivership and conduct discovery in this action on behalf of the receivership estate; Open one or more bank accounts as designated depositories for funds of the Receivership Defendants, and make all disbursements from such accounts; Maintain accurate records of all receipts and expenditures made by the Receiver; and Cooperate with reasonable requests for information or assistance from any state or federal law enforcement agency.

#### SUMMARY OF SERVICES RENDERED

4. The following is a brief description of duties performed and services rendered by the Receiver and her agents, from April 1, 2005 through August 31, 2005. Prepared weekly

cash budgets for each HUD insured or subsidized housing partnership managed by NUP (the "Housing Partnerships"); reviewed and approved cash expenditures for each Housing Partnership and NUP for capital and operations; reviewed and evaluated NUP expense allocation to the Housing Partnerships; reconciled Section 8 payments due to the Housing Partnerships and contacted appropriate personnel at HUD to expedite payments; addressed management, operational and financial issues at Housing Partnerships; addressed management, regulatory and operational issues at Housing Partnerships as reported by HUD; caused all annual audits and tax returns to be completed for the Housing Partnerships; investigated and analyzed services rendered and payments made to contractors; pursued and collected certain 3R Real Estate receivables; investigated and evaluated sale of certain real property and options for real property owned by 3R Real Estate; continued investigation of affiliate transactions, property locations and identification of assets of the Receivership; assisted the FTC in the review of data for the calculation of consumer redress; participated in settlement hearings with certain defendants in front of Magistrate Judge Denlow; consummated a settlement agreement with limited partners of the Vinewood partnership; negotiated a purchase and sale contract with a purchaser unrelated to the defendants for the real estate owned by the Queen partnership; negotiated a purchase and sale contract with a purchaser unrelated to the defendants for the real estate owed by the Georgian Court, Linda Vista and Bainbridge partnerships; continued assistance to prospective purchaser of Georgian Court partnership assets in development of tax credit financing; prepared comprehensive status reports to the Court; prepared second interim fee application for HRP; prepared monthly invoices in accordance with Court order; held status meetings with Receiver

counsel and Sahni counsel; consulted with and answered inquiries from defendants regarding property sales and Housing Partnership management.

5. Professional services performed by the Receiver and HRP are detailed on the attached exhibits and are broken down by consultant, project and listed chronologically. Exhibit A summarizes hours and fees by consultant and by project. Exhibit B details the description of work performed by project by consultant chronologically, as well as summarized by project. .

The time expended and services rendered by Applicants are summarized as follows:

<u>Consultant</u>	<u>Hours</u>	<u>Rate/Hour</u>	<u>Total</u>
Nancy A. Ross	188.40	\$ 3 49.07	\$ 65,765.00
Paul M. Adamczyk	0.30	\$ 170.00	\$ 51.00
R. Greg Apathy	430.30	\$ 2 16.30	\$ 93,072.00
Todd R. A. Gehrs	608.80	\$ 199.62	\$121,528.00
Janet Allen-Dill	0.70	\$ 65.00	\$ 45.50
Loraine Torres	7.90	\$ 65.00	\$ 513.50
Catherine Ryan	8.40	\$ 65.00	\$ 546.00
Todd Plugge	4.40	\$ 80.00	\$ 352.00

The rates reflected in this fee application for travel time are adjusted to 50% of the HRP standard rate. The effect of the reduction in rates for travel time for the period covered by this fee application is \$22,783.00.

6. The time records of Applicant have been subdivided into categories relating to various projects. The projects were classified as follows:

- |  |                           |
|--|---------------------------|
| Case Administration/General                        | Fee Applications/Billings |
| Billable Travel                                    | Court Hearings            |
| Preparation of Status Reports                      | FTC Litigation            |
| Management of HUD Subsidized or Insured Properties |                           |
| Management of 3R Companies/Dycoal                  |                           |
| Management of Sahni Partnership Interests          |                           |

The "Case Administration" category details numerous services provided including, but not limited to, status meetings and general discussions.

7. Time worked in each category is summarized in the table below:

CATEGORY	HOURS WORKED	DESCRIPTION
Case Administration / General	70.00	Numerous services including obtaining case background information, status meetings, review of various legal documents and motions/orders, general discussions, bank account reconciliations/management, and compiling documents.
Fee Application/Billing	17.90	Preparation of second interim fee application; preparation of monthly billings
Billable Travel	198.80	Billable travel relating to travel/lodging/meals associated with managing the receivership estate (charged to Estate at 50% of standard rates).
Court Hearings	2.40	Attending meetings relating to court hearings and attendance at court hearings.
Mgt. of HUD Subsidized or Insured Properties	508.70	Managing the business operations of NUP (management company for the HUD subsidized properties), pending litigation issues relating to the HUD subsidized properties, and issues relating to HUD's assertion of improper actions relating to the HUD subsidized properties.



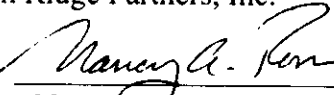
CATEGORY	HOURS WORKED	DESCRIPTION
Mgt. of 3R Companies/Dycoal	120.80	Managing the business operations and preservation of assets relating to the 3R related Receivership Defendants.
Preparation of Status Reports	12.10	Preparation of internal status reports and external reports to be filed with the court.
FTC Litigation	8.20	Investigation and analysis of calculation of amount of consumer redress
Management of Sahni Partnership Interests	310.30	Review offers for various Sahni partnership interests and underlying partnership assets including but not limited to Georgian Court, Linda Vista, Bainbridge, Queen, Vinewood
<b>TOTAL HOURS</b>	1,249.20	

9. Professional services rendered by the Receiver and HRP during this case have been consistent with the Orders.
10. Applicants have not entered into any agreement, express or implied, with any other party-in-interest for the purpose of fixing the fees or other compensation to be paid for services rendered in connection with this case. No agreement or understanding exists between applicant and any other person for the sharing of compensation to be received for services rendered in, or in connection with, this Case.
11. Applicants have expended a total of 1,249.20 hours of actual, necessary and reasonable services in this matter which equates to \$281,873.00 in fees or an average hourly rate of \$225.64 (Exhibits A and B).
12. Applicants seek reimbursement for total expenses of \$48,199.68 for actual, necessary and reasonable expenses incurred as a result of performing their responsibilities as Receiver and Receiver's agent. (Exhibit C)
13. The Applicants seek approval of \$330,072.68 in fees and expenses.

WHEREFORE, the Receiver and HRP respectfully requests that it be allowed compensation in the amount of \$281,873.00 for professional services rendered and \$48,199.68 for the reimbursement of expenses as Receiver and Receiver's agent for the period designated in this application and payment of the amounts allowed, less monthly payments received, in the amount of \$204,582.22.

Date: September 30, 2005

High Ridge Partners, Inc.

By:   
\_\_\_\_\_  
Nancy A. Ross, Principal

CERTIFICATE OF SERVICE

I, Kimberly M. Reed, an attorney, hereby certify that on September 29, 2005, I caused a copy of the attached **Third Application of Nancy A. Ross and High Ridge Partners, Inc., for Allowance of Interim Compensation as Receiver and Agent for Receiver** to be served by regular mail, postage prepaid on the following persons:

Guy G. Ward, Esq.  
David A. O'Toole, Esq.  
Federal Trade Commission  
55 East Monroe Street, Suite 1860  
Chicago, Illinois 60603

George Vurdelja, Esq.  
John M. Heaphy, Esq.  
Vurdelja & Heaphy  
120 North LaSalle Street, Suite 1150  
Chicago, Illinois 60602

James M. Lancheros, Esq.  
Weaver Law Group, LLC  
549 West Randolph Street, Suite 400  
Chicago, Illinois 60661

Steve K. Perrin, Esq.  
100 Moody Court, 2nd Floor  
Thousand Oaks, California 91360

Courtney E. Beatty, Esq.  
Beatty's Law Office  
617 Davenport Road  
Toronto, Ontario, Canada M5S 2V6

Daniel J. Hurtado, Esq.  
Jenner & Block LLP  
One IBM Plaza  
Chicago, Illinois 60611

Nancy A. Ross  
High Ridge Partners, Inc.  
140 South Dearborn, Suite 820  
Chicago, Illinois 60603

Ranbir Sahni  
3600 Wilshire Blvd., Suite 1020  
Los Angeles, California 90010-2603

John B. Stephens  
Center Tower  
650 Town Center Drive, Suite 550  
Costa Mesa, California 92626

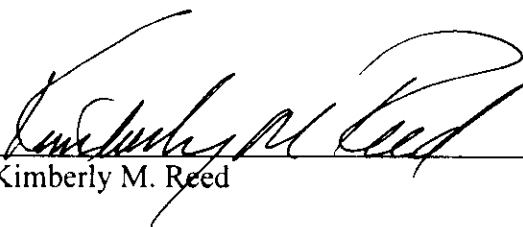
David F. Brown, Esq.  
Spierer & Woodward  
707 Torrance Blvd., Suite 200  
Redondo Beach, California 90277

Kirt Chart  
1174 Shaw Street  
Toronto, Ontario, Canada M6G 3N6

Leigh Kirmsse  
Townsend and Townsend and Crew LLP  
Two Embarcadero Center - Eighth Floor  
San Francisco, California 94111-3834

Ernest Y. Ling  
U.S. Attorney's Office  
Northern District of Illinois  
219 S. Dearborn, Suite 500  
Chicago, Illinois 60604

September 29, 2005



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Kimberly M. Reed



Estate Summary of Professional Fees  
Period 04/01/05 through 08/31/05

3R BANCORP

Estate Description

<u>Projects</u>	<u>Hours</u>	<u>Fees</u>
11 CASE ADMIN./GENERAL	70.00	\$16,560.00
12 FEE APP./CLIENT BILLING	17.90	\$5,025.00
13 BILLABLE TRAVEL	198.80	\$45,566.00
14 COURT HEARINGS	2.40	\$697.50
15 MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES	508.70	\$119,127.00
16 MGT. OF 3R COMPANIES/DYCOAL	120.80	\$29,017.50
17 PREPARATION OF STATUS REPORTS	12.10	\$2,923.00
19 FTC LITIGATION	8.20	\$2,431.00
20 MANAGEMENT OF SAHNI PARTNERSHIP INTERESTS	310.30	\$83,309.00
Total Professional Hours and Fees	<u>1249.20</u>	<u>\$304,656.00</u>
Average Hourly Rate		\$243.88
Less 50% Travel		- <u>22,783.00</u>
<b>TOTAL</b>		<b><u>\$281,873.00</u></b>



Estate Summary of Professional Fees  
 Period 04/01/05 through 08/31/05

3R BANCORP

Estate Description

Summarized Professional Fees

	<u>Hours</u>	<u>Rate/Hour</u>	<u>Fees</u>
<b>PARTNER</b>			
Nancy A. Ross	188.40		
	<u>188.40</u>	\$350.00	\$65,940.00
<b>CONSULTANT</b>			
Paul M. Adamczyk	0.30		
	<u>0.30</u>	\$170.00	\$51.00
Todd R.A. Gehrs	608.80		
	<u>608.80</u>	\$220.00	\$133,936.00
Greg Apathy	430.30		
	<u>430.30</u>	\$240.00	\$103,272.00
<b>STAFF</b>			
Janet Allen-Dill	0.70		
Catherine Ryan	8.40		
Loraine Torres	7.90		
	<u>17.00</u>	\$65.00	\$1,105.00
Todd Plugge	4.40		
	<u>4.40</u>	\$80.00	\$352.00
<b>Total Professional Hours and Fees</b>	<u><u>1,249.20</u></u>		<u><u>\$304,656.00</u></u>
Average Hourly Rate		\$243.88	
	Less 50% Travel		<u>- 22,783.00</u>
	<b>TOTAL</b>		<b><u>\$281,873.00</u></b>



Project Summary of Professional Fees  
Period 04/01/05 through 08/31/05

Page 1  
Date 09/27/05

3R BANCORP

Project No. 11

CASE ADMIN./GENERAL

Project Description

Case Admin./General

Summarized Professional Fees

	<u>Hours</u>	<u>Rate/Hour</u>	<u>Fees</u>
PARTNER			
Nancy A. Ross	21.20		
	<u>21.20</u>	\$350.00	\$7,420.00
CONSULTANT			
Todd R.A. Gehrs	26.40		
	<u>26.40</u>	\$220.00	\$5,808.00
Greg Apathy	10.60		
	<u>10.60</u>	\$240.00	\$2,544.00
STAFF			
Janet Allen-Dill	0.20		
Catherine Ryan	4.80		
Loraine Torres	5.40		
	<u>10.40</u>	\$65.00	\$676.00
Todd Plugge	1.40		
	<u>1.40</u>	\$80.00	\$112.00
Total Professional Hours and Fees	<u>70.00</u>		<u>\$16,560.00</u>
Average Hourly Rate		\$236.57	



3R BANCORP

Project No. 11

CASE ADMIN./GENERAL

Project Description

Case Admin./General

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/01/05	Nancy A. Ross	Update 3R cash flows for actual and extend budget; send to R. Graham for consideration of fee deferral.	0.80
04/04/05	Greg Apathy	Meeting with N. Ross and T. Gehrs to update status of case, operational issues at NUP, Boyle apartment complex, HUD issues and other issues.	1.70
04/04/05	Greg Apathy	Review and reply to numerous emails from NUP staff, N. Ross, T. Gehrs, Genny Alberts and R. Sahni on various issues concerning NUP, properties and FTC matters.	1.10
04/04/05	Todd R.A. Gehrs	Review and respond to voluminous emails from NUP management, N. Ross and legal counsel re: Boyle Apartments fire, various HUD issues relating to the Sahni properties, deposits made by NUP, and NUP payroll issues.	1.10
04/04/05	Todd R.A. Gehrs	Review, sort and file documents obtained from LA office to HRP files relating to NUP and 3R open issues/investigations.	1.20
04/04/05	Todd R.A. Gehrs	Meeting w/G. Apathy and N. Ross re: open issues to be discussed/resolved while in LA including Boyle fire, Greenway HUD issues, HUD allocations, etc.	1.40
04/04/05	Nancy A. Ross	Status discussion w/T. Gehrs and G. Apathy re: NUP scheduling and status of items.	0.70
04/06/05	Loraine Torres	Enter payroll checks.	0.70





3R BANCORP

Project No. 11 (continued)

CASE ADMIN./GENERAL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/08/05	Todd R.A. Gehrs	Discussion w/M. Gomez re: State of California stating they never received checks that cleared the Receiver's 3R Companies bank account; review bank statements for checks clearing account; discussion w/L. Torres re: obtaining copies of checks not included w/bank statements.	0.60
04/08/05	Nancy A. Ross	Call w/G. Ward to discuss status and inquiry from R. Graham re: Sahni contribution to operation of receivership.	0.60
04/15/05	Todd R.A. Gehrs	Review and respond to various emails from N. Ross, G. Alberts and HUD re: property issues, NUP operating issues and sale of assets.	1.00
04/15/05	Todd R.A. Gehrs	Calls and discussions w/J. Dill (HRP) and G. Apathy re: scheduling travel to LA next week.	0.50
04/18/05	Greg Apathy	Meeting with T. Gehrs and N. Ross to discuss status of case and issues concerning NUP & 3R cash flow; potential sales of properties and other.	0.70
04/18/05	Greg Apathy	Review numerous emails from April 11 to April 18; follow-up on HUD funding issues; NHDC property tax issues; Greenway Park issues and other.	1.20
04/18/05	Todd R.A. Gehrs	Meeting with G. Apathy and N. Ross re: case status and items to be addressed immediately.	0.70
04/18/05	Nancy A. Ross	Meeting w/T. Malik, J. Bauer, A. Milstein, G. Ward (FTC) and counsel for Mr. Sahni, R. Graham and D. Hurtado of Jenner re: transfers of assets from estate.	2.00



3R BANCORP

Project No. 11 (continued)

