

Tobias S. Keller (CA Bar No. 151445)
 David A. Taylor (CA Bar No. 247433)
 Thomas B. Rupp (CA Bar No. 278041)
 KELLER BENVENUTTI KIM LLP
 101 Montgomery Street, Suite 1950
 San Francisco, CA 94104
 Telephone: (415) 496-6723
 Facsimile: (650) 636-9251
 E-mail: tkeller@kbbkllp.com
 dtaylor@kbbkllp.com
 trupp@kbbkllp.com

*Counsel to LFM Debtors and
 Debtors in Possession*

Debra I. Grassgreen (CA Bar No. 169978)
 John D. Fiero (CA Bar No. 136557)
 Jason H. Rosell (CA Bar No. 269126)
 Steven W. Golden (admitted *pro hac vice*)
 PACHULSKI STANG ZIEHL & JONES LLP
 One Sansome Street, Suite 3430
 San Francisco, CA 94104
 Telephone: (415) 263-7000
 Facsimile: (415) 263-7010
 E-mail: dgrassgreen@pszjlaw.com
 jfiero@pszjlaw.com
 jrosell@pszjlaw.com
 sgolden@pszjlaw.com

*Counsel to the Official Committee
 of Unsecured Creditors*

Richard L. Wynne (CA Bar No. 120349)
 Erin N. Brady (CA Bar No. 215038)
 Edward J. McNeilly (CA Bar No. 314588)
 HOGAN LOVELLS US LLP
 1999 Avenue of the Stars, Suite 1400
 Los Angeles, California 90067
 Telephone: (310) 785-4600
 Facsimile: (310) 785-4601
 Email: richard.wynne@hoganlovells.com
 erin.brady@hoganlovells.com
 edward.mcneilly@hoganlovells.com

*Counsel for Debtor and Debtor in Possession
 KS Mattson Partners, LP*

**UNITED STATES BANKRUPTCY COURT
 NORTHERN DISTRICT OF CALIFORNIA
 SANTA ROSA DIVISION**

In re:

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

Debtors.

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

Chapter 11

**NOTICE OF FILING JOINT
 INVESTIGATION REPORT AND
 SUMMARY OF GLOBAL SETTLEMENT
 (EXHIBIT E TO THE DISCLOSURE
 STATEMENT)**

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 In re

2 KS MATTSON PARTNERS, LP,

3 Debtor.
4

5
6 **TO THE UNITED STATES BANKRUPTCY COURT, THE OFFICE OF THE UNITED STATES TRUSTEE, AND OTHER PARTIES IN INTEREST:**

7 **PLEASE TAKE NOTICE** that on August 6, September 12, and October 2, 2024, LeFever Mattson, a California corporation ("LeFever Mattson"), and 59 affiliated entities (together with LeFever Mattson, the "LFM Debtors")² each filed a voluntary petition for relief 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 (Santa Rosa Division) (the "Bankruptcy Court").

10 **PLEASE TAKE FURTHER NOTICE** that on November 22, 2024, KS Mattson Partners, LP ("KSMP" and, together with the LFM Debtors, the "Debtors") became subject to an involuntary petition for relief under chapter 11 of the Bankruptcy Code. On June 9, 2024, the Court entered the *Stipulated Order for Relief in an Involuntary Case* [KSMP Docket No. 131]. The above-captioned chapter 11 cases (the "Chapter 11 Cases") of the Debtors are being jointly administered for procedural purposes only.

14 **PLEASE TAKE FURTHER NOTICE** that the United States Trustee appointed an official committee of unsecured creditors (the "Committee," and together with the Debtors, the "Plan Proponents") in the Chapter 11 Cases on October 9, 2024 [Docket No. 135], amended its appointment on November 25, 2024 [Docket No. 368], and further amended its appointment on August 2, 2025 [Docket No. 2104].

17 **PLEASE TAKE FURTHER NOTICE** that on October 15, 2025, the Plan Proponents filed the *First Amended Joint Chapter 11 Plan of Liquidation* [Docket No. 2561] (the "Plan") and the *Amended Disclosure Statement in Support of First Amended Joint Chapter 11 Plan of Liquidation* [Docket No. 2567] (the "Disclosure Statement," and together with the Plan, as such documents may be further amended, modified, or supplemented, including all supplements, exhibits, and schedules thereto, the "Plan Documents").

20 **PLEASE TAKE FURTHER NOTICE** that, attached hereto as Exhibit 1, is the *Joint Investigation Report and Summary of Global Settlement* (the "Investigation Report"), which is Exhibit E to the Disclosure Statement. It is being filed separately because it is voluminous, however, it is a part of and incorporated into the Disclosure Statement in all respects.

23 **PLEASE TAKE FURTHER NOTICE** that a copies of any Plan Documents, including the Investigation Report and its exhibits, can be obtained at no cost by contacting counsel for the Committee at LMCommittee@pszjlaw.com or by visiting <https://www.veritaglobal.net/LM>.

28 ² Another affiliated entity, Live Oak Investments, LP ("Live Oak"), filed a chapter 11 petition on September 12, 2024. Live Oak is not a Plan Proponent, and the above-captioned counsel does not represent Live Oak; however, the Plan provides for the substantive consolidation of Live Oak with the other Debtors and its creditors and investors will be entitled to vote on the Plan.

1 Dated: October 15, 2025

2 **KELLER BENVENUTTI KIM LLP**

3 By: /s/ Thomas B. Rupp

4 Tobias S. Keller

5 David A. Taylor

6 Thomas B. Rupp

7 *Counsel to the LFM Debtors*

8 **PACHULSKI STANG ZIEHL & JONES LLP**

9 By: /s/ Jason H. Rosell

10 Debra Grassgreen

11 John D. Fiero

12 Jason H. Rosell

13 Steven W. Golden

14 *Counsel to the Committee*

15 **HOGAN LOVELLS US LLP**

16 By: /s/ Edward J. McNeilly

17 Richard L. Wynne

18 Erin N. Brady

19 Edward J. McNeilly

20 *Counsel to Debtor KS Mattson Partners, LP*

EXHIBIT 1

Joint Investigation Report

JOINT INVESTIGATION REPORT AND SUMMARY OF GLOBAL SETTLEMENT¹

On October 15, 2025, the LFM Debtors² (except for Live Oak), KSMP, and the Committee (the “Plan Proponents”) filed the *First Amended Joint Chapter 11 Plan of Liquidation* (the “Plan”), which provides for a global settlement (the “Global Settlement”) of the of the outstanding Claims asserted against and Equity Interests asserted in the LFM Debtors and KSMP (collectively, the “Debtors”) and the KSMP Investment Entities. The Global Settlement, which was negotiated by the Plan Proponents, provides for a “single pot,” such that all assets and liabilities of all Debtors and the KSMP Investment Entities are pooled and consolidated for distribution purposes (“Substantive Consolidation”).

This *Joint Investigation Report and Summary of Global Settlement* (this “Investigation Report”) summarizes the facts and law supporting two key elements of the Plan: (i) the Debtors’ estates and the KSMP Investment Entities should be subject to Substantive Consolidation and (ii) the Court should find that the Debtors and the KSMP Investment Entities were operated as a Ponzi scheme (the “Ponzi Finding”). As discussed in detail herein, for decades, Mattson controlled the Debtors and the KSMP Investment Entities as a single enterprise—disregarding their separate corporate forms—and caused them to engage in fraudulent activities and transactions (collectively, the “Mattson Transactions”). The Mattson Transactions took many forms, including the sale of fictitious interests in many of the Debtors and the KSMP Investment Entities; the transfer of vast sums of money between and among LFM, KSMP, other Debtors, and the KSMP Investment Entities; and the transfer among the Debtors of properties encumbered with high-interest loans.

As a result of Mattson’s years of malfeasance, the business and financial affairs of all of the Debtors and the KSMP Investment Entities are so intertwined and poorly documented as to render the exercise of disentangling their affairs overwhelmingly costly—and likely futile. The Plan Proponents believe that forensic reconstruction of each of the individual Debtors’ and the KSMP Investment Entities’ finances and reconciliation of Investor claims against each of them—as would be required to develop an individual plan of liquidation for each Debtor—would substantially delay any recoveries to Investors and be so costly as to materially reduce, if not eliminate, any such recovery. Accordingly, as explained further below, the Plan Proponents propose Substantive Consolidation of the Debtors and the KSMP Investment Entities.

The Mattson Transactions also amounted to a Ponzi scheme—a form of investment fraud characterized by the perpetrator’s payment of old investors with money invested by new ones. Mattson effected his Ponzi scheme, in large part, through a bank account (the “1059 Account”) that he controlled and that he maintained separately from LFM’s accounting system. From May 2017 through the Petition Date, Mattson induced Investors to deposit over \$104 million into the 1059 Account. Rather than allocate those funds to the specific Debtors and the KSMP Investment Entities in which the Investors believed they were investing, Mattson commingled the 1059

¹ The Plan Proponents may update or supplement this Investigation Report prior to solicitation of the Disclosure Statement.

² Capitalized terms used but not defined herein are intended to have the meanings ascribed to them in the *Amended Disclosure Statement in Support of First Amended Joint Chapter 11 Plan of Liquidation* (the “Disclosure Statement”), filed on October 15, 2025.

Account funds and used them in a variety of improper ways, including by making over \$70 million in payments to Investors. Mattson’s misuse of the 1059 Account—and similar misuse of KSMP’s 1380 Account (as defined below)— alone supports the Ponzi Finding.

* * *

This Investigation Report is divided into three sections. **Section I** summarizes the relevant law with respect to settlements under Bankruptcy Rule 9019 (“Rule 9019 Settlements”), Substantive Consolidation, and the Ponzi Finding. **Section II** summarizes facts discovered in the Joint Investigation that bear on Substantive Consolidation and the Ponzi Finding. Finally, **Section III** sets forth the Plan Proponents’ conclusions regarding Substantive Consolidation and the Ponzi Finding and their rationale for the proposed Global Settlement.

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6	Jackson Street Apartments (500 Jackson Street, Fairfield)
7	Marpel Apartments (501 – 523 Carpenter Street, Fairfield)
8	Sharis Apartments (453 Fleming Avenue E, Vallejo)
9	Shelfield Apartments (5800 Fair Oaks Boulevard, Carmichael)
10	Walnut Crest Apartments (3217 Walnut Avenue, Carmichael)
11	2280 Bates Avenue, Concord
12	333 – 411 Wilkerson Avenue, Perris
13	Vaca Villa Apartments (370 Butcher Road, Vacaville)
14	Woodcreek Plaza (7456 Foothills Boulevard, Roseville)
15	Comstock Building (8340/8350 Auburn Boulevard, Citrus Heights)
16	Folsom Village (47 – 49 Natoma Street, Folsom)
17	Southwood Apartments (410 Buck Avenue, Vacaville)
18	Redwoods Apartments (2805 Yosemite Boulevard, Modesto)
19	300 Chadbourne Road, Fairfield
20	Pinewoods Apartments (1995 Grande Circle, Fairfield)
21	Spring Glenn Apartments (555 Elmira Road, Vacaville)
22	Country Oaks Apartments (333 E. Enos Drive, Santa Maria)
23	Boulder Springs Apartments (3515 W. San Jose Avenue, Fresno)
24	Carmichael Gardens Apartments (4247 Hackberry Lane, Carmichael)
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I. SUMMARY OF RELEVANT LEGAL PRINCIPLES

A. Settlements Under Bankruptcy Rule 9019

Compromises are generally favored in bankruptcy matters because compromises avoid the expenses and burdens associated with litigation.³ A bankruptcy court can approve a compromise in one of two ways: (1) by including the compromise in a bankruptcy plan, which the court can approve as part of confirming that plan⁴ or (2) through a separate request and hearing under Bankruptcy Rule 9019.⁵

A bankruptcy court's "role in approving any settlement under Rule 9019 is limited. Rather than an exhaustive investigation or a mini-trial on the merits, [a] court need only find that the settlement was negotiated in good faith and is reasonable, fair and equitable."⁶ To make such a determination, the court looks at four factors: (a) the likely outcome if the dispute went to trial; (b) the challenges of collecting any judgment; (c) how complex, costly, or time-consuming the litigation would be; and (d) the best interest of creditors and their reasonable views.⁷ Not every factor must be met, so long as, taken together, the factors as a whole support approving the settlement.⁸

B. Substantive Consolidation

The main purposes of substantive consolidation are to "ensure the equitable treatment of all creditors" and to prevent debtors from unfairly putting assets out of reach by shifting them among separate, but related, entities.⁹ Substantive consolidation accomplishes these purposes by combining "the assets and liabilities of separate and distinct—but related—legal entities into a single pool and treat[ing] them as though they belong to a single entity."¹⁰ All creditor claims are

³ See, e.g., *Means v. Farmer (In re Means)*, 2012 U.S. Dist. LEXIS 62456, at *9 (C.D. Cal. May 3, 2012) (citing cases).

⁴ *Arden v. Motel Partners (In re Arden)*, 176 F.3d 1226, 1228 (9th Cir. 1999) (citing 11 U.S.C. § 1123(b)(3)(A)).

⁵ Fed. R. Bankr. P. 9019(a).

⁶ *In re Pac. Gas & Elec. Co.*, 304 B.R. 395, 416-17 (Bankr. N.D. Cal. 2004) (citing *In re A&C Props.*, 784 F.2d 1377, 1381 (9th Cir. 1986)).

⁷ *Arden*, 176 F.3d at 1228 (quoting *A&C Props.*, 784 F.2d at 1381).

⁸ *PG&E*, 304 B.R. at 417.

⁹ *Alexander v. Compton (In re Bonham)*, 229 F.3d 750, 764 (9th Cir. 2000 (quoting *In re Augie Restivo Baking Co.*, 860 F.2d 515, 518 (2d Cir. 1988)) ("Without the check of substantive consolidation, debtors could insulate money through transfers among inter-company shell corporations with impunity.").

¹⁰ *Id.*; see also *Leslie v. Mihranian (In re Mihranian)*, 937 F.3d 1214, 1216 (9th Cir. 2019) (approvingly quoting *Bonham*).

then satisfied from this single pool,¹¹ and all claims between and among the consolidated entities are extinguished.

Beyond ensuring fairness to creditors, substantive consolidation is also necessary when related companies are so mixed together that they cannot realistically be separated without great cost and effort. Substantive consolidation of separate but related legal entities is appropriate where those entities are so “hopelessly entangled” that “the time and expense necessary even to attempt to unscramble [them] is so substantial as to threaten the realization of any net assets for all the creditors’ or where no accurate identification and allocation of assets is possible.”¹² In other words, “hopeless entanglement” of separate entities occurs when those entities are so severely and extensively intertwined that it would require extraordinary effort, significant time, and great expense—if it could be accomplished at all—to present accurate intercompany balances on a legal entity basis.

In evaluating whether to substantively consolidate entities, courts must “balance the benefits that substantive consolidation would bring against the harms that it would cause.”¹³ This does not mean that every single creditor must benefit, but only that the creditor body as a whole does.¹⁴ There is no fixed rule on whether the court should focus on the number of creditors or the total dollar of their claims when assessing the benefits of substantive consolidation on the creditor body. Instead, the court must make this determination “with an eye towards ‘fairness to all creditors,’” not just who is most numerous or owed the most.¹⁵

¹¹ *Bonham*, 229 F.3d at 764 (“The consolidated assets create a single fund from which all claims against the consolidated debtors are satisfied; duplicate and inter-company claims are extinguished; and, the creditors of the consolidated entities are combined for purposes of voting on reorganization plans.”); *see also Mihranian*, 937 F.3d at 1216 (approvingly quoting *Bonham*).

¹² *Bonham*, 229 F.3d at 766 (quoting *Augie/Restivo*, 860 F.2d at 519).

¹³ *Bank of Am. v. CD-04 Inc. (In re Owner Mgmt. Serv.*, 530 B.R. 711, 723–24 (Bankr. C.D. Cal.) (citing *Bonham*, 229 F.3d at 765), *aff’d*, 2015 U.S. Dist. LEXIS 152622 (C.D. Cal. Nov. 6, 2015); *see also In re Gyro-Trac (USA), Inc.*, 441 B.R. 470, 488 (Bankr. D.S.C. 2010) (“Substantive consolidation will not affect distributions to [Investors] but will actually facilitate implementation of Debtor’s Plan and will allow [Investors] to be paid more efficiently. Allowing consolidation will also eliminate substantial confusion for [Investors] in determining who to look to for distributions and will ensure that creditors are paid using the reorganized debtor’s combined resources.”).

¹⁴ *Owner Mgmt. Serv.*, 530 B.R. at 739 (citing *In re Stayton SW Assisted Living*, 2009 U.S. Dist. LEXIS 119186, at *12 (D. Ore. Dec. 22, 2009)).

¹⁵ *Branch Banking & Tr. v. Shapiro (In re R&S St. Rose Lenders*, 756 F. App’x 731, 733 (9th Cir. 2019) (quoting *Bonham*, 229 F.3d at 765); *Team Spirit Am. v. Kriegman (In re LLS Am.)*, 2012 Bankr. LEXIS 2603, at *31 (BAP 9th Cir. June 5, 2012) (“The primary purpose of substantive consolidation is to ensure the equitable treatment of all creditors.”) (quoting *Bonham*, 229 F.3d at 764); *Stayton SW Assisted Living*, 2009 U.S. Dist. LEXIS 119186, at *12 (allowing substantive consolidation and finding that the language “benefit of all creditors” does not mean each and every creditor but the creditor body as a whole).

C. Ponzi Schemes

1. What Is a Ponzi Scheme?

A Ponzi scheme is a fraud where earlier investors are paid not from actual investment returns,¹⁶ but with money collected from new investors. A fraudster “‘borrow[s] from Peter to pay Paul’ because the fraud consists of funneling money from new investors to pay old investors while cultivating the illusion of a legitimate profit-making business.”¹⁷ By its very nature, a Ponzi scheme must eventually fail because there is not an infinite pool of new investors.¹⁸

A Ponzi scheme has two essential elements: (1) the funneling of money from new investors to pay old investors and (2) the absence of any genuine profit-making business that could sustain the returns being made to investors.¹⁹ However, a Ponzi scheme need not be “asset-free”—in fact, nearly all Ponzi schemes (including the original one perpetrated by Charles Ponzi) have some real, valuable assets and some level of legitimate business operations.²⁰ The issue is whether those assets are *sufficient* to generate the returns promised to investors.²¹

¹⁶ See, e.g., *Wyle v. C.H. Rider & Family (In re United Energy Corp.)*, 944 F.2d 589, 590 n.1 (9th Cir. 1991) (“A Ponzi scheme is a fraudulent arrangement in which an entity makes payments to investors from monies obtained from later investors rather than from any ‘profits’ of the underlying business venture. The fraud consists of funneling proceeds received from new investors to previous investors in the guise of profits from the alleged business venture, thereby cultivating an illusion that a legitimate profit-making business opportunity exists and inducing further investment.”) (citing cases).

¹⁷ *Kirkland v. Rund (In re EPD Inv. Co.)*, 114 F.4th 1148, 1156 (9th Cir. 2024) (quoting *Winkler v. McCloskey*, 83 F.4th 720, 723 n.1 (9th Cir. 2023); citing *United States v. Rasheed*, 663 F.2d 843, 849 n.1 (9th Cir. 1981)).

¹⁸ *Id.*

¹⁹ *Id.* at 1159; see also *Hayes v. Palm Seedlings Partners-A (In re Agric. Research & Tech Grp.)*, 916 F.2d 528, 536 (9th Cir. 1990) (“Distributing funds to earlier investors from the receipt of monies from later investors is the hallmark of Ponzi schemes.”).

²⁰ See, e.g., *Pergament v. Torac Realty, LLC (In re Diamond Fin. Co.)*, 658 B.R. 748, 768 (Bankr. E.D.N.Y. 2024) (“The presence of a legitimate business will not defeat the finding of a Ponzi scheme.”) (citing cases); *In re Bonham*, 251 B.R. 113, 135–36 (Bankr. D. Alaska 2000) (“most Ponzi schemes have a least a semblance, if not a somewhat substantial, operating ‘front’”); *LLS Am.*, 2013 Bankr. LEXIS 2684, at *24 (“The scheme is always founded upon some legitimate business enterprise, whether that enterprise actually exists or is only a ‘sham’ which exists only in the mind of the perpetrator.”); see also *SEC v. Helms*, 2015 U.S. Dist. LEXIS 29149, at *21 (W.D. Tex. Mar. 10, 2015) (“The likelihood that Vendetta Partners conducted some legitimate business operations does not counteract the existence of a Ponzi scheme because the distributions to investors were nevertheless funded by other investors’ money.”) (citing cases).

²¹ See, e.g., *Gillman v. Geis (In re Twin Peaks Fin. Servs.)*, 516 B.R. 651, 655 (Bankr. D. Utah 2014) (“If the debtor’s legitimate business operations cannot fund the promised returns to investors, and the payments to investors are funded by newly attracted investors, then the debtor is operating a Ponzi scheme.”); *In re Taubman*, 160 B.R. 964, 978 (Bankr. S.D. Ohio 1993) (“As a result of the absence of sufficient, or any, assets able to generate funds necessary to pay the promised returns,

2. The “Ponzi Scheme Presumption”

In bankruptcy cases, the primary way to recover money for defrauded investors is through the fraudulent transfer provisions of the Bankruptcy Code and state law (the “Fraudulent Transfer Laws”). Specifically, lawsuits known as “Clawback Actions” are brought under the Fraudulent Transfer Laws to “claw back” the false returns paid to earlier investors (the “net winners”) so that the available funds can be shared with later investors (the “net losers”), who received little to no returns at all. The most common Clawback Action in Ponzi scheme bankruptcies is an “actual fraudulent transfer” claim, which can be brought under section 548(a)(1)(A) of the Bankruptcy Code and, by virtue of section 544 of the Bankruptcy Code, applicable state law.²²

To establish and recover on an “actual fraudulent transfer” under the Fraudulent Transfer Laws, the plaintiff in a Clawback Action must prove that the transferor (i.e., the perpetrator) made the transfer with the “actual intent” to hinder, delay, or defraud. In the context of a Ponzi scheme, however, courts apply what is known as the Ponzi scheme presumption:²³ “the mere existence of a Ponzi scheme is sufficient to establish actual intent under” the Fraudulent Transfer Laws.²⁴

Because of the importance of this presumption, bankruptcy courts must carefully weigh the evidence in determining whether a Ponzi scheme existed in the first place. To make that determination, courts apply *objective* criteria rather than probing the *subjective intent* of the perpetrator or investors. Some courts use a four-factor test that “considers whether (1) deposits were made by investors; (2) the debtor conducted little or no legitimate business operations as represented to investors; (3) the purported business operation of the debtor produced little or no profits or earnings; and (4) the source of payments to investors was from cash infused by new investors.”²⁵ Other courts “have identified badges that weigh in favor of finding a Ponzi scheme, including (1) the absence of any legitimate business connected to the investment program; (2) the unrealistic promises of low risk and high returns; (3) commingling investor money; (4) the use of agents and brokers paid high commissions to perpetuate the scheme; (5) misuse of investor funds;

the success of such a scheme guarantees its demise because the operator must attract more and more funds, which thereby creates a greater need for funds to pay previous investors, all of which ultimately causes the scheme to collapse.”).

²² Another type of Clawback Action, which can be brought under both section 548(a)(1)(B) of the Bankruptcy Code and, by virtue of section 544 of the Bankruptcy Code, applicable state law, is the “constructive fraudulent transfer” action. Because Ponzi schemes are usually addressed through “actual fraudulent transfer” actions, this Investigation Report does not discuss the elements of “constructive fraudulent transfer” Clawback Actions.

²³ See, e.g., *EPD*, 114 F.4th at 1158; see also *Bear, Stearns Sec. Corp. v. Gredd (In re Manhattan Inv. Fund)*, 397 B.R. 1, 8 (S.D.N.Y. 2007), *aff’d*, 328 F. App’x 709 (2d Cir. 2009).

²⁴ *AFI Holding, Inc. v. Mackenzie*, 525 F.3d 700, 704 (9th Cir. 2008) (quoting *In re Agric. Research*, 916 F.2d at 535).

²⁵ *EPD*, 114 F.4th at 1159 (citing cases).

(6) the payment of excessively large fees to the perpetrator; and (7) the use of false financial statements.”²⁶

Courts have identified other threads that are commonly found in Ponzi schemes. For example, Ponzi schemes may:

- feature the “rolling over” of investments;²⁷
- involve “several related entities with multiple confusing and ultimately unjustifiable intercompany transfers;”²⁸
- involve the perpetrator “mischaracteriz[ing] the nature of their investment opportunities and any risk associated with making an investment”;²⁹ and
- lack audited or complete financials.³⁰

3. Consequences of the Ponzi Scheme Presumption

Broadly speaking, there are two consequences to investors in a Ponzi scheme. The first, which flows from the fact that when “innocent victims gave money to [a Ponzi scheme perpetrator], they were not actually investors, but rather tort creditors with a fraud claim,”³¹ concerns how an investor’s claim is calculated. The second relates to Clawback Actions that may be brought against certain investors.

First, when calculating an investor’s claim against a Ponzi scheme, bankruptcy courts usually split an investor’s claim into two parts. “The ‘A’ claim represents on a cash-in/cash-out basis the difference, if any, between what an investor actually invested, lent, or gave to the Debtor, *minus* the total he or she received back at any time. The ‘B’ portion consists of all profit, interest, return of principal, punitive damages, multiple damages, or any amount in excess of actual

²⁶ *Id.*

²⁷ See, e.g., *LLS Am.*, 2013 Bankr. LEXIS 2684, at *28 (citing cases); see also *Taubman*, 160 B.R. at 987 (“To acquire the funds to make the promised returns to existing investors, the Debtor induced new investors to provide her with funds or induced existing investors to reinvest or rollover their prior investments, or, in some cases, increase their existing investments, all allowing the Debtor [to] forego paying her existing obligations.”).

²⁸ *LLS Am.*, 2013 Bankr. LEXIS 2684, *23–24 (citing cases).

²⁹ *Wing v. Dockstader*, 2010 U.S. Dist. LEXIS 128571, at *11 (D. Utah Dec. 3, 2010)

³⁰ *In re Petters Co.*, 495 B.R. 887, 913 (Bankr. D. Minn. 2013); see also Kathy Bazoian Phelps & Steven Rhodes, *The Ponzi Book: A Legal Resource for Unraveling Ponzi Schemes* § 1.05 (2012).

³¹ *Donell v. Kowell*, 533 F.3d 762, 774–75 (9th Cir. 2008); see also *Scholes v. Lehmann*, 56 F.3d 750, 754 (7th Cir. 1995) (“The limited partners were tort creditors of the corporations from which they had been inveigled into buying limited-partner interest, and were of course [] harmed.”).

pecuniary loss. The ‘B’ claims shall receive distribution only after all ‘A’ claims have been paid in full.”³²

Second, as to Clawback Actions, “the general rule is that to the extent innocent investors have received payments in excess of the amounts of principal that they originally invested, those payments are avoidable as fraudulent transfers.”³³ In determining the extent to which an investor in a Ponzi scheme is liable in a Clawback Action, courts follow a two-step process. First, the court determines *whether the investor is liable* by netting amounts transferred by the Ponzi scheme perpetrator to the investor against the initial amount invested by that individual (the “Netted Amount”).³⁴ If the Netted Amount is a positive number, liability has been established.³⁵ Second, if the investor is determined to be liable (i.e., has a positive Netted Amount), the court has to determine *the amount of liability*. Good-faith investors are permitted to retain payments up to the amount they invested and are only liable to repay the “profits” they received, subject to the applicable statute of limitations.³⁶

³² *Taubman*, 160 B.R. at 982.

³³ *Donell*, 533 F.3d at 770.

³⁴ *Id.* at 771.

³⁵ *Id.* at 771–72.

³⁶ *Id.* at 772.

II. SUMMARY OF FINDINGS OF JOINT INVESTIGATION

As explained in the Disclosure Statement, the Committee and the LFM Debtors began the Joint Investigation into the Mattson Transactions, which KSMP later joined. To carry out this investigation, the Committee issued 30 subpoenas that were approved by the Court,³⁷ and also collected information informally from various parties (including the LFM Debtors) (collectively, the “Third-Party Discovery”). Together, this discovery process has produced over **1.2 million documents**, consisting of more than **5 million pages**, as of October 1, 2025. The below chart summarizes the Third-Party Discovery obtained by the Committee as of October 1, 2025:

Producing Party	No. of Documents	No. of Pages
LFM Debtors	960,260	3,642,398
Mattson Parties ³⁸	70,902	458,699
Tim LeFever	91,208	313,537
BMO	315	22,388
Other Depository Banks	67	5,902
Socotra	30,832	187,240
Other Third Party Lenders ³⁹	9,994	47,051
IRA Custodians ⁴⁰	39,834	132,817
Closing Agents ⁴¹	25,719	203,740
1031 Exchange Intermediaries ⁴²	2,965	27,274

A. Summary of Evidence Supporting Substantive Consolidation

As detailed below and in the KSMP Sub Con Motion⁴³ and supporting declarations,⁴⁴ for decades, Mattson controlled and used the Debtors, the KSMP Investment Entities, and their Properties to engage in the fraudulent Mattson Transactions. His fraudulent activities left the business and financial affairs of the Debtors and the KSMP Investment Entities so intertwined that trying to separate them would be enormously expensive, complicated, and time-consuming—and

³⁷ See Docket Nos. 396, 398, 501, 604-12, 805, 827-32, 835, 1004, 1008-09, 1170, 1224, 1372-73.

³⁸ The “Mattson Parties” are KS Mattson Company, LLC; KSMP; the KSMP Investment Entities; Specialty Sales Global, Inc.; Kenneth Mattson; and Stacy Mattson.

³⁹ The “Other Third Party Lenders” are California Bank of Commerce, Citizens Business Bank, Comerica Bank, Duggans Mission Chapel, Frank Bragg Revocable Trust, Freddie Mac, Greystone, JPMorgan Chase, Leland McAbee, Mr. Cooper, PHH, Select Portfolio Services, Wilmington Trust, and Wells Fargo.

⁴⁰ The IRA Custodians are Madison Trust, Provident, and Pacific Premier.

⁴¹ The “Closing Agents” are Fidelity National Title Co., Stewart Title, and First American Title Co.

⁴² The “1031 Exchange Intermediaries” are IPX and First American Exchange Co.

⁴³ The KSMP Sub Con Motion can be found at Docket No. 1585 in the LFM Cases.

⁴⁴ The declarations submitted in support of the KSMP Sub Con Motion can be found at Docket No. 1586 (First Golden Declaration), Docket No. 1713 (Jeremiassen Declaration), Docket No. 1715 (Second Golden Declaration), and Docket No. 1716 (Rivera Declaration), each in the LFM Cases.

likely impossible. Without Substantive Consolidation, as explained in Section III.A of this Investigation Report, two difficult and costly exercises would be required: (a) a forensic reconstruction of each Debtor's assets and liabilities (if doing so is even possible) (the "Forensic Reconstruction") and (b) an "Investor Claim Reconciliation," where each Investor Claim would have to be factually and legally reconciled to a specific Debtor or Debtors, often through litigation. These efforts would delay recoveries for years and consume so many resources that the value available to Investors would be sharply reduced. ***The Plan Proponents believe that Substantive Consolidation avoids these costs and delays, allowing recoveries to be delivered to Investors more quickly and fairly.***

1. The Debtors' Books and Records

To understand why and how the Debtors, KSMP, and the KSMP Investment Entities are so entangled, it is necessary to understand the Debtors' background, organization, and structure as well as how the Debtors' books and records were (and were not) kept.

a. The LFM Debtors' Records

When LFM began in the late 1990s, its business model was to co-invest in Properties with tenant in common owners ("TICs") as Investors. The Properties were managed by Home Tax Services of America, Inc. d/b/a LeFever Mattson Property Management ("LMPM")⁴⁵ under a property management agreement with the relevant TICs (a "Property Management Agreement"), which required LMPM to maintain each Property and its financial records. To maintain the financial records, starting in 2000, LMPM used a real estate management and accounting software called Yardi, with its accounting staff applying "property codes" in Yardi ("Yardi Property Codes") to track each debit and credit.

When LMPM first began using Yardi, the then-existing LFM Debtors typically held Properties as co-tenancies with TICs. Accordingly, LMPM maintained the LFM Debtors' general ledgers in Yardi on a Property-by-Property basis, using Yardi Property Codes tied to each individual Property. As the Investment Vehicles shifted from TICs to Entity structures (i.e., LPs and LLCs), most Debtor Entities owned a single Property and LMPM continued to maintain ledgers on a Property level. When the LFM Debtors started to acquire multiple Properties within a single Entity, LMPM started establishing codes in Yardi for Entities as well ("Yardi Entity Codes" and, together with Yardi Property Codes, "Yardi Codes"), resulting in ledgers being maintained at both the Property and Entity level. Over the course of the last twenty-five years, LMPM has used over 950 Yardi Codes. As discussed below, because the LFM Debtors' records were maintained on a Property basis, it is more difficult to trace and unwind transactions at the Entity level for each of the Debtors.

The broader problem, however, is that the LFM Debtors' financial records are incomplete in two material respects. First, LMPM did not maintain any of the books and records of nine of

⁴⁵ LMPM was formed in 1991 to provide tax preparation services. In the ensuing years, LMPM's services were expanded to provide property management services for properties in which LFM held an ownership interest. In August 1999, LMPM purchased a third-party property management company to further expand its property management capacity and capabilities.

the LFM Debtors (collectively, the “Mattson Maintained Debtors”).⁴⁶ Instead—and even though LFM is the general partner or managing member of each of the Mattson Maintained Debtors—Mattson (or KSMP) maintained the books and records for such Entities. Accordingly, the Debtors do not have the books and records of the Mattson Maintained Debtors. Second, Mattson maintained LFM’s complete general ledger. As detailed below, over twenty years before the Petition Date, LFM opened the 1059 Account at Bank of the West (subsequently acquired by BMO Bank, N.A. (“BMO”)), through which hundreds of millions of dollars flowed, none of which are reflected in Yardi. The LFM Debtors and the Committee obtained documents from BMO concerning the 1059 Account (collectively, the “1059 Account Documents”).⁴⁷ But because BMO’s retention period is only seven years, no records prior to 2017 are available. As a result, the Plan Proponents are missing a critical source of financial information—that predating 2017—and have no reasonable prospect of recovering it.

b. KSMP’s and the KSMP Investment Entities’ Records

KSMP’s and the KSMP Investment Entities’ records are even more opaque than those of the LFM Debtors. They appear to have been solely maintained by Mattson, although it is unknown how, or to what extent, they were ever actually maintained. When the Responsible Individual assumed control of KSMP, she had no access to KSMP’s books and records—not even a list of the Properties owned by KSMP. Compounding this problem, in May 2024, the United States government executed a search warrant and seized Mattson’s computer and documents in his possession. To gain access to KSMP’s documents subject to that seizure, the Responsible Individual negotiated a modification of the protective order in the Mattson Criminal Case with Mattson, the U.S. Attorney, and KSMP. This amendment permitted Mattson to turn over to KSMP documents he had received in criminal discovery. To date, however, Mattson has produced only 90 documents to the Responsible Individual.

⁴⁶ The Mattson Maintained Debtors are: Apan Partners, LLC; Bay Tree, LP; Bishop Pine, LP; Butcher Road Partners, LLC; Golden Tree, LP; Ponderosa Pines, LP; Spruce Pine, LP; Watertree I, LP; and Windtree, LP.

⁴⁷ Prior to retaining DSI, LFM retained the consulting firm BPM to reconstruct the 1059 Account transactions. BPM received copies of certain documents from BMO (such as monthly statements, canceled checks, and check deposits) for the period May 2017 through April 2024. BPM compiled information for the transactions through a combination of data extraction software and manual data entry. At the time that BPM stopped working for LFM, their work was not complete. After LFM retained DSI, DSI obtained BPM’s compilations of receipts and disbursements, which contained details of outgoing checks (approximately 43,000) and check deposits (approximately 1,200), along with certain information for other transactions (e.g., wires and other electronic receipts and payments) that BPM obtained from the monthly bank statements. Between January 2025 and May 2025, pursuant to a subpoena obtained by the Committee, BMO produced additional 1059 Account Documents necessary to complete the reconstruction of the 1059 Account, including details for all wire transfers and other electronic payments made to and from the 1059 Account since 2017 through the closing of the account in July 2024. DSI compiled information from transactions that were not included in BPM’s compilation, made various corrections, reconciled to the bank statements, and categorized each transaction.

KSMP and the KSMP Investment Entities maintained several bank accounts (collectively, the “KSMP Bank Accounts”) at BMO and First Bank, the most commonly used of which was an account ending in -1380. KSMP opened this account (the “1380 Account”) in May 2002 with BMO. Other KSMP Bank Accounts include (i) an account ending in -5410 in the name of “KS Mattson Partners, LP, Ceres MHP” that KSMP opened in September 2007 with BMO (the “Ceres Account”), (ii) an account ending in -3467 that KSMP opened with First Bank (the “KSMP FB Account”), and (iii) an account ending in -3186 that Perris Freeway Plaza opened with First Bank (the “PFP FB Account” and, together with the 1059 Account, the 1380 Account, the Ceres Account, and the KSMP FB Account, the “Commingled Bank Accounts”).

KSMP lacks even basic cashflow statements showing the historical transactions going through the KSMP Bank Accounts. The Responsible Individual has taken steps to obtain bank records directly from BMO and First Bank. KSMP, through the Responsible Individual, received documents from BMO concerning the 1380 Account (collectively, the “1380 Account Documents”) in July and August 2025, and concerning the Ceres Account (collectively, the “Ceres Account Documents” and, together with the 1380 Account Documents, the “KSMP BMO Account Documents”) in July 2025. Like the 1059 Account Documents, the KSMP BMO Account Documents did not include any complete cash-flow statements. Rather, as of October 1, 2025,⁴⁸ the KSMP BMO Account Documents consisted of unstructured data;⁴⁹ the 1380 Account Documents, for example consisted of 5,443 pages of images of checks (nearly 40,000 individual checks) written from the 1380 Account, 865 pages of account statements (covering 38,000 transactions), 1,369 wire transfer records, and 12 pages of fund-transfer slips.

KSMP has been working collaboratively with the Committee and its advisors at PwC to analyze the KSMP BMO Account Documents,⁵⁰ which, like the 1059 Account Documents, only go back seven years. The Plan Proponents have been able to create a preliminary structured cash

⁴⁸ As of October 1, 2025, BMO had not yet completed its production of the KSMP BMO Account Documents.

⁴⁹ Unstructured data refers to information (in this case, different types of documents) that is not organized in a usable format. Before unstructured data can be analyzed, it requires significant processing, resulting in time delays and additional expense.

⁵⁰ Specifically, upon receiving the 1380 Account Documents, PwC extracted key attributes from each type of document. As to check images, for example, PwC used optical character recognition (OCR) technology and AI-driven parsing routines to extract data like payor/payee information and memo line information, which allowed PwC to identify the individuals, Entities, and Properties associated with each transaction. PwC then standardized the extracted data into a normalized database, ensuring that all of the documents could be analyzed together. This process also included resolving and removing duplicate transactions and cleansing information that was incorrectly extracted by technology alone—a process made necessary by illegible handwriting and poor-quality check images. Using the processed dataset, the Plan Proponents have been able to turn disparate raw 1380 Account Records into a reliable foundation for financial analysis and investigative review. As noted, however, to ensure total accuracy, the Plan Proponents would need to manually review each 1380 Account Document and would need to reconcile each transaction to some other source, such as a QuickBooks file.

flow using the 1380 Account Documents but, given the short amount of time since they were received, are continuing to analyze and refine the data.

In addition, on or around September 23, 2025, KSMP received documents from First Bank concerning the KSMP FB Account and the PFP FB Account (collectively, the “First Bank Documents”). Like the KSMP BMO Account Documents, the First Bank Documents did not include any complete cash-flow statements. Rather, the First Bank Documents, which only go back to 2018, consist of 23 Excel files containing a total of 33,651 transactions and 44 PDF files containing a total of 4,771 pages of check images and account statements. The Plan Proponents have conducted a cursory review of the First Bank Documents but, given the short amount of time since they were received, have not been able to structure the data.

Despite these efforts, the records remain incomplete. According to the United States government, in pleadings filed in the Mattson Criminal Case, Mattson allegedly deleted 14,000 files from his laptop that, based on their names, appear to relate to the Debtors⁵¹ and 16,000 files from a cloud fileshearing service.⁵² Although Mattson disputes these allegations, the Plan Proponents cannot confirm how the KSMP’s or the KSMP Investment Entities’ records, or those of LFM and the Mattson Maintained Debtors, were kept, or whether complete records ever existed.

2. Summary of Certain Recurring Factual Issues

As detailed in section II.C of this Investigation Report, the degree of entanglement among the various Debtors varies. Yet the Joint Investigation has uncovered a series of recurring problems—many tied to the Mattson Transactions—that cut across multiple Debtors. If there were no Substantive Consolidation of the Debtors, these issues would each require extensive, and likely impossible, Forensic Reconstruction and Investor Claim Reconciliation. These problems are the very sort that courts consider when ordering substantive consolidation: whether the entities are so hopelessly entangled that separating them would be impractical and whether consolidation is needed to ensure the fair and equal treatment of all creditors. To illustrate this, the following discussion highlights five recurring patterns—Intercompany Transactions, the sale of Phantom Interests, the use of the Commingled Bank Accounts, Insider Property Transfers, and Third-Party Loans. Each of these patterns is described in further detail below; together, they demonstrate why the Plan Proponents have determined that Substantive Consolidation is the proper result here.

a. Intercompany Transactions

Starting in 2006, LFM frequently moved money between its Investment Vehicles (i.e., a Property, LLC, or LP)—shifting cash from those with extra cash to those that needed it (“LFM Intercompany Transactions”). These transfers occurred at both the Property and Entity level, typically carried below-market interest rates (generally between 6.5% and 8%), and were set by LFM (i.e., Mattson). The LFM Debtors referred to these transactions as “interproperty notes,” though in reality no executed promissory notes ever existed. Rather, LMPM tracked LFM

⁵¹ Motion for Detention Pending Trial and Motion to Continue Detention Hearing, *United States v. Mattson*, No. 25-CR-00126 (N.D. Cal. May 23, 2025), ECF No. 6 at 6:23–7:23.

⁵² *Id.* at 9:8–13.

Intercompany Transactions in a series of spreadsheets—known as “Sub-Ledgers”—and simply reflected the year-end balances of these Sub-Ledgers in its applicable general ledgers. Thirty-three Sub-Ledgers existed as of the Petition Date. Some contain information related to multiple Debtors. None reflect the purpose of the LFM Intercompany Transaction.

As of the Petition Date, twenty-seven LFM Debtors showed outstanding intercompany payables to other LFM Debtors, and twenty LFM Debtors showed outstanding intercompany receivables. In total, more than \$30 million in intercompany amounts remained outstanding, tied to over 700 individual LFM Intercompany Transactions (collectively, the “Open Intercompany Transactions”). These receivables and payables do not balance. DSI’s preliminary review revealed discrepancies, including instances where a receivable appeared on the Sub-Ledger of the “lending” Debtor but no corresponding payable appeared on the Sub-Ledger of the “borrowing” Debtor, and vice versa.⁵³ The Plan Proponents estimate the number of LFM Intercompany Transactions that occurred between 2006 and the Petition Date to be in the tens of thousands. Indeed, as shown on Attachment H, between January 1, 2017, and the Petition Date, there were 5,872 LFM Intercompany Transactions ***with a gross dollar amount of nearly \$636 million—all without any formal documentation.***

In addition to LFM Intercompany Transactions, Mattson also frequently moved cash among the LFM Debtors, KSMP, and the KSMP Investment Entities (“LFM/KSMP Cash Transfers” and, together with LFM Intercompany Transactions, “Intercompany Transactions”), commonly in round amounts and without any discernible relationship to a legitimate transaction. Although some of the LFM/KSMP Cash Transfers are reflected in the LFM Debtors’ Records, most occurred through the 1059 Account and therefore are not. Between January 1, 2017, and September 30, 2024, there were over 11,500 distinct journal entries and bank transfers (consisting of nearly 16,000 individual transactions) totaling approximately \$176 million, between the LFM Debtors and KSMP.⁵⁴ Specifically, from January 1, 2017, through September 30, 2024:

- The LFM Debtors’ Records show that more than \$39 million⁵⁵ of LFM/KSMP Cash Transfers were made directly between LFM and KSMP through approximately 1,800 distinct entries (consisting of nearly 2,700 individual transactions).

⁵³ The cash accounts were periodically reconciled, suggesting that some Open Intercompany Transactions were incorrectly recorded.

⁵⁴ These amounts do not include, for example, an additional \$40 million of 1059 Account Transactions involving Specialty Sales Classics, Inc., a car dealership affiliated with Mr. Mattson in which no LFM Debtor has ever had an interest.

⁵⁵ Approximately \$14.55 million from KSMP to LFM and approximately \$24.67 million from LFM to KSMP.

- The LFM Debtors' Records show that more than \$19 million⁵⁶ in LFM/KSMP Cash Transfers were associated with KSMP-owned Properties, made through over 8,000 distinct entries (consisting of over 11,900 individual transactions).
- The 1059 Account Records show that there were more than \$92 million⁵⁷ in LFM/KSMP Cash Transfers through over 950 checks and wire transfers.
- The 1059 Account Records show that approximately \$25 million⁵⁸ in disbursements were made from the 1059 Account for the benefit of KSMP-owned Properties, comprised of nearly 390 checks and wire transfers.

b. Sale of Phantom Interests

Mattson solicited new investments (from both existing Investors and new Investors), supposedly through legitimate Investment Vehicles, to raise cash to pay earlier Investors. But instead of selling properly recorded interests in LFM Investment Vehicles (i.e., interests reflected in the LFM Debtors' Investment Records), Mattson—through both LFM and KSMP— sold “off-book” interests, which we refer to collectively as “Phantom Interests.” In these cases, Investors handed over money but received no valid ownership interest in return.⁵⁹

Phantom Interests took several general forms, each with its own complexities, including:⁶⁰

- **Type I:** an interest in an LFM-affiliated Entity that was never recorded in the LFM Debtors' Investment Records;

⁵⁶ Approximately \$9.55 million from or on account of KSMP to LFM and approximately \$9.95 million from LFM to or on account of KSMP.

⁵⁷ Approximately \$51.54 million from KSMP to LFM and approximately \$40.48 million from LFM to KSMP.

⁵⁸ Approximately \$2.32 million from or on account of KSMP to LFM and approximately \$23.45 million from LFM to or on account of KSMP.

⁵⁹ Mattson prepared (or oversaw the preparation of) all of the Debtors' annual tax filings, which included the Form K-1 for each Investor of record in the applicable LLC or LP. However, because Mattson was purporting to sell interests in real limited partnerships, he created fraudulent Form K-1s for the investors to whom he sold Phantom Interests (excepting the IRA Phantom Interests, which were subject to less tax reporting) to maintain the appearance of legitimacy. Indeed, Mattson created and provided Investors with fraudulent Form K-1s for Investments in nonexistent entities, including “Country Oaks, LP,” “Watertree LP,” “Live Oak LP,” and “Valley Oaks Investments LP.” The similarly named Debtors are, respectively: Country Oaks I, LP; Watertree I, LP; Live Oak Investments, LP; and Valley Oak Investments, LP.

⁶⁰ The “Types” of Phantom Interests described herein are provided only as examples to help categorize hundreds, if not thousands, of fraudulent transactions. They are not meant to suggest that any “Type” of Phantom Interest will be treated differently. Indeed, trying to determine the exact “Type” of each Phantom Interest held by each Investor—and the consequence of holding such “Type” of Phantom Interest—would require a highly fact-intensive inquiry and would be prohibitively expensive to litigate.

- **Type II:** an interest in a real Entity or Property where the seller (LFM or KSMP) held no, or insufficient, ownership interest to sell;
- **Type III:** an interest in an entity that never existed; and
- **Type IV:** an interest in an Entity that investors were told owned a specific Property, when in fact that entity did not.

The following sections discuss each of these Types of Phantom Interests in greater detail.

(1) Type I Phantom Interests

For a decade, Mattson sold what we refer to as Type I Phantom Interests. In these cases, Mattson gave an Investor a document titled “Agreement of Transfer and Purchase of Partnership Interest” (a “Transfer Agreement”) that purported to sell either LFM’s or KSMP’s interest in a Debtor or a KSMP Investment Entity. However, Mattson did not record these transfers in the Debtors’ Investment Records or provide the Transfer Agreement to LMPM, who maintained those records for most of the Debtors. Because these Investors were not recognized as Record Investors, they did not receive investment returns or profit distributions from a Property or Entity-specific trust account, as Record Investors did. Instead, any “returns” they received were paid from other accounts under Mattson’s control, such as the 1059 Account. These payments were not generated from genuine profits from the Properties, but with fabricated returns funded from alternative sources. Based on the Joint Investigation to date, Mattson sold Type I Phantom Interests in the majority of the Debtors.

In addition to the sales of Type I Phantom Interests described above, Mattson carried out a variation of the same scheme using retirement accounts. Beginning around 2009, he encouraged Investors to use self-directed IRAs to purchase supposed ownership interests in two Debtors and one KSMP Investment Entity.

Mattson told Investors to transfer their existing IRA to, or open a new IRA with, a self-directed IRA custodian (an “IRA Custodian”). Through the IRA Custodian, Mattson then purported to sell the Investor an interest (the “IRA Phantom Interests”) in one of two LFM Debtors—Divi Divi Tree, LP (“Divi Divi”) or Butcher Road Partners, LLC (“Butcher Road”)—or KSMP Investment Entity Specialty Properties Partners, LP (“SPP”). Mattson would then direct the Investor’s IRA funds from the IRA Custodian into a bank account (such as the 1059 Account or the 1380 Account) within his exclusive control. When the IRA Custodian required funds for distributions to the Investor (for example, for a required minimum distribution), Mattson then transferred funds from one of his controlled bank accounts to the IRA Custodian.

Like other Type I Phantom Interests, these IRA Phantom Interests were never recorded in the Debtors’ official records. For Divi Divi, LMPM maintained the official records, and none of the IRA Phantom Interests in Divi Divi appeared there. Divi Divi’s ownership reports that Mattson provided to the IRA Custodians (and which were therefore provided to holders of IRA Phantom Interests by the IRA Custodians) materially differ from—and are incompatible with—those maintained by LMPM. For Butcher Road, the Property Manager did not maintain the official ownership records, and the Plan Proponents have been unable to locate any such records. Even

so, the Joint Investigation uncovered the existence of both IRA Phantom Interests and the more typical Type I Phantom Interests for Butcher Road—only the former of which was reflected on records Mattson provided to IRA Custodians.⁶¹ Finally, as set forth in Section II.C.4.b below, the Plan Proponents cannot identify any official ownership records of SPP, and the records the Plan Proponents have obtained through the Joint Investigation (including from the IRA Custodians) are inconsistent.⁶²

This variation of the scheme was simply another method Mattson used to create Type I Phantom Interests—this time by using IRA Custodians and inconsistent ownership reports to give Investors the false appearance of legitimate investments, while routing all funds through accounts he controlled.

