

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss

DISTRICT COURTS DEPARTMENT
CHELSEA DIVISION
C.A. NO.

ATTORNEY GENERAL for the
COMMONWEALTH OF MASSACHUSETTS and
the CITY OF REVERE

Petitioners,

v.

[REDACTED], as owner of the
property located at [REDACTED],
Revere, MA
and

[REDACTED]
[REDACTED]
as mortgagee or party with an interest in the
property located at [REDACTED],
Revere, MA
and

[REDACTED]
[REDACTED]
[REDACTED], and
[REDACTED], as mortgagees or
parties with an interest in the property located at
[REDACTED], Revere, MA
and

[REDACTED] as
mortgagee or party with an interest in the property
located at [REDACTED], Revere, MA.
Respondent.

RECEIVER'S INITIAL REPORT

The Court appointed Receiver, [REDACTED] ("Receiver"), for the
property known and numbered as [REDACTED], Revere, Massachusetts, and
discussed in detail below (the "Property"), hereby submits its initial report in accordance the

Court's appointment order. Specifically, the Receiver is writing to provide the current status as to: (1) the condition of the Property; and (2) the Receiver's activities and general plan for moving forward.

PROCEDURAL HISTORY

The Petitioners filed a Petition for the Enforcement of the State Sanitary Code and for the appointment of the Receiver on or about August 8, 2013. The Court conducted a hearing on August 27, 2013 on the Petitioners' Application for Appointment of a Receiver and ordered such appointment of the same day. The Receiver is also filing proof of liability insurance herewith

I. Condition of the Property

The Property is a deteriorated, multi-family residential building situated at the address [REDACTED], Revere, Massachusetts. The premises upon which the building sits consists of two separately deeded and assessed properties, both owned by the Respondent. Please see deeds attached hereto as Exhibits A and B.

The Receiver retained the services of an environmental assessment firm, Action Environmental Emergency Services (AEES), to conduct a review of the property. According to AEES's report, the property is significantly deteriorated and dangerous due to large amounts of rotting food and animal and insect infestation. Please see AEES's assessment report attached hereto as Exhibit C. These issues are not only affecting the Property but also the health and safety of the surrounding properties and residents. *See id.* Beyond the environmental assessment discussed above, the Receiver also retained David M. Reggiani of Emerald View Associates Inc, to conduct an assessment as the repairs necessary to restore the property to compliance the State Sanitary Code. Mr. Reggiani has identify numerous, costly repairs that will be needed to return this property to a habitable condition.

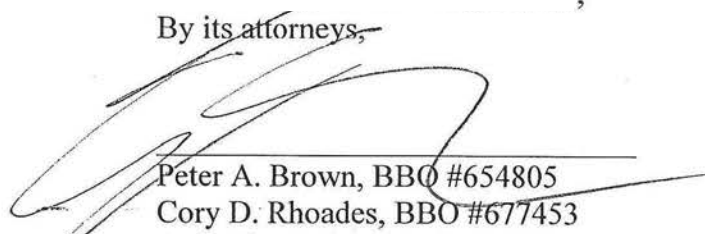
II. The Receiver's Activities and Plan

Following the approval of the Receivership, the Receiver began diligently working to secure and assess the condition of the property. The Receiver has boarded up the property, secured access, removed containers of gasoline found inside the building and scheduled treatment of the Property's outside areas for vermin.

Unfortunately, as to further restoration efforts, the totality of the necessary clean up and repairs may make this receivership economically unfeasible. As a result, the Receiver is undertaking additional investigations to identify the extent of these problems and how they may impact the receivership. The conditions are potentially bad enough that the Property may need to be demolished. The Receiver will provide a more detailed report to the Court regarding these concerns and a thorough plan for moving forward prior to the next status hearing.

