

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

IN RE:)	Chapter 11
)	
OAKWOOD HOMES CORPORATION,)	Case No. 02-13396(PJW)
<u>et al.</u> ,)	
Debtor)	Jointly Administered
)	
)	Objections Due: July 19, 2004
)	Hearing Date: October 8, 2004 at 1:30 p.m.

**NOTICE OF FINAL QUARTERLY FEE REQUEST OF KENNEDY COVINGTON
LOBDELL & HICKMAN, LLP FOR COMPENSATION AND REIMBURSEMENT OF
ALL ACTUAL AND NECESSARY EXPENSES INCURRED FOR THE PERIOD
NOVEMBER 15, 2002 THROUGH APRIL 30, 2004**

Name of Applicant:	Kennedy Covington Lobdell & Hickman, LLP
Authorized to Provide Services to:	Debtor
Date of Retention:	January 16, 2003
Period for Which Compensation and Reimbursement is Sought:	November 15, 2002 through April 30, 2004
Total Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$484,823.80
Total Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$14,589.06
Total Amount of Compensation Allowed as Actual, Reasonable and Necessary for the Applicable Period:	\$387,859.04
Total Amount of Expense Reimbursement Allowed as Actual, Reasonable and Necessary For the Applicable Period:	\$14,589.06
Total Amount of Holdback Fees Sought for the Applicable Period:	\$218,017.03

Fee Application Filing Date, Docket No.	Total Fees Requested	Total Expenses Requested	Certificate of No Objection Filing Date, Docket No.	Amount of Fees Allowed (80%)	Amount of Expenses Allowed (100%)	Amount of Holdback Fees Sought
6/27/03, 1503	\$138,880.15	\$2,161.96	8/12/03, 1758	\$111,104.12	\$2,161.96	\$27,776.03
10/22/03, 2171	\$56,538.05	\$1,034.98	11/14/03, 2380	\$45,230.44	\$1,034.98	\$1,034.98
3/29/04,3922	\$134,513.50	\$3,280.00	4/23/04, 3998	\$107,610.80	\$3,280.00	\$26,201.80
6/28/04, 4199	\$154,892.10	\$8,112.12		\$123,913.68	\$8,112.12	\$163,004.22
Total	\$484,823.80	\$14,589.06		\$387,859.04	\$14,589.06	\$218,017.03

CUMULATIVE COMPENSATION SUMMARY BY PROJECT CATEGORY

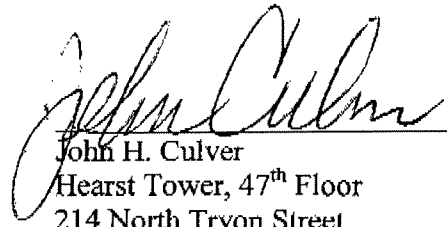
Project Category	Total Hours	Total Fees
Corporate & Securities	1,093.6	\$223,863.50
OSHA Proceeding	106.0	\$22,311.10
Trademark & IP	86.4	\$14,301.45
Advo v. Oakwood	0.2	\$39.20
Billing: General	83.0	\$14,584.05
NC/SC Consumer Litigation	236.9	\$39,763.30
2002 Year End	114.8	\$22,457.25
Bankruptcy & Litigation	111.4	\$18,720.60
ESOP	503.3	\$124,818.30
Spann Class Action	29.3	\$3,965.05
Grand Total Compensation	2,364.9	\$484,823.80

CUMULATIVE EXPENSE SUMMARY

Expense Category	Service Provider (if applicable)	Total Expenses
Long Distance Telephone		\$383.41
In-House Reproduction		\$1,333.65
Outside Production		\$0.56
Filing/Court Fees		\$2,687.70
Travel Expenses		\$1,962.80
Express Couriers		\$610.01
Postage		\$134.64
Mileage		\$468.72
Service Fees (Other)		\$165.00
Computer Assisted Legal Research		\$5,311.51

Parking Fees		\$100.20
Professional Fees		\$25.00
Court Reporting		\$462.70
Teleconference Charges		\$161.70
Grand Total Expenses		\$13,807.66

Dated: June 28, 2004
Charlotte, North Carolina



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Debtor)	Jointly Administered
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)	Objections Due: July 19, 2004
)	Hearing Date: October 8, 2004 at 1:30 p.m.

