

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

In re:

RAIT FUNDING, LLC,  
a Delaware limited liability company, *et al.*<sup>2</sup>

Debtors.

Chapter 11

Case No. 19-11915 (BLS)  
(Jointly Administered)

Hearing Date: October 22, 2019 at 10:00 a.m. ET  
Objection Deadline: October 11, 2019 at 4:00 p.m. ET

**DEBTORS' APPLICATION FOR AN ORDER AUTHORIZING RETENTION  
AND EMPLOYMENT OF DRINKER BIDDLE & REATH LLP AS COUNSEL  
TO THE DEBTORS, NUNC PRO TUNC TO THE PETITION DATE**

RAIT Funding, LLC and certain of its affiliates, the debtors and debtors in possession in the above-captioned chapter 11 proceedings (the “Debtors”), hereby apply (the “Application”) for entry of an order pursuant to section 327(a) of the United States Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 2014-1 and 2016-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), authorizing the retention and employment of Drinker Biddle & Reath LLP (“Drinker Biddle” or the “Firm”), as attorneys to the Debtors, *nunc pro tunc* to the Petition Date (as defined below). In support of this Application, the Debtors rely upon and incorporate the *Declaration of Michael P. Pompeo* (the “Pompeo Declaration”), attached hereto

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<sup>2</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: RAIT Funding, LLC, a Delaware limited liability company (9983); RAIT Financial Trust, a Maryland real estate investment trust (9819); RAIT General, Inc., a Maryland corporation (9987); RAIT Limited, Inc., a Maryland corporation (9773); Taberna Realty Finance Trust, a Maryland real estate investment trust (3577); RAIT JV TRS, LLC, a Delaware limited liability company (3190); and RAIT JV TRS Sub, LLC, a Delaware limited liability company (4870). The mailing address for all Debtors is Two Logan Square, 100 N. 18th Street, 23rd Floor, Philadelphia, Pennsylvania 19103 (Attn: John J. Reyle).

as Exhibit A, and the *Declaration of John J. Reyle*, attached hereto as Exhibit B. In further support of this Application, the Debtors respectfully represent as follows:

**JURISDICTION; VENUE**

1. The Court has jurisdiction over these chapter 11 cases and this Application under 28 U.S.C. §§ 1334(b) and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. The Application is a core matter under 28 U.S.C. § 157(b) and the Court may enter a final order consistent with Article III of the United States Constitution.<sup>3</sup>

2. Venue of these chapter 11 cases and this Application is proper in this Court under 28 U.S.C. §§ 1408 and 1409.

3. The statutory and procedural predicates for the relief requested herein are section 327(a) of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, and Local Rules 2014-1 and 2016-1. Compensation will be in accordance with sections 330 and 331 of the Bankruptcy Code.

**GENERAL BACKGROUND**

4. The Debtors are internally-managed real estate investment organizations that manage a portfolio of commercial real estate loans and properties. The Debtors conduct their business through one reportable segment, their real estate lending, owning, and managing segment. This segment is concentrated on lending, owning, and managing commercial real estate assets throughout the United States.

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<sup>3</sup> The Debtors consent to entry of a final order by this Court if it is determined that the Court, absent consent of the parties, cannot enter a final order consistent with Article III of the United States Constitution.

5. On August 30, 2019 (the “Petition Date”), each of the Debtors commenced with this Court a voluntary case under chapter 11 of the Bankruptcy Code. The Debtors’ chapter 11 cases have been jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015. The Debtors are authorized to continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6. On September 17, 2019, the Acting United States Trustee for Region Three filed the Notice of Appointment of Committee of Unsecured Creditors [D.I. 65], appointing the Official Committee of Unsecured Creditors (the “Committee”) in these chapter 11 cases. As of the date hereof, no request for appointment of a chapter 11 trustee or examiner has been made.

7. Additional information regarding the Debtors’ history and business operations, their capital structure, and the events leading up to the commencement of these chapter 11 cases are set forth in the *Declaration of John J. Reyle in Support of Chapter 11 Petitions and First-Day Relief* filed September 2, 2019 [D.I. 7] (the “First-Day Declaration”).<sup>4</sup>

### **RELIEF REQUESTED**

8. By this Application, the Debtors seek entry of an order, substantially in the form attached as Exhibit A hereto, authorizing the retention and employment of Drinker Biddle pursuant to section 327(a) of the Bankruptcy Code as their attorneys in these chapter 11 cases, effective as of the Petition Date.

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<sup>4</sup> Capitalized terms not otherwise defined herein have the meanings ascribed to them in the First-Day Declaration.

**BASIS FOR RELIEF REQUESTED**

**A. Drinker Biddle's Qualifications**

9. The Debtors seek to retain Drinker Biddle as their bankruptcy counsel because of the Firm's extensive knowledge, expertise, and experience in the field of debtors' and creditors' rights and business reorganizations under chapter 11 of the Bankruptcy Code. The Debtors submit that Drinker Biddle's knowledge, expertise, and experience practicing before the Court will enable it to work in an efficient and cost-effective manner on behalf of the Debtors' estates. Additionally, in preparing for these chapter 11 cases, Drinker Biddle has become familiar with the Debtors' businesses and affairs and many of the potential legal issues that may arise in the context of these chapter 11 cases. Accordingly, the Debtors believe that Drinker Biddle is uniquely qualified to represent them as bankruptcy counsel in these chapter 11 cases.

**B. Payment of Fees and Expenses**

10. Drinker Biddle will seek Court approval of its compensation and reimbursement of its actual, necessary expenses and other charges incurred by the Firm upon the filing of appropriate applications for interim and final compensation and reimbursement pursuant to sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and applicable orders of the Court. The principal attorneys and paralegal presently designated to represent the Debtors, and their current standard hourly rates, are:

- |    |                    |                |
|----|--------------------|----------------|
| a. | F. Douglas Raymond | \$965 per hour |
| b. | Michael P. Pompeo  | \$810 per hour |
| c. | Patrick A. Jackson | \$675 per hour |
| d. | Brian P. Morgan    | \$605 per hour |
| e. | Elizabeth Lange    | \$605 per hour |
| f. | Amelia Brett       | \$550 per hour |

- g. Joseph N. Argentina \$525 per hour
- h. Dallas Taylor \$455 per hour
- i. Cathy M. Greer (paralegal) \$350 per hour

11. The hourly rates set forth above are subject to periodic adjustments to reflect economic and other conditions. Other attorneys and paralegals from Drinker Biddle may from time to time also serve the Debtors in connection with the matters described herein.

12. The hourly rates set forth above are the Firm's standard hourly rates for work of this nature. These rates are set at a level designed to fairly compensate the Firm for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. It is the Firm's policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client's case. The expenses charged to clients include, among other things, mail and express mail charges, special or hand delivery charges, postage, photocopying charges, charges for mailing supplies (including, without limitation, envelopes and labels) provided by the Firm to outside copying services for use in mass mailings, travel expenses, expenses for "working meals," computerized research, transcription costs, witness fees, and filing fees. The Firm will charge the Debtors for these expenses in a manner and at rates consistent with charges made generally to the Firm's other clients. The Firm believes that it is fairer to charge these expenses to the clients incurring them than to increase the hourly rates and spread the expenses among all clients.

