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7 Attorneys for THOMAS A. SEAMAN,
RECEIVER
8

9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA, SOUTHERN DIVISION
11

12 SECURITIES AND EXCHANGE
COMMISSION,
13

14 Plaintiff,

15 v.

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

20 Defendants.
21

Case No. SACV06-172 AHS(MLGx)

**RECEIVER'S NINTH SIX-MONTH
ACCOUNTING REPORT FOR THE
PERIOD ENDING JULY 31, 2010**

Complaint Filed: February 16, 2006

1 Thomas A. Seaman, duly-appointed receiver herein ("Receiver")
2 respectfully submits this Ninth Six-Month Report. The time period covered by this
3 report is from February 1, 2010 through July 31, 2010. Inception-to-date accounting
4 from the time of the Receiver's appointment, February 16, 2006 is also provided.
5

6 **I. PROCEDURAL BACKGROUND**
7

8 The Receiver was appointed on February 16, 2006 at a hearing on the
9 *ex parte* motion brought by the Securities and Exchange Commission seeking a
10 Temporary Restraining Order to stop the fraudulent sale of unregistered securities
11 by The Carolina Development Company (the "Company") and its principals and
12 agents, (collectively, the "Defendants"). On February 27, 2006 the Court issued a
13 Preliminary Injunction Order enjoining the Defendants from future violations of
14 securities laws. On April 5, 2006 the Court issued Findings of Fact and Conclusions
15 of Law in support of the Preliminary Injunction ("Findings"). Defendants filed no
16 objection to the Court's Findings which include the Defendants making
17 misrepresentations to investors about sales and revenues of the Company, making
18 false statements about going public, making false statements about restricted stock
19 and failure to disclose stock already publicly traded, making misrepresentations
20 about properties owned by the Company, misrepresenting the amount of authorized
21 shares, misrepresenting the book value of the Company, in the case of Vander Tuig,
22 concealing his real name and not disclosing previous action against him by the
23 Securities and Exchange Commission, operating a Ponzi like scheme,
24 misappropriating investor funds, taking funds from un-accredited investors, and
25 continuing to make misrepresentations to investors after this Court issued the
26 Temporary Restraining Order and Preliminary Injunction. On April 7, 2006 this
27 Court expanded the scope of the receivership by implementing a stay on legal
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1 actions against the Defendants, and putting additional entities under the control of
2 the Receiver. On February 22, 2008 this Court granted Plaintiff's motion for
3 summary Judgment against Vander Tag. On August 9, 2007 this Court approved
4 the Plaintiff's Plan of Partial Distribution. On or around January 21, 2009 the
5 California Department of Justice indicted Lambert Vander Tag, Jonathan Carman,
6 defendants herein, Robert Waldman, a former attorney for the Company, and Scott
7 Yard, Mark Sostak and Soren Svendsen, who sold securities for the Company.
8 Collectively there were 89 counts of grand theft and securities fraud against these
9 six Carolina Company participants. On or around April 30, 2009 the Receiver
10 distributed \$7,680,363.69 to investor-victims in accordance with the Plaintiff's Plan
11 of Partial Distribution.

12

13 **II. ACCOUNTING SUMMARY AND EXPLANATORY NARRATIVE**

14

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

20

21 For the six month reporting period the Receiver collected funds in the
22 amount of 33,427.62 which is comprised of real estate sales in the amount of
23 \$23,292.94 for Mid South lot 2520, return of an earnest deposit made by the
24 Company in the amount of \$10,000.00, and interest in the amount of \$134.68.

25

26 The Receiver has diligently invested excess cash in the estate in United
27 States Treasury bills to ensure that funds on deposit in the bank are less than the

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1 FDIC insurance. During the six month period the estate earned interest income of
2 \$134.68; inception-to-date the estate has earned interest income of \$662,554.48.
3 Unfortunately with the current financial crisis, the funds earned a vastly lower rate
4 of interest than in prior reporting periods.

5
6 Inception-to-date, through July 31, 2010, the Receiver has collected
7 funds in the amount of \$19,597,534.43 which can be broken down into the
8 following basic categories.