CASE ADMIN./GENERAL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/18/05	Nancy A. Ross	Status discussion w/G. Apathy and T. Gehrs.	0.70
04/19/05	Todd R.A. Gehrs	Review and respond to emails received from G. Apathy, N. Ross, G. Alberts, V. Lerch, K. Schrupp, and M. Gomez re: operational issues at NUP, operational issues at 3R Companies, and potential sale of certain R. Sahni controlled properties.	0.90
04/20/05	Todd R.A. Gehrs	Review emails from N. Ross, V. Lerch, G. Apathy, G. Alberts and NUP employees re: NUP operations and potential sale of properties.	0.50
04/20/05	Nancy A. Ross	Call w/Ingrid Sahni re: distribution from Pine Lakes Estate; forward follow-up to T. Gehrs.	0.20
04/21/05	Todd R.A. Gehrs	Review and respond to various emails received from G. Apathy, T. Hester, M. Gomez, R. Sahni, and N. Ross re: NUP operational issues, HUD issues, 3R operations, purchase of LP interests, and potential sale of properties.	0.70
04/22/05	Janet Allen-Dill	Wire transfer funds from Wells Fargo to Bank One.	0.20
04/22/05	Nancy A. Ross	Review of letter re: living expenses w/T. Gehrs.	0.10
04/22/05	Nancy A. Ross	Review of cash w/T. Gehrs and G. Apathy.	0.60
04/23/05	Nancy A. Ross	Status email to counsel at Winston and HRP associates re: Vinewood, Queens, Georgian Court, Montastery Pointe and Yorkshire Terrace.	0.30



3R BANCORP

Project No. 11 (continued)

CASE ADMIN./GENERAL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/23/05	Nancy A. Ross	Respond to I. Sahni re: Pine Lakes; review Pine Lakes draft report.	0.20
04/24/05	Todd R.A. Gehrs	Review and respond to various emails from G. Alberts, G. Apathy, V. Lerch, and N. Ross re: NUP operational issues, 3R operational issues, 3R budget, and potential sale of properties.	0.60
04/25/05	Todd R.A. Gehrs	Review and respond to various emails from G. Alberts, G. Apathy, V. Lerch, and N. Ross re: NUP operational issues, 3R operational issues, 3R budget, and potential sale of properties.	0.50
04/25/05	Nancy A. Ross	Email to Winston re: open items.	0.20
04/25/05	Nancy A. Ross	Review of memo from R. Sahni re: telephone conversation of 4/19 - memos re: same to FTC and counsel; memo to R. Sahni re: differences.	0.70
04/27/05	Todd R.A. Gehrs	Conference call with N. Ross and G. Apathy re: 3R budgets and NUP budget.	0.30
04/27/05	Catherine Ryan	Update check register on Quickboks to run all disbursements through Accounts Payable; enter into A/P the vendor balances that are still outstanding.	3.00
04/28/05	Nancy A. Ross	Review materials from G. Apathy and T. Hester in response to F. Squyres (HUD) letter re: issues at Bainbridge and Linda Vista; draft and send reply to Squyres.	0.60
04/28/05	Nancy A. Ross	Discussion w/T. Malik re: Sahni visit to FTC and meeting w/FTC on Monday.	0.20



3R BANCORP

Project No. 11 (continued)

CASE ADMIN./GENERAL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/28/05	Nancy A. Ross	Call w/T. Gehrs re: update of potential sales schedule; review of same; preparation of schedule of professional fees; email and comments on both to T. Malik.	1.20
05/02/05	Nancy A. Ross	Meeting w/G. Ward, S. Baker and D. O'Toole of FTC w/T. Malik re: Sahni proposal and alternatives.	1.70
05/02/05	Nancy A. Ross	Prepare for meeting w/FTC.	0.20
05/03/05	Todd R.A. Gehrs	Review and respond to various emails from G. Alberts, G. Apathy and M. Wiley re: issues related to property sales, operational issues at NUP and HUD correspondence.	0.50
05/03/05	Catherine Ryan	Copy bank statements for apartments; send e-mail to Greg re: setting up system for sending statements to Zahra at NUP; review and file bank advices.	0.30
05/04/05	Greg Apathy	Review numerous emails from G. Alberts and R. Sahni concerning various issues for NUP and 3R.	0.80
05/04/05	Todd R.A. Gehrs	Review and respond to voluminous emails relating to Vinewood settlement, issues w/Aqua Terrace property, Queen sale transaction, and NUP operations.	0.80
05/05/05	Todd R.A. Gehrs	Review and respond to emails re: NUP operations, HUD correspondence and property sale transactions.	0.50
05/05/05	Nancy A. Ross	Review of budgets for NUP and 3R; questions to G. Apathy and T. Gehrs re: same.	1.00



3R BANCORP

Project No. 11 (continued)

CASE ADMIN./GENERAL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/06/05	Greg Apathy	Phone with T. Gehrs and N. Ross concerning issues involving 3R and NUP.	0.50
05/06/05	Todd R.A. Gehrs	Review and respond to emails re: Georgian Court sale transaction, Dycoal IRS negotiations, NUP budget, 3R budget, and Queen forms to be filed.	0.50
05/06/05	Todd R.A. Gehrs	Review of R. Sahni's expense listings and attempt to classify and tie out to his prior schedule of personal living expenses.	0.90
05/06/05	Nancy A. Ross	Call w/J. Harris re: fee application; call to W. Wawrzyn re: fee procedures.	0.30
05/09/05	Greg Apathy	Meeting with N. Ross, G. Ward (FTC) and attorneys from Winston & Strawn (Receiver) and Jenner Block (Sahni) to discuss status of case, possible settlement, sale of properties, ADC findings and other issues.	2.20
05/09/05	Todd R.A. Gehrs	Review voluminous emails from company management, G. Apathy and M. Wiley re: NUP operations, potential sale transactions and Vinewood settlement.	0.70
05/09/05	Nancy A. Ross	Review of emails from Alberts and Sahni.	0.20
05/09/05	Nancy A. Ross	Meeting w/J. Bauer and T. Malik w/G. Apathy re: Albert's attorney's letter re: Continental transfer; review of language in Queen motion, ADC and proposal from Sahni counsel.	1.70



3R BANCORP

Project No. 11 (continued)

CASE ADMIN./GENERAL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/09/05	Nancy A. Ross	Meeting w/R. Graham and D. Hurtado w/T. Malik and J. Bauer of Winston and G. Ward to discuss status.	1.30
05/10/05	Todd R.A. Gehrs	Review/respond to emails from N. Ross, M. Wiley, G. Apathy, V. Lerch, G. Alberts re: potential real estate transactions, KC operating issues and LA property issues.	0.60
05/10/05	Todd R.A. Gehrs	Discussion w/R. Sahni's tax counsel/preparer re: 2003 tax filings and audits by IRS of his 2000 and 2001 returns.	0.40
05/10/05	Todd R.A. Gehrs	Review letter sent to R. Graham re: S. Weaver's assistance.	0.20
05/10/05	Todd R.A. Gehrs	Additional emails and discussions w/G. Apathy, T. Hester, T. Malik, and J. Bauer re: property sale transactions, NUP operating issues/HUD issues, and correspondence to HUD.	0.40
05/11/05	Catherine Ryan	Prpare disbursement checks.	0.40
05/12/05	Todd R.A. Gehrs	Review and respond to emails re: NUP operations, HUD communications, T. Hester contract, Queen sale transaction, new Queen offer, Sun City foreclosure, and property budgets.	0.50
05/13/05	Todd R.A. Gehrs	Review emails received from NUP management, G. Apathy and interested parties re: HUD correspondence, past due section 8 payments, sale transactions, and NUP operational issues.	0.50
05/16/05	Todd R.A. Gehrs	Review and respond to various emails from G. Alberts, V. Lerch, G. Apathy, N. Ross, and M. Wiley re: operational issues at NUP, recent REAC scores, and Monastery Pointe issues.	0.50



3R BANCORP

Project No. 11 (continued)

CASE ADMIN./GENERAL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/16/05	Nancy A. Ross	Review of letter from G. Alberts; email to G. Ward and T. Malik.	0.20
05/16/05	Nancy A. Ross	Call w/T. Malik re: Sahni's counsels' phone call re: agreement w/Queen and Vinewood sales.	0.10
05/16/05	Nancy A. Ross	Discussion w/T. Gehrs re: cash balances and payment of Sahni tax accountant and living expenses.	0.10
05/17/05	Todd R.A. Gehrs	Multiple discussions w/G. Apathy re: Vinewood settlement status, Queen analysis of offers received, and NUP operating issues.	0.50
05/17/05	Nancy A. Ross	Call w/G. Ward and T. Malik re: response to G. Alberts and investigation re: Continental Foundation.	0.30
05/18/05	Todd R.A. Gehrs	Review emails from N. Ross, K. Schrupp, J. Bauer, G. Apathy, G. Alberts and V. Lerch re: NUP operational issues, invoices for services rendered, and potential sale transactions.	0.50
05/20/05	Todd R.A. Gehrs	Review and respond to emails from L. Lee, D. Carnes, M. Wiley, V. Lerch and G. Apathy re: Queen transaction and HUD requirements, NUP staffing issues, Boyle fire, and Vinewood settlement.	0.50
05/20/05	Nancy A. Ross	Call w/T. Thomas re: payment for Sahni tax related services.	0.10
05/23/05	Todd R.A. Gehrs	Review and respond to various emails relating to NUP operations.	0.50



3R BANCORP

Project No. 11 (continued)

CASE ADMIN./GENERAL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/23/05	Catherine Ryan	Reconcile Wells Fargo payroll account; review differences w/Greg Apathy.	0.30
05/25/05	Catherine Ryan	Enter invoices for legal and professional fees into QuickBooks.	0.30
06/02/05	Todd R.A. Gehrs	Review/respond to emails from HUD, V. Lerch, and T. Hester re: ADC investigation, Queen sale transaction, Kansas City property issues, and LA property issues.	0.50
06/07/05	Nancy A. Ross	Discussion w/T. Malik re: Weaver emails re: litigation.	0.20
06/07/05	Nancy A. Ross	Review call from Weaver; respond re: settlement.	0.10
06/07/05	Nancy A. Ross	Call w/J. Harris re: outstanding invoices.	0.10
06/08/05	Todd R.A. Gehrs	Discussion with J. Dill re: travel plans and reservations for 3R.	0.20
06/09/05	Todd R.A. Gehrs	Review and respond to emails from R. Sahni, V. Lerch, G. Alberts and HUD re: NUP operating issues, NUP personnel issues, living expenses, and Queen sale transaction.	0.50
06/09/05	Todd R.A. Gehrs	Review R. Sahni's expense report and request detailed back-up receipts.	0.30
06/09/05	Nancy A. Ross	Discussion w/T. Gehrs re: professional fees and cash flow.	0.20
06/14/05	Todd R.A. Gehrs	Various discussions with N. Ross re: Queen transaction, HUD issues, Boyle fire, 3R disbursements and various NUP operational issues.	0.50





3R BANCORP

Project No. 11 (continued)

CASE ADMIN./GENERAL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/14/05	Nancy A. Ross	Respond to Sahni request re professional fees; email same to Sahni counsel.	0.40
06/16/05	Loraine Torres	Review bank statements.	0.70
06/20/05	Todd R.A. Gehrs	Review and respond to various emails from V. Lerch, N. Ross, HUD, and G. Alberts re: issues related to R. Sahni controlled properties.	0.50
06/22/05	Catherine Ryan	Prepare checks.	0.50
06/23/05	Nancy A. Ross	Discussion with T. Malik re Sahni email request.	0.20
06/27/05	Greg Apathy	Review numerous emails from G. Alberts, V. Lerch, T. Gehrs, N. Ross and others; respond to emails.	0.50
06/27/05	Todd R.A. Gehrs	Review/respond to emails from R. Sahni, HUD, V. Lerch, and Marco re: various property issues and receivership issues.	0.50
06/27/05	Todd R.A. Gehrs	Compile and sort documents from LA office and place into HRP files.	0.60
06/27/05	Nancy A. Ross	Status with T. Gehrs.	0.10
06/28/05	Nancy A. Ross	Discuss Texas foreclosure with T. Malik.	0.10
06/30/05	Loraine Torres	Prepare checks for Realfair.	0.30



3R BANCORP

Project No. 11 (continued)

CASE ADMIN./GENERAL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/01/05	Todd Plugge	Sort/file financial statement for 3R Bancorp.	0.80
07/01/05	Loraine Torres	Scan bank statements to send to Zahra; prepare checks for T. Gehrs; work on Third Receivers w/N. Ross.	2.00
07/06/05	Todd R.A. Gehrs	Prepare list of NUP and 3R disbursements to be made by the Chicago office.	0.30
07/06/05	Todd R.A. Gehrs	Discussion with N. Ross re: status of case.	0.20
07/06/05	Todd R.A. Gehrs	Discussion with J. Dill re: IRS correspondence for 3R and NUP.	0.20
07/07/05	Nancy A. Ross	Response to R. Sahni re living expenses.	0.10
07/07/05	Nancy A. Ross	Address Sahni IRS payment issue; research prior correspondance and payments.	0.30
07/12/05	Todd Plugge	File copies of bank statements.	0.60
07/22/05	Loraine Torres	Enter payroll and bonuses into Wells Fargo account.	1.50
07/25/05	Nancy A. Ross	Respond to R. Sahni request for budget and actual amounts.	0.10
07/26/05	Greg Apathy	Meeting with T. Gehrs to discuss/update status of case and progress made to sell various properties.	0.70



3R BANCORP

Project No. 11 (continued)

CASE ADMIN./GENERAL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/27/05	Loraine Torres	Prepare checks.	0.20
08/01/05	Todd R.A. Gehrs	Compile, copy and file documents obtained from Los Angeles office into HRP files relating to 3R Companies, various limited partnerships and NUP.	2.60
08/11/05	Nancy A. Ross	Call with T. Malik re status of motions.	0.30
08/15/05	Todd R.A. Gehrs	Review and respond to various emails related to sale of select properties and management issues related to HUD subsidized properties.	0.50
08/15/05	Nancy A. Ross	Discussion with T. Malik and J. Bauer re status hearing on Tuesday with Lefkow.	0.30
08/16/05	Greg Apathy	Review estimated professional fee schedule and verify outstanding fees to QuickBooks.	0.20
08/16/05	Nancy A. Ross	Review of Sahni draft motion for sale of Texas residence; comments to T. Malik.	0.30
08/17/05	Nancy A. Ross	Review of background information provided on Sahni motion for sale of residence.	0.30
08/17/05	Nancy A. Ross	Review and respond to email from T. Gehrs re accounting for over distribution with Queen.	0.10
08/17/05	Nancy A. Ross	Review of Sun City appraisals and listings with C. Ryan to provide to R. Graham.	0.30



3R BANCORP

Project No. 11 (continued)

CASE ADMIN./GENERAL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
08/18/05	Nancy A. Ross	Call with T. Malik and G. Ward re Sahni motion to sell residential property.	0.20
08/18/05	Nancy A. Ross	Review and update schedule of professional fees based upon Winston comments.	0.20
08/19/05	Nancy A. Ross	Call with T. Malik to discuss ADC actions.	0.50
08/22/05	Greg Apathy	Phone with T. Malik and T. Gehrs to discuss options available on KC properties, R. Sahni and G. Alberts interference on 3R transactions and ADC issues.	0.50
08/25/05	Greg Apathy	Discussions with T. Gehrs on future status of M. Wiley and T. Hester and possible termination of independent contractor agreements.	0.50
08/29/05	Nancy A. Ross	Review and update of professional fees; review of Winston and Harris bills for July.	0.50
Project Subtotal of Professional Hours			<u>70.00</u>



