

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

In re:

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

Remaining Debtors.

Chapter 11

Case No. 17-12560 (BLS)

(Jointly Administered)

Hearing Date: Feb. 11, 2020 at 10:00 a.m. (ET)

Objection Deadline: Jan. 23, 2020 at 4:00 p.m. (ET)

**TRUST'S (I) OBJECTION TO PROOF OF CLAIM NO. 8308 ASSERTED BY
GORDON B. HALL JR. LIVING TRUST DTD 8/3/15 AND
(II) REQUEST FOR A LIMITED WAIVER OF LOCAL RULE 3007-1(f)(iii),
TO THE EXTENT SUCH RULE MAY APPLY**

Woodbridge Liquidation Trust (the “Trust”), formed pursuant to the confirmed and effective *First Amended Joint Chapter 11 Plan of Liquidation of Woodbridge Group of Companies, LLC and its Affiliated Debtors* [D.I. 2397] (the “Plan”) in the jointly-administered chapter 11 bankruptcy cases (the “Chapter 11 Cases”) of Woodbridge Group of Companies, LLC and its affiliated debtors and debtors in possession (collectively, the “Debtors”), hereby files this objection (this “Objection”) seeking entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), (i) disallowing and expunging Claim No. 8308 (the “Disputed Claim”) asserted by the Gordon B. Hall Jr. Living Trust DTD 8/3/15 (“Claimant”), (ii) directing Garden City Group, Inc. (the “Claims Agent”) to reflect the foregoing modification on the official register maintained by the Claims Agent (the “Claims Register”), and (iii) waiving Rule 3007-1(f)(iii) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”) to the extent such rule may

¹ The Remaining Debtors and the last four digits of their respective federal tax identification numbers are as follows: Woodbridge Group of Companies, LLC (3603) and Woodbridge Mortgage Investment Fund 1, LLC (0172). The Remaining Debtors’ mailing address is 14140 Ventura Boulevard #302, Sherman Oaks, California 91423.

otherwise bar the assertion of any subsequent substantive objection (if any) to the Disputed Claim. In support of this Objection, the Trust relies on the record of these Chapter 11 Cases and the *Declaration of Thomas P. Jeremiassen in Support of Trust's Objection to Claim No. 8308 Asserted by Gordon B. Hall Jr. Living Trust DTD 8/3/15* attached hereto as **Exhibit B** (the "Jeremiassen Declaration") and respectfully states as follows:

I. JURISDICTION AND VENUE

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334(b) and 157 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and, pursuant to Local Rule 9013-1(f), the Trust consents to the entry of a final order by the Court in connection with this Objection to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution. Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory and legal predicates for the relief requested herein are Bankruptcy Code section 502(b), Bankruptcy Rules 3001, 3003, and 3007, and Local Rules 1001-1(c), 3007-1, and 3007-2.

II. BACKGROUND

2. On December 4, 2017, certain of the Debtors commenced voluntary cases under chapter 11 of the Bankruptcy Code, and on February 9, 2018, March 9, 2018, March 23, 2018 and March 27 2018, additional affiliated Debtors (27 in total) commenced voluntary cases under chapter 11 of the Bankruptcy Code (collectively, the "Petition Dates"). Pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors managed their financial affairs as debtors in possession.

3. The Chapter 11 Cases were jointly administered pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1. No trustee was appointed in the Chapter 11 Cases. On October 26, 2018, the Court entered an order [D.I. 2903] confirming the Plan. On February 15, 2019, the effective date of the Plan occurred and the Trust was established. *See* Docket No. 3421.

4. On June 15, 2018, Claimant filed the Disputed Claim as a secured claim against Debtor Woodbridge Mortgage Investment Fund 3A, LLC (“Fund 3A”) in the amount of \$100,000.00. *See* Claim No. 8308. The liability asserted by the Disputed Claim arises from the Claimant’s attempt to invest funds with the Debtors. *Id.* As described in more detail in the Debtors’ Disclosure Statement [D.I. 2398], prior to the Petition Date, Robert Shapiro (the Debtors’ former manager) used the Debtors to perpetrate a massive fraudulent Ponzi scheme pursuant to which investors were persuaded to loan money to the Debtors in exchange for what were purported to be high interest-bearing notes or units. In fact, the Debtors were reliant on funds from new investors to make the payments promised to existing investors. The scheme was discovered in late 2017 when the Securities and Exchange Commission unsealed its action against Robert Shapiro and others and alleged facts evidencing such a Ponzi scheme. Around the same time, the Debtors stopped accepting funds from investors and filed these Cases.

5. The Claimant executed that certain *Promissory Note*, dated November 22, 2017, and the related *Loan Agreement*, dated November 22, 2017 (collectively the “Putative Note”), in order to lend Fund 3A the sum of \$100,000.00 at 6% interest. Jeremiassen Decl., ¶ 5. In connection therewith, the Claimant tendered to the Debtors a check in the amount of \$100,000.00. *Id.* However, the Debtors’ books and records reflect that (i) Fund 3A did not countersign the Putative Note and (ii) the Debtors did not deposit or otherwise cash the

Claimant's check.² *Id.* Accordingly, the Claimant never actually transferred any money to the Debtors or otherwise invested his \$100,000.00 into Shapiro's fraudulent prepetition scheme. *Id.*

6. The aggregate amount of the Disputed Claim (\$100,000.00) is equal to the total amount the Claimant sought to invest in Fund 3A pursuant to the Putative Note (\$100,000.00). *See* Claim No. 8308.

7. A copy of the Disputed Claim is attached hereto as **Exhibit C**.

III. RELIEF REQUESTED

8. By this Objection, the Trust seeks entry of the Proposed Order (i) disallowing and expunging the Disputed Claim asserted by the Claimant in its entirety, (ii) directing the Claims Agent to reflect the foregoing modification on the Claims Register, and (iii) waiving Local Rule 3007-1(f)(iii) to the extent such rule may otherwise bar the assertion of any subsequent substantive objection (if any) to the Disputed Claim.

IV. BASIS FOR OBJECTION

9. Section 502(a) of the Bankruptcy Code provides that a "claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party in interest ... objects." 11 U.S.C. § 502(a). In adjudicating claim objections, courts apply "a burden-shifting framework." *In re Devonshire PGA Holdings LLC*, 548 B.R. 689, 697 (Bankr. D. Del. 2016).

The Third Circuit Court of Appeals described this framework as follows:

Initially, the claimant must allege facts sufficient to support the claim. If the averments in his filed claim meet this standard of sufficiency, it is "*prima facie*" valid. In other words, a claim that alleges facts sufficient to support a legal liability to the claimant satisfies the claimant's initial obligation to go forward. The burden of going forward then shifts to the objector to produce evidence sufficient to negate the *prima facie* validity of the filed claim. It is often said that the objector must produce evidence

² Attached hereto as **Exhibit D** is a schedule of the checks received by the Debtors from investors that were never deposited. The \$100,000.00 check from Claimant appears on this schedule.

equal in force to the *prima facie* case. In practice, the objector must produce evidence which, if believed, would refute at least one of the allegations that is essential to the claim's legal sufficiency. If the objector produces sufficient evidence to negate one or more of the sworn facts in the proof of claim, the burden reverts to the claimant to prove the validity of the claim by a preponderance of the evidence.

In re Allegheny Int'l Inc., 954 F.2d 167, 173–74 (3d Cir. 1992) (citations omitted).

10. Pursuant to Bankruptcy Code section 502(b)(1), a debtor in possession may object to a claim on the grounds that “such claim is unenforceable against the debtor and property of the debtor, under any agreement or applicable law for a reason other than because such claim is contingent or unmatured.” 11 U.S.C. § 502(b)(1). “[T]he threshold question for the allowance of a claim is whether a claim exists. ... If there was no valid claim before bankruptcy, there is no claim for a bankruptcy court either to recognize or to reject.” *Vanston Bondholders Protective Comm. v. Green*, 329 U.S. 156, 170 (1946). In this regard, “a bankruptcy court has full power to inquire into the validity of any claim asserted against the estate and to disallow it if it is ascertained to be without lawful existence.” *Pepper v. Litton*, 308 U.S. 295, 305 (1939). The Bankruptcy Code defines a “claim” as “a right to payment.” 11 U.S.C. § 101(5)(A).

