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Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF CALIFORNIA

SANTA ROSA DIVISION

In re
 LEFEVER MATTSON, a California
 corporation, et al.
 Debtors.¹

Case No. 24-10545 CN (Lead Case)
 (Jointly Administered)
 Chapter 11

In re
 KS MATTSON PARTNERS, LP,
 Debtor.

**DEBTOR'S APPLICATION FOR AN ORDER
 AUTHORIZING THE RETENTION AND
 EMPLOYMENT OF DOUGLAS ELLIMAN
 AS REAL ESTATE BROKER, EFFECTIVE
 AS OF THE RELIEF DATE**

[No Hearing Requested]

¹ The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP ("KSMP") are 5060. KSMP's address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 9562. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>.



1 KS Mattson Partners, LP (“KSMP” or “Debtor KSMP”), debtor and debtor in possession in
2 the above-captioned chapter 11 case, hereby submits this application (the “Application”) pursuant to
3 sections 327(a), 328 and 330 of title 11 of the United States Code (the “Bankruptcy Code”) and Rules
4 2014 and 2016 of the Federal Rules of Bankruptcy Procedure, (the “Bankruptcy Rules”) for entry of
5 an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), authorizing
6 Debtor KSMP to retain and employ Douglas Elliman (“Douglas Elliman”) as real estate broker for
7 Debtor KSMP, effective as of September 2, 2025. In support of this Application, Debtor KSMP
8 relies on the Declaration of Jonathan Butler (the “Butler Declaration”), filed contemporaneously
9 herewith and incorporated by reference herein.

10 **MEMORANDUM OF POINTS AND AUTHORITIES**

11 **I. JURISDICTION AND VENUE**

12 This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, the
13 *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 (N.D.
14 Cal.), and Rule 5011-1(a) of the Bankruptcy Local Rules for the Northern District of California (the
15 “Bankruptcy Local Rules”). This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper
16 before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The predicates for the relief requested herein
17 are Bankruptcy Code section 327, 328 and 330, and Bankruptcy Rules 2014.

18 **II. BACKGROUND**

19 **A. General Background**

20 Debtor KSMP’s chapter 11 case arises out of an alleged multiyear and multimillion fraud
21 perpetrated by Kenneth Mattson. This alleged fraud has resulted in multiple litigations against
22 Debtor KSMP, Kenneth Mattson and LeFever Mattson, a California corporation (the real estate
23 corporation jointly owned by Mr. Mattson and Tim LeFever). It has also resulted in the United
24 States Department of Justice bringing criminal charges against Mr. Mattson.

25 On November 22, 2024, Debtor KSMP became subject to an involuntary petition for relief
26 under chapter 11 of the Bankruptcy Code. On June 9, 2024 (the “Relief Date”), the Court entered
27 the *Stipulated Order for Relief in an Involuntary Case* (Docket No. 131) and appointed Robbin L.
28

1 Itkin as the Responsible Individual in this case, with effect from June 16, 2025 (the “Itkin Approval
2 Order”) (Docket No. 172). Among other things, the Itkin Approval Order provides that:

3 Ms. Itkin (a) shall solely be responsible for the duties and obligations of Debtor
4 KSMP as a debtor in possession; (b) shall be vested with the sole and exclusive
5 right and full authority to manage, conduct, and operate Debtor KSMP’s business,
6 including, without limitation, opening, closing, and otherwise controlling Debtor
7 KSMP’s bank accounts; and (c) shall not be removed as Responsible Individual
8 without further order of this Court. Notwithstanding anything to the contrary
9 contained herein or in the *Limited Partnership Agreement of K S Mattson Partners,*
10 *LP* (as amended from time to time), all decisions respecting any matter affecting or
11 arising out of the conduct of the business of Debtor KSMP shall be made by the
12 Responsible Individual.

13 Itkin Approval Order ¶ 4. It further provides that “Ms. Itkin shall have the right to retain, on behalf
14 of and at the cost of Debtor KSMP, and, in the case of professional persons, subject to Court
15 approval after filing of appropriate retention applications, professionals and such other individuals
16 as she deems necessary or advisable to assist her in the performance of her duties as Responsible
17 Individual.” *Id.*

18 Debtor KSMP continues to operate its business and manage its properties as debtor in
19 possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The United States
20 trustee appointed an official committee of unsecured creditors (the “Committee”) in Debtor
21 KSMP’s chapter 11 case on August 26, 2025 [Docket No. 2104].

