

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA

In re: SOUTH EDGE, LLC, Debtor

Case No. 10-32968 (BAM)

CHAPTER 11  
MONTHLY OPERATING REPORT [A]  
(REAL ESTATE CASE)

SUMMARY OF FINANCIAL STATUS

MONTH ENDED: Aug-11 PETITION DATE: 12/9/2010

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor).  
Dollars reported in \$1

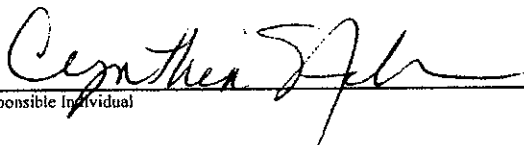
	End of Current Month	End of Prior Month	As of Petition Filing
2. Asset and Liability Structure			
a. Current Assets	\$888,110	\$1,198,528	
b. Total Assets	\$514,584,962	\$514,640,266	\$514,648,287
c. Current Liabilities	\$4,948,880	\$4,593,265	
d. Total Liabilities	\$458,870,153	\$458,514,538	\$457,857,897
			Cumulative
3. Statement of Cash Receipts & Disbursements for Month	Current Month	Prior Month	(Case to Date)
a. Total Receipts	\$0	\$4,053,781	\$8,796,561
b. Total Disbursements	\$310,418	\$3,725,272	\$7,940,126
c. Excess (Deficiency) of Receipts Over Disbursements (a - b)	(\$310,418)	\$328,509	\$856,435
d. Cash Balance Beginning of Month	\$1,198,528	\$870,020	\$31,674
e. Cash Balance End of Month (c + d)	\$888,110	\$1,198,529	\$888,110
			Cumulative
4. Profit/(Loss) from the Statement of Operations	Current Month (\$410,918)	Prior Month (\$883,208)	(Case to Date) (\$1,686,325)
5. Account Receivables (Pre and Post Petition)	\$0	\$0	
6. Post-Petition Liabilities	\$4,948,880	\$4,593,265	
7. Past Due Post-Petition Account Payables (over 30 days)	\$43,444	\$80,149	

At the end of this reporting month:

- |  | Yes | No |
|--|-----|----|
| 8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee) [2] [4] |     | X  |
| 9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee) [5]   | X   |    |
| 10. If the answer is yes to 8 or 9, were all such payments approved by the court?  | X   |    |
| 11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee)   |     | X  |
| 12. Is the estate insured for replacement cost of assets and for general liability?  | X   |    |
| 13. Are a plan and disclosure statement on file?   | X   |    |
| 14. Was there any post-petition borrowing during this reporting period? [1]  |     | X  |
15. Check if paid: Post-petition taxes  [2]; U.S. Trustee Quarterly Fees ; Check if filing is current for: Post-petition tax reporting and tax returns:  [3].  
(Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: 9/20/11

  
Responsible Individual

[A] The Trustee reserves the right to amend the Monthly Operating Reports (the "MORs") in all respects at any time as may be necessary and appropriate.  
 [1] The Trustee was authorized to obtain Trustee in Possession ("TIP") financing funded by the Builder Lenders pursuant to the Final Order entered 8/15/11. The Trustee made an initial draw of \$3,430,000 on 7/29/11.  
 [2] Priority secured pre-petition claims related to the 3rd and 4th installments of property taxes (plus penalties/interest) were paid on 7/29/11 following the initial TIP loan draw, effectively bringing property taxes current with the County.  
 [3] Pursuant to the order entered August 12, 2011, the Trustee has retained Piercy Bowler Taylor & Kern ("PBT&K") to prepare the 2010 tax return and it is due September 15, 2011.  
 [4] Invoices for the Gap period for NV Energy of \$59.49 and Republic Services of \$37.02 were approved and paid on 6/28/11.  
 [5] Monthly fee statements for estate professionals covering February - July were filed on 8/22 and objections are due by 9/9. If no objections are filed, payment of \$4.0M will be made to estate professionals in WE 9/16 pursuant to the Interim Compensation Order. Lender professional fees of \$2.4M will be paid in WE 9/9 pursuant to the Plan Support Agreement.

## STATEMENT OF OPERATIONS

(Real Estate Case)