11. Here, the Claimant erroneously filed the Disputed Claim against Debtor Fund 3A, when in fact the Claimant has no “right to payment” and therefore no “claim” within the meaning of Bankruptcy Code section 101(5). As discussed above, the Claimant sought to invest \$100,000.00 in Fund 3A pursuant to the Putative Note, however, Fund 3A never countersigned the Putative Note and the Debtors never deposited the Claimant's check. As such, the Claimant never actually transferred any funds to the Debtors, Fund 3A never incurred any corresponding obligation to the Claimant, and no “right to payment” ever accrued. Because the Claimant actually has no claim, the Debtors are not liable to the Claimant for the Disputed Claim.

12. Accordingly, because the evidence attached hereto demonstrates that the Claimant has no “right to payment” in respect of the Disputed Claim and the Claimant cannot meet its ultimate burden of proving by a preponderance of the evidence that it has any claim that is enforceable against the Debtors or their property, the Objection should be sustained and the Disputed Claim should be disallowed under section 502(b)(1).³ The Claimant will not be prejudiced as a result of the relief requested in this Objection because the Claimant never transferred any funds to the Debtors and is thus not owed any money from the Debtors.

13. In an abundance of caution, the Trust requests a waiver of Local Rule 3007-1(f)(iii), to the extent such rule applies, in the event that this Objection is not sustained. Such waiver is authorized by Local Rule 1001-1(c), and will ensure that all rights of the Trust or any subsequently appointed estate representative to object in the future to the Disputed Claim on any grounds permitted by bankruptcy or nonbankruptcy law are expressly reserved.

V. RESERVATION OF RIGHTS

14. The Trust reserves the right to amend, modify, and/or supplement this Objection if necessary. Nothing contained in this Objection or any actions taken by the Trust pursuant to the relief requested herein is intended or should be construed as (i) an admission as to the validity of any claim, (ii) a waiver of the Trust’s rights to dispute any claim on any grounds, (iii) a promise or requirement to pay any claim, (iv) an implication or admission that any claim is of a type referenced or defined in this Objection, (v) an implication or admission that any contract or lease is executory or unexpired, as applicable, (vi) a waiver or limitation of any of the Trust’s rights under the Bankruptcy Code or applicable law, (vii) a request or authorization to

³ In addition, there is no basis for secured status for the Disputed Claim since there is no outstanding obligation to secure in the first instance. Even if the Claimant had actually loaned money to the Debtors pursuant to the Putative Note, the Plan does not accord holders of note claims secured status.

assume or reject any agreement under Bankruptcy Code section 365, (viii) a waiver of any party's rights to assert that any other party is in breach or default of any agreement, or (ix) an implication or admission that any contract or lease is integrated with any other contract or lease.

VI. NOTICE

15. The Trust has provided notice of this Objection to: (i) the Office of the United States Trustee for the District of Delaware, (ii) the Claimant, and (iii) any person that, as of the filing of this Objection, has filed a specific request for notices and papers on and after the effective date of the Plan. In light of the nature of the relief requested herein, the Trust submits that no other or further notice is necessary.

[Remainder of page intentionally left blank.]

VII. CONCLUSION

WHEREFORE, for the reasons set forth herein and in the Jeremiassen Declaration, the Trust respectfully requests that the Court enter the Proposed Order granting the relief requested herein and granting such other and further relief as is just and proper.

Dated: January 9, 2020
Wilmington, Delaware

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Colin R. Robinson

Richard M. Pachulski (CA Bar No. 90073)

Andrew W. Caine (CA Bar No. 110345)

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Counsel to the Woodbridge Liquidation Trust

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

In re:

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

Remaining Debtors.

Chapter 11

Case No. 17-12560 (BLS)

(Jointly Administered)

Hearing Date: Feb. 11, 2020 at 10:00 a.m. (ET)

Objection Deadline: Jan. 23, 2020 at 4:00 p.m. (ET)

**NOTICE OF TRUST'S (I) OBJECTION TO PROOF OF CLAIM NO. 8308 ASSERTED
BY GORDON B. HALL JR. LIVING TRUST DTD 8/3/15 AND (II) REQUEST
FOR A LIMITED WAIVER OF LOCAL RULE 3007-1(f)(iii), TO THE EXTENT
SUCH RULE MAY APPLY**

TO: (I) THE UNITED STATES TRUSTEE FOR THE DISTRICT OF DELAWARE; (II) THE TRUST AND ITS COUNSEL; (III) ANY PERSON FILING A SPECIFIC REQUEST FOR NOTICES AND PAPERS ON AND AFTER THE EFFECTIVE DATE; AND (IV) CLAIMANT WHOSE DISPUTED CLAIM(S) ARE SUBJECT TO THE OBJECTION²

PLEASE TAKE NOTICE that the Woodbridge Liquidation Trust (the "Trust") has filed the attached *Trust's (I) Objection to Proof of Claim No. 8308 Asserted by Gordon B. Hall Jr. Living Trust DTD 8/3/15 and (II) Request for a Limited Waiver of Local Rule 3007-1(f)(iii), to the Extent Such Rule May Apply* (the "Objection").³

PLEASE TAKE FURTHER NOTICE that any responses (each, a "Response") to the relief requested in the Objection must be filed on or before **January 23, 2020, at 4:00 p.m. (ET)** (the "Response Deadline") with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801. At the same time you must serve a copy of your Response upon the undersigned counsel to the Trust so as to be received on or before the Response Deadline.

PLEASE TAKE FURTHER NOTICE THAT A HEARING (THE "HEARING") ON THE OBJECTION WILL BE HELD ON **FEBRUARY 11, 2020, AT 10:00 A.M. (ET) BEFORE THE HONORABLE BRENDAN L. SHANNON, UNITED STATES BANKRUPTCY JUDGE, IN THE UNITED STATES BANKRUPTCY COURT FOR THE**

¹ The Remaining Debtors and the last four digits of their respective federal tax identification numbers are as follows: Woodbridge Group of Companies, LLC (3603) and Woodbridge Mortgage Investment Fund 1, LLC (0172). The Remaining Debtors' mailing address is 14140 Ventura Boulevard #302, Sherman Oaks, California 91423.

² In accordance with Local Rule 3007-2, the Trust has served the parties that, as of the filing of this Notice, have requested notices on and after the Effective Date, with this Notice and the Exhibits to the Objection.

³ Capitalized terms used but not otherwise defined in this Notice shall have the meanings ascribed to such terms in the Objection.

DISTRICT OF DELAWARE, 824 N. MARKET STREET, 6TH FLOOR, COURTROOM NO. 1, WILMINGTON, DE 19801.

PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO TIMELY FILE AND SERVE A RESPONSE IN ACCORDANCE WITH THE ABOVE REQUIREMENTS, YOU WILL BE DEEMED TO HAVE CONCURRED WITH AND CONSENTED TO THE OBJECTION AND THE RELIEF REQUESTED THEREIN, AND THE TRUST WILL PRESENT TO THE COURT, WITHOUT FURTHER NOTICE TO YOU, THE PROPOSED ORDER SUSTAINING THE OBJECTION.

Dated: January 9, 2020
Wilmington, Delaware

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Colin R. Robinson

Richard M. Pachulski (CA Bar No. 90073)

Andrew W. Caine (CA Bar No. 110345)

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Counsel to the Woodbridge Liquidation Trust

EXHIBIT A

Proposed Order

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

In re:

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

Remaining Debtors.

