

**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)

Ref. Docket No. 931

**DECLARATION OF BRADLEY D. SHARP IN SUPPORT OF THE DEBTORS’
MOTION FOR ENTRY OF AN ORDER (I) AUTHORIZING THE SALE OF 2362
APOLLO DRIVE, LOS ANGELES, CALIFORNIA 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**

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 2362 Apollo Drive, Los Angeles, California Property Owned by the Debtors Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (ii) Approving the*

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.

Related Purchase Agreement; and (iii) Granting Related Relief (the “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. On February 13, 2018, the Court entered an order approving my retention as Chief Restructuring Officer [D.I. 573].

3. I understand that the Land was purchased by the Seller in October 2014 for a price of \$1,660,000. The Debtors developed the Land by constructing an approximately 3,240 square foot single family home and related residential Improvements on the 0.3 acre lot. Construction of these Improvements has been completed.

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 was listed on the multiple listings service for 68 days in 2016, after which the Property was temporarily taken off the market as a result of litigation with a neighboring property owner. The Property was then relisted in late 2017 and has been marketed for approximately 93 days. The Purchaser made a best and final offer that the Debtors believe is the highest and otherwise best

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

offer for the Property (there was one other offer). Moreover, I, in consultation with the Debtors other advisors, have determined that the sale price is reasonable in comparison to comparable properties in the market in which the Property is located. Accordingly, I have determined that selling the Property on an “as is” basis to the Purchaser is the best way to maximize value of the Property.

5. On January 26, 2018, the Purchaser made an initial offer for the Property in the amount of \$2,500,000, and the Seller responded on February 10, 2018 with a request that the Purchaser submit a best and final offer. On February 12, 2018, the Purchaser made a best and final offer in the amount of \$2,650,000. The Debtors believe that this purchase price provides significant value and, accordingly, countersigned the final Purchase Agreement on February 13, 2018. Under the Purchase Agreement, the Purchaser agreed to purchase the Property for \$2,650,000, with a \$79,500 initial cash deposit, a \$550,000 cash down payment, and the balance of \$2,020,500 to be financed by a loan.

6. The Brokers, Kyle Giese and Adam Rosenfeld, are or were affiliated with the Affiliated Brokerage Entities. To the best of my knowledge, other than as disclosed in this paragraph, (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.

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: April 10, 2018

/s/ Bradley D. Sharp

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