

MASSHOUSING:

Gateway Housing Rehabilitation Program Administration

Prepared By:



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I. INTRODUCTION

The Massachusetts Housing Finance Agency (“MassHousing” or the “Agency”) engaged Mintz, Levin, Cohn, Ferris, Glovsky and Popeo P.C.¹ (“Mintz” or “the Investigators”) to assess whether a conflict of interest existed between Anthony “Tony” Richards, the Vice President of Equitable Business Development,² and awardees of grant funding through MassHousing’s Gateway Housing Rehabilitation Program (“GHRP”).³ Specifically, Mintz assessed the nature,⁴ breadth, and duration of Mr. Richards’ relationship with Gary Acquah, Reginald “Reggie” Woods, Flex Investments LLC and other entities controlled by Mr. Acquah and/or Mr. Woods, including Cross Development Berkshires LLC, Metropolitan Heights LLC, and Cross Development LLC (collectively, “Flex” or “Flex Investments”), to determine whether Mr. Richards violated certain provisions of the MassHousing Handbook by: 1) failing to timely disclose his relationship with Flex Investments; or 2) improperly influencing Agency decisionmakers in the awarding or administration of grants to Flex Investments.

This Report summarizes the Investigators’ findings and, as further detailed below, concludes that a preponderance of the evidence supports a finding that Mr. Richards violated MassHousing policy by failing to timely disclose that, in December 2022, he purchased a home from Cross Development LLC, an entity for which Messrs. Acquah and Woods were named representatives with controlling interests. The evidence suggests that, despite his later denials, Mr. Richards was aware of Mr. Acquah’s connection to the seller when, months later, Flex Investments applied for and was awarded GHRP grants totaling approximately 1.4 million dollars. While Mr. Richards did eventually disclose the business relationship to MassHousing, the evidence suggests that, in further violation of Agency policy, he was untruthful in these and later communications with others at MassHousing and that his “discovery” of Mr. Acquah’s role was neither coincidental nor surprising as he maintained. The Investigators note that the evidence does not support a finding that Mr. Richards improperly influenced Agency decisionmakers in the awarding or administration of grants to Flex Investments.

In addition to its examination of Mr. Richards’ relationship with Flex Investments, Mintz also commissioned a collateral forensic accounting review of the GHRP’s administration. That broader assessment, led by the Huron Consulting Group (“Huron”), revealed gaps in MassHousing’s internal controls and oversight of the program including, but not limited to, those

¹ MassHousing engages Mintz for bond financing and similar work, none of which is performed by the Investigators. To further protect the objectivity and confidentiality of this review, Mintz implemented an internal firewall restricting access to materials and communications to the investigation team.

² Mr. Richards served in this role at all pertinent times to the investigation. He resigned in July 2026. During his tenure, the Equitable Business Development division underwent two changes: the first created a new unit named Community Investment Initiatives (“CII”), and later, CII was rebranded as the Strategic Community Investments (“SCI”) division. As part of this rebranding, Mr. Richards’ title changed to Vice President of SCI. In each role, however, he maintained oversight of GHRP and other grant programs.

³ During its review, as detailed in Section III.G. *supra*, Mintz discovered Mr. Richards’ relationship with another MassHousing grantee, an organization headed by a member of his family.

⁴ Mintz’s findings as to the nature of Mr. Richards’ relationship with Messrs. Acquah and Woods reflect inferences drawn from the available evidence weighed against Mr. Richards’ denial of any relationship. The Investigators note that other sources of evidence, such as bank records and similar information, are beyond the reach of this investigation and, as such, were not considered.

associated with the Flex Investments properties. The results of Huron’s review are summarized in **Appendix A**.

II. SCOPE OF INVESTIGATION

The Investigators consulted Amy Quimby, General Counsel at MassHousing, on questions of process. At all times Mintz independently determined the scope of the investigation, including which witnesses to interview and in which order, and which documents to collect and review. All factual findings in this report are exclusively the product of Mintz.

In reaching its findings, Mintz applied a preponderance of the evidence standard to determine whether it was *more likely than not* that a particular fact was true, or an event occurred. When making factual findings based on this preponderance of the evidence standard, the Investigators relied as much as possible on objective data, including by triangulating different sources of information. This included, for example, corroborating interviewee statements with independent evidence and relying upon emails and calendar records for the sequence and context of events. This Report, of course, does not recount every fact considered in Mintz’s review.

Where it was not possible to rely on objective data – such as when one individual’s statement differed from or was denied by another – Mintz also considered whether, by a preponderance of the evidence, one person’s account was more credible than another’s. Credibility determinations, by their nature, sometimes involve subjective components. Thus, in some instances, the Investigators’ determination as to which interviewee’s account to credit was influenced by – though not entirely dependent upon – assessments of human behavior and reasonable inferences drawn from those observations. In sum, however, credibility determinations were based upon the Investigators’ objective balancing of the total mix of competing evidence.

A. WITNESS INTERVIEWS

The Investigators interviewed the following individuals whom they determined may have information relevant to the investigation:

Interviewee	Interview Date
Nichole Mikshenas, Housing Stability Specialist	June 23, 2026
Lizzie Torres, Housing Policy Associate	June 23, 2026
Beverly Estes-Smargiassi, Former Neighborhood Stabilization Program Manager ⁵	June 29, 2026
Anthony Richards, Former Vice President of Strategic Community Investments ⁶	July 2, 2026
Colin McNiece, Chief Legal and Operating Officer	July 7, 2026

⁵ Ms. Estes-Smargiassi retired from MassHousing in July 2025.

⁶ Mr. Richards resigned from MassHousing on July 17, 2026.

Interviewee	Interview Date
Chrystal Kornegay, Chief Executive Officer	July 7, 2026
Rachel Carlson, Senior Program Manager	July 7, 2026
Monique Gibbs, Strategic Community Investments Program Manager	July 8, 2026
Thaddeus Miles, Senior Director of Employee Engagement and Wellness	July 13, 2026
Paul McMorrow, Director of Communications and Policy	July 13, 2026

The interviews were primarily conducted in MassHousing’s office, via Zoom, or at Mintz’s offices. Each interviewee was advised of the privileged and confidential nature of the investigation, which included an explanation of the Investigators’ role as counsel to MassHousing rather than any individual or employee and explained the interviewee’s right to engage their own attorney if they deemed it necessary to do so. The interviews did not have any specific format, but the Investigators endeavored to ask open-ended questions that allowed each interviewee to explain what they knew or thought about a given topic. Where appropriate, the Investigators followed up with specific questions based on another interviewee’s statements or documents reviewed by the Investigators.

Messrs. Acquah and Woods, through their attorney, declined to be interviewed at this time.

B. DOCUMENT REVIEW

As part of this review, the Investigators assembled more than 100,000 documents from MassHousing including Employee Handbooks, GHRP application files, email communications, text messages, phone records, relevant correspondence with the Inspector General’s office, public records, and other relevant documents provided directly by the interviewees.

III. SUMMARY OF RELEVANT FACTS

The following summarizes the material facts that the Investigators gleaned from witness interviews, documents, and other relevant materials. Where such information is contested or conflicting, the Investigators relied on contemporaneous records and communications, as well as their assessment of each interviewee’s credibility.

A. MR. RICHARDS’ TENURE AT MASSHOUSING

Mr. Richards joined MassHousing in September 2021 as the Vice President of Equitable Business Development, having previously served as a deputy chief of staff for Governor Charlie Baker. In his capacity as Vice President of Equitable Business Development, Mr. Richards oversaw various grant programs including the GHRP, which focused primarily on providing grants for the rehabilitation of residential properties in gateway cities. Throughout his tenure, several

witnesses reported to Mr. Richards, including Ms. Mikshenas, Ms. Torres, Ms. Estes-Smargiassi, Ms. Carlson, Mr. Miles, and Ms. Gibbs.

Mr. Richards oversaw the Equitable Business Development Division's broader portfolio of initiatives aimed at increasing participation in the affordable housing ecosystem for traditionally underrepresented developers and businesses. *See Exhibit 1.* These efforts included the Emerging Developer Initiative, through which Mr. Richards facilitated statewide "listening sessions," where interested professionals were invited to gather and discuss barriers to entry and opportunities for emerging developers. During these sessions, Mr. Richards explained several MassHousing programs including the Neighborhood Stabilization Program, Neighborhood Hub Program, Center for Community Recovery Initiatives, and Fire Sprinkler System Program. *Id.* He also previewed MassHousing's planned launch of the GHRP.

B. MR. RICHARDS' RELATIONSHIP WITH MESSRS. ACQUAH AND WOODS

The Investigators' review of available evidence reveals that communications between Mr. Richards and Mr. Woods predate Mr. Richards' employment with MassHousing. In a May 2019 email to Mr. Richards, Mr. Woods referenced a same-day discussion about real estate opportunities. *See Exhibit 2.* Ms. Kornegay, MassHousing's Chief Executive Officer, recalls being introduced to Messrs. Acquah and Woods in July 2021 at a lunch meeting with a mutual associate of hers and Mr. Richards. Based on the nature of the associate's professional relationship with Ms. Kornegay and Mr. Richards, Ms. Kornegay believes it is likely that Mr. Richards would have had a similarly arranged meeting with Messrs. Acquah and Woods at or near that same time. By the following spring, in March of 2022, Mr. Richards began connecting Messrs. Acquah and Woods to local officials and business leaders involved in real estate development. *See Exhibits 3- 4.*⁷

By January 5, 2023, Mr. Richards listed both Messrs. Acquah and Woods as potential members of an "Equitable Business Kitchen Cabinet," a list of real estate industry contacts he curated and circulated to Ms. Kornegay. *See Exhibit 6.*⁸ The list also included Mr. Richards' realtor, who assisted him in the purchase of the West Roxbury home weeks earlier.⁹ The Kitchen Cabinet was conceived as a vehicle by which emerging real estate professionals could connect and discuss pre-development and post-development capital needs. The group's first, and apparently sole, meeting was held on January 18, 2023, at MassHousing. Mr. Richards and Ms. Kornegay both attended. The following month, on February 13, 2023, MassHousing circulated a Notice of

⁷ In March 2022, Mr. Richards introduced Messrs. Acquah and Woods to an official with the Worcester Chamber of Commerce. *See Exhibit 3.* The following spring, Mr. Richards introduced Messrs. Acquah and Woods to a local business leader involved in real estate development. *See Exhibit 4.* Additionally, in September 2022, the Director of Boards and Commissions from the Governor's Office emailed Mr. Acquah regarding a potential appointment to a board or commission, noting that someone had brought to his attention Mr. Acquah's interest in serving in such a role. *See Exhibit 5.* It is unclear whether Mr. Richards was the individual who recommended Mr. Acquah for consideration. *See id.* Mr. Acquah was appointed to the Board of Directors of the Community Economic Development Assistance Corporation (CEDAC) in 2023. CEDAC is a quasi-public affordable-housing and community-development finance entity, and Mr. Acquah's service in that role covered the period in which entities he controlled received GHRP funding. Upon information and belief, Mr. Acquah stepped down from CEDAC in June 2026.

⁸ A few individual names were originally highlighted on the Kitchen Cabinet list presumably to indicate that they were not to be included on the list of invitees for the group's planned introductory meeting. *See Exhibit 6.*

⁹ According to Ms. Kornegay, Mr. Richards based the list on his own industry contacts.

Funding Availability (“NOFA”) for the GHRP. *See Exhibit 7.* Ms. Estes-Smargiassi emailed the NOFA to dozens of developers, including Messrs. Acquah and Woods.¹⁰ *See id.* Within minutes, Mr. Acquah told Ms. Estes-Smargiassi, via email, that he had “just reached out to Tony Richards,” and added that he (Mr. Acquah) had “discussed the possibility of partnering with MassHousing with Tony and Chrystal over the last few years.” *See id.*

For his part, Mr. Richards told the Investigators that he first remembered meeting Messrs. Woods and Acquah at one of the listening sessions he facilitated in September 2022. MassHousing conducted the listening sessions in various regions of the state – including Boston, Worcester, Springfield, Lawrence, and New Bedford – as part of an effort to engage with emerging and diverse developers. Mr. Richards led the listening sessions together with Ms. Gibbs, with several other employees such as Ms. Torres assisting in the organization of the sessions.¹¹ Mr. Richards denied any recollection of interacting with Messrs. Acquah or Woods before the listening session and further denied staying in touch with them or recognizing their names when they ultimately applied for GHRP grants in February 2023 and were awarded grants in June 2023.

When asked to explain the trail of communications detailing what appeared to evidence, at the very least, his professional association with Messrs. Acquah and Woods, Mr. Richards stated that the communications were consistent with his routine and general practice of assisting developers he met through MassHousing’s outreach efforts by connecting them with others in the industry. He maintained that neither the communications nor the Kitchen Cabinet list refreshed his recollection as to the existence or duration of his professional relationship with Messrs. Acquah or Woods.

The Investigators conclude that the weight of the available evidence, including interviewee accounts and email records, supports the finding that Mr. Richards’ professional relationship with Messrs. Acquah and Woods began as early as 2021, deepening in 2022 and 2023.¹²

C. MASSHOUSING’S RELATIONSHIP WITH FLEX/METROPOLITAN PROPERTIES

MassHousing began accepting GHRP applications on a rolling basis soon after disseminating the NOFA. Flex Investments LLC was one of several applicants. On June 21, 2023, MassHousing emailed GHRP award letters to Messrs. Acquah and Woods for four properties: \$300,000 for 41 Cherry Street in Pittsfield; \$311,000 for 43-45 Cherry Street in Pittsfield; \$500,000 for 236 Columbus Avenue in Pittsfield; and \$332,000 for 23 Ashton Street in Worcester. *See Exhibits 8-11.* In total, Messrs. Acquah and Woods were awarded approximately \$1.4 million of the available GHRP grant funds – over 60% of the total funds awarded.

¹⁰ Ms. Estes-Smargiassi explained that the NOFA was distributed to emerging developers known to MassHousing. She recalled using existing MassHousing contact lists and combining these lists when disseminating the NOFA.

¹¹ Ms. Gibbs told the Investigators that Mr. Richards did a lot of “organizing” to curate the list of developers invited to the listening sessions. She also stated that MassHousing reached out to partner organizations to assist with identifying potential invitees. Additionally, developers who registered and attended the listening sessions were asked to recommend other developers for future sessions.

¹² Although Exhibit 2 demonstrates that Mr. Richards communicated with Mr. Woods as early as 2019, the weight of the available evidence suggests that Mr. Richards’ professional relationship with Messrs. Acquah and Woods began in earnest in 2021.

The GHRP operated as a rolling application process, with applicants submitting materials on an ongoing basis rather than in fixed competitive rounds. Applications were reviewed internally by MassHousing employees, generally with at least two reviewers assessing each application against an electronic eligibility rubric before compiling recommendations for funding. Ms. Estes-Smargiassi managed this process day to day and personally reviewed applications alongside Ms. Mikshenas and Ms. Torres. The review team presented its recommendations to Mr. Richards for discussion, after which Mr. Richards and Ms. Kornegay met to determine final funding decisions. Based on the information provided and the interviews conducted, there does not appear to be any evidence that Mr. Richards interfered with or otherwise influenced the GHRP application process or the reviewers' decisions to recommend Flex Investments for awards. Further, the evidence reveals that all qualified applicants received awards and that no one was denied funding due to the size of the Flex Investments awards.

D. MR. RICHARDS' PURCHASE OF A HOME IN WEST ROXBURY

In December 2022, Mr. Richards purchased a home in West Roxbury for \$785,000. Public records reveal that Cross Development LLC acquired the property in January 2022. Both Messrs. Acquah and Woods are listed as Cross Development's managers. The West Roxbury property was first put up for sale in May 2022. The asking price was \$989,900. Over the ensuing months, as the house remained on the market, the asking price was repeatedly reduced, falling to \$899,900 in June 2022, \$884,900 and \$849,900 in September 2022, and ultimately \$795,000 by late October 2022. The property was removed and relisted repeatedly during this period. Mr. Richards ultimately purchased the home for \$785,000, approximately \$10,000 below the last recorded asking price and roughly \$204,000 below the original listing price. Both Messrs. Acquah and Woods signed the deed conveying the property to Mr. Richards. *See Exhibit 12.*

While Mr. Richards maintains that he was not aware of Messrs. Acquah and Woods' role in the real estate purchase until the fall of 2024, his account conflicts with the available evidence. One witness, Ms. Gibbs, recalled Mr. Richards stating, around the time of the purchase, that he bought the home from Messrs. Acquah and Woods and noting the coincidental nature of the transaction given Flex's relationship with MassHousing. Additionally, in a June 2026 conversation with Mr. McMorrow, Mr. Richards disclosed that, after the closing, his real estate agent told him that the seller, "Gary," purportedly knew Mr. Richards through the industry. Mr. Richards told Mr. McMorrow that he responded to his agent, at that time, that he did not know any "Gary." As further detailed below, the Investigators conclude that the weight of the evidence supports a finding that Mr. Richards was aware of Flex Investments' connection to the West Roxbury home at or near the time of the sale.

E. MR. RICHARDS' DISCLOSURE OF HIS RELATIONSHIP WITH FLEX INVESTMENTS

On October 17, 2024, Mr. McNiece, Chief Legal and Operating Officer, received the first of a series of inquiries from the Inspector General's Office ("IGO") about the GHRP and Messrs. Acquah and Woods. He reported the inquiry to Mr. Richards, who oversaw the department handling GHRP, that same day. *See Exhibit 13.* By that time, there were several documented issues with Flex Investments-related GHRP properties. The evidence suggests that Mr. Richards knew, or should have known, of these issues. Inspections of all four properties in July 2024 found, among other things, missing electrical outlet covers, unfinished flooring, un-repaired windowsills,

and unaddressed exterior conditions. On July 23, 2024, and August 9, 2024, letters outlining these issues and bearing Mr. Richards' signature were sent to Messrs. Acquah and Woods. *See Exhibits 14-15*. Ms. Torres also recalled an August 2024 meeting with Messrs. Acquah and Woods during which Mr. Richards reaffirmed GHRP's expectations of GHRP grant recipients.

On November 14, 2024, weeks after the IGO's initial inquiry, Mr. Richards reported to Ms. Kornegay, and later to Mr. McNiece, that, while looking through his home ownership paperwork, he realized that Mr. Acquah, a recipient of GHRP grants, was behind the LLC that sold him his West Roxbury home. Ms. Kornegay directed Mr. Richards to contact Mr. McNiece. Later that day, Mr. McNiece and Mr. Richards spoke by phone. According to Mr. McNiece, Mr. Richards characterized Mr. Acquah as "the seller's agent," but maintained he did not know either Messrs. Acquah or Woods outside of their attendance at the listening session in 2022.¹³

Mr. Richards told the Investigators that, when he disclosed his discovery of Flex Investments' connection to his West Roxbury home to Ms. Kornegay, she assured him that it did not present a significant concern because MassHousing had an established process for reviewing grant applications.¹⁴ Mr. Richards stated that Mr. McNiece conveyed much the same, adding that the transaction had occurred at "arm's length," and, as such, did not present an issue. With respect to the documented problems involving the Flex properties, Mr. Richards acknowledged that he was aware of those issues because Ms. Estes-Smargiassi regularly provided project updates during biweekly meetings. He maintained, however, that several other projects were experiencing challenges during the same period. When asked, however, Mr. Richards was unable to identify another project that faced comparable issues. Mr. Richards further attempted to minimize his level of visibility into the issues at the Flex Properties by telling the Investigators that it was standard practice for Ms. Estes-Smargiassi to draft correspondence, obtain legal review, and then have his signature affixed via "autopen."¹⁵

F. MASSHOUSING'S RESPONSE TO PUBLIC RECORDS REQUESTS REGARDING FLEX PROPERTIES AND MR. RICHARDS

In the spring of 2025, MassHousing began receiving a series of public records requests from the Boston Globe concerning the GHRP. *See Exhibit 18*. The initial request asked for "any and all applications for grants and contracts offered by any programs under MassHousing's

¹³ Mr. McNiece recalls that he did not advise Mr. Richards to make additional disclosures of Flex Investments' connection to the home purchase. It remains unclear whether Mr. Richards intentionally characterized Mr. Acquah's role differently to Ms. Kornegay and Mr. McNiece during his November 14, 2024, disclosure. Ms. Kornegay understood Mr. Richards to report that Mr. Acquah, in his capacity as the named representative of Cross Development LLC (the seller), effectively "sold" the West Roxbury home to Mr. Richards. Conversely, Mr. McNiece recalls Mr. Richards describing Mr. Acquah as a real estate agent, acting on the seller's behalf. Regardless of Mr. Richards' characterization, the evidence supports a finding that Mr. Richards knew of and had maintained a professional relationship with Messrs. Acquah and Woods at the time he purchased the West Roxbury property in December 2022.

¹⁴ Ms. Kornegay recalls referring Mr. Richards to Mr. McNiece for advice as to next steps.

¹⁵ Despite Mr. Richards' efforts to minimize his knowledge and involvement, the evidence suggests that he was an active participant in MassHousing's troubleshooting of issues related to the Flex Investments properties. As noted above, he and Ms. Torres participated in an August 2024 meeting with Messrs. Acquah and Woods during which repair and maintenance issues were detailed and discussed. Mr. Richards even provided substantive comments to the PowerPoint slide deck prepared for the meeting. *See Exhibit 16*. Similarly, on November 14, 2024, Mr. Richards reviewed and elevated Flex Investments-related correspondence to Mr. McNiece as an additional layer of approval. *See Exhibit 17*.

equitable business development division for the time period from Jan. 1, 2020, through the present.” *See id.* The Globe refined its request a few times, and on May 23, 2025, specifically requested documents for several GHRP-funded properties owned by Messrs. Acquah and Woods, among others. *See id.*¹⁶

Mr. Richards told the Investigators that he first learned of the Globe’s request when he observed a member of his department assisting Legal with the response. In June 2025, Mr. Richards placed a call to Mr. McNiece during which he stated that he had heard of the Globe’s inquiry and was concerned because Mr. Acquah had been the seller’s agent for his West Roxbury home. According to Mr. McNiece, Mr. Richards seemed “panicked” during the call.¹⁷ Soon after, Mr. McNiece accessed the Suffolk Registry of Deeds website. It was there that he discovered, for the first time, that Mr. Acquah was the seller of the West Roxbury property, not merely the seller’s agent as Mr. Richards had reported.

Mr. McMorrow, the Director of Communications and Policy, and Mr. McNiece assisted the Legal Department in coordinating MassHousing’s response to the Globe’s requests. On June 11, 2025, Mr. McMorrow met with Mr. Richards about the requests. According to Mr. McMorrow, he asked Mr. Richards if he knew Messrs. Acquah and Woods. Mr. Richards denied having any relationship with them, disclosing only that they had attended a listening session and later applied for GHRP funding. The two did not discuss the matter further until the following year. Meanwhile, the Agency continued to receive and respond to additional records requests throughout 2025 and into 2026.

On June 1, 2026, the day after Globe reporters sought to interview Mr. Richards at his West Roxbury home, Mr. McMorrow again met with Mr. Richards.¹⁸ In that meeting, according to Mr. McMorrow, he implored Mr. Richards to fully disclose the extent of his relationship with Messrs. Acquah and Woods. Mr. Richards maintained that he only engaged with them through the listening session. Mr. Richards added, however, that, after the closing on his home, his realtor told him that the seller, “Gary,” knew Mr. Richards “through the industry,” to which Mr. Richards responded that he did not know any “Gary.” Mr. Richards also told Mr. McMorrow that he discovered Mr. Acquah’s connection to the West Roxbury property while reviewing paperwork associated with the purchase and that he promptly contacted Ms. Kornegay and Mr. McNiece upon making that discovery. On June 3, Messrs. McMorrow and Richards spoke again. According to Mr. McMorrow, Mr. Richards acknowledged that MassHousing might be reviewing employee emails as part of the Agency’s public records request response and offered that, having reviewed his own past emails, he now recalled other points of contact with Messrs. Acquah and Woods, specifically his having connected them with other industry contacts.

Based on information gleaned from Mr. Richards and others, Mr. McMorrow prepared the Agency’s responses to the Globe’s requests. On June 9, 2026, Mr. McMorrow and Mr. McNiece

¹⁶ Mr. Richards is copied on MassHousing communications related to the Globe response. *See id.*

¹⁷ Sometime after this call, Mr. McNiece sought the advice of the Agency’s outside ethics counsel Carl Valvo, who advised him that there were no remedial actions that Mr. Richards could take to retroactively address a potential past ethics violation.

¹⁸ At or near the time of this meeting, Mr. McMorrow, at Mr. McNiece’s prompting, reviewed the deed for the West Roxbury home and learned that Mr. Acquah was, in fact, the seller. Neither Mr. McNiece nor Mr. McMorrow confronted Mr. Richards with that information.

met with the Globe. Relying on Mr. Richards' recollection of events, Mr. McNiece told the Globe that Mr. Richards was not aware of Mr. Acquah's connection to the West Roxbury home purchase until the fall of 2024, having made the connection while reviewing records of the transaction.

G. MR. RICHARDS' RELATIONSHIP WITH OTHER MASSHOUSING GRANTEES

During Mintz's review, Mr. Richards' relationship with another MassHousing grantee was revealed. The grantee, No Books No Ball ("NBNB"), is a local non-profit organization that promotes academic achievement and athletic development among youth. Mr. Richards' father is the Founder and Program Director. MassHousing awarded NBNB grants of \$10,000 in both 2021 and 2022. At the time of the 2021 grant, Mr. Richards was not a MassHousing employee. He was, however, a government employee and the evidence suggests that he was aware that NBNB would be receiving grant funds from MassHousing in 2021. By 2022, when the organization again applied for and received MassHousing funding, Mr. Richards was an Agency employee. The evidence again suggests that he was aware of, or should have been aware of, the grant application and subsequent award as he was active in NBNB's operations throughout his tenure at MassHousing. The Investigators note, however, that based on the information provided and the interviews conducted, there does not appear to be any evidence that Mr. Richards influenced or interfered with the decision to renew NBNB's grant in 2022.¹⁹

IV. FINDINGS AND CONCLUSIONS

The Investigators assessed the facts gleaned from interviews, documents, email communications, and other materials to determine whether a preponderance of the evidence supported a finding that Mr. Richards violated applicable MassHousing policies. The Investigators' findings are set forth below.

A. FINDINGS AS TO MR. RICHARDS' CREDIBILITY

In assessing the credibility of Mr. Richards and the other witnesses, the Investigators considered each individual's demeanor, the internal consistency of their accounts, and the extent to which their statements were corroborated by contemporaneous documents and other witnesses. As detailed throughout this Report, Mr. Richards' account of the nature, scope, and duration of his relationship with Messrs. Acquah and Woods was inconsistent and, in material respects, conflicted with the documentary record. As such, the Investigators conclude that Mr. Richards was not credible in many key respects.

For example, although Mr. Richards told the Investigators that he did not recall interacting with Messrs. Acquah or Woods before the September 2022 listening session, communications between Mr. Richards and Mr. Woods date back to at least May 10, 2019. *See Exhibit 2*. Mr. Richards also introduced Messrs. Acquah and Woods, via email, to municipal officials and local business leaders, *see Exhibits 3-4*, and, by January 2023, had personally curated and circulated the Kitchen Cabinet list that included both men and the same realtor who, weeks earlier, assisted

¹⁹ NBNB did not receive any additional funding after the 2022 award. Upon information and belief, MassHousing's working relationship with NBNB predates the grant awards and continues to this day. Agency employees describe the organization as well known and highly regarded for its work in the Boston community.

Mr. Richards in purchasing the West Roxbury home from an entity managed by Messrs. Acquah and Woods. *See Exhibit 6.*

Mr. Richards' account of when and how he learned the identity of the seller of his West Roxbury home shifted over time and, in key respects, conflicted with the recollections of other witnesses. Ms. Gibbs recalled that Mr. Richards told her, contemporaneously with the purchase, that he had bought the home from Messrs. Acquah and Woods. Mr. Richards also told Mr. McMorrow, in June 2026, that after the closing his real estate agent informed him that the seller knew Mr. Richards from the industry. And when Mr. Richards disclosed his discovery to Ms. Kornegay on November 14, 2024, he framed Mr. Acquah as the individual "behind" Cross Development LLC, not simply "the seller's agent." Despite these accounts to the contrary, Mr. Richards consistently maintained in his conversations with Mr. McNiece that Mr. Acquah was merely the "seller's agent."

Mr. Richards' statements to Mr. McMorrow reflect a similar pattern of incremental and incomplete disclosure. On June 11, 2025, Mr. Richards told Mr. McMorrow that he had no relationship with Messrs. Acquah or Woods beyond their attendance at a listening session. Nearly a year later, on June 1, 2026, after Globe reporters appeared at his home, Mr. Richards again denied any relationship with Messrs. Acquah and Woods, notwithstanding the evidence described above. Yet two days later, on June 3, 2026, Mr. Richards proactively disclosed to Mr. McMorrow additional points of contact with Messrs. Acquah and Woods. Mr. Richards' lack of candor is also directly at odds with one of MassHousing's stated values and expectations: that employees "be proactive, accept responsibility, own results and mistakes, and find solutions." *See Exhibit 19.*

Having determined that the weight of the evidence supports a finding that Mr. Richards had, at minimum, a professional relationship with Messrs. Acquah and Woods at the time he purchased the West Roxbury home and at the time Flex Investments applied for and was awarded GHRP funds, the Investigators now turn to applicable MassHousing policies ("the Handbook") to determine whether a violation occurred.

