

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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: **Chapter 11**  
: **Case No. 12-11076 (SHL)**  
: **(Jointly Administered)**  
: **Debtors.**  
: **(Jointly Administered)**  
: **(Jointly Administered)**  
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**FIRST MONTHLY FEE STATEMENT OF KPMG LLP  
AS TAX CONSULTANTS FOR ALLOWANCE OF COMPENSATION AND  
REIMBURSEMENT OF EXPENSES FOR THE PERIOD BEGINNING  
MARCH 19, 2012 THROUGH JUNE 30, 2012**

Name of Applicant:	KPMG LLP
Authorized to Provide Professional Services to:	Debtors and Debtors in Possession
Date of Retention:	July 11, 2012 <i>nunc pro tunc</i> to March 19, 2012
Period for which Compensation and Expense Reimbursement is sought:	March 19, 2012 through June 30, 2012
Amount of Fees:	\$ 17,820.80 <sup>1</sup>
Amount of Expense Reimbursement:	\$ 0.00

This is an:  Monthly  Interim  Final Application

<sup>1</sup> \$14,256.64 represents 80% of compensation sought as reimbursement for fees for the First Monthly Fee Statement.

**EXHIBIT A**

Arcapita Bank B.S.C. (c)  
Summary Of Hours and Fees Incurred By Professional  
March 19, 2012 through June 30, 2012

<b>Professional</b>	<b>Position</b>	<b>Current Hours Billed</b>	<b>Hourly Rate</b>	<b>Fees Billed</b>
DeCairano,Jill M	Manager	8.0	\$ 460.00	\$ 3,680.00
Kim,Dale Y	Manager	0.5	\$ 492.00	\$ 246.00
Sellers,Monica	Manager	13.9	\$ 492.00	\$ 6,838.80
Tatum,Pamela Renea	Senior Associate	2.0	\$ 364.00	\$ 728.00
Beel,Ryan C	Senior Associate	12.0	\$ 364.00	\$ 4,368.00
Lewis, Kimberlyetta R	Associate	4.0	\$ 280.00	\$ 1,120.00
Chigurupati, Vijaya	Paraprofessional	6.0	\$ 140.00	\$ 840.00
<b>Total Hours and Fees</b>		<b>46.4</b>		<b>\$ 17,820.80</b>
Fees				\$ 17,820.80
Out of Pocket Expenses				\$ -
<b>Subtotal of Fees and Out of Pocket Expenses</b>				<b>\$ 17,820.80</b>
less Holdback Adjustment (20% of Fees)				\$ (3,564.16)
<b>Net Requested Fees &amp; Out of Pocket Expenses</b>				<b>\$ 14,256.64</b>
<b>Hourly Blended Rate</b>		<b>\$ 384.07</b>		

**EXHIBIT B**

Arcapita Bank B.S.C. (c)  
Summary of Hours and Fees Incurred by Category  
March 19, 2012 through June 30, 2012

<u>Category</u>	<u>Exhibit</u>	<u>Hours</u>	<u>Fees</u>
Tax Compliance Services	D1	30.5	\$ 10,254.00
Retention Preparation	D2	13.9	\$ 6,838.80
Fee Application Preparation	D3	2.0	\$ 728.00
	<b>Total</b>	<b>46.4</b>	<b>\$ 17,820.80</b>

**EXHIBIT C**

Arcapita Bank B.S.C. (c)  
Summary of Out of Pocket Expenses  
March 19, 2012 through June 30, 2012

<u>Category</u>	<u>Amount</u>
Airfare	\$ -
Lodging	\$ -
Meals	\$ -
Ground Transportation	\$ -
Miscellaneous	\$ -
<b>Total</b>	<b>\$ -</b>

**EXHIBIT C1**

Arcapita Bank B.S.C. (c)  
Detail of Out of Pocket Expenses  
March 19, 2012 through June 30, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Amount</b>
		<b>Air Fare Subtotal</b>	<u>\$ -</u>
		<b>Lodging Subtotal</b>	<u>\$ -</u>
		<b>Meals Subtotal</b>	<u>\$ -</u>
		<b>Ground Transportation Subtotal</b>	<u>\$ -</u>
		<b>Miscellaneous Subtotal</b>	<u>\$ -</u>
		<b>Total Out of Pocket Expenses</b>	<u><u>\$ -</u></u>

