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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 Plaintiff,

14 v.

15 LAMBERT VANDER TUIG (a/k/a/
16 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,

20 Defendants.

Case No. SACV06-172 AHS(MLGx)

**RECEIVER'S THIRTEENTH SIX-
MONTH ACCOUNTING REPORT
FOR THE PERIOD ENDING
JULY 31, 2012**

Complaint Filed: February 16, 2006

1 Thomas A. Seaman, duly-appointed receiver herein (the “Receiver”),
2 respectfully submits this Thirteenth Six-Month Report. The time period covered by
3 this report is from February 1, 2012 through July 31, 2012. Inception-to-date
4 accounting from the time of the Receiver’s appointment on February 16, 2006 is
5 also 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 \$45,544.21 which is comprised of real estate sales in the amount of
26 \$24,718.23 for Lot 2175, defendant turnover/seizure in the amount of \$16,265.91,
27 litigation proceeds in the amount of \$4,552.89 and interest in the amount of \$7.18.

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 \$7.18; inception-to-date the estate has earned interest income of \$662,771.80.
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, 2012, the Receiver has collected
8 funds in the amount of \$19,683,533.58 which can be broken down into the
9 following basic categories.

10		
11	Seized or turned over	\$ 7,257,345.27
12	Litigation proceeds	\$ 441,168.46
13		
14	Real estate escrows terminated by the Receiver	\$ 2,202,349.51
15		
16	Disgorgement proceeds	\$ 304,930.00
17	Return of dividends paid	\$ 173,911.88
18		
19	Other asset recovery	\$ 64,199.59
20	Interest paid to the Receiver	\$ 662,771.80
21	Sales of real property	\$ 8,516,857.07
22		
23	Recovery of professional retainers	\$ <u>60,000.00</u>
24	TOTAL	\$19,683,533.58
25		

26 For the six month reporting period, the Receiver expended \$162,179.25.
27 Noteworthy among disbursements were Receiver's Fees in the amount of
28 \$115,014.50 for the period of August 1, 2010 through January 31, 2012 and

1 Receiver's legal counsel's fees in the amount of \$26,438.50 for the period of
2 August 1, 2010 through January 31, 2012, all of which were paid in accordance with
3 fee applications approved by this Court on June 4, 2012. For the six month
4 reporting period, the Receiver incurred fees in the estimated amount of \$29,409
5 which is an average of approximately \$4,900 per month. The Receiver's fees were
6 primarily incurred in connection with the marketing and conclusion of sales of the
7 remaining land in North Carolina.

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Since the inception of the case, the Receiver has expended funds to preserve the assets of the Company and incurred other expenses in the total amount of \$11,825,945.39. The Receiver also disbursed \$7,680,363.69 pursuant to the Plan of Partial Distribution. These expenses and disbursements can be broken down into the following basic categories.

Distribution to victims	\$ 7,680,363.69
Interest and principal	\$ 5,112,788.12
Payments to "11 th Hour Investors"	\$ 1,087,268.02
Appraisers, technical advisers and consultants	\$ 805,524.61
Receiver's counsel fees and expenses	\$ 2,591,141.76
Tax accountants and related legal	\$ 167,718.51
Receiver's fees	\$ 1,339,718.00
Other cost as set forth on the P&L	<u>\$ 721,786.37</u>
TOTAL	\$19,506,309.08

The Receiver is holding cash in the amount of \$177,224.50.

1 **III. REMAINING ASSETS**

2
3 **A. Moore County, The Carolina.**

4
5 The Company owns six finished lots, a 21 acre parcel zoned for public
6 or community use and 206 acres of residential land in The Carolina. There still
7 remains little or no demand for residential land in Moore County. The Receiver
8 listed The Carolina properties for sale with Cassidy Turley, a national real estate
9 brokerage firm with expertise in residential land sales, and they have aggressively
10 marketed the properties for sale.

11
12 The broker identified a potential buyer for the six finished lots and the
13 Receiver negotiated terms of sale and is waiting for buyer to execute the purchase
14 and sale agreement. The purchase price for the six finished lots is \$195,000. The
15 Receiver expects the sale to conclude in December 2012.

