UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
Charlotte Division

IN RE: BRDL LAND & INVESTMENT, et al.[1] Debtors.	Chapter 11 Case No. 26-30215 (Jointly Administered)

AFFIDAVIT OF WILLIAM B. LILLY, JR.

I, William B. Lilly, Jr., hereby declare under penalty of perjury:

1. I am the President of Iron Horse Commercial Properties, LLC, and Iron Horse Auction Company, Inc., which have both been retained by the Debtors as their advisors, auctioneers and real estate brokers. See Ex Parte *Order Approving the Retention and Employment of Great Neck Realty Company of North Carolina, LLC, Iron Horse Auction Company, Inc., and Iron Horse Commercial Properties, LLC, Collectively, as Advisors, Auctioneers and Real Estate Brokers Pursuant to Section 327(a) of the Bankruptcy Code* [Docket No. 71].

2. As such, I am familiar with the Debtors' businesses; its real estate holdings, including the property colloquially referred to as Warden Station owned by BRDL Warden Station, LLC; and the marketing and sales efforts related to the same. Consequently, I submit this Affidavit as the Debtor's representative to support the *Debtor's Response in Opposition to DLP Capital Lending CH LLC's Renewed Motion for Relief from the Automatic Stay and Request for Interim Hearing under Section 363(e) of the Bankruptcy Code* [Docket No. 495].

[1] The Debtors in these jointly administered cases are the following entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): BRD Land & Investment, a South Carolina partnership (6940), BRDL Warden Station Holding Co LLC (0184), and BRDL Warden Station, LLC (4687). The Debtors' address is 6433 Bannington Road, Charlotte, NC 28226.

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3. Except as otherwise indicated, all statements in this Affidavit are based upon my personal knowledge and my discussions with the Debtor's officers and directors as well as the Debtor's professionals, along with my review of relevant documents and information concerning the Debtor's operations, financial affairs, and restructuring initiatives. I am over the age of eighteen and authorized to submit this Affidavit on behalf of the Debtor. If called upon to testify, I could and would testify competently about the facts set forth herein.

PROFESSIONAL BACKGROUND

4. I began my career in the auction industry in 1998 and have worked for Iron Horse Auction Company as an auctioneer since 2002 and as a real estate broker and advisor since 2004. I have been President of Iron Horse Auction Company since 2019 and I formed Iron Horse Commercial Properties, LLC in 2019. I attended and graduated from the Reppert School of Auctioneering located in Auburn, Indiana, as well as the Certified Auctioneers Institute at Indiana University.

5. I have also been a board member of the North Carolina Auctioneer Licensing Board from 2016 through 2019. I was appointed to this position by the North Carolina Governor. The North Carolina Auctioneer Licensing Board is responsible for the administration and enforcement of the Auctioneers' Law, which establishes specific standards of conduct to protect the public and provides a forum to receive and address grievances from the public regarding auctioneers.

6. I hold auctioneer's licenses in North Carolina, South Carolina, Virginia, West Virginia, Alabama, Florida, Louisiana, and Texas. I hold real estate licenses in North Carolina and South Carolina.

7. I am a member of the Auctioneers Association of North Carolina, the National Auctioneers Association, the Industrial Auctioneers Association, the American Bankruptcy

Institute, the National Association of Bankruptcy Trustees, the Turnaround Management Association, the North Carolina Forestry Association, and the North Carolina Motorsports Association. I also serve as a Special Limited Trustee for the Bankruptcy Court for the Western District of North Carolina.

8. I have decades of experience marketing real estate for a variety of clients, whose portfolios have included large land tracts, residential properties, commercial properties, and development tracts. My experience includes negotiating contracts for the purchase and sale of real property.

9. Based on these experiences, I am familiar with the market for undeveloped, partially entitled and fully entitled parcels of real property in North Carolina and South Carolina.

WARDEN STATION MARKETING AND SALE EFFORTS

10. The Debtor holds title to roughly 1,761 acres located along Pitch Landing Road and U.S. Highway 701 in Horry County, South Carolina. The Debtor refers to this parcel of property as "Warden Station".