For the Month Ended 08/31/11

Current Month				Cumulative (Case to Date)	Next Month Forecast
Actual	Forecast	Variance			
\$0	N/A	N/A	<b>Revenues:</b>		
\$0	N/A	N/A	1 Rent/Leases	\$0	N/A
\$0	N/A	N/A	2 Real Property Sales Gross	\$0	N/A
\$0	N/A	N/A	3 Interest	\$0	N/A
\$0	N/A	N/A	4 Other	\$570	N/A
	N/A	N/A	5		N/A
	N/A	N/A	6		N/A
\$0	N/A	N/A	7 <b>Total Revenues</b>	\$570	N/A
			<b>Expenses:</b>		
\$0	N/A	N/A	8 Cost of Property Sold	\$0	N/A
			8a Initial Cost & Improvement		
			8b less: Depreciation Taken		
\$0	N/A	N/A	9 Selling	\$0	N/A
\$0	N/A	N/A	10 Administrative	\$0	N/A
\$0	N/A	N/A	11 Interest	\$0	N/A
\$0	N/A	N/A	12 Compensation to Owner(s)/Officer(s)	\$0	N/A
\$0	N/A	N/A	13 Salaries	\$0	N/A
\$0	N/A	N/A	14 Commissions	\$0	N/A
\$0	N/A	N/A	15 Management Fees	\$0	N/A
			Rent/Lease:		
\$0	N/A	N/A	16 Personal Property	\$0	N/A
\$0	N/A	N/A	17 Real Property	\$0	N/A
\$0	N/A	N/A	18 Insurance	\$0	N/A
\$0	N/A	N/A	19 Depreciation	\$0	N/A
			Taxes:		
\$0	N/A	N/A	20 Employer Payroll Taxes	\$0	N/A
\$56,093	N/A	N/A	21 Real Property Taxes (including penalties/interest) <sup>[1]</sup>	\$176,318	N/A
\$0	N/A	N/A	22 Other Taxes	\$0	N/A
\$0	N/A	N/A	23 Other Expenses:	\$0	N/A
\$0	N/A	N/A	24 Accounting & Legal	\$17,430	N/A
\$0	N/A	N/A	25 Licenses & Fees	\$609	N/A
\$339	N/A	N/A	26 Bank Charges	\$549	N/A
\$2,760	N/A	N/A	27 Construction and Maintenance	\$21,235	N/A
\$2,770	N/A	N/A	28 Selling, General & Administrative	\$44,280	N/A
\$0	N/A	N/A	29 Marketing and Advertising	\$19,450	
(\$59,732)	N/A	N/A	30 HOA Subsidies <sup>[3]</sup>	\$6,595	
\$379,425	N/A	N/A	31 LID T-18 Bond Assessments <sup>[2]</sup>	\$1,127,633	N/A
\$0	N/A	N/A	32 Surety Bond	\$36,501	
8,267	N/A	N/A	33 Amortization of Bond Issuance Costs	\$74,400	N/A
\$10,560	N/A	N/A	34 Other Bankruptcy Related Expenses	\$78,397	N/A
\$10,437	N/A	N/A	35 Amortization of Prepaid Insurance	\$83,497	N/A
\$410,918	N/A	N/A	36 <b>Total Expenses</b>	\$1,686,894	N/A
(\$410,918)	N/A	N/A	37 <b>Subtotal</b>	(\$1,686,325)	N/A
			<b>Reorganization Items:</b>		
	N/A	N/A	38 Professional Fees		N/A
	N/A	N/A	39 Provisions for Rejected Executory Contracts		N/A
	N/A	N/A	Interest Earned on Accumulated Cash from		N/A
			40 Resulting Chp 11 Case		
	N/A	N/A	41 Gain or (Loss) from Sale of Equipment		N/A
	N/A	N/A	42 U.S. Trustee Quarterly Fees		N/A
	N/A	N/A	43		N/A
\$0	N/A	N/A	44 <b>Total Reorganization Items</b>	\$0	N/A
(\$410,918)	N/A	N/A	45 <b>Net Profit (Loss) Before Federal &amp; State Taxes</b>	(\$1,686,325)	N/A
	N/A	N/A	46 Federal & State Income Taxes		N/A
(\$410,918)	N/A	N/A	47 <b>Net Profit (Loss)</b>	(\$1,686,325)	N/A

[1] - Property taxes includes monthly property tax accrual of \$56K for the tax year covering July 1, 2011 to June 30, 2012. The first property tax installment of \$169K for the July 1, 2011 to June 30, 2012 tax year was paid on August 11, 2011.

[2] - Represents accrued monthly interest on the LID T-18 bond assessment for August 2011. The LID T-18 bond assessment due December 1, 2011 is \$2.9M and comprised of \$664K of principal and \$2.3M of interest. The total payoff of the LID T-18 bonds as of December 1, 2011 is \$76.7M.

[3] - The credit to expense for HOA Subsidies in August was related to an adjustment to reflect revised chargeback amounts associated with South Edge based on revised invoices received from the HOA.

**BALANCE SHEET**  
(Real Estate Case)  
For the Month Ended 08/31/11

Assets		<u>From Schedules</u>	<u>Book Value</u>
	<b>Current Assets</b>		
1	Checking Accounts		\$888,110
2	Money Market Accounts		\$0
3	Accounts receivable (net)	A	\$0
4			
5			
6	Other:		
7			
8	<b>Total Current Assets</b>		<b>\$888,110</b>
	<b>Property and Equipment (Book Value)</b>		
9	Real property <sup>[4]</sup>	C	\$441,567,786
10	LID Development Cost <sup>[3]</sup>		\$537,184
11			
12			
13			
14			
15			
16			
17			
18			
19			
20	<b>Total Property and Equipment</b>		<b>\$442,104,970</b>
	<b>Other Assets</b>		
21	Due from Affiliates		\$177,000
22	Loan Receivable <sup>[1]</sup>		\$8,230,367
23	MI Deposit <sup>[2]</sup>		\$25,038,267
24	Contribution Receivable		\$35,772,767
25	Prepaid Expenses <sup>[5]</sup>		\$904,271
26	Capitalized LID Bond Financing Cost		\$1,469,211
27			
28			
29	<b>Total Other Assets</b>		<b>\$71,591,883</b>
30	<b>Total Assets</b>		<b>\$514,584,962</b>