Chapter 11

Case No. 17-12560 (BLS)

(Jointly Administered)

Re Docket No:

**ORDER (I) SUSTAINING TRUST’S OBJECTION TO PROOF OF CLAIM NO. 8308
ASSERTED BY GORDON B. HALL JR. LIVING TRUST DTD 8/3/15 AND
(II) WAIVING, TO THE EXTENT APPLICABLE, LOCAL RULE 3007-1(f)(iii)**

Upon the objection (the “Objection”)² filed by the Woodbridge Liquidation Trust (the “Trust”), formed pursuant to the confirmed and effective *First Amended Joint Chapter 11 Plan of Liquidation of Woodbridge Group of Companies, LLC and its Affiliated Debtors* [D.I. 2397] (the “Plan”) in the jointly-administered chapter 11 bankruptcy cases (the “Chapter 11 Cases”) of Woodbridge Group of Companies, LLC and its affiliated debtors and debtors in possession (collectively, the “Debtors”), seeking entry of an order, pursuant to section 502(b) of the Bankruptcy Code, Bankruptcy Rules 3001, 3003, and 3007, and Local Rules 3007-1 and 3007-2, (i) disallowing and expunging Claim No. 8308 (the “Disputed Claim”) asserted by the Gordon B. Hall Jr. Living Trust DTD 8/3/15 (“Claimant”), (ii) directing the Claims Agent to reflect the foregoing modifications in the Claims Register, and (iii) waiving Local Rule 3007-1(f)(iii) to the extent such rule may otherwise bar the assertion of any subsequent substantive objection (if any)

¹ The Remaining Debtors and the last four digits of their respective federal tax identification numbers are as follows: Woodbridge Group of Companies, LLC (3603) and Woodbridge Mortgage Investment Fund 1, LLC (0172). The Remaining Debtors’ mailing address is 14140 Ventura Boulevard #302, Sherman Oaks, California 91423.

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Objection.

to the Disputed Claim; and upon consideration of the record of these Chapter 11 Cases and the Jeremiassen Declaration; and it appearing that the Court has jurisdiction to consider the Objection in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and it appearing that the Objection is a core matter pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and it appearing that venue of these Cases and of the Objection is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that due and adequate notice of the Objection has been given under the circumstances and that no other or further notice need be given; and after due deliberation, and good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, and DECREED THAT:

1. The Objection is SUSTAINED as set forth herein.
2. The Disputed Claim is disallowed and expunged in its entirety.
3. The Claims Agent is directed to modify the Claims Register to comport with the relief granted by this Order.
4. For the avoidance of doubt and to the extent applicable, Local Rule 3007-1(f)(iii) is hereby deemed waived with respect to the relief requested in the Objection and granted by this Order.
5. Nothing in this Order shall be deemed (i) an admission as to the validity of any claim, (ii) a waiver of the Trust's rights to dispute any claim on any grounds, (iii) a promise or requirement to pay any claim, (iv) an implication or admission that any claim is of a type referenced or defined in the Objection, (v) an implication or admission that any contract or lease is executory or unexpired, as applicable, (vi) a waiver or limitation of any of the Trust's rights

under the Bankruptcy Code or applicable law, (vii) a request or authorization to assume or reject any agreement under Bankruptcy Code section 365, (viii) a waiver of any party's rights to assert that any other party is in breach or default of any agreement, or (ix) an implication or admission that any contract or lease is integrated with any other contract or lease.

6. Notwithstanding any applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, or the Local Rules, this Order shall be effective immediately upon its entry.

7. The Trust is authorized to take all actions necessary or appropriate to effectuate the relief granted pursuant to this Order in accordance with the Objection.

8. This Court shall retain jurisdiction and power with respect to all matters arising from or related to the implementation or interpretation of this Order.

EXHIBIT B

Jeremiassen Declaration

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

In re:

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

Remaining Debtors.

Chapter 11

Case No. 17-12560 (BLS)

(Jointly Administered)

**DECLARATION OF THOMAS P. JEREMIASSEN IN SUPPORT OF TRUST'S
OBJECTION TO CLAIM NO. 8308 ASSERTED BY GORDON B. HALL JR.
LIVING TRUST DTD 8/3/15**

I, Thomas P. Jeremiassen, hereby declare under penalty of perjury, pursuant to section 1746 of title 28 of the United States Code, as follows:

1. I am a Senior Managing Director of Development Specialists, Inc. ("DSI"), located at 333 S. Grand Avenue Suite 4100, Los Angeles, California 90071. Following the "Effective Date" of the *First Amended Joint Chapter 11 Plan of Liquidation of Woodbridge Group of Companies, LLC and Its Affiliated Debtors* (the "Plan"), DSI has been engaged to provide forensic accounting and financial advisory services to the Woodbridge Wind-Down Entity LLC (the "Wind-Down Entity") and the Woodbridge Liquidation Trust (the "Trust").

2. Prior to the "Effective Date" of the Plan, I supported the Chief Restructuring Officer of WGC Independent Manager LLC, a Delaware limited liability company ("WGC Independent Manager"), which was the sole manager of debtor Woodbridge Group of Companies, LLC, a Delaware limited liability company and an affiliate of each of the entities

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that were debtors and debtors in possession (each, a “Debtor” and collectively, the “Debtors”) in the above-captioned jointly administered chapter 11 cases (the “Chapter 11 Cases”).

3. On February 13, 2018, the Court entered an order authorizing the Debtors to retain and employ DSI as their restructuring advisor. In such capacity, I became familiar with the day-to-day operations and financial affairs of the Debtors. I was one of the individuals responsible for implementing the Debtors’ wind-down and liquidation strategies and overseeing the Debtors’ financial and operational affairs. I have been consistently involved in or am familiar with the Debtors’ wind-down activities and development of the Plan.

4. I have reviewed and am generally familiar with the Objection and the Disputed Claim that is the subject thereof. Based on that review, the information contained in the Objection is true and correct to the best of my knowledge and belief.

5. Here, the liability asserted by the Disputed Claim arises from the Claimant’s attempt to invest funds with the Debtors. The Claimant executed that certain *Promissory Note*, dated November 22, 2017, and the related *Loan Agreement*, dated November 22, 2017 (collectively the “Putative Note”), in order to lend Fund 3A the sum of \$100,000.00 at 6% interest. In connection therewith, the Claimant tendered to the Debtors a check in the amount of \$100,000.00. However, the Debtors stopped accepting funds from investors shortly before filing these Cases in late 2017. As such, Fund 3A did not countersign the Putative Note and the Debtors’ books and records reflect that the Debtors did not deposit or otherwise cash the Claimant’s check. Attached to the Objection as **Exhibit D** is a true and correct schedule of the checks received by the Debtors from investors that were never deposited. The \$100,000.00 check from Claimant appears on this schedule. Accordingly, the Claimant never actually invested his \$100,000.00 into Shapiro’s fraudulent prepetition scheme.

6. The Claimant erroneously filed the Disputed Claim against Debtor Fund 3A, when in fact the Claimant is not owed any money and has no “right to payment.” The Claimant attempted to invest funds with the Debtors on the eve of the Petition Date, however the Claimant never actually transferred any funds to the Debtors, Fund 3A never incurred any corresponding obligation to the Claimant, and no “right to payment” ever accrued. Because the Claimant actually has no claim, the Debtors are not liable to the Claimant for the Disputed Claim.

7. Accordingly, as requested in the Objection, the Disputed Claim should be disallowed and expunged in its entirety.

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: January 9, 2020

/s/ Thomas P. Jeremiassen
Thomas P. Jeremiassen

EXHIBIT C

Disputed Claim

UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

Woodbridge Mortgage Investment Fund 3A, LLC 17-12780 (KJC)



FILED - 08308

DISTRICT OF DELAWARE

WOODBIDGE GROUP OF COMPANIES, LLC

17-12560/JUDGE KEVIN J. CAREY



Proof of Claim

Official Form 410*

Read the instructions before filling out this form. Do not use this form to make a request for payment of an administrative expense except for pursuant to Bankruptcy Code section 503(b)(9). Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

This chapter 11 case was commenced in the United States Bankruptcy Court for the District of Delaware, on December 4, 2017 (the "Petition Date.") Fill in all the information for the claim as of the Petition Date.