22 **B. KS Mattson Partners, LP**

23 Debtor KSMP was formed as a California limited partnership on August 16, 1999, to
24 manage and develop assets held by Kenneth Mattson and his family. Debtor KSMP’s partnership
25 agreement provides that its partnership interests are held by each of Kenneth Mattson (49%), Mr.
26 Mattson’s wife, Stacy Mattson, (49%), and K S Mattson Company, LLC (“KSMC”) (2%). Because
27 Debtor KSMP failed to maintain adequate books and records before the Relief Date, the
28 Responsible Individual is currently undertaking efforts to determine what assets Debtor KSMP
owns. Currently, the Responsible Individual believes that Debtor KSMP may hold interests in
approximately 35 properties, some of which Debtor KSMP owns outright and some of which

Debtor KSMP holds as tenant in common with other investors.²

C. Jointly Administered Cases

On September 12, 2024, LeFever Mattson and fifty-seven affiliates and subsidiaries (collectively, the “LeFever Mattson Debtors”)—parties related to Debtor KSMP—filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code, commencing their jointly administered bankruptcy cases (the “LFM Chapter 11 Cases”).³ On July 29, 2025, the Court entered the *Stipulated Bridge Order in Connection with the Motion to Substantively Consolidate the Bankruptcy Estates of Lefever Mattson and KS Mattson Partners, LP* (the “Stipulated Bridge Order”), which, among other things, jointly administers KSMP’s chapter 11 case with the LFM Chapter 11 Cases.

III. RELIEF REQUESTED

By this Application, Debtor KSMP respectfully requests that the Court enter an order authorizing Debtor KSMP to employ and retain Douglas Elliman as its real estate broker to market and sell the properties (the “Properties”) listed on Schedule A to Debtor KSMP’s listing agreement with Douglas Elliman, which is attached as Exhibit 1 to the Proposed Order (the “Listing Agreement”).

IV. BASIS FOR RELIEF REQUESTED

Debtor KSMP seeks approval of the Application pursuant to sections 327(a) and 328(a) of the Bankruptcy Code. Section 327(a) authorizes a debtor in possession to employ professionals that “do not hold or represent an interest adverse to the estate, and that are disinterested persons.” 11 U.S.C. § 327(a).

The employment of Douglas Elliman is a sound exercise of Debtor KSMP’s business judgment. Douglas Elliman is an experienced and well-respected real estate brokerage firm

² The exact number is unknown and subject to further diligence.

³ One other entity, Windscape Apartments, LLC, filed a voluntary petition for chapter 11 (Case No. 24-10417) on August 6, 2024, and two other entities, Pinewood Condominiums, LP (Case No. 24-10598) and Ponderosa Pines, LP (Case No. 24-10599), filed voluntary chapter 11 petitions on October 2, 2024. These entities are the LeFever Mattson Debtors.

1 working throughout the United States, including in Northern California, where the Properties are
2 located. As discussed below and in the Butler Declaration, Douglas Elliman (i) does not hold or
3 represent an interest adverse to Debtor KSMP's estate and (ii) is a "disinterested person" as required
4 by Bankruptcy Code section 327(a). The employment of Douglas Elliman is necessary, and its
5 services are appropriate, in this chapter 11 case.

6 In addition, Debtor KSMP seeks approval of the Listing Agreement, including the
7 commission structure set forth therein, pursuant to section 328(a) of the Bankruptcy Code. Section
8 328(a) provides, in relevant part, that Debtor KSMP, "with the court's approval, may employ or
9 authorize the employment of a professional person under section 327 . . . on any reasonable terms
10 and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage
11 fee basis, or on a contingent fee basis." 11 U.S.C. § 328(a).

12 Debtor KSMP believes that Douglas Elliman's commission structure is fair and reasonable
13 for the type of services being provided, and that it compares favorably with the fee structures
14 generally offered by brokerage firms similar to Douglas Elliman for comparable engagements.
15 Given the numerous properties Douglas Elliman will be listing during this chapter 11 case, Debtor
16 KSMP believes that the Douglas Elliman fee arrangement is fair and reasonable.

17 Finally, to the best of Debtor KSMP's knowledge, information, and belief, Douglas Elliman
18 does not have any interest materially adverse to Debtor KSMP's estate or any class of creditors or
19 equity security holders, by reason of any direct or indirect relationship to, connection with, or
20 interest in, Debtor KSMP, or for any other reason. Further, Debtor KSMP understands that Douglas
21 Elliman believes that it is disinterested because, to the best of Douglas Elliman's knowledge,
22 information, and belief, Douglas Elliman has no connection with Debtor KSMP, its creditors, or
23 any other party-in-interest, except as disclosed in the Butler Declaration.

24 **A. Qualifications**

25 Douglas Elliman is a leading real estate brokerage firm with significant local expertise in
26 the Northern California markets where Debtor KSMP's Properties are located. Douglas Elliman
27 has a large and qualified brokerage team that uses proprietary marketing technology and cutting-

1 edge market research for commercial and residential real estate.

2 Debtor KSMP is familiar with the professional standing and reputation of Douglas Elliman.
3 Douglas Elliman has a wealth of experience in providing real estate brokerage services, including
4 in restructurings and reorganizations, and enjoys an excellent reputation. Douglas Elliman's
5 experience and knowledge will be essential to Debtor KSMP in its efforts to maximize recovery to
6 the creditors. Debtor KSMP believes that Douglas Elliman is well qualified and able to represent
7 Debtor KSMP in a cost-effective, efficient, and timely manner.