9		
10	Seized or turned over	\$ 7,241,079.36
11	Litigation Proceeds	\$ 435,750.00
12	Real estate escrows terminated by the Receiver	\$ 2,202,349.51
13	Disgorgement Proceeds	\$ 304,930.00
14	Return of Dividends paid	\$ 173,911.88
15	Other asset recovery	\$ 64,199.59
16	Interest paid to the Receiver	\$ 662,554.48
17	Sales of real property	\$ 8,452,759.61
18	Recovery of professional retainers	<u>\$ 60,000.00</u>
19	TOTAL	\$19,597,534.43
20		

21 For the six month reporting period, the Receiver expended \$36,708.08.
22 Noteworthy among disbursements was property taxes in the amount of \$13,634.96,
23 liability insurance in the amount of \$9,606.40, appraisal fees in the amount of
24 \$5,000.00 and other disbursements summarized and listed in Exhibit A.

25
26 The Receiver and his professionals will file fee applications in August
27 2010 for the period ending July 31, 2010.

1 Since the inception of the case, the Receiver has expended funds to
2 preserve the assets of the Company and incurred other expenses in the total amount
3 of \$19,051,178.08. These disbursements/expenses can be broken down into the
4 following basic categories.

5	Distribution to victims	\$7,680,363.69
6	Interest and principal	\$ 5,112,788.12
7	Payments to "11 th Hour Investors"	\$ 1,087,268.02
8	Appraisers, technical advisers and consultants	\$ 800,224.61
9	Receiver's counsel fees and expenses	\$ 2,424,936.79
10	Tax accountants and related legal	\$154,047.52
11	Receiver's fees	\$ 1,150,105.00
12	Other cost as set forth on the P&L	<u>\$ 641,444.33</u>
13	TOTAL	\$19,051,178.08

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15
16 The Receiver is holding cash in the amount of \$546,356.35.

17
18 **III. Remaining Assets.**

- 19
20 1. Moore County, The Carolina. The Receiver obtained an updated
21 appraisal and a broker opinion of value to assess the current market
22 value of the 229 acres. There still remains little or no demand for land
23 in Moore County. The Receiver listed the property with Cassidy
24 Turley and Cassidy Turley has been aggressively marketing the
25 property for sale. Cassidy Turley identified a potential buyer, and the
26 Receiver negotiated terms of sale and executed a letter of intent with
27 the potential buyer at a sales price of \$2.75 million. After completing
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some due diligence on the property, the potential buyer requested a significant change in sale terms. The Receiver is currently in discussions with the potential buyer to try to reach agreement on sale terms. In the meantime, Cassidy Turley is continuing to market the property for sale.

2. Moore County, Single Family Lots. The Receiver completed the sale of Lot 2520 in March 2010 at a gross sale price of \$29,000, consistent with Court Approval. The net sale proceeds realized from the sale of Lot 2520 were \$23,293. Sale of Lot 2132 was approved by the Court and is scheduled to close in August 2010 at a gross sale price of \$48,000. The Receiver has only one remaining lot for sale at The National golf course in Moore County.

Dated: August 26, 2010

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

/s/ Michael A. Wallin

By _____

MICHAEL A. WALLIN
Attorneys for
THOMAS A. SEAMAN, RECEIVER

Exhibit A

Carolina Development Company

Profit & Loss

February through July 2010

Cash Basis

	Feb - Jul 10
Income	
Interest	134.68
Real Estate Escrows	10,000.00
Real Estate Sales	23,292.94
Total Income	33,427.62
Expense	
Bank Service Charges	193.00
Distribution to Investors	451.74
Insurance	
Liability Insurance	9,606.40
Total Insurance	9,606.40
Outside Services	683.94
Postage and Delivery	984.63
Professional Fees & Expenses	
Private Investigator	1,236.00
Technical Consultants	
Appraisal Fees	5,000.00
Total Technical Consultants	5,000.00
Total Professional Fees & Expenses	6,236.00
Property Expenses	
HOA Dues	1,081.81
Total Property Expenses	1,081.81
Selling Expenses	458.60
Storage & Moving	2,577.00
Taxes	
LLC Tax	800.00
Property Taxes	13,634.96
Total Taxes	14,434.96
Total Expense	36,708.08
Net Income	-3,280.46