**EXHIBIT D1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through June 30, 2012 <sup>(1)</sup>

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Beel,Ryan C	26-Mar-12	Respond to Missouri notice for US Assisted Living Facilities III and US Senior Living Funding.	1.0	\$364.00	\$ 364.00
Kim,Dale Y	05-Apr-12	Respond to New York State (NYS) unclaimed property noncompliance notice.	0.5	\$492.00	\$ 246.00
Lewis, Kimberlyetta R	05-Jun-12	Calculated US Senior Living Inc. & Subs 2012 Q2 estimated payments as stated in the engagement letter. This calculation is for the following jurisdictions: Federal, Arizona, California, Florida, Georgia, Illinois, New York State, NY MTA, Oklahoma and Virginia.	2.0	\$280.00	\$ 560.00
Lewis, Kimberlyetta R	05-Jun-12	Calculated US Senior Living Inc. stand alone 2012 Q2 estimated payments as stated in the engagement letter for the following jurisdictions: Missouri, North Carolina and Oklahoma.	1.0	\$280.00	\$ 280.00
Lewis, Kimberlyetta R	05-Jun-12	Calculated USSLF Subco. Inc. stand alone 2012 Q2 estimated payments as stated in the engagement letter for the following jurisdictions: Missouri, North Carolina and Oklahoma.	1.0	\$280.00	\$ 280.00
DeCairano,Jill M	13-Jun-12	Communication with M. Casey (Arcapita) and each of the joint venture contacts to gather information to prepare Q2 estimates for all entities listed in EL.	1.5	\$460.00	\$ 690.00
DeCairano,Jill M	13-Jun-12	Review Q2 Estimates for all entities provided for in the EL.	2.5	\$460.00	\$ 1,150.00
DeCairano,Jill M	13-Jun-12	Manager review of the OK tax return for U.S. Senior Living Funding, Inc.	2.0	\$460.00	\$ 920.00
DeCairano,Jill M	13-Jun-12	Manager review of the W-8BENs (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) for all entities provided for in the EL where applicable.	2.0	\$460.00	\$ 920.00

**EXHIBIT D1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through June 30, 2012 <sup>(1)</sup>

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Beel,Ryan C	14-Jun-12	Communication with M. Casey (Arcapita) regarding the appropriate information for the Q2 estimates for the Arcapita entities.	0.2	\$364.00	\$ 72.80
Beel,Ryan C	14-Jun-12	Completed the Arcapita Q2 tax summary schedule.	0.8	\$364.00	\$ 291.20
Beel,Ryan C	14-Jun-12	Consolidated OK BT-190 (Business Activity Tax) Return.	2.0	\$364.00	\$ 728.00
Beel,Ryan C	28-Jun-12	Reviewed Orlando Residential Holding Company's workpapers.	3.9	\$364.00	\$ 1,419.60
Chigurupati, Vijaya	29-Jun-12	Prepare the Orlando Residential Holding company's tax work papers.	3.9	\$140.00	\$ 546.00
Chigurupati, Vijaya	29-Jun-12	Prepared the federal tax return for Orlando Residential Holding	2.1	\$140.00	\$ 294.00
Beel,Ryan C	29-Jun-12	Reviewed Orlando Residential Holding Company's federal return.	3.6	\$364.00	\$ 1,310.40
Beel,Ryan C	29-Jun-12	Reviewed Orlando Residential Holding Company's Florida return.	0.5	\$364.00	\$ 182.00
<b>Total Tax Compliance Services</b>			<b>30.5</b>		<b>\$10,254.00</b>

<sup>(1)</sup> Hours billed in this Monthly Fee Statement include time incurred in previous months that was not previously billed.

**EXHIBIT D2**

Arcapita Bank B.S.C. (c)  
Retention Preparation  
March 19, 2012 through June 30, 2012 <sup>(1)</sup>

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Sellers,Monica	19-Mar-12	Review internal system regarding Arcapita filing, reach out to Partner and Manager for discussion of procedures during bankruptcy.	0.6	\$492.00	\$ 295.20
Sellers,Monica	20-Mar-12	Correspond with M. Grande and J. DeCairano (both KPMG) discussing bankruptcy requirements, inquire regarding services to be performed during bankruptcy and retention process and those requirements.	0.7	\$492.00	\$ 344.40
Sellers,Monica	27-Mar-12	Transmit communication to S. Carlin (KPMG) regarding new bankruptcy matter, services performed and other pertinent retention matters.	0.1	\$492.00	\$ 49.20
Sellers,Monica	27-Mar-12	Begin drafting Grande Declaration in Arcapita matter.	0.5	\$492.00	\$ 246.00
Sellers,Monica	27-Mar-12	Discussion with counsel regarding KPMG retention in matter and follow-up with email requesting interested party list.	0.2	\$492.00	\$ 98.40
Sellers,Monica	29-Mar-12	Finalize rough draft of declaration; create draft retention order and send both to Gibson Dunn & Crutcher (GD&C).	0.6	\$492.00	\$ 295.20
Sellers,Monica	02-Apr-12	Discussions during day with Engagement Management Coordinator to compile date to address 90 day payment information in Partner Declaration.	0.3	\$492.00	\$ 147.60
Sellers,Monica	04-Apr-12	Revise Declaration with additional details provided and provide to M. Grande and J. DeCairano (both KPMG).	0.4	\$492.00	\$ 196.80
Sellers,Monica	05-Apr-12	Review and revise schedule to be incorporated into retention documents.	0.1	\$492.00	\$ 49.20
Sellers,Monica	20-Apr-12	Review retention documents and provide for internal review and approval; transmit to Debtors' counsel.	0.6	\$492.00	\$ 295.20
Sellers,Monica	20-Apr-12	Send disinterestedness email to all professionals providing services to Arcapita during bankruptcy period.	0.2	\$492.00	\$ 98.40