8 Accordingly, Debtor KSMP wishes to retain Douglas Elliman to provide brokerage services
9 in this chapter 11 case.

10 **B. Scope of Services**

11 Douglas Elliman will serve as a real estate broker to list for sale and market the Properties
12 owned by Debtor KSMP, as detailed in Schedule A to the Listing Agreement. Douglas Elliman
13 proposes to sell 4 Properties for Debtor KSMP, approximately 11% of Debtor KSMP's total real
14 estate portfolio. In this capacity, Douglas Elliman will provide the usual services of a commercial
15 and residential real estate broker, including market and price analysis, listing and marketing
16 properties for sale, negotiation of sales contracts, and closing of transactions. At the direction of
17 the Responsible Individual, Debtor KSMP's operations and asset manager, Stapleton Group, a part
18 of J.S. Held LLC ("Stapleton JSH") has researched the qualifications of various real estate brokers,
19 including interviews with each broker team, to evaluate their areas of expertise, including
20 geographic knowledge and property types. Under the Responsible Individual's oversight, Stapleton
21 JSH developed a cohesive sales strategy utilizing multiple brokers with specific expertise
22 depending on the type of property to be sold and the location of the property. Based on Stapleton
23 JSH's research and advice, Debtor KSMP has determined in its business judgment that Douglas
24 Elliman is well qualified to represent Debtor KSMP in the marketing and sale of the Properties.

25 **C. No Duplication of Services**

26 The services that Douglas Elliman will provide will be appropriately directed by Debtor
27 KSMP so as to avoid duplication of efforts among the other professionals retained in this chapter

11 case. Douglas Elliman will work collaboratively with Debtor KSMP and its professionals, including Stapleton JSH and Debtor KSMP's counsel, Hogan Lovells US LLP ("Hogan Lovells"), to avoid duplication of services.

Stapleton JSH is providing Debtor KSMP advice on maximizing the value of its entire real estate portfolio, and devising a strategy for the effective disposition of Debtor KSMP's assets, while Douglas Elliman will market and sell the individual Properties listed on Schedule 1 to the Listing Agreement. Douglas Elliman will be primarily responsible for developing valuations and pricing strategies for individual properties, preparing marketing materials, listing properties, conducting showings, negotiating offers, and coordinating closings. Hogan Lovells will assist Debtor KSMP with the preparation of the documents necessary to complete those sales. Stapleton JSH will manage and oversee Douglas Elliman's sales strategy, including their valuation and pricing strategies, and assist the Responsible Individual in her review and approval of sales contracts. Debtor KSMP believes that the services to be provided by Douglas Elliman will complement and will not be duplicative of any services of Debtor KSMP's other professionals.

D. Professional Compensation

Debtor KSMP requests that Douglas Elliman be allowed compensation for its real estate brokerage services on a commission basis. Pursuant to section 328(a) of the Bankruptcy Code, Debtor KSMP may retain Douglas Elliman on any reasonable terms and conditions; therefore, Debtor KSMP requests that Douglas Elliman compensation be paid in accordance with the Listing Agreement and not be subject to review or evaluation under section 330 of the Bankruptcy Code. Douglas Elliman's commission will be calculated according to the structure in the following chart (the "Commission Schedule"):

	Buyer's Agent Fee	Douglas Elliman Agent Fee up to and including \$8 million	Douglas Elliman Agent Fee above \$8 million	Maximum Commission up to and including \$8 million	Maximum Commission above \$8 million
Commercial	1.5%	2.5%	2.0%	4.0%	3.5%

Land	2.0%			4.5%	4.0%
Residential	2.0%			4.5%	4.0%
Mixed-Use Commercial	1.5%			4.0%	3.5%

The percentages paid are a percentage of the total sale price (not a marginal percentage) of the Property at the close of escrow. The amount of commission paid to Douglas Elliman is dependent on the sale price and whether the Property buyer has an agent. If the buyer does not have an agent, Douglas Elliman will receive the Maximum Commission. If the buyer does have an agent, Douglas Elliman will receive only the Douglas Elliman Agent Fee. Douglas Elliman has assigned agents (the “Assigned Agent”) to each Property.

At this time, Debtor KSMP is only seeking to sell Properties it owns outright—not those that it owns as a tenant in common—as it hopes to work with its tenants in common on formulating an agreed-upon sales strategy with respect to those properties. After such consultation, Debtor KSMP may determine it is appropriate for Douglas Elliman to serve as broker for certain of those properties as well.⁴ Debtor KSMP respectfully requests that the Court authorize Debtor KSMP, in its sole discretion, to add additional properties to the Listing Agreement by filing with the Court a notice of amendment identifying any deviations from the existing terms of the Listing Agreement. No further application to or order of the Court would be required unless the amendment provides for a commission rate higher than that approved by this Motion, in which case Debtor KSMP would file a separate, supplemental application. This flexibility will enable Debtor KSMP to efficiently market and sell assets as part of its ongoing efforts to maximize value for the estate and its creditors, while minimizing administrative delays and expense.

Because Douglas Elliman is a large brokerage firm, it is possible that a different Douglas Elliman agent than the Assigned Agent may represent the buyer in a particular transaction. In that

⁴ Debtor KSMP understands Mr. Mattson sold tenancies in common with respect to a number of properties in which the estate holds an interest. Some of these tenancies in common appear on title. Others may not, and because Debtor KSMP has access to limited books and records, Debtor KSMP has no ability to unilaterally determine the identify of these individuals. Debtor KSMP encourages any party who believes they hold a tenancy in common with Debtor KSMP—but who are not identified on title to the property at issue—to contact the undersigned counsel so that their asserted interest may be noted and investigated.