Carolina Development Company

Profit & Loss

February 2006 through July 2010

Cash Basis

	Feb '06 - Jul 10
Income	
Defendant Turnover/Seizure	7,241,079.36
Disgorgement Proceeds	304,930.00
Interest	662,554.48
Litigation Proceeds	435,750.00
Other Asset Recovery	64,199.59
Real Estate Escrows	2,202,349.51
Real Estate Sales	8,452,759.61
Recovery of Prof. Retainers	60,000.00
Return of Dividends Paid	173,911.88
Total Income	19,597,534.43
Expense	
Bank Service Charges	1,709.87
Distribution to Investors	7,680,363.69
Insurance	
Liability Insurance	53,428.46
Total Insurance	53,428.46
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	39,134.17
Postage and Delivery	6,160.81
Professional Fees & Expenses	
Consulting Fees	2,500.00
Litigation Expenses	56,314.33
Notary Fees	10.00
Private Investigator	37,739.61
Receiver's Counsel's Expenses	109,753.95
Receiver's Expenses	1,896.11
Receiver's Fees	1,150,105.00
Receiver's Legal Counsel	2,315,182.84
Receiver's tax accountants	154,047.52
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	4,678,392.52
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	4,193.27
Total Property Expenses	38,340.94
Return of 11th Hour Investments	1,087,268.02
Selling Expenses	84,001.35
Storage & Moving	19,259.41
Taxes	

Carolina Development Company
Profit & Loss

February 2006 through July 2010

Cash Basis

	Feb '06 - Jul 10
EDD, Pre-receiver settlement	4,829.97
FTB, Pre-receiver - Settlement	10,440.22
IRS - Pre-receiver settlement	36,863.94
LLC Tax	2,758.00
Property Taxes	80,837.72
Total Taxes	135,729.85
Telephone	255.75
Utilities	
Gas & Electrical	0.00
Total Utilities	0.00
Total Expense	19,051,178.08
Net Income	546,356.35

Carolina Development Company Balance Sheet

Cash Basis

	<u>Jul 31, 10</u>
ASSETS	
Current Assets	
Checking/Savings	
U.S. Treasury Securities #0817	538,796.96
Wells Fargo Checking	4,674.27
Wells Fargo Savings	2,885.12
Total Checking/Savings	<u>546,356.35</u>
Total Current Assets	<u>546,356.35</u>
TOTAL ASSETS	<u>546,356.35</u>
LIABILITIES & EQUITY	
Equity	
Retained Earnings	550,257.27
Net Income	-3,900.92
Total Equity	<u>546,356.35</u>
TOTAL LIABILITIES & EQUITY	<u>546,356.35</u>

