

SUNSET VILLAGE RESIDENTS' ASSOCIATION



www.sunsetvillageglenview.com

315 3rd Street

Northfield, Illinois 60093

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Sunset Village Residents' Association (SVRA) update fourth quarter 2011:

Our next meeting will be at the Clubhouse on January 9, 2012 at 7PM: We have not finalized the Agenda for this meeting, a lot is going on. We will have an overview of the Resident Ownership model as it stands at that time. Prior to that meeting we want to meet with as many residents as possible to answer their questions and let them know how they can help make Sunset Village the community we all want it to be.

Karen Jones has resigned as a SVRA Board Director.

Several members have asked how they can convey their appreciation for our "Preservation Plan" partners who have been working pro-bono to assist us to save our community. We feel that a simple letter thanking them for their ongoing support would let them know how grateful we are. Without these partners we would not be where we are today. Letters addressed to "Preservation Plan Partners" can be deposited into the secure SVRA mailbox located at 315 3rd Street or dropped at any Board Member's home. Current Board members are Mike and Gina Vilches, Marge Mareci, Dee Ciminello or Anita Noel.

Your SVRA Board continues to meet with community advocates, supporters and leaders to present our situation, solutions and plans to preserve Sunset Village. We want to thank those residents who have contributed to these meetings and encourage others to become involved. There is no group too small, no connections too remote or no interest that should be left undeveloped. Please provide us with any contacts you may have so that we can connect, even if it is just a phone call or note.

Through this outreach effort we have developed relationships that have allowed us to enter into an agreement with Housing Opportunity Development Corp. HODC. Through the relationship with HODC we have identified a potential partner who is willing to work toward a purchase of our community. To purchase part of the property to mitigate the vacancy factor and reduce our purchase price obligation and increase the capacity to repair infrastructure.

On November 7th the SVRA meeting was amazing. A large number of Residents attended, heard the plan and voted overwhelmingly to support this "Preservation Partnership Plan". We continue to meet with small groups to go through the same script we presented that night, answer questions so that everyone in our community can make an informed decision on how they would like SVRA to proceed. We continue to have overwhelming support for the Plan. If you were not able to attend the meeting that night please contact the Board and arrange a small group meeting so that we can answer your questions and hear what you have to say.

Foreclosure Update: In documents filed with the court on Nov. 28, 2011 there is a pending motion (filed 11/22) relating to a challenge by Jefferson-Pilot to attempt to recover some legal fees paid by the Sunset Village partnership to the bankruptcy attorneys, but no judgment entered yet on that motion, or on the underlying foreclosure. There was an order entered in September finding in favor of the lender on the Capital First Realty guaranties, but that order did not address the foreclosure counts of the complaint. Based on everything we know foreclosure is inevitable. Most likely the property will go to sale sometime in the first quarter, 2012. It will be sold to either us, a new corporate owner who most likely will need to raise rents or to a developer who will demolish the community and convert the land for another use.

Senate Bill 1996: This legislation was signed into law on Aug. 23rd 2011 to take effect immediately. SB1996 became Public Act 97-0536. The Act required a review of a "Plan" no later than Oct. 1, 2011 and that this "Plan" be presented to both chambers, then diligent efforts to implement the "Plan" as soon as possible. This "Plan" would be to establish a Manufactured Homeowners Trust Fund so that funds would be available to relocate or buy out homes when a community is sold for another use and closed. **Currently no funds exist to relocate or purchase homes in IL.**

765 ILCS 745/) Mobile Home Landlord and Tenant Rights Act: (in part, current law) (765 ILCS 745/8.5)

Sec. 8.5. Park Closure. If a park owner elects to cease the operation of either all or a portion of the mobile home park, the tenants shall be entitled to at least 12 months' notice of such ceasing of operations. If 12 months or more remain on the existing lease at the time of notice, the tenant is entitled to the balance of the term of his or her lease up to the date of the closing. If less than 12 months remain in the term of his or her lease, the tenant is entitled to the balance of his or her lease plus a written month-to-month tenancy and rent must remain at the expiring lease rate to provide him or her with a full 12 months' notice.

3rd Receiver's Report to the Court 9/9/11 through 11/8/11: (partial comments-full report posted at <http://www.sunsetvillageglenview.com>) Steven S. Spinell is the court appointed Receiver for the mortgaged property known as Sunset Village. He continues to provide daily oversight of the on-site mgt and maintenance staff.