**NOTE:**

- \* The value of all assets of South Edge, LLC (the "Debtor") were based on historical net book values from the Debtor's books and records, without any recognition or adjustment for potential impairments of value.
- \*\* See Global Notes in the Schedules of Assets and Liabilities (the "Schedules") and the Statement of Financial Affairs (the "Statement" and, collectively with the Schedules, the "Schedules and Statement") for discussion of recoveries from or obligations of any Member or such Member's affiliates in connection with capital calls made by the Debtor, or the Trustee, on behalf of the Estate, for any reason under applicable documents, or in connection with any other funding obligations with respect to land takedowns and major infrastructure payments, as well as any potential payments from Local Improvement District No. T-18.
- [1] Represents loans between member owners of the Debtor (or "Members") when certain Members covered the shortfall for capital calls on behalf of bankrupt or non-paying Members. The Debtor's books and records included a receivable ("Loan Receivable") from the bankrupt or non-paying Members and a corresponding payable ("Loan Payable") to the Members that covered the shortfall. The Loan Payable is included as a General Unsecured Claim in the Schedules and Statement.
- [2] Accrued interest on the MI Deposit has not been reflected in reported book balances. Also see Global Notes in Schedules and Statement for discussion of Member MI Deposit extinguishment. Repayment of \$2.9M advance from the MI Deposit used to pay down the LID Assessment due 6/1/11 was made in July following the initial TIP loan draw.
- [3] Costs associated with development of infrastructure required to release Local Improvement District T-18 Bond funds are capitalized. Includes \$430K of invoices received from Advantage Civil Design Group, LLP through the period ended 8/16/11.
- [4] Real property was reduced by \$624k for the acquisition of three segments of residential streets remaining within Village 1 (ST-E, G, and H), which was approved by City Council on 7/5/11 and funded on 7/6/11.
- [5] Prepaid expenses includes \$57k in prepaid property taxes for September 2011 resulting from the August payment of \$169k for the 1st installment of property taxes for the 2011 - 2012 tax year which covered the period from July - September 2011.

**Liabilities and Equity**  
(Real Estate Case)

**Liabilities From Schedules**

**Post-Petition**

**Current Liabilities**

31	Trustee in Possession Loan <sup>[1]</sup>	A	\$3,430,000
32	Accounts payable (trade)		\$274,054
33	Interest on LID Bond Payable <sup>[5]</sup>		\$1,118,393
34	Real Property Taxes (Including penalties/interest) <sup>[6]</sup>		\$0
35	Accrued Expenses		\$4,500
36	Loan Payable		\$121,933
37	Other		\$0
38			
39			
40			
41			
42			
43			
44			
45	<b>Total Current Liabilities</b>		<b>\$4,948,880</b>

46 **Long-Term Post-Petition Debt, Net of Current Portion**

			\$4,948,880
47	<b>Total Post-Petition Liabilities</b>		<b>\$4,948,880</b>

**Pre-Petition Liabilities (allowed amount)**

48	Secured claims <sup>[2]</sup>	F	\$441,598,435
49	Priority unsecured claims <sup>[3]</sup>	F	\$25,621
50	General unsecured claims <sup>[4]</sup>	F	\$12,297,217
51	<b>Total Pre-Petition Liabilities</b>		<b>\$453,921,273</b>
52	<b>Total Liabilities</b>		<b>\$458,870,153</b>

**Equity (Deficit)**

53	Net Income (case-to-date)		(\$1,686,325)
54	Capital		\$204,763,841
55	Adjustment to Capital		(\$147,362,707)
56			
60	<b>Total Equity (Deficit)</b>		<b>\$55,714,810</b>

61	<b>Total Liabilities and Equity (Deficit)</b>		<b>\$514,584,962</b>
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**NOTES:**

[1] The Trustee made an interim TIP loan draw on 7/29 (refer to footnote [1] from the Summary for further detail).

[2] A. Include the pre-petition LID Bond payable balance which includes interest and penalties as of 3/1/11 as reported in Schedule D of the Schedules and Statement. Interest and penalties accrued post-petition through 3/1/11 have been included in the pre-petition LID Bond Payable balance consistent with the Schedules and Statement. The LID Bond Payable balance was reduced by the LID Assessments paid on 4/8/2011 and 6/1/11. Proceeds from the MI Deposit were used to pay down a portion of the LID Bond Payable balance.

B. Include principal of \$327,855,500 and interest of \$39,303,482, which were provided by JP Morgan Chase N.A. ("JP Morgan"), as administrative agent. The Trustee reserves all her rights to evaluate and determine the allowable amounts and nature of the lender's total claim and the allowed amounts and nature of its secured claim and any deficiency claim. No interest has been accrued post-petition.

C. Pre-petition secured claims prior to July included property taxes for the 3rd and 4th installments related to the 2010-2011 tax year due 1/3/11 and 3/7/11, respectively. The 3rd and 4th installments were paid on 7/29/11.

[3] Represent outstanding invoices received between the date of the involuntary chapter 11 bankruptcy petition (12/9/10) and the date the bankruptcy court entered an order for relief (2/3/11) (the "Gap Claims") as reported in Schedule E of the Schedules and Statement.

Invoices for the Gap period for NV Energy of \$59.49 and Republic Services of \$37.02 were approved and paid on 6/28/11.