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 Cash Basis

Carolina Development Company
General Ledger
 As of July 31, 2010

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Carman Turnover Account #8989								0.00
Total Carman Turnover Account #8989								0.00
Celina Escrow Savings								0.00
Total Celina Escrow Savings								0.00
Jill Kraus Turnover Acct Chckng								0.00
Total Jill Kraus Turnover Acct Chckng								0.00
Jill Kraus Turnover Treas. Sec.								0.00
Total Jill Kraus Turnover Treas. Sec.								0.00
U.S. Treasury Securities #0817								538,779.25
Deposit	2/28/2010			Deposit	Interest	4.13		538,783.38
Deposit	3/31/2010			Deposit	Interest	4.58		538,787.96
Deposit	4/30/2010			Deposit	Interest	4.72		538,792.68
Deposit	5/31/2010			Deposit	Interest	4.28		538,796.96
Total U.S. Treasury Securities #0817						17.71	0.00	538,796.96
Wells Fargo Checking								5,380.85
Deposit	2/2/2010			Interest	Interest	70.26		5,451.11
Check	2/4/2010	2370	TAB Service Comp...	Inv # 11373	-SPLIT-		957.60	4,493.51
Check	2/4/2010	2371	Irvine Storage	Inv # 20348	Storage & Mo...		359.00	4,134.51
Check	2/23/2010	2372	Irvine Storage	Inv # 20812	Storage & Mo...		359.00	3,775.51
Check	2/28/2010			Service Charge	Bank Service ...		15.00	3,760.51
Deposit	3/2/2010			Interest	Interest	10.87		3,771.38
Check	3/9/2010	2373	National Property O...	Inv # 1330, L...	HOA Dues		1,081.81	2,689.57
Check	3/9/2010	2374	The Pilot	Act # 000232...	Selling Expen...		224.00	2,465.57
Check	3/9/2010	2375	Thomas Seaman C...	Postage reim...	-SPLIT-		507.21	1,958.36
Bill Pmt ...	3/9/2010	2376	Julia Mack	Initial Partial ...	Accounts Pay...		451.74	1,506.62
Check	3/9/2010	2377	Irvine Storage	Unit # F115, ...	Storage & Mo...		359.00	1,147.62
Check	3/22/2010	2378	Thomas Seaman C...	Reimburse...	-SPLIT-		154.66	992.96
Deposit	3/24/2010			Deposit	Real Estate S...	23,292.94		24,285.90
Check	3/31/2010			Service Charge	Bank Service ...		54.00	24,231.90
Deposit	3/31/2010			Interest	Interest	8.64		24,240.54
Deposit	4/1/2010			Interest	Interest	9.29		24,249.83
Transfer	4/13/2010			Transfer to c...	Wells Fargo S...	2,500.00		26,749.83
Check	4/13/2010	2379	P A L Investigations...	PAL Case # ...	Private Investi...		1,236.00	25,513.83
Check	4/13/2010	2380	Irvine Storage	Inv # 21368	Storage & Mo...		390.00	25,123.83
Check	4/30/2010			Service Charge	Bank Service ...		15.00	25,108.83
Deposit	5/1/2010			Interest	Interest	15.50		25,124.33
Check	5/5/2010	2381	Irvine Storage	Inv # 21736	Storage & Mo...		370.00	24,754.33
Check	5/26/2010	2382	Moore County Tax ...	LRK # 00031...	Property Taxes		13,634.96	11,119.37
Check	5/31/2010			Service Charge	Bank Service ...		15.00	11,104.37
Check	6/11/2010	2383	Irvine Storage	Inv # 22192	Storage & Mo...		370.00	10,734.37
Check	6/11/2010	2384	The Pilot	Act # 000232...	Selling Expen...		234.60	10,499.77
Check	7/1/2010	2386	Franchise Tax Board	Form 100-ES...	LLC Tax		800.00	9,699.77
Check	7/6/2010	2387	Thomas Seaman C...	Fed Ex reimb...	Postage and ...		24.15	9,675.62
Check	7/6/2010	2388	Village Appraisers	File # 10066	Appraisal Fees		5,000.00	4,675.62
Check	7/6/2010	2389	Irvine Storage	Inv # 22639	Storage & Mo...		370.00	4,305.62
Transfer	7/16/2010			Funds Transfer	Wells Fargo S...	10,000.00		14,305.62
Check	7/16/2010	2390	Elkins Jones Insura...	GL Coverage	Liability Insura...		9,606.40	4,699.22
Check	7/20/2010	2392	Thomas Seaman C...	Fed Ex reimb...	Postage and ...		24.95	4,674.27
Total Wells Fargo Checking						35,907.50	36,614.08	4,674.27
Wells Fargo Savings								5,476.71
Check	2/28/2010			Service Charge	Bank Service ...		21.00	5,455.71
Deposit	2/28/2010			Interest	Interest	0.42		5,456.13
Check	3/31/2010			Service Charge	Bank Service ...		21.00	5,435.13
Deposit	3/31/2010			Interest	Interest	0.46		5,435.59
Transfer	4/13/2010			Transfer to c...	Wells Fargo C...		2,500.00	2,935.59
Deposit	4/27/2010			Deposit	Real Estate E...	10,000.00		12,935.59
Check	4/30/2010			Service Charge	Bank Service ...		31.00	12,904.59
Deposit	4/30/2010			Interest	Interest	0.44		12,905.03
Check	5/31/2010			Service Charge	Bank Service ...		21.00	12,884.03
Deposit	5/31/2010			Interest	Interest	1.09		12,885.12
Transfer	7/16/2010			Funds Transfer	Wells Fargo C...		10,000.00	2,885.12
Total Wells Fargo Savings						10,002.41	12,594.00	2,885.12
Accounts Receivable								0.00