16
17 The broker identified an unrelated potential buyer for the 206 acres of
18 residential land and the Receiver negotiated terms of sale and executed a purchase
19 and sale agreement with the potential buyer in July 2012, at a purchase price of
20 \$1,375,000. The buyer has an extended due diligence period due to the need for
21 buyer to complete wetlands and woodpecker studies on the property. The Receiver
22 expects the sale to conclude in April 2013.

23
24 The 21 acre parcel zoned for public use remains available however
25 little, if any, interest in purchasing it has been received.

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B. Moore County, Single Family Lots.

The Receiver has Lot 24 at The National remaining for sale. The Receiver has listed Lot 24 for \$59,500, which is the lowest cost per acre of any available lot at The National.

Dated: September 10, 2012

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 2012

Cash Basis

	Feb - Jul 12
Income	
Defendant Turnover/Seizure	16,265.91
Interest	7.18
Litigation Proceeds	4,552.89
Real Estate Sales	24,718.23
Total Income	45,544.21
Expense	
Insurance	
Liability Insurance	9,002.50
Total Insurance	9,002.50
Office & Computer Supplies	62.95
Photocopying & Reproduction	1,575.95
Postage and Delivery	57.05
Professional Fees & Expenses	
Receiver's Counsel's Expenses	170.74
Receiver's Expenses	76.52
Receiver's Fees	115,014.50
Receiver's Legal Counsel	26,438.50
Receiver's Tax accountants	1,234.36
Technical Consultants	
Appraisal Fees	5,300.00
Total Technical Consultants	5,300.00
Title Research	1,000.00
Total Professional Fees & Expenses	149,234.62
Selling Expenses	235.20
Storage & Moving	1,210.98
Taxes	
LLC Tax	800.00
Total Taxes	800.00
Total Expense	162,179.25
Net Income	-116,635.04

Carolina Development Company
ITD Profit & Loss
 As of July 31, 2012

Cash Basis

	Jul 31, 12
Income	
Defendant Turnover/Seizure	7,257,345.27
Disgorgement Proceeds	304,930.00
Interest	662,771.80
Litigation Proceeds	441,168.46
Other Asset Recovery	64,199.59
Real Estate Escrows	2,202,349.51
Real Estate Sales	8,516,857.07
Recovery of Prof. Retainers	60,000.00
Return of Dividends Paid	173,911.88
Total Income	19,683,533.58
Expense	
Bank Service Charges	2,115.88
Distribution to Investors	7,680,363.69
Insurance	
Liability Insurance	71,375.71
Total Insurance	71,375.71
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	1,584.99
Office Rent	63,977.76
Outside Services	1,388.92
Photocopying & Reproduction	42,626.06
Postage and Delivery	6,451.33
Professional Fees & Expenses	
Consulting Fees	2,500.00
Litigation Expenses	57,539.09
Notary Fees	10.00
Private Investigator	37,739.61
Receiver's Counsel's Expenses	124,195.53
Receiver's Expenses	3,304.84
Receiver's Fees	1,339,718.00
Receiver's Legal Counsel	2,466,946.23
Receiver's Tax accountants	167,718.51
Receiver's Travel Expenses	8,918.55
Technical Consultants	
Appraisal Fees	151,800.00
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	805,524.61
Title Research	42,700.00
Total Professional Fees & Expenses	5,056,814.97
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	6,413.27
Total Property Expenses	40,560.94
Return of 11th Hour Investments	1,087,268.02
Selling Expenses	91,784.55
Storage & Moving	26,417.89
Taxes	
EDD, Pre-receiver settlement	4,829.97

Carolina Development Company
ITD Profit & Loss
As of July 31, 2012

Cash Basis

	Jul 31, 12
FTB, Pre-receiver - Settlement	10,440.22
IRS - Pre-receiver settlement	36,863.94
LLC Tax	4,387.00
Property Taxes	116,404.48
Total Taxes	172,925.61
Telephone	255.75
Utilities	
Gas & Electrical	0.00
Total Utilities	0.00
Total Expense	19,506,309.08
Net Income	177,224.50

