

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

WOODBIDGE GROUP OF COMPANIES
LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 17-12560 (KJC)

(Jointly Administered)

**DECLARATION OF BRADLEY D. SHARP IN SUPPORT OF
DEBTORS' MOTION TO SELL 180 A SEEBURG CIRCLE, CARBONDALE,
COLORADO PROPERTY**

I, Bradley D. Sharp, hereby declare under penalty of perjury, pursuant to section 1746 of title 28 of the United States Code, as follows:

1. I am President and CEO of Development Specialists, Inc. ("DSI"), located at 333 S. Grand Avenue Suite 4070, Los Angeles, California 90071, and the Chief Restructuring Officer of WGC Independent Manager LLC, a Delaware limited liability company ("WGC Independent Manager"), which is the sole manager of debtor Woodbridge Group of Companies, LLC, a Delaware limited liability company and an affiliate of each of the above-captioned debtors and debtors in possession (each, a "Debtor" and collectively, the "Debtors"). I submit this declaration (this "Declaration") in support of the *Debtors' Motion for Entry of an Order (I) Authorizing the Sale of 180 A Seeburg Circle, Carbondale, Colorado Property Owned by the Debtors Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (II) Approving the Related Purchase Agreement; and (III) Granting Related Relief* (the "Sale Motion").² All facts

¹ The last four digits of Woodbridge Group of Companies, LLC's federal tax identification number are 3603. The mailing address for Woodbridge Group of Companies, LLC is 14140 Ventura Boulevard #302, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, which are being jointly administered for procedural purposes only, a complete list of the Debtors, the last four digits of their federal tax identification numbers, and their addresses are not provided herein. A complete list of such information may be obtained on the website of the Debtors' noticing and claims agent at www.gardencitygroup.com/cases/WGC, or by contacting the undersigned counsel for the Debtors.

² Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Sale Motion.

set forth in this Declaration are based upon my personal knowledge of the Debtors' operations, information learned from my review of relevant documents, and discussions with the Debtors' professional advisors. I am authorized to submit this Declaration on behalf of the Debtors and, if called upon to testify, I could and would testify competently to the facts set forth herein.

2. Pursuant to the terms of the settlement approved by this Court on January 23, 2018 between the Debtors, the Official Committee of Unsecured Creditors, the Securities and Exchange Commission, the Ad Hoc Committee of Noteholders, and the Ad Hoc Committee of Unitholders (the "Settlement"), the Debtors' board of managers was reconstituted as a three-person board consisting of Richard Nevins, Freddie Reiss, and Michael Goldberg (collectively, the "Board") [D.I. 357-1]. On January 26, 2018, the Board approved my retention as the Debtors' new Chief Restructuring Officer. On February 13, 2018, the Court entered an order approving my retention as Chief Restructuring Officer [D.I. 573].

3. The Property consists of an approximately 5,033 square foot residential duplex located at 180 A Seeburg Circle, Carbondale, Colorado. I understand that the Seller purchased the Property in January 2015 for a purchase price of \$100,000 with the intention of developing the Property for resale, and, in fact, completed construction of two single family residential duplexes.³ The Purchaser made a best and final offer under the Purchase Agreement to acquire the Property on an "as is" basis.

4. In consultation with the Debtors' other advisors, I have determined that selling the Property now on an "as is" basis best maximizes the value of the Property. The Property has been formally listed on the multiple-listing service for approximately 607 days, and the sales price was adjusted once from \$1,100,000 to \$995,000. I understand that the Property has received one offer in the past (before the Purchaser's offer). That offer was for \$990,000,

³ The second single family residential duplex is located at 180 B Seeburg Circle, Carbondale, Colorado, and that duplex was sold on November 3, 2017 for a gross sale price of \$750,000.

however, \$185,000 of that was offered to be paid in kind via a contribution of a lot owned by the bidder, located in the River Valley Ranch community. The Debtors countered that offer at \$1,100,000 without contribution of the lot and received no response. The Purchaser's offer under the Purchase Agreement is the highest and otherwise best offer the Debtors have received. Accordingly, the Debtors determined that selling the Property on an "as is" basis to the Purchaser is the best way to maximize the value of the Property.

5. On February 10, 2018, the Purchaser made a \$910,000 offer on the Property. The Debtors proposed a counter offer at \$975,000, and, on March 29, 2018, the Purchaser submitted a best and final offer at \$950,000, which the Debtors accepted. The Debtors believe that this purchase price provides significant value. Under the Purchase Agreement, the Purchaser agreed to purchase the Property for \$950,000, with a \$47,500 initial cash deposit, an \$83,500 cash down payment due at closing, and the balance of \$819,000 to be financed by a loan.

6. To the best of my knowledge, (i) the Purchase Agreement was the product of good faith, arm's-length negotiations between the Purchaser and the Seller, (ii) the Purchaser is not related to or an affiliate of the Debtors or any of their insiders or former insiders, and (iii) no non-debtor affiliate or current or former officer, director, employee, managing member or affiliate of any of the Debtors (other than Seller) is a party to, or broker in connection with, the Sale, except as disclosed in the Sale Motion with respect to Laura Gee, the Seller's broker, who is currently employed by Sotheby's, but is a former employee of Woodbridge Realty of Colorado, LLC, which is controlled by Robert Shapiro.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: June 19, 2018

/s/ Bradley D. Sharp

Bradley D. Sharp
Chief Restructuring Officer, WGC Independent
Manager, LLC