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Cash Basis

Carolina Development Company
General Ledger
As of July 31, 2010

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Total Accounts Receivable								0.00
Undeposited Funds								0.00
Total Undeposited Funds								0.00
Accounts Payable								0.00
Bill Pmt ...	3/9/2010	2376	Julia Mack	Initial Partial ...	Wells Fargo C...		451.74	-451.74
Bill Pmt ...	3/9/2010	2376	Julia Mack	Initial Partial ...	Wells Fargo C...	451.74		0.00
Total Accounts Payable						451.74	451.74	0.00
Opening Bal Equity								0.00
Total Opening Bal Equity								0.00
Retained Earnings								-550,257.27
Total Retained Earnings								-550,257.27
Defendant Turnover/Seizure								0.00
Total Defendant Turnover/Seizure								0.00
Disgorgement Proceeds								0.00
Total Disgorgement Proceeds								0.00
Interest								-15.54
Deposit	2/2/2010			Interest	Wells Fargo C...		70.26	-85.80
Deposit	2/28/2010			Interest	Wells Fargo S...		0.42	-86.22
Deposit	2/28/2010			Deposit	U.S. Treasury ...		4.13	-90.35
Deposit	3/2/2010			Interest	Wells Fargo C...		10.87	-101.22
Deposit	3/31/2010			Interest	Wells Fargo S...		0.46	-101.68
Deposit	3/31/2010			Interest	Wells Fargo C...		8.64	-110.32
Deposit	3/31/2010			Deposit	U.S. Treasury ...		4.58	-114.90
Deposit	4/1/2010			Interest	Wells Fargo C...		9.29	-124.19
Deposit	4/30/2010			Interest	Wells Fargo S...		0.44	-124.63
Deposit	4/30/2010			Deposit	U.S. Treasury ...		4.72	-129.35
Deposit	5/1/2010			Interest	Wells Fargo C...		15.50	-144.85
Deposit	5/31/2010			Deposit	U.S. Treasury ...		4.28	-149.13
Deposit	5/31/2010			Interest	Wells Fargo S...		1.09	-150.22
Total Interest						0.00	134.68	-150.22
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
Deposit	4/27/2010		Stewart Title of Ore...	Sandpines E...	Wells Fargo S...		10,000.00	-10,000.00
Total Real Estate Escrows						0.00	10,000.00	-10,000.00
Real Estate Sales								0.00
Deposit	3/24/2010		Donnell G. Adams, ...	Deposit	Wells Fargo C...		23,292.94	-23,292.94
Total Real Estate Sales						0.00	23,292.94	-23,292.94
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								36.00
Check	2/28/2010			Service Charge	Wells Fargo S...	21.00		57.00
Check	2/28/2010			Service Charge	Wells Fargo C...	15.00		72.00
Check	3/31/2010			Service Charge	Wells Fargo S...	21.00		93.00
Check	3/31/2010			Service Charge	Wells Fargo C...	54.00		147.00
Check	4/30/2010			Service Charge	Wells Fargo S...	31.00		178.00
Check	4/30/2010			Service Charge	Wells Fargo C...	15.00		193.00
Check	5/31/2010			Service Charge	Wells Fargo C...	15.00		208.00
Check	5/31/2010			Service Charge	Wells Fargo S...	21.00		229.00
Total Bank Service Charges						193.00	0.00	229.00
Distribution to Investor								0.00

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08/09/10

Cash Basis

Carolina Development Company
General Ledger
 As of July 31, 2010

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Total Distribution to Investor								0.00
Distribution to Investors								0.00
Bill	3/9/2010		Julia Mack	Initial Partial ...	Accounts Pay...	451.74		451.74
Total Distribution to Investors						451.74	0.00	451.74
Insurance								0.00
Directors and Officers Insuranc								0.00
Total Directors and Officers Insuranc								0.00
Liability Insurance								0.00
Check	7/16/2010	2390	Elkins Jones Insura...	GL Coverage	Wells Fargo C...	9,606.40		9,606.40
Total Liability Insurance						9,606.40	0.00	9,606.40
Insurance - Other								0.00
Total Insurance - Other								0.00
Total Insurance						9,606.40	0.00	9,606.40
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
Check	2/4/2010	2370	TAB Service Comp...	Inv # 11373; ...	Wells Fargo C...	555.44		555.44
Check	3/22/2010	2378	Thomas Seaman C...	Network solut...	Wells Fargo C...	128.50		683.94
Total Outside Services						683.94	0.00	683.94
Parking Fee								0.00
Total Parking Fee								0.00
Photocopying & Reproduction								0.00
Total Photocopying & Reproduction								0.00
Postage and Delivery								0.00
Check	2/4/2010	2370	TAB Service Comp...	Inv # 11373; ...	Wells Fargo C...	402.16		402.16
Check	3/9/2010	2375	Thomas Seaman C...	-MULTIPLE-	Wells Fargo C...	507.21		909.37
Check	3/22/2010	2378	Thomas Seaman C...	Fed Ex reimb...	Wells Fargo C...	26.16		935.53
Check	7/6/2010	2387	Thomas Seaman C...	Fed Ex reimb...	Wells Fargo C...	24.15		959.68
Check	7/20/2010	2392	Thomas Seaman C...	Fed Ex reimb...	Wells Fargo C...	24.95		984.63
Total Postage and Delivery						984.63	0.00	984.63
Professional Fees & Expenses								600.00