3R BANCORP

Project No. 12

FEE APP./CLIENT BILLING

Project Description

Fee App./Client Billing

Summarized Professional Fees

	<u>Hours</u>	<u>Rate/Hour</u>	<u>Fees</u>
PARTNER			
Nancy A. Ross	9.20		
	<u>9.20</u>	\$350.00	\$3,220.00
CONSULTANT			
Todd R.A. Gehrs	5.40		
	<u>5.40</u>	\$220.00	\$1,188.00
Greg Apathy	2.30		
	<u>2.30</u>	\$240.00	\$552.00
STAFF			
Catherine Ryan	1.00		
	<u>1.00</u>	\$65.00	\$65.00
Total Professional Hours and Fees	<u>17.90</u>		<u>\$5,025.00</u>
Average Hourly Rate		\$280.73	



Detail of Professional Time by Project, Date  
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3R BANCORP

Project No. 12

FEE APP./CLIENT BILLING

Project Description

Fee App./Client Billing

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/07/05	Nancy A. Ross	Review of billing detail.	1.20
04/12/05	Nancy A. Ross	Review of 3R time detail for March invoice.	0.50
04/22/05	Todd R.A. Gehrs	Review of Winston & Strawn and Jenner & Block's fee applications. Update 3R companies budget to include fees incurred to date.	1.20
04/22/05	Nancy A. Ross	Review of Jenner and Winston fee applications.	0.40
05/19/05	Greg Apathy	Review April time entries and revise as necessary.	0.90
05/24/05	Nancy A. Ross	Review of Jan through Mar time detail, expenss detail, billing rates and project classification.	2.20
05/24/05	Nancy A. Ross	Review of billing for April 2005.	0.70
05/25/05	Nancy A. Ross	Continue review of time detail and classification for Jan through March.	0.50
05/27/05	Nancy A. Ross	Preparation of fee application.	0.50
05/31/05	Nancy A. Ross	Final preparation and review of second interim fee application.	1.40
05/31/05	Catherine Ryan	Review and revise Fee Application and cover letter; send to Winston & Strawn via messenger.	1.00



3R BANCORP

Project No. 12 (continued)  
FEE APP./CLIENT BILLING

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/08/05	Nancy A. Ross	Analysis of professional fees to date and payments upcoming.	0.70
06/22/05	Nancy A. Ross	Review of expense detail for May billing.	0.20
07/13/05	Greg Apathy	Review Billing run for June 2005.	0.90
07/14/05	Greg Apathy	Review time summary and billings	0.50
08/05/05	Todd R.A. Gehrs	Review all timesheet entries for HRP in relation to the June billing/fee application.	1.80
08/05/05	Todd R.A. Gehrs	Review all timesheet entries for HRP in relation to the July billing/fee application.	1.70
08/10/05	Todd R.A. Gehrs	Review revised timesheet entries for June 2005 for use in fee application.	0.70
08/10/05	Nancy A. Ross	Review of billing detail and expenses.	0.50
08/11/05	Nancy A. Ross	Final review of June and July billings.	0.40
Project Subtotal of Professional Hours			<u>17.90</u>



Project Summary of Professional Fees  
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3R BANCORP

Project No. 13

BILLABLE TRAVEL

Project Description

Billable Travel

Summarized Professional Fees

	<u>Hours</u>	<u>Rate/Hour</u>	<u>Fees</u>
PARTNER			
Nancy A. Ross	1.00		
	<u>1.00</u>	\$350.00	\$350.00
CONSULTANT			
Todd R.A. Gehrs	112.80		
	<u>112.80</u>	\$220.00	\$24,816.00
Greg Apathy	85.00		
	<u>85.00</u>	\$240.00	\$20,400.00
Total Professional Hours and Fees	<u>198.80</u>		<u>\$45,566.00</u>
Average Hourly Rate		\$229.21	





3R BANCORP

Project No. 13

BILLABLE TRAVEL

Project Description

Billable Travel

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/01/05	Todd R.A. Gehrs	Travel to airport.	1.00
04/01/05	Todd R.A. Gehrs	Travel from LAX to Chicago.	5.00
04/06/05	Nancy A. Ross	Travel to Libertyville for meeting w/D. Egidi.	1.00
04/11/05	Todd R.A. Gehrs	Travel to LAX from Chicago O'Hare.	5.00
04/11/05	Todd R.A. Gehrs	Travel from LAX to Wilshire Blvd. office.	1.00
04/15/05	Todd R.A. Gehrs	Travel from LAX to Chicago O'Hare.	5.00
04/19/05	Greg Apathy	Travel from Chicago to LAX.	5.00
04/22/05	Greg Apathy	Travel from LAX to Chicago.	5.00
04/26/05	Todd R.A. Gehrs	Travel from Chicago O'Hare to LAX.	5.00
04/26/05	Todd R.A. Gehrs	Travel from LAX to 3600 Wilshire Blvd.	1.00
04/29/05	Todd R.A. Gehrs	Travel to Chicago from LAX.	5.00
05/02/05	Greg Apathy	Travel from Chicago to L.A.	5.00



3R BANCORP

Project No. 13 (continued)

BILLABLE TRAVEL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/06/05	Greg Apathy	Travel from L.A. to Chicago.	5.00
05/09/05	Todd R.A. Gehrs	Travel from Chicago to LAX Airport.	5.00
05/09/05	Todd R.A. Gehrs	Travel from LAX to Wilshire Blvd. facility.	1.20
05/13/05	Todd R.A. Gehrs	Travel to LAX.	0.60
05/13/05	Todd R.A. Gehrs	Travel from LAX to Chicago.	5.00
05/16/05	Greg Apathy	Travel from Chicago to LAX.	5.00
05/20/05	Greg Apathy	Travel from LAX to Chicago.	5.00
05/23/05	Greg Apathy	Travel from Chicago to LAX.	5.00
05/27/05	Greg Apathy	Travel from LAX to Chicago.	5.00
05/27/05	Todd R.A. Gehrs	Travel from LAX to Chicago O'Hare Airport.	5.00
05/31/05	Todd R.A. Gehrs	Travel from Chicago O'Hare to LAX.	5.00
05/31/05	Todd R.A. Gehrs	Travel from LAX to 3600 Wilshire Blvd. facility.	1.00
06/03/05	Todd R.A. Gehrs	Travel from 3600 Wilshire facility to LAX.	1.00



3R BANCORP

Project No. 13 (continued)

BILLABLE TRAVEL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/03/05	Todd R.A. Gehrs	Travel from LAX to Chicago O'Hare.	5.00
06/06/05	Greg Apathy	Travel from Chicago to LA.	5.00
06/10/05	Greg Apathy	Travel from LA to Chicago.	5.00
06/13/05	Todd R.A. Gehrs	Travel from O'Hare to LAX airport.	5.00
06/13/05	Todd R.A. Gehrs	Travel from LAX to Wilshire facility.	1.00
06/17/05	Todd R.A. Gehrs	Travel from Wilshire facility to LAX.	1.00
06/17/05	Todd R.A. Gehrs	Travel from LAX to O'Hare.	5.00
06/20/05	Todd R.A. Gehrs	Travel from Chicago to LAX.	5.00
06/20/05	Todd R.A. Gehrs	Travel from LAX to Wilshire facility.	1.00
06/24/05	Todd R.A. Gehrs	Travel from LAX to Chicago.	5.00
07/05/05	Todd R.A. Gehrs	Travel from Chicago Ohare to LAX.	5.00
07/05/05	Todd R.A. Gehrs	Travel from LAX to Wilshire office.	1.00
07/07/05	Todd R.A. Gehrs	Travel from Wilshire office to LAX.	1.00



3R BANCORP

Project No. 13 (continued)

BILLABLE TRAVEL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/08/05	Todd R.A. Gehrs	Travel from LAX to Chicago Ohare.	5.00
07/11/05	Greg Apathy	Travel from Chicago to LAX.	5.00
07/15/05	Greg Apathy	Travel from LAX to Chicago.	5.00
07/18/05	Todd R.A. Gehrs	Travel from Chicago O'Hare to LAX.	5.00
07/22/05	Todd R.A. Gehrs	Travel from LAX to Chicago O'Hare.	5.00
08/01/05	Greg Apathy	Travel from Chicago to LA.	5.00
08/05/05	Greg Apathy	Travel from LA to Chicago.	5.00
08/15/05	Greg Apathy	Travel from Chicago to L.A.	5.00
08/15/05	Todd R.A. Gehrs	Travel from Chicago O'Hare to LAX.	5.00
08/19/05	Greg Apathy	Travel from Chicago to L.A.	5.00
08/19/05	Todd R.A. Gehrs	Travel from LAX to Chicago O'Hare.	5.00
08/19/05	Todd R.A. Gehrs	Travel to LAX.	1.00
08/29/05	Greg Apathy	Travel from Chicago to LAX.	5.00



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3R BANCORP

Project No. 13 (continued)

BILLABLE TRAVEL

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
		Project Subtotal of Professional Hours	<u>198.80</u>



Project Summary of Professional Fees  
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3R BANCORP

Project No. 14

COURT HEARINGS

Project Description

Court Hearings

Summarized Professional Fees

	<u>Hours</u>	<u>Rate/Hour</u>	<u>Fees</u>
PARTNER			
Nancy A. Ross	1.90		
	<u>1.90</u>	\$350.00	\$665.00
STAFF			
Janet Allen-Dill	0.50		
	<u>0.50</u>	\$65.00	\$32.50
Total Professional Hours and Fees	<u>2.40</u>		<u>\$697.50</u>
Average Hourly Rate		\$290.63	



Detail of Professional Time by Project, Date  
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3R BANCORP

Project No. 14

COURT HEARINGS

Project Description

Court Hearings

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/13/05	Nancy A. Ross	Status hearing at court.	0.50
07/07/05	Janet Allen-Dill	Go to court and file certificate of no objection.	0.50
08/16/05	Nancy A. Ross	Attend court status hearing and brief update following with FTC.	1.40
Project Subtotal of Professional Hours			<u>2.40</u>



3R BANCORP

Project No. 15

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

Project Description

Mgt. of HUD Subsidized or Insured Properties

Summarized Professional Fees

	<u>Hours</u>	<u>Rate/Hour</u>	<u>Fees</u>
PARTNER			
Nancy A. Ross	22.80		
	<u>22.80</u>	\$350.00	\$7,980.00
CONSULTANT			
Paul M. Adamczyk	0.30		
	<u>0.30</u>	\$170.00	\$51.00
Todd R.A. Gehrs	216.90		
	<u>216.90</u>	\$220.00	\$47,718.00
Greg Apathy	262.10		
	<u>262.10</u>	\$240.00	\$62,904.00
STAFF			
Catherine Ryan	1.60		
Lorraine Torres	2.00		
	<u>3.60</u>	\$65.00	\$234.00
Todd Plugge	3.00		
	<u>3.00</u>	\$80.00	\$240.00
Total Professional Hours and Fees	<u>508.70</u>		<u>\$119,127.00</u>
Average Hourly Rate		\$234.18	





3R BANCORP

Project No. 15

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

Project Description

Mgt. of HUD Subsidized or Insured Properties

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/01/05	Todd R.A. Gehrs	Review, copy and prepare final schedule of analysis for Columbia apartments - to be used in detailed write-up of ADC transactions.	1.60
04/01/05	Todd R.A. Gehrs	Discussions w/L. Torres (HRP) and V. Lerch re: Boyle fire issues and funding.	0.50
04/01/05	Todd R.A. Gehrs	Discussions w/L. Torres (HRP) and T. Hester re: obtaining copies of checks related to warrant for former employees arrest.	0.50
04/01/05	Nancy A. Ross	Review email re: Boyle Apt fire; call to V. Lerch re: status.	0.50
04/01/05	Nancy A. Ross	Review email from T. Malik re: discussion w/HUD on Georgian Court order; discussion w/Malik re: same.	0.60
04/01/05	Nancy A. Ross	Call w/P. Hasten of HUD KS re: Bainbridge REAC inspection and Egidi form 2530; discuss Bainbridge rejection re: restructuring.	0.40
04/04/05	Greg Apathy	Review and complete Bank of America forms to change authorized signors on property accounts.	0.80
04/04/05	Greg Apathy	Review payroll registers and allocations for NUP; revise allocations for errors in allocating bookkeeping fees to various properties; discuss with M. Candelario; review and discuss various time tracking methods for hourly employees with M. Candelario.	1.40
04/04/05	Todd R.A. Gehrs	Review/reconcile bank statements for NUP operating and payroll accounts; prepare disbursements request; obtain and sign checks from NUP operating account; forward checks to LA office.	0.50



3R BANCORP

Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/04/05	Todd R.A. Gehrs	Discussion w/N. Ross re: open issues to be discussed/resolved while in LA including Boyle fire, Greenway HUD issues, HUD allocations, etc., and next trip to LA.	0.30
04/04/05	Nancy A. Ross	Respond to email re: options for insurance re: Boyle.	0.20
04/05/05	Paul M. Adamczyk	Discuss potential funding requirements to repair Vinewood property.	0.10
04/05/05	Greg Apathy	Discussion with T. Gehrs on cash position at NUP and 3R.	0.30
04/05/05	Greg Apathy	Update QuickBooks files and review/reconcile accounts; review cash receipts for the past two weeks and record; adjust books and prepare detailed cash reports.	2.60
04/05/05	Todd R.A. Gehrs	Review and respond to emails received from company management and G. Apathy re: NUP operating issues.	0.50
04/05/05	Todd R.A. Gehrs	Calls/discussions w/M. Gomez re: various issues related to NUP's management of HUD properties and notices received from HUD.	0.50
04/05/05	Todd R.A. Gehrs	Discussions w/G. Apathy re: returned checks and NUP operational issues.	0.30
04/05/05	Nancy A. Ross	Call and discussion w/V. Lerch re: Boyle fire.	0.30
04/06/05	Greg Apathy	Review KC status report and discuss issues with T. Gehrs and T. Hester; review cash request from KC and security issues at Bainbridge and	1.30



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
		Georgian Court properties; email to P. Hasten on funding.	
04/06/05	Greg Apathy	Review cash tracker report and accounts payables for each property; discuss various vendors with NUP staff and review bank balances for properties.	1.10
04/06/05	Todd R.A. Gehrs	Review and respond to various emails from HUD, G. Apathy, N. Ross, and NUP personnel re: operational issues at NUP.	0.60
04/06/05	Todd R.A. Gehrs	Review monthly status report prepared by T. Hester and discuss w/G. Apathy re: answering questions raised in the memo and opening pending KC issues.	0.80
04/06/05	Todd R.A. Gehrs	Prepare letter from Receiver to Bank of America requesting change/removal of signatories for the utility accounts and forward to T. Hester.	0.40
04/06/05	Nancy A. Ross	Call w/P. Hasten of HUD KS re: ownership changes required for Linda Vista and Bainbridge restructuring.	0.20
04/07/05	Paul M. Adamczyk	Phone call to D. Stone, Judy re: estimates to fix Vinewood property.	0.20
04/07/05	Greg Apathy	Review payroll registers and enter direct deposits and checks into QuickBooks to update cash balances and activity.	0.90
04/07/05	Greg Apathy	Review various emails and schedules on funding/payments of invoices for ADC.	0.30



