



Receivership Training City of Springfield, MA

November 17, 2015

Introduction & Overview

Associate City Solicitor Caitlin Castillo

What is a Receivership?

Simply put, a Receivership is where the Court places a qualified individual or corporate entity in charge of bringing a troubled property into compliance with the State Sanitary Code and/or City Ordinances.



17 Sheridan Lane, Springfield, MA

How is a Receiver Appointed?

- A Receiver is appointed based on one or more parties in an ongoing enforcement action petitioning the Court to appoint a capable and responsible party to make necessary repairs to the property in question, in order to protect the health, welfare and safety of any occupants as well as the surrounding community.
- To become a Court appointed Receiver, an individual or Corporate entity must submit a professional resume to the Court, along with a letter requesting that they be added to the list of Receivers.



Statutes and Standards

1. Receiverships are derived from the general equity powers of the Court under M.G.L. Chapter 214, section 1 and Chapter 185C, sections 2 and 3.
2. The conditions needed for appointment and the operating parameters of a Receivership are included in M.G.L. c. 111 § 127I.



184-186 Northampton Ave., Springfield, MA

The viability of a proposed Receivership is evaluated by the Court based on the following standards

- 1.) Has the property owner failed to maintain/ or is unable to maintain the premises in compliance with the state sanitary code and/or ordinances of the City? (Repeated failure; unlikely violations will be corrected without a receiver)
- 2.) Is an appointment of a qualified receiver in the best interests of the occupants and/or immediate surrounding community? (Are the violations of a serious nature/Are there multiple violations?)

Duties and Liabilities

- The Receiver holds a fiduciary duty to all the parties in interest, and is under the duty to act impartially toward, and protect the rights of, all parties. As such, receivers are required to produce proof of such liability insurance as the circumstances dictate.
- The Receiver shall examine the property and make a priority list of the conditions that need to be remedied; The most serious violations are to be addressed first.
- The Receiver is liable for injuries to persons and property to the same extent as the owner (who's obligations and liabilities are not excused); however, the liability is limited to the assets and income of the Receivership.
- The Receiver shall be required to file a bi-monthly report showing a full accounting of all funds received and by and owed to the receiver.

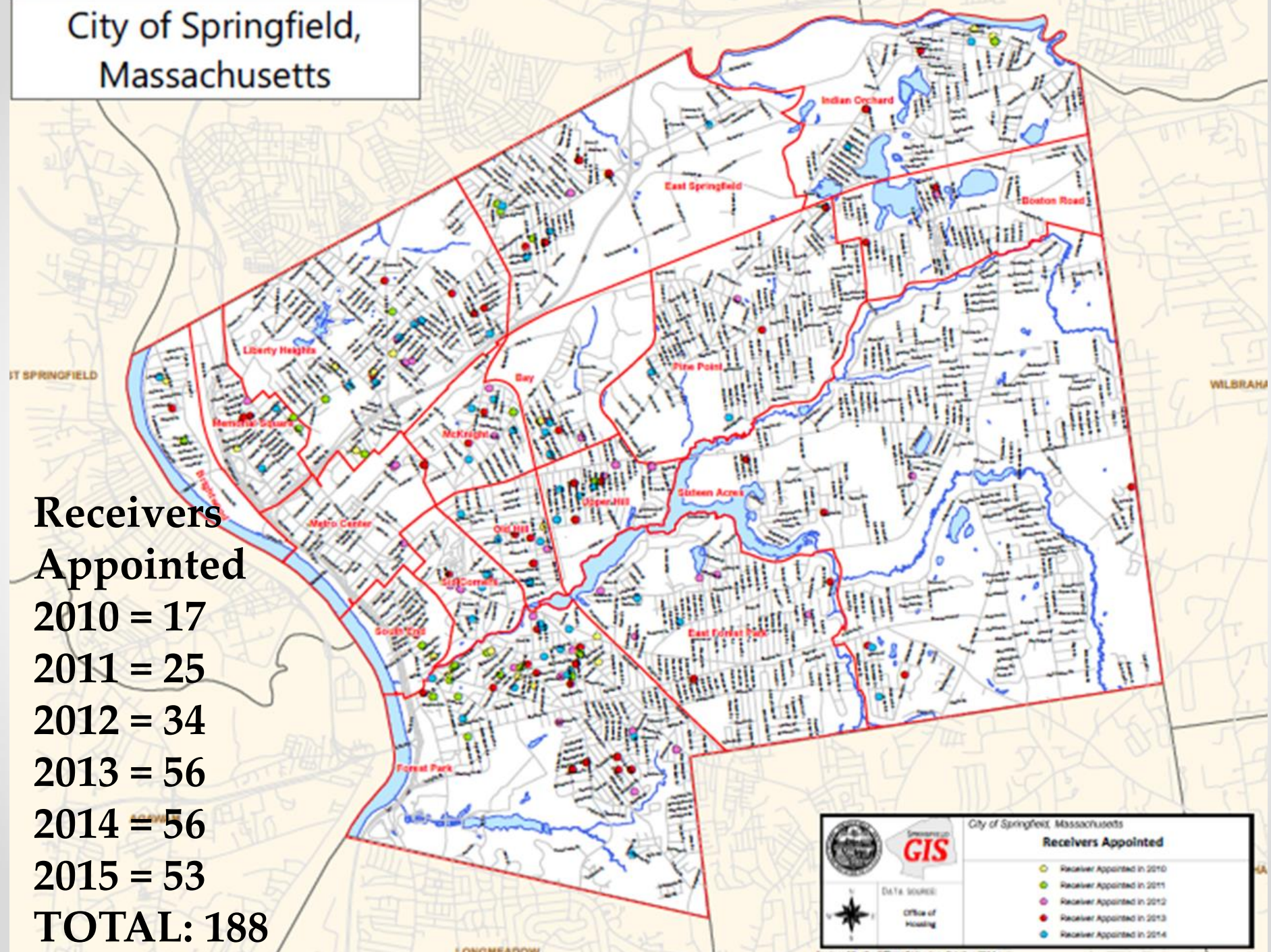
Advantages and Benefits

- The Receiver shall be authorized to collect all rents at the property; the rental rate shall be set by a Housing Specialist, based on the fair market rate of the dwelling unit(s). On a monthly basis, the receiver shall be allowed to collect a reasonable management fee for services rendered.
- The Receiver shall be allowed to borrow funds and grant security interests or liens on the property, as well as contract as the receiver may deem necessary.
- The Receiver shall be allowed to initiate Summary Process actions to evict any occupants if good cause can be shown (failure to pay rent, property damage, etc.).
- The Receiver shall be allowed to place a priority lien on the property for all funds used and expenses incurred as a part of the Receivership. This lien supercedes all other mortgages or liens on the property, with the lone exception of municipal liens, and must be recorded at the Registry of Deeds.