**FINAL INTERIM APPLICATION OF KENNEDY COVINGTON
LOBDELL & HICKMAN, LLP, FOR ALLOWANCE OF INTERIM
COMPENSATION AND FOR REIMBURSEMENT OF ALL ACTUAL AND
NECESSARY EXPENSES INCURRED FOR THE PERIOD
NOVEMBER 15, 2002 THROUGH APRIL 15, 2004**

Kennedy Covington Lobdell & Hickman, LLP ("Kennedy Covington"), special counsel for Oakwood Homes Corporation, et al., debtors and debtors-in-possession (collectively the "Debtor") in the above-captioned cases, submits this application (the "Application") seeking allowance of final compensation and reimbursement of expenses under 11 U.S.C. §§330 and 331, Rule 2016 of the Federal Rules Of Bankruptcy Procedure, Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedures of the United States Bankruptcy Court for the District of Delaware and the United States Trustee's Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. §330 effective January 30, 1996 (the "U.S. Trustee Guidelines") for (a) allowance of reasonable compensation for professional services rendered by Kennedy Covington to the Debtor and (b) reimbursement of actual and necessary charges and disbursements incurred by Kennedy Covington, both during the period November 15, 2002, through and including April 15, 2004, in the rendition of required professional services on behalf of the Debtor ("Application Period"). In support of this Application, Kennedy Covington represents as follows:

BACKGROUND

1. On November 15, 2002 (the "Petition Date"), the Debtor commenced its reorganization case by filing its voluntary petition for relief under Chapter 11 of the Bankruptcy Code.

2. Kennedy Covington has represented the Debtor with regard to various legal matters, including various corporate, securities, merger and acquisition, real estate, employee benefit, intellectual property and litigation matters.

3. Kennedy Covington has regularly and continuously represented the debtor throughout North Carolina in all matters detailed in the foregoing paragraph for many years. In consideration of the length and stability of Kennedy Covington's pre-petition relationship with the Debtors, Kennedy Covington agreed to extend the debtors a pre-petition discount of 10% off Kennedy Covington's regular hourly rates. Kennedy Covington has prepared its post-petition bills in that same manner.

KENNEDY COVINGTON'S RETENTION

4. Prior to the Petition Date, the Debtor engaged Kennedy Covington as counsel in connection with its general corporate and securities work, litigation, ERISA and other matters in North Carolina.

5. By application, approved on January 16, 2003, the Debtor requested authority to retain Kennedy Covington as special counsel.

6. By Order, dated January 16, 2003, this Court approved the Debtor's retention of Kennedy Covington as special counsel, pursuant to section 327(e) of the Bankruptcy Code.

7. On March 31, 2004, the Debtor's Plan of Reorganization was confirmed by the Court. This Application is filed in accordance therewith.

FEE PROCEDURES ORDER

8. On December 18, 2002, this Court signed an Order Under Sections 105(a) And 331 Of The Bankruptcy Code Establishing Procedures For Interim Compensation And Reimbursement Of Expenses For Professionals And Official Committee Members (D.I.277) (the "Fee Procedures Order").

**SUMMARY OF SERVICES RENDERED BY
KENNEDY COVINGTON DURING THE APPLICATION PERIOD**

9. The following summary highlights the major areas in which services were rendered during the Application Period. The full breadth of Kennedy Covington's services for the Application Period are reflected in the annexed time records. Kennedy Covington provided services related to pending litigation, securities matters, matters related to ERISA and employee benefits, matters related to corporate law, and trademark matters.

10. As noted above, during the application period, Kennedy Covington provided extensive services to the Debtor in various areas involving corporate law, securities compliance and regulatory matters, real estate, employee benefit, intellectual property and litigation matters.