[4] Include Loan Payables of \$8.1M between Members when certain Members covered the shortfall for capital calls on behalf of bankrupt or non-paying Members. The Debtor's books and records included a receivable from the bankrupt or non-paying Members and a corresponding payable to the Members that covered the shortfall. The general unsecured claims amount has been increased by \$25,000 for a pre-petition invoice received subsequent to the petition date and after the preparation of the March 2011 MOR.

[5] Refer to footnote [2] in Statement of Operations.

[6] Refer to footnote [1] in Statement of Operations.

**SCHEDULES TO THE BALANCE SHEET**  
(Real Estate Case)

**Schedule A**  
**Accounts Receivable and (Net) Payable**

Receivables and Payables Agings	Accounts Receivable [Pre and Post Petition]	Accounts Payable [Post Petition]	Past Due Post Petition Accounts Payable
0-30 Days		\$230,609	
31-60 Days		\$3,688	
61-90 Days		\$4,769	\$43,444
91+ Days		\$34,987	
Total accounts receivable/payable <sup>[1]</sup>	\$0	\$274,054	
Allowance for doubtful accounts			
Accounts receivable (net)	\$0		

**Schedule B**  
**Inventory/Cost of Goods Sold**  
Not Applicable to Real Estate Cases

**Schedule C**  
**Real Property**

Description	Cost	Market Value
Real Property [2]	\$441,567,786	Unknown
Total	\$441,567,786	Unknown

**Schedule D**  
**Other Depreciable Assets**

Description	Cost	Market Value
Machinery & Equipment -		
Total	\$0	Unknown
Furniture & Fixtures -		
Total	\$0	Unknown
Office Equipment -		
Total	\$0	Unknown
Leasehold Improvements -		
Total	\$0	Unknown
Vehicles -		
Total	\$0	Unknown

[1] The post-petition payable aging excludes the aging of Gap Claims as they are reported in Schedule E of the Schedules and Statement.

[2] See footnote [4] in Asset Schedule (page 3).

**Schedule E**  
**Aging of Post-Petition Taxes**  
**(As of End of the Current Reporting Period)**

Taxes Payable	<u>0-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91+ Days</u>	<u>Total</u>
<b>Federal</b>					
Income Tax Withholding					\$0
FICA - Employee					\$0
FICA - Employer					\$0
Unemployment (FUTA)					\$0
Income					\$0
Other (Attach List)					\$0
<b>Total Federal Taxes</b>	\$0	\$0	\$0	\$0	\$0
<b>State and Local</b>					
Income Tax Withholding					\$0
Unemployment (UT)					\$0
Disability Insurance (DI)					\$0
Empl. Training Tax (ETT)					\$0
Sales					\$0
Excise					\$0
Real property (including penalties/interest)					\$0
Personal property					\$0
Income					\$0
LID Installment (including penalties)					\$0
<b>Total State &amp; Local Taxes</b>	\$0	\$0	\$0	\$0	\$0
<b>Total Taxes</b>	\$0	\$0	\$0	\$0	\$0

**Schedule F**  
**Pre-Petition Liabilities**

<u>List Total Claims For Each Classification -</u>	<u>Claimed Amount</u>	<u>Allowed Amount (b)</u>
Secured claims (a)	\$441,598,435	N/A
Priority claims other than taxes (d)	\$25,621	N/A
Priority tax claims	\$0	N/A
General unsecured claims (c)	\$12,297,217	N/A

(a) Outstanding property taxes for the period of July 1, 2009 - June 30, 2010 have been removed from the balance of Secured claims following the payment of the 3rd and 4th installments (plus penalties/interest) on 7/29/11. Refer to the Schedules and Statement for a listing of pre-petition claims.

(b) The Trustee will review all claims for allowability.

(c) Refer to footnote [4] in Liability and Equity schedule (page 4) for further detail.

(d) Refer to footnote [3] in Liability and Equity schedule (page 4) for further detail.

**Schedule G  
Rental Income Information**

**List the Rental Information Requested Below By Properties**

	<u>Property 1</u>	<u>Property 2</u>	<u>Property 3</u>	<u>Property 4</u>
Description of Property				
Scheduled Gross Rents				
Less:				
Vacancy Factor				
Free Rent Incentives				
Other Adjustments				
<hr/>				
Total Deductions	\$0	\$0	\$0	\$0
Scheduled Net Rents	\$0	\$0	\$0	\$0
Less: Rents Receivable *				
Scheduled Net Rents Collected *	\$0	\$0	\$0	\$0

\* To be completed by cash basis reporters only.

