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RECEIVER

8

9

UNITED STATES DISTRICT COURT

10

CENTRAL DISTRICT OF CALIFORNIA, SOUTHERN DIVISION

11

12

SECURITIES AND EXCHANGE
COMMISSION,

Case No. SACV06-172 AHS(MLGx)

13

Plaintiff,

14

v.

**RECEIVER'S ELEVENTH SIX-
MONTH ACCOUNTING REPORT
FOR THE PERIOD ENDING
JULY 31, 2011**

15

16

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

Complaint Filed: February 16, 2006

20

Defendants.

21

22

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1 Thomas A. Seaman, duly-appointed receiver herein (the "Receiver"),
2 respectfully submits this Eleventh Six-Month Report. The time period covered by
3 this report is from February 1, 2011 through July 31, 2011. Inception-to-date
4 accounting from the time of the Receiver's appointment, February 16, 2006 is also
5 provided.

6
7 **I. PROCEDURAL BACKGROUND**

8
9 The Receiver was appointed on February 16, 2006 at a hearing on the
10 *ex parte* motion brought by the Securities and Exchange Commission (the "SEC")
11 seeking the appointment of a receiver and a temporary restraining order to, among
12 other things, stop the fraudulent sale of unregistered securities by The Carolina
13 Development Company, Inc. (the "Company") and its principals and agents
14 (collectively, the "Defendants"). On February 27, 2006, the Court issued a
15 Preliminary Injunction Order enjoining the Defendants from future violations of
16 securities laws. On April 5, 2006, the Court issued Findings of Fact and
17 Conclusions of Law in support of the Preliminary Injunction ("Findings"). The
18 Defendants filed no objection to the Court's Findings which include the Defendants
19 making misrepresentations to investors about sales and revenues of the Company,
20 making false statements about going public, making false statements about restricted
21 stock and failure to disclose stock already publicly traded, making
22 misrepresentations about properties owned by the Company, misrepresenting the
23 amount of authorized shares, misrepresenting the book value of the Company, in the
24 case of Vander Tuig, concealing his real name and not disclosing previous action
25 against him by the SEC, operating a Ponzi-like scheme, misappropriating investor
26 funds, taking funds from unaccredited investors, and continuing to make
27 misrepresentations to investors after this Court issued the Temporary Restraining
28

1 Order and Preliminary Injunction. On April 7, 2006, this Court expanded the scope
2 of the receivership by implementing a stay on legal actions against the Defendants,
3 and putting additional entities under the control of the Receiver.
4

5 On August 9, 2007, this Court approved the SEC's Plan of Partial
6 Distribution. On February 22, 2008, this Court granted the SEC's motion for
7 summary judgment against Vander Tuig. On or around January 21, 2009, the
8 California Department of Justice indicted Lambert Vander Tuig, Jonathan Carman,
9 defendants herein, Robert Waldman, a former attorney for the Company, and Scott
10 Yard, Mark Sostak and Soren Svendsen, who sold securities for the Company.
11 Collectively there were 89 counts of grand theft and securities fraud filed against
12 these six participants. On or around April 30, 2009, the Receiver distributed
13 \$7,680,363.69 to investor-victims in accordance with the SEC's Plan of Partial
14 Distribution.
15

16 **II. ACCOUNTING SUMMARY AND EXPLANATORY NARRATIVE**
17

18 Exhibit "A" provides an accounting of all receipts and disbursements of
19 the receivership estate and includes a cash basis profit and loss statement, balance
20 sheet and detailed general ledger since the inception of the receivership. Profit and
21 loss statements for both the latest six month reporting period and inception-to-date
22 are also provided.
23

24 For the six month reporting period the Receiver collected funds in the
25 amount of \$31.08 which is solely comprised of interest.
26
27
28

1 The Receiver has diligently invested excess cash in United States
2 Treasury bills. During the six month period the estate earned interest income of
3 \$31.08; inception-to-date the estate has earned interest income of \$662,741.36.
4 Unfortunately with the current financial crisis, the funds earned a vastly lower rate
5 of interest than in prior reporting periods.

6
7 Inception-to-date, through July 31, 2011, the Receiver has collected
8 funds in the amount of \$19,637,100.54 which can be broken down into the
9 following basic categories.