(2) Type II Phantom Interests

In another version of his scheme, Mattson told Investors they were buying LFM's or KSMP's Interest in an actual Entity or Property, even though LFM or KSMP either held no such Interests or held an insufficient Interest in the Entity or Property. As with Type I Phantom Interests, Mattson usually provided Investors with a Transfer Agreement concerning the sale of Type II Phantom Interests, but did not report such transfers (nor provide a copy of any Transfer Agreement) to the Property Manager, who maintained the Debtors' Records. The following are examples of Type II Phantom Interests that Mattson sold to Investors:

- **Country Oaks Apartments:** Even though KSMP had no interest in the Country Oaks Apartments to convey prior to July 8, 2015, the Investor Claims reflect that, KSMP (acting through Mattson) “sold” at least 14.966% of Phantom Interests in the Country Oaks Apartments to thirteen different Investors prior to that date. In total, those Investors paid Mattson \$1.942 million for these Phantom Interests.
- **Perris Freeway Plaza:** At least one Investor Claim submitted in the LFM Debtors' Cases attached an *Agreement of Transfer and Purchase of Partnership Interest* in which LFM (by Mattson) “sells” a portion of LFM's interest in Perris Freeway Plaza—even though LFM never actually held any limited partnership interest in Perris Freeway Plaza.

(3) Type III Phantom Interests

⁶¹ Moreover, similar to Type IV Phantom Interests discussed below, Mattson falsely represented to Investors that Butcher Road owned the Vaca Villa Apartments. See Attachment F-13. In reality, Butcher Road only owned undeveloped land adjacent to the Vaca Villa Apartments (never the Vaca Villa Apartments themselves), and even then only from 2013 to 2022.

⁶² With respect to the IRA Phantom Interests in SPP, KSMP used LFM's account relationship with the IRA Custodians, rather than establishing its own. Indeed, Mattson appears to have caused LFM to represent to IRA Custodians that LFM was transferring its interest in SPP when, as a matter of fact, LFM held no interests in SPP.

In yet another variation of his scheme, Mattson frequently “sold” Investors things that legally did not exist. This misconduct took a number of forms, some of them overlapping.

Nonexistent Entities. Mattson sometimes sold Phantom Interests in an entity that simply never existed. In some instances, the entity names used were only minor—but legally incorrect—variations on the names of real Entities. For example, Investors were sold Phantom Interests in “River Birch Investments, LP,” “Rivertree, LP,” “Treehouse Partners, LP,” “Buck Avenue, LLC,” and “Heacock Partner, LP.”⁶³ In other cases, Mattson concocted entity names out of whole cloth—for example “Ceres West MHP Partners, LLC” and “Napa Enterprise Partners”. In each case, the problem was the same: because the entity did not exist, the interests supposedly being transferred were legally meaningless.

Impossible Corporate Agreements. Mattson also manufactured Phantom Interests by selling interests tied to “Partnership Agreements” or other corporate agreements that never existed. The Plan Proponents have identified at least thirty-one such “phantom agreements” to date. Some examples include:

- “*Agreement of Limited Partners of Country Oaks Partners, LLC*, dated as of December 1, 2007”—Country Oaks Partners, LLC does not exist (Country Oaks, LLC did exist, but it was converted into LFM Debtor Country Oaks I, LP) and this agreement could not have existed because LLCs do not have limited partners.
- *Operating Agreement of Members of Country Oaks Partners, LP*, dated as of September, 2007—Country Oaks Partners, LP does not exist (Country Oaks I, LP is an LFM Debtor) and this agreement could not have existed because limited partnerships do not have members or operating agreements.
- *Agreement of Limited Partners of Perris Freeway Plaza, LLC*, dated as of December 1, 2001—While Perris Freeway Plaza, LLC once existed (it was converted to a limited partnership), this agreement could not have existed because, again, LLCs do not have limited partners.
- *Agreement of Limited Partners of Specialty Properties Partners, L.L.C.*, dated as of January 28, 2011—Similar to the prior example, while Specialty Properties, LLC once existed (it, too, was converted to a limited partnership), LLCs do not have limited partners.
- *Agreement of Co-Tenants of Folsom Village Partners*, dated as of October 1, 2013—“Folsom Village Partners” does not exist and, beyond that, entities (as opposed to real property) cannot have cotenants.

In each case, the underlying “agreement” could not have served as a basis for transferring any interest, making the transfers legally invalid.

⁶³ The similarly named Debtors are, respectively: River Birch, LP; River Tree Partners, LP; Treehouse Investments, LP; Buck Avenue Apartments, LP; and Heacock Park Apartments, LP.

Fake Entities Tied to Real Properties. Mattson also invented fake entities and told Investors that those entities owned particular Properties. The Properties did exist, but the entities he named did not. Some illustrative examples include:

- **Comstock Building Partners, LLC**, which Mattson told Investors owned property located at 8340 – 8350 Auburn Boulevard in Citrus Heights (the “Comstock Building”). The Comstock Building, held as a tenancy in common (including KSMP), did exist;⁶⁴ Comstock Building Partners, LLC did not.
- **Fulton Village Partners, LLC**, which Mattson told Investors owned property at 1319 – 1361 Fulton Avenue in Sacramento (the “Fulton Village Property”). The Fulton Village Property existed but was *rented* (not owned), by KSMP, who allegedly assigned its rights under the lease to LFM Debtor Beach Pine.⁶⁵ The entity does not exist.
- **Greenhaven Partners**, which Mattson told Investors owned property at 7385 Greenhaven Drive in Sacramento (the “Greenhaven Property”). Although the Greenhaven Property existed, and was at one time owned by KSMP, “Greenhaven Partners” itself did not exist.⁶⁶

Again, in each of these examples, the conveyances Mattson caused were invalid because the entities he named as sellers did not exist.

Phantom TIC Interests. Finally, Mattson also sold TIC interests in Properties that were, in fact, held as tenancies in common, but where the seller (typically KSMP) did not actually own the TIC interests it purported to sell. For example, the Joint Investigation uncovered that Mattson “sold” an investor KSMP’s TIC Interest under the “Agreement of Co-tenants of Spring Glen Apartments, dated as of October 1, 2006.” The Spring Glen Apartments did exist, and they were held as a tenancy in common. But KSMP was never a TIC of or otherwise on title to Spring Glen Apartments. KSMP’s only—indirect—interest in the Spring Glen Apartments was through its ownership interest in actual TICs Vaca Villa Apartments LP and Tradewinds Apartments LP (both LFM Debtors).⁶⁷ Because KSMP never held a direct TIC interest in Spring Glen Apartments that it could itself sell, its purported sale of such an interest conveyed nothing.

(4) Type IV Phantom Interests

Finally, in contrast to Type III Phantom Interests—which involved selling things that did not exist—Mattson also sold Investors Interests in real Entities, but that did not own the Properties

⁶⁴ See Attachment F-15.

⁶⁵ See Declaration of James Grellas Regarding Debtors’ Motion for an Order Authorizing Rejection of the Unexpired Fulton Square Ground Lease, Docket No. 673.

⁶⁶ Additionally, the Plan Proponents have seen at least one Transfer Agreement pursuant to which Mattson, through KSMP, purportedly sold interests in “Greenhaven Partners” years after the Greenhaven property was transferred from KSMP.

⁶⁷ See Attachment F-21.

he claimed. For example, he sold Interests in Bay Tree, LP (which he represented as holding an interest in 860 Charter Way, Redwood City, CA, even though it did not) and Ponderosa Pines, LP (which he likewise represented as holding an interest in 7456 Foothills Boulevard, Roseville, CA⁶⁸ even though it did not).

c. Commingled Bank Account Transactions

(1) 1059 Account Transactions

Mattson used the 1059 Account to perpetuate his fraud. The account commingled Investor funds from many sources (including the sale of Phantom Interests), and was used to, among other things, make distributions to Investors and pay Mattson's personal debts and the financial obligations of KSMP and its non-Debtor affiliates, including the KSMP Investment Entities. Bank records show that between May 1, 2017, and September 30, 2024, about 50,000 transactions flowed through the 1059 Account (collectively, the "1059 Account Transactions"), moving more than \$250 million in deposits (the "Inbound 1059 Account Transactions") and withdrawals (the "Outbound 1059 Account Transactions"). Of that amount, more than \$60 million was transferred to KSMP and other non-Debtor entities Mattson controlled and more than \$30 million was paid directly to lenders to reduce KSMP's debt. The 1059 Account was in LFM's name but functioned as Mattson's slush fund—hidden from LFM employees, fueled by Investor money, and used to meet obligations across Mattson's enterprise—with no written agreement in place. As will be discussed further below, the account was also used to recycle Investor money—over \$70 million paid out and over \$104 million deposited from May 2017 through the Petition Date—back to earlier Investors, a hallmark of the Ponzi scheme

(2) 1380 Account Transactions

Like the 1059 Account, which was held in LFM's name, Mattson used KSMP's 1380 Account to perpetuate his fraud. Just as with the 1059 Account, the 1380 Account commingled funds from many sources (including from Investors, through the sale of Phantom Interests), and was used to, among other things, make distributions to Investors and pay Mattson's personal debts. Bank records show that between January 1, 2017, and September 30, 2024, about 35,000 transactions flowed through the 1380 Account (collectively, the "1380 Account Transactions"), moving more than \$240 million in deposits (the "Inbound 1380 Account Transactions") and \$240 million in withdrawals (the "Outbound 1380 Account Transactions"). More than \$45 million of Outbound 1380 Account Transactions were transferred to LFM.

d. Insider Property Transfers

Another critical component of Mattson's scheme was the transfer of Properties among the Debtors (the "Insider Property Transfers"), in non-arm's length transactions. Among the Insider Property Transfers were hundreds of transfers between KSMP and the LFM Debtors. At the start of the LFM Cases, the LFM Debtors owned about 170 Properties, nearly half of which (81 Properties) were transferred from KSMP. These transfers usually followed a familiar pattern:

⁶⁸ See Attachment F-14.

- **Inflated Resales:** Mattson would cause KSMP to buy Properties from third parties and then, sometimes within days, “resell” those Properties to the LFM Debtors at an inflated price.⁶⁹
- **Hidden Debt:** Before transferring Properties to the LFM Debtors, Mattson frequently used KSMP as a “pit stop” to load them with expensive debt, often without disclosing the terms—or even the existence—of these Third-Party Loans. Many of these loans never appeared in the LFM Debtors’ Records. The use and implications of these Third-Party Loans are discussed in more detail below.
- **Use of 1059 Account:** Since the Third-Party Loans that KSMP took out were not reflected in the LFM Debtors’ Records, Mattson paid them with Investor funds from the 1059 Account.

These Insider Property Transfers illustrate how Mattson moved Properties and obligations between KSMP and the LFM Debtors in ways that concealed debt and relied on Investor funds to keep the scheme operating.

In addition to the movement of Properties between KSMP and the LFM Debtors, Properties were frequently transferred among the LFM Debtors themselves. Of the approximately 170 Properties owned by an LFM Debtor as of the Petition Date, 54 were previously owned by at least one other LFM Debtor. Frequently, these Properties (as well as many Properties that were transferred from KSMP to the LFM Debtors) were passed between Debtors. Further, as shown in section II.C of this Investigation Report and the related attachments, many more Properties not owned by any Debtor as of the Petition Date were the subject of Insider Property Transfers.

Insider Property Transfers (whether between KSMP and the LFM Debtors or only among the LFM Debtors) were often poorly—and in some instances incorrectly—documented. Among other things:⁷⁰

⁶⁹ Starting in the early 2000s, in addition to providing property management services, LMPM provided due diligence services on major Property acquisitions by the LFM Debtors. At LFM’s direction, LMPM would provide financial analysis, physical inspection, environmental assessment, and market analysis of a prospective investment property (collectively, the “Due Diligence Services”). As a result of the Due Diligence Services, LMPM would identify the property financial reserves necessary to ensure that physical condition issues identified in the due diligence process could be addressed after acquisition. However, starting around 2018, LFM stopped having LMPM provide Due Diligence Services and, to the Debtors’ knowledge, no analysis was performed (or at least shared with LMPM) with respect to the physical needs of and adequate reserves necessary for Properties that were acquired by or otherwise transferred to the LFM Debtors (and which were to be managed by LMPM pursuant to Property Management Agreements).

⁷⁰ Exhibit C to the Jeremiassen Declaration summarizes some of the information known to the Plan Proponents regarding Insider Property Transfers between KSMP and the LFM Debtors.

- Few Insider Property Transfers went through third-party escrow agents (such as Closing Agents), so they generally lack the more robust documentation such agents would have maintained.
- These transfers also frequently lacked basic paperwork, such as purchase agreements; in fact, most of the transfers were consummated without a purchase agreement.
- Where Closing Statements⁷¹ exist for these transfers without a Closing Agent, they were prepared by LMPM with information from Mattson—information that was often incomplete or incorrect.

e. Third-Party Loans

As noted above, part of Mattson’s scheme involved the Debtors taking out loans (the “Third-Party Loans”) from outside financing sources (the “Lenders”), secured by one or more Properties. Sometimes, the Debtor that borrowed the money kept ownership of the Property securing the loan. But often, Mattson arranged to transfer those Properties to another Debtor—without disclosing the existence of the debt— even though the Property was still encumbered by the loan. This meant Properties were frequently moved around with hidden debt attached.⁷²

The pattern was consistent. Mattson would either cause KSMP to purchase Properties in KSMP’s name or cause a Property owned by an LFM Debtor to be transferred to KSMP. He would then encumber those Properties with the Third-Party Loans (either as acquisition financing or post-acquisition funding). And then, after the lender funded the loan and recorded of a deed of trust against the Property, Mattson would cause KSMP to transfer title to a LFM Debtor—subject to the lender’s lien.

Mattson used the Third-Party Loans to accomplish several things: (i) extract value from unencumbered Properties that KSMP did not own—by transferring them into KSMP’s name, misappropriating the loan proceeds, and then transferring the now-encumbered Properties back to a LFM Debtor subject to the Third-Party Loan; (ii) refinance existing secured debt on encumbered Properties (some of which were, due to KSMP’s sale of part of its interests, held as tenancies in common), including “cash-out” refinancings; and (iii) conduct “cash-out” purchases of new Properties, borrowing more than the purchase price.

In sum, Mattson systematically used Third-Party Loans to move Properties and debt between KSMP and the LFM Debtors, extract cash for his own purposes, and, as a result, burdened the LFM Debtors and others with encumbered assets and hidden liabilities.

⁷¹ A “Closing Statement” is a document used in real property transactions that outlines the debits and credits associated with that transaction.

⁷² In addition to the Third-Party Loans, which were taken out by one or more Debtors, the LFM Debtors currently own and have historically owned Properties that were transferred to the LFM Debtors by an Investor, subject to a loan secured by the Property taken out by the Investor.

B. Summary of Evidence of Ponzi Scheme

The Joint Investigation revealed that Mattson operated the Debtors and the KSMP Investment Entities as a Ponzi scheme from at least 2008 to 2024. Because the Debtors' Investment Vehicles did not produce sufficient profits to sustain payments to Investors, the Debtors continually relied on obtaining new investments to do so—the very definition of a Ponzi scheme. While the Plan Proponents believe that a Ponzi Finding as to each Debtor and the KSMP Investment Entities would be appropriate even without Substantive Consolidation of all Debtors, given that the Plan proposes Substantive Consolidation of the Debtors, the Investigation Report assumes that the Debtors and the KSMP Investment Entities will be substantively consolidated and summarizes the Ponzi scheme evidence on that basis.

The evidentiary record supporting Substantive Consolidation also supports the Ponzi Finding.⁷³ Rather than restating that evidence, this section focuses on the specific evidence supporting four of the most common indicia of a Ponzi scheme: old Investors being paid with new Investor money, commingled funds, insufficiency of profits to sustain Investor distributions, and the use of false financial statements.

1. New Investors Paying Old Investors

Generally, real estate investors receive distributions from one of two sources—a property's operating profit (i.e., operating revenues minus operating expenses) or net proceeds upon the real property's sale. The documents governing the Debtors' Investment Vehicles (i.e., Co-Tenancy Agreements, Limited Partnership Agreements, and Operating Agreements) are consistent with this general rule. The Debtors' Co-Tenancy Agreements generally provided that TIC Investors would receive their proportionate share of their Property's Positive Operating Cash Flow⁷⁴ at least quarterly.⁷⁵ Similarly, Partnership Agreements and Operating Agreements provided that “[a]ll cash resulting from the normal business operations of the Partnership and from a Capital Event shall be distributed as and when determined by the General Partner, in its sole discretion” and, when such a distribution occurs, it “shall be made among the Partners in proportion to their Percentage

⁷³ See, e.g., *In re Woodbridge Grp.*, 592 B.R. 761, 778 (Bankr. D. Del. 2018) (noting that a Ponzi scheme is a “compelling circumstance” overcoming the presumption of corporate separateness in a substantive consolidation analysis); see also *Pergament v. Torac Realty, LLC (In re Diamond Fin. Co.)*, 658 B.R. 748, 768 (Bankr. E.D.N.Y. 2024) (“Clearly, this complex web of intercompany transactions was a scheme to take funds from investors, shuttle the funds to and from the Debtor and its entities to create a false sense of profitability, and then to use those funds to pay back earlier investors.”).

⁷⁴ “Positive Operating Cash Flow” was defined in Co-Tenancy Agreements as “all revenues received from operation of the Property, together with amounts the Manager has reasonably determined can be released from reserves (as opposed to proceeds from sale, refinancing or insurance, except to the extent such proceeds constitute proceeds from rent continuation insurance)” *minus* payment of current expenses and costs for the Property (including mortgage payments), repayment of funds advanced by a Co-Tenant in accordance under the Co-Tenancy Agreement, and agreed-upon reserves set forth in a pro forma.

⁷⁵ See, e.g., *Tradewinds Apartments Co-Tenancy Agreement* ¶ 13.

Interests.”⁷⁶ In fact, Partnership Agreements and Operating Agreements provided that Investors “shall not be entitled to withdraw any part of the Partner’s Capital Contribution or receive any distributions, whether of money or property from the Partnership except as provided in” the relevant agreement.⁷⁷

In reality, though, this is not how the Debtors or the KSMP Investment Entities operated. As discussed, the Debtors prominently marketed regular monthly distributions to Investors as a key inducement to invest. By and large—at least until the early 2020s—the Debtors delivered on this promise, even though it was not a contractual obligation. As discussed below, however, these payments could not be sustained by each Property’s operating profit—often because Properties operated at a loss. Instead, old Investors’ distributions generally came from new investments

a. The 1059 Account and the 1380 Account

As discussed above, the 1059 Account was a key instrument of Mattson’s fraud. From May 2017 through the Petition Date, Investors deposited over \$104 million into the 1059 Account. These funds were commingled and not allocated to or invested in the Debtors (or Properties) in which the Investors believed they were investing. Rather, these funds were used for a variety of purposes, including making more than \$70 million in payments to earlier Investors since 2017 alone—evidence of the Ponzi scheme. In fact, the account activity itself makes clear that Investor money was being recycled to pay other Investors.

⁷⁶ See, e.g., *Limited Partnership Agreement of Willow Oak, LP* § 4.5.

⁷⁷ See, e.g., *id.* § 3.6.

On numerous occasions between May 2017 and the Petition Date, the balance in the 1059 Account fell so low that the flow of funds can be traced with certainty.⁷⁸ In those instances, some of which are illustrated below, the only mathematically-possible conclusion is that new Investor deposits were used to pay old Investors:

Beginning Balance (October 4, 2017)	-\$1,160
<i>Cash Activity from 10/4/2017 to 10/6/2017</i>	
Receipts from:	
Investors:	\$386,785
Other:	\$200,000
Disbursements to:	
Investors:	\$419,268
Other:	\$155,438
Ending Balance (October 6, 2017)	\$10,919

Beginning Balance (July 14, 2023)	\$41,312
<i>Cash Activity from 7/14/2023 to 7/25/2023</i>	
Receipts from:	
Investors:	\$995,000
Other:	\$105,739
Disbursements to:	
Investors:	\$466,162
Other:	\$624,895
Ending Balance (July 25, 2023)	\$50,994

Beginning Balance (May 22, 2019)	\$88,447
<i>Cash Activity from 5/22/2019 to 5/30/2019</i>	
Receipts from:	
Investors:	\$513,000
Other:	\$18,000
Disbursements to:	
Investors:	\$250,175
Other:	\$279,566
Ending Balance (May 30, 2019)	\$89,706

Beginning Balance (Oct. 31, 2023)	-\$2,994
<i>Cash Activity from 10/31/2023 to 11/1/2023</i>	
Receipts from:	
Investors:	\$225,000
Other:	\$121,558
Disbursements to:	
Investors:	\$251,016
Other:	\$69,111
Ending Balance (Nov. 1, 2023)	\$23,437

Beginning Balance (July 7, 2023)	-\$1,335
<i>Cash Activity from 7/7/2023 to 7/10/2023</i>	
Receipts from:	
Investors:	\$180,000
Other:	\$3,000
Disbursements to:	
Investors:	\$126,265
Other:	\$21,536
Ending Balance (July 10, 2023)	\$33,864

Other than payments from and to Investors--which totaled approximately \$105 million and \$70 million, respectively, between May 2017 and July 2024--the most significant activity in the 1059 Account consisted of transfers to and from the 1380 Account. During that period, there were more than 560 transfers totaling approximately \$51 million from the 1380 Account to the 1059 Account and more than 350 transfers totaling approximately \$40 million in the opposite direction. Based on the Plan Proponents' review of the 1059 Account data, it appears that predominantly Investor receipts were deposited in the 1059 Account and then transferred to the 1380 Account,

⁷⁸ That Mattson allowed the 1059 Account balance to get so low on some occasions does not change the fact that, as a general matter, "commingling of investor funds . . . makes fund tracing impossible." *Miller v. Wulf*, 84 F. Supp. 3d 1266, 1274 (D. Utah. 2015) (citing *In re Hedged-Investments Assocs.*, 48 F.3d 470, 474 (10th Cir. 1995), *aff'd*, 632 F. App'x 937 (10th Cir. 2015)).

and that transfers were made back to the 1059 Account (predominantly) when needed to pay Investors.

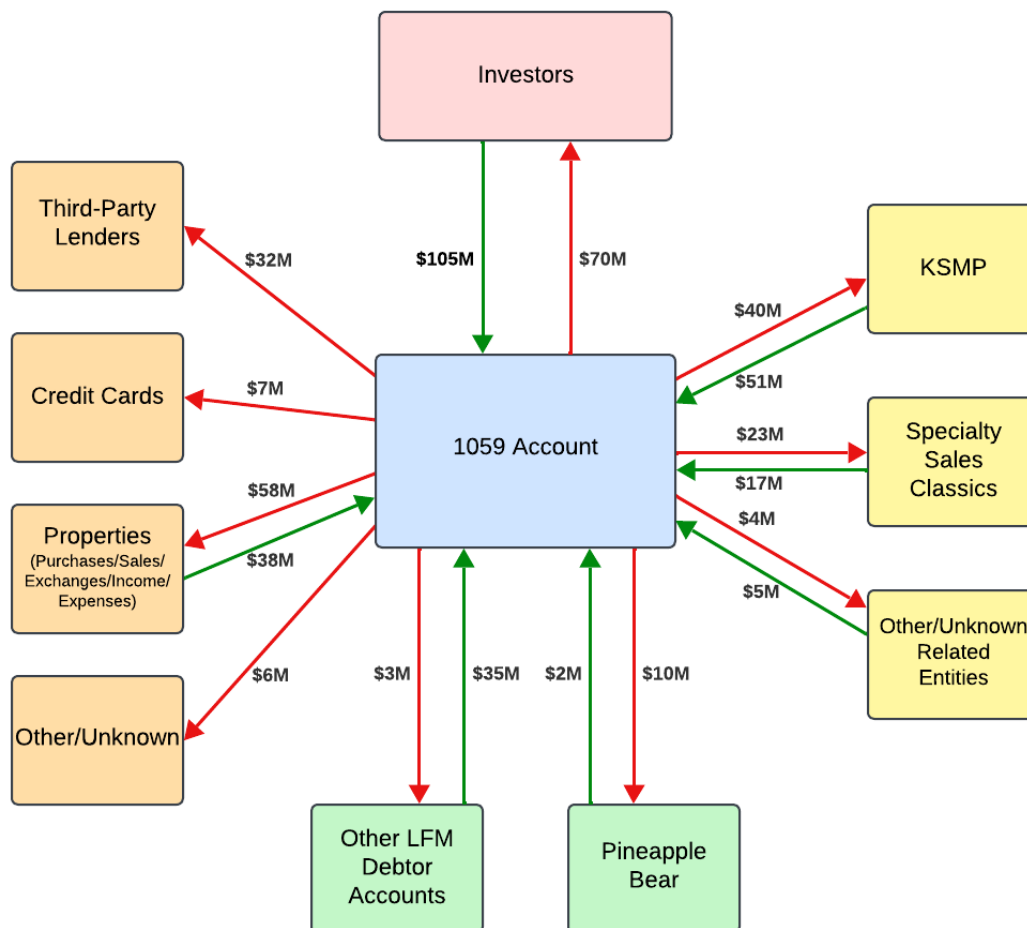
b. Moving Funds Among Investment Vehicles

As set forth in the relevant Investors agreements (i.e., Co-Tenancy Agreements, Limited Partnership Agreements, and LLC Operating Agreements), Investors were generally entitled to distributions when Properties operated profitably. Thus—as with investing generally—when an investment was profitable, Investors should have reaped the monetary benefits. Similarly, when an investment was not profitable, they should have received nothing at all.

The Debtors, however, promised Investors a regular monthly distribution, no matter how an investment was performing. Therefore, when Property reserve funds became insufficient to continue making regular distributions (discussed in further detail in section II.B.3 below), the LFM Debtors turned to LFM Intercompany Transactions, using funds from a “cash rich” Investment Vehicle. By regularly moving money around from “cash rich” Investment Vehicles to “cash poor” ones, the Debtors were using funds from new investors (whether an Investor or a Third-Party Lender) to pay distributions to old Investors.

2. Commingled Funds

As noted above, the Debtors and the KSMP Investment Entities frequently commingled Investors' funds, particularly through the 1059 Account and the 1380 Account.⁷⁹ Mattson caused the Debtors to deposit Investor funds into these Commingled Bank Accounts and use them to maintain the façade of a legitimate business--by making continued distributions to Investors--and to pay personal and unrelated business expenses. The graphic below shows the commingling of funds that passed through the 1059 Account between May 2017 and July 2024:



Mattson also used the 1380 Account as a slush fund. Between August 2017 and March 2022, for example, Mattson made over \$750,000 in credit card payments from the 1380 Account, including more than \$510,000 for a Macy's credit card alone. Other payments from the 1380 Account went to Planet Fitness, Best Buy, FTX, Kia, Honda, the California Department of Motor

⁷⁹ *Commingling* simply means mixing funds that should be kept separate, in particular “a fiduciary’s mixing of personal funds with those of a beneficiary or client.” See *Black’s Law Dictionary* (11th ed. 2019).

Vehicles, and Primerica (a multi-level marketing company that provides personal insurance services).

Because Mattson had control over all of the Commingled Bank Accounts, he was able to transfer funds from one account to another when money was needed. When one of the Commingled Bank Accounts had cash (such as through an influx of new Investor money) and another needed money (most frequently to make distributions to Investors or to pay bills), Mattson would simply transfer cash from one slush fund to another. For instance, between August 1, 2017 and May 31, 2024, at least 289 Inbound 1380 Account Transactions, totaling approximately \$39.8 million in transfers, originated from the 1059 Account. In that same period, there were at least 421 Outbound 1380 Account Transactions sent to the 1059 Account, totaling more than \$46.5 million in transfers.

While the commingling occurred primarily in the 1059 and 1380 Accounts, even a cursory review of the documents produced to the Plan Proponents confirms it extended beyond those accounts.⁸⁰

- **Ceres Account:** The Ceres Account was (as its name suggests) related to the Ceres West Mobile Home Park (2030 E. Grayson Road in Ceres). The Plan Proponents identified hundreds of regular payments made out of the Ceres Account to Third-Party Lenders that were unrelated to that Property—though they were lenders on other Debtor Properties—including Axos Bank, Select Portfolio Servicing, Mr. Cooper, FCI Lender Services, First Bridge Lending, ReProp, Select Lending Services, and Bank of America. The Plan Proponents have also identified regular payments from the Ceres Account for two personal credit cards, one issued by Citi and one issued by Macy's. Additionally, payments made out of the Ceres Account to San Diego Gas & Electric. Although the Ceres West Mobile Home Park is not serviced by SDGE, other Properties that owned or formerly owned by the Debtors or Mattson are.
- **PFP FB Account:** A cursory review of the PFP FB Account Documents indicates that Mattson made distributions to Investors for non-Perris Freeway Plaza investments from that account. Mattson frequently wrote round-number checks from the PFP FB Account to LFM, and regularly transferred funds to and from the 1059 Account, often without any explanation in the memo line. Mattson also deposited checks in the PFP FB Account that were written out to Windtree, LFM, and LMPM.
- **KSMP FB Account:** A review of the KSMP FB Account Documents reveals that Mattson made regular payments on what appears to be a personal Macy's credit card from the KSMP FB Account and deposited checks written out to LFM in KSMP's bank account.

⁸⁰ As noted above, because the Plan Proponents only recently received such documents, the bank account data has neither been structured nor comprehensively reviewed.

3. Business Operations Unable to Produce Sufficient Profits

The Debtors attracted investments by promising—and delivering—a fixed monthly “distribution” to Investors, typically equal to a 6% annual return on their principal as to each individual investment. Certain Investment Vehicles were more profitable than others. Yet, on the whole and as the LFM Debtors themselves acknowledged beginning in the early 2000s, regular monthly distributions to Investors—*even as to Record Investors alone*—could not be sustained by operating cash flow. Put another way, since at least the early 2000s, the profits generated by the Debtors’ Investment Vehicles were insufficient to make the regular monthly distributions to Investors.⁸¹

While certain Properties were—at least in later years—rather profitable, *none of the Properties owned by the Debtors had sufficient cash flow every year to make the promised regular monthly distributions to Investors*. Notwithstanding the fact that none of the Debtors’ Investment Vehicles were actually able to make all distributions out of Properties’ operational cash flow, Investors still generally received regular distributions, even when the Investment Vehicle was operating in the red. Even as a whole, the Debtors’ mix of Properties would have been unable to produce enough operating cash flow to allow for the Record Investors—much less all Investors—to receive regular 6 – 8% distributions.

Because the Debtors could not sustain regular distributions to Investors with legitimate profits, they often depended on tapping into a Property’s reserve funds—amounts intended to maintain and improve the Properties when necessary. As a result, many of the Properties suffer from maintenance and upkeep issues—ranging from cosmetic to serious—that have reduced the purchase prices that the Debtors have been able to obtain for such Properties. Some of the more serious issues that have arisen are leaking roofs, rotted and unsafe staircases, vermin infestations (including, as to one Property owned by KSMP, a rat problem so bad that the municipal government has gotten involved), and black mold. A few examples are discussed below.⁸²

Tradewinds Apartments. The Tradewinds Apartments, located at 1189 Dana Drive in Fairfield, CA (the “Tradewinds Apartments”) have been owned by the Debtors (at least in part) since June 1999, as shown on Attachment F-4. In April 2005, a group of tenants in common, including LFM (collectively, the “Tradewinds Apartments TICs”), purchased the Tradewinds Apartments from LFM Debtor Tradewinds for \$3.4 million. Most of the Tradewinds Apartments

⁸¹ To be sure, it is common for real estate investment firms to have a mix of properties, some of which are more profitable than others. There are two important differences between such nonfraudulent real estate investment firms and the Debtors. First, those legitimate investment firms straightforwardly inform their investors that they are investing in a “pool” of real estate, whereas the Debtors represented to Investors that they were investing in specific Properties (even if they were not). Second, as noted above, the Debtors’ portfolio of real estate could never sustain a 6% annual return.

⁸² Because neither of the Properties discussed below have been sold by the LFM Debtors as of the date of the filing of this Investigation Report, the Plan Proponents may supplement the Investigation Report.

TICs⁸³ maintained their direct ownership interests until January 2022, when they conveyed them to LFM Debtor Willow Oak in exchange for ownership interests in Willow Oak.

As shown on Attachment G-1, the Tradewinds Apartments did not turn a profit—and, in fact, lost between \$13,000 and \$225,000 per year—from 2006 through 2016. Even though the Property was losing money, the Tradewinds Apartments TICs still received between \$68,000 and \$74,000 in total distributions each of those years. ***The only way the Debtors were able to make these distributions to the Tradewinds Apartments TICs was through transfers from other Investment Vehicles (i.e., through LFM Intercompany Transactions).***

In each of 2017 through 2019, although the Tradewinds Apartments made a modest yearly profit (between \$18,000 and \$58,000), the Debtors paid out more in distributions—over \$75,000 annually—to the Tradewinds Apartments TICs than profits made. Distributions to the Tradewinds Apartments TICs in 2020 through 2023 were sustainable through the Tradewinds Apartments’ operating cash flow (plus the 2022 cash-out refinance of the Property). However, the Debtors’ continued payment of distributions to Investors came at the expense of the Property itself.

The Tradewinds Apartments suffer from serious property condition issues, including major structural deck and balcony work, electrical issues that pose a fire hazard and reduce the Property’s insurability, and other major deferred maintenance. These issues have negatively affected the LFM Debtors’ ability to sell the Tradewinds Apartments—which, as of October 15, 2025, has not been sold.

Sharis Apartments. The Sharis Apartments, located at 415 Fleming Avenue East in Vallejo, CA (the “Sharis Apartments”) have been owned by the Debtors (at least in part) since September 2002, as shown on Attachment F-8. In December 2004, a group of tenants in common, including LFM (collectively, the “Sharis Apartments TICs”), purchased the Sharis Apartments from LFM Debtor Sequoia for \$3.68 million. Most of these Sharis Apartments TICs⁸⁴ maintained their direct ownership interests the Sharis Apartments until August 2019, when they conveyed them to LFM Debtor Foxtail Pine in exchange for ownership interests in Foxtail Pine.

As shown on Attachment G-2, the Sharis Apartments lost money between 2005 and 2010 and again between 2017 and 2018, yet the Sharis Apartments TICs still received between \$84,000 and \$99,000 in total distributions each year. In each of the other years excluding 2022 (i.e., 2011–2016 and 2019–2023), although the Sharis Apartments turned a profit, the Debtors paid more in distributions to the Sharis Apartments TICs—over \$97,000 per year— than profits made. In fact, in the nineteen years in which the Sharis Apartments TICs held an interest in the Property, only *once* did the Sharis Apartments make a sufficient profit to sustain the regular distributions to the Sharis Apartments TICs.

⁸³ Of the ten original Tradewinds Apartments TICs, (a) two conveyed their TIC interests to LFM (in 2013 and 2015) and (b) one conveyed their TIC interest to another Investor in 2005. One other original Tradewinds Apartments TIC divided its interest among seven family members.

⁸⁴ Of the ten original Sharis Apartments TICs, three conveyed their TIC interests to LFM between 2015 and 2019.

The Sharis Apartments also suffer from property condition issues, including significant deferred maintenance. These issues have negatively affected the LFM Debtors' ability to sell the Tradewinds Apartments—which, as of October 15, 2025, has not been sold.

4. Use of False Financial Statements

In order to conceal and perpetuate the Ponzi scheme he was operating, Mattson used false and misleading financial information. For example, when Mattson sold a Phantom Interest to an Investor, he would create and provide fraudulent tax documents—such IRS Form K-1s—to Investors to make the investment seem legitimate. In certain instances, the fraudulent tax documents that Mattson created were for Entities that did not actually exist (e.g., “Country Oaks, LP,” “Watertree LP,” “Live Oak LP,” and “Valley Oaks Investments LP.”)

Mattson also falsely represented certain Debtors' assets and liabilities to various parties, including Investors and Third-Party Lenders. For example, Mattson often represented that KSMP owned certain Properties when, in fact, it did not.⁸⁵ The Plan Proponents also continue to investigate whether financial statements provided to Investors were false or misleading, particularly in those instances where Properties were subject to “hidden” Third-Party Loans.

C. Summary of Each of the Debtors

A key finding of the Joint Investigation is the extent to which each of the Debtors is entangled with the others. The relationships among the Debtors and the KSMP Investment Entities are complex and deeply interwoven, even with the limited records the Plan Proponents have. To aid in understanding these relationships, the Plan Proponents summarize below the following information for each Debtor and the non-Debtor KSMP Investment Entities:⁸⁶ (i) its Record Investors and any known Non-Record Investors; (ii) the Investor Claims filed or scheduled against it, including the extent to which such Investors have filed or scheduled Investor Claims in other Debtors; (iii) transactions involving the 1059 Account and, where applicable, the 1380 Account;⁸⁷ (iv) intercompany balances owed to and from other Debtors; and (v) current and known historical

⁸⁵ As one example, in a “Schedule of Real Estate Owned” that Mattson provided to First Bank in early 2017, he represented that, as of September 30, 2016, KSMP owned 75% of 210 La Salle Avenue (KSMP owned 0%) and 100% of 7456 Foothills Boulevard (KSMP owned 42.203%).

⁸⁶ Information concerning Record Investors and Intercompany Transactions comes from the LFM Debtors' Records; however, the LFM Debtors are still working to fully reconcile all Open Intercompany Transactions. Information concerning 1059 Account Transactions and 1380 Account Transactions comes from the 1059 Account Records and 1380 Account Records, respectively. Information concerning Property ownership generally comes from the real property records maintained by the applicable county (the “Real Property Records”). All other information comes from Third-Party Discovery and Investor Claims.

⁸⁷ The Plan Proponents have been able to more easily identify Outbound 1380 Transactions than Inbound 1380 Account Transactions because debits from the 1380 Account frequently contained memos that identified the purpose of the transaction (most commonly the alleged investment). Additional forensic accounting would very likely increase the Inbound 1380 Account Transactions associated with each Debtor.

Property holdings. This presentation is intended to provide a consistent basis for showing the interconnectedness of the Debtors and the Investor Claims asserted or scheduled against them.

However, the standardized presentation below does not fully reflect the complexity of the Debtors' interconnectedness. For certain of the Debtors (specifically Hagar and Live Oak) and one KSMP Investment Entity (Treehouse), the Plan Proponents have included additional information to provide further examples of the ways in which all of the Debtors and the KSMP Investment Entities are hopelessly entangled.

1. LFM

Investors: LFM has two Record Investors, LeFever and Mattson, each owning 50%. No Investor has claimed to be a Non-Record Investor in LFM (i.e., no Investor other than LeFever or Mattson has asserted that they have any equity ownership in LFM).

Investor Claims: 700 Investors have asserted Investor Claims directly against LFM. Many more Investors also appear to assert Investor Claims against LFM as part of Investor Claims filed against other LFM Debtors.

1059 Account and 1380 Account Transactions: The 1059 Account is (and has always been) in LFM's name. Thus, by definition, each of the 50,154 1059 Account Transactions involved LFM. Between May 1, 2017, and May 31, 2024, there were 2,573 Inbound 1059 Account Transactions totaling \$254,760,000 and 47,581 Outbound 1059 Account Transactions totaling \$255,020,000. In addition, between May 1, 2017, and May 31, 2024, there were at least 289 Inbound 1380 Account Transactions totaling \$39,801,543 and 421 Outbound 1380 Transactions totaling \$46,520,695 with respect to LFM.

Intercompany Transactions: As of the Petition Date, LFM was owed a total of \$8,389,187 from sixteen other LFM Debtors and owed \$292,000 to two other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As detailed in Attachment A, as of the Petition Date, LFM held title to 53 Properties, twelve of which were encumbered by a Third Party Loan taken out by KSMP. Also as set forth in Attachment A, LFM previously held (but, as of the Petition Date, no longer held) title to at least 132 additional Properties.

2. KSMP

Investors: KSMP has three Record Investors: Mattson (49%), his wife Stacy Mattson (49%), and KS Mattson Company LLC ("KSMC") (2%). Mattson and his wife each own 50% of KSMC. To date, no Investor has claimed to be a Non-Record Investor in KSMP.

Investor Claims: Prior to KSMP's entry into chapter 11, 154 Investors filed Investor Claims directly against KSMP in the LFM Debtors' cases (the "Initial KSMP Claims"). In addition, 566 Investors filed Investor Claims against KSMP in the KSMP chapter 11 case (the "Subsequent KSMP Claims"). The vast majority of the Subsequent KSMP Claims were filed by Investors that had filed Initial KSMP Claims.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were 950 Inbound 1059 Account Transactions totaling \$92,000,000 and 375 Outbound 1059 Account Transactions totaling \$25,000,000 with respect to KSMP. The 1380 Account is (and has always been) in KSMP's name. Thus, by definition, each of the 35,303 1380 Account Transactions involved KSMP. Between May 1, 2017, and May 31, 2024, there were at least 2,186 Inbound 1380 Account Transactions totaling \$241,017,309 and 33,117 Outbound 1380 Transactions totaling \$240,823,993.

Property Interests: As detailed in Attachment B, as of the Petition Date, KSMP held title (in whole or in part) to thirty-three Properties. Also as set forth in Attachment B, KSMP previously held (but, as of the Petition Date, no longer held) title to at least 147 additional Properties.

3. The LFM Investment Entities

a. Autumn Wood I, LP

Investors: Autumn Wood I, LP ("Autumn Wood") has twenty-six Record Investors, including LFM (35.665%), Tim LeFever (1.189%), and Amy LeFever (0.533%). Thirty-five Non-Record Investors have submitted Investor Claims against Autumn Wood.

Investor Claims: Fifty-seven Non-Insider Investors have Investor Claims against Autumn Wood. Of these, 75% have Investor Claims against at least one other LFM Debtor and 60% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Autumn Wood from a KSMP Debtor.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 1,133 1059 Account Transactions with respect to Autumn Wood: 12 Inbound 1059 Account Transactions totaling \$2,109,000 and 1,121 Outbound 1059 Account Transactions totaling \$1,650,338. In addition, between May 1, 2017, and May 31, 2024, there were at least 21 Outbound 1380 Transactions totaling \$50,323 with respect to Autumn Wood.

Intercompany Transactions: As of the Petition Date, Autumn Wood owes a total of \$2,263,085 to fourteen other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Autumn Wood held title to one Property.⁸⁸ Autumn Wood previously held (but, as of the Petition Date, no longer held) title to at least three additional Properties.⁸⁹

⁸⁸ A 49.5% TIC interest in Salvio Pacheco Square (2151 Salvio Street, Concord), which it purchased from a third party in November 2017.

⁸⁹ Those Properties are: (a) Property located at 395 – 397 Coombs Street/1203 – 1219 Laurel Street, Napa, transferred to Autumn Wood by three TICs (including LFM) in October 2003 and transferred from Autumn Wood to LFM in October 2003 (*see* Attachment F-26); (b) Marpel Apartments (501 – 523 Carpenter Street, Fairfield), which was transferred to Autumn Wood by TICs in August 2003 and transferred by Autumn Wood to TICs in October 2003 (*see* Attachment F-7); and (c) Autumnwood Apartments (1111 Alaska Avenue, Fairfield) from October 2003 to October 2017.

b. Bay Tree, LP

Investors: Bay Tree, LP (“Bay Tree”) is a Mattson Maintained Debtor. Therefore, the Plan Proponents do not have sufficient information to identify any Record Investors in Bay Tree.

Investor Claims: Fifty Non-Insider Investors have Investor Claims against Bay Tree. Of these, 90% have Investor Claims against at least one other LFM Debtor and 66% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Bay Tree from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 3,661 Outbound 1059 Account Transactions totaling \$5,896,751 with respect to Bay Tree. In addition, between May 1, 2017, and May 31, 2024, there were at least 21 Outbound 1380 Transactions totaling \$37,602 with respect to Bay Tree.

Property Interests: Mattson represented to Investors that Bay Tree owned 860 Charter Way in Redwood City. However, Bay Tree has never owned any recorded interest in 860 Charter Way—or any other Property.

c. Beach Pine, LP

Investors: Beach Pine, LP (“Beach Pine”) has twelve Record Investors, including LFM (38.5735%) and KSMP (9.8994%). Thirteen Non-Record Investors have submitted Investor Claims against Beach Pine.

Investor Claims: Twenty-three Non-Insider Investors have Investor Claims against Beach Pine. Of these, 74% have Investor Claims against at least one other LFM Debtor and 78% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Beach Pine from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were not less than 67 Outbound 1059 Account Transactions totaling \$247,142 with respect to Beach Pine. In addition, between May 1, 2017, and May 31, 2024, there were at least 4 Inbound 1380 Account Transactions totaling \$3,802,274 and 465 Outbound 1380 Transactions totaling \$700,616 with respect to Beach Pine.

Intercompany Transactions: As of the Petition Date, Beach Pine owes a total of \$547,546 to five other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Beach Pine held title to one Property.⁹⁰ Beach Pine previously held (but, as of the Petition Date, no longer held) title to at least five additional Properties.⁹¹

⁹⁰ 377 W. Spain Street, Napa, which KSMP transferred to Beach Pine in December 2022.

⁹¹ Those Properties are: (a) Water’s Edge Apartments (5959 Riverside Boulevard, Sacramento), which was transferred to Beach Pine by a group of TICs (including LFM and KSMP) in November 2018 and transferred from Beach Pine to Waters Edge in June 2020 in a purported 1031 Exchange; (b)

d. Bishop Pine, LP

Investors: Bishop Pine, LP (“Bishop Pine”) has fifteen Record Investors, including LFM (43.7134%). Four Non-Record Investors have submitted Investor Claims against Bishop Pine.

Investor Claims: Eighteen Non-Insider Investors have Investor Claims against Bishop Pine. Of these, 78% have Investor Claims against at least one other LFM Debtor and 61% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Bishop Pine from KSMP.

1059 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 202 Outbound 1059 Account Transactions totaling \$147,651 with respect to Bishop Pine.

Intercompany Transactions: As of the Petition Date, Bishop Pine is owed a total of \$1,114,100 from fifteen other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Bishop Pine did not have an interest in any Properties; Bishop Pine held an interest in at least one Property prior to the Petition Date.⁹² Bishop Pine is also the sole member of non-Debtors Waters Edge Riverside Properties LLC (“Waters Edge”) and Woodland Oaks Investments LLC (“Woodland Oaks Investments”).

e. Black Walnut, LP

Investors: Black Walnut, LP (“Black Walnut”) has five Record Investors, including LFM (56.801%). Three Non-Record Investors have submitted Investor Claims against Black Walnut.

Investor Claims: Seven Non-Insider Investors have Investor Claims against Black Walnut. Of these 71% have Investor Claims against at least one other LFM Debtor and 86% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Black Walnut from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 199 Outbound 1059 Account Transactions totaling \$537,310 with respect to Black Walnut. In addition, between May 1, 2017, and May 31, 2024, there were at least 4 Inbound 1380 Account Transactions totaling \$3,250,000 with respect to Black Walnut.

4950 – 4970 Allison Parkway, Vacaville, which was transferred from Golden Tree to Beach Pine in August 2020 and transferred from Beach Pine to Windscape in November 2022; (c) 1220 E. Napa Street, Sonoma, which was transferred from KSMP to Beach Pine in December 2022 and sold by Beach Pine in July 2024; (d) 1200 Apple Tree Court, Sonoma, which was transferred from KSMP to Beach Pine in December 2022 and sold by Beach Pine in August 2024; and (e) 282 Patten Street, Sonoma, which was transferred from KSMP to Beach Pine in December 2022 and sold by Beach Pine in August 2024.

⁹² Sterling Pointe Apartments (2237/2257 Hurley Way, Sacramento), in which Bishop Pine held a 68.748% TIC interest, acquired from other TICs, from July 2019 until December 2019 (*see* Attachment F-29).

Intercompany Transactions: As of the Petition Date, Black Walnut is owed a total of \$39,787 from one other LFM Debtor on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Black Walnut held title to five Properties;⁹³ Black Walnut held interests in at least two additional Properties prior to the Petition Date.⁹⁴

f. Buckeye Tree, LP

Investors: Buckeye Tree, LP (“Buckeye Tree”) has twelve Record Investors, including LFM (16.203%). Three Non-Record Investors have submitted Investor Claims against Buckeye Tree.

Investor Claims: Fourteen Non-Insider Investors have Investor Claims against Buckeye Tree. Of these, 64% have Investor Claims against at least one other LFM Debtor and 36% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Buckeye Tree from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 14 Outbound 1059 Account Transactions totaling \$9,000 with respect to Buckeye Tree.

Intercompany Transactions: As of the Petition Date, Buckeye Tree owes a total of \$142,363 to five other LFM Debtors on account of Open Intercompany Transactions.

⁹³ Those Properties are: (a) 789 Cordilleras Drive, Sonoma, which KSMP transferred to Black Walnut in December 2022; (b) 20564 Broadway, Sonoma, which KSMP transferred to Black Walnut in December 2022; (c) 653 W. Third Street, Sonoma, which KSMP transferred to Black Walnut in December 2022; (d) 391 – 455 Oak Street/19173 Railroad Avenue, Sonoma, which KSMP transferred to Black Walnut in December 2022; and (e) 19020 – 19030 Railroad Avenue, Sonoma, which Black Walnut purchased in December 2022 (subject to a purported loan from Black Walnut to KSMP).

⁹⁴ Those Properties are: (a) Spring Glenn Apartments (555 Elmira Road, Vacaville), in which Black Walnut held a 34.436% TIC interest acquired from a group of TICs in November 2014 until the Property was sold in December 2017 (*see* Attachment F-21); and (b) Woodcreek Plaza (7456 Foothills Boulevard, Roseville), which was transferred from Windtree to Black Walnut in March 2018 and transferred from Black Walnut to Windscape in November 2022 (*see* Attachment F-14).

Property Interests: As of the Petition Date, Buckeye Tree held title to five Properties;⁹⁵ Buckeye Tree previously held (but, as of the Petition Date, no longer held) title to at least one additional Property.⁹⁶

g. Bur Oak, LP

Investors: Bur Oak, LP ("Bur Oak") has fifteen Record Investors, including LFM (37.3166%).

Investor Claims: Fourteen Non-Insider Investors have Investor Claims against Bur Oak. Of these, 71% have Investor Claims against at least one other LFM Debtor and 57% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Bur Oak from KSMP.

Intercompany Transactions: As of the Petition Date, Bur Oak owes a total of \$949,700 to 6 other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Bur Oak held title to one Property.⁹⁷

h. Butcher Road Partners, LLC

Investors: Butcher Road Partners, LLC ("Butcher Road") is a Mattson Maintained Debtor.

Investor Claims: Eighty-two Non-Insider Investors have Investor Claims against Butcher Road. Of these, 76% have Investor Claims against at least one other LFM Debtor and 65% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Butcher Road from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 1,524 Outbound 1059 Account Transactions totaling \$1,618,101 with respect to Butcher Road. In addition, between May 1, 2017, and May 31, 2024, there were at least six Outbound 1380 Transactions totaling \$7,769 with respect to Butcher Road.

Property Interests: As of the Petition Date, Butcher Road did not have an interest in any Properties. Mattson represented to Investors that Butcher Road owned the Vaca Villa Apartments in Vacaville, California. However, Butcher Road has never owned any interest in the Vaca Villa Apartments; rather, between January 2013 (when the parcels were transferred from LFM) and

⁹⁵ Those Properties are: (a) a 50% TIC interest in 635 Broadway, 645 – 651 Broadway, 1151 Broadway, and 1161 – 1167 Broadway in Sonoma, each of which was purchased from a third party in September 2022; and (b) 16721 Sonoma Highway, Sonoma, which KSMP transferred to Buckeye Tree in November 2022.

⁹⁶ Specifically, a 68.748% TIC interest in Carmichael Apartments (5800 Engle Road, Carmichael), which Buckeye Tree acquired from seven TICs in June 2022 and transferred to RTCM in July 2022 in a purported 1031 Exchange.

⁹⁷ Dana Drive Apartments (1190 Dana Drive, Fairfield), which it acquired from TICs in January 2022 (see Attachment F-3).

November 2022 (when the parcels were transferred to Windscape), Butcher Road owned four undeveloped parcels adjacent to the Vaca Villa Apartments.

i. Cambria Pine, LP

Investors: Cambria Pine, LP (“Cambria Pine”) has eight Record Investors, including LFM (28.7189%). Three Non-Record Investors have submitted Investor Claims against Cambria Pine.

