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RECEIVER

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UNITED STATES DISTRICT COURT

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CENTRAL DISTRICT OF CALIFORNIA, SOUTHERN DIVISION

11

12

SECURITIES AND EXCHANGE
COMMISSION,

Case No. SACV06-172 AHS(MLGx)

13

Plaintiff,

14

v.

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

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,

Complaint Filed: February 16, 2006

20

Defendants.

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1 Thomas A. Seaman, duly-appointed receiver herein (the "Receiver"),
2 respectfully submits this Twelfth Six-Month Report. The time period covered by
3 this report is from August 1, 2011 through January 31, 2012. Inception-to-date
4 accounting from the time of the Receiver's appointment on 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 \$888.83 which is s comprised of litigation proceeds in the amount of
26 \$865.57 and interest in the amount of \$23.26.
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 \$23.26; inception-to-date the estate has earned interest income of \$662,764.62.
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 January 31, 2012, the Receiver has collected
8 funds in the amount of \$19,637,989.37 which can be broken down into the
9 following basic categories.

11	Seized or turned over	\$ 7,241,079.36
12	Litigation proceeds	\$ 436,615.57
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	\$ 662,764.62
18	Sales of real property	\$ 8,492,138.84
19	Recovery of professional retainers	<u>\$ 60,000.00</u>
20	TOTAL	\$19,637,989.37

21
22 For the six month reporting period, the Receiver expended \$45,138.67.
23 Noteworthy among disbursements were property taxes in the amount of \$17,874.20
24 and professional fees in the amount of \$14,397.39 for North Carolina counsel who
25 assisted with real estate transactions and the Receiver's tax accountants.

26
27
28

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 \$11,663,766.14. The Receiver also disbursed \$7,680,363.69 pursuant to the Plan
4 of Partial Distribution. These expenses and disbursements can be broken down into
5 the following basic categories.

6		
7	Distribution to victims	\$ 7,680,363.69
8	Interest and principal	\$ 5,112,788.12
9	Payments to "11 th Hour Investors"	\$ 1,087,268.02
10	Appraisers, technical advisers and consultants	\$ 800,224.61
11	Receiver's counsel fees and expenses	\$ 2,564,532.52
12	Tax accountants and related legal	\$ 166,484.15
13	Receiver's fees	\$ 1,224,703.50
14	Other cost as set forth on the P&L	<u>\$ 707,765.22</u>
15	TOTAL	\$19,344,129.83
16		

17 The Receiver is holding cash in the amount of \$293,859.54.

18
19 **III. REMAINING ASSETS**

20
21 **A. Moore County, The Carolina.**

22
23 The Company owns six finished lots, a 21 acre parcel zoned for public
24 or community use and 206 acres of residential land in The Carolina. There still
25 remains little or no demand for residential land in Moore County. The Receiver
26 listed the property for sale with Cassidy Turley, a national real estate brokerage firm
27 with expertise in residential land sales and they have aggressively marketed the
28

1 property for sale. The broker identified a potential buyer and the Receiver
2 negotiated terms of sale and executed a purchase and sale agreement with the
3 potential buyer in November 2010, at a purchase price of \$2.075 million. After
4 completing its due diligence, the buyer cancelled the agreement to purchase in
5 September 2011. The buyer cited the complicated nature of the potential
6 development as its reason for cancelling the purchase. The broker is continuing to
7 aggressively market the property for sale.

8
9 In the Fall of 2011, the Receiver attempted to reinstate the Declarant
10 Control Period which expired pursuant to the Declaration of Covenants, Conditions,
11 Easements, Restrictions, Charges, Liens, and Reservations for The Carolina in order
12 to facilitate the sale of the property. This action by the Receiver was not successful
13 and the Receiver ceased his efforts in this regard.

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

16
17 The Receiver has Lot 2175 at Mid South and Lot 24 at The National
18 remaining for sale. The Receiver is in escrow to sell Lot 2175 at a price of \$39,000,
19 which is in excess of the price at which the Court authorized the Receiver to
20 conclude a sale. The sale is subject to overbid and the deadline for overbids is
21 March 23, 2012.