11	Seized or turned over	\$ 7,241,079.36
12	Litigation proceeds	\$ 435,750.00
13	Real estate escrows terminated by the Receiver	\$ 2,202,349.51
14	Disgorgement proceeds	\$ 304,930.00
15	Return of dividends paid	\$ 173,911.88
16	Other asset recovery	\$ 64,199.59
17	Interest paid to the Receiver	\$ 662,741.36
18	Sales of real property	\$ 8,492,138.84
19	Recovery of professional retainers	<u>\$ 60,000.00</u>
20	TOTAL	\$19,637,100.54

21
22 For the six month reporting period, the Receiver expended \$19,640.69.
23 Noteworthy among disbursements was liability insurance in the amount of
24 \$8,944.75 and distribution to investors in the amount of \$6,533.58.

25
26 Since the inception of the case, the Receiver has expended funds to
27 preserve the assets of the Company and incurred other expenses in the total amount
28

1 of \$19,298,991.16. These disbursements/expenses can be broken down into the
2 following basic categories.

3		
4	Distribution to victims	\$ 7,680,363.69
5	Interest and principal	\$ 5,112,788.12
6	Payments to "11 th Hour Investors"	\$ 1,087,268.02
7	Appraisers, technical advisers and consultants	\$ 800,224.61
8	Receiver's counsel fees and expenses	\$ 2,550,135.13
9	Tax accountants and related legal	\$ 164,537.90
10	Receiver's fees	\$ 1,224,703.50
11	Other cost as set forth on the P&L	<u>\$ 678,970.19</u>
12	TOTAL	\$19,298,991.16
13		

14 The Receiver is holding cash in the amount of \$338,109.38.

15
16 **III. REMAINING ASSETS**

17
18 **A. Moore County, The Carolina.**

19
20 The Company owns six finished lots and 227 acres of residential land
21 in The Carolina. There still remains little or no demand for residential land in
22 Moore County. The Receiver listed the property for sale with Cassidy Turley, a
23 national real estate brokerage firm with expertise in residential land sales and they
24 have aggressively marketed the property for sale. The broker identified a potential
25 buyer and the Receiver negotiated terms of sale and executed a purchase and sale
26 agreement with the potential buyer in November 2010, at a purchase price of \$2.075
27 million. The potential buyer posted an initial deposit of \$75,000 which is
28

1 refundable until the end of the due diligence period. Due to the complicated nature
2 of the potential development, the potential buyer has requested three extensions to
3 the due diligence period. In conjunction with granting extensions to the due
4 diligence period, the Receiver required additional deposits from the potential buyer.
5 The current deposit amount is \$105,000, which is refundable until the end of the due
6 diligence period, currently October 17, 2011. The broker is continuing to market the
7 property for sale to potential over bidders.

8
9 In order to facilitate the sale of the property, the Receiver has been
10 attempting to reinstate the Declarant Control Period which expired pursuant to the
11 Declaration of Covenants, Conditions, Easements, Restrictions, Charges, Liens, and
12 Reservations for The Carolina.

13
14 **B. Moore County, Single Family Lots.**

15
16 The Receiver has Lot 2175 at Mid South and Lot 24 at The National
17 remaining for sale.

18
19 Dated: October 4, 2011

20
21 SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

22
23 */s/ Michael A. Wallin*

24 By _____

MICHAEL A. WALLIN

Attorneys for

THOMAS A. SEAMAN, RECEIVER

EXHIBIT A

#5424

Carolina Development Company

Profit & Loss

February through July 2011

Cash Basis

	<u>Feb - Jul 11</u>
Income	
Interest	31.08
Total Income	<u>31.08</u>
Expense	
Bank Service Charges	111.00
Distribution to Investors	6,533.58
Insurance	
Liability Insurance	8,944.75
Total Insurance	<u>8,944.75</u>
Postage and Delivery	80.58
Professional Fees & Expenses	
Litigation Expenses	900.00
Receiver's Expenses	123.53
Receiver's tax accountants	166.25
Total Professional Fees & Expenses	<u>1,189.78</u>
Selling Expenses	22.00
Storage & Moving	1,959.00
Taxes	
LLC Tax	800.00
Total Taxes	<u>800.00</u>
Total Expense	<u>19,640.69</u>
Net Income	<u><u>-19,609.61</u></u>

