

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

**RECEIVER'S MONTHLY  
 REPORT (SEPTEMBER 2009)**

HORRY COUNTY  
 10 FEB 18 AM 10:42  
 CLERK OF COURT

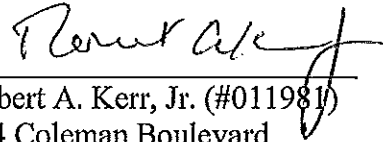
The undersigned hereby submits his report in connection with the Receivership Estate in the above captioned matter.

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 2009, the Receiver took the following actions:
  - a. negotiated contracts and amendments with pre-construction contract parties and their counsel;
  - b. monitored management company and rental operation for unsold units;
  - c. communicated with regime management company, RAM, regarding various HOA issues;
  - d. reviewed and responded to requests of owners for information on HOA issues;
 and

e. 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, 2009 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  
February 15, 2010.

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, )

v. )

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

**CERTIFICATE OF SERVICE**

HORRY COUNTY  
10 FEB 18 AM 10:42  
REGISTRAR 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.

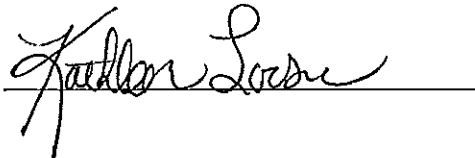
2. On February 15, 2010, I served the above-named Plaintiff with true and correct copies of the Receiver's Monthly Report (September 2009) by depositing same in a United States mailbox addressed as follows:

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.

February 15, 2010

  
\_\_\_\_\_

**EXHIBIT A**

10:14 AM

10/16/09

**Bahama Sands Receivership**  
**Reconciliation Summary**  
Bank of SC 190032111, Period Ending 09/30/2009

	<u>Sep 30, 09</u>
Beginning Balance	66,171.36
Cleared Transactions	
Checks and Payments - 2 Items	-5,264.28
Deposits and Credits - 1 Item	60,770.88
Total Cleared Transactions	<u>55,506.60</u>
Cleared Balance	<u>121,677.96</u>
Uncleared Transactions	
Checks and Payments - 1 Item	-11,580.48
Total Uncleared Transactions	<u>-11,580.48</u>
Register Balance as of 09/30/2009	<u>110,097.48</u>
Ending Balance	<u>110,097.48</u>

✓ 10/15/09  
[Signature]

10:14 AM

10/16/09

**Bahama Sands Receivership**  
**Reconciliation Detail**  
 Bank of SC 190032111, Period Ending 09/30/2009

Type	Date	Num	Name	Clr	Amount	Balance
<b>Beginning Balance</b>						66,171.36
<b>Cleared Transactions</b>						
<b>Checks and Payments - 2 Items</b>						
Check	9/21/2009	102429	Hagood & Kerr, PA	X	-5,258.99	-5,258.99
Check	9/30/2009			X	-5.29	-5,264.28
<b>Total Checks and Payments</b>					-5,264.28	-5,264.28
<b>Deposits and Credits - 1 Item</b>						
Deposit	9/29/2009			X	60,770.88	60,770.88
<b>Total Deposits and Credits</b>					60,770.88	60,770.88
<b>Total Cleared Transactions</b>					55,506.60	55,506.60
<b>Cleared Balance</b>					55,506.60	121,677.96
<b>Uncleared Transactions</b>						
<b>Checks and Payments - 1 Item</b>						
Check	9/25/2009	102430	Santee Cooper		-11,580.48	-11,580.48
<b>Total Checks and Payments</b>					-11,580.48	-11,580.48
<b>Total Uncleared Transactions</b>					-11,580.48	-11,580.48
<b>Register Balance as of 09/30/2009</b>					43,926.12	110,097.48
<b>Ending Balance</b>					43,926.12	110,097.48

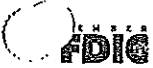
## **EXHIBIT B**

# The Bank of South Carolina

515 00001 01  
ACCOUNT:

PAGE: 1  
190032111 09/30/2009

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



HAGOOD & KERR PA  
ROBERT A KERR JR RECEIVER FOR  
BAHAMA SANDS DEVELOPMENT 30  
654 COLEMAN BLVD STE#100 1  
MT PLEASANT SC 29464 1

**An Important Message for our Customers**

Many of you have seen an increase in your service charge over the last few months. This increase is a result of the decline in interest rates. Service charges on your account are determined by an analysis system. We offset the expenses for services rendered on your account with an earnings credit computed for your account. We have not increased the fees we use to compute your expenses. Rather, the increase in service charges is the result of a decrease in the 91-Day U.S. Treasury Bill rate used to calculate the earnings credit. That rate dropped from 3.39% in December 2007 to 0.30% in December 2008. Although the rate has now dropped below 0.10%, we have held it at the December 2008 level for your benefit. We appreciate your business and are glad to be able to provide this assistance during these tough economic times.

**COMMERCIAL CHECKING ACCOUNT 190032111**

MINIMUM BALANCE	60,912.37	LAST STATEMENT 08/31/09	66,171.36
AVG AVAILABLE BALANCE	66,619.35	1 CREDITS	60,770.88
AVERAGE BALANCE	68,645.05	2 DEBITS	5,264.28
		THIS STATEMENT 09/30/09	121,677.96

*10/10/09*  
*AK*

REF #.....DATE.....AMOUNT REF #.....DATE.....AMOUNT REF #.....DATE.....AMOUNT

09/29 60,770.88

CHECKS

CHECK #..DATE.....AMOUNT CHECK #..DATE.....AMOUNT CHECK #..DATE.....AMOUNT

10429 09/22 5,258.99

OTHER DEBITS

DESCRIPTION	DATE	AMOUNT
SERVICE CHARGE	09/30	5.29

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



Personal Service with a Capital E.

Please ask us how to sign up.

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

# The Bank of South Carolina

515 0001 01  
ACCOUNT:

PAGE: 2  
190032111 09/30/2009

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



HAGOOD & KERR PA

=====

COMMERCIAL CHECKING ACCOUNT 190032111

=====

----- DAILY BALANCE -----

DATE.....	BALANCE	DATE.....	BALANCE	DATE.....	BALANCE
09/22	60,912.37	09/29	121,683.25	09/30	121,677.96

- END OF STATEMENT -

OnLine Banking  
**ESAFE**  
Personal Service with a Capital E.

Please ask us how to sign up.

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

<b>BAHAMIA SANDS DEVELOPMENT</b> PO BOX 179 MOUNT PLEASANT, SC 29581		<i>The Bank of South Carolina</i>	CHECK # 10429 DATE 09/22/2009
PAY TO THE ORDER OF Hagood & Kerr, PA		\$ 5,258.99	
Five Thousand Two Hundred Fifty Eight and 99/100			
MEMO Hagood & Kerr, PA 634 Coleman Blvd Suite 100 Mt. Pleasant, SC 29584		<i>Robert A. Kerr</i>	
VOID 10429 105320187210190032111			

10429 \$5,258.99 09/22/2009