1 case, the Assigned Agent and, if applicable, the buyer's agent will split the maximum commission
2 amount. However, the Assigned Agent may not represent both Debtor KSMP and the buyer
3 without prior written consent from Debtor KSMP.

4 Debtor KSMP intends to file motions to sell properties on a property-by-property basis. For
5 residential properties, each such motion will disclose the listing broker's proposed commission.
6 Additionally, all brokerage commissions shall be paid through the escrow company at the close of
7 the sale as is the industry practice in non-bankruptcy transactions.

8 Douglas Elliman shall not seek compensation or reimbursement for, and shall not be entitled
9 to, costs and expenses incurred in connection with the rendering of its services in this chapter 11
10 case.

11 Consistent with its ordinary practice and the practice of real estate brokerage firms in other
12 chapter 11 cases whose fee arrangements are not hours-based, Douglas Elliman does not maintain
13 contemporaneous time records or conform to a schedule of hourly rates for its professionals. Given
14 the foregoing, Debtor KSMP requests that, notwithstanding anything to the contrary in the
15 Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, or any other local guidelines,
16 Douglas Elliman not be required to keep time records with respect to services rendered pursuant to
17 the Listing Agreement.

18 Douglas Elliman believes that the foregoing fee structure and terms are reasonable and
19 comparable to those generally charged by real estate brokers of similar stature to Douglas Elliman
20 for comparable engagements, both in and out of Chapter 11.

21 **E. Disinterestedness**

22 Douglas Elliman has informed Debtor KSMP that, to the best of Douglas Elliman's
23 knowledge, information, and belief, other than as set forth in the Butler Declaration: (a) Douglas
24 Elliman has no connection, as such term is used in section 101(14)(C) of the Bankruptcy Code, as
25 modified by section 1107(b) and Bankruptcy Rule 2014(a), to any party in interest in this chapter
26 11 case, including Debtor KSMP, its creditors, the U.S. Trustee, any person employed in the office
27 of the U.S. Trustee, or any other party with an actual or potential interest in this chapter 11 case or

1 their respective attorneys or accountants; (b) Douglas Elliman is not a creditor, equity security
2 holder, or insider of Debtor KSMP; (c) none of Douglas Elliman's professionals is, or was within
3 two years of the Petition Date, a director, officer, or employee of Debtor KSMP; and (d) Douglas
4 Elliman neither holds nor represents an interest adverse to Debtor KSMP, its estate, or any class of
5 creditors or equity security holders by reason of any direct or indirect relationship to, connection
6 with, or interest in Debtor KSMP, or for any other reason. Douglas Elliman has not provided any
7 professional services to any creditor or party-in-interest, or their respective attorneys and
8 accountants, with regard to any matter related to this chapter 11 case. If any new material facts or
9 relationships are discovered or arise, Douglas Elliman will inform the Court as required by
10 Bankruptcy Rule 2014(a).

11 **V. NOTICE**

12 Notice of this Application will be provided to (i) the United States Trustee; (ii) the
13 Committee and (iii) those persons who have formally appeared in this chapter 11 case and requested
14 service pursuant to Bankruptcy Rule 2002. Debtor KSMP respectfully submits that no further
15 notice is required. No previous request for the relief sought herein has been made to this or any
16 other Court.

17 **WHEREFORE**, Debtor KSMP respectfully requests entry of an order, substantially in the
18 form attached hereto as **Exhibit A**, granting the relief requested herein and such other and further
19 relief as the Court may deem just and appropriate.

20
21 DATED: SEPTEMBER 4, 2025

/s/ Richard L. Wynne
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Exhibit A
Proposed Order

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Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re
LEFEVER MATTSON, a California
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Debtors.⁵

Case No. 24-10545 CN (Lead Case)
(Jointly Administered)
Chapter 11

In re
KS MATTSON PARTNERS, LP,
Debtor.

**[PROPOSED] ORDER AUTHORIZING THE
RETENTION AND EMPLOYMENT OF
DOUGLAS ELLIMAN AS REAL ESTATE
BROKER, EFFECTIVE AS OF THE RELIEF
DATE**

⁵ The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP ("KSMP") are 5060. KSMP's address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 9562. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>.

Upon the application dated as of September [xx] 2025 (the “Application”)¹ of KS Mattson Partners, LP (“KSMP” or “Debtor KSMP”) in this chapter 11 case for entry of an order, pursuant to sections 327(a) and 328(a) of Title 11 of the United States Code (the “Bankruptcy Code”) and Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), to employ Douglas Elliman as real estate broker in this chapter 11 case; and this Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, the Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges, General Order 24 (N.D. Cal.), and Rule 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern District of California and consideration of the Application and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found and determined that notice of the Application as provided to the parties listed therein is reasonable and sufficient under the circumstances, and it appearing that no other or further notice need be provided; and this Court having reviewed the Application, and the Butler Declaration, and this Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and it appearing that Douglas Elliman neither holds nor represents any interest adverse to Debtor KSMP’s estate; and it appearing that Douglas Elliman is “disinterested,” as that term is defined in Bankruptcy Code section 101(14); and it appearing that the relief requested in the Application is in the best interests of Debtor KSMP, its estate, its creditors, its equity holders, and all parties in interest; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Application is granted as set forth herein.