EXHIBIT A

#5425

Carolina Development Company

ITD Profit & Loss

As of July 31, 2011

Cash Basis

	Jul 31, 11
Income	
Defendant Turnover/Seizure	7,241,079.36
Disgorgement Proceeds	304,930.00
Interest	662,741.36
Litigation Proceeds	435,750.00
Other Asset Recovery	64,199.59
Real Estate Escrows	2,202,349.51
Real Estate Sales	8,492,138.84
Recovery of Prof. Retainers	60,000.00
Return of Dividends Paid	173,911.88
Total Income	19,637,100.54
Expense	
Bank Service Charges	2,115.87
Distribution to Investors	7,680,363.69
Insurance	
Liability Insurance	62,373.21
Total Insurance	62,373.21
Investor Relations	1,728.17
Judgements	45,357.42
Loan Payments	
Interest	3,612,788.12
Principal	1,500,000.00
Total Loan Payments	5,112,788.12
Locksmith	385.95
Mileage	137.35
Office & Computer Supplies	1,369.55
Office Rent	63,977.76
Outside Services	1,388.92
Photocopying & Reproduction	41,050.11
Postage and Delivery	6,274.68
Professional Fees & Expenses	
Consulting Fees	2,500.00
Litigation Expenses	57,214.33
Notary Fees	10.00
Private Investigator	37,739.61
Receiver's Counsel's Expenses	124,024.79
Receiver's Expenses	2,970.85
Receiver's Fees	1,224,703.50
Receiver's Legal Counsel	2,426,110.34
Receiver's tax accountants	164,537.90
Receiver's Travel Expenses	8,918.55
Technical Consultants	
Appraisal Fees	146,500.00
Consultants Expenses	45,894.40
Information Technology	73,997.00
Land Use & Development	433,946.21
M.U.D. Attorney/Local Counsel	99,887.00
Total Technical Consultants	800,224.61
Title Research	41,700.00
Total Professional Fees & Expenses	4,890,654.48
Property Expenses	
Carman Residence 19 Skygate	32,353.67
Celina Bridges	
M.U.D. Recoverable Expenses	1,794.00
Total Celina Bridges	1,794.00
HOA Dues	5,303.27
Total Property Expenses	39,450.94
Return of 11th Hour Investments	1,087,268.02
Selling Expenses	84,023.35
Storage & Moving	23,831.41

#5426

Carolina Development Company

ITD Profit & Loss

As of July 31, 2011

Cash Basis

	Jul 31, 11
Taxes	
EDD, Pre-receiver settlement	4 829 97
FTB, Pre-receiver - Settlement	10,440 22
IRS - Pre-receiver settlement	36,863 94
LLC Tax	3 558 00
Property Taxes	98 504.28
Total Taxes	154 196 41
Telephone	255 75
Utilities	
Gas & Electrical	0.00
Total Utilities	0.00
Total Expense	19,298,991.16
Net Income	338,109.38

#5427

Carolina Development Company

Balance Sheet

As of July 31, 2011

Cash Basis

	<u>Jul 31, 11</u>
ASSETS	
Current Assets	
Checking/Savings	
U.S. Treasury Securities #0817	328,847.90
Wells Fargo Checking	9,261.48
Total Checking/Savings	<u>338,109.38</u>
Total Current Assets	<u>338,109.38</u>
TOTAL ASSETS	<u><u>338,109.38</u></u>
LIABILITIES & EQUITY	
Equity	
Retained Earnings	359,243.78
Net Income	-21,134.40
Total Equity	<u>338,109.38</u>
TOTAL LIABILITIES & EQUITY	<u><u>338,109.38</u></u>