Investor Claims: Ten Non-Insider Investors have Investor Claims against Cambria Pine. Of these, 90% have Investor Claims against at least one other LFM Debtor and 70% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Cambria Pine from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 215 Outbound 1059 Account Transactions totaling \$111,150 with respect to Cambria Pine.

Intercompany Transactions: As of the Petition Date, Cambria Pine owes a total of \$564,280 to thirteen other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Cambria Pine held title to one Property.⁹⁸

j. Chestnut Oak, LP

Investors: Chestnut Oak, LP (“Chestnut Oak”) has eight Record Investors, including LFM (2.3262%).

Investor Claims: Seven Non-Insider Investors have Investor Claims against Chestnut Oak. Of these, 57% have Investor Claims against at least one other LFM Debtor and 29% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Chestnut Oak from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 100 Outbound 1380 Transactions totaling \$100,182 with respect to Chestnut Oak.

Intercompany Transactions: As of the Petition Date, Chestnut Oak owes a total of \$709,750 to seven other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Chestnut Oak held title to one Property.⁹⁹

⁹⁸ Camelia Square Apartments (1621 Hood Road, Sacramento), which it acquired from TICs in November 2018 (*see* Attachment F-2).

⁹⁹ Walnut Crest Apartments (3217 Walnut Avenue, Carmichael), which it acquired from TICs in January 2022 (*see* Attachment F-10).

k. Divi Divi Tree, LP

Investors: Divi Divi Tree, LP (“Divi Divi”) has 4 Record Investors as of the Petition Date: LFM (17.6326%), KSMP (48.467%), Tim and Amy LeFever (19.4583%), and the Richard & Carolyn Treacle Revocable Trust (14.4421%). As detailed above, however, since approximately 2009, Mattson sold IRA Phantom Interests to Investors, which were never reflected in the LFM Debtors’ Investment Records. Although Mattson has claimed that he only ever transferred KSMP’s interest in Divi Divi, such a claim is mathematically impossible; among other things, even ownership reports that Mattson sent to certain IRA Custodians indicate that the Richard & Carolyn Treacle Revocable Trust had less than 14.4421% of Divi Divi’s partnership interests. 204 Non-Record Investors have submitted Investor Claims against Divi Divi.

Investor Claims: Two hundred five Non-Insider Investors have Investor Claims against Divi Divi. Of these, 60% have Investor Claims against at least one other LFM Debtor and 68% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Divi Divi from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 1,615 1059 Account Transactions with respect to Divi Divi: 116 Inbound 1059 Account Transactions totaling \$29,226,800 and 1,503 Outbound 1059 Account Transactions totaling \$1,824,890. In addition, between May 1, 2017, and May 31, 2024, there were at least two Inbound 1380 Account Transactions totaling \$5,500,000 and fourteen Outbound 1380 Transactions totaling \$609,511 with respect to Divi Divi.

Property Interests: As of the Petition Date, Divi Divi did not have an interest in any Properties; rather, Divi Divi holds 100% of the membership interests in Sienna Pointe. Divi Divi previously held (but, as of the Petition Date, no longer held) title to at least five Properties.¹⁰⁰

l. Firetree I, LP; Firetree II, LP; and Firetree III, LP

Investors: The only Record Investor in each of Firetree I, LP (“Firetree I”), Firetree II, LP (“Firetree II”), and Firetree III, LP (“Firetree III” and, together with Firetree I and Firetree II, the “Firetree Entities”) is LFM. However, 20 Non-Record Investors have submitted Investor Claims

¹⁰⁰ Those Properties are: (a) Southwood Place Apartments (410 Buck Avenue, Vacaville), which was transferred by TICs to Divi Divi in January 2003 and transferred by Divi Divi to TICs in February 2003 (see Attachment F-17); (b) Vaca Villa Apartments (370 Butcher Road, Vacaville), which was transferred by TICs to Divi Divi in January 2003 and transferred by Divi Divi to TICs in February 2003 (see Attachment F-13); (c) Pinewoods Apartments (1995 Grande Circle, Fairfield), which was transferred by TICs to Divi Divi in January 2003 and transferred by Divi Divi to TICs in February 2003 (see Attachment F-20); (d) Dana Drive Apartments (1190 Dana Drive, Fairfield), which was transferred by TICs to Divi Divi in January 2003 and transferred by Divi Divi to TICs in February 2003 (see Attachment F-3); and (e) a 70.368% TIC interest in Sienna Pointe Apartments (13933 Chagall Court, Moreno Valley), which Divi Divi purchased from a third party in February 2003 and which, together with the remaining 29.632% TIC interest (which Divi Divi acquired from two TICs by Grant Deeds dated January 20, 2005, but recorded July 26, 2007) Divi Divi transferred to Sienna Pointe in September 2015.

against Firetree I and 1 Non-Record Investor has submitted an Investor Claim against Firetree II (collectively, the “Non-Record Firetree Investors”).

Investor Claims: Twenty-one Non-Insider Investors have Investor Claims against a Firetree Entity. Of these, 81% have Investor Claims against at least one other LFM Debtor and 62% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in a Firetree Entity from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 2,037 1059 Account Transactions with respect to a Firetree Entity: 9 Inbound 1059 Account Transactions totaling \$775,000 and 2,038 Outbound 1059 Account Transactions totaling \$2,310,326. In addition, between May 1, 2017, and May 31, 2024, there were at least 2 Inbound 1380 Account Transactions totaling \$2,968,156 and 10 Outbound 1380 Transactions totaling \$13,782 with respect to a Firetree Entity.

Property Interests: As of the Petition Date, Firetree I held title to six Properties,¹⁰¹ Firetree II held title to one Property,¹⁰² and Firetree III held title to four Properties.¹⁰³ Prior to the Petition Date, Firetree I held an interest in at least two additional Properties,¹⁰⁴ Firetree II held an interest in one additional Property,¹⁰⁵ and Firetree III held an interest in at least two additional Properties.¹⁰⁶

¹⁰¹ Those Properties are: (a) 18585 Manzanita Road, Sonoma, which it acquired from a third party in February 2022; (b) a vineyard on E. 8th Street in Sonoma, which it acquired from a third party in March 2022; (c) 786 Broadway, Sonoma, which was transferred from KSMP to Firetree I in April 2022; (d) 790 Broadway, Sonoma, which was transferred from KSMP to Firetree I in April 2022; (e) 24265 Arnold Drive, Sonoma, which was transferred from Napa Elm to Firetree I in July 2022; and (f) 24321 Arnold Drive, Sonoma, which was transferred from Napa Elm to Firetree I in July 2022.

¹⁰² Specifically, a 77% TIC interest in Seven Branches Inn (450 W. Spain Street, Sonoma), which it acquired from a third party in January 2019.

¹⁰³ Those Properties are: (a) 18580 Sonoma Highway, Sonoma, which was purchased from a third party in February 2022; (b) 453 – 459 W. 2nd Street, Sonoma, which was transferred from KSMP to Firetree III in April 2022; (c) 17700 Sonoma Highway, Sonoma, which was transferred from KSMP to Firetree III in April 2022; and (d) 201 Meadowlark Lane, Sonoma, which was transferred from KSMP to Firetree III in May 2022.

¹⁰⁴ Those Properties are: (a) a TIC interest (originally 75%, then 40%) in 902 Enterprise Way, Napa, which it acquired from a third party in November 2017 and sold to a third party in December 2018 (*see* Attachment F-28); and (b) a 24% TIC interest in Cornerstone (72/100/200 Wagner Road and 23570 Arnold Road, Sonoma), which it purchased in January 2019 from a third party and transferred to Heacock in January 2022.

¹⁰⁵ A TIC interest (originally 75%, then 40%) in 908 Enterprise Way, Napa, which it acquired from a third party in November 2017 and sold to a third party in December 2018 (*see* Attachment F-30).

¹⁰⁶ Those Properties are: (a) 860 Kaiser Road, Napa, which it purchased from a third party in November 2017 and sold to a third party in December 2018; and (b) a 40% TIC interest in Cornerstone

m. Foxtail Pine, LP

Investors: Foxtail Pine, LP (“Foxtail Pine”) has six Record Investors, including LFM (46.2719%). One Non-Record Investor has submitted an Investor Claim against Foxtail Pine.

Investor Claims: Of the six Non-Insider Investors have Investor Claims against Foxtail Pine. Of these, 67% have Investor Claims against at least one other LFM Debtor and 33% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Foxtail Pine from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least fourteen Outbound 1059 Account Transactions totaling \$11,235 with respect to Foxtail Pine. In addition, between May 1, 2017, and May 31, 2024, there were at least forty-three Outbound 1380 Transactions totaling \$49,813 with respect to Foxtail Pine.

Intercompany Transactions: As of the Petition Date, Foxtail Pine owes a total of \$448,925 to 8 other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Foxtail Pine held title to one Property.¹⁰⁷

n. Ginko Tree, LP

Investors: Ginko Tree, LP (“Ginko Tree”) has thirteen Record Investors, including LFM (19.5702%).

Investor Claims: Twelve Non-Insider Investors have Investor Claims against Ginko Tree. Of these, 75% have Investor Claims against at least one other LFM Debtor and 50% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Ginko Tree from KSMP.

Intercompany Transactions: As of the Petition Date, Ginko Tree owes a total of \$635,713 to 7 other LFM Debtors on account of Open Intercompany Transactions.

(72/100/200 Wagner Road and 23570 Arnold Road, Sonoma), which it purchased in January 2019 from a third party and transferred to Heacock in January 2022.

¹⁰⁷ Sharis Apartments (453 Fleming Avenue E., Vallejo), which it acquired from TICs in November 2018 (see Attachment F-8).

Property Interests: As of the Petition Date, Ginko Tree held title to five Properties;¹⁰⁸ Ginko Tree previously held (but, as of the Petition Date, no longer held) title to at least one additional Property.¹⁰⁹

o. Golden Tree, LP

Investors: Golden Tree, LP (“Golden Tree”) is a Mattson Maintained Debtor.

Investor Claims: Sixty Non-Insider Investors have Investor Claims against Golden Tree. Of these, 78% have Investor Claims against at least one other LFM Debtor and 57% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Golden Tree from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 3,685 1059 Account Transactions with respect to Golden Tree: 2 Inbound 1059 Account Transactions totaling \$75,000 and 3,683 Outbound 1059 Account Transactions totaling \$3,824,135. In addition, between May 1, 2017, and May 31, 2024, there were at least 3 Inbound 1380 Account Transactions totaling \$3,918,958 and 124 Outbound 1380 Transactions totaling \$203,306 with respect to Golden Tree.

Property Interests: As of the Petition Date, Golden Tree held title to one Property;¹¹⁰ Golden Tree previously held (but, as of the Petition Date, no longer held) title to at least three additional Properties.¹¹¹

p. Hagar Properties, LP

Hagar Properties, LP (“Hagar”) was formed as Hagar Properties, LLC on January 11, 2002. At its formation, Hagar had eight Record Investors (the “Original Hagar Investors”),¹¹² each of which held 12.5% of Hagar’s membership interests. In February 2002, Hagar purchased the

¹⁰⁸ Those Properties are: (a) a 50% TIC interest in 635 Broadway, 645 – 651 Broadway, 1151 Broadway, and 1161 – 1167 Broadway in Sonoma, each of which was purchased from a third party in September 2022; and (b) 596 E. 3rd Street, Sonoma, which KSMP transferred to Ginko Tree in November 2022.

¹⁰⁹ Specifically, the Courtyard Cottages (7337 Power Inn Road, Sacramento), which LFM transferred to Ginko Tree in June 2022 and Ginko Tree transferred to RTCM in July 2022.

¹¹⁰ 19340 E. 7th Street, Sonoma, which KSMP transferred to Golden Tree in August 2020.

¹¹¹ Those Properties are: (a) 4950 – 4970 Allison Parkway, Vacaville, which was transferred from TICs to Golden Tree in October 2018 and March 2020 and which was transferred from Golden Tree to Beach Pine in August 2020; (b) a 50% TIC interest in 19355 E. 7th Street, Sonoma, which KSMP transferred to Golden Tree in October 2020 and which Golden Tree sold to a third party in November 2020; and (c) 5120 Lovall Valley Loop Road, Sonoma, which was transferred from KSMP to Golden Tree in November 2020 and sold by Golden Tree to a third party in July 2024.

¹¹² The Original Hagar Investors were LFM, Keith and Anne Gockel, Kathy Hamlin, Gladys Howerton, Kevin and Amy Kelly, Randy and Janet Marlette, Chris and Donna McCartney, and David and Iris Murphy.

Heacock Park Apartments, located at 13325 Heacock Street in Moreno Valley (the “Heacock Park Apartments”).

As of June 18, 2004 at least seven of the eight Original Hagar Investors (or their successor trusts) remained Record Investors in Hagar.¹¹³ That month, LFM sent a letter to the Original Hagar Investors and the Original Redwoods TICs (as defined below), stating that LFM was “nearing the end of the process of the purchase of the Redwoods Apartments in Modesto, California,” attaching Disclosures, a Co-Tenancy Agreement, a Property Management Agreement, and a Pro Forma Budget. In July 2004, Hagar transferred its interest in the Heacock Park Apartments to a group of TICs (including LFM). At the same time, Hagar and four other TICs (collectively, the “Original Redwoods TICs”)¹¹⁴ purchased Redwoods Apartments, located at 2805 Yosemite Boulevard in Modesto (the “Redwoods Apartments”) for \$14.6 million, which purchase was partially funded by an approximately \$10.2 million mortgage from Chase.

As shown on Attachment G-3, between 2006 and 2012, the Redwoods Apartments could not sustain the \$292,680 in annual distributions made to the Original Redwoods TICs or their successors. In fact, in 2009, 2011, and 2012, the Redwoods Apartments’ net cash flow was negative even after accounting for inbound LFM Intercompany Transactions.

On December 19, 2012, Hagar converted from an LLC to an LP, with LFM serving as its general partner. As of the date of conversion, the Original Hagar Investors or their successors¹¹⁵ remained the Record Investors of Hagar. In November 2014, the Original Redwoods TICs refinanced the Redwoods Apartments through AmericanWest Bank with an \$11.774 million mortgage. The net proceeds of the refinancing went to Divi Divi (approximately \$675,000), LFM (\$200,000), and Hagar (approximately \$1.3 million).

As shown on Attachment F-18, by grant deeds dated August 6, 2014, and recorded August 29, 2014, (a) each of the Original Redwoods TICs (except Hagar) transferred their TIC interests in the Redwoods Apartments to LFM and (b) LFM transferred those TIC interests to Hagar. The LFM Debtors’ records reflect that LFM “bought out” each of the Original Redwoods TICs other than Hagar, meaning that the Redwoods Apartments were thereafter solely owned by Hagar, whose Record Investors were the Original Hagar Investors or their successors (albeit with LFM owning more of Hagar as a result of the buyout of the Original Redwoods TICs).

As shown on Attachment G-3, in 2013, 2015, 2016, and 2017, the Redwoods Apartments could not sustain the between \$290,000 and \$310,000 in annual distributions made to the Original Redwoods TICs or their successors. Indeed, for each of those years (except for 2017), the

¹¹³ Documents obtained by the Plan Proponents are inconsistent as to whether Kathy Hamlin was a Record Investor in Hagar as of June 2004. While the “Schedule A” for Hagar suggests she was a Record Investor, she was not a signatory to the Amended and Restated Operating Agreement of Hagar dated June 18, 2004.

¹¹⁴ The Original Redwoods TICs, and their percentage TIC interest, are Hagar (76.978%), the Specht Trust (6.15%), the Fisher Trust (4.572%), the Suhonos Trust (6.15%), and the Alekna Trust (6.15%).

¹¹⁵ In 2009, Carolyn Grassi and Robert Heber each inherited 50% of Ms. Howerton’s interest in Hagar.

Redwoods Apartments' net cash flow was negative even after accounting for inbound LFM Intercompany Transactions. In July 2018, Hagar again refinanced the Redwoods Apartments, this time through Walker & Dunlop, with a \$16.95 million mortgage, taking out approximately \$5.66 million in cash in the process. Nearly all of the \$5.66 million was transferred to other Properties—approximately \$5.32 million to Sterling Pointe Apartments, \$300,000 to Windscape Village Apartments, and \$70,000 to Sharis Apartments. Between 2020 and 2023, the Record Investors in Hagar changed. In April 2020, LFM purchased the Kelly Trust's 9.622% LP interest in Hagar for approximately \$470,000. In December 2021, LFM transferred 4.811% of its LP interest in Hagar to Tim and Amy LeFever for \$250,000 (most of which was the cancellation of an alleged loan from the LeFever to LFM). In December 2022, LFM sold a 1.080% LP interest in Hagar to the Clyde Trust for \$250,000. In October 2022 and January 2023, the LP interests in Hagar of the Marlette Trust, Grassi, and Heber (collectively, the "Exchanged Hagar Investors") were each exchanged for interests in LFM Debtors Valley Oak and/or River Birch. According to the LFM Debtors' records, Mattson informed LMPM that KSMP purchased these interests from the Exchanged Hagar Investors (meaning that KSMP was, as of October 2022, a Record Investor in Hagar). However, the Transfer Agreements with the Exchanged Hagar Investors are between *LFM* (not KSMP) and each of the Exchanged Hagar Investors.

In May 2024, Hagar sold the Redwoods Apartments. All of the then-Record Investors in Hagar received distributions, including more than \$6 million to LFM, \$3.2 million to KSMP, and \$802,000 to Tim and Amy LeFever.

Investors: Hagar has nine Record Investors, including LFM (36.376%), KSMP (19.245%), and Tim and Amy LeFever (4.811%). Twenty-three Non-Record Investors have submitted Investor Claims against Hagar.

Investor Claims: Twenty-nine Non-Insider Investors have Investor Claims against Hagar. Of these, 86% have Investor Claims against at least one other LFM Debtor and 66% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Hagar from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 1,816 1059 Account Transactions with respect to Hagar: 16 Inbound 1059 Account Transactions totaling \$5,693,000 and 1,799 Outbound 1059 Account Transactions totaling \$1,737,772. In addition, between May 1, 2017, and May 31, 2024, there were at least 7 Outbound 1380 Transactions totaling \$8,186 with respect to Hagar.

Intercompany Transactions: As of the Petition Date, Hagar is owed a total of \$11,280,982 from 22 other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Hagar did not have an interest in any Properties. Hagar directly held an interest in at least two Properties prior to the Petition Date.¹¹⁶

¹¹⁶ Those Properties are: (a) Heacock Park Apartments, which Hagar purchased from a third party in February 2002 and which Hagar transferred to TICs in July 2004; and (b) Redwoods Apartments

q. Heacock Park Apartments, LP

Investors: Heacock Park Apartments, LP (“Heacock”) has seventeen Record Investors, including LFM (19.304%), KSMP (6.434%), and Tim and Amy LeFever (5.72%). Thirty-two Non-Record Investors have submitted Investor Claims against Heacock.

Investor Claims: Forty-six Non-Insider Investors have Investor Claims against Heacock. Of these, 83% have Investor Claims against at least one other LFM Debtor and 74% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Heacock from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 299 1059 Account Transactions with respect to Heacock: 23 Inbound 1059 Account Transactions totaling \$2,519,800 and 277 Outbound 1059 Account Transactions totaling \$308,996. In addition, between May 1, 2017, and May 31, 2024, there were at least 26 Outbound 1380 Transactions totaling \$30,393 with respect to Heacock.

Intercompany Transactions: As of the Petition Date, Heacock is owed a total of \$3,754,425 from nineteen other LFM Debtors and owes a total of \$74,000 to two other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Heacock held title to one Property.¹¹⁷ Heacock directly held an interest in at least one additional Property prior to the Petition Date.¹¹⁸

r. Live Oak Investments, LP

Live Oak has only held an interest in the Southwood Place Apartments, located at 410 Buck Avenue in Vacaville (the “Southwood Place Apartments”). As shown on the chart attached as Attachment F-17, since the Southwood Place Apartments were first acquired by the Debtors in 2000, three different groups of TICs have owned the Southwood Place Apartments,¹¹⁹ with the latest group of TICs—who eventually became the Record Investors of Live Oak—acquiring their interests in the Southwood Place Apartments in 2004 (the “Final Southwood TICs”). The initial TICs purchased the Southwood Place Apartments for \$2.7 million in September 2000, \$2.07

(2805 Yosemite Boulevard, Modesto), which LFM transferred to Hagar in August 2014 and which Hagar sold to a third party in May 2024 (*see* Attachment F-18).

¹¹⁷ Cornerstone (72/100/200 Wagner Road and 23570 Arnold Road, Sonoma), which was transferred from LFM, Firetree I, and Firetree III to Heacock in January 2022.

¹¹⁸ Heacock Park Apartments (13325 Heacock Street, Moreno Valley), which was transferred from TICs to Heacock in September 2013 and sold by Heacock to a third party in July 2021.

¹¹⁹ The first group of TICs, which included LFM, conveyed their interests in the Southwood Place Apartments to Divi Divi by a grant deed dated January 15, 2003, but recorded on February 13, 2003. Divi Divi then conveyed the Southwood Place Apartments to a different group of TICs (by grant dated February 7, 2003, but also recorded on February 13, 2003) (the “Second Southwood TICs”), which then immediately conveyed the Southwood Place Apartments to Buck Avenue (by grant deed dated February 10, 2003, but also recorded on February 13, 2003). *See* Attachment F-17.

million of which was financed by a secured loan provided by Washington Mutual. This loan was likely paid off in connection with Buck Avenue's acquisition of the Southwood Place Apartments from the Second Southwood TICs in February 2003 for \$4.16 million, of which approximately \$2.858 million was financed by a secured loan provided by Washington Mutual.

In November 2004, LFM sent a letter to the Final Southwood TICs, stating that LFM was "nearing the end of the process of the purchase of the Southwood Apartments in Vacaville, California," attaching Disclosures, a Co-Tenancy Agreement, a Property Management Agreement, and a Pro Forma Budget. In December 2004, the Final Southwood TICs purchased the Southwood Place Apartments from Buck Avenue for \$5.2 million (a precisely 25% increase from the \$4.16 million purchase price from 20 months earlier), of which \$3.485 million was financed by a secured loan provided by Washington Mutual.

The Disclosures provided to the Final Southwood TICs included the fact that "[g]enerally the owners receive a monthly income that can not be sustained by initial cash flow alone but is supplemented by reserves and by actual increases over time." Indeed, the Original "Schedule A" provided to the Final Southwood TICs (which shows each such TIC's name, invested amount, investment percent, and annual and monthly payouts) showed total planned annual distributions to Investors of \$129,390 (or 6% of total amount invested) as compared to the initial pro forma cash flow to the Final Southwood TICs, which showed projected annual net income of \$44,980 (or 2.09% of total amount invested).¹²⁰ Therefore, it appears that LFM expected a net cash shortfall with respect to the Southwood Place Apartments of \$84,410 for the first year of the Final Southwood TICs' investment in the Property. In fact, from 2005 to 2010, the Southwood Place Apartments incurred a cumulative net loss of \$4,895 while making aggregate distributions to the Final Southwood TICs of \$537,383. Between 2005 and 2023, the actual net income attributable to the Southwood Place Apartments only exceeded distributions made to the Final Southwood TICs (including the Record Investors in Live Oak, as applicable) in eight of the 19 years.¹²¹

In April 2015, the Final Southwood TICs conveyed their interests in the Southwood Place Apartments to Live Oak, becoming the Record Investors in Live Oak. Concurrently, Live Oak refinanced the previous Third-Party Loan with a \$4.039 million secured loan provided by Americanwest Bank, later assigned to Grandpoint Bank and then Pacific Premier Bank.

As shown on Attachment I-1, on or about October 5, 2018, two LFM Intercompany Transactions occurred, with Live Oak in the middle: LFM paid Live Oak approximately \$481,000 (which was reflected in the LFM Debtors' records as a loan to the Southwood Place Apartments), which \$481,000 Live Oak used to pay Divi Divi (reflected in the LFM Debtors' records as a

¹²⁰ Southwood Place Apartments' actual net profit for 2005 was \$52,182 and, in that same year, only \$32,430 in distributions were made to the Final Southwood TICs.

¹²¹ The only years for which the actual net income for the Southwood Place Apartments exceeded distributions made to the Final Southwood TICs were 2005 (\$19,752), 2011 (\$26,083), 2017 (\$27,556), 2018 (\$108,957), 2020 (\$101,772), 2021 (\$179,652), 2022 (\$307,677), and 2023 (\$185,997). In each of the remaining years, distributions exceeded the net profit (or loss) for the Southwood Place Apartments: 2006 (\$181,145), 2007 (\$167,139), 2008 (\$114,905), 2009 (\$159,276), 2010 (\$71,291), 2012 (\$3,897), 2013 (\$57,574), 2014 (\$101,025), 2015 (\$258,022), 2016 (\$36,601), and 2019 (\$5,986).

repayment on an “interproperty loan” from the Sienna Pointe Apartments to the Southwood Place Apartments).

On or about August 7, 2019, Live Oak paid LFM approximately \$445,000, which was reflected in the LFM Debtors’ records as a repayment of a loan extended by LFM to the Southwood Place Apartments. As shown on Attachment I-2, the LFM Debtors’ records reflect that the source of these funds were “interproperty loans” made by five other Properties to the Southwood Place Apartments. However, three of the five Properties that apparently made these “interproperty loans” had been sold by the LFM Debtors to third parties years earlier.

On December 6, 2019, Live Oak refinanced its existing mortgage with a \$6.718 million secured loan provided by Walker & Dunlop, the proceeds of which were also used to close out \$432,000 in then-outstanding Intercompany Transactions to six other LFM Debtors.¹²² The net proceeds of the Walker & Dunlop refinancing available to Live Oak was approximately \$2.45 million. Just four days later, on December 10, Live Oak made a \$2.3 million “interproperty loan” to the Sterling Pointe Apartments, which were at that time owned by LFM (31.252%) and Bishop Pine (68.748%). As shown on Attachment I-3, the Sterling Pointe Apartments then used the \$2.3 million to repay LFM on account of a prior LFM Intercompany Transaction. Concurrently, as shown on Attachment I-3, several other Investment Vehicles engaged in a confusing series of LFM Intercompany Transactions, making and repaying “interproperty loans.” LFM also transferred \$600,000 to the 1059 Account, which was used to make payments to KSMP, Socotra, and to a contractor.

Just days later on December 18, after the Sterling Pointe Apartments were sold to a third party, the \$2.3 million “interproperty loan” was repaid. But, as shown on Attachment I-4, on or about December 31, 2019, the Southwood Place Apartments then made two “interproperty loans”, totaling approximately \$1.99 million, to the Carmichael Apartments and the Vaca Villa Apartments, each (at that point) owned by TICs, each of which then immediately repaid LFM on account of prior transactions.

Investors: Live Oak Investments, LP (“Live Oak”) has eleven Record Investors, including LFM (21.6227%). One Non-Record Investor has asserted an Investor Claim against Live Oak (the “Non-Record Live Oak Investor”).

Investor Claims: Ten Non-Insider Investors have Investor Claims against Live Oak. Of these, 90% have Investor Claims against at least one other LFM Debtor and 60% have asserted an Investor Claim against KSMP or a KSMP Investment Entity.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least sixty-six Outbound 1059 Account Transactions totaling \$66,000 with respect to Live Oak, all of which appear to be monthly distribution payments to the Non-Record

¹²² These six Intercompany Transactions are described in the LFM Debtors’ Records as being “Notes Payable payoffs,” which were transactions represented to Investors as being interest-bearing loans. All six of these Intercompany Transactions, however, are in round amounts (\$60,000; \$48,500; \$107,000; \$63,000; \$150,000; and \$3,500), which is inconsistent with the amount of principal plus interest that would be repaid on an interest-bearing loan.

Live Oak Investor. In addition, between May 1, 2017, and May 31, 2024, there was at least one Outbound 1380 Transaction totaling \$1,000 with respect to Live Oak.

Intercompany Transactions: As of the Petition Date, Live Oak is owed a total of \$3,245,830 by seventeen other LFM Debtors on account of Open Intercompany Transactions. However, Live Oak (and the Southwood Place Apartments before it) only started being an “intercompany lender” in 2019. Between 2009 and 2019, not only did Live Oak not lend to any other Investment Vehicle, it borrowed a total of \$2.18 million through Intercompany Transactions.

s. Monterey Pine, LP

Investors: Monterey Pine, LP (“Monterey Pine”) has fourteen Record Investors, including LFM (38.816%). Six Non-Record Investors have submitted Investor Claims against Monterey Pine.

Investor Claims: Nineteen Non-Insider Investors have Investor Claims against Monterey Pine. Of these, 63% have Investor Claims against at least one other LFM Debtor and 58% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Monterey Pine from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least fifty-four Outbound 1059 Account Transactions totaling \$164,250 with respect to Monterey Pine.

Intercompany Transactions: As of the Petition Date, Monterey Pine is owed a total of \$896,150 by eight other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Monterey Pine held title to one Property.¹²³

t. Napa Elm, LP

Investors: The only Record Investor in Napa Elm, LP (“Napa Elm”) as of the Petition Date is LFM. However, nine Non-Record Investors have submitted Investor Claims against Monterey Pine.

Investor Claims: Of the nine Non-Insider Investors have Investor Claims against Napa Elm. Of these, 89% have Investor Claims against at least one other LFM Debtor and 78% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Napa Elm from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 303 1059 Account Transactions with respect to Napa Elm: 9 Inbound 1059 Account Transactions totaling \$944,000 and 294 Outbound 1059 Account Transactions totaling \$393,985. In addition, between May 1, 2017, and May 31, 2024, there were at least 9

¹²³ Country Glen Apartments (7575 Power Inn Road, Sacramento), which Monterey Pine acquired from TICs in November 2018.

Inbound 1380 Account Transactions totaling \$8,428,486 and 200 Outbound 1380 Transactions totaling \$456,578 with respect to Napa Elm.

Property Interests: As of the Petition Date, Napa Elm did not have an interest in any Properties. Napa Elm held an interest in at least five Properties prior to the Petition Date.¹²⁴

u. Nut Pine, LP

Investors: Nut Pine, LP ("Nut Pine") has thirteen Record Investors, including LFM (38.154%). Thirteen Non-Record Investors have submitted Investor Claims against Nut Pine.

Investor Claims: Twenty-five Non-Insider Investors have Investor Claims against Nut Pine. Of these, 76% have Investor Claims against at least one other LFM Debtor and 68% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Nut Pine from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least ninety-four 1059 Account Transactions with respect to Nut Pine: two Inbound 1059 Account Transactions totaling \$4,039,467 and 92 Outbound 1059 Account Transactions totaling \$285,408. In addition, between May 1, 2017, and May 31, 2024, there were at least nineteen Outbound 1380 Transactions totaling \$34,203 with respect to Nut Pine.

Intercompany Transactions: As of the Petition Date, Nut Pine is owed a total of \$238,000 from eight other LFM Debtors and owes a total of \$54,000 to two other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Nut Pine held title to two Properties.¹²⁵ Nut Pine held an interest in at least one additional Property prior to the Petition Date.¹²⁶

¹²⁴ Those Properties are: (a) Napa Elm Townhomes (1050 Elm Street, Napa), which it acquired in February 2003 and transferred to TICs in July 2005 (*see* Attachment F-5); (b) a 21.348 TIC interest in Boulder Springs Apartments (3515 W. San Jose Avenue, Fresno), which Napa Elm acquired from a third party in July 2005 and sold to a third party in March 2020 (*see* Attachment F-23); (c) 24265 Arnold Drive, Sonoma, which KSMP transferred to Napa Elm in April 2020 and which Napa Elm transferred to Firetree I in July 2022; (d) 24321 Arnold Drive, Sonoma, which KSMP transferred to Napa Elm in April 2020 and which Napa Elm transferred to Firetree I in July 2022; and (e) 1549 E. Napa Street, Sonoma, which KSMP transferred to Napa Elm in April 2020 and which Napa Elm transferred to LFM in July 2022.

¹²⁵ Those Properties are: (a) 103/105 Commerce Court, Fairfield, which Nut Pine acquired from LFM in August 2020 (*see* Attachment F-31); and (b) 50% TIC interest in 2280 Bates Avenue, Concord, which Nut Pine acquired from LFM in October 2020 (*see* Attachment F-11).

¹²⁶ Woodland Oaks Apartments (724 Cottonwood Street, Woodland), which Nut Pine acquired from TICs in November 2018 and which Nut Pine transferred to Woodland Oaks Investments in October 2023.

v. Pinecone, LP

Investors: Pinecone, LP (“Pinecone”) has two record investors—LFM (77.786%) and KSMP (22.214%).

Investor Claims: No Non-Record Investors have submitted Investor Claims against Pinecone. As of the Petition Date, Pinecone is owed a total of \$233,075 from fifteen other LFM Debtors on account of Open Intercompany Transactions.

1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least twenty-eight Outbound 1380 Transactions totaling \$82,748 with respect to Pinecone.

Property Interests: As of the Petition Date, Pinecone held title to one Property.¹²⁷

w. Pinewood Condominiums, LP

Investors: Pinewood Condominiums, LP (“Pinewood”) has nineteen Record Investors, including LFM (18.923%). Fifteen Non-Record Investors have submitted Investor Claims against Pinewood.

Investor Claims: Thirty-three Non-Insider Investors have Investor Claims against Pinewood. Of these, 79% have Investor Claims against at least one other LFM Debtor and 70% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Pinewood from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 410 1059 Account Transactions with respect to Pinewood: 7 Inbound 1059 Account Transactions totaling \$1,370,000 and 403 Outbound 1059 Account Transactions totaling \$574,238. In addition, between May 1, 2017, and May 31, 2024, there were at least 85 Outbound 1380 Transactions totaling \$198,170 with respect to Pinewood.

Intercompany Transactions: As of the Petition Date, Pinewood is owed a total of \$1,000 from one other LFM Debtor and owes a total of \$956,751 to fourteen other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Pinewood held title to one Property.¹²⁸ Pinewood held an interest in at least two additional Properties prior to the Petition Date.¹²⁹

¹²⁷ Napa Elm Townhomes (1050 Elm Street, Napa), which LFM and KSMP transferred to Pinecone in February 2019 (*see* Attachment F-5).

¹²⁸ A 22.9% TIC interest in Salvio Pacheco Square (2151 Salvio Street, Concord), which it purchased from a third party in November 2017.

¹²⁹ Those Properties are: (a) Pinewood Apartments (1995 Grande Circle, Fairfield), which was transferred to Pinewood from TICs in February 2003 and transferred from Pinewood to TICs in September 2007 (*see* Attachment F-20); and (b) Willowbrook Apartments (2306/2376 Fairfield

x. Ponderosa Pines, LP

Investors: Ponderosa Pines, LP (“Ponderosa Pines”) is a Mattson Maintained Debtor.

1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 1,763 Outbound 1380 Transactions totaling \$2,532,285 with respect to Ponderosa Pines.

Investor Claims: Twenty-seven Non-Insider Investors have Investor Claims against Ponderosa Pines. Of these, 89% have Investor Claims against at least one other LFM Debtor and 85% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Ponderosa Pines from KSMP. Mattson represented to Investors that Ponderosa Pines owned Woodcreek Plaza (7456 Foothills Boulevard, Vacaville). However, Ponderosa Pines has never owned any recorded interest in Woodcreek Plaza—or any other Property.

y. Red Oak Tree, LP

Investors: Red Oak Tree, LP (“Red Oak Tree”) has four Record Investors, including LFM (70.0520%). 1 Non-Record Investor has submitted an Investor Claim against Red Oak Tree.

Investor Claims: Four Non-Insider Investors have Investor Claims against Red Oak Tree. Of these, 25% have Investor Claims against at least one other LFM Debtor and 25% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Red Oak Tree from KSMP.

Intercompany Transactions: As of the Petition Date, Red Oak Tree is owed a total of \$208,475 by eleven other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Red Oak Tree held title to three Properties.¹³⁰ Red Oak Tree held an interest in at least one additional Property prior to the Petition Date.¹³¹

z. Red Oak, LP

Investors: Red Oak, LP (“Red Oak”) has twelve Record Investors, including LFM (12.9191%). One Non-Record Investor has submitted an Investor Claim against Red Oak.

Avenue, Fairfield), in which LFM and Windscape I transferred a 61.173% TIC interest to Pinewood in October 2007 and which Pinewood sold to a third party in October 2017 (*see* Attachment F-27).

¹³⁰ Those Properties are: (a) Jackson Street Apartments (500 Jackson Street, Fairfield), which was transferred by TICs to Red Oak Tree in October 2022 (*see* Attachment F-6); (b) Marpel Apartments (501 – 523 Carpenter Street, Fairfield), which was transferred by TICs to Red Oak Tree in October 2022 (*see* Attachment F-7); and (c) Broadway Street Apartments (905 Broadway Street, Fairfield), which was transferred by TICs to Red Oak Tree in October 2022 (*see* Attachment F-1).

¹³¹ Pinewood Apartments (1995 Grande Circle, Fairfield), which was transferred by TICs to Red Oak Tree in October 2022 and sold by Red Oak Tree to a third party in August 2024 (*see* Attachment F-20).

Investor Claims: Eleven Non-Insider Investors have Investor Claims against Red Oak. Of these, 91% have Investor Claims against at least one other LFM Debtor and 73% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Red Oak from KSMP.

1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least three Outbound 1380 Transactions totaling \$2,586 with respect to Red Oak.

Intercompany Transactions: As of the Petition Date, Red Oak owes a total of \$374,260 to eight other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Red Oak held title to one Property.¹³²

aa. Red Spruce Tree, LP

Investors: Red Spruce Tree, LP (“Red Spruce”) has nine Record Investors, including LFM (41.4865%).

Investor Claims: Eight Non-Insider Investors have Investor Claims against Red Spruce. Of these, 88% have Investor Claims against at least one other LFM Debtor and 50% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Red Spruce from KSMP.

Intercompany Transactions: As of the Petition Date, Red Spruce owes a total of \$195,500 to seven other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Red Spruce held title to two properties.¹³³ Red Spruce held an interest in at least one additional Property prior to the Petition Date.¹³⁴

bb. River Birch, LP

Investors: River Birch, LP (“River Birch”) has twelve Record Investors, including LFM (6.8483%). Twenty-six Non-Record Investors have submitted Investor Claims against River Birch.

Investor Claims: Thirty-seven Non-Insider Investors have Investor Claims against River Birch. Of these, 84% have Investor Claims against at least one other LFM Debtor and 59% have

¹³² Gold Oak Apartments (3310 – 3336 Cimmarron Road, Cameron Park), which was transferred by TICs to Red Oak in January 2022.

¹³³ Those Properties are 446 W. 3rd Street and 454 W. 3rd Street in Sonoma, both of which were acquired by Red Spruce from a third party in December 2022.

¹³⁴ A group of TICs transferred their interests in the Vaca Villa Apartments (370 Butcher Road, Vacaville) to Red Spruce in November 2022. Red Spruce immediately transferred such interest to Windscape Apartments. See Attachment F-13.

asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in River Birch from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 312 1059 Account Transactions with respect to River Birch: 11 Inbound 1059 Account Transactions totaling \$2,250,000 and 301 Outbound 1059 Account Transactions totaling \$627,193. In addition, between May 1, 2017, and May 31, 2024, there were at least 1 Inbound 1380 Account Transactions totaling \$1,750,000 and 5 Outbound 1380 Transactions totaling \$7,010 with respect to River Birch.

Intercompany Transactions: As of the Petition Date, River Birch is owed a total of \$60,425 from three other LFM Debtors and owes a total of \$221,513 to one other LFM Debtor on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, River Birch held title to two Properties.¹³⁵ River Birch held an interest in at least one additional Property prior to the Petition Date.¹³⁶

cc. The River Tree Entities

(1) Country Oaks I, LP

Investors: Country Oaks I, LP (“Country Oaks I”) has twenty-six Record Investors, including LFM (10.263%) and KSMP (3.117%). Forty-one Non-Record Investors have submitted Investor Claims against Country Oaks I.

Investor Claims: Sixty-five Non-Insider Investors have Investor Claims against Country Oaks I. Of these, 74% have Investor Claims against at least one other LFM Debtor and 63% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Country Oaks I from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 2,626 1059 Account Transactions with respect to Country Oaks I: 2 Inbound 1059 Account Transactions totaling \$160,500 and 2,624 Outbound 1059 Account Transactions totaling \$3,037,648. In addition, between May 1, 2017, and May 31, 2024, there were at least 19 Outbound 1380 Transactions totaling \$20,677 with respect to Country Oaks I.

¹³⁵ Those Properties are: (a) French Quarter Apartments (170 – 182 E. 1st Street, Sonoma), which KSMP transferred to River Birch in June 2021; and (b) a 93.143% TIC interest in Auberge Sonoma (151 E. Napa Street, Sonoma), which Property KSMP transferred to River Birch in June 2021 (subsequent to this transfer, River Birch conveyed a 6.857% TIC interest in the Property to an Investor).

¹³⁶ Specifically, in January and April 2021, River Birch acquired an interest in the Carmichael Gardens Apartments (4727 Hackberry Lane, Carmichael) from a group of TICs, with Yellow Poplar having been transferred the remaining TIC interest. River Birch and Yellow Poplar sold the Property to a third party in April 2021. See Attachment F-24.

Intercompany Transactions: As of the Petition Date, Country Oaks I is owed a total of \$60,100 from 7 other LFM Debtors and owes a total of \$1,043,250 to eight other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Country Oaks I did not have a direct interest in any Properties; rather, Country Oaks I held 43.2% of RTGH and 43.2% of RTCM, each of which holds interests in Property. Country Oaks I directly held an interest in at least one Property prior to the Petition Date.¹³⁷

(2) Red Cedar Tree, LP

Investors: Red Cedar Tree, LP (“Red Cedar”) has two Record Investors—RTCM (99%) and LFM (1%).

Investor Claims: No Non-Record Investors have submitted Investor Claims against Red Cedar.

1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 1 Outbound 1380 Transactions totaling \$381 with respect to Red Cedar.

Intercompany Transactions: As of the Petition Date, Red Cedar owes a total of \$527,000 to 3 other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Red Cedar held title to two Properties.¹³⁸

(3) Red Mulberry Tree, LP

Investors: Red Mulberry Tree, LP (“Red Mulberry”) has two Record Investors—RTCM (99%) and LFM (1%).

Investor Claims: No Non-Record Investors have submitted Investor Claims against Red Mulberry.

Intercompany Transactions: As of the Petition Date, Red Mulberry owes a total of \$2,170,000 to one other LFM Debtor on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Red Mulberry held title to one Property.¹³⁹

¹³⁷ Specifically, Country Oaks I held a 47.737% TIC interest in the Country Oaks Apartments (333 E. Enos Drive, Santa Maria) from September 2007 until August 2016, when it transferred its interest to River Tree. See Attachment F-22.

¹³⁸ Those Properties are: (a) Carmichael Apartments (5800 Engle Road, Carmichael), which was transferred from RTCM to Red Cedar in August 2022 (see Attachment F-24); and (b) 5818 Engle Road, Carmichael, which was transferred from the Laurel Wreath Foundation, Inc. to Red Cedar in March 2024.

¹³⁹ Courtyard Cottages (7337 Power Inn Road, Sacramento), which RTCM transferred to Red Mulberry in August 2022.

(4) River Tree Partners, LP

Investors: River Tree Partners, LP (“River Tree”) has seventeen Record Investors, including LFM (20.8735%). Sixty-six Non-Record Investors have submitted Investor Claims against River Tree.

Investor Claims: Eighty-two Non-Insider Investors have Investor Claims against River Tree. Of these, 85% have Investor Claims against at least one other LFM Debtor and 61% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in River Tree from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 2,425 1059 Account Transactions with respect to River Tree: 26 Inbound 1059 Account Transactions totaling \$5,007,600 and 2,399 Outbound 1059 Account Transactions totaling \$2,942,280. In addition, between May 1, 2017, and May 31, 2024, there were at least 18 Outbound 1380 Transactions totaling \$24,999 with respect to River Tree.

Intercompany Transactions: As of the Petition Date, River Tree owes a total of \$792,500 to 10 other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, River Tree did not have a direct interest in any Properties; rather, River Tree held 56.8% of RTGH and 56.8% of RTCM, each of which holds interests in Property. River Tree directly held an interest in at least one Property prior to the Petition Date.¹⁴⁰

(5) RT Capitol Mall, LP

Investors: The only Record Investors in RT Capitol Mall, LP (“RTCM”) are River Tree (56.8%) and Country Oaks I (43.2%). However, six Non-Record Investors have submitted Investor Claims against RTCM.

Investor Claims: Eight Non-Insider Investors have Investor Claims against RTCM. Of these, 75% have Investor Claims against at least one other LFM Debtor and 50% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in RTCM from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 3 Inbound 1059 Account Transactions totaling \$2,600,000 with respect to RTCM. In addition, between May 1, 2017, and May 31, 2024, there were at least two Inbound 1380 Account Transactions totaling \$4,975,000 with respect to RTCM.

Intercompany Transactions: As of the Petition Date, RTCM owes a total of \$36,245 to 1 other LFM Debtor on account of Open Intercompany Transactions.

¹⁴⁰ Country Oaks Apartments (333 E. Enos Drive, Santa Maria), which was transferred from TICs (including Country Oaks I and LFM) to River Tree in August 2016 and sold by River Tree to a third party in August 2016. See Attachment F-22.

Property Interests: As of the Petition Date, RTCM held title to four Properties.¹⁴¹ Prior to the Petition Date, RTCM held an interest in at least five additional Properties.¹⁴²

(6) RT Golden Hills, LP

Investors: The only Record Investors in RT Golden Hills, LP (“RTGH”) are River Tree (56.8%) and Country Oaks I (43.2%). However, twelve Non-Record Investors have submitted Investor Claims against RTGH.

Investor Claims: Fourteen Non-Insider Investors have Investor Claims against RTGH. Of these, 100% have Investor Claims against at least one other LFM Debtor and 71% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in RTGH from KSMP.

1059 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least eight 1059 Account Transactions with respect to RTGH: five Inbound 1059 Account Transactions totaling \$300,000 and three Outbound 1059 Account Transactions totaling \$4,480.

Property Interests: As of the Petition Date, RTGH held title to one Property.¹⁴³

dd. The River View Entities

(1) Buck Avenue Apartments, LP

Investors: Buck Avenue Apartments, LP (“Buck Avenue”) has forty Record Investors, including LFM (10.1585%). Twenty-two Non-Record Investors have submitted Investor Claims against Buck Avenue.

Investor Claims: Sixty Non-Insider Investors have Investor Claims against Buck Avenue. Of these, 78% have Investor Claims against at least one other LFM Debtor and 70% have asserted

¹⁴¹ Those Properties are: (a) 19450 Old Winery Road, Sonoma, which was transferred from KSMP to RTCM in May 2022; (b) 921 Broadway, Sonoma, which was transferred from KSMP to RTCM in September 2022; (c) 222 – 226 W. Spain Street, Sonoma, which was transferred from KSMP to RTCM in September 2022; and (d) 1870 Thornsberry Road, Sonoma, which was transferred from LFM to RTCM in November 2023.

¹⁴² Those Properties are: (a) 520 Capitol Mall, Sacramento, which RTCM acquired from a third party in October 2016 and transferred to Sienna Pointe in January 2022; (b) 1549 E. Napa Street, Sonoma, which LFM transferred to RTCM in July 2022 and which RTCM transferred to KSMP in November 2023; (c) 282 Patten Street, Sonoma, which KSMP presumably transferred to RTCM (the Real Property Records reflect KSMP’s purchase of the Property by KSMP but not the transfer of the Property to RTCM) and which RTCM transferred to KSMP in September 2022; (d) Courtyard Cottages (7337 Power Inn Road, Sonoma), which was transferred from Ginko Tree to RTCM in July 2022 and transferred from RTCM to Red Mulberry in August 2022; and (e) Carmichael Apartments (5800 Engle Road, Carmichael), which was transferred by Buckeye Tree to RTCM in July 2022 and transferred from RTCM to Red Cedar in August 2022 (*see* Attachment F-24).

¹⁴³ The Shops at Golden Hills (941 – 1017 Alamo Drive, Vacaville), which RTGH purchased from a third party in September 2016.

an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Buck Avenue from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 721 1059 Account Transactions with respect to Buck Avenue: 7 Inbound 1059 Account Transactions totaling \$2,205,000 and 714 Outbound 1059 Account Transactions totaling \$1,385,047. In addition, between May 1, 2017, and May 31, 2024, there were at least 19 Outbound 1380 Transactions totaling \$19,261 with respect to Buck Avenue.

Intercompany Transactions: As of the Petition Date, Buck Avenue is owed a total of \$1,405,448 from ten other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Buck Avenue did not have a direct interest in any Properties; rather, Buck Avenue held 100% of the membership interests in RVSC 1, which holds an interest in a Property. Buck Avenue directly previously held (but, as of the Petition Date, no longer held) title to at least four Properties.¹⁴⁴

(2) River View Shopping Center 1, LLC and River View Shopping Center 2, LLC

Investors: River View Shopping Center 1, LLC (“RVSC 1”) and River View Shopping Center 2, LLC (“RVSC 2” and, together with RVSC 1, the “RVSC Entities”) do not have any non-Debtor Record Investors. Rather, Buck Avenue owns 100% of the membership interests in RVSC 1 and Sequoia owns 100% of the membership interests in RVSC 2.

Property Interests: As of the Petition Date, the RVSC Entities held title to one Property.¹⁴⁵

(3) Sequoia Investment Properties, LP

Investors: Sequoia Investment Properties, LP (“Sequoia”) has twenty-four Record Investors, including LFM (36.5710%). Two Non-Record Investors have submitted Investor Claims against Sequoia.

Investor Claims: Twenty-five Non-Insider Investors have Investor Claims against Sequoia. Of these, 48% have Investor Claims against at least one other LFM Debtor and 28%

¹⁴⁴ Those Properties are: (a) Southwood Apartments (410 Buck Avenue, Vacaville), which was transferred to Buck Avenue from five TICs in February 2003 and from Buck Avenue to 11 TICs (including LFM) in December 2004 (see Attachment F-17); (b) 1081 Scott Street, Fairfield, which it acquired from a third party in March 2003 and transferred to an Investor in March 2003; (c) a 72% TIC interest in Willow Glen Apartments (2052 Wilkins Avenue, Napa), which it purchased from a third party in December 2004 and sold to a third party in May 2015; and (d) a portion of 300 Chadbourne Road, Fairfield as a 76.9% TIC, which was transferred to Buck Avenue from KSMP in July 2015 and sold to a third party in August 2021 (see Attachment F-19).

¹⁴⁵ Riverview Shopping Center (9407 – 9471 N. Fort Washington Road, Fresno), which RVSC1 (76.914%) and RVSC 2 (23.086%) acquired as TICs from a third party in June 2015.

have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Sequoia from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 138 1059 Account Transactions with respect to Sequoia: 2 Inbound 1059 Account Transactions totaling \$93,291 and 136 Outbound 1059 Account Transactions totaling \$388,065. In addition, between May 1, 2017, and May 31, 2024, there were at least 2 Outbound 1380 Transactions totaling \$1,655 with respect to Sequoia.

Intercompany Transactions: As of the Petition Date, Sequoia is owed a total of \$501,604 from eleven other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Sequoia did not have a direct interest in any Properties; rather, Sequoia held 100% of the membership interests in RVSC 2, which holds interest in a Property. Sequoia directly previously held (but, as of the Petition Date, no longer held) title to at least three Properties.¹⁴⁶

ee. Scotch Pine, LP

Investors: Scotch Pine, LP (“Scotch Pine”) has eleven Record Investors, including LFM (26.733%). One Non-Record Investor has submitted an Investor Claim against Scotch Pine.