¹ Capitalized terms not otherwise herein defined shall have the meanings given to such terms in the Application.

2. In accordance with section 327(a) of the Bankruptcy Code, Debtor KSMP is authorized to employ and retain Douglas Elliman as real estate broker on the terms set forth in the Listing Agreement attached hereto as Exhibit 1.

3. The terms of Douglas Elliman's compensation are approved pursuant to section 328 of the Bankruptcy Code, and Douglas Elliman shall be compensated in accordance with the terms of the Listing Agreement and any applicable orders entered by the Court.

4. Douglas Elliman shall be paid from the proceeds of sale at the close of escrow of each individual property sold in accordance with the following Commission Schedule:

	Buyer's Agent Fee	Douglas Elliman Agent Fee up to and including \$8 million	Douglas Elliman Agent Fee above \$8 million	Maximum Commission up to and including \$8 million	Maximum Commission above \$8 million
Commercial	1.5%	2.5%	2.0%	4.0%	3.5%
Land	2.0%			4.5%	4.0%
Residential	2.0%			4.5%	4.0%
Mixed-Use Commercial	1.5%			4.0%	3.5%

5. Debtor KSMP is authorized to add additional properties to the Listing Agreement by filing with the Court a notice of amendment identifying any deviations from the existing terms of the Listing Agreement, and without the need for further application to or order of the Court, unless such amendment provides for a commission rate higher than that approved by this Order, in which case Debtor KSMP shall file a separate, supplemental application.

6. If Douglas Elliman acts as a broker for any properties in which Debtor KSMP is a tenant in common with other co-owners, such co-owners shall be responsible for their proportional share of the Maximum Commission upon sale of a property, which amount shall be paid from any proceeds they would otherwise receive from the sale transaction.

1 7. Because Douglas Elliman is a large brokerage firm, it is possible that a different
2 Douglas Elliman agent than the Assigned Agent may represent the buyer in a particular
3 transaction. In that case, the Assigned Agent (and, if applicable, the buyer's agent) will split the
4 maximum commission amount. However, the Assigned Agent may not represent both Debtor
5 KSMP and the buyer without prior written consent from Debtor KSMP
6

7 8. Douglas Elliman shall not seek compensation or reimbursement for, and shall not
8 be entitled to, costs and expenses incurred in connection with the rendering of its services in this
9 chapter 11 case.

10 9. Douglas Elliman shall use its reasonable efforts to avoid any duplication of services
11 provided by any of Debtor KSMP's other retained professionals.

12 10. If there is any inconsistency between the terms of the Application, the Butler
13 Declaration, and this Order, this Order shall govern.
14

15 11. This Court shall retain jurisdiction with respect to all matters arising or related to
16 the interpretation or implementation of this Order or the Listing Agreement.

17 ** END OF ORDER **
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Exhibit 1
(Listing Agreement)

SALE LISTING AGREEMENT

This Agreement (“Agreement”) is made by and between Douglas Elliman of California, Inc. (“Broker”) and KS Mattson Partners, LP (“Seller”). Seller is a debtor and debtor in possession in proceedings under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Northern District of California (the “Bankruptcy Court”), which is being jointly administered as *In re LeFever Mattson, a California corporation and In re KS Mattson Partners, LP*, Case No. 24-10545 (CN) (the “Bankruptcy Case”).

- 1. Broker as Exclusive Selling Agent.** Seller hereby grants to Broker the exclusive right to sell the property described in Exhibit A attached hereto (the “**Property**”), together with all improvements now or hereafter made on or to the Property. Seller agrees to promptly disclose to Broker any personal property to be included in the sale. Seller authorizes Broker to insert or correct the legal description without obtaining Seller’s additional signature. The term (the “**Term**”) of this Agreement shall commence on the date of execution of this agreement (the “**Effective Date**”) and continuing through midnight on January 31, 2026, or such earlier date on which this Agreement is terminated pursuant to the terms hereof (the “**Termination Date**”). Broker shall use its commercially best efforts to sell the Property during the Term. Broker is authorized to employ, in its sole and absolute discretion, one or more cooperating brokers or subagents (or both) to assist Broker in performing Broker’s services under this Agreement.
- 2. Term of Sale.** The Seller will set list prices as outlined in Exhibit A, and Broker will pursue the highest and best offering prices, which shall be payable by the Purchaser (as defined below), in cash. Any offer to purchase the Property may contain normal and customary contingencies such as the Purchaser’s approval of a preliminary title report, survey, feasibility studies and existing leases.
- 3. Seller’s Approval.** The acceptance of any offer to purchase the Property shall be subject to Seller’s approval.
- 4. Negotiations and Cooperation.** All inquiries and offers which Seller receives shall be referred to Broker and all negotiations shall be conducted solely by Broker or under its direction. Seller shall cooperate fully with Broker and shall provide Broker access to the Property at all reasonable times. Broker shall promptly inform Seller of all inquiries from or on behalf of prospective Purchasers and shall respond on Seller’s behalf by email, letter, telephone call or, when possible, personal contact. Broker will immediately submit to Seller any/all written or verbal offers to purchase the Property received by Broker and will promptly notify Seller of any pending offers to purchase the Property of which Broker may be aware. Notwithstanding the foregoing, Seller may negotiate directly with any potential Purchaser without Broker’s assistance or participation, but any such direct negotiation shall not reduce Broker’s right to a commission hereunder and Seller shall promptly notify Broker of any such direct negotiation.
- 5. Advertising.** Unless expressly agreed otherwise in writing, commencing on the Effective Date, Broker is authorized to advertise the Property, subject to Seller’s approval. Industry standard single-page advertising flyers prepared by the Broker shall be paid for by the Broker. Broker shall have the right to place signs advertising the Property for sale on the