#5428

Carolina Development Company
General Ledger

As of July 31, 2011

Cash Basis								
Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Carman Turnover Account #8989								
Total Carman Turnover Account #8989								0.00
Celina Escrow Savings								
Total Celina Escrow Savings								0.00
Jill Kraus Turnover Acct Chckng								
Total Jill Kraus Turnover Acct Chckng								0.00
Jill Kraus Turnover Treas Sec								
Total Jill Kraus Turnover Treas Sec								0.00
U.S. Treasury Securities #0817								
Deposit	2/28/2011			Deposit	Interest	2.60		338,844.84
Deposit	6/30/2011			Deposit	Interest	0.46		338,847.44
Transfer	7/21/2011			Funds Transfer	Wells Fargo Checking		10,000.00	338,847.90
Total U S Treasury Securities #0817						3.06	10,000.00	328,847.90
Wells Fargo Checking								
Deposit	2/1/2011			Interest	Interest	8.08		16,160.91
Check	2/11/2011	2410	Irvine Storage	Unit # C196	Storage & Moving		390.00	16,168.99
Check	2/28/2011			Service Charge	Bank Service Charges		15.00	15,778.99
Deposit	3/1/2011			Interest	Interest	6.43		15,785.99
Check	3/10/2011	2411	Irvine Storage	Unit # C196	Storage & Moving		393.00	15,377.42
Check	3/10/2011	2412	Thomas Seaman Co.	Fed Ex reimbursement	Receiver's Expenses		18.38	15,359.04
Check	3/10/2011	2413	Franchise Tax Board	Form 100-ES, Estimated 2011 Income tax	LLC Tax		800.00	14,559.04
Check	3/31/2011			Service Charge	Bank Service Charges		15.00	14,544.04
Deposit	4/1/2011			Interest	Interest	5.79		14,549.83
Check	4/20/2011	2414	Irvine Storage	Inv # 26747	Storage & Moving		196.50	14,353.33
Check	4/30/2011			Service Charge	Bank Service Charges		15.00	14,338.33
Deposit	5/1/2011			Interest	Interest	7.06		14,345.39
Transfer	5/3/2011			Funds Transfer	Wells Fargo Savings	2,647.90		16,993.29
Check	5/17/2011	2416	Irvine Storage	Inv # 27161	Storage & Moving		196.50	16,796.79
Check	5/17/2011	2415	Moore County Regist	Correction of deed	Selling Expenses		22.00	16,774.79
Bill Pmt -Check	6/14/2011	2417	Barbara Carnett	Initial Partial Distribution - Replacement	Accounts Payable		5,921.06	10,853.73
Bill Pmt -Check	6/14/2011	2418	Warren York Robinson	Initial Partial Distribution - Replacement	Accounts Payable		612.52	10,241.21
Check	6/14/2011	2419	Irvine Storage	Inv # 27567	Storage & Moving		196.50	10,044.71
Check	6/14/2011	2420	Crowe Horwath LLP	Inv # 737-1719613	Receiver's tax accounta		166.25	9,878.46
Check	7/18/2011	2421	Clerk of the Court	Copy of judgement - Donald Anderson	Receiver's Expenses		28.00	9,850.46
Check	7/18/2011	2423	Irvine Storage	Unit # C196	Storage & Moving		196.50	9,653.96
Check	7/21/2011	2422	Elkins Jones Insuran	GL Coverage - 07/19/11 - 07/19/12	Liability Insurance		8,944.75	709.21
Check	7/21/2011	2424	Albright Stoddard &	Re: Anderson judgment localization	Litigation Expenses		900.00	-190.79
Check	7/21/2011	2425	Clerk of the Court	Re: Quiroz -Judgment exemplification	Receiver's Expenses		28.00	-218.79
Transfer	7/21/2011			Funds Transfer	U.S. Treasury Securitie	10,000.00		9,781.21
Check	7/21/2011	2426	Thomas Seaman Co	Expense reimbursement	-SPLIT-		439.15	9,342.06
Check	7/27/2011	2427	Orange Courier Inc	Inv # 179683	Postage and Delivery		80.58	9,261.48
Total Wells Fargo Checking						12,675.26	19,574.69	9,261.48
Wells Fargo Savings								
Check	2/28/2011			Service Charge	Bank Service Charges		22.00	2,713.24
Deposit	2/28/2011			Interest	Interest	0.21		2,691.24
Check	3/31/2011			Service Charge	Bank Service Charges		22.00	2,669.45
Deposit	3/31/2011			Interest	Interest	0.23		2,669.68
Check	4/30/2011			Service Charge	Bank Service Charges		22.00	2,647.68
Deposit	4/30/2011			Interest	Interest	0.22		2,647.90
Transfer	5/3/2011			Funds Transfer	Wells Fargo Checking		2,647.90	0.00
Total Wells Fargo Savings						0.66	2,713.90	0.00
Accounts Receivable								
Total Accounts Receivable								0.00
Undeposited Funds								
Total Undeposited Funds								0.00
Accounts Payable								
Bill Pmt -Check	6/14/2011	2417	Barbara Carnett	Initial Partial Distribution - Replacement	Wells Fargo Checking		5,921.06	-5,921.06
Bill Pmt -Check	6/14/2011	2417	Barbara Carnett	Initial Partial Distribution - Replacement	Wells Fargo Checking	5,921.06		0.00
Bill Pmt -Check	6/14/2011	2418	Warren York Robinson	Initial Partial Distribution - Replacement	Wells Fargo Checking		612.52	-612.52
Bill Pmt -Check	6/14/2011	2418	Warren York Robinson	Initial Partial Distribution - Replacement	Wells Fargo Checking	612.52		0.00
Total Accounts Payable						6,533.58	6,533.58	0.00
Opening Bal Equity								
Total Opening Bal Equity								0.00
Retained Earnings								
Total Retained Earnings								-359,243.78
Defendant Turnover/Seizure								
Total Defendant Turnover/Seizure								0.00
Disgorgement Proceeds								
Total Disgorgement Proceeds								0.00
Interest								
Deposit	2/1/2011			Interest	Wells Fargo Checking		8.08	-12.21
Deposit	2/28/2011		Wells Fargo Bank	Interest income	U.S Treasury Securitie		2.60	-20.29
Deposit	2/28/2011			Interest	Wells Fargo Savings		0.21	-22.89
Deposit	3/1/2011			Interest	Wells Fargo Checking		6.43	-23.10
Deposit	3/31/2011			Interest	Wells Fargo Savings		0.23	-29.53
Deposit	4/1/2011			Interest	Wells Fargo Checking		5.79	-29.76
Deposit	4/30/2011			Interest	Wells Fargo Savings		0.22	-35.55
Deposit	5/1/2011			Interest	Wells Fargo Checking		7.06	-35.77
Deposit	5/1/2011			Interest	Wells Fargo Checking		7.06	-42.83

