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UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF CALIFORNIA

SANTA ROSA DIVISION

In re LEFEVER MATTSON, Consolidated Debtor.	Case No. 24-10545 (HLB) (Substantively Consolidated) Chapter 11 **STIPULATION TO ALLOW CLAIM OF FIGUEROAS (CLAIM NO. 1199)**

Michael Goldberg, solely in his capacity as Plan Recovery Trustee of the Plan Recovery Trust (the "Trust") formed pursuant to the *Third Amended Chapter 11 Plan of Liquidation, As Modified* [Docket No. 4151] (the "Plan") in the above-captioned bankruptcy case (the "Chapter 11 Case") of consolidated debtor LeFever Mattson, a California corporation (the "Consolidated Debtor"),[1] on the one hand, and Paul J. Figueroa and Natalie Y. Figueroa (the "Figueroas" and with the Trust, the "Parties"), on the other, enter into this stipulation (the "Stipulation") and, by and through the undersigned counsel, hereby stipulate and as agree as follows:

[1] By order entered March 6, 2026, the Court entered the *Order Substantively Consolidating Consolidated Debtor and KSMP Investment Entities and Granting Related Relief* [Docket No. 3914] (the "Substantive Consolidation Order"), which substantively consolidated the estates of LeFever Mattson, a California corporation and its affiliated debtors (the "LFM Debtors"), KS Mattson Partners, LP ("KSMP" and, together with the LFM Debtors, the "Debtors") and three-KSMP affiliated entities (Perris Freeway Plaza, LP, Specialty Properties Partners, LP and Treehouse Investments, LP) (the "KSMP Investment Entities").

RECITALS

A. On August 6, 2024, September 12, 2024, and October 2, 2024,[2] the LFM Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code, commencing their jointly administered bankruptcy cases (the "LFM Chapter 11 Cases") in the United States Bankruptcy Court for the Northern District of California (the "Court"). On November 22, 2024 (the "KSMP Petition Date"), Debtor KSMP became subject to an involuntary petition for relief under chapter 11 of the Bankruptcy Code. On June 9, 2025, the Court entered the *Stipulated Order for Relief in an Involuntary Case* and subsequently appointed Robbin L. Itkin as the Responsible Individual in the KSMP chapter 11 case, effective as of June 16, 2025

B. On March 6, 2026, the Court entered the Substantive Consolidation Order, which substantively consolidated the estates of the LFM Debtors, KSMP, and the KSMP Investment Entities. On April 23, 2026, the Court entered its order [Docket No. 4225] (the "Confirmation Order") confirming the Plan.

C. On May 14, 2026, the Consolidated Debtor filed the *Notice of (I) Entry of Confirmation Order; (II) Effective Date of Third Amended Chapter 11 Plan of Liquidation, as Modified; and (III) Deadline Under the Plan and Confirmation Order to File Administrative Claims, Professional Fee Claims, and Rejection Claims* [Docket No. 4335] setting forth that, inter alia, the effective date of the Plan occurred on May 14, 2026 (the "Plan Effective Date").

D. On the Plan Effective Date, the Trust was formed pursuant to the terms and conditions of the Confirmation Order, the Plan, and that certain *Plan Recovery Trust Agreement*, dated May 14, 2026.

E. On February 12, 2025, the Figueroas filed a proof of claim against debtor LeFever Mattson, in the amount of $180,016.24, identified on the official claims register as claim no. 1199 ("Claim 1199").

F. Claim 1199 asserts a claim for breach of contract related to the sale of real property located at 5601 Walnut Ave, #4 in Orangevale, California (the "Property") and asserts an administrative claim for mortgage payments made by the Figueroas on account of a loan (the "Loan") secured by the Property.

G. On October 27, 2025, the Property was sold pursuant to a Court approved sale. *See* Docket No. 2594. The proceeds of the sale satisfied the Loan. As of the closing of the sale, the Figueroas had paid $10,151.54 in post-petition mortgage payments on account of the Loan.

NOW, THEREFORE, UPON THE FOREGOING RECITALS, WHICH ARE INCORPORATED AS THOUGH FULLY SET FORTH HEREIN, THE PARTIES STIPULATE AS FOLLOWS:

1. Effective Date. This Stipulation shall be effective upon entry of an order in the Chapter 11 Case approving the Stipulation (such date, the "Effective Date").

2. Allowed Claim. Upon the Effective Date, the Claim 1199 shall be deemed an allowed Administrative Claim, entitled to priority under 11 U.S.C. § 507(a)(2), in the amount of $10,151.54 (the "Allowed Claim Amount"), in full and final satisfaction of Claim 1199. The official claims agent is authorized to update the claims register to reflect the Allowed Claim Amount.