13. Drinker Biddle was retained by the Debtors pursuant to an engagement agreement dated February 6, 2018 (the "Engagement Agreement"). In accordance with the Engagement Agreement, Drinker Biddle received retainers totaling \$510,000 (collectively, the "Retainer") in connection with the planning and preparation of initial documents and its proposed postpetition representation of the Debtors. Drinker Biddle received certain payments for services performed

prior to the Petition Date, as more fully set forth in the Pompeo Declaration and the Firm's statement pursuant to Bankruptcy Rule 2016, which is attached as Exhibit C hereto. After applying a portion of the Retainer to the outstanding balance as of the Petition Date, including fees and expenses associated with the filing of these chapter 11 cases, Drinker Biddle continues to hold a Retainer in the amount of \$124,995.50. The remainder will constitute a general retainer as security for postpetition services and expenses.

14. In this case, the general security retainer is appropriate for several reasons. *See In re Insilco Techs., Inc.*, 291 B.R. 628, 634 (Bankr. D. Del. 2003) ("Factors to be considered, include . . . whether terms of an engagement agreement reflect normal business terms in the marketplace; . . . the relationship between the Debtor and the professionals, *i.e.*, whether the parties involved are sophisticated business entities with equal bargaining power who engaged in an arms-length negotiation[] [and] . . . whether the retention, as proposed, is in the best interests of the estate[] . . ."); *see also In re CTC Commc'ns Grp., Inc.*, Case No. 02-12873 (PJW) (Bankr. D. Del. May 22, 2003), Hr'g Tr. 43:14–15 ("I agree and adopt wholeheartedly Judge Carey's decision in the *Insilco* case."). First, these types of retainer agreements reflect normal business terms in the marketplace. *See Insilco*, 291 B.R. at 634 ("[I]t is not disputed that the taking of [security] retainers is a practice now common in the market place."). Second, both Drinker Biddle and the Debtors are sophisticated business entities that have negotiated the Retainer at arm's length. Third, the retention of Drinker Biddle is in the best interests of the Debtors' estates because the retention agreement and Retainer allow the Debtors to maintain the prepetition relationship established with Drinker Biddle. Thus, under the standards articulated in *Insilco* and adopted in *CTC Communications*, the facts and circumstances of these chapter 11 cases support the approval of the Retainer as a general security retainer.

15. As set forth in the Pompeo Declaration, Drinker Biddle has not shared or agreed to share any of its compensation from the Debtors with any other person, other than as permitted by section 504 of the Bankruptcy Code.

**C. Services to Be Provided**

16. The Debtors contemplates that Drinker Biddle will render general legal services as needed throughout the course of these chapter 11 cases. Drinker Biddle's general legal services in these chapter 11 cases may include, but are not limited to, the following:

- a. assisting in the preparation of the Debtors' schedules of assets and liabilities and related statements;
- b. advising the Debtors with respect to their powers and duties as debtors in possession;
- c. preparation of necessary motions, applications, answers, proposed orders, reports, and other papers to be filed by the Debtors in order to prosecute these chapter 11 cases;
- d. appearing before the Court to advocate the interests of the Debtors and their estates;
- e. negotiating with the Debtors' creditors and preparing and pursuing confirmation of a plan and approval of a disclosure statement;
- f. prosecuting and defending any adversary proceedings commenced in these chapter 11 cases; and
- g. assisting in the performance of all other necessary and proper legal services for the Debtors to prosecute their chapter 11 cases effectively.

17. By separate applications, the Debtors have sought or will seek to retain: (a) Epiq Corporate Restructuring, LLC, as claims and noticing agent and administrative advisor; (b) M-III Partners, LP, as financial advisor and (c) UBS Financial Services, Inc., as investment banker. The Debtors may also file motions or applications to employ additional professionals on an as-needed basis.

18. Each of these firms works, and will continue to work, under the direction of the Debtors' management. The Debtors' senior management are committed to minimizing duplication of services to reduce professional costs. To that end, the Debtors understand that Drinker Biddle is prepared to work closely with each professional to ensure that there is no unnecessary duplication of effort or cost.

**D. Bankruptcy Rule 2014 Disclosure**

19. To the best of the Debtors' knowledge, and except as disclosed herein and in the Pompeo Declaration, Drinker Biddle has not represented the Debtors, their creditors, or any other parties in interest, or their respective attorneys, in any matter relating to the Debtors or their estates. Drinker Biddle is a "disinterested person" as that term is defined in § 101(14) of the Bankruptcy Code in that Drinker Biddle, its partners, counsel, and associates:

- a. are not creditors, equity security holders, or insiders of the Debtors;
- b. are not and were not, within two (2) years before the Petition Date, a director, officer, or employee of the Debtors; and
- c. do not have an interest materially adverse to the interest of the Debtors' estates or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason.

20. For the above reasons, the Debtors submit that Drinker Biddle's retention and employment is necessary and in the best interests of the Debtors and their estates.

**NOTICE**

21. The Debtors will provide notice of this Application to: (i) the Office of the United States Trustee; (ii) proposed counsel to the Official Committee of Unsecured Creditors; (iii) counsel to the Stalking Horse Purchaser; and (iv) those persons who have formally appeared in these chapter 11 cases and requested service pursuant to Bankruptcy Rule 2002. In light of the



nature of the relief requested herein, the Debtors submit that no other or further notice is necessary under the circumstances.

**CONCLUSION**

WHEREFORE, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as Exhibit D, granting the relief requested herein and providing the Debtors such other and further relief as is just and proper.

Dated: September 27, 2019

RAIT FUNDING, LLC  
RAIT FINANCIAL TRUST  
RAIT GENERAL, INC.  
RAIT LIMITED, INC.  
TABERNA REALTY FINANCE TRUST  
RAIT JV TRS, LLC  
RAIT JV TRS SUB, LLC

/s/ John J. Reyle

By: John J. Reyle, Esq.

Their: Designated Officer

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

In re:

RAIT FUNDING, LLC,  
a Delaware limited liability company, *et al.*<sup>1</sup>  
  
Debtors.

Chapter 11

Case No. 19-11915 (BLS)  
(Jointly Administered)

**STATEMENT OF DRINKER BIDDLE & REATH LLP UNDER  
RULE 2016 OF THE FEDERAL RULES OF BANKRUPTCY  
PROCEDURE AND SECTION 329 OF THE BANKRUPTCY CODE**

1. Drinker Biddle & Reath LLP (“Drinker Biddle”), pursuant to Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-1 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court of the District of Delaware (the “Local Rules”), and section 329 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), states that the undersigned is proposed counsel for the above-captioned debtors and debtors in possession (collectively, the “Debtors”) in these chapter 11 cases.

