MassDevelopment

Emerging Technology Fund (ETF)

Quarterly Report to the Massachusetts Legislature

April 1, 2025 through June 30, 2025

Current Activity

- As of June 30, 2025, the ETF had made loans, guarantees, and recoverable grants to 61 companies totaling $105,747,115.
- Between April 1, 2025 and June 30, 2025, the ETF received $379,978, in loan repayments, interest income, and fees. Operating expenses were $166,721.
- As of June 30, 2025, the Fund had $27,409,514 available to make loan commitments and a pipeline of $5.3 million of projects that are considering applying or are in the underwriting process.
- The uncommitted balance of the Fund exceeding the current pipeline on June 30, 2025 was $22,109,514.

Featured Company

N1 Health, F/K/A (Algorex Health Technologies, LLC)

N1 Health is a privately held Massachusetts limited liability company (LLC) with headquarters in Boston.

The company provides proprietary data science as a service plan that supports health systems' revenue maximization and/or cost reduction efforts while enabling increased efficiency across social service functions. N1 Health offers its products through a Data Science as a Service (DSaaS) model as well as providing one-off project services. The DSaaS model enables annual recurring revenue streams to the company while providing a steady flow of impactful data points that help drive effective changes in the direction of a health plan's strategy and associated tactics.

N1 Health's data driven insights allow healthcare organizations to effect the long-term behavior change of members that meaningfully increase their quality of life. The company delivers core insights across the membership rolls without requiring individual screening efforts and fulfills additional data science demands on the basis of a subscription service level agreement. N1 Health offers organizations critical data science expertise at a reasonable and predictable price, free of prolonged projects, platform investments and the need to build and sustain in-house data science teams. The company is mainly providing its services to Medicaid plans to increase capitation payments (a set schedule of fees paid on a per member per month (PMPM) basis depending on risk factors) by identifying hard to quantify risk exposures on individual members. N1 Health's insights ultimately lower expenses incurred by health systems by increasing the use of non-medical interventions.

MassDevelopment provided a $1,250,000 working capital term loan from the Emerging Technology Fund in 2019 to support the financing of new full-time hires at the company, which has been fully repaid.

Closed Loan Activity

Loans Closed

Company	Loan Amount	Date Closed	Municipality	Industry
Greentown Collaborative, Inc. (Recoverable Grant)	$1,050,000	12/17/24	Somerville	Other
OnPoint Surgical	$4,000,000	8/15/24	Concord	Medical Device
Embue, Inc.	$3,800,000	3/2/2023	Worcester	Software
Beeken Biomedical	$1,500,000	4/8/2021	Stoughton	Medical Device
MentorWorks Education Capital	$1,000,000	3/20/2020	Boston	Financial Technology
DynamiCare Health	$1,250,000	12/5/2019	Cambridge	Digital Health
Massachusetts Materials Technologies	$1,000,000	8/30/2019	Waltham	Advanced Manufacturing
Nano-C	$2,400,000	11/10/2018	Westwood	Advanced Material Manufacturer
Sub-Total	$16,000,000			

Loans Closed and Repaid in Full

Company	Loan Amount	Date Closed	Paid Off	Municipality	Industry
First Light Diagnostics, Inc.	$2,500,000	5/31/19	8/1/24	Chelmsford	Medical Device
Algorex Health Technologies LLC	$1,250,000	7/30/19	7/9/24	Boston	Software
Intigua, Inc.	$1,000,000	4/9/2021	4/1/2023	Boston	Software
XRHealth USA	$2,000,000	11/16/2020	3/22/2021	Brookline	Digital Health
Dive Technologies	$1,300,000	6/30/2020	1/27/2022	Quincy	Autonomous Underwater Vehicle Manufacturer
Lionano	$2,500,000	2/1/2019	11/25/2019	Woburn	Battery Material Manufacturer
Zylotech	$500,000	8/15/2018	1/20/2021	Boston	Analytics Software
Vyasa Analytics	$1,800,000	6/27/2018	12/28/22	Newburyport	Analytics Software
MedMinder Systems	$1,500,000	5/11/2018	3/16/2021	Needham	Medical Device
6K (formerly Amastan Technologies LLC)	$2,000,000	6/30/2017	4/2/21	North Andover	Advanced Material Manufacturer
Lexington Medical	$2,500,000	2/22/2017	6/12/2019	Billerica	Medical Device
Atentiv Holdings and Atentiv	$3,000,000	3/4/2016	6/17/2017	Waltham	Medical Device
Biomedical Research Models (Replacement Facilities)	$500,000 and $500,000 (Guarantee)	12/29/2015	10/30/2019	Worcester	Contract Research (Biotechnology)
Dynamo Micropower	$175,000	1/30/2015	5/12/2016	Somerville	Fuel Flexible Turbine Power
Ginkgo Bioworks	$1,000,000	12/15/2014	10/5/2016	Boston	Biotech Engineering
Biomedical Research Models (Replacement Facilities)	$500,000 and $200,000 (Guarantee)	10/29/2014	10/30/2019	Worcester	Contract Research (Biotechnology)
Scencio Systems	$650,000	8/18/2014	8/1/2019	Boxborough	Telemedicine
Persimmon Technologies	$1,500,000	10/1/2013	12/18/2015	Wakefield	Vacuum Robotics
PoroGen Corporation	$1,000,000	4/1/2013	10/2/2015	Woburn	Industrial Filtration
TeraDiode	$2,000,000	12/6/2012	3/7/2017	Wilmington	Industrial Lasers
InVivo Therapeutics Corporation	$2,000,000	10/5/2012	3/1/2019	Cambridge	Medical Device
Fusion Optix	$1,500,000	8/30/2012	11/5/2018	Woburn	CleanTech
CryoXtract Instruments	$800,000	5/15/2012	4/21/2017	Woburn	Medical Device
PowerHouse Dynamics	$1,000,000	3/30/2012	3/1/2018	Newton	CleanTech
Court Square Group	$500,000	3/28/2012	9/30/2016	Springfield	Software & IT
Quiet 3PF (formerly Quiet Logistics)	$2,500,000	1/26/2012	12/28/2018	Devens	eCommerce and Fulfillment
ConforMIS	$1,445,000	6/28/2011	12/23/2016	Burlington	Medical Device
T2 Biosystems	$1,687,500	5/9/2011	12/30/2016	Lexington	Medical Device