11. Since being retained by the Debtors, I have been personally involved on the Debtor's behalf in the marketing and negotiation of a sale of Warden Station, including meeting with prospective purchasers. Since the filing of the bankruptcy case, the Debtor has taken a proactive approach to marketing and selling Warden Station. Rather than waiting for a confirmed plan as most Chapter 11 debtors do, this Debtor began discussions with prospective purchasers that were already familiar with the project to determine the amount that such purchasers would pay for Warden Station in today's real estate market. The Debtor, through its professionals, executed on this proactive plan, which generated a signed contract. That contract was subsequently terminated while still in due diligence given the buyer's inability to satisfy its investment

committee on the expedited timeline to close in light of the nuances associated with the project. Following that contract's termination, four (4) additional offers were received from prospective purchasers, including a prospective purchaser recommended and referred by DLP as well as from a prior purchaser that terminated the original contract.

12. To market and sell Warden Station, I have become familiar with the project and property as well as the nuances of any transaction involving Warden Station. Three such nuances are the size of the property, the scale of the project, and the need to negotiate and execute a new Utility Development Agreement ("UDA") with Bucksport Water System, Inc. ("Bucksport") to provide water and sewer service to Warden Station. The Debtor is currently engaging local pre-petition counsel to assist in crafting a restated agreement with Bucksport. Notwithstanding, these nuances necessarily limit the pool of purchasers who could close on a transaction for Warden Station and execute a UDA with Bucksport to provide water service to Warden Station.

13. Consummation of the UDA with Bucksport is the single most significant of the contingencies in any transaction involving Warden Station. The pre-petition Debtor negotiated such an agreement but never ratified it, leaving the project without assured water and sewer service. Since my engagement, the Debtor and its professionals have pursued a competitive marketing process consistent with the requirements of a sale under Section 363 or Section 1123 of the Bankruptcy Code. I recognized early in the process, however, that Bucksport will not substantially negotiate with a prospective purchaser unless and until that party is selected as the successful purchaser of the property; therefore, having multiple prospective buyers approach Bucksport independently during due diligence would be counterproductive and could chill the marketing and sale process. Given the critical nature of the water agreement, the Debtor intends to negotiate the UDA directly with Bucksport through the local pre-petition counsel as previously

mentioned herein and, based on counsel's experience, he is suggesting that a new agreement can be consummated within ninety (90) days.

14. Despite those nuances, though, throughout the marketing process, twenty-two (22) parties expressed specific interest in Warden Station. Of those parties, four (4) provided written offers to purchase Warden Station. The Debtor's professionals and I negotiated deal terms, including purchase price, with three of those prospective purchasers—as previously mentioned herein, one of which was referred to the Debtor by a DLP entity—generating a range of current offers from $15 million to roughly $18 million, each with varying terms.

15. The current range of purchase prices shows that Warden Station is not declining in value following the Debtor's bankruptcy filing. More specifically, the Debtor entered into a contract in June 2026 to sell Warden Station for roughly $16 million. Although that transaction did not close, the execution of the contract establishes Warden Station's value as of June 2026 for comparison purposes to the value now in November 2026, which ranges from $15 million to roughly $18 million. In other words, it reflects the amount a willing, arms' length buyer would pay to the Debtor to purchase Warden Station.

16. The Debtor continues to work diligently to reach final terms with one of the prospective purchasers. Should such final terms be reached and a contract signed, the Debtor intends to update the parties and Court. Until execution, though, the Debtor provides this general information to protect the ongoing negotiations.

[*remainder of page intentionally blank;*
notarized signature appears on following page]

William B. Lilly, Jr.

Sworn to and subscribed before me

This the 6th day of November, 2026.

Renee Davis West

Notary Public

My Commission Expires: 3-15-31

RENEE DAVIS WEST
Notary Public, North Carolina
Richmond County
My Commission Expires
March 15, 2031