Respectfully submitted,
Court Appointed Receiver,

By its attorneys,



Peter A. Brown, BBO #654805
Cory D. Rhoades, BBO #677453
Aviv Shamash, BBO #685530
D'Ambrosio Brown LLP
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ashamash@dambrosiobrown.com

DATED: September 30, 2013

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

TRIAL COURT
HOUSING COURT DEPARTMENT
CITY OF BOSTON
C.A. NO.

| | |
|--------------------------------|---|
| _____ |) |
| ATTORNEY GENERAL FOR THE |) |
| COMMONWEALTH OF MASSACHUSETTS, |) |
| Petitioner |) |
| |) |
| vs. |) |
| |) |
| JOHN DOE |) |
| Respondents |) |
| _____ |) |

CERTIFICATE OF NOTICE
REGARDING RECEIVER'S INTERIM INSPECTION REPORT

I hereby certify that on this day a copy of the attached Receiver's Interim Inspection Report prepared pursuant to paragraph 6(d) of the Order on Petition to Enforce the State Sanitary Code and for Appointment of a Receiver, as entered herein by Hon. **[Justice of the Housing Court granting receivership order]** on **[date of receivership order]** was sent by first class mail to **[owner or owner's counsel]** and **[lien holder or lien holder's counsel]**.

Signed this ____ day of ____ 20XX.

Matthew Q. Berge
Assistant Attorney General

COMMONWEALTH OF MASSACHUSETTS

ESSEX, SS.

HOUSING COURT DEPT.
NORTHEAST DIVISION
CIVIL ACTION No.

ATTORNEY GENERAL for the)
Commonwealth of Massachusetts;)
CITY OF METHUEN,)
Plaintiff,)
)
v.)
)
██████████, et. al.)
Defendants)
)

RECEIVER'S MOTION FOR
APPROVAL OF DEVELOPMENT SCOPE & BUDGET

Now comes the court appointed Receiver and hereby moves this court to approve Receiver's proposed Development Scope and Budget as detailed herein. As grounds therefore, Receiver states as follows:

1. Once a court has taken the step of creating a receivership to pursue an objective, that court must have and must utilize a continuing authority to issue supplementary orders designed to assist in various detailed aspects of the operation of the receivership. See Spence v. Reeder, 382 Mass. 398, 416 N.E.2d 914 (1981).

2. The subject receivership property is a substantially distressed, vacant, single family property located at ██████████, Methuen, Massachusetts. The property contains approximately 1,900 square feet, and will require a substantial renovation to bring it back to habitable condition.

3. Receiver has had an extensive renovation analysis and budget prepared by an independent, HUD-certified renovation construction expert, John R. Bovill. Attached at Exhibit 1 please find a copy of his CV and some detailed information about J.R. Bovill Inspections.

4. Attached at Exhibit 2 please find a certified¹ Rehab Work Write Up, establishing a cost budget for the hard construction costs of this renovation.

A. Proposed Budget - Summary

| | |
|---------------------------|-------------------|
| Hard Construction Costs: | 90,381.00 |
| Soft Construction Costs | 49,188.00 |
| | <hr/> |
| Total Development Budget: | <u>139,569.00</u> |

(see next page for a detailed itemization of the budget)

¹ See last page of Work Write Up Report: "Consultant's Identity-of-Interest Certification: I hereby certify that I have carefully inspected this property for compliance with the general acceptability requirements (including health and safety) in Handbook 4905.1. I have required as necessary and reviewed the architectural exhibits, including any applicable engineering and termite reports, and the estimated rehabilitation cost and they are acceptable for the rehabilitation of this property. I have no personal interest, present or prospective, in the property, applicant, or proceeds of the mortgage. I also certify that I have no identity-of-interest or conflict-of-interest with the borrower, seller, lender, realtor, appraiser, plan reviewer, contractor or subcontractor. To the best of my knowledge, I have reported all items requiring correction and that the rehabilitation proposal now meets all HUD requirements for 203(k) Rehabilitation Mortgage Insurance." (emphasis added).