#5429

**Carolina Development Company
General Ledger**

As of July 31, 2011

Cash Basis

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Deposit	6/30/2011		Wells Fargo Bank	Interest Income	U S Treasury Securitie		0.46	-43.29
Total Interest						0.00	31.08	-43.29
Litigation Proceeds								0.00
Total Litigation Proceeds								0.00
Other Asset Recovery								0.00
Total Other Asset Recovery								0.00
Real Estate Escrows								0.00
Total Real Estate Escrows								0.00
Real Estate Sales								0.00
Total Real Estate Sales								0.00
Recovery of Prof Retainers								0.00
Total Recovery of Prof Retainers								0.00
Return of Dividends Paid								0.00
Total Return of Dividends Paid								0.00
Bank Service Charges								37.00
Check	2/28/2011			Service Charge	Wells Fargo Checking	15.00		52.00
Check	2/28/2011			Service Charge	Wells Fargo Savings	22.00		74.00
Check	3/31/2011			Service Charge	Wells Fargo Checking	15.00		89.00
Check	3/31/2011			Service Charge	Wells Fargo Savings	22.00		111.00
Check	4/30/2011			Service Charge	Wells Fargo Checking	15.00		126.00
Check	4/30/2011			Service Charge	Wells Fargo Savings	22.00		148.00
Total Bank Service Charges						111.00	0.00	148.00
Distribution to Investor								0.00
Total Distribution to Investor								0.00
Distribution to Investors								0.00
Bill	6/14/2011		Barbara Carnett	Initial Partial Distribution	Accounts Payable	5,921.06		5,921.06
Bill	6/14/2011		Warren York Robinson	Initial Partial Distribution	Accounts Payable	612.52		6,533.58
Total Distribution to Investors						6,533.58	0.00	6,533.58
Insurance								0.00
Directors and Officers Insuranc								0.00
Total Directors and Officers Insuranc								0.00
Liability Insurance								0.00
Check	7/21/2011	2422	Elkins Jones Insuran	GL Coverage - 07/19/11 - 07/19/12	Wells Fargo Checking	8,944.75		8,944.75
Total Liability Insurance						8,944.75	0.00	8,944.75
Insurance - Other								0.00
Total Insurance - Other								0.00
Total Insurance						8,944.75	0.00	8,944.75
Investor Relations								0.00
Total Investor Relations								0.00
Judgements								0.00
Total Judgements								0.00
Loan Payments								0.00
Interest								0.00
Total Interest								0.00
Principal								0.00
Total Principal								0.00
Loan Payments - Other								0.00
Total Loan Payments - Other								0.00
Total Loan Payments								0.00
Locksmith								0.00
Total Locksmith								0.00
Mileage								0.00
Total Mileage								0.00
Office & Computer Supplies								0.00
Total Office & Computer Supplies								0.00
Office Rent								0.00
Total Office Rent								0.00
Outside Services								0.00
Total Outside Services								0.00
Parking Fee								0.00
Total Parking Fee								0.00
Photocopying & Reproduction								0.00
Total Photocopying & Reproduction								0.00
Postage and Delivery								0.00