Court's Power

- The Receiver is a product of the Court, and as such, the Court may dissolve a Receivership upon a showing of...
 1. a failure by the Receiver to diligently correct violations and bring the property into compliance with the State Sanitary Code;
 2. or dissolution being in the best interests of the occupants and/or immediate surrounding community;
 3. or at the request of the receiver if the receivership has become insolvent and cannot obtain adequate financing;
 4. or all violations having been sufficiently addressed

City of Springfield, Massachusetts



**Receivers
Appointed**
2010 = 17
2011 = 25
2012 = 34
2013 = 56
2014 = 56
2015 = 53
TOTAL: 188

City of Springfield, Massachusetts

Receivers Appointed

- Receiver Appointed in 2010
- Receiver Appointed in 2011
- Receiver Appointed in 2012
- Receiver Appointed in 2013
- Receiver Appointed in 2014

DATA SOURCE:
Office of Housing

Prepared by the Office of Housing, October 2014

MY CLIENT HAS BEEN APPOINTED RECEIVER, NOW WHAT?

Attorney Katharine Higgins-Shea

November 17, 2015

Read the Order!!!



- ▣ This Order includes all the required steps to get this receivership off the ground and running—title examination, recording the order, insurance, posting the property, reports, etc.
- ▣ It also includes deadlines for filing the Receiver's Motion to Approve the Rehab Plan and first Receiver's Report as well as a due date to provide proof of insurance coverage to the Court.

66 Stockman Street: Before



66
Stockman
Street:
After



Title Examination

- ▣ The Order appointing Receiver requires the Receiver to conduct a title examination and send a copy of the Order to all mortgagees and lienors of record.
 - Get it done early!
 - Make sure the Defendant owner's name matches the deed
 - Serve the Order on the parties as required
 - Proper notice
 - What if I encounter an Ibanez issue or a title defect



Taxes

- ▣ The Order Appointing Receiver also requires that the Receiver determine what outstanding real estate taxes are due
- ▣ Include tax information in the first report
- ▣ Municipal liens have priority over the Receiver's lien
- ▣ Remember, interest continues to accrue on unpaid taxes and that balance can add up quickly



168 Redlands Street: Before



168 Redlands Street: After



Record the Order appointing Receiver

- ▣ The Order appointing Receiver must be recorded in the Registry of Deeds.
- ▣ “No such lien shall be effective unless recorded in the registry for the county in which the property is located.” G. L. c. 111, s. 127I
- ▣ Record as soon as possible to protect your client’s interests!
 - Request a certified copy of the order - \$20.00 from the Clerk’s Office
 - Record- \$75.00 at the Registry of Deeds.

Insurance

- ❑ Order requires that the receiver put general liability insurance in an amount consistent with industry standards on the property and casualty loss insurance
- ❑ The cost of insurance is part of your lien
- ❑ Protect your investment
- ❑ Order requires that you provide proof that the property is insured to the court



368 Roosevelt Ave: Before



368 Roosevelt Ave: After



Can the Receiver Borrow Money?

- ▣ YES, but before borrowing, consider not only the amount and interest rate but the timing for repayment
- ▣ “The receiver shall have full power to borrow funds and to grant security interests or liens on the affected property” G. L. c. 111, s. 127I.
- ▣ Best practice- file a Motion to Approve Borrowing the Funds before your client signs on the dotted line

Lead Paint Law Violations at the Property?

- ▣ If lead paint abatement work is necessary or required, it should be included in the proposed rehabilitation plan for the court's consideration



Owner is deceased at the time of appointment?

- ▣ Check to see if an heir of the deceased owner filed a petition with the Probate Court in the county where the owner died or lived.
- ▣ If no probate filed, your client, as a creditor of the deceased owner, may have to file a petition with the probate court to establish intestacy and determine heirs
- ▣ If notice and service is not proper, a title issue may arise when you auction the property.
- ▣ It is always worth running the situation by the title insurance company you intend to use as they may have requirements involving the question of the owner before insurance would issue post-auction.

REHABILITATION PLANS

Roger J. Roberge II
RR and Company Realty, LLC.
November 17, 2015

Fundamentals of the Rehab Plan

Where do I start?



Start with a good plan!

Purpose of Rehabilitation Plan

- Present a detailed course of action as to how the code violations and concerns of the City, Town or Commonwealth will be corrected.
- The plan puts all parties on notice of the scope of work and cost intended to incur at the property.
- Establishes goals for the receiver and parameters by which progress can be measured.
- Establishes the receiver as an expert on the property and assures the parties that the receiver understands the scope of the work and is prepared to carry it out.
- Once approved the plan offers the receiver some protection from having the work and the lien challenged in the future.

What should be in the Plan?

- The Focus of work should be on Code Violations and correcting them.
- Description of the property including the conditions of disrepair. Provide as much detail as necessary to show why corrective action must be taken.
- Describe the scope of work necessary to correct the existing code violations.
- Provide a time frame for work to be completed.
- Provide estimated costs for major items as well as for total project costs.

Timeline for Repairs

- Organize in terms of 8 week review periods so progress can be monitored.
- Consider the order of operations for your project:
 - Emergency Repairs
 - Grounds Cleanup/Trash-out
 - Turn on Utilities
 - Rough Plumbing, Electrical & Mechanical
 - Exterior Work
 - Door/Windows/Rough Carpentry
 - Drywall Installation & Repair
 - Painting & Finish Carpentry
 - Flooring
 - Finish Plumbing and Electrical
- Include reasonable allowances for delays including running new utility service, subcontractor schedules, seasonal weather or inspections.