B. POLICIES UNDER CONSIDERATION

1. EMPLOYEES' RESPONSIBILITY RE: PUBLIC RECORDS REQUESTS

FINDING: VIOLATION

The Handbook provides that employees are required to respond diligently to "any requests from the Legal Division" related to public records, litigation, or other adverse proceedings with "completeness, accuracy, and thoroughness." *See Exhibits 19-20.*²⁰ The Handbook further provides that a violation of this policy may result in termination from employment and could subject the employee to civil or criminal penalties. *Id.* A preponderance of the evidence supports a finding that Mr. Richards violated this provision in 2025 and 2026 when he failed to disclose the full extent of his relationship with Messrs. Acquah and Woods in response to inquiries from Messrs. McNiece and McMorrow relating to the Globe's public records requests. As detailed

²⁰ The Investigators relied on the 2022 and 2026 MassHousing Handbooks, which were in effect throughout Mr. Richards' employment with MassHousing. Although the Handbooks differ in some of the specific language used, the relevant provisions at issue are substantively the same and convey the same policies and expectations.

above, Mr. Richards repeatedly denied any relationship with Messrs. Acquah and Woods beyond their attendance at a listening session, despite evidence to the contrary of his personal introductions of the two men to municipal and industry contacts and his role in curating and circulating the Kitchen Cabinet list that included them. *See Exhibit 6.*

2. EMPLOYEES' RESPONSIBILITY RE: CONFLICTS OF INTEREST

FINDING: VIOLATION

The Handbook further provides that employees of MassHousing “are subject to the Commonwealth’s Conflict of Interest Law,” the purpose of which is to ensure that public employees’ private financial interests and personal relationships do not conflict or interfere with their public obligations. *See Exhibits 19-20.* The Handbook explains that the law is comprehensively written to prevent a conflict or the appearance of a conflict and restricts what employees may do “on the job, after hours, and after separation from MassHousing.” *Id.* The evidence suggests that Mr. Richards was aware of and understood his ethical duties as he completed, annually from 2022 through 2024, the State Ethics Commission online training as well as MassHousing’s internal conflicts of interest training. *See Exhibit 21.*

The preponderance of the evidence supports a finding that Mr. Richards knew, by December 2022, that he purchased his home from an entity managed by Messrs. Acquah and Woods. As such, his failure to disclose the relationship in February 2023 when MassHousing notified developers, including Messrs. Acquah and Woods, of GHRP funding availability, or later that year when Flex Investments applied for and was awarded GHRP funds, constitutes a violation of the Handbook. Similarly, the evidence supports a finding that Mr. Richards should have disclosed his relationship with NBNB at the time it applied for and received MassHousing grants as his position as a public employee coupled with the fact that NBNB was operated by a relative created the appearance of a conflict.²¹

V. CONCLUSION

Having concluded that the evidence supports a finding that Mr. Richards violated MassHousing’s Employee Handbook, specifically its provisions requiring diligent, complete, and accurate responses to Legal Division requests and its Conflict-of-Interest provision, the Investigators referred these findings to MassHousing to determine the appropriate resolution in light of Mr. Richards’ resignation.²² Upon information and belief, MassHousing referred the matters detailed in this Report to the State Ethics Commission on July 28, 2026.

²¹ The Handbook tracks Massachusetts General Laws Chapter 268A, Section 23(b)(3), which prohibits public employees from acting in a manner that would cause a reasonable person to conclude that any person could improperly influence or unduly enjoy the employee’s favor in the performance of official duties, or that the employee is likely to act or fail to act because of the kinship, rank, position, or the undue influence of another. To avoid the appearance of conflict, public officials are required to make timely public written disclosure of relevant facts.

²² Mr. Richards resigned from MassHousing while this review was ongoing.

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Exhibit 20: Excerpts of MassHousing Employee Handbook (2022)

Exhibit 21: Conflict of Interest Training records for A. Richards (2021–2024)

APPENDIX A

MASSHOUSING:
Gateway Housing Rehabilitation Program Administration
Appendix A: Analysis of Process & Grantee Disbursements

Prepared by Huron Consulting Services LLC.
At the direction of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

August 27, 2026

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I. Introduction and Professional Qualifications

Huron Consulting Services LLC ("Huron") was retained by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. ("Counsel") to provide certain services in connection with its review of the Massachusetts Housing Finance Agency's ("MassHousing") Gateway Housing Rehabilitation Program ("GHRP" or the "Program"). All GHRP materials reviewed by Huron were provided by Counsel.

Huron Consulting Group is publicly traded on the NASDAQ Global Select Market under the symbol "HURN". Huron Consulting Group's subsidiaries, including Huron, employ more than 7,000 full-time employees in offices across the United States, including in Chicago, New York, Boston, and abroad. Huron Consulting Group and its subsidiaries provide a range of professional services primarily through three operating segments: Healthcare, Commercial, and Education.

Huron is regularly engaged to conduct forensic accounting and investigative engagements for financial institutions, fiduciaries, government agencies, and legal counsel, including matters involving mid-sized and large companies, such as SVB Financial Group, and Celsius Network LLC.

The Huron engagement team consists of professionals with substantial experience in forensic accounting, fraud investigations, financial crimes, grant compliance, and regulatory review. Team leadership included:

- Professionals with over 25 years of experience leading forensic investigations involving fraud, misappropriation of funds, and financial misconduct;
- A former senior executive service member of the U.S. Department of Justice/Drug Enforcement Administration with nearly three decades of criminal-investigative leadership directing global financial investigations; and
- A grant-compliance specialist with more than 20 years supporting internal investigations, compliance reviews, and federally funded programs.

Collectively, the team has advised courts, trustees, government agencies, fiduciaries, regulators, boards, universities, financial institutions, and legal counsel on complex investigations and grant-compliance matters.

II. Executive Summary

At the direction of Counsel, Huron conducted a preliminary investigation of MassHousing's Gateway Housing Rehabilitation Program ("GHRP"), including program governance, award administration, disbursement practices, and supporting documentation for nine rehabilitation projects funded between August 2023 and March 2025. Our review included analysis of project files, grant applications, award documents, requisition packages, invoices, bank records, and public records. Huron also conducted interviews with current and former MassHousing personnel and targeted procedures concerning supporting documentation, including outreach to certain vendors. Huron established the scope of procedures and consulted with Counsel regarding procedural matters as the investigation progressed.

This report references current and former employees of MassHousing, as well as various developers, contractors, vendors, suppliers, and other third parties who may, or may not have, provided services, goods, or support in connection with GHRP projects. The inclusion of any individual's name, company name, or other identifying information in this report should not be construed as an allegation, finding, inference, or indication of wrongdoing.

Individuals and entities are referenced solely to describe relevant facts, events, relationships, transactions, communications, or activities identified during Huron's investigation. The report's purpose is to present the factual findings of the investigation and to provide the context necessary to understand those findings.

Based on the materials reviewed to date, MassHousing awarded approximately \$3.8 million in grants associated with 14 properties and disbursed roughly \$2.26 million across nine projects located in Pittsfield, Worcester, Brockton, Revere, Springfield, and Holyoke.

Approximately \$1.44 million of awarded funds were associated with projects developed by entities connected to Gary Acquah, Reginald "Reggie" Woods, Flex Investments LLC, and other entities controlled by Mr. Acquah and/or Mr. Woods, including Cross Development Berkshires LLC, Metropolitan Heights LLC, and Cross Development LLC (collectively, "Flex" or "Flex Investments").

Huron's work focused on:

- Reviewing the design and operation of key GHRP controls;
- Tracing disbursements to requisitions, invoices, and other supporting documentation;
- Assessing invoice authenticity and vendor legitimacy; and
- Identifying indicators of fraud and unsupported expenditures.

Huron's review identified control deficiencies in the administration of GHRP, increasing the risk of improper payments, unsupported expenditures, and fraud. The deficiencies and irregularities identified, considered individually, do not establish that fraudulent activity or misconduct occurred. However, their volume, recurring nature, and cumulative significance warranted further investigation and enhancements to the program's controls. MassHousing's internal planning documents indicate that certain enhancements were initiated in early 2025 in connection with oversight expectations from the Executive Office of Housing and Livable Communities ("EOHLC"), the Commonwealth agency under whose contract MassHousing administers the Program.

Key control weaknesses observed within the GHRP during the period when the majority of the approximately \$2.26 million was disbursed included:

- Minimal verification of vendor legitimacy and independence;
- Lack of standardized requisition review procedures;
- Heavy reliance on manual processes and key individuals, including delegating responsibility for approving all requisition budgets and invoice documentation to a single employee;
- Limited review and validation of invoices and related documents prior to approval and payment;
- Limited use of inspections to verify completion of work associated with invoices and requisitions;
- Insufficient documentation of project monitoring and site inspections;
- Limited documentation supporting project completion and cost certification; and
- Lack of risk-based oversight for projects or developers.

Across multiple properties within the GHRP program, Huron identified recurring documentation irregularities and other matters warranting additional review, including:

- Invoices containing identical templates, formatting, typographical errors, and work descriptions despite being submitted by different vendors;
- Consulting fees, management fees, and developer overhead charges for which supporting documentation was limited or unavailable, or appeared to exceed applicable grant-agreement limitations;
- Vendor charges that appeared unrelated to GHRP projects or lacked sufficient supporting documentation; and
- Charges appearing inconsistent with the permitted scope of work or grant requirements.

Huron identified a concentration of documentation irregularities within projects associated with Flex Investments. Additionally, Huron contacted vendors regarding the invoices submitted to GHRP. In some instances, vendors who performed work for Flex informed Huron that the invoices were inconsistent with their records and/or that they did not perform any work at the respective property.¹

Many of the irregularities described above were apparent from documentation in MassHousing's possession before the associated disbursements were approved and paid and did not require specialized investigative procedures to identify. Huron recognizes that some of these issues, viewed in isolation, may not necessarily have required immediate escalation. However, a more robust control environment would likely have detected the recurrence of these irregularities and subjected them to more scrutiny. Although the most significant concentration of suspected invoice irregularities and disputed vendor documentation involved projects associated with Flex Investments, Huron also identified deficiencies in documentation, award support, disbursement, and closeout in other GHRP-funded projects.

While MassHousing used a framework that assigned responsibility for specific tasks and decisions across the grant process (described further in Section VII), Huron did not consistently identify corresponding written procedures, documentation standards, or evidence demonstrating that those responsibilities were performed as assigned. Accordingly, the existence of assigned roles did not, by itself, provide assurance that key controls were consistently executed or operating effectively.

¹ Huron was unable to independently verify the vendors' assertions that invoices had been altered or to determine, based on the information available to Huron, the individual or entity responsible for any suspected alteration.

The manner in which MassHousing administered, resourced, and oversaw the GHRP, including the concentration of requisition and invoice approval authority in a single individual, and the inconsistent documentation of inspections, indicates that, until at least mid-2024, the program was not consistently subject to oversight commensurate with the risks it posed.

Prior to commencement of this review, and in some instances going back to mid-2024, MassHousing initiated and implemented several corrective actions, including, but not necessarily limited to²:

- Pausing GHRP activities pending further review³;
- Initiating internal and external investigative reviews;
- Restructuring program oversight through the creation of a dedicated Community Investment Initiatives ("CII") group and the addition of personnel and operational support resources⁴;
- Reassessing program policies, procedures, and oversight structures;
- Developing a Grant Management Portal to standardize application intake and document collection;
- Implementing multiple levels of independent review and approval before funds are disbursed, with clearly defined approval authority and appropriate segregation among the preparation, review, and approval of funding requests;
- Expanding inspection and monitoring activities, including evaluating the use of third-party inspectors; and
- Increasing staff training related to construction program oversight.

Based on the documents reviewed, many of these enhancements appear to have been designed to address several of the weaknesses in governance, due diligence, requisition review, monitoring, and closeout control identified during Huron's review. Huron has not independently evaluated the design adequacy or operating effectiveness of these enhancements and expresses no opinion as to whether they are currently functioning effectively in practice.

Beyond the corrective measures outlined above, Huron recommends that MassHousing continue strengthening program oversight through the following measures, several of which have been implemented, or are in the process of being implemented, for other programs within Strategic Community Investments ("SCI"), the MassHousing department within which GHRP sits:

- Implement a formal conflict-of-interest disclosure and review framework applicable to applicants, vendors, and decision-makers;
- Establish risk-based due diligence procedures for applicants, developers, vendors, and contractors;
- Standardize invoice review requirements, including supporting contracts, proof of payment, and detailed cost support;
- Establish training to help staff identify duplicate, unsupported, unusual, altered, or potentially ineligible expenditures before funds are approved and disbursed;

² GHRP began to increase staff training and implement multiple levels of independent review for disbursements in or around August 2024.

³ GHRP has been closed to new applications since September 2023. MassHousing is not continuing the program.

⁴ Community Investment Initiatives was the successor to the Equitable Business Development Division. Community Investment Initiatives was later replaced by Strategic Community Investments

- Require that invoice review is conducted by employees with knowledge of, or training in, residential construction;
- Require cost certification by an individual independent of the original requisition review and approval process before final disbursement and project closeout;
- Implement enhanced review procedures for developer overhead charges and the charges related to personal expenses of developers;
- Require and document site inspections at defined project milestones, including before final disbursement, using standardized checklists and photographic or video evidence, as appropriate;
- Identify resources for the inspection of properties located in the western portion of Massachusetts; and
- Develop formal escalation procedures for fraud indicators and integrity concerns.

Overall, the documentation reviewed to date demonstrates control weaknesses, insufficient oversight, and recurring documentation irregularities across several GHRP-funded projects. While additional procedures may be required to determine the full extent of any improper activity, the issues identified indicate that the design and operation of program controls were not consistently effective in preventing, detecting, or escalating potentially improper expenditures or document irregularities. Continued investigative procedures, expanded testing, and remediation efforts may be warranted to further assess program integrity and strengthen the future administration of public grant funds.

III. Background

A. The Program

MassHousing administered the Gateway Housing Rehabilitation Program, an initiative directing public funds toward the rehabilitation of one- to four-unit residential properties in gateway cities and similarly situated municipalities across Massachusetts.⁵

The Program awarded grants to developers for the rehabilitation of distressed 1-4 unit residential properties, subject to grant agreements that established, among other things, award limits, affordability terms, disbursement conditions, and cost-certification requirements.

Under the GHRP guidelines, entities eligible to apply include:

- (a) gateway municipalities and similarly situated municipalities, including municipal agencies, boards, commissions, authorities, departments, or instrumentalities thereof,⁶
- (b) emerging developers,
- (c) nonprofit organizations; and
- (d) community development corporations.

Applicants could apply for GHRP grant funds, up to \$125,000 per unit, to:

- Transform vacant and abandoned buildings into new 1–4-unit homeownership and rental opportunities,
- Rehabilitate 1-4 unit rental properties,
- Address high-cost repairs for 1-4 unit owner-occupied properties.

A key objective of the program was to support emerging developers,⁷ giving less-established real estate professionals access to capital that could help them revitalize blighted housing, improve tenants' living conditions, and build experience in affordable housing development. The Program's focus on emerging developers reflected a broader goal of expanding opportunities within the housing sector beyond large,

⁵ Ch. 99 of the Acts of 2018 states "For the capitalization of the Affordable Housing Trust Fund established in section 2 of chapter 121D of the General Laws, provided, that not more than \$50,000,000 shall be provided to rehabilitate 1-unit to 4-unit housing in gateway cities, and other similarly-situated municipalities as determined by the department of housing and community development, that have been cited for building or sanitary code violations or that are subject to cancellation of commercial property insurance due to substandard property conditions." Of the earmarked \$50,000,000, MassHousing contracted with EOHLIC for approximately \$12,320,000 of which MassHousing has received \$7,320,000.

⁶ GHRP recommended on its website that owner-occupant property owners contact their municipality to jointly apply for funding.

⁷ Emerging Developer was defined in the Gateway Housing Rehab Program Guidelines (dated February 2023) as "a real estate professional with a minimum of 3 years of experience, in the process of completing or having completed at least 1 and up to 20 units of housing in one or more of the following roles/capacities:

- a. as sole developer of new or rehabbed property;
- b. as a designer/builder;
- c. as participant or participating members in a joint venture partnership;
- d. as an active owner of rental property;
- e. as general contractor specializing in residential developments."

established firms while increasing the stock of quality affordable housing. MassHousing's website states that GHRP's application process is currently closed, and no new applications are being accepted.⁸

⁸ Source: <https://www.masshousing.com/en/programs-outreach/strategic-community-investments/gateway-housing-rehab-program>, last accessed August 7, 2026 at 3:30 pm. The most recent award approved by GHRP was in November 2024, and the most recent disbursement was in March 2025.

B. Relevant Entities, Parties, and Properties

Massachusetts Housing Finance Agency ("MassHousing") – a quasi-public state housing finance agency that administered the Gateway Housing Rehabilitation Program.

Table 1. Relevant Entities, Parties, and Properties

Name / Entity	Role or Title	Affiliated Entities or Individuals
MassHousing Personnel		
Chrystal Kornegay	Chief Executive Officer	—
Colin McNiece	Chief Legal and Operating Officer	—
Amy Quimby	General Counsel	—
Anthony Richards II	Vice President of Equitable Business Development and Strategic Community Investments. Resigned July 17, 2026	—
Rachel Carlson	Senior Program Manager – Community Investment Initiatives	—
Beverly Estes-Smargiassi	Neighborhood Stabilization Program Manager. Retired July 2025	—
Elizabeth "Lizzie" Torres	Housing Policy Associate	—
Project Applicant		
Gary Acquah	Developer	• Metropolitan Heights LLC • Flex Investments LLC • Cross Development LLC • Cross Development Berkshires LLC • RGQ Investments LLC • Flex Fleet LLC • Hope For Us Inc. • Community Economic Development Assistance Corporation (CEDAC) – Member, Board of Directors
Reginald ("Reggie") Woods	Developer	• Flex Investments LLC • Cross Development LLC • Cross Development Berkshires LLC • RGQ Investments LLC • EZY STREET LLC • Flex Fleet LLC

Joshua Zakim	Developer	• LPZ Hollywood LLC • LPZ Properties LLC • Zakim Strategies LLC • KZ Builders LLC • The Copley Connection Inc.
Christos Drovatzikas and Saberine Wehbe	Developer	—
Joseph Jacobs	Developer	• J3 Resource Corp
Greater Springfield Habitat for Humanity	Nonprofit Organization	—
Revitalize Community Development Corporation	Nonprofit Organization	—
City of Revere, MA	Municipality	—
City of Gloucester, MA	Municipality	—
City of Malden, MA	Municipality	—

Fourteen projects were awarded grants under GHRP. Of these, GHRP funds were disbursed to six grantees or developer groups in connection with nine properties ("the Properties"). Grants were awarded, but not funded, for the remaining five projects.

Table 2. GHRP Properties and Awards⁹

Property	Developer/ Grantee	Award Signatory	# of Units	Award/Agreement Date	Award
23 Ashton Street, Worcester	Flex Investments/ Gary Acquah	Anthony Richards II	3	08/04/23	\$ 332,000
41 Cherry Street, Pittsfield	Flex Investments/ Reginald Woods	Anthony Richards II	3	08/22/23	300,000
43-45 Cherry Street, Pittsfield	Flex Investments/Reginald Woods	Anthony Richards II	3	08/22/23	311,000
236 Columbus Ave, Pittsfield	Flex Investments/ Reginald Woods	Anthony Richards II	4	08/22/23	500,000
50 Hollywood Street, Worcester	LPZ Hollywood LLC	Anthony Richards II	3	10/12/23	275,385
70 Weston Street, Brockton	Christos Drovatzikas and Saberine Wehbe	Anthony Richards II	3	12/07/23	345,780
87 Stowers Street, Revere	City of Revere	Anthony Richards II	2	03/04/24	94,973
51 Clarendon Street, Springfield	Greater Springfield Habitat for Humanity	Anthony Richards II	1	11/19/24	84,275
1104 Hampden St, Holyoke	Greater Springfield Habitat for Humanity	Anthony Richards II	1	11/19/24	87,075
Total Funded GHRP Awards					\$ 2,330,488
1131 Washington Street, Gloucester	City of Gloucester	Anthony Richards II	1	10/25/23	64,500
17 Rand Street, Malden	City of Malden	Anthony Richards II	1	10/25/23	100,000
28-30 Alden Street, 157-159 Lebanon Street, 73 Manhattan Street, 19 Nelson Avenue, and 56 Carroll Street, Springfield	Revitalize Community Development Corporation	Anthony Richards II	1	12/20/23	804,014
Total Unfunded GHRP Awards					\$ 968,514
102 Princeton Street, Springfield ¹⁰	Greater Springfield Habitat for Humanity	Anthony Richards II	1	06/30/23	125,000
213-215 High Street, Holyoke ¹¹	J3 Resource Corp	Anthony Richards II	4	12/20/23	350,000
Total Withdrawn/Rescinded Awards					\$ 475,000
Total GHRP Awards					\$ 3,774,002

⁹ In some instances, property owners who applied for and/or received GHRP funding partnered with, or were sponsored by, municipalities or nonprofits.

¹⁰ The property owner, through its designated non-profit partner, Greater Springfield Habitat for Humanity, withdrew from the program on February 7, 2024.

¹¹ MassHousing rescinded this award on March 3, 2025 due to the owner's failure to meet program requirements.

C. Flex Investments

Gary Acquah and Reginald Woods are Massachusetts-based real estate developers who partnered on several residential rehabilitation projects through a group of affiliated entities, including Flex Investments LLC, Cross Development Berkshires LLC, and Metropolitan Heights LLC.

Flex Investments was awarded four separate grants through the GHRP totaling approximately \$1.44 million in awards (and received \$1.398 million¹² in funds disbursed by MassHousing).¹³

¹² The final requisition for 23 Ashton St (\$32,200) was approved, but not paid, to Flex Investments. As discussed further in Section VI.D, MassHousing did not release the final payment after inspections identified unresolved construction conditions at the property. MassHousing subsequently notified Flex Investments and its affiliated entities that no further funds would be advanced pending a satisfactory response to the Default and Demand notices concerning the Pittsfield properties.

¹³ Messrs. Acquah and Woods submitted applications for two additional Pittsfield, MA properties that were denied.

IV. Procedures Performed and Materials Reviewed

Huron undertook the following procedures:

A. Document Intake and Public Records Searches

- a.** Obtained, organized, and reviewed the core project file for each of the Properties, including applications, conditional award letters, grant agreements, requisition packages, bank statements, permit documentation, and final accounting records.
- b.** Reviewed supporting documents submitted alongside each of the accepted applications, such as property deeds, site maps, budgets, operating agreements, letters of support, and tax returns.
- c.** Conducted public records searches for individuals, entities, and property locations, including Massachusetts property transfer records (masslandrecords.com) and Secretary of the Commonwealth of Massachusetts business records (corp.sec.state.ma.us).

B. Requisition and Disbursement Analysis

- a.** Traced funds disbursed by MassHousing's GHRP to developers by project/property, and reconciled project/property disbursements to the corresponding project requisitions.
- b.** Confirmed disbursements to developers by reviewing MassHousing bank statements against requisition information.
- c.** Compared aggregate disbursements to the corresponding grant award limits on a property-by-property basis.
- d.** Reconciled requisition schedules to supporting invoice documentation and to final accounting records, identifying variances among the amounts requisitioned, invoiced, and recorded at closeout.
- e.** Compared available bank statement activity to reported disbursements to assess whether recorded payments were supported by underlying account activity.

C. Interviews

- a.** Interviewed MassHousing personnel regarding GHRP program background, project management, requisition approval controls, vendor vetting, inspection processes, and program accounting and recordkeeping.

D. Invoice Authenticity and Documentation Testing

- a.** Reviewed supporting invoices for the presence of customary business-record attributes, including company name and address, invoice number, invoice date, description of services, billing period, and detail of labor and materials charged.
- b.** Assessed whether invoiced amounts were reasonable in relation to, and consistent with, the scope of work described.
- c.** Identified indicia of falsification or reuse, including matching invoice templates used by ostensibly unrelated vendors, duplicative descriptions of work, shared estimate numbers, and inconsistencies in formatting, fonts, layout, and numbering conventions.

- d. Performed document-integrity procedures, including identification of superimposed or cut-off values and facially impossible dates.
- e. Contacted vendors, on a sample basis, to confirm the authenticity of invoices, including visiting the physical addresses included on invoices and calling and/or emailing vendors to discuss their invoices. Huron contacted more than a dozen vendors during the course of the investigation, including detailed discussions regarding work performed at developers' request and invoices presented by developers to GHRP.

E. Visual Review of Signatures and Documents

- a. Examined signatures appearing on grant awards, payment authorizations, invoices, and requisition approval schedules for irregularities, including digitally applied signatures lacking a verifiable execution trail (e.g., no DocuSign or comparable notation).
- b. Compared signatures against other exemplars of the same purported signatory and identified instances in which signatures appeared to have been superimposed, including on an invoice that exceeded the corresponding requisition budget.

F. Vendor Verification

- a. Cross-checked vendors against Massachusetts Secretary of the Commonwealth corporate registration records to assess corporate existence and registered address.
- b. Performed open-source and public-record research to evaluate vendor legitimacy, including web presence, management or ownership information, contact information, and Better Business Bureau records or customer reviews.
- c. Compared vendor addresses listed on invoices to corporate registration addresses and to addresses appearing on other invoices to identify mismatches and shared addresses among purportedly unrelated entities.

G. Scope, Permit, and Eligibility Review

- a. Compared the permitted scope and value of work reflected in municipal permit records to the breadth and categories of expenditures submitted for reimbursement.
- b. Evaluated inspection documentation for evidentiary reliability, including whether a responsible inspector, professional designation, or agency letterhead was identified.
- c. Identified expenditures that appeared potentially ineligible under the Program.

H. MassHousing Controls Review

- a.** Reviewed process and procedural documentation describing MassHousing's approach to reviewing applications and monitoring grant compliance.
- b.** Conducted targeted interviews with key MassHousing personnel on GHRP operations, regarding governance, controls, and program structure.

The procedures above were based on Huron's review of publicly available information and materials provided by Counsel.

V. The Gateway Transactions

MassHousing's GHRP made 35 payments to developers between August 2023 and March 2025 (the "Gateway Transactions"). The Gateway Transactions are summarized below.

Table 3. Gateway Transactions (2023-2025)

Transaction #	Date	Developer	Amount	Property	Req. #
1	08/21/23	Metropolitan Heights LLC	\$ 127,333.00	23 Ashton Street	1
2	10/23/23	Flex Investments LLC	144,971.43	41 Cherry Street	1
3	11/03/23	Flex Investments LLC	210,873.14	236 Columbus Ave	1
4	11/03/23	Flex Investments LLC	136,619.00	43-45 Cherry Street	1
5	11/28/23	LPZ Hollywood LLC	17,409.75	50 Hollywood	1
6	12/13/23	LPZ Hollywood LLC	23,160.00	50 Hollywood	2
7	12/13/23	Metropolitan Heights LLC	115,900.00	23 Ashton Street	2
8	12/20/23	Flex Investments LLC	54,390.00	43-45 Cherry Street	2
9	12/20/23	Flex Investments LLC	47,870.00	41 Cherry Street	2
10	12/21/23	Flex Investments LLC	100,850.00	236 Columbus Ave	2
11	01/19/24	LPZ Hollywood LLC	9,510.00	50 Hollywood	3
12	02/01/24	Christos Drovatzikas & Saberine Wehbe	69,050.00	70 Weston Street	1
13	02/07/24	Metropolitan Heights LLC	46,567.00	23 Ashton Street	3
14	02/13/24	LPZ Hollywood LLC	40,631.00	50 Hollywood	5
15	02/28/24	Flex Investments LLC	107,065.77	236 Columbus Ave	3
16	02/28/24	Flex Investments LLC	76,836.50	41 Cherry Street	3
17	02/29/24	Flex Investments LLC	89,168.50	43-45 Cherry Street	3
18	03/20/24	LPZ Hollywood LLC	27,535.00	50 Hollywood	6
19	04/03/24	Christos Drovatzikas & Saberine Wehbe	77,225.00	70 Weston Street	2
20	04/25/24	Christos Drovatzikas & Saberine Wehbe	44,487.00	70 Weston Street	3
21	05/01/24	LPZ Hollywood LLC	15,690.00	50 Hollywood	8
22	05/02/24	Flex Investments LLC	30,322.07	41 Cherry Street	4
23	05/02/24	Flex Investments LLC	27,822.50	43-45 Cherry Street	4
24	05/08/24	Flex Investments LLC	81,211.09	236 Columbus Ave	4
25	05/22/24	LPZ Hollywood LLC	20,200.00	50 Hollywood	9
26	06/05/24	City of Revere	85,476.00	87 Stowers St	1
27	06/18/24	Christos Drovatzikas & Saberine Wehbe	115,784.00	70 Weston Street	4
28	06/18/24	LPZ Hollywood LLC	18,374.00	50 Hollywood	10
29	07/17/24	LPZ Hollywood LLC	36,206.12	50 Hollywood	11
30	08/23/24	LPZ Hollywood LLC	16,410.00	50 Hollywood	12
31	08/29/24	Christos Drovatzikas & Saberine Wehbe	4,720.00	70 Weston Street	5
32	09/25/24	Christos Drovatzikas & Saberine Wehbe	34,514.00	70 Weston Street	6
33	10/24/24	LPZ Hollywood LLC	50,259.13	50 Hollywood	13
34	01/15/25	Greater Springfield Habitat for Humanity	78,367.50	1104 Hampden	1
35	03/18/25	Greater Springfield Habitat for Humanity	75,847.50	51 Clarendon	1
			<u>\$ 2,258,656.00</u>		

There were six grantees or developer groups associated with the Properties, two of which (Flex Investments and Metropolitan Heights) are known to be associated with Flex Investments. Together, those two entities received approximately \$1,397,800, or roughly 62% of total disbursements. The table on the following page summarizes amounts awarded and disbursed by grantee.

