

FILED

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2006 DEC -7 PM 3:45
CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
SANTA ANA

6 Attorneys for THOMAS A. SEAMAN,
RECEIVER

7
8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA, SOUTHERN DIVISION

10
11 SECURITIES AND EXCHANGE
COMMISSION,

12 Plaintiff,

13 v.

14 LAMBERT VANDER TUIG (a/k/a/
15 LAMBERT VANDER TAG a/k/a/
DEAN I. VANDER TAG), THE
16 CAROLINA DEVELOPMENT
COMPANY, INC. (a/k/a THE
17 CAROLINA COMPANY AT
PINEHURST, INC.), AND
18 JONATHAN CARMAN,

19 Defendants.

Case No. SACV06-172 AHS(ANx)
Complaint Filed: February 16, 2006

**NOTICE OF FINAL REPORT
DETAILING THE RESULTS OF
THE PROPOSED SALE OF REAL
ESTATE IN CELINA, TEXAS**

**[Final Report Detailing The Results
Of The Sale Of Real Estate In Celina,
Texas Filed Concurrently Herewith]**

Hearing:
Date: December 18, 2006
Time: 10:00 a.m.
Place: Courtroom 10A
411 W. Fourth Street
Santa Ana, California

1 PLEASE TAKE NOTICE THAT on December 18, 2006 at 10:00 a.m.
2 in Courtroom 10A of the United States District Court for the Central District of
3 California, Southern Division, located at 411 West Fourth Street, Santa Ana,
4 California 92701 (the "Court"), the Final Report Detailing The Results Of The Sale
5 Of Real Estate In Celina, Texas (the "Final Report") will be heard seeking approval
6 to sell an approximately 768 acre tract of land known as "Celina Bridges" (the
7 "Property") to Blue Star Investments, Inc. ("Blue Star") for \$25,570,000.

8 The Final Report has been filed pursuant to the Receiver's Motion For
9 Order Establishing Sales Procedures In Connection With Proposed Sale Of Real
10 Property Located In Celina, Texas And Setting Date To Confirm Sale (the "Celina
11 Sales Procedures Motion"). In this motion the Receiver sought Court approval to
12 sell the Property at a live auction to be held on November 29, 2006. The Celina
13 Sales Procedures Motion provided that the Property would not be sold at the live
14 auction for less than \$30,000,000. The Court issued an order approving the Celina
15 Sales Procedures Motion on October 27, 2006.

16 The Receiver complied with the procedures set forth in the Celina Sales
17 Procedures Motion. However, none of the offers submitted by November 28 were
18 greater than \$30,000,000. Therefore, the Receiver entered into negotiations with
19 Blue Star, the party that had offered to pay the highest price for the Property. After
20 negotiations were complete, the Receiver and Blue Star agreed to a purchase price
21 of \$25,570,000. The Final Report details the results of the proposed sale and seeks
22 Court approval to sell the Property to Blue Star for \$25,570,000.

23 The Receiver is in the process of publishing notice of the sale in several
24 newspapers as required by the Court. In these notices, any party interested in
25 purchasing the Property for more than \$25,570,000 is encouraged to contact the
26 Receiver and make an overbid. All overbids received, if any, will be brought to the
27 Court's attention by the Receiver by a supplemental report to be filed on
28 December 14, 2006. If no acceptable overbids are received, the Receiver will

1 request that the Court proceed with approving the sale of the Property to Blue Star
2 for \$25,570,000. Otherwise, the Receiver may seek approval of an overbid to be
3 detailed in the supplemental report.
4

5 A copy of the above-mentioned motion (which includes a copy of the
6 proposed Purchase and Sale Agreement with Blue Star) is available at
7 www.carolinareceivership.com. If you lack access to the internet, a copy of the
8 motion can also be obtained by written request to Sheppard, Mullin, Richter &
9 Hampton LLP, 650 Town Center Drive, Fourth Floor, Costa Mesa, California 92626-
10 1993, Attention: Michael A. Wallin.
11

12 Dated: December 7, 2006

13 SHEPPARD MULLIN RICHTER & HAMPTON LLP

14
15 By



16 ALAN H. MARTIN

17 Attorneys for
18 THOMAS A. SEAMAN, RECEIVER
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SERVICE LIST

SACV06-00172 AHS (ANx)

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