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/07/05	Greg Apathy	Review available cash at various properties and accounts payable to determine future payments.	1.10
04/07/05	Greg Apathy	Review bank balances for old and new property accounts and arrange for transfers of Section 8 monies.	0.60
04/07/05	Todd R.A. Gehrs	Review and forward letter to Bank of America re: utility reimbursement account.	0.20
04/07/05	Todd R.A. Gehrs	Review and respond to various emails from T. Hester, G. Alberts, V. Lerch, and M. Gomez re: various NUP operating issues and HUD issues/responses.	0.50
04/07/05	Todd R.A. Gehrs	Prepare summary write-up of ADC investigation with respects to the Columbia property, including information relating to disbursements entered as journal entries and not properly included in disbursements.	1.30
04/07/05	Todd R.A. Gehrs	Prepare write-up for ADC investigation for undocumented and unrecorded disbursements to ADC, which were later booked via journal entries for the Boyle, Jewel, Casa Griffin, Marygold, and Princess properties.	1.60
04/07/05	Todd R.A. Gehrs	Review various emails from auditors to NUP re: issues relating to inappropriate financial arrangements w/ADC; review of auditors analysis re: same.	0.60
04/08/05	Todd R.A. Gehrs	Review and respond to various emails from NUP personnel and G. Apathy re: NUP operations and budgets.	0.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/08/05	Todd R.A. Gehrs	Discussion w/V. Lerch re: various operational issues at NUP and responses to HUD inquiries.	0.30
04/08/05	Todd R.A. Gehrs	Review overall analysis write-up for the ADC overcharge investigation and make revisions and changes to the documents.	1.70
04/08/05	Todd R.A. Gehrs	Review of various schedules included in the analysis and prepare changes/revisions/additions to comments and detail.	1.90
04/08/05	Todd R.A. Gehrs	Discussion w/V. Lerch re: ADC payroll funding request and review of prior period payroll information and check copies.	0.50
04/11/05	Todd R.A. Gehrs	Review and respond to various emails re: NUP operating issues.	0.50
04/12/05	Todd R.A. Gehrs	Review and respond to various emails re: NUP operating issues.	0.50
04/12/05	Todd R.A. Gehrs	Review cash tracker schedule prepared by Z. Bendaoui and discuss issues re: reconciliation to previous weeks version w/Z. Bendaoui.	0.50
04/12/05	Todd R.A. Gehrs	Meeting w/M. Candelario and Blanca re: payments to ADC this week and obtaining payroll journal.	0.30
04/12/05	Todd R.A. Gehrs	Meeting w/Blanca re: review of accounts payable detail for various properties; review cash available to pay operating expenses, and prepare vendor distribution list.	1.20
04/12/05	Todd R.A. Gehrs	Review ADC payroll for prior two weeks.	0.30



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/12/05	Todd R.A. Gehrs	Review letters from HUD re: potential violations at Boyle and Vinewood; forward copies to M. Gomez.	0.30
04/12/05	Todd R.A. Gehrs	Meeting w/M. Candelario re: review of invoice, accounts payable, check amount, check banking information and reconcile to prior disbursement list for Pennbroke, Georgian Court, Pine Lakes, Linda Vista, Bainbridge, and Greenway Apartments; execute checks.	1.60
04/12/05	Todd R.A. Gehrs	Meeting w/M. Candelario re: review of invoice, accounts payable, check amount, check banking information and reconcile to prior disbursement list for Woodlane Apartments; execute checks.	0.50
04/12/05	Todd R.A. Gehrs	Meeting w/M. Gomez re: response to HUD's questions re: Greenway.	0.30
04/12/05	Nancy A. Ross	Respond to T. Hester re: Greenway certification required from owner.	0.20
04/12/05	Nancy A. Ross	Review of HUD correspondence; forward to NUP office for resolution.	0.20
04/13/05	Todd R.A. Gehrs	Calls and discussions w/T. Hester re: KC operating issues and various HUD issues.	0.50
04/13/05	Todd R.A. Gehrs	Review of accounts payable detail, disbursement request prepared by T. Hester, and cash available to pay operating expenses prior to meeting w/M. Candelario.	0.80
04/13/05	Todd R.A. Gehrs	Meeting w/M. Candelario re: preparation of list of disbursements from the various properties in which she manages.	0.70



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/13/05	Todd R.A. Gehrs	Meeting w/V. Lerch to discuss the following: termination of certain employee(s), Casa Griffin and Casa Grande sale analysis, violation letters received from HUD for Vinewood and Boyle, Boyle fire status, Greenway rent decrease, NUP lease termination, and revised tenant selection plan.	0.90
04/13/05	Todd R.A. Gehrs	Review over 100 checks prepared for Blanca's managed properties and reconcile amount to accounts payable and invoice, reconcile check number and account number to new account listing, and recalculate cash available after check distribution.	3.80
04/14/05	Todd R.A. Gehrs	Review and execute new bank account signatory documents for the KC properties utility accounts.	0.70
04/14/05	Todd R.A. Gehrs	Review files containing information re: work performed and necessary at the Vinewood Apartment complex, as well as cost estimates received.	1.20
04/14/05	Todd R.A. Gehrs	Discussion w/V. Lerch re: Bainbridge and Greenway issues, and NUP facility lease.	0.40
04/14/05	Todd R.A. Gehrs	Review and respond to various emails re: NUP operating issues.	0.50
04/14/05	Todd R.A. Gehrs	Review checks prepared for Columbia and Jewel Terrace properties and reconcile amount to accounts payable and invoice, reconcile check number and account number to new account listing, and recalculate cash available after check distribution.	0.90
04/14/05	Todd R.A. Gehrs	Review and revise response to HUD re: Greenway Apartments.	0.30



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/14/05	Todd R.A. Gehrs	Review checks prepared for Linda Vista, Alcazar, and Marygold properties and reconcile amount to accounts payable and invoice, reconcile check number and account number to new account listing, and recalculate cash available after check distribution.	1.20
04/14/05	Todd R.A. Gehrs	Discussion w/M. Gomez re: obtaining bids to repair Vinewood, Missouri violation response, and other various HUD issues.	0.30
04/15/05	Nancy A. Ross	Review of correspondence w/HUD re: Yorkshire Terrace position in Georgian Court; call and discussion w/P. Hasten of HUD KC; email to Milstein at Winston re: same.	0.80
04/15/05	Nancy A. Ross	Call w/C. Hilbert of NHDC re: partnership distributions, property taxes and check clearing; call to V. Lerch re: same.	0.60
04/18/05	Greg Apathy	Update accounting and cash flows for April transactions; discuss prior week cash activity for NUP with T. Gehrs.	1.90
04/18/05	Greg Apathy	Review cash balances at properties and accounts payables; determine priority of payments to be made during the week; discuss with NUP.	2.10
04/19/05	Greg Apathy	Review current REAC scores for Greenway Park; discuss with T. Hester repairs and response to HUD.	0.80
04/19/05	Greg Apathy	Review and respond to various emails from HUD concerning questions on KC properties such as bookkeeping fees, payroll allocations and other.	0.40





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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/19/05	Nancy A. Ross	Review of HUD correspondence re: Greenway REAC report.	0.20
04/19/05	Catherine Ryan	Reconcile operating and payroll account bank statements; meet w/Greg Apathy re: rent checks that were deposited and returned NSF - make copies.	0.60
04/20/05	Greg Apathy	Review payroll for ADC; discuss with T. Gehrs and issue checks to pay ADC invoices.	0.50
04/20/05	Greg Apathy	Emails and discussions with T. Hester on Reserve for Replacement on Pennbrooke for carpet replacement.	0.30
04/20/05	Greg Apathy	Review cash tracker and accounts payable reports; revise as necessary to correct identification of NUP payable; discuss with T. Gehrs priority of payments.	1.40
04/20/05	Greg Apathy	Review 4/15 payroll and allocations; correct allocations as necessary and discuss with M. Candelario.	0.80
04/20/05	Greg Apathy	Meeting with B. Martinez to review accounts payables for L.A. properties and determine available cash and disbursements to be made.	1.80
04/20/05	Greg Apathy	Review invoices to be paid and sign checks.	1.70
04/20/05	Todd R.A. Gehrs	Review cash/AR/AP tracking schedule prepared by NUP.	0.60
04/20/05	Todd R.A. Gehrs	Various discussions with G. Apathy re: NUP operating issues and HUD issues with the properties.	0.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/20/05	Todd R.A. Gehrs	Discussion with G. Apathy re: ADC payroll request. Scan and forward information to G. Apathy re: prior payroll amounts. Discussion with G. Apathy re: Tres Lomas tax issues.	0.50
04/20/05	Nancy A. Ross	Respond to email from V. Lerch re: tax issue at Denver Gardens.	0.10
04/21/05	Greg Apathy	Update accounting and cash flows for NUP; prepare cash flow statement and comparison to budgets.	1.40
04/21/05	Greg Apathy	Prepare preliminary NUP budget for May; review properties for anticipated collections of management fees.	1.70
04/21/05	Greg Apathy	Meeting with M. Candelario to review accounts payables for K.C. properties and determine available cash and disbursements to be made.	1.60
04/21/05	Greg Apathy	Review letter from V. Lerch to landlord to renew lease.	0.20
04/21/05	Greg Apathy	Discuss tax issues at Denver Gardens and Tres Lomas with V. Lerch.	0.20
04/21/05	Greg Apathy	Review receipts and disbursements by account to determine amount due from properties.	0.80
04/21/05	Greg Apathy	Review invoices to be paid and sign checks.	1.80
04/21/05	Greg Apathy	Discuss priority of payments w/T. Hester.	0.40



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/21/05	Todd R.A. Gehrs	Discussion with J. Dill re: ordering lien search on Denver Gardens and Tres Lomas properties.	0.20
04/21/05	Todd R.A. Gehrs	Multiple discussions with G. Apathy re: health insurance costs and various operating issues at NUP to be resolved next week.	0.50
04/22/05	Greg Apathy	Discuss various open issues with V. Lerch and M. Gomez including: computer conversion, property budgets, repair quotes for Vinewood and other.	0.90
04/22/05	Greg Apathy	Prepare cash flow statement for NUP and preliminary budget to determine short-term cash requirements; conference call w/T. Gehrs and N. Ross on cash requirements.	1.30
04/22/05	Greg Apathy	Review invoices, prepare checks and sign checks for various properties and NUP corporate office.	0.80
04/22/05	Todd R.A. Gehrs	Conference call with N. Ross and G. Apathy re: budgets and operational issues related to NUP.	0.40
04/25/05	Greg Apathy	Review and respond to emails re: office lease renewal; review original lease agreement; discuss with N. Ross.	0.30
04/25/05	Greg Apathy	Review various emails and copies of invoices for requested payments on property accounts; discuss with M. Candelario and T. Hester.	1.20
04/25/05	Todd R.A. Gehrs	Various discussions with N. Ross and G. Apathy re: operational issues at NUP and recent HUD correspondence.	0.60



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/25/05	Nancy A. Ross	Discussion w/G. Agathy re: office lease.	0.10
04/26/05	Greg Apathy	Review, respond and discuss to numerous emails from V. Lerch and G. Alberts concerning current status of Receivership.	0.90
04/26/05	Greg Apathy	Review email from F. Squyres regarding her concerns with property manager, damage to doors and other issues with Bainbridge; follow-up with T. Hester and review background checks for property managers.	1.40
04/26/05	Greg Apathy	Phone and emails with NUP to discuss Vinewood bookkeeping fees and payroll allocations.	0.20
04/26/05	Greg Apathy	Review current cash tracker report for all properties; discuss specific vendor amounts with Z. Bendaoui; correct report as necessary for NUP payables.	1.60
04/26/05	Greg Apathy	Prepare spreadsheet of all cash transactions for NUP and email to Z. Bendaoui for updates to Company records.	1.10
04/26/05	Todd R.A. Gehrs	Review and respond to various emails from G. Alberts, G. Apathy, V. Lerch, and N. Ross re: NUP operational issues and NUP budget.	0.50
04/26/05	Todd R.A. Gehrs	Brief review of company prepared cash/AR/AP tracking report and related detailed accounts payables for each of the properties.	0.70
04/26/05	Todd R.A. Gehrs	Discussion with G. Apathy re: variations on tracking schedules.	0.20



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/26/05	Todd R.A. Gehrs	Prepare detailed review of Aqua, Boyle, Casa Griffin, Columbia, Jewel, Premier, Princess, Casa Grande, Vinewood, and Queen accounts payable reports and prepare distribution listing.	1.90
04/26/05	Nancy A. Ross	Consultation w/T. Malik and G. Apathy re: NUP lease issue.	0.20
04/26/05	Nancy A. Ross	Review and forward correspondence from HUD.	0.10
04/26/05	Nancy A. Ross	Review email correspondence from G. Alberts.	0.10
04/27/05	Greg Apathy	Review and respond to HUD inspector's Statement of Problems for Alcazar property.	0.80
04/27/05	Greg Apathy	Follow-up on various issues including NHDC Tres Lomas distribution, tax issues at Tres Lomas and Denver Gardens and other.	0.40
04/27/05	Greg Apathy	Review check requests for NUP and prepare checks; update QuickBooks and accounting records.	0.70
04/27/05	Greg Apathy	Emails to/from V. Lerch, T. Hester and P. Robello to discuss transition of Robello's responsibilities over to Hester.	0.50
04/27/05	Todd R.A. Gehrs	Review and reconcile checks to correct account, placement of account numbers, invoice, and accounts payable disbursement listing for Aqua, Boyle, Casa Grande, Casa Griffin, Premier, Princess, and Queen.	1.30
04/27/05	Todd R.A. Gehrs	Review and reconcile checks to correct account, placement of account numbers, invoice, and accounts payable disbursement listing for	0.60



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
		Woodlane and Linda Vista. Discussion with M. Candelario re: disbursements from security deposit account.	
04/27/05	Todd R.A. Gehrs	Review letters received from NHDC re: termination of management agreement. Forward copies of letters to N. Ross and G. Apathy.	0.40
04/27/05	Todd R.A. Gehrs	Review and respond to emails from G. Apathy, G. Alberts, and V. Lerch re: operational issues at NUP and information demanded by HUD.	0.50
04/27/05	Todd R.A. Gehrs	Discussions with Z. Bendaoui and V. Lerch re: calculating and preparing distribution to NHDC.	0.40
04/27/05	Todd R.A. Gehrs	Discussion with M. Gomez re: Vinewood contract information.	0.10
04/27/05	Todd R.A. Gehrs	Prepare detailed review of Woodlane accounts payable listing and prepare disbursement listing.	0.40
04/27/05	Todd R.A. Gehrs	Discussion with D. Carnes re: contacting KC HUD re: review in process for Alcazar.	0.20
04/27/05	Todd R.A. Gehrs	Prepare detailed review of Denver Gardens, Pine Lake, Alcazar, and Georgian Court accounts payable reports and prepare distribution listing.	1.30
04/27/05	Nancy A. Ross	Review lien search for Tres Lomas and Denver Gardens.	0.20
04/28/05	Greg Apathy	Prepare analysis of cost of extra security at Bainbridge and Georgian Courts; discuss manning requirements with T. Hester.	1.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/28/05	Greg Apathy	Review letters from C. Hilbert terminating the Denver Gardens and Tres Lomas management agreements; respond to numerous emails from G. Alberts and V. Lerch.	0.60
04/28/05	Greg Apathy	Revise analysis on Bainbridge and Georgian Courts security plan.	0.70
04/28/05	Greg Apathy	Review KC weekly report prepared by T. Hester; inquire on specific issues and send out comments/requests for information and corrective actions.	1.80
04/28/05	Greg Apathy	Issue weekly checks for 3R and NUP accounts and update accounting.	0.50
04/28/05	Greg Apathy	Review NUP cell phone bills; inquire on need for 9 cell phones.	0.20
04/28/05	Greg Apathy	Prepare memo explaining need for security at Bainbridge and Georgian Courts to N. Ross, V. Lerch, G. Alberts and email to KC HUD reuesting possible release of funds.	1.30
04/28/05	Todd R.A. Gehrs	Review and reconcile checks to correct account, placement of account numbers, invoice, and accounts payable disbursement listing for Pine Lakes, Georgian Court, Alcazar, and Pennbrooke apartments.	1.20
04/28/05	Todd R.A. Gehrs	Review and respond to emails from G. Apathy, T. Hester, and G. Alberts re: Bainbridge security issues and other NUP operating issues.	0.40
04/28/05	Todd R.A. Gehrs	Discussion with K. Schrupp re: Boyle and Vinewood response letter to HUD for calendar year 2000.	0.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/28/05	Todd R.A. Gehrs	Review and reconcile additional checks to correct account, placement of account numbers, invoice, and accounts payable disbursement listing for Woodlane.	0.40
04/28/05	Todd R.A. Gehrs	Prepare detailed review of Bainbridge, Pennbrooke, an Linda Vista revised accounts payable reports and prepare distribution listing.	1.20
04/28/05	Todd R.A. Gehrs	Review NUP operating expenses (phone bills for properties and employees) and discussion with G. Apathy re: same. Discussion with M. Candelario and Blanka re: same.	0.70
04/28/05	Todd R.A. Gehrs	Draft memo to N. Ross re: ADC issues and G. Alberts interference/refusal to transfer funds that were wired to the old accounts by HUD inadvertently.	0.30
04/28/05	Nancy A. Ross	Review of correspondence re: NHDC cancellation of contract w/NUP; questions and direction to G. Apathy re: follow-up.	0.20
04/29/05	Greg Apathy	Review REAC scores for Bainbridge and discuss with T. Hester; prepare estimate of costs to repair.	0.80
04/29/05	Greg Apathy	Review and respond to numerous emails from V. Lerch and G. Alberts on security issues at Bainbridge and Georgian Courts.	0.50
04/29/05	Greg Apathy	Enter weekly deposits and review current cash activity; determine available cash for next week's planned disbursements.	0.90
04/29/05	Todd R.A. Gehrs	Review and respond to various emails received relating to NUP operations, HUD violation letters, and property transactions.	0.50