Table 4. Total Awards and Disbursements by Grantee

Grantee	Awarded	Disbursed¹⁴	Properties
Flex Investments LLC	\$1,111,000	\$1,108,000	41 Cherry Street; 43-45 Cherry Street; 236 Columbus Avenue
Metropolitan Heights LLC	332,000	289,800	23 Ashton Street
Subtotal – Flex Investments	1,443,000	1,397,800	
Christos Drovatzikas & Saberine Wehbe	345,780	345,780	70 Weston Street
LPZ Hollywood LLC	275,385	275,385	50 Hollywood Street
Greater Springfield Habitat for Humanity	296,350	154,215	51 Clarendon Street; 1104 Hampden Street; 102 Princeton Street ¹⁵
City of Revere	94,973	85,476	87 Stowers Street
City of Gloucester	64,500	-	1131 Washington Street
City of Malden	100,000	-	17 Rand Street
Revitalize Community Development Corporation	523,005	-	28-30 Alden Street, 157-159 Lebanon Street, 73 Manhattan Street, 19 Nelson Avenue, and 56 Carroll Street, Springfield
J3 Resource Corp	350,000	-	213-215 High Street ¹⁶
Subtotal	1,574,993	860,856	
Total Awards and Disbursements	\$3,492,993	\$2,258,656	

¹⁴ Total amount disbursed through March 2025.

¹⁵ MassHousing awarded a \$125,000 grant for 102 Princeton Street but no funds were disbursed due to the owner's withdrawal from GHRP.

¹⁶ MassHousing awarded a \$350,000 grant for 213-215 High Street but no funds were disbursed due to the rescission of the award by MassHousing.

VI. GHRP Property Investigation Findings & Observations

A. Overview

This section presents Huron’s findings for each of the nine individual properties for which funds were disbursed.¹⁷ The section includes a review of applicable project applications, grant awards, vendor invoices, and fund requisition documents. The table below summarizes key project-level financial information, including grant awards, reimbursement requests, supporting invoice amounts, and disbursements reviewed as part of our analysis.

Table 5. Summary of GHRP Property Project Financial Information

Property	Developer / Grantee	Project Reqs.	Award Amount	Total Invoice Amount	Requisition Amount ¹⁸	Disbursed Amount
Properties Developed by Flex Investments:						
23 Ashton Street Worcester ¹⁹	Metropolitan Heights LLC	4	\$ 332,000	\$ 322,000	\$ 322,000	\$ 289,800
41 Cherry Street Pittsfield	Flex Investments LLC	4	300,000	302,139	300,000	300,000
43-45 Cherry Street Pittsfield	Flex Investments LLC	4	311,000	310,923	308,133	308,000
236 Columbus Ave Pittsfield	Flex Investments LLC	4	500,000	505,680	500,012	500,000
			1,443,000	1,440,742	1,430,145	1,397,800
Properties Developed by Others:						
50 Hollywood Street Worcester	LPZ Hollywood LLC	11	275,385	269,524	269,524	275,385
70 Weston Street Brockton	Christos Drovatzikas and Saberine Wehbe	6	345,780	359,870	345,786	345,780
			621,165	629,394	615,310	621,165
Properties Funded at 90% of Award:						
87 Stowers Street Revere	City of Revere	-	94,973	-	85,476	85,476
51 Clarendon Street Springfield	Greater Springfield Habitat for Humanity	-	84,275	-	75,848	75,848
1104 Hampden Street Holyoke	Greater Springfield Habitat for Humanity	-	87,075	-	78,368	78,368
			266,323	-	239,691	239,691
Total Gateway Housing Rehabilitation Program			\$2,330,488	\$2,070,136	\$2,285,146	\$2,258,656

¹⁷ As reflected in Table 2, MassHousing approved additional GHRP awards that were either not funded or subsequently withdrawn or rescinded. No funds were disbursed in connection with these awards. Because these transactions are not associated with the Gateway Transactions, they are outside the scope of this report.

¹⁸ Requisitions do not necessarily include the full balance of each corresponding invoice, as in some instances developers did not include certain expenses on the requisition.

¹⁹ As discussed in Section VI, the final requisition for 23 Ashton Street was not paid.

B. Deficiencies with Documents Supporting Requisitions

Huron reviewed approximately 800 documents, including invoices, emails, permits, payment notifications and other documents submitted by developers in support of the nine projects outlined above. That review identified various elements, spanning several recurring categories of concern, that call into question the legitimacy of certain invoices associated with the Gateway Transactions. The existence of one or more of these elements is not necessarily an indication of intentionally misleading information. Rather, they are examples of instances in which additional due diligence by GHRP to verify the amounts requested on a requisition before the approval and payment may have prevented unwarranted payments.

- **Invoice irregularities:** inconsistencies, anomalies, or deficiencies within supporting billing documentation that may limit verification of the nature, accuracy, or completeness of an expenditure. Examples include missing invoices, informal documentation in place of standard invoices, vague descriptions of work performed, missing dates, inconsistent invoice formats, or amounts that do not reconcile to the corresponding requisition submissions.
- **Unusual signatures:** concerns identified within approval or authorization documentation that may affect a document's authenticity or integrity. Examples include missing signatures, absent contractor endorsements, inconsistent signatures across documents, or signatures that appear to have been added electronically or superimposed.
- **Unreasonable expenditures:** costs that appear unsupported, inconsistent with the supporting documentation provided, disproportionate to the work described, or otherwise difficult to substantiate based on available project records.
- **Unauthorized parties:** individuals or entities whose involvement in a project could not be readily verified, or whose participation raised questions regarding authorization, eligibility, disclosure, or the legitimacy of the services purportedly provided.

The table below summarizes some of the invoices that appear to contain irregularities, including one or more of the elements listed above, but that were subsequently paid by GHRP to Flex Investments. Additional irregularities identified during the review are described in the property-specific sections that follow.²⁰

Table 6. Select Identified Invoice Irregularities²¹

Vendor	Property	No. of Invoices	Amount Invoiced and Disbursed²²
B&S Elite Construction	23 Ashton Street	3	\$ 161,550.00
Berkshire Brothers Build	43-45 Cherry Street	1	10,000.00
Biancaniello Contracting	236 Columbus Avenue	2	125,573.14
Boston Budget Plumbing and Heating	236 Columbus Avenue	1	35,000.00
Huy Contracting/ Tim Phan/ et al.	23 Ashton Street	1	25,000.00
Huy Contracting/ Tim Phan/ et al.	41 Cherry Street	1	35,467.00
Huy Contracting/ Tim Phan/ et al.	43-45 Cherry Street	1	31,000.00
Huy Contracting/ Tim Phan/ et al.	236 Columbus Avenue	1	30,000.00
Subtotal		4	121,467.00
KTF Solutions	41 Cherry Street	3	90,089.43
KTF Solutions	43-45 Cherry Street	2	93,769.00
Subtotal		5	183,858.43
Marhefka Construction	23 Ashton Street	2	40,000.00
Messana Electric	41 Cherry Street	2	15,487.50
Messana Electric	236 Columbus Avenue	1	18,000.00
		3	33,487.50
Total		21	\$ 710,936.07

²⁰ Huron reviewed all invoices associated with requisitions and examined potential irregularities on a test basis. This report is not intended to examine and explain all document irregularities associated with the GHRP.

²¹ Invoices associated with additional Flex vendors, such as Mr. Cat Roofing and Just Plumb It, also exhibited apparent irregularities, including instances of vendors or subcontractors sharing addresses and invoices not directly tied to the renovation scope. Huron attempted to contact Mr. Cat Roofing and Just Plumb It in-person, in connection with this investigation, but was unable to reach representatives of either vendor.

²² Represents amounts included on invoice in GHRP's files and disbursed in connection with requisitions.

B&S Elite Construction

Three invoices (#76, 113, and 115) were submitted for work purportedly performed at 23 Ashton Street. The invoice formats were inconsistent, and there was clear duplication in the alleged work performed. For example, Figures 1 and 2 below are images of the top portion of invoices 76 and 113:

Figure 1. B&S Elite Construction Invoice 76 Header (07/01/23)

INVOICE	
	Bill To Gary Acquah 23 Ashton st Worcester, MA (347) 225-6268
B&S Elite Construction 54 Judson St Malden, MA 02148 Phone: (857) 261-5983 Email: bseliteconstruction@gmail.com	Payment terms Due upon receipt Invoice # 76 Date 7/1/2023
Description	Total

Figure 2. B&S Elite Construction Invoice 113 Header (11/03/23)

INVOICE	
	Service Address 23 Ashton St Worcester, MA
B&S Elite Construction 33 CHILDS ST LYNN, MA 01905	Prepared For Gary Acquah 23 Eastman ST Boston, MA 02125 (347) 225-6268
	Estimate # 113 Date 11/3/2023
Description	Total

The invoice in Figure 1 includes the company's logo and an address in Malden, MA, while invoice 113 in Figure 2 does not include a logo and lists an address in Lynn, MA. The format of invoice 115 (01/30/23) was consistent with the format of invoice 113.

The lower portion of invoices 113 and 115 is included in Figure 3 below. The two invoices contain substantially the same work descriptions with consistent irregularities. For example, both invoices contained charges for the same work associated with Unit 1, "removal and replacement of kitchen cabinets, countertops, sink and faucet" and "priming and painting as required in specific areas – repair pan." Additionally, as shown in Figure 4, invoice number 115 appears to utilize an altered "5" in a different font size from the rest of the invoice and invoice 115 is dated 01/30/23, months earlier than both invoices 76 and 113.

Figure 3. B&S Elite Construction Invoices 113 and 115

B&S Elite Construction		Estimate #	113
33 CHILDS ST		Date	11/3/2023
LYNN, MA 01905			
Description	Total		
Unit1 Renovation - Removal and replacement of kitchen cabinets, countertops, sink, and faucet. - Priming and painting as required in specific areas - Repair pan	\$10,800		
Unit 3 Renovation - Removal and replacement of kitchen cabinets, countertops, sink, and faucet. - Priming and painting as required in specific areas. - Repair of the pantry countertop to ensure its functionality and aesthetics.	\$12,600		
Remove and Replace entire buildings septic system - Removal and replacement of septic system across all units. - Remove asbestos boiler - Replacement of main drain pipes in the basement. - Reinstatement of basement piping to its original location under the cement.	\$20,000		

B&S Elite Construction		Estimate #	115
33 CHILDS ST		Date	1/30/2023
LYNN, MA 01905			
Description			Total
Unit 1 Renovation			\$16,258
- Removal and replacement of kitchen cabinets, countertops, sink, and faucet.			
- Priming and painting as required in specific areas - Repair pan			
Unit 2 Renovation			\$16,259
- Priming and painting as required in specific areas.			
- Repair of the pantry countertop to ensure its functionality and aesthetics.			
- Address Heating source			
Contingency			\$14,050
- Installaion of Sump Pump			
- Construction Clean up			
- Repach Ceilings due to roof flooding			
- Door Replacements			
- Scrape and paint pantries			
- Address BOH Issues and Citations			

Figure 4. B&S Elite Construction Invoice 115 Invoice Number Alteration

Estimate #	115
Date	1/30/2023

Huron has attempted to contact B&S Elite Construction to verify the invoices but has not yet had the opportunity to speak with a company representative. Huron also visited both the Lynn and Malden addresses to speak with company representatives. There was no answer at either location.

Berkshire Brothers Build

One invoice was submitted for work purportedly performed at 43 Cherry Street. A review of the invoice identified irregularities.

As shown in Figure 5 below, the company name and property address (Cross Development and 43 Cherry St.) appears to be in a different format than the rest of the invoice. A representative of Berkshire Brothers Build informed Huron that the company did not perform any work at this location.

Figure 5. Berkshire Brothers Build Invoice 104

INVOICE	
Prepared For	
Cross Development 43 Cherry St Pittsfield , Massachusetts 01201 (978) 212-9898	
Berkshire Brothers Build	Invoice # 104
814 West Housatonic Street Pittsfield, Massachusetts 01201 Phone: (413) 212-4192 Email: berkshirebrothersbuild413@gmail.com	Date 08/02/2023
Description	
Replaced (2) windows	
Find and repaired leak @ roof	
Replaced flashing @ roof where discussed with Tom	
Repaired fascia in damaged locations as discussed with Tom	
Subtotal \$10,000.00	
Total \$10,000.00	
Payment Schedule	
Downpayment (50%) \$5,000.00	
Within 7 days upon completion (50%) \$5,000.00	
Page 1 of 3	

Biancaniello Contracting

Two invoices were submitted for work purportedly performed at 236 Columbus Avenue. A review of these invoices, presented as Figure 6 below, identified several areas that call into question whether the itemized work corresponds to this property or is quantified accurately. For instance, both invoices are addressed to Street2Ivy Pittsfield, an entity that did not appear in any of the grant application documents reviewed. Further, invoice 0026 details garage work performed, yet based on Huron's research, 236 Columbus Avenue does not have a garage and did not have one at the time of these invoices²³. Finally, invoice 0034 contains rate and amount mismatches. The first item on Invoice INV0034 states "Home Depot" and has a rate of \$7,937.00 and a quantity of "1". However, the amount, which should be the product of the rate and quantity ($\$7,937.00 \times 1$) is listed as \$17,937.00 rather than \$7,937.00, a difference of \$10,000. The same apparent irregularity exists with the following item, "Aubuchon -paint", resulting in another apparent difference of \$10,000. These two amounts are also misaligned with the other totals on the invoice.

Huron spoke with a representative of the company, who confirmed that no work was performed for Flex Investments at this property. The representative stated that Biancaniello Contracting had previously performed work for Flex Investments but had not worked with them since completing a project in Rhode Island in 2022.

²³ Huron reviewed Google Street View images of the property going back to 2013.

Figure 6. Biancaniello Contracting Invoices #0026 and #0034

 General Contracting Masonry Services BIANCANIELLO CONTRACTING 617-510-9511 Kitchens & Baths Finished Basements Decks & Roofs	Biancaniello Contracting LLC 167 Dudley Road Oxford MA 01540 617-510-9511 biancaniellofamily@gmail.com	INVOICE INV0026 DATE 07/25/2023 TOTAL DUE USD \$95,565																																																																																											
TO Street2Ivy Pittsfield +16174598449 richmond.appiah@s2i-rpm.com																																																																																													
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Trim garage doors in azek	\$500.00	2	\$1,000.00																																																																																										
Paint floor -grey	\$475.00	1	\$475.00																																																																																										
Page 1 of 2		<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">TOTAL</td> <td style="text-align: right;">\$127,421.00</td> </tr> <tr> <td>COMPLETED %</td> <td style="text-align: right;">75%</td> </tr> <tr> <td>TOTAL DUE</td> <td style="text-align: right;">USD \$95,565.00</td> </tr> </table>	TOTAL	\$127,421.00	COMPLETED %	75%	TOTAL DUE	USD \$95,565.00																																																																																					
TOTAL	\$127,421.00																																																																																												
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TOTAL DUE	USD \$95,565.00																																																																																												
Zelle Biancaniellofamily@gmail.com																																																																																													



Biancaniello Contracting LLC

167 Dudley Road
Oxford MA 01540
617-510-9511
biancaniellofamily@gmail.com

INVOICE
INV0034

DATE
07/23/2023

BALANCE DUE
USD \$30,008.14

BILL TO

Street2Ivy

+16174598449 236

Columbus Ave

DESCRIPTION	RATE	QTY	AMOUNT
Home depot	\$7,937.00	1	\$17,937.00
Aubuchon -paint	\$1,347.29	1	\$11,347.29
Lawrence bros local hardware	\$107.22	1	\$107.22
Turnpike plumbing supply- Radiator covers	\$117.63	1	\$117.63
Dump fees	\$274.00	1	\$274.00
Dump and Trash labor	\$225.00	1	\$225.00
electric	\$0.00	1	\$0.00

TOTAL \$30,008.14

BALANCE DUE USD \$30,008.14

Payment Instructions

BY CHECK

Michael Biancaniello /biancaniello contracting llc

Boston Budget Plumbing and Heating

One invoice was submitted for work purportedly performed at 236 Columbus Avenue. Huron spoke with a representative for the company, who stated that no work was done for any of the GHRP properties awarded to Flex Investments and that the invoice below was forged. The representative confirmed that while Boston Budget had previously done work for Flex Investments on unrelated projects, Pittsfield, MA was too far from Dorchester, MA for them to service.

As shown in Figure 7 below, the "handwritten" form contains instances of superimposed digital signatures (see both "Gary Acquah" signatures) and amounts (\$35,000).

Figure 7. Boston Budget Plumbing & Heat Invoice (7/31/2023)

BOSTON BUDGET PLUMBING & HEATING		ON TIME - ON BUDGET		617-296-8600		CONTRACT No.	
				VISA MasterCard		DATE 7/31/23 TIME AM/PM	
ML #15237, 22 ARCADIA ST, #2, DORCHESTER, MA 02122						CONTRACT ADDENDUM ☐ YES ☐ NO	
NAME FLX LLC		NAME				CREDIT SPENDING INVOICE #	
ADDRESS 236 COLUMBUS AVE		ADDRESS				☐ CASH	
CITY PITTSFIELD STATE ZIP		CITY STATE ZIP				☐ CHECK # \$	
HOME PHONE WORK PHONE		HOME PHONE WORK PHONE				☐ CC #	
AUTHORIZATION TO PROCEED WITH DIAGNOSIS: I, the undersigned, authorize the technician to perform diagnostic work to determine a problem.		AUTHORIZATION TO PROCEED WITH WORK: I hereby authorize the technician to perform the work described in the invoice.				\$ EXP DATE	
SIGNATURE X <i>Authorized</i>		SIGNATURE X <i>Gary Acquah</i>		\$35,000		AFTER REF	
DIAGNOSIS / SOLUTION:						For updates and special offers from Boston Budget Plumbing & Heating, please provide your email address below:	
SUPPLY & INSTALL NEW GAS FURNACE TEST FORCED HOT AIR TEST & SERVICE HOT WATER HEATERS. REWIRE THERMOSTATS TEST FOR HIGH EFFICIENCY. FIX DRAINS & LEAKY SINKS						PROMOTION CODE	
						ASK US ABOUT OUR SERVICE AGREEMENT	
						Value Rate is For Discount Service Agreement Only Value Rate Pricing will be honored for a period of 365 days with purchase of Service Agreement.	
						You Save	
						\$	
ACCEPTANCE OF WORK: I have read and understand the above described work, and that the technician has been fully qualified and experienced in the above described work, and that the price is a satisfactory condition. I agree that the amount set forth in the space marked "TOTAL" in the bill for price I have agreed.		SERVICE TECHNICIAN: Prior to the customer entering into the contract, I have discussed the nature of the service and cost, have given the "Notice to Owner" form, and only entered the right to service with the customer. I have given a copy of the contract to the customer. All work I have done has been in compliance with applicable standards in a workmanship manner, to building codes when applicable.				TOTAL \$35,000	
SIGNATURE X <i>Gary Acquah</i>		SIGNATURE X <i>Tue Ph</i>					

Scanned with CamScanner

Huy Tran & Tim Phan Subcontractors / Huy Tran and Truong Pham Subcontracts/Tim Phan Electrical

A total of four invoices were submitted by entities associated with either Huy Tran, Tim Phan, or Truong Pham. Table 7 is an itemization of the invoices and excerpts are presented in Figure 8 below.

Table 7. Summary of Huy Tran, Tim Phan, and Truong Pham Affiliates Invoices

Vendor	Invoice #	Property	Invoice Date
Huy Tran & Tim Phan Subcontractors	8005	41 Cherry St.	08/04/23
Huy Tran and Truong Pham Subcontracts	8006	43 Cherry St.	No date included on invoice
Huy Tran & Tim Phan Subcontractors	8007	236 Columbus Ave.	08/04/23
Tim Phan Electrical	E231101121	23 Ashton Street (not specified on invoice)	11/01/23

The invoices are presented in Figure 8-11 below. There are several inconsistencies between the invoices, including:

- The font sizes of the invoice numbers;
- The differences in the company name and lack of date on Invoice 8006, despite the invoices being sequential with 8005 and 8007; and
- Different invoice format for Invoice E231101121

Figure 8. Huy Tran and Tim Phan Invoice #8005

Invoice #8005	
Electrician Services Invoice	
Huy Tran & Tim Phan subcontractors 857-318-8073 & 857-333-6770	08/04/2023
Job address :41 Cherry St. Pittsfield MA 01201	
Description of Work Completed	
Rewired units : Kitchen, bedrooms outlets, bathroom, smoke detector, subpanel 100 amps for each unit, furnace system.	
Rewired front and back stairway and install center light fixtures on each floor. Smoke detector for common area.	
Upgraded service to with 1 public panel.	
Installed thermostats	
Provided temp outlets	
Material	
Rough material : wire 14-2, 14-3 , 12-2 ,18-2 with boxes , wire nut, hardware, nail, bits,	
Finish material: Switches , outlets and plates,	
Owner Provided	
METER SOCKET, PANELS , SMOKE DETECTORS ,RECESSED LIGHTS, SER #3 100 fts,	
LIGHT FIXTURES, DISCONNECT FOR AC, BREAKERS, FLOODLIGHTS, DOORBELLS,	
ALL UNDERGROUND SERVICE NEEDED.	
Invoice #8005	
\$35,467.00	

Figure 9. Huy Tran & Truong Pham Invoice #8006

Invoice #8006
Electrician Services Invoice
Huy Tran & Truong Pham subcontractors 857-318-8073 & 857-333-6770
Job address : 43 Cherry St, Pittsfield MA 01201
Description of work Rewired 3 units : Kitchen, 2 bedrooms with , 1 master bedroom, bathroom, laundry room gas, smoke detector , 24 lights, subpanel 100 amps for each unit, door bell, furnace system Rewired front and back stairway and install center light fixtures on each floor. smoke detector for common area Upgraded service to 200 amps with 3 subpanel on each floor and 1 public panel. Installed doorbell. Installed thermostat provided temp outlets
Material Rough material : wire 14-2, 14-3 , 12-2 ,18-2 with Finish material: Switches , outlets and plates,
Owner provide METER SOCKET, PANELS , SMOKE DETECTORS ,RECESSED LIGHTS, SER #3 100 fts, LIGHT FIXTURES, DISCONNECT FOR AC, BREAKERS, FLOODLIGHTS, DOORBELLS, ALL UNDERGROUND SERVICE NEEDED.
Invoice #8006
\$31,000.00

Figure 10. Huy Tran & Tim Phan Invoice #8007

Invoice #8007	
Electrician Services Invoice	
Huy Tran & Tim Phan subcontractors 857-318-8073 & 857-333-6770	08/04/2023
Job address: 236 Columbus Ave Pittsfield MA 01201	
	Description of work
Rewired units :	
Added breakers for additional outlets. 20 amp outlets for appliances	
Rewired front and back stairway and installed center light fixtures on each floor. Smoke detector for common area.	
Added breakers for additional outlets	
Upgraded service to with 1 public panel.	
Installed thermostat	
provided temp outlets	
Material	
Rough material : wire 14-2, 14-3 , 12-2 ,18-2 with boxes , wire nut, hardware, nail, bits,	
Finish material: Switches , outlets and plates,	
Owner provide	
METER SOCKET, PANELS , SMOKE DETECTORS ,RECESSED LIGHTS, SER #3 100 fts, LIGHT FIXTURES, DISCONNECT FOR AC, BREAKERS, FLOODLIGHTS, DOORBELLS, ALL UNDERGROUND SERVICE NEEDED.	
Invoice #8007	
\$30,000.00	

Figure 11. Tim Phan Electrical Invoice #E231101121

INVOICE	
Tim Phan Electrical 22 Arcadia Street Dorchester, MA 02122 Bill To Metropolitan Heights LLC 133 Seaport Blvd Boston, MA	Number: E231101121 Date: 11/01/2023 Payment Terms: Due On Receipt Amount: \$25,000 Created By: Tim Phan Ship To Metropolitan Heights LLC

Item #	Item Name	Quantity	Unit Price	Taxable	Total
1017	Service Upgrade	4.00	3,000.00		12,000.00
1019	Repair/ Replace Ceiling fixtures per floor Repair and fix over all over head fixtures in the apartment. Includes materials	3.00	2,333.00		7,000.00
1020	Electric Baseboard Install electric baseboard heaters in each unit. Includes material.	3.00	2,000.00		6,000.00

Comments:

Thanks for your prompt payment.

Subtotal: \$25,000

Amount: \$25,000

9/30/2023

10/5/2023

Huron spoke with Huy Tran to confirm the accuracy of the first three invoices. Mr. Tran was not willing to discuss the invoices with us. However, Mr. Tran informed Huron that his company's invoices include the company's email address and license number, neither of which are included on the invoices submitted to GHRP.

There are also irregularities associated with the Tim Phan Electrical invoice, including a misalignment between the invoice subtotal and the amount, as well as signatures dated approximately a month before the invoice date. The invoice also makes no reference to the property at 23 Ashton Street.

KTF Solutions

KTF Solutions ("KTF"), a Pittsfield, MA based property management company, provided services to Flex Investments at the 41 Cherry Street and 43-45 Cherry Street properties. A representative of KTF informed Huron that the company issued eight invoices to Flex Investments between June 2023 and March 2025 totaling \$21,086.12. Flex Investments, however, submitted five KTF invoices totaling \$183,858.43 to GHRP. The last GHRP payment to Flex Investments was dated May 8, 2024.

According to Kim McArdle, a representative for KTF, the company issued only four invoices to Flex Investments at that time, totaling \$9,366.02. The remaining four invoices were sent to Flex after the last GHRP payment date. Thus, as of the final GHRP payment, KTF had issued \$9,366.02 in invoices to Flex, compared to the \$183,858.43 in connection with five KTF-attributed invoices Flex submitted to GHRP.

KTF provided Huron with copies of the invoices and the email transmittal to Flex. The invoices are summarized in Table 8 and presented in Figures 12-19 below.

Table 8. Summary of KTF Provided Invoices and Invoices Submitted by Flex Investments to GHRP

KTF Invoices Sent to Flex Investments				KTF Invoices Sent by Flex Investments to GHRP		
Start Date	End Date	Sent to Flex	Amount	Property	Requisition	Amount
06/03/23	06/17/23	06/26/23	\$ 676.76	41 Cherry Street	1	\$ 67,753.00
07/12/23	07/28/23	07/31/23	5,100.00	41 Cherry Street	1	6,336.43
08/01/23	08/14/23	08/14/23	570.00	41 Cherry Street	1	16,000.00
09/12/23	11/25/23	11/25/23	3,019.26	43-45 Cherry Street	1	77,769.00
04/01/24	07/23/24	07/23/24	1,732.60	43-45 Cherry Street	1	16,000.00
07/23/24	08/23/24	08/23/24	3,317.50			
08/23/24	12/14/24	12/14/24	5,950.00			
12/14/24	03/18/25	03/18/25	720.00			
			\$ 21,086.12			\$ 183,858.43

Figure 12. KTF Solutions Provided Invoice: June 3, 2023 – June 17, 2023

KTF Solutions		INVOICE
41 Kellie Drive Pittsfield MA 01201 kmccardle@hotmail.com		INVOICE #
TO Cross Management ATTN Reggie Woods (301)518-6225		FOR P.O. # P.O. #

June 3rd thru June 17th	Amount
A	
June 3 rd 267 Second St – Eddie_ fixed light switch, fixed deck, fixed kitchen sink	
June 5 th 267 Second St- Bruce- measured, picked up and installed window	
June 13 th 41 Cherry St Walk thru at 11 am with John	
June 13 th 267 Second St – Bruce- Fixed/replaced 3 smoke detectors and fixed replaced tub spout	
June 16 th 101 Daniels Ave fixed bedroom door	0
June 17 th 41 Cherry St Garbage Move <u>out</u> (bed, sofa, other stuff left behind by tenant) CHD People -Jessica	
	0
Time and Labor 10hours at \$45.	\$450.00
Materials	\$226.76
Total Due	\$676.76
Total	
Make payable to KTF Solutions Payment due within 7 Days If you have any questions concerning this invoice, contact Kim McArdle at KCMCARDLE@HOTMAIL.COM	
THANK YOU FOR YOUR BUSINESS!	

Figure 13. KTF Solutions Provided Invoice: July 12, 2023 – July 28, 2023

KTF Solutions		INVOICE	
41 Kellie Drive Pittsfield MA 01201 kcmcardle@hotmail.com		INVOICE #	
TO Cross Management ATTN Reggie Woods (301)518-6225		FOR P.O. # P.O. #	
July 12 th thru July 28 th			
July 12 th Met with Louison House Team toured 267 Second St 270 West St 103 Daniels Ave 104 Robbins Ave			
July 25 th Met with Louison House at 41 Cherry St			
July 27 th Showed Carol 45 Cherry St Showed Naomi 110 Maple St in Lee MA Show Naomi 61 Circular Ave Did lawn at 267 Second St			
July 28 th Met Marty/Locks & more at 88 Madison Ave Met Tom Skot/plumber at 41 Cherry St			
Time and Labor 9 hours @ \$45.00 hour		\$405.00	0
July 18 th thru July 25 th			
Purchased Dumpster and permit for clean out of 45 Cherry St Pittsfield MA			0
Cleaned out rear apartment and garage and yard		\$3795.00	
Hired Joe Kanton to dispose of mattresses, couches, dresser, 12 tires, stove fridge and other items that couldn't be put in dumpster		\$900.00	
Total Due		\$5100.00	
Total			
Make payable to KTF Solutions			
Payment due within 7 Days If you have any questions concerning this invoice, contact Kim McArdle at KCMCARDLE@HOTMAIL.COM			
THANK YOU FOR YOUR BUSINESS!			

Figure 14. KTF Solutions Provided Invoice: August 1, 2023 – August 14, 2023

KTF Solutions 41 Kellie Drive Pittsfield MA 01201 kcmcardle@hotmail.com TO Cross Management ATTN Reggie Woods (301)518-6225	INVOICE INVOICE # FOR P.O. # P.O. #
--	--

Invoice August 1st thru August 14th	Amount
August 1 st Court 10:00 -12:30	
August 3 rd Met Evan Garvy @45 Cherry St and 61 Circular Ave	
August 5 th Moved refrigerator from 101 Daniels to Cherry St	
August 14 th met with Louison House 41 Cherry St	0
	0
Time and Labor 9.5hrs @60.	\$570.00
Total Due	
Total	Enter total amount
Make payable to KTF Solutions Payment due within 7 Days If you have any questions concerning this invoice, contact Kim McArdle at KCMCARDLE@HOTMAIL.COM	
THANK YOU FOR YOUR BUSINESS!	