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 08/09/10
 Cash Basis

Carolina Development Company
General Ledger
 As of July 31, 2010

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Consulting Fees								0.00
Total Consulting Fees								0.00
Litigation Expenses								0.00
Total Litigation Expenses								0.00
Notary Fees								0.00
Total Notary Fees								0.00
Private Investigator								0.00
Check	4/13/2010	2379	P A L Investigations...	PAL Case # ...	Wells Fargo C...	1,236.00		1,236.00
Total Private Investigator						1,236.00	0.00	1,236.00
Receiver's Counsel's Expenses								0.00
Total Receiver's Counsel's Expenses								0.00
Receiver's Expenses								0.00
Total Receiver's Expenses								0.00
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
Total Receiver's tax accountants								0.00
Receiver's Travel Expenses								0.00
Total Receiver's Travel Expenses								0.00
Technical Consultants								600.00
Appraisal Fees								600.00
Check	7/6/2010	2388	Village Appraisers	File # 10066; ...	Wells Fargo C...	5,000.00		5,600.00
Total Appraisal Fees						5,000.00	0.00	5,600.00
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						5,000.00	0.00	5,600.00
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						6,236.00	0.00	6,836.00
Property Expenses								0.00
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

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Cash Basis

Carolina Development Company
General Ledger
 As of July 31, 2010

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Celina Bridges - Other								
Total Celina Bridges - Other								0.00
Total Celina Bridges								0.00
HOA Dues								
Check	3/9/2010	2373	National Property O...	Inv # FC 5, H...	Wells Fargo C...	1,081.81		1,081.81
Total HOA Dues								1,081.81
Property Expenses - Other								
Total Property Expenses - Other								0.00
Total Property Expenses								1,081.81
Return of 11th Hour Investments								
Total Return of 11th Hour Investments								0.00
Selling Expenses								
Check	3/9/2010	2374	The Pilot	Act # 000232...	Wells Fargo C...	224.00		224.00
Check	6/11/2010	2384	The Pilot	Act # 000232...	Wells Fargo C...	234.60		458.60
Total Selling Expenses								458.60
Storage & Moving								
Check	2/4/2010	2371	Irvine Storage	Inv # 20348; ...	Wells Fargo C...	359.00		359.00
Check	2/23/2010	2372	Irvine Storage	Inv # 20812; ...	Wells Fargo C...	359.00		718.00
Check	3/9/2010	2377	Irvine Storage	Unit # F115, ...	Wells Fargo C...	359.00		1,077.00
Check	4/13/2010	2380	Irvine Storage	Inv # 21368; ...	Wells Fargo C...	390.00		1,467.00
Check	5/5/2010	2381	Irvine Storage	Inv # 21736; ...	Wells Fargo C...	370.00		1,837.00
Check	6/11/2010	2383	Irvine Storage	Inv # 22192; ...	Wells Fargo C...	370.00		2,207.00
Check	7/6/2010	2389	Irvine Storage	Inv # 22639; ...	Wells Fargo C...	370.00		2,577.00
Total Storage & Moving								2,577.00
Taxes								
EDD, Pre-receiver settlement								0.00
Total EDD, Pre-receiver settlement								0.00
FTB, Pre-receiver - Settlement								0.00
Total FTB, Pre-receiver - Settlement								0.00
IRS - Pre-receiver settlement								0.00
Total IRS - Pre-receiver settlement								0.00
LLC Tax								
Check	7/1/2010	2386	Franchise Tax Board	Form 100-ES...	Wells Fargo C...	800.00		800.00
Total LLC Tax								800.00
Property Taxes								
Check	5/26/2010	2382	Moore County Tax ...	LRK # 00031...	Wells Fargo C...	13,634.96		13,634.96
Total Property Taxes								13,634.96
Taxes - Other								
Total Taxes - Other								0.00
Total Taxes								14,434.96
Telephone								
Total Telephone								0.00
Utilities								
Gas & Electrical								0.00
Total Gas & Electrical								0.00
Utilities - Other								0.00
Total Utilities - Other								0.00
Total Utilities								0.00
No acct								
Total no acct								0.00

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08/09/10
Cash Basis

Carolina Development Company
General Ledger
As of July 31, 2010

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Split</u>	<u>Debit</u>	<u>Credit</u>	<u>Balance</u>
TOTAL						<u>83,087.44</u>	<u>83,087.44</u>	<u>0.00</u>