22 Dated: March 6, 2012

23 SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

24
25 */s/ Michael A. Wallin*

26 By _____

MICHAEL A. WALLIN

Attorneys for

THOMAS A. SEAMAN, RECEIVER

EXHIBIT A

Carolina Development Company

Profit & Loss

August 2011 through January 2012

Cash Basis

	<u>Aug '11 - Jan 12</u>
Income	
Interest	23.26
Litigation Proceeds	865.57
Total Income	<u>888.83</u>
Expense	
Bank Service Charges	26.01
Postage and Delivery	52.07
Professional Fees & Expenses	
Litigation Expenses	324.76
Receiver's Expenses	477.49
Receiver's Legal Counsel	14,397.39
Receiver's tax accountants	1,946.25
Total Professional Fees & Expenses	<u>17,145.89</u>
Property Expenses	
HOA Dues	1,110.00
Total Property Expenses	<u>1,110.00</u>
Selling Expenses	7,526.00
Storage & Moving	1,375.50
Taxes	
LLC Tax	29.00
Property Taxes	17,874.20
Total Taxes	<u>17,903.20</u>
Total Expense	<u>45,138.67</u>
Net Income	<u><u>-44,249.84</u></u>

EXHIBIT A

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

Cash Basis

	<u>Jan 31, 12</u>
Income	
Defendant Turnover/Seizure	7,241,079.36
Disgorgement Proceeds	304,930.00
Interest	662,764.62
Litigation Proceeds	436,615.57
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	<u>19,637,989.37</u>
Expense	
Bank Service Charges	2,141.88
Distribution to Investors	7,680,363.69
Insurance	
Liability Insurance	62,373.21
Total Insurance	<u>62,373.21</u>
Investor Relations	1,728.17
Judgements	45,357.42
Loan Payments	
Interest	3,612,788.12
Principal	1,500,000.00
Total Loan Payments	<u>5,112,788.12</u>
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	6,326.75
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	124,024.79
Receiver's Expenses	3,448.34
Receiver's Fees	1,224,703.50
Receiver's Legal Counsel	2,440,507.73
Receiver's tax accountants	166,484.15
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	<u>800,224.61</u>
Title Research	41,700.00
Total Professional Fees & Expenses	<u>4,907,800.37</u>
Property Expenses	
Carman Residence 19 Skygate	32,353.67
Celina Bridges	
M.U.D. Recoverable Expenses	1,794.00
Total Celina Bridges	<u>1,794.00</u>
HOA Dues	6,413.27
Total Property Expenses	<u>40,560.94</u>
Return of 11th Hour Investments	1,087,268.02
Selling Expenses	91,549.35

Carolina Development Company

ITD Profit & Loss

As of January 31, 2012

Cash Basis

	<u>Jan 31, 12</u>
Storage & Moving	25,206.91
Taxes	
EDD, Pre-receiver settlement	4,829.97
FTB, Pre-receiver - Settlement	10,440.22
IRS - Pre-receiver settlement	36,863.94
LLC Tax	3,587.00
Property Taxes	116,378.48
Total Taxes	172,099.61
Telephone	255.75
Utilities	
Gas & Electrical	0.00
Total Utilities	0.00
Total Expense	19,344,129.83
Net Income	<u><u>293,859.54</u></u>

Carolina Development Company
Balance Sheet
As of January 31, 2012

Cash Basis

	<u>Jan 31, 12</u>
ASSETS	
Current Assets	
Checking/Savings	
U.S. Treasury Securities #0817	283,871.16
Wells Fargo Checking	9,988.38
Total Checking/Savings	<u>293,859.54</u>
Total Current Assets	<u>293,859.54</u>
TOTAL ASSETS	<u>293,859.54</u>
LIABILITIES & EQUITY	
Equity	
Retained Earnings	321,743.42
Net Income	-27,883.88
Total Equity	<u>293,859.54</u>
TOTAL LIABILITIES & EQUITY	<u>293,859.54</u>

