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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.

**DECLARATION OF DAVID KIEFFER
 IN SUPPORT OF MOTION OF DEBTOR
 KSMP TO ESTABLISH PROCEDURES
 FOR REAL PROPERTY SALES**

Date: October 22, 2025
 Time: 11:00 a.m.
 Place: (In Person or Via Zoom)
 United States Bankruptcy Court
 1300 Clay Street, Courtroom 215
 Oakland, CA 94612

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 95621 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>.



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2 I, David Kieffer, hereby declare pursuant to 28 U.S.C. § 1746:

3 1. I am Senior Managing Director, Real Estate Services at Stapleton Group, a part of
4 J.S. Held, LLC ("Stapleton"), which is a well-respected and experienced provider of property
5 management consulting and financial advisory services, including turnaround consulting, fiduciary
6 roles, and financial restructuring services, with numerous offices throughout the country.

7 2. Stapleton serves as KS Mattson Partners, LP's ("KSMP" or "Debtor KSMP")
8 operations and asset manager in this chapter 11 case.

9 3. I personally have approximately over twenty years of experience in managing the
10 stabilization, repositioning, completion of construction, leasing, and disposition of real estate
11 assets. I frequently serve as a court-appointed receiver of real estate assets, and have significant
12 experience in handling the sale of complex real estate portfolios and real estate assets owned by
13 entities in financial distress or a formal insolvency process.

14 4. I make this declaration in support of the *Motion of Debtor KSMP to Establish*
15 *Procedures for Real Property Sales* (the "Motion"), filed contemporaneously herewith.²

16 5. Except as otherwise indicated, all facts set forth in this declaration are based upon
17 my personal knowledge; information supplied to me by Stapleton professionals working under my
18 supervision, Debtor KSMP's other professionals or professionals in the LeFever Mattson chapter
19 11 cases; or my opinion given my experience and knowledge of Debtor KSMP's assets. If called
20 upon to testify, I could and would testify competently to the facts set forth herein. I am authorized
21 by Debtor KSMP to submit this declaration.

22 6. Since the Responsible Individual assumed her responsibilities in mid-June 2025, she
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² Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Motion.

1 has identified at least 36 KSMP-owned properties,³ 25 of which are wholly owned and 11 of which
2 Debtor KSMP holds as tenant in common with a non-debtor party (the “TIC Properties”). That
3 number continues to grow as the investigation proceeds.

4 7. The Properties are located in cities across Northern California (including Sonoma,
5 Napa, Piedmont), Del Mar (in Southern California), with one property located in Oregon. The
6 Properties include a variety of property types, including commercial properties; purely residential,
7 single-family homes; mixed-use commercial and residential properties; vacant lots; vineyards and
8 commercial and residential vacant land.

9 8. A schedule of the Properties, including their addresses, KSMP’s known percentage
10 ownership in each Property, known secured lenders, and whether the properties are designated as
11 “Commercial” or “Residential” is attached as Exhibit 1.

12 9. KSMP has begun actively marketing assets, prioritizing those properties with the
13 greatest equity and the fewest complications (such as unencumbered properties and those without
14 tenants in common). At present, eighteen properties are listed, nine of which have received formal
15 offers.

16 10. Debtor KSMP and its professionals have designed a value maximizing strategy for
17 each asset, guided by a comprehensive marketing process. Stapleton has played an integral role in
18 this process, touring properties, conducting title research, assessing property conditions, identifying
19 local brokers, and providing strategic portfolio advice. With Stapleton’s guidance, Debtor KSMP
20 has retained five real estate brokers (the “Brokers”), each selected for their expertise in the relevant
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26 ³ Debtor KSMP has previously represented—based on then-available information—that it holds interests in
27 approximately 38 properties. Following additional title review and conferral with the LFM Debtors, Debtor
28 has determined that two of these parcels (343 and 393 Wilkerson Ave. in Perris) appear to be titled to
Windtree, LP (an LFM Debtor), not Debtor KSMP. The precise property count remains subject to change
pending ongoing investigation.