3R BANCORP

Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
04/29/05	Lorraine Torres	Prepare files for banking files for Wells Fargo account for apartments; prepare copies of banking files and send to Zahra at NUP.	1.00
05/02/05	Todd R.A. Gehrs	Review and respond to various emails from G. Alberts, G. Apathy, N. Ross and T. Hester re: operational issues at NUP and HUD correspondence.	0.50
05/02/05	Nancy A. Ross	Discussion w/P. Hastin re: call to discuss security for Bainbridge and Georgian Court and information on Egridi Form 2350.	0.30
05/03/05	Greg Apathy	Phone with P. Hastin to discuss security issues at Bainbridge and Georgian Courts properties; follow-up phone call to T. Hester to discuss additional issues; emails to V. Lerch & G. Alberts.	1.30
05/03/05	Greg Apathy	Address various issues at properties including; Section 8 contract renewal at Greenway, security issues at Bainbridge; cost to fix problems at Bainbridge based on current REAC score and cash flow issues.	1.80
05/03/05	Greg Apathy	Revise NUP cash budget and account for potential receipts from various completed transactions (Vinewood, etc...).	1.50
05/03/05	Todd R.A. Gehrs	Various calls/discussions w/G. Apathy re: Vinewood settlement, Tres Lomas issues tax issues, and other NUP operating issues.	0.40
05/03/05	Nancy A. Ross	Respond to emails from R. Sahni re: budgets and contracts.	0.20
05/04/05	Greg Apathy	Review various REAC reports and update on completion of repairs; discuss tracking of Boyle fire expenses with J. Blanco and review	1.30



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
		schedule.	
05/04/05	Greg Apathy	Review GMAC letter concerning Linda Vista mortgage payments.	0.20
05/04/05	Greg Apathy	Phone with T. Gehrs concerning various 3R issues including personnel matters, cash flows, budgets and progress of property sales.	0.70
05/04/05	Greg Apathy	Review requested disbursements for NUP and inquire on increases in several expense items.	1.00
05/04/05	Greg Apathy	Review cash tracker/accounts payable report and revise as necessary; project anticipated rent receipts for available cash.	1.70
05/04/05	Todd R.A. Gehrs	Review Greenway Park 2004 audited financial statements.	0.60
05/04/05	Todd R.A. Gehrs	Review calculation of surplus cash available for distribution.	0.20
05/04/05	Todd R.A. Gehrs	Review accounts payable aging.	0.40
05/04/05	Todd R.A. Gehrs	Respond to limited partner's legal counsel re: potential for distribution.	0.20
05/04/05	Todd R.A. Gehrs	Review bank statements and clear checks for Marygold and Woodlane property accounts.	0.50
05/04/05	Todd R.A. Gehrs	Discussion w/G. Apathy re: inefficiencies with certain NUP employees and there unwillingness to perform there intended purposes.	0.30



3R BANCORP

Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/04/05	Todd R.A. Gehrs	Review Tres Lomas and Denver Gardens management agreements (for both NHDC and former R. Sahni agreements); call to Christopher Hilbert re: termination of management agreement.	0.60
05/05/05	Greg Apathy	Review accounts payables and cash for properties with B. Martinez (Vinewood, Agua Terrance, Casa Grande, Casa Griffin, Columbia, Premier, Queens, Princess, Woodlane, St. Andrews, Boyle, Jewell); sign checks.	2.70
05/05/05	Greg Apathy	Review accounts payables and cash for properties with M. Candelario (Marygold, Denver Gardens, Pine Lake, Alcazar, Bainbridge, Georgian Courts, Linda Vista, Pennbrooke, Greenway Park); sign checks.	3.10
05/05/05	Greg Apathy	Review ADC payroll and determine amounts and invoices to be paid.	0.50
05/05/05	Greg Apathy	Review emails and memos from G. Alberts and R. Sahni regarding issues with the Receivership; discuss with N. Ross and T. Gehrs.	0.70
05/05/05	Greg Apathy	Prepare and revise NUP budget for May 2005.	1.00
05/05/05	Greg Apathy	Review 4/30/05 NUP payroll and allocations to properties.	1.20
05/05/05	Todd R.A. Gehrs	Review NUP budget to actual performance schedules for April; Review NUP's May financial projections.	0.40
05/05/05	Todd R.A. Gehrs	Prepare changes to summary of ADC analysis, scan and forward to N. Ross for review.	0.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/06/05	Todd R.A. Gehrs	Discussion w/N. Ross and G. Apathy re: NUP operating issues, HUD correspondence, and ADC analysis.	0.40
05/09/05	Greg Apathy	Review email from M. McConnell on Greenway Park; discuss with T. Hester and review financial statements.	0.50
05/09/05	Greg Apathy	Review response from T. Hester on weekly KC report; forward to V. Lerch with additional follow-up requests.	0.60
05/09/05	Greg Apathy	Review weekly deposits and update financial statements and QuickBook details.	0.70
05/10/05	Greg Apathy	Review and revise weekly cash tracker report; email and discuss with NUP staff various open payables on property books.	1.30
05/10/05	Greg Apathy	Review and reply to V. Lerch responses to KC weekly report and issues; follow-up on issues relating to security at Bainbridge/Georgian Courts, REAC scores at other KC properties and possible improvements.	1.50
05/10/05	Greg Apathy	Review insurance policies for KC properties; discuss coverage of Corporate office with J. Blanco.	0.60
05/10/05	Greg Apathy	Numerous email with M. McConnell (KC HUD office) on a variety of inquires; prepare response to inquires and verify Greenway's expenses in question.	2.10
05/10/05	Todd R.A. Gehrs	Discussion w/M. Easterday re: ADC invoices and analysis of prepayment of contracts.	0.30



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/10/05	Todd R.A. Gehrs	Discussion w/G. Apathy re: preparation of status report for NUP.	0.30
05/10/05	Todd R.A. Gehrs	Review checks prepared last week and compare to accounts payable detail, invoice, and new bank account number listing for Georgian Court, Greenway, Alcazar, Bainbridge, Marygold, and Pennbrooke properties.	1.90
05/10/05	Todd R.A. Gehrs	Brief review of the company prepared cash, accounts receivable, accounts payable tracking schedule for all managed properties.	0.50
05/10/05	Todd R.A. Gehrs	Various discussions w/G. Apathy re: correspondence w/HUD re: the R. Sahni controlled properties and NUP cash management procedures.	0.50
05/10/05	Todd R.A. Gehrs	Review accounts payable detail and meet w/Blanca to discuss and determine disbursement needs for the following properties; Aqua, Boyle, Casa Griffin, Columbia, Jewel Terrace, Premier, Queen, Casa Grande, St. Andrews and Vinewood.	1.60
05/10/05	Todd R.A. Gehrs	Calls/discussions w/Vinewood property manager re: obtaining bids to repair property.	0.20
05/11/05	Greg Apathy	Additional follow-up on M. McConnell (HUD) inquiries on Greenway property; review Greenway financial statements.	0.80
05/11/05	Greg Apathy	Emails to C. Hilbert (NHDC) concerning real estate taxes at Denver Gardens; phone with T. Gehrs on payment of bills.	0.50
05/11/05	Greg Apathy	Review email and letter from T. Hester re: property manager at Denver Gardens.	0.20



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/11/05	Greg Apathy	Review and enter payroll checks for 4/30 payroll.	0.50
05/11/05	Greg Apathy	Review disbursement requests from T. Hester for KC properties and determine available cash.	0.60
05/11/05	Todd R.A. Gehrs	Meeting w/V. Lerch to discuss continued unnecessary vacancies at the Casa Grande apartments, as well as controlling property manager costs at the location.	0.60
05/11/05	Todd R.A. Gehrs	Review checks and compare to invoices, accounts payable aging, disbursement listing and new bank account schedule for Aqua, Casa Griffin, Jewel Terrace, Premier, Princess, Queen, Vinewood, Boyle, Casa Grande, and Columbia.	1.80
05/11/05	Todd R.A. Gehrs	Discussions w/V. Lerch and Blanca re: reducing office expenses at the properties.	0.30
05/11/05	Todd R.A. Gehrs	Review checks cut last week for Denver Gardens, Greenway, and Georgian Court and compare to invoice, accounts payable aging report and new bank account schedule.	0.70
05/11/05	Todd R.A. Gehrs	Review and execute tenant refunds and utility account reimbursement checks for select properties managed by M. Candelario.	0.60
05/11/05	Todd R.A. Gehrs	Review responses received by V. Lerch from property managers in relation to Vinewood and Casa Grande issues.	0.30
05/11/05	Todd R.A. Gehrs	Review disbursement request list prepared by T. Hester for her managed properties and compile list of payments to be made by the properties.	0.40



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/11/05	Todd R.A. Gehrs	Multiple calls/discussions w/T. Tobin (NHDC) re: Tres Lomas and Denver Gardens tax issues and management termination letter.	0.50
05/11/05	Todd R.A. Gehrs	Discussions w/M. Candelario and Z. Bendaoui re: ability to pay tax liability for Denver Gardens immediately; review of cash collections/rents received this week; prepare reconciliation of cash available for disbursements.	0.80
05/12/05	Greg Apathy	Various emails with V. Lerch, T. Gehrs and G. Alberts concerning real estate taxes at Tres Lomas.	0.20
05/12/05	Greg Apathy	Prepare schedule to allow for daily tracking of cash receipts for NUP and review current bank balance; discuss reconciliations of accounts with L. Torres.	0.60
05/12/05	Todd R.A. Gehrs	Review accounts payable detail and meet w/M. Candelario to discuss and determine disbursement needs for the following properties: Alcazar, Bainbridge, Denver Gardens, Georgian Court, Woodlane, Marygold, Greenway, Linda Vista, Pennbrooke, and Pine Lakes.	2.30
05/12/05	Todd R.A. Gehrs	Review checks and compare to invoices, accounts payable aging, disbursement listing and new bank account schedule for Alcazar, Bainbridge, Denver Gardens, Georgian Court, Woodlane, Marygold, Greenway, Linda Vista, Pennbrooke, and Pine Lakes.	1.70
05/12/05	Todd R.A. Gehrs	Discussion w/V. Lerch re: Vinewood settlement.	0.30
05/12/05	Todd R.A. Gehrs	Meeting w/M. Gomez and calls to property manager at Vinewood re: obtaining bids for repairs and inability/unwillingness by property manager	1.20



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
		to perform her necessary function at the property.	
05/12/05	Todd R.A. Gehrs	Discussions w/M. Candelario and V. Lerch re: Denver Gardens tax liability and obtaining future notices.	0.50
05/13/05	Todd R.A. Gehrs	Discussion w/G. Apathy re: status of NUP issues and funding at the property level from HUD.	0.30
05/16/05	Todd R.A. Gehrs	Review April 30th bank statements and cleared checks for all properties managed by NUP and forward same to Z. Bendaoui to prepare reconciliations.	2.40
05/16/05	Nancy A. Ross	Meeting w/G. Ward, T. Malik and T. Gehrs re: Vinewood potential objections and Queens; discussion of HUD concerns; call w/E. Ling re: conference w/HUD on status.	1.00
05/16/05	Nancy A. Ross	Review of correspondence from HUD KC re: release of funds for Linda Vista, Bainbridge and Georgian Court.	0.10
05/16/05	Nancy A. Ross	Email to L. Lee and R. Ross re: HUD outstanding section 8 payments.	0.10
05/17/05	Greg Apathy	Review and respond to letter sent by G. Alberts on status and concerns re costs.	1.10
05/17/05	Greg Apathy	Review outstanding Section 8 money from HUD; discuss status of progress in reconciling Section 8 money with HUD for Vinewood apartments.	0.80





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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/17/05	Greg Apathy	Review property accounts payables; review cash balances for each property; discuss necessary disbursements with M. Candelario and B. Martinez.	3.80
05/17/05	Greg Apathy	Review invoices and detail for payments on property accounts; review checks issued and sign.	1.10
05/17/05	Greg Apathy	Discuss submission of information to HUD on Vinewood property and timing of Section 8 money to be received.	0.60
05/17/05	Greg Apathy	Review monthly reports for Denver Gardens and Tres Lomas as submitted to NHDC.	0.50
05/17/05	Greg Apathy	Review and respond to weekly K.C. report submitted by T. Hester; review list of potential expenses that could be funded with a draw on the reserve for replacement account; discuss items with M. Candelario and G. Alberts.	1.40
05/17/05	Todd R.A. Gehrs	Review/respond to emails/letter from G. Alberts re: receivership of NUP and property sales.	0.20
05/17/05	Nancy A. Ross	Conference call w/Laurie Lee of HUD, G. Ward of FTC, T. Malik re: status of Receivership, sales of Queen and Vinewood and investigation into ADC.	1.00
05/17/05	Nancy A. Ross	Email to G. Apathy re: information needed for Queen contract, as requested by HUD.	0.10



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/18/05	Greg Apathy	Review check requests for corporate payables; prepare and sign checks.	1.10
05/18/05	Greg Apathy	Update analysis of payroll allocated to properties; discuss analysis with V. Lerch.	1.60
05/18/05	Greg Apathy	Meet with V. Lerch and L. Lee to discuss payroll allocations and HUD audit results.	1.20
05/18/05	Greg Apathy	Review demand letter to ADC.	0.20
05/18/05	Greg Apathy	Review costs to Bainbridge to correct latest problems discovered in REAC inspection; review bids on replacement/repair of roof at Alcazar.	1.90
05/18/05	Greg Apathy	Review and comment on April 2005 financial reports for Greenway Park; email reports to T. Hester for HUD management review.	1.20
05/18/05	Todd R.A. Gehrs	Brief review cash/AR/AP tracking schedule prepared by Z. Bendaoui for all properties.	0.40
05/18/05	Todd R.A. Gehrs	Review Kansas City operating report prepared by T. Hester and forward comments to T. Hester.	0.30
05/18/05	Todd R.A. Gehrs	Review ADC demand letter prepared by legal counsel.	0.20
05/18/05	Todd R.A. Gehrs	Review bank letters and NSF checks (from tenants) for various property accounts and forward same to NUP.	0.30



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/18/05	Todd R.A. Gehrs	Discussion w/G. Apathy re: Boyle fire insurance repair status and scheduled meeting w/HUD next week; draft email to V. Lerch re: Boyle fire insurance status.	0.30
05/18/05	Todd R.A. Gehrs	Discussion w/G. Apathy re: Alcazar roof repair needs and availability of funding from Reserve for Replacement account.	0.20
05/19/05	Greg Apathy	Review and comment on 2005 budgets for Aqua Terrace, Alcazar, Bainbridge and Boyle Heights.	3.30
05/19/05	Greg Apathy	Review April financial statements for Greenway Park and discuss with Z. Bendaoui for adjustments.	1.10
05/19/05	Greg Apathy	Discuss Vinewood Section 8 reimbursements and timing of receipts; discuss with M. Easterday.	0.60
05/19/05	Greg Apathy	Review additional invoices and checks on property accounts; approve for payment and sign checks.	0.90
05/19/05	Greg Apathy	Review and discuss insurances coverage with J. Blanco; discuss possible asbestos discovery at Boyle Heights.	1.00
05/19/05	Greg Apathy	Review NUP deposits from properties and update cash flow statements.	0.50
05/19/05	Greg Apathy	Meet with V. Lerch and G. Alberts to discuss current staffing levels and transfer of various properties to L.A. office.	1.00