Investor Claims: Ten Non-Insider Investors have Investor Claims against Scotch Pine. Of these, 30% have Investor Claims against at least one other LFM Debtor and 20% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Scotch Pine from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there was at least one Outbound 1059 Account Transaction totaling \$130,000 with respect to Scotch Pine. In addition, between May 1, 2017, and May 31, 2024, there were at least 1 Outbound 1380 Transactions totaling \$3,250 with respect to Scotch Pine.

Intercompany Transactions: As of the Petition Date, Scotch Pine owes a total of \$1,888,461 to twelve other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Scotch Pine held title to one Property.¹⁴⁷

¹⁴⁶ Those Properties are: (a) Sharis Apartments (453 E. Fleming Avenue, Vallejo), which was transferred from TICs to Sequoia in December 2004 and which was transferred from Sequoia to TICs in December 2004 (*see* Attachment F-8); (b) a 72% TIC interest in Willow Glen Apartments (2052 Wilkins Avenue, Napa), which it purchased from a third party in December 2004 and sold to a third party in May 2015; and (c) a portion of 300 Chadbourne Road, Fairfield as a 23.1% TIC, which was transferred to Sequoia from KSMP in July 2015 and sold to a third party in August 2021 (*see* Attachment F-19).

¹⁴⁷ Shelfield Apartments (5800 Fair Oaks Boulevard, Carmichael), which TICs transferred to Scotch Pine in September 2021. *See* Attachment F-9.

ff. Sienna Pointe, LLC

Investors: The only Record Investor of Sienna Pointe, LLC (“Sienna Pointe”) is Divi Divi.

Investor Claims: Two Non-Record Investors have submitted Investor Claims against Sienna Pointe.

1059 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 121 1059 Account Transactions with respect to Sienna Pointe: 1 Inbound 1059 Account Transaction totaling \$500,000 and 120 Outbound 1059 Account Transactions totaling \$159,166.

Intercompany Transactions: As of the Petition Date, Sienna Pointe owes a total of \$8,725,335 to thirteen other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Sienna Pointe held title to eighteen Properties.¹⁴⁸ Sienna Pointe directly previously held (but, as of the Petition Date, no longer held) title to at least two additional Properties.¹⁴⁹

gg. Spruce Pine, LP

Investors: Spruce Pine, LP (“Spruce Pine”) is a Mattson Maintained Debtor.

Investor Claims: Only one Non-Insider Investor asserted an Investor Claim against Spruce Pine.

Property Interests: Other than a brief TIC interest in a single Property,¹⁵⁰ neither the LFM Debtors’ Records nor the 1059 Account Records reflect any activity with respect to Spruce Pine.

hh. Tradewinds Apartments, LP

Investors: Tradewinds Apartments, LP (“Tradewinds”) has seven Record Investors, including LFM (15.016%), KSMP (42.57%), and Tim and Amy LeFever (7.74%). Six Non-Record Investors have submitted Investor Claims against Tradewinds.

Investor Claims: Ten Non-Insider Investors have Investor Claims against Tradewinds. Of these, 80% have Investor Claims against at least one other LFM Debtor and 60% have asserted an

¹⁴⁸ A list of such Properties is attached as Attachment E.

¹⁴⁹ Those Properties are: (a) the Sienna Pointe Apartments (13933 Chagall Court, Moreno Valley), which Divi Divi transferred to Sienna Pointe in September 2015 and which Sienna Pointe sold to a third party in July 2021; and (b) Ravenswood Winery (18701 Gehricke Road, Sonoma), which KSMP transferred to Sienna Pointe in December 2021 and which Sienna Pointe transferred to Windscape Apartments in November 2022.

¹⁵⁰ Specifically, (a) by grant deeds dated February 11, 2019 and recorded on October 30, 2019, five of the TICs of the Napa Elm Townhomes (1050 Elm Street, Napa) transferred their interests therein to Spruce Pine and (b) by grant deeds dated February 11, 2019, and recorded on October 30, 2019, Spruce Pine transferred its interest in the Napa Elm Townhomes to LFM. See Attachment F-5.

Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Tradewinds from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 117 Outbound 1059 Account Transactions totaling \$262,700 with respect to Tradewinds. In addition, between May 1, 2017, and May 31, 2024, there were at least 9 Outbound 1380 Transactions totaling \$8,311 with respect to Tradewinds.

Intercompany Transactions: As of the Petition Date, Tradewinds is owed a total of \$227,898 from four other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Tradewinds did not have an interest in any Properties. Tradewinds held an interest in at least three Properties prior to the Petition Date.¹⁵¹

ii. Vaca Villa Apartments, LP

Investors: Vaca Villa Apartments, LP (“Vaca Villa”) has four Record Investors, including LFM (37.5556%). One Non-Record Investor has submitted Investor Claims against Vaca Villa.

Investor Claims: Four Non-Insider Investors have Investor Claims against Vaca Villa. Of these, 50% have Investor Claims against at least one other LFM Debtor.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least sixty-nine Outbound 1059 Account Transactions totaling \$214,068 with respect to Vaca Villa. In addition, between May 1, 2017, and May 31, 2024, there was at least one Outbound 1380 Transaction totaling \$204 with respect to Vaca Villa.

Intercompany Transactions: As of the Petition Date, Vaca Villa is owed a total of \$14,141 from one other LFM Debtor and owes a total of \$1,539,114 to fourteen other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Vaca Villa held title to one Property.¹⁵² Vaca Villa previously held (but, as of the Petition Date, no longer held) title to at least two additional Properties.¹⁵³

¹⁵¹ Those Properties are: (a) Tradewinds Apartments (1189 Dana Drive, Fairfield), which Tradewinds acquired from TICs in February 2003 and which Tradewinds transferred to TICs in April 2005 (*see* Attachment F-4); (b) Spring Glenn Apartments (555 Elmira Road, Vacaville), in which Black Walnut held a 28.091% TIC interest acquired from a group of TICs in November 2014 until the Property was sold in December 2017 (*see* Attachment F-21); and (c) 430 W. Napa Street, Sonoma, which KSMP transferred to Tradewinds in February 2018 and which Tradewinds transferred to LFM in November 2022.

¹⁵² A 27.6% TIC interest in Salvio Pacheco Square (2151 Salvio Street, Concord), which it purchased from a third party in November 2017.

¹⁵³ Those Properties are: (a) Vaca Villa Apartments (370 Butcher Road, Vacaville), which TICs transferred to Vaca Villa in February 2003 and which Vaca Villa transferred to TICs in April 2005 (*see* Attachment F-13); and (b) Spring Glenn Apartments (555 Elmira Road, Vacaville), in which

jj. Valley Oak Investments, LP

Investors: Valley Oak Investments, LP (“Valley Oak”) has fourteen Record Investors, including LFM (22.819%) and KSMP (13.452%). Forty-four Non-Record Investors have submitted Investor Claims against Valley Oak.

Investor Claims: Fifty-six Non-Insider Investors have Investor Claims against Valley Oak. Of these, 68% have Investor Claims against at least one other LFM Debtor and 34% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Valley Oak from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 843 1059 Account Transactions with respect to Valley Oak: 16 Inbound 1059 Account Transactions totaling \$3,164,454 and 827 Outbound 1059 Account Transactions totaling \$1,475,622. In addition, between May 1, 2017, and May 31, 2024, there were at least 59 Outbound 1380 Transactions totaling \$73,675 with respect to Valley Oak.

Intercompany Transactions: As of the Petition Date, Valley Oak owes a total of \$1,217,838 to one other LFM Debtor on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Valley Oak held title to twenty-five Properties. Valley Oak directly previously held (but, as of the Petition Date, no longer held) title to at least eleven additional Properties.¹⁵⁴

kk. Watertree I, LP

Investors: Watertree I, LP (“Watertree I”) is a Mattson Maintained Debtor.

Investor Claims: Thirty-five Non-Insider Investors have Investor Claims against Watertree I. Of these, 80% have Investor Claims against at least one other LFM Debtor and 74% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Watertree I from KSMP.

1059 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 2,279 1059 Account Transactions with respect to Watertree I: 4 Inbound 1059 Account Transactions totaling \$291,000 and 2,275 Outbound 1059 Account Transactions totaling \$1,997,994.

Intercompany Transactions: As of the Petition Date, Watertree I is owed total of \$238,000 from eight other LFM Debtors on account of Open Intercompany Transactions.

Vaca Villa held a 28.091% TIC interest acquired from a group of TICs in November 2014 until the Property was sold in December 2017 (*see* Attachment F-21).

¹⁵⁴ A list of such Properties is attached as Attachment D.

Property Interests: As of the Petition Date, Watertree I held title to one Property.¹⁵⁵

ll. Willow Oak, LP

Investors: Willow Oak, LP (“Willow Oak”) has fifteen Record Investors, including LFM (37.3166%). One Non-Record Investor has submitted an Investor Claim against Willow Oak.

Investor Claims: Fourteen Non-Insider Investors have Investor Claims against Willow Oak. Of these, 79% have Investor Claims against at least one other LFM Debtor and 64% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Willow Oak from KSMP.

1059 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 2 Outbound 1059 Account Transactions totaling \$4,866 with respect to Willow Oak.

Intercompany Transactions: As of the Petition Date, Willow Oak owes a total of \$265,300 to five other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Willow Oak held title to one Property.¹⁵⁶

mm. The Windscape Entities

(1) Douglas Fir Investments, LP

Investors: Douglas Fir Investments, LP (“Douglas Fir”) has three Record Investors, including LeFever Mattson (60.791%). As shown on the chart attached as Attachment F-25, Douglas Fir previously held an interest in the Windscape Village Apartments (1300 N. L Street, Lompoc).

Property Interests: As of the Petition Date, Douglas Fir does not hold any direct interest in any Properties; rather, Douglas Fir holds 18.7872% of the membership interests of Windscape Holdings.

(2) Windscape Apartments I, LP

Investors: Windscape Apartments I, LP (“Windscape I”) has eighteen Record Investors, including LFM (13.19%) and Tim and Amy Mattson (6.238%). Fourteen Non-Record Investors have submitted Investor Claims against Windscape I.

Investor Claims: Thirty Non-Insider Investors have Investor Claims against Windscape I. Of these, 80% have Investor Claims against at least one other LFM Debtor and 63% have

¹⁵⁵ A 50% TIC interest in 2280 Bates Avenue, Concord, which Watertree I acquired from LFM in October 2020. See Attachment F-11.

¹⁵⁶ Tradewinds Apartments (1189 Dana Drive, Fairfield), which Willow Oak acquired from TICs in January 2022 (see Attachment F-4).

asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Windscape I from KSMP.

1059 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least fifteen 1059 Account Transactions with respect to Windscape I: Two Inbound 1059 Account Transactions totaling \$6,500,000 and thirteen Outbound 1059 Account Transactions totaling \$9,400.

Property Interests: As shown on the chart attached as Attachment F-25, Windscape I previously held an interest in the Windscape Village Apartments (1300 N. L Street, Lompoc). As of the Petition Date, Windscape I does not hold any direct interest in any Properties; rather, Windscape I holds 19.7296% of the membership interests of Windscape Holdings. Prior to the Petition Date, Windscape I previously held (but as of the Petition Date no longer held) title to two Properties.¹⁵⁷

(3) Windscape Apartments II, LP

Investors: Windscape Apartments II, LP (“Windscape II”) has twenty-two Record Investors, including LFM (16.631%), Perris Freeway Plaza (24.653%), and Tim and Amy LeFever (4.155%). Sixteen Non-Record Investors have submitted Investor Claims against Windscape II.

Investor Claims: Thirty-five Non-Insider Investors have Investor Claims against Windscape II. Of these, 74% have Investor Claims against at least one other LFM Debtor and 51% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Windscape II from KSMP.

1059 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 2,265 Outbound 1059 Account Transactions totaling \$2,697,890 with respect to Windscape II.

Property Interests: As shown on the chart attached as Attachment F-25, Windscape II previously held an interest in the Windscape Village Apartments (1300 N. L Street, Lompoc). As of the Petition Date, Windscape II does not hold any direct interest in any Properties; rather, Windscape II holds 34.3586% of the membership interests of Windscape Holdings.

(4) Windscape Apartments, LLC

Investors: The only Record Investor of Windscape Apartments, LLC (“Windscape Apartments”) is Windscape Holdings. However, twenty-two Non-Record Investors have submitted Investor Claims against Windscape Apartments.

Investor Claims: 23 Non-Insider Investors have Investor Claims against Windscape Apartments. Of these, 83% have Investor Claims against at least one other LFM Debtor and 65%

¹⁵⁷ Specifically, (a) the Windscape Village Apartments (1300 N. L Street, Lompoc) (see Attachment F-25); and (b) Willowbrook Apartments (2306/2376 Fairfield Avenue, Fairfield) (see Attachment F-27).

have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Windscape Apartments from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 397 1059 Account Transactions with respect to Windscape Apartments: 1 Inbound 1059 Account Transaction totaling \$50,000 and 396 Outbound 1059 Account Transactions totaling \$432,062. In addition, between May 1, 2017, and May 31, 2024, there were at least 9 Inbound 1380 Account Transactions totaling \$20,866,000 and 29 Outbound 1380 Transactions totaling \$62,486 with respect to Windscape Apartments.

Intercompany Transactions: As of the Petition Date, Windscape Apartments is owed a total of \$207,825 from 5 other LFM Debtors and owes a total of \$5,414,461 to twelve other LFM Debtors on account of Open Intercompany Transactions.

Property Interests: As of the Petition Date, Windscape Apartments held title to twenty-one Properties.¹⁵⁸ Windscape Apartments directly previously held (but, as of the Petition Date, no longer held) title to at least one additional Property.¹⁵⁹

(5) Windscape Holdings, LLC

Investors: Windscape Holdings, LLC (“Windscape Holdings”) has four Record Investors: Douglas Fir (18.7872%), Perris Freeway Plaza (27.1246%), Windscape I (19.7296%), and Windscape II (34.3586%). Eight Non-Record Investors have submitted Investor Claims against Windscape Holdings.

Investor Claims: Twelve Non-Insider Investors have Investor Claims against Windscape Holdings. Of these, 75% have Investor Claims against at least one other LFM Debtor and 42% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Windscape Holdings from KSMP.

1059 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least sixty-one Outbound 1059 Account Transactions totaling \$69,388 with respect to Windscape Holdings.

Property Interests: As shown on the chart attached as Attachment F-25, Windscape Holdings previously held an interest in the Windscape Village Apartments (1300 N. L Street, Lompoc). As of the Petition Date, Windscape Holdings does not hold any direct interest in any Properties; rather, Windscape Holding holds 100% of the membership interests of Windscape Apartments.

¹⁵⁸ A list of such Properties is attached as Attachment C.

¹⁵⁹ Windscape Village Apartments (1300 N. L Street, Lompoc), which was transferred from Windscape Holdings to Windscape Apartments in August 2018 and which was sold by Windscape Apartments to a third party in May 2022. See Attachment F-25.

nn. Windtree, LP

Investors: Windtree, LP (“Windtree”) is a Mattson Maintained Debtor.

Investor Claims: Thirty-two Non-Insider Investors have Investor Claims against Windtree. Of these, 84% have Investor Claims against at least one other LFM Debtor and 91% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Windtree from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 69 Outbound 1059 Account Transactions totaling \$183,876 with respect to Windtree. In addition, between May 1, 2017, and May 31, 2024, there were at least 404 Outbound 1380 Transactions totaling \$917,048 with respect to Windtree.

Property Interests: As of the Petition Date, Windtree held title to four Properties.¹⁶⁰

oo. Yellow Poplar, LP

Investors: Yellow Poplar, LP (“Yellow Poplar”) has three Record Investors, including LFM (34.7478%). Eleven Non-Record Investors have submitted Investor Claims against Yellow Poplar.

Investor Claims: Thirteen Non-Insider Investors have Investor Claims against Yellow Poplar. Of these, 54% have Investor Claims against at least one other LFM Debtor and 69% have asserted an Investor Claim against KSMP or a KSMP Investment Entity, including that they purchased an interest in Yellow Poplar from KSMP.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 173 1059 Account Transactions with respect to Yellow Poplar: 5 Inbound 1059 Account Transactions totaling \$550,000 and 168 Outbound 1059 Account Transactions totaling \$135,515. In addition, between May 1, 2017, and May 31, 2024, there were at least 2 Outbound 1380 Transactions totaling \$2,913 with respect to Yellow Poplar.

Intercompany Transactions: As of the Petition Date, Yellow Poplar is owed a total of \$114,575 from two other LFM Debtors and owes a total of \$181,238 to one other LFM Debtor on account of Open Intercompany Transactions.

¹⁶⁰ Those Properties, each of which were last transferred by KSMP to Windtree in March 2023, are 333 Wilkerson Avenue, 371 Wilkerson Avenue, 411 Wilkerson Avenue, and an adjoining parcel, each in Perris. As shown on the chart attached as Attachment F-12, these Properties passed among different Debtors on numerous occasions.

Property Interests: As of the Petition Date, Yellow Poplar held title to one Property.¹⁶¹ Yellow Poplar held an interest in at least one additional Property prior to the Petition Date.¹⁶²

4. The KSMP Investment Entities

a. Perris Freeway Plaza, LP

Investors: Perris Freeway Plaza, LP (“Perris Freeway Plaza”) was formed as an LLC on September 18, 2001. According to documents filed with the California Secretary of State (the “SOS”), as of December 2001, Perris Freeway Plaza had six members (i.e., Investors).¹⁶³ Based on an August 10, 2009 filing with the SOS, Perris Freeway Plaza represented that its Investors had not changed since the prior filing with the SOS. However, Third-Party Discovery obtained through the Joint Investigation appears to contradict this representation.¹⁶⁴

On December 27, 2013, Perris Freeway Plaza converted from an LLC to an LP, with KSMP serving as its general partner. The Plan Proponents have obtained documents through the Joint Investigation that relate to the potential Record Investors in Perris Freeway Plaza, such as unsigned limited partnership agreements and Excel spreadsheets that may have been maintained by Mattson. However, the Plan Proponents cannot verify whether such documents accurately reflect the Record Investors in Perris Freeway Plaza because, among other things, the Plan Proponents do not know how ownership records were maintained and there is inconsistency in the documents that have been obtained.

Investor Claims: Forty-eight Investors filed Investor Claims in the LFM Debtors’ Cases that assert claims against and/or interests in Perris Freeway Plaza. Of these, 65% have asserted an Investor Claim against at least one LFM Debtor and 96% have asserted an Investor Claim against one other KSMP Debtor.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least six 1059 Account Transactions with respect to Perris Freeway Plaza: two Inbound 1059 Account Transactions totaling \$100,000 and four Outbound 1059 Account Transactions totaling \$651,500. In addition, between May 1, 2017, and May 31, 2024, there was

¹⁶¹ A 96.077% TIC interest in 21855 E. 8th Street, Sonoma, which Property KSMP transferred to Yellow Poplar in June 2021 (subsequent to this transfer, Yellow Poplar conveyed a 3.923% TIC interest in the Property to an Investor).

¹⁶² Specifically, in January and April 2021, Yellow Poplar acquired an interest in the Carmichael Gardens Apartments (4727 Hackberry Lane, Carmichael) from a group of TICs, with River Birch having been transferred the remaining TIC interest. River Birch and Yellow Poplar sold the Property to a third party in April 2021. See Attachment F-24.

¹⁶³ Specifically KSMP, Mukesh and Aneeta Taneja, Subhasm and Usha Kapoor, Billy Riley and Patricia Riley as Trustees of the Riley 1994 Revocable Trust, David and Kimberly Deluca, and Dale T. Boutiette and Alla Gershberg as Trustees of the Dale T. Boutiette and Alla Gershberg Living Trust.

¹⁶⁴ For example, the Third-Party Discovery includes signed documents indicating that KSMP bought and sold Interests in Perris Freeway Plaza in 2004 and 2005, some of which are themselves contradicted by later tax records.

at least one Inbound 1380 Account Transaction totaling \$500,000 and 100 Outbound 1380 Transactions totaling \$74,494 with respect to Perris Freeway Plaza.

Property Interests: As of the Petition Date, Perris Freeway Plaza did not hold title any Property.

b. Specialty Properties Partners, LP

Investors: Specialty Properties Partners, LP (“SPP”) was formed on January 27, 2011 as an LLC, with KSMP serving as its sole manager. SPP converted to an LP on December 27, 2013, with KSMP serving as its general partner.¹⁶⁵ Based on information obtained through the Joint Investigation, it appears that beginning in 2011, Mattson (through KSMP) generally sold Interests in SPP to Investors through IRA Custodians, specifically PENSICO (which became Pacific Premier) and Polycomp. Some Investors, however, may have invested in SPP directly (i.e., not through an IRA Custodian) or by purportedly purchasing an Interest in SPP from LFM, which owned no such interests.

The information obtained through the Joint Investigation, which includes documents produced by the IRA Custodians, does not consistently or reliably show the Record Investors in SPP as of the Petition Date—or at any point prior. In fact, even from SPP’s formation, Mattson inconsistently reported its ownership to different third parties. For instance, according to documents provided to an IRA Custodian on January 26, 2011, there were three initial members of SPP (including KSMP), whereas in a document submitted to the IRS dated just one day later, Mattson represented that KSMP was the only member of SPP.

Investor Claims: Twenty-one Investors filed Investor Claims in the LFM Debtors’ Cases that assert claims against and/or interests in SPP. Of these, 67% have asserted an Investor Claim against at least one LFM Debtor and 95% have asserted an Investor Claim against one other KSMP Debtor.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there was at least 1 Outbound 1059 Account Transactions totaling \$750 with respect to SPP. In addition, between May 1, 2017, and May 31, 2024, there were at least 304 Outbound 1380 Transactions totaling \$1,360,204 with respect to SPP.

Property Interests: Since SPP’s formation in 2011, Mattson falsely represented to Investors that SPP held title to a Property located at 300 Chadbourne Road in Fairfield (the “Chadbourne Property”). The Chadbourne Property, which KSMP purchased in January 2011, consisted of six parcels, each with a separate APN.¹⁶⁶ As shown on the chart attached as Attachment F-19, KSMP owned all six parcels of the Chadbourne Property until January 2013, when KSMP transferred three of the six parcels to SPP. KSMP continued to own the other three

¹⁶⁵ It appears that KSMP did not obtain the consent of the then-members of Specialty Properties Partners, LLC to convert SPP to an LP.

¹⁶⁶ An assessor’s parcel number (“APN”) is a unique number assigned to a parcel of real property by the tax assessor for the jurisdiction in which the property is located. A piece of real property with a single street address may consist of multiple parcels, each with their own APN.

parcels of the Chadbourne Property until July 2015, when they were transferred to LFM Debtors Buck Avenue and Sequoia. The entirety of the Chadbourne Property was sold in August 2021.

As of the Petition Date, SPP does not hold title to any Property. Other than a portion of the Chadbourne Property, SPP has never held title to any Properties.

c. Treehouse Investments, LP

Investors and Property Interests: Treehouse Investments, LP (“Treehouse”) was formed on October 20, 2014, with KSMP serving as its general partner. Based on the Joint Investigation (including both documents produced and interviews with Investors), it appears that Treehouse had twelve partners as of June 2015 (the “2015 Treehouse Partners”),¹⁶⁷ none of whom transferred their interests in Treehouse back to KSMP. Much to the contrary, the Plan Proponents have obtained documents through the Joint Investigation that show that Mattson was representing to most of the 2015 Treehouse Partners that they continued to hold limited partnership interests in Treehouse as late as 2023.

By grant deeds dated August 20, 2020 but recorded on June 16, 2021, Treehouse deeded its interest in the Commerce Court Property to LFM, who, in turn, deeded the Commerce Court Property to Nut Pine. As of the Petition Date, Treehouse does not own any Property.

Investor Claims: Sixteen Investors filed Investor Claims in the LFM Debtors’ Cases that assert claims against and/or interests in Treehouse. Of these, 94% have asserted an Investor Claim against at least one LFM Debtor and 100% have asserted an Investor Claim against one other KSMP Debtor.

1059 Account and 1380 Account Transactions: Between May 1, 2017, and May 31, 2024, there were at least 59 Outbound 1059 Account Transactions totaling \$76,963 with respect to Treehouse. In addition, between May 1, 2017, and May 31, 2024, there were at least 1,779 Outbound 1380 Transactions totaling \$3,198,662 with respect to Treehouse.

5. **The Property Manager and CIP**

a. Home Tax Service of America, Inc.

Investors: LMPM, was, as of the Petition Date, owned 66.67% by LFM and 33.33% by Mark Bennett (“Bennett”). Immediately prior to the Petition Date, LeFever served as LMPM’s Chief Executive Officer and Bennett served as its chief financial officer; LeFever and Bennett were the two directors of LMPM.

¹⁶⁷ Those partners, along with their apparent Interest in Treehouse as of June 2015, are: KSMP, Kenneth & Jennifer Hultgren, Mark C. & Deborah G. Long Revocable Trust, Audrey McCoy Trust; Fisher Family Residual Trust, The Suhonos Family Trust, Alekna 2000 Revocable Trust, Specht Living Trust, Mullin Family Trust, Carolyn J. Carlson Declaration of Trust, Trinidad Family Trust, and Laurence Skegg.

b. California Investment Properties, a California corporation

Investors: California Investment Properties, a California corporation (“CIP”), was, as of the Petition Date, 100% owned by LMPM. Prior to the Petition Date, CIP operated as a real estate brokerage that provided services in connection with the Properties and others purchased or sold by the Debtors.

6. **The Non-Operating Entities**

a. Apan Partners LLC

Investors: Apan Partners, LLC (“Apan”) was formed in 2002 and was suspended by the California Franchise Tax Board in 2014. Apan had three members, including managing member LFM (20%), although no Non-Insider Investors asserted an Investor Claim with respect to Apan.

Property Interests: As of the Petition Date, Apan had no interest in any Properties, although it previously held an interest in one Property.¹⁶⁸

b. LeFever Mattson I, LLC

Investors: LeFever Mattson I, LLC (“LFM I”) was the original co-general partner of Divi Divi starting in December 2022. LFM, which is the sole member of LFM I, replaced LFM I as the sole general partner of Divi Divi in September 2015.

Property Interests: LFM I has never had any direct interest in any Properties.

c. Redbud Tree, LP

Investors: Redbud Tree, LP (“Redbud Tree”), which was formed in May 2022, has never owned any Properties.

Investor Claims: No Non-Insider Investors asserted an Investor Claim with respect to Redbud Tree.

¹⁶⁸ Specifically, as shown on the chart attached as Attachment F-26, Apan may have held an interest in 395 – 397 Coombs Street and 1203 – 1219 Laurel Street in Napa; Apan was the borrower under a loan secured by such Property but the Real Property Records are not clear as to the Property’s actual ownership.

III. RATIONALE FOR GLOBAL SETTLEMENT

A. Substantive Consolidation Is Appropriate Under Applicable Law

As explained in section I.B of this Investigation Report, substantive consolidation is appropriate when related entities are so intertwined that it would be impractical or impossible to separate them. Courts recognize that substantive consolidation may be implemented either when “the time and expense necessary even to attempt to unscramble [them] is so substantial as to threaten the realization of any net assets for all the creditors’ or where no accurate identification and allocation of assets is possible.”¹⁶⁹

The Joint Investigation confirms that this is exactly the situation here. First, the Debtors’ and the KSMP Investment Entities’ records are so incomplete and inconsistent that no accurate identification or allocation of assets is possible: thousands of transfers between and among the Debtors and the KSMP Investment Entities—as well as Interests “sold” to Investors—were undocumented, poorly documented, or inconsistently documented; the Yardi accounting system did not consistently maintain records at the entity level; and hundreds of millions of dollars flowed through commingled accounts like the 1059 Account and the 1380 Account without regard to which Debtor owned the funds. Second, even if an attempt were made to unscramble these affairs, the effort would be prohibitively costly. Reconstructing decades of inter-Debtor and Investor transactions across more than sixty entities would require extensive forensic work, which professionals estimate would cost tens of millions of dollars—an amount that would come directly out of Investor recoveries.

Moreover, if substantive consolidation of the Debtors were contested, the litigation itself would be a lengthy and costly fight, consuming millions of dollars in additional professional fees. That cost would also come out of Investor recoveries. ***For these reasons, the Plan Proponents believe the best course is a Global Settlement through the Plan that provides for Substantive Consolidation. Such a settlement is fair, equitable, and—most importantly—protects value for Creditors and Investors by avoiding years of wasteful and costly litigation and accounting exercises. In short, it is in the best interests of the Debtors’ estates.***

B. The Alternative to Substantive Consolidation Is a Lengthy, Wasteful, and Likely Impossible Accounting Exercise

If substantive consolidation is not approved, however, the Plan Proponents would be forced to attempt to “unscramble” the inter-Debtor accounting of each Debtor as to every other Debtor. As discussed below, that process would fall into two broad categories: (a) Forensic Reconstruction, to determine the true assets and liabilities of each of the Debtors, including inter-Debtor claims; and (b) Investor Claim Reconciliation, to determine the validity, priority, and amount of each Investor Claim, as well as which Debtor or Debtors (or KSMP Investment Entity) are properly liable for each such claim. Both exercises would be extraordinarily burdensome, expensive—possibly consuming all Investor recoveries—and, in many cases, likely impossible.

¹⁶⁹ Bonham, 229 F.3d at 766 (quoting *In re Augie/Restivo*, 860 F.2d at 519).

1. Forensic Reconstruction

The starting point for accurate financial records is knowing what an entity actually owns and owes—its assets and liabilities. This becomes especially complicated when there are intercompany transactions because they directly affect the assets and liabilities of each entity involved. When a company's books and records—which identify assets, liabilities, and intercompany claims—are unreliable or incomplete, the resulting financial records cannot be trusted to show the true picture, especially when it comes to intercompany liabilities.

Importantly, when assessing intercompany liabilities, the liability from one entity to another may not be limited to the value of cash or value of property transferred between them. If a transaction was not at arm's length and caused harm to the related entity, the liability could also include additional damages—amounts that would likely need to be determined through litigation.

In this case, the Debtors' records—especially their financial records on an entity-by-entity basis—are unreliable and, in many cases, incomplete. In some cases, the Debtors' records do not accurately reflect the assets an entity owns or obligations it has to lenders or other third parties. More often, they fail to properly reflect and reconcile Intercompany Transfers. As a result, to determine each Debtor's true assets and liabilities, forensic accountants would need to reconstruct individual financial records—sometimes going back decades. Aside from the significant delay to Investor distributions, the forensic accounting costs alone would be extraordinarily high—***likely exceeding \$35 million***. These costs would only increase in cases requiring substantial legal involvement and, potentially, costly litigation.

Even if the Debtors were to spend that time and money, a reliable Forensic Reconstruction may still not be possible. The information *needed* to complete a Forensic Reconstruction is not the same as what is *available*. And based on the Joint Investigation to date, the Plan Proponents believe that much of the information needed simply does not exist: records are missing, transfers were undocumented, and bank accounts were commingled in ways that make tracing asset ownership nearly impossible. In other words, this is not only an exercise that would waste resources—it is one that cannot deliver accurate results.

Below, we discuss what we view as the most substantial roadblocks to an accurate Forensic Reconstruction.

a. Validation of Debtors' Financial Records

As noted above, accurate financial records begin with a clear picture of what an entity owns and what it owes. That picture normally comes from the company's "system of record,"¹⁷⁰ which should be complete and reliable. Here, however, that foundation is missing or flawed, such that it cannot be relied upon to provide an accurate picture of each Debtor's assets and liabilities.

As an initial matter, it is well-documented that the Plan Proponents have been unable to identify or obtain financial records maintained by KSMP, the Mattson Maintained Debtors, or the KSMP Investment Entities, or LFM's complete financial records maintained by Mattson. Forensic Reconstruction of these Entities' finances, therefore, means starting from scratch.

For the LFM Debtors (other than the Mattson Maintained Debtors and LFM), although financial records were maintained in Yardi earlier, the LFM Debtors' Yardi records only date back to 2005. While the Plan Proponents have not identified anything that would call into question the general reliability of the Yardi records, the way Yardi was used creates major problems when attempting to determine finances at the Debtor level. Because transactions were not consistently recorded at the Debtor level (as opposed to the Property level), the Yardi Codes assigned to them cannot be assumed to correctly show which Debtor was actually involved in a transaction. As a result, even where records exist, they cannot be relied upon to provide an accurate picture of each Debtor's finances. This means that each transaction needs to be validated, which essentially means that each transaction recorded in Yardi would need to be reconciled to source documents (for example, invoices, contracts, and bank statements) to confirm their completeness and accuracy.

b. Intercompany Transactions

Absent Substantive Consolidation, each Debtor must have its own set of financial records. Rebuilding those records requires more than high-level balances; it depends on knowing the details of every Intercompany Transaction—specifically, which legal entities were involved and the terms of the transaction—so that each Debtor's books can be made accurate. And because the amounts owed between Debtors are cumulative, those balances must be traced back to the very first Intercompany Transaction.

In practice, this means reconstructing each Intercompany Transaction from scratch. Forensic accountants would have to piece together the true nature and purpose of the nearly 13,000 cash transactions between Debtors. That process generally begins by tracing the flow of funds and answering critical questions: where the money came from before the transfer, where it went after, why it was transferred in the first place, and whether the transaction had any real economic

¹⁷⁰ In accounting, a company's "system of record" is that company's authoritative and definitive source of financial data. A system of record serves as the company's main repository where financial transactions are recorded, updated, and maintained.

substance.¹⁷¹ Only then could each Intercompany Transaction be confirmed or, if necessary, reclassified.¹⁷²

(1) *The LFM Intercompany Transactions*

The LFM Debtors' Open Intercompany Transactions lack the detail needed to be settled as-is and therefore cannot be assumed to reflect each legal entity's finances.¹⁷³ Indeed, because these transactions do not reconcile on a Debtor-by-Debtor basis, the records are unreliable—even if one were to assume that every “closed” LFM Intercompany Transaction is properly recorded. To determine what each LFM Debtor actually owes to or is owed by another, every LFM Intercompany Transaction from 2006 to the Petition Date would have to be reviewed. That would be a herculean undertaking—and may not even be possible—for a number of reasons, including:

- **Unclear Purpose of Transactions:** Because the Sub-Ledgers do not reflect the purpose of each LFM Intercompany Transaction, a forensic accounting would have to be performed on the general ledger of the “borrowing” Investment Vehicle to determine the purpose of the transfer. Even then, the purpose (e.g., operating needs, property tax payments, or distributions to Investors) may not be obvious.
- **Challenges in Tracing Property vs. Entity Transactions:** Some groups of Investors originally owned a Property directly as TICs. Later, the Property was placed into a newly formed Entity, and those same Investors became partners or members of that Entity.¹⁷⁴ This history creates a major tracing problem. An Entity's financial records can only be reconstructed back to its formation date, but Intercompany Transfers may have occurred with respect to the Property before the Entity even existed. Those earlier transactions would have been recorded at the Property level, making it difficult—if not impossible—to connect them cleanly to the Entity's later records. As a result, to reconcile these transactions, the Plan Proponents would not only have to verify and/or reconstruct every transaction, but

¹⁷¹ For example, whether (a) the Intercompany Transaction a loan, an equity contribution, a gift, or something else or (b) the Intercompany Transaction was at arms' length.

¹⁷² Reclassification refers to the process of moving a financial transaction from one accounting category to another, reassigning the transaction to ensure accurate financial reporting and alignment with accounting standards. For example, after reviewing an intercompany transaction that was reflected in a company's financial records as a “loan,” it may be determined that such transaction is properly reclassified as an “equity contribution.”

¹⁷³ To illustrate the point, on September 9, 2025, the LFM Debtors filed their Amended Schedules, in part to update their best estimate of the amount of the Open Intercompany Transactions. During this process, the Debtors were only able to correct for initial errors in mapping certain Yardi Property Codes to certain Debtors and identified the complexity of the issues related to completing a full reconciliation.

¹⁷⁴ For example, the TICs of the Camelia Square Apartments became the limited partners of Cambria Pine, the TICs of the Sharis Apartments became the limited partners of Foxtail Pine, and the TICs of the Southwood Apartments became the limited partners of Live Oak.

would also have to determine—as a matter of law—which Debtor should be treated was the one owed money and which was the one owing it.¹⁷⁵

- **Ownership Changes Over Time:** Ownership of many Properties passed among different Debtors over the past twenty-five years. For example: (a) the Napa Elm Apartments were owned (in whole or in part) at various times by KSMP, LFM, Napa Elm, Pinecone, and Spruce Pine;¹⁷⁶ (b) the Southwood Apartments were owned at various times by Buck Avenue, Divi Divi, LFM, and Live Oak;¹⁷⁷ and (c) Woodcreek Plaza was owned, in whole or in part, by Black Walnut, KSMP, LFM, Windscape Apartments, and Windtree.¹⁷⁸ As a result, each LFM Intercompany Transaction tied to a Property must be allocated to whichever Debtor actually owned that Property (or an interest therein) at the time.
- **Transfers Subject to Existing Obligations:** Certain Properties were transferred from one LFM Debtor to another while already *subject to* an existing LFM Intercompany Transaction. This makes it difficult to validate whether the Intercompany Transaction is reflected on the correct Debtor's Sub-Ledger as of the Petition Date.
- **Missing or Altered Records:** Historical Intercompany Transactions are not centralized in one place. LMPM personnel sometimes removed “closed” Intercompany Transactions from Sub-Ledgers. For example, the Sub-Ledger for the Redwoods Apartments (as of September 2024) includes a reference to 380 LFM Intercompany Transactions, of which 188 are still open. Yet only 188 line items are shown, meaning 192 “closed” LFM Intercompany Transactions are missing. LMPM personnel have also indicated that the number of LFM Intercompany Transactions for Redwoods Apartments was far higher than 380, making it unclear how many “closed” transactions are missing in total. Although older versions of Sub-Ledgers exist, reviewing and reconciling all LFM Intercompany Transactions would require time-intensive (and therefore expensive) work.
- **Inconsistent Accounting Treatment:** In certain years (generally before the mid-2000s), LFM Intercompany Transactions were recorded inconsistently in the general ledgers. In some cases, the discrepancies were addressed through year-end adjustments rather than by verifying and restating each transaction.

¹⁷⁵ A piece of property cannot loan money to another piece of property. Therefore, as a legal matter, what is an “inter-property loan”? Should it be viewed as an Intercompany Transaction to which the yet-formed Entity is a party? Should it be viewed as a transaction between groups of TICs? And, if it is the latter, what are the rights and obligations of each TIC that is an Investor in a Property that was party to an “inter-property loan”?

¹⁷⁶ See Attachment F-5.

¹⁷⁷ See Attachment F-17.

¹⁷⁸ See Attachment F-14.

- **Jointly Owned Properties:** Some Properties are or were owned by multiple Debtors, requiring careful allocation of related Intercompany Transactions. But allocation is not always as simple as dividing by ownership percentage. For example, Salvio Pacheco Square is owned by three LFM Debtors—Autumn Wood (49.5%), Pinewood (22.9%), and Vaca Villa (27.6%). If its Sub-Ledger reflected a \$1,000 payment, the allocation of that payment would differ if the payment was for property taxes (which follow ownership percentages) versus a distribution to Autumn Wood’s investors (which follows investor-level arrangements).

(2) The LFM/KSMP Cash Transfers

As discussed, between January 1, 2017, and September 30, 2024, LFM and KSMP engaged in more than 11,500 individual cash transfers totaling approximately \$176 million, including:

- more than \$39 million (carried out through more than 1,800 individual transactions) was transferred back and forth between LFM and KSMP and recorded in the LFM Debtors’ financial records
- more than \$19 million in cash transfers (spread across more than 8,400 discrete entries) between LFM and KSMP tied to KSMP Properties that are recorded in the LFM Debtors’ financial records
- more than \$92 million moved between LFM and KSMP through the 1059 Account carried out by more than 950 checks and wire transfers
- approximately \$25 million was disbursed from the 1059 Account in connection with KSMP-owned Properties, through more than 375 checks and wire transfers

Yardi records show that between 2005 and 2016, approximately \$1.9 million was transferred from the LFM Debtors to KSMP, mostly as “owner withdrawals.” However, as with all other activity in the 1059 Account, the Plan Proponents have no visibility into the cash transfers between LFM and KSMP that flowed through the account from its opening in December 2002 through the end of 2016. Even for transfers that are known to have occurred through the 1059 Account prior to 2017, few, if any, appear to correspond to any known obligation.

c. The Commingled Bank Accounts

The 1059 Account has been open for over 20 years and, throughout that time, has been held in LFM’s name. Yet not a single transaction from the account was ever recorded in Yardi. To reconstruct the LFM Debtors’ financial records, every 1059 Account transaction would have to be assigned to the correct Debtor. The problem is that the Plan Proponents only have 1059 Account Records beginning in 2017—15 years after the account was opened—and are unlikely to obtain anything earlier. Without the ability to reconcile those missing years, the existing books and records will remain inaccurate—off by potentially hundreds of millions of dollars—and a full reconstruction of the LFM Debtors’ financial records is effectively impossible.

Similarly, the 1380 Account has been open in KSMP's name for nearly twenty-five years. Reconstructing KSMP's financial records would require reconciliation of each 1380 Account Transaction—an impossible task given that the Plan Proponents have records only from 2017 onwards. The same is true for all Commingled Bank Accounts. And even if the Debtors spent the millions of dollars necessary to use the available bank records to create a framework for KSMP's more recent financial activity, the records would nonetheless remain incomplete and inaccurate due to the lack of source material.

d. Real Property Transfers

At least 148 Properties have changed hands between Debtors, in some cases more than once.¹⁷⁹ Some of these transfers—known as Insider Property Transfers—are reflected in the LFM Debtors' financial records, but others are not. And even when a transfer is recorded, the records still need to be checked to confirm that it was captured correctly. To do this, the Plan Proponents would need to review and evaluate each Insider Property Transfer, including:

- **Validation of Consideration:** Each Insider Property Transfer should be recorded in the financial records of both the Debtor that transferred the Property and the Debtor that received it. Those records should show the true economic impact of the transfer. Because real property has value, a change in legal ownership should be matched by an exchange of value—such as cash or debt.¹⁸⁰
- **Retrospective Value Opinions:** Insider Property Transfers were not arm's length transactions. In many cases, Mattson unilaterally assigned a value to a Property and signed on behalf of both Debtors without ever obtaining an independent valuation. To now determine whether each stated "sales price" was appropriate, the Plan Proponents would need to obtain a retrospective value opinion for each transfer—or in other words an appraisal of each Property's value as of the transfer date, based on market conditions and property characteristics at that time.
- **Third-Party Loans:** Many Properties transferred between Debtors were pledged as collateral for Third-Party Loans. This creates major complications for any Forensic Reconstruction. In many cases, Mattson caused an LFM Debtor to transfer a Property to KSMP, then caused KSMP to take out or refinance a Third-Party Loan secured by that Property, and then caused KSMP to transfer the Property—often newly or materially more encumbered—back to the LFM Debtor. Each time this happened, the Property's value materially changed and those changes should have been reflected in the Debtors' financial records.¹⁸¹

¹⁷⁹ See, e.g., Jeremiassen Declaration ¶ 20 and Exhibit C thereto.

¹⁸⁰ In this context, "value" can be negative. For example, if Company A transferred a piece of property with a value of \$1,000 to Company B, for which Company B paid Company A nothing, but the transfer was subject to \$100,000 of liens against that property, the "value" of that property after it was transferred to Company B is negative \$99,000.

¹⁸¹ For example, assume Debtor A owned an unencumbered (i.e., not subject to any loan) Property worth \$1,000,000. Debtor A then transfers the Property to Debtor B, which takes out a \$500,000

e. Transactions Through Third-Party Closing Agents

Through the Joint Investigation, the Committee has obtained over 25,000 documents from the Closing Agents that historically handled the Debtors Property transactions.¹⁸² These include final settlement statements prepared by the Closing Agent (the “Settlement Statements”) showing both the sources of funds paid, such as buyer deposits and loan proceeds, and how those funds were used, such as purchase price payments, property tax payments, and broker fees.

Review and validation of these materials has already revealed at least thirty-one Property purchases where an *LFM Debtor*—not KSMP—paid a buyer deposit to the Closing Agent for a purchase *by KSMP*.¹⁸³ For this subset of thirty-one Properties, LFM paid more than \$18.3 million towards these purchases, including approximately \$12.9 million from the 1059 Account and \$5.4 million from other bank accounts. The Settlement Statements for these Properties also show an additional \$2.27 million in deposits from LFM that the Plan Proponents have been unable to verify, in part because account records for the 1059 Account are missing for the relevant periods.

These thirty-one Properties, however, represent only what has been identified so far. The Plan Proponents have not yet reviewed all Settlement Statements produced to date, and the Closing Agents have not yet completed their production. In particular, Stewart Title—the Closing Agent most frequently used by the Debtors—has been working constructively with the Committee, producing documents multiple times a week for several months. But given the sheer volume of transactions, Stewart Title is not expected to complete its production anytime soon. This means that the total number of similar transactions—those where LFM paid a deposit for a KSMP purchase transaction—is almost certainly greater than the thirty Properties already identified.

Reconciliation of additional Settlement Statements will not be straightforward, because the Settlement Statements themselves are not always reliable. For example, three of the thirty-one Closing Statements discussed above showed deposits coming from KSMP when, in reality, they came from LFM. To ensure their accuracy, every payment and use reflected on every Settlement Statement would need to be independently verified. But that level of verification may not be possible using the actual source of each deposit, as many deposits appear to have originated from the 1059 or 1380 Accounts—accounts for which pre-2017 records are missing. Closing Agents may have limited ability to trace. In short, the exercise—even if it could be completed—would be enormously time-consuming and cost-intensive, further reducing the value available for Investors.

* * *

Third-Party Loan on the Property, which it then transfers back to Debtor A subject to the Third-Party Loan. From one day to another, the value of that Property to Debtor A has gone from \$1,000,000 to \$500,000. This, however, would not end the analysis—how Debtor B uses that \$500,000 it received through the Third-Party Loan is important.

¹⁸² Certain of these documents are also in the LFM Debtors’ Records.

¹⁸³ See Jeremiassen Declaration, ¶ 19 and Exhibit B.

Given the facts of these Cases (summarized above in section II) and the experience of their professionals in other complicated fraud and Ponzi matters,¹⁸⁴ the Plan Proponents believe that trying to reconstruct each Debtors' financial records would cost tens of millions of dollars—and still fail to provide a complete picture. ***In practical terms, that means that money that should go to Investors would instead go to lawyers and accountants—with little chance of success.***

The law on substantive consolidation directly addresses this problem: courts allow substantive consolidation—as a matter of law—where “the time and expense necessary even to attempt to unscramble [the Debtors] is so substantial as to threaten the realization of any net assets for all the creditors’ or where no accurate identification and allocation of assets is possible.”¹⁸⁵ For these reasons, the Plan Proponents are confident that they would prevail in any proceeding where the litigated the merits of substantive consolidation. But that litigation itself would be slow and expensive. Instead, a settlement under Bankruptcy Rule 9019 achieves the same result—substantive consolidation—while avoiding the added cost and delay of litigation, leaving more money for Investors and getting it into their hands more quickly.¹⁸⁶

2. Investor Claim Reconciliation

The discussion now turns from reconstructing the Debtors' books to the separate but related challenge of reconciling Investor Claims. Absent Substantive Consolidation, every Investor Claim would have to be reviewed one by one to confirm that it is asserted against the proper Debtor or Debtors. This is not a straightforward exercise. It would likely involve litigation to resolve the difficult factual and legal issues—delaying distributions to investors and driving up costs.

As discussed extensively herein, Investor Claims come in many forms. Some reflect an ownership interest in a Debtor, such as a limited partnership or membership interest in a Debtor (an “Investment Interest”). Others are in the nature of claims (usually a fraud claim) often tied to the sale of Phantom Interests or situations where liens or other encumbrances were secretly placed on a Property owned by an Investor (an “Investment Damage Claim”). While these claims can be grouped into broad categories (i.e., Record Investor, Type I Phantom Interest, Type II Phantom Interest, Type III Phantom Interest, and Type IV Phantom Interest), the details matter. Even a small factual distinction might change which Debtor—or how many Debtors—are legally responsible. As a result, absent Substantive Consolidation, each Investor Claim would need to be analyzed separately—as opposed to the largely categorical analysis undertaken to date.

Consider this hypothetical example. Mattson sells Investor X a 3% limited partnership interest in Beach Pine for \$100,000. The deal is documented in a Transfer Agreement stating that

¹⁸⁴ Among other cases, the Plan Proponents’ professionals have been involved with *In re Professional Financial Investors, Inc.*, No. 20-30604 (Bankr. N.D. Cal.); *In re Woodbridge Group of Companies, LLC*, No. 17-12560 (Bankr. D. Del.); *In re 1 GC Collections*, No. 18-19121 (Bankr. S.D. Fla.); *In re EPD Investment Co., LLC*, No. 10-62208 (Bankr. C.D. Cal.); and *In re Reed E. Slatkin*, No. 01-11549 (Bankr. C.D. Cal.).

¹⁸⁵ *Bonham*, 229 F.3d at 766 (quoting *In re Augie/Restivo*, 860 F.2d at 519).

¹⁸⁶ See, e.g., *Means*, 2012 U.S. Dist. LEXIS 62456, at *9 (C.D. Cal. May 3, 2012) (citing cases).

LFM is selling the interest. Investor X deposits the \$100,000 into the 1059 Account. But the transfer is never recorded in the LFM Debtors' official Investment Records.

- ***Does Investor X have an Investment Interest in Beach Pine?*** This turns on both the facts and the law.
 - Factual: At the time of the sale, did LFM own actually own the 3% of the partnership interest in Beach Pine it purported to sell? This would require reconstructing ownership records.
 - Legal (if LFM did not own the interest): What is the legal consequence of LFM purporting to sell an interest it did not actually hold—e.g., is the transfer void, and does Investor X instead hold only an Investment Damage Claim (not equity)?
 - Legal (if LFM did own the interest): Was Mattson authorized to sign the Transfer Agreement and convey the interest, and were the requirements under the partnership agreement and applicable law satisfied so that Investor X was validly admitted as a partner?
- ***Does Investor X have an Investment Damage Claim—and if so, against whom?*** This also requires both factual and legal analysis.
 - Factual/Legal (connection to ownership): Whether Investor X has an Investment Damage Claim (and for how much) may depend on whether they actually acquired an Investment Interest in Beach Pine.
 - Factual/Legal (nature of claim): Investment Damage Claims have been asserted in various different forms—most often fraud, but also misrepresentation, breach of contract, financial elder abuse, and civil theft.
 - Factual/Legal (who is liable?): If Investor X has a valid Investment Damage Claim, who is responsible for paying it? Possibilities here would include Beach Pine, LFM, or Mattson.

While many Investor Claims follow the basic fact pattern described above, just as many (if not more) diverge in material ways. Even small factual distinctions can materially alter the outcome of the two questions above—meaning each Investor Claim must be analyzed on its own facts:

- ***What if Investor X deposited the \$100,000 into the 1380 Account instead of the 1059 Account?*** In that case, Investor X's investment contract is with LFM, but its payment went into an account owned by KSMP at Mattson's direction. Does Investor X's right to an Investment Interest in Beach Pine depend on whether KSMP actually held interests in Beach Pine to sell? And if the interest was not valid, does Investor X has an Investment Damage Claim against KSMP, against LFM or against both?

