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*Attorneys for the Debtors and
 Debtors in Possession*

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re:

LEFEVER MATTSON, a California
 corporation, *et al.*,¹
 Debtors.

In re

KS MATTSON PARTNERS, LP,
 Debtor.

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

**NOTICE OF REVISED PROPOSED
 ORDER APPROVING MOTION OF
 DEBTORS FOR SALE OF CERTAIN
 REAL PROPERTY SERVING AS
 COLLATERAL FOR SOCOTRA
 CAPITAL, INC. FREE AND CLEAR OF
 LIENS, CLAIMS AND
 ENCUMBRANCES AND RELATED
 RELIEF**

[Related to Dkt. No. 2215]

Date: October 3, 2025

Time: 11:00 a.m.

Place: United States Bankruptcy Court
 1300 Clay Street, Courtroom 215
 Oakland, CA 94612

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/IM>

1 **TO: THE UNITED STATES BANKRUPTCY COURT, THE UNITED STATES TRUSTEE,**
2 **AND OTHER PARTIES IN INTEREST**

3 **PLEASE TAKE NOTICE** that on August 6, 2024, Windscape Apartments, LLC filed a
4 voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy
5 Code”) with the United States Bankruptcy Court for the Northern District of California (Santa
6 Rosa Division) (the “Bankruptcy Court”).

7 **PLEASE TAKE FURTHER NOTICE** that on September 12, 2024, LeFever Mattson, a
8 California corporation (“LeFever Mattson”), and 57 affiliated entities (the “September 12
9 Debtors”) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

10 **PLEASE TAKE FURTHER NOTICE** that on October 2, 2024, Pinewood
11 Condominiums, LP and Ponderosa Pines, LP, both affiliates of LeFever Mattson, filed voluntary
12 petitions for relief under chapter 11 of the Bankruptcy Code (the “October 2 Debtors,” and
13 collectively with Windscape Apartments, LLC and the September 12 Debtors, the “Debtors”).²
14 The bankruptcy cases of the Debtors are being jointly administered for procedural purposes only
15 (the “Chapter 11 Cases”).

16 **PLEASE TAKE FURTHER NOTICE** that on May 1, 2025, the court entered the *Order*
17 *Establishing Omnibus Procedures for Real Property Sales (Socotra Collateral)* [Dkt. No. 1381]
18 (the “Socotra Sale Order”).

19 **PLEASE TAKE FURTHER NOTICE** that on September 5, 2025, the Debtors filed the
20 *Motion of Debtors for Sale of Certain Real Property Serving as Collateral for Socotra Capital,*
21 *Inc. Free and Clear of Liens, Claims, and Encumbrances and Related Relief* [Dkt. No. 2215] (the
22 “Motion”).³ A proposed order was attached as Exhibit A to the Motion (the “Original Proposed
23 Order”).

24 **PLEASE TAKE FURTHER NOTICE** that the Debtors and Socotra, with the consent of
25 the Official Committee of Unsecured Creditors, have agreed on how to distribute the proceeds
26 from the sales proposed in the Motion and have agreed to revise the Original Proposed Order
27 accordingly.

28 **PLEASE TAKE FURTHER NOTICE** that attached hereto as Exhibit 1 is a revised
proposed order granting the Motion (the “Revised Proposed Order”).⁴ Attached hereto as Exhibit
2 is a redline comparison of the Revised Proposed order with the Original Proposed Order.

PLEASE TAKE FURTHER NOTICE that the Debtors reserve all rights to make further
changes to the proposed order or withdraw the Motion in whole or in part up to and during the
hearing on the Motion.

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² Unless otherwise indicated, “Debtors” as used herein excludes KSMP.

³ Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Motion.

⁴ Exhibits 1-6 to the Revised Proposed Order have not changed and therefore are not attached thereto. They will be attached to the version uploaded to the Court for entry on the docket.

1 **PLEASE TAKE FURTHER NOTICE** that a copy of the Motion can be viewed and/or
 2 obtained by: (i) accessing the Bankruptcy Court's website at <http://www.canb.uscourts.gov>,
 3 (ii) contacting the Office of the Clerk of the Court at 450 Golden Gate Avenue, San Francisco, CA
 4 94102, or (iii) from the Debtors' claims and noticing agent, KCC dba Verita Global, at the
 5 following web address: <https://www.veritaglobal.net/LM>, or by calling (877) 709-4751 (toll free)
 6 for U.S. and Canada-based parties; or (424) 236-7231 for International parties or by e-mail at:
 7 www.veritaglobal.net/lm/inquiry. Note that a PACER password is needed to access documents
 8 on the Bankruptcy Court's website.