Figure 15. KTF Solutions Provided Invoice: September 12, 2023 – November 25, 2023

KTF Solutions 41 Kellie Drive Pittsfield MA 01201 kcmcardle@hotmail.com TO Cross Management ATTN Reggie Woods (301)518-6225		INVOICE INVOICE # FOR P.O. # P.O. #	
Invoice Sept 12th thru Nov 25th 2023		Amount	
Sept 12th Kathy Louison House @ 104 Robbins Ave Sept 14th 101 Daniels Ave for electric problem Sept 26th 41 Cherry St APT D stove broken/ordered part (Joe) Oct 3rd 41 Cherry St for Electrician Dean M Oct 4th 41 Cherry St start with Josh then 236 Columbus Ave, 102 Robbins Ave, 43-45 Cherry St for photos 1:00 to 4:30 Oct 10th 41 Cherry St fixed stove, 267 Second St (Ed) fixed back steps installed outdoor light. Met Moria (Louison House) 43-45 Cherry St Oct 12th 43-45 Cherry St met Kathy (Louison House) Oct 15th 43-45 Cherry St met with Greg (2 ½ hours) Oct 20th 43-45 Cherry St met Greg to open apartments			
Nov 3rd -Nov 4th -Nov 5th 267 Second St furnace issues purchased and bought space heaters there (Kathy reimbursed heater cost) Nov 6th City Hall to pay back taxes Nov 15th-Nov16th 267 Second St met Tom plumber (didn't fix) then Hired Bruce who fixed. Paid him \$125.00 cash out of pocket per Reggie Nov15th-Nov17th Met Jose (roofer) there went over scope of work, settled crew into Second St. Delt with Squatter/boarded up back door, turned off electric, met police there, delt with sheriff ect each day Nov 15-17th was 11 hours time Nov 18th 139 Madison Ave. Secured property cleaned yard cut grass per health dept concerns Nov 20th Met Stephanie from Health Dept at 267 Second St, List of issues to close case Nov 22th Fixed siding at 267 Second St (1side) Went to City Hall to pay Fines			
Invoice Sept 12th thru Nov 25th 2023		Amount	
Materials (see attached receipts plus \$125.00 for plumber (Bruce) and \$7.50 wire transfer x 2= \$15.00		\$739.26	
Time and Labor 38 hours @60.		\$2280.00	
Total Due		\$3019.26	
Total			
Make payable to KTF Solutions Payment due within 7 Days If you have any questions concerning this invoice, contact Kim McArdle at KCMCARDLE@HOTMAIL.COM			
THANK YOU FOR YOUR BUSINESS!			
Page 2 of 2			

Figure 16. KTF Solutions Provided Invoice: April 1, 2024 – July 23, 2024

KTF Solutions		INVOICE	
41 Kellie Drive Pittsfield MA 01201 kmccardle@hotmail.com		INVOICE #	
TO Cross Management ATTN Reggie Woods (301)518-6225		FOR P.O. # P.O. #	
April 1 through July 23, 2024		Amount	
4/12 Cherry St. Apt 41a stopped leak in toilet, Apt 43 rear fixed stove, Apt 41c checked for availability 4/15 Cherry St Apt 41a replaced toilet part, Apt41b unclogged tub 4/14 Cherry St Apt 45 replaced door knobs 4/16 Cherry St 41 and 43 meet with Greg, Kathy and Benno 4/29 Cherry St met Miranda 4/31 Cherry St met Pat from Section 8, fixed vent cover 41a 5/8 236 Columbus check 5/14 met Pat again Section 8 5/15 met Kathy from LH 5/30 Cherry St Apt c and 43 front 6/7 Cherry St Apt c looked at stove recommended electrician 6/2 Cherry St put in screens 6/11 Cherry St met McKenzie from L.H. Apt c 6/13 Cherry St Apt c leak in sink 6/13 236 Columbus Apt D fixed door lock/handle 6/17 Cherry St 41 Apt c leaks 6/22 Cherry St 41 Apt c fixed sink and door, recommend plumber for other 6/29 met Kirk from Berkshire Housing 43 Cherry rear 7/9 met gas company Cherry St		0 0 Time and Labor 23 hours at \$55. \$1265.00 Materials \$467.60	
April 1 through July 23, 2024		Amount	
Total Due		\$1732.60	
Make payable to KTF Solutions Payment due within 7 Days If you have any questions concerning this invoice, contact Kim McArdle at KCMCARDLE@HOTMAIL.COM			
THANK YOU FOR YOUR BUSINESS!			
Page 2 of 2			

Figure 17. KTF Solutions Provided Invoice: July 23, 2024 – August 23, 2024

KTF Solutions		INVOICE	
41 Kellie Drive Pittsfield MA 01201 kcmcardle@hotmail.com		INVOICE #	
TO Cross Management ATTN Reggie Woods (301) 518-6225		FOR P.O. # P.O. #	
July 23 to August 23, 2024		Amount	
7/23 to 7/25 - 236 Columbus St Bernards Apt 3 Rear- Fixed drop ceiling – Fixed the floor and fixed the stove 7/30- 43/45 Cherry St met with Desirée from Louison House and 41C Cherry St (Mirandas) 7/31- 43 Cherry St rear apt to turn water on 8/2- Columbus Ave reset breaker (236) 8/5- Columbus Ave reset breaker (236) 8/6-Columbus Ave reset breaker (236) 8/7-236 Columbus started bathroom Apt 2 8/12-236 Columbus met electrician and worked on Bernards bathroom 8/15-41 Cherry St Apt C Miranda met plumber, fixed wall and hung cabinet 8/21-236 Columbus checked progress as requested and finishes Bernards bathroom 8/22-236 Columbus helped paint and met the inspector		0	
Time and Labor 46 hours at \$55.		\$2530.00	
Materials		\$787.50	
Total Due		\$3317.50	

July 23 to August 23, 2024
 Total

Make payable to KTF Solutions
 Payment due within 7 Days
 If you have any questions concerning this invoice, contact Kim McArdle at KCMCARDLE@HOTMAIL.COM

THANK YOU FOR YOUR BUSINESS!

Page 2 of 2

Figure 18. KTF Solutions Provided Invoice: August 23, 2024 – December 14, 2024

KTF Solutions		INVOICE	
41 Kellie Drive Pittsfield MA 01201 kcmcardle@hotmail.com		INVOICE #	
TO Cross Management ATTN Reggie Woods (301)518-6225		FOR P.O. # P.O. #	
Invoice August 23rd thru December 14th 2024		Amount	
Aug 23- Installed Lock Box on Cheery St for all keys Sept 3- Keyes made for 236 Columbus Ave Apt A Sept 3thru Sept 9th- Clean-up Columbus Apt A. Cleaned Apt C along with repainting bedroom and bathroom, replaced medicine cabinet Sept 12- Cut grass and cleaned up yard at 236 Columbus Sept 20 and Sept 23rd met Matt to clean out basement and removed large garbage from yard (see 2 attached checks I paid to Matt for removal) Sept 24th- called to 41 Cherry furnace not working Sept 25th- met electrician at Cherry St Apt C thermostat not working was replaced Sept 26th -43 Cherry St front Apt (Daniel & Chrissy) replaced counter tops and bathroom vanity Oct 14th -Met Liam (potential buyers) at 236 Columbus and 41/43 Cherry St Oct 19th -Met Kathy (potential buyers) at 236 Columbus and 41/43 Cherry St Nov 13th-236 Columbus Apt A called for no electric brought extension cords and heaters Nov 22nd -Met Carson (potential buyers) at 236 Columbus and 41/43 Cherry St			
Materials \$1510.00 Labor 74hrs @ \$60. Per \$4440.00		0	
		0	
Total Due		\$5950.00	

Invoice August 23rd thru December 14th 2024		Amount	
Total		Enter total amount	
Make payable to KTF Solutions Payment due within 7 Days If you have any questions concerning this invoice, contact Kim McArdle at KCMCARDLE@HOTMAIL.COM			
THANK YOU FOR YOUR BUSINESS			

Page 2 of 2

Figure 19. KTF Solutions Provided Invoice: December 14, 2024 – March 18, 2025

KTF Solutions		INVOICE
41 Kellie Drive Pittsfield MA 01201 kcmcardle@hotmail.com		INVOICE #
TO Cross Management ATTN Reggie Woods (301)518-6225		FOR P.O. # P.O. #

<u>Invoice December 14th 2024 thru March 18th 2025</u>	<u>Amount</u>
12/20-Fixed door @41 Cherry St rear entrance	
12/23-41 Cherry St Apt D heat and outlets	
12/23-236 Columbus St (Sasha's apt) to look at ceiling and other issues. Met with electrician and checked Bernards heating situation.	
12/24-236 Columbus St (Sasha's apt) fixed drop ceiling, fixed stove handle, fixed cabinet door and metal strip on the floor that came up	
1/13-41 Cherry St Apt C fixed leak in sink	
2/7-41 Cherry St Apt C went to check complaint of no heat	
2/20-43 Cherry St back apt installed plywood in broken window	
Labor 12 hrs @ \$60. Per \$720.00	0
	0
Total Due	\$720.00
<u>Total</u>	<u>Enter total amount</u>

Make payable to KTF Solutions
 Payment due within 7 Days
 If you have any questions concerning this invoice, contact Kim McArdle at
 KCMCARDLE@HOTMAIL.COM

THANK YOU FOR YOUR BUSINESS!

Huron discussed the five invoices submitted to GHRP with a representative of KTF Solutions, who informed Huron that none of them were generated by KTF.

A review of the following KTF Solutions invoices submitted to GHRP reveals apparent overbilling, with what appear to be the same services included on invoices for different properties. For example, Invoice 72823 was submitted by Flex for services at 41 Cherry Street between July 12-25, 2023, and Invoice 73123 was submitted by Flex for services at 43-45 Cherry Street for the same dates. As shown below, each invoice references both properties and includes substantially the same services. The two invoices total \$32,000.

Figure 20. KTF Solutions Invoice #72823 and #73123

KTF Solutions INVOICE INVOICE #72823 FOR P.O. # P.O. # TO Cross Management ATTN Reggie Woods (301)518-6225	KTF Solutions INVOICE INVOICE #73123 FOR P.O. # P.O. # TO Cross Management ATTN Reggie Woods (301)518-6225
July 12 th thru July 31 st July 12 th Met with Louison House Team toured July 25 th Met with Louison House at 41 Cherry St July 27 th Showed Carol 45 Cherry St July 28 th Met Marty/Locks & more Met Tom Skot/plumber at 41 Cherry St Time and Labor 9 hours @ \$45.00 hour	July 12 th thru July 31 st July 12 th Met with Louison House Team toured July 25 th Met with Louison House at 41 Cherry St July 27 th Showed Carol 45 Cherry St July 28 th Met Marty/Locks & more Met Tom Skot/plumber at 41 Cherry St 0 July 18 th thru July 25 th Purchased Dumpster and permit for clean out of 41 Cherry St Pittsfield MA 0 Cleaned out rear apartment and garage and yard Hired Joe Kanton to dispose of mattresses, couches, dresser, 12 tires, stove fridge and other items that couldn't be put in dumpster
Total Due \$16000.00 Total Make payable to KTF Solutions Payment due within 7 Days If you have any questions concerning this invoice, contact Kim McArdle at KCMCARDLE@HOTMAIL.COM	Total Due \$16000.00 Total Make payable to KTF Solutions Payment due within 7 Days If you have any questions concerning this invoice, contact Kim McArdle at KCMCARDLE@HOTMAIL.COM

Much of the language on the above invoice, including the description of the services provided from July 18th thru July 25th on the bottom portion, is identical to the language on the July 12, 2023 – July 28, 2023 invoice provided by KTF. Also, the invoice submitted to GHRP included invoice numbers. Ms. McArdle informed Huron that KTF Solutions does not assign invoice numbers.

The remaining three invoices for KTF Solutions lacked itemization of services and had inconsistent formatting.

Marhefka Construction

One estimate and one invoice were submitted for work purportedly performed by Marhefka Construction at 23 Ashton Street. The two documents, dated July 15, 2023 and August 11, 2023 and shown in Figure 21 below, are each for \$20,000 and cover the same services, with the estimate noting that Marhefka will perform each service (e.g., "we will remove and replace"). Note that descriptions on the invoice are almost identical to those on invoice 113 for B&S Elite Construction described above and shown in Figure 3 above. Also, the \$2,600 amount associated with replacing the building's septic system does not appear consistent with the rest of the invoice.

Figure 21. Marhefka Construction Estimate and Invoice

ESTIMATE	
Service Address	Prepared For
23 Ashton St Worcester, MA	Gary Acquah 23 Eastman ST Boston, MA 02125 (347) 225-6268
Marhefka Construction 103 Summer St N Brookfield , MA 01535 Phone: (774) 216-2431	Estimate # 113 Date 7/15/2023
Description	Total
Unit1 Renovation We will remove and replace Kitchen cabinets, countertops, sink and faucet. Clean entire unit, repair bedroom floor, prime and paint where necessary	\$7,800.00
Unit 3 Renovation We will remove and replace Kitchen cabinets, countertops, sink and faucet. Clean entire unit, prime and paint where necessary, repair pantry countertop	\$9,600.00
Replace buildings septic system Basement piping will be returned to proper place under cement. Price includes all labor and material	\$2,600.00
Subtotal	\$20,000
Total	\$20,000

Invoice

Service Address

23 Ashton St
Worcester, MA

Prepared For

Gary Acquah
23 Eastman ST
Boston, MA 02125
(347) 225-6268

Marhefka Construction

103 Summer St
N Brookfield, MA 01535
Phone: (774) 216-2431

Estimate # 114
Date 8/11/2023

Description	Total
Uni1 Renovation	\$7,800.00
Remove and replace Kitchen cabinets, countertops, sink and faucet. Clean entire unit, repair bedroom floor, prime and paint where necessary	
Unit 3 Renovation	\$9,600.00
Remove and replace Kitchen cabinets, countertops, sink and faucet. Clean entire unit, prime and paint where necessary, repair pantry countertop	
Replace buildings septic system	\$2,600.00
Basement piping will be returned to proper place under cement. Price includes all labor and material	

Subtotal \$20,000

Total \$20,000

Both the estimate and the invoice were submitted to GHRP as part of a requisition (shown in Figure 22 below), and the developer (Gary Acquah, Metropolitan Heights) was paid for both under transaction #1.

Figure 22. Metropolitan Heights Requisition #1

[illegible]

Huron has attempted to contact Marhefka Construction to discuss the estimate and the invoice. The voicemail associated with the phone number on the documents is full.²⁴

²⁴ Last called number on August 4, 2026 at 4:45 pm.

Three invoices for Messina Electric were submitted to MassHousing, two for 41 Cherry Street and one for 236 Columbus Avenue. The three invoices were dated 4/22/23, 10/8/23, and 1/31/24 and were for \$487.50, \$15,000, and \$18,000, respectively.

Figure 23. Messina Electric Invoice #2323

APPROVAL / AUTHORIZATION	
DATE COMPLETED:	
CUSTOMER SIGNATURE:	<i>Reginald Woods</i>
AUTHORIZED SIGNATURE:	

An image of the \$18,000 invoice is included as Figure 24 below.

[illegible]

Also, the license number for Messina Electric on this invoice is #36633E. The license number was #37733E on the prior invoices. An online search indicates that Messina's license number is #36633E. Huron attempted to contact Messina Electric to discuss the invoices but was unable to reach a representative.²⁵

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C. August 2024 Property Inspections

The final payments on the award for 41 Cherry Street, 43-45 Cherry Street and 236 Columbus Avenue in Pittsfield were issued in May of 2024. In August 2024, GHRP conducted a site visit to these properties, all of which are associated with Flex Investments. GHRP noted, in a letter to Mr. Woods, that “[a]lthough these projects were completed and ‘after’ photographs were submitted” the in-person inspection “turned up installation and repair issues at all three properties, and some conditions that were missed.” Mr. Richards, who headed the GHRP, sent Mr. Woods a list of concerns associated with the properties and stated that the agency expected Mr. Woods to “make these corrections as soon as possible.”²⁶

Following the August 2024 inspection there was additional correspondence between GHRP and Flex Investments regarding the three properties, including a September 20, 2024 email from Ms. Estes-Smargiassi, the program manager, to Messrs. Woods and Acquah noting that GHRP has “not received an update for work needed at the Pittsfield properties since August 27” and asking for additional information on the properties within a few days of the email. Mr. Woods responded the same day with an update and photos from the properties.

GHRP inspected the properties again on October 28, 2024 noting in a December 2024 letter that “progress had been made at all three properties to address the concerns raised in the August letter.” GHRP also noted that they “observed some areas of concern, where not all work was completed, or items not addressed in every unit, along with some additional items.” GHRP stated that the noted items should be addressed, but GHRP was “considering these projects to be completed and closed out.” GHRP also reminded Mr. Woods that he is “obligated to continue to comply with maintenance, affordability and other requirements as outlined in the Grant Agreement.”²⁷

Mr. Richards also expressed disappointment with Flex Investments, stating:

“As you know, we expect assisted units be in good condition and ready for service with minimal need for additional improvements beyond routine maintenance. Overall, your performance in achieving this has been less than satisfactory. Beyond that, the current state of your relationship with the local housing authority will prevent you from finding tenants with vouchers, jeopardizing the long-term viability of these properties.

For MassHousing to consider future rehab or development projects with Flex, Cross Development, Metropolitan Heights, or other entities controlled by you, you must demonstrate improvements to your management and development capacity:

- Contract with a local, capable property manager to manage the ongoing maintenance, and other needs of these properties;
- If you are unable to find a property manager for your Pittsfield properties, consider partnering with or selling the properties to a local housing organization (for profit or non-profit) with the capacity to manage these properties;
- Conduct a 20-year capital needs assessment for all of your properties;

²⁶ Letter from Anthony Richards II to Reginald Woods and Gary Acquah re: 41 Cherry Street, 43-45 Cherry Street, 236 Columbus Avenue, Pittsfield, MA, August 7, 2024.

²⁷ Letter from Anthony Richards II to Reginald Woods and Gary Acquah re: 41 Cherry Street, 43-45 Cherry Street, 236 Columbus Avenue, Pittsfield, MA, December 3, 2024.

- Seek out and access technical assistance and learning opportunities with an aim to improve your ability to plan and successfully complete development and rehabilitation projects;
- Work with the City of Pittsfield and the Housing Authority to improve communication and repair your damaged relationship with the Housing Authority.”

D. Property Observations

This section contains Huron’s observations from the review of the documentation provided for each Project.

i. 23 Ashton Street, Worcester, MA

Property, Ownership, and Program Terms			
Property Address	23 Ashton Street, Worcester, MA	Property Type	Three-unit residential rental
Owner / Developer	Metropolitan Heights LLC	Principal / Signatory	Gary Acquah, Manager
Funding Program	Gateway Housing Rehabilitation Program (GHRP)	Administering Agency	MassHousing
Award Amount	Up to \$332,000	Affordable Units	3 of 3 units
Purpose of Funding	Rehabilitation of the property	Affordability Terms	15 years at or below 110% of AMI
Conditional Award Date	June 20, 2023	Grant Agreement Date	August 4, 2023
Required Completion Date	September 1, 2025		
MassHousing Award Signatory	Anthony Richards II (Conditional Award Letter)		
Developer Signatory	Gary Acquah, Manager, Metropolitan Heights LLC		
Demand/Default Letter(s)	• Site Inspection letter – Undated (references July 2024 site visit) • Site Inspection letter – December 11, 2024 (references November 2024 site visit) • Default and Demand Follow Up letter – November 25, 2025²⁸		
Subsequent Property Sales or Transfers	None		

Description of Property and Award

²⁸ The November 25, 2025 letter from MassHousing to Flex Investments referenced Default and Demand letters sent regarding three Pittsfield, MA projects and notified Flex Investments that no further funds will be advanced until MassHousing receives “a satisfactory response.”

23 Ashton Street is a six-bedroom, three-bathroom, multi-family home located in Worcester, MA. At the time of application, the property was owned by Metropolitan Heights, LLC.

The application for 23 Ashton Street indicated that the funds would be used to rehabilitate the property, including infrastructure improvements, plumbing work, furnace replacement, and electrical enhancements.

MassHousing entered into an agreement to disburse up to \$332,000 to Metropolitan Heights, LLC on August 4, 2023. Funds were scheduled to be disbursed over four (4) requisitions; the fourth requisition was not funded.

Based on the documents reviewed, GHRP inspected this property in July 2024 as part of the “cost certification” process required by the grant agreement, triggered by the grantee’s request for disbursement of the final 10% of the awarded funds. The inspections raised concerns about the property’s condition relative to the work, with Mr. Richards noting in a letter to Mr. Acquah, “we are very disappointed with the quality of this construction and are concerned that these issues could affect your ability to successfully access MassHousing funding in the future.”

GHRP inspected the property again on November 4, 2024, noting that “most of the concerns and poor conditions identified in July were resolved, and the rehab of the property is near complete” and that “a few conditions remain to be resolved prior to the closing out of this project and releasing final funds.” A list of the conditions was provided to Mr. Acquah. The letter also encouraged Mr. Acquah to seek assistance on the project, stating, “Given the challenges you are facing both at 23 Ashton St and the Pittsfield properties, we strongly encourage you to seek local management agents to assist you with the day-to-day management of these properties.” \$42,200 of the \$332,000 award remained undisbursed. Notably, Flex Investment’s own final requisition was calculated against a \$322,000 budget, understating the award by \$10,000 and seeking only \$32,200. No additional payments have been made by MassHousing with respect to this property.

Invoice documentation submitted by Flex Investments to support the use of funds disbursed under the requisitions appeared to contain multiple irregularities. For example, several of the invoices described in Section VI.B above were associated with this project, including those from B&S Elite Construction, Marhefka Construction, and Tim Phan Electrical. Additionally, certain invoices contained only general descriptions of services, and Gary Acquah’s signature on one invoice did not appear to match other exemplars of his signature.

ii. **41 Cherry Street, Pittsfield, MA**

Property, Ownership, and Program Terms			
Property Address	41 Cherry Street, Pittsfield, MA	Property Type	Three-unit residential rental
Owner / Developer	Cross Development Berkshires LLC / Flex Investments LLC	Principal / Signatory	Reginald D. Woods, Manager
Funding Program	Gateway Housing Rehabilitation Program (GHRP)	Administering Agency	MassHousing
Award Amount	Up to \$300,000	Affordable Units	3 of 3 units
Purpose of Funding	Rehabilitation of the property	Affordability Terms	15 years at or below 110% of AMI
Conditional Award Date	June 20, 2023	Grant Agreement Date	August 22, 2023
Required Completion Date	September 1, 2025		
MassHousing Award Signatory	Anthony Richards II (Conditional Award Letter)		
Developer Signatory	Reginald D. Woods, Manager, Cross Development Berkshires LLC / Flex Investments LLC		
Demand/Default Letter(s)	• Notice of Default – July 31, 2025 • Demand for Repayment – September 2, 2025		
Subsequent Property Sales or Transfers	41 Cherry Street was sold to Jasti MA Investments, LLC on 03/05/25.		

Description of Property and Award

41 Cherry Street is a three-unit multifamily property located in the city of Pittsfield, MA. At the time of application, the property was owned by Flex Investments, LLC. GHRP approved a grant to cover three units designated as affordable housing.

The application submitted by Flex Investments, LLC included various supporting documents, such as property deeds, operating agreements, and letters of support from community members. Huron notes that

letters of support were submitted by two individuals, Tom McArdle and James Carroll, both of whom are associated with vendors that purportedly performed work on this property. Messrs. McArdle and Carroll were associated with KTF Solutions and Berkshire Property Alliance, respectively. Invoices for both KTF Solutions and Berkshire Property Alliance were submitted in connection with requisitions for this property. The letters also contained substantially similar language. Based on records received from Kim McArdle, another KTF representative, Mr. Acquah provided her with example language to include in the letter.²⁹ Huron references the letters of support because the writers of the letters purportedly had an economic interest in Flex receiving an award for this property.

The awarded funds were disbursed over four (4) requisitions, totaling \$300,000.00.³⁰ Public property records indicate the property was subsequently sold by Flex Investments on March 5, 2025 to Jasti MA Investments, LLC for \$270,000.

Invoice documentation submitted by Flex Investments to support the use of funds disbursed under the requisitions appeared to contain multiple irregularities. For example, several of the invoices described in Section VI.B above were associated with this project, including those from KTF Solutions and Messana Electric. Additionally, Flex Investments billed, and was paid, a total of \$51,680 directly (\$26,680 for “consulting services” and \$25,000 in developer overhead) for which minimal or no support was provided.

²⁹ For example, both the Carroll and McArdle support letters contain the phrases “as you know, affordable housing is a critical need in many communities across the country, including Pittsfield” and “as you are aware, the cost of housing has been increasing in many communities across the country, and Pittsfield is no exception.” Identical letters of reference were provided by the same individuals for 43-45 Cherry St.

³⁰ Note that requisition approvals total \$300,000.43, while actual disbursements equal \$300,000.00.

iii. 43-45 Cherry Street, Pittsfield, MA

Property, Ownership, and Program Terms			
Property Address	43-45 Cherry Street, Pittsfield, MA	Property Type	Three-unit residential rental
Owner / Developer	Cross Development Berkshires LLC / Flex Investments LLC	Principal / Signatory	Reginald D. Woods, Manager
Funding Program	Gateway Housing Rehabilitation Program (GHRP)	Administering Agency	MassHousing
Award Amount	Up to \$311,000	Affordable Units	3 of 3 units
Purpose of Funding	Rehabilitation of the property	Affordability Terms	15 years at or below 110% of AMI
Conditional Award Date	June 20, 2023	Grant Agreement Date	August 22, 2023
Required Completion Date	September 1, 2025		
MassHousing Award Signatory	Anthony Richards II (Conditional Award Letter)		
Developer Signatory	Reginald D. Woods, Manager, Cross Development Berkshires LLC / Flex Investments LLC		
Demand/Default Letter(s)	• Notice of Default – July 31, 2025 • Demand for Repayment – September 2, 2025		
Subsequent Property Sales or Transfers	43-45 Cherry Street was sold to Jasti MA Investments, LLC on 03/05/25.		

Description of Property and Award

43–45 Cherry Street is a three-unit residential rental property located in Pittsfield, Massachusetts. At the time of application, the property was owned and managed by Cross Development Berkshires LLC and Flex Investments LLC, with Reginald D. Woods serving as manager and signatory. MassHousing approved funding through GHRP to rehabilitate the property and preserve all three (3) residential units as affordable housing for households earning no more than 110% of Area Median Income (“AMI”) for a period of fifteen (15) years.

MassHousing issued a Conditional Award Letter on June 20, 2023, approving up to \$311,000 in funding for the property's rehabilitation. The award was approved by Mr. Richards. MassHousing subsequently entered into a Grant Agreement dated August 22, 2023, with Cross Development Berkshires LLC and Flex

Investments LLC under Grant No. 23-012. The agreement required substantial completion of the project by September 1, 2025, and provided funding for the rehabilitation and preservation of all three residential units as affordable housing.

The funds were disbursed over four (4) requisitions, totaling approximately \$308,000 of the \$311,000 award, with the remaining approximately \$3,000 retained at closeout.

Invoice documentation submitted by Flex Investments to support the use of funds disbursed under the requisitions appeared to contain multiple irregularities. For example, several of the invoices described in Section VI above were associated with this project, including those from KTF Solutions, Berkshire Brothers Build and Huy Tran & Truong Pham. Additionally:

- Flex Investments submitted invoices totaling approximately \$48,023 across Requisitions 3 and 4 for consulting, construction, and developer-related services. Dates and descriptions of services were missing from some of the documentation.
- Requisition 1 contained what appeared to be a handwritten management approval signature, while invoice detail schedules for Requisitions 2 through 4 contained electronically applied signatures in formats differing from those previously observed.

iv. 236 Columbus Avenue, Pittsfield, MA

Property, Ownership, and Program Terms			
Property Address	236 Columbus Avenue, Pittsfield, MA	Property Type	Four-unit residential rental
Owner / Developer	Cross Development Berkshires LLC / Flex Investments LLC	Principal / Signatory	Reginald D. Woods, Manager
Funding Program	Gateway Housing Rehabilitation Program (GHRP)	Administering Agency	MassHousing
Award Amount	Up to \$500,000	Affordable Units	4 of 4 units
Purpose of Funding	Rehabilitation of the property	Affordability Terms	15 years at or below 110% of AMI
Conditional Award Date	June 20, 2023	Grant Agreement Date	August 22, 2023
Required Completion Date	September 1, 2025		
MassHousing Award Signatory	Anthony Richards II (Conditional Award Letter)		
Developer Signatory	Reginald D. Woods, Manager, Cross Development Berkshires LLC / Flex Investments LLC		
Demand/Default Letter(s)	• Notice of Default – July 31, 2025 • Demand for Repayment – September 2, 2025		
Subsequent Property Sales or Transfers	236 Columbus Ave was sold to Pardinho Eric Danillo Senegaglia Per on 06/05/25 for \$330,000.		

Description of Property and Award

236 Columbus Avenue is a four (4) unit multi-family home located in the city of Pittsfield, MA. At the time of application, the property was owned by Flex Investments, LLC. MassHousing approved a grant to improve property conditions, covering four (4) units designated as affordable housing.

The application submitted by Flex Investments, LLC included various supporting documents, such as property deeds and operating agreements.

MassHousing ultimately entered into a grant agreement with Flex Investments, LLC and Cross Development Berkshires, LLC on August 22, 2023 in the amount of up to \$500,000.00, disbursed over 4 installments.