/s/ John R. Blovill, HUD Approved 203K Consultant/Plan Reviewer, ID# P0093

B. Proposed Budget - Itemized

Hard Construction Costs:

| <u>Methuen</u> | | |
|-----------------------|---------------------|---|
| | <u>Budget Items</u> | <u>Description</u> |
| 1) Masonry | 770 | -Repoint & Reflash Chimney |
| 2) Siding | 1,000 | -Replace Damaged Siding; Replace Damaged Trim |
| 3) Gutters | 1,800 | -Install Aluminum Gutters & Downspouts |
| 4) Roof | 16,930 | -Strip existing roof, Replace damage roof sheathing; Insall new roof shingles, venting & flashing |
| 5) Shutters | 0 | |
| 6) Exteriors | 2,400 | -Repairs to front and rear porches |
| 7) Walks | 0 | |
| 8) Driveways | 0 | |
| 9) Paint (Exterior) | 1,750 | -Scrape, prime and paint exterior where needed. All work in compliance with New Lead laws. |
| 10) Caulking | 0 | |
| 11) Fencing | 0 | |
| 12) Grading | 351 | -trim all overgrown shrubs etc. |
| 13) Windows | 5,550 | -Install new windows at basement, rear porch and living area. |
| 14) Weather-Stripping | 0 | |
| 15) Doors (Exterior) | 1,300 | -Install new vinyl insulated door. |
| 16) Doors (Interior) | 1,170 | -Replace (6) interior Doors |
| 17) Partition Walls | 0 | |
| 18) Plaster/Drywall | 3,200 | -Install 1/2" drywall (taped, sanded and primed) at all water damaged areas |
| 19) Decorating | 2,650 | -Paint Interior Walls, Ceiling & Trim |
| 20) Wood Trim | 900 | -Replace damaged trim & mouldings |
| 21) Stairs | 0 | |
| 22) Closets | 0 | |
| 23) Wood Floors | 3,200 | -Refinish 400 SF of wood floors (water damage) |
| 24) Finish Floors | 2,430 | -Install (75 SY) carpet and pad |
| 25) Ceramic Tile | 0 | |
| 26) Bath Accessories | 300 | -Install new medicine cabinets |
| 27) Plumbing | 8,400 | -Replace all damaged plumbing (freeze up). Install (3) piece bath fixtures. |
| 28) Electrical | 4,500 | -new wiring, install GFCIs, smokes |
| 29) Heating | 7,300 | -Install new FHW gas fired heating system complete. |
| 30) Insulation | 5,000 | -Insulate basement, attic and all walls that have been opened and or water damaged. |
| 31) Cabinetry | 11,180 | -Install new kitchen cabinets and countertops. Install new bath vanities. |
| 32) Appliances | 2,000 | -Install new range, hood, dishwasher & fridge. |
| 33) Basements | 0 | |
| 34) Clean-Up | 5,600 | -Dispose all water damaged items; dumpster rental. |
| 35) Misc | 700 | -Drawings for new rear porch |
| | <u>90,381</u> | |

Soft Construction Costs - Itemized

| | |
|----------------------------|---------------|
| 36) Work Write Up/Inspect: | 1,000 |
| 37) Permit Fees: | 2,500 |
| 38) Title and Recordings | 1,500 |
| 39) Utilities | 2,000 |
| 40) Insurance | 3,000 |
| 41) Financing Debt Service | 9,000 |
| 42) Closing Costs | 2,500 |
| 43) Legal Fees/Receiver | 15,000 |
| 44) Contingency (10%) | 12,688 |
| | <u>49,188</u> |

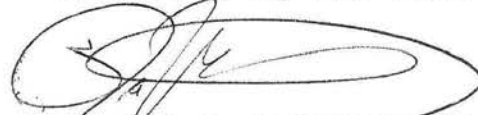
Total Budget 139,569

WHEREFORE, the Receiver respectfully requests this Court to:

1. Approve Receiver's Development Scope & Budget as proposed above (see proposed order);
2. Grant such other relief as the Court deems just and proper.

Respectfully submitted,

Receiver, By its attorney,

A handwritten signature in dark ink, appearing to read "D. McAuley, Jr.", is enclosed within a large, loopy oval scribble.

Daniel G. McAuley, Jr.

Receiver

BBO#: 564704

400 TradeCenter, Suite 5900

Woburn, MA 01801

(781) 569-5080

(781) 287-1172 Fax

Email: dqmesq@comcast.net

Dated: January 9, 2014

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

THE TRIAL COURT
HOUSING COURT DEPARTMENT
HAMPDEN DIVISION
DOCKET. NO.

