

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

In re:

WOODBRIIDGE 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 DEBTOR’S MOTION TO
SELL 8692 FRANKLIN AVENUE, LOS ANGELES, CALIFORNIA 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 acting Chief Restructuring Officer (subject to this Court’s approval) 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 8692 Franklin Avenue, Los Angeles, California Property Owned by the Debtors in Fee Simple Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (ii) Approving the Related Purchase Agreement;*

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 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, or by contacting the undersigned counsel for the Debtors.

and (iii) *Granting Related Relief* (the “Franklin Sale Motion”).² All facts 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, which retention remains subject to this Court’s approval.

3. I understand that the Property was purchased by the Debtors in 2014 for a price of \$1,400,000. At that time, the Debtors’ pre-petition management intended to improve the Land by excavating it, constructing a new high-end residential home thereon, and selling the Property as a fully-developed residential real property. Shortly after the purchase, however, initial analyses by the Debtors’ architects indicated that because of the physical characteristics of the Land, the costs of developing and improving the property would likely significantly exceed initial estimates, and that based on the values of comparable finished properties in the neighborhood, such an investment might not be profitable for the Debtors.

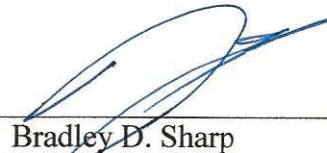
² Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Franklin Sale Motion.

and time in the improvement of the Property. Following discussions with the Debtors and their advisors, I concur with this conclusion. The Debtors, through their affiliated brokerage entity Mercer Vine, showed the Property to interested buyers approximately 55 times over the past six months, and the final offer from the Purchaser under the Purchase Agreement represents the highest and otherwise best offer received by the Debtors for the Property.

5. Accordingly, I believe that the sale of the Property to the Purchaser, pursuant to the terms of the Purchase Agreement, is the best way to maximize value to the Debtors' estates.

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 31, 2018



Bradley D. Sharp
President & CEO, Development Specialists,
Inc.
Proposed Chief Restructuring Officer, WGC
Independent Manager, LLC