9 Dated: October 1, 2025

KELLER BENVENUTTI KIM LLP

By: /s/ Gabrielle L. Albert

Gabrielle L. Albert

*Attorneys for the Debtors and Debtors in
 Possession*

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 SAN FRANCISCO, CALIFORNIA 94104

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EXHIBIT 1
(Revised Proposed Order)

KELLER BENVENUTTI KIM LLP
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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION**

In re:

LEFEVER MATTSON, a California
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Debtors.

In re

KS MATTSON PARTNERS, LP,

Debtor.

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**[PROPOSED] ORDER APPROVING
MOTION OF DEBTORS FOR SALE
OF CERTAIN REAL PROPERTY
SERVING AS COLLATERAL FOR
SOCOTRA CAPITAL, INC. FREE
AND CLEAR OF LIENS, CLAIMS
AND ENCUMBRANCES AND
RELATED RELIEF**

[Re: Dkt. No. 2215]

Date: October 3, 2025

Time: 11:00 a.m.

Place: United States Bankruptcy Court
1300 Clay Street, Courtroom 215
Oakland, CA 94612

Secured Lender: Socotra Capital, Inc.

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 Upon consideration of the *Motion of Debtors for Sale of Certain Real Property Serving as*
2 *Collateral for Socotra Capital, Inc. Free and Clear of Liens, Claims and Encumbrances and*
3 *Related Relief* (the “Motion”),² filed by Windscape Apartments, LLC (“Windscape”), Golden
4 Tree, LP (“Golden Tree”), Firetree I, LP (“Firetree I”), and Firetree III, LP (“Firetree III” and
5 together with Windscape, Golden Tree, and Firetree I, the “Sellers”); the Court having reviewed
6 the Motion and the Sharp, Brokers’, and Purchasers’ Declarations, and having considered the
7 statements of counsel and the evidence adduced with respect to the Motion at a hearing before the
8 Court (the “Hearing”); and the Court having found that (i) the Court has jurisdiction to consider
9 the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Order*
10 *Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 and Rule
11 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern
12 District of California; (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409;
13 (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); (iv) notice of the Motion and the
14 Hearing was sufficient under the circumstances; and after due deliberation the Court having
15 determined that the relief requested in the Motion is in the best interests of the Debtors, their
16 estates, and their creditors; and good and sufficient cause having been shown;

17 **IT IS HEREBY ORDERED THAT:**

- 18 1. The Motion is granted.
- 19 2. The proposed sale of the Napa Street Property located at 900 East Napa Street,
20 Sonoma, California to Mitchell B. Fong and Denise M. Walsh, pursuant to the terms of the Napa
21 Street Agreement attached hereto as Exhibit 1, is approved.
- 22 3. The Napa Street Purchasers’ offer was the highest and otherwise best offer for the
23 Napa Street Property.
- 24 4. The proposed sale of the 7th Street Property located at 19340 7th Street East,
25 Sonoma, California to Kyle Nagel, pursuant to the terms of the 7th Street Agreement attached
26 hereto as Exhibit 2, is approved.

27 _____
28 ² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

1 5. The 7th Street Purchaser's offer was the highest and otherwise best offer for the 7th
2 Street Property.

3 6. The proposed sale of the 2nd Street Property located at 424 2nd Street West,
4 Sonoma, California to Kevin Keiser and Julia Keiser, pursuant to the terms of the 2nd Street
5 Agreement attached hereto as Exhibit 3, is approved.

6 7. The 2nd Street Purchasers' offer was the highest and otherwise best offer for the
7 2nd Street Property.

8 8. The proposed sale of the Sonoma Highway Property located at 17700 Sonoma
9 Highway, Sonoma, California to Sean S. Payne, Trustee of the Sean S. Payne Trust Dated October
10 31, 2024, pursuant to the terms of the Sonoma Highway Agreement attached hereto as Exhibit 4,
11 is approved.

12 9. The Sonoma Highway Purchaser's offer was the highest and otherwise best offer
13 for the Sonoma Highway Property.

14 10. The proposed sale of the Arnold Drive Property located at 24321 Arnold Drive,
15 Sonoma, California to I Heart Sonoma, LLC, pursuant to the terms of the Arnold Drive Agreement
16 attached hereto as Exhibit 5, is approved.

17 11. The Arnold Drive Purchaser's offer was the highest and otherwise best offer for the
18 Arnold Drive Property.

19 12. The proposed sale of the Napa Road Property located at 1025 Napa Road, Sonoma,
20 California to I Heart Sonoma, LLC, pursuant to the terms of the Napa Road Agreement attached
21 hereto as Exhibit 6, is approved.

22 13. The Napa Road Purchaser's offer was the highest and otherwise best offer for the
23 Napa Road Property.

