

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In Re:) Chapter 11
)
FIRST MERCHANTS ACCEPTANCE) Case No. 97-1500 (JJF)
CORPORATION,)
)
Debtor.)
_____)

**FIRST AND FINAL INTERIM APPLICATION FOR
COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES***

Name of Applicant: Boston Portfolio Advisors, Inc.

Authorized to Provide Professional Services to: Official Unsecured Creditors' Committee

Date of Retention: August 7, 1997

Period for which compensation and reimbursement is sought: August 7, 1997 - October 31, 1997

Amount of Compensation sought as actual, reasonable and necessary: \$112,317.09

Amount of Expense Reimbursement sought as actual, reasonable and necessary: \$ 7,522.55

This is an: interim final application

The total time expended for fee application preparation is approximately 3 hours and the corresponding compensation requested is approximately \$270.00

If this is not the first application filed, disclose the following for each prior application:

<u>Date Filed</u>	<u>Period Covered</u>	<u>Requested Fees, Expenses</u>	<u>Approved Fees, Expenses</u>
-------------------	-----------------------	---------------------------------	--------------------------------

429

INDEX

<u>Name of Professional Person</u>	<u>Position With the Applicant and Number of Years in That Position</u>	<u>Hourly Billing Rate (Including Changes)</u>	<u>Total Billed Hours</u>	<u>Total Compensation</u>
Scott Calahan	President	\$325.00	147.71	48,008.08
Dennis LaVigne	Financial Analyst	\$300.00	104.92	31,475.00
Marshall Kremen	Vice President	\$225.00	56.00	12,600.25
Sue Sim	Vice President	\$225.00	19.18	4,316.00
Alan Briskin	Director	\$225.00	1.08	243.75
Ted Palant	Director	\$225.00	21.26	4,785.25
Ann Manochi	Project Manager	\$150.00	91.10	13,665.00
Underwriters		\$125.00	41.75	5,218.75
	TOTAL (excluding non-working travel)		456.53	\$112,317.09

TOTAL HOURS: 456.53

TOTAL FEES: \$112,317.09

BLENDED RATE: \$246.02

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
FIRST MERCHANTS ACCEPTANCE) Case No. 97-1500 (JJF)
CORPORATION,)
)
Debtor.)

**FIRST AND FINAL APPLICATION OF BOSTON PORTFOLIO ADVISORS, INC.
LOAN PORTFOLIO ADVISORS FOR THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS, FOR COMPENSATION AND REIMBURSEMENT OF
COSTS FOR THE PERIOD
AUGUST 7, 1997 THROUGH OCTOBER 31, 1997**

TO THE HONORABLE JOSEPH J. FARNAN, JR.:

In support of its first and final application for compensation and reimbursement of expenses (the "Application") as loan portfolio advisors for the Official Committee of Unsecured Creditors (the "Committee"), Boston Portfolio Advisors, Inc. respectfully represents as follows:

1. On July 11, 1997, the Debtor filed a petition for relief under Chapter 11 of the United States Bankruptcy Code (the "Code").
2. Pursuant to an Order (the "Order") dated October 7, 1997, this Court authorized the appointment of Boston Portfolio Advisors, Inc. (the "Applicant") as loan portfolio advisors for the Committee, with such appointment being effective for the period of August 7, 1997 through November 7, 1997. A copy of that Order is attached hereto as Exhibit A.
3. Applicant provided services to the Committee for the period of August 7, 1997 through October 31, 1997 totaling 456.53 hours. Applicant believes that such services are reasonably worth the sum of \$112,317.09 at Applicant's usual and customary billing rates, and

requests the allowance of such sum. Applicant has provided no services to the Committee after October 31, 1997.

4. Attached hereto as Exhibit B is a summary of services performed by project description, with the hours and fees attributable to each. Following that summary are detailed statements of the work performed for the Committee by Applicant during the period of August 7, 1997 through October 31, 1997. Those statements identify with particularity, by timekeeper, the services provided on behalf of the Committee, the amount of time expended on each task, and the hourly rate of each timekeeper. Although non-working travel time is separately identified in the attached statements, no compensation is sought herein for such time.

5. Applicant further requests reimbursement of costs expended through October 31, 1997 in the sum of \$7,522.25 as set forth in the summary identified as Exhibit "C".

6. The expenses incurred by Applicant include airfare, lodging, auto rental, ground transportation, courier services, long distance telephone calls and facsimile transmissions, all of which Applicant normally bills to its non-bankruptcy clients at the rates billed to the Committee.

7. Without attempting to limit the particularity of the description of services and project codes set forth in Exhibit B, the services performed by Applicant during the period August 7, 1997 through October 31, 1997 can best be described as follows. Applicant was retained by the Committee to conduct loan portfolio valuations and to perform an operations/servicing/collections/recovery review of the Debtor. These reviews were conducted at the Debtor's locations in Denver, Nashville and Dallas as well as at Applicant's Fort Lauderdale office. Applicant received and evaluated computer tapes and loan portfolio related documents

including analyses of delinquency roll rates. From the limited data provided, Applicant then evaluated the impact of September and December 1996 bulk extensions of some 10,000 loans. A group of loans was also reviewed for underwriting quality, collections adequacy and data integrity. Based on data received from the initial reviews mentioned above, Applicant completed a valuation of the whole loan portfolio and residuals owned by the Debtor. At the Debtor's and the Committee's request, Applicant also shared its findings and operations improvement recommendations with the Debtor's management.

8. The professionals providing services on behalf of the Committee and the time expended by each during the period covered by this application are as follows:

	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
Scott Calahan	\$325	147.71	\$48,008.08
Dennis LaVigne	\$300	104.92	\$31,475.00
Marshall Kremen	\$225	56.00	\$12,600.25
Sue Sim	\$225	19.18	\$ 4,316.00
Alan Briskin	\$225	1.08	\$ 243.75
Ted Palant	\$225	21.26	\$ 4,785.25
Ann Manochi	\$150	91.10	\$ 13,665.00
Underwriters	\$125	41.75	\$ 5,218.75
Less Non-Working Travel:		(28.33)	(\$ 8,595.00)

The foregoing hourly rates are the regular and customary hourly rates charged by Applicant to other clients in non-bankruptcy matters. In keeping with Applicant's efforts to

minimize the Debtor's professional expenses, and subject to the requirements of the task at hand, work was performed by individuals with the lowest billing rates wherever possible. It is respectfully submitted that the compensation sought by Applicant in this matter are fair and reasonable in light of the nature and complexity of the services performed by Applicant and the devotion of time required to complete the services requested by the Committee.

9. The payment of fees to Applicant as requested herein is authorized by Section 330 of the Code.

10. Attached hereto as Exhibit D is an affidavit of Sue Sim on behalf of the Firm certifying the accuracy of the statements made herein.

WHEREFORE, Applicant requests that the Court enter an Order in the form attached hereto approving final compensation to Applicant for the period August 7, 1997 through October 31, 1997 in the sum of \$112,317.09 and reimbursement of costs expended through October 31, 1997 in the sum of \$7,522.25, directing prompt payment of the same to the extent not previously paid by the Debtor, and granting such other and further relief as may be just.

BOSTON PORTFOLIO ADVISORS, INC.

BY: Sue Sim
Sue Sim, Vice President
500 W. Cypress Creek Road
Suite 230
Fort Lauderdale, FL 33309
(954) 938-3000

Dated: November 25, 1997