Our review of the four (4) requisitions, and the 26 invoices submitted by Flex Investments in support of the requisitions, identified multiple apparent irregularities. For example, several of the invoices described in Section VI.B above were associated with this project, including those from Huy Tran & Tim Phan Subcontractors, Messina Electric, Biancaniello Contracting, and Boston Budget Plumbing and Heating. Additionally:

- There were estimates with mathematical inaccuracies and invoice totals that could not be reconciled to the itemized line items.³¹ For example, one of the estimates for Swift Building Design Construction and Remodeling Company ("Swift") included the itemized descriptions that, when added together, totaled \$15,000. The total on the invoice is \$15,500.^{32,33}
- A \$2,500 invoice submitted for work performed by Tamarisk Appraisals, a New York City-based appraisal firm. Publicly available information indicated the firm advertised appraisal services in approximately 25 states; however, Massachusetts was not among the states listed on the firm's website at the time of review.³⁴ Huron emailed Tamarisk asking the company to verify the invoices. The company has not responded to Huron's inquiry.
- Huron noted that a significant number of vendors associated with this project were based at least 25 miles from the property, and in some instances more than 100 miles. Despite these distances, travel-related costs were largely absent from the supporting documentation. Only one invoice reviewed by Huron included travel or lodging expenses.

³¹ Based on discussions with GHRP staff, only invoices for work performed, and not estimates of work to be performed, were eligible for inclusion on requisitions.

³² Swift estimate #180.

³³ Huron spoke with, and exchanged text messages with, a representative of Swift. Huron was informed by the individual that Swift is no longer in operation and that the individual no longer has access to the company's records. The individual acknowledged that Swift worked on some of Flex Investments' projects but did not confirm which projects, other than 23 Ashton Street. No Swift invoices were submitted for 23 Ashton Street. The representative stated that he would provide copies of invoices directly to Huron. As of the date of this report, Huron has not received additional information from Swift.

³⁴ <https://tamariskappraisals.com/service-area/>

v. 50 Hollywood Street, Worcester, MA

Property, Ownership, and Program Terms			
Property Address	50 Hollywood Street, Worcester, MA	Property Type	Three-unit residential rental
Owner / Developer	LPZ Hollywood LLC	Principal / Signatory	Joshua Zakim, Manager, LPZ Hollywood LLC
Funding Program	Gateway Housing Rehabilitation Program (GHRP)	Administering Agency	MassHousing
Award Amount	Up to \$275,385	Affordable Units	3 of 3 units
Purpose of Funding	Rehabilitation of the property	Affordability Terms	15 years at or below 110% of AMI
Conditional Award Date	June 20, 2023	Grant Agreement Date	October 12, 2023
Required Completion Date	November 1, 2025		
MassHousing Award Signatory	Anthony Richards II (Conditional Award Letter)		
Developer Signatory	Joshua Zakim, LPZ Hollywood LLC		
Subsequent Property Sales or Transfers	None		

Description of Property and Award

50 Hollywood Street is a nine-bedroom, three-bathroom multi-family home located in Worcester, MA, owned by LPZ Hollywood, LLC. The property was purchased in July of 2022 and does not appear to have been sold or transferred following the issuance of the grant. The home has three units designated as affordable housing.

The application for 50 Hollywood Street indicated the funds would be used to replace HVAC systems in the three units, update electrical systems, and perform plumbing work. The application indicated a cost of \$125,000, however, it is unclear how the budget of \$275,385 was ultimately determined.

MassHousing entered an agreement with LPZ Hollywood on October 12, 2023. The full award of \$275,385 appears to have been disbursed to the grantee over eleven (11) requisitions.³⁵ Although the grant

³⁵ Huron notes that the project file includes requisitions numbered 12 and 13. The developer appears to have skipped numbers 4 and 11, resulting in the final submitted requisition being labeled number 13.

agreement requires cost certification for disbursements after 90% of the award, no such certification was provided.

vi. 70 Weston Street, Brockton, MA

Property, Ownership, and Program Terms			
Property Address	70 Weston Street, Brockton, MA	Property Type	Three-unit residential rental
Owner / Developer	Christos Drovatzikas & Saberine Wehbe	Principal / Signatory	Christos Drovatzikas & Saberine Wehbe
Funding Program	Gateway Housing Rehabilitation Program (GHRP)	Administering Agency	MassHousing
Award Amount	Up to \$345,780	Affordable Units	3 of 3 units
Purpose of Funding	Rehabilitation of the property	Affordability Terms	15 years at or below 110% of AMI
Conditional Award Date	June 20, 2023	Grant Agreement Date	December 7, 2023
Required Completion Date	November 1, 2025		
MassHousing Award Signatory	Anthony Richards II (Conditional Award Letter)		
Developer Signatory	Christos Drovatzikas & Saberine Wehbe		
Subsequent Property Sales or Transfers	None		

Description of Property and Award

70 Weston Street is a three (3) unit multi-family home located in the city of Brockton, MA. At the time of application, the property was owned by Christos Drovatzikas & Saberine Wehbe. MassHousing approved a grant to improve property conditions, covering three (3) units to be designated as affordable housing.

The application submitted by Drovatzikas & Wehbe included various pieces of supporting documentation such as property deeds, operating agreements and a letter of support from the Director of Housing and Community Development (Brockton Redevelopment Authority).

MassHousing ultimately entered into an agreement with Drovatzikas & Wehbe on December 7, 2023, awarding them a grant of up to \$345,780.00, to be disbursed over 6 installments.

A review of project documentation identified instances in which expenditures were not supported by standard vendor invoicing records. In one case, support consisted solely of a screenshot of a bank transaction, with no accompanying invoice or documentation describing the underlying goods or services

provided.³⁶ In other instances, formal invoices were not provided and were replaced with informal Word documents that lacked standard invoicing attributes and contained limited detail regarding the work performed. Collectively, these documentation deficiencies limited Huron's ability to substantiate certain costs and assess whether billed amounts were supported by work performed.

³⁶ A MassHousing employee confirmed that invoices are necessary to support requisitions and that proof of payments or estimates are insufficient.

vii. 87 Stowers Street, Revere, MA

Property, Ownership, and Program Terms			
Property Address	87 Stowers Street, Revere, MA	Property Type	Two-unit residential dwelling
Owner / Developer	Edward and Anna Dearborn City of Revere	Principal / Signatory	Tom Skwierawski
Funding Program	Gateway Housing Rehabilitation Program (GHRP)	Administering Agency	MassHousing
Award Amount	Up to \$94,973	Affordable Units	2 of 2 units
Purpose of Funding	Rehabilitation of the property	Affordability Terms	15 years at or below 80% of AMI
Conditional Award Date	December 20, 2023	Grant Agreement Date	March 4, 2024
Required Completion Date	120 days following Grant Agreement		
MassHousing Award Signatory	Anthony Richards II (Conditional Award Letter)		
Developer Signatory	Tom Skwierawski, Edward W. Dearborn and Anna Dearborn (Owners)		
Subsequent Property Sales or Transfers	None		

Description of Property and Award

The lead applicant for 87 Stowers Street was the City of Revere. The application requested \$94,972.50 and, in the "Activity Type" and unit-count fields, identified the project as a substandard homeowner property zoned as a 2-family building. The Conditions Narrative states the property is at risk of loss of property insurance based on a letter from the Massachusetts Property Insurance Underwriting Association. The application states the applicants own the property, that work could commence upon award, and that construction would begin in Fall 2023 and end three months later.

A GHRP Application Deficiency Checklist completed on November 7, 2023, noted several deficiencies, including the absence of a budget, the need for site control, and open questions about the applicant's financials and DEI plan.

A GHRP Application Activity Evaluation was completed on December 13, 2023 and noted a Total Development Cost of \$94,972.50, a per-unit cost of \$47,486.25 across 2 units, and overhead of \$4,522.50

marked as $\leq 5\%$ of project cost. The reviewers recommended funding the project based on several criteria, including a finding that the project met the program's qualifying requirements.

MassHousing issued a Conditional Award of up to \$94,973 by letter dated December 20, 2023, signed by Mr. Richards and a Grant Agreement was subsequently executed. Section 3 of the Grant Agreement provides that the first advance is 90% of the total grant award, with the remaining 10% held until the project is complete and monitoring and inspections are satisfied. The award required completion within 120 days of the agreement date (on or about July 2, 2024).

MassHousing issued Funding Requisition #1 dated June 5, 2024, for a net amount of \$85,476.00, disbursed by ACH to the City of Revere, representing 90% of the \$94,973 award, with \$9,497.00 (10%) shown as the withheld balance. Per discussions with MassHousing, the project remains open, and the grantee will become eligible for the remaining 10% upon the project's final inspection, which has not yet occurred.

viii. 51 Clarendon Street, Springfield, MA

Property, Ownership, and Program Terms			
Property Address	51 Clarendon Street, Springfield, MA	Property Type	Single-family residential
Owner / Developer	Greater Springfield Habitat for Humanity	Principal / Signatory	Aimee Giroux
Funding Program	Gateway Housing Rehabilitation Program (GHRP)	Administering Agency	MassHousing
Award Amount	Up to \$84,275	Affordable Units	1 of 1 unit
Purpose of Funding	Rehabilitation of the property	Affordability Terms	15 years at or below 80% of AMI
Conditional Award Date	February 27, 2024	Grant Agreement Date	November 19, 2024
Required Completion Date	May 31, 2025		
MassHousing Award Signatory	Anthony Richards II (Conditional Award Letter)		
Developer Signatory	Aimee Giroux		
Subsequent Property Sales or Transfers	None		

Description of Property and Award

On July 28, 2023, Greater Springfield Habitat for Humanity (GSHFH) applied for \$84,275 in GHRP funds to rehabilitate one owner-occupied unit at 51 Clarendon Street, a single-family home in Springfield's McKnight neighborhood. The applicant is the non-profit; the occupants are described as seniors with limited incomes below 80% AMI and mobility issues. GSHFH stated it had exhausted its repair-program funding and had no other sources secured, so the project depended entirely on GHRP.

The file includes municipal and community support letters from the City of Springfield Office of Housing and Wayfinders, a development-team roster, a construction-supervisor résumé, the city property card, and two years of audited financials.

A deficiency review was completed by GHRP on November 7, 2023, noting that all required attachments were present. A GHRP Activity Evaluation noted that the project met the eligibility threshold.

MassHousing issued a Conditional Award of \$84,275 by letter dated February 27, 2024, signed by Mr. Richards as part of a combined \$171,350 award to GSHFH that also covered 1104 Hampden (discussed below). The fully executed Grant Agreement is dated November 19, 2024 and provides for a 90% initial

disbursement on satisfaction of closing conditions, with the final 10% payable only after an approved Grantee Cost Certification, and caps overhead expenses at 5% of all project costs.

MassHousing disbursed a single payment of \$75,847.50 (exactly 90% of the \$84,275 award reflected in the program disbursement schedule). No supporting vendor invoices or requisition package accompanied the payment, consistent with the 90% mathematical methodology used for the non-profit/municipal awards. Per discussions with MassHousing, the project remains open, and the grantee will become eligible for the remaining 10% upon the project's final inspection, which has not yet occurred.

ix. 1104 Hampden Street, Holyoke, MA

Property, Ownership, and Program Terms			
Property Address	1104 Hampden Street, Holyoke, MA	Property Type	Single-family residential
Owner / Developer	Greater Springfield Habitat for Humanity	Principal / Signatory	Aimee Giroux
Funding Program	Gateway Housing Rehabilitation Program (GHRP)	Administering Agency	MassHousing
Award Amount	Up to \$87,075	Affordable Units	1 of 1 unit
Purpose of Funding	Rehabilitation of the property	Affordability Terms	15 years at or below 80% of AMI
Conditional Award Date	February 27, 2024	Grant Agreement Date	November 19, 2024
Required Completion Date	May 31, 2025		
MassHousing Award Signatory	Anthony Richards II (Conditional Award Letter)		
Developer Signatory	Aimee Giroux		
Subsequent Property Sales or Transfers	None		

Description of Property and Award

The lead applicant was Greater Springfield Habitat for Humanity (GSHFH), with the City of Holyoke Office of Community Development listed as a partner and Aimee Giroux, Executive Director, as both Chief Administrative Official and the primary contact. The owner-occupant is described as being in her 60s, disabled, and on a limited income. The application requested \$87,075 for one homeowner-rehab unit at ≤80% AMI, for a single-family Victorian home at 1104 Hampden Street built in the early 1900s.

The Conditions Narrative states the homeowner's insurance company gave notice of intent to cancel if repairs were not addressed and lists several deficiencies.

Materials submitted in connection with the application include a City of Holyoke property map with the property highlighted, a property record card, the insurance company's notice of cancellation/nonrenewal, and a Holyoke Credit Union mortgage account statement showing a principal balance of \$66,880.97 as of June 2023.

MassHousing issued a Conditional Award of \$87,075 for 1104 Hampden by letter dated February 27, 2024, signed by Mr. Richards, addressed to Aimee Giroux as part of the combined \$171,350 award to GSHFH that also covered 51 Clarendon (discussed above). The executed Grant Agreement is dated November 19, 2024 and includes an approved scope of work and an expectation that the work would be done over an estimated 9-month timeline.

MassHousing issued Funding Requisition #1 dated January 15, 2025, for \$78,367.50, representing 90% of the \$87,075 award, wired to the GSHFH Construction Account at Peoples Bank, with \$8,707.50 (10%) shown as the withheld balance. Per discussions with MassHousing, the project remains open, and the grantee will become eligible for the remaining 10% upon the project's final inspection, which has not yet occurred.

VII. MassHousing Controls Review

A. Overview

Huron reviewed the documented processes for governance, application review, award approval, disbursement, and monitoring associated with GHRP. The purpose of this review was to evaluate whether the Program's documented control environment (i.e., the written policies, procedures, role assignments, and related materials made available to Huron) was designed to mitigate risks of fraud, abuse, conflicts of interest, favoritism, unsupported disbursements, and other improper activity.

This controls review is intended to place the property-specific observations described elsewhere in this report into broader program-administration context. The property-level review identified recurring issues involving invoice support, vendor documentation, requisition approval, inspection records, and other project-level materials. This section addresses whether the documented GHRP control environment was sufficiently formalized to identify, evaluate, escalate, or resolve such issues before funds were approved and disbursed.

As part of its review, Huron considered MassHousing's 2023–2024 Grant Program RACI Chart. A RACI chart is a project-management tool that maps, for each task or decision, who is Responsible, Accountable, Consulted, and Informed ("RACI"). The GHRP RACI assigned these roles across the grant lifecycle, including application review, award selection, due diligence, transaction closing, fund disbursement, grant closeout, and compliance monitoring. While the RACI reflected assigned responsibilities across multiple stakeholders, it functioned as a responsibility-assignment framework and did not, standing alone, establish procedures for how key activities were to be performed, documented, reviewed, approved, monitored, or escalated.

Huron's review of controls was not intended to determine whether specific instances of fraud, waste, abuse, or misconduct occurred. Rather, the objective was to identify areas where the documented control environment may be vulnerable to inadequate oversight, undocumented decision-making, conflicts of interest, unsupported expenditures, inconsistent execution, or other conditions that could increase the risk of improper activity.

Overall, while MassHousing assigned responsibilities across the grant lifecycle, the materials reviewed did not consistently evidence the formal procedures, documentation standards, verification steps, or escalation mechanisms needed to demonstrate that key activities were performed consistently. Importantly, and as described further in this section, beginning in mid-2024 MassHousing initiated and implemented a number of measures intended to address several of the conditions discussed below, including restructuring program oversight, standardizing intake and documentation, and introducing multiple levels of independent review before disbursement. The observations in this section describe the documented control environment as it existed during the period under review (August 2023 - March 2025) and should be read together with those subsequent enhancements.

B. Summary of Documented Control Observations

The following table summarizes the principal control themes identified through Huron’s review of MassHousing’s documented grant administration process. These observations do not represent findings of misconduct. Rather, they identify areas where the documented process may not provide sufficient clarity, evidence, or escalation mechanisms to demonstrate consistent performance and oversight of key grant-administration activities.

Table 9. Summary of MassHousing’s Grant Administration Process Controls

Theme	Observation Summary	Potential Impact
1 Conflicts of Interest, Related Parties, and Third-Party Integrity	Documented procedures do not describe how conflicts, related-party relationships, or affiliations (including those involving applicants, awardees, vendors, contractors, and consultants), are identified, documented, evaluated, or validated.	Undisclosed relationships may not be identified before key funding, reimbursement, or oversight decisions.
2 Applicant and Awardee Due Diligence	Application reviews appear focused on eligibility, completeness, and project evaluation, with limited documented procedures for independently verifying applicant representations or affiliations.	Integrity concerns may not be identified before applications advance or awards are approved.
3 Concentration of Operational Responsibilities	Program personnel maintain significant responsibility across application intake, documentation tracking, requisition review, and monitoring, with heavy reliance on manual reviews, spreadsheets, trackers, and emails.	Reliance on a limited group and on manual processes may limit segregation of duties and independent review, increasing the risk that errors, unsupported items, or inconsistent execution are not identified before funds are approved and disbursed.
4 Requisition Review and Disbursement Controls	Documented procedures do not define standardized steps for validating invoice support, vendor legitimacy, cost reasonableness, expenditure eligibility, or invoice authenticity.	Unsupported, inflated, altered, or otherwise unverified expenditures may not be identified before disbursement.
5 Risk-Based Oversight	Review and monitoring procedures appear generally consistent across projects, regardless of project-specific risk characteristics.	Higher-risk projects may not receive additional review proportionate to the risks presented.
6 Issue Identification and Escalation Procedures	Documented procedures do not clearly define how irregularities or potential indicators of improper activity are identified, documented, escalated, and resolved.	Issues requiring follow-up may not be escalated or addressed consistently.

These themes informed Huron’s review of the GHRP grant lifecycle areas discussed below. The following sections identify, for each stage of the grant lifecycle, the specific gaps that flow from this limitation and, where applicable, the corresponding property-level findings described in Section VI.D.

C. Governance and Oversight

The documented control environment identified key review and approval points across the grant lifecycle (including application review, award selection, closing, disbursement, and compliance monitoring). However, the materials reviewed did not identify formal procedures for fraud-risk assessments or escalation of integrity concerns, and significant operational responsibilities appeared concentrated among a limited number of program personnel, increasing reliance on individual judgment and institutional knowledge.

This is significant because the property-level review identified conflicts and undisclosed affiliations that a formalized governance and disclosure process may have surfaced earlier. As described throughout this report, MassHousing has since restructured program oversight and added personnel and operational support resources.

D. Application Intake and Eligibility Review

Primary responsibility for application intake rested with program personnel, who received applications and supporting documentation, reviewed materials, identified missing submissions, completed deficiency reviews, and prepared recommendation forms. The materials did not, however, describe the review criteria or documentation standards to be applied when evaluating submissions, and Huron did not identify guidance for how eligibility determinations should be performed or supported, nor procedures for verifying applicant-provided information, assessing conflicts of interest, or identifying related-party relationships. As a result, the consistency of application reviews may depend substantially on individual reviewer judgment.

Although the materials indicated that a scoring process was performed for applicants and supported by items such as reference letters and financial information, the retained documentation did not make clear the degree of due diligence performed on applicants or the results of any such diligence.

E. Application Evaluation and Award Selection

The award selection process drew on program personnel, management, and designated reviewers, who completed recommendation forms, participated in project review discussions, conferred on awardees, developed funding recommendations, and communicated award decisions. Despite this multi-party involvement, Huron did not identify documented scoring methodologies, evaluation criteria, ranking procedures, or standards to support such funding recommendations, nor procedures requiring participants in the award process to disclose conflicts of interest or document circumstances that may impair independence. The absence of documented evaluation standards and conflict-management procedures may increase the risk of inconsistent decision-making and limit the ability to demonstrate the basis for award selections. Consistent with this gap, the property-level review identified Activity Evaluation forms that were substantially incomplete, including instances lacking a signed funding recommendation.

F. Post-Award Due Diligence and Grant Closing

Responsibility for post-award due diligence and closing was assigned across program personnel, but the materials did not specify how documentation submissions should be evaluated or how project risks should be assessed between award and closing, and Huron did not identify standards governing due diligence reviews, verification requirements, or approval criteria.

The documentation also did not describe procedures for identifying changes in ownership, project participants, or organizational structure arising between award approval and closing (i.e., the type of change reflected in post-award property transfers observed among the Flex Investments-affiliated properties).

G. Requisition Review and Fund Disbursement

At the disbursement stage, program personnel held primary responsibility for reviewing requisitions, confirming good standing, reviewing lien status, and coordinating disbursements. The materials did not, however, describe how expenditures should be evaluated or what supporting documentation should be required, and Huron did not identify procedures governing invoice review, cost validation, vendor verification, assessment of reimbursement reasonableness, or the identification of duplicate payments, related-party transactions, unsupported expenditures, or altered or reused documentation. Interviews with GHRP personnel also did not reveal clear guidelines for reviewing documentation supporting disbursement requests.

Huron observed evidence of requisition and disbursement approvals, but the form of those approvals, including signatures, was not consistent across projects, and in certain instances amounts reflected on requisition approvals did not agree to the amounts disbursed (some differences corresponded to holdbacks or to invoice support exceeding the amount requisitioned rather than to payment errors).

This area is significant because the property-level review identified recurring issues involving invoice support, vendor documentation, and requisition approvals (including invoices that vendors stated they did not issue and invoices bearing apparent alterations) that the documented process did not demonstrate would be identified, evaluated, escalated, or resolved before payment. As described in Section VII.I, MassHousing has since implemented multiple levels of independent review and approval of requisitions prior to the disbursement of funds.

H. Project Monitoring, Compliance, and Closeout

Documented monitoring and closeout responsibilities covered confirming grant compliance, processing holdback payments, receiving compliance documentation, and monitoring projects on an ongoing basis.

The materials did not define the nature, frequency, or documentation requirements of monitoring reviews, describe a risk-based monitoring approach, or specify what actions should be taken when non-compliance or other concerns are identified. Consequently, monitoring activities may be applied inconsistently and may provide limited assurance that funded projects continue to comply with program requirements.

Although site visits appear to have been conducted for certain GHRP properties, the documentation does not consistently indicate which procedures were followed or what actions resulted. The clearest documented exception is 23 Ashton Street, where an inspection tied to the final disbursement request identified construction deficiencies and the final requisition (approximately 10% of the award) was not paid. MassHousing has since expanded inspection and monitoring activities, including evaluating the use of third-party inspectors.

I. Additional Controls Implemented by MassHousing

As noted above, GHRP's application process is currently closed, and MassHousing will not be actively continuing the program. Based on documents reviewed by Huron, and discussions with MassHousing personnel, MassHousing has initiated and implemented actions intended to strengthen the governance, due-diligence, disbursement, monitoring, and closeout controls associated with programs within the Strategic Community Investments program. Because no awards have been approved at GHRP since February 2024, and no new applications are being accepted at this time, SCI has focused on implementing the new controls within its Neighborhood Stabilization Program ("NSP") with the intention to implement them at GHRP, should MassHousing decide to reopen the application process. Based on the documents reviewed and interviews conducted, the measures implemented by MassHousing include:

1. Pausing GHRP activities pending further review and initiating internal and external investigative reviews of the Program.
2. Restructuring program oversight through the creation of a dedicated Community Investment Initiatives ("CII") group and the addition of personnel and operational support resources, reducing the prior concentration of operational responsibility within a limited number of individuals.
3. Reassessing Program policies, procedures, and oversight structures, including the governance, due-diligence, requisition-review, and monitoring activities addressed in this section.
4. Developing a Grant Management Portal intended to standardize application intake and document collection and to reduce reliance on manual reviews, spreadsheets, trackers, and email-based recordkeeping.
5. Implementing multiple levels of independent review and approval of requisitions before funds are disbursed, with clearly defined approval authority and appropriate segregation among the preparation, review, and approval of funding requests, intended to strengthen the requisition review and approval controls addressed above.
6. Expanding inspection and monitoring activities, including evaluating the use of third-party inspectors, which may address the limited and inconsistently documented inspection practices identified during the property-level review.
7. Increasing staff training related to construction-program oversight.

Based on the documents reviewed, many of these enhancements appear designed to address several of the governance, due-diligence, requisition-review, monitoring, and closeout-control weaknesses identified during Huron's review. Huron has not independently evaluated the design adequacy or operating effectiveness of these enhancements and expresses no opinion as to whether they are currently functioning effectively in practice. Huron's observations regarding these measures are based solely on the documents and information made available as of the date of this report and may be supplemented as additional information becomes available.

J. Consolidated Recommendations

To strengthen governance, accountability, documentation, and program-integrity controls within the GHRP, should MassHousing choose to continue the Program, MassHousing should consider the following enhancements:

Immediate Priorities

1. Implement conflict-of-interest and related-party review procedures applicable to applicants, awardees, contractors, consultants, vendors, reviewers, decision-makers, and program personnel.
2. Implement standardized requisition review procedures requiring validation of invoice support, vendor legitimacy, cost reasonableness, expenditure eligibility, proof of work, and consistency with approved project scope.³⁷
3. Establish training to help staff identify duplicate, unsupported, unusual, altered, or potentially ineligible expenditures before funds are approved and disbursed.

³⁷ Huron has reviewed the GHRP and NSP Requisition Checklist, which has been in use since July 2025, and is intended to standardize the review process. The Requisition Checklist includes four levels of review before disbursements are authorized.

4. Formalize monitoring, inspection, cost certification, and closeout procedures to document satisfaction of program requirements and verify that funded work was performed.
5. Develop formal issue-escalation procedures defining how suspected document alteration, undisclosed relationships, unsupported expenditures, and other indicators of potentially improper activity must be documented, escalated, investigated, and resolved.

Near-Term Enhancements

1. Develop written grant-administration procedures that define required review steps, approval standards, documentation requirements, and escalation triggers across the grant lifecycle.
2. Establish documentation and evidence-retention requirements for application review, award selection, due diligence, requisition approval, disbursement, monitoring, inspection, cost certification, and closeout activities.
3. Develop applicant and awardee due diligence procedures to validate key representations, including ownership, management, affiliations, project participants, and other integrity-related risk factors.
4. Establish documented evaluation and award-selection criteria sufficient to support funding recommendations and demonstrate the basis for award decisions.
5. Develop formal post-award due diligence and closing procedures that include verification requirements, approval standards, and procedures for identifying material changes between award approval and closing.
6. Develop a risk-based oversight and escalation framework requiring enhanced review for projects, vendors, requisitions, or circumstances presenting elevated integrity, compliance, financial, or reputational risk.
7. Implement periodic quality-assurance or internal-audit testing to assess whether application, award, disbursement, inspection, cost-certification, and closeout controls are operating as designed and whether identified deficiencies are appropriately remediated.

VIII. Conclusion

Huron's controls review indicates that although MassHousing assigned responsibilities across the GHRP grant lifecycle and incorporated multiple stakeholders into application review, award approval, disbursement, and monitoring activities, the documentation reviewed did not consistently evidence formal procedures, documentation standards, verification steps, or escalation mechanisms sufficient to demonstrate that key review, approval, verification, and monitoring activities were consistently performed.

This conclusion is significant because the property-level review identified recurring issues involving invoice support, vendor documentation, requisition approval, inspections, cost certifications, and other project records. Many of those issues were discernible from materials available during the ordinary course of GHRP's grant administration and recurred with sufficient frequency to indicate that additional scrutiny was warranted before approval and disbursement.

Huron's observations indicate that GHRP requires more formalized procedures, clearer documentation and evidence-retention requirements, enhanced verification, conflict and relationship screening, and defined escalation protocols to identify and address irregularities before public funds are disbursed.

Huron has recommended controls to address the issues identified in this report, and as described above, MassHousing has initiated and implemented several corrective actions intended to address a number of

these control weaknesses. Huron has not independently evaluated the design adequacy or operating effectiveness of those measures and expresses no opinion as to whether they are currently functioning effectively in practice.

IX. Limitations

Huron is a management consulting firm. Huron does not provide attest services, audits, or other engagements that are subject to standards established by the American Institute of Certified Public Accountants or the Public Company Accounting Oversight Board. Huron expresses no opinion or other form of assurance on any MassHousing or GHRP financial statements, representations, or other MassHousing or GHRP data included in Huron's work.

This report sets forth the procedures performed to date, the materials reviewed, and Huron's preliminary observations related to the GHRP and on a property-by-property basis.

The observations described herein are preliminary and are based on the documents and information made available to Huron by MassHousing and GHRP as of the date of this report.

Huron did not perform formal forensic document examination beyond the procedures described in Section IV and does not opine on the genuineness of signatures, letterhead, or other documentation except as expressly stated herein. Huron used technology and professional judgment to identify potential indicia of fraud in accordance with the procedures described in Section IV.

Certain matters are outside the scope of this report, including the nature and timing of any relationship between MassHousing personnel and Flex Investments, which is being addressed separately by Counsel. Nothing herein should be construed as Huron's assessment of that relationship.

Huron is not a law firm; it does not offer and is not authorized to provide legal advice or counseling in any jurisdiction. This report and any advice have been provided solely for the use and benefit of Counsel and MassHousing. Neither this report nor any portion thereof may be published in whole or in part without Huron's written permission, except as required by law.

Huron reserves the right to supplement, amend, or modify its preliminary observations and the procedures and analyses described herein, based on documents, information, or data that become available, up to and including the submission of any additional reports.

EXHIBIT 1

SHARE:

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Equitable Business Development Newsletter, Fall 2022

MassHousing's Equitable Business Development Division was created to advance and foster equitable business growth across the Agency.

- **Leverage the affordable housing ecosystem to create wealth-building and upward mobility** for Black, Indigenous and People of Color (BIPOC) residents of Massachusetts.
- **Increase BIPOC homeowners and multifamily projects/portfolio balances to minority-owned or senior principal borrowers** by promoting lending products and subsidy programs that significantly impact socially disadvantaged communities.
- **Provide advancement opportunities for diverse businesses and BIPOC workforce** with a primary focus on MBEs in Goods & Services; Construction/Property Management; and Talent & Workforce-Recruitment, Retention and Growth.

The Division is comprised of several diverse departments working to advance MassHousing's **mission** to confront the housing challenges of the Commonwealth to improve the lives of its people. This newsletter serves as an introduction to the Equitable Business Development Division, highlighting past and current initiatives, and upcoming program and funding announcements.