1 property types and markets, to broadly market the assigned Properties and attract qualified buyers.

2 11. Under KSMP's comprehensive marketing plan, the Brokers will employ both direct
3 outreach to prospective buyers and other brokers, as well as broad advertising on widely used listing
4 services appropriate to each asset type (for example, the Multiple Listing Service for one- to four-
5 unit residential property). Each Property will be marketed for a minimum of 21 days before a "call
6 for offers" is issued for those assets anticipated to generate strong demand. For other Properties,
7 the marketing period may be extended to ensure adequate market exposure.
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9 12. When multiple offers are received, Debtor KSMP will conduct a "best and final"
10 process, to identify the highest and best bid. That evaluation will consider not only price, but also
11 the prospective buyer's financial capacity, willingness to close and the timing of the proposed
12 transaction.
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14 13. I believe, based on my knowledge of Debtor KSMP's real property portfolio and my
15 industry experience in managing and disposing of real estate portfolios particularly in a distressed
16 context, that the Sale Procedures are necessary to expedite the sale process.
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18 14. The Sale Procedures are tailored to the nature of the Properties. Without such
19 procedures, potential buyers—especially for residential assets—may be deterred by the prospect of
20 repeated hearings or an unfamiliar bankruptcy auction process. Residential buyers, who are
21 generally less familiar with the bankruptcy process and more risk-averse, may decline to sign an
22 offer if they fear their "winning" bid could later be overbid after a long and unfamiliar court process.
23 The Sale Procedures address this risk by incorporating established market practices: brokers will
24 expose the properties to the market and conduct informal "mini-auctions" before contracts are
25 signed, ensuring competitive pricing consistent with ordinary business expectations.
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27 15. Commercial properties, by contrast, often involve larger, more complex transactions
28 that attract bidders more familiar with the bankruptcy process. The Commercial Sale Procedures

1 therefore include formal solicitation of overbids, auction mechanics, and optional stalking horse
2 protections.

3 16. In my opinion, based on my knowledge of KSMP's real estate portfolio, that
4 distinction between the LFM sale procedures, which distinguished small" and "large" assets based
5 on a \$5 million threshold, and the proposed Sale Procedures, which differentiate between
6 *residential* and *commercial* assets, regardless of value, is appropriate.

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8 17. This adjustment reflects the reality that Debtor KSMP's portfolio includes a number
9 of high-value residential properties. Residential buyers—unlike institutional or commercial
10 investors—are generally unwilling to participate in formal bankruptcy auctions, even for properties
11 above \$5 million. Imposing an auction process would likely depress bidding and deter participation.
12 For these assets, the Sale Procedures instead rely on robust out-of-court marketing consistent with
13 industry practice, followed by sale approval after filing a "Sale Notice" on a standard 21-day notice
14 period.

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16 18. For all commercial properties, regardless of proposed sale price, the Sale Procedures
17 track the LFM "Large Asset" model. They provide for solicitation of overbids, an auction if
18 competing bids are received, and optional stalking horse protections to ensure competitive bidding
19 and value maximization. These features are appropriate for the commercial context, where bidders
20 tend to be more familiar with the bankruptcy process and an auction process is both expected and
21 beneficial.

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1 19. In my opinion, the Sale Procedures will encourage fair market offers for the
2 Properties while preventing the sales price from being impeded by long delays in the bankruptcy
3 market.

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5 I declare under penalty of perjury that the foregoing is true and correct.

