

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF HORRY )

IN THE COURT OF COMMON PLEAS  
CASE NO.: 2008-CP-26-1277

Service Corporation of South Carolina, )  
 )  
Plaintiff, )

**RECEIVER'S MONTHLY  
REPORT (SEPTEMBER 2008)**

v. )

Bahama Sands Development, LLC, )  
Landmark Builders of South Carolina, LLC, )  
and Janice B. Musante, )

Defendants. )

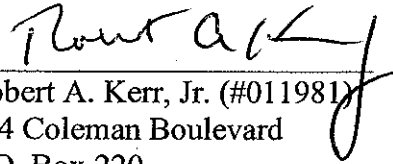
HORRY COUNTY  
08 NOV -7 AM 11:11  
KATHLEEN HUGGINS  
CLERK OF COURT

The undersigned hereby submits his report in connection with the Receivership Estate in the above captioned matter.

1. Bahama Sands Development, LLC ("Developer") developed Bahama Sands, a ninety (90) unit condominium complex in North Myrtle Beach, SC (the "Project").
2. By Order filed March 28, 2008 in this matter ("Receiver Order"), the undersigned, Robert A. Kerr, Jr., was appointed Receiver ("Receiver") of the real property and improvements subject to the Plaintiff's mortgage in this foreclosure proceeding.
3. During the month of September 2008, the Receiver took the following actions:
  - a. negotiated contracts and amendments with pre-construction contract parties and their counsel;
  - b. addressed hurricane preparedness measures;
  - c. monitored management company and rental operation for unsold units;
  - d. communicated with regime management company, RAM, regarding various HOA issues;

- e. reviewed and responded to numerous requests of owners for information on HOA governance issues; and
  - f. communicated regularly by phone and written communications with many parties in interest.
4. Financial Statements and a bank statement for the period ending September 30, 2008 are attached as Exhibit A and B respectively.

HAGOOD & KERR, PA



Robert A. Kerr, Jr. (#011981)  
654 Coleman Boulevard  
P.O. Box 220  
Mt. Pleasant, SC 29464  
(843) 972-1000

*RECEIVER*

Mt. Pleasant, South Carolina  
November 6, 2008.

STATE OF SOUTH CAROLINA )  
 )  
 COUNTY OF HORRY )  
 )  
 Service Corporation of South Carolina )  
 )  
 Plaintiff, )  
 )  
 v. )  
 )  
 Bahama Sands Development, LLC, )  
 Landmark Builders of South Carolina, LLC, )  
 and Janice B. Musante, )  
 )  
 Defendants. )

IN THE COURT OF COMMON PLEAS  
 CASE NO.: 2008-CP-26-1277

**CERTIFICATE OF SERVICE**

HORRY COUNTY  
 08 NOV -7 AM 11:11  
 KATHLEEN HUGGINS  
 CLERK OF COURT

I, Kathleen B. Larson of full age, hereby certify as follows:

1. I am a Legal Assistant employed by the law firm of Hagood & Kerr, PA, attorneys for Defendant.

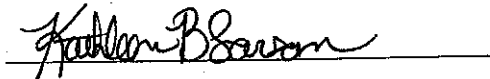
2. On November 6, 2008, I served the above-named Plaintiff with true and correct copies of the Receiver's Monthly Report (September 2008) by depositing same in a United States mailbox addressed as follows:

Richard R. Gleissner, Esq.  
 Finkel Law Firm, LLC  
 P.O. Box 1799  
 Columbia, SC 29202

Richard M. Smith, Esquire  
 McNair Law Firm  
 121 Screven Street  
 Georgetown, SC 29440

3. I certify to the best of my knowledge and belief, that the foregoing statements are true and correct.

November 6, 2008



# EXHIBIT A

4:55 PM

10/02/08

**Bahama Sands Receivership**  
**Reconciliation Summary**  
Bank of SC 190032111, Period Ending 09/30/2008

	<u>Sep 30, 08</u>
<b>Beginning Balance</b>	629.66
<b>Cleared Transactions</b>	
Checks and Payments - 8 items	-255,602.91
Deposits and Credits - 4 items	320,913.73
<b>Total Cleared Transactions</b>	<u>65,310.82</u>
<b>Cleared Balance</b>	<u>65,940.48</u>
<b>Uncleared Transactions</b>	
Deposits and Credits - 1 item	<u>0.00</u>
<b>Total Uncleared Transactions</b>	<u>0.00</u>
<b>Register Balance as of 09/30/2008</b>	<u>65,940.48</u>
<b>Ending Balance</b>	<u>65,940.48</u>