**Carolina Development Company
General Ledger
August 1, 2011 to January 31, 2012**

12:44 PM
02/22/12
Cash Basis

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Carman Turnover Account #8989								
								0.00
								0.00
Celina Escrow Savings								
								0.00
Jill Kraus Turnover Acct Chckng								
								0.00
Jill Kraus Turnover Treas. Sec.								
								0.00
U.S. Treasury Securities #0817								
Transfer	12/23/2011			AP funding transfer	Wells Fargo C...		17,000.00	328,847.90
Transfer	1/5/2012			Tax payment transfers	Wells Fargo C...		18,000.00	293,847.90
Deposit	1/31/2012			Deposit	Interest	23.26		293,871.16
Transfer	1/31/2012				Wells Fargo C...		10,000.00	283,871.16
						23.26	45,000.00	283,871.16
Total U.S. Treasury Securities #0817								
								9,261.48
Wells Fargo Checking								
Check	8/1/2011	2428	Bradley Arant Boulton Cummin...	Re: Quiroz Judgment	Receiver's Exp...		250.00	9,011.48
Check	8/16/2011	2431	Irvine Storage	Unit # C196	Storage & Mov...		196.50	8,814.98
Check	8/16/2011	2429	Thomas Seaman Company	Expense reimbursement	Postage and D...		28.58	8,786.40
Check	8/16/2011	2430	Nelson Mullins Riley & Scarb...	Multiple Invoices	-SPLIT-		6,553.19	2,233.21
Deposit	8/22/2011			Deposit	Receiver's Leg...	250.00		2,483.21
Check	9/15/2011	2432	Franchise Tax Board	2010 Form 100 - FEIN ...	LLC Tax		29.00	2,454.21
Check	9/15/2011	2433	Irvine Storage	Unit # C196	Storage & Mov...		196.50	2,257.71
Check	10/4/2011	2434	Irvine Storage	Unit # C196	Storage & Mov...		196.50	2,061.21
Check	10/4/2011	2435	The Irvine Company	Inv # 100111 - Act # 67...	Receiver's Exp...		75.00	1,986.21
Check	10/4/2011	2436	Albright Stoddard & Warnick	Inv # 47165, Case # 10...	Litigation Expe...		324.76	1,661.45
Check	10/4/2011	2437	Thomas Seaman Company	Expense reimbursement	Postage and D...		23.49	1,637.96
Check	10/29/2011	2438	Irvine Storage	Unit # C196	Storage & Mov...		196.50	1,441.46
Check	11/23/2011	2440	Nelson Mullins Riley & Scarb...	Inv # 1291829	Receiver's Leg...		4,944.20	-3,502.74
Check	11/29/2011	2439	Irvine Storage	Unit # C196	Storage & Mov...		196.50	-3,699.24
Check	12/23/2011	2443	National Property Owners As...	Inv # 2666, Lot # 24	HOA Dues		1,110.00	-4,809.24
Check	12/23/2011	2444	Thomas Seaman Company	Expense reimbursement	Receiver's Exp...		152.49	-4,961.73
Check	12/23/2011	2441	Crowe Horwath, LLP	Inv # 737-171782	Receiver's tax ...		1,946.25	-6,907.98
Transfer	12/23/2011			AP funding transfer	U.S. Treasury ...	17,000.00		10,092.02
Check	12/23/2011	2442	Irvine Storage	Unit # C196	Storage & Mov...		196.50	9,895.52
Transfer	1/5/2012			Tax payment transfers	U.S. Treasury ...	18,000.00		27,895.52
Check	1/5/2012	Debit	Moore County Tax Department	LRK # 20050761; The ...	Property Taxes		10.78	27,884.74
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 9700...	Property Taxes		334.00	27,550.74
Check	1/5/2012	Debit	Moore County Tax Department	LRK # 00031457; Mill ...	Property Taxes		334.00	27,216.74
Check	1/5/2012	Debit	Moore County Tax Department	LRK # 97000661; Lot 4...	Property Taxes		12,982.84	14,233.90
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 9700...	Property Taxes		187.04	14,046.86
Check	1/5/2012	Debit	Moore County Tax Department	Correction of deed	Selling Expens...		26.00	13,859.82
Check	1/5/2012	2445	Moore County Register of De...	Land record key # 2000...	Property Taxes		187.04	13,833.82
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 9600...	Property Taxes		284.99	13,646.78
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 9700...	Property Taxes		334.00	13,361.79
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 9700...	Property Taxes		334.00	13,027.79
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 9700...	Property Taxes		334.00	12,693.79
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 0004...	Property Taxes		434.20	12,259.59
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 1000...	Property Taxes		594.52	11,665.07
Check	1/5/2012	Debit	Moore County Tax Department	LRK # 20050760; Carol...	Property Taxes		1,669.75	9,995.32
Check	1/9/2012	Debit	Official Payment	Moore County - Tax pa...	Bank Service ...		26.00	9,969.32
Check	1/16/2012	2446	Chicago Title Insurance	Inv # 10-0012245, NBU...	Selling Expens...		7,500.00	2,469.32
Check	1/26/2012	2447	Irvine Storage	Unit # C196	Storage & Mov...		196.50	2,272.82
Check	1/26/2012	2448	Nelson Mullins Riley & Scarb...	Inv # 1284363	Receiver's Leg...		3,150.00	-877.18
Deposit	1/30/2012			Deposit	Litigation Proc...	865.57		-11.61
Transfer	1/31/2012				U.S. Treasury ...	10,000.00		9,988.39
Check	1/31/2012			Service Charge	Bank Service ...		0.01	9,988.38
						46,115.57	45,388.67	9,988.38
Total Wells Fargo Checking								
								0.00
Wells Fargo Savings								
								0.00
Accounts Receivable								
								0.00
Undeposited Funds								
								0.00
Accounts Payable								
								0.00
Opening Bal Equity								
								0.00