**Schedule H  
Recapitulation of Funds Held at End of Month**

	<u>Account 1</u>	<u>Account 2</u>	<u>Account 3</u>	<u>Account 4</u>
Bank	US Bank			
Account Type	Checking			
Account No.	██████████3355			
Account Purpose	General			
Bank Balance, End of Month	\$1,059,285			
Reconciling Items	\$171,175			
Book Balance, End of Month	\$888,110			
Total Funds on Hand for all Accounts	\$888,110			

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

Increase/(Decrease) in Cash and Cash Equivalents  
For the Month Ended 08/31/11

	Actual Current Month	Cumulative (Case to Date)
<b>Cash Receipts</b>		
1 LID T-18 Acquisition Payments <sup>[2]</sup>	\$0	\$1,637,391
2 LID Bond Assessment Advance	\$0	\$2,940,028
3 Capital Contributions	\$0	\$688,945
4 Other Receipts/ Reimbursements	\$0	\$100,197
5 Trustee in Possession Loan Draw <sup>[3]</sup>	\$0	\$3,430,000
6		
7		
8		
9		
10		
11		
12 <b>Total Cash Receipts</b>	<b>\$0</b>	<b>\$8,796,561</b>
<b>Cash Disbursements</b>		
13 Security and Maintenance	\$900	\$40,769
14 Surety Bond Payments	\$24,733	\$28,635
15 LID Improvement Costs	\$0	\$37,574
16 LID Reimbursement Administration	\$112,885	\$282,688
17 Accounting, Taxes, and Outside Legal	\$0	\$122,996
17 HOA Subsidies	\$0	\$22,561
18 Marketing and Advertising	\$0	\$13,335
19 General, Administrative and Operations	\$2,724	\$178,980
19 LID T-18 Bond Assessments	\$0	\$2,940,028
20 Property Taxes	\$169,177	\$765,071
21 US Trustee Fees	\$0	\$13,000
22 Repayment of Delinquent LID Bond Assessment Advance <sup>[1]</sup>	\$0	\$3,439,652
23 Estate Professional Fees	\$0	\$7,319
24 Estate Noticing Agent Fees	\$0	\$0
25 Agent Professional Fees	\$0	\$47,518
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37 <b>Total Cash Disbursements:</b>	<b>\$310,418</b>	<b>\$7,940,126</b>
38 <b>Net Increase (Decrease) in Cash</b>	<b>(\$310,418)</b>	<b>\$856,435</b>
39 <b>Cash Balance, Beginning of Period</b>	<b>\$1,198,528</b>	<b>\$28,974</b>
40 <b>Cash Balance Adjustment<sup>[4]</sup></b>	<b>\$0</b>	<b>\$2,700</b>
41 <b>Adjusted Ledger Cash Balance, Beginning of Period</b>	<b>\$1,198,528</b>	<b>\$31,674</b>
40 <b>Cash Balance, End of Period</b>	<b>\$888,110</b>	<b>\$888,110</b>

[1] Represents proceeds received from the MI Deposit which were used to pay LID T-18 Bond Assessments due 6/1/11. MI Deposit repaid plus interest following the initial TIP loan draw.

[2] The acquisition of three segments of residential streets in Village 1 (SP-E, G, and H) was approved by City Council on 7/5/11 and funded on 7/6/11. The Proceeds were used to repay the MI Deposit used to pay the LID T-18 bond assessment due 6/1/11.

[3] The Trustee was authorized to obtain Trustee in Possession ("TIP") financing funded by the Builder Lenders pursuant to the Interim Order entered 7/25/11. The Trustee made an initial draw of \$3,430,000 on 7/29/11.

[4] Adjustment was related to returned checks (\$2,700) from Eros Environmental, LLC which did not clear the bank and were voided.



**South Edge, LLC**  
**Bank Reconciliation**

<b>Bank Account Numbers:</b>	
US Bank - General	Closed
US Bank - Draw Account	Closed
US Bank - Repurchase	Closed
US Bank - Ch. 11 Trustee	██████████ 3355

**Statement Date** **8/31/2011**

<b>Bank Statement Beg Balance</b>	<b>1,219,166.88</b>
Customer Deposits	-
Other Deposits	-
Other Withdrawals	(338.57)
Checks Paid	(159,543.63)
<b>Bank Statement End Balance</b>	<b>\$ 1,059,284.68</b>

<b>Outstanding Checks</b>	
Century Link	122.79
City of Henderson	75.00
Clark County Treasurer	169,176.73
Eros Environmental	1,800.00
<b>Total Outstanding Checks</b>	<b>171,174.52</b>

<b>Ledger Balance</b>	<b>\$ 888,110.16</b>
-----------------------	----------------------



P.O. Box 1800  
 Saint Paul, Minnesota 55101-0800  
 3969 TRC 15

Y ST01

**Business Statement**

Account Number  
 Statement Period  
 Aug 1, 201  
 through  
 Aug 31, 201

Page 1 of

000014854 1 SP 106481230586153 P  
 CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
 SOUTH EDGE LLC  
 633 W 5TH ST STE 1600  
 LOS ANGELES CA 90071-2030



**To Contact U.S. Bank**  
**Commercial Customer Service:** 1-800-753-5801  
**Telecommunications Device for the Deaf:** 1-800-685-5061  
**Internet:** usbank.com

**ANALYZED CHECKING**

U.S. Bank National Association

Member FDIC

**Account Summary**

Account Number 3355

	# Items	\$	
Beginning Balance on Aug 1			1,219,166.88
Other Withdrawals	1		338.57-
Checks Paid	15		159,666.42-
<b>Ending Balance on Aug 31, 2011</b>		<b>\$</b>	<b>1,059,161.89</b>

**Other Withdrawals**

Date	Description of Transaction	Ref Number	Amount
Aug 12	Analysis Service Charge	1200000000	\$ 338.57-
<b>Total Other Withdrawals</b>			<b>\$ 338.57-</b>