#5430

**Carolina Development Company
General Ledger**

As of July 31, 2011

Cash Basis								
Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Check	7/27/2011	2427	Orange Courier Inc.	Inv # 179683; Deliver documents to Fed.	Wells Fargo Checking	80.58		80.58
Total Postage and Delivery						80.58	0.00	80.58
Professional Fees & Expenses								0.00
Consulting Fees								0.00
Total Consulting Fees								0.00
Litigation Expenses								0.00
Check	7/21/2011	2424	Albright Stoddard &	Re: Anderson judgment localization	Wells Fargo Checking	900.00		900.00
Total Litigation Expenses						900.00	0.00	900.00
Notary Fees								0.00
Total Notary Fees								0.00
Private Investigator								0.00
Total Private Investigator								0.00
Receiver's Counsel's Expenses								0.00
Total Receiver's Counsel's Expenses								0.00
Receiver's Expenses								0.00
Check	3/10/2011	2412	Thomas Seaman Co	Fed Ex reimbursement	Wells Fargo Checking	18.38		18.38
Check	7/18/2011	2421	Clerk of the Court	Copy of judgement - Donald Anderson	Wells Fargo Checking	28.00		46.38
Check	7/21/2011	2425	Clerk of the Court	Re: Quiroz - Judgment exemplification	Wells Fargo Checking	28.00		74.38
Check	7/21/2011	2426	Thomas Seaman Co	Fed Ex reimbursement	Wells Fargo Checking	49.15		123.53
Total Receiver's Expenses						123.53	0.00	123.53
Receiver's Fees								0.00
Total Receiver's Fees								0.00
Receiver's Legal Counsel								0.00
Total Receiver's Legal Counsel								0.00
Receiver's tax accountants								0.00
Check	6/14/2011	2420	Crowe Horwath LLP	Inv # 737-1719613; Federal & state ext	Wells Fargo Checking	166.25		166.25
Total Receiver's tax accountants						166.25	0.00	166.25
Receiver's Travel Expenses								0.00
Total Receiver's Travel Expenses								0.00
Technical Consultants								0.00
Appraisal Fees								0.00
Total Appraisal Fees								0.00
Consultants Expenses								0.00
Total Consultants Expenses								0.00
Information Technology								0.00
Total Information Technology								0.00
Land Use & Development								0.00
Total Land Use & Development								0.00
M U D Attorney/Local Counsel								0.00
Total M U D Attorney/Local Counsel								0.00
Technical Consultants - Other								0.00
Total Technical Consultants - Other								0.00
Total Technical Consultants								0.00
Title Research								0.00
Total Title Research								0.00
Professional Fees & Expenses - Other								0.00
Total Professional Fees & Expenses - Other								0.00
Total Professional Fees & Expenses						1 189.78	0.00	1 189.78
Property Expenses								1 110.00
Carman Residence 19 Skygate								0.00
Total Carman Residence 19 Skygate								0.00
Celina Bridges								0.00
M.U.D Recoverable Expenses								0.00
Total M U D Recoverable Expenses								0.00
Celina Bridges - Other								0.00
Total Celina Bridges - Other								0.00
Total Celina Bridges								0.00
HOA Dues								1 110.00
Total HOA Dues								1 110.00
Property Expenses - Other								0.00
Total Property Expenses - Other								0.00
Total Property Expenses								1 110.00
Return of 11th Hour Investments								0.00

