

STATE OF SOUTH CAROLINA
COUNTY OF HORRY

IN THE COURT OF COMMON PLEAS
THE FIFTEENTH JUDICIAL CIRCUIT

RHH Land Investors, LLC,

Plaintiff,

vs.

Leonard R. Watts, The Plantation at
Colonial Charters, LLC and Sago
Plantation II Development, Inc.,
Defendants.

County C/A No.: 2016-CP-26-06056

ORDER

(Not Ending Action)

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SC Court of Appeals

THIS MATTER came before the Court on August 18, 2026 for a hearing on the Receiver's 2nd Petition for a Rule to Show Cause. The underlying issue in the 2nd Receiver's Petition was the failure of the Defendant, Watts to provide the requested financial and other documents that were required to be turned over to the Receiver. By Order of Contempt dated October 24, 2024, I held the Defendant, Watts in contempt for failing to comply with previous Orders in this case related to providing the required financial information. Subsequently, the Receiver and the Attorney for the Plaintiff submitted Affidavits of Attorney Fees or Receiver Fees to be awarded under the Contempt Order.

Subsequently, on February 12, 2025, the South Carolina Court of Appeals reversed and remanded the underlying case holding that I had erred in denying the Defendant, Watts' Motion to Set Aside the Default Judgment in this case.¹ The result of the Court of Appeals order was to void the Default Judgment entered by Judge Culbertson on August 1, 2017. The Court of Appeals

¹ RHH Land Investors, LLC v. Leonard R. Watts, et al, Op. No. 2025-UP-054 (February 12, 2025).

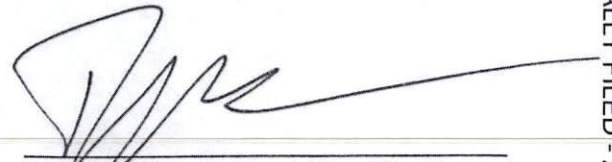
did not lift the entry of default in its Order; it only voided the Judgment for lack of notice of the hearing. Therefore, there needs to be held a hearing to determine what damages, if any, are appropriate.

The Second Amended Consent Order of Reference signed by the Honorable William H. Seals, Jr. dated September 9, 2023, provides that, as Special Referee, I am to "entertain and rule upon all motions necessary to dispose of this matter, including, but not limited to, motions to dismiss, motions to appoint a Receiver, motions to continue the matter, and motions to sell all or certain property of the judgment debtor...and has authority to enter a Final Order, with any appeal directly to the South Carolina Supreme Court, or Court of Appeals of South Carolina, as appropriate."

After discussion and arguments by counsel for both parties and by the Receiver, I hereby conclude and Order as follows:

1. I retain jurisdiction over this matter, including the jurisdiction to determine damages.
2. Until such time as a damages hearing has been held, it is appropriate to hold in abeyance a determination as to the amount of any sanctions which may or may not be appropriate against the Defendant, Watts for his failure to comply with prior Orders in this case.
3. Until such time as a damages hearing has been held, it is appropriate to hold in abeyance the Plaintiff's counsel and the Receiver's request for attorneys' fees which are pending.
4. That a default damages hearing shall be held before October 2, 2026.

IT IS SO ORDERED.



Daniel J. MacDonald, Sr., Esquire
Special Referee, Horry County

August 31, 2026

Myrtle Beach, South Carolina