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/19/05	Nancy A. Ross	Review of correspondence from NUP and Sahni to HUD re: Queen HAP contract and Mark to Market.	0.30
05/19/05	Nancy A. Ross	Call to Markham Mgt re: unauthorized call to Vinewood re: transition.	0.10
05/19/05	Nancy A. Ross	Review and execute escrow release re: Georgian Court.	0.10
05/20/05	Greg Apathy	Review Alcazar roof replacement quotes and discuss with T. Hester.	0.80
05/20/05	Greg Apathy	Discuss transition of Vinewood management with V. Lerch and M. Easterday.	0.40
05/20/05	Nancy A. Ross	Review of draft demand letter to ADC.	0.20
05/20/05	Nancy A. Ross	Call w/Gary Markum re: transition to new management company for Vinewood.	0.20
05/20/05	Nancy A. Ross	Review of correspondence from HUD re: Queen mark to market; email inquiry to M. Wiley re: buyer's intentions.	0.40
05/23/05	Greg Apathy	Review Greenway audit report and forward to M. McConnell (HUD).	0.50
05/23/05	Greg Apathy	Review ADC demand letter and discuss with N. Ross.	0.40
05/23/05	Greg Apathy	Review deposits of May 20, 2005 and enter into QuickBooks; review cash position of NUP.	0.90



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/24/05	Greg Apathy	Review cash position of each property and accounts payables to determine available cash for disbursements.	1.80
05/24/05	Greg Apathy	Review accounts payable with B. Martinez and approve invoices for payment.	1.60
05/24/05	Greg Apathy	Review accounts payables with M. Candelario and approve invoices for payment.	1.90
05/24/05	Greg Apathy	Review disbursement requests for NUP and issue/sign checks; update QuickBook files.	0.80
05/24/05	Nancy A. Ross	Call w/J. Bauer re: ADC demand letter; email G. Apathy for ADC service address.	0.20
05/24/05	Nancy A. Ross	Review of Sahni letter to HUD re: Greenway Park full restructuring; comments to Sahni; review revision.	0.30
05/25/05	Greg Apathy	Review property financial statements for the 7 L.A. properties.	1.50
05/25/05	Greg Apathy	Read email from J. Morgan of Northern Trust requesting information on Agua Terrace apartments; gather and send requested information.	0.40
05/25/05	Greg Apathy	Review summary of charges against NUP by MOREC and discuss with M. Gomez.	1.10
05/25/05	Greg Apathy	Review cash position for Linda Vista and Bainbridge and forecast ability to pay mortgages.	0.70



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/25/05	Todd R.A. Gehrs	Meeting with G. Apathy and K. Schrupp to discuss and review ADC analysis, and discuss various property issues.	1.00
05/25/05	Nancy A. Ross	Respond to email from G. Apathy re: Bainbridge and Linda Vista cash situation.	0.10
05/26/05	Greg Apathy	Review invoices and sign checks for properties.	1.10
05/26/05	Greg Apathy	Review April financial statements for 7 Non-L.A. properties.	1.50
05/26/05	Greg Apathy	Discuss status of NHDC management contract for Tres Lomas and Denver Gardens.	0.30
05/26/05	Greg Apathy	Discuss status of HAP contract renewals with V. Lerch.	0.40
05/26/05	Greg Apathy	Meeting with T. Gehrs and L. Lee (HUD) to discuss status of HUD approvals for sale of properties, current status on mortgage payments, payroll allocation issues, ADC contracts and other.	2.40
05/26/05	Greg Apathy	Update accounting and cash flows for NUP; compare actual to budgets and discuss cash position with T. Gehrs.	1.10
05/26/05	Greg Apathy	Discuss various payroll and human resource issues with M. Candelario and J. Blanco.	0.50
05/26/05	Todd R.A. Gehrs	Review and respond to various emails relating to Queen property sale and NUP operating issues related to KC operations/properties.	0.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/26/05	Todd R.A. Gehrs	Compile documents and prepare for meeting with L. Lee to discuss analysis and backup documentation in relation to ADC's excessive charges to R. Sahni's properties.	1.00
05/26/05	Todd R.A. Gehrs	Meeting with L. Lee, G. Apathy and other HUD personnel to discuss analysis performed in relation to excessive charges on HUD subsidized properties and additional information requests by HUD. Also discussed at the meeting were employee allocations to the properties.	2.40
05/26/05	Todd R.A. Gehrs	Meeting with G. Apathy and V. Lerch to discuss NUP operational issues and coordinating lease extension.	0.70
05/31/05	Greg Apathy	Review email from L. Lee (HUD) and discuss with N. Ross and T. Gehrs.	0.50
05/31/05	Greg Apathy	Review property cash positions and discuss with Z. Bendoui; discuss overdraft of Queen account and transfer of money to cover.	0.60
05/31/05	Todd R.A. Gehrs	Discussions with M. Candelario and G. Apathy re: emergency funding/checks to be sent to KC properties.	0.50
05/31/05	Todd R.A. Gehrs	Discussion with N. Ross re: Queen transaction and HUD's request for information relating to ADC.	0.20
05/31/05	Todd R.A. Gehrs	Brief review of cash tracker report for all properties.	0.50
05/31/05	Todd R.A. Gehrs	Review and authorize checks to be sent to KC via overnight mail to cover emergency facility problems at the locations.	0.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
05/31/05	Nancy A. Ross	Call w/R. Johnson re: assignment of Linda Vista loan.	0.20
06/01/05	Todd R.A. Gehrs	Discussion w/V. Lerch re: additional ADC files requested by HUD.	0.30
06/01/05	Todd R.A. Gehrs	Review checks approved for payment last week and compare to cash tracker report, invoice, and accounts payable detail for Alcazar and Marygold Apartments.	0.50
06/01/05	Todd R.A. Gehrs	Call/discussion w/G. Apathy re: NUP distribution request received from B. Soria.	0.20
06/01/05	Todd R.A. Gehrs	Review disbursement list and approve select payments; forward same to J. Dill for check preparation; discussion w/J. Dill re: same.	0.40
06/01/05	Todd R.A. Gehrs	Discussion w/Z. Bendaoui re: Queen Section 8 receipts and transferring same to new account.	0.20
06/01/05	Todd R.A. Gehrs	Continue to compile documents requested by HUD in relation to payments and contracts between ADC and NUP properties.	1.60
06/01/05	Todd R.A. Gehrs	Discussion w/V. Lerch re: lease extension for 3600 Wilshire Blvd. facility.	0.20
06/01/05	Todd R.A. Gehrs	Review summary of State of Missouri complaint against NUP prepared by M. Gomez.	0.30
06/01/05	Todd R.A. Gehrs	Multiple meetings w/V. Lerch and G. Alberts re: ADC investigation and prepayments made to ADC by NUP prior to the receivership.	0.70





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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/01/05	Todd R.A. Gehrs	Meeting w/G. Alberts, V. Lerch, Nacho (ADC) and another ADC employee re: quality of work performed at Casa Grande and repairs to be made.	1.20
06/01/05	Todd R.A. Gehrs	Meeting w/G. Alberts re: ADC investigation, Queen sale transaction, Kansas City properties for sale, and Vinewood litigation settlement.	1.30
06/01/05	Nancy A. Ross	Review emails re HAP contract renewals for Georgian Court, Alcazar, Queen and other; follow up.	0.60
06/01/05	Nancy A. Ross	Review of email from G. Alberts re ADC resumption of contract; email to G. Alberts directing that ADC is not authorized to resume work on projects; discussion of same with T. Gehrs.	0.60
06/01/05	Nancy A. Ross	Call with T. Gehrs re supplying partnership agreements to L. Lee at HUD; direction to L. Torres to provide information on diskette to HUD.	0.20
06/02/05	Todd R.A. Gehrs	Call to T. West (HUD) re: ADC information request.	0.10
06/02/05	Todd R.A. Gehrs	Review audits filed w/HUD noting changes made without the permission of receiver.	1.10
06/02/05	Todd R.A. Gehrs	Calls/discussions w/Mark Murphy, John Postma, and K. Schrupp re: removal of ADC findings from audit report without additional support.	0.60
06/02/05	Todd R.A. Gehrs	Discussions w/M. Candelario, B. Soria, and Z. Bendaoui re: booking management and payroll allocations.	0.30



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/02/05	Todd R.A. Gehrs	Discussion w/T. West re: additional information request for ADC payments.	0.20
06/02/05	Todd R.A. Gehrs	Discussion w/auditors re: ADC audit findings.	0.30
06/02/05	Todd R.A. Gehrs	Review accounts payable detail reports; meet w/B. Soria to discuss immediate disbursement requests and prepare list of disbursements for the following properties: Boyle, Casa Griffin, Columbia, Jewel Terrace, Premier, Princess, Queen, St. Andrews, Casa Grande, and Vinewood.	1.60
06/02/05	Todd R.A. Gehrs	Review checks made pursuant to distribution list and compare against accounts payable detail report, invoice, and new account listing for the following properties: Boyle, Casa Griffin, Columbia, Jewel Terrace, Premier, Princess, Queen, St. Andrews, Casa Grande, and Vinewood.	1.40
06/02/05	Todd R.A. Gehrs	Discussions w/M. Candelario, B. Soria, and Z. Bendaoui re: booking payroll allocations and depositing management fees.	0.30
06/02/05	Todd R.A. Gehrs	Meeting w/M. Gomez re: ADC information request, including review of files for compilation.	0.30
06/02/05	Nancy A. Ross	Call with Gehrs re information to provide Hurtado and change in auditors report re ADC findings.	0.40
06/03/05	Greg Apathy	Phone w/T. Gehrs to discuss status.	0.40
06/03/05	Todd R.A. Gehrs	Discussion w/G. Apathy re: management fee deposits and issues with various properties to be addressed next week.	0.40



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/03/05	Todd R.A. Gehrs	Review ADC request for payment of current repair related invoices to cover payroll.	0.20
06/03/05	Todd R.A. Gehrs	Review letters received from mortgage holders re: turnover to HUD.	0.20
06/03/05	Todd R.A. Gehrs	Review letter received re: Pine Lakes HAP extension; discussion w/V. Lerch re: same.	0.20
06/03/05	Todd R.A. Gehrs	Continued compilation of documents requested by HUD in relation to prior payments and contracts between properties and ADC.	1.70
06/03/05	Nancy A. Ross	Call with Harry West of HUD restructuring office.	0.30
06/06/05	Greg Apathy	Review weekly cash tracker report and revise to isolate NUP/Mortgage/ADC payables.	1.20
06/06/05	Nancy A. Ross	Discussions w/G. Apathy and T. Gehrs re: HUD regulation on mark to market and mark up to market; review L. Lee email.	0.50
06/07/05	Greg Apathy	Discuss weekly accounts payables and cash disbursements with B. Soria; review cash position and determine which invoices to pay.	1.70
06/07/05	Greg Apathy	Discuss weekly accounts payables and cash disbursements with M. Candelauro; review cash position and determine which invoices to pay.	1.90
06/07/05	Greg Apathy	Review prepared checks and supporting documents; sign checks for payment.	1.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/07/05	Greg Apathy	Calculate vacancy rates by property form April 30, 2005 financial statements; discuss high vacancy rates with V. Lerch and T. Hester.	1.80
06/07/05	Greg Apathy	Phone with G. Markum to discuss turnover of management responsibilities for Vinewood property; follow-up with N. Ross and T. Malik; discuss transition with V. Lerch.	1.10
06/07/05	Nancy A. Ross	Review of open cash tracking report.	0.20
06/07/05	Nancy A. Ross	Call w/G. Markum re: management transition; call w/G. Apathy re: same; call w/T. Malik re: followup w/Ashman.	0.60
06/08/05	Greg Apathy	Update accounting for NUP and 3R; prepare cash flow report and compare to budget.	2.10
06/08/05	Greg Apathy	Prepare June budget for NUP and discuss with T. Gehrs.	2.20
06/08/05	Greg Apathy	Review accounts payable for each property and inquire with V. Lerch or T. Hester as to the nature of various payable balances.	1.30
06/08/05	Greg Apathy	Review payroll allocations and record into financial statements to determine level of funding by property.	1.70
06/08/05	Todd R.A. Gehrs	Review material forwarded by auditor re: ADC findings in audit report.	0.70
06/08/05	Nancy A. Ross	Respond to GMAC inquiries re: Boyle.	0.20



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/09/05	Greg Apathy	Review salaries and job descriptions of NUP employees; calculate potential bonus amounts.	0.90
06/09/05	Greg Apathy	Search computer system for drafts of 2004 property audits and review reports.	1.40
06/09/05	Greg Apathy	Review and respond to various emails concerning employee compensation issues.	0.50
06/09/05	Greg Apathy	Phone w/T. Gehrs to discuss transition of Vinewood management agent.	0.40
06/09/05	Todd R.A. Gehrs	Continued review of files forwarded by auditor re: ADC findings in regards to kitchen and bathroom replacements.	0.80
06/09/05	Todd R.A. Gehrs	Discussion with G. Apathy re: NUP operating budget, 3R operating budget, and transfers from Wells Fargo account to NUP Bank One account.	0.30
06/09/05	Todd R.A. Gehrs	Review Greenway Park mark to market denial form sent by HUD. Email to V. Lerch re: same.	0.30
06/09/05	Nancy A. Ross	Review of NUP May budget to actual and June budget; review of bonus and discussion w/G. Apathy.	0.40
06/09/05	Nancy A. Ross	Review correspondence from HUD re: Greenway Park and Section 8 contract; discuss w/T. Gehrs for followup.	0.20



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/10/05	Greg Apathy	Review potential bonus calculation and email to V. Lerch.	0.40
06/10/05	Greg Apathy	Review weekly deposits from properties; enter into QuickBooks.	0.30
06/10/05	Greg Apathy	Review May financial statements for K.C. Properties.	1.00
06/13/05	Greg Apathy	Review foreclosure notices for Linda Vista, Georgian Courts and Bainbridge.	0.60
06/13/05	Greg Apathy	Review financial statements for May on various properties.	1.60
06/13/05	Greg Apathy	Review cash positions at each property and accounts payable; revise schedules to isolated mortgage payables, due to NUP and ADC.	1.40
06/13/05	Greg Apathy	Review and record deposits to NUP accounts for management fees and payroll reimbursements; review payroll allocations.	1.30
06/13/05	Todd R.A. Gehrs	Review and respond to emails from N. Ross, HUD and V. Lerch re: pay raises for key employees, HUD foreclosure letters, NUP operational issues, and Queen transaction.	0.50
06/13/05	Todd R.A. Gehrs	Conference call with V. Lerch and G. Marcum re: transferring Vinewood management.	0.20
06/13/05	Todd R.A. Gehrs	Multiple discussions with V. Lerch, B. Soria and M. Candelario re: transferring management for Vinewood and information to send to Marcum Management.	0.40