2. Compensation agreed to be paid by the Debtors to Drinker Biddle is to be for legal services rendered in connection with these chapter 11 cases. The Debtors have agreed to pay Drinker Biddle at the firm’s standard hourly rates for the legal services rendered or to be rendered on the Debtors’ behalf in connection with these cases by Drinker Biddle’s various

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: RAIT Funding, LLC, a Delaware limited liability company (9983); RAIT Financial Trust, a Maryland real estate investment trust (9819); RAIT General, Inc., a Maryland corporation (9987); RAIT Limited, Inc., a Maryland corporation (9773); Taberna Realty Finance Trust, a Maryland real estate investment trust (3577); RAIT JV TRS, LLC, a Delaware limited liability company (3190); and RAIT JV TRS Sub, LLC, a Delaware limited liability company (4870). The mailing address for all Debtors is Two Logan Square, 100 N. 18th Street, 23rd Floor, Philadelphia, Pennsylvania 19103 (Attn: John J. Reyle).

attorneys and paralegals. The Debtors have also agreed to reimburse Drinker Biddle for its actual and necessary expenses incurred in connection with these chapter 11 cases.

3. Drinker Biddle was retained by the Debtors pursuant to an engagement agreement dated February 6, 2018 (the “Engagement Agreement”). In accordance with the Engagement Agreement, Drinker Biddle received retainers totaling \$510,000.00 (collectively, the “Retainer”) in connection with the planning and preparation of initial documents and its proposed postpetition representation of the Debtors. Since its engagement, Drinker Biddle has received the following additional payments:

<b>Invoice No.</b>	<b>Invoice Date</b>	<b>Billing Period</b>	<b>Date of Payment</b>	<b>Payment Amount</b>
15261788	6/17/2019	May 1 - May 31, 2019	June 22, 2019	\$176,204.46
15269305	7/17/2019	June 1 – June 30, 2019	August 2, 2019	\$134,877.48
15274722	8/8/2019	July 1 – July 31, 2019	August 20, 2019	\$150,788.01
15278625	8/21/2018	August 1 – August 21, 2019	August 23, 2019	\$254,910.91
15281298	8/30/2019	August 22 – August 30, 2019	August 30, 2019	\$310,004.50 <sup>2</sup>

4. After applying a portion of the Retainer to the outstanding balance as of the Petition Date, including fees and expenses associated with the filing of these chapter 11 cases, Drinker Biddle continues to hold a Retainer in the amount of \$124,995.50. The remainder will constitute a general retainer as security for postpetition services and expenses.

5. Within the year prior to the Petition Date, Drinker Biddle has received no other payments from the Debtors on account of services rendered or to be rendered in contemplation of or in connection with these chapter 11 cases.

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<sup>2</sup> Invoice No. 15281298 was in the original amount of \$400,985.42. Drinker Biddle waived and wrote off the sum of \$90,980.92.

6. Drinker Biddle will seek approval of payment of compensation upon its filing of appropriate applications for allowance of interim or final compensation pursuant to sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any applicable orders of the Court.

7. All filing fees in these chapter 11 cases have been paid in full.

8. The services to be rendered include all those services set forth in the *Debtors' Application for an Order Authorizing Employment of Drinker Biddle & Reath LLP as Counsel for the Debtors Pursuant to Section 327(a) of the Bankruptcy Code and Bankruptcy Rules 2014 and 2016, Effective Nunc Pro Tunc to the Petition Date*.

9. Drinker Biddle further states that it has neither shared nor agreed to share (a) any compensation it has received or may receive with another party or person, other than with the partners, counsel, and associates of Drinker Biddle, or (b) any compensation another person or party has received or may receive.

Dated: Wilmington, Delaware  
September 27, 2019

**DRINKER BIDDLE & REATH LLP**

/s/ Patrick A. Jackson

Patrick A. Jackson (Del. Bar No. 4976)  
Joseph N. Argentina, Jr. (Del. Bar No. 5453)  
222 Delaware Avenue, Suite 1410  
Wilmington, DE 19801  
Tel: (302) 467-4200  
Fax: (302) 467-4201  
Patrick.Jackson@dbr.com  
Joseph.Argentina@dbr.com

-and-

Michael P. Pompeo (admitted *pro hac vice*)  
Brian P. Morgan (admitted *pro hac vice*)  
1177 Avenue of the Americas, 41st Floor  
New York, NY 10036-2714  
Tel: (212) 248-3140  
Fax: (212) 248-3141  
Michael.Pompeo@dbr.com  
Brian.Morgan@dbr.com

*Proposed Counsel to the Debtors  
and Debtors in Possession*

**Exhibit A**

**Pompeo Declaration**

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

In re:

RAIT FUNDING, LLC,  
a Delaware limited liability company, *et al.*<sup>1</sup>  
  
Debtors.

Chapter 11

Case No. 19-11915 (BLS)  
(Jointly Administered)

**DECLARATION OF MICHAEL P. POMPEO IN SUPPORT OF DEBTORS'  
APPLICATION FOR AN ORDER AUTHORIZING RETENTION AND  
EMPLOYMENT OF DRINKER BIDDLE & REATH LLP AS COUNSEL  
TO THE DEBTORS, NUNC PRO TUNC TO THE PETITION DATE**

I, Michael P. Pompeo, hereby declare under penalty of perjury pursuant to 28 U.S.C.

§ 1746, as follows:

1. I am a partner with the law firm of Drinker Biddle & Reath LLP ("Drinker Biddle" or the "Firm"). I submit this Declaration (the "Declaration") on behalf of Drinker Biddle in support of the application (the "Application")<sup>2</sup> of the debtors and debtors in possession in the above-captioned chapter 11 proceedings (the "Debtors"), for an order authorizing the employment and retention of Drinker Biddle as the Debtors' attorneys under the terms and conditions as set forth in the Application. Except as otherwise noted, I have personal knowledge of the matters set forth herein.

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: RAIT Funding, LLC, a Delaware limited liability company (9983); RAIT Financial Trust, a Maryland real estate investment trust (9819); RAIT General, Inc., a Maryland corporation (9987); RAIT Limited, Inc., a Maryland corporation (9773); Taberna Realty Finance Trust, a Maryland real estate investment trust (3577); RAIT JV TRS, LLC, a Delaware limited liability company (3190); and RAIT JV TRS Sub, LLC, a Delaware limited liability company (4870). The mailing address for all Debtors is Two Logan Square, 100 N. 18th Street, 23rd Floor, Philadelphia, Pennsylvania 19103 (Attn: John J. Reyle).

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Application.

2. Drinker Biddle is a law firm of approximately 575 attorneys, which maintains an office at 222 Delaware Ave., Ste. 1410, Wilmington, DE 19801-1621, among other locations.