Part 1: Identify the Claim

1. Who is the current creditor?	GORDON B. HALL JR. LIVING TRUST DTD. 8/3/15 Name of the current creditor (the person or entity to be paid for this claim)	
	Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent?	Where should payments to the creditor be sent? (if different)
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	GORDON B. HALL JR. LIVING TRUST DTD. 8/3/15 Name 5740 S.E. WINGED FOOT DRIVE Number Street STUART FL 34997 City State ZIP Code Contact phone 561-301-6331 Contact email NONE	 Name Number Street City State ZIP Code Contact phone Contact email
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on MM/DD/YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

[Illegible text]

810

[Illegible text]

**Part 2: Give Information About the Claim as of the Date the Case Was Filed**

6.	Do you have any number you use to identify the debtor?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____	
7.	How much is the claim?	\$ <u>100,000.00</u>	Does this amount include interest or other charges? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).
8.	What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. ***TRAN ID#: 20171117113048	
9.	Is all or part of the claim secured?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. The claim is secured by a lien on property. Nature of property: <input type="checkbox"/> Real estate. If the claim is secured by the debtor's principal residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i> . <input type="checkbox"/> Motor vehicle <input checked="" type="checkbox"/> Other. Describe: <u>OWLWOOD ESTATES MEZZANINE A - HOLMBY HILLS CA</u> Basis for perfection: <u>Woodbridge Mortgage Investment</u> Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) <u>3A, LLC</u> Value of property: \$ _____ Amount of the claim that is secured: \$ <u>100,000.00</u> Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amounts should match the amount in line 7.) Amount necessary to cure any default as of the date of the petition: \$ <u>500.00 MONTHLY Interest</u> Annual Interest Rate (when case was filed) <u>6 +</u> % <u>2% Bonus at end of term</u> <input checked="" type="checkbox"/> Fixed <input type="checkbox"/> Variable	
10.	Is this claim based on a lease?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Amount necessary to cure any default as of the date of the petition. \$ _____	
11.	Is this claim subject to a right of setoff?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Identify the property: _____	
12.	Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Check all that apply:	Amount entitled to priority. _____ _____ _____ _____ _____ _____
A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.		<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). <input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.	\$ _____ \$ _____ \$ _____ \$ _____ \$ _____

*Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.



13. Is all or part of the claim entitled to administrative priority pursuant to 11 U.S.C. § 503(b)(9)? ☒ No
☐ Yes. Indicate the amount of your claim arising from the value of any goods received by the Debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim. \$ _____
14. Has the claimant asserted any Debtor-related claims against any third party? ☒ No
☐ Yes. Provide the details of where you asserted any Debtor-related claims against a third party.

Part 3: Sign Below

The person completing this proof of claim must sign and date it.
FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both.
18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- ☒ I am the creditor.
☐ I am the creditor's attorney or authorized agent.
☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this Proof of Claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this Proof of Claim and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

06/07/2018
MM/DD/YYYY

Signature

Gordon B. Hall Jr.

Print the name of the person who is completing and signing this claim:

Name	GORDON	B	HALL, JR
	First name	Middle name	Last name
Title	MR C		
Company	Identify the corporate servicer as the company if the authorized agent is a servicer. 5740 SE WINGED FOOT DRIVE		
Address			
	Number	Street	
	STUART	FL	34997
	City	State	ZIP Code
Contact phone	561-301-6331	Email	NONE

IF SUBMITTING A HARD COPY OF A PROOF OF CLAIM FORM, PLEASE SEND YOUR ORIGINAL, COMPLETED CLAIM FORM AS FOLLOWS: IF BY MAIL: WOODBRIDGE GROUP OF COMPANIES, LLC, ET AL. P.O. BOX 10545, DUBLIN, OHIO 43017-0208. IF BY HAND OR OVERNIGHT COURIER: WOODBRIDGE GROUP OF COMPANIES, LLC, ET AL., C/O GCG, 5151 BLAZER PARKWAY, SUITE A, DUBLIN, OH 43017. ANY PROOF OF CLAIM SUBMITTED BY FACSIMILE OR EMAIL WILL NOT BE ACCEPTED.

THE GENERAL BAR DATE IN THESE CHAPTER 11 CASES IS JUNE 19, 2018 AT 5:00 P.M. (PREVAILING EASTERN TIME)
 THE GOVERNMENT BAR DATE IS EITHER JUNE 4, 2018, AUGUST 8, 2018, SEPTEMBER 5, 2018 SEPTEMBER 19, 2018, OR SEPTEMBER 24, 2018, DEPENDING ON WHICH DEBTOR YOUR CLAIM IS AGAINST, AS SET FORTH ON EXHIBIT I TO THE BAR DATE ORDER, AVAILABLE AT <http://cases.gardencitygroup.com/wgc/>