- The Receiver has researched and sought advice from council concerning the "rebate" program which was being administered by the defendant in the form of rebate checks which were being paid to aprox. 20 residents and which was offered as an incentive when residents purchased new mobile homes. At this time, the Receiver's council has provided the opinion that the "rebate" program is not referenced in any lease agreement associated with the lot rent and therefore it cannot be paid by the Receiver.
- The Receiver has worked with the Village of Glenview to implement a series of standards and instructions which dictated security deposits; insurance, work hours, proper electrical disconnections and site release check lists which have contributed to the orderly removal of over 40 homes thus far.
- The Receiver has implemented a series of maintenance repairs discussed at the Sunset Community Resident feedback meeting hosted by the Receiver on 9/8/2011. These repairs are further described in the Repairs and Maintenance section.
- The Receiver assembled financial due diligence materials at the request of the Plaintiff and provide the material to a 3rd party for valuation purposes.
- The Receiver has maintained on-going dialogue with Board members of the SVRA concerning various property management and maintenance issues (including the status of the "rebate" program).
- The Receiver has had several discussions with the Attorney General's office concerning pending complaints filed concerning domestic water (Radium issue) and sanitary sewer problems. In response to requests from the AG's office, the Receiver contracted Manhard Consulting to perform analysis of water and sewer systems and a draft report was received on 10/31/11 and is currently under review.
- Receiver provided updated instruction to Southeast Auctions concerning an on-line auction which ended 11/1/11 and was offering 19 additional bank-owned homes for sale. The Receiver has requested status of sale and new ownership in order to enforce rent collection policy provided to auctioneer. (it is our understanding that 5 of these home have sold and been removed, however we believe all sit vacant).
- Per the report Property Insurance and all currently due taxes are paid and or being paid as agreed.

- Currently there are 196 lots being leased. This reduction is primarily a result of eviction notices being served by chattel lenders on the rental units and general resident uncertainty.....
- All new home and inventory home sales efforts directly through Sunset Village have been suspended due to lack of consumer financing.
- Staff is working to remove abandoned homes, winterizing vacant pads which included capping sewer connections and shutting off and insulating water connections. Continue to work on multiple water main breaks/repairs. Working with plumbing contractor to investigate/repair low water pressure complaints from multiple residents in SW portion of property.
- Staff has been working with electrical contractor to investigate a series of exterior pole light outages which have been the result of electrical pedestal disconnections... It appears much of the site lighting was being serviced by temporary connections and now must be rerouted to dedicated electrical pedestals serving community common areas. This project is ongoing.
- Future and ongoing maintenance and repairs include; moving large mound of debris from 10th street, additional tree trimming due to storm damage, comprehensive program to patch potholes throughout the site to avoid further deterioration and safety issues, final repair of paving at Willow and Waukegan.
- Well repairs: Investigation by Manhard Consultants concerning the various issues related to the well system has confirmed that 2 of the 4 on-site wells are inoperable or underperforming. This fact has impacted the ability to meet the IEPA Radium minimum standards, despite recent repair/replacement of missing equipment. Manhard is currently preparing recommendations and a cost estimate that involves rehabbing the two underperforming wells (if possible), constructing a small structure for the primary well to provide proper security and freeze protection for the main well systems, repairing back-up generator for main well house pump system and provide general maintenance to check all pumps/gages/electronics of overall system.
- Sewer repairs: Investigation by Manhard Consulting in response to recent complaint filed by Attorney General's office has yielded a list of recommendations including installation of cutter-type impeller on lift station, power jet clean force main (if possible) and televise to determine condition/repair, install dialer system on lift station to provide staff alert of operational problems and institute a regular preventative maintenance plan of power jet cleaning system. Manhard is in the process of creating a budget for these recommendations.
- There is a Summary of Financial Condition report listed at <http://www.sunsetvillageglenview.com> within the full Receiver's report.

We are on the brink of a new beginning but success will require us all to come together and work for a common goal. Those who have been in this community for a long time and have history and sage advice. Those who see the potential, those with connections to organizations and institutions that can and want to help. We want to build a powerful Residents' Association that includes everyone living here. That listens to Residents concerns and works in a dignified manner to address those concerns, an association that is respectful and respected.

Sincerely,



Mike Vilches
 President
 Sunset Village Residents' Association

Please remember that recording Audio or Video during meetings is strictly prohibited.