Loan Closed and Repaid in Full (continued)

Company	Loan Amount	Date Closed	Paid Off	Municipality	Industry
Acacia Communications	$3,000,000	2/25/2011	5/14/2015	Maynard	Information Technology
Biomedical Research Models	$500,000 and $200,000 (Guarantee)	11/17/2010	10/30/2019	Worcester	Contract Research (Biotechnology)
Qteros	$2,000,000	10/29/2009	11/22/2010	Chicopee	Biofuel Developer
Premium Power Corporation	$2,500,000	5/28/2009	4/13/2012	North Reading	POS Battery Manufacturer
E-Ink Corporation	$1,000,000	5/15/2007	8/31/2009	Cambridge	Electronic Display
Luminus Devices	$2,500,000	4/26/2007	8/22/2013	Billerica	Lighting
Nuvera Fuel Cells	$2,500,000	1/31/2007	12/22/2010	Billerica	Hydrogen Fuel Cell Developer and Manufacturer
Valeritas	$2,500,000	1/12/2007	5/19/2014	Shrewsbury	Medical Device
Middleton Aerospace Corporation	$2,000,000	8/11/2006	8/31/2016	Haverhill	Military and Commercial Aircraft Component Manufacturer
BioVex Group	$2,500,000	6/30/2006	3/1/2011	Woburn	Biotechnology
RenaMed Biologics	$2,300,000	6/14/2006	12/29/2006	Westborough	Bioreplacement Therapies
Hyaluron	$1,000,000	12/19/2005	6/14/2010	Burlington	Contract Manufacturer (Biopharma)
Blue Sky BioTech	$150,000	9/28/2005	7/9/2007	Worcester	Contract Research
MicroTest Laboratories	$799,340 (Loan) $367,500 (Mortgage Guarantee)	7/6/2005	7/31/2012	Agawam	Contract Manufacturer (Biopharma)
Cytonome	$600,000	6/30/2005	2/27/2009	Boston	Medical Devices
Aspen Aerogels	$1,500,000	1/12/2005	12/2/2011	Northborough	Advanced Materials
Celldex Therapeutics (formerly Avant)	$903,657	12/12/2003	3/30/2011	Fall River	Biopharmaceutical
Armored Things, Inc.	$2,250,000	6/3/2020	1/28/2025	Boston	Software
Sub-Total	$72,377,997				

Loans Closed and Principal Partially Charged Off

Company	Loan Amount	Date Closed	Charge Off Date	Municipality	Industry
N12 Technologies	$2,500,000	12/12/2014	10/29/2019	Cambridge	Composite Materials
Advanced MicroSensors	$2,000,000	10/13/2011	3/31/2014	Shrewsbury	Electronics
Lilliputian Systems	$2,500,000	11/13/2009	6/30/2014	Wilmington	Portable Fuel Cell Power Developer
Konarka Technologies	$2,500,000	2/11/2009	11/25/2013	New Bedford	Solar Power Consumer Product Manufacturer
Beacon Power	$2,500,000	6/30/2008	3/7/2012	Tyngsboro	Renewable Energy
ECI BioTech	$630,000	11/16/2007	1/31/2016	Worcester	Health Care Products
Spherics	$2,500,000	7/12/2005	11/19/2008	Mansfield	Pharmaceutical
WorkshopLive	$239,118	5/26/2005	6/30/2012	Pittsfield	Music Software and Technology
Acusphere	$2,000,000	8/16/2004	5/19/2009	Tewksbury	Specialty Pharmaceutical
Sub-Total	$17,369,118				
Total	$105,747,115				

Financial & Technical Assistance

MassDevelopment assisted Acusphere, Celldex Therapeutics (formerly Avant Immunotherapeutics), and Cytonome in finding suitable facilities in Massachusetts. All loan applicants received assistance in structuring financing for their projects with MassDevelopment and other lenders.