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/13/05	Todd R.A. Gehrs	Brief review of cash/AR/AP tracking schedule for all managed properties.	0.60
06/13/05	Todd R.A. Gehrs	Meeting with Z. Bendaoui re: application of June management fees for Vinewood.	0.20
06/13/05	Nancy A. Ross	Review of various HUD correspondance re Greenway Park and Georgian Court.	0.20
06/13/05	Nancy A. Ross	Review various emails from NUP re management issues.	0.20
06/13/05	Catherine Ryan	Review cancelled checks for Greg or Todd's signature; follow-up w/Greg on several checks; copy statements and forward originals to 3R.	0.50
06/14/05	Todd R.A. Gehrs	Review previously authorized disbursement checks and compare to accounts payable detail, invoice, and new bank account numbers for Denver Gardens, Pine Lakes, Marygold, Pennbrooke, Linda Vista, Bainbridge, Greenway, and Alcazar.	1.30
06/14/05	Todd R.A. Gehrs	Prepare detailed schedule of payments for 3R and NUP and forward to J. Dill to have checks cut and forwarded to LA.	0.70
06/14/05	Todd R.A. Gehrs	Perform detailed review of accounts payable aging for Marygold, Tres Lomas, Woodlane, Denver Gardens, Pine Lakes, Alcazar, Bainbridge, Georgian Court, Linda Vista, Pennbrooke, and Greenway, including meeting with M. Candelario to discuss and prepare list of distributions to be made from each property account.	1.60
06/14/05	Todd R.A. Gehrs	Calls and discussions with L. Johnson and Jennifer Crothamel (GMAC) re: Boyle mortgage assignment extension. Draft email to V. Lerch re:	0.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
		same.	
06/14/05	Todd R.A. Gehrs	Perform detailed review of accounts payable aging for Aqua, Boyle, Casa Griffin, Columbia, Jewel Terrace, Premier, Princess, Queen, St. Andrews, Casa Grande, and Vinewood, including meeting with B. Soria to discuss and prepare list of distributions to be made from each property account.	1.30
06/14/05	Todd R.A. Gehrs	Review and respond to various emails from V. Lerch, G. Alberts and HUD re: management of R. Sahni's properties.	0.50
06/14/05	Nancy A. Ross	Review and respond to GMAC email re Boyle.	0.10
06/15/05	Todd R.A. Gehrs	Prepare for and attend meeting with L. Lee and T. West re: ADC investigation being performed by HUD.	1.10
06/15/05	Todd R.A. Gehrs	From HUD offices to Wilshire facility to meet w/Val Lerch.	0.50
06/15/05	Todd R.A. Gehrs	Review checks and compare to accounts payable aging, invoices, and new bank account information for Aqua, Boyle, Casa Griffin, Columbia, Jewel Terrace, Premier, Princess, Queen, St. Andrews, Casa Grande, and Vinewood properties.	1.40
06/15/05	Todd R.A. Gehrs	Meeting with G. Alberts and J. Ottero re: potential new employee for NUP.	0.70
06/15/05	Todd R.A. Gehrs	Discussion with M. Gomez re: continued compilation of material/documents requested by HUD.	0.30





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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/15/05	Todd R.A. Gehrs	Multiple discussions with M. Gomez and G. Alberts re: request from R. Sahni to compile documents in relation to communications with HUD relevant to the Georgian Court foreclosure proceedings.	0.60
06/15/05	Todd R.A. Gehrs	Review various emails from V. Lerch and HUD re: HUD subsidized properties.	0.40
06/15/05	Nancy A. Ross	Review of HUD correspondance re payroll allocations for NUP.	0.20
06/16/05	Todd R.A. Gehrs	Review and respond to emails from T. Hester, HUD, N. Ross, and V. Lerch re: NUP operational issues and issues relating to properties controlled by R. Sahni.	0.50
06/16/05	Todd R.A. Gehrs	Review letter received from HUD re: payroll allocations. Discussion with V. Lerch re: same.	0.40
06/16/05	Todd R.A. Gehrs	Review forms forwarded by T. Hester re: KC request for replacement reserves. Discussion with V. Lerch re: same.	0.50
06/16/05	Todd R.A. Gehrs	Multiple calls/discussions with Daisy Parks (HUD) re: Greenway Park HAP contract submission made by R. Sahni.	0.30
06/16/05	Todd R.A. Gehrs	Multiple meetings with V. Lerch and G. Alberts re: loss of key employee, staffing requirements, Queen transaction timing, Greenway Park HAP contract, and other HUD issues. Meeting with M. Easterday re: last day of employment and transitioning his role to a new employee.	1.60
06/16/05	Todd R.A. Gehrs	Review checks and compare to accounts payable aging, invoices, and new bank account information for Marygold, Tres Lomas, Woodlane,	1.30



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
		Denver Gardens, Pine Lakes, Alcazar, Bainbridge, Georgian Court, Linda Vista, Pennbrooke, and Greenway properties.	
06/16/05	Todd R.A. Gehrs	Discussion with B. Christianson re: potential new hire referral.	0.20
06/16/05	Todd R.A. Gehrs	Review May bank statements and all cleared checks for Marygold, Casa Grande, and Boyle apartments.	0.70
06/16/05	Todd R.A. Gehrs	Review of compiled and copied documents requested by HUD. Stored originals in locked file cabinet.	0.70
06/17/05	Todd R.A. Gehrs	Review and respond to various emails relating to NUP operations.	0.50
06/21/05	Greg Apathy	Review and respond to emails from G. Alberts and other NUP employees concerning various issues including personnel, contract renewals and cash flow position.	0.40
06/21/05	Todd R.A. Gehrs	Discussion with B. Soria re: preparing list of requested NUP disbursements.	0.20
06/21/05	Todd R.A. Gehrs	Brief review of cash/accounts receivable/accounts payable tracking schedule for each managed property prepared by Z. Bendaoui.	0.60
06/21/05	Todd R.A. Gehrs	Review NUP requested disbursements and all related backup documents. Forward list of approved disbursements to J. Dill. Call and discussion with J. Dill re: overnight mailing checks to NUP.	0.50
06/21/05	Todd R.A. Gehrs	Review accounts payable detail and meet with B. Soria to prepare disbursement request for Boyle, Casa Grande, Casa Griffin, Columbia,	1.60



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
		Jewel, Premier, Princess, Queen, St. Andrews, Aqua, and Vinewood.	
06/21/05	Todd R.A. Gehrs	Review information related to threatened lawsuit against NUP from check cashing facility.	0.30
06/21/05	Todd R.A. Gehrs	Review weekly vacancy report and discussion with M. Wiley re: same.	0.50
06/21/05	Todd R.A. Gehrs	Discussion with J. Blanco re: Boyle fire and lodging requirements for tenants. Review and execute checks to tenants for lodging.	0.30
06/21/05	Todd R.A. Gehrs	Discussions/correspondence with T. Hester re: Pennbrooke request of funds from reserve account.	0.30
06/21/05	Nancy A. Ross	Call with Paul Marengo re interest in LV and BB; discussion of Georgian Court also.	0.40
06/21/05	Nancy A. Ross	Discussion with T. Malik re information from HUD needed for response to Queen objection.	0.30
06/21/05	Nancy A. Ross	Review of emails re Greenway Park restructuring request; written response to HUD Kansas City re concurrence with request.	0.20
06/21/05	Nancy A. Ross	Review of HUD correspondance re Bainbridge and Linda Vista contract; forward same to R. Sahni with direction.	0.20
06/22/05	Greg Apathy	Review and respond to emails from T. Hester, M. Candalio, T. Gehrs, N. Ross, J. Blanco and V. Lerch concerning NUP operational issues.	0.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/22/05	Todd R.A. Gehrs	Review and respond to various emails from T. Hester, V. Lerch, and G. Alberts re: issues related to properties and HUD correspondence.	0.50
06/22/05	Todd R.A. Gehrs	Meeting with V. Lerch re: Boyle fire and insurance status, new staffing requirements, and property MOR's.	0.50
06/22/05	Todd R.A. Gehrs	Execute checks after comparing to disbursement list, invoices, accounts payable detail and new bank account information for Boyle, Casa Grande, Casa Griffin, Columbia, Jewel, Premier, Princess, Queen, St. Andrews, Aqua, and Vinewood properties.	1.10
06/22/05	Todd R.A. Gehrs	Discussion with M. Candelario re: obtaining disbursement request and accounts payable aging report for KC properties.	0.30
06/22/05	Todd R.A. Gehrs	Discussion with G. Apathy re: status of NUP operations, Vinewood transfer to Marcum Mgt., issues associated with payroll allocations, and Monestary Pointe.	0.40
06/22/05	Todd R.A. Gehrs	Discussion with M. Candelario and B. Soria re: posting payroll allocations to properties.	0.30
06/22/05	Todd R.A. Gehrs	Meeting with G. Alberts re: staffing changes and potential new employee.	0.50
06/22/05	Todd R.A. Gehrs	Review, execute and prepare copies of NUP checks forwarded from HRP office.	0.20
06/22/05	Todd R.A. Gehrs	Review payroll allocation report. Meeting with B. Soria to cut checks from properties to cover payroll allocations. Review and execute payroll allocation reimbursement checks.	0.70



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/22/05	Todd R.A. Gehrs	Discussion with G. Alberts re: request for NUP to loan money to KC properties to pay mortgages. Draft email to N. Ross and G. Apathy re: same.	0.20
06/22/05	Todd R.A. Gehrs	Discussion with V. Lerch and G. Apathy re: extension of NHDC's management agreement.	0.30
06/22/05	Todd R.A. Gehrs	Discussion with G. Mathews re: Boyle fire and insurance status, and REAC inspection for Columbia.	0.20
06/22/05	Todd R.A. Gehrs	Review 3R Companies computer network for files associated with ADC payments and contracts; compile documents to cd-rom.	1.30
06/22/05	Todd R.A. Gehrs	Review of M. Candelario's managed properties and prepare disbursement lists for each property.	0.80
06/23/05	Greg Apathy	Review and respond to various emails on personnel, accounting and property issues.	0.30
06/23/05	Todd R.A. Gehrs	Review and respond to voluminous emails from T. Hester, V. Lerch, N. Ross, G. Apathy, G. Alberts, and HUD re: operational issues at NUP and the managed properties.	0.80
06/23/05	Todd R.A. Gehrs	Meeting with V. Lerch re: status of properties MOR's completion and status of Vinewood transfer to new management.	0.60
06/23/05	Todd R.A. Gehrs	Meeting with V. Lerch and M. Gomez re: ability to complete all property MOR's by due dates.	0.40



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/23/05	Todd R.A. Gehrs	Meeting with M. Candelario re: preparation of final disbursement requests for her managed properties.	0.50
06/23/05	Todd R.A. Gehrs	Correspondence with R. Sahni re: HAP contracts to be executed and sent to the Receiver.	0.20
06/23/05	Todd R.A. Gehrs	Review checks and compare to invoices, accounts payable aging, and new account schedule for all properties managed by M. Candelario.	0.70
06/23/05	Todd R.A. Gehrs	Meetings with M. Candelario and B. Soria re: transition of property and posting of June management fees.	0.40
06/23/05	Nancy A. Ross	Address staffing issues at NUP re email from Gehrs.	0.20
06/23/05	Nancy A. Ross	Review of various HUD correspondance received.	0.20
06/24/05	Todd R.A. Gehrs	Review and respond to emails from company management and HUD re: issues related to managed properties and NUP operations.	0.50
06/24/05	Todd R.A. Gehrs	Discussions w/HUD re: issues related to R. Sahni controlled properties.	0.40
06/27/05	Greg Apathy	Update QuickBooks and review cash receipts and disbursements; review payroll ledgers and enter into cash flow statements.	1.10
06/27/05	Greg Apathy	Prepare July budget for NUP; review property payment history and available cash balance; update vacancy rates to determine anticipated rents.	2.00



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/27/05	Greg Apathy	Review payables request from K.C. properties.	0.40
06/27/05	Greg Apathy	Follow-up on cashing of money order to pay off payroll claim.	0.20
06/27/05	Greg Apathy	Review Payroll for 6/15/05 and allocations.	0.50
06/27/05	Todd R.A. Gehrs	Review list of payables requested to be paid by KC office. Forward same with comments to M. Candelario.	0.50
06/27/05	Todd R.A. Gehrs	Call to AWFMEEX to discuss ADC demand letter.	0.20
06/27/05	Todd R.A. Gehrs	Lengthy discussion with J. Otero re: ADC demand letter and backup documentation.	0.40
06/28/05	Greg Apathy	Record payroll allocations to properties; review property reimbursement status; prepare cash flows by property.	1.20
06/28/05	Greg Apathy	Meeting with T. Gehrs and N. Ross to discuss current status of properties and offers received to purchase properties.	0.50
06/28/05	Greg Apathy	Revise July budget for NUP; prepare estimate of free cash flow based on payroll, management fees and mortgage payment.	1.10
06/28/05	Greg Apathy	Review accounting and cash flows for NUP and properties; review cash reconciliations and cancelled checks.	1.10



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
06/28/05	Todd R.A. Gehrs	Brief review of cash/AP/AR report for each of the properties managed by NUP.	0.50
06/28/05	Nancy A. Ross	Address Kansas City management issues with G. Apathy.	0.10
06/29/05	Greg Apathy	Review check requests for NUP operating expenses; prepare and sign checks.	0.60
06/29/05	Greg Apathy	Respond to numerous emails concerning NUP operations, 3R sales and personnel issues.	0.60
06/29/05	Greg Apathy	Revise July budget and inception to date cash flows based on bank reconciliation adjustments.	0.60
06/30/05	Greg Apathy	Review latest K.C. property and vacancy report and discuss with V. Lerch; discuss status of T. Hester with T. Gehrs.	1.30
06/30/05	Greg Apathy	Discuss current budgets for NUP and 3R with Todd Gehrs; review timing of disbursements and receipts for NUP to ensure available cash.	1.00
07/01/05	Todd R.A. Gehrs	Review cash flow by property since inception of Receivership.	0.50
07/01/05	Todd R.A. Gehrs	Review and respond to emails relating to NUP operations.	0.50
07/01/05	Nancy A. Ross	Review of HUD correspondence and forward to NUP.	0.20





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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/01/05	Nancy A. Ross	Consider and respond to email re AWFMEEX request to review ADC backup; also email to Winston re additional action to take re ADC.	0.50
07/05/05	Todd R.A. Gehrs	Review emails from NUP management, N. Ross, and various HUD personnel re: managed property issues.	0.50
07/06/05	Todd R.A. Gehrs	Review emails from NUP management re: managed property issues to be resolved.	0.50
07/06/05	Todd R.A. Gehrs	Brief review of cash/accounts receivable/accounts payable tracking schedules for managed properties.	0.50
07/06/05	Todd R.A. Gehrs	Review utility disbursements for NUP managed properties and compare to invoices and accounts payable aging prior to execution of checks.	1.20
07/06/05	Todd R.A. Gehrs	Perform detailed review of accounts payable aging for Marygold, Tres Lomas, Woodlane, Denver Gardens, Pine Lakes, Alcazar, Bainbridge, Georgian Court, Linda Vista, Pennbrooke, and Greenway, including meeting with M. Candelario to discuss and prepare list of distributions to be made from each property account.	1.10
07/06/05	Todd R.A. Gehrs	Review and execute NUP operational disbursements.	0.30
07/06/05	Todd R.A. Gehrs	Discussion with J. Otero re: ADC analysis.	0.20
07/06/05	Todd R.A. Gehrs	Review accounts payable detail and meet with B. Soria to prepare disbursement request for Boyle, Casa Grande, Casa Griffin, Columbia, Jewel, Premier, Princess, Queen, St. Andrews, Aqua, Vinewood and additional NUP operation expenses.	1.00