Emerging Developer Initiative



The Equitable Business Development Division hosted a statewide tour—which drew more than 150 attendees—to identify opportunities to increase Black, Indigenous and People of Color (BIPOC) developer participation in the affordable housing ecosystem; build and engage a network of diverse real estate professionals across the Commonwealth; and apply an equity-minded lens to the production and preservation of housing.

The sessions were held in Greater Boston (Boston), Central Mass. (Worcester), Western Mass. (Springfield), North Shore (Lawrence) and South Coast (New Bedford). The Equitable Business Development team will host a virtual town hall meeting in November to share the lessons learned from the Tour and strategies to support emerging developers in the affordable housing ecosystem. Special thanks to our partners in this effort: [The Mel King Institute](#) and [The Builders of Color Coalition](#).

Neighborhood Stabilization



Neighborhood Stabilization staff oversees certain capital grants for MassHousing, including:

The Center for Community Recovery Initiatives (CCRI) offers \$700,000 in capital and program grants each year to nonprofit organizations that provide sober housing and related services. Applications for the CCRI Fall Round are under review, with awards expected in November. MassHousing anticipates having a second round of funding available later this calendar year.

Fire Sprinkler System Program (FSSP) funds will be available in early November to any MASH-certified sober home that is facing fire safety violations due to the lack of sprinkler systems in the buildings. This will be a "rolling" funding round, with awards being made until all grant funds are expended; approximately \$3.8 million is available. Owners of sober homes may apply for up to \$80,000 for each qualified building.

A second round of **Neighborhood Stabilization Program** funds will be announced in November, with applications due by the second week of January 2023. Approximately \$8 million will be available for this round. Municipalities, nonprofits and CDCs may apply for these funds for 1-4 unit homeownership opportunities, and small rental rehabilitation projects that will contribute to the stabilization of distressed communities.

MassHousing also expects to contract with DHCD to manage the **Gateway Housing Rehab Program (GHRP)** starting in December 2022 for the rehabilitation of 1-4 family homeowner, homebuyer or rental properties in Gateway Cities and other distressed communities identified by DHCD. Approximately \$2.3 million will be offered in this round. This will be a rolling application round; applications may be submitted until all funds have been committed.

Government Affairs



The American Rescue Plan Act (ARPA) was passed by the federal government in March 2021 to help states respond to the public health and economic impacts of COVID-19. Massachusetts

received a total of approximately \$5 billion in ARPA funding.

In October 2021, Governor Charlie Baker and the Massachusetts State Legislature worked to appropriate \$3.8 billion of the state's ARPA allocation for state and local programming and priorities. Housing investments totaled \$600 million. Of that amount, MassHousing was allocated \$115 million for its **CommonWealth Builder Program** and \$65 million to fund down payment assistance for mortgages made by MassHousing and the Massachusetts Housing Partnership (MHP). These funds have been used to develop the new **MassDREAMS** program, which was launched this month. Additionally, \$115 million was allocated for Rental Housing Administration and \$150 million for Supportive Housing Administration.

On August 23, 2022, MassHousing Executive Director **Chrystal Kornegay** joined Congresswoman Ayanna Pressley and other state and local officials at an event sponsored by The Neighborhood Developers (TND). TND is transforming a former industrial site in Chelsea into 56 new mixed-income rental units and six affordable homeownership units. The new housing development, 25 Sixth Street, **received \$10.4 million in MassHousing financing** to support the rental units, and \$1.38 in Commonwealth Builder ARPA funds to support the creation and sale of the six affordable homeownership units. 25 Sixth Street is the first project in the state to utilize Commonwealth Builder ARPA funding. These new homeownership units will be available for moderate-income homebuyers.

Following the site tour, Congresswoman Pressley and Chrystal Kornegay held a roundtable discussion (pictured above) to discuss strategies to address racial disparities in housing and ways to advance wealth generating opportunities in communities of color.

Diverse Business Engagement

MassHousing and the Diversity & Inclusion Division are evolving and expanding our commitment in the area of diversity, equity and inclusion. This transformation is building on a 32-year strong foundation that has fostered economic wealth in housing. The Department is embarking on a rebrand and will now be known as **Diverse Business Engagement**.

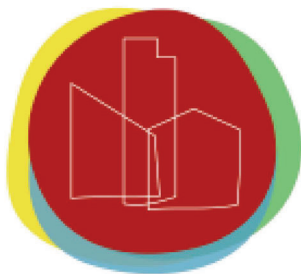
This rebrand considers growth and a broader understanding of inclusivity to include veteran owned, Service-disabled veteran owned, LGBTQ, and disabled business enterprises. The Division will continue to provide direct technical assistance to both diverse businesses and majority businesses in affordable housing. We will continue our commitment in expanding participation and utilization of Minority and Women businesses on our construction and property management contracts.

We are expanding and exploring our own commitment from within the area of Goods & Services with the diverse business owner community, and have incorporated this accountability in our **5-year strategic business goals**.

Diverse Business Engagement has also launched a **Business Opportunity Portal**. This electronic platform allows property management companies and general contractors to post contracting opportunities on construction projects and within developments in the MassHousing portfolio. This feature allows diverse business owners to register for individual notifications within specified trades or areas of work as well as a common space to review and share at any time.

The Neighborhood Hub

The Neighborhood Hub provides technical assistance to support residential neighborhood revitalization and stabilization.



The Neighborhood Hub

City partner.

The application is now open for the 2023-2026 Neighborhood Hub Program! The Neighborhood Hub helps Gateway Cities and their local or regional partners to identify and implement strategies to repair and renew neighborhoods with high rates of vacant, abandoned and deteriorating homes.

The 2023-2026 Neighborhood Hub Program focuses on tailored, comprehensive neighborhood stabilization assistance. The Neighborhood Hub will also fund citywide or regional efforts for neighborhood stabilization. All regional projects require a Gateway

All projects also require the identification of a target neighborhood or corridor for small-scale implementation and focused technical assistance. [Learn more here.](#)

- **Length of Program Partnership:** 3 years
- **Maximum Grant Amount:** \$200,000
- **Applicant:** Gateway Cities, Regional Applications with a Gateway City Lead
- **Participants:** Gateway Cities, Gateway City Regions, Community Partners, Local or Regional Partners
- **Geographic Preferences:** [View a map](#) with the Neighborhood Hub's preferences

Best Regards,
Tony Richards
Vice President of Equitable Business Development



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EXHIBIT 2

From: anthony.w.richards@MassMail.State.MA.US
Sent: Friday, May 10, 2019 6:09 PM
To: Anthony Richards
Subject: Fwd: Worcester Real Estate Project

Sent from my iPhone

Begin forwarded message:

From: reggie woods <reggie.woods4@gmail.com>
Date: May 10, 2019 at 6:02:00 PM EDT
To: anthony.w.richards@massmail.state.ma.us
Subject: Worcester Real Estate Project

Hey Tony,

Good speaking with you this afternoon. Thanks for keeping my name in mind when discussing Real Estate opportunities. I mentioned an article about the hottest markets in the country this Spring:

<https://www.realtor.com/news/trends/the-hottest-markets-of-april-2019-all-fired-up-over-affordability/>

The Boston and Greater Boston area ranked #1 while Worcester is not far behind at #10.

Feel free to connect me with like minded individuals in the Boston and Worcester markets

Reggie Woods

Flex Investments LLC

+1-301-518-6225 (cell)

EXHIBIT 3

Message

From: Anthony Richards [ARichards@masshousing.com]
Sent: 3/4/2022 4:24:34 PM
To: [REDACTED]; Reggie.woods@flexinvestmentsllc.com
CC: Monique Gibbs [MGibbs@masshousing.com]
Subject: Worcester Chamber Connection.

[REDACTED],

I hope this email finds you well.

By way of virtual introduction, Reggie Woods is the Managing Director of Flex Investments and has strong CRE roots in Worcester and expressed interest in learning more about the Worcester Chamber of Commerce Construction and Real Estate Roundtables.

For context, [REDACTED] is the Economic Development & Business Recruitment Associate for the Worcester Regional Chamber of Commerce.

Rather than be the middleman, I figured I'd make the connection for you to share additional context.

Anthony W. Richards II

Vice President of Equitable Business Development

Cell: (617) 319-3404

www.masshousing.com

EXHIBIT 4

Message

From: [REDACTED]
Sent: 4/21/2023 3:46:15 PM
To: Reggie Woods [reggie@flexinvestmentsllc.com]
CC: gary@flexinvestmentsllc.com; [REDACTED]
Subject: Re: Connection w/ Flex Investments

Tony, I'm bringing you back, still as a bcc, to express my thanks to you for this introduction.

Reggie, I would welcome an opportunity to talk. By copy of this email, I am asking my assistant, [REDACTED], to arrange a time for a meeting. Does a meeting over lunch in downtown Boston work for you? Look forward to meeting soon.

Thanks,
[REDACTED]

Sent from my iPhone

On Apr 17, 2023, at 2:16 PM, Reggie Woods <reggie@flexinvestmentsllc.com> wrote:

Tony,

We greatly appreciate the introduction (moving to bcc).

[REDACTED] - pleasure to meet you via email. Let's set a time to further introduce ourselves and talk through a few projects we are working on. I have availability this week. Let us know what works for you.

Best,
Reggie

On Mon, Apr 17, 2023 at 11:34 Anthony Richards
<ARichards@masshousing.commailto:ARichards@masshousing.com>> wrote:

I hope this email finds you well.

By way of email, I want to connect both of you to further explore collaborative opportunities as [REDACTED] and [REDACTED] aims to be intentional about equitable development in affordable housing.

Together,

Tony

Anthony W. Richards II
Vice President of Equitable Business Development
Massachusetts Housing Finance Agency |
MassHousing
[c]:(617) 319-3404

Equitable Business Development Division goal is to advance and foster equitable business growth across the agency and throughout the Massachusetts affordable housing ecosystem.

--
Reggie Woods
Managing Director
(301) 518-6225
Reggie@flexinvestmentsllc.commailto:Reggie.Woods@flexinvestmentsllc.com>

[https://urldefense.proofpoint.com/v2/url?u=https-3A__ci3.googleusercontent.com_mail-2Dsig_AIorK4yQ04-2DBDh7scGKc3jcgGGg5Fb9u-5FoLUPWwtCD1G6mBZ4Y4TRprQ5yudiNzqKLX0rJqY9Cyiqao&d=DwIGaQ&c=ZuEOERGGoxvHxU5-K3T7tZWCDYxstlgwuMqXZ4qwlI&r=0d4fb15yBwa3NWupo94FD7rs8Qfzo_13axXKzDmI_KU&m=Xn7kjbydOpkqQ7WE3Wq2_00a7rr9RkBbt0sv7hnU_rtsbzb-QKZXLST4iAU-Esnl&s=esgb60sopjRnrQoQATazZJQqET3GLamB9rnxE_G_Lfw&e=]

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EXHIBIT 5

[REDACTED]

From:

Sent:

To:

Subject:

[REDACTED]

Friday, September 30, 2022 4:44 PM

gary.acquah@gmail.com

Boards and Commissions Opportunities

Hi Gary—I hope that you are doing well. I am reaching out because it was brought to our attention that you may have an interest in serving on a board or commission administered by the Governor. Thank you for your interest in serving. Would you have any time next week to jump on a call quickly and discuss your interests? Let me know and we will lock down a time. Thanks and I look forward to hearing from you.

Best,

[REDACTED]

[REDACTED]

Director of Boards and Commissions
Office of the Governor

EXHIBIT 6

Message

From: Anthony Richards [ARichards@masshousing.com]
Sent: 1/7/2023 12:35:02 AM
To: Laurie Bennett [LBennett@masshousing.com]
Subject: Fwd: The list
Attachments: Equitable Business Kitchen Cabinet.xlsx

Best,

Tony

Anthony W. Richards II
Vice President of Equitable Business Development
Massachusetts Housing Finance Agency
Cell: (617) 319-3404
www.masshousing.com

From: Anthony Richards <ARichards@masshousing.com>
Sent: Thursday, January 5, 2023 5:11:03 PM
To: Chrystal Kornegay <CKornegay@masshousing.com>
Subject: The list

Please bless this list and I will send out tomorrow.

Best,

Tony

Anthony W. Richards II
Vice President of Equitable Business Development
Massachusetts Housing Finance Agency
Cell: (617) 319-3404
www.masshousing.com

Name	Comments	Email	Company
Richard Taylor	Hold to do 45min individual	[REDACTED]	
Daryl Settles	Hold to do 45min individual	[REDACTED]	
Saeed Coates	Invite to 1st Group Mtg	[REDACTED]	
Dariela de la Vega	Invite to 1st Group Mtg	[REDACTED]	Stony Brook & Lennox
Markese Daise	Invite to 1st Group Mtg	[REDACTED]	Onyx Group
Shabnam M	Invite to 1st Group Mtg	[REDACTED]	Onyx Group
Chanda Smart	Invite to 1st Group Mtg	[REDACTED]	Flex Investments
Gary A	Invite to 1st Group Mtg	[REDACTED]	Flex Investments
Reggie Woods	Invite to 1st Group Mtg	[REDACTED]	
Jasmine Naylor	Invite to 1st Group Mtg	[REDACTED]	
Duane Jackson	Hold to do 45min individual	[REDACTED]	
Herby D	Hold to do 45min individual	[REDACTED]	
Worcester Development Person?	Invite to 1st Group Mtg	[REDACTED]	RISE Together

EXHIBIT 7

Message

From: Beverly Estes-Smargiassi [BEstes-Smargiassi@masshousing.com]
Sent: 2/13/2023 8:47:48 PM
To: Gary Acquah [gary@flexinvestmentsllc.com]
Subject: Re: Notice of Funding Availability -- Gateway Housing Rehabilitation Program

If you are available at 10, that would work for me. Do you want to send a meeting invitation?



One Beacon Street, Boston, MA 02108

[Twitter](#) | [Facebook](#) | [LinkedIn](#) | [Newsletter](#)

Beverly Estes-Smargiassi
Neighborhood Stabilization Program Manager
Direct Line: 617-854-1016
Cell: 617-858-7536
bestes-smargiassi@masshousing.com
www.masshousing.com

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From: Gary Acquah <gary@flexinvestmentsllc.com>
Sent: Monday, February 13, 2023 3:46 PM
To: Beverly Estes-Smargiassi <BEstes-Smargiassi@masshousing.com>
Subject: Re: Notice of Funding Availability -- Gateway Housing Rehabilitation Program

Wednesday would be great please let me know the best time for you.

I will also attend the information session.

Thank you,

Gary

On Mon, Feb 13, 2023 at 3:39 PM Beverly Estes-Smargiassi <BEstes-Smargiassi@masshousing.com> wrote:
I'd be very happy to talk with you about the program. I have time either Wednesday or Friday this week. If those don't work we can look at next week as well. Note that there will be an Informational session on Wednesday the 22nd and on Thursday March 2.

Best,
Bev



One Beacon Street, Boston, MA 02108

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Beverly Estes-Smargiassi

Neighborhood Stabilization Program Manager

Direct Line: 617-854-1016

Cell: 617-858-7536

bestes-smargiassi@masshousing.com

www.masshousing.com

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From: Gary Acquah <gary@flexinvestmentsllc.com>

Sent: Monday, February 13, 2023 3:32 PM

To: Beverly Estes-Smargiassi <BEstes-Smargiassi@masshousing.com>

Subject: Fwd: Notice of Funding Availability -- Gateway Housing Rehabilitation Program

Hi Beverly,

I just reached out to Tony Richards and wanted to send over a note to you as well.

I was wondering if you would have some time to discuss this new program that was just rolled out. I am the owner of a minority real estate small business investment and development company here in MA. I own a rental portfolio in Pittsfield and Worcester which I believe would be great for this fund.

Currently there are 3 units in Worcester and about 30 in Pittsfield in need of work all of which are in the 1-4 4 unit category. I would be selling the Worcester 3 family property to a first time homeowner and the Pittsfield units are all section 8 housing.

I have discussed the possibility of partnering with Mass Housing with Tony and Chrystal over the last few years and wanted to see if this new fund falls into the capital we need for improvements for our properties.

Please let me know and I can be available anytime for a phone call.

Thank you,

Gary Acquah
347-225-6268

----- Forwarded message -----

From: **Beverly Estes-Smargiassi** <BEstes-Smargiassi@masshousing.com>

Date: Mon, Feb 13, 2023 at 3:06 PM

Subject: Notice of Funding Availability -- Gateway Housing Rehabilitation Program

To: reggie@flexinvestmentsllc.com <reggie@flexinvestmentsllc.com>, [REDACTED]

[REDACTED] Kathleen Evans <KEvans@masshousing.com>,
Monica Passeno <MPasseno@masshousing.com>, [REDACTED]

[REDACTED] gary@flexinvestmentsllc.com
<gary@flexinvestmentsllc.com>, info@flexinvestmentsllc.com <info@flexinvestmentsllc.com>,
[REDACTED]

[REDACTED] Hana Migliorato <HMigliorato@masshousing.com>, [REDACTED]

CC: Nichole Mikshenas <NMikshenas@masshousing.com>, Anthony Richards
<ARichards@masshousing.com>

MassHousing, in cooperation with the Department of Housing and Community Development (DHCD), is pleased to announce the Notice of Funding Availability (NOFA) for the Gateway Housing Rehabilitation Program GHRP). This is a \$2.2 M grant program designed to assist 1-4 unit residential properties in Gateway Cities and similarly situated communities identified by DHCD. The attached NOFA provides details on eligible communities, applicants and projects. More information, along with links to the application materials and guidelines, can be found at www.MassHousing.com/GHRP.

Note that there will be three zoom information sessions and a budget workshop offered in the coming weeks. The first session is open to municipalities only. All other sessions are open to all interested persons. Information and links to registration are on the GHRP webpage at www.MassHousing.com/GHRP.



One Beacon Street, Boston, MA 02108

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Beverly Estes-Smargiassi

Neighborhood Stabilization Program Manager

Direct Line: 617-854-1016

Cell: 617-858-7536

bestes-smargiassi@masshousing.com

www.masshousing.com

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EXHIBIT 8

Message

From: Beverly Estes-Smargiassi [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=504AA190A7DD4393AF908950E543C8DB-BEVERLY EST]
Sent: 6/21/2023 11:51:24 AM
To: Reggie Woods [reggie@flexinvestmentsllc.com]
CC: Gary Acquah [gary@flexinvestmentsllc.com]; [REDACTED]
Subject: GHRP Award letter 41 Cherry St, Pittsfield
Attachments: 41 Cherry Award signed.pdf

Congratulations! Attached is the GHRP funding award letter for your property at 41 Cherry St., Pittsfield. I will be in touch later this week to talk about next steps. Please let me know if you have any questions.

Best,
Bev



One Beacon Street, Boston, MA 02108
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Beverly Estes-Smargiassi
Neighborhood Stabilization Program Manager
Direct Line: 617-854-1016
Cell: 617-858-7536
bestes-smargiassi@masshousing.com
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Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

Tel: 617-854-1000
Fax: 617-854-1091

Relay 711
www.masshousing.com

June 20, 2023

Reginald Woods, Managing Director
Flex Investments LLC



RE: 41 Cherry St, Pittsfield

Dear Mr. Woods,

On behalf of the Healy Driscoll Administration and the Massachusetts Housing Finance Agency (“MassHousing”), I am pleased to inform you that Flex Investments LLC has been conditionally awarded up to three hundred thousand and 00/100 dollars (\$300,000.00) in Gateway Housing Rehabilitation Program (GHRP) funds (the “Conditional Award”). This Conditional Award is for the rehabilitation of a rental property located at 41 Cherry St in the City of Pittsfield.

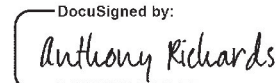
This Conditional Award is issued pursuant to, and in reliance on, your funding application submitted to MassHousing including attachments and any approved corrections and/or revisions. The Conditional Award is based on your proposal to provide 3 units of rehabbed Rental housing, of which 3 will be set aside for, and affordable to, households at or below 110% of area median income (AMI) for at least 15 years.

This award is conditioned upon Flex Investments LLC entering into a Grant or Loan Agreement with MassHousing and recording an Affordable Housing Restriction and other loan documents, and is further subject to the conditions detailed in Attachment A.

Finally, please note that public announcement of this award is embargoed until MassHousing has had the opportunity to formally announce it through a local event and/or media release. Please refrain from sharing or publicizing news about this award outside of your organization until it is officially announced.

I congratulate you on receiving this Conditional Award of GHRP funds and on your commitment to creating housing opportunities for low- and moderate-income individuals and families. I look forward to working with you to prepare for and sign the Grant Agreement and commence construction.

Sincerely,

DocuSigned by:

88BD701D3CE24F5...

Vice President, Equitable Business Development

cc: [REDACTED] Community Development Director, City of Pittsfield
Gary Acquah, Cross Development Berkshires LLC

ATTACHMENT A

Conditions of Award

This Conditional Award of Gateway Housing Rehabilitation Program (GHRP) funds is contingent upon the Applicant meeting the following conditions to the satisfaction of MassHousing and entering into a Grant Agreement with MassHousing no later than March 16, 2024. Unless otherwise specified, the Applicant must meet the following conditions prior to entering into a Grant Agreement with MassHousing.

1. GHRP funds are contingent upon budget availability.
2. GHRP funds are contingent upon any final approvals as may be required.
3. Within 30 days of this award, the following submissions are required for approval by MassHousing:
 - a. Updated Budget including contractor estimate or bid amount: With the issuance of this award, MassHousing will not permit an increase in the total developer fee, overhead, and consulting costs that exceeds the formula as outlined in the Neighborhood Stabilization Program Guidelines;
 - i. If additional project sources become available, MassHousing may reduce its award;
 - ii. If project costs are higher than projected, based on bids received, and provided efforts to contain costs and to seek additional sources have been exhausted, MassHousing may, at its sole discretion, increase the award of funds, provided the award meets program requirements.
 - b. Updated, detailed schedule for financial closing, including target dates for acquisition, zoning and permits; and detailed schedule for construction of the Project, including construction completion date, funding schedule, and move in date.
 - c. Inform MassHousing of your decision to receive this award as either a grant or loan.
 - d. Documentation of plans for meeting state and federal requirements regarding Fair Housing, Section 3, Minority and Women-Owned Business Enterprises, Environmental Review, Uniform Relocation Act, and conflict of interest, as applicable, including:
 - i. Submission of a Project Notification Form and attachments to Mass Historical Commission.
 - ii. Submission of a finalized Fair Housing Plan that includes advertising on the Boston MetroList, Massachusetts Housing Navigator, and/or other local, regional and statewide resources.
 - iii. Submission of a finalized Diversity, Equity and Inclusion Plan.
 - iv. Lead testing and plan for deleading, if required.
4. If applicable, submission of a purchase and sale agreement or an instrument satisfactory to MassHousing which indicates that by the date of the Grant Agreement and construction loan closing, the Developer will have clear title to the Project, quality of title to be satisfactory to MassHousing's counsel.
5. Evidence of firm commitment for construction and/or permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to MassHousing
6. Documentation of the bid process, contractor, selection process, and plan for monitoring of construction or rehabilitation.

EXHIBIT 9

Message

From: Beverly Estes-Smargiassi [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=504AA190A7DD4393AF908950E543C8DB-BEVERLY EST]
Sent: 6/21/2023 11:52:30 AM
To: Reggie Woods [reggie@flexinvestmentsllc.com]
CC: Gary Acquah [gary@flexinvestmentsllc.com]; [REDACTED]
Subject: GHRP Award letter 43-45 Cherry St., Pittsfield
Attachments: 43-45 Cherry Award signed.pdf

Congratulations! Attached is the GHRP funding award letter for your property at 43-45 Cherry St., Pittsfield. I will be in touch later this week to talk about next steps. Please let me know if you have any questions.

Best,
Bev



One Beacon Street, Boston, MA 02108
[Twitter](#) | [Facebook](#) | [LinkedIn](#) | [Newsletter](#)

Beverly Estes-Smargiassi
Neighborhood Stabilization Program Manager
Direct Line: 617-854-1016
Cell: 617-858-7536
bestes-smargiassi@masshousing.com
www.masshousing.com

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Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

Tel: 617-854-1000	Relay 711
Fax: 617-854-1091	www.masshousing.com

June 20, 2023

Reginald Woods, Managing Director
Flex Investments LLC



RE: 43-45 Cherry St, Pittsfield

Dear Mr. Woods,

On behalf of the Healy Driscoll Administration and the Massachusetts Housing Finance Agency (“MassHousing”), I am pleased to inform you that Flex Investments LLC has been conditionally awarded up to three hundred eleven thousand and 00/100 dollars (\$311,000.00) in Gateway Housing Rehabilitation Program (GHRP) funds (the “Conditional Award”). This Conditional Award is for the rehabilitation of a Rental property located at 43-45 Cherry St in the City of Pittsfield.

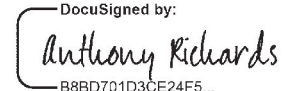
This Conditional Award is issued pursuant to, and in reliance on, your funding application submitted to MassHousing including attachments and any approved corrections and/or revisions. The Conditional Award is based on your proposal to provide 3 units of rehabbed Rental housing, of which 3 will be set aside for, and affordable to, households at or below 110% of area median income (AMI) for at least 15 years.

This award is conditioned upon Flex Investments LLC entering into a Grant or Loan Agreement with MassHousing and recording an Affordable Housing Restriction and other loan documents, and is further subject to the conditions detailed in Attachment A.

Finally, please note that public announcement of this award is embargoed until MassHousing has had the opportunity to formally announce it through a local event and/or media release. Please refrain from sharing or publicizing news about this award outside of your organization until it is officially announced.

I congratulate you on receiving this Conditional Award of GHRP funds and on your commitment to creating housing opportunities for low- and moderate-income individuals and families. I look forward to working with you to prepare for and sign the Grant Agreement and commence construction.

Sincerely,

DocuSigned by:

B8BD701D3CE24F5...

Vice President, Equitable Business Development

cc: [REDACTED] Community Development Director, City of Pittsfield
Gary Acquah, Cross Development Berkshires LLC

ATTACHMENT A**Conditions of Award**

This Conditional Award of Gateway Housing Rehabilitation Program (GHRP) funds is contingent upon the Applicant meeting the following conditions to the satisfaction of MassHousing and entering into a Grant Agreement with MassHousing no later than March 16, 2024. Unless otherwise specified, the Applicant must meet the following conditions prior to entering into a Grant Agreement with MassHousing.

1. GHRP funds are contingent upon budget availability.
2. GHRP funds are contingent upon any final approvals as may be required.
3. Within 30 days of this award, the following submissions are required for approval by MassHousing:
 - a. Updated Budget including contractor estimate or bid amount: With the issuance of this award, MassHousing will not permit an increase in the total developer fee, overhead, and consulting costs that exceeds the formula as outlined in the Neighborhood Stabilization Program Guidelines;
 - i. If additional project sources become available, MassHousing may reduce its award;
 - ii. If project costs are higher than projected, based on bids received, and provided efforts to contain costs and to seek additional sources have been exhausted, MassHousing may, at its sole discretion, increase the award of funds, provided the award meets program requirements.
 - b. Updated, detailed schedule for financial closing, including target dates for acquisition, zoning and permits; and detailed schedule for construction of the Project, including construction completion date, funding schedule, and move in date.
 - c. Documentation of plans for meeting state and federal requirements regarding Fair Housing, Section 3, Minority and Women Owned Business Enterprises, Environmental Review, Uniform Relocation Act, and conflict of interest, as applicable, including:
 - i. Submission of a Project Notification Form and attachments to Mass Historical Commission.
 - ii. Submission of a finalized Fair Housing Plan that includes advertising on the Boston MetroList, Massachusetts Housing Navigator, and/or other local, regional and statewide resources.
 - iii. Submission of a finalized Diversity, Equity and Inclusion Plan.
 - iv. Lead testing and plan for deleading, if required.
4. If applicable, submission of a purchase and sale agreement or an instrument satisfactory to MassHousing which indicates that by the date of the Grant Agreement and construction loan closing, the Developer will have clear title to the Project, quality of title to be satisfactory to MassHousing's counsel.
5. Evidence of firm commitment for construction and/or permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to MassHousing
6. Documentation of the bid process, contractor, selection process, and plan for monitoring of construction or rehabilitation.

EXHIBIT 10

Message

From: Beverly Estes-Smargiassi [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=504AA190A7DD4393AF908950E543C8DB-BEVERLY EST]
Sent: 6/21/2023 11:58:36 AM
To: Gary Acquah [gary@flexinvestmentsllc.com]
CC: Reggie Woods [reggie@flexinvestmentsllc.com]; [REDACTED]
Subject: GHRP Award Letter for 236 Columbus Ave., Pittsfield
Attachments: 236 Columbus Award signed.pdf

Congratulations! Attached is the GHRP funding award letter for your property at 236 Columbus Ave., Pittsfield. I will be in touch later this week to talk about next steps. Please let me know if you have any questions.

Best,
Bev



One Beacon Street, Boston, MA 02108
[Twitter](#) | [Facebook](#) | [LinkedIn](#) | [Newsletter](#)

Beverly Estes-Smargiassi
Neighborhood Stabilization Program Manager
Direct Line: 617-854-1016
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Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

Tel: 617-854-1000
Fax: 617-854-1091

Relay 711
www.masshousing.com

June 20, 2023

Gary Acquah, Managing Director
Cross Development Berkshires LLC
c/o Flex Investmesnts LLC
[REDACTED]
[REDACTED]

RE: 236 Columbus Ave, Pittsfield

Dear Mr. Acquah,

On behalf of the Healy Driscoll Administration and the Massachusetts Housing Finance Agency (“MassHousing”), I am pleased to inform you that Cross Development Berkshires has been conditionally awarded up to five hundred thousand and 00/100 dollars (\$500,000.00) in Gateway Housing Rehabilitation Program (GHRP) funds (the “Conditional Award”). This Conditional Award is for the rehabilitation of a Rental property located at 236 Columbus Ave in the City of Pittsfield.