Estimated Costs

- Estimates of costs should be provided for all major repair items and total project cost.
- Consider industry standards and fair market value of the work.
- Be sure to include the value of your time when performing work.
- Include any internal fees or surcharges that may be assessed.

DESCRIPTION	ESTIMATED COST
Install New Roof – Strip and install approximately 24 square of roofing including new plywood sheathing and all materials, labor and disposal.	\$16,500
Install New Boiler – Install new gas fired steam boiler, including all parts, labor, permitting and disposal.	\$6500
Electrical - Upgrade Panel, add new kitchen and bath circuits, test and repair fixtures & receptacles.	\$2500- \$3500
Plumbing – Install new water piping, test and repair boiler, test and repair existing drain piping, install new shower valves and fixtures.	\$3500- \$4500

Sample Plan

Rehabilitation Plan:

The property was accessed and evaluated on 12-2-13 and 12-5-13. The property needs extensive updating and rehabilitation. The roof is leaking badly and needs to be replaced. There is a considerable amount of damage to the walls, floor, and ceilings of the 1st and 2nd floors from water coming in through the roof. The basement of the house has the remains of what appears to be two illegal apartments. There are exposed wires throughout the property and in the basement. The boilers are very old and appear to be in need of replacement as do the hot water heaters. There is a large amount of trash in the property and in the basement. The property also needs general plumbing and electrical repairs and updates, interior cosmetic work, lead paint testing and remediation, and other general repairs to be compliant with CMR 4:10.

Once approved we will start on the repair schedule presented below. The end result will be a building with marketable code-compliant, lead-paint compliant rental units. The general scope of the repairs includes removing the trash from the house and removing the remains of the illegal apartment from the basement. Replacing the roof on the house. Repairing water damage inside the property including replacing a number of walls floor ceilings. Testing and repairing mechanical systems including electrical, plumbing and heating. General repairs.

By 3-15-14

- Temporarily patch roof until weather permits replacement.
- Turn electricity on and repair electrical hazard
- Remove trash from the house and garage
- Remove trash remains of illegal apartment in the basement.
- Restore heat and utilities and repair as necessary.

5-15-14

- Begin repairing water damage to walls, floors and ceilings.
- Perform Lead Paint Testing
- Begin Lead remediation which most likely requires window replacement throughout the house.
- Begin interior repair work including patching drywall, and repairing interior trim, repainting and refinishing and replacing floors as necessary.
- Replace roof if not already done.

6-15-14

- Finish plumbing and electrical work.
- Finish Cosmetic and de-leading work
- Permit sign offs & Inspections
- Market the units for rent.

6-15-14 Completion Goal

Estimated Project Costs:

Given the scope and detail of the improvements we estimate that the additional repair costs will be in the range of \$27-\$30/sqft for the 2418 square foot building for a total of **\$65,000-\$75,000**. It should be noted that this is an estimate of repair costs only and does not include an estimate of legal costs or utility costs and is based on the assumption that the heating systems can be repaired rather than replaced.

Supporting Documentation

Include Pictures

LML Construction, Inc.
 608 Long Plain Rd.
 Leverett, MA 01054
 413-665-3788

Estimate

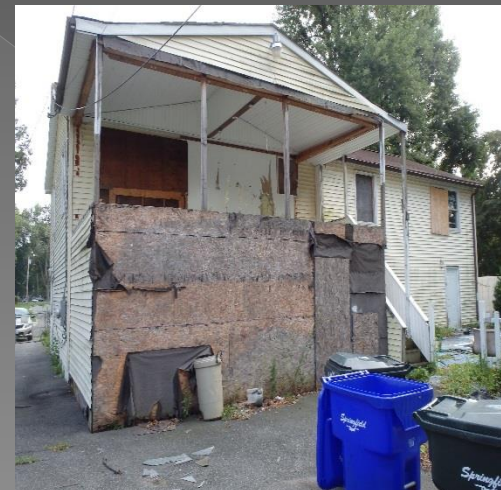
Date	Estimate #
10/23/2014	674

Name / Address

Description	Qty	Cost	Total
186-148 Montague Rd., Leverett Call necessary items Pump, install and remove existing septic tank Install 500 gal. 2 compartment 2 piece septic tank Install 1500 gal. pump chamber manhole with pump and electrical from tank to pool in house with alarm Fill approx. 450 cu. yds. Install backfill to plans lawn, seed, fertilizer and lay mulch disturbed areas		35,260.00	35,260.00
1/2 payment before work begins 1/2 payment upon completion			
		Subtotal	\$35,260.00
**ANY LEADS OR ROCKS OVER 1 CU. YDS. WILL BE REMOVED AT AN ADDITIONAL COST TO THE CLIENT		Sales Tax (6.25%)	\$60.00
		Total	\$35,260.00

E-mail
 lml@waltham.net

Signature _____



Amending the Rehab Plan

- Consult with your attorney
- The plan can and should be amended to accommodate unanticipated work.
- Examples – Utility service upgrades, damage from theft or vandalism, the project has grown, etc.
- Make changes early
- Keep the end game in mind at all times.

Good Luck and have fun!

834 Worthington Street: Before



834 Worthington Street: After





Receivership Training City of Springfield, MA

November 17, 2015

Associate City Solicitor Lisa deSousa

How to write a Receiver Report

- Pursuant to the Western Division Housing Court's Order for Appointment of a Receiver the following **MUST** be provided in all reports **every eight (8) weeks**
 - List all expenses and disbursements of the Receivership
 - Attach all receipts, and an accounting of all funds
 - List of all tenants/occupants and the status of their rent payments to date and funds from other sources.

