

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

In re:

WOODBIDGE GROUP OF COMPANIES,  
LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 17-12560 (KJC)

Jointly Administered

Rel. to Docket Nos. 123, 152 & 289

**DECLARATION OF MARC BEILINSON IN SUPPORT OF DEBTORS' APPLICATION  
FOR ORDER (I) AUTHORIZING RETENTION AND EMPLOYMENT OF MOELIS &  
COMPANY LLC AS INVESTMENT BANKER TO THE DEBTORS *NUNC PRO TUNC*  
TO DECEMBER 12, 2017 PURSUANT TO SECTIONS 327(a) AND 328(a) OF THE  
BANKRUPTCY CODE AND BANKRUPTCY RULE 2014(a) AND (II) WAIVING  
CERTAIN INFORMATION REQUIREMENTS IMPOSED BY LOCAL RULE 2016-2**

I, Marc Beilinson, declare under penalty of perjury, pursuant to section 1746 of title 28 of the United States Code, as follows:

1. I am the sole owner and managing partner of Beilinson Advisory Group, LLC, which is currently the sole manager of WGC Independent Manager LLC, which manages all of the Debtors.

2. I have reviewed each of the (a) *Application for Order (I) Authorizing Retention and Employment of Moelis & Company LLC as Investment Banker to the Debtors Nunc Pro Tunc to December 12, 2017 Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a) and (II) Waiving Certain Information Requirements Imposed by Local*

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<sup>1</sup> 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 14225 Ventura Boulevard #100, 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](http://www.gardencitygroup.com/cases/WGC), or by contacting the proposed undersigned counsel for the Debtors.

*Rule 2016-2* (D.I. 123) (the “Moelis Application”), (b) the Committee’s Objection (D.I. 289),<sup>2</sup> and (c) the Debtors’ response to the Objection. If I were called upon to testify, I could and would, based on the foregoing, testify competently to the facts set forth herein and in the Moelis Application.

3. The Debtors consist of 279 separate legal entities that own 138 pieces of real property that are in various stages of development and located in several different States (primarily California and Colorado).

4. The Debtors’ operations are not limited to marketing and selling high-end homes in Southern California. Rather, the Debtors have made strategic purchases of real property in various stages of development, from vacant, “spec” land, to partially built homes, to fully built homes that require substantial renovation, to fully completed homes. Other than the fully completed homes, the Debtors will need to make significant capital investments to develop properties in various stages of development. To ensure that the Debtors obtain an appropriate return on investment for potentially significant capital outlays, the Debtors need the advice of an investment bank like Moelis to determine the appropriate business strategy.

5. The Debtors also need Moelis to fully explore opportunities for third-party, institutional investors to determine whether there is a potential buyer of some or all of the Debtors’ real estate, and whether such a transaction would be more beneficial to the Debtors’ various stakeholders.

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<sup>2</sup> Capitalized words used herein but not otherwise defined herein shall have the meanings ascribed to them in the Debtors’ Response.

6. As fiduciaries to all stakeholders, the Debtors must explore the viability of potential alternative transactions. The Debtors are retaining Moelis to assist them in the determining what path forward will maximize the value of these assets for all stakeholders.

7. There are other reasons that the Debtors require the services of Moelis. Given the number of properties and third-party retail investors (i.e., nearly 9,000), proposing a confirmable chapter 11 plan will require the development of a defensible framework that allocates the value of the properties in accordance with the investors' claims. The complexity of this undertaking will be exacerbated by the Debtors' substantial intercompany claims, and the fact that, prepetition, incoming funds from investors were often combined and not segregated on an entity-by-entity basis.

8. The Debtors' decision to retain Moelis was the culmination of a competitive interview process. The services and fees proposed by Moelis were consistent with other leading investment firms.

9. Accordingly, the Debtors' capital structure presents significant hurdles to appropriately assessing value allocation among the Debtors' varying constituencies, which is precisely the sort of advisory services Moelis will provide.

Dated: January 17, 2018  
New York, New York

/s/ Mark Beilinson  
Marc Beilinson