Please select only one debtor

Name of Debtor:	Case No.	Name of Debtor:	Case No.
<input type="checkbox"/> Imperial Aly Investments, LLC	17-12708 (KJC)	<input type="checkbox"/> M96 Lilac Valley Holding Company, LLC	18-10295 (KJC)
<input type="checkbox"/> Ironsides Investments, LLC	17-12714 (KJC)	<input type="checkbox"/> M97 Red Wood Holding Company, LLC	17-12823 (KJC)
<input type="checkbox"/> Kirkstead Investments, LLC	18-10675 (KJC)	<input type="checkbox"/> M99 Ironsides Holding Company, LLC	17-12710 (KJC)
<input type="checkbox"/> Lenni Heights Investments, LLC	17-12720 (KJC)	<input type="checkbox"/> Mason Run Investments, LLC	17-12751 (KJC)
<input type="checkbox"/> Lilac Meadow Investments, LLC	17-12728 (KJC)	<input type="checkbox"/> Massabesic Investments, LLC	18-10293 (KJC)
<input type="checkbox"/> Lilac Valley Investments, LLC	18-10292 (KJC)	<input type="checkbox"/> Melody Lane Investments, LLC	17-12757 (KJC)
<input type="checkbox"/> Lincolnshire Investments, LLC	17-12733 (KJC)	<input type="checkbox"/> Merrimack Valley Investments, LLC	17-12665 (KJC)
<input type="checkbox"/> Lonetree Investments, LLC	17-12740 (KJC)	<input type="checkbox"/> Mineola Investments, LLC	17-12673 (KJC)
<input type="checkbox"/> Longbourn Investments, LLC	17-12746 (KJC)	<input type="checkbox"/> Monadnock Investments, LLC	17-12682 (KJC)
<input type="checkbox"/> M10 Gateshead Holding Company, LLC	17-12593 (KJC)	<input type="checkbox"/> Moravian Investments, LLC	17-12690 (KJC)
<input type="checkbox"/> M11 Anchorpoint Holding Company, LLC	17-12565 (KJC)	<input type="checkbox"/> Mount Washington Investments, LLC	18-10736 (KJC)
<input type="checkbox"/> M13 Cablestay Holding Company, LLC	17-12795 (KJC)	<input type="checkbox"/> Mountain Spring Investments, LLC	17-12698 (KJC)
<input type="checkbox"/> M14 Crossbeam Holding Company, LLC	17-12645 (KJC)	<input type="checkbox"/> Mt. Holly Investments, LLC	17-12707 (KJC)
<input type="checkbox"/> M15 Doubleleaf Holding Company, LLC	17-12749 (KJC)	<input type="checkbox"/> Mutsu Investments, LLC	17-12719 (KJC)
<input type="checkbox"/> M16 Kirkstead Holding Company, LLC	18-10676 (KJC)	<input type="checkbox"/> Newville Investments, LLC	17-12734 (KJC)
<input type="checkbox"/> M17 Lincolnshire Holding Company, LLC	17-12730 (KJC)	<input type="checkbox"/> Old Carbon Investments, LLC	17-12743 (KJC)
<input type="checkbox"/> M19 Arrowpoint Holding Company, LLC	17-12577 (KJC)	<input type="checkbox"/> Old Maitland Investments, LLC	17-12752 (KJC)
<input type="checkbox"/> M22 Drawspan Holding Company, LLC	17-12764 (KJC)	<input type="checkbox"/> Owl Ridge Investments, LLC	17-12763 (KJC)
<input type="checkbox"/> M24 Fieldpoint Holding Company, LLC	17-12791 (KJC)	<input type="checkbox"/> Papirovka Investments, LLC	17-12774 (KJC)
<input type="checkbox"/> M25 Centershot Holding Company, LLC	17-12583 (KJC)	<input type="checkbox"/> Pawtuckaway Investments, LLC	17-12783 (KJC)
<input type="checkbox"/> M26 Archivolt Holding Company, LLC	17-12573 (KJC)	<input type="checkbox"/> Pemberley Investments, LLC	17-12790 (KJC)
<input type="checkbox"/> M27 Brise Soleil Holding Company, LLC	17-12760 (KJC)	<input type="checkbox"/> Pemigewasset Investments, LLC	17-12800 (KJC)
<input type="checkbox"/> M28 Broadlands Holding Company, LLC	17-12773 (KJC)	<input type="checkbox"/> Pennhurst Investments, LLC	18-10296 (KJC)
<input type="checkbox"/> M29 Brynderwen Holding Company, LLC	17-12781 (KJC)	<input type="checkbox"/> Pepperwood Investments, LLC	17-12804 (KJC)
<input type="checkbox"/> M31 Cannington Holding Company, LLC	17-12801 (KJC)	<input type="checkbox"/> Pinney Investments, LLC	17-12808 (KJC)
<input type="checkbox"/> M32 Dollis Brook Holding Company, LLC	17-12731 (KJC)	<input type="checkbox"/> Pinova Investments, LLC	17-12812 (KJC)
<input type="checkbox"/> M33 Harringworth Holding Company, LLC	17-12667 (KJC)	<input type="checkbox"/> Quarterpost Investments, LLC	17-12816 (KJC)
<input type="checkbox"/> M34 Quarterpost Holding Company, LLC	17-12814 (KJC)	<input type="checkbox"/> Red Woods Investments, LLC	17-12824 (KJC)
<input type="checkbox"/> M36 Springline Holding Company, LLC	17-12584 (KJC)	<input type="checkbox"/> Ridgecrest Investments, LLC	17-12821 (KJC)
<input type="checkbox"/> M37 Topchord Holding Company, LLC	17-12662 (KJC)	<input type="checkbox"/> Riley Creek Investments, LLC	17-12826 (KJC)
<input type="checkbox"/> M38 Pemberley Holding Company, LLC	17-12787 (KJC)	<input type="checkbox"/> Rising Sun Investments, LLC	17-12828 (KJC)
<input type="checkbox"/> M39 Derbyshire Holding Company, LLC	17-12692 (KJC)	<input type="checkbox"/> Sachs Bridge Investments, LLC	18-10297 (KJC)
<input type="checkbox"/> M40 Longbourn Holding Company, LLC	17-12742 (KJC)	<input type="checkbox"/> Sagebrook Investments, LLC	17-12830 (KJC)
<input type="checkbox"/> M41 Silverthorne Holding Company, LLC	17-12838 (KJC)	<input type="checkbox"/> Seven Stars Investments, LLC	17-12832 (KJC)
<input type="checkbox"/> M43 White Dome Holding Company, LLC	17-12706 (KJC)	<input type="checkbox"/> Silk City Investments, LLC	17-12834 (KJC)
<input type="checkbox"/> M44 Wildernest Holding Company, LLC	17-12718 (KJC)	<input type="checkbox"/> Silver Maple Investments, LLC	17-12836 (KJC)
<input type="checkbox"/> M45 Clover Basin Holding Company, LLC	17-12618 (KJC)	<input type="checkbox"/> Silverleaf Funding, LLC	17-12837 (KJC)
<input type="checkbox"/> M46 Owl Ridge Holding Company, LLC	17-12759 (KJC)	<input type="checkbox"/> Silverthorne Investments, LLC	17-12582 (KJC)
<input type="checkbox"/> M48 Vallecito Holding Company, LLC	17-12670 (KJC)	<input type="checkbox"/> Springline Investments, LLC	17-12585 (KJC)
<input type="checkbox"/> M49 Squaretop Holding Company, LLC	17-12588 (KJC)	<input type="checkbox"/> Springvale Investments, LLC	18-10298 (KJC)
<input type="checkbox"/> M5 Stepstone Holding Company, LLC	17-12601 (KJC)	<input type="checkbox"/> Squaretop Investments, LLC	17-12589 (KJC)
<input type="checkbox"/> M50 Wetterhorn Holding Company, LLC	17-12689 (KJC)	<input type="checkbox"/> Stayman Investments, LLC	17-12594 (KJC)
<input type="checkbox"/> M51 Coffee Creek Holding Company, LLC	17-12624 (KJC)	<input type="checkbox"/> Steele Hill Investments, LLC	17-12598 (KJC)
<input type="checkbox"/> M53 Castle Pines Holding Company, LLC	17-12571 (KJC)	<input type="checkbox"/> Stepstone Investments, LLC	17-12606 (KJC)
<input type="checkbox"/> M54 Lonetree Holding Company, LLC	17-12737 (KJC)	<input type="checkbox"/> Strawberry Fields Investments, LLC	17-12613 (KJC)
<input type="checkbox"/> M56 Haffenburg Holding Company, LLC	17-12656 (KJC)	<input type="checkbox"/> Sturmer Pippin Investments, LLC	17-12629 (KJC)
<input type="checkbox"/> M57 Ridgecrest Holding Company, LLC	17-12818 (KJC)	<input type="checkbox"/> Summerfree Investments, LLC	17-12635 (KJC)
<input type="checkbox"/> M58 Springvale Holding Company, LLC	18-10294 (KJC)	<input type="checkbox"/> Summit Cut Investments, LLC	17-12640 (KJC)
<input type="checkbox"/> M60 Thunder Basin Holding Company, LLC	17-12654 (KJC)	<input type="checkbox"/> Thornbury Farm Investments, LLC	17-12651 (KJC)
<input type="checkbox"/> M61 Mineola Holding Company, LLC	17-12668 (KJC)	<input type="checkbox"/> Thunder Basin Investments, LLC	17-12657 (KJC)
<input type="checkbox"/> M62 Sagebrook Holding Company, LLC	17-12829 (KJC)	<input type="checkbox"/> Topchord Investments, LLC	17-12664 (KJC)
<input type="checkbox"/> M63 Crowfield Holding Company, LLC	17-12655 (KJC)	<input type="checkbox"/> Vallecito Investments, LLC	17-12675 (KJC)
<input type="checkbox"/> M67 Mountain Spring Holding Company, LLC	17-12695 (KJC)	<input type="checkbox"/> Varga Investments, LLC	17-12685 (KJC)
<input type="checkbox"/> M68 Goosebrook Holding Company, LLC	17-12615 (KJC)	<input type="checkbox"/> Wall 123, LLC	18-10508 (KJC)
<input type="checkbox"/> M70 Pinney Holding Company, LLC	17-12806 (KJC)	<input type="checkbox"/> Wetterhorn Investments, LLC	17-12693 (KJC)
<input type="checkbox"/> M71 Eldredge Holding Company, LLC	17-12771 (KJC)	<input type="checkbox"/> White Birch Investments, LLC	17-12702 (KJC)
<input type="checkbox"/> M72 Daleville Holding Company, LLC	17-12683 (KJC)	<input type="checkbox"/> White Dome Investments, LLC	17-12709 (KJC)
<input type="checkbox"/> M73 Mason Run Holding Company, LLC	17-12748 (KJC)	<input type="checkbox"/> Whiteacre Funding, LLC	17-12713 (KJC)
<input type="checkbox"/> M74 Varga Holding Company, LLC	17-12680 (KJC)	<input type="checkbox"/> Wildernest Investments, LLC	17-12723 (KJC)
<input type="checkbox"/> M75 Riley Creek Holding Company, LLC	17-12825 (KJC)	<input type="checkbox"/> Willow Grove Investments, LLC	17-12732 (KJC)
<input type="checkbox"/> M76 Chaplin Holding Company, LLC	17-12587 (KJC)	<input type="checkbox"/> Winding Road Investments, LLC	17-12739 (KJC)
<input type="checkbox"/> M77 Frog Rock Holding Company, LLC	18-10734 (KJC)	<input type="checkbox"/> WMF Management, LLC	17-12745 (KJC)
<input type="checkbox"/> M79 Chestnut Holding Company, LLC	17-12595 (KJC)	<input type="checkbox"/> Woodbridge Capital Investments, LLC	17-12750 (KJC)
<input type="checkbox"/> M80 Hazelpoint Holding Company, LLC	17-12672 (KJC)	<input type="checkbox"/> Woodbridge Commercial Bridge Loan Fund 1, LLC	17-12754 (KJC)
<input type="checkbox"/> M83 Mt. Holly Holding Company, LLC	17-12703 (KJC)	<input type="checkbox"/> Woodbridge Commercial Bridge Loan Fund 2, LLC	17-12758 (KJC)
<input type="checkbox"/> M85 Glenn Rich Holding Company, LLC	17-12599 (KJC)	<input type="checkbox"/> Woodbridge Commercial Bridge Loan Fund 2, LLC	17-12758 (KJC)
<input type="checkbox"/> M86 Steele Hill Holding Company, LLC	17-12596 (KJC)	<input type="checkbox"/> Woodbridge Group of Companies, LLC	17-12560 (KJC)
<input type="checkbox"/> M87 Hackmatack Hills Holding Company, LLC	17-12652 (KJC)	<input type="checkbox"/> Woodbridge Investments, LLC	17-12761 (KJC)
<input type="checkbox"/> M88 Franconia Notch Holding Company, LLC	17-12796 (KJC)	<input type="checkbox"/> Woodbridge Mezzanine Fund 1, LLC	17-12765 (KJC)
<input type="checkbox"/> M89 Mount Washington Holding Company, LLC	18-10735 (KJC)	<input type="checkbox"/> Woodbridge Mortgage Investment Fund 1, LLC	17-12768 (KJC)
<input type="checkbox"/> M9 Donnington Holding Company, LLC	17-12741 (KJC)	<input type="checkbox"/> Woodbridge Mortgage Investment Fund 2, LLC	17-12772 (KJC)
<input type="checkbox"/> M90 Merrimack Valley Holding Company, LLC	17-12658 (KJC)	<input type="checkbox"/> Woodbridge Mortgage Investment Fund 3, LLC	17-12776 (KJC)
<input type="checkbox"/> M91 Newville Holding Company, LLC	17-12726 (KJC)	<input type="checkbox"/> Woodbridge Mortgage Investment Fund 3A, LLC	17-12780 (KJC)
<input type="checkbox"/> M92 Crystal Woods Holding Company, LLC	17-12671 (KJC)	<input type="checkbox"/> Woodbridge Mortgage Investment Fund 4, LLC	17-12784 (KJC)
<input type="checkbox"/> M93 Goose Rocks Holding Company, LLC	17-12605 (KJC)	<input type="checkbox"/> Woodbridge Structured Funding, LLC	17-12786 (KJC)
<input type="checkbox"/> M94 Winding Road Holding Company, LLC	17-12736 (KJC)	<input type="checkbox"/> Zestar Investments, LLC	17-12792 (KJC)
<input type="checkbox"/> M95 Pepperwood Holding Company, LLC	17-12802 (KJC)		