- ***What if the Transfer Agreement shows that KSMP, not LFM, is selling the interest in Beach Pine?*** At first blush, this might suggest that any Investment Damage Claim lies against KSMP rather than LFM. But the analysis is not so straightforward. Indeed, some Investors have asserted—under penalty of perjury—that they believed that KSMP was a part of LFM, or that their Investment Interests were acquired from LFM, not KSMP.
- ***What if, instead of Beach Pine, the Transfer Agreement stated that LFM was selling Investor X an interest under the “Agreement of Limited Partners of Country Oaks Partners, LLC”—an entity that does not actually exist?*** In this case, Investor X was not buying into a real entity at all, but rather a Type III Phantom Interest (i.e., an interest in a nonexistent entity, albeit here one with a name similar to a real Debtor). The question then becomes whether Investor X has an Investment Interest in Country Oaks I, LP—the actual LFM Debtor with a similar name—or no Investment Interest at all?
- ***What if, instead of Beach Pine, the Transfer Agreement stated that LFM was selling Investor X an interest created pursuant to the “Agreement of Co-Tenants of Folsom Village Partners”?*** In this case, Investor X was sold a Type III Phantom Interest tied to the real Property, Folsom Village on Natoma, which was owned by other parties as a tenancy in common. But because Investor X’s name was never recorded on title, this raises several questions: (1) did LFM have a TIC interest in Folsom Village it could sell; (2); if so, could the Transfer Agreement transfer LFM’s interest to Investor X when “Folsom Village Partners” does not exist; (3) if it could, did the failure to record the interest render it void or voidable; (4) in that case, can Investor X assert an Investment Interest in any Debtor, or is the clam purely an Investment Damage Claim; and (5) if it is an Investment Damages Claim, whom it is against?

To resolve these types of questions, the Plan Proponents would need to review each of the over 3,000 Investor Claims one by one. This would not be a simple bookkeeping exercise, but an intensive fact-and-law process requiring forensic accountants and lawyers. For each, the analysis would involve: (1) determining whether the Investor actually received an Investment Interest in a real Investment Vehicle or whether the Investor was sold a Phantom Interest; (2) if the interest was real, confirming whether the transfer agreement was validly executed and that the transfer was properly recorded in the Debtors’ books and title records; (3) if the interest was not real, determining whether the Investor has an Investment Damage Claim and against whom—LFM, an LFM Debtor, KSMP, a KSMP Investment Entity, Mattson personally, or some combination; (4) tracing where the Investor’s money actually went—into the 1059 Account, the 1380 Account, or elsewhere—and how that affects the Investor’s rights and interests; and (5) addressing legal questions about rights of third parties, including whether recognizing one Investor’s claim or interest impacts the rights of others.

For any one claim, several of these issues—and possibly all of them—could end up in litigation. Each dispute could also draw in third parties whose rights may hinge on the outcome. ***This process would be costly, time-consuming, and unpredictable. And because distributions***

cannot be made until all claims against a Debtor are resolved, Investor recoveries likely would be delayed for years while the Court sorts through these disputes.

As a matter of law, these facts directly implicate the standard for substantive consolidation. Courts have held that consolidation is appropriate when “the time and expense necessary even to attempt to unscramble [the Debtors] is so substantial as to threaten the realization of any net assets for all the creditors” or when “no accurate identification and allocation of assets is possible.” Here, both principles apply: in many cases, the records are so unreliable that accurate reconciliation may be impossible, and regardless, the sheer cost and burden of claim-by-claim reconciliation—and the litigation it could generate—would consume value that should go to Investors. For these reasons, the Plan Proponents believe that substantive consolidation is not only justified under the law but is also in the best interest of Investors.

C. The Debtors Operated as a Ponzi Scheme

1. The Debtors Operated as a Ponzi Scheme for Decades

The evidence uncovered by the Joint Investigation supports a finding that the Debtors operated as a Ponzi scheme from at least 2008 to 2024. Most fundamentally, because the Debtors’ Investment Vehicles did not generate sufficient profits to sustain Investor payments, they constantly relied on obtaining new investments to fund them. Mattson principally accomplished that through the Commingled Bank Accounts, including the 1059 Account and the 1380 Account, inducing Investors to deposit hundreds millions of dollars into these bank accounts and then using the commingled funds to pay other Investors, among other improper purposes. The Debtors also sustained regular distributions to Investors by shifting funds from one Investment Vehicle to another through Intercompany Transactions.

Courts “have identified badges that weigh in favor of finding a Ponzi scheme, including (1) the absence of any legitimate business connected to the investment program; (2) the unrealistic promises of low risk and high returns; (3) commingling investor money; (4) the use of agents and brokers paid high commissions to perpetuate the scheme; (5) misuse of investor funds; (6) the payment of excessively large fees to the perpetrator; and (7) the use of false financial statements.”¹⁸⁷ As detailed above, through the Mattson Transactions and his misuse of the Commingled Bank Accounts, Mattson caused the Debtors to bear virtually all of those badges.

2. Investor Recovery Calculation

As discussed above, the Plan Proponents have concluded that the Debtors operated as a Ponzi scheme from at least 2008 to 2024. As a result, the Plan Proponents intend to seek a Ponzi Finding from the Bankruptcy Court in connection with confirmation of the Plan.

In accordance with applicable Ponzi scheme case law, and for the reasons discussed in detail above, the Plan provides that Investor claims will be “netted” to make sure all Investors are treated fairly. Specifically, each Investor will receive (a) a claim for money (or value of property) it invested in the Debtors over time *less* any returns of principal *less* monthly distributions the

¹⁸⁷ EPD, 114 F.4th at 1159 (citing cases).

Investor received over the *seven years* prior to September 12, 2024 (the “Investor Tranche 1 Claim”), and (b) a claim for the monthly distributions deducted in calculating the Tranche 1 Claim (the “Investor Tranche 2 Claim”). The Plan provides that Investors will first receive their pro rata distribution of available assets on account of their Investor Tranche 1 Claim. If and when each Investor Tranche 1 Claim is paid in full, Investors will then receive their pro rata distribution of available assets on account of their Investor Tranche 2 Claim.

An important compromise embodied in the Plan and Global Settlement is that the Plan only nets Investor claims for distributions received over the *seven years* prior to September 12, 2024, despite the Joint Investigation supporting a Ponzi scheme start date in or around 2008. As a result of this compromise, legacy Investor claims will not be netted to the fullest extent permitted by law.

For example, assume Investor A invested \$100,000 in September 2009 and received annualized 6% monthly distributions, totaling \$90,000 over the ensuing 15 years. Under applicable Ponzi scheme case law, Investor A’s net claim in the bankruptcy case would be \$10,000 (\$100,000 - \$90,000).

Under the Plan and Global Settlement, however, only distributions received in the *seven years* before September 12, 2024 are netted. That equals \$42,000 (6% x \$100,000 x 7 years), resulting in an Investor Tranche 1 Claim of \$58,000 (\$100,000 - \$42,000) and Investor A’s Tranche 2 Claim is \$42,000. Any distributions the Investor received before September 12, 2017 are disregarded for this calculation.

The Plan Proponents, including the Committee, believe this compromise is fair and equitable under the circumstances. Specifically, this treatment ensures that legacy Investors, who may not have any other source of income or assets, retain a reasonable claim and generally do not risk being netted to \$0.

In order to facilitate the resolution of Investor claims as efficiently and expeditiously as possible, the Bankruptcy Court has approved an Investor claims settlement procedure that will run in parallel to solicitation of the Plan. Specifically, on November [●], 2025, the Bankruptcy Court entered the Investor Claim Procedures Order. Pursuant to the Investor Claim Procedures Order:

- The Committee will send a settlement offer letter to each holder of an Investor Claim, which will include the Investor’s proposed Tranche 1 Claim and proposed Tranche 2 Claim.
- Investors will be given an opportunity to accept or reject the proposal in the settlement letter.
- If an Investor disagrees with or has questions about the proposed claim amounts, the Investor may email LMCommittee@pszjlaw.com and request to meet and confer with counsel for the Committee to discuss the contents of the letter, including the calculations contained therein.
- After meeting and conferring with an Investor, the Committee may, in consultation with the Debtors and without further order of the Court, in its sole discretion, send

a new settlement offer letter with modified proposed allowed claim amounts. The Investor will then have seven calendar days to respond to the revised offer letter.

- An Investor that does not accept an original or modified settlement offer letter will have its Investor Claim deemed disputed for purposes of the Plan. The Plan Proponents anticipate that the Plan Supplement will set forth proposed procedures for the Plan Recovery Trust to resolve any such remaining disputes post-confirmation.

Attachment A: LFM Property Ownership

a) Properties Owned as of the Petition Date

Seven Branches (450 W. Spain Street, Sonoma)	Acquired 23% TIC interest from third party in January 2019
110 Fordham Circle, Vallejo	Transferred to LFM from third party (subject to existing mortgage) in December 2014
6359 Auburn Boulevard, Citrus Heights	Acquired 50% TIC interest from third party in October 2021
157 James River Road, Vallejo	Transferred to LFM from third party in January 2014 (subject to existing mortgage); previously owned by LFM between December 2000 and February 2001
258 Lorraine Boulevard, San Leandro	Transferred to LFM from third party (subject to existing mortgage) in January 2012
533 Bella Vista Drive, Suisun City	Transferred to LFM from third party (subject to existing mortgage) in December 2011
5601 Walnut Avenue #4, Orangevale	Transferred to LFM from third party (subject to existing mortgage) in December 2011
5701/5703 Orange Avenue, Sacramento	- Transferred to LFM from third party (subject to existing mortgage) in November 2021; LFM conveyed 50% TIC interest to Investor in July 2024 - Previously owned by LFM from September 2005 to November 2005
830 Illinois Street #1-4, Fairfield	Transferred to LFM from third party (subject to existing mortgage) in May 2017; previously owned by LFM from January 2006 to July 2006 and from March 2011 to August 2012
1173 Araquipa Court, Vacaville	Transferred to LFM from third party (subject to existing mortgage) in December 2014
1191 Araquipa Court, Vacaville	Transferred to LFM from third party (subject to existing mortgage) in October 2009
1864 Quail Meadows Circle, Vacaville	Transferred to LFM from third party (subject to existing mortgage) in October 2010
4920 Samo Lane, Fairfield	Transferred from KSMP to LFM in November 2016
101 Quail Court, Truckee	Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
102 Quail Court, Truckee	Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
103 Quail Court, Truckee	Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
104 Quail Court, Truckee	Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
107 Quail Court, Truckee	- Transferred from KSMP to LFM in March 2022; transferred from LFM to KSMP in February 2022 - Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021 - Transferred from KSMP to LFM in May 2018
108 Quail Court, Truckee	Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
109 Quail Court, Truckee	- Transferred from KSMP to LFM in March 2022; transferred from LFM to KSMP in February 2022 - Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021 - Transferred from KSMP to LFM in May 2018

110 Quail Court, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10335 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in March 2021; transferred from KSMP to LFM in May 2018
10298 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10300 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10306 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in May 2021; transferred from KSMP to LFM in May 2018
10308 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10316 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10318 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10326 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10328 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in May 2021; transferred from KSMP to LFM in May 2018
10333 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10334 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2023; transferred from LFM to KSMP in February 2022 • Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018
10336 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2023; transferred from LFM to KSMP in February 2022 • Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in March 2021 • Transferred from KSMP to LFM in May 2018
10342 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2023; transferred from LFM to KSMP in February 2022 • Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018
10344 Badger Lane, Truckee	• Transferred from KSMP to LFM in March 2022; transferred from LFM to KSMP in February 2022 • Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018
10350 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10352 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018

10358 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10360 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10366 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10368 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10378 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10379 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10380 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10381 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10386 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10388 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10393 Badger Lane, Truckee	• Transferred from KSMP to LFM on November 27, 2023 • Transferred from LFM to KSMP on November 22, 2023 • Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018
10394 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
10395 Badger Lane, Truckee	• Transferred from KSMP to LFM on November 27, 2023 • Transferred from LFM to KSMP on November 22, 2023 • Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in March 2021 • Transferred from KSMP to LFM in May 2018
10396 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021; transferred from LFM to KSMP in February 2021; transferred from KSMP to LFM in May 2018
7332/7334 Arleta Court, Sacramento	• Transferred from third party (subject to mortgage) to LFM in December 2011 • Previously owned by LFM from September 2005 to October 2005

b) Properties Owned Prior to the Petition Date

Cornerstone (72/100/200 Wagner Road; 23570 Arnold Drive, Sonoma)	Acquired 36% TIC interest from third party in January 2019; transferred to Heacock Park in January 2022
Cottage Inn (302/310 E. 1st Street, Sonoma)	- Transferred from KSMP to LFM in January 2020 - Transferred from LFM to Sienna Pointe in October 2021
103/105 Commerce Court, Fairfield	Transferred from Treehouse to LFM and again from LFM to Nut Pine on August 20, 2020;
1870 Thornsberry Road, Sonoma	Transferred from KSMP to LFM and again from LFM to RTCM on November 13, 2023
Broadway Street Apartments (905 Broadway Street, Fairfield)	See chart attached as Attachment F-1
Camelia Square Apartments (1621 Hood Road, Sacramento)	See chart attached as Attachment F-2
Carmichael Apartments (5800 Engle Road, Carmichael)	Acquired 7.75% TIC interest from third party in January 2007 (and additional TIC interest transfers between 2017 and 2021); eventually all TIC interests transferred to Buckeye Tree in June 2022
Country Glen Apartments (7575 Power Inn Road, Sacramento)	Acquired 19.242% TIC interest from third party in December 2005 (and additional TIC interest transfers between 2006 and 2018); eventually all TIC interests transferred to Monterey Pine in Nov. 2018
Courtyard Cottages (7337 Power Inn Road, Sacramento)	Acquired 6.348% TIC interest from third party in July 2006 (and additional TIC interest transfers between 2016 and 2022); eventually all TIC interests transferred to Ginko Tree in June 2022
Dana Drive Apartments (1190 Dana Drive, Fairfield)	See chart attached as Attachment F-3
Tradewinds Apartments (1189 Dana Drive, Fairfield)	See chart attached as Attachment F-4
Napa Elm Apartments (1050 Elm Street, Napa)	See chart attached as Attachment F-5
Gold Oak Apartments (3310 – 3336 Cimmarron Road, Cameron Park)	Acquired 9.709% TIC interest from third party in April 2004 (plus additional transfer of 5.825% interest from TIC in March 2018); all TIC interests transferred to Red Oak in April 2022
Jackson Street Apartments (500 Jackson Street, Fairfield)	See chart attached as Attachment F-6
Marpel Apartments (501 – 523 Carpenter Street; 1035 – 1037 Washington Street, Fairfield)	See chart attached as Attachment F-7
Sharis Apartments (453 E. Fleming Avenue, Vallejo)	See chart attached as Attachment F-8
Shelfield Apartments (5800 Fair Oaks Boulevard, Carmichael)	See chart attached as Attachment F-9
Walnut Crest Apartments (3217 Walnut Avenue, Carmichael)	See chart attached as Attachment F-10
2280 Bates Avenue, Concord	See chart attached as Attachment F-11

9120 Polhemus Drive / 9300 Mazatlan Way, Elk Grove	• Transferred from third party to LFM (subject to mortgage) in December 2011; transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7210/7212 Grady Drive, Citrus Heights	• Transferred from third party to LFM (subject to mortgage) in March 2010; transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7300 Berna Way / 7235 Arleta Court, Sacramento	• Transferred from third party to LFM (subject to mortgage) in August 2019; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 • Previously owned by LFM from September 2005 to October 2005
7303/7305 Berna Way, Sacramento	• Transferred from third party to LFM (subject to mortgage) in December 2012; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 • Previously owned by LFM from September 2005 to January 2006
7304/7306 Berna Way, Sacramento	• Transferred from third party to LFM (subject to mortgage) in June 2011; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 • Previously owned by LFM from September 2005 to October 2005
7308/7310 Arleta Court, Sacramento	• Transferred from third party to LFM (subject to mortgage) in August 2019; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 • Previously owned by LFM from September 2005 to December 2005
7312/7314 Berna Way, Sacramento	• Transferred from third party to LFM (subject to mortgage) in October 2017; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 • Previously owned by LFM from September 2005 to October 2005
7316/7318 Arleta Court, Sacramento	• Transferred from third party to LFM (subject to mortgage) in September 2007; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 • Previously owned by LFM from September 2005 to October 2005
7319 Arleta Court / 7301 Berna Way, Sacramento	• Transferred from third party to LFM (subject to mortgage) in November 2009; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 • Previously owned by LFM from September 2005 to October 2005
7320/7322 Arleta Court, Sacramento	• Transferred from third party to LFM (subject to mortgage) in August 2012; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 • Previously owned by LFM from September 2005 to October 2005
7319/7321 Berna Way, Sacramento	• Transferred from third party to LFM (subject to mortgage) in December 2011; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 • Previously owned by LFM from September 2005 to November 2005
7324/7326 Arleta Court, Sacramento	• Transferred from third party to LFM (subject to mortgage) in June 2011; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 • Previously owned by LFM from September 2005 to November 2005
7327/7329 Berna Way, Sacramento	• Transferred from third party to LFM (subject to mortgage) in November 2010; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 • Previously owned by LFM from September 2005 to October 2005

7328/7330 Arleta Court, Sacramento	- Transferred from third party to LFM (subject to mortgage) in February 2017; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 - Previously owned by LFM from September 2005 to November 2005
7339/7341 Arleta Court, Sacramento	- Transferred from third party to LFM (subject to mortgage) in October 2017; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 - Previously owned by LFM from September 2005 to December 2005
6346/6348 Sorrell Court, Citrus Heights	Transferred from third party to LFM (subject to mortgage) in December 2012; transferred from LFM to Valley Oak (subject to mortgage) in July 2020
5509 Orange Avenue / 7343 Arleta Court, Sacramento	- Transferred from third party to LFM (subject to mortgage) in December 2012; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 - Previously owned by LFM from September 2005 to October 2005
5513/5515 Missie Way, Sacramento	Transferred from third party to LFM (subject to mortgage) in December 2011; transferred from LFM to Valley Oak (subject to mortgage) in July 2020
5521/5523 Missie Way, Sacramento	Transferred from third party to LFM in July 2007; transferred from LFM to Valley Oak in July 2020
5335/5337 Gibbons Drive, Carmichael	Transferred from third party to LFM (subject to mortgage) in November 2010; transferred from LFM to Valley Oak (subject to mortgage) in July 2020
5537/5539 Missie Way, Sacramento	Transferred from third party to LFM (subject to mortgage) in January 2014; transferred from LFM to Valley Oak (subject to mortgage) in July 2020
5605 Orange Avenue / 7320 Berna Way, Sacramento	- Transferred from third party to LFM (subject to mortgage) in February 2017; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 - Previously owned by LFM from September 2005 to December 2005
5601/5603 Orange Avenue, Sacramento	- Transferred from third party to LFM (subject to mortgage) in May 2007; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 - Previously owned by LFM from September 2005 to December 2005
7335/7337 Arleta Court, Sacramento	- Transferred from third party to LFM (subject to mortgage) in August 2018; transferred from LFM to Valley Oak (subject to mortgage) in July 2020 - Previously owned by LFM from September 2005 to October 2005
General's Daughter Barn & Lot (430 W. Spain Street, Sonoma)	Transferred from KSMP to LFM in January 2020; transferred from LFM to Sienna Pointe in December 2021
General's Daughter (400 W. Spain Street, Sonoma)	Transferred from LFM to Windscape Apartments in November 2022; purchased by LFM in January 2019
Vaca Villa Apartments (370 Butcher Road, Vacaville)	See chart attached as Attachment F-13
280 Butcher Road, Vacaville	Acquired by LFM from third party in August 2007; transferred by LFM to Butcher Road Partners in January 2013
310 Butcher Road, Vacaville	Acquired 33.34% TIC interest from third party in October 2001 (and the remaining 66.67% TIC interest from other TICs in March 2003; transferred by LFM to Butcher Road Partners in January 2013

312 Butcher Road, Vacaville	Acquired 33.34% TIC interest from third party in October 2001 (and the remaining 66.67% TIC interest from other TICs in March 2003; transferred by LFM to Butcher Road Partners in January 2013
350 Butcher Road, Vacaville	Acquired from third party in November 2003; transferred by LFM to Butcher Road Partners in January 2013
Woodcreek Plaza (7456 Foothills Boulevard, Roseville)	See chart attached as Attachment F-14
430 W. Napa Street, Sonoma	Transferred from Tradewinds to LFM on November 8, 2022; transferred by LFM to Windscape Apartments on November 9, 2022
5818 Engle Road, Carmichael	Acquired by LFM from third party in January 2007; transferred by LFM to Tim LeFever in February 2024
1549 E. Napa Street, Sonoma	Transferred from Napa Elm to LFM on July 6, 2022; transferred from LFM to RTCM on July 7, 2022
62 Farragut Avenue, Piedmont	- Acquired by LFM from third party in July 1999 - Transferred APN 51-4786-7 to Ken Mattson in July 1999; transferred 51-4786-8 to LFM in November 2014
236 King Avenue, Piedmont	Transferred from LFM to KSMP in September 1999
320 – 324 E. C Street, Dixon	Acquired by LFM from third party on November 7, 2003; transferred from LFM to Tim LeFever on November 26, 2003
414 Manzanita Avenue, Fairfield	Acquired by LFM from third party in January 2011; sold by LFM to third party in June 2024
Southwood Place Apartments (410 Buck Avenue, Vacaville)	See chart attached as Attachment F-17
2755 Baltic Drive, Fairfield	- Transferred to LFM by Investor in April 2004 - Transferred from LFM to Investor in May 2004; transferred from Investor to LFM in January 2011 - Sold by LFM to third party in July 2024
594 Lewis Court, Fairfield	- Transferred to LFM by Investor in December 1999 - Transferred from LFM to Investor in April 2000; transferred from different Investor to LFM in July 2008 - Sold by LFM to third party in June 2024
5224 – 5226 Karm Way, Sacramento	- Acquired by LFM from third party in January 2002; transferred by LFM to Investor in March 2002 - Transferred to LFM from Investor in October 2012; transferred from LFM to Valley Oak in June 2014
The Redwoods Apartments (2805 Yosemite Boulevard, Modesto)	See chart attached as Attachment F-18
1881 Quail Meadows Circle, Vacaville	- Transferred to LFM from Investor in February 2000; transferred by LFM to Investor in March 2000 - Transferred to LFM from Investor in February 2017; sold by LFM to third party in April 2024
7340/7342 Arleta Court, Sacramento	- Acquired by LFM from third party in September 2005; transferred by LFM to Investor in November 2005 - Transferred by Investor to LFM in October 2018; sold by LFM to third party in February 2024
2787 Woodmont Drive, Fairfield	- Transferred from LFM to Investor in June 1997; transferred from different Investor to LFM in February 2017 - Transferred from LFM to Valley Oak in May 2021
7315/7317 Arleta Court, Sacramento	- Acquired by LFM from third party in September 2005; transferred by LFM to Investor in October 2005 - Transferred by Investor to LFM in November 2010; transferred from LFM to Valley Oak in July 2020

7336/7338 Arleta Court, Sacramento	- Acquired by LFM from third party in September 2005; transferred by LFM to Investor in September 2005 - Transferred from LFM to Valley Oak in July 2020
6024 Vista Avenue, Sacramento	- Acquired by LFM from third party in August 2005; transferred to Investor in November 2005 - Transferred from LFM to Valley Oak in July 2020
755 W. H Street, Dixon	Acquired by LFM from third party in September 2011; sold by LFM to third party in December 2023
781 Beechwood Avenue, Vallejo	Transferred to LFM from Investor in January 2011; transferred from LFM to Valley Oak in November 2020
9244/9246 Corinthian Circle, Sacramento	Transferred to LFM from Investor in January 2010; transferred from LFM to Valley Oak in July 2020
1435 Bell Street, Sacramento	Transferred to LFM from Investor in December 2012; transferred from LFM to Valley Oak in July 2020
33 Village Park Square, Bluffton, SC	Acquired by LFM from third party in July 2006; sold by LFM to third party in August 2023
300 Chadbourne Road, Fairfield	See chart attached as Attachment F-19
Pinewood Apartments (1995 Grande Circle, Fairfield)	See chart attached as Attachment F-20
Water's Edge Apartments (5959 Riverside Boulevard, Sacramento)	Acquired 8.447% TIC interest from third party in March 2007 (and additional TIC interest transfers between 2016 and 2018); eventually all TIC interests transferred to Nut Pine in November 2018
Woodland Oaks Apartments (724 Cottonwood Street, Woodland)	Acquired 10.821% TIC interest from third party in December 2006 (and additional TIC interest transfers between 2016 and 2018); eventually all TIC interests transferred to Beach Pine in November 2018
1841 Quail Meadows Circle, Vacaville	Acquired by LFM from third party in December 2009; transferred by LFM to Investor in October 2010
Spring Glenn Apartments (555 Elmira Road, Vacaville)	See chart attached as Attachment F-21
Country Oaks Apartments (333 E. Enos Drive, Santa Maria)	See chart attached as Attachment F-22
Heacock Park Apartments (13325 Heacock Street, Moreno Valley)	Hagar transferred 10.145% TIC interest to LFM in July 2004 (LFM made subsequent transfer of 4.29% TIC interest to Investor); eventually all TIC interests transferred to Heacock Park in March 2018.
Boulder Springs Apartments (3515 W. San Jose Avenue, Fresno)	See chart attached as Attachment F-23
Carmichael Gardens Apartments (4727 Hackberry Lane, Carmichael)	See chart attached as Attachment F-24
1118 Araquipa Court, Vacaville	Transferred to LFM in July 2010; sold by LFM to third party in April 2013
1214 Araquipa Court, Vacaville	Transferred to LFM in October 2009; sold by LFM to third party in April 2013
1220 Araquipa Court, Vacaville	Transferred to LFM in October 2009; sold by LFM to third party in April 2013
1209 Araquipa Court, Vacaville	Transferred to LFM in October 2009; sold by LFM to third party in April 2013
1226 Araquipa Court, Vacaville	Transferred to LFM in October 2009; sold by LFM to third party in April 2013
3557 Golf View Terrace, Santa Rosa	Transferred to LFM in July 2011; transferred by LFM to KSMP in August 2020
249 Woodhaven Drive, Vacaville	Transferred to LFM from Investor in February 2017; transferred from LFM to Valley Oak in July 2020
21219 Heron Drive, Bodega Bay	99% TIC interest transferred to LFM by Investor in October 2013 and remaining 1% TIC interest transferred to LFM by Investor in August 2020; transferred from LFM to KSMP in October 2020

395 – 397 Coombs Street / 1203 – 1219 Laurel Street, Napa	• See chart attached as Attachment F-26
Willowbrook Apartments (2306/2376 Fairfield Avenue, Fairfield)	• See chart attached as Attachment F-27
7 Autumn Creek Court, Napa	• Acquired by LFM from third party in December 1996; transferred from LFM to Investor in April 2000
902 Enterprise Way, Napa	• See chart attached as Attachment F-28
908 Enterprise Way, Napa	• See chart attached as Attachment F-30
Sterling Pointe Apartments (2237/2257 Hurley Way, Sacramento)	• See chart attached as Attachment F-29
2605 Yuma Circle, Sacramento	• Transferred to LFM from Investor in December 2012; transferred from LFM to Valley Oak in July 2020
306 Buck Avenue, Vacaville	• Acquired by LFM from third party in November 1997; transferred from LFM in May 1998
346 E. 2nd Street, Sonoma	• Acquired by LFM in June 2016; transferred from LFM in December 2016
720 Cortlandt Drive, Sacramento	• Acquired by LFM in July 2011; transferred from LFM in March 2013 • Transferred to LFM in January 2019; sold by LFM to third party in December 2021
1081 Scott Street, Fairfield	• Transferred to LFM by Investor in May 2019; sold by LFM to third party in December 2019
1149 Araquipa Court, Vacaville	• Acquired by LFM in August 1996; transferred by LFM in July 1997 • Transferred to LFM by Investor in December 2011; sold by LFM to third party in December 2019
1140 Dawson Drive, Dixon	• Acquired by LFM in May 2015; sold by LFM to third party in September 2023
210 Rua Esparanza, Lincoln	• Acquired by LFM in September 2015; sold by LFM to third party in October 2020
95 Manchester Drive, Fairfield	• Acquired by LFM from third party in July 2002; transferred by LFM to Investor in September 2005 • Transferred to LFM from Investor in November 2014; sold by LFM to third party in July 2022
1675 Vernon Street #21, Roseville	• Acquired by LFM in March 2001; transferred by LFM to Investor in May 2001 • Transferred to LFM from Investor in October 2014; sold by LFM to third party in September 2020
646 Marlin Court, Redwood City	• Transferred to LFM in May 2010; transferred by LFM to Investor in July 2014 • Transferred to LFM from Investor in March 2015; sold by LFM to third party in June 2016
806 Cameron Court, Vacaville	• Transferred to LFM in January 2011; sold by LFM to third party in July 2020
1072 Sparrow Lane, Fairfield	• Transferred to LFM in February 2012; sold by LFM to third party in January 2021
5286 Minerva Avenue, Sacramento	• Transferred to LFM in September 2011; sold by LFM to third party in January 2021
446 Banning Way, Vallejo	• Transferred to LFM in January 2011; sold by LFM to third party in May 2021 • Previously owned by LFM between December 1995 and August 1996, and February 2002 and April 2002
10416 Autumn Breeze Way, Rancho Cordova	• Transferred to LFM in March 2011; sold by LFM to third party in May 2021
1119 Araquipa Court, Vacaville	• Transferred to LFM in January 2011; sold by LFM to third party in May 2021
1422 Monitor Avenue, Suisun City	• Transferred to LFM in November 2007; sold by LFM to third party in August 2021
5 Avenue Alhambra, El Granada	• Acquired by LFM in April 1997 (but recorded in September 2000); transferred from LFM in August 2009
4820 40th Avenue, Sacramento	• Transferred to LFM in August 2005; transferred from LFM to Investor in November 2005 • Transferred to LFM from Investor in February 2011; transferred from LFM to Valley Oak in July 2020

1743 46th Avenue, San Francisco	Acquired by LFM in July 1997; transferred by LFM to Timothy LeFever and Amy LeFever in November 1998 (then transferred from Timothy LeFever and Amy LeFever to Kenneth Mattson in December 1998)
3117 B Street, Sacramento	- Acquired by LFM in January 2002; transferred from LFM in January 2002 - Transferred from 4Liberty Investments, LLC to LFM in January 2013 (recorded in March 2015); sold by LFM to third party in October 2020
2821 Belhaven Place, Davis	- Transferred to LFM in February 2017; sold by LFM to third party in July 2018 - Previously owned by LFM between November 13, 2001 and November 29, 2001 and between February 2006 and July 2006
260 Caldecott Lane #306, Oakland	Transferred to LFM in December 2011; sold by LFM to third party in October 2019
764 Gold Coast Drive, Fairfield	- Transferred to LFM in September 2011; sold by LFM to third party in August 2020 - Previously owned by LFM between September 15, 1997 and September 16, 1997
337 Honeysuckle Way, Fairfield	Transferred to LFM in July 2012 (but recorded in May 2016); transferred by LFM back to same party in May 2016
1110 Lee Street, Santa Rosa	Transferred to LFM in May 2011; sold by LFM to third party in October 2019
2736 Lupin Court, Fairfield	Transferred to LFM in January 2011; sold by LFM to third party in March 2020
129 McAfee Court, Thousand Oaks	Transferred to LFM in July 2010 (but recorded in December 2012); sold by LFM to third party in April 2019
1403 New England Drive, Roseville	Transferred to LFM in October 2010 (but recorded in December 2012); sold by LFM to third party in October 2018
260 Peachtree Lane, Vacaville	Transferred to LFM in April 2015; sold by LFM in June 2015 (but recorded in August 2017)
776 Sequoia Drive, Fairfield	- Transferred to LFM in November 2007 (but recorded in April 2012); sold by LFM to third party in April 2021 - Previously owned by Timothy and Amy LeFever from June 1997 to March 1999
7504 Sunspring Lane, Sacramento	Transferred to LFM in July 2010; sold by LFM to third party in May 2022
380 Neil Street, Vacaville	- Transferred to LFM in March 2018; sold by LFM to third party in October 2020 - Previously owned by LFM from April 10, 2009 to April 16, 2009

Attachment B: KSMP Property Ownership

a) Properties Owned as of the Petition Date

Comstock Building (8340/8350 Auburn Boulevard, Citrus Heights) <i>(2.391% TIC interest)</i>	See chart attached as Attachment F-15
1549 E. Napa Street, Sonoma	- Transferred from RTCM to KSMP in November 2023 - Acquired by KSMP from third party in January 2020; transferred from KSMP to Napa Elm in April 2020
19357 Sonoma Highway, Sonoma <i>(40% TIC interest)</i>	Acquired by KSMP from third party in September 2022; transferred total of 60% TIC interest to two Investors in November 2022 (recorded in June 2023) and April 2023 (recorded in June 2023)
18590 Sonoma Highway, Sonoma <i>(40% TIC interest)</i>	Acquired by KSMP from third party in November 2022; transferred total of 60% TIC interest to two Investors in November 2022 (recorded in June 2023) and April 2023 (recorded in June 2023)
18275 Sonoma Highway, Sonoma	Acquired by KSMP from third party in December 2015
18010 Sonoma Highway, Sonoma <i>(55% TIC interest)</i>	Acquired by KSMP from third party in December 2015; transferred 45% TIC interest to Investor in February 2019 (recorded in February 2020)
450 E. 1st Street #J, Sonoma <i>(60% TIC interest)</i>	Acquired by KSMP from third party in May 2018; transferred 40% TIC interest to Investor in August 2020 (recorded June 2021)
450 E. 1st Street #A, B, K, Sonoma <i>(44% TIC interest)</i>	Acquired by KSMP from third party in April 2020; transferred total of 56% TIC interest to Investors
22 Boyes Boulevard, Boyes Hot Springs	Acquired by KSMP from third party in December 2020
414 W. Napa Street, Sonoma <i>(31.813% TIC interest)</i>	Acquired by KSMP from third party in April 2022; transferred total of 68.187% TIC interests to five Investors
531 – 533 Camino Del Mar, Del Mar	- Transferred from Investor to KSMP in January 2017 - Acquired by Stacy Mattson in September 2004 and transferred to Investor in May 2007
62 Farragut Avenue, Piedmont (APN 51-4786-008)	- Transferred from LFM to KSMP in November 2014 - Acquired by LFM from third party in July 1999
415 Pacific Avenue, Piedmont	- Transferred from third party to KSMP in April 2012 - Acquired by KSMP from third party in January 2002; transferred from KSMP to third party in December 2002
3200 Castle Road, Sonoma	Acquired by KSMP from third party in July 2021
3003 Castle Road, Sonoma	Acquired by KSMP from third party in July 2021
969 Rachel Road, Sonoma	Acquired by KSMP from third party in June 2017
856 E. 4th Street, Sonoma	Acquired by KSMP from third party in April 2022
450 E. 1st Street #G, Sonoma <i>(50% TIC interest)</i>	- Acquired by KSMP from third party in July 2020 - KSMP transferred 50% TIC interest to Investor in Parcel 5 in February 2023
23105 Millerick Road, Sonoma	Acquired by KSMP from third party in December 2022

22666 Broadway, Sonoma (42% TIC interest)	Acquired by KSMP from third party in January 2023; transferred total of 36% TIC interests to three Investors in May 2024 and 22% TIC interest to one of the same Investors in March 2025
1014 W. 1st Street, Sonoma	Acquired by KSMP from third party in April 2022
230 E. Napa Street, Sonoma	- Transferred to KSMP from Investor in October 2022 - Acquired by KSMP from third party in October 2015; KSMP transferred to Investor in February 2021
19179 Railroad Avenue, Sonoma	Acquired by KSMP from third party in September 2022
18285 Sonoma Highway, Sonoma	Acquired by KSMP from third party in December 2015
443 Casabonne Lane, Sonoma	Acquired by KSMP from third party in March 2019
Folsom Village (47 – 49 Natoma Street, Folsom) (3.328% TIC interest)	See chart attached as Attachment F-16
3557 Golf View Terrace, Santa Rosa	Transferred by LFM to KSMP in August 2020¹⁸⁸
405/407 London Way, Agua Caliente	Acquired by KSMP from third party in November 2020
904 Highway 121, Sonoma	Acquired by KSMP from third party in December 2022
2500 Castle Road, Sonoma	Acquired by KSMP from third party in July 2021
454 15th Street, Del Mar	Transferred to KSMP from Ken and Stacy Mattson in October 2006
5202 Gateway Plaza Drive, Benicia (67% TIC interest)	Purchased by KSMP in December 2010; 33% TIC interest transferred to Investor in October 2021
1834 – 1836 Ocean Front, Del Mar	Transferred from Mattson to KSMP in May 2005; transferred (evidently erroneously) from KSMP to Equitable Ocean Front, LLC in July 2024, but transferred back to KSMP in 2025

b) Properties Owned Prior to the Petition Date

Cottage Inn (302/310 E. 1st Street, Sonoma)	- Purchased by KSMP from third party in February 2019 - Transferred from KSMP to LFM in January 2020 - Transferred from Sienna Pointe to KSMP on May 9, 2023 - Transferred from KSMP to Sienna Pointe on May 9, 2023
Cottage Inn (304 E. 1st Street, Sonoma)	Purchased by KSMP from third party in July 2019; transferred from KSMP to Sienna Pointe in October 2021
An Inn to Remember (171 W. Spain Street, Sonoma)	- Purchased by KSMP from third party in July 2021 - Transferred from KSMP to Sienna Pointe in August 2021
103/105 Commerce Court, Fairfield	Purchased by KSMP from third party in October 2014

¹⁸⁸ On or about May 9, 2025, in violation of the automatic stay, Deutsche Bank Trust Company Americas as Trustee for Residential Accredited Loans, Inc., Mortgage Asset-Backed Pass-Through Certificates, Series 2007-Q01 (“Deutsche Bank”) purported to foreclose on and sell this Property. The Committee, on behalf of KSMP, is pursuing imminent action to address this automatic stay violation.

	• Transferred 81.713% TIC interests to 14 TICs between June 2015 and October 2018 (plus 2.237% additional TIC interest to another TIC in May 2020) • Transferred remaining TIC interest to Treehouse in May 2020
1870 Thornsberry Road, Sonoma	• Purchased by KSMP from third party in August 2020 • Transferred by KSMP to LFM in November 2023
921 Broadway, Sonoma	• Purchased by KSMP from third party in April 2018 • Transferred by KSMP to RTCM in September 2022
596 E. 3rd Street, Sonoma	• Purchased by KSMP from third party in August 2022 • Transferred from KSMP to Ginko Tree in November 2022
789 Cordilleras Drive, Sonoma	• Purchased by KSMP from third party in September 2022 • Transferred from KSMP to Black Walnut in December 2022
Napa Elm Apartments (1050 Elm Street, Napa)	• See chart attached as Attachment F-5
French Quarter Apartments (170 – 182 E. 1st Street, Sonoma)	• Purchased by KSMP from third party in May 2021 • Transferred by KSMP to River Birch in June 2021
19450 Old Winery Road, Sonoma	• Purchased by KSMP from third party in January 2021 • Transferred by KSMP to RTCM in May 2022
222 – 226 W. Spain Street, Sonoma	• Purchased by KSMP from third party in March 2020 • Transferred by KSMP to RTCM in June 2022 • Transferred by RTCM to KSMP on September 15, 2022; transferred by KSMP to RTCM on September 28, 2022
24265 Arnold Drive, Sonoma	• Purchased by KSMP from third party in December 2019 • Transferred by KSMP to Napa Elm in April 2020
24321 Arnold Drive, Sonoma	• Purchased by KSMP from third party in December 2019 • Transferred by KSMP to Napa Elm in April 2020
786 Broadway, Sonoma	• Purchased by KSMP from third party on April 18, 2022; transferred from KSMP to Firetree I on April 29, 2022
790 Broadway, Sonoma	• Purchased by KSMP from third party on April 18, 2022; transferred from KSMP to Firetree I on April 29, 2022
453 – 459 W. 2nd Street, Sonoma	• Purchased by KSMP from third party in June 2021; transferred by KSMP to Firetree III in April 2022
17700 Sonoma Highway, Sonoma	• Purchased by KSMP from third party in March 2022; transferred by KSMP to Firetree III in April 2022
377 W. Spain Street, Sonoma	• Purchased by KSMP from third party in September 2021; transferred by KSMP to Black Walnut in December 2022
20564 Broadway, Sonoma	• Purchased by KSMP from third party in September 2022; transferred by KSMP to Black Walnut in December 2022
653 W. 3rd Street, Sonoma	• Purchased by KSMP from third party in October 2022; transferred by KSMP to Black Walnut in December 2022

391 – 455 Oak Street / 19173 Railroad Avenue, Sonoma	• Purchased by KSMP from third party in September 2022; transferred by KSMP to Black Walnut in December 2022
APN 128-381-027 (E. 8th Street, Sonoma)	• Purchased by KSMP from third party in July 2021 subject to seller note; seller/lender foreclosed on Property in November 2024
21885 E. 8th Street, Sonoma	• Purchased by KSMP from third party on July 7, 2021; transferred by KSMP to Yellow Poplar on July 27, 2021
Sojourn Tasting Room (141 – 145 E. Napa Street, Sonoma)	• Purchased by KSMP from third party in October 2018; transferred by KSMP to Sienna Pointe in September 2021 • Transferred from Sienna Pointe to KSMP on September 15, 2022; transferred from KSMP to Sienna Pointe on September 21, 2022
Auberge Sonoma (151 E. Napa Street, Sonoma)	• Purchased by KSMP from third party on June 1, 2021; transferred by KSMP to River Birch on June 10, 2021
23250 Maffei Road, Sonoma	• Purchased by KSMP from third party in March 2021; transferred from KSMP to Sienna Pointe in September 2021
925 – 927 Broadway, Sonoma	• Purchased by KSMP from third party in November 2018; transferred from KSMP to Sienna Pointe in August 2021 • Transferred from Sienna Pointe to KSMP on September 15, 2022; transferred from KSMP to Sienna Pointe on September 28, 2022
101 Meadowlark Lane, Sonoma	• Purchased by KSMP from third party on July 21, 2021; transferred from KSMP to Sienna Pointe on July 21, 2021
24101 Arnold Drive, Sonoma	• Purchased by KSMP from third party on July 21, 2021; transferred from KSMP to Sienna Pointe on July 21, 2021
24151 Arnold Drive, Sonoma	• Purchased by KSMP from third party on July 21, 2021; transferred from KSMP to Sienna Pointe on July 21, 2021
310 Meadowlark Lane, Sonoma	• Purchased by KSMP from third party on July 21, 2021; transferred from KSMP to Sienna Pointe on July 21, 2021
16721 Sonoma Highway, Sonoma	• Purchased by KSMP from third party in October 2022; transferred from KSMP to Buckeye Tree in November 2022
4920 Samo Lane, Fairfield	• Purchased by KSMP from third party in June 2016; transferred from KSMP to LFM in November 2016
333 Wilkerson Avenue, Perris	• See chart attached as Attachment F-12
371 Wilkerson Avenue, Perris	• See chart attached as Attachment F-12
411 Wilkerson Avenue, Perris	• See chart attached as Attachment F-12
APN 310-070-077 (Wilkerson Avenue, Perris)	• See chart attached as Attachment F-12
19340 E. 7th Street, Sonoma	• Purchased by KSMP from third party in July 2018; transferred from KSMP to Golden Tree in August 2020
101 Quail Court, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018

	• Purchased by KSMP from Socotra affiliate in January 2018
102 Quail Court, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
103 Quail Court, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
104 Quail Court, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
107 Quail Court, Truckee	• Transferred from KSMP to LFM in March 2022 • Transferred from LFM to KSMP in February 2022 • Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
108 Quail Court, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
109 Quail Court, Truckee	• Transferred from KSMP to LFM in March 2022 • Transferred from LFM to KSMP in February 2022 • Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
110 Quail Court, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10335 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in March 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018

10298 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10300 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10306 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in May 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10308 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10316 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10318 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10326 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10328 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in May 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10333 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10334 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2023

	• Transferred from LFM to KSMP in February 2022 • Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10336 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2023 • Transferred from LFM to KSMP in February 2022 • Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in March 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10342 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2023 • Transferred from LFM to KSMP in February 2022 • Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10344 Badger Lane, Truckee	• Transferred from KSMP to LFM in March 2022 • Transferred from LFM to KSMP in February 2022 • Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10350 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10352 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10358 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10360 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021

	• Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10366 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10368 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10378 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10379 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10380 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10381 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10386 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10388 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10393 Badger Lane, Truckee	• Transferred from KSMP to LFM on November 27, 2023 • Transferred from LFM to KSMP on November 22, 2023 • Transferred from KSMP to LFM in July 2021

	• Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10394 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10395 Badger Lane, Truckee	• Transferred from KSMP to LFM on November 27, 2023 • Transferred from LFM to KSMP on November 22, 2023 • Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in March 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
10396 Badger Lane, Truckee	• Transferred from KSMP to LFM in July 2021 • Transferred from LFM to KSMP in February 2021 • Transferred from KSMP to LFM in May 2018 • Purchased by KSMP from Socotra affiliate in January 2018
Ceres West Mobile Home Park (2030 E. Grayson Road, Ceres)	• Purchased by KSMP from third party in August 2007 • Transferred by KSMP to Valley Oak in July 2020
General's Daughter Barn & Lot (430 W. Spain Street, Sonoma)	• Transferred from KSMP to LFM in January 2020; transferred from LFM to Sienna Pointe in December 2021 • Purchased by KSMP in March 2019
Woodcreek Plaza (7456 Foothills Boulevard, Roseville)	• See chart attached as Attachment F-14
4950 – 4970 Allison Parkway, Vacaville	• Purchased by KSMP from third party in February 2016; TIC interests transferred by KSMP to TICs from February 2016 to October 2018 • All TICs (including KSMP) conveyed interests to Golden Tree in October 2018
Sonoma Chalet (18935 W. 5th Street, Sonoma)	• Purchased by KSMP from third party in July 2022; transferred by KSMP to Windscape Apartments on August 3, 2022
430 W. Napa Street, Sonoma	• Purchased by KSMP in January 2017; transferred from KSMP to Tradewinds in February 2018
446 W. Napa Street, Sonoma	• Purchased by KSMP from third party in July 2022; transferred by KSMP to Windscape Apartments in August 2022
454 W. Napa Street, Sonoma	• Purchased by KSMP from third party in July 2022; transferred by KSMP to Windscape Apartments in August 2022
462 W. Napa Street, Sonoma	• Purchased by KSMP from third party in July 2022; transferred by KSMP to Windscape Apartments in August 2022
24160 Turkey Road / 24237 Arnold Road, Sonoma	• Purchased by KSMP from third party in March 2022; transferred by KSMP to Windscape Apartments in July 2022

Fence Post (1025 Napa Street, Sonoma)	• Purchased by KSMP from third party in September 2017; transferred by KSMP to Windscape Apartments in October 2022
900 E. Napa Street, Sonoma	• Purchased by KSMP from third party in December 2018; 35% TIC interests transferred to Investor in July 2021 and back to KSMP in September 2022 • Transferred by KSMP to Windscape Apartments in September 2022
424 W. 2nd Street, Sonoma	• Purchased by KSMP from third party in January 2021; transferred by KSMP to Windscape Apartments in October 2022
The Post (24120 Arnold Drive, Sonoma)	• Purchased by KSMP from third party in February 2019; transferred by KSMP to Windscape Apartments in September 2022
Duggan's Mission Chapel (525 W. Napa Street, Sonoma)	• Purchased by KSMP from third party in September 2022; transferred by KSMP to Windscape Apartments in November 2022
520/530/532 Studley Street, Sonoma	• Purchased by KSMP from third party in September 2022; transferred by KSMP to Windscape Apartments in November 2022
18701 Gehricke Road, Sonoma	• Purchased by KSMP from third party in December 2019; transferred from KSMP to Sienna Pointe in December 2021
1045 Bart Road, Sonoma	• Purchased by KSMP from third party in May 2022; transferred by KSMP to Windscape Apartments in September 2022
452 E. 1st Street #C, Sonoma	• Purchased by KSMP from third party in July 2018 • Conveyed 105% TIC interest to four different Investors between August 2020 and August 2022
4321 1st Street, Pleasanton	• Sold by KSMP to third party in October 2024 • Purchased by KSMP from third party in November 2010; 70% TIC interests conveyed by KSMP to two TICs in August 2018 and back to KSMP in July 2020
1819 Coast Boulevard, Del Mar	• Sold by KSMP to third party in March 2024 • Transferred from Ken Mattson to KSMP in September 1999; transferred from KSMP to Ken and Stacy Mattson in October 2005; transferred from Ken and Stacy Mattson to KSMP in May 2007
210 La Salle Avenue, Piedmont	• Transferred from KSMP to Stacy Mattson in August 2003 • Purchased by Ken and Stacy Mattson from third party in January 2000; transferred to KSMP in February 2000
236 King Avenue, Piedmont	• Transferred from Ken Mattson to KSMP in June 2001; transferred from KSMP to Stacy Mattson in March 2003
1745 Grand Avenue, Del Mar	• Transferred from Ken Mattson to KSMP in September 1999; transferred by KSMP to Ken Mattson in June 2000
68359 Jolon Road, Bradley	• Acquired by KSMP from Socotra affiliate in July 2017; sold by KSMP to third party in June 2024
1220 E. Napa Street, Sonoma	• Acquired by KSMP from third party in May 2021; transferred by KSMP to Beach Pine in December 2022
1200 Apple Tree Court, Sonoma	• Acquired by KSMP from third party in March 2016; transferred by KSMP to Beach Pine in December 2022
1221 Apple Tree Court, Sonoma	• Acquired by KSMP from third party in May 2019; sold by KSMP to third party in May 2024

282 Patten Street, Sonoma	Acquired by KSMP from third party in February 2020; transferred from KSMP to Beach Pine in December 2022
5120 Lovall Valley Loop Road, Sonoma	Acquired by KSMP from third party in October 2020; transferred by KSMP to Golden Tree in November 2020
821 Lovall Valley Loop Road, Sonoma	Acquired by KSMP from third party in August 2017; sold by KSMP to third party in December 2019
528 W. 3rd Street, Sonoma	Acquired by KSMP from third party in February 2021; 73.75% TIC interests conveyed by KSMP to four TICs between July and October 2021; all TICs sold to third party in May 2024
870 E. Napa Street, Sonoma	Acquired by KSMP from third party in September 2018; sold by KSMP to third party in October 2020
19355 E. 7th Street, Sonoma	Acquired by KSMP from third party in August 2017; 50% TIC interest conveyed by KSMP to Golden Tree in October 2020; sold to third party in November 2020
Sonoma Cheese Factory (2 W. Spain Street, Sonoma)	Acquired by KSMP from third party in August 2020; sold by KSMP to third party in May 20204
72 Moon Mountain Road, Sonoma	Acquired by KSMP from Socotra affiliate in August 2015; sold by KSMP to third party in May 2024
74 Moon Mountain Road, Sonoma	Acquired by KSMP from Socotra affiliate in August 2015; sold by KSMP to third party in May 2024
771 E. 5th Street, Sonoma	Acquired by KSMP from third party in October 2019; transferred from KSMP to Tim LeFever in November 2020
860 Charter Way, Redwood City	Acquired by KSMP from third party in April 2012; sold by KSMP to third party in November 2017
9244/9246 Corinthian Circle, Sacramento	Transferred from Ken Mattson to KSMP in April 2000; transferred from KSMP to Investor in April 2000
300 Chadbourne Road, Fairfield	See chart attached as Attachment F-19
1176 Castle Road, Sonoma	Acquired by KSMP in September 2023; sold by KSMP to third party in May 2024
1720 – 1722 The Strand, Manhattan Beach	Acquired 50% TIC interest from two Investors (each of whom retained 25% TIC interest) in October 2010; sold to third party in June 2024
1170 Castle Road, Sonoma	Acquired by KSMP in August 2022; sold by KSMP to third party in May 2024
1823/1825 Coast Boulevard, Del Mar	- Acquired by KSMP from Investor in March 2008; sold by KSMP to third party in May 2023 - KSMP previously owned from December 2000 to March 2001 and held 50% TIC interest from March 2001 to November 2002
721 Camino Del Mar, Del Mar	Acquired by KSMP in October 2017; sold by KSMP to third party in July 2023
5819 Filaree Heights, Malibu	Acquired by KSMP from third party in October 2012; sold by KSMP to third party in June 2021
21219 Heron Drive, Bodega Bay	Transferred from LFM to KSMP on October 30, 2020; sold by KSMP to third party on October 30, 2020
1230 E. Napa Street, Sonoma	Acquired by KSMP in January 2021; transferred from KSMP to Mattson's son in January 2021 and back to KSMP in May 2023; sold by KSMP to third party in May 2024
834 Donner Avenue, Sonoma	- Acquired by KSMP in November 2021; transferred by KSMP to Investor in December 2021 42% TIC interest transferred to KSMP from Investor in March 2023 and 58% TIC interest transferred to KSMP from Investor in April 2024; sold by KSMP to third party in May 2024
2377 Lovall Valley Road, Sonoma	- Acquired by KSMP from third party in August 2020; transferred from KSMP to Investor in June 2021 - Transferred to KSMP from Investor on May 9, 2023 and from Investor to KSMP on May 9 2023
E. 3rd Street, Sonoma (APN 018-363-004)	Acquired by KSMP in November 2021; sold by KSMP to third party in May 2024