3. Drinker Biddle has conducted a series of searches in the Firm's conflicts databases to identify relationships with the Debtors, their lenders, and various other parties-in-interest in these chapter 11 cases, including those entities listed on Schedule 1 attached hereto (collectively, the "Interested Parties"). This list was provided by the Debtors. The Debtors provided their information in the format in which they maintain it, which format did not consistently disclose the full correct legal name or other information needed for every name to be checked. All statements made herein or in the annexes hereto concerning Drinker Biddle's connections to parties in interest are based upon (a) information from, and discussions I or other Drinker Biddle personnel reporting to me have had with the attorney at Drinker Biddle responsible for conflicts matters and (b) information generated by the Finance Department at Drinker Biddle. The information listed on Schedule 1 may have changed without Drinker Biddle's knowledge and may change during the pendency of these chapter 11 cases. Accordingly, Drinker Biddle will update this Declaration as necessary and when Drinker Biddle becomes aware of material information.

4. Based on the conflicts and connections search conducted and described herein, to the best of my knowledge, neither I, Drinker Biddle, nor any partner, counsel, or associate thereof, insofar as I have been able to ascertain, has any connection with the Debtors or any other parties-in-interest herein, except as stated below:

- a. In recent months, Drinker Biddle and certain of its attorneys and paralegals have rendered legal services to the Debtors relating to their plans to seek relief under chapter 11 of the Bankruptcy Code and the preparation of the petitions and other papers initiating and prosecuting these cases.



- b. The Debtors have sought or will seek to retain: (a) Epiq Corporate Restructuring, LLC, as claims and noticing agent; (b) M-III Partners, LP, as financial advisor and (c) UBS Financial Services, Inc., as investment banker. Drinker Biddle has in the past and/or currently does work with and/or against these professionals in connection with matters wholly unrelated to these proceedings.
- c. Drinker Biddle currently represents (and may in the past have represented), has previously represented the following parties, or affiliates (or potential affiliates) of the foregoing, who may be Interested Parties, in matters wholly unrelated to the Debtors and these chapter 11 cases as set forth on Schedule 2 attached hereto.

5. In addition, to the best of my knowledge, information, and belief and in accordance with Bankruptcy Rule 5002, neither I, nor any attorney at Drinker Biddle is a relative of the United States Bankruptcy Judge assigned to these chapter 11 cases, and Drinker Biddle does not have a connection with the United States Bankruptcy Judge that would render its retention in these chapter 11 cases improper. Further, in accordance with Bankruptcy Rule 2014, Drinker Biddle does not have any connection with the Office of the United States Trustee (the “U.S. Trustee”) or any persons employed by the U.S. Trustee.

6. Drinker Biddle is continuing to review the Debtors’ complete lists of creditors. Based upon its review as of this date, Drinker Biddle has determined that it does not represent any party in these proceedings with a material adverse interest with respect to the Debtors. Drinker Biddle will supplement this declaration, as necessary, with additional information or disclosures in the event that additional information is developed.

7. Drinker Biddle is a “disinterested person” as that term is defined in § 101(14) of the Bankruptcy Code in that Drinker Biddle, its partners, counsel, and associates:

- a. are not creditors, equity security holders, or insiders of the Debtors;
- b. are not and were not, within two (2) years before the Petition Date, a director, officer, or employee of the Debtors; an

- c. do not have an interest materially adverse to the interest of the Debtors' estates or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason.

8. As set forth above, and subject to any explanations and/or exceptions contained herein, Drinker Biddle (a) does not hold or represent any interest adverse to the Debtors in connection with the matters upon which Drinker Biddle is to be engaged, and (b) is disinterested. If the results of further investigation reveal any additional connections, Drinker Biddle will make any further disclosures as may be appropriate at that time.

9. Drinker Biddle was retained by the Debtors pursuant to an engagement agreement dated February 6, 2018 (the "Engagement Agreement"). In accordance with the Engagement Agreement, Drinker Biddle received retainers totaling \$510,000.00 (collectively, the "Retainer") in connection with the planning and preparation of initial documents and its proposed postpetition representation of the Debtors. During the ninety (90) days prior to the Petition Date, Drinker Biddle has received the following additional payments:

Invoice No.	Invoice Date	Billing Period	Date of Payment	Payment Amount
15261788	6/17/2019	May 1 - May 31, 2019	June 22, 2019	\$176,204.46
15269305	7/17/2019	June 1 – June 30, 2019	August 2, 2019	\$134,877.48
15274722	8/8/2019	July 1 – July 31, 2019	August 20, 2019	\$150,788.01
15278625	8/21/2018	August 1 – August 21, 2019	August 23, 2019	\$254,910.91
15281298	8/30/2019	August 22 – August 30, 2019	August 30, 2019	\$310,004.50 <sup>3</sup>

<sup>3</sup> Invoice No. 15281298 was in the original amount of \$400,985.42. Drinker Biddle waived and wrote off the sum of \$90,980.92.

10. After applying a portion of the Retainer to the outstanding balance as of the Petition Date, including fees and expenses associated with the filing of these chapter 11 cases, Drinker Biddle continues to hold a Retainer in the amount of \$124,995.50. The remainder will constitute a general retainer as security for postpetition services and expenses.

11. Drinker Biddle will seek Court approval of its compensation and reimbursement of its actual, necessary expenses and other charges incurred by the Firm upon the filing of appropriate applications for interim and final compensation and reimbursement pursuant to sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and applicable orders of the Court. The principal attorneys and paralegal presently designated to represent the Debtors, and their current standard hourly rates, are:

- |    |                            |                |
|----|----------------------------|----------------|
| a. | F. Douglas Raymond         | \$965 per hour |
| b. | Michael P. Pompeo          | \$810 per hour |
| c. | Patrick A. Jackson         | \$675 per hour |
| d. | Brian P. Morgan            | \$605 per hour |
| e. | Elizabeth Lange            | \$605 per hour |
| f. | Amelia Brett               | \$550 per hour |
| g. | Joseph N. Argentina        | \$525 per hour |
| h. | Dallas Taylor              | \$455 per hour |
| i. | Cathy M. Greer (paralegal) | \$350 per hour |

12. The hourly rates set forth above are subject to periodic adjustments to reflect economic and other conditions. Other attorneys and paralegals from Drinker Biddle may from time to time also serve the Debtors in connection with the matters described herein.

13. The hourly rates set forth above are the Firm's standard hourly rates for work of this nature. These rates are set at a level designed to fairly compensate the Firm for the work of

its attorneys and paralegals and to cover fixed and routine overhead expenses. It is the Firm's policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client's case. The expenses charged to clients include, among other things, mail and express mail charges, special or hand delivery charges, postage, photocopying charges, charges for mailing supplies (including, without limitation, envelopes and labels) provided by the Firm to outside copying services for use in mass mailings, travel expenses, expenses for "working meals," computerized research, transcription costs, witness fees and filing fees. The Firm will charge the Debtors for these expenses in a manner and at rates consistent with charges made generally to the Firm's other clients. The Firm believes that it is fairer to charge these expenses to the clients incurring them than to increase the hourly rates and spread the expenses among all clients.