Properties at Broker' expense. Any non-industry standard marketing material must be approved by Seller and paid for by the Broker. Seller shall not unreasonably withhold, condition, and/or delay approval of any marketing material or any related materials. Seller shall provide written approval and/or comments within five (5) calendar days of submission. If Seller fails to respond within such five (5) calendar days of submission, the materials shall be deemed approved.

i. **Included Sale Items** - _____.

ii. **Excluded Sale Items** - _____.

6. **Cooperation with Other Broker.** Seller understands and agrees that Broker may solicit the cooperation of other real estate brokers. Seller shall pay a commission to a Purchaser's Agent as specified in the Purchaser's Agent column in **Exhibit B**; provided, however that the commission amount will be subject to negotiation between Purchaser and Seller as reflected in the Contract and subject to approval of the Court. If Broker represents Purchaser and enters a dual agency agreement with the Purchaser, Seller shall pay a commission to Broker equal to the percentage of the purchase price as specified in Purchaser's Agent column in **Exhibit B**, determined for each property using the actual sale price; provided, however, Whitney Benzian, a subagent of Broker, shall not represent any buyer of the Property. Payment of said commission to Broker shall be subject to the same conditions found in Section 8.
7. **Extension.** If, during the Term of this Agreement, an escrow is opened or negotiations involving the sale, transfer or conveyance of the Property have commenced and are continuing, then, except as set forth in Section 18 below, solely as it relates to the applicable Property, the Term of this Agreement shall be extended through the closing of such escrow, the termination of such negotiations, or the consummation of such transaction.
8. **Sale Subject to Overbid Procedures.** The Broker understands and agrees that the sale of the Property may be subject to overbid requirement which provide for the sale of the Property to a "Qualified Bidder," as defined therein, and would require bids to be submitted within the allotted date after receipt of all bids that matches or exceeds the highest bid submitted to that date by a Qualified Bidder. This provision shall not impact Broker's right to receive a commission, as set forth in Sections 9 and 10, below.
9. **Commissions.** Seller agrees to pay a commission to the Broker equal to the percentage of the purchase price specified Seller's Agent column in **Exhibit B**, determined for each property using the actual sale price specified herein. Seller shall pay commission to Broker if a purchaser (or its successors and/or assigns, a "**Purchaser**"), enters into a purchase and sale contract for the Properties, as agreed to by Seller in its sole discretion (a "**Contract**") and the sale of the Properties is closed and consummated in accordance with such Contract, or if Seller acts in bad faith with respect to the Contract or closing the Property or otherwise breaches a material term of this Agreement. The commission contemplated in this Section 9 will be payable only from the sales proceeds received by Seller, provided, however, that if the sales proceeds are insufficient to cover the full amount of the commission, Seller shall remain liable for the unpaid balance, which shall be payable in full upon closing. Notwithstanding anything to the contrary contained herein, no commission will be earned, due or payable hereunder: (a) in connection with a sale to Broker or any affiliate of Broker; (b) if a Contract

is terminated pursuant to a right granted therein or by the mutual agreement of Seller and Purchaser; or (c) the proposed sale fails to close for any reason, including the default of either Seller or Purchaser under the applicable Contract (except if by Seller in bad faith); or (d) the failure of the Court to approve the sale of the Property.

To secure payment of any commissions due under this Agreement, Seller grants Broker a security interest of lien in the proceeds of the sale of any Property held in escrow to the extent permitted by applicable law and Bankruptcy Court orders. Seller shall instruct the escrow or closing agent to hold sufficient funds to pay Broker's commission at closing and pay Broker directly from such funds upon closing.

10. Payment of Commissions. Any commission due pursuant to Section 9 shall be payable only upon the closing of a sale of the Property as set forth in Section 9. Broker is authorized to provide a copy of this Agreement to any escrow or closing agent working on such transaction, and such escrow or closing agent is hereby irrevocably instructed by Seller to pay Broker's commissions from any such funds or proceeds available.

11. If a Seller fails to pay any amount due to Broker under this Agreement within 10 days after written notice of such failure from Broker to Seller, then Broker shall have the right, in addition to all of other rights and remedies at law or in equity, to charge interest on any amount not paid when due from the due date through the date of payment at a rate of interest equal to the lesser of 18% per annum or the highest interest rate permitted by applicable law.