7385 Greenhaven Drive, Sacramento	Acquired by KSMP from third party in May 2013; transferred by KSMP to Investor in July 2015 (possibly through a settlement with that Investor)
902 Enterprise Way, Napa	See chart attached as Attachment F-28
908 Enterprise Way, Napa	See chart attached as Attachment F-30
Sonoma's Best (1190 E. Napa Street, Sonoma)	Acquired by KSMP from third party in March 2016; sold by KSMP to third party in May 2024
456 W. 5th Street, Sonoma	- Acquired by KSMP from third party in March 2022; transferred 55% TIC interest to Investor in April 2022, which was transferred back to KSMP in May 2024 - Sold to third party in May 2024
731 E. 5th Street, Sonoma	Acquired by KSMP from third party in February 2023; sold by KSMP to third party in November 2023
219 Tokay Court, Fairfield	Acquired by KSMP from third party in April 2023; sold by KSMP to third party in August 2023
306 Buck Avenue, Vacaville	Transferred to KSMP in May 2001; transferred from KSMP to Investor in November 2002
332 E. 2nd Street, Sonoma	Acquired by KSMP in July 2018; transferred from KSMP to Investor in August 2020
19021 E. 7th Street, Sonoma	Acquired by KSMP in August 2022; sold by KSMP to third party in May 2024
25 Spyglass Court, Half Moon Bay	Transferred to KSMP from Investor in February 2011 (recorded in August 2013); foreclosed on in May 2014 (previously owned by Ken and/or Stacy Mattson)
2479 Courage Drive, Fairfield	Acquired 50% TIC interest from third party in June 2004 (remaining 50% TIC interest transferred to KSMP by Investor in December 2010); sold by KSMP to third party in September 2014
462 15th Street, Del Mar	Transferred from Ken and Stacy Mattson to KSMP in February 2014; sold by KSMP to third party in February 2014
310/312 Kentucky Street, Vacaville	- Transferred from Ken Mattson to KSMP in September 1999 - Transferred from KSMP to Investor in August 2005; transferred to KSMP from Investor in May 2013 - Sold by KSMP to third party in May 2024
193 E. B Street, Dixon	Transferred from Ken Mattson to KSMP in February 2003; transferred from KSMP to Tim and Amy LeFever in February 2003
1904 S. 19th Street, Waco, TX	Transferred to KSMP in April 2011; sold by KSMP in May 2018
1743 46th Avenue, San Francisco	Transferred from Ken Mattson to KSMP in September 1999; sold by KSMP to third party in March 2001
5200, 5210, and 5218 Gateway Plaza, Benicia	Purchased by KSMP in December 2010; various parcels transferred to Investors between 2019 and 2021

Attachment C: Windscape Apartments Property Ownership

General's Daughter (400 W. Spain Street, Sonoma)	Transferred from LFM to Windscape Apartments in November 2022
Vaca Villa Apartments (370 Butcher Road, Vacaville)	Transferred from Red Spruce to Windscape Apartments in November 2022 (<i>see also</i> chart attached as Attachment F-13)
280 Butcher Road, Vacaville	Transferred by Butcher Road Partners to Windscape Apartments in November 2022
310 Butcher Road, Vacaville	Transferred by Butcher Road Partners to Windscape Apartments in November 2022
312 Butcher Road, Vacaville	Transferred by Butcher Road Partners to Windscape Apartments in November 2022
350 Butcher Road, Vacaville	Transferred by Butcher Road Partners to Windscape Apartments in November 2022
Woodcreek Plaza (7456 Foothills Boulevard, Roseville)	See chart attached as Attachment F-14
4950 – 4970 Allison Parkway, Vacaville	Transferred by Beach Pine to Windscape Apartments in November 2022
Sonoma Chalet (18935 W. 5th Street, Sonoma)	Transferred by KSMP to Windscape Apartments on August 3, 2022; Windscape Apartments transferred a 5.25% TIC interest to an Investor on August 30, 2022
430 W. Napa Street, Sonoma	Transferred by LFM to Windscape Apartments on November 9, 2022
446 W. Napa Street, Sonoma	Transferred by KSMP to Windscape Apartments in August 2022
454 W. Napa Street, Sonoma	Transferred by KSMP to Windscape Apartments in August 2022
462 W. Napa Street, Sonoma	Transferred by KSMP to Windscape Apartments on August 3, 2022; Windscape Apartments transferred a 6% TIC interest to an Investor on August 30, 2022
24160 Turkey Road/24237 Arnold Road, Sonoma	Transferred by KSMP to Windscape Apartments in July 2022
Fence Post (1025 Napa Street, Sonoma)	Transferred by KSMP to Windscape Apartments in October 2022
900 E. Napa Street, Sonoma	Transferred by KSMP to Windscape Apartments in September 2022
424 W. 2nd Street, Sonoma	Transferred by KSMP to Windscape Apartments in October 2022
The Post (24120 Arnold Drive, Sonoma)	Transferred by KSMP to Windscape Apartments in September 2022
Duggan's Mission Chapel (525 W. Napa Street, Sonoma)	Transferred by KSMP to Windscape Apartments in November 2022
520/530/532 Studley Street, Sonoma	Transferred by KSMP to Windscape Apartments in November 2022
18701 Gehricke Road, Sonoma	Transferred by Sienna Pointe to Windscape Apartments in November 2022
1045 Bart Road, Sonoma	Transferred by KSMP to Windscape Apartments in September 2022

Attachment D: Valley Oak Property Ownership

a) Properties Owned as of the Petition Date

Ceres West Mobile Home Park (2030 E. Grayson Road, Ceres)	• Transferred by KSMP to Valley Oak in July 2020
9120 Polhemus Drive / 9300 Mazatlan Way, Elk Grove	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7210/7212 Grady Drive, Citrus Heights	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7300 Berna Way / 7235 Arleta Court, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7303/7305 Berna Way, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7304/7306 Berna Way, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7308/7310 Arleta Court, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7312/7314 Berna Way, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7316/7318 Arleta Court, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7319 Arleta Court/7301 Berna Way, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7320/7322 Arleta Court, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7319/7321 Berna Way, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7324/7326 Arleta Court, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7327/7329 Berna Way, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7328/7330 Arleta Court, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7339/7341 Arleta Court, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
6346/6348 Sorrell Court, Citrus Heights	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
5509 Orange Avenue / 7343 Arleta Court, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
5513/5515 Missie Way, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
5521/5523 Missie Way, Sacramento	• Transferred from LFM to Valley Oak in July 2020
5335/5337 Gibbons Drive, Carmichael	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
5537/5539 Missie Way, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
5605 Orange Avenue / 7320 Berna Way, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
5601/5603 Orange Avenue, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020
7335/7337 Arleta Court, Sacramento	• Transferred from LFM to Valley Oak (subject to mortgage) in July 2020

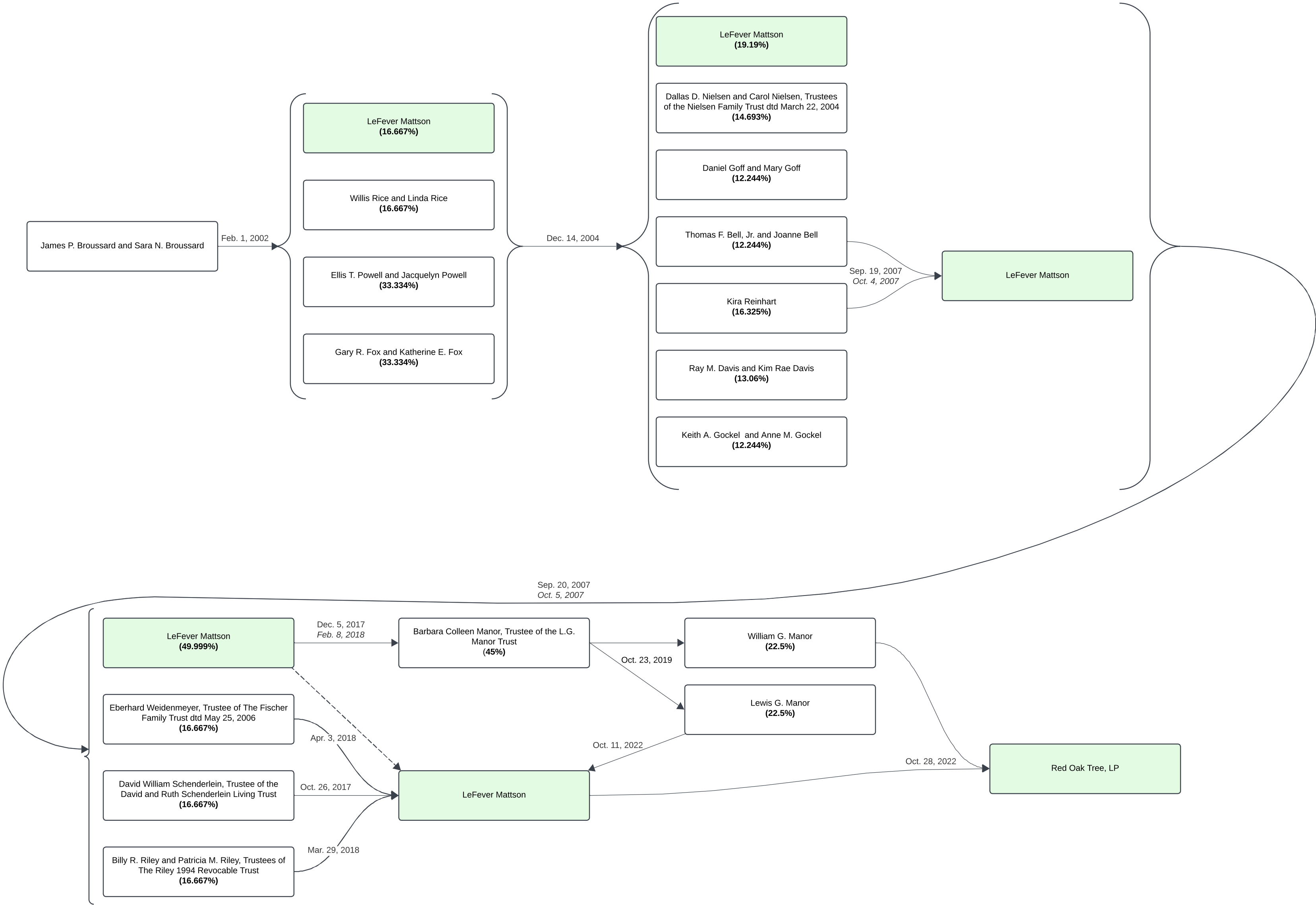
b) Properties Owned Prior to the Petition Date

5224 – 5226 Karm Way, Sacramento	Transferred from LFM to Valley Oak in June 2014; sold by Valley Oak to third party in June 2024
2787 Woodmont Drive, Fairfield	Transferred from LFM to Valley Oak in May 2021; sold by Valley Oak to third party in March 2024
7315/7317 Arleta Court, Sacramento	Transferred from LFM to Valley Oak in July 2020; sold by Valley Oak to third party in February 2024
7336/7338 Arleta Court, Sacramento	Transferred from LFM to Valley Oak in July 2020; sold by Valley Oak to third party in February 2024
6024 Vista Avenue, Sacramento	Transferred from LFM to Valley Oak in July 2020; sold by Valley Oak to third party in February 2024
781 Beechwood Avenue, Vallejo	Transferred from LFM to Valley Oak in November 2020; sold by Valley Oak to third party in October 2023
9244/9246 Corinthian Circle, Sacramento	Transferred from LFM to Valley Oak in July 2020; sold by Valley Oak to third party in September 2023
1435 Bell Street, Sacramento	Transferred from LFM to Valley Oak in July 2020; sold by Valley Oak to third party in September 2023
Boulder Springs Apartments (3515 W. San Jose Avenue, Fresno)	See chart attached as Attachment F-23
249 Woodhaven Drive, Vacaville	Transferred from LFM to Valley Oak in July 2020; sold by Valley Oak to third party in April 2021
2605 Yuma Circle, Sacramento	Transferred from LFM to Valley Oak in July 2020; sold by Valley Oak to third party in October 2020
4820 40th Avenue, Sacramento	Transferred from LFM to Valley Oak in July 2020; sold by Valley Oak to third party in January 2024

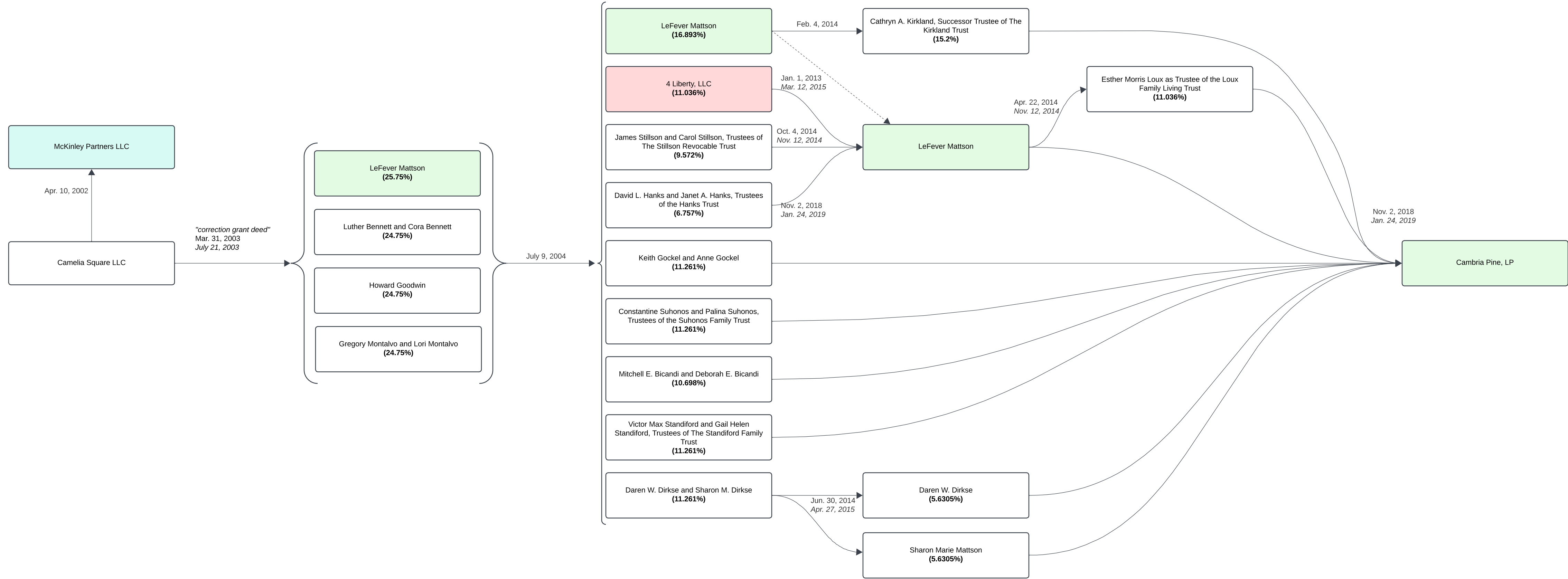
Attachment E: Sienna Pointe Property Ownership

Cottage Inn (302/310 E. 1st Street, Sonoma)	• Transferred from LFM to Sienna Pointe in October 2021 • Transferred from Sienna Pointe to KSMP on May 9, 2023 • Transferred from KSMP to Sienna Pointe on May 9, 2023
Cottage Inn (304 E. 1st Street, Sonoma)	• Purchased by KSMP from third party in July 2019; transferred from KSMP to Sienna Pointe in October 2021
An Inn to Remember (171 W. Spain Street, Sonoma)	• Transferred from KSMP to Sienna Pointe in August 2021
801 W. Napa Street / 802 Studley Street, Sonoma	• Purchased by Sienna Pointe from third party in September 2022
830 – 848 Studley Street, Sonoma	• Purchased by Sienna Pointe from third party in November 2022
1383 Larkin Drive, Sonoma	• Purchased by Sienna Pointe from third party in November 2022
520 Capitol Mall, Sacramento	• Transferred from RTCM to Sienna Pointe in January 2022
Sojourn Tasting Room (141 – 145 E. Napa Street, Sonoma)	• Transferred from KSMP to Sienna Pointe in September 2021 • Transferred from Sienna Pointe to KSMP on September 15, 2022; transferred from KSMP to Sienna Pointe on September 21, 2022
The Depot (241 W. 1st Street, Sonoma)	• Purchased by Sienna Pointe from third party in October 2021
23250 Maffei Road, Sonoma	• Transferred from KSMP to Sienna Pointe in September 2021
20490 Broadway, Sonoma	• Purchased by Sienna Pointe from third party in October 2021
925 – 927 Broadway, Sonoma	• Transferred from KSMP to Sienna Pointe in August 2021 • Transferred from Sienna Pointe to KSMP on September 15, 2022; transferred from KSMP to Sienna Pointe on September 28, 2022
967 Broadway, Sonoma	• Purchased by Sienna Pointe from third party in July 2021
101 Meadowlark Lane, Sonoma	• Transferred from KSMP to Sienna Pointe in July 2021
24101 Arnold Drive, Sonoma	• Transferred from KSMP to Sienna Pointe in July 2021
24151 Arnold Drive, Sonoma	• Transferred from KSMP to Sienna Pointe in July 2021
310 Meadowlark Lane, Sonoma	• Transferred from KSMP to Sienna Pointe in July 2021
General's Daughter Barn & Lot (430 W. Spain Street, Sonoma)	• Transferred from LFM to Sienna Pointe in December 2021

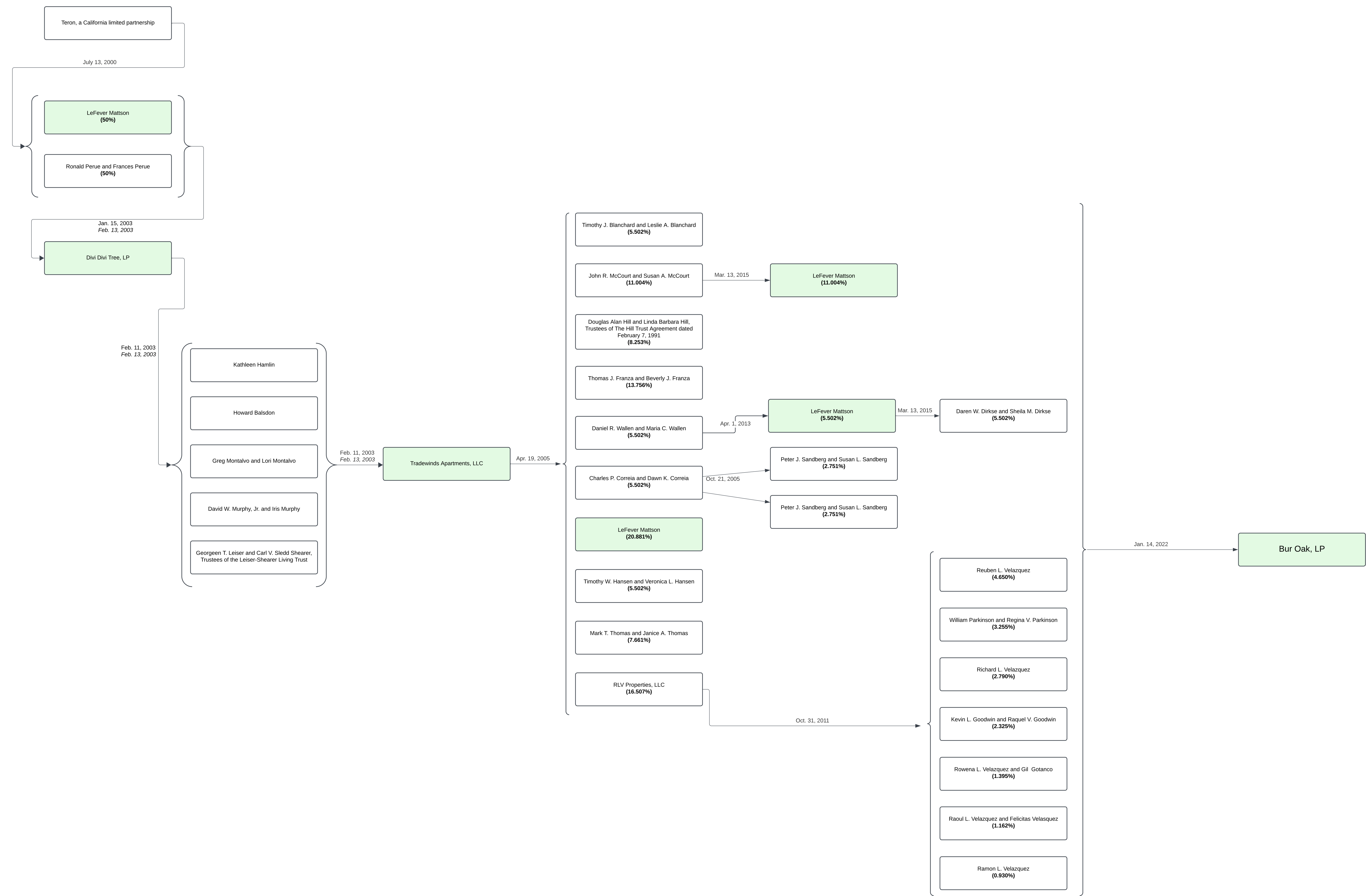
Attachment F-1



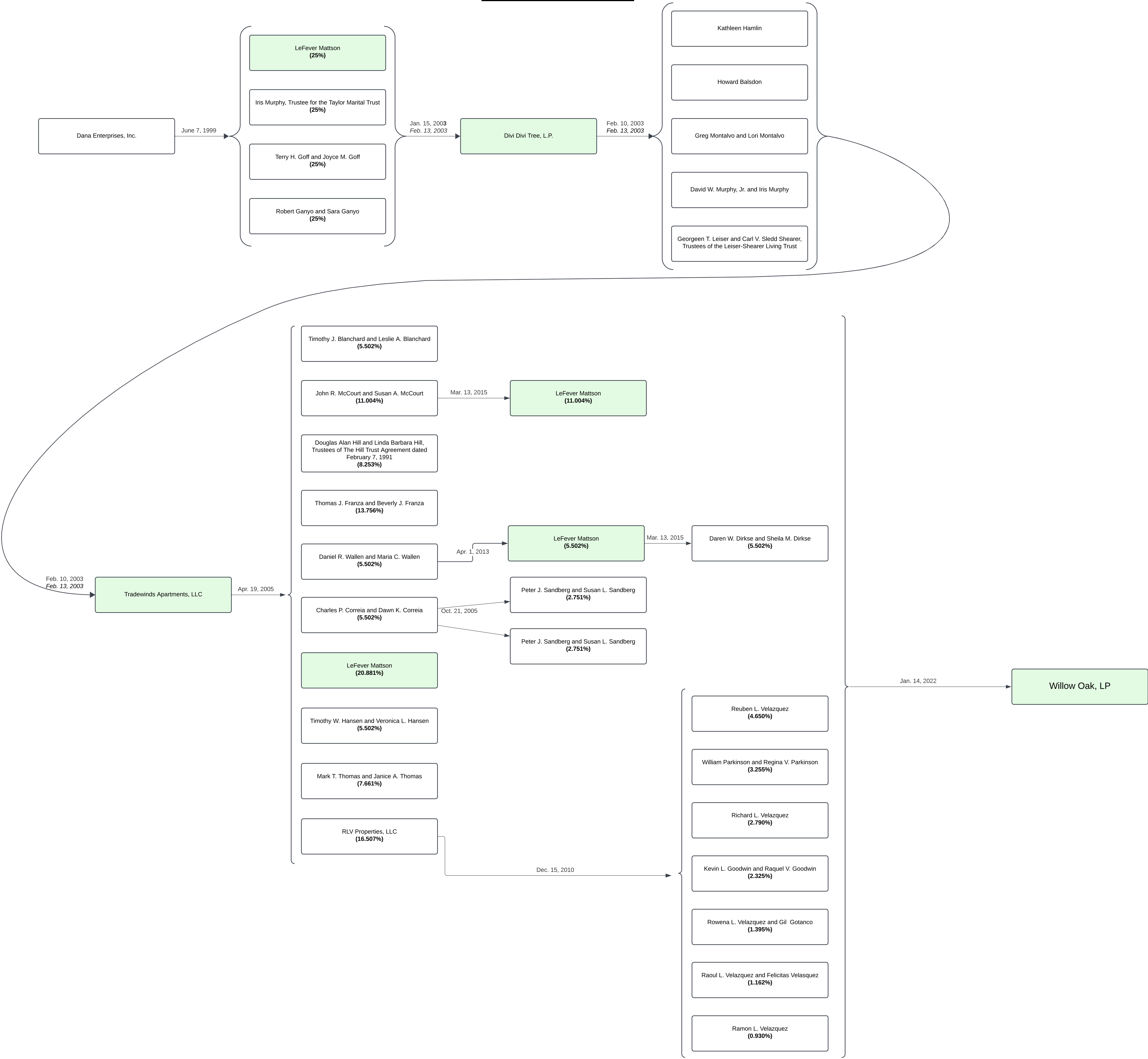
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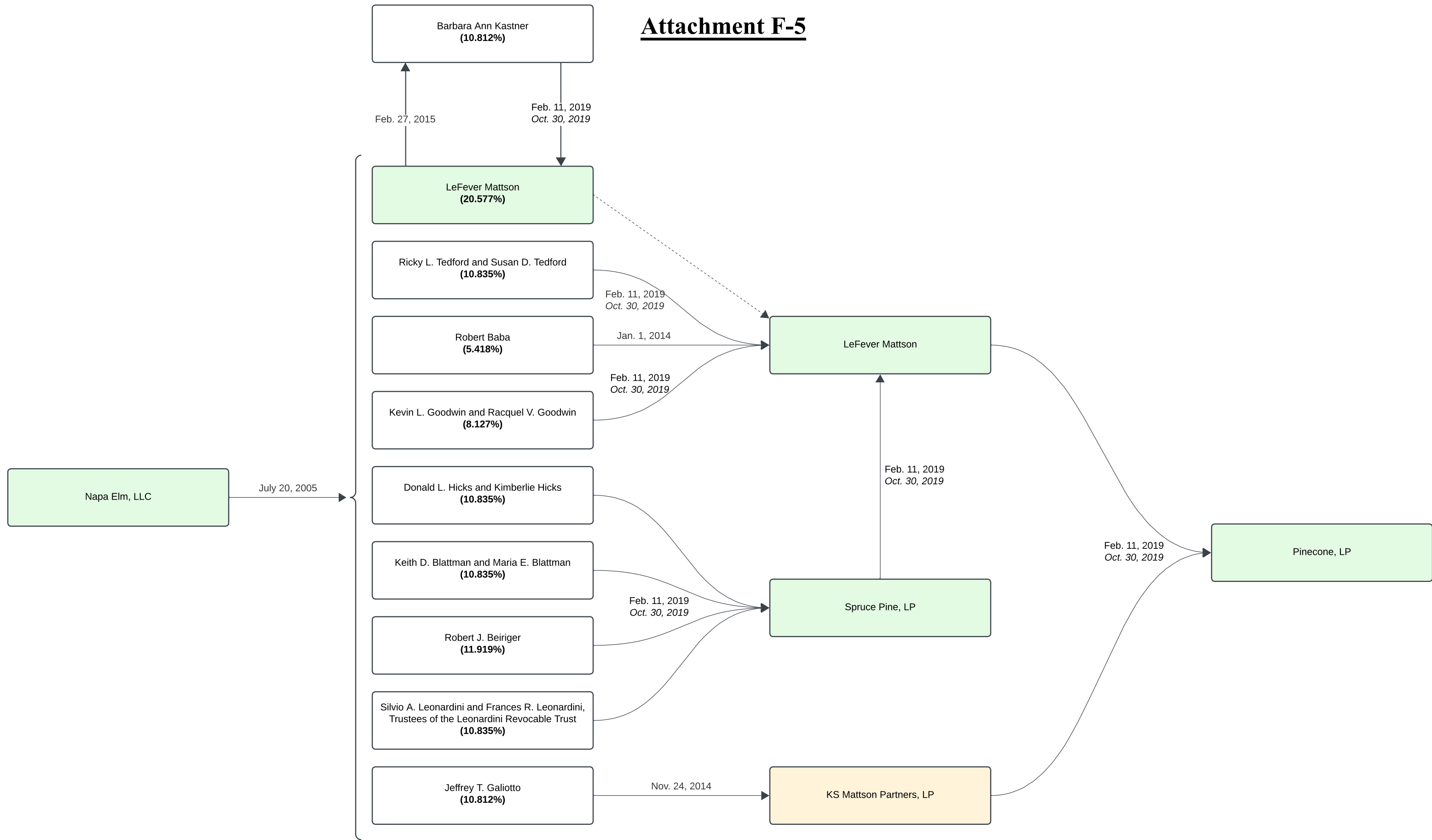
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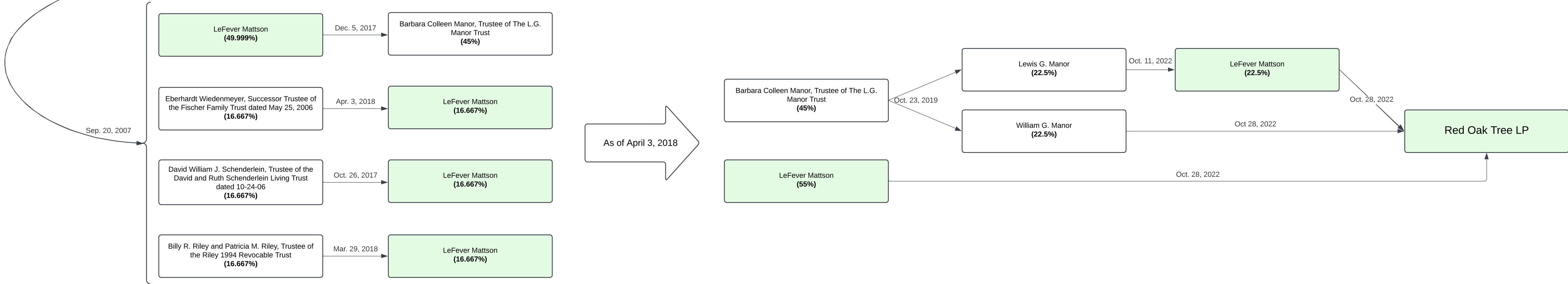
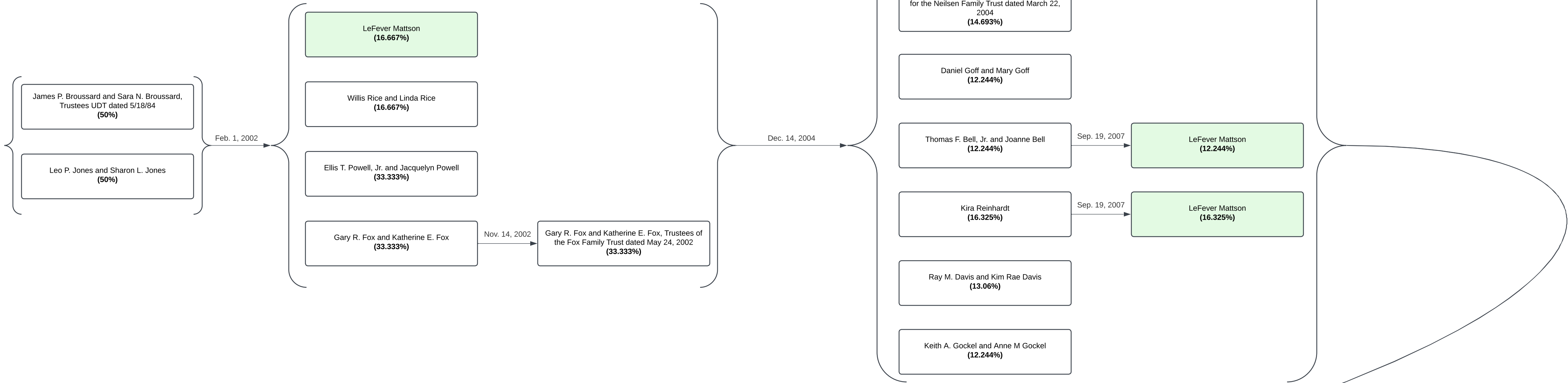
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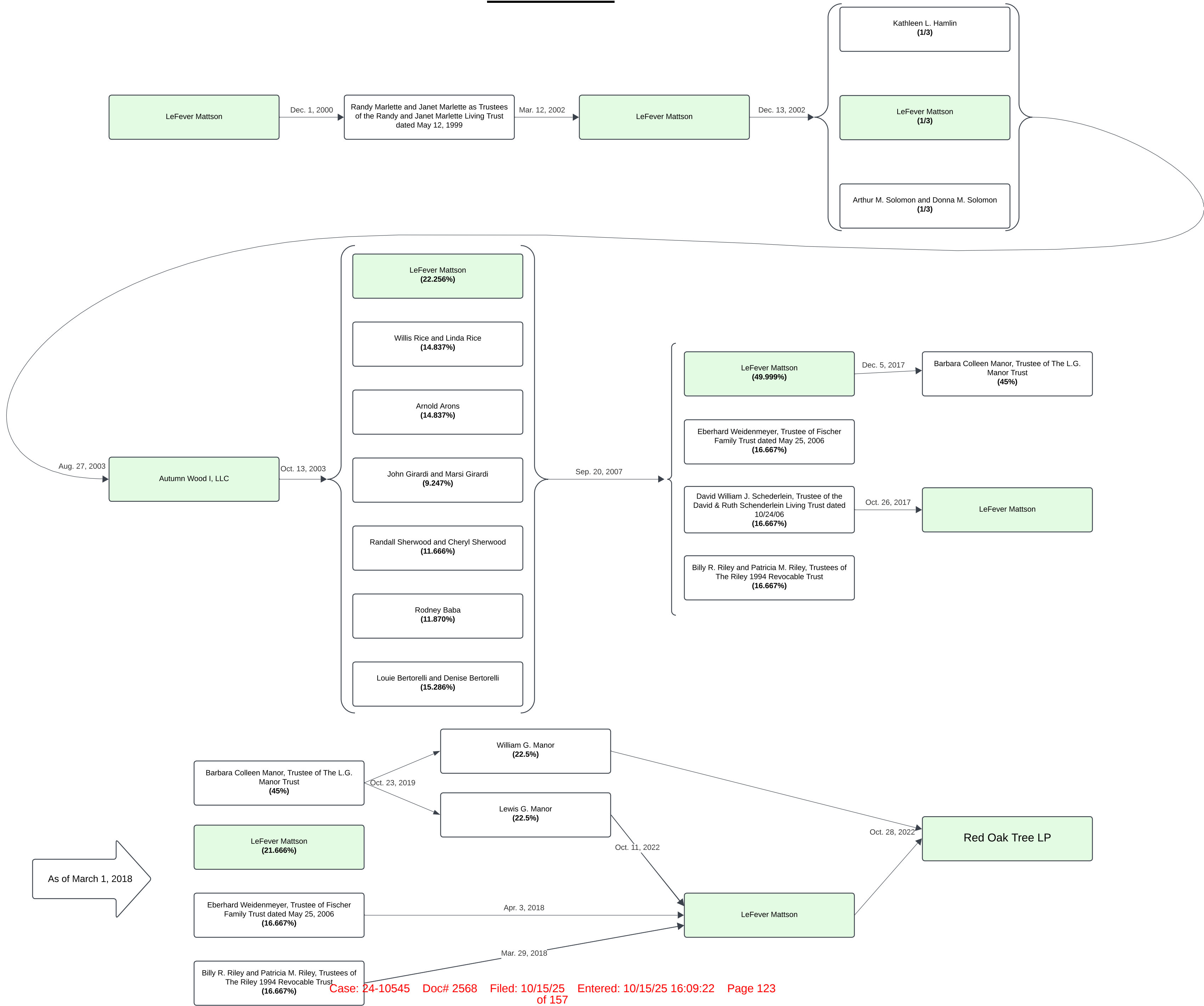
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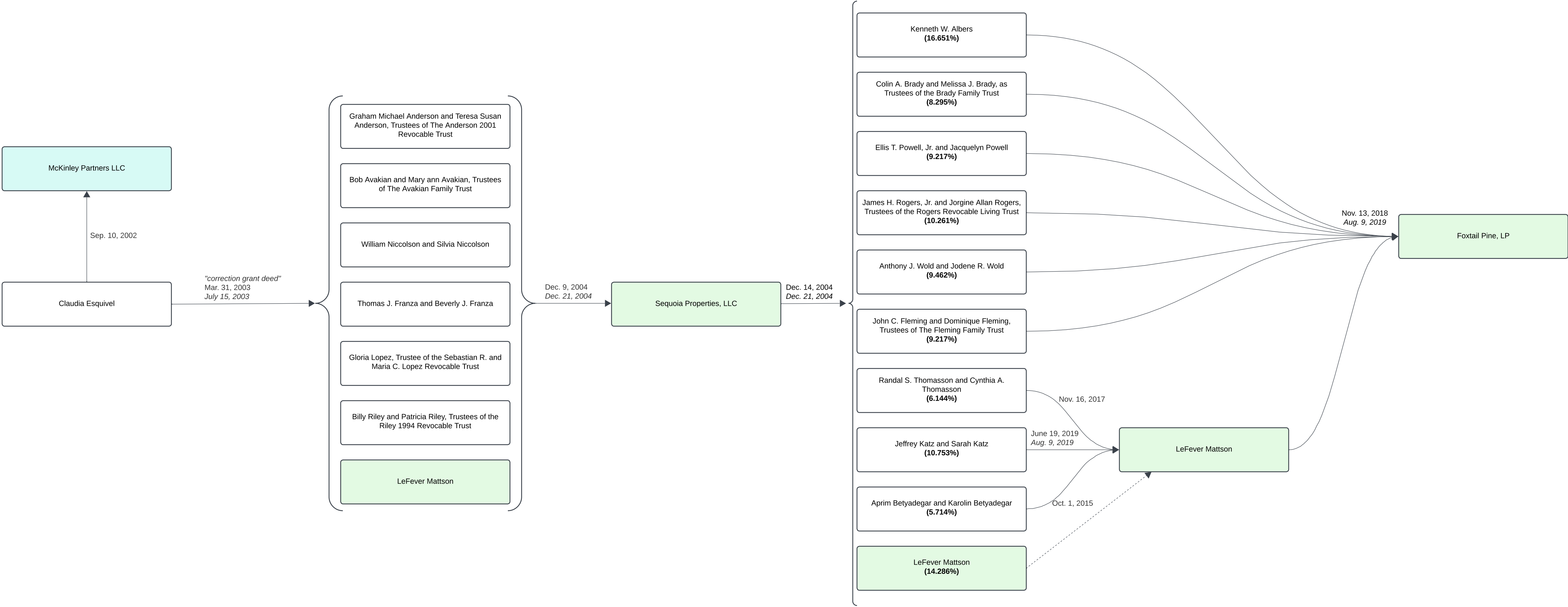
Attachment F-6