14. No promises have been received by Drinker Biddle, nor by any partner, counsel, or associate thereof, as to compensation in connection with these chapter 11 cases other than in accordance with the provisions of the Bankruptcy Code. Drinker Biddle has no agreement with any other entity to share with such entity any compensation received by Drinker Biddle in connection with these chapter 11 cases.

15. Consistent with the U.S. Trustee's Appendix B—Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by

Attorneys in Larger Chapter 11 Cases (the “U.S. Trustee Guidelines”), which became effective on November 1, 2013,<sup>4</sup> I state as follows:

- a. Drinker Biddle has not agreed to a variation of its standard or customary billing arrangements for this engagement;
- b. None of the Firm’s professionals included in this engagement have varied their rate based on the geographic location of these chapter 11 cases;
- c. Drinker Biddle was retained by the Debtors pursuant to an engagement agreement dated February 6, 2018. The billing rates and material terms of the prepetition engagement are the same as the rates and terms described in the Application, except that Drinker Biddle’s hourly rates increased on January 1, 2019, as is customary for the Firm and was disclosed to the Debtors; and
- d. The Debtors have approved or will be approving a prospective budget and staffing plan for Drinker Biddle’s engagement for the postpetition period as appropriate. In accordance with the U.S. Trustee Guidelines, the budget may be amended as necessary to reflect changed or unanticipated developments.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: New York, New York  
September 27, 2019

/s/ Michael P. Pompeo  
Michael P. Pompeo

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<sup>4</sup> The U.S. Trustee Guidelines themselves acknowledge that “the Guidelines do not supersede local rules, court orders, or other controlling authority.” While the Debtors and Drinker Biddle intend to work cooperatively with the U.S. Trustee to address requests for information and any concerns that may have led to the adoption of the U.S. Trustee Guidelines, neither the filing of this Declaration, nor anything contained herein, is intended to or shall be deemed to be an admission by Drinker Biddle that the Firm is required to comply with the U.S. Trustee Guidelines. Drinker Biddle reserves any and all rights with respect to the application of the U.S. Trustee Guidelines in respect of any application for employment or compensation filed in these cases.

**Schedule 1**

**Potentially Interested Parties**

**Debtors and Debtor Affiliates**

RAIT Financial Trust  
RAIT General, Inc.  
RAIT Limited, Inc.  
Taberna Realty Finance Trust  
RAIT JV TRS, LLC  
RAIT JV TRS Sub, LLC  
RAIT Funding, LLC (f/k/a Taberna Funding LLC)

**Non-Debtor Affiliates**

RAIT Partnership, L.P.  
RAIT Urban Equity Holdings, LLC  
RAIT Asset Holdings IV, LLC  
RAIT FL Asset Holdings, LLC  
Oakland Plaza Member, LLC  
Oakland Plaza Owner, LLC  
Oakland Square Member, LLC  
Oakland Square Owner, LLC  
RAIT CRE CDO I, LLC  
RAIT Capital Corp.  
RAIT Executive Mews Manager I, Inc.  
RAIT Executive Mews Manager II, Inc.  
RAIT Executive Mews Manager III, Inc.  
St. Pete Beach Holdings, LLC  
Fountainhead Preferred Member, LLC  
Landera Preferred Member, LLC  
Bluemound Preferred Member, LLC  
Grange Preferred Member, LLC  
Walnut Ridge Preferred Member, LLC  
Edgerton Preferred Member, LLC  
RAIT 2017-FL7, LLC  
RAIT 2017-FL7 Trust  
RAIT 2017-FL7 Intermediate Trust  
RAIT 2017-FL7-A-2 Holdings, LLC  
RAIT 2017-FL8, LLC  
RAIT 2017-FL8 Trust  
RAIT 2017-FL8 Intermediate Trust  
RAIT 2017-FL8-A-2 Holdings, LLC  
RAIT Preferred Holdings I, LLC  
Broadstone I Preferred, LLC  
RAIT CRE CDO I, Ltd.

RAIT Broadstone, Inc.  
Fountainhead CDO Preferred Member, LLC  
Landra CDO Preferred Member, LLC  
Grange CDO Preferred Member, LLC  
Edgerton CDO Preferred Member, LLC  
Walnut Ridge CDO Preferred Member, LLC  
Bluemound CDO Preferred Member, LLC  
RAIT Equity Holdings I, LLC  
Union Medical Campus Member, LLC  
Union Medical Campus Owner, LLC  
Raritan Center Member, LLC  
Raritan Center SPE Owner, LLC  
Daytona Portfolio, LLC  
Beachcomber Beach Resort Florida, LLC  
RAIT Asset Holdings, LLC  
Washington SC SPE Owner, LLC  
REM-Willow Grove, Inc.  
REM Willow Grove, L.P.  
Brandywine-Willow Grove, Inc.  
REM Cherry Hill, LLC  
Brandywine-Cherry Hill, Inc.  
RAIT Sabel Key Manager, Inc.  
RAIT CRE Conduit II, LLC  
RAIT CRE Conduit III, LLC  
RAIT CRE Conduit IV, LLC  
Tuscany Bay Apartments Florida, LLC  
Limestone Oaks Preferred Member, LLC  
Murrells Retail Holdings, LLC  
Murrells Retail Associates, LLC  
Coles Crossing GP Member, LLC  
Coles Crossing GP, LLC  
Coles Crossing, L.P.  
McDowell Mountain Member, LLC  
McDowell Mountain Arizona, LLC  
Lexington Mill Mississippi Member, LLC  
Lexington Mill Mississippi Owner, LLC  
Sharpstown Member, LLC  
RAIT Sharpstown TRS, LLC  
PlazAmericas Mall Texas, LLC  
RAIT 2015-FL5, LLC  
RAIT 2015-FL5 A-2 Holdings, LLC  
RAIT 2016-FL6, LLC  
RAIT 2016-FL6 A-2 Holdings, LLC  
RAIT Lending, LLC  
Remington Florida Member, LLC  
Trails at Northpoint Mississippi Member, LLC

Yamato Member, LLC  
Erievue Galleria Owner, LLC  
Route 18 Member, LLC  
Erievue Tower Member, LLC  
Lafayette English Member, LLC  
Lafayette English GP, LLC  
Lafayette English Partner, LLC  
Lafayette English Apartments, LP  
Remington Florida, LLC  
Trails at Northpoint Mississippi Owner, LLC  
Boca Yamato, LLC  
Route 18 SPE Owner, LLC  
Erievue Tower & Parking Manager, Inc.  
Erievue Tower & Parking, LLC  
Yamato Investor I, LLC  
Yamato Investor II, LLC  
Taberna Realty Holdings Trust  
Taberna Equity Funding, Ltd.  
Taberna IR Holdings Member, LLC  
RAIT Preferred Holdings II, LLC  
RAIT CRE Holdings, LLC  
RAIT Preferred Funding II, Ltd.  
RAIT Preferred Funding II, LLC  
Mandalay Investor I, LLC  
Mandalay Investor II, LLC  
Taberna Funding Capital Trust I  
Taberna Capital Management, LLC  
Taberna VII Equity Trust, LLC  
Taberna IX Equity Trust, LLC  
RAIT TRS, LLC  
RAIT CMBS Conduit I, LLC  
RAIT CMBS Conduit II, LLC  
RAIT Asset Management, LLC  
Global Insurance Advisors, LLC  
RAIT Property Management Holdings, LLC  
RAIT Urban Holdings, LLC  
Jupiter Communities, LLC  
RAIT Commercial, LLC