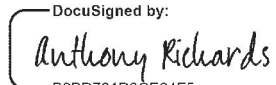
This Conditional Award is issued pursuant to, and in reliance on, your funding application submitted to MassHousing including attachments and any approved corrections and/or revisions. The Conditional Award is based on your proposal to provide 4 units of rehabbed Rental housing, of which 4 will be set aside for, and affordable to, households at or below 110% of area median income (AMI) for at least 15 years.

This award is conditioned upon Cross Development Berkshires entering into a Grant or Loan Agreement with MassHousing and recording an Affordable Housing Restriction and other loan documents, and is further subject to the conditions detailed in Attachment A.

Finally, please note that public announcement of this award is embargoed until MassHousing has had the opportunity to formally announce it through a local event and/or media release. Please refrain from sharing or publicizing news about this award outside of your organization until it is officially announced.

I congratulate you on receiving this Conditional Award of GHRP funds and on your commitment to creating housing opportunities for low- and moderate-income individuals and families. I look forward to working with you to prepare for and sign the Grant Agreement and commence construction.

Sincerely,

DocuSigned by:

B8BD701D3CE24F5...

Anthony Richards,
Vice President, Equitable Business Development

cc: [REDACTED] Community Development Director, City of Pittsfield
Reginald Woods, Flex Investments, LLC

ATTACHMENT A

Conditions of Award

This Conditional Award of Gateway Housing Rehabilitation Program (GHRP) funds is contingent upon the Applicant meeting the following conditions to the satisfaction of MassHousing and entering into a Grant Agreement with MassHousing no later than March 16, 2024. Unless otherwise specified, the Applicant must meet the following conditions prior to entering into a Grant Agreement with MassHousing.

1. GHRP funds are contingent upon budget availability.
2. GHRP funds are contingent upon any final approvals as may be required.
3. Within 30 days of this award, the following submissions are required for approval by MassHousing:
 - a. Updated Budget including contractor estimate or bid amount: With the issuance of this award, MassHousing will not permit an increase in the total developer fee, overhead, and consulting costs that exceeds the formula as outlined in the Neighborhood Stabilization Program Guidelines;
 - i. If additional project sources become available, MassHousing may reduce its award;
 - ii. If project costs are higher than projected, based on bids received, and provided efforts to contain costs and to seek additional sources have been exhausted, MassHousing may, at its sole discretion, increase the award of funds, provided the award meets program requirements.
 - b. Updated, detailed schedule for financial closing, including target dates for acquisition, zoning and permits; and detailed schedule for construction of the Project, including construction completion date, funding schedule, and move in date.
 - c. Inform MassHousing of your decision to receive the award as either a grant or loan.
 - d. Documentation of plans for meeting state and federal requirements regarding Fair Housing, Section 3, Minority and Women-Owned Business Enterprises, Environmental Review, Uniform Relocation Act, and conflict of interest, as applicable, including:
 - i. Submission of a Project Notification Form and attachments to Mass Historical Commission.
 - ii. Submission of a finalized Fair Housing Plan that includes advertising on the Boston MetroList, Massachusetts Housing Navigator, and/or other local, regional and statewide resources.
 - iii. Submission of a finalized Diversity, Equity and Inclusion Plan.
 - iv. Lead testing and plan for deleading, if required.
4. If applicable, submission of a purchase and sale agreement or an instrument satisfactory to MassHousing which indicates that by the date of the Grant Agreement and construction loan closing, the Developer will have clear title to the Project, quality of title to be satisfactory to MassHousing's counsel.
5. Evidence of firm commitment for construction and/or permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to MassHousing.
6. Documentation of the bid process, contractor, selection process, and plan for monitoring of construction or rehabilitation.

EXHIBIT 11

Message

From: Beverly Estes-Smargiassi [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=504AA190A7DD4393AF908950E543C8DB-BEVERLY EST]
Sent: 6/21/2023 11:53:59 AM
To: Gary Acquah [gary@flexinvestmentsllc.com]
CC: Reggie Woods [reggie@flexinvestmentsllc.com]; [REDACTED]
Subject: GHRP Award letter for 23 Ashton St., Worcester
Attachments: 23 Ashton Award signed.pdf

Congratulations! Attached is the GHRP funding award letter for your property at 23 Ashton Street in Worcester. I will be in touch later this week to talk about next steps. Please let me know if you have any questions.

Best,
Bev



One Beacon Street, Boston, MA 02108
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Beverly Estes-Smargiassi
Neighborhood Stabilization Program Manager
Direct Line: 617-854-1016
Cell: 617-858-7536
bestes-smargiassi@masshousing.com
www.masshousing.com

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Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

Tel: 617-854-1000
Fax: 617-854-1091

Relay 711
www.masshousing.com

June 20, 2023

Gary Acquah, Managing Director
Metropolitan Heights LLC
[REDACTED]
[REDACTED]

RE: 23 Ashton St, Worcester

Dear Mr. Acquah,

On behalf of the Healy Driscoll Administration and the Massachusetts Housing Finance Agency (“MassHousing”), I am pleased to inform you that Metropolitan Heights LLC has been conditionally awarded up to three hundred thirty-two thousand and 00/100 dollars (\$332,000.00) in Gateway Housing Rehabilitation Program (GHRP) funds (the “Conditional Award”). This Conditional Award is for the rehabilitation of a Rental property located at 23 Ashton St in the City of Worcester.

This Conditional Award is issued pursuant to, and in reliance on, your funding application submitted to MassHousing including attachments and any approved corrections and/or revisions. The Conditional Award is based on your proposal to provide 3 units of rehabbed Rental housing, of which 3 will be set aside for, and affordable to, households at or below 110% of area median income (AMI) for at least 15 years.

This award is conditioned upon Metropolitan Heights LLC entering into a Grant or Loan Agreement with MassHousing and recording an Affordable Housing Restriction and other loan documents, and is further subject to the conditions detailed in Attachment A.

Finally, please note that public announcement of this award is embargoed until MassHousing has had the opportunity to formally announce it through a local event and/or media release. Please refrain from sharing or publicizing news about this award outside of your organization until it is officially announced.

I congratulate you on receiving this Conditional Award of GHRP funds and on your commitment to creating housing opportunities for low- and moderate-income individuals and families. I look forward to working with you to prepare for and sign the Grant Agreement and commence construction.

Sincerely,

DocuSigned by:

B8BD701D3CE24F5...

Vice President, Equitable Business Development

cc: [REDACTED] Chief Development Officer, City of Worcester
Reginald Woods, Flex Investments, LLC

ATTACHMENT A

Conditions of Award

This Conditional Award of Gateway Housing Rehabilitation Program (GHRP) funds is contingent upon the Applicant meeting the following conditions to the satisfaction of MassHousing and entering into a Grant Agreement with MassHousing no later than March 16, 2024. Unless otherwise specified, the Applicant must meet the following conditions prior to entering into a Grant Agreement with MassHousing.

1. GHRP funds are contingent upon budget availability.
2. GHRP funds are contingent upon any final approvals as may be required.
3. Within 30 days of this award, the following submissions are required for approval by MassHousing:
 - a. Updated Budget including contractor estimate or bid amount: With the issuance of this award, MassHousing will not permit an increase in the total developer fee, overhead, and consulting costs that exceeds the formula as outlined in the Neighborhood Stabilization Program Guidelines;
 - i. If additional project sources become available, MassHousing may reduce its award;
 - ii. If project costs are higher than projected, based on bids received, and provided efforts to contain costs and to seek additional sources have been exhausted, MassHousing may, at its sole discretion, increase the award of funds, provided the award meets program requirements.
 - b. Updated, detailed schedule for financial closing, including target dates for acquisition, zoning and permits; and detailed schedule for construction of the Project, including construction completion date, funding schedule, and move in date.
 - c. Inform MassHousing of your decision to receive the award as either a grant or loan.
 - d. Documentation of plans for meeting state and federal requirements regarding Fair Housing, Section 3, Minority and Women Owned Business Enterprises, Environmental Review, Uniform Relocation Act, and conflict of interest, as applicable, including:
 - i. Submission of a Project Notification Form and attachments to Mass Historical Commission.
 - ii. Submission of a finalized Fair Housing Plan that includes advertising on the Boston MetroList, Massachusetts Housing Navigator, and/or other local, regional and statewide resources.
 - iii. Submission of a finalized Diversity, Equity and Inclusion Plan.
 - iv. Lead testing and plan for deleading, if required.
4. If applicable, submission of a purchase and sale agreement or an instrument satisfactory to MassHousing which indicates that by the date of the Grant Agreement and construction loan closing, the Developer will have clear title to the Project, quality of title to be satisfactory to MassHousing's counsel.
5. Evidence of firm commitment for construction and/or permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to MassHousing
6. Documentation of the bid process, contractor, selection process, and plan for monitoring of construction or rehabilitation.

EXHIBIT 12

Suffolk County Registry of Deeds

Electronically Recorded Document

This is the first page of the document - Do not remove

Recording Information

Document Number	:	102105
Document Type	:	DED
Recorded Date	:	December 23, 2022
Recorded Time	:	12:20:55 PM
Recorded Book and Page	:	
Number of Pages(including cover sheet)	:	4
Receipt Number	:	1000311
Recording Fee (including excise)	:	\$3,734.60

MASSACHUSETTS EXCISE TAX
Suffolk County District ROD # 001
Date: 12/23/2022 12:20 PM
Ctrl# 227785 04343 Doc# 00102105
Fee: \$3,579.60 Cons: \$785,000.00

Suffolk County Registry of Deeds
Stephen J. Murphy, Register
24 New Chardon Street
Boston, MA 02114
617-788-8575
Suffolkdeeds.com

[REDACTED]

Quitclaim Deed

Cross Development LLC, a duly organized Massachusetts limited liability company with a usual business address of [REDACTED] (“Grantor”)

For consideration paid and in full consideration of Seven Hundred Eighty-Five Thousand and 00/100 Dollars (\$785,000.00), grants to

Anthony Wayne Richards II, now of [REDACTED] (“Grantee”)

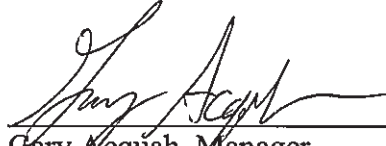
with ***QUITCLAIM COVENANTS***

Property Address: [REDACTED]

SIGNATURE PAGE TO FOLLOW

Executed as a sealed instrument this 20th day of December, 2022.

Cross Development LLC



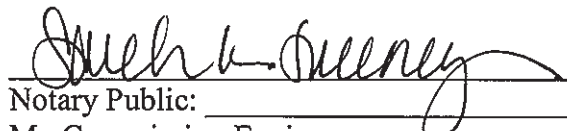
Gary Acquah, Manager

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

On this 20th day of December, 2022, before me, the undersigned notary public, personally appeared Gary Acquah, Manager the above-named, and proved to me through satisfactory evidence of identification, which was personally known to me, to be the person whose name is signed on this document, and acknowledged to me that he signed it voluntarily for its stated purpose as Manager of Cross Development LLC.

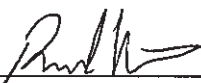




Notary Public: _____
My Commission Expires: _____

Executed as a sealed instrument this 20 day of December 2022.

Cross Development LLC



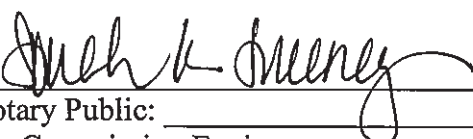
Reginald Dominique Woods, Manager

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

On this 20 day of December, 2022, before me, the undersigned notary public, personally appeared Reginald Dominique Woods, Manager the above-named, and proved to me through satisfactory evidence of identification, which was personally known to me, to be the person whose name is signed on this document, and acknowledged to me that he signed it voluntarily for its stated purpose as Manager of Cross Development LLC.





Notary Public: _____
My Commission Expires: _____

EXHIBIT 13

From: Colin McNiece[CMcNiece@masshousing.com]
Sent: Thur 10/17/2024 9:36:46 PM (UTC)
To: Anthony Richards[ARichards@masshousing.com]
Subject: FYI - Gateway Housing Rehab

Tony, just want to let you know that I got a call today from the IGO wanting to speak about the GHRP. They asked to speak with me on Monday about a particular set of projects. I think its fairly preliminary and they are trying to understand the program. I've asked Bev to join me and let Rachel know she's welcome too but don't want to make too big a deal of it. They are looking into a particular developer – Flex Developers/Reggie Wood/Greg Aqua. Will debrief on Tuesday

Colin M. McNiece (he/him/his)
Chief Legal & Operating Officer
617.854.1273 (o)
617.459.5381 (m)
cmcniece@masshousing.com | www.masshousing.com



One Beacon Street, Boston, MA 02108
[Twitter](#) | [Facebook](#) | [LinkedIn](#) | [Newsletter](#)

EXHIBIT 14

Message

From: Beverly Estes-Smargiassi [BEstes-Smargiassi@masshousing.com]
Sent: 7/23/2024 8:37:38 PM
To: Gary Acquah [gary@flexinvestmentsllc.com]
CC: Anthony Richards [ARichards@masshousing.com]; Elizabeth Torres [ETorres@masshousing.com]
Subject: Letter re 23 Ashton Street, Worcester
Attachments: 23 Ashton PDF Letter.pdf

Dear Gary,

Attached is the letter that details our concerns about 23 Ashton St., Worcester. Note that although we only saw the first-floor apartment, our expectations for improvements are for all three apartments, as you had indicated in your original application and plan.

Please let me know if you have any questions.

Beverly



One Beacon Street, Boston, MA 02108

[Twitter](#) | [Facebook](#) | [LinkedIn](#) | [Newsletter](#)

Beverly Estes-Smargiassi

Neighborhood Stabilization Program Manager

Direct Line: 617-854-1016

Cell: 617-858-7536

bestes-smargiassi@masshousing.com

www.masshousing.com

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Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

Tel: 617-854-1000
Fax: 617-854-1091

Relay 711
www.masshousing.com

Gary Acquah
Metropolitan Heights LLC

[REDACTED]
[REDACTED]

RE: 23 Ashton Street, Worcester

Dear Gary,

On July 19th, Beverly Estes-Smargiassi and Lizzie Torres from MassHousing went for a final inspection to 23 Ashton St, which is owned by Gateway Housing Rehab awardee, Metropolitan Heights LLC. The inspection was prompted by your submitted request for the final 10% of the grant. To request this, the property must be fully complete and ready for rent-up. However, the inspection showed that the apartment is not finished, and in some cases the finishes were not acceptable.

Exterior conditions

- The exterior of the home had new stairs and decking, although one rail was missing.
- The corner board (vinyl) at the front left corner of the front deck had been damaged and needs replacement.
- No landscaping was done, and the front was weedy and overgrown

First floor unit

- Electrical outlets were missing covers or covers were broken. Many of the outlets appeared not to have been replaced.
- The ceiling fixtures were basement or closet grade, with hand pulls instead of wall light switches. There were no glass shades or coverings—just naked bulbs.
- It is unclear whether the electrical wiring meets current electrical and safety codes.
- Wood windowsills throughout were rough, unfinished and were clear splinter risks.
- The hard wood flooring in at least one bedroom had not been sanded and finished.
- The walls and ceilings had not been given a fresh coat of paint.
- The tub surround was stained, discolored and dirty. The tub was also stained.
- The bathroom sink bowl was cracked and the cabinet was original.
- The mirror above the sink was cracked and flaking around the edges.
- The toilet had not been replaced.
- The kitchen counterspace had not been improved—the one cabinet at the sink had not been replaced. The amount of counterspace provided is not acceptable.
- The stove had not been replaced and appeared to be in poor condition. There was no counterspace on either side of the stove.

- The refrigerator had not been replaced or even cleaned out.
- Upper cabinets were not stained or finished and were poorly installed. There was no hardware installed.
- The pantry was untouched except for new flooring, despite deteriorated counters, damaged walls and damaged shelving. We did not check to see if the drawers were operational.
- Aluminum had been stuffed behind the wood paneling in the kitchen and the purpose was unclear and could not be confirmed by the contractor.

The contractor who showed the apartment stated that the third floor was not worth viewing, as it is in similar condition. We are concerned about the conditions of all three units.

Given these conditions, the apartments at 23 Ashton would not pass Housing Quality Standards, which is required to be met to rent to Housing Choice voucher holders. Beyond this, the improvements do not reflect the amount spent to date and in some cases are inconsistent with the invoices submitted. You have not submitted the signoff for the building permit at 23 Ashton that was pulled in November 2023. Similarly, an electrical permit was pulled for 23 Ashton, but no close-out has been submitted. The ceiling light fixtures are not up to renovation standards. At minimum the pull chain fixtures in all living spaces must be replaced with fixtures operated with wall switches and which have shades or glass coverings so there are no exposed lightbulbs. Finally, given the age of the building we ask that you provide reasonable assurance that the electrical wiring is up to current code.

MassHousing will not release any additional funds until these issues are resolved, all permits are closed, and a follow-up inspection is held. Please let us know when that inspection can be scheduled.

We are very disappointed with the quality of this construction and are concerned that these issues could affect your ability to successfully access MassHousing funding in the future. Regardless, we are hopeful that these issues are resolvable and look forward to seeing your response to this situation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Anthony Richards II', with a stylized flourish at the end.

Anthony Richards II
Vice President of Equitable Business

EXHIBIT 15

From: Elizabeth Torres[/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=42C79F21460F4CFA846CAB8F5F177011-ELIZABETH T]
Sent: Fri 8/9/2024 6:03:10 PM (UTC)
To: Gary Acquah[gary@flexinvestmentsllc.com]; Reggie Woods[reggie@flexinvestmentsllc.com]
Cc: Beverly Estes-Smargiassi[BEstes-Smargiassi@masshousing.com]
Bcc: Rachel Carlson[RCarlson@masshousing.com]
Subject: Letter RE: Pittsfield Projects
Attachment: Letter to Flex Investments & Cross Dev.pdf

Dear Gary and Reggie,

Attached is a letter that details our concerns about your projects in Pittsfield. Note that the improvements apply to all three projects that we visited and our expectations for improvements are for all three projects as you indicated in your original application.

Please let me know if you have any questions.



One Beacon Street, Boston, MA 02108
[Twitter](#) | [Facebook](#) | [LinkedIn](#) | [Newsletter](#)

Lizzie Torres (She/her or They/Them)
Housing Policy Associate
617-854-1361
ETorres@masshousing.com
www.masshousing.com

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Massachusetts Housing Finance Agency
One Beacon Street Boston, MA 02108

Tel: 617-854-1000 Relay 711
Fax: 617-854-1091 www.masshousing.com

August 7, 2024

Reginal Woods, Managing Director
Flex Investments LLC



Gary Acquah, Managing Director
Cross Development Berkshires LLC
c/o Flex Investments LLC



RE: 41 Cherry Street, 43-45 Cherry Street, 236 Columbus Avenue, Pittsfield, MA

Dear Mr. Woods and Mr. Aquah,

On July 26th, Beverly Estes-Smargiassi and Lizzie Torres from MassHousing conducted an inspection of 41 Cherry Street and 43-45 Cherry Street, Pittsfield, owned by Flex Investments LLC, and 236 Columbus Avenue, Pittsfield, owned by Cross Development Berkshires LLC. Although these projects were completed and “after” photographs were submitted, it was determined that an in-person inspection should be scheduled. The inspection turned up installation and repair issues at all three properties, and some conditions that were missed. MassHousing is in the process of analyzing conditions that were seen, and the invoices submitted, but this is our initial list of concerns:

- Dropped ceiling tiles should be replaced to make the ceilings more uniform.
- Light fixtures without covers (at Columbus) should be replaced with new fixtures.
- Flooring at Columbus—and one or two floors at Cherry Street, are “bubbled”—not flat. This condition needs to be addressed in a way that does not undermine the flooring material.
- All stove exhaust fans need to be replaced.
- Shower rods/curtain rods are not level and must be reinstalled.
- Mirrors in the bathrooms are peeling/flaking and should be replaced.
- Exterior siding at Cherry St has many cracks and holes. Siding needs to be replaced and may require full replacement.
- Exterior stairs at Columbus should be checked to ensure that they are safe—they are not level.
- All handrails—interior and exterior should be sanded or replaced as they are a splinter risk.
- The paint in the bathrooms and bedrooms is peeling. Paint conditions indicated that not all areas had been newly painted.
- The counter tops at the 43 Cherry Street kitchen were painted over instead of replaced. This is a short-term fix, and not a reasonable long-term solution to damaged countertops. Damaged countertops must be replaced.

- Bugs found on windowsills at the Columbus Ave may indicate a bedbug infestation. An exterminator should be hired prior to tenant move-in.
- Vacant units had not been cleaned for new renters, and spider webs and debris were evident throughout.

The funding provided for the improvements to these properties was substantial, and the improvements that were made do not reflect this investment. We expect you to make these corrections as soon as possible.

We will be contacting you over the next day or two to arrange a meeting to discuss these issues in more detail. For that meeting, we ask that you provide an update on corrections, and a schedule for completing them. If you have any questions in the meantime, please contact Beverly Estes-Smargiassi, Program Manager at 617-854-1016.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony Richards II". The signature is fluid and cursive, with a stylized "A" and "R".

Anthony Richards II
Vice President, Equitable Business Development

EXHIBIT 16

Gateway Housing Rehab Program

Standards & Quality Discrepancy

Gateway Housing Rehab Program

Overview

- The Gateway Housing Rehab Program (GHRP), through MassHousing, offers grants to revitalize blighted residential properties in Massachusetts' Gateway Cities. Non-profits, municipalities, and emerging developers can apply for up to \$125,000 per unit to ***rehabilitate or transform 1-4 unit properties**, promoting homeownership and rental opportunities.
- **Home rehabilitation standards ensure safe, habitable, and energy-efficient living conditions. They address code violations, improve structural integrity, and update essential systems like kitchens, bathrooms, plumbing, and electrical. Standards also focus on safe stairways, removing hazards like lead paint, and enhancing energy efficiency to create sustainable and compliant homes.*

GHRP Total Award Amount

Flex Investments LLC/Cross Development

- 41 Cherry Street, Pittsfield.....\$300,000
- 43-45 Cherry Street, Pittsfield.....\$311,000
- 236 Columbus Ave, Pittsfield.....\$500,000

Metropolitan Heights LLC

- 23 Ashton Street, Worcester.....\$332,000

Total Award.....\$1,443,000

GHRP Total Funds Distributed YTD

(Based on reconciliations and request of funds)

Flex Investments LLC/Cross Development

•41 Cherry Street, Pittsfield.....	\$300,000
•43-45 Cherry Street, Pittsfield.....	\$308,000
•236 Columbus Ave, Pittsfield.....	\$500,000

Metropolitan Heights LLC

•23 Ashton Street, Worcester.....	\$289,800
-----------------------------------	-----------

Total Award Dispersed.....\$1,397,800

Itemized Funds Distributed

(Some) Reconciled Draw Down Requests

Flex Investments LLC/Cross Development

•41 Cherry Street, Pittsfield

- Electric Work: \$35,467

•43-45 Cherry Street, Pittsfield

- Sasha Remodeling: \$15,810
- Kitchen Cabinets: \$15,000
- Painting and siding: \$23,000

•236 Columbus Ave, Pittsfield

- Paint, interior changes, lighting, caulk and seal: \$95,565
- Electric work: \$30,000

Metropolitan Heights LLC

•23 Ashton Street, Worcester

- Rehab Specialist: \$20,000
- Construction renovation, priming and painting: \$46,567

Concerns regarding quality standards

Flex Investments LLC/Cross Development |
41 Cherry Street, 43-45 Cherry Street, 236 Columbus Avenue, Pittsfield

- These properties were deemed complete earlier this year, based on photographs submitted by the developers.
- However, the recent inspection revealed discrepancies between the quality of the work completed and the drawdown requests. The apartment finishes did not meet the required standards, with some repairs to substandard conditions not addressed at all.
- Until these issues are corrected, and the work is satisfactorily completed, the managers of Flex Investments LLC/Cross Development will not be eligible to apply for GHRP funding in future rounds.

Slide 6

AR1 [@Beverly Estes-Smargiassi] Let me know if you want stronger language

Anthony Richards, 2024-08-15T21:33:01.852

BE1 0 I've made some changes and added a second "concerns" slide specific to 23 Ashton St Worcester.

Beverly Estes-Smargiassi, 2024-08-16T13:40:53.253

Recent Site Conditions/Progress

Flex Investments LLC/Cross Development |
41 Cherry Street, 43-45 Cherry Street, 236 Columbus Avenue, Pittsfield



Overhead light is missing cover and is outdated. Mismatched ceiling tiles should be replaced



Range hoods in poor condition should be replaced



Painting the countertop is unacceptable; paint is not a compatible horizontal surface for kitchen areas



Unsafe walk up to the apartment

Punch List (Exterior)

Flex Investments LLC/Cross Development |
41 Cherry Street, 43-45 Cherry Street, 236 Columbus Avenue, Pittsfield

- ☐ Exterior stairs at Columbus should be checked to ensure that they are safe—they are not level; only one footing for the deck
- ☐ Inspect and replace cracked or damaged exterior siding at Cherry St; full replacement may be necessary.
- ☐ Sand or replace all interior and exterior handrails to eliminate splinter risks.

Punch List (Interior)

Flex Investments LLC/Cross Development |
41 Cherry Street, 43-45 Cherry Street, 236 Columbus Avenue, Pittsfield

- ☐ Dropped ceiling tiles should be replaced to make the ceilings more uniform.
- ☐ Light fixtures without covers (at Columbus) should be replaced with new fixtures
- ☐ Flooring at Columbus—and one or two at Cherry Street, were "bubbled"--not flat. This condition needs to be addressed in a way that does not undermine the flooring material.
- ☐ All stove (range hood) exhaust fans need to be replaced
- ☐ Shower rods/curtain rods should be reinstalled so that they are level
- ☐ Mirrors in the bathrooms had peeling and should be replaced
- ☐ The paint in many places in the bathrooms and bedrooms were peeling or old.
- ☐ Bugs found on windowsills at the Columbus Ave may indicate a bedbug infestation. Vacant units had not been cleaned for new renters; spider webs and debris evident throughout
- ☐ The counter tops at the 43 Cherry Street kitchen were painted over instead of replaced. Damaged countertops must be replaced.

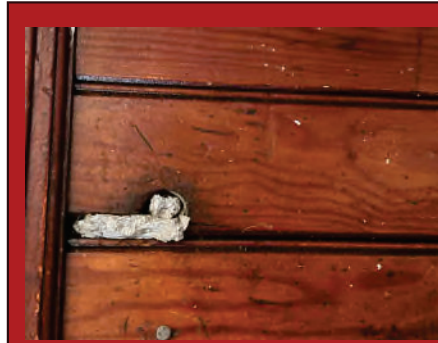
Concerns regarding quality standards

Metropolitan Heights LLC | 23 Ashton Street, Worcester

- Ashton St has received 90% of the awarded funding, and the developer has requested the final 10%. The final 10% request was based on the project being complete and ready for occupancy.
- However, the recent inspection revealed that the work is not complete and some finishes are unacceptable. The property is not ready for rent-up.
- Until these issues are corrected and the work is satisfactorily completed, the remaining funds will continue to be withheld. In addition, the developer and its manager are ineligible to apply for GHRP funds until the work is satisfactorily completed.

Recent Site Conditions/Progress

Metropolitan Heights LLC | 23 Ashton Street, Worcester



Holes in the walls will not protect against pests/vermin



Pull string for living room lighting is not acceptable



Broken and missing outlets



This fridge was old, dirty and not cleaned out. Stove is also old and unclean

Slide 11

AR1 [@Elizabeth Torres] Please add in 4/5 Photos with Discription
Anthony Richards, 2024-08-15T21:31:27.024

Punch List (Interior)

Metropolitan Heights LLC | 23 Ashton Street, Worcester

- ☐ Electrical outlets were missing covers or covers were broken. Many of the outlets appeared not to have been replaced.
- ☐ The ceiling fixtures were basement or closet grade, with hand pulls instead of wall light switches. There were no glass shades or coverings—just naked bulbs.
- ☐ It is unclear whether the electrical wiring meets current electrical and safety codes.
- ☐ Wood windowsills throughout were rough, unfinished and were clear splinter risks.
- ☐ The hard wood flooring in at least one bedroom had not been sanded and finished.
- ☐ The walls and ceilings had not been given a fresh coat of paint.
- ☐ The tub surround was stained, discolored and dirty. The tub was also stained.
- ☐ The bathroom sink bowl was cracked and the cabinet was original.
- ☐ The mirror above the sink was cracked and flaking around the edges.
- ☐ The toilet had not been replaced.
- ☐ The kitchen counterspace had not been improved—the one cabinet at the sink had not been replaced. The amount of counterspace provided is not acceptable.
- ☐ The stove had not been replaced and appeared to be in poor condition. There was no counterspace on either side of the stove.
- ☐ The refrigerator had not been replaced or even cleaned out.
- ☐ Upper cabinets were not stained or finished and were poorly installed. There was no hardware installed.
- ☐ The pantry was untouched except for new flooring, despite deteriorated counters, damaged walls and damaged shelving. We did not check to see if the drawers were operational.
- ☐ Aluminum had been stuffed behind the wood paneling in the kitchen and the purpose was unclear and could not be confirmed by the contractor.

Punch List (Exterior)

Metropolitan Heights LLC | 23 Ashton Street, Worcester

- ☐The exterior of the home had new stairs and decking, although one rail was missing.
- ☐The corner board (vinyl) at the front left corner of the front deck had been damaged and needs replacement.
- ☐No landscaping was done, and the front was weedy and overgrown

Recent GHRP Projects | Examples of Program Quality Standards



Kitchen
Worcester
3 Unit

Awarded \$275,385



Bathroom
Worcester
3 Unit

Awarded \$275,385



Kitchen
Brockton
3 Unit

Awarded \$345,780



Living Room
Brockton
3 Unit

Awarded \$345,780

Slide 14

AR1 [@Elizabeth Torres] Please add in photos of various projects and description outlined
Anthony Richards, 2024-08-15T21:32:20.435

Next Steps

Action Steps for Flex Investments LLC/Cross Development:

1. Immediate Correction of Discrepancies:

- Address the identified discrepancies between the quality of the work completed and the drawdown requests immediately. This includes ensuring that all repairs to substandard conditions are properly completed.