Property ID : Owlwood Estates - Mezzanine
Principal : \$100,000.00
Int. Rate : 6.00%

PROMISSORY NOTE

\$100,000.00

November 22, 2017
Sherman Oaks, California

FOR VALUE RECEIVED, the undersigned, **WOODBRIIDGE MORTGAGE INVESTMENT FUND 3A, LLC**, a Delaware limited liability company having an office and a mailing address at 14225 Ventura Boulevard, Suite 100, Sherman Oaks, California 91423 (hereinafter referred to as the "**Borrower**") does hereby promise to pay to the order of **GORDON B. HALL JR. LIVING TRUST DTD. 8/3/15**, an entity having an address of 5740 SE Winged Foot Drive, Stuart, Florida 34997 (hereinafter referred to as "**Lender**"), at such place as the Lender may designate by written notice to Borrower, the principal sum of One Hundred Thousand and 00/100 Dollars (\$100,000.00), together with interest on all unpaid balances beginning as of the date hereof, at the fixed rate per annum as set forth in Section 1 hereof.

1. **Interest Rate.** The unpaid balance of the principal sum of One Hundred Thousand and 00/100 Dollars (\$100,000.00) shall bear interest from the date hereof through July 1, 2019, at a fixed rate of interest equal to six and 00/100 percent (6.00%) per annum. The rate of interest charged hereunder shall never exceed the maximum amount, if any, allowable by law. Interest shall be charged on the principal balance from time to time outstanding on the basis of the actual number of days elapsed computed on the basis of a 360 day year.

2. **Default Interest Rate.** During the continuance of any Event of Default (as more particularly defined in Paragraph 6 below) under this Note, or after the maturity of the loan evidenced hereby, by acceleration or otherwise, interest shall accrue from and after such event at four (4) percentage points above the interest rate then in effect hereunder (the "**Default Interest Rate**").

3. **Repayment.** Borrower promises to pay the interest and principal on this Note, as set forth below:

a. Monthly payments of interest shall be made commencing on December 1, 2017 and continuing on the same day of each and every month to occur thereafter, both before and after maturity by acceleration or otherwise.

The entire principal balance plus accrued and unpaid interest thereon, and all other sums and charges due the Lender hereunder, unless sooner paid, shall be due and payable on July 1, 2019 (the "**Maturity Date**").

b. On or after (but not before) the earlier to occur of the Maturity Date or the date upon which Sturmer Pippin Investments, LLC, a Delaware limited liability company having an office and a mailing address at 14225 Ventura Boulevard, Suite 100, Sherman Oaks, California 91423, or its successors or assigns, sells or disposes of the property described in the "Underlying Documents" as that term is defined in the Collateral Assignment Documents (hereinafter defined), **and provided at such time Lender continues to be owed any principal due hereunder**, an additional payment of Two and 00/100 percent (2.00%) per annum of such unpaid balance of principal shall be made to Lender.

4. **Application of Payments.** All payments pursuant to this Note shall be made in legal tender of the United States of America and shall be applied first to the payment of delinquency or late

Property ID : Owlwood Estates - Mezzanine
Principal : \$100,000.00
Int. Rate : 6.00%

2. Security Interest. Woodbridge hereby grants to the Lender a security interest in all of the Woodbridge's present and future right, title and interest in and to any and all of the following (the "Collateral");

- (a) That certain mezzanine loan in the principal amount of Twenty-Seven Million and 00/100 Dollars (\$27,000,000.00) (the "Pledged Mezzanine Loan") extended or to be extended by Woodbridge to H36 Sturmer Pippin Holding Company, LLC ("Borrower") and secured by a pledge of Borrower's entire and controlling membership interest in Sturmer Pippin Investments, LLC an entity which owns real property located at 141 South Carolwood Drive, Holmby Hills, California ("Premises"), subject to any first or second priority mortgage loans secured by the Premises to which that certain mezzanine loan would be structurally subordinate;
- (b) The promissory note evidencing the Pledged Loan (the "Underlying Note");
- (c) The pledge and security agreement securing the Pledged Mezzanine Loan to Woodbridge (the "Underlying Pledge and Security Agreement"); and
- (d) Title insurance policies and such other instruments or documentation as may be executed and delivered to Woodbridge in conjunction with the Pledged Mezzanine Loan (said Underlying Note, Underlying Pledge and Security Agreement and other associated loan documents collectively hereafter referred to as the "Loan Documents").
- (e) Upon the consummation of the Pledged Mezzanine Loan, Woodbridge will execute and deliver to Lender collateral assignment documents substantially in the form attached hereto as Exhibits B and C.
- (f) Lender acknowledges that they are only providing the financing for a portion of the Pledged Mezzanine Loan and, therefore, Woodbridge retains the right to execute other notes, loan agreements, assignments, and collateral assignments in favor of other lenders as may be necessary to fund the Pledged Mezzanine Loan secured by the Collateral on a pari passu basis with such other lenders. Lender further agrees that it, and any such other lenders, shall execute an Intercreditor Agreement substantially in the form attached hereto as Exhibit D in order to confirm that their interests in the Collateral are of equal priority.

