

**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)

Ref. Docket No. 22

**DECLARATION OF FREDERICK CHIN IN SUPPORT OF DEBTOR'S MOTION FOR
A FINAL ORDER APPROVING POSTPETITION SECURED FINANCING**

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

1. I am the proposed CEO of the above-captioned debtors and debtors in possession (the "Debtors"), and was previously a senior director at Province, Inc. ("Province"), located at 811 West 7th Street, Suite 910, Los Angeles, California 90017. I submit this declaration (this "Declaration") in support of the *Debtors' Motion for Interim and Final Orders (I) Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 507, and 552 Authorizing Debtors to (A) Obtain Postpetition Secured Financing, (B) Use Cash Collateral, (C) Grant Adequate Protection to Prepetition Secured Parties; (II) Modifying the Automatic Stay; (III) Scheduling a Final Hearing Pursuant to Bankruptcy Rules 4001(b) and 4001(c); and (IV) Granting Related Relief* (the "DIP

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.

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. Through the DIP Motion, the Debtors are seeking approval of the full \$100 million available under the DIP Facility on a final basis at the hearing scheduled before this Court on March 7, 2018.

3. At the Second Interim Hearing held on December 21, 2017, the Debtors established through my testimony in my capacity as an expert witness that the adequate protection liens on the Existing Adequate Protection Properties provided approximately \$80,154,000 of unencumbered value to cover any potential diminution in the value of any secured party’s collateral.

4. At the Fourth Interim Hearing held on February 13, 2018, the Court approved borrowings under the DIP Facility in an aggregate amount of up to \$56 million on an interim basis.

5. Following the Fourth Interim Hearing, in connection with negotiations with the Debtors’ constituencies, including the Committee, the Noteholder Group, and the Unitholder Group, the Debtors determined that they would designate five Additional Adequate Protection Properties to supplement the twelve Existing Adequate Protection Properties.

² Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the DIP Motion or the *Debtors’ Reply in Support of Motion for Final Order Authorizing Post-Petition Financing* filed contemporaneously herewith, as applicable.

6. Based on recent independent appraisals conducted by Province, Inc. (“Province”) at my direction, the Additional Adequate Protection Properties have a combined aggregate value of \$56,450,000. The Debtors’ books and records indicate that the Additional Adequate Protection Properties are subject to mortgage debt in an aggregate amount of \$35,540,154. Thus, the Additional Adequate Protection Properties have an unencumbered aggregate value of \$20,909,846. Combined with the aggregate equity value of the Existing Adequate Protection Properties established at the Second Interim Hearing, the aggregate equity value of the Adequate Protection Properties exceeds the maximum borrowing amount of \$100 million available under the DIP Facility.

7. In addition, based on recent independent appraisals conducted by Province at my direction, the post-petition development of two of the Existing Adequate Protection Properties—9040 Alto Cedro Drive and 10750 Chalon Road—will result in an increase in these properties’ value by approximately \$4,800,000.

8. Further, with respect to three DIP Collateral properties—1357 Laurel Way, 24055 Hidden Ridge, and 25211 Jim Bridger Road—based on recent independent appraisals conducted by Province at my direction, the post-petition development of these three properties will result in an increase in the value of those properties by an amount such that the total value of each property shall exceed the amount of notes with a potential interest in each property, creating additional adequate protection value in the form of junior liens.

9. In light of the foregoing, I believe that the adequate protection package associated with the DIP Facility provides appropriate protection for secured creditors’ potential interest in the DIP Collateral, including any potential Noteholders’ interests in the same, and that the Court

should approve the DIP Facility on a final basis and enter the proposed final order that has been submitted to the Court.

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: March 5, 2018

/s/ Frederick Chin

Frederick Chin
Proposed Chief Executive Officer,
Woodbridge Group of Companies LLC