24 14. The Motion has been served on all Notice Parties.

25 15. Pursuant to the Motion and section 363(f) of the Bankruptcy Code, the sale of the
26 Properties to the respective Purchasers shall be free and clear of liens, claims and encumbrances
27 to the extent provided under the Bankruptcy Code, with any such liens or encumbrances of any
28

kind or nature to attach to the net proceeds of the sale in the order of their priority, with the same validity, force and effect which they had immediately prior to the sale as against such Property.

16. The Sellers shall pay directly from escrow the Closing Costs and other uncontested liens, if any, senior in priority to the liens of Socotra Capital Inc., on behalf of itself and any of its affiliates as lender and/or servicer (collectively, "Socotra").

17. At the close of the sale of each of the Properties, the Seller of such Property shall distribute the funds as follows:

a. 75% of the net sale proceeds after payment of Closing Costs (the "Net Sale Proceeds") up to the amount of the principal balance due under the applicable promissory note and deed of trust secured by the applicable Property shall be paid to Socotra with no restrictions on distribution; and

b. The remaining Net Sale Proceeds (the "Escrow Funds") shall be deposited in the segregated, interest-bearing escrow accounts at Axos Bank. The accounts shall be segregated by the selling entities. The Escrow Funds shall be held in escrow pending further order of the Court.

18. The Sellers are authorized to fully assume, perform under, consummate and implement the sale agreements and all additional instruments and documents that may be reasonably necessary or desirable to implement the sales, including the purchase and sale agreements and escrow instructions.

19. Pursuant to Bankruptcy Code sections 363(k) and 502(a), Socotra is prohibited from credit bidding for the Properties.

20. Pursuant to Bankruptcy Code section 365(a), the Sellers are authorized to assume the Leases identified in the Motion.

21. Pursuant to Bankruptcy Code section 365(f), the Sellers are authorized to assign the Leases to the Purchasers, as set forth in the Motion, and, pursuant to Bankruptcy Code section 365(k), the Sellers shall be relieved from any liability for any breach of the lease after such assignment, both effective upon the closing of such sale.

22. The Sellers, and any escrow agent upon the Sellers' written instruction, shall pay directly from escrow upon closing (i) all Closing Costs, including but not limited to, the real estate commission of the Brokers and FTI's advisory and transaction fee, subject to paragraph 11 of the *Order Authorizing Employment of FTI Consulting, Inc. as Real Estate Advisors, Effective as of November 12, 2024* [Dkt. No. 641], costs of sale, and escrow costs and (ii) any outstanding property taxes.

23. This Order shall be effective immediately upon entry, and any stay of orders provided for in Bankruptcy Rules 6004 or 6006 or any other provision of the Bankruptcy Code or Bankruptcy Rules is expressly lifted. The Sellers are not subject to any stay in the implementation, enforcement or realization of the relief granted in this Order, and may, in their discretion and without further delay, take any action and perform any act authorized under this Order.

24. Nothing contained in the Motion or this Order is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors; (ii) a waiver of the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors; (iii) a waiver of any claims or causes of action that may exist against any creditor or interest holder; or (iv) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy, other than those identified in the Motion, between the Debtors and any third party under section 365 of the Bankruptcy Code.

25. The Sellers are hereby authorized to take such actions and to execute such documents as may be necessary to implement the relief granted by this Order.

26. The Sellers are authorized to make non-substantive changes to the documents referenced herein without further order of the Court, including, without limitation, changes to correct typographical and grammatical errors and to make conforming changes among the aforementioned documents prior to their distribution.

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1 27. The Court retains exclusive jurisdiction with respect to all matters arising from or
2 related to the implementation, interpretation, and enforcement of this Order.

3 ** END OF ORDER **
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6 **APPROVED AS TO FORM:**

7 SHEPPARD, MULLIN, RICHTER & HAMPTON, LLP
8

9 By: /s/ Theodore A. Cohen
10 Theodore A. Cohen
11 Attorneys for Socotra Capital, Inc.

12 PACHULSKI, STANG, ZEIDL & JONES, LLP
13

14 By: /s/ Jason Rosell
15 Jason Rosell
16 Attorneys for the Official Committee of Unsecured Creditors
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EXHIBIT 2
(Redline Comparison)

KELLER BENVENUTTI KIM LLP
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4 Tree, LP (“Golden Tree”), Firetree I, LP (“Firetree I”), and Firetree III, LP (“Firetree III” and
5 together with Windscape, Golden Tree, and Firetree I, the “Sellers”); the Court having reviewed
6 the Motion and the Sharp, Brokers’, and Purchasers’ Declarations, and having considered the
7 statements of counsel and the evidence adduced with respect to the Motion at a hearing before the
8 Court (the “Hearing”); and the Court having found that (i) the Court has jurisdiction to consider
9 the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Order*
10 *Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 and Rule
11 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern
12 District of California; (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409;
13 (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); (iv) notice of the Motion and the
14 Hearing was sufficient under the circumstances; and after due deliberation the Court having
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25 15. Pursuant to the Motion and section 363(f) of the Bankruptcy Code, the sale of the
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27 to the extent provided under the Bankruptcy Code, with any such liens or encumbrances of any
28

kind or nature to attach to the net proceeds of the sale in the order of their priority, with the same validity, force and effect which they had immediately prior to the sale as against such Property.