Carolina Development Company
Balance Sheet
As of July 31, 2012

Cash Basis

	<u>Jul 31, 12</u>
ASSETS	
Current Assets	
Checking/Savings	
U.S. Treasury Securities #0817	171,878.34
Wells Fargo Checking	<u>5,346.16</u>
Total Checking/Savings	<u>177,224.50</u>
Total Current Assets	<u>177,224.50</u>
TOTAL ASSETS	<u><u>177,224.50</u></u>
LIABILITIES & EQUITY	
Equity	
Retained Earnings	321,743.42
Net Income	<u>-144,518.92</u>
Total Equity	<u>177,224.50</u>
TOTAL LIABILITIES & EQUITY	<u><u>177,224.50</u></u>

**Carolina Development Company
General Ledger
As of July 31, 2012**

Cash Basis

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
								0.00
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								293,871.16
Deposit	3/9/2012			Deposit	Interest	2.99		293,874.15
Deposit	3/30/2012			Deposit	Interest	3.01		293,877.16
Deposit	4/30/2012			Deposit	Interest	0.29		293,877.45
Transfer	6/6/2012			12th Interim F...	Wells Fargo Ch...		102,000.00	191,877.45
Transfer	7/31/2012			AP funding tra...	Wells Fargo Ch...		20,000.00	171,877.45
Deposit	7/31/2012			Deposit	Interest	0.89		171,878.34
						7.18	122,000.00	171,878.34
Total U.S. Treasury Securities #0817								-11.62
Wells Fargo Checking								-88.14
Check	2/22/2012	2449	Thomas Seaman Company	Expense reim...	Receiver's Exp...		76.52	-88.14
Check	2/22/2012	2450	Irvine Storage	VOID: Unit # C...	Storage & Moving	0.00		-88.14
Deposit	2/27/2012			Deposit	Litigation Proce...	896.80		808.66
Check	2/27/2012	2451	Irvine Storage	Unit # C196	Storage & Moving		197.00	611.66
Deposit	3/9/2012			Deposit	-SPLIT-	16,966.93		17,578.59
Check	3/15/2012	2452	Franchise Tax Board	Fom 100-ES, ...	LLC Tax		800.00	16,778.59
Check	3/29/2012	2453	Irvine Storage	Unit # C196	Storage & Moving		225.98	16,552.61
Check	3/29/2012	2454	The Pilot	Act # 0002321...	Selling Expenses		235.20	16,317.41
Check	3/29/2012	2455	Thomas Seaman Company	Fed Ex & post...	-SPLIT-		57.05	16,260.36
Deposit	4/19/2012			Deposit	Real Estate Sales	24,718.23		40,978.59
Check	4/25/2012	2456	Irvine Storage	Unit # C196	Storage & Moving		197.00	40,781.59
Check	4/25/2012	2457	Crowe Horwath, LLP	Inv # 737-1773...	Receiver's Tax ...		518.75	40,262.84
Check	5/18/2012	2458	Village Appraisers	File # 12063	Appraisal Fees		1,800.00	38,462.84
Check	5/23/2012	2459	Irvine Storage	Unit # C196	Storage & Moving		197.00	38,265.84
Check	6/6/2012	2462	Thomas Seaman Company	12th Interim F...	Receiver's Fees		115,014.50	-76,748.66
Check	6/6/2012	2463	Sheppard, Mullin, Richter & Ha...	12th Interim F...	-SPLIT-		24,846.74	-101,595.40
Transfer	6/6/2012			12th Interim F...	U.S. Treasury S...	102,000.00		404.60
Check	6/6/2012	2460	Staples Advantage	Cust # LA 164...	Office & Compu...		62.95	341.65
Check	6/25/2012	2461	Irvine Storage	Unit # C196	Storage & Moving		197.00	144.65
Check	8/25/2012	2464	Mathews Appraisal, Inc.	Multiple Invoices	-SPLIT-		1,500.00	-1,355.35
Deposit	7/6/2012			Deposit	-SPLIT-	1,399.31		43.96
Check	7/17/2012	2465	Advanced Discovery, LLC	Inv # B50742	Photocopying & ...		1,575.95	-1,531.99
Check	7/17/2012	2466	Village Appraisers	File # 12080	Appraisal Fees		2,000.00	-3,531.99
Check	7/17/2012	2467	Irvine Storage	Unit # C196	Storage & Moving		197.00	-3,728.99
Check	7/17/2012	2468	Crowe Horwath, LLP	Inv # 737-1786...	Receiver's Tax ...		175.61	-4,444.60
Check	7/17/2012	2469	Nelson Mullins Riley & Scarbor...	Inv # 1345241	Receiver's Lega...		1,762.50	-6,207.10
Check	7/31/2012	2470	Elkins Jones Insurance Agency	Inv # 74688, G...	Liability Insurance		9,002.50	-15,209.60
Check	7/31/2012	2471	Chicago Title Company, LLC	Cust # CSN00...	Title Research		1,000.00	-16,209.60
Deposit	7/31/2012			Deposit	Litigation Proce...	1,555.76		-14,653.84
Transfer	7/31/2012			AP funding tra...	U.S. Treasury S...	20,000.00		5,346.16
						167,537.03	162,179.25	5,346.16
Total Wells Fargo Checking								0.00
Wells Fargo Savings								0.00
Total Wells Fargo Savings								0.00
Accounts Receivable								0.00
Total Accounts Receivable								0.00
Undeposited Funds								0.00
Total Undeposited Funds								0.00
Accounts Payable								0.00
Total Accounts Payable								0.00
Opening Bal Equity								0.00
Total Opening Bal Equity								0.00
Retained Earnings								-321,743.42
Total Retained Earnings								-321,743.42
Defendant Turnover/Seizure								0.00
Deposit	3/9/2012	95110...	Bank of America	Seizure of Acc...	Wells Fargo Ch...		9,009.80	-9,009.80
Deposit	3/9/2012	95110...	Bank of America	Seizure of Acc...	Wells Fargo Ch...		7,256.11	-16,265.91
						0.00	16,265.91	-16,265.91
Total Defendant Turnover/Seizure								0.00
Disgorgement Proceeds								0.00
Total Disgorgement Proceeds								0.00
Interest								-23.26
Deposit	3/9/2012		Wells Fargo Bank	Interest Income	U.S. Treasury S...		2.99	-26.25