✓ JTB  
10/2/08

**Bahama Sands Receivership**  
**Reconciliation Detail**  
 Bank of SC 190032111, Period Ending 09/30/2008

Type	Date	Num	Name	Clr	Amount	Balance
<b>Beginning Balance</b>						629.66
<b>Cleared Transactions</b>						
<b>Checks and Payments - 8 items</b>						
Check	9/12/2008	EFT	Bank of South Caro...	X	-10.00	-10.00
Check	9/15/2008	10313	Hagood & Kerr, PA	X	-4,445.19	-4,455.19
Check	9/19/2008	10314	Santee Cooper	X	-7,773.21	-12,228.40
Check	9/22/2008	10315	Hagood & Kerr, PA	X	-11,513.51	-23,741.91
Check	9/23/2008	EFT	The Bank of South ...	X	-10.00	-23,751.91
Check	9/24/2008	EFT	Crescent Bank	X	-231,831.00	-255,582.91
Check	9/24/2008	EFT	The Bank of South ...	X	-10.00	-255,592.91
Check	9/25/2008	EFT	The Bank of South ...	X	-10.00	-255,602.91
<b>Total Checks and Payments</b>					<b>-255,602.91</b>	<b>-255,602.91</b>
<b>Deposits and Credits - 4 items</b>						
Check	9/12/2008	10312	Hagood & Kerr, PA	X	0.00	0.00
Deposit	9/12/2008			X	23,214.03	23,214.03
Deposit	9/23/2008			X	231,381.68	254,595.71
Deposit	9/24/2008			X	66,318.02	320,913.73
<b>Total Deposits and Credits</b>					<b>320,913.73</b>	<b>320,913.73</b>
<b>Total Cleared Transactions</b>					<b>65,310.82</b>	<b>65,310.82</b>
<b>Cleared Balance</b>					<b>65,310.82</b>	<b>65,940.48</b>
<b>Uncleared Transactions</b>						
<b>Deposits and Credits - 1 item</b>						
Deposit	8/21/2008				0.00	0.00
<b>Total Deposits and Credits</b>					<b>0.00</b>	<b>0.00</b>
<b>Total Uncleared Transactions</b>					<b>0.00</b>	<b>0.00</b>
<b>Register Balance as of 09/30/2008</b>					<b>65,310.82</b>	<b>65,940.48</b>
<b>Ending Balance</b>					<b>65,310.82</b>	<b>65,940.48</b>

# EXHIBIT B

*Handwritten notes at the top of the page.*

515 00001 01

PAGE: 1

P.O. BOX 538  
CHARLESTON, SC 29402  
(843) 724-1500  
www.banksc.com

ACCOUNT:

190032111 09/30/2008



HAGOOD & KERR PA  
ROBERT A KERR JR RECEIVER FOR  
BAHAMA SANDS DEVELOPMENT 30  
654 COLEMAN BLVD STE#100 3  
MT PLEASANT SC 29464 8

~MESSAGE TO OUR PERSONAL ACCOUNT HOLDERS~

The Bank of South Carolina now offers online ESafe Bill Pay for our personal account holders.

ESafe Bill Pay features include:

- ~Easy payee set up allowing users to pay any merchant
- ~Flexible payment scheduling options
- ~Ability to pay from multiple personal checking accounts
- ~View payment history

Please see one of our Personal Bankers to sign up for the new ESafe Bill Pay service!