Profit and Loss Receivership

Laurel 27-29

Period 06/16/14 - 09/03/14 (Accrual basis)



	Report Date 6/16/2014 - 9/3/2014	Total Project
INCOME		
1243 Owed from Receivership		
1243 Total Owed from Receivership	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL INCOME	\$0.00	\$0.00
EXPENSE		
1243 Owed from Receivership		
1253 Receivership Materials/Supplies		
1275 Receivership Materials	<u>\$4,717.08</u>	<u>\$4,717.08</u>
1253 Total Receivership Materials/Supplie	<u>\$4,717.08</u>	<u>\$4,717.08</u>
1255 Receivership Utilities		
1259 Receivership Garbage	<u>\$739.80</u>	<u>\$739.80</u>
1255 Total Receivership Utilities	<u>\$739.80</u>	<u>\$739.80</u>
1260 Receivership Repairs		
1269 Receivership Subcontractor-Maintenance	<u>\$58,306.22</u>	<u>\$58,306.22</u>
1260 Total Receivership Repairs	<u>\$58,306.22</u>	<u>\$58,306.22</u>
1263 Receivership Maintenance		
1261 Receivership Landscaping	<u>\$0.00</u>	<u>\$350.00</u>
1263 Total Receivership Maintenance	<u>\$0.00</u>	<u>\$350.00</u>
1377 Receivership Administrative		
1266 Receivership Administrative	<u>\$300.00</u>	<u>\$300.00</u>
1267 Receivership Billed Time	<u>\$1,423.75</u>	<u>\$2,323.75</u>
1377 Total Receivership Administrative	<u>\$1,723.75</u>	<u>\$2,623.75</u>
1378 Receivership Professional		
1249 Receivership Management Fee	<u>\$570.00</u>	<u>\$570.00</u>
1252 Receivership Atty Fees	<u>\$861.75</u>	<u>\$861.75</u>
1389 Receivership Construction Mgmt Fee	<u>\$6,376.31</u>	<u>\$6,376.31</u>
1378 Total Receivership Professional	<u>\$7,808.06</u>	<u>\$7,808.06</u>
1381 Receivership Misc Costs		
1250 Receivership Insurance	<u>\$1,178.00</u>	<u>\$1,178.00</u>
1381 Total Receivership Misc Costs	<u>\$1,178.00</u>	<u>\$1,178.00</u>
1243 Total Owed from Receivership	<u>\$74,472.91</u>	<u>\$75,722.91</u>
TOTAL EXPENSE	\$74,472.91	\$76,722.91

Report Total	Project Total
\$74,472.91	\$75,722.91

- Receiver shall file periodic reports with the Court, setting forth all expenses and disbursements of the Receivership

RECEIVER REPORTS

- Receiver shall attached all receipts, and an accounting of all funds received by the Receiver during the period covered by such report
- You cannot bill for tools but you can bill for consumables.

LOWE'S
NEVER STOP IMPROVING
LOVE'S HOME CENTERS, INC.
305 STONERIDGE DRIVE NORTH
RUCKERSVILLE, VA 22968 (434) 992-2000

— SALE —

SALES#: S28285C2 1675928 TRANS#: 2451947 05-19-12

12229 23/32 8C PINE ULX EXTERIO	31.97
12192 15/32*44X8 3 PLY SMTG 32/	52.41
3 0	17.47
12246 3/8"X4"X8" RATED SHEATHIN	14.17
SUBTOTAL: 96.05	
TAX: 4.93	
INVOICE 82631 TOTAL: 100.98	
VISA: 109.48	

VISA: KKKKKKKKKK AMOUNT: 102.48 AUTHCD: 08229C
 SHIPPED REF ID: 451967262002 05/19/12 14:25:07

Ralph Williams
 STORE: 2828 TERMINAL: 02 05/19/12 14:26:17
 # OF ITEMS PURCHASED: 5

ACE STEWART LUMBER & HARDWARE CO.
Hardware

Customer's Order No. _____ Date _____ 30

Name _____

Address _____

QUANTITY	UNIT	DESCRIPTION	PRICE	AMOUNT

PAID

OCT-5-14

THOMAS LUMBER CENTER, VA

TOTAL _____

All sales and returned goods must be accompanied by this tag.

Rec'd by _____



BEAVER LUMBER COMPANY LIMITED
STATEMENT OF ACCOUNT

ACCOUNT IS PAYABLE BY THIS DATE

E. Stinson, 9-21 24000000

Whisper Canyon, Dec 31st, 00000000

ANTHONY, Slocan, 000

PLEASE RETURN SLIP TO THE BANK WITHIN 10 DAY PERIOD WITH YOUR PAYMENT TO THE FINANCIAL INSTITUTION

BEGINNING BALANCE	DEBIT	CREDIT	ENDING BALANCE
0		45.67	45.67
	107.73		107.73
		152.85	152.85

Approved as correct/true after the above-mentioned debit and credit have been posted. Errors may occur due to clerical mistakes or omission of items.

This receipt is not valid unless it is signed by the Receiver. It is not valid unless it is signed by the Receiver. It is not valid unless it is signed by the Receiver.

Don't pay unless you are satisfied with the quality of work and the quantity of material.

Don't pay unless you are satisfied with the quality of work and the quantity of material.

BEAVER LUMBER COMPANY LIMITED

Sign For Amount Shown At The Bottom

Burger King #4509

WHOPPER PROMO SM PAY 1.00

POPPER SANDWICH 1.00

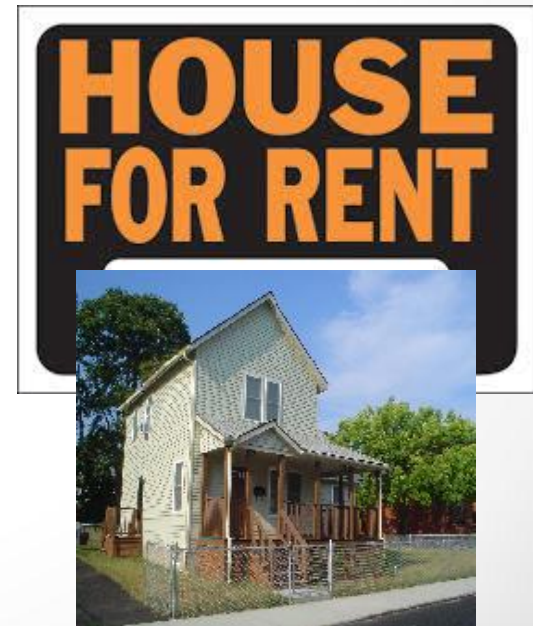
SUBTOTAL 2.00

Receiver Reports

- Report must include a list of all tenants/occupants residing at the Property and the status of their rent payments to date and funds from other sources.