#5431

Carolina Development Company
General Ledger

As of July 31, 2011

Cash Basis								
Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Total Return of 11th Hour Investments								
Selling Expenses								
Check	5/17/2011	2415	Moore County Regist	Correction of deed	Wells Fargo Checking	22.00		22.00
Total Selling Expenses						22.00	0.00	22.00
Storage & Moving								
Check	2/11/2011	2410	Irvine Storage	Unit # C196	Wells Fargo Checking	390.00		390.00
Check	3/10/2011	2411	Irvine Storage	Unit # C196; 26325	Wells Fargo Checking	393.00		780.00
Check	4/20/2011	2414	Irvine Storage	Tenant # 8892 Unit C196 Inv # 26747	Wells Fargo Checking	196.50		1,369.50
Check	5/17/2011	2416	Irvine Storage	Tenant # 8892 Unit C196 Inv # 27161	Wells Fargo Checking	196.50		1,566.00
Check	6/14/2011	2419	Irvine Storage	Tenant # 8892 Unit C196 Inv # 27567	Wells Fargo Checking	196.50		1,762.50
Check	7/18/2011	2423	Irvine Storage	Tenant # 8892, Unit C196	Wells Fargo Checking	196.50		1,959.00
Check	7/21/2011	2426	Thomas Seaman Co	Expense reimbursement - Storage	Wells Fargo Checking	390.00		2,349.00
Total Storage & Moving						1,959.00	0.00	2,349.00
Taxes								
EDD Pre-receiver settlement								
Total EDD Pre-receiver settlement								0.00
FTB Pre-receiver - Settlement								
Total FTB Pre-receiver - Settlement								0.00
IRS - Pre-receiver settlement								
Total IRS - Pre-receiver settlement								0.00
LLC Tax								
Check	3/10/2011	2413	Franchise Tax Board	Form 100-ES Estimated 2011 Income t	Wells Fargo Checking	800.00		800.00
Total LLC Tax						800.00	0.00	800.00
Property Taxes								
Total Property Taxes								0.00
Taxes - Other								
Total Taxes - Other								0.00
Total Taxes						800.00	0.00	800.00
Telephone								
Total Telephone								0.00
Utilities								
Gas & Electrical								
Total Gas & Electrical								0.00
Utilities - Other								
Total Utilities - Other								0.00
Total Utilities								0.00
No acct								
Total no acct								0.00
TOTAL						38,853.25	38,853.25	0.00

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PROOF OF SERVICE

I, the undersigned, declare that I am, and was at the time of service of the papers herein referred to, employed in the County of Orange; over the age of eighteen years and not a party to the within entitled action or proceeding. My business address is 650 Town Center Drive, 4th Floor, Costa Mesa, California 92626-1993.

On **October 4, 2011**, I served the following document described as **RECEIVER'S ELEVENTH SIX-MONTH ACCOUNTING REPORT FOR THE PERIOD ENDING JULY 31, 2011** on the interested party(ies) in this action by placing true copies/ originals thereof enclosed in sealed envelopes and/or packages addressed as follows:
SEE ATTACHED SERVICE LIST

- BY MAIL:** I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. postal service on that same day with postage thereon fully prepaid at Costa Mesa, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.
- BY FACSIMILE:** I served said document(s) to be transmitted by facsimile pursuant to Rule 2008 of the California Rules of Court. The telephone number of the sending facsimile machine was 714-513-5130. The name(s) and facsimile machine telephone number(s) of the person(s) served are set forth in the service list. The sending facsimile machine (or the machine used to forward the facsimile) issued a transmission report confirming that the transmission was complete and without error. Pursuant to Rule 2.306(g)(4), a copy of that report is attached to this declaration.
- BY OVERNIGHT DELIVERY:** I served such envelope or package to be delivered on the same day to an authorized courier or driver authorized by the overnight service carrier to receive documents, in an envelope or package designated by the overnight service carrier.
- FEDERAL:** I declare that I am employed in the office of a member of the bar of this Court at whose direction the service was made. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on **October 4, 2011**, at Costa Mesa, California.

/s/ Margaret N. Manns
Margaret N. Manns

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SERVICE LIST
SACV06-172AHS(MLGx)

Lambert Vander Tuig 37 Shea Ridge Rancho Santa Margarita, CA 92688	In Pro Per
Jonathan Charles Carman 22335 Carminto Arroyo Seco Laguna Hills, CA 92653 Telephone: (714) 742-4272	In Pro Per
James Bastian, Esq. Marshack, Shulman, Hodges & Bastian 26632 Town Center Dr., Ste. 300 Foothill Ranch, CA 92610 Telephone: (949) 340-3400 Facsimile: (949) 340-3000	Attorneys for Certain Investors