3. Representation. The Figueroas represent that they have not transferred Claim 1199 (or any portion thereof) that is subject of this Stipulation.

4. Mutual Releases.

a. Upon the Effective Date, the Trust hereby releases and discharges, to the fullest extent permitted by applicable law, the Figueroas from any and all claims, demands, proceedings, causes of action, rights to surcharge under the Bankruptcy Code, including all claims arising contemporaneously with or prior to the Effective Date, orders, judgments, obligations, contracts, agreements, costs, expenses (including attorneys' fees), debts and liabilities whatsoever, whether known or unknown, suspected or unsuspected, both at law and in equity, which the Trust now has, has ever had or may hereafter have against the Figueroas arising contemporaneously with or prior to the Effective Date. This release shall not include a release of claims to enforce the terms of this Stipulation.

b. Upon the Effective Date, the Figueroas, hereby release and discharge to the

[2] LFM Debtor, Windscape Apartments, LLC filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code on August 6, 2024. LFM Debtors Pinewood Condominiums, LP and Ponderosa Pines, LP each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code on October 2, 2024. The other fifty-eight LFM Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code on September 12, 2024.

fullest extent permitted by applicable law, the Consolidated Debtor, its estate, and the Trust, and each of their current attorneys, financial advisors, officers, directors, members, and managers (in each case in their capacity as current attorneys, financial advisors, officers, directors, members, or managers), and all persons acting by, through, under or in concert with any of them or that might be claimed to be jointly or severally liable with them including the Bankruptcy Court appointed Responsible Individual for KSMP by order dated June 24, 2025 (hereinafter collectively referred to as the "Debtor Released Parties") from any and all claims, demands, proceedings, causes of action, rights to surcharge under the Bankruptcy Code, orders, judgments, obligations, contracts, agreements, costs, expenses (including attorneys' fees), debts and liabilities whatsoever whether known or unknown, suspected or unsuspected, both of law and equity which any of the Figueroas now have, have ever had, or may hereafter have against the Debtor Released Parties arising contemporaneously with or prior to the Effective Date. This release shall not include (i) claims to enforce the terms of this Stipulation, including the allowance of Claim 1199 in the Allowed Claim Amount, or (ii) claims, if any, against Kenneth W. Mattson or Timothy J. LeFever.

c. Each Party acknowledges that it has carefully read and fully understands the provisions of this section. Each Party further acknowledges that it agrees to this general release knowingly and voluntarily and without duress, coercion, or undue influence. Each Party agrees that should it file a lawsuit in court or commence any similar legal proceeding that is found to be barred in whole or part by this general release, or take any position or assert any claim that is inconsistent with this general release, it will pay the legal fees incurred by or on behalf of the applicable released Party in defending those claims found to be barred or responding to any such inconsistent position or claim.

d. In connection with the releases contained in this section, each Party waives all rights it has or may have under any applicable state law, statute or ordinance, as well as under any other common law principles of similar effect, which prohibits the waiver of unknown claims, including California Civil Code Section 1542, which provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

e. Each Party acknowledges that it has had the opportunity to be advised by its legal counsel with respect to, and is familiar with, the provisions of California Civil Code Section 1542.

5. Enforceability. Notwithstanding the applicability of any Federal Rule of Bankruptcy Procedure to the contrary, the terms and provisions of this Stipulation shall immediately be effective and enforceable upon the Effective Date of this Stipulation.

6. Authority. Each person who executes this Stipulation by or on behalf of each respective Party warrants and represents that he or she is duly authorized and empowered to execute and deliver this Stipulation on behalf of such Party.

7. Binding Effect. This Stipulation shall be binding on and inure to the benefit of the Parties and their respective heirs, executors, administrators, successors, and permitted assigns. This Stipulation constitutes the entire agreement between the Parties and may not be amended or modified in any manner except by a writing signed by all of the Parties or their counsel.

8. Retention of Jurisdiction. The Court shall retain jurisdiction to resolve any and all disputes related to this Stipulation. Each Party irrevocably consents for all purposes of this Stipulation to the jurisdiction of the Court and agrees that venue is proper in the Court.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, and in agreement herewith, the Parties have executed and delivered this Stipulation as of the date last set forth below.

Dated: September 8, 2026

PACHULSKI STANG ZIEHL & JONES LLP

By: */s/ Brooke E. Wilson*
Debra I. Grassgreen
John D. Fiero
Jason H. Rosell
Brooke E. Wilson

Counsel to the Plan Recovery Trust

Dated: September 8, 2026

MILLER NASH LLP

By: */s/ Bernie Kornberg*
Bernie Kornberg

Attorneys for Creditor
Paul J. Figueroa and Natalie Y. Figueroa