

Sunset Village foreclosure puts residents in jeopardy

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Mike Vilches and his wife have called Sunset Village in Glenview their home for 15 years.

With nice neighbors, exceptional schools, great restaurants and parks, and family members close by, “I really don’t want to live anywhere else,” he said.

Yet Vilches and his mobile home neighbors may have no other choice as the land their houses sit on is in foreclosure.

Park owner Richard Klarchek, CEO of Capital First, managed the area under the entity Sunset Village Limited Partnership.

According to a foreclosure lawsuit filed last year, Sunset Village Limited Partnership owed its primary creditor Jefferson Pilot Investments Inc. \$29 million.

After a judge denied Klarchek’s petition to reorganize under Chapter 11 bankruptcy last month, Jefferson Pilot began the foreclosure proceedings of Sunset Village.

But residents won’t leave without a fight, and they’ve assembled a team of social services providers, clergy, housing and community developers, lawyers and financiers to help them protect their community.

“They will absolutely be priced out of the community if this development isn’t preserved,” said Kate Walz, director of housing justice at the Sargent Shriver National Center on Poverty Law in Chicago.

Resident Anita Noel said being evicted is just half the problem. Many people will lose a source of their savings: their homes.

“We are not as worried about eviction as we are of having to walk away from our investment in our homes,” Noel said. “We currently have no protection if the land is sold for another use beyond the term of our land lease.”

Pushing people from their homes to pave the way for new development has become so common that even cartoons are depicting the practice.

Walz said the 2009 Disney movie, “Up,” in which an elderly man wakes up one day to find his house surrounded by tall buildings, isn’t that far from reality.

“It’s a family home in the midst of development,” Walz said. “That’s Sunset Village.”

Founded in 1947 annexed by Glenview in 1990, the park encompasses approximately 260 homes over 30

acres of land.

Mobile, or “manufactured,” communities like Sunset Village offer an affordable alternative for families who dream of owning their own home.

Many of the park’s residents are middle-class working families running their own small businesses or holding down jobs at places like Kraft Foods, UPS and CVS Pharmacy.

“They are critical employees in state of Illinois and in Glenview, and we should do everything in our power to work with them to preserve their homes,” Walz said.

A court-appointed receiver, Steven Spinell of the Kinzie Group, has begun evaluating park’s conditions and operations, and is literally cleaning up Sunset Village Limited Partnership’s mess. Vilches said he’s already seen improvements in landscaping and trash removal.

Spinell has also taken the time to meet with the residents association board and homeowners, something “the last owner never did,” Vilches, president of the association, said.

“I believe that with open communication we can improve the whole community,” Vilches said, yet there is still a lot of unfinished work yet to get done. For example, some of the park’s street lights aren’t lit, he said.

Homeowners in Sunset Village and their team of supporters are looking for ways the residents can own the land themselves. One option is to set up a housing cooperative, in which an external management company would manage the park with resident input, Vilches said.

“Our last owner didn’t seem to have the best interests of the residents in mind and we hope to have some say in our future,” Vilches said. “We have some very smart, compassionate, friendly and hardworking people living in the community and we would like to stay where we are.”

Walz agrees that Sunset Village residents should play a role in their future. Residents have been actively educating themselves and their neighbors about the recent events despite the complexity of affordable financing and housing law, she said.

Any new buyer, Walz added, “would be lucky to have this group of residents.”

Walz said a short sale is unlikely, which gives the residents time to prepare to make their own collective bid in the foreclosure sale.

“If we can achieve that goal it will be the ultimate brass ring,” she said.

If not, finding a buyer who truly cares about the residents’ interests is ideal. Some have already approached Walz and the residents to express their interest, she said.

“We are hopeful that something will come through,” she said.