

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 (MAY 2008)**

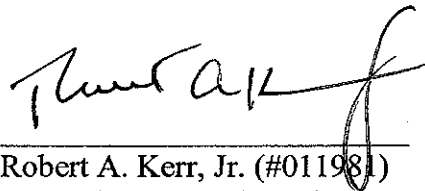
FILED
 HORRY COUNTY
 2008 JUL -9 AM 11:29
 MELANIE HUGGINS
 CLERK OF COURT

The undersigned hereby submits his first 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 May 2008, the Receiver took the following actions:
 - a. reviewed and analyzed contracts relating to proposed sales of the units in the Project;
 - b. addressed consolidation of utility bill payments;
 - c. attended a meeting with the Developer, Lender and Counsel;
 - d. met with a principal of the Developer and obtained records and documents pertaining to the Project;
 - e. revised and distributed standard contract amendment language;

- f. commenced negotiations with Strand Capitol regarding rental operation for unsold units;
 - g. evaluated potential insurance changes; and
 - h. communicated regularly by phone and written communications with many parties in interest.
4. Financial Statements and a bank statement for the period ending May 31, 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
July 8, 2008.

Bahama Sands Receivership

2008-07-08 4:16 PM

Register: Bank of SC 190032111

From 2008-01-01 through 2008-05-31

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
2008-04-09			Unit Sales	Deposit		X	480,756.72	480,756.72
2008-04-09	eft	Bank of South Carolina	Bank Service Charges			X		480,746.72
2008-04-15	1	Premium Financing Specialis...	Insurance Expense	Scc-194682	10.00	X		463,080.73
2008-05-08	EFT	Nexity Bank, ABA # 062006...	Settlement Expense		17,665.99	X		63,080.73
2008-05-19	10300	Premium Financing Specialis...	Insurance Expense	Re: Bahama Sands H...	400,000.00	X		43,648.14
2008-05-23	10301	Hagood & Kerr, PA	Professional Fees		19,432.59	X		27,968.16
					15,679.98	X		

EXHIBIT A

The Bank of South Carolina

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

515 00001 01
 ACCOUNT:

190032111 PAGE: 1
 05/30/2008



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

30
 0
 3

~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

MINIMUM BALANCE	27,968.16	LAST STATEMENT 04/30/08	463,080.73
AVG AVAILABLE BALANCE	143,978.84	CREDITS	.00
AVERAGE BALANCE	143,978.84	3 DEBITS	435,112.57
		THIS STATEMENT 05/30/08	27,968.16

----- CHECKS -----					
CHECK #..DATE.....AMOUNT	CHECK #..DATE.....AMOUNT	CHECK #..DATE.....AMOUNT			
10300 05/21 19,432.59	10301 05/27 15,679.98				

----- OTHER DEBITS -----			DATE	AMOUNT
DESCRIPTION				
WIRE TRANSFER OUTGOING			05/08	400,000.00

----- DAILY BALANCE -----					
DATE.....BALANCE	DATE.....BALANCE	DATE.....BALANCE			
05/08 63,080.73	05/21 43,648.14	05/27 27,968.16			

- END OF STATEMENT -

EXHIBIT B



Personal Service with a Capital E.

Please ask us how to sign up.

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

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

FILED
 HORRY COUNTY
 2008 JUL -9 AM 11:29
 MELANIE HUGGINS
 CLERK OF COURT

I, Robert A. Kerr, Jr., of full age, hereby certify as follows:

1. I am an attorney-at-law admitted to practice before this Court and am a member of the law firm of Hagood & Kerr, PA, attorneys for Defendant.

2. On July 8, 2008, I served the above-named Plaintiff with true and correct copies of the Receiver's Monthly Report (May 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.

July 8, 2008