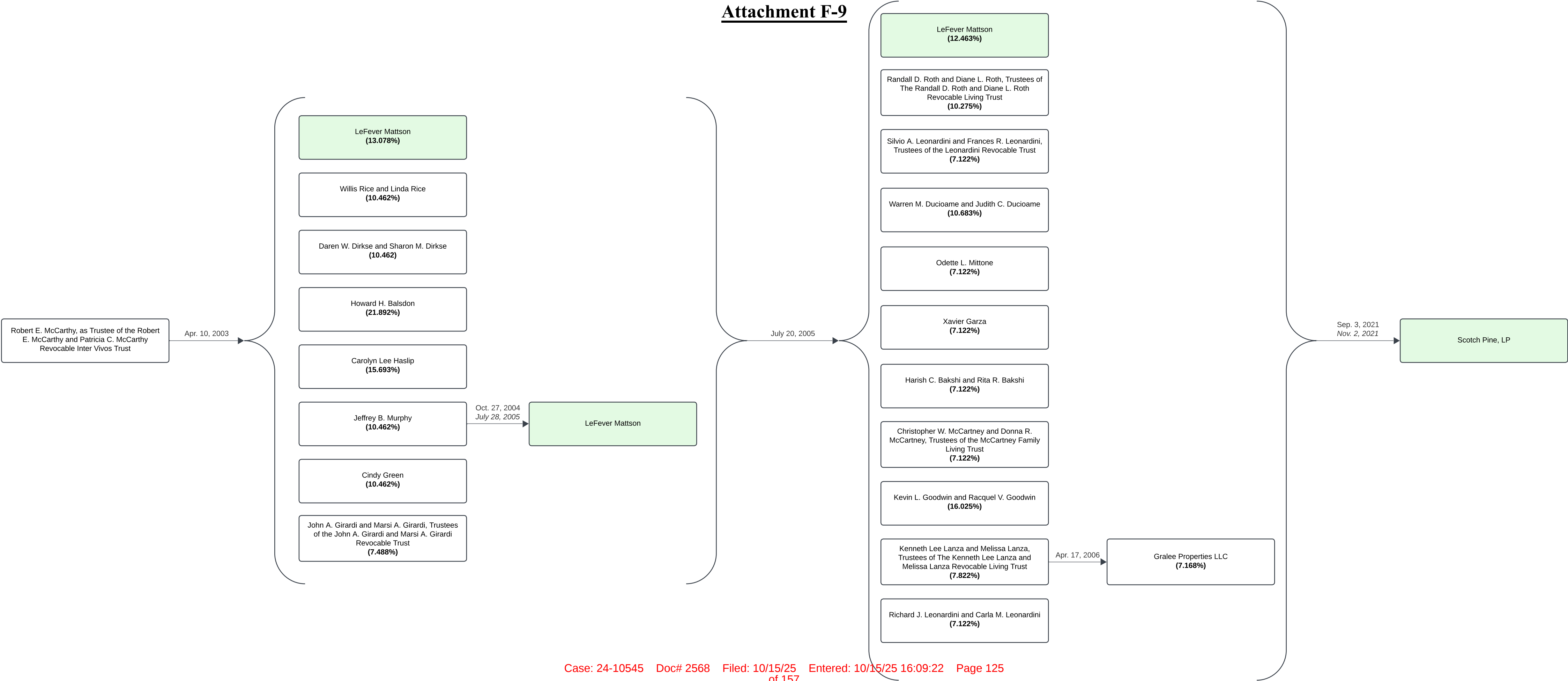
Attachment F-7



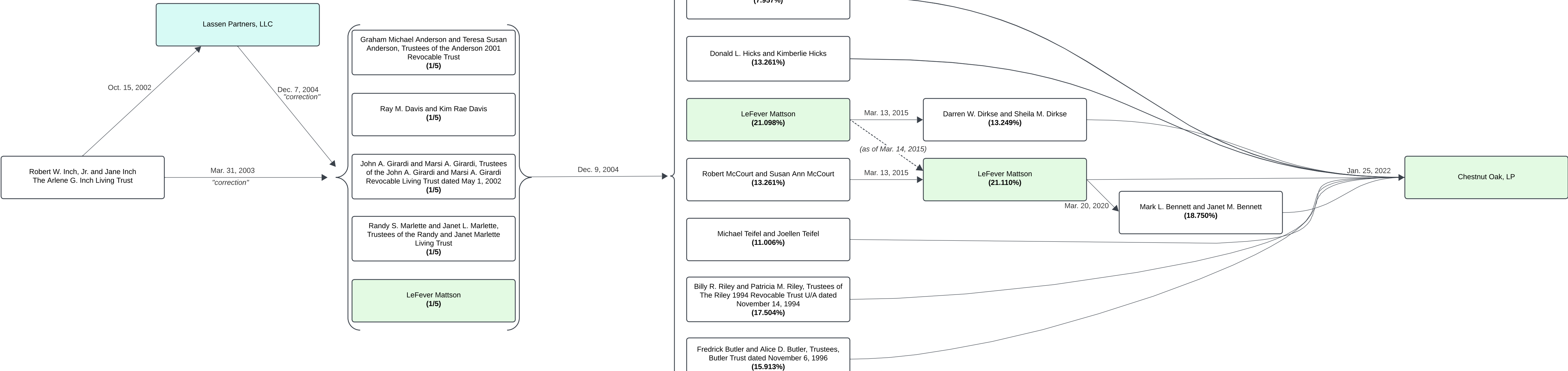
Attachment F-8



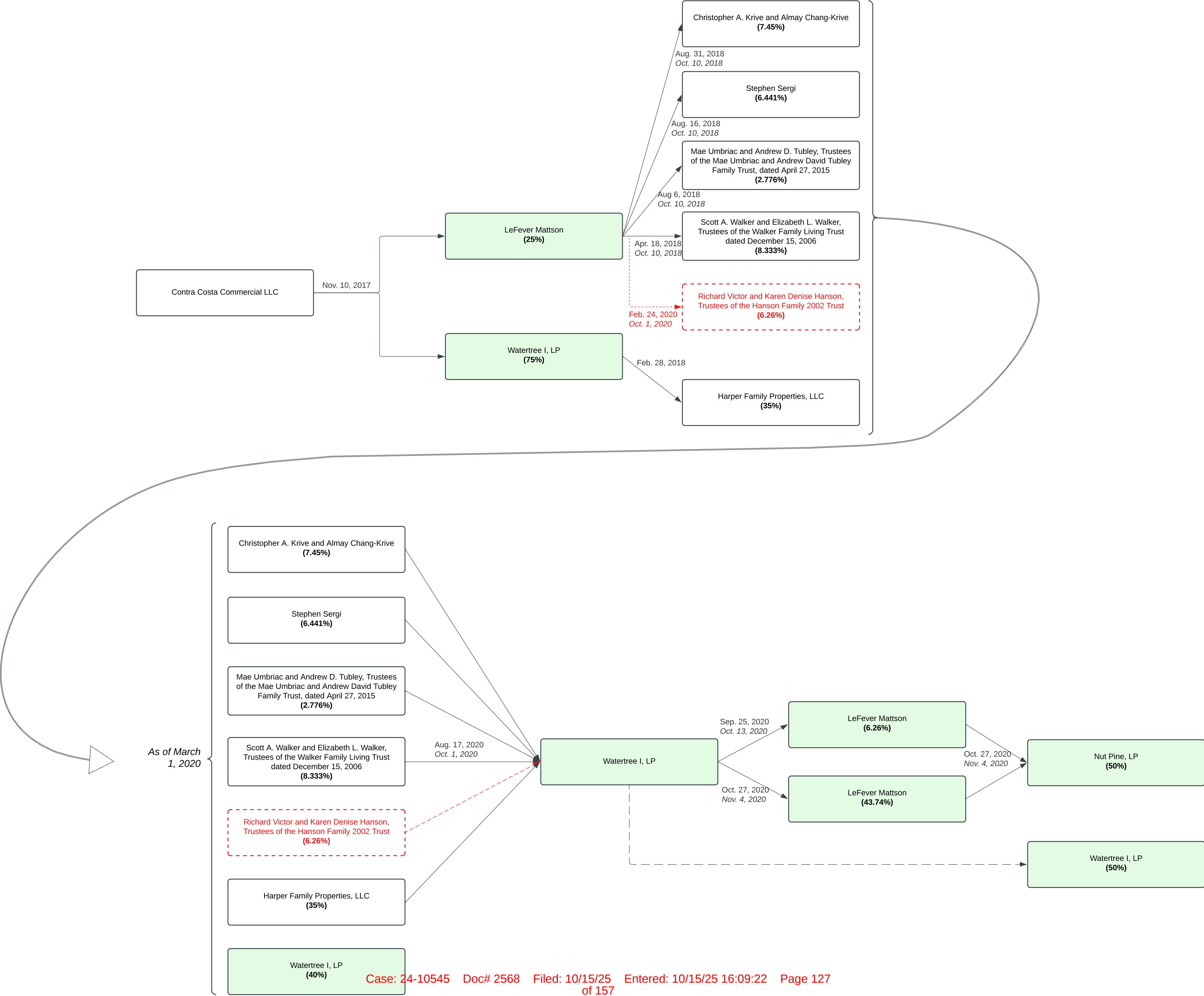
Attachment F-9



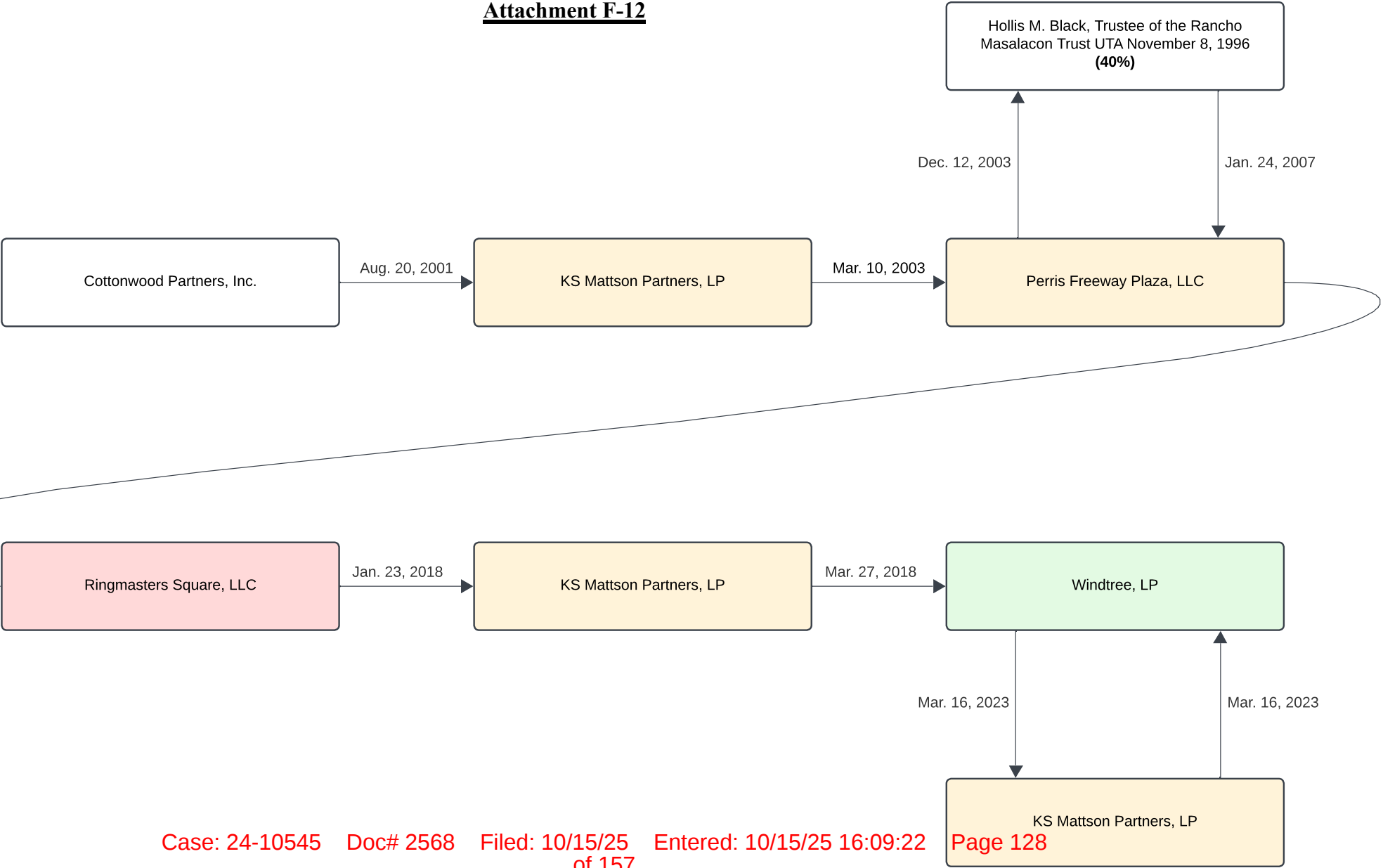
Attachment F-10



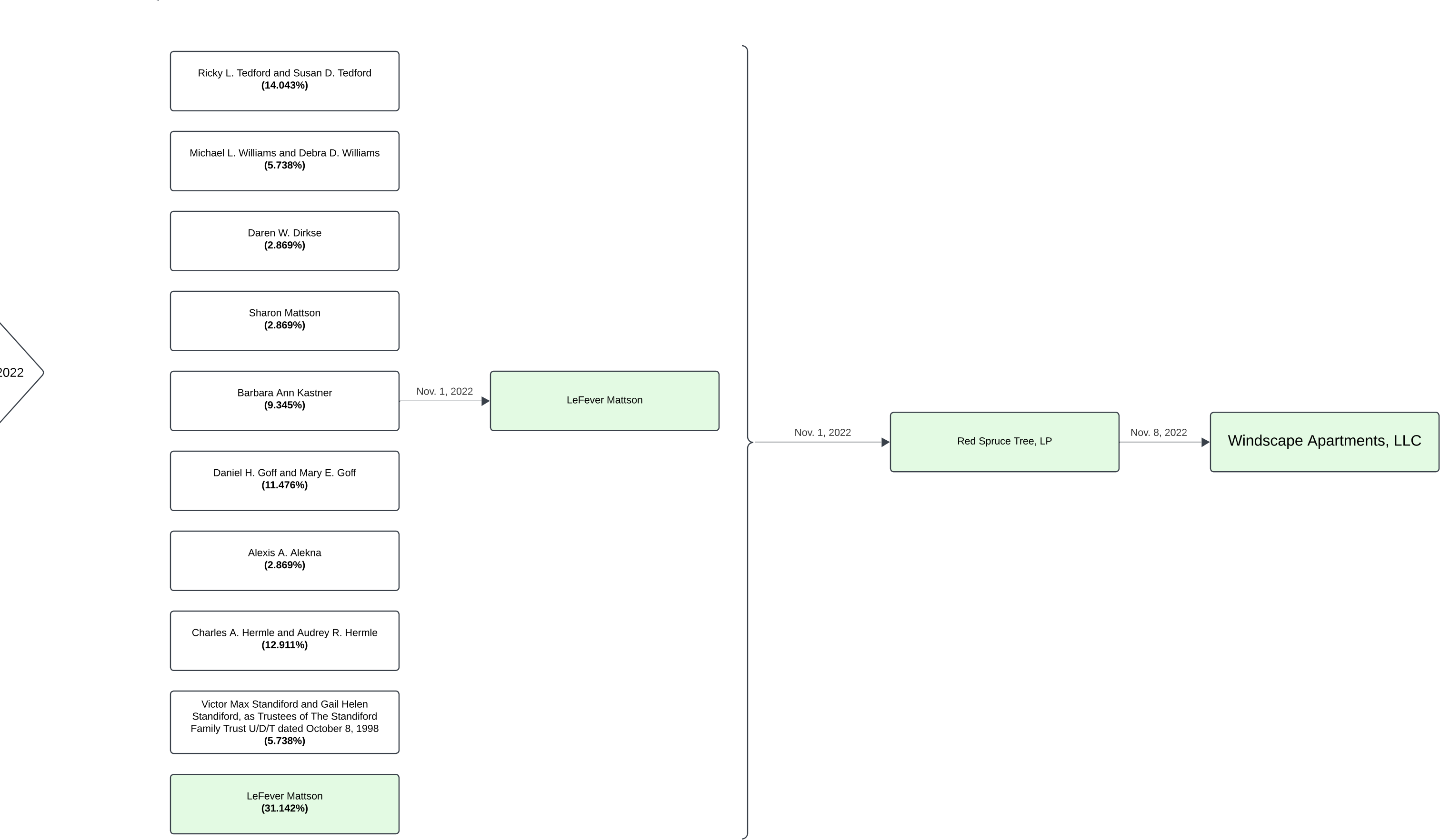
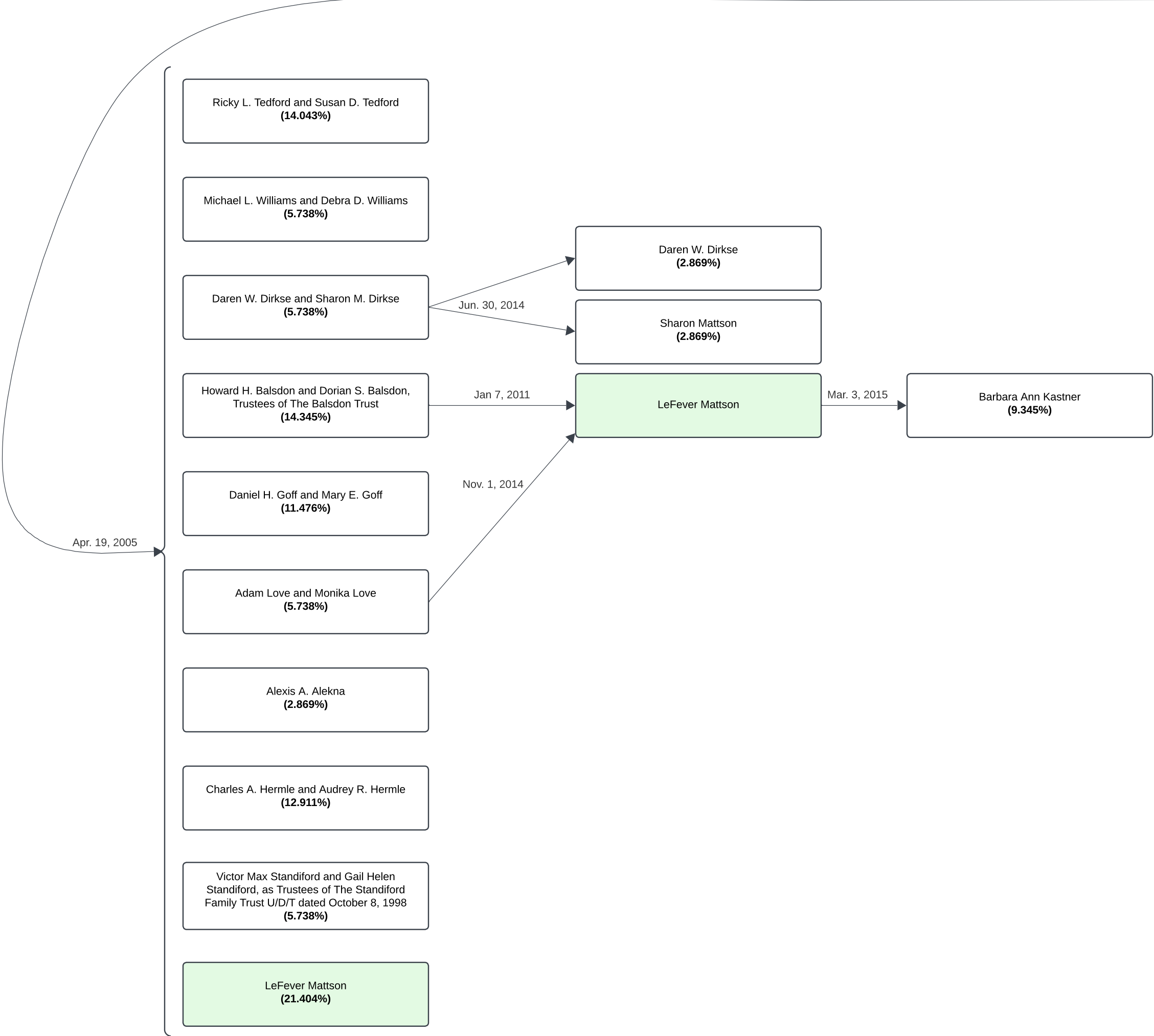
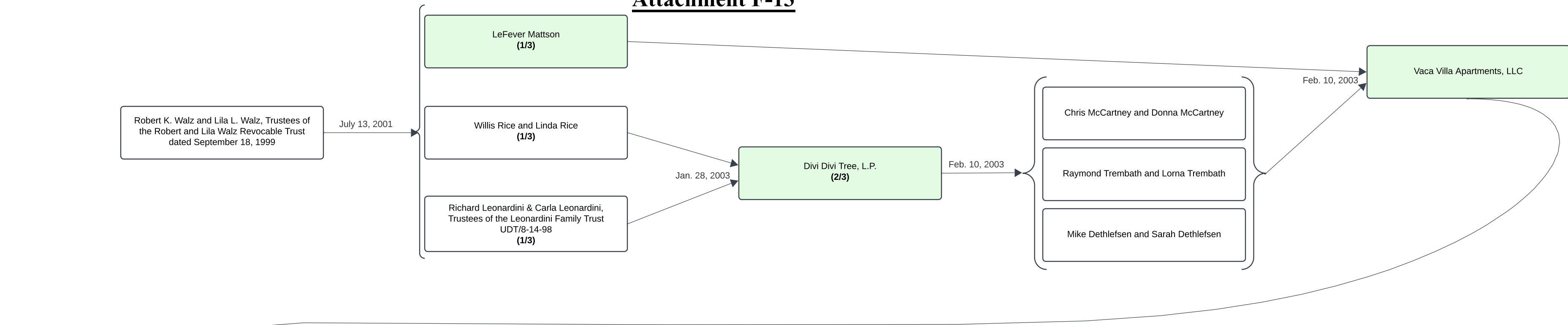
Attachment F-11



Attachment F-12

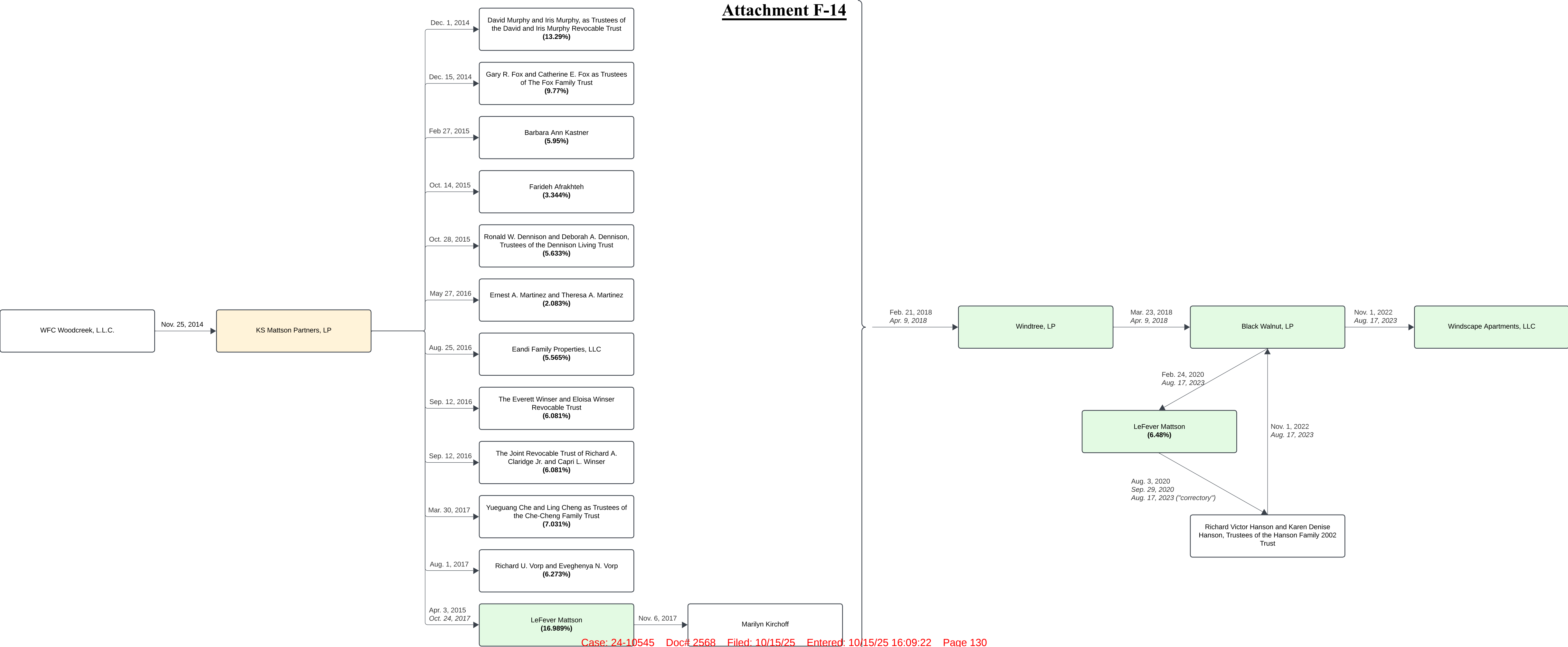


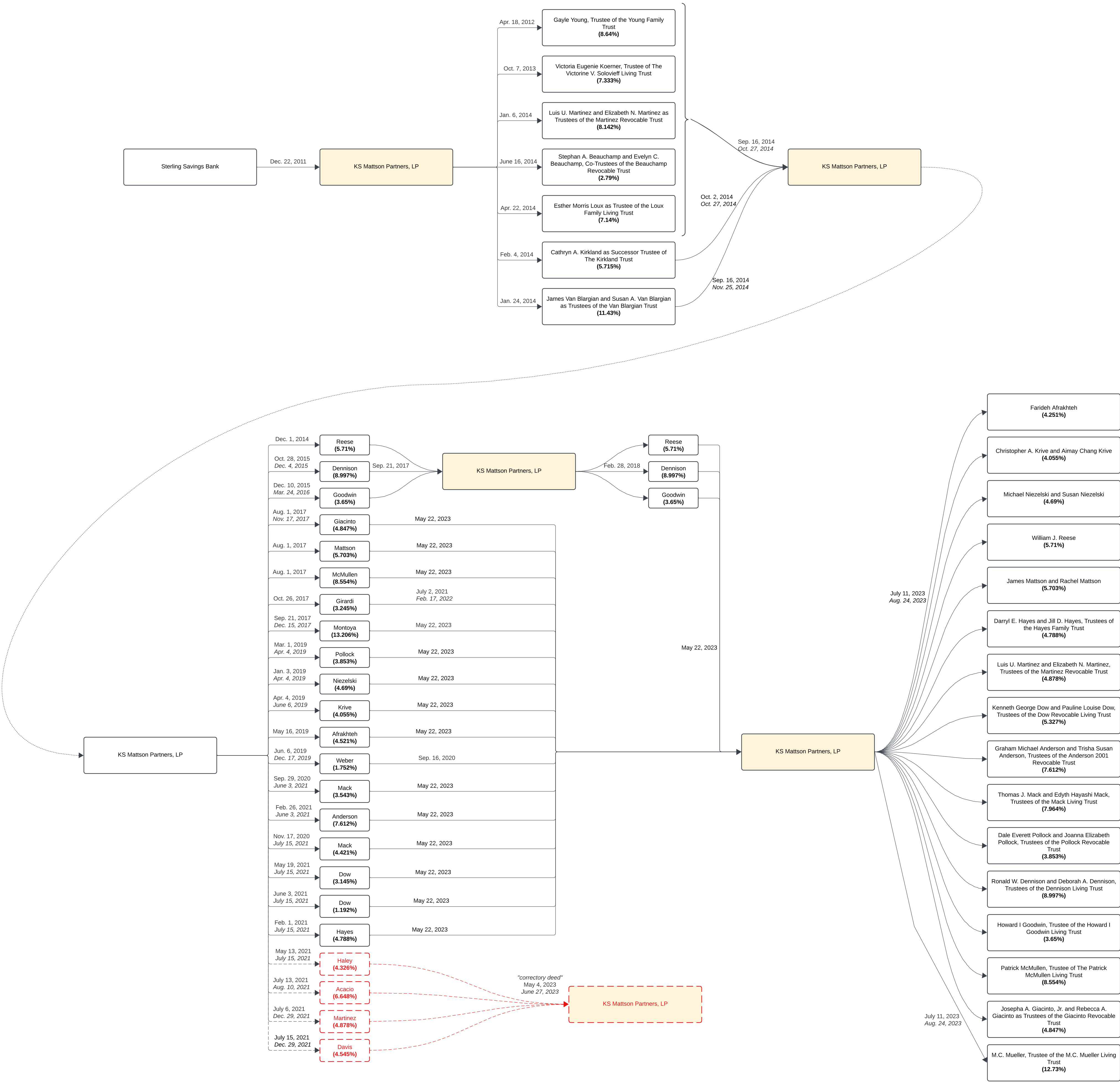
Attachment F-13



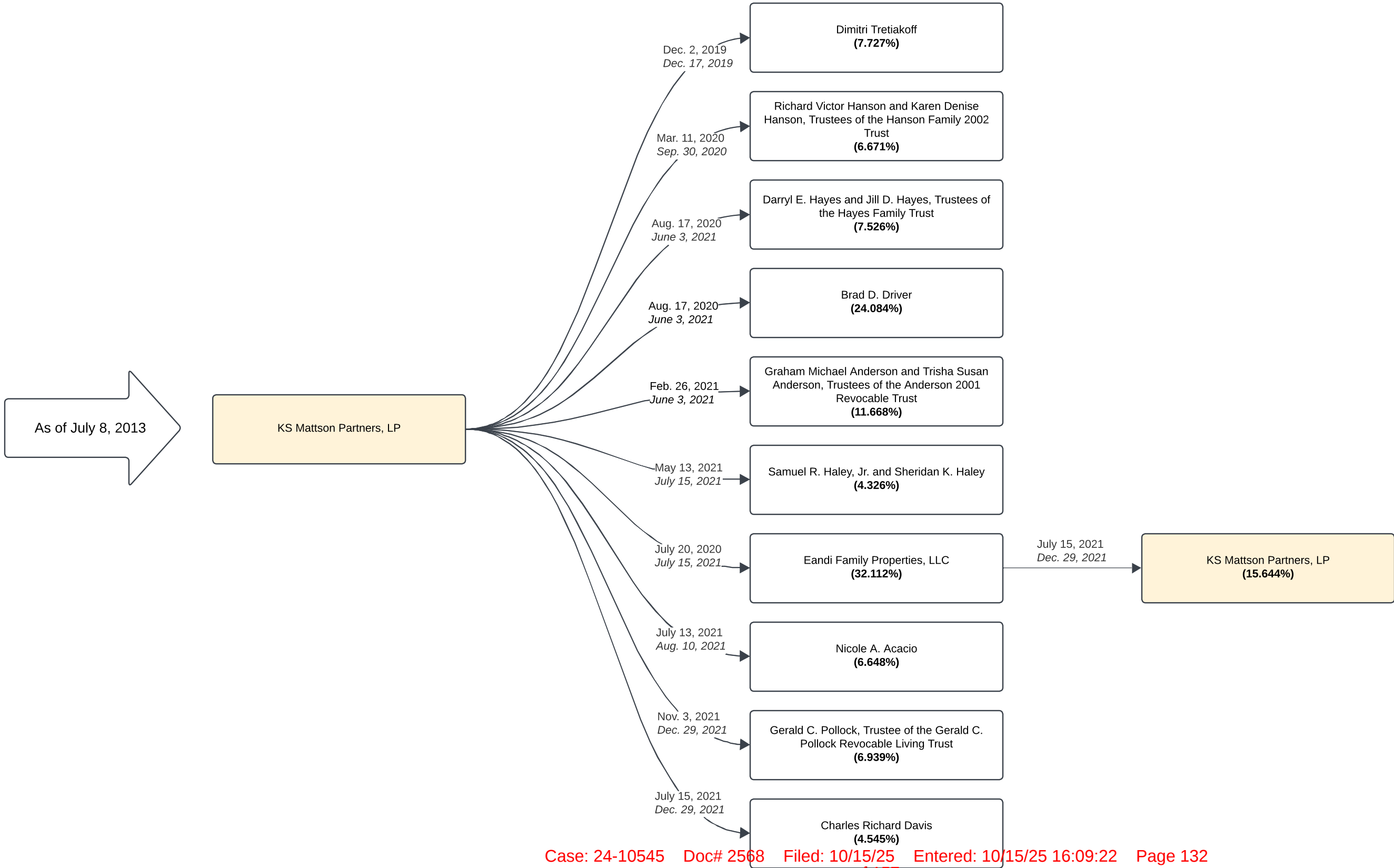
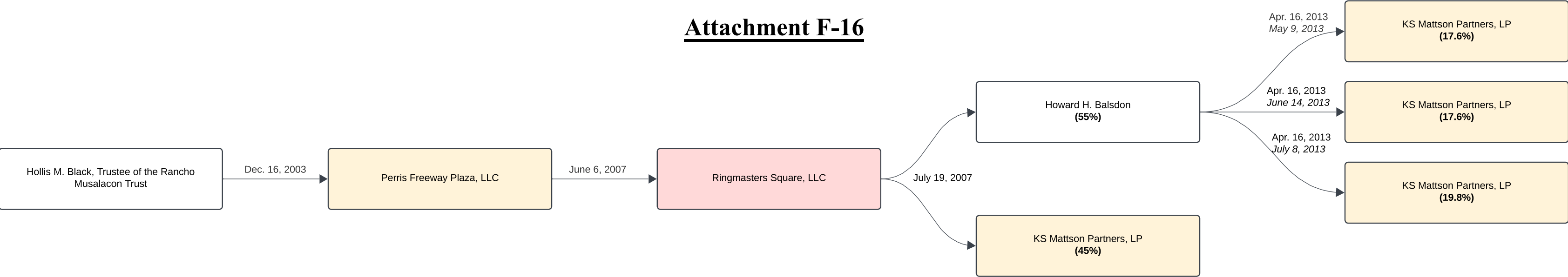
As of January 1, 2022

