

SUFFOLK, SS.

COMMONWEALTH OF MASSACHUSETTS

SUPERIOR COURT DEPT.
Docket #2484CV01271

PORT DEVELOPMENT LLC,
Plaintiffs

v.

DOUG MEDVETZ
a/k/a DOUGLAS ALLEN MEDVETZ
d/b/a VERDYNTBIO,
Defendants

VERDYNT FUND I LLC,
Reach and Apply Defendant,

BANK OF AMERICA
Trustee Process Defendant

[Proposed] FINDINGS AND AWARD ON
PLAINTIFF'S MOTION FOR ASSESSMENT OF DAMAGES AND
REQUEST FOR DEFAULT JUDGMENT

This matter came before the Court on January 7, 2025 upon the motion of Plaintiff Port Development LLC for assessment of damages and entry of default judgment against Defendant Doug Medvetz (Docket Entry #15). After notice to Doug Medvetz and based upon the Verified Complaint, affidavits, and memoranda submitted by Port Development LLC, this Court hereby ORDERS and RULES as follows:

FINDINGS

1. Plaintiff Port Development LLC ("Port Development") is a Massachusetts Limited Liability Company with a business address at 343 High Street, Newburyport, MA 01950. Verified Compl., ¶1.
2. Defendant Doug Medvetz a/k/a Douglas Allen Medvetz ("Medvetz") is an individual who, currently resides at [REDACTED] Medvetz Motion to Continue Hearing filed December 13, 2024 (Docket Entry # 19).

~~DOCUMENT ENTERED ON DOCKET
PURSUANT TO THE PROVISIONS OF MASS. R. CR. P.
AND NOTICE SENT TO PARTIES PURSUANT TO THE PROVISIONS OF MASS. R. CR. P. 77A AS FOLLOWS:~~

Jan 10 2025
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3. On or about October 21, 2021, Medvetz filed a certificate of organization to create 213 Everett Ave LLC as a Massachusetts Limited Liability Company. Certificate of Organization for 213 Everett Ave LLC, Verified Compl., Ex. 3.

4. Port Development and Medvetz are parties to the Amended and Restated Operating Agreement of 213 Everett Ave LLC with an effective date of June 21, 2022 (the "Operating Agreement"). Operating Agreement, Verified Compl., Ex. 4. The parties also executed an "Investment Restructuring Agreement" with an effective date of September 29, 2023 concerning the capital structure of 213 Everett Ave LLC as well as other aspects of their business. Investment Restructuring Agreement, Verified Compl., Ex. 5.

5. Port Development advanced \$839,250 to Medvetz and, as set forth in the "Investment Restructuring Agreement" with an effective date of September 29, 2023, the parties agreed, the Capital Contribution of Port Development was, "\$839,250 (of which \$300,000 was advanced on or about May 10, 2022 to pay for the deposit on the Project and shall be credited to Port Development, LLC's Capital Contributions and deemed actually made for purposes of calculating IRR as of May 10, 2022; \$519,250 was contributed on June 21, 2022; \$20,000 was contributed on April 14, 2023)." *Id.*, Ex. 5, ¶ 15.

6. Exhibit B to the Investment Restructuring Agreement amended the Operating Agreement by providing that Doug Medvetz, "personally and unconditionally guarantee[d] the payment of the Port Development Return to Port Development LLC (collectively, the "Guaranteed Obligations") upon the earliest to occur of the following events (each a "Payment Event"): (i) the sale of the Project or closing of Approved Financials... (iii) a default occurred under this Agreement that is not cured within 10-days of the occurrence of such default." *Id.*, Ex. 5, ¶ 13.

7. Defendant Medvetz also agreed, "Guarantor shall be liable to Port Development LLC for all expenses which Port Development LLC may incur in enforcement of Port

Development LLC's rights hereunder, including, without limitation, reasonable attorneys' fees and expenses." *Id.*, Ex. 5, ¶ 14.

8. The "Guaranty" was added as Section 8.7 to the Operating Agreement by the Investment Restructuring Agreement. *Id.*

9. Port Development has demanded, "the return of all of Port Development LLC's Capital Contributions [*i.e.*, \$839,250]..." Investment Restructuring Agreement, Verified Compl., Ex. 7, ¶20. Port Development was also entitled to demand and receive the "Port Development Minimum Return" which was equivalent to a 15% return on the Capital Contributions, plus interest and attorneys' fees. *Id.* Port Development also has demanded access to the books and records of 213 Everett Ave LLC." *Id.*

10. Port Development LLC's "Capital Contributions" was \$839,250. *Id.* The Port Development Minimum Return, or 15% of \$839,250, equals \$125,737.50. Port Development LLC's "Capital Contributions" (\$839,250) plus the Port Development Minimum Return (\$125,737.50) equals \$963,987.50. Affidavit of Paul Dahn, ¶ 5.

11. Defendant Doug Medvetz has failed to return Port Development LLC's Capital Contributions (\$839,250), failed to pay the Port Development Minimum Return (\$125,737.50), interest, and attorneys' fees, and failed to provide access to the books and records of 213 Everett Ave LLC. *Id.*, ¶ 5.

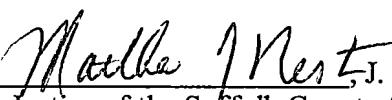
12. Medvetz was served with the complaint on May 30, 2024. *See* Return of Service (Docket Entry #12). No answer was filed. *See* Port Development's Request for Default (Docket Entry #13). Accordingly, Port Development filed a request for default pursuant to Rule 55(a), and it now moves the Court to assess damages and enter judgment of a sum certain in the amount of \$963,987.50 plus interest, and attorneys' fees. *See* Port Development's Motion to Assess Damages and Entry of Default Judgment (Docket Entry #15).

JUDGMENT AND AWARD OF DAMAGES

Based upon the Verified Complaint, Affidavits, Exhibits, Memoranda filed by the Plaintiff, this Court HEREBY ORDERS,

- A. JUDGMENT shall enter in favor of Plaintiff Port Development on Count I (breach of contract) and II (breach of implied covenant of good faith and fair dealing) of the Verified Complaint and DAMAGES shall be award to Port Development in the amount of \$963,987.50, representing the Port Development Capital Contributions totaling \$839,250 plus the Port Development Minimum Return, defined as the fifteen percent (15%) agreed upon return on the Capital Contributions, totaling \$125,737.50. Port Development is entitled to interest at the statutory rate of twelve percent (12%) under M.G.L. c. 231 §6C; and
- B. Port Development is entitled to attorneys' fees ^{of \$27,975.00} by agreement as set forth in the Operating Agreement at Section 8.7. Port Development is granted leave to submit a petition for attorneys' fees not later than ten (10) days from the date hereof.

SO ORDERED this day, January 7, 2025



Associate Justice of the Suffolk County Superior Court