Uncommitted Fund Balance

Between April 1, 2025 and June 30, 2025, the ETF received $379,978, in loan repayments, interest income, and fees. Operating expenses were $166,721. The uncommitted balance of the Fund on June 30, 2025 was $22,109,514.

As of 6/30/2025	
Beginning Fund Balance	$ 24,750,000
Fund Recapitalization (FY2007)	10,000,000
Fund Recapitalization (FY2008)	15,000,000
Total Funding	**49,750,000**
Fund Activity (accumulated):	
Net Loan Disbursements	(11,919,035)
Operating Income	12,732,837
Operating Expenses	(10,138,993)
Project Expense	(50,000)
Grant Expenses	(15,000,000)
Investment Income	15,942,493
Non-Operating Income	6,118,150
Accrued Expenses	1,163
Accrued Interest Income	(89,069)
Prepaid Insurance	(5,667)
Investment in Warrants	55,449
Deferred Income	0
Investment in Common Stock	(255,534)
Investment in Privately held Companies	(2,229,034)
Equity Investment - Contributions	(7,563,587)
Subtotal	37,349,172
Less: Cash Commitments:	
Reserved for Guarantees Closed	0
Undisbursed Loans and Guarantees	(7,503,245)
Approved Loans and Guarantees (not closed)	0
Available Equity Investment – MTDC Fund III	(720,510)
Available Equity investment – MTDC Fund IV	(1,715,904)
Available Cash:	$27,409,514
Less:	
Current Pipeline - Potential New Loans	(5,300,000)
Cash Exceeding Current Pipeline	$22,109,514
** Total loan write-offs as of June 30, 2025*	*$6,517,005*

Geographic Distribution

As of June 30, 2025, the ETF has closed loans, guarantees, and recoverable grants with companies in each of the state's five geographic regions:

Region	Closed Loans	# of Companies
North	$ 20,300,000	9
South	$ 8,703,657	5
Central	$ 17,780,000	8
West	$ 3,905,958	4
Greater Boston	$ 55,057,500	35
Total	**$105,747,115**	**61**

Current ETF Portfolio

Currently, there are 16 companies in the ETF portfolio with an active loan, recoverable grant, warrant, or equity position.

Program History

The mission of the Emerging Technology Fund (ETF) is to create jobs in Massachusetts by providing financing for facilities, equipment, and working capital that leverages private financing to growing companies employing or commercializing emerging technologies.

Since its creation in 2003, the ETF has helped cutting-edge companies locate or expand in Massachusetts, providing jobs and strengthening the innovation economy. The ETF has leveraged private investment for companies and maintained its ability to serve as an "evergreen fund," providing unconventional risk capital in the form of debt to development-stage emerging technology companies seeking to commercialize their products. In an effort to increase both employment and production, Massachusetts passed legislation in 2010 that allowed MassDevelopment to offer a working capital term loan product from the Fund to help growing companies address staffing and other working capital needs. This capability is well-received especially in light of new technological developments in Deep Tech, Digital Health, and Artificial Intelligence (AI).

The ETF was recapitalized in 2007, and in 2010, the Legislature transferred $15 million to launch the Massachusetts Growth Capital Corporation. Since then, the Fund has taken various measures to ration capital. These measures, as well as early loan payoffs from successful portfolio companies, have stabilized the Fund's liquidity position so that it is now able to make loans of up to $4 million. The ETF, however, continues to rely on loan repayments to capitalize new loans and may need recapitalization if new investments for business expansions and relocations outpace loan repayments.

Background

Chapter 141 of the Acts of 2003 created the ETF. The statute requires submission of this quarterly report to certain legislative committees. Established to leverage private investment and to recruit and retain technology-based and advanced manufacturing companies in Massachusetts, the approximately $53 million fund provides loans and guarantees for the purchase, expansion, or improvement of real estate; purchase of equipment; and working capital needs. The Fund was initially capitalized with $24.75 million, recapitalized in September 2006 with $10 million as a result of an economic stimulus bill passed by the Legislature, and then recapitalized again in November 2007 with an additional $15 million. In November 2010, $15 million was transferred from the Fund to capitalize the Massachusetts Growth Capital Corporation in accordance with signed legislation. The Fund is governed by an Advisory Committee.

Emerging Technology Fund

Advisory Committee

Mark Leuchtenberger, *Chairman*
Chief Executive Officer, SpyBiotech

Joseph Downing
Designee of Patrick Larkin
Senior Advisor, Ex-officio member, John Adams Innovations Institute
Massachusetts Technology Collaborative

Charlie Hipwood
President, MassVentures

Peter Milano
Senior Director, Business Development
Massachusetts Office of Business Development

Juan Carlos Morales
Founder & Managing Director, Surfside Capital Advisors LLC

Cathy Judd-Stein
Principal, CJS Strategies LLC
Former Chair, Massachusetts Gaming Commission

To learn more about the Emerging Technology Fund contact
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