

OFFICE OF THE UNITED STATES TRUSTEE
FOR THE DISTRICT OF MARYLAND - GREENBELT DIVISION
POST-CONFIRMATION QUARTERLY REPORT

DEBTOR: KH Funding Company CH. 11 CASE NO: 160-10-37371

FOR QUARTER ENDED: March 31, 2014

SUMMARY OF DISBURSEMENTS MADE DURING QUARTER:

1. CASH BALANCE, BEGINNING OF QUARTER	<u>\$ 2,677,916.51</u>
2. CASH RECEIPTS DURING QUARTER FROM ALL SOURCES	<u>35,378.13</u>
3. CASH DISBURSEMENTS DURING QUARTER, INCLUDING PLAN PAYMENTS	<u>(1,365,692.13)</u>
4. CASH BALANCE, END OF QUARTER (OR AS OF REPORT DATE FOR FINAL REPORT)	<u>\$ 1,347,601.51</u>

SUMMARY OF AMOUNTS DISBURSED UNDER PLAN:

	Paid During Quarter	Total Paid to Date	Total Pmts. Projected Under Plan ⁽¹⁾
1. ADMINISTRATIVE EXPENSES			
Plan Trustee Compensation	<u>\$ 32,120.00</u>	<u>\$ 346,943.11</u>	<u>\$ 325,000.00</u>
Plan Trustee Expense	<u>-</u>	<u>-</u>	<u>not specified</u>
Attorney Fees - Trustee/Creditor Committee	<u>1,036,894.14</u>	<u>1,547,914.21</u>	<u>175,000.00</u>
Attorney Fees - Debtor	<u>-</u>	<u>388,779.83</u>	<u>200,000.00</u>
Other Professionals	<u>281,830.50</u>	<u>664,051.83</u>	<u>378,000.00</u>
Other Administrative Expenses - Operating	<u>14,847.49</u>	<u>366,808.60</u>	<u>248,900.00</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>\$ 1,365,692.13</u>	<u>\$ 3,294,497.58</u>	<u>\$ 1,326,900.00</u>
2. SECURED CREDITORS	<u>\$ -</u>	<u>\$ 54,823.00</u>	<u>not specified</u>
3. PRIORITY CREDITORS	<u>\$ -</u>	<u>\$ 56,576.08</u>	<u>\$ 57,000.00</u>
4. UNSECURED CREDITORS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,800,000.00</u>
5. EQUITY SECURITY HOLDERS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
6. Attach additional sheets as necessary	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL PLAN PAYMENTS	<u>\$ 1,365,692.13</u>	<u>\$ 3,405,898.66</u>	<u>\$ 7,183,900.00</u>
	Amount	Date	Check No.
QUARTERLY FEE PAID:	<u>\$ 975.00</u>	<u>2/10/14</u>	<u>2318</u>

PLAN STATUS:

- | | | |
|---|-------------------------------------|--------------------------|
| 1. Have all payments been made as set forth in the confirmed plan? (If no, attach explanation.) | Yes | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. Are all post-confirmation obligations current? (If no, attach explanation.) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. Projected date of application for final decree: <u>12/16/2014 ⁽²⁾</u> | | |

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING POST CONFIRMATION QUARTERLY REPORT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

By: <u>KH Funding Company</u> Reorganized Debtor	<u>4/14/14</u> Date	_____ Date
<u>[Signature]</u> Signature	_____ Plan Administrator Title	_____ Signature of Co-Debtor, if applicable
<u>Alfred T. Giuliano</u> Printed Name	<u>856-767-3000 x11</u> Telephone Number	_____ Printed Name

2011-05

(1) The Plan Administrator was retained Post-Effective Date of the confirmed Plan, and thus, did not and could not represent or warrant the accuracy of these numbers, which have been taken from the Disclosure Statement. To the extent there is any discrepancy between the numbers listed in this column and the Disclosure Statement, the Disclosure Statement shall control as it is incorporated herein by reference.

(2) While 12/16/2014 is the projected date for the entry of a final decree in this case, that date may be earlier or later depending on events beyond the control of the Plan Administrator, including, but not limited to, the timing of the sale and/or liquidation of the Debtors' assets, the resolution of pending or future litigation, or other events that are necessary and/or appropriate in the business judgment of the Plan Administrator.