**Checks Presented Conventionally**

Check	Date	Ref Number	Amount	Check	Date	Ref Number	Amount
1060	Aug 4	8894594495	900.00	1078	Aug 2	8892700944	51.97
1067*	Aug 4	9193992393	1,800.00	1079	Aug 2	9398523382	10,400.00
1068	Aug 4	8894594496	900.00	1080	Aug 8	8896563082	20,529.00
1073*	Aug 4	8894544753	6,736.08	1081	Aug 8	8896563083	4,204.00
1074	Aug 2	8892700947	252.06	1084*	Aug 16	9393695872	387.45
1075	Aug 2	8892700946	254.30	1089*	Aug 19	8995612858	112,884.90
1076	Aug 2	8892700945	207.94	1090	Aug 30	9198292428	122.79
1077	Aug 2	8892700943	35.93				

\* Gap in check sequence

**Conventional Checks Paid (15) \$ 159,666.42-**

**Balance Summary**

Date	Ending Balance	Date	Ending Balance	Date	Ending Balance
Aug 2	1,207,964.68	Aug 12	1,172,557.03	Aug 19	1,059,284.68
Aug 4	1,197,628.60	Aug 16	1,172,169.58	Aug 30	1,059,161.89
Aug 8	1,172,895.60				

Balances only appear for days reflecting change.

08/02/2011  
000008892700945

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000000288283673  
TT02/T0/80 E1T0000T60J  
E910000193 08/01/2011

CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
633 W. 5TH STREET, SUITE 1600  
LOS ANGELES, CA 90071

90-3582/1222 1076  
DATE July 27, 2011

PAY TO THE ORDER OF NU ENERGY \$ 207.94  
TWO HUNDRED SEVEN AND 94/100 DOLLARS

USbank  
24 HOUR BANKING 800 475 3534  
2 39518821690619  
APRIL - ACCT # 9619

*Cynthia Nelson*  
AUTHORIZED SIGNATURE

⑆001076⑆ ⑆121201694⑆ 3355⑆

00000683660Q  
15962

⑆001076⑆ ⑆121201694⑆ 3355⑆ ⑆0000020794⑆

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000000288283667  
TT02/T0/80 E1T0000T60J  
E910000193 08/01/2011

CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
633 W. 5TH STREET, SUITE 1600  
LOS ANGELES, CA 90071

90-3582/1222 1077  
DATE July 27, 2011

PAY TO THE ORDER OF NU ENERGY \$ 35.93  
THIRTY FIVE AND 93/100 DOLLARS

USbank  
24 HOUR BANKING 800 475 3534  
2 39518821640829  
JULY - ACCT # 0829

*Cynthia Nelson*  
AUTHORIZED SIGNATURE

⑆001077⑆ ⑆121201694⑆ 3355⑆

00000683670Q  
15964

⑆001077⑆ ⑆121201694⑆ 3355⑆ ⑆0000003593⑆

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000000288283667  
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E910000193 08/01/2011

CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
633 W. 5TH STREET, SUITE 1600  
LOS ANGELES, CA 90071

90-3582/1222 1079  
DATE July 27, 2011

PAY TO THE ORDER OF U.S. TRUSTEE \$ 10,400.00  
TEN THOUSAND FOUR HUNDRED AND 00/100 DOLLARS

USbank  
24 HOUR BANKING 800 475 3534  
2 3951882163968  
GR II. FERS ACCT # 782-10-3968

*Cynthia Nelson*  
AUTHORIZED SIGNATURE

⑆001079⑆ ⑆121201694⑆ 3355⑆

00000683690Q  
15968

⑆001079⑆ ⑆121201694⑆ 3355⑆ ⑆0001040000⑆

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091300023 08/02/2011  
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NEVP  
4159563899  
WFB

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>041036017< 08/01/2011  
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000000288282679  
[102/10/08] [8/01/2011]

CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
633 W. 8TH STREET, SUITE 1600  
LOS ANGELES, CA 90071

90-3682/1223 1074  
DATE July 27, 2011

PAY TO THE ORDER OF NV ENERGY \$ 252.00

Two Hundred Fifty Two And 00/100 DOLLARS

USbank  
24-HOUR BANKING 1-800-473-3033  
JUNE 239518821699619  
FOR PUMP - ACCT # 9619

C. A. Nelson  
AUTHORIZED SIGNATURE

⑆001074⑆ ⑆121201694⑆ ⑆3355⑆

000006836400  
15958

⑆001074⑆ ⑆121201694⑆ ⑆3355⑆ ⑆0000025206⑆

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000004530385767  
[12210522] [8/18/2011]

CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
633 W. 8TH STREET, SUITE 1600  
LOS ANGELES, CA 90071

90-3682/1223 1089  
DATE August 15, 2011

PAY TO THE ORDER OF ADVANTAGE CIVIL DUSTEN GRANT, LLP \$ 112,884.92

ONE HUNDRED TWELVE THOUSAND EIGHT HUNDRED EIGHTY FOUR AND 92/100 DOLLARS

USbank  
24-HOUR BANKING 1-800-473-3033  
FOR TURKEY # 1997 (TURKEY 2/3)

Cynthia A. Nelson  
AUTHORIZED SIGNATURE

⑆001089⑆ ⑆121201694⑆ ⑆3355⑆

000005825700  
15766

⑆001089⑆ ⑆121201694⑆ ⑆3355⑆ ⑆0011288490⑆

\*549909840\*  
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000002882826370  
[091000019] [8/01/2011]

CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
633 W. 8TH STREET, SUITE 1600  
LOS ANGELES, CA 90071

90-3682/1223 1078  
DATE July 27, 2011

PAY TO THE ORDER OF NV ENERGY \$ 51.92

FIFTY ONE AND 92/100 DOLLARS

USbank  
24-HOUR BANKING 1-800-473-3033  
JUNE 239518821614311  
FOR JUNE - ACCT # 4311

C. A. Nelson  
AUTHORIZED SIGNATURE

⑆001078⑆ ⑆121201694⑆ ⑆3355⑆

000006836800  
15966

636886699

091300023 08/02/2011  
008892700944

NEVP  
4159563899  
WFB

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655505214

U14UUUU19 08/19/2011  
000804530385767  
091300023 08/19/2011  
008995612858

Abraham G. CIVIL DESI 4th  
110 CENTER ROAD  
WENDELSBURG MD 20704

>122105278< 08/18/2011  
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Do not endorse or write below this line.

636886703

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NEVP  
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>091000019< 08/01/2011  
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CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
833 W. 5TH STREET, SUITE 1800  
LOS ANGELES, CA 90071

90-58821222 1060  
DATE 6/28/11

PAY TO THE ORDER OF Eros Environmental, LLC \$ 900.00  
Nine hundred dollars only DOLLARS

USbank  
24 HOUR BANKING  
1-800-873-3636

FOR DEPOSIT ONLY: Invoice: 173h June Storm Water

*Cynthia Nelson*  
AUTHORIZED SIGNATURE

⑆001060⑆ ⑆121201694⑆ ⑆3355⑆ ⑆0000090000⑆

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006⑆50000000⑆1900

CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
833 W. 5TH STREET, SUITE 1800  
LOS ANGELES, CA 90071

90-58821222 1067  
DATE Aug 1, 2011

PAY TO THE ORDER OF JONES VALDES \$ 1,800.00  
ONE THOUSAND EIGHT HUNDRED AND 00/100 DOLLARS

USbank  
24 HOUR BANKING  
1-800-873-3636

FOR DEPOSIT ONLY: RENT-AUGUST

*Cynthia Nelson*  
AUTHORIZED SIGNATURE

⑆001067⑆ ⑆121201694⑆ ⑆3355⑆ ⑆0000180000⑆

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⑆001067⑆ ⑆121201694⑆ ⑆3355⑆ ⑆0000180000⑆

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⑆02⑆EO⑆90⑆08⑆03⑆2011  
02350791986

CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
833 W. 5TH STREET, SUITE 1800  
LOS ANGELES, CA 90071

90-58821222 1068  
DATE July 21, 2011

PAY TO THE ORDER OF EROS ENVIRONMENTAL, LLC \$ 900.00  
NINE HUNDRED AND 00/100 DOLLARS

USbank  
24 HOUR BANKING  
1-800-873-3636

FOR DEPOSIT ONLY: INVOICE # 1819

*Cynthia Nelson*  
AUTHORIZED SIGNATURE

⑆001068⑆ ⑆121201694⑆ ⑆3355⑆ ⑆0000090000⑆

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18950

⑆001068⑆ ⑆121201694⑆ ⑆3355⑆ ⑆0000090000⑆

637106705

091300023 08/04/2011  
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PAY TO THE ORDER OF  
BANK OF AMERICA  
LAS VEGAS, NV 89147-8134  
FOR DEPOSIT ONLY  
EROS ENVIRONMENTAL LLC  
501002098564

↓ Do not endorse or write below this line. ↓

0033 42620

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BANK OF AMERICA, NA, INC.  
2329066674 5533 94 PWS  
11/08/08  
09/13/11  
350791982

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FOR DEPOSIT ONLY  
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↓ Do not endorse or write below this line. ↓

>122016066< 08/04/2011  
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PAY TO THE ORDER OF  
BANK OF AMERICA  
LAS VEGAS, NV 89147-8134  
FOR DEPOSIT ONLY  
EROS ENVIRONMENTAL LLC  
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↓ Do not endorse or write below this line. ↓

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CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
633 W. 5TH STREET, SUITE 1800  
LOS ANGELES, CA 90071

90-3692/1222 1073

DATE July 27, 2011

PAY TO THE ORDER OF BMC GROUP, INC. \$ 6,736<sup>00</sup>

SIX THOUSAND SEVEN HUNDRED THIRTY SIX AND 00/100 DOLLARS

USbank  
24-HOUR BANKING  
1-800-875-3035

FOR DEPOSIT ONLY  
ACCOUNT NO. 940 4272-110630

*Cynthia Nelson*  
AUTHORIZED SIGNATURE

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CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
633 W. 5TH STREET, SUITE 1800  
LOS ANGELES, CA 90071

90-3692/1222 1084

DATE August 17, 2011

PAY TO THE ORDER OF CITY OF HENDERSON - UTILITY SERVICES \$ 387<sup>45</sup>

THREE HUNDRED EIGHTY SEVEN AND 45/100 DOLLARS

USbank  
24-HOUR BANKING  
1-800-875-3035

FOR DEPOSIT ONLY  
ACCOUNT NO. 430437890 (4/30 - 7/06)