**Current and Former Directors and Officers**

John Reyle  
Alfred Dilmore  
Michael Malter  
Jon C. Sarkisian  
Thomas D. Wren



Justin P. Klein  
Andrew Batinovich  
Frank A. Farnesi  
S. Kristin Kim  
Nancy Jo Kuenstner  
Andrew Silberstein  
Murray Stempel III

**Professionals**

Cozen O'Connor  
Ledgewood, PC  
Winston and Strawn LLP  
DrinkerBiddle & Reath LLP  
Dinsmore and Shohl LLP  
Cole, Scott & Kissane, PA  
Dilworth Paxson LLP  
Mirrione, Shaughnessy & Uitti, LLC  
Cadwalader Wickersham & Taft LLP  
Reed Smith, LLP  
Ballard Spahr LLP  
Gerson Lehrman Group  
M-III Partners, LP  
KPMG, LLP  
Protiviti Inc.  
Donnelley Financial, LLC  
Andres Viroslav  
Global Tax Management, Inc.  
CHATHAM FINANCIAL  
Newmark Knight Frank Valuation & Advisory, LLC  
Appraisal Economics Inc.  
UBS SECURITIES LLC  
CBRE, Inc.  
Colliers Int. Valuation and Advisory  
Cede & Co.  
Kodiak CDO I, Ltd.  
EJF CDO Manager LLC  
Hare & Co.  
Taberna Preferred Funding I, Ltd.  
TP Management LLC  
Independent Insurance Advisors  
REIT Administration, LLC  
OTC Markets Group Inc.  
EJF CDO Manager LLC  
Strook & Strook & Lavan LLP  
ACM Financial Trust  
Varadero Capital LP

SCGE Management LP  
SCGE (LTGP), LP  
CBRE Group, Inc.  
Midland Loan Services  
American Stock Transfer and Trust  
CSC Corporation Services  
Broadridge ICS  
Intertrust Corporate Services (Cayman)  
Corporate Synergies  
ADP  
Sterling Infosystems  
Amazon  
WB Mason Co, Inc.  
Fedex  
La Colombe  
Pitney Bowes Global Financial Services  
AVM Services  
DBRS, Inc.

**Banking Institutions**

The Bank of New York Trust Company, National Association  
The Bank of New York (Delaware)  
Wells Fargo Bank, National Association  
Wilmington Trust Company  
Wells Fargo Delaware Trust Company  
BNY Mellon Trust Company  
UMB Bank, National Association

**Significant Lenders**

Liberty Bank

**Significant Equityholders and Equityholder Affiliates**

LPM Austin English Aire, LLC  
Lee Minshull  
Paul Minshull  
William Johnson  
Balazs Csaki  
Charles Frischer  
Tiptree, Inc.  
Howard Amster  
Steve Lebowitz  
Almanac Realty Investors  
ARS VI Investor I, LP  
Highland Capital Management, L.P.

**Litigants**

LPM Austin English Aire, LLC  
Diane Vecchio

**Landlords and Landlord Affiliates**

Executive Mews Cherry Hill I LLC  
Executive Mews Cherry Hill II LLC  
Pine Tree Plaza LLC  
Executive Mews Phase 2 and 4 Associates LLC  
Robert Alper  
Lee Maimon  
Rudman Family Partnership, L.P.  
Brandywine Realty Trust

**Significant Equipment Lessors**

**Letter of Credit Beneficiaries**

**Significant Unsecured Creditors / Vendors**

Iron Mountain Records Management  
Canon Financial Services, Inc.  
XO Communications  
High Availability Inc.  
Compnet Inc.  
Zoho Corporation  
Micro Strategies Inc.  
PC Connection Sales Corp DBA Connection  
PC Connection Sales Corp  
Brandwine Realty Trust  
OP Compliance, LLC  
Moody's Investors Services  
Kroll Bond Rating Agency, Inc.  
Standard and Poor Financial Services LLC  
Morningstar Credit Ratings LLC  
AvidXchange  
Trepp, LLC  
Bloomberg LP  
Yardi Systems  
Concur Technologies  
Diligent Corporation  
Certent  
Barclays Capital Inc.

**Insurance Carriers and Administrators**

Cigna Health & Life Insurance Co.  
The Travelers Indemnity Company  
PA Retirement Solutions, Inc.  
RSUI Indemnity Co.  
XL Specialty Insurance  
US Specialty Insurance

**Environmental Authorities**

**Utilities**

Verizon Wireless  
Cogent Communications  
AT&T Mobility  
Comcast Cable  
LogMeIn, Inc.  
Mimecast  
Telesystem

**Stalking Horse Bidder and Counsel**

CF RFP Holdings LLC  
Fortress Investment Group LLC  
Fortress Credit Advisors LLC  
Stroock & Stroock & Lavan LLP  
Young Conaway Stargatt & Taylor, LLP

**Judges in the United States Bankruptcy Court for the District of Delaware**

Carey, Kevin J.  
Dorsey, John T.  
Gross, Kevin  
Owens, Karen S.  
Shannon, Brendan L.  
Silverstein, Laurie S.  
Sontchi, Christopher S.  
Walrath, Mary F.

**Office of the United States Trustee – (Region 3) Delaware**

Buchbinder, David – Trial Attorney  
Casey, Linda – Trial Attorney  
Cox, Natalie – Trial Attorney

Fox, Jr., Timothy J. – Trial Attorney  
Gerardi, David – Trial Attorney  
Giordano, Diane – Bankruptcy Analyst  
Hackman, Benjamin – Trial Attorney  
Heck, Jeffrey – Bankruptcy Analyst  
Kenney, Mark – Trial Attorney  
Leamy, Jane – Trial Attorney  
McCollum, Hannah M. – Trial Attorney  
O'Malley, James R. – Bankruptcy Analyst  
Panacio, Michael – Bankruptcy Analyst  
Sarkessian, Juliet – Trial Attorney  
Schepacarter, Richard – Trial Attorney  
Starr, Karen – Bankruptcy Analyst  
Tinker, T. Patrick – Assistant U.S. Trustee  
Vara, Andy – Acting United States Trustee  
West, Michael – Bankruptcy Analyst