12. Broker's Authority. The Broker may not enter into any agreement with any prospective purchaser, real estate broker or any other person in the name of, on behalf of or otherwise binding on Seller, nor may the Broker subject Seller to any other obligations or liabilities, and the Broker shall not represent that it has any authority to do so. The Broker shall make no representations or warranties, express or implied, as to the condition of the Properties or about improvements on the Property, or their suitability or fitness for the purposes intended by any Purchaser. The Broker acknowledges and agrees that Seller is selling the Property "as is, where is, with all faults" and Broker shall so advise each and every prospective purchaser. Broker must also advise such prospective Purchasers to conduct their own independent evaluation of the Property. Notwithstanding the foregoing, Seller acknowledges that Broker has a statutory duty to disclose known material facts pertaining to the Property, and for residential 1-4 unit properties, Broker must conduct a diligent and competent visual inspection of the accessible areas of the Property and disclose any material observations to the Purchaser. Broker may not accept earnest money from any prospective Purchaser. If earnest money paid or pledged by a prospective Purchaser is forfeited by that Purchaser, Broker may not claim any portion of such forfeited earnest money. Broker acknowledges and agrees that no agreement or terms negotiated by Broker with any prospective Purchaser will bind Seller unless and until incorporated into a written Contract executed and delivered by the Purchaser and Seller and approved by the Bankruptcy Court. This Agreement supersedes and controls terms for any commission or fee provided in any Contract.

13. Brokerage Services Only. It is expressly acknowledged that this Agreement is for Broker's real estate brokerage services only, and the Broker's other service lines, including without limitation, assets services, project management, and appraisal, are not a part of the scope of this Agreement.

14. Compliance with Laws; Indemnification. In performing its obligations under this Agreement, Broker will comply with all applicable laws and subscribe to the highest ethical and business standards of the real estate practice. Broker shall indemnify and hold harmless the Seller, and its affiliates and their respective officers, directors, employees, agents, and representatives (collectively, the “**Seller Indemnified Parties**”) from and against all demands, liabilities, damages, costs, expenses and causes of action arising as a result of the gross negligence or willful misconduct of Broker, or Broker’ agents, servants, or employees in acting as Seller’s agent pursuant to this Agreement.

15. No Discrimination. The Parties acknowledge that it is illegal for either Seller or Broker to refuse to display, sell or lease the Properties to any person because of race, color, religion, national origin, sex, marital status or physical disability. The parties agree that the Properties will be offered in compliance with all applicable anti-discrimination laws.

16. Seller's Warranty. Seller warrants that Seller has full authority to execute this Agreement, and to sell the Property, subject to the necessary approvals. The person(s) executing this Agreement on behalf of Seller warrant(s) that such person(s) have full authority to do so and in so doing to bind Seller. Notwithstanding the foregoing, Seller does not warrant title to the Property.

Seller confirms that following the full execution of this Agreement, the amount of the purchase price and any other terms of the sale of the Properties set forth in this Agreement shall not be deemed confidential information and Seller authorizes disclosure of the same.

Seller further represents that the Property is not the subject of an exclusive agreement for sale with any other real estate broker and agree that it will not be during the Term. Broker acknowledges that Seller is entering or has entered into a Lease Listing Agreement Exclusive Authorization to Lease or Rent with Surf Vacation Rentals for the rental of the Property.

17. Broker’s Representations, Covenant and Warranties. The Broker hereby makes the following representations, warranties and covenants to Seller, all of which shall survive the execution and delivery of this Agreement.

- i. Broker is duly organized, are validly existing, is in good standing under the laws of the state of its formation or incorporation, and in each state in which it is currently doing business and have complied with all applicable laws in order to conduct business in such states related to the services under this Agreement. Broker covenants to use its best efforts to comply with all applicable laws in order to conduct business in the state or states where the Property is located. Broker has all power and authority required to execute, deliver and perform this Agreement. Broker has sufficient staff and other resources to carry out Broker’s duties hereunder in a prompt, efficient, and diligent manner;
- ii. The execution, delivery, and performance of this Agreement have been duly authorized by all necessary action on the part of Broker;
- iii. This Agreement constitutes a legal, valid, and binding agreement of Broker, enforceable against the Broker in accordance with its terms, except as limited by bankruptcy, insolvency, receivership and similar laws from time to time in effect; and

- iv. Broker have obtained and will maintain in good standing during the Term all licenses and permits necessary to legally and validly execute, deliver and perform this Agreement.

18. Termination.

- (a) This Agreement shall immediately terminate without penalty upon the occurrence of any of the following events:
 - i. Seller is required by final order of the Bankruptcy Court or other competent legal authority to surrender its authority to sell the Property or terminate this Agreement; or
 - ii. a legal event or unforeseen circumstance occurs which, in Seller's reasonable discretion and in good faith, requires the sale process to be suspended or stopped or this Agreement terminated; or
 - iii. The Bankruptcy Case is dismissed, converted, or otherwise materially altered such that Seller no longer has authority to sell the Property under this Agreement.
- (b) Notwithstanding any termination under this Section, Broker's right to commissions and fees pursuant to Section 9 shall survive termination to the extent such commissions are earned or deemed earned in accordance herewith as of the date of termination, including commissions payable on sales consummated after termination if such sales result from Broker's efforts during the Term as provided herein or within any applicable protection period set forth herein in accordance with the terms hereof.
- (c) Seller shall provide Broker with written notice describing in reasonable detail the legal event or circumstance triggering termination as soon as practicable.
- (d) Termination under this Section shall not relieve Seller from its obligations to cooperate with Broker to the extent reasonably necessary to effectuate any pending transaction or to pay commissions earned or due except as otherwise required by law, including pursuant to the bankruptcy proceeding.