3. Representations and Warranties.

(a) Woodbridge represents and warrants to Lender that Woodbridge has or will have good and marketable title to the Pledged Mezzanine Loan and the Collateral free from any adverse liens, security interests or encumbrances on record as of the date of the Pledged Loan.

(b) The execution and delivery of the Note, this Agreement, and every other agreement, instrument or document executed and delivered to Lender by Woodbridge pursuant to the terms hereof, are valid, legal and binding upon it and enforceable in accordance with their respective terms.

(c) All information furnished or to be furnished by Woodbridge pursuant to the terms hereof will not, at the time the same is furnished, contain any untrue statement of a material fact and will not omit to state a material fact necessary to make the information so furnished, in the light of the circumstances under which such information is furnished, not misleading.

(d) Lender represents and warrants to Woodbridge that: (i) the Loan Documents and the Pledged Mezzanine Loan they evidence constitute a commercial loan transaction and are not for investment purposes; and (ii) Lender has reviewed the Loan Documents and the associated other information on the Borrower of the Pledged Mezzanine Loan, and has had the opportunity to review said documents and information with its own legal counsel, and has had sufficient access to all of said documents and information to allow it to make

Property ID : Owlwood Estates - Mezzanine
Principal : \$100,000.00
Int. Rate : 6.00%

its own credit decision with respect to the Pledged Mezzanine Loan, and has, in fact, made its own credit decision in making the Loan.

4. General Provisions.

(a) This Agreement is an integrated document and all terms and provisions are embodied herein and shall not be varied by parol;

(b) This Agreement is made, executed and delivered in the State of Delaware and it is the specific desire and intention of the parties that it shall in all respects be construed under the laws of the State of Delaware;

(c) The captions for the paragraphs contained in this Agreement have been inserted for convenience only and form no part of this Agreement and shall not be deemed to affect the meaning or construction of any of the covenants, agreements, conditions or terms hereof;

(d) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided, however, that Lender shall not assign, voluntarily, by operation of law or otherwise, any of its rights hereunder without the prior written consent of Woodbridge and any such attempted assignment without such consent shall be null and void;

(e) No delay or failure of Lender in exercising any right, power or privilege hereunder shall affect such right, power or privilege, nor shall any single or partial exercise preclude any further exercise thereof or the exercise of any other rights, powers or privileges; and

(f) This Agreement, the security interest hereby granted to Lender by Woodbridge and every representation, warranty, covenant, promise and other then herein contained shall survive until the Note has been paid in full.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK, SIGNATURE PAGE TO FOLLOW]

Property ID : Owlwood Estates - Mezzanine
Principal : \$100,000.00
Int. Rate : 6.00%

LOAN AGREEMENT

THIS LOAN AGREEMENT (this "Agreement") made on this November 22, 2017, by and between **GORDON B. HALL JR. LIVING TRUST DTD. 8/3/15**, an entity having an address of 5740 SE Winged Foot Drive, Stuart, Florida 34997 (hereinafter referred to as the "Lender") and **WOODBIDGE MORTGAGE INVESTMENT FUND 3A, LLC**, a Delaware limited liability company, having an office at 14225 Ventura Boulevard, Suite 100, Sherman Oaks, California 91423 ("Woodbridge").

WITNESSETH:

WHEREAS, Lender wishes to make a loan (the "Loan") to Woodbridge to fund, in part, a loan to a third-party borrower, as more fully defined below (the "Pledged Mezzanine Loan"); and

WHEREAS, Lender advanced to Woodbridge a portion of the funds that, with other funds from Woodbridge, will be used to make the Pledged Mezzanine Loan; and

WHEREAS, Lender acknowledges that Woodbridge has executed or intends to execute other notes and loan agreements to fund the Pledged Mezzanine Loan on a pari passu basis with other lenders; and

WHEREAS, Woodbridge has agreed to execute and deliver to Lender a promissory note payable to Lender in the amount tendered by Lender to Woodbridge pursuant to the Loan; and

WHEREAS, Woodbridge has further agreed to execute and deliver a collateral assignment of its interest in the Loan Documents (as defined below) in favor of Lender on a pari passu basis as security for the Loan; and

WHEREAS, Woodbridge and Lender have agreed to the foregoing transaction on the terms and conditions and in reliance upon the representations and warranties of Woodbridge and Lender hereinafter set forth:

NOW, THEREFORE, in consideration of the foregoing and in further consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. Amount and Terms of Lender's Loan. Lender has agreed to lend Woodbridge the sum of One Hundred Thousand and 00/100 Dollars (\$100,000.00). The foregoing obligation shall be evidenced by Woodbridge's promissory note to Lender, in the original principal amount of One Hundred Thousand and 00/100 Dollars (\$100,000.00), in the form of Exhibit A hereto and made a part hereof (as the same may be amended or modified from time to time, the "Note"), with appropriate insertion of dates.

The Note shall bear interest at a rate equal to six and 00/100 percent (6.00%) per annum, subject to such default rates and additional interest payments as may be set forth in the Note; provided, however, that the rate of interest charged thereunder shall never exceed the maximum amount, if any, allowable by law. Interest shall be payable as provided in the Note and shall be charged on the daily outstanding principal balance on the basis of the actual days elapsed and on a three hundred sixty (360) day year.

Interest shall be payable as provided in the Note. The entire outstanding principal balance of the Note shall be due and payable in full on July 1, 2019, unless sooner prepaid. Woodbridge may prepay the Note without penalty at any time.

Property ID : Owlwood Estates - Mezzanine
Principal : \$100,000.00
Int. Rate : 6.00%

charges, if any; second, to the payment of accrued and unpaid interest on this Note; and third, the balance on account of the principal of this Note.

5. **Cure Period and Notice of Default.** Failure of Borrower to pay by its due date any installment of the principal or of interest within thirty (30) days from the date the same becomes due and payable, shall constitute a "**Payment Default**" under this Note. Borrower shall have a cure period of not less than thirty (30) days after receipt of written notice ("**Notice of Default**") of any alleged breach or Payment Default under the terms of this Note to cure the same.

6. **Event of Default.** Any alleged breach or Payment Default under this Note that is not fully cured following the expiration of the applicable cure period specified in a given Notice of Default shall constitute an event of default ("**Event of Default**") under this Note.

7. **Waiver of Rights.**

a. BORROWER HEREBY WAIVES TRIAL BY JURY IN ANY COURT AND IN ANY SUIT ACTION OR PROCEEDING OR ANY MATTER ARISING IN CONNECTION WITH OR IN ANY WAY RELATED TO THE FINANCING TRANSACTIONS OF WHICH THIS NOTE OR THE COLLATERAL ASSIGNMENT DOCUMENTS (AS DEFINED BELOW) ARE A PART AND/OR THE ENFORCEMENT OF ANY OF LENDER'S RIGHTS AND REMEDIES. BORROWER ACKNOWLEDGES THAT IT MAKES THIS WAIVER KNOWINGLY, VOLUNTARILY AND ONLY AFTER EXTENSIVE CONSIDERATION OF THE RAMIFICATIONS OF THIS WAIVER.

b. Borrower hereby waives diligence, demand, presentment for payment, protest and notice of protest, and notice of any renewals or extensions of this Note, and agrees that the time for payment of this Note may be changed and extended at Lender's sole discretion, without impairing its liability thereon, and further consents to the release of any party liable for this obligation, or the release of all or any part of the collateral given as security for the payment of this Note, without affecting its liability with respect hereto.

8. **Lender's Rights.** Lender's rights hereunder shall be cumulative and not exclusive and may be exercised at the sole discretion of Lender with respect to priority, order and type of collateral or security realized upon or applied toward the indebtedness evidenced hereby until this Note and all accrued and unpaid interest and other sums and charges due hereunder shall have been paid in full. Further, no failure on the part of Lender to exercise any right or remedy hereunder, whether before or after the occurrence of an Event of Default hereunder, shall constitute a waiver thereof, and no waiver of any past default shall constitute waiver of any future default or of any other default.