**Schedule 2****Connection Disclosures**

<b>Current Client in Unrelated Matters</b>	<b>Former Client in Unrelated Matters</b>	<b>Affiliate of Current Client in Unrelated Matters</b>	<b>Affiliate of Former Client in Unrelated Matters</b>
Raritan Center Member, LLC			
Raritan Center SPE Owner, LLC			
			Brandywine-Willow Grove, Inc.
Winston and Strawn LLP			
	Dinsmore and Shohl LLP		
	Dilworth Paxson LLP		
	Gerson Lehrman Group		
KPMG, LLP			
		Midland Loan Services	
	American Stock Transfer and Trust		
Broadridge ICS			
	ADP		
	Amazon		
Fedex			
Pitney Bowes Global Financial Services			
The Bank of New York Trust Company, National Association			
The Bank of New York (Delaware)			
Wells Fargo Bank, National Association			
Wilmington Trust Company			

<b>Current Client in Unrelated Matters</b>	<b>Former Client in Unrelated Matters</b>	<b>Affiliate of Current Client in Unrelated Matters</b>	<b>Affiliate of Former Client in Unrelated Matters</b>
Wells Fargo Delaware Trust Company			
	UMB Bank, National Association		
	Highland Capital Management, L.P.		
	Iron Mountain Records Management		
AT&T Mobility			
Comcast Cable			
	Fortress Investment Group LLC		

**Exhibit B**

**Reyle Declaration**



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

In re:

RAIT FUNDING, LLC,  
a Delaware limited liability company, *et al.*<sup>1</sup>  
  
Debtors.

Chapter 11

Case No. 19-11915 (BLS)  
(Jointly Administered)

**DECLARATION OF JOHN R. REYLE IN SUPPORT OF DEBTORS’  
APPLICATION FOR AN ORDER AUTHORIZING RETENTION AND  
EMPLOYMENT OF DRINKER BIDDLE & REATH LLP AS COUNSEL  
TO THE DEBTORS, NUNC PRO TUNC TO THE PETITION DATE**

I, John J. Reyle, hereby declare under penalty of perjury pursuant to 28 U.S.C. § 1746, as follows:

1. I am the Chief Executive Officer (CEO), President, and General Counsel of RAIT Financial Trust, one of the above-captioned debtors and debtors in possession (collectively, the “Debtors”), which is the ultimate parent of all the other Debtors and their various non-debtor subsidiaries.

2. I submit this Declaration (the “Declaration”) in support of the application (the “Application”) <sup>2</sup> of the Debtors for an order authorizing the employment and retention of Drinker Biddle & Reath LLP (“Drinker Biddle”) as the Debtor’s attorneys under the terms and conditions

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: RAIT Funding, LLC, a Delaware limited liability company (9983); RAIT Financial Trust, a Maryland real estate investment trust (9819); RAIT General, Inc., a Maryland corporation (9987); RAIT Limited, Inc., a Maryland corporation (9773); Taberna Realty Finance Trust, a Maryland real estate investment trust (3577); RAIT JV TRS, LLC, a Delaware limited liability company (3190); and RAIT JV TRS Sub, LLC, a Delaware limited liability company (4870). The mailing address for all Debtors is Two Logan Square, 100 N. 18th Street, 23rd Floor, Philadelphia, Pennsylvania 19103 (Attn: John J. Reyle).

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Application.

as set forth in the Application. Except as otherwise indicated herein, all facts set forth in this Declaration are based upon my personal knowledge of the matters set forth herein, information learned from my review of relevant documents, information supplied to me by other members of the Debtors' management, consultation with the Debtors' professional advisors.

3. The Debtors engaged Drinker Biddle as their bankruptcy counsel because of the Firm's extensive knowledge, expertise, and experience in the field of debtors' and creditors' rights and business reorganizations under chapter 11 of the Bankruptcy Code. Drinker Biddle's knowledge, expertise, and experience practicing before the Court will enable the Firm to work in an efficient and cost-effective manner on behalf of the Debtors' estates. Additionally, in preparing for these chapter 11 cases, Drinker Biddle has become familiar with the Debtors' businesses and affairs and many of the potential legal issues that might arise in the context of these cases, and since its engagement has advised the Debtors on, among other things, local rules, practices, and procedures with respect to various restructuring issues. Therefore, the Debtors believe that Drinker Biddle is uniquely qualified to represent them in these cases. Drinker Biddle has informed the Debtors that its current hourly rates are the Firm's standard hourly rates for work of this nature.

4. In my capacity as Chief Executive Officer (CEO), President, and General Counsel of RAIT Financial Trust, I am responsible for supervising outside counsel retained by the Debtors in the ordinary course of business. As discussed below, I am also responsible for reviewing the invoices regularly submitted by Drinker Biddle, and can confirm that the rates Drinker Biddle charged the Debtors in the prepetition period are the same as the rates Drinker Biddle will charge the Debtors in the postpetition period, subject to periodic adjustment to reflect economic and other conditions.

5. The Debtors have approved Drinker Biddle's prospective budget and staffing plan for the period from the Petition Date through March 2020, recognizing that in the course of large chapter 11 cases like these, it is possible that there may be a number of unforeseen fees and expenses that will need to be addressed by the Debtors and Drinker Biddle. In accordance with the U.S. Trustee Guidelines, the budget may be amended as necessary to reflect changed expectations or unanticipated developments. The Debtors further recognize that it is their responsibility to closely monitor the billing practices of their counsel to ensure the fees and expenses paid by the estates remain consistent with the Debtors' expectations and the exigencies of these chapter 11 cases. The Debtors will continue to review the invoices that Drinker Biddle regularly submits and, together with Drinker Biddle, periodically amend the budget and staffing plans, as these cases develop.

6. As they did prepetition, the Debtors will continue to bring discipline, predictability, client involvement, and accountability to the counsel fees and expenses reimbursement process. While every chapter 11 case is unique, the budget will provide guidance on the period of time involved and the level of the attorneys and professionals that will work on various matters, as well as projections of average hourly rates for the attorneys and professionals for various matters.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: Philadelphia, Pennsylvania  
September 27, 2019

/s/ John J. Reyle

John J. Reyle, Esq.  
Chief Executive Officer, President,  
and General Counsel

**Exhibit C**

**Rule 2016 Statement**

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

In re:

RAIT FUNDING, LLC,  
a Delaware limited liability company, *et al.*<sup>1</sup>,  
  
Debtors.

Chapter 11

Case No. 19-11915 (BLS)  
(Jointly Administered)

**Hearing Date: October 22, 2019 at 10:00 a.m. ET**  
**Objection Deadline: October 11, 2019 at 4:00 p.m. ET**

**NOTICE OF DEBTORS' APPLICATION FOR AN ORDER  
AUTHORIZING RETENTION AND EMPLOYMENT OF  
DRINKER BIDDLE & REATH LLP AS COUNSEL TO  
DEBTORS, NUNC PRO TUNC TO THE PETITION DATE**

TO: (I) THE OFFICE OF THE UNITED STATES TRUSTEE FOR THE DISTRICT OF DELAWARE; (II) PROPOSED COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS; (III) COUNSEL TO THE STALKING HORSE PURCHASER; AND (IV) ALL PARTIES THAT, AS OF THE FILING OF THIS NOTICE, HAVE REQUESTED NOTICE IN THESE CHAPTER 11 CASES PURSUANT TO BANKRUPTCY RULE 2002.