Three blank rent receipt forms are shown, stacked vertically. Each form has a header with a house icon and the text 'RENT RECEIPT'. Below the header, there are fields for 'AMOUNT \$' and 'RENT'. The forms are separated by dashed lines.



Receiver Reports: NARRATIVES

- NARRATIVE: a short description of the events that have taken place and will take place in the receivership
 - Description of the property.
 - Before and After photos are a great way to illustrate your work both for the Court and all parties involved
 - What rehabilitation work have you completed and/or started since you were last in court?
 - What rehabilitation work will you complete in the next 30/60 days?
 - If all goes as planned what is your estimated completion date for the rehabilitation of the property?
 - Has your completion date been delayed? Why?

Receiver Reports: Description of Property



Description of Property:

The property located at 64-66 Pasadena St is a two family dwelling of approximately 2418sq feet of living space. The property was condemned on June 4th 2013 for numerous emergency violations including damage to multiple walls, floors and ceilings from a badly damaged and leaking roof and plumbing. There were also numerous electrical violations including open electrical panels and boxes, unauthorized wiring, exposed splices and wiring, and improperly secured wiring. There was an extensive amount of trash and other personal property abandoned in the house, basement and garage. The property is in cosmetic and mechanical disrepair and the property is in need of repairs outlined in the rehab plan approved in January 2014.

Receiver Report: Progress Report



Summary of Work : 32 Melrose Street, Springfield, MA
Reporting Period: 7/7/2014 – 9/9/2014

Completed: We have had delays with the water department for turning on the water. All the duct work has been installed and the minor repairs to the electrical have been worked on and the power restored. Plumbing work is about to start. All interior demo needed has been completed.

30Days Out: Rough plumbing will be completed. As well as the gas line to the new heating system will be installed. Interior work will be well underway.

60 Days Out: We expect to be near completion

Estimated Completion Date: 10/31/2014

Receiver Reports: Dates & Lien Amounts

- It is very important to ALWAYS mark your reports to illustrate the reporting period.
- You should also clearly mark in the beginning of your report what your TOTAL LIEN is to date in the following format

Receiver Report for : 123 Main Street, Springfield, MA reporting period of 8/29/2014-10/29/2014	
Total Lien as of last reporting period ending 8/29/2014	\$5,000
Total Lien for reporting period 8/29/2014 -10/29/2014	\$10,000
Total Asserted Lien as of 10/29/2014	\$15,000

Copies of all Reports

- *Copies shall also be sent to any mortgagees or lienors as well as all parties to this action each time any report is filed with the court in this matter, and each report will be accompanied by a certificate of service documenting that the reports have been forwarded as called for herein*



COMMONWEALTH OF MASSACHUSETTS

WESTERN DIVISION, SS.

HOUSING COURT
DEPARTMENT OF
THE TRIAL COURT
CIVIL ACTION
No. 13-CV - 294

CITY OF SPRINGFIELD
CODE ENFORCEMENT DEPARTMENT
HOUSING DIVISION,

Plaintiff

v.

OLISES RAMOS (owner)

Defendant

Re: 50 Revere Street, Springfield, MA

Now comes the Receiver, Dionne Real Estate LLC, and files this report on the activities of the Receiver for the property located at 50 Revere Street, Springfield, Massachusetts.

Included with this report are the following:

1. Report of the Receiver (attached as Exhibit 1).
2. Invoices and Payments (attached as Exhibit 2).

DIONNE REAL ESTATE, LLC
RECEIVER

By 
Katharine Higgins-Shea, Esq. - BBO #662738
Lyon & Fitzpatrick, LLP
Whitney Place
14 Bobala Road, 4th Floor
Holyoke, MA 01040
(413) 536-4000
Fax (413) 536-3773

Date: September 3, 2014

CERTIFICATE OF SERVICE

I hereby certify that I caused a copy of the within document to be served on the following by first class mail:

City of Springfield
c/o Attorney Lisa C. DeSousa
Code Enforcement Legal Department
233 Allen Street, Building A
Springfield, MA 01108

Olises Ramos
17 Better Way
Springfield, MA 01119

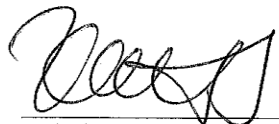
Centex Home Equity Company, LLC
2828 North Harwood
Dallas, TX 75201-1516

Nationstar Mortgage, LLC
350 Highland Drive
Lewisville, TX 75067

Internal Revenue Service
Centralized Lien Operation
P.O. Box 145595
Stop 84206
Cincinnati, OH 45250-5595

Commonwealth of Massachusetts
Division of Medical Assistance
Estate Recovery Unit
P.O. Box 15205
Worcester, MA 01615-9906

on this 3 day of September, 2014.


Katharine Higgins-Shea, Esquire

First Receiver Report

- Pursuant to the Western Division Housing Court's Order for Appointment of a Receiver, a Receiver's Report shall include:
 - **A detailed list of what repairs need to be performed, along with a schedule prioritizing the order in which such repairs shall be completed.**
 - Motion to Approve a Rehabilitation Plan should be filed at the same time as your first receiver report.
 - ***The Receiver shall also forthwith determine what outstanding Real Estate Taxes are due to the City and shall include that information in its first report***

Rehabilitation Plan: Schedule of Fees

- All fees that will be charged towards the receivership should be itemized for approval in the Motion to Approve a Rehabilitation plan.
 - Maintenance Fees
 - Project Management Fees
 - Rental Fees
 - Snow/ice removal
 - Site visit fees
 - Attorneys Fees
 - Estimated Auction and Publication costs

Amending a Rehab Plan

- You have an approved rehabilitation plan but during the rehab you discover unexpected expenditures that you did not originally anticipate. **Don't worry**...Just file a motion to Amend the Rehabilitation Plan!