**Carolina Development Company
General Ledger
As of July 31, 2012**

Cash Basis

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Deposit	3/30/2012		Wells Fargo Bank	Interest Income	U.S. Treasury S...		3.01	-29.26
Deposit	4/30/2012		Wells Fargo Bank	Interest Income	U.S. Treasury S...		0.29	-29.55
Deposit	7/31/2012		Wells Fargo Bank	Deposit	U.S. Treasury S...		0.89	-30.44
Total Interest						0.00	7.18	-30.44
Litigation Proceeds								-865.57
Deposit	2/27/2012	17968...	Good Enterprises Inc. DBA IC...	Quiroz SACV0...	Wells Fargo Ch...		896.80	-1,762.37
Deposit	3/9/2012	18470...		Quiroz SACV0...	Wells Fargo Ch...		701.02	-2,463.39
Deposit	7/8/2012	19308...	Good Enterprises Inc. DBA IC...	Quiroz SACV0...	Wells Fargo Ch...		642.33	-3,105.72
Deposit	7/6/2012	19876...	Good Enterprises Inc. DBA IC...	William Brazn...	Wells Fargo Ch...		756.98	-3,862.70
Deposit	7/31/2012	20544...	Good Enterprises Inc. DBA IC...	William Brazn...	Wells Fargo Ch...		1,555.76	-5,418.46
Total Litigation Proceeds						0.00	4,552.89	-5,418.46
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
Deposit	4/19/2012	5839	James E. McNeill	Sale of Lot #2...	Wells Fargo Ch...		24,718.23	-24,718.23
Total Real Estate Sales						0.00	24,718.23	-24,718.23
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								0.01
Total Bank Service Charges								0.01
Distribution to Investor								0.00
Total Distribution to Investor								0.00
Distribution to Investors								0.00
Total Distribution to Investors								0.00
Insurance								0.00
Directors and Officers Insuranc								0.00
Total Directors and Officers Insuranc								0.00
Liability Insurance								0.00
Check	7/31/2012	2470	Elkins Jones Insurance Agency	Inv # 74688, G...	Wells Fargo Ch...	9,002.50		9,002.50
Total Liability Insurance						9,002.50	0.00	9,002.50
Insurance - Other								0.00
Total Insurance - Other								0.00
Total Insurance						9,002.50	0.00	9,002.50
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
Check	6/6/2012	2460	Staples Advantage	Cust # LA 164...	Wells Fargo Ch...	62.95		62.95
Total Office & Computer Supplies						62.95	0.00	62.95
Office Rent								0.00
Total Office Rent								0.00