**EXHIBIT D2**

Arcapita Bank B.S.C. (c)  
Retention Preparation  
March 19, 2012 through June 30, 2012 <sup>(1)</sup>

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Sellers,Monica	23-Apr-12	Transmit communication with Partner and Manager regarding retention.	0.1	\$492.00	\$ 49.20
Sellers,Monica	24-Apr-12	Call with K. Goodheart (KPMG) regarding retention and transmit communication to D. Shontz and S. Carlin. Call with J. Weiser and S. Liu (Debtors' counsel) regarding same.	0.3	\$492.00	\$ 147.60
Sellers,Monica	25-Apr-12	Create retention application per request of Debtors' counsel.	1.8	\$492.00	\$ 885.60
Sellers,Monica	25-Apr-12	Revise Declaration with comments from counsel and incorporate additional disclosures into Declaration.	0.9	\$492.00	\$ 442.80
Sellers,Monica	25-Apr-12	Create schedules to be incorporated into retention document.	1.0	\$492.00	\$ 492.00
Sellers,Monica	25-Apr-12	Transmit retention information to Debtors' counsel along with summaries and descriptions.	0.4	\$492.00	\$ 196.80
Sellers,Monica	26-Apr-12	Revise retention documents throughout day incorporating additional information received from tax team; transmit to Tax Partner and Tax Manager for review and approval.	0.9	\$492.00	\$ 442.80
Sellers,Monica	26-Apr-12	Call with S. Liu (GD&C) to discuss counsel's specific revisions. Summarize counsel's revisions and transmit communication to M. Grande, J. DeCairano and S. Carlin (all KPMG) regarding revisions as noted by Debtors' counsel and request approval of Declaration.	0.7	\$492.00	\$ 344.40
Sellers,Monica	26-Apr-12	Follow-up call with S. Liu (GD&C) regarding KPMG's retention and revisions in retention documents.	0.2	\$492.00	\$ 98.40
Sellers,Monica	27-Apr-12	Continue to complete retention documents for filing; update tax team regarding status of Debtors' counsel review.	0.4	\$492.00	\$ 196.80

**EXHIBIT D2**

Arcapita Bank B.S.C. (c)  
Retention Preparation  
March 19, 2012 through June 30, 2012 <sup>(1)</sup>

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Sellers,Monica	01-May-12	Review revised retention documents; summarize changes made by Debtors' counsel and send to S. Carlin (KPMG) for comments. Transmit tracked changes file to S. Liu (GD&C).	0.8	\$492.00	\$ 393.60
Sellers,Monica	02-May-12	Call with S. Carlin (KPMG) regarding Arcapita; call with Serena at Debtors' counsel regarding outstanding items to complete retention documents and email out files.	0.8	\$492.00	\$ 393.60
Sellers,Monica	11-Jun-12	Review email received regarding US Trustee questions and send out for response to Partner and Sr. Manager	0.1	\$492.00	\$ 49.20
Sellers,Monica	25-Jun-12	Communications with M. Grande (KPMG) regarding revised order, provide updated language provided by S. Liu (Debtors' counsel). Transmit communication for approvals of same language with S. Carlin (KPMG). Communications throughout day with S. Liu regarding hearing on 6/26 and provide Partner with details regarding same.	0.9	\$492.00	\$ 442.80
Sellers,Monica	26-Jun-12	Discussion regarding hearing and respond to questions and provide assistance to Partner, discuss results of retention hearing and go forward from compensation perspective and timing.	0.3	\$492.00	\$ 147.60
<b>Total Retention Preparation</b>			<b>13.9</b>		<b>\$6,838.80</b>

<sup>(1)</sup> Hours billed in this Monthly Fee Statement include time incurred in previous months that was not previously billed.

**EXHIBIT D3**

Arcapita Bank B.S.C. (c)  
Fee Application Preparation  
March 19, 2012 through June 30, 2012 <sup>(1)</sup>

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Tatum,Pamela Renea	09-Apr-12	Review related documents to prepare the time template and distribute to team.	1.0	\$364.00	\$ 364.00
Tatum,Pamela Renea	09-Apr-12	Review Arcapita court documents in order to determine timing of filing of monthly documents for compensation, parties to be noticed regarding monthly fee statements, billing rates for various personnel, etc.	0.4	\$364.00	\$ 145.60
Tatum,Pamela Renea	19-Jun-12	Review the June time details and provide comments to the manager to address.	0.6	\$364.00	\$ 218.40
<b>Total Fee Application Preparation</b>			<u><u>2.0</u></u>		<u><u>728.00</u></u>

<sup>(1)</sup> Hours billed in this Monthly Fee Statement include time incurred in previous months that was not previously billed.