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From the South Florida Business Journal:

<https://www.bizjournals.com/southflorida/news/2016/08/25/apartment-complex-files-chapter-11-to-halt-11m.html>

Apartment complex files Chapter 11 to halt \$11M foreclosure

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The owner of the Country Club Village apartment complex in Boca Raton filed Chapter 11 reorganization one day before the property was set for foreclosure auction.

In July, CF SBC Pledgor 1 2012-1 Trust, managed by CWC Capital Asset Management on behalf of a securitized mortgage fund, won an \$11 million foreclosure lawsuit against Club Village LLC and managing member Fred DeFalco. It was based on a mortgage with \$6.97 million outstanding, plus interest. The 84-unit apartment complex at 1551 N.W. 13th Street was scheduled for online auction Aug. 23.



ALEX

The foreclosure lawsuit was filed in 2012.

On Aug. 22, Club Village filed Chapter 11 in U.S. Bankruptcy Court in West Palm Beach. DeFalco signed the petition and listed himself as the owner of the debtor.

The bankruptcy petition listed \$11.5 million in assets, including property appraised at \$11.3 million, and liabilities of \$11.2 million, with \$10.8 million in secured claims.

Boca Raton attorney Aaron Wernick, who represents the debtor, couldn't immediately be reached for comment.

DeFalco said he plans to seek a bankruptcy court sale process for the property while contesting the amount of the lender's claim. He said there are many parties interested in buying the property.

Country Club Village had gross income of \$950,352 in 2015 and gross income of \$660,177 in 2016 year-to-date, according to the bankruptcy petition.

Located on 6.7 acres just south of Boca Raton Community High Schools, the apartment complex totals 84,510 square feet in seven buildings and a clubhouse. It was built in 1975.



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