PLEASE TAKE NOTICE that on September 27, 2019, the above captioned debtors and debtors in possession (collectively, the “Debtors”) filed the *Debtors’ Application for an Order Authorizing Retention and Employment of Drinker Biddle & Reath LLP as Counsel to the Debtors, Nunc Pro Tunc to the Petition Date* (the “Application”) with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801.

PLEASE TAKE FURTHER NOTICE that any objections to the relief sought in the Application must be filed on or before **4:00 p.m. (prevailing Eastern Time) on October 11, 2019** (the “Objection Deadline”) with the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801. At the same time, you must serve a copy of any objection upon the undersigned proposed counsel to the Debtors so as to be received on or before the Objection Deadline.

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: RAIT Funding, LLC, a Delaware limited liability company (9983); RAIT Financial Trust, a Maryland real estate investment trust (9819); RAIT General, Inc., a Maryland corporation (9987); RAIT Limited, Inc., a Maryland corporation (9773); Taberna Realty Finance Trust, a Maryland real estate investment trust (3577); RAIT JV TRS, LLC, a Delaware limited liability company (3190); and RAIT JV TRS Sub, LLC, a Delaware limited liability company (4870). The mailing address for all Debtors is Two Logan Square, 100 N. 18th Street, 23rd Floor, Philadelphia, Pennsylvania 19103 (Attn: John J. Reyle).

PLEASE TAKE FURTHER NOTICE that a hearing to consider the Application will be held on **October 22, 2019, at 10:00 a.m. (prevailing Eastern Time)** before The Honorable Brendan L. Shannon at the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 6<sup>th</sup> Floor, Courtroom 1, Wilmington, Delaware 19801.

**PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE APPLICATION WITHOUT FURTHER NOTICE OR HEARING.**

Dated: Wilmington, Delaware  
September 27, 2019

**DRINKER BIDDLE & REATH LLP**

/s/ Patrick A. Jackson

Patrick A. Jackson (Del. Bar No. 4976)  
Joseph N. Argentina, Jr. (Del. Bar No. 5453)  
222 Delaware Avenue, Suite 1410  
Wilmington, DE 19801  
Tel: (302) 467-4200  
Fax: (302) 467-4201  
Patrick.Jackson@dbb.com  
Joseph.Argentina@dbb.com

-and-

Michael P. Pompeo (admitted *pro hac vice*)  
Brian P. Morgan (admitted *pro hac vice*)  
1177 Avenue of the Americas, 41st Floor  
New York, NY 10036-2714  
Tel: (212) 248-3140  
Fax: (212) 248-3141  
Michael.Pompeo@dbb.com  
Brian.Morgan@dbb.com

*Proposed Counsel to the Debtors  
and Debtors in Possession*

**Exhibit D**

**Proposed Order**



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

In re:

RAIT FUNDING, LLC,  
a Delaware limited liability company, *et al.*<sup>1</sup>  
  
Debtors.

Chapter 11

Case No. 19-11915 (BLS)  
(Jointly Administered)

Re: Docket No. \_\_\_\_

**ORDER AUTHORIZING RETENTION AND EMPLOYMENT  
OF DRINKER BIDDLE & REATH LLP AS COUNSEL TO THE  
DEBTORS, NUNC PRO TUNC TO THE PETITION DATE**

Upon the application (the “Application”)<sup>2</sup> filed by the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order pursuant to section 327 of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016, and Local Rules 2014-1 and 2016-1 approving the employment of Drinker Biddle & Reath LLP, as attorneys to the Debtors, effective *nunc pro tunc* to the Petition Date; and it appearing that (i) the Court has jurisdiction over these chapter 11 cases and the Application under 28 U.S.C. §§ 1334(b) and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012, (ii) venue of these chapter 11 cases and the Application in this Court is proper under 28 U.S.C. §§ 1408 and 1409, (iii) the Application is a core proceeding pursuant to 28 U.S.C. § 157(b), and the Court may enter a final order consistent with

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: RAIT Funding, LLC, a Delaware limited liability company (9983); RAIT Financial Trust, a Maryland real estate investment trust (9819); RAIT General, Inc., a Maryland corporation (9987); RAIT Limited, Inc., a Maryland corporation (9773); Taberna Realty Finance Trust, a Maryland real estate investment trust (3577); RAIT JV TRS, LLC, a Delaware limited liability company (3190); and RAIT JV TRS Sub, LLC, a Delaware limited liability company (4870). The mailing address for all Debtors is Two Logan Square, 100 N. 18th Street, 23rd Floor, Philadelphia, Pennsylvania 19103 (Attn: John J. Reyle).

<sup>2</sup> Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Application.

Article III of the United States Constitution, and (iv) notice of the Application was adequate and proper under the circumstances, and no other or further notice need be given; and this Court finding that Drinker Biddle is a “disinterested person,” as defined in section 101(14) of the Bankruptcy Code, and as required by section 327(a) of the Bankruptcy Code because (i) Drinker Biddle has no connection with the Debtors, any creditors, or other parties in interest, their respective attorneys and accountants, or the United States Trustee for the District of Delaware or any of its employees, except as set forth in the Pompeo Declaration, (ii) Drinker Biddle is not a creditor, equity security holder, or insider of the Debtors, (iii) none of Drinker Biddle’s members or employees are or were, within two (2) years of the Petition Date, a director, officer, or employee of the Debtors, and (iv) Drinker Biddle does not hold and has neither represented nor represents an interest materially adverse to the interests of the Debtors’ estates or of any class of creditors or equity security holders by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors or for any other reason; and the Court having held a hearing to consider the relief requested in the Application; and upon the record of the hearing and all of the proceedings had before this Court; and it appearing that the relief requested in the Application is in the best interests of the Debtors, their estates, their creditors, and all other parties in interest, and that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Application is GRANTED as set forth herein.
2. In accordance with section 327(a) of the Bankruptcy Code, the Debtors are hereby authorized to retain and employ the firm of Drinker Biddle as their bankruptcy counsel on the

terms set forth in the Application, the Pompeo Declaration, and the Engagement Agreement, *nunc pro tunc* to the Petition Date.

3. Drinker Biddle shall be entitled to allowance of compensation and reimbursement of expenses, upon the filing and approval of interim and final applications pursuant to the Bankruptcy Rules, the Local Rules, and such other orders as this Court may direct, including, without limitation, any order of this Court establishing procedures for interim compensation and reimbursement of professionals retained in these chapter 11 cases.

4. Drinker Biddle shall file a copy of the budget approved by the Debtors for the applicable billing period with each monthly fee application.

5. The Debtors are authorized to take any and all actions necessary to effectuate the relief granted herein.

6. This Court shall retain jurisdiction with respect to all matters arising from or related to implementation of this Order.