CAROL REED and
CITY OF SPRINGFIELD
DEPARTMENT OF CODE ENFORCEMENT
HOUSING DIVISION
Petitioner

vs.

[REDACTED] and [REDACTED]
Respondents

NOTICE TO
POTENTIAL
BUYERS

By order of the Court, the first mortgagee NAME OF BANK has been instructed to distribute the notice to potential purchasers of [REDACTED]; [REDACTED]; [REDACTED]; [REDACTED]; and [REDACTED]; [REDACTED]; [REDACTED]; [REDACTED]; an [REDACTED], Springfield, Massachusetts.

As a result of defective conditions at these buildings and the lack of any available management, the Court ordered on June 30, 2008 that these buildings be placed into receivership. This mean that since that date the buildings have been in the custody of the Court, managed by Virgilio Property Management, Inc, acting as an agent of the court.

At any foreclosure sale held on any of these properties, the sale will transfer title to the properties. However, the Receiver will continue to remain in possession of the properties until further order of this Court

Specifically, to dissolve the receivership, any bidder, prospective owner, or new owner of the building must demonstrate the following:

1. The bidder/owner is fully informed of the condition of the premises, including. apartments and Common areas, lead paint, and building systems;
2. The bidder/owner has the financial ability following the sale, to repair promptly any conditions in violation of the standards of fitness for human habitation established under the state sanitary code, or other applicable laws ordinances, by-laws, rules or regulations affecting the heath safety or well-being of the occupants;

3. The bidder/owner has a plan for implementing such repairs including cost estimates for major repairs, financing and priorities for rehabilitation;
4. The bidder/owner has staff with the skills and experience to implement the plan referred to in section 3, above;
5. The repair of the premises as proposed by the bidder/owner will not result in the displacement of the tenants and occupants.

Any bidder, potential owner or new owner may appear before the Court to obtain a ruling or clarification of these issues by scheduling a hearing in this matter, with notice to the parties of record including the attorney for the Receiver, the petitioner(s), the respondent, and Baybank

At such time, the bidder/owner is requested to complete a financial statement, available from the Clerk's office, and to provide a copy of such statement to the parties of record in this matter, with advance warning notice of the time and date of such a hearing. The Court hereby orders that such financial statement received by other parties to this action shall be kept confidential and limited to use in these proceedings and may not be disclosed by any party for any other purpose without leave of Court.

Pursuant to G.L. c. 111, sec. 127I, sixth paragraph, any prospective bidder is hereby informed that any decision continuing the receivership and denying a successful bidder possession of the premises shall not relieve such bidder, after becoming an owner from civil or criminal liability or any duty imposed by law, nor shall it suspend any obligation of such owner to pay for taxes, operating or maintenance expenses, or for repair of the premises.

Dated:

NAME OF JUDGE
First Justice

COMMONWEALTH OF MASSACHUSETTS

HAMPDEN, ss.

THE TRIAL COURT
HOUSING COURT DEPARTMENT
HAMPDEN DIVISION
DOCKET. NO.

| | | |
|--------------------------------|---|--------------------|
| _____ |) | |
| CAROL REED and |) | |
| CITY OF SPRINGFIELD |) | |
| DEPARTMENT OF CODE ENFORCEMENT |) | |
| HOUSING DIVISION |) | MOTION REGARDING |
| Petitioner |) | FORECLOSURE NOTICE |
| |) | |
| vs. |) | |
| |) | |
| _____ |) | |
| |) | |
| |) | |
| Respondents |) | |
| _____ |) | |

The petitioner, Carol Reed, moves that the Court order the holder of the first mortgage, NAME OF BANK ("the Bank"), to issue the attached Notice to Potential Buyers before and during any auction of any of the subject properties. As grounds for this Motion, petitioner states that the parties and the Bank agree that an auction of the properties would not affect the *in rem* Receivership proceeding, and that the proposed Notice would make potential buyers aware of the proceeding and would ensure that the properties, which are in the Court's jurisdiction and control through the receivership, remain habitable and in compliance with law in the event of an auction.

Dated: _____