19. Term: Protection Period.

- (a) Unless sooner terminated as provided in this Agreement, this Agreement shall terminate at the end of the Term.
- (b) This Agreement shall terminate automatically upon the Termination Date. Seller shall also have the right upon 10 days' prior written notice to terminate this Agreement as to one or more or all of the Properties. Upon termination of this Agreement as provided in this Section, Broker shall promptly deliver to Sellers all marketing materials and keys pertaining to the Premises in Broker's possession.
- (c) If Broker materially breaches this Agreement, Seller shall notify Broker in writing of such breach in reasonable detail. If Broker fails to cure such breach within 30 days of its receipt of such notice, then Sellers may, in addition to any other remedies that Sellers may have, terminate this Agreement (except as otherwise specifically provided) by written notice to Broker.
- (d) If this Agreement is terminated, Broker shall provide Seller with a list of prospective purchasers who have presented a written offer for the purchase of the Property during the

Term. If any purchaser and/or any party (or affiliate of parties, or anyone acting on such party's behalf, directly or indirectly) specified on such list execute a written Contract within 90 days after the Agreement termination then Broker shall be deemed to be the procuring cause and paid a fee in conjunction with such Contract according to the fees and timing set forth in Section 9. Broker shall have no right to a fee if any such Contract is executed after such 90-day period. Notwithstanding anything in this Agreement to the contrary, Section 9 shall survive any termination of this Agreement.

20. Negotiation and Construction. This Agreement and each of the terms and provisions hereof have been negotiated between the parties, and the language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either party.

21. Entire Agreement. This Agreement sets forth the entirety of the agreement between the parties regarding sale of the Property.

22. Counterparts. This Agreement may be executed in a number of counterparts and evidenced by facsimile, PDF format or similarly-imaged signatures, each of which will be deemed an original and all of which, when taken together, will constitute one and the same Agreement.

23. Seller Rights Preserved. Nothing in this Agreement shall modify or otherwise impact the rights, obligations, protections, or remedies that Seller is entitled to under the Bankruptcy Code and the Chapter 11 Case.

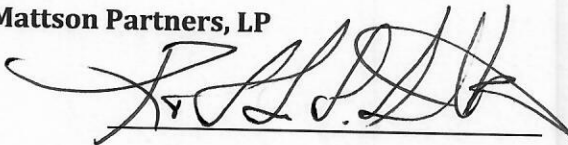
24. Bankruptcy Court Approval and Compliance. Seller shall be solely responsible for promptly seeking Bankruptcy Court's approval of this Agreement and the commissions specified herein. Seller shall use commercially reasonable efforts to obtain such approval as soon as reasonably practicable and shall keep Broker reasonably informed of the status of any related motions or proceedings. Broker shall cooperate in good faith with any filings or testimony reasonably required to support Seller's application for approval.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

Seller:

KS Mattson Partners, LP

By



Name:

Robbin L. Itkin

Title:

Responsible Individual

c/o Hogan Lovells US LLP, 1999
Avenue of the Stars, Suite 1400,
Los Angeles, CA 90067 (Attn:

Address:

Erin N. Brady)

By

Name:

Title:

Address:

Date:

Telephone: (310) 738-9561

Date:

Telephone:

Listing Broker:

Douglas Elliman of California, Inc.

By

DocuSigned by:
Whitney Benzian
254AE9369805463...

Name:

Whitney Benzian

Title:

Assigned Subagent

Address:

853 Camino Del Mar, Ste 100

Del Mar, CA 92014

Date:

8/16/2025

Telephone:

619-261-5374

EXHIBIT A
Property List

<u>Address</u>	<u>City</u>	<u>County</u>	<u>APN</u>	<u>List Price</u>
1834-1836 Ocean	Del Mar	San Diego	299-147-05	\$10,500,000
454 15th Street	Del Mar	San Diego	299-280-29	\$4,800,000
531 Camino del Mar	Del Mar	San Diego	300-331-14-01	\$3,995,000
533 Camino del Mar	Del Mar	San Diego	300-331-14-02	\$3,995,000

Exhibit A

Listing Agreement
KSMP- Douglas Elliman

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EXHIBIT B
Broker's Commission Matrix

Gross Commission to be paid by Seller

	Commission to Seller's Agent	Commission to Purchaser's Agent
Sale price is less than or equal to \$8 million	2.50%	1.50% (Commercial) 2.00% (Land) 2.00% (Residential) 1.50% (Mixed Use Comm)
Sale price exceeds \$8 million	2.00%	1.50% (all types)

Exhibit B

Listing Agreement
KSMP- Douglas Elliman