- * Illegal dumping
- * Extra security due to break-ins
- * Replacing a roof instead of repairing it
- * Gas line repair/installation
- * Unknown water/sewer damage
- Lead paint
- Asbestos
- Oil tanks
- Termite damage
- Replacing an HVAC system instead of repairing it

Amending a Rehab Plan

Rehabilitation Plan Amendments for

33 Lorimer Street, Springfield, MA

During the rehabilitation, the Receiver has encountered a few problems that were not included in its original Rehabilitation Plan. They are the following:

Termite Damage: The termite problem was discovered after the basement walls were removed. The support beam on the corner of the basement was damaged and maze-like termite tunnels were discovered. Need to order termite treatment and to rebuild the support beam.
Estimated Cost: \$ 1,800.00

Asbestos: A couple sections of the asbestos wrapped pipes were loose. It is more cost effective to remove the asbestos versus having the asbestos covering repaired by licensed technician.

Estimated Cost: \$ 1,500.00

Oil Tank: Since the defective oil heating system will be changed to a natural gas fired system, the oil tank needs to be removed to meet code.

Estimated Cost: \$ 950.00

Storm Windows: 11 storm windows are damaged and do not operate easily. They need to be replaced. New window frames will need to be constructed to fit the new storm windows.

Estimated Cost: \$ 1,635.00

Gutters: During the rehabilitation, I discovered the rain water always drains to the basement due to no gutter system. Need to install gutters to prevent this problem.

Estimated Cost: \$ 1,560.00

Total Estimated Cost of Amendments: \$ 7,445.00

Original Rehabilitation Plan Estimate: \$ 69,925.00*

***Boiler:** In the opinion of the plumber, the old boiler is defective and must be replaced. It will be replaced by a natural gas fired boiler. The original plan had a range of \$64,225.00 to \$69,925.00 depending on whether the boiler was replaced.

TOTAL AMENDED REHABILITATION ESTIMATE: \$ 77,370.00*

(* does not include attorneys fees, insurance, utilities and costs associated with foreclosing on Receiver's lien)



Receiver Review Orders

- Properties in receivership will be reviewed approximately **EVERY 8 WEEKS**. These reviews will be conducted before the Court and an order will be submitted.
- You and your attorney **must** be prepared to answer the following questions every time you are in court for a review.

14 Lafayette Street



Before



After

Receiver Review Orders

30 Sanderson Street



Before



After

- What date were you appointed to be the receiver?
- Is the property vacant or occupied?
- How many units does the property include?

Receiver Review Orders

- If applicable, who are the lienholders, did you give notice to the lienholder of the receivership and any subsequent pleadings?
- HAVE YOU FILED PROOF OF INSURANCE? What date did you file proof of insurance? Is the insurance still in full force and effect?

Before



After



34 Seymour Street

Receiver Review Orders

82 Belmont Avenue



Before



After

- When was the rehabilitation plan approved?
- How much was the rehabilitation plan approved for?
- Has the rehabilitation plan been amended?
- What is the estimated completion date of the rehabilitation?

Receiver Review Orders

- What was the date of the last receiver report that you filed?
- What is the asserted lien amount to date?
- What repairs will be completed by the next 8 weeks?

46 Wayside Street



Before



After

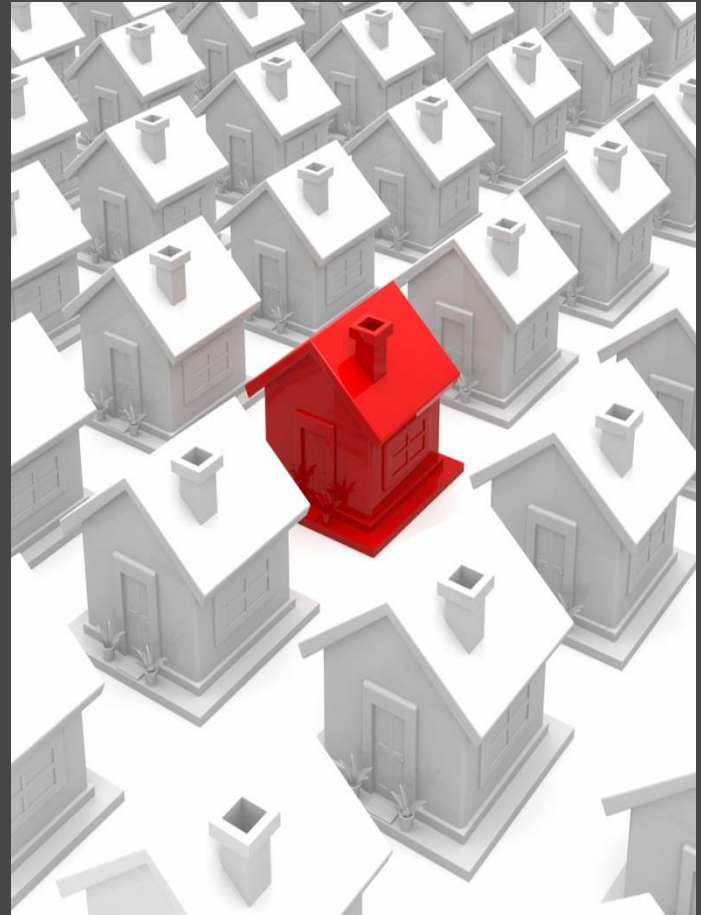
The End Game

Attorney Christopher Johnson

- Receiver's Motion to Enforce Priority Lien and Obtain Order Authorizing Sale of Property
- Order Authorizing Enforcement of Receiver's Priority Lien and Authorizing the Receiver to Sell the Property
- Notice of Sale of Receiver's Real Estate
- Motion to Approve Receiver's Sale and Dissolve Receivership
- Order