6 Executed October 1, 2025

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10 David Kieffer

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Exhibit 1

Exhibit 1

Address	City	State	KSMP Interest	Lender	Commercial/Residential Procedures
1014 1st St W, Sonoma, CA 95476	Sonoma	CA	100%	Socotra	Residential
1549 E Napa St, Sonoma, CA 95476	Sonoma	CA	100%	Flagstar Bank, Socotra	Residential
18010 Hwy 12, Boyes Hot Springs, CA 95476 ¹	Sonoma	CA	55%	None	Commercial
18275 Hwy 12, Sonoma Hwy, CA 95476	Sonoma	CA	100%	Socotra	Residential
18285 Sonoma Highway, Boyes Hot Springs	Sonoma	CA	100%	Socotra	Commercial
Arroyo Rd, Boyes Hot Springs	Sonoma	CA	100%	Socotra	Residential
320 Arroyo Rd, Boyes Hot Springs	Sonoma	CA	100%	Socotra	Residential
1834-1836 Ocean Front, Del Mar, CA 92014	San Diego	CA	100%	1) JP Morgan Chase, 2) BOFI, 3) Hampton Mortgage Grp	Residential
18590 Hwy 12, Boyes Hot Springs, CA 95476	Sonoma	CA	40%	Socotra	Commercial
19357 Hwy 12, Sonoma, CA 95476	Sonoma	CA	40%	Socotra	Commercial
22 Boyes Blvd, Boyes Hot Springs, CA 95476	Sonoma	CA	100%	John and Mary Metallinos Living Trust	Commercial
22666 Broadway, Sonoma, CA 95476	Sonoma	CA	42%	Socotra	Residential
230 E Napa St, Sonoma, CA 95476	Sonoma	CA	100%	Socotra	Residential
23105 Millerick Road, Sonoma	Sonoma	CA	100%	None	Residential
2500 Castle Rd, Sonoma, CA 95476	Sonoma	CA	100%	None	Residential
3003 Castle Rd, Sonoma, CA 95476	Sonoma	CA	100%	WE Alliance Secured Income Fund, LLC	Residential
3200 Castle Rd, Sonoma, CA 95476	Sonoma	CA	100%	None	Residential
405 London Way, Agua Caliente, CA 95476	Sonoma	CA	100%	ReProp Financial Mortgage Investors, LLC	Residential
414 W Napa St, Sonoma, CA 95476	Sonoma	CA	31.813%	Socotra	Commercial
415 Pacific Ave., Piedmont, CA 94611	Alameda	CA	100%	Socotra	Residential

¹ Highlighted properties are co-owned by KSMP and other owners. These properties will not be subject to the sale procedures absent consent from the applicable tenants in common.

Address	City	State	KSMP Interest	Lender	Commercial/Residential Procedures
443 Casabonne Lane, Sonoma, CA 95476	Sonoma	CA	100%	None	Residential
450G 1st Street East, Sonoma, CA 95476	Sonoma	CA	50%	Socotra	Commercial
450J 1st Street East, Sonoma, CA 95476	Sonoma	CA	60%	Socotra	Commercial
450 1st St E #A,B, K, Sonoma, CA 95476	Sonoma	CA	44%	Socotra	Commercial
454 15th Street, Del Mar, CA 92014	San Diego	CA	100%	Deutsche Bank	Residential
47 and 49 Natoma Street, Folsom, CA	Sacramento	CA	3.328%	Socotra	Commercial
531 Camino Del Mar, Del Mar, CA 92014	San Diego	CA	100%	1) Bank of New York, 2) Bank of America, 3) LAFM Loan Owners, LLC	Residential
533 Camino Del Mar, Del Mar, CA 92014	San Diego	CA	100%	1) Bank of New York, 2) Bank of America, 3) LAFM Loan Owners, LLC	Residential
62 Farragut Ave. #B, Piedmont, CA 94610 ²	Alameda	CA	100%	None	Residential
8340/8350 Auburn Blvd. Citrus Heights	Sacramento	CA	0.479%	Socotra	Commercial
856 4th St E, Sonoma, CA 95476	Sonoma	CA	100%	Socotra	Residential
904 Highway 121, Sonoma, CA 95476	Sonoma	CA	100%	None	Residential
969 Rachael Rd, Sonoma, CA 95476	Sonoma	CA	100%	Serene	Residential
5202 Gateway Plaza Dr, Benicia, CA 94510	Solano	CA	67%	None	Commercial
5234 Gateway Plaza Dr, Benicia, CA 94510	Solano	CA	100%	None	Commercial
4334 Clayton Rd, Ashland, OR 97520	Jackson	OR	100%	None	Residential