

Investor Ridgedale Partners Issues New Open Letter to Alan B. Levan, Chairman and Chief Executive Officer of BBX Capital Corporation, Regarding the “LEVAN MATH” Involved in BBX’s Plan to Privatize Bluegreen

Ignoring the wishes of its shareholders and the reality of basic mathematics, BBX has decided to embrace “Levan Math” and effectively pay a 50% premium to reacquire the public BXG shares

In yet another value destructive move, BBX proposes to acquire the shares for \$16 after selling them for \$14 per share in the IPO roughly 16 months ago

BBX and Levan once again display disdain for public shareholders by refusing to pursue more accretive options with no obvious rationale for this move

LOS ANGELES, March 5, 2019 – Ridgedale Partners, LLC, manager of the general partner of a significant common stock shareholder of BBX Capital Corporation (NYSE:BBX), has issued a new letter to Alan B. Levan, Chairman of the Board and Chief Executive Officer of BBX, highlighting the absurdity of BBX’s recently announced plan to acquire the publicly traded common stock of BXG for \$16 per share.

In the letter, Ridgedale questions the rationale, basic mathematical analysis and decision making apparatus used by BBX to justify the short form merger and demands that BBX share all relevant analyses with its public shareholders, as well as the minutes of the Board meetings reviewing and approving the proposal.

The full text of the letter follows:

March 5, 2019

Mr. Alan B. Levan
Chairman of the Board and Chief Executive Officer
BBX Capital Corporation
401 East Las Olas Boulevard
Suite 800
Fort Lauderdale, FL 33301

Mr. Levan:

Despite our recent public silence, Ridgedale Partners, LLC (“Ridgedale”) remains a significant, long-term and frustrated owner of the Class A Common Stock of BBX Capital Corporation (“BBX” or the “Company”). We sent you letters on November 13, 2018, and December 13, 2018, highlighting our opinions regarding your abrogation of your fiduciary duties and proposing a “win-win” alternative that would have allowed you and your compatriots to realize significant gains for simply going away and allowing your shareholders to realize the inherent value of their stock which was massively depressed by your mere presence. Our proposal, which was sincere and made in good faith, never received a reply from you, the Company or the Board; frankly, we would be stunned if the Board ever considered our proposal, and you have provided no evidence to dissuade our skepticism despite our requests. We truly believed that your actions highlighted in the letters represented the worst that could be done; as a reminder, those actions included, but sadly were not limited to: (i) egregious executive pay packages, (ii) super voting share structure, (iii) refusal to monetize assets in order to maintain a bloated cost structure, (iv) misleading investors regarding buybacks, (v) misleading investors by announcing previously disclosed asset sales, (vi) announcing a repurchase of BXG shares despite the discount implied in BBX, (vii) concealing facts from your Board, and (viii) admitting you view a publicly traded company as a “Levan Family Enterprise.” In those letters, we elucidated actions that, in our view, represented a corporate governance track record comparable to those of “Ken Lay,

Dennis Kozlowski and Meshulam Riklis,” and we could not conceive of how things could get any worse or more hostile towards BBX shareholders. ***On the morning of March 4, 2019, we woke up and saw that it could, in fact, get much worse; we believed that you simply could not find any worse value destructive opportunities, and you responded with “hold my beer,” while putting out a press release announcing an action which defies reason.***

We are so utterly speechless regarding the Company’s announced intention to acquire the public shares of Bluegreen Vacations Corporation (“Bluegreen” or “BXG”) through a short-form merger for \$16 per share, so unbelievably punch drunk from the complete disregard for fiduciary duty and mathematics, that we have no choice but to simply congratulate you. Congratulations on finding a way, despite everything we know about you and your utter disdain for your investors, to surprise us with the apparent levels of your depravity and incompetence. Congratulations on managing to sell stock to the public at \$14 per share in November 2017, paying out \$0.77 per share in common stock dividends, and then reacquiring the stock for \$16 per share; by our very quick math (and clearly, based on your actions, math is not a Levan family strength), ***you cost BBX over \$20 million through your clearly well conceived approach.*** While we thought this would be obvious, I guess we need to point it out – selling low and buying high is not a winning strategy. Congratulations on finding yet a new way to expand the “Levan Discount” back to close to 50%. Congratulations on driving the price of BBX down by over 30% from the \$9.25 level you paid for stock last year; just to make the reverse of the above crystal clear – buying high and selling low is also not a winning strategy.

Finally, and most appropriately, congratulations on removing our last illusion regarding you as a manager and fiduciary. While we have laboriously highlighted our concerns regarding your apparent utter disregard for fiduciary duties and complete disdain for your own stakeholders, we had always operated under the assumption that your deceitfulness was enhanced by misapplied intellectual horsepower. Put more simply – we always thought you were smart, but simply only out to benefit yourself to the detriment of your shareholders. However, this action has us questioning that assumption, or whether you are still the one making the decisions. Since math seems to be slipping beyond you and your managers’ grips, we will spell this out very simply. Paying \$16 per share to acquire roughly 7.2 million publicly traded shares of BXG (pro forma for shares repurchased in the fourth quarter of 2018) will cost BBX approximately \$115 million. Since each share of BBX represents roughly 0.693 shares of BXG, repurchasing just under 10.4 million shares of BBX would equate to the repurchase of 7.2 million shares of BXG. Consequently, if you had paid the same 18.9% premium for BBX that you are paying for BXG, the cost would have been just under \$76 million (\$7.32 per share), saving BBX shareholders almost \$40 million for the same economic impact. Apparently, you and your managers decided paying an extra 50% was a good idea.

You seem to be embracing some kind of new math, or maybe it should be called “Levan Math.” It seems to require rejecting all known mathematical truths and calculations in order to justify the unjustifiable. Our concerns are compounded by a terrifying thought, which in our opinion could help to explain things – perhaps you are allowing Jarett to take over the strategic planning, and intelligence decided to simply skip a generation. As you have stated in the past, you view BBX as a “Levan Family Enterprise,” and maybe the next generation is attempting, but apparently failing, to take the reins. If that is the case, we seem to be faced with the frightening prospect of a Levan with all of his father’s moral “ambiguity” but perhaps without his financial cunning; maybe Jarett is the Donald Trump Jr. of this story and will become the reason for his father’s undoing. This action is so divorced from reason and rationality, even when viewed through the prism of your own personal benefit, that we demand that BBX turn over relevant analyses presented to the Board to justify this decision, as well as any Board minutes from those meetings. We will take a refusal to do so as confirmation of our fears stated above.

Clearly something has changed, as it has always been apparent, despite the moral ambiguity of your moves, what the economic incentive for Alan Levan is; however, this time, you have confused us all with a nonsensical decision that seems to benefit no one – not yourself, not BBX shareholders, not even BXG shareholders who likely bought their stock higher. We have spoken with many fellow shareholders since the news came out, and the best hope is

that you are doing something underhanded to benefit yourself; that perhaps you plan on squeezing out the public BXG shareholders at \$16 because you know you can sell the company to a private buyer for a better price. There may be no better illustration of the points we keep making in these letters – ***shareholders are actively hoping that you are screwing someone else, since no one doubts that you are definitely screwing someone.***

Regards,

Ridgedale Partners, LLC

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Ridgedale reserves the right to adjust or exit its position in BBX Class A Common Stock at any time and without notice.