11. All of these services have ensured the efficient maintenance of these cases and compliance with the requirements of both state and applicable federal law.

RELIEF REQUESTED

12. Kennedy Covington respectfully requests: (a) that Kennedy Covington be allowed final compensation in the amount of \$484,823.80 for reasonable, actual and necessary services rendered by it on behalf of the Debtor during the Application Period and final reimbursement of \$14,589.06 for reasonable, actual and necessary expenses incurred during the Application Period; (b) that the Debtor be authorized and directed to pay Kennedy Covington

the amount of \$55,012.81, which is equal to holdback fees sought for which Kennedy Covington has not received compensation; and (c) that the Debtor be authorized and directed to pay Kennedy Covington the amount of \$163,004.22, which is the full amount (100%) of the fees and expenses sought in Kennedy Covington's Fourth Interim Application filed contemporaneously herewith. This Application is made pursuant to the provisions of Sections 327, 330 and 331 of the Bankruptcy Code, Rule 2016 of the Federal Rules of Bankruptcy Procedure, the Fee Procedures Order and the Kennedy Covington Retention Order.

13. Professional services and expenses for which compensation and reimbursement are sought were rendered and expended on behalf of the Debtor. Kennedy Covington believes it is appropriate that it be compensated for the time spent and be reimbursed for the expenses incurred in connection with these matters.

14. For the period covered by the Application, Kennedy Covington has provided professional services to the Debtor and incurred fees for such services totaling \$484,823.80. For the same period, Kennedy Covington has incurred actual, reasonable and necessary expenses in connection therewith totaling \$14,589.06. With respect to these amounts, as of the date of this application, Kennedy Covington has received payments totaling \$281,729.91.

15. Kennedy Covington has previously submitted daily records of the time spent in the rendering of professional services during the period covered by the Application.

16. Kennedy Covington has endeavored to represent the Debtor in the most expeditious and economical manner possible. Tasks have been assigned to attorneys and paralegals at Kennedy Covington so that work has been performed by those most familiar with the particular matter or task and, where attorney or paralegal involvement was required, by the lowest hourly rate professional appropriate for a particular matter. Moreover, Kennedy Covington has sought to coordinate with other professionals involved in these cases so as to

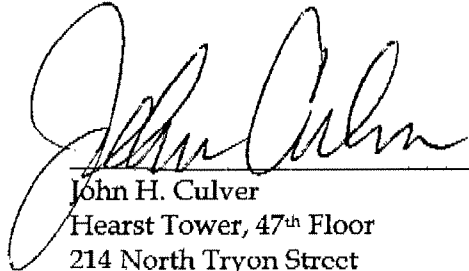
minimize any duplication of effort and to minimize attorneys' fees and expenses to the Debtor. Kennedy Covington believes it has been successful in this regard. The hourly rates charged by Kennedy Covington's attorneys are within the market rates charged to similar lenders for similar services by practitioners in North Carolina with similar expertise.

17. No agreement or understanding exists between Kennedy Covington and any other person for the sharing of compensation received or to be received for services rendered in connection with these cases.

18. The undersigned has reviewed the requirements of Local Rule 2016-2 of the United States Bankruptcy Court for the District of Delaware and certifies to the best of his information, knowledge and belief that this application complies with Local Rule 2016-2.

WHEREFORE, Kennedy Covington respectfully requests: (a) Kennedy Covington be allowed final compensation in the amount of \$484,823.80 for reasonable, actual and necessary services rendered by it on behalf of the Debtor during the Application Period and (ii) interim reimbursement of \$14,589.06 for reasonable, actual and necessary expenses incurred during the Application Period; (b) that the Debtor be authorized and directed to pay Kennedy Covington the amount of \$55,012.81, which is equal to holdback fees sought for which Kennedy Covington has not received compensation; and (c) that the Debtor be authorized and directed to pay Kennedy Covington the amount of \$163,004.22, which is the full amount (100%) of the fees and expenses sought in Kennedy Covington's Fourth Interim Application filed contemporaneously herewith.

Dated: June 28, 2004
Charlotte, NC



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