*C. Nelson*  
AUTHORIZED SIGNATURE

⑈001084⑈ ⑆121201694⑆ [REDACTED] 3355⑈

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[111000025] 08/08/2011

CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
633 W. 5TH STREET, SUITE 1800  
LOS ANGELES, CA 90071

90-3692/1222 1080

DATE Aug 3, 2011

PAY TO THE ORDER OF HUB INTERNATIONAL LIMITED \$ 20,529<sup>00</sup>

TWENTY THOUSAND FIVE HUNDRED TWENTY NINE AND 00/100 DOLLARS

USbank  
24-HOUR BANKING  
1-800-875-3035

FOR DEPOSIT ONLY  
ACCOUNT NO. 5023151 (Through 7/06)

*C. Nelson*  
AUTHORIZED SIGNATURE

⑈001080⑈ ⑆121201694⑆ [REDACTED] 3355⑈

00000845040Q  
8216

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0911000011 08/04/2011  
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PAY TO THE ORDER OF  
 WELLS FARGO BANK, N.A.  
 FOR DEPOSIT ONLY  
 WASHINGTON, DC  
 412501212

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Do not endorse or write below this line.

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1-8647 1  
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 BANK OF AMERICA

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1102/10/90 6100001601  
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CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
833 W. 5TH STREET, SUITE 1800  
LOS ANGELES, CA 90071

90-3682/1222 1075  
DATE July 27, 2011

PAY TO THE ORDER OF DU ENERGY \$ 254.28

Two Hundred Fifty Four AND 28/100 DOLLARS

USbank  
24-HOUR BANKING  
1-800-873-3538

for MAY - ACCT 6NO #9619

Cynthia Nelson  
AUTHORIZED SIGNATURE

⑈001075⑈ ⑆121201694⑆ [REDACTED] 3355⑈

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CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
833 W. 5TH STREET, SUITE 1800  
LOS ANGELES, CA 90071

90-3682/1222 1090  
DATE 8/24/11

PAY TO THE ORDER OF CENTURYLINK \$ 122.29

One Hundred Twenty Two AND 29/100 DOLLARS

USbank  
24-HOUR BANKING  
1-800-873-3538

for Trans + Tel. Phone ACCT #416138764

Cynthia Nelson  
AUTHORIZED SIGNATURE

⑈001090⑈ ⑆121201694⑆ [REDACTED] 3355⑈

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\*549909840\*  
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1102/90/90 6520000111  
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CYNTHIA NELSON, CHAPTER 11 TRUSTEE  
dba SOUTH EDGE LLC  
833 W. 5TH STREET, SUITE 1800  
LOS ANGELES, CA 90071

90-3682/1222 1081  
DATE Aug 3, 2011

PAY TO THE ORDER OF HUB INTERNATIONAL LIMITED \$ 4,204.00

Four Thousand Two Hundred Four AND 00/100 DOLLARS

USbank  
24-HOUR BANKING  
1-800-873-3538

for Policy No. 5023131 (through 8/31)

Cynthia Nelson  
AUTHORIZED SIGNATURE

⑈001081⑈ ⑆121201694⑆ [REDACTED] 3355⑈

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8218

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LACK END CTR  
BANK OF AMERICA

Do not endorse or write below this line.

SUPPORT SCHEDULE

South Edge, LLC  
Professional Payments Schedule

Payment Date	Payee (Professional)	Payment Invoice # and Detail (if applicable)	Payment Amount
6/10/2011	BMC Group, Inc.	March fees; Invoice #272_110331	\$ 7,318.96
7/8/2011	BMC Group, Inc.	Apr. - fees and expenses	\$ 27,878.41
7/8/2011	BMC Group, Inc.	May - fees and expenses	\$ 12,903.19
7/27/2011	BMC Group, Inc.	Jun. - fees and expenses	\$ 6,736.08
<b>Total Amount</b>			<b>\$ 54,836.64</b>

**South Edge, LLC**  
**Check / Wire Register**

SUPPORT SCHEDULE

<b>Date</b>	<b>Name</b>	<b>Classification</b>	<b>Amount</b>
<b>August</b>			
8/1/2011	Jones Vargas	General, Administrative and Operations	1,800.00
8/3/2011	Hub International Limited	Surety Bond Payments	20,529.00
8/3/2011	Hub International Limited	Surety Bond Payments	4,204.00
8/11/2011	Clark County Treasurer	Property Taxes	169,176.73
8/12/2011	US Bank	General, Administrative and Operations	338.57
8/16/2011	Advantage Civil Design Group, LLP	LID Reimbursement Administration	112,884.90
8/17/2011	City of Henderson	General, Administrative and Operations	387.45
8/24/2011	CenturyLink	General, Administrative and Operations	122.79
8/24/2011	City of Henderson	General, Administrative and Operations	75.00
8/24/2011	Eros Environmental, LLC	Security and Maintenance	900.00
<b>August Total</b>			<b>\$ 310,418.44</b>

**Summary by Classification**

General, Administrative and Operations	2,723.81
LID Reimbursement Administration	112,884.90
Property Taxes	169,176.73
Security and Maintenance	900.00
Surety Bond Payments	24,733.00
	<b>\$ 310,418.44</b>