**Carolina Development Company
General Ledger
As of July 31, 2012**

Cash Basis

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Outside Services								
Total Outside Services								
Parking Fee								
Total Parking Fee								
Photocopying & Reproduction								
Check	7/17/2012	2455	Advanced Discovery, LLC	Inv # B50742, ...	Wells Fargo Ch...	1,575.95		1,575.95
Total Photocopying & Reproduction								
Postage and Delivery								
Check	3/29/2012	2455	Thomas Seaman Company	Fed Ex reimb...	Wells Fargo Ch...	51.30		51.30
Check	3/29/2012	2455	Thomas Seaman Company	Postage reimb...	Wells Fargo Ch...	5.75		57.05
Total Postage and Delivery								
Professional Fees & Expenses								
Consulting Fees								
Total Consulting Fees								
Litigation Expenses								
Total Litigation Expenses								
Notary Fees								
Total Notary Fees								
Private Investigator								
Total Private Investigator								
Receiver's Counsel's Expenses								
Check	8/6/2012	2463	Sheppard, Mullin, Richter & Ha...	Eleventh Interi...	Wells Fargo Ch...	170.74		170.74
Total Receiver's Counsel's Expenses								
Receiver's Expenses								
Check	2/22/2012	2449	Thomas Seaman Company	Expense reim...	Wells Fargo Ch...	76.52		76.52
Total Receiver's Expenses								
Receiver's Fees								
Check	6/6/2012	2462	Thomas Seaman Company	12th Interim F...	Wells Fargo Ch...	115,014.50		115,014.50
Total Receiver's Fees								
Receiver's Legal Counsel								
Check	6/6/2012	2463	Sheppard, Mullin, Richter & Ha...	12th Interim F...	Wells Fargo Ch...	24,676.00		3,150.00
Check	7/17/2012	2469	Nelson Mullins Riley & Scarbor...	Matter # 3031...	Wells Fargo Ch...	1,762.50		27,826.00
Total Receiver's Legal Counsel								
Receiver's Tax accountants								
Check	4/25/2012	2457	Crowe Horwath, LLP	Inv # 737-1773...	Wells Fargo Ch...	518.75		29,588.50
Check	7/17/2012	2468	Crowe Horwath, LLP	Inv # 737-1785...	Wells Fargo Ch...	715.61		29,588.50
Total Receiver's Tax accountants								
Receiver's Travel Expenses								
Total Receiver's Travel Expenses								
Technical Consultants								
Appraisal Fees								
Check	5/18/2012	2458	Village Appraisers	File # 12063; ...	Wells Fargo Ch...	1,800.00		0.00
Check	6/25/2012	2464	Mathews Appraisal, Inc.	Inv # 120602; ...	Wells Fargo Ch...	250.00		1,800.00
Check	6/25/2012	2464	Mathews Appraisal, Inc.	Inv # 120603; ...	Wells Fargo Ch...	250.00		2,050.00
Check	6/25/2012	2464	Mathews Appraisal, Inc.	Inv # 120604; ...	Wells Fargo Ch...	250.00		2,300.00
Check	6/25/2012	2464	Mathews Appraisal, Inc.	Inv # 120608; ...	Wells Fargo Ch...	250.00		2,550.00
Check	6/25/2012	2464	Mathews Appraisal, Inc.	Inv # 120605; ...	Wells Fargo Ch...	250.00		2,800.00
Check	8/25/2012	2464	Mathews Appraisal, Inc.	Inv # 120605; ...	Wells Fargo Ch...	250.00		3,050.00
Check	8/25/2012	2464	Mathews Appraisal, Inc.	Inv # 120601; ...	Wells Fargo Ch...	250.00		3,300.00
Check	7/17/2012	2466	Village Appraisers	File # 12080; 2...	Wells Fargo Ch...	2,000.00		5,300.00
Total Appraisal Fees								
Consultants Expenses								
Total Consultants Expenses								
Information Technology								
Total Information Technology								
Land Use & Development								
Total Land Use & Development								
M.U.D. Attorney/Local Counsel								
Total M.U.D. Attorney/Local Counsel								
Technical Consultants - Other								
Total Technical Consultants - Other								
Total Technical Consultants						5,300.00	0.00	5,300.00