**Carolina Development Company
General Ledger
August 1, 2011 to January 31, 2012**

12:44 PM
02/22/12
Cash Basis

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Retained Earnings								-338,109.38
Closing...	12/31/2011					16,365.96		-321,743.42
Total Retained Earnings						16,365.96	0.00	-321,743.42
Defendant Turnover/Seizure								0.00
Total Defendant Turnover/Seizure								0.00
Disgorgement Proceeds								0.00
Total Disgorgement Proceeds								0.00
Interest								0.00
Deposit	1/31/2012		Wells Fargo Bank	Deposit	U.S. Treasury ...		23.26	-23.26
Total Interest						0.00	23.26	-23.26
Litigation Proceeds								0.00
Deposit	1/30/2012	17140...	Good Enterprises Inc. DBA I...	Quiroz SACV06-172-A...	Wells Fargo C...		865.57	-865.57
Total Litigation Proceeds						0.00	865.57	-865.57
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								0.00
Check	1/9/2012	Debit	Official Payment	Moore County - Tax pa...	Wells Fargo C...	26.00		26.00
Check	1/31/2012			Service Charge	Wells Fargo C...	0.01		26.01
Total Bank Service Charges						26.01	0.00	26.01
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
Total Liability Insurance								0.00
Insurance - Other								0.00
Total Insurance - Other								0.00
Total Insurance								0.00
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

12:44 PM

Carolina Development Company

General Ledger

August 1, 2011 to January 31, 2012

02/22/12

Cash Basis

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Total Professional Fees & Expenses - Other								0.00
Total Professional Fees & Expenses						3,150.00	0.00	3,150.00
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
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								0.00
Check	1/5/2012	2445	Moore County Register of De...	Correction of deed	Wells Fargo C...	26.00		26.00
Check	1/16/2012	2446	Chicago Title Insurance	Inv # 10-0012245, NBU...	Wells Fargo C...	7,500.00		7,526.00
Total Selling Expenses						7,526.00	0.00	7,526.00
Storage & Moving								0.00
Check	1/26/2012	2447	Irvine Storage	Tenant # 8892, Unit C1...	Wells Fargo C...	196.50		196.50
Total Storage & Moving						196.50	0.00	196.50
Taxes								0.00
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
Total LLC Tax								0.00
Property Taxes								0.00
Check	1/5/2012	Debit	Moore County Tax Department	LRK # 20050761; The ...	Wells Fargo C...	10.78		10.78
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 9700...	Wells Fargo C...	334.00		344.78
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 9700...	Wells Fargo C...	334.00		678.78
Check	1/5/2012	Debit	Moore County Tax Department	LRK # 00031457; Mill ...	Wells Fargo C...	12,982.84		13,661.62
Check	1/5/2012	Debit	Moore County Tax Department	LRK # 97000661; Lot 4...	Wells Fargo C...	187.04		13,848.66
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 9700...	Wells Fargo C...	187.04		14,035.70
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 2000...	Wells Fargo C...	187.04		14,222.74
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 9600...	Wells Fargo C...	284.99		14,507.73
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 9700...	Wells Fargo C...	334.00		14,841.73
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 9700...	Wells Fargo C...	334.00		15,175.73
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 0004...	Wells Fargo C...	434.20		15,609.93
Check	1/5/2012	Debit	Moore County Tax Department	Land record key # 1000...	Wells Fargo C...	594.52		16,204.45
Check	1/5/2012	Debit	Moore County Tax Department	LRK # 20050760; Carol...	Wells Fargo C...	1,669.75		17,874.20
Total Property Taxes						17,874.20	0.00	17,874.20
Taxes - Other								0.00
Total Taxes - Other								0.00
Total Taxes						17,874.20	0.00	17,874.20
Telephone								0.00
Total Telephone								0.00
Utilities								0.00
Gas & Electrical								0.00
Total Gas & Electrical								0.00

12:44 PM

02/22/12

Cash Basis

Carolina Development Company

General Ledger

August 1, 2011 to January 31, 2012

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
Utilities - Other								0.00
Total Utilities - Other								0.00
Total Utilities								0.00
No acct								0.00
Total no acct								0.00
TOTAL						91,277.50	91,277.50	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 **March 6, 2012**, I served the following document described as **RECEIVER'S TWELFTH SIX-MONTH ACCOUNTING REPORT FOR THE PERIOD ENDING JANUARY 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 **March 6, 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