2. Submission of Updated Documentation:

- Submit updated documentation and photographs that accurately reflect the current state of the properties and the completion of all required repairs. This must meet the standards outlined in the initial agreement.

3. Coordination with MassHousing Team re: Follow Up Inspection:

- Plan for a potential follow-up inspection with the designated inspection team to verify the completion and quality of the required work.

4. Temporary Suspension from GHRP Funding:

- Be aware that until all issues are corrected and work is satisfactorily completed, your eligibility to apply for GHRP funding in future rounds is temporarily suspended. Future applications will be contingent upon successful resolution of the current issues.

5. Follow-Up Communication:

- Provide a detailed plan with timelines on how and when the issues will be addressed. Ensure regular updates are communicated to the relevant oversight authority until the matter is resolved.

6. Engagement with Project Management:

- Review internal project management processes to prevent similar issues in the future. Consider implementing additional quality control measures to ensure compliance with project standards and requirements. GHRP/NSP moving forward will issue guidance on renovation standards

EXHIBIT 17

Sent: Thur 11/14/2024 12:00:06 PM (UTC)
To: Beverly Estes-Smargiassi[BEstes-Smargiassi@masshousing.com]; Rachel Carlson[RCarlson@masshousing.com]; Colin McNiece[CMcNiece@masshousing.com]
Subject: FW: Follow-up letter re Pittsfield Flex properties
Attachment: Followup Letter to Flex Investments & Cross Dev.docx
Attachment: Attached photos.docx
Attachment: Updated conditions list 10-28-2024.xlsx

Even though I communicated yesterday, that I find no objections to the letter, and we have been sending this type of follow up letters to them previously. I am looping in Colin on this one just in case he may have thoughts, etc.

Beverly—Please hold off sending this letter until Colin gives the go-ahead.

Thanks

From: Beverly Estes-Smargiassi <BEstes-Smargiassi@masshousing.com>
Sent: Wednesday, November 13, 2024 12:00 PM
To: Anthony Richards <ARichards@masshousing.com>
Cc: Rachel Carlson <RCarlson@masshousing.com>
Subject: Follow-up letter re Pittsfield Flex properties

Hi Tony,

Attached is a draft letter for your review re the Flex properties in Pittsfield. The attachments include a list of issues plus photos. I won't send it out under your signature until you give the okay. Please let me know your thoughts.

Thanks,
Bev



One Beacon Street, Boston, MA 02108

[Twitter](#) | [Facebook](#) | [LinkedIn](#) | [Newsletter](#)

Beverly Estes-Smargiassi
Neighborhood Stabilization Program Manager
Direct Line: 617-854-1016

Cell: 617-858-7536

bestes-smargiassi@masshousing.com

www.masshousing.com

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EXHIBIT 18

From: Beverly Estes-Smargiassi[BEstes-Smargiassi@masshousing.com]
Sent: Tue 5/27/2025 8:08:08 PM (UTC)
To: Nichole Mikshenas[NMikshenas@masshousing.com]; Angela Chan[AChan@masshousing.com]
Cc: Rachel Carlson[RCarlson@masshousing.com]; Anthony Richards[ARichards@masshousing.com]
Subject: Re: Boston Globe public records request

Thanks, Nichole.

I've most of the Flex records organized so should be able to respond quickly.

From: Nichole Mikshenas <NMikshenas@masshousing.com>
Sent: Tuesday, May 27, 2025 4:05 PM
To: Angela Chan <AChan@masshousing.com>; Beverly Estes-Smargiassi <BEstes-Smargiassi@masshousing.com>
Cc: Rachel Carlson <RCarlson@masshousing.com>; Anthony Richards <ARichards@masshousing.com>
Subject: RE: Boston Globe public records request

I'll start pulling the Fire Sprinkler materials together today. Angela can you please remind me exactly what documents I should be producing?

-N.

From: Angela Chan <AChan@masshousing.com>
Sent: Tuesday, May 27, 2025 4:01 PM
To: Beverly Estes-Smargiassi <BEstes-Smargiassi@masshousing.com>; Nichole Mikshenas <NMikshenas@masshousing.com>
Cc: Rachel Carlson <RCarlson@masshousing.com>; Anthony Richards <ARichards@masshousing.com>
Subject: FW: Boston Globe public records request

Hi Beverly and Nichole,

Please see the modified request below. We should plan on producing the requested records. Please let me know if you would like to meet to discuss.

Thanks,

Angela



Angela Lee Chan
Special Counsel – Information Officer
617.854.1774

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From: Flechas, Joey <joey.flechas@globe.com>

Sent: Friday, May 23, 2025 4:57 PM

To: Angela Chan <ACHan@masshousing.com>

Cc: Kimberly Leone <KLeone@masshousing.com>; Carol McIver <CMcIver@masshousing.com>; Paul McMorro <PMcMorro@masshousing.com>

Subject: Re: Boston Globe public records request

CAUTION: This email came from outside MassHousing. Use caution when opening attachments, clicking links, or responding to this email. Original Sender: joey.flechas@globe.com.

Hello,

Thank you for your letter, dated May 8, 2025, responding to my records request.

I appreciate the list of relevant projects. I'm providing a narrowed list of projects for which I would like to request the aforementioned relevant documents. I'm listing them grouped by program, lead applicant, and project description/location, per the lists you provided.

- Neighborhood Stabilization Program (NSP)

■ [REDACTED]

- Gateway Housing Rehabilitation Program (GHRP)

1. Flex Investments LLC, 41 Cherry St., Pittsfield, MA 01201
2. Flex Investments LLC, 43-45 Cherry St., Pittsfield
3. Flex Investments LLC, 89-91 Orchard St., Pittsfield
4. Flex Investments LLC, 139-141 Madison Ave., Pittsfield

- Fire Sprinkler System Grant Program

■ [REDACTED]

■ [REDACTED]

Could you please let me know the estimate for production of this batch of records?

Thank you for your time and attention to this,
Joey

On Thu, May 8, 2025 at 3:32 PM Angela Chan <AChan@masshousing.com> wrote:
Good afternoon,

Please see the attached letter in response to your request for public records below.

Best,

Angela



Angela Lee Chan

Special Counsel – Information Officer
617.854.1774

CONFIDENTIALITY NOTICE: The contents of this email message and any attachments are intended solely for the addressee(s) and may contain confidential and/or privileged information and may be legally protected from disclosure. If you are not the intended recipient of this message or their agent, or if this message has been addressed to you in error, please immediately alert the sender by reply email and then delete this message and any attachments. If you are not the intended recipient, you are hereby notified that any use, dissemination, copying, or storage of this message or its attachments is strictly prohibited.

From: Flechas, Joey <joey.flechas@globe.com>

Sent: Thursday, May 1, 2025 12:34 PM

To: Angela Chan <AChan@masshousing.com>; Carol McIver <CMcIver@masshousing.com>; Paul McMorro <PMcMorro@masshousing.com>

Subject: Re: Boston Globe public records request

CAUTION: This email came from outside MassHousing. Use caution when opening attachments, clicking links, or responding to this email. Original Sender: joey.flechas@globe.com.

Good afternoon,

Paul, thanks for reaching out to discuss this yesterday. Please find my revised request below.

Under the Massachusetts Public Records Act, for the time period from. Jan. 1, 2023 through the present, I'm requesting any and all applications submitted for grants and

contracts offered by the following four programs under MassHousing's equitable business development division: the neighborhood stabilization program, the gateway housing rehabilitation program, the fire system sprinkler program for sober homes and the program supporting the construction and rehabilitation of sober housing.

I'm also requesting, for each of the four programs for the same time period, all rubrics or criteria used to determine who is awarded grants for each program, all invoices from any and all entities who were awarded contracts and grants, and proof of payments to grant/contract recipients (documents memorializing wire transfers, canceled checks, etc.).

If there are any fees for searching or copying these records, please inform me if the cost will exceed \$50. However, I would also like to request a waiver of all fees in that the disclosure of the requested information is in the public interest.

The Massachusetts Public Records Act requires a response to this request within 10 days. If access to the records I am requesting will take longer than this amount of time, please contact me with information about when I might expect copies or the ability to inspect the requested records.

If you deny any or all of this request, please cite each specific exemption you feel justifies the refusal to release the information and notify me of the appeal procedures available to me under the law.

You can reach me at [REDACTED] if you have any questions. Please let me know if there is anything I can do to expedite fulfillment of this request.

Thank you,
Joey Flechas

On Wed, Apr 30, 2025 at 10:14 AM Flechas, Joey <joey.flechas@globe.com> wrote:
Hello Angela and Carol,

I hope this message finds you well. Under the Massachusetts Public Records Act, I'm requesting any and all applications for grants and contracts offered by any programs under MassHousing's equitable business development division for the time period from Jan. 1, 2020 through the present.

I'm also requesting all invoices from any and all entities who were awarded contracts and grants under any programs under the equitable business development division for the same time period, as well as images of canceled checks associated with these invoices.

If there are any fees for searching or copying these records, please inform me if the cost will exceed \$50. However, I would also like to request a waiver of all fees in that the disclosure of the requested information is in the public interest.

The Massachusetts Public Records Act requires a response to this request within 10 days. If access to the records I am requesting will take longer than this amount of time, please contact me with information about when I might expect copies or the ability to inspect the requested records.

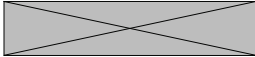
If you deny any or all of this request, please cite each specific exemption you feel justifies the refusal to release the information and notify me of the appeal procedures available to me under the law.

You can reach me at [REDACTED] if you have any questions. Please let me know if there is anything I can do to expedite fulfillment of this request.

Thank you,
Joey Flechas

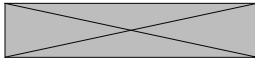
--

Joey Flechas
Investigative Reporter - Spotlight
O: [REDACTED]
M: [REDACTED]
Signal: jaf.59
joey.flechas@globe.com
@joeflech



--

Joey Flechas
Investigative Reporter - Spotlight
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@joeflech



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Joey Flechas
Investigative Reporter - Spotlight
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M: [REDACTED]
Signal: jaf.59
joey.flechas@globe.com
@joeflech



EXHIBIT 19



EMPLOYEE HANDBOOK

MASSHOUSING'S MISSION

MassHousing will confront the Commonwealth's housing challenges to improve the lives of its people.

RESPECT

- I will seek first to understand and show interest, assume positive intent rather than judgement, when engaging others.
- I will treat all staff, partners, and customers with dignity and appreciation.

SERVICE

- I will listen to, acknowledge, and take actions (as needed) to meet the needs of staff, partners, and customers.
- I will demonstrate compassion, proactive problem-solving, and/or supportive action when engaging with others.

EMPATHY

- I will be fully present, actively listen, and make an authentic effort to understand other people's perspective.
- I will strive to engage compassionately with others.

ACCOUNTABILITY

- I will be proactive, accept responsibility, own results and mistakes, and find solutions.
- I will acknowledge and address, with professional kindness and respect, behaviors misaligned with MH values.

COLLABORATION

- I will work to eliminate barriers and establish/foster healthy relationships across the MH community to ensure we deliver on the MH mission.
- I will recognize and value the skills and contributions of others.

INCLUSION

- I will recognize that people have different needs, be open to those needs, and embrace the uniqueness of others.
- *I will be open* to and embrace diverse viewpoints and seek to learn from others.

EMPLOYEE AND WORKPLACE CONDUCT

WORKPLACE ENVIRONMENT

MassHousing is a diverse and inclusive community where each individual is valued and deserving of respect. Our team reflects a variety of racial, ethnic, and national backgrounds, as well as differing religious and political beliefs and sexual orientations. We believe that diversity enriches MassHousing and enhances our collective strength.

We are committed to cultivating an environment where everyone, regardless of differences, feels safe, supported, and secure. At MassHousing, we hold ourselves individually and collectively responsible for fostering mutual respect and maintaining accountability for our actions.

STANDARDS OF CONDUCT

MassHousing expects you to uphold the highest standards of conduct in performing your duties. While not exhaustive, the following outlines key requirements forming the basis of MassHousing's Standards of Conduct:

Gifts, Entertainment, and Favors

In compliance with state ethics laws, you may not directly or indirectly solicit, accept, or receive anything of value in exchange for:

- Being influenced in the performance of official duties or responsibilities
- Aiding in committing fraud against the Commonwealth, MassHousing, or any government entity
- Acting or failing to act in violation of your official duties

Violation may result in disciplinary action up to and including termination as well as civil and criminal penalties.

Misuse of Information

You are prohibited from using or allowing the use of official MassHousing information obtained through your employment for private interests unless the information is publicly available.

Financial Obligations

You are expected to fulfill all just financial obligations, including debts and taxes, in a timely and responsible manner. For purposes of this policy, a "just financial obligation" includes debts acknowledged by you, liens, and court judgments. Compliance "in a timely and responsible manner" means addressing such obligations in a way that does not adversely affect MassHousing's reputation, operations, or business interests. If there is a dispute between you and a creditor, MassHousing will not become involved in resolving the dispute unless it directly affects the Agency's operations.

Membership in Organizations

You may not represent MassHousing as a member of a private organization unless the Chief Executive Officer, or their designee, determines such service benefits MassHousing and aligns with your official duties.

Political Activities

Certain political activities are governed by M.G.L. Chapter 268A and Chapter 55, Sections 13-17. Familiarize yourself with these statutes to ensure compliance.

Solicitations and Fundraising

Exercise caution when soliciting on behalf of charitable organizations. Managers should exercise extreme caution when soliciting their direct reports. Consult with the General Counsel for guidance.

Endorsements

State employees may not use their position or title to endorse third-party products or services. Testimonials or recommendations for vendors, consultants, or other third parties are strictly prohibited under the Massachusetts Conflict of Interest Statute.

Safeguarding Personal Information

The Information Security Program (ISP) at MassHousing requires safeguarding the confidentiality, security, and integrity of personal information. Key requirements include participating in and completing periodic security awareness training and testing (see Security Awareness Program), reporting potential threats to data confidentiality, availability, or integrity (see Incident Report Policy), and managing password security per the MassHousing Password Policy. Attempting to access or using nonpublic personal information outside of official duties is strictly prohibited and violations may result in disciplinary action up to and including termination.

Public Records and Record Retention

MassHousing adheres to the Massachusetts Publics Records Law and has developed a Records Management and Retention Policy (the "Records Policy"). Under this policy, you are required to:

- Maintain complete and accurate records
- Retain, store, and dispose of records in accordance with legal requirements and MassHousing's policies
- Respond diligently to any requests from the Legal Division related to public records, litigation, or adverse proceedings, ensuring completeness, accuracy, and thoroughness
- Additionally, reports and filings may be required from you if you are engaged in certain outside activities.

Questions regarding Public Records and Record Retention should be directed to the General Counsel. Failure to comply with these requirements may result in disciplinary action up to and including termination and could expose you to potential civil or criminal penalties.

CONFLICTS OF INTEREST AND FINANCIAL DISCLOSURE

As a MassHousing team member, you are subject to the Commonwealth's Conflict of Interest Law, which ensures that private financial interests and personal relationships do not interfere with public obligations. The law is comprehensive, designed to prevent conflicts or their appearance, and governs conduct on the job, after hours, and after separation from MassHousing. Certain roles, as determined by the General Counsel, as the Chief Executive Officer's designee, require annual financial disclosure for individuals in policy-making positions.

Conflict of Interest Training Requirements

The State Ethics Commission maintains an [online Conflict of Interest Law training management system](#) that tracks compliance with mandatory training.

All staff must:

- Acknowledge receipt of the Summary of the Conflict of Interest Law and complete mandatory training within thirty (30) calendar days of your start date as a new hire
- Acknowledge the Summary of the Conflict of Interest Law each year
- Complete Conflict of Interest Law training every two years, as required by state law

To learn more about the Conflicts of Interest Laws, visit the State Ethics Commission [website](#).

Failure to meet training deadlines or acknowledgement requirements may result in disciplinary action up to and including termination.

Disclosures for Outside Activities

If you engage in outside employment or own real estate investments, you must file a description of these activities with the General Counsel. This includes notifying the General Counsel if these activities change.

Pursuing Outside Employment

When seeking new job opportunities outside MassHousing, remember that the Conflict of Interest Law applies and may affect your actions during and after the application process. Specific examples include:

- Disclosure Requirements: If your role involves a potential employer, you may need to file a written disclosure with the Chief Executive Officer during the application process
- Abstention: You may be required to abstain from working on matters involving the potential employer
- Post-Employment Restrictions: Certain restrictions may apply in your new position depending on the nature of your role at MassHousing and your new employer

The Agency has published an [advisory](#) providing detailed guidance on avoiding conflicts of interest when pursuing outside employment and after leaving the organization. This document is available on [MyMassHousing](#) under MassHousing Governance. Review it carefully before seeking outside employment. For further clarification, contact the Legal Department. You are responsible for promptly notifying the General Counsel if you engage in the activities outlined above. Failure to comply may result in disciplinary action up to and including termination.

ANTI-FRAUD POLICY

MassHousing maintains zero tolerance for fraudulent, illegal, or inappropriate actions, including misstating financial results or misusing or wasting resources belonging to MassHousing or entities that invest in or subsidize housing financed or administered by the Agency.

As a member of MassHousing, you are accountable to the Agency Members (Board of Directors), stakeholders, and the citizens of the Commonwealth of Massachusetts. MassHousing is committed to upholding all applicable laws, regulations, policies, and directives, taking prompt and necessary actions to address any violations.

EXHIBIT 20



Employee Handbook



Updated July 2022

MassHousing business, (1) uses or is under the influence of a drug or other dangerous substance, (2) has drugs or other dangerous substances in their possession or control, or (3) manufactures, buys, sells, or distributes a drug or other dangerous substance, or attempts to do so, is subject to disciplinary action including termination. When MassHousing finds it appropriate to do so, MassHousing will notify law enforcement officials. MassHousing may also pursue civil recovery against an employee whose use of drugs or alcohol causes damage to MassHousing property, or whose actions result in MassHousing being held liable for damages to others.

Any employee who uses or has possession of alcoholic beverages on MassHousing premises, or who is in the workplace under the influence of alcohol, is subject to disciplinary action up to and including termination.

Other incidents occurring off MassHousing premises, while on MassHousing business, which involve alcohol, drugs, or other dangerous substances may subject the employee to disciplinary action, up to and including termination, and will be reviewed on a case-by-case basis.

The drugs covered by this policy include all controlled substances, including marijuana, regardless of laws permitting the recreational or medical use of marijuana. Other dangerous substances include all substances that may cause intoxication or otherwise affect the judgment, behavior, or performance of an individual. Regardless of recreational or medical marijuana laws, MassHousing prohibits the use of marijuana in the workplace, and prohibits employees from reporting to work or performing work under the influence of drugs or alcohol.

MassHousing encourages employees to seek professional treatment for problems and drug dependence. MassHousing provides an Employee Assistance Program for any employee or family member who wants to seek confidential counseling (see Employee Benefits section for more information). The fact that an employee is receiving professional help will be considered but will not necessarily relieve the employee from discipline up to and including termination upon the occurrence of any of the incidents described above.

Employees must, as a condition of employment, abide by the terms of the above policy and report any conviction under a criminal drug statute for violations occurring on or off MassHousing premises. A report of a conviction must be made within five (5) days after the conviction. This requirement is mandated by the Drug-Free Workplace Act of 1988.

Firearms and other Dangerous Weapons

Employees are not allowed to carry firearms or other dangerous weapons, either on their person, or in a private or MassHousing vehicle while engaged in MassHousing business, without prior written approval of the Executive Director or their designee. This applies regardless of any license, permit, or other authorization the employee may have with respect to the possession or use of firearms.

Because of the potential danger to others, and the possible liabilities to MassHousing that may occur from employee use or possession of firearms, there will be no toleration of violation of this prohibition. Violation will result in the immediate termination of employment.

Standards of Conduct

MassHousing employees are expected to adhere to the highest standards of conduct in the performance of their official duties. Although the following is not an exhaustive list, all MassHousing employees should be aware of the requirements listed below which form the basis of official MassHousing Standards of Conduct:

- **Gifts, entertainment, and favors:** State ethics law imposes the following requirements on Agency employees regarding gifts, entertainment, and favors. No state employee may, directly or indirectly, ask for, demand, solicit, accept, or receive anything of value for themselves (or for any other person) in return for: (1) being influenced in their performance of any official act or any act within their official responsibility, (2) being influenced to commit or aid in committing any fraud on the Commonwealth, the Agency or any other state, county or municipal agency, or (3) being induced to do or omit to do any acts in violation of his official duty. Violation of these laws may subject employees to both criminal and civil liability.
- **Misuse of information:** For the purpose of furthering a private interest, an employee shall not,

directly, or indirectly, use or allow the use of official information obtained through or in connection with their MassHousing employment which has not been made available to the general public.

- **Indebtedness:** An employee shall pay each just financial obligation in a proper and timely manner, including government insured loans, such as student, FHA, VA, or other insured loans, or one imposed by law, such as federal, state, and local taxes. For the purpose of this section, a “just financial obligation” means one acknowledged by the employee, or one evidenced by a lien or reduced to judgment by the court, and “in a proper and timely manner” means in a manner which MassHousing determines does not, under the circumstances, reflect adversely on MassHousing as their employer. In the event of a dispute between an employee and an alleged creditor, this section does not require MassHousing to determine the validity or amount of the disputed debt.
- **Intermediaries and product recommendations:** Where a personal interest or relationship exists, an employee may recommend or suggest the use of any particular or identified non-governmental intermediary to deal with MassHousing, provided the employee’s interest is disclosed to the General Counsel and the employee does not participate in the decision process.
- **Membership in organizations:** An employee may not represent MassHousing in an official capacity as a member of a private organization except where the Executive Director has determined that such service would be beneficial to MassHousing and consistent with the employee’s service as a MassHousing employee.
- **Political Activities:** Certain activities that employees undertake may be subject to the M.G.L. Chapter 268A, Massachusetts conflict of interest statute, and M.G.L. Chapter 55, Sections 13-17, which governs political activities of state employees. Employees should acquaint themselves with such laws to familiarize themselves with their responsibilities under these laws.
- **Solicitations and Fund-Raising Activities:** Employees are cautioned from soliciting their coworkers on behalf of various charitable organizations. Managers and Supervisors should exercise extreme caution when soliciting supervisees. Employees should consult with the General Counsel for further guidance on solicitation and fund-raising activities.
- **Endorsements.** MassHousing employees frequently interact with third-party vendors and consultants. Employees are cautioned that state employees are prohibited under the Massachusetts conflict of interest statute from using their official position or title to endorse a product or service on behalf of a third party, and employees may not provide testimonials, endorsements or recommendations regarding outside vendors, consultants or other third parties.
- **Safeguarding Personal Information:** MassHousing has adopted an [Information Security Program](#) to protect the confidentiality, security, and integrity of personal information we have in our possession, whether this information concerns our employees, customers, contractors or other business partners. Employees should be diligent in maintaining the safeguards put in place under MassHousing’s Information Security Program. Under no circumstances is it permissible for employees to attempt to access or use nonpublic personal information outside of their official MassHousing duties or otherwise violate the Information Security Program.
- **Public Records & Record Retention.** MassHousing is subject to the Massachusetts Publics Records Law and has developed a Records Management and Retention Policy (the “Records Policy”). All MassHousing employees must maintain complete and accurate records, retain such records in accordance with applicable laws, and properly store and dispose of such records, all in accordance with the Records Policy. In addition, from time to time, MassHousing may be involved in litigation or other adverse proceedings requiring the production and retention of certain records in accordance with MassHousing’s Policy Regarding Litigation and Other Adverse Actions. It is incumbent on all employees to diligently respond to any requests from the Legal Division in connection with Public Records Requests, adverse proceedings or otherwise, with completeness, accuracy, and thoroughness.

In addition, reports and filings may be required from employees engaged in certain outside activities.

Violations may subject an employee to disciplinary action including dismissal from employment and could result in civil or criminal penalties as well.

Employees should refer any questions about this section to the General Counsel.

Conflicts of Interest and Financial Disclosure

Employees of MassHousing are subject to the Commonwealth's Conflict of Interest Law. The purpose of the Conflict-of-Interest Law is to ensure those public employees' private financial interests and personal relationships do not conflict with their public obligations. The law is broadly written to prevent a public employee from becoming involved in a situation that could result in a conflict or the appearance of a conflict. The law restricts what employees may do on the job, after hours, and after separation from MassHousing. The law also imposes an obligation to make an annual disclosure of financial interests for certain employees in policy-making positions, as determined by the General Counsel as the Executive Director's designee.

Consistent with State Ethics Reform Law enacted in 2010, all employees are provided with a summary of the State Conflict of Interest Law at least annually. Employees must also participate in training every two years, as required by State Law. For a more detailed explanation of the Conflicts of Interest Law, employees should review "[A Guide to the Conflict of Interest Law for State Employees.](#)"

Any person who is engaged in outside employment or has any outside real estate investments must file a Description of those activities with the General Counsel.

Notices describing the employee's obligation are posted on [MyMassHousing](#). It is the obligation of the employee to notify the General Counsel immediately if they are engaged in the activities described above. Failure to notify the General Counsel will result in appropriate disciplinary action up to and including termination.

Staff Interaction with the Media

Due to MassHousing's role as a public entity working to provide affordable housing, members of the news media will frequently seek opportunities to speak with MassHousing leaders, subject matter experts and spokespersons. This [policy](#) provides guidance on staff interactions with the media.

Social Media Policy

Introduction:

Social media represents a vast online community where employees, customers, partners, suppliers, and shareholders come together to share information, promote products and services, and exchange opinions and experiences. MassHousing recognizes the limits and risks of social media, and how it can affect our company's brand, public image, and core values. Therefore, we have created this social media policy to lay out a framework of social media guidelines and protocols.

Purpose:

The purpose behind this policy is for employees to be aware of their privacy rights and prohibited conduct with respect to an employee's actions and its impact on the Employer (MassHousing) when using social media sites on and off duty.

Scope:

This social media policy applies to all MassHousing employees, including paid or unpaid interns, contractors, seasonal, part-time, and full-time employees. MassHousing defines social media as any form of electronic communication or application that enables users to create online communities and share knowledge, opinions, media, and private and public messages. All employees will be subject to and held accountable for any conduct outlined this, Policy. This policy works in conjunction with other related personnel policies and procedures (e.g., Employee Handbook).

Social media refers to the use of websites such as, but not limited to, Facebook, Twitter, LinkedIn, Instagram. For purposes of this policy, blogs and other internet forums shall also be covered. Nothing in this policy is meant to prohibit access to any social media website or blog that may be work-related.

Policy:

EXHIBIT 21

User	Course	Due Date	Completion Status	Date Completed	Email Address	Department/Board/Agency
Richards, Anthony	Acknowledge Receipt of the Summary of the Conflict of Interest Law for State Employees 2023	2023-03-17	Complete	2023-03-21	ARichards@masshousing.com	
Richards, Anthony	Acknowledge Receipt of the Summary of the Conflict of Interest Law for State Employees 2026	2026-02-04	Complete	2026-01-11	ARichards@masshousing.com	
Richards, Anthony	State Ethics Commission Conflict of Interest Law Training 2023	2023-03-17	Complete	2023-03-21	ARichards@masshousing.com	
Richards, Anthony	State Ethics Commission Conflict of Interest Law Training 2026	2027-01-31	Not Started	N/A	ARichards@masshousing.com	

Campaign Name	Content Name	Enrollment Date (UTC)	Content Str	Started On (UTC)	Completed On (UTC)	Total Time	Time Left	Score	Status	Knowledge Refresher Completed
HR: Summary of State Conflict of Interest Law Acknowledgement for New Hires	Summary of the Conflict of Interest Law for State Employees revised 2013-05-10	9/20/2021 11:56	TRUE	9/24/2021 14:02	9/24/2021 14:02	0:00:13			completed	
HR: Summary of State Conflict of Interest Law Acknowledgement - 2022	Summary of the Conflict of Interest Law for State Employees revised 2013-05-10	3/7/2022 14:04	TRUE	2/14/2022 14:29	2/14/2022 14:29	0:00:16			completed	
LE: Campaign Finance Law - What I Should Know 2022	LE: Public Employees and the Campaign Law	9/19/2022 12:01	TRUE	10/3/2022 13:20	10/3/2022 13:22				completed	
LE: Campaign Finance Law - What I Should Know 2022	LE: Public Employees and Social Media	9/19/2022 12:01	TRUE	10/3/2022 13:17	10/3/2022 13:20				completed	
LE: Campaign Finance Law - What I Should Know 2022	LE: Public Employee 101	9/19/2022 12:01	TRUE	10/3/2022 13:16	10/3/2022 13:17				completed	
LE: Conflict of Interest - Holiday & Other Gifts	Conflict of Interest - Holiday & Other Gifts	12/1/2022 12:01	TRUE	12/14/2022 16:41	12/14/2022 16:05	1:39:57			passed	
LE: Conflict of Interest - Holiday & Other Gifts 2023	Conflict of Interest - Holiday & Other Gifts	12/1/2023 12:10	TRUE	1/3/2024 18:44	1/3/2024 18:51	0:08:50			passed	
LE: Campaign Finance Law - What I Should Know 2024	LE: Public Employee 101	7/8/2024 11:04	TRUE	7/30/2024 14:17	7/30/2024 14:19				completed	
LE: Campaign Finance Law - What I Should Know 2024	LE: Public Employees and the Campaign Law	7/8/2024 11:04	TRUE	7/30/2024 14:13	7/30/2024 14:17				completed	
LE: Campaign Finance Law - What I Should Know 2024	LE: Public Employees and Social Media	7/8/2024 11:04	TRUE	7/30/2024 14:10	7/30/2024 14:13				completed	
LE: Conflict of Interest - Holiday & Other Gifts - Dec 24	Conflict of Interest - Holiday & Other Gifts	12/1/2024 12:03	TRUE	12/20/2024 15:46	12/20/2024 15:52	0:11:05			passed	