16. The Sellers shall pay directly from escrow the Closing Costs and ~~any~~ other uncontested liens, if any, senior in priority to ~~that of Socotra's~~ the liens of Socotra Capital Inc., on behalf of itself and any of its affiliates as lender and/or servicer (collectively, "Socotra").

17. At the close of the sale of each of the Properties, the Seller of such Property shall ~~deposit~~ distribute the ~~balance~~ funds as follows:

a. 75% of the net sale proceeds after payment of Closing Costs (the "Net Sale Proceeds") up to the amount of the principal balance due under the applicable promissory note and deed of trust secured by the applicable Property shall be paid to Socotra with no restrictions on distribution; and

~~a.b.~~ The remaining Net Sale Proceeds (the "Escrow Funds") shall be deposited in the segregated, interest-bearing Escrow Accounts escrow accounts at Axos Bank, for 60 days from the Closing Date, subject to extension by. The accounts shall be segregated by the selling entities. The Escrow Funds shall be held in escrow pending further order of the Court.

~~17.18.~~ The Sellers are authorized to fully assume, perform under, consummate and implement the sale agreements and all additional instruments and documents that may be reasonably necessary or desirable to implement the sales, including the purchase and sale agreements and escrow instructions.

~~18.19.~~ Pursuant to Bankruptcy Code sections 363(k) and 502(a), Socotra is prohibited from credit bidding for the Properties.

~~19.20.~~ Pursuant to Bankruptcy Code section 365(a), the Sellers are authorized to assume the Leases identified in the Motion.

~~20.21.~~ Pursuant to Bankruptcy Code section 365(f), the Sellers are authorized to assign the Leases to the Purchasers, as set forth in the Motion, and, pursuant to Bankruptcy Code section 365(k), the Sellers shall be relieved from any liability for any breach of the lease after such assignment, both effective upon the closing of such sale.

1 21-22. The Sellers, and any escrow agent upon the Sellers' written instruction, shall pay
2 directly from escrow upon closing (i) all Closing Costs, including but not limited to, the real estate
3 commission of the Brokers and FTI's advisory and transaction fee, subject to paragraph 11 of the
4 *Order Authorizing Employment of FTI Consulting, Inc. as Real Estate Advisors, Effective as of*
5 *November 12, 2024* [Dkt. No. 641], costs of sale, and escrow costs and (ii) any outstanding
6 property taxes.

7 22-23. This Order shall be effective immediately upon entry, and any stay of orders
8 provided for in Bankruptcy Rules 6004 or 6006 or any other provision of the Bankruptcy Code or
9 Bankruptcy Rules is expressly lifted. The Sellers are not subject to any stay in the implementation,
10 enforcement or realization of the relief granted in this Order, and may, in their discretion and
11 without further delay, take any action and perform any act authorized under this Order.

12 23-24. Nothing contained in the Motion or this Order is intended to be or shall be construed
13 as (i) an admission as to the validity of any claim against the Debtors; (ii) a waiver of the Debtors'
14 or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any
15 claim against the Debtors; (iii) a waiver of any claims or causes of action that may exist against
16 any creditor or interest holder; or (iv) an approval, assumption, adoption, or rejection of any
17 agreement, contract, lease, program, or policy, other than those identified in the Motion, between
18 the Debtors and any third party under section 365 of the Bankruptcy Code.

19 24-25. The Sellers are hereby authorized to take such actions and to execute such
20 documents as may be necessary to implement the relief granted by this Order.

21 25-26. The Sellers are authorized to make non-substantive changes to the documents
22 referenced herein without further order of the Court, including, without limitation, changes to
23 correct typographical and grammatical errors and to make conforming changes among the
24 aforementioned documents prior to their distribution.

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**** END OF ORDER *****

By: /s/ Theodore A. Cohen
Theodore A. Cohen
Attorneys for Socotra Capital, Inc.

Case: 24-10545 Doc#: 2506-2 Filed: 10/01/25 Entered: 10/01/25 14:15:45 Page 7 of 7