9. **Prepayment.** The Borrower shall have the right to prepay this Note in whole or in part at any time without penalty.

10. **Binding Effect.** This Note shall bind the successors and assigns of Borrower and shall inure to the benefit of the Lender, its successors and assigns.

11. **Captions and Section Headings.** The captions and section headings used in this Note are for convenience only and shall not be used to interpret, modify or affect in any way the covenants and agreements herein contained.

12. **Severability.** In the event that any one or more of the provisions of this Note shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part, or in any respect, or in the

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event that any one or more of the provisions of this Note shall operate or would prospectively operate, to invalidate this Note, then the remaining provisions of this Note shall remain operative and in full force and effect, shall be valid, legal and enforceable and shall in no way be affected, prejudiced or disturbed thereby.

13. **Governing Law.** This Note shall be governed by and construed in accordance with the laws of the State of Delaware.

14. **No Assignment.** Neither this Note, the Loan Agreement of even date herewith between Borrower and Lender, nor all other instruments executed or to be executed in connection therewith (collectively, the "Collateral Assignment Documents") are assignable by Lender without the Borrower's written consent and any such attempted assignment without such consent shall be null and void.

15. **Commercial Transaction.** Lender and Borrower each acknowledge and stipulate that the Loan is a commercial transaction.

16. **Security.** This Note will be secured inter alia by the Collateral Assignment Documents upon execution thereof.

17. **No Additional Profits Payment.** LENDER SHALL NOT RECEIVE ANY SHARE WHATSOEVER OF ANY PROFITS GENERATED IN CONNECTION WITH THE SALE OR DISPOSITION OF THE PROPERTY DESCRIBED IN THE UNDERLYING DOCUMENTS.

**WOODBIDGE MORTGAGE
INVESTMENT FUND 3A, LLC**

By: _____
Robert Reed
Its Authorized Representative

Accepted and Agreed to by Lender:

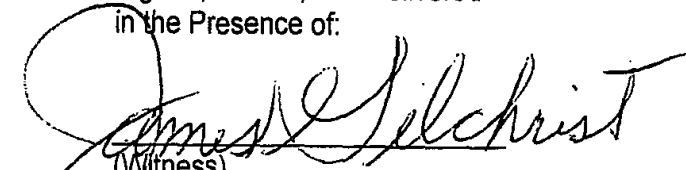
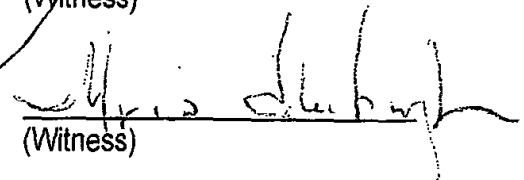
GORDON B. HALL JR. LIVING TRUST DTD. 8/3/15

By: Gordon B. Hall Jr.
Name:
Title:


Property ID : Owlwood Estates - Mezzanine
Principal : \$100,000.00
Int. Rate : 6.00%

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals, the day and year first above written.

Signed, Sealed, and Delivered
in the Presence of:


(Witness)

(Witness)

GORDON B. HALL JR. LIVING TRUST DTD. 8/3/15

By: 
Name:
Title:

**WOODBIDGE MORTGAGE
INVESTMENT FUND 3A, LLC**

By: _____
Robert Reed
Its Authorized Representative

Jordan
Hall

11/11/19

11/11/19

PRIORITY

UNITED STATES
POSTAL SERVICE

Retail

P

US POSTAGE PAID

\$16.50

Origin: 34850
Destination: 43017
3 Lb 3.91 Oz
Jun 12, 18
951060172-01

1006

PRIORITY MAIL 2-Day®

Expected Delivery Day: 06/14/2018

C003

USPS SIGNATURE TRACKING NUMBER



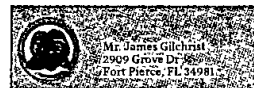
9510 8139 5968 8163 1975 53

MAILING BOX

FOR DOMESTIC AND INTERNATIONAL USE

PRIORITY MAIL
POSTAGE REQUIRED

FROM:



TO:

Woodbridge Group of Companies
c/o GCG
5151 Blazer Parkway
Suite A
Dublin, OH 43017

EXHIBIT D

Schedule of Checks Not Deposited

WMIF 1	RAYMOND CARIOSCIA	MTG1 SR LEDYARD, NY	150,000.00	FL
WMIF 1	RICHARD & ANITA LOTHAMER	MTG1 SR SKINNER, TX	50,000.00	IN
WMIF 2	JANET A & MICHELLE R CARAMADRE	MTG2 SR APOLLO, CA	30,000.00	RI
WMIF 2	JOHN KASPER	MTG2 SR GRAND 831, CO	50,000.00	IN
WMIF 2	ANTHONY J MANGIA	MTG2 SR HOLLYLINE, CA	50,000.00	FL
WMIF 2	THE DIYAMIR S & QAMAR S LALL RT	MTG2 SR HOLLYLINE, CA	80,000.00	FL
WMIF 2	MICHAEL A GERHART	MTG2 SR TOWER, CA	25,000.00	IL
WMIF 3	ALEXANDER P GLODEK JR	MTG3 SR FOREST KNOLL, CA	30,000.00	CA
WMIF 3	ASCENT HEALTH PA	MTG3 SR FOREST KNOLL, CA	100,000.00	FL
WMIF 3	GERALD A IACONO	MTG3 SR FOREST KNOLL, CA	100,000.00	CA
WMIF 3	TERESA A & ANDREW S LONGO	MTG3 SR FOREST KNOLL, CA	100,000.00	NJ
WMIF 3	ALAN J MCCARTHY	MTG3 SR ROBIN, CA	50,000.00	MD
WMIF 3	RONALD G & BETTY S SCHROEDER	MTG3 SR ROBIN, CA	30,000.00	WA
WMIF 3	ERNEST RODRIGUEZ	MTG3 SR STRADELLA FOUR, CA	50,000.00	CA
WMIF 3	WALTER & BARBARA MUELLER	MTG3 SR STRADELLA FOUR, CA	30,000.00	FL
WMIF 3a	LAWRENCE & MARY WENDEL	MTG3a DV HIDDEN RDG TWO, CA	50,000.00	OH
WMIF 3a	GORDON B HALL JR LT DTD 08/03/15	MTG3a MZ OWLWOOD EST, CA	100,000.00	FL
WMIF 3a	IBRAHIM MIKHAIL	MTG3a MZ OWLWOOD EST, CA	100,000.00	CA
WMIF 3a	KELLY BUCHANAN	MTG3a MZ OWLWOOD EST, CA	54,000.00	UT
WMIF 3a	RAYMOND CARIOSCIA	MTG3a MZ OWLWOOD EST, CA	200,000.00	FL
WMIF 3a	GREGORY N & LORRAINE GLOUMAKO	MTG3a SR FOUNTAIN AVE, CA	80,000.00	FL
WMIF 3a	SUSAN ROCHE LINDER TR	MTG3a SR STRADELLA FIVE, CA	34,684.00	FL
WMIF 4	WILLIAM MCDONALD	MTG4 DV FOOTHILL RD, CA	36,000.00	FL
WMIF 4	SUZANNE W SCOTT	MTG4 FM HIDDEN RDG REFI, CA	30,000.00	FL
WMIF 4	BURTON M & MARILYN M MAYFIELD	MTG4 MZ HIDDEN RDG REFI, CA	20,000.00	MO
WMIF 4	ALFREDO & HORTENCIA O URIBE	MTG4 MZ THRASHER REFI, CA	25,000.00	CA
WMIF 4	BRETT CHRISTENSEN	MTG4 MZ THRASHER REFI, CA	25,000.00	UT
WMIF 4	SUNWEST TR GLENN THOMPSON IRA	MTG4 SR THRASHER REFI, CA	100,000.00	TN