COMMERCIAL CHECKING ACCOUNT 190032111

		LAST STATEMENT 08/29/08	629.66
MINIMUM BALANCE	629.66	3 CREDITS	320,913.73
AVG AVAILABLE BALANCE	38,762.61	8 DEBITS	255,602.91
AVERAGE BALANCE	38,762.61	THIS STATEMENT 09/30/08	65,940.48

OTHER CREDITS

DESCRIPTION	DATE	AMOUNT
WIRE TRANSFER INCOMING	09/12	23,214.03
WIRE TRANSFER INCOMING	09/23	231,381.68
WIRE TRANSFER INCOMING	09/24	66,318.02

CHECKS

CHECK #..DATE.....AMOUNT	CHECK #..DATE.....AMOUNT	CHECK #..DATE.....AMOUNT
10313 09/16 4,445.19	10314 09/23 7,773.21	10315 09/23 11,513.51

OTHER DEBITS

DESCRIPTION	DATE	AMOUNT
WIRE FEE	09/12	10.00
WIRE FEE	09/23	10.00
WIRE FEE	09/24	10.00
WIRE FEE	09/25	10.00
WIRE TRANSFER OUTGOING	09/25	231,831.00

\*\*\* CONTINUED \*\*\*



Personal Service with a Capital E.

Please ask us how to sign up.

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

PREPARED BY: *[Signature]* DATE: 9/22/08

AMOUNT	\$ 10.00
TRAN CODE	* 0 5 8
ACCOUNT NUMBER	* 0190032111

053201872: 0190032111 058 #0000001000

PREPARED BY: *[Signature]* DATE: 9/22/08

AMOUNT	\$ 10.00
TRAN CODE	* 0 5 8
ACCOUNT NUMBER	* 0190032111

053201872: 0190032111 058 #0000001000

0 \$10.00 09/12/2008

WIRE TRANSFER FEE DEBIT FORM OFS-002

ACCOUNT NAME: *Hagood + Kerr* DATE: 9/24/08

PREPARED BY: *[Signature]*

AMOUNT	\$ 10.00
TRAN CODE	* 0 5 8
ACCOUNT NUMBER	* 0190032111

053201872: 0190032111 058 #0000001000

0 \$10.00 09/23/2008

WIRE TRANSFER FEE DEBIT FORM OFS-002

ACCOUNT NAME: *Hagood + Kerr PA* DATE: 9/25/08

PREPARED BY: *[Signature]*

AMOUNT	\$ 10.00
TRAN CODE	* 0 5 8
ACCOUNT NUMBER	* 0190032111

053201872: 0190032111 058 #0000001000

0 \$10.00 09/24/2008

DEBIT THE BANK OF SOUTH CAROLINA

TODAY, 9/25/08 WE HAVE CHARGED YOUR ACCOUNT COVERING: *Wire to Crescent Bank BWP: Bahama Sands*

AMOUNT: 231,831.00

ACCOUNT NUMBER: 190032111 TRAN: 047

ACCOUNT NAME: *Hagood + Kerr PA 654 Coleman Blvd Ste #100 Mt Pleasant, SC 29464*

AUTHORIZED SIGNATURE: *Rhett Rearden*

053201872: 0190032111 047 #0023183100

0 \$231,831.00 09/25/2008

0 \$10.00 09/25/2008

BAHAMA SANDS DEVELOPMENT

PAY TO THE ORDER OF: *Hagood & Kerr, PA*

AMOUNT: \$ 4,445.19

MEMO: 07/31/2008 Invoice

AUTHORIZED SIGNATURE: *[Signature]*

053201872: 0190032111 #000044519

10313 \$4,445.19 09/16/2008

BAHAMA SANDS DEVELOPMENT

PAY TO THE ORDER OF: *Sandra Cooper*

AMOUNT: \$ 7,773.21

MEMO: 08/31/08 Invoice - Matter# 3293

AUTHORIZED SIGNATURE: *[Signature]*

053201872: 0190032111 #0000777321

10314 \$7,773.21 09/23/2008

BAHAMA SANDS DEVELOPMENT

PAY TO THE ORDER OF: *Hagood & Kerr, PA*

AMOUNT: \$ 11,513.51

MEMO: 08/31/08 Invoice - Matter# 3293

AUTHORIZED SIGNATURE: *[Signature]*

053201872: 0190032111 #0001151351

10315 \$11,513.51 09/23/2008