Receivership through the Mortgagee's Perspective

Attorney Kurt Mchugh

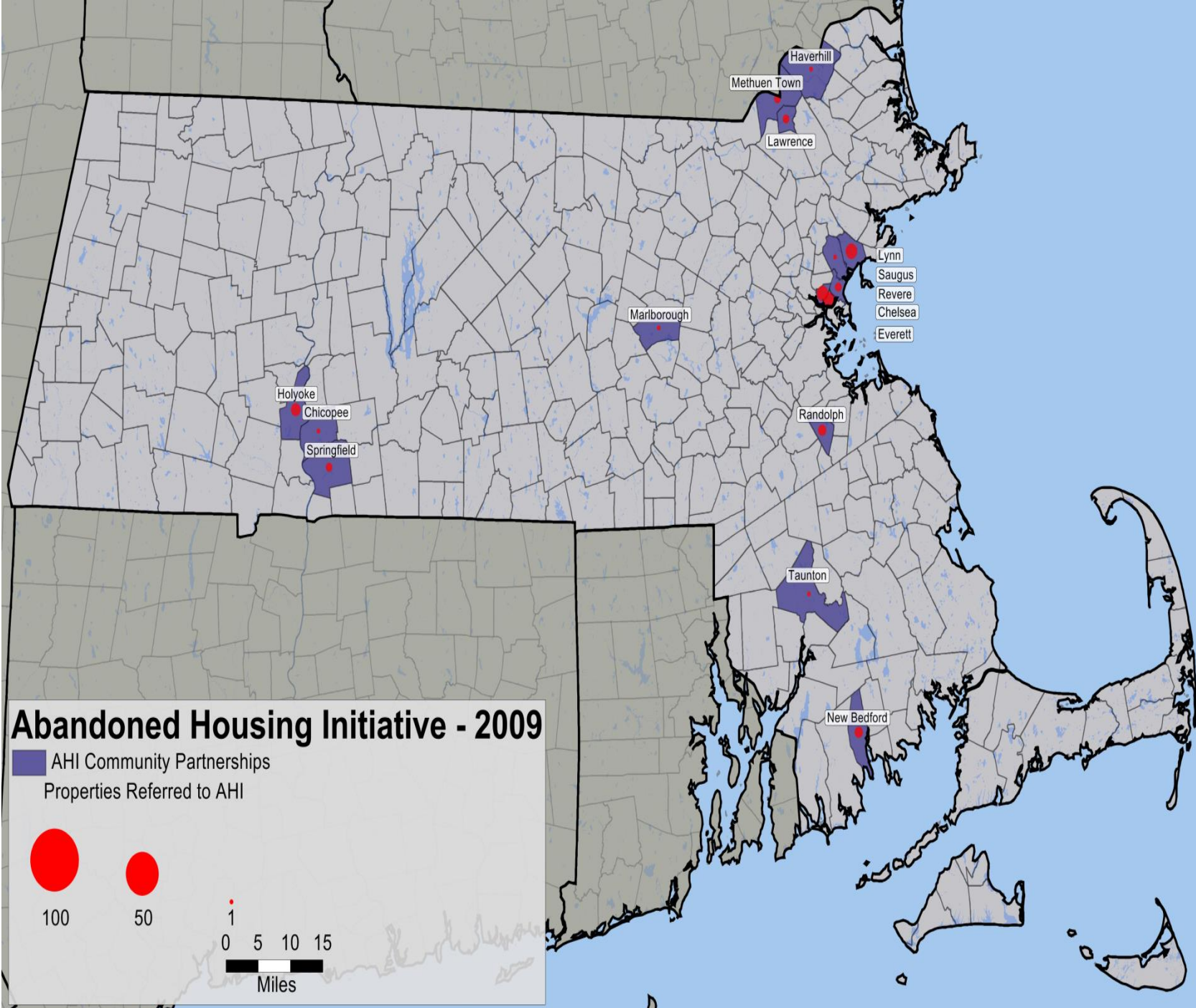


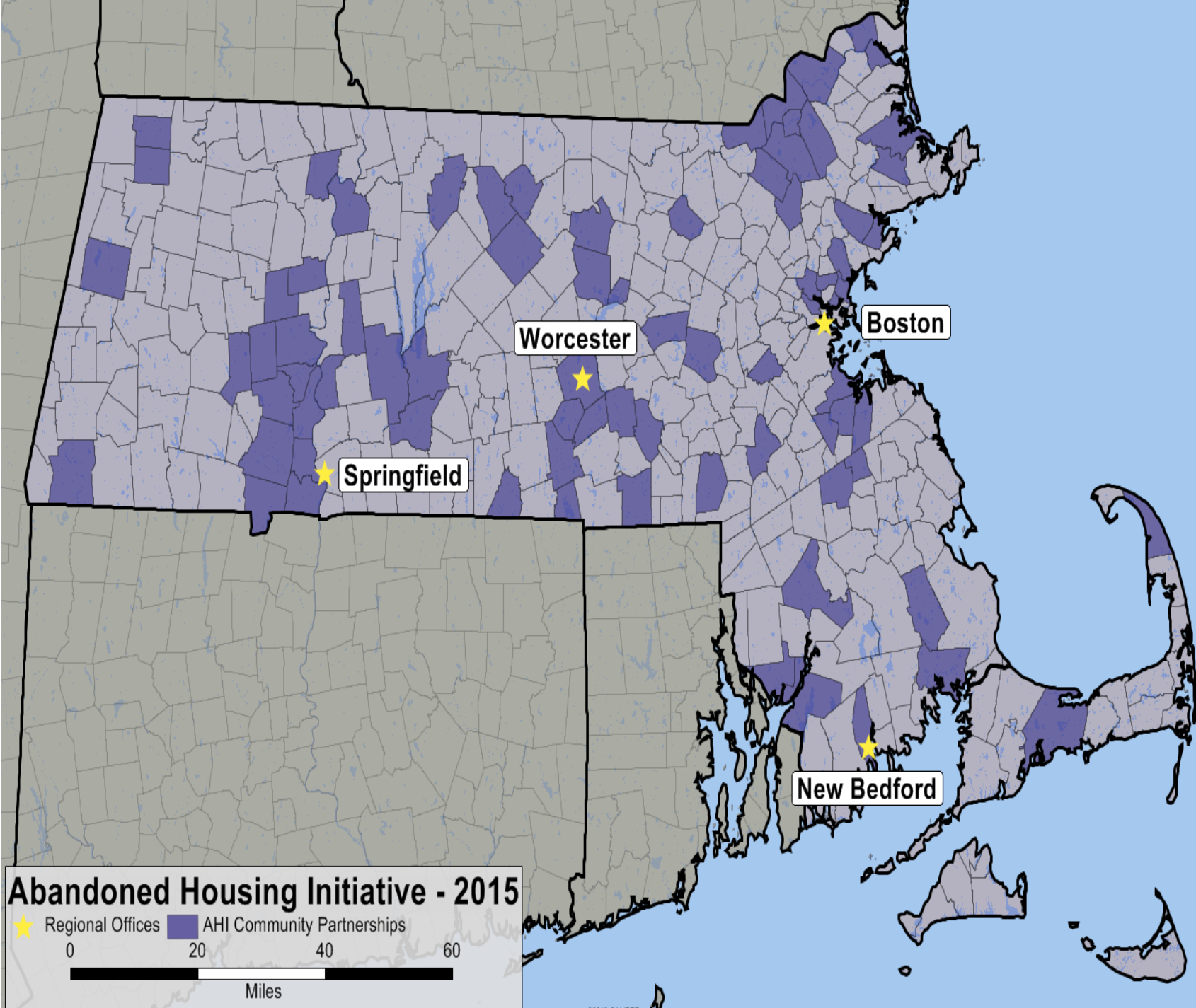
ABANDONED HOUSING INITIATIVE

November 17, 2015

Beginnings of AHI – 2008/2009







Abandoned Housing Initiative - 2015

★ Regional Offices ■ AHI Community Partnerships

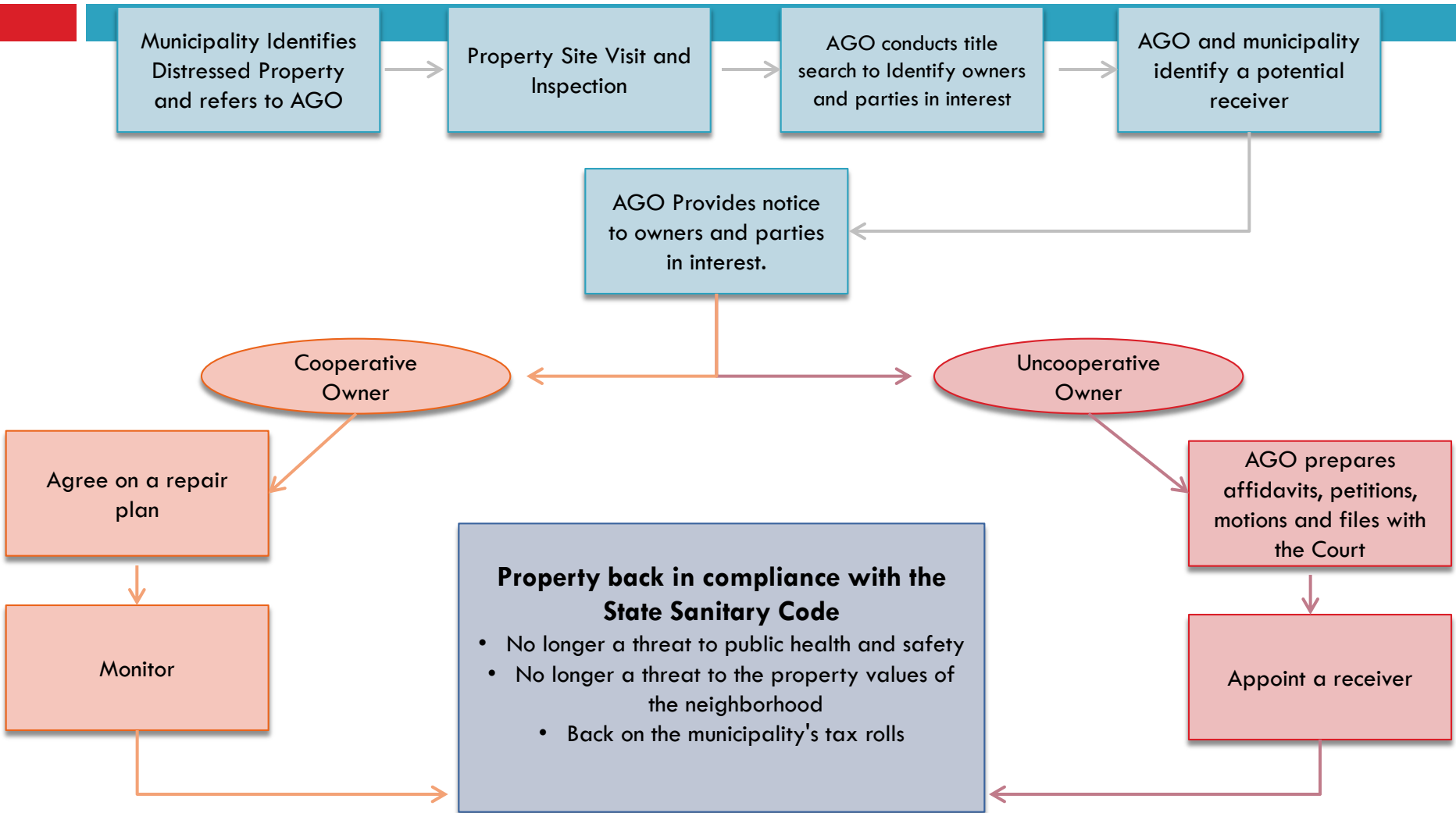
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Miles

AHI Statewide Effort

- ▣ Collaborating with municipalities at their request;
- ▣ Focusing on (almost) exclusively vacant properties;
- ▣ Some level of exchange with other state agencies, i.e., DPH and CLPPP.

Summary of the Attorney General's Office Abandoned Housing Initiative



AGO Receiver Vetting Process

- Complete AGO AHI Potential Receiver Questionnaire
 - ▣ Can be submitted online at www.mass.gov/ago/ahi
 - ▣ Or via paper form faxed or scanned and emailed to:
 - Abandonedhousing@state.ma.us
 - 617-854-6787
 - Follow up w/ call to Nathan Gardner to confirm receipt at:
617-963-2150

Receiver info - Continued

- We have our investigations team conduct a background check on any applicants.
- We follow up with interviews to ensure that both the potential receiver we are comfortable asking the Court to appoint any proposed receiver.
- The preferences of the municipality are heavily weighed in the selection process.
- If you are interested in working with AHI in other parts of the state, please indicate that on the questionnaire. Other courts may have additional requirements for receivers.

A View From the Bench

The Honorable Dina E. Fein,
First Justice, Western Division Housing Court