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/06/05	Todd R.A. Gehrs	Prepare for meeting with J. Otero and compile documents re: ADC analysis.	0.40
07/06/05	Todd R.A. Gehrs	Draft list of items to be addressed in relation to the KC properties and forward to T. Hester and V. Lerch.	0.50
07/06/05	Todd R.A. Gehrs	Meeting with M. Gomez re: HUD MOR response preparation.	0.40
07/06/05	Todd R.A. Gehrs	Execute checks after comparing to disbursement list, invoices, accounts payable detail and new bank account information for Boyle, Casa Grande, Casa Griffin, Columbia, Jewel, Premier, Princess, Queen, St. Andrews, Aqua, and Vinewood properties.	1.60
07/06/05	Nancy A. Ross	Review of email from L. Lee of HUD with correspondance from R. Sahni to H. West of HUD; response to L. Lee.	0.60
07/06/05	Catherine Ryan	Phone w/M. Candelario at NUP re: payments sent to Jackson County Prosecuting Attorney's office; call to Prosecuting Attorney's office; call to Bank One re: stopping payment on certified checks.	0.50
07/07/05	Todd R.A. Gehrs	Call to J. Bauer re: ADC demand letter.	0.10
07/07/05	Todd R.A. Gehrs	Meeting with V. Lerch re: status of NUP operations, HUD MOR's to be prepared, and NUP personnel issues.	0.50
07/07/05	Todd R.A. Gehrs	Meeting with V. Lerch and J. Otero re: ADC analysis and contract defaults.	1.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/07/05	Todd R.A. Gehrs	Execute checks after comparing to disbursement list, invoices, accounts payable detail and new bank account information for Marygold, Tres Lomas, Woodlane, Denver Gardens, Pine Lakes, Alcazar, Bainbridge, Georgian Court, Linda Vista, Pennbrooke, and Greenway.	1.50
07/07/05	Todd R.A. Gehrs	Discussion with T. Hester re: emergency checks to process for KC properties.	0.30
07/07/05	Todd R.A. Gehrs	Review ADC documents compiled for HUD upon their request.	2.10
07/07/05	Nancy A. Ross	Review and respond to Gehrs re D. Banks claim.	0.20
07/08/05	Todd R.A. Gehrs	Review and respond to 3R and NUP email correspondence re: proposed sale transactions and NUP operational issues.	0.50
07/08/05	Nancy A. Ross	Review of HUD correspondance and forward to NUP and R. Sahni.	0.20
07/11/05	Greg Apathy	Review numerous emails concerning operational issues at properties; respond to various emails concerning KC properties; discuss status with T. Gehrs.	0.80
07/11/05	Todd Plugge	Review 25 bank statements and canceled checks for each property; copy and forward to NUP personnel.	1.30
07/12/05	Greg Apathy	Review weekly cash tracker to determine cash availability and position; review payables for all properties.	1.80



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/12/05	Greg Apathy	Review disbursement request from T. Hester for KC properties.	0.60
07/12/05	Greg Apathy	Update QuickBooks for NUP and record prior week deposits; reconcile cash accounts and individual property balances; review actual results and compare to budget.	2.50
07/12/05	Greg Apathy	Phone with Markum Management Co. to discuss transition of Vinewood property and required information.	0.20
07/12/05	Greg Apathy	Review accounts payables and discuss payments with B. Martinez for Casa Griffin, Columbia, Jewel, Premier, Princess, Queen, St. Andrews, Aqua Casa Grande, Vinewood and Woodlane apartments.	1.20
07/12/05	Greg Apathy	Review accounts payables and discuss payments with M. Candelario for Marygold, Tres Lomas, Denver Gardens, Pine Lake, Alcazar, Bainbridge, Georgian Courts, Linda Vista, Pennbrooke and Greenway apartments.	1.70
07/12/05	Greg Apathy	Review and sign checks for Casa Griffin, Columbia, Jewel, Premier, Princess, Queen, St. Andrews, Aqua Casa Grande, Vinewood and Woodlane apartments.	1.10
07/12/05	Todd Plugge	Review 9 bank statements and canceled checks for each property; copy and forward to NUP personnel.	0.90
07/12/05	Nancy A. Ross	Review of emails re: operational requirement, HUD correspondence.	0.50
07/13/05	Greg Apathy	Discussion with V. Lerch on transition of information for Vinewood property.	0.10



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/13/05	Greg Apathy	Discuss current status of missing Section 8 contracts.	0.30
07/13/05	Greg Apathy	Review payables and cash for Acazar and approve checks to be disbursed.	0.30
07/13/05	Greg Apathy	Review and send out KC payable report.	0.30
07/13/05	Greg Apathy	Review and sign checks for Marygold, Tres Lomas, Denver Gardens, Pine Lake, Alcazar, Bainbridge, Georgian Courts, Linda Vista, Pennbrooke and Greenway apartments.	1.40
07/13/05	Greg Apathy	Review and revise bonus calculation.	0.40
07/13/05	Greg Apathy	Review and respond to numerous emails concerning various NUP operational issues.	0.30
07/13/05	Greg Apathy	Discuss payroll allocations with V. Lerch and review response to HUD.	0.20
07/13/05	Greg Apathy	Review NUP's cash position after all disbursements.	0.50
07/14/05	Greg Apathy	Discuss various KC issues with V. Lerch.	0.50
07/14/05	Greg Apathy	Revised proposed bonus and discuss with M. Candelario; draft letter to employees re: bonus.	1.00
07/14/05	Greg Apathy	Draft response to open KC issues and distribute to V. Lerch and T. Hester.	1.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/14/05	Greg Apathy	Discuss additional checks to issue on properties with M. Candalario and review invoices.	0.30
07/14/05	Greg Apathy	Enter daily deposits and update cash flow statements; compare actual cash flow to budget.	0.90
07/14/05	Greg Apathy	Discuss open HUD contracts with V. Lerch and email issues to T. Hester and others.	0.60
07/14/05	Greg Apathy	Review and respond to numerous emails concerning property operations; discuss fire at Jewel apartments with J. Blanco; review potential sales of properties.	0.90
07/14/05	Nancy A. Ross	Review and approval of NUP employee bonuses.	0.10
07/18/05	Greg Apathy	Review and respond to numerous emails from G. Alberts, V. Lerch, T. Hester, N. Ross and L. Lee concerning various issues including payroll allocations, Pine Lake audit reports, vacancy reports and other.	0.80
07/18/05	Todd R.A. Gehrs	Review voluminous emails for past 10-days from NUP management, G. Alberts, T. Hester, N. Ross, HUD personnel, interested parties, and legal counsel re: potential property sales, NUP operating issues, managed property issues and 3R related operating issues.	3.60
07/18/05	Nancy A. Ross	Call from Ingrid Sahni re Pine Lakes.	0.10
07/19/05	Greg Apathy	Review and respond to emails from M. Smith on various issues at K.C. locations.	0.20



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/19/05	Greg Apathy	Finalize bonus calculation and discuss with M. Candelario; review preliminary check register.	0.50
07/19/05	Greg Apathy	Phone with T. Gehrs to discuss transition of Vinewood, potential buyers for Casa Grande and Columbia and current cash position.	0.40
07/19/05	Todd R.A. Gehrs	Discussion w/G. Apathy re: status of case, potential property sales, and NUP/managed property issues.	0.40
07/19/05	Todd R.A. Gehrs	Calls/discussions w/D. Marcum re: Section 8 receipt and RCS renewal.	0.30
07/19/05	Todd R.A. Gehrs	Review emails re: NUP operations and managed property issues and emergency check requests.	0.50
07/19/05	Todd R.A. Gehrs	Discussion w/Z. Bendaoui, G. Apathy, and B. Soria re: Section 8 disbursements, final payroll allocations, and correspondence with new management company.	0.60
07/19/05	Todd R.A. Gehrs	Meeting w/M. Gomez re: preparation of responses to MOR's received by the properties and information to be compiled for Georgian Court and Pine Lake.	0.60
07/19/05	Todd R.A. Gehrs	Search files for copy of recent final audit report for Pine Lake; call to auditor re: same.	0.90
07/19/05	Todd R.A. Gehrs	Meeting w/J. Otero re: allocation of payroll to properties and response to HUD's request.	0.30



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/19/05	Todd R.A. Gehrs	Discussion w/G. Apathy re: Pine Lake audit; call to K. Schrupp re: obtain copy of 2004 audit.	0.20
07/19/05	Todd R.A. Gehrs	Discussions w/G. Alberts and J. Otero re: HUD jurisdiction issues.	0.30
07/20/05	Greg Apathy	Conference call with T. Gehrs, V. Lerch and J. Ortero to discuss issues with HUD including payroll allocations, ADC and other.	1.30
07/20/05	Greg Apathy	Review and respond to emails from G. Alberts concerning operating issues of NUP; phone with T. Gehrs to follow-up on issues.	0.50
07/20/05	Todd R.A. Gehrs	Meeting w/V. Lerch re: HUD's response to payroll allocation, ADC issues, and J. Otero's role in NUP.	0.60
07/20/05	Todd R.A. Gehrs	Review accounts payable detail and meet w/B. Soria to prepare disbursement request for Boyle, Casa Grande, Casa Griffin, Columbia, Jewel, Premier, Princess, Queen St. Andrews, Aqua, and Vinewood.	1.20
07/20/05	Todd R.A. Gehrs	Perform detailed review of accounts payable aging for Marygold, Tre Lomas, Woodlane, Denver Gardens, Pine Lakes, Alcazar, Bainbridge, Georgian Court, Linda Vista, Pennbrooke, and Greenway, including meeting w/M. Candelario to discuss and prepare list of distributions to be made from each property account.	1.60
07/20/05	Todd R.A. Gehrs	Review/respond to emails from V. Lerch and G. Alberts re: NUP operational issues, managed property issues, and payroll allocation.	0.50
07/20/05	Todd R.A. Gehrs	Prepare for and attend meeting w/J. Otero, G. Apathy (telephonically), and V. Lerch to discuss ADC issues, employee compensation issues,	1.90





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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
		payroll allocations, and scheduled property sales.	
07/20/05	Todd R.A. Gehrs	Execute checks after comparing to disbursement list, invoices, accounts payable detail and new bank account information for Boyle, Casa Grande, Casa Griffin, Columbia, Jewel, Premier, Princess Queen, St. Andrews, Aqua, and Vinewood properties.	1.80
07/20/05	Todd R.A. Gehrs	Various meetings w/employees re: compensation.	0.50
07/21/05	Greg Apathy	Conference call with V. Lerch, T. Gehrs, G. Alberts and J. Ortero to discuss numerous NUP issues including ADC, payroll allocations, other HUD issues, personnel and NUP management.	1.80
07/21/05	Greg Apathy	Review weekly cash tracker report and inquire on cash balances of various properties; discuss missing Section 8 money with N. Ross, T. Hester and V. Lerch.	0.60
07/21/05	Todd R.A. Gehrs	Prepare for and attend meeting w/V. Lerch, G. Alberts, J. Otero, and G. Apathy (telephonically) re: ADC issues, NUP employee issues and compensation issues, allocation of payroll to properties, and scheduled property sales.	2.20
07/21/05	Todd R.A. Gehrs	Review checks and compare to accounts payable aging, invoices, and new bank account information for Marygold, Tred Lomas, Woodlane, Denver Gardens, Pine Lakes, Alcazar, Bainbridge, Georgian Court, Linda Vista, Pennbroke, and Greenway properties.	1.80
07/21/05	Todd R.A. Gehrs	Meetings w/NUP personnel re: Section 8 cash receipts, production of reports on a timely manner and preparation of additional due diligence related materials.	1.20



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/21/05	Nancy A. Ross	Review of correspondance from GMAC re Pennebrooke; email to Apathy re status; review of A/P and cash position.	0.20
07/22/05	Greg Apathy	Review current payroll allocation and check requests.	0.60
07/22/05	Greg Apathy	Review entry of checks to QuickBooks and update cash flow schedules.	0.50
07/22/05	Greg Apathy	Compare actual cash flows to budget.	0.50
07/22/05	Todd R.A. Gehrs	Review/respond to various emails re: potential property sales and NUP/managed property issues.	0.50
07/25/05	Todd R.A. Gehrs	Calls/discussions w/M. Gomez re: preparation of excess income reports for Queen Apartments for 1999 through present.	0.30
07/25/05	Todd R.A. Gehrs	Call to J. Postma re: managed property audits and tax returns.	0.20
07/25/05	Todd R.A. Gehrs	Calls to Z. Bendaoui, L. Alden and J. Dill re: bank fees being charged to the property accounts.	0.30
07/25/05	Nancy A. Ross	Review of inquiry from auditor; discussion of audit shortcomings with T. Gehrs.	0.20
07/26/05	Greg Apathy	Review and respond to emails from V. Lerch, G. Alberts and others concerning bonus payments, HUD issues and various NUP expenses.	0.40



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/26/05	Greg Apathy	Review property financial statements for California (excluding LA) properties.	0.80
07/26/05	Todd R.A. Gehrs	Discussion w/J. Postma re: outstanding invoices for audits and tax returns for managed properties; review files relating to same.	0.70
07/27/05	Greg Apathy	Review Greenway accounts payables and determine cash disbursements based on Section 8 money received; discuss payments with M. Candelario.	0.80
07/27/05	Greg Apathy	Review and respond to numerous emails concerning contract renewals for various properties; past due Section 8 money and HUD issues.	0.50
07/27/05	Todd R.A. Gehrs	Review files for information re: Pennbrooke HAP renewal contract pursuant to request from N. Ross; draft email response re: same and forward executed HAP contract to secured lender.	0.70
07/27/05	Todd R.A. Gehrs	Correspondence w/V. Lerch and T. Hester re: property issues for Queen, Pennbrooke and other KC properties.	0.50
07/27/05	Todd R.A. Gehrs	Discussion and email correspondence w/M. Gomez re: preparation of excess rental income reports for all managed properties (from 1999 through present).	0.50
07/27/05	Todd R.A. Gehrs	Email correspondence and call to B. Soria and M. Candelario re: transfer of funds received to new management company; email to D. Marcum re: same.	0.50



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/27/05	Todd R.A. Gehrs	Review all Queen Apartment excess rental income reports (from 1999 through present) and correspondence w/HUD re: same.	0.90
07/27/05	Todd Plugge	Calculate total invoices and amount payable for Greenway Apartments.	0.80
07/28/05	Greg Apathy	Review and respond to email from V. Lerch on Columbia REAC score; review REAC report.	0.50
07/28/05	Greg Apathy	Inquire on bills paid to wrong remittance address.	0.20
07/28/05	Greg Apathy	Review invoices for security at Georgian Courts and Bainbridge; discuss with T. Hester.	0.30
07/28/05	Greg Apathy	Review financial statements for LA properties.	0.90
07/29/05	Greg Apathy	Update cash flow/QuickBook schedules for deposits and payroll; compare results to budget.	1.10
07/29/05	Greg Apathy	Review cash tracker reports for property cash position.	0.40
07/29/05	Todd R.A. Gehrs	Review/respond to various emails received from G. Alberts, V. Lerch, and R. Sahni re: managed property issues.	0.60
07/29/05	Todd R.A. Gehrs	Review of documents compiled by M. Gomez re: ADC analysis.	0.30
07/29/05	Todd R.A. Gehrs	Discussion w/R. Sahni re: refusal to sign Queen HAP extension contract.	0.20



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Project No. 15 (continued)

MGT. OF HUD SUBSIDIZED OR INSURED PROPERTIES

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>
07/29/05	Todd R.A. Gehrs	Email correspondence, calls/discussions w/V. Lerch re: obtaining information on Casa Grande tenant transfers and Queen HAP extension.	0.50
08/01/05	Todd R.A. Gehrs	Review and respond to emails from V. Lerch re: NUP and managed property issues.	0.50
08/02/05	Greg Apathy	Meeting with M. Candelario to discuss KC properties, Pine Lake, Woodlane, Greenway, Marygold and Tres Lomas cash position and accounts payables.	2.10
08/02/05	Greg Apathy	Meeting with B. Soria to discuss LA properties and Casa Grande cash position and accounts payables.	1.20
08/02/05	Greg Apathy	Review corporate expenses for payment; review request from KC office for payment of invoices at properties.	0.60
08/02/05	Greg Apathy	Review security expenses for Georgian Court and Bainbridge; discuss same with T. Hester.	0.30
08/02/05	Greg Apathy	Address various creditor issues on NUP Corporate and discuss with T. Gehrs.	0.30
08/02/05	Greg Apathy	Update QuickBooks and prepare cash flow statement; compare cash flow statement to budget.	0.80
08/02/05	Greg Apathy	Review letters from NHDC terminating management contracts; discuss transition issues with T. Tobin of NHDC.	0.40