Attachment F-14

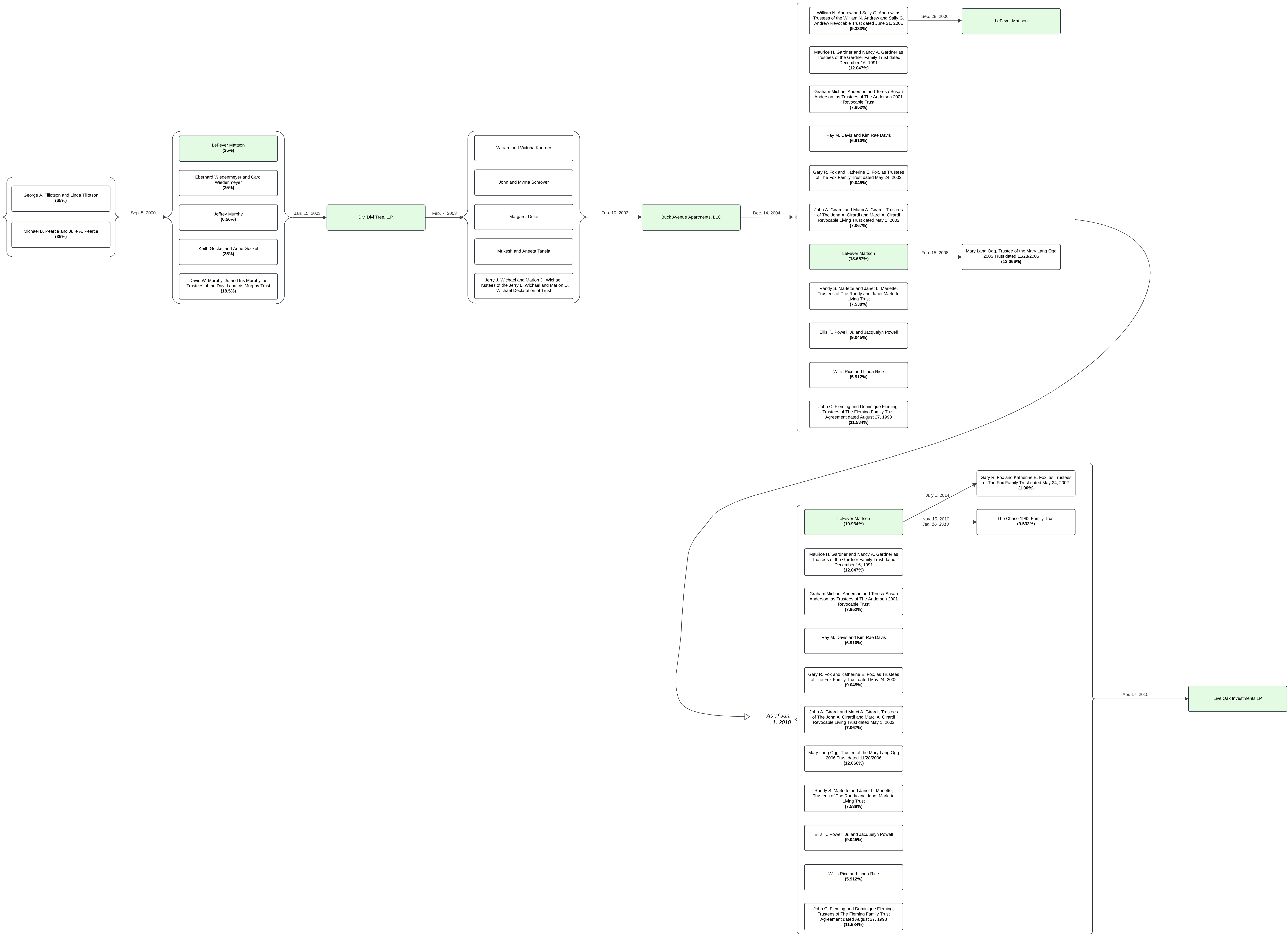




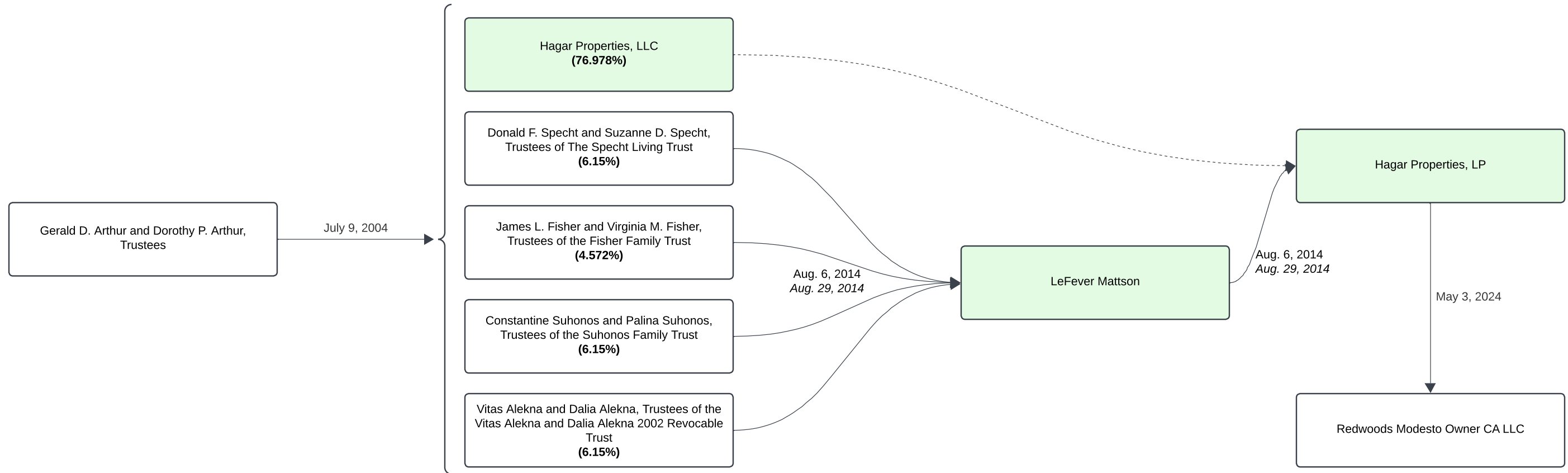
Attachment F-16



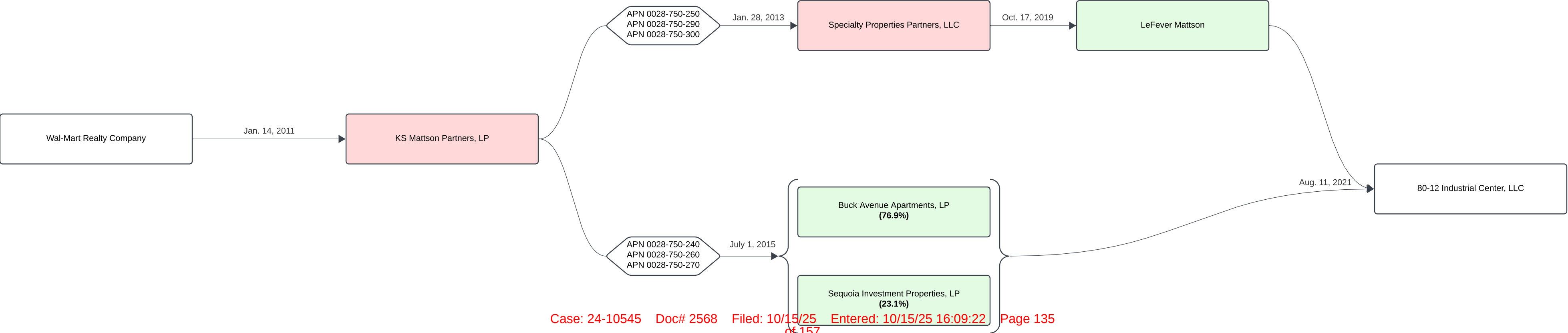
Attachment F-17



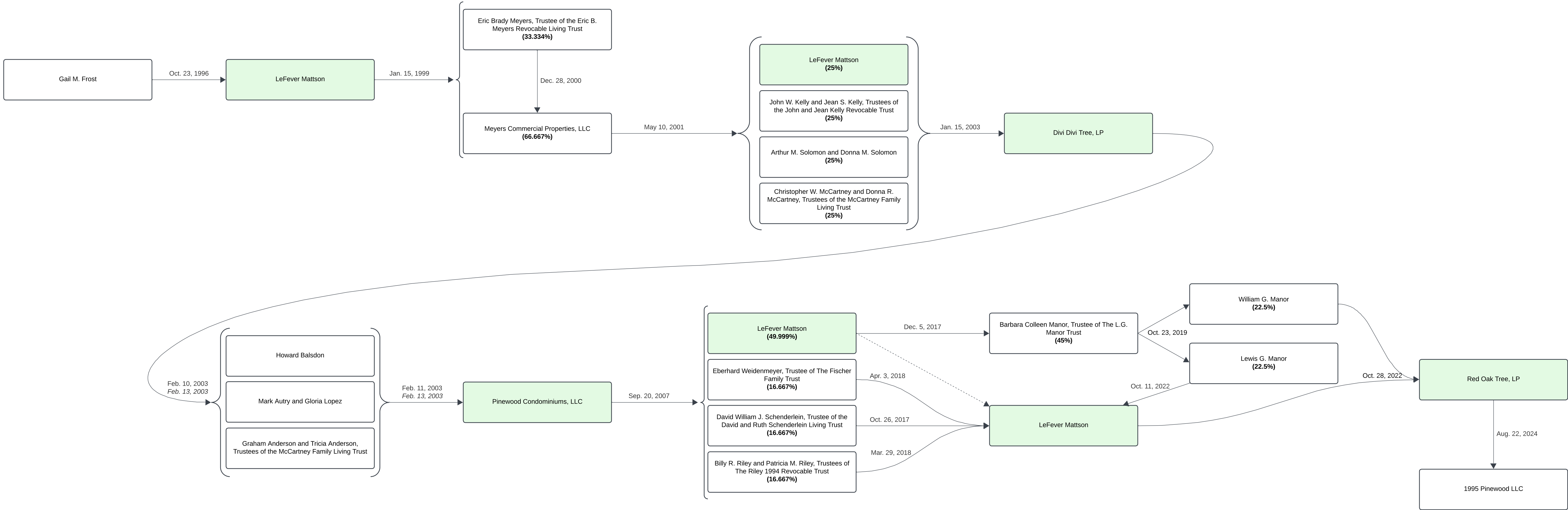
Attachment F-18



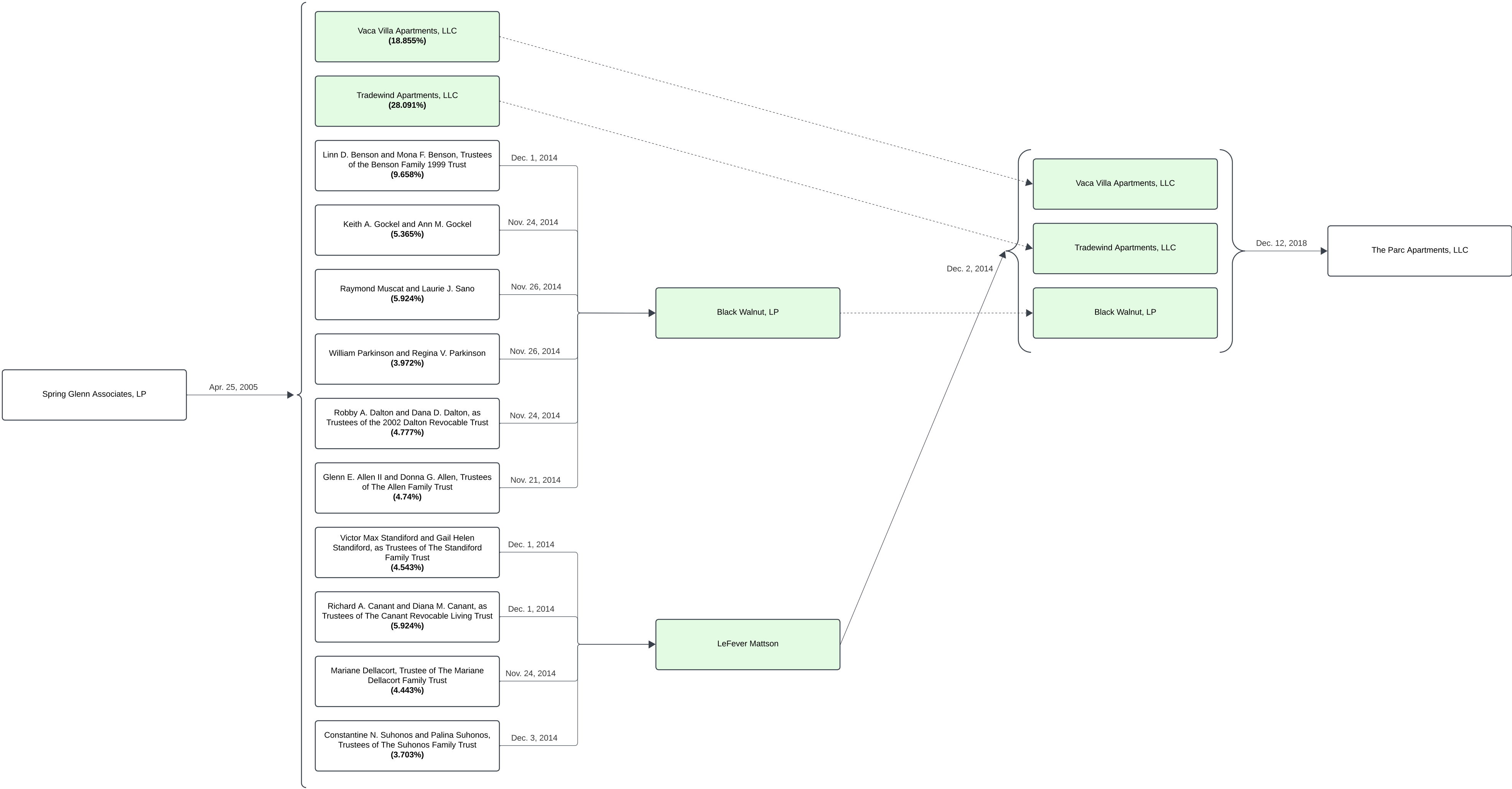
Attachment F-19



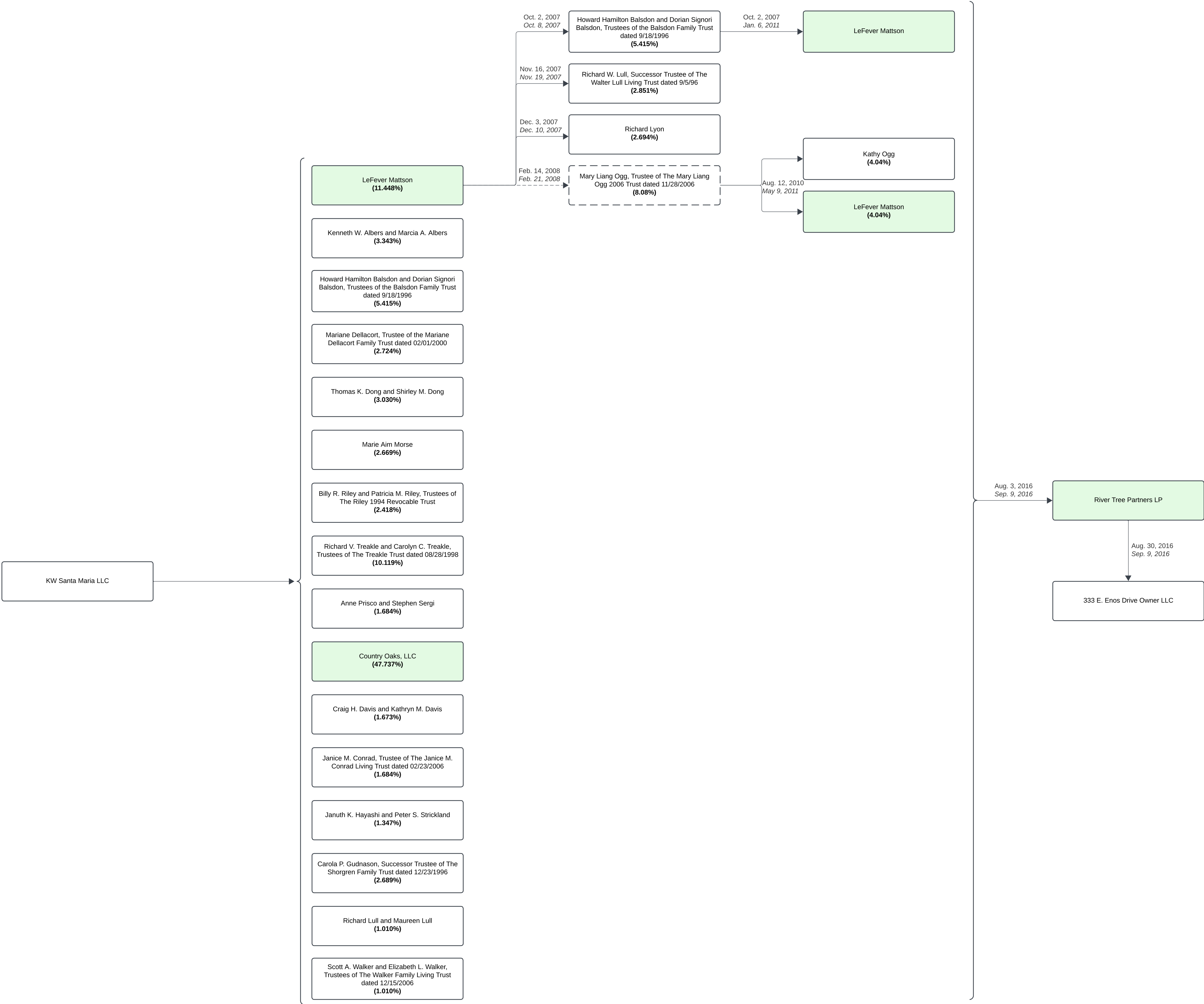
Attachment F-20



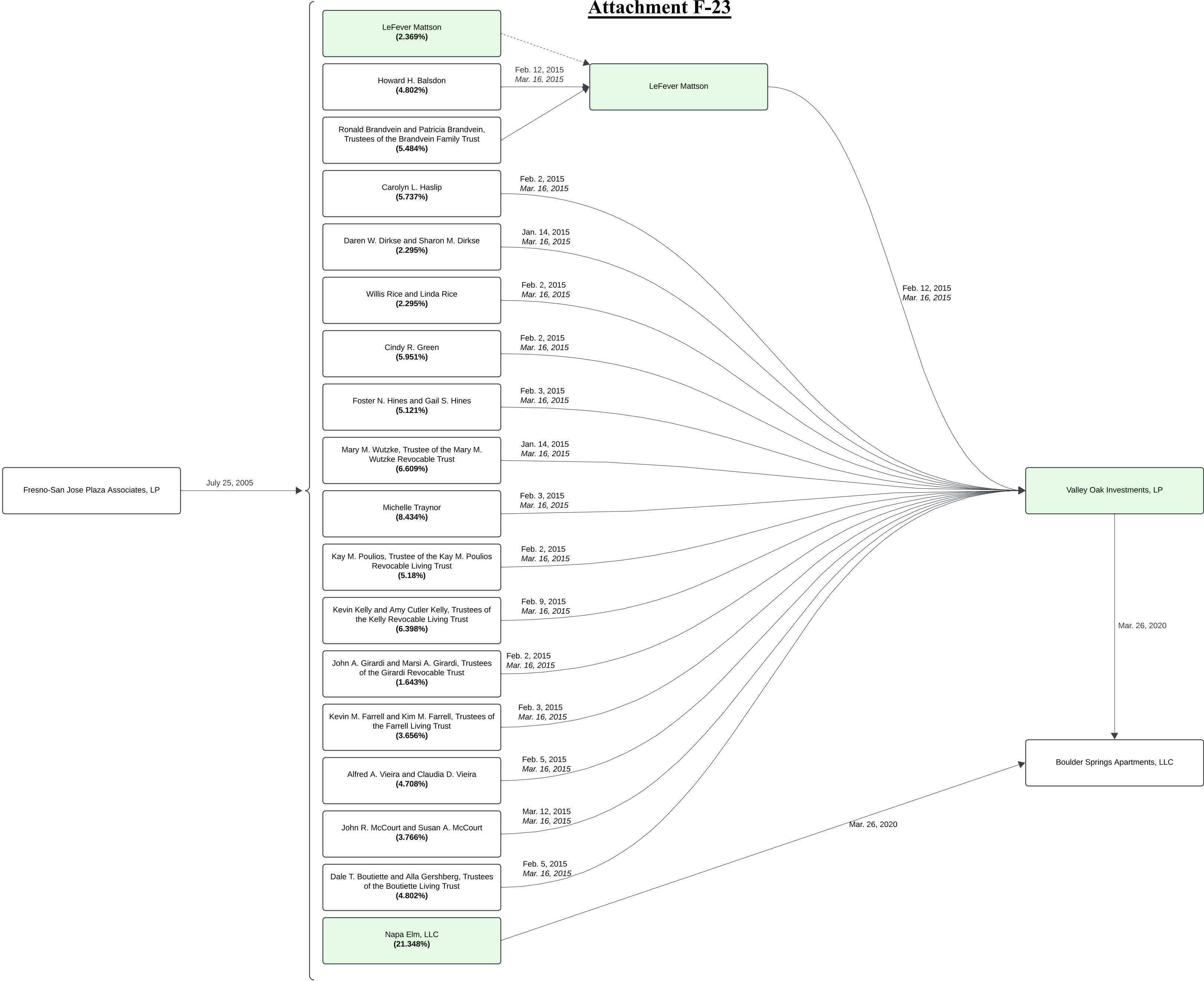
Attachment F-21



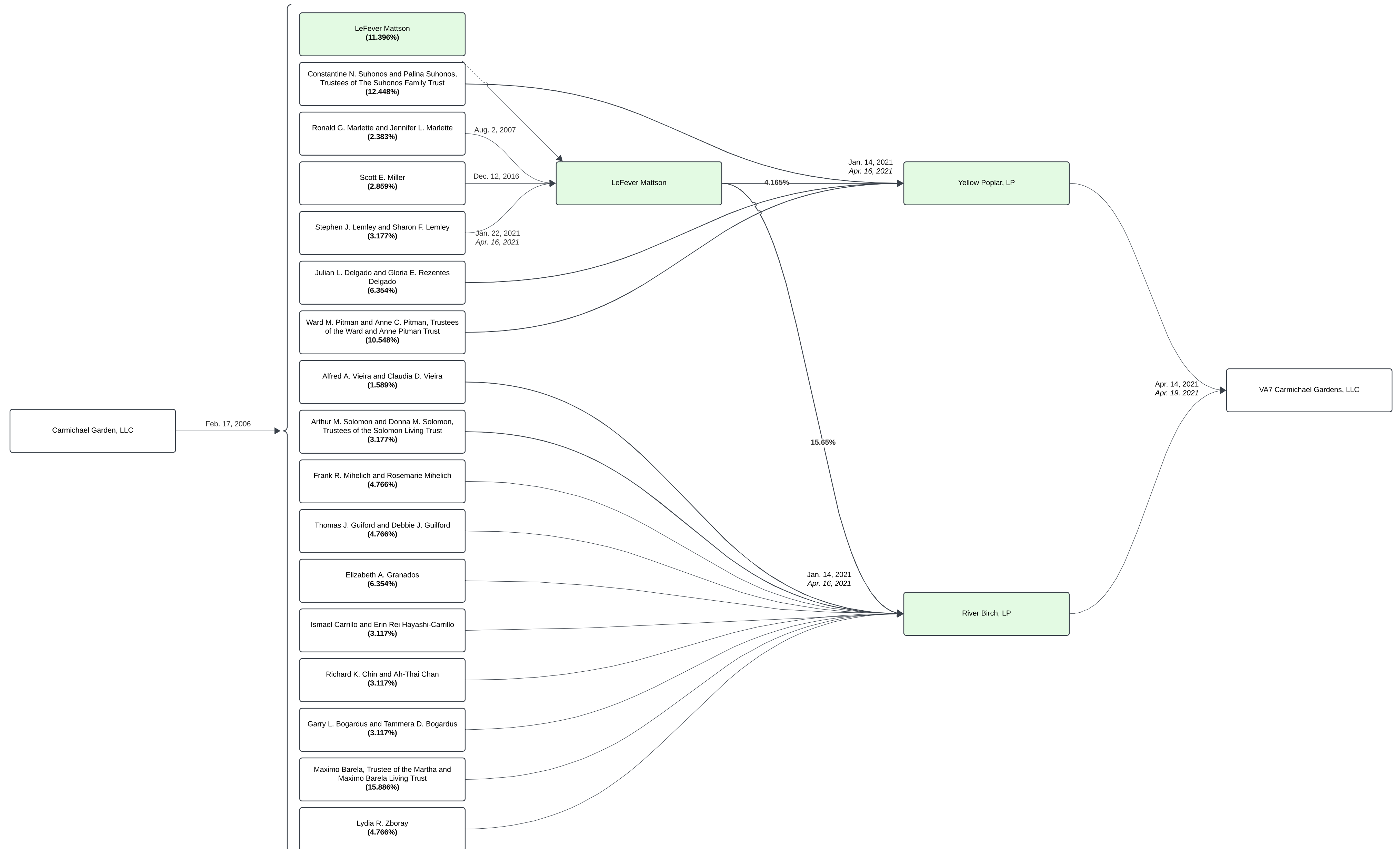
Attachment F-22



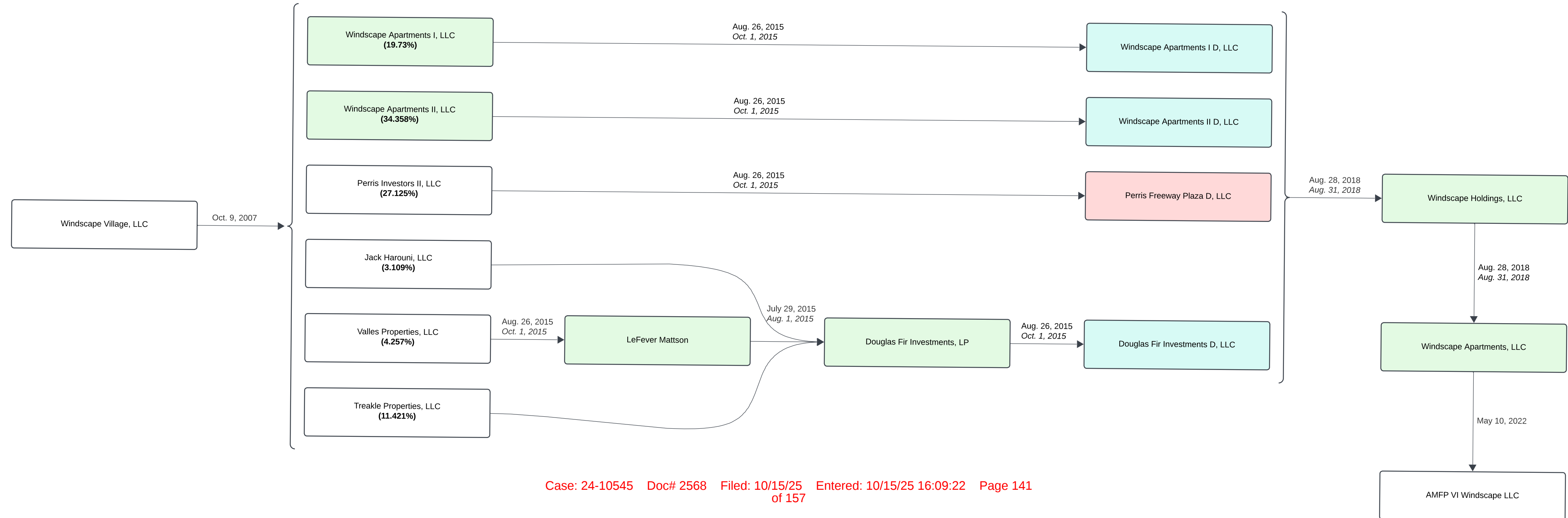
Attachment F-23

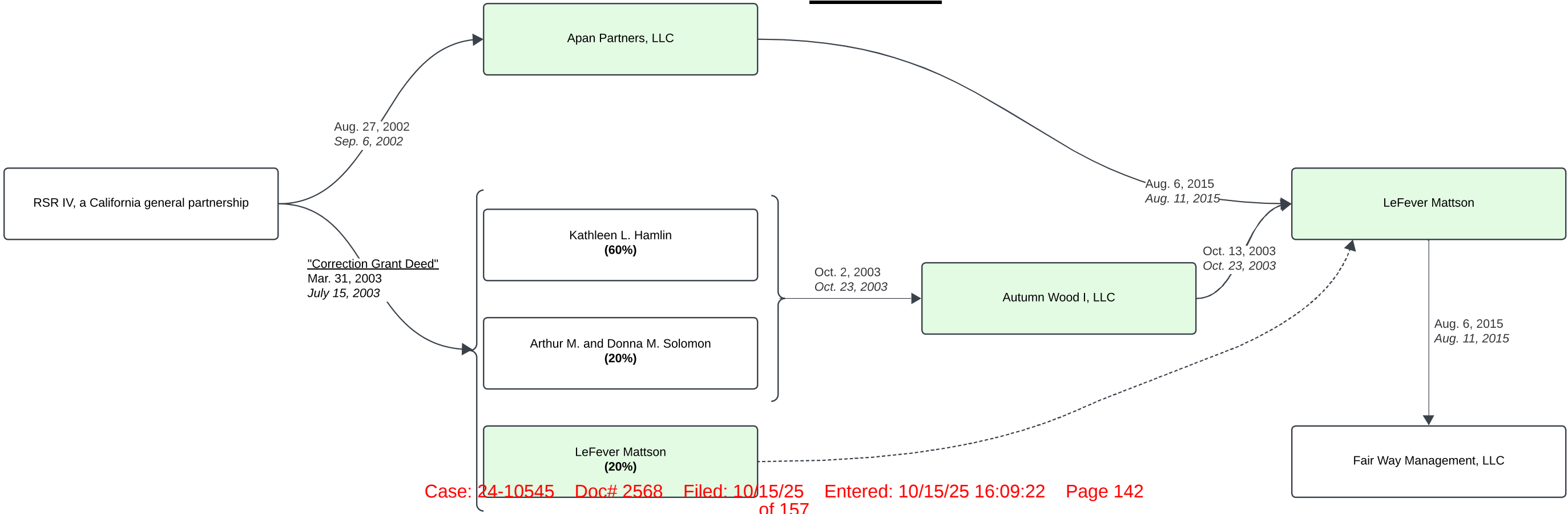


Attachment F-24

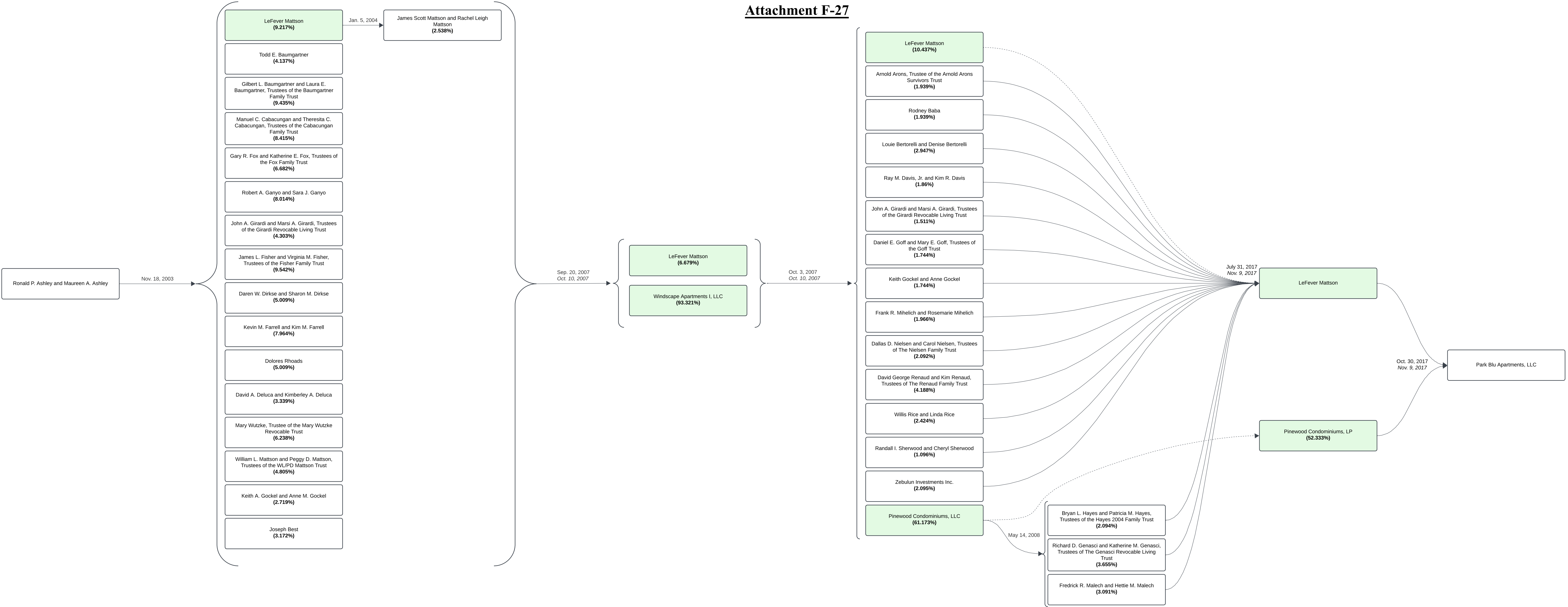


Attachment F-25

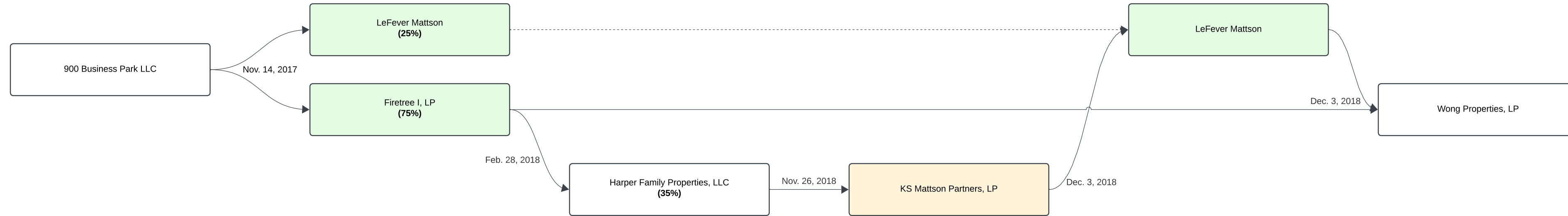




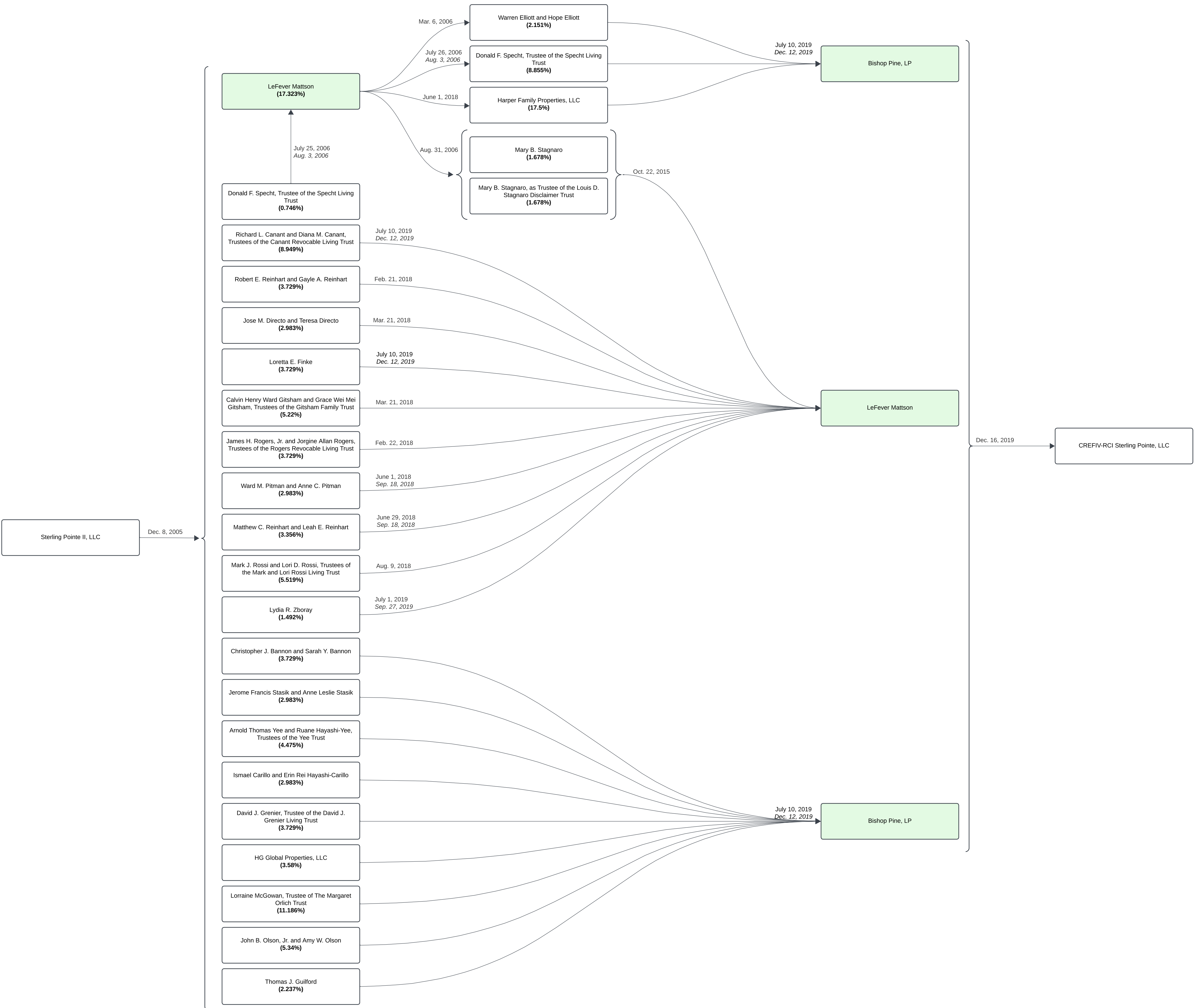
Attachment F-27



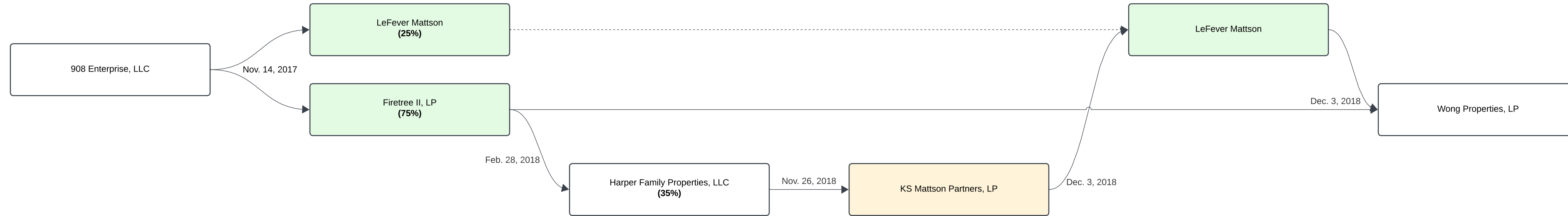
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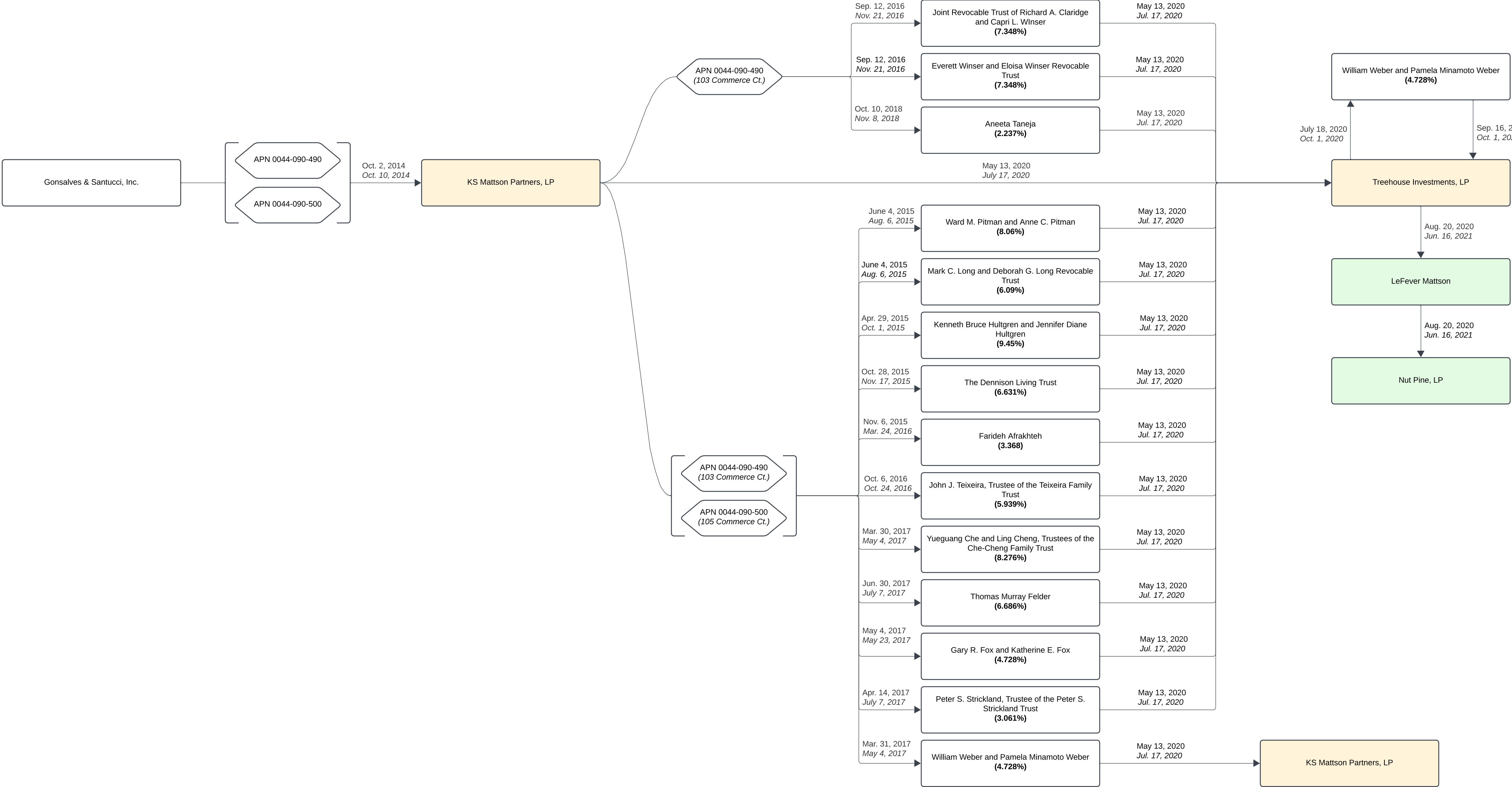
Attachment F-29



Attachment F-30



Attachment F-31



Attachment G-1

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Beginning Cash Balance	\$ -	\$ 74,153	\$ (15,543)	\$ 1,944	\$ 69,109	\$ 127,226	\$ 190,631	\$ 243,313	\$ 338,714	\$ 423,538	\$ 491,023	\$ 534,703	\$ 576,326	\$ 566,853	\$ 250	\$ 14,399	\$ 250	\$ 4,744	\$ 60,488	\$ 98,314
Net Rental Income	\$ 132,427	\$ 223,856	\$ 310,008	\$ 317,673	\$ 282,168	\$ 272,579	\$ 275,383	\$ 292,430	\$ 278,514	\$ 298,603	\$ 329,186	\$ 350,798	\$ 391,145	\$ 421,529	\$ 468,417	\$ 485,808	\$ 481,683	\$ 537,203	\$ 534,841	\$ 557,526
Other Income	\$ 1,468	\$ 2,070	\$ 3,158	\$ 4,871	\$ 3,231	\$ 3,072	\$ 2,781	\$ 2,900	\$ 2,391	\$ 2,960	\$ 11,247	\$ 2,717	\$ 3,517	\$ 3,350	\$ 6,501	\$ 2,985	\$ 4,862	\$ 4,374	\$ 5,149	\$ 5,466
Total Cash Receipts	\$ 133,894	\$ 225,926	\$ 313,166	\$ 322,544	\$ 285,399	\$ 275,651	\$ 278,164	\$ 295,331	\$ 280,905	\$ 301,563	\$ 340,433	\$ 353,515	\$ 394,662	\$ 424,879	\$ 474,918	\$ 488,793	\$ 486,545	\$ 541,577	\$ 539,990	\$ 562,992
Maintenance and Repair Expense	\$ 62,148	\$ 103,160	\$ 79,832	\$ 47,782	\$ 69,630	\$ 107,176	\$ 131,540	\$ 172,809	\$ 175,208	\$ 144,481	\$ 155,921	\$ 89,066	\$ 59,825	\$ 50,341	\$ 77,434	\$ 60,697	\$ 75,206	\$ 87,171	\$ 114,825	\$ 122,459
Other Operating Expense	\$ 88,594	\$ 128,229	\$ 151,570	\$ 134,880	\$ 123,938	\$ 155,212	\$ 142,453	\$ 140,988	\$ 151,400	\$ 123,509	\$ 166,016	\$ 154,674	\$ 173,732	\$ 169,507	\$ 173,088	\$ 145,662	\$ 129,176	\$ 173,373	\$ 135,172	\$ 124,972
Total Operating Disbursements	\$ 150,742	\$ 231,389	\$ 231,402	\$ 182,661	\$ 193,568	\$ 262,388	\$ 273,993	\$ 313,797	\$ 326,608	\$ 267,990	\$ 321,936	\$ 243,741	\$ 233,557	\$ 219,848	\$ 250,523	\$ 206,359	\$ 204,382	\$ 260,544	\$ 249,996	\$ 247,431
Net Operating Cash Flow	\$ (16,847)	\$ (5,463)	\$ 81,764	\$ 139,882	\$ 91,831	\$ 13,263	\$ 4,171	\$ (18,466)	\$ (45,703)	\$ 33,573	\$ 18,496	\$ 109,774	\$ 161,105	\$ 205,031	\$ 224,396	\$ 282,434	\$ 282,163	\$ 281,033	\$ 289,994	\$ 315,560
Third-Party Loan Proceeds	\$ 2,518,192	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,484,223	\$ -	\$ -
Third-Party Debt Service	\$ (92,984)	\$ (122,970)	\$ (121,278)	\$ (174,783)	\$ (207,731)	\$ (145,774)	\$ (136,107)	\$ (134,094)	\$ (133,399)	\$ (133,127)	\$ (133,000)	\$ (134,996)	\$ (138,318)	\$ (144,979)	\$ (155,236)	\$ (155,414)	\$ (145,562)	\$ (172,385)	\$ (219,532)	\$ (219,532)
Net Other Adjustments ^[1]	\$ (2,290,316)	\$ (13,545)	\$ 9,329	\$ 21,640	\$ 50,627	\$ (1,084)	\$ 6,354	\$ (72,396)	\$ 7,530	\$ 3,991	\$ 13,344	\$ 8,153	\$ (4,549)	\$ (2,908)	\$ (34,600)	\$ 3,634	\$ (3,469)	\$ 2,986	\$ 3,766	\$ (14,401)
Net Adjusted Cash Flow	\$ 118,045	\$ (141,978)	\$ (30,185)	\$ (13,260)	\$ (65,274)	\$ (133,594)	\$ (125,583)	\$ (224,956)	\$ (171,573)	\$ (95,562)	\$ (101,160)	\$ (17,069)	\$ 18,239	\$ 57,143	\$ 34,559	\$ 130,654	\$ 133,133	\$ 2,595,857	\$ 74,228	\$ 81,627
Intercompany Notes (Receivable) / Payable	\$ -	\$ 121,000	\$ 119,000	\$ 153,058	\$ 196,977	\$ 270,434	\$ 251,699	\$ 393,792	\$ 330,041	\$ 236,481	\$ 217,930	\$ 133,935	\$ 47,530	\$ (548,504)	\$ 54,832	\$ (69,707)	\$ (53,396)	\$ (2,464,871)	\$ 36,500	\$ (74,288)
Net Adjusted Cash Flow After Intercompany Notes	\$ 118,045	\$ (20,978)	\$ 88,815	\$ 139,798	\$ 131,703	\$ 136,840	\$ 126,116	\$ 168,836	\$ 158,468	\$ 140,919	\$ 116,770	\$ 116,866	\$ 65,769	\$ (491,360)	\$ 89,392	\$ 60,947	\$ 79,736	\$ 130,986	\$ 110,728	\$ 7,339
Owner Distributions	\$ (43,891)	\$ (68,718)	\$ (71,328)	\$ (72,633)	\$ (73,585)	\$ (73,435)	\$ (73,435)	\$ (73,435)	\$ (73,644)	\$ (73,435)	\$ (73,090)	\$ (75,242)	\$ (75,242)	\$ (75,242)	\$ (75,242)	\$ (75,097)	\$ (75,242)	\$ (75,242)	\$ (72,902)	\$ (18,497)
Net Cash Flow	\$ 74,154	\$ (89,696)	\$ 17,487	\$ 67,165	\$ 58,118	\$ 63,405	\$ 52,681	\$ 95,401	\$ 84,824	\$ 67,484	\$ 43,680	\$ 41,624	\$ (9,473)	\$ (566,602)	\$ 14,150	\$ (14,150)	\$ 4,494	\$ 55,744	\$ 37,826	\$ (11,158)

[1] Included in the "Other Adjustments" in 2005 are the \$3.4 million acquisition cost of the Tradewinds Apartments, approximately \$1.3 million in equity capital, approximately \$71,000 in equity capital receivable, and approximately \$87,000 in acquisition and organization costs. In general, "Other Adjustments" include line-items like security deposits and deferred loan interest.

Attachment G-2

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net Profit / (Loss)	\$ (29,533)	\$ (23,492)	\$ (9,121)	\$ (12,390)	\$ (49,916)	\$ (14,429)	\$ 49,354	\$ 4,371	\$ 63,143	\$ 84,468	\$ 48,037	\$ 91,668	\$ (285,118)	\$ (75,673)	\$ 32,923	\$ 4,397	\$ 10,766	\$ 127,739	\$ 58,615
Distributions	\$ (89,367)	\$ (97,941)	\$ (84,688)	\$ (93,326)	\$ (98,691)	\$ (97,476)	\$ (96,261)	\$ (97,476)	\$ (98,691)	\$ (97,476)	\$ (97,476)	\$ (97,476)	\$ (97,476)	\$ (97,476)	\$ (97,476)	\$ (97,476)	\$ (97,476)	\$ (97,476)	\$ (97,476)
Surplus / (Deficit) After Distributions	\$ (118,900)	\$ (121,432)	\$ (93,809)	\$ (105,716)	\$ (148,607)	\$ (111,905)	\$ (46,907)	\$ (93,105)	\$ (35,548)	\$ (13,008)	\$ (49,439)	\$ (5,807)	\$ (382,594)	\$ (173,149)	\$ (64,553)	\$ (93,079)	\$ (86,710)	\$ 30,263	\$ (38,860)

Attachment G-3

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Beginning Cash Balance	\$ -	\$ 391,631	\$ 347,243	\$ 203,494	\$ 7,586	\$ 3,312	\$ 8,383	\$ 871	\$ (11,198)	\$ (27,603)	\$ (58,815)	\$ 9,503	\$ (36,920)	\$ (64,781)	\$ 68,372	\$ 1,317,917	\$ 109,573	\$ 133,273	\$ 705,195	\$ 25,615
Net Rental Income	\$ 1,552,910	\$ 1,746,034	\$ 1,726,119	\$ 1,687,639	\$ 1,582,633	\$ 1,526,178	\$ 1,543,048	\$ 1,501,743	\$ 1,620,431	\$ 1,725,923	\$ 1,818,218	\$ 2,000,087	\$ 2,322,377	\$ 2,545,743	\$ 2,726,324	\$ 2,917,858	\$ 3,138,720	\$ 3,530,836	\$ 3,740,902	\$ 1,261,575
Other Income	\$ 38,123	\$ 48,012	\$ 22,437	\$ 127,133	\$ 69,972	\$ 18,338	\$ 18,025	\$ 29,900	\$ 37,080	\$ 27,020	\$ 57,095	\$ 67,354	\$ 59,674	\$ 37,786	\$ 573,959	\$ 60,043	\$ 212,404	\$ 951,289	\$ 202,029	\$ 18,638,410
Total Cash Receipts	\$ 1,591,033	\$ 1,794,046	\$ 1,748,556	\$ 1,814,773	\$ 1,652,605	\$ 1,544,516	\$ 1,561,072	\$ 1,531,643	\$ 1,657,511	\$ 1,752,943	\$ 1,875,312	\$ 2,067,441	\$ 2,382,051	\$ 2,583,529	\$ 3,300,283	\$ 2,977,901	\$ 3,351,123	\$ 4,482,125	\$ 3,942,931	\$ 19,899,984
Maintenance and Repair Expense	\$ 472,994	\$ 376,457	\$ 386,997	\$ 434,959	\$ 234,823	\$ 237,028	\$ 243,672	\$ 336,085	\$ 456,686	\$ 577,973	\$ 719,299	\$ 712,714	\$ 692,135	\$ 692,644	\$ 696,943	\$ 519,769	\$ 483,443	\$ 686,562	\$ 665,918	\$ 288,785
Other Operating Expense	\$ 590,302	\$ 585,856	\$ 583,222	\$ 601,955	\$ 544,599	\$ 451,387	\$ 506,074	\$ 588,236	\$ 580,236	\$ 655,597	\$ 689,455	\$ 701,494	\$ 741,403	\$ 738,966	\$ 786,125	\$ 668,884	\$ 634,366	\$ 683,267	\$ 721,691	\$ 262,290
Total Operating Disbursements	\$ 1,063,296	\$ 962,313	\$ 970,219	\$ 1,036,914	\$ 779,422	\$ 688,414	\$ 749,746	\$ 924,321	\$ 1,036,922	\$ 1,233,570	\$ 1,408,754	\$ 1,414,209	\$ 1,433,538	\$ 1,431,609	\$ 1,483,067	\$ 1,188,653	\$ 1,117,809	\$ 1,369,828	\$ 1,387,609	\$ 551,075
Net Operating Cash Flow	\$ 527,738	\$ 831,733	\$ 778,337	\$ 777,859	\$ 873,183	\$ 856,101	\$ 811,326	\$ 607,322	\$ 620,589	\$ 519,372	\$ 466,558	\$ 653,232	\$ 948,512	\$ 1,151,920	\$ 1,817,216	\$ 1,789,247	\$ 2,233,314	\$ 3,112,296	\$ 2,555,323	\$ 19,348,910
Third-Party Loan Proceeds	\$ 10,745,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,212,969	\$ -	\$ -	\$ -	\$ 5,871,605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Third-Party Debt Service	\$ (517,749)	\$ (468,401)	\$ (449,872)	\$ (678,767)	\$ (968,951)	\$ (734,023)	\$ (625,112)	\$ (623,681)	\$ (663,220)	\$ (301,193)	\$ (682,937)	\$ (681,398)	\$ (681,398)	\$ (338,891)	\$ (1,205,641)	\$ (837,750)	\$ (835,461)	\$ (914,231)	\$ (1,075,058)	\$ (17,287,271)
Net Other Adjustments	\$ (10,118,193)	\$ (114,740)	\$ (179,534)	\$ (2,320)	\$ 287,174	\$ 91,493	\$ (3,399)	\$ 17,547	\$ 13,301	\$ (126,237)	\$ 25,721	\$ 27,923	\$ 10,567	\$ (567,317)	\$ 126,704	\$ (56,051)	\$ (90,083)	\$ (45,247)	\$ (15,604)	\$ 15,711,835
Net Adjusted Cash Flow	\$ 636,842	\$ 248,592	\$ 148,931	\$ 96,772	\$ 191,407	\$ 213,571	\$ 182,815	\$ 1,187	\$ (29,330)	\$ 2,304,911	\$ (190,658)	\$ (242)	\$ 277,682	\$ 6,117,317	\$ 738,279	\$ 895,447	\$ 1,307,770	\$ 2,152,818	\$ 1,464,661	\$ 17,773,473
Intercompany Notes (Receivable) / Payable	\$ -	\$ -	\$ -	\$ -	\$ 97,000	\$ 87,800	\$ 103,850	\$ 281,300	\$ 305,605	\$ 189,645	\$ (595,200)	\$ (246,500)	\$ 22,435	\$ 5,436,547	\$ (643,547)	\$ 1,811,110	\$ 991,390	\$ 1,288,215	\$ (1,850,387)	\$ 300,945
Net Adjusted Cash Flow After Intercompany Notes	\$ 636,842	\$ 248,592	\$ 148,931	\$ 96,772	\$ 288,407	\$ 301,371	\$ 286,665	\$ 282,487	\$ 276,275	\$ 2,494,556	\$ (785,858)	\$ (246,742)	\$ 300,116	\$ 11,553,864	\$ 94,732	\$ 2,706,557	\$ 2,299,160	\$ 3,441,034	\$ (385,726)	\$ 18,074,419
Owner Distributions	\$ (390,241)	\$ (292,680)	\$ (292,680)	\$ (292,680)	\$ (292,680)	\$ (292,680)	\$ (292,680)	\$ (292,680)	\$ (292,680)	\$ (292,680)	\$ (292,680)	\$ (292,680)	\$ (309,109)	\$ (276,252)	\$ (292,680)	\$ (292,680)	\$ (292,680)	\$ (292,680)	\$ (293,854)	\$ (17,321,958)
Net Cash Flow	\$ 246,601	\$ (44,088)	\$ (143,749)	\$ (195,908)	\$ (4,274)	\$ 8,691	\$ (6,015)	\$ (10,193)	\$ (16,405)	\$ 2,201,875	\$ (1,078,538)	\$ (539,422)	\$ (8,992)	\$ 11,277,611	\$ (197,949)	\$ 2,413,876	\$ 2,006,480	\$ 3,148,353	\$ (679,580)	\$ 752,460

Attachment H

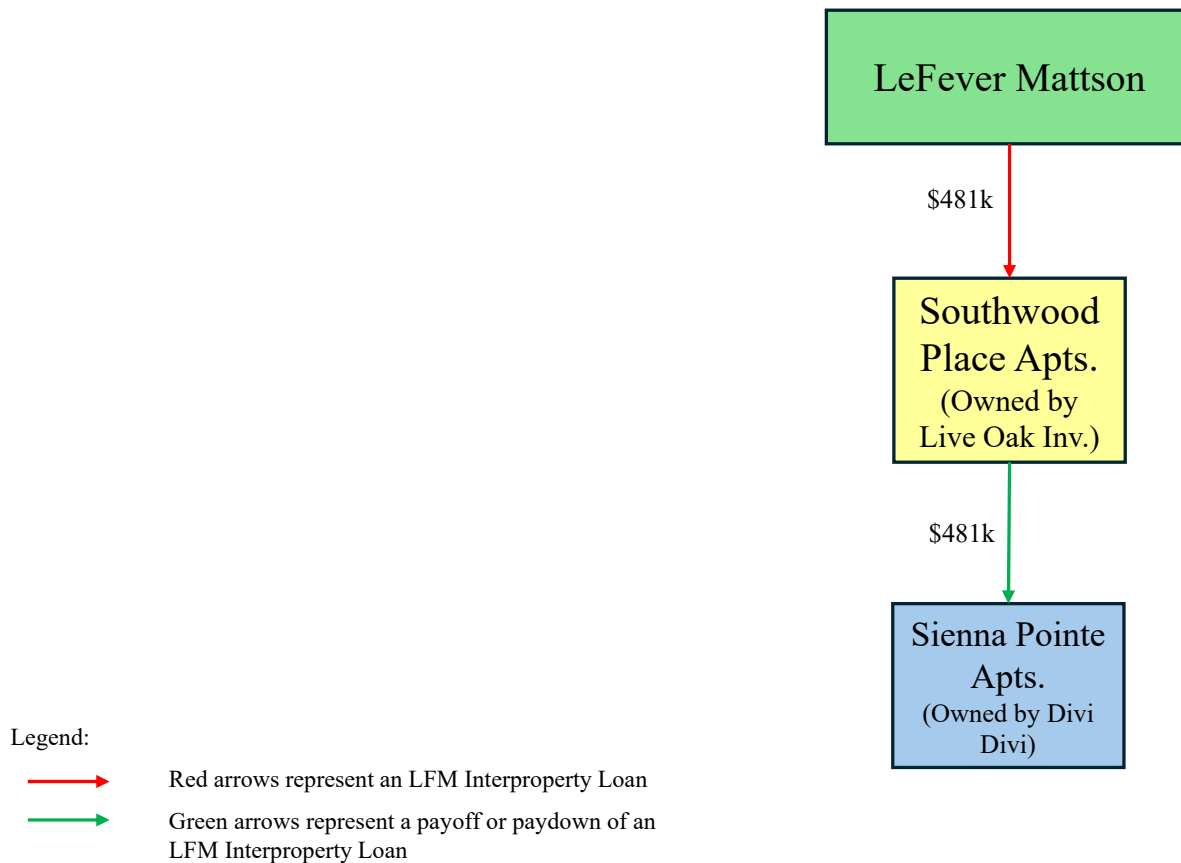
LeFever Mattson, et al.
Summary of Intercompany Transactions
For the Period 1/1/2017 to 9/12/2024

Debtor	Inflows		Outflows		Total Transactions	Total Net Dollar Value	Total Gross Dollar Value
	Number	Value	Number	Value			
Autumn Wood I, LP	86	3,715,367	77	(1,552,432)	163	2,162,934	5,267,799
Beach Pine, LP	32	2,826,080	27	(586,905)	59	2,239,176	3,412,985
Bishop Pine, LP	35	849,198	41	(1,963,298)	76	(1,114,100)	2,812,496
Black Walnut, LP	65	3,645,359	50	(2,846,708)	115	798,651	6,492,067
Buck Avenue Apartments, LP	110	5,567,436	38	(7,134,220)	148	(1,566,784)	12,701,656
Buckeye Tree, LP	33	792,347	31	(224,209)	64	568,138	1,016,556
Bur Oak, LP	15	2,804,412	31	(2,991,520)	46	(187,108)	5,795,932
California Investment Properties	7	210,000	7	(164,000)	14	46,000	374,000
Cambria Pines, LP	67	1,855,506	23	(1,875,783)	90	(20,277)	3,731,289
Chestnut Oak, LP	55	4,323,100	31	(4,728,725)	86	(405,625)	9,051,825
Country Oaks I, LP	130	7,058,437	77	(6,015,187)	207	1,043,250	13,073,624
Divi Divi Tree, L.P.	33	6,231,688	30	(2,735,715)	63	3,495,973	8,967,402
Douglas Fir Investments, LP	7	445,938	6	(444,338)	13	1,600	890,276
Firetree I, LP	7	383,875	-	-	7	383,875	383,875
Firetree II, LP	1	275,226	1	(275,226)	2	-	550,453
Firetree III, LP	6	272,558	3	(90,465)	9	182,093	363,023
Foxtail Pine, LP	74	7,586,032	43	(8,331,091)	117	(745,060)	15,917,123
Ginko Tree, LP	33	761,747	33	(197,391)	66	564,356	959,137
Golden Tree, LP	1	1,000	-	-	1	1,000	1,000
Hagar Properties, LP	105	19,637,379	382	(30,736,537)	487	(11,099,157)	50,373,916
Heacock Park Apartments, LP	84	20,041,344	82	(13,920,460)	166	6,120,884	33,961,804
Home Tax Service of America, Inc.	45	2,337,022	86	(2,051,808)	131	285,214	4,388,830
LeFever Mattson	126	20,863,207	145	(23,438,895)	271	(2,575,688)	44,302,102
Live Oak Investments, LP	40	5,539,700	133	(9,232,577)	173	(3,692,877)	14,772,277
Monterey Pine, LP	67	8,078,065	35	(10,351,321)	102	(2,273,256)	18,429,386
Nut Pine, LP	48	3,670,916	81	(4,338,097)	129	(667,181)	8,009,014
Pinewood Condominiums, LP	89	2,055,298	85	(1,460,762)	174	594,536	3,516,060
Red Cedar Tree, LP	10	3,064,998	10	(2,306,323)	20	758,675	5,371,321
Red Mulberry Tree, LP	7	5,653,111	17	(3,505,137)	24	2,147,973	9,158,248
Red Oak Tree, LP	36	1,407,832	58	(1,954,607)	94	(546,775)	3,362,439
Red Oak, LP	63	7,082,430	44	(7,711,885)	107	(629,455)	14,794,315
Red Spruce Tree, LP	51	6,110,562	41	(6,797,777)	92	(687,214)	12,908,339
River Birch, LP	40	3,099,682	30	(1,801,548)	70	1,298,134	4,901,230
River Tree Partners, LP	27	851,166	5	(63,166)	32	788,000	914,333
River View Shopping Center 1, LLC	11	1,077,875	12	(1,460,100)	23	(382,225)	2,537,974
River View Shopping Center 2, LLC	11	332,126	12	(449,901)	23	(117,775)	782,026
RT Capitol Mall, LP	6	547,112	11	(66,925)	17	480,187	614,037
Scotch Pine, LP	120	12,926,507	109	(13,219,323)	229	(292,816)	26,145,830
Sequoia Investment Properties, LP	99	1,764,490	33	(2,315,806)	132	(551,316)	4,080,297
Sienna Pointe, LLC	306	87,826,334	435	(68,642,987)	741	19,183,347	156,469,321
Tradewinds Apartments, LP	79	4,204,109	77	(5,233,597)	156	(1,029,488)	9,437,706
Vaca Villa Apartments, LP	90	2,981,045	81	(1,067,812)	171	1,913,233	4,048,857
Valley Oak Investments, LP	119	4,665,129	86	(3,212,455)	205	1,452,673	7,877,584
Watertree I, LP	36	1,432,646	34	(1,678,396)	70	(245,750)	3,111,042
Willow Oak, LP	54	11,378,690	39	(12,535,783)	93	(1,157,093)	23,914,473
Windscape Apartments I, LP	8	467,942	5	(466,342)	13	1,600	934,285
Windscape Apartments II, LP	7	813,556	6	(811,956)	13	1,600	1,625,513
Windscape Apartments, LLC	110	21,552,767	254	(26,027,944)	364	(4,475,177)	47,580,711
Windscape Holdings, LLC	106	12,325,229	31	(10,871,754)	137	1,453,475	23,196,983
Yellow Poplar, LP	41	971,867	26	(1,653,714)	67	(681,847)	2,625,581
Totals	2,838	324,365,441	3,034	(311,542,909)	5,872	12,822,532	635,908,350

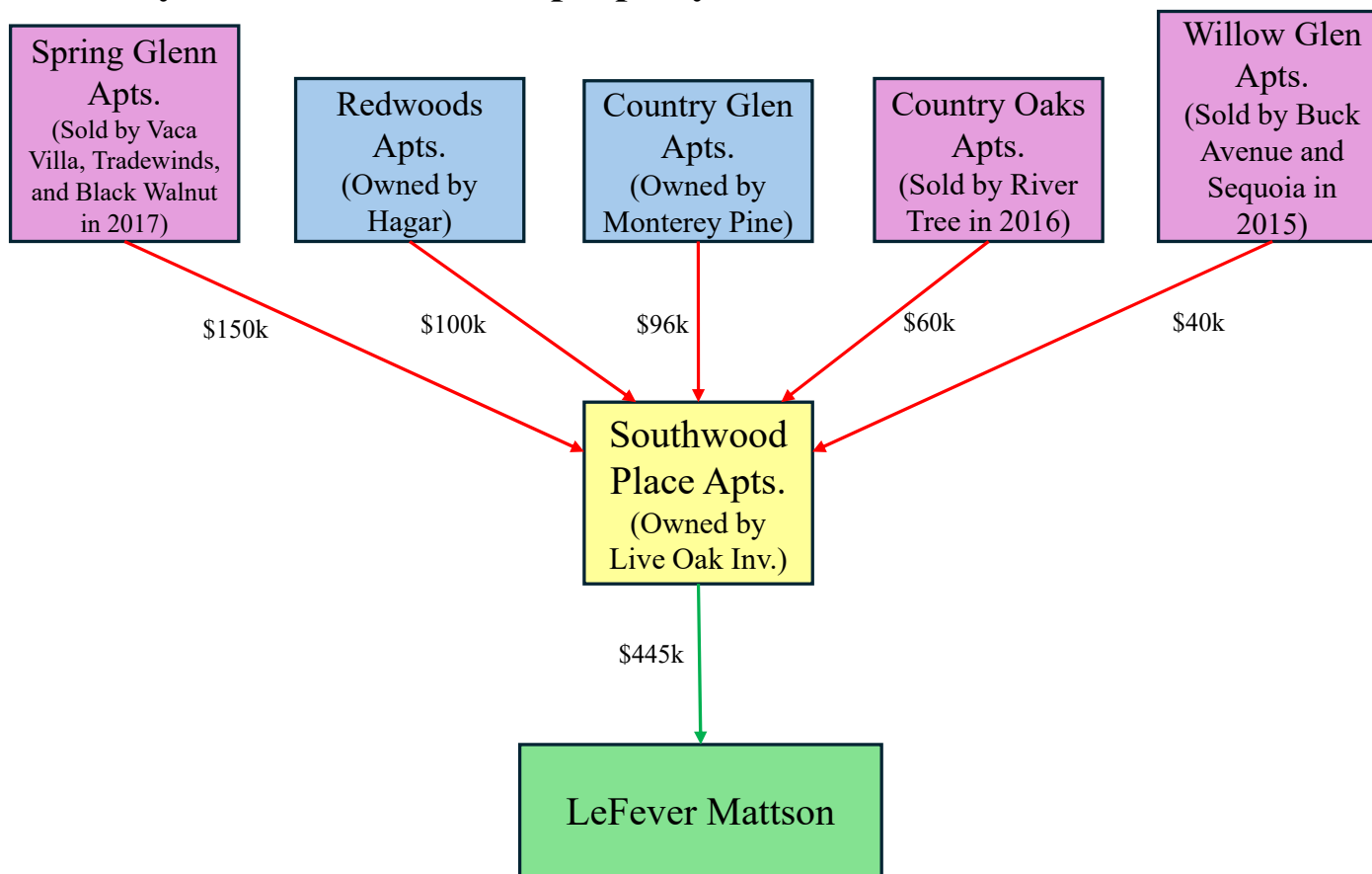
Attachment I

Attachment I-1

Analysis of 10/5/2018 payoff of Live Oak Investment, LP's loan to Sienna Pointe



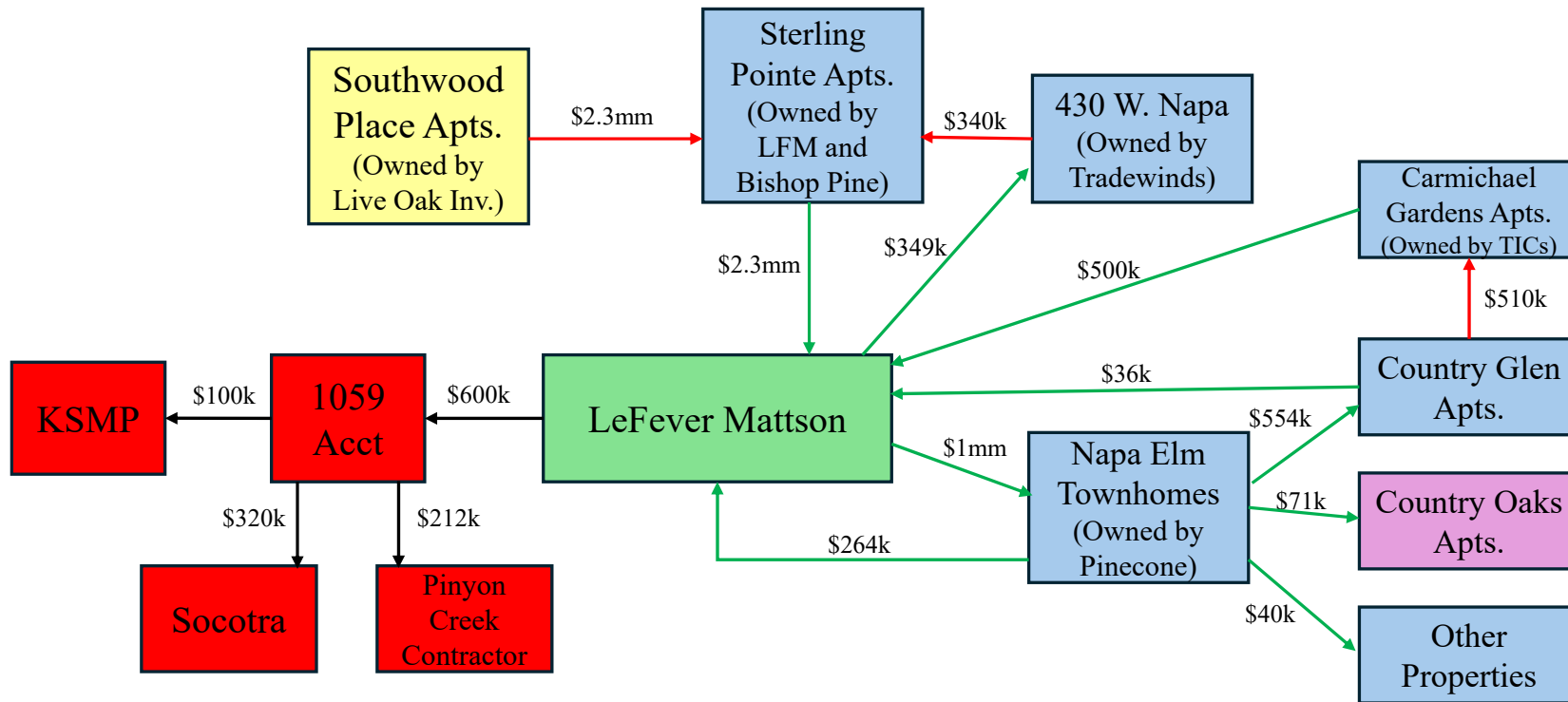
Attachment I-2
Analysis of 8/7/2019 inter-property loans to Live Oak Investment, LP



Legend:

-  Red arrows represent an LFM Interproperty Loan
-  Green arrows represent a payoff or paydown of an LFM Interproperty Loan

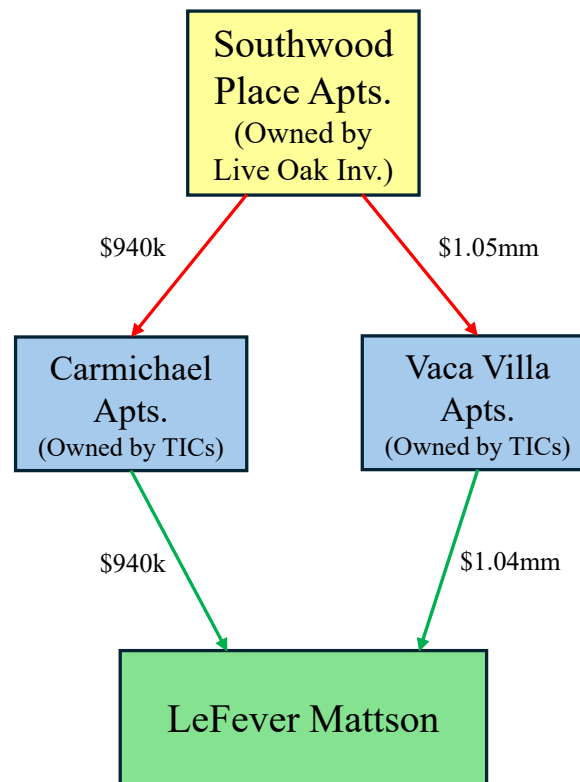
Attachment I-3 **Analysis of \$2.3 million inter-property loan from Live Oak Investment, LP on 12/10/2019**



Legend:

- Red arrows represent an LFM Interproperty Loan
- Green arrows represent a payoff or paydown of an LFM Interproperty Loan

Attachment I-4
Analysis of 12/31/2019 inter-property loans from Live Oak Investment, LP



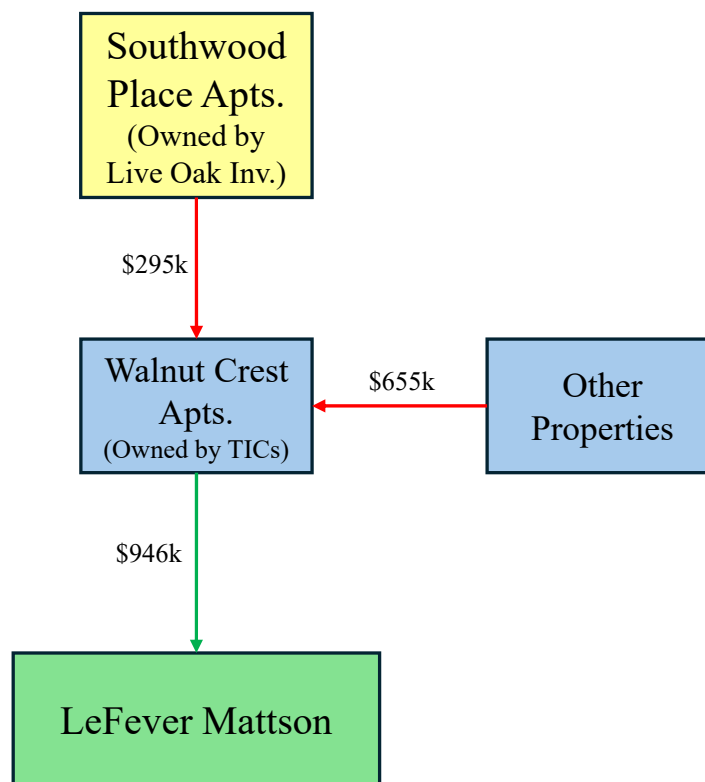
Legend:



Red arrows represent an LFM Interproperty Loan

Green arrows represent a payoff or paydown of an LFM Interproperty Loan

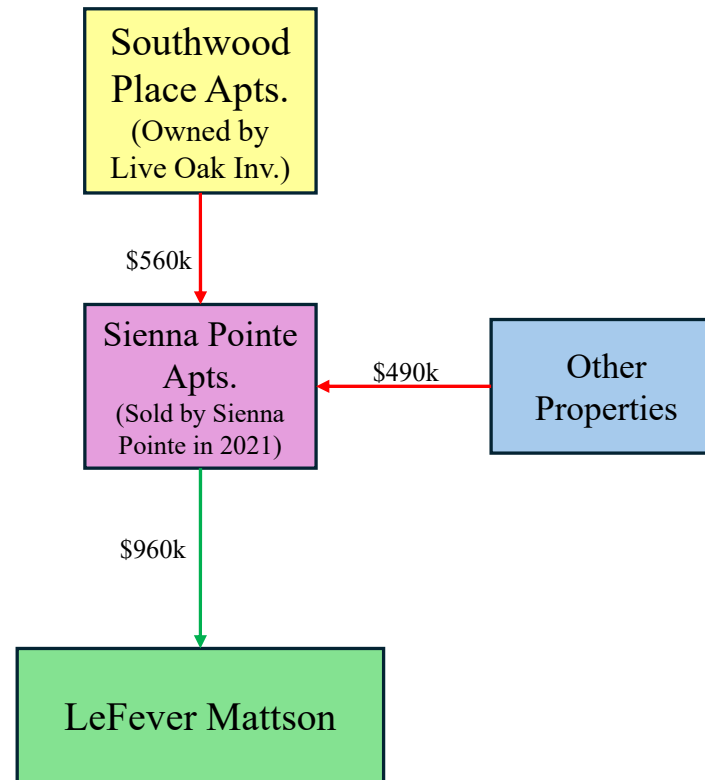
Attachment I-5
Analysis of 5/18/2020 inter-property loan from Live Oak Investment, LP



Legend:

- Red arrows represent an LFM Interproperty Loan
- Green arrows represent a payoff or paydown of an LFM Interproperty Loan

Attachment I-6
Analysis of 10/18/2022 inter-property loan from Live Oak Investment, LP



Legend:

-  Red arrows represent an LFM Interproperty Loan
-  Green arrows represent a payoff or paydown of an LFM Interproperty Loan