Carolina Development Company
General Ledger

As of July 31, 2012

Cash Basis

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Title Research								0.00
Check	7/31/2012	2471	Chicago Title Company, LLC	Cust # CSN00...	Wells Fargo Ch...	1,000.00		1,000.00
Total Title Research						1,000.00	0.00	1,000.00
Professional Fees & Expenses - Other								0.00
Total Professional Fees & Expenses - Other								0.00
Total Professional Fees & Expenses						149,234.62	0.00	152,384.62
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
Celina Bridges - Other								0.00
Total Celina Bridges - Other								0.00
Total Celina Bridges								0.00
HOA Dues								0.00
Total HOA Dues								0.00
Property Expenses - Other								0.00
Total Property Expenses - Other								0.00
Total Property Expenses								0.00
Return of 11th Hour investments								0.00
Total Return of 11th Hour Investments								0.00
Selling Expenses								7,526.00
Check	3/29/2012	2454	The Pilot	Act # 0002321...	Wells Fargo Ch...	235.20		7,761.20
Total Selling Expenses						235.20	0.00	7,761.20
Storage & Moving								196.50
Check	2/22/2012	2450	Irvine Storage	Tenant # 8892...	Wells Fargo Ch...	0.00		196.50
Check	2/27/2012	2451	Irvine Storage	Tenant # 8892...	Wells Fargo Ch...	187.00		393.50
Check	3/29/2012	2453	Irvine Storage	Tenant # 8892...	Wells Fargo Ch...	225.98		619.48
Check	4/25/2012	2458	Irvine Storage	Tenant # 8892...	Wells Fargo Ch...	197.00		816.48
Check	5/23/2012	2459	Irvine Storage	Tenant # 8892...	Wells Fargo Ch...	197.00		1,013.48
Check	6/25/2012	2451	Irvine Storage	Tenant # 8892...	Wells Fargo Ch...	197.00		1,210.48
Check	7/17/2012	2467	Irvine Storage	Tenant # 8892...	Wells Fargo Ch...	197.00		1,407.48
Total Storage & Moving						1,210.98	0.00	1,407.48
Taxes								17,900.20
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								0.00
Check	3/15/2012	2452	Franchise Tax Board	Form 100-ES, ...	Wells Fargo Ch...	800.00		800.00
Total LLC Tax						800.00	0.00	800.00
Property Taxes								17,900.20
Total Property Taxes								17,900.20
Taxes - Other								0.00
Total Taxes - Other								0.00
Total Taxes						800.00	0.00	18,700.20
Telephone								0.00
Total Telephone								0.00
Utilities								0.00
Gas & Electrical								0.00
Total Gas & Electrical								0.00
Utilities - Other								0.00
Total Utilities - Other								0.00
Total Utilities								0.00
No acct								0.00

Carolina Development Company
General Ledger
As of July 31, 2012

Cash Basis

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Total no acct								0.00
TOTAL						329,723.46	329,723.46	0.00

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 **September 10, 2012**, I served the following document described as **RECEIVER'S THIRTEENTH SIX-MONTH ACCOUNTING REPORT FOR THE PERIOD ENDING JULY 31, 2012** 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 **September 10, 2012**, 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	In Pro Per
James C. Bastian, Jr., Esq. Shulman Hodges & Bastian LLP 8105 Irvine Center Drive, Suite 600 Irvine, CA 92618	Attorneys for Certain Investors