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July 13, 2010

**Dana Point Condominium Association
c/o Janice Costa and Sue Kuhlne
Property Specialists, Inc.
5999 S. New Wilke Road, #108
Rolling Meadows, IL 60008**

Writer's Direct No.: 847.777.7250
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Reply to: Buffalo Grove

**Re: Dana Point Condominium Assn
Owner — Michaels, Nancy
Address — 1415 E. Central Rd., Unit 114B**

Dear Management:

Please be advised that the above-referenced foreclosure action is now completed by the lender. The property was sold at Sheriff's sale on May 5, 2010, for \$70,497.00. The purchaser was GMAC Mortgage, who will be responsible for assessment payments beginning June.

The purchaser can be contacted at:

GMAC Mortgage Corporation
3451 Hammond Ave.
Waterloo, IA 50702

If the owner was indebted to the Association for assessments and other charges prior to the date the new owner became responsible, the Association has two options with regard to this amount.

The first would be to simply write this matter off and close the collection account on the owner. The second option would be to prepare and file a breach of contract lawsuit against the owner seeking a judgment against him for the unpaid assessments. Although the mortgage foreclosure action extinguished the Association's lien on the property, the foreclosure action did not extinguish the unit owner's personal obligation to pay assessments to the Association for the time period that he owned the property. Accordingly, the Association is entitled to proceed against the unit owner and, pursuant to the Declaration and the Illinois Condominium Property Act, would be able to recover its attorney's fees and costs for this action.

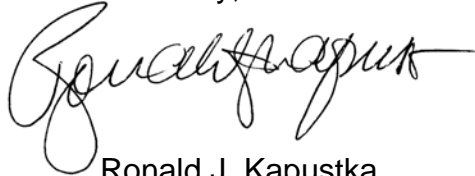
Please note that the changes to the Illinois Condominium Property Act as of January 1, 2007 provides that when a unit that is sold pursuant to a mortgage foreclosure action to a third party (not the lender) the purchaser shall be liable for six (6) months of the past due assessments. This amount can be billed to the new owner immediately. If the unit goes to the lender, the lender is not liable for this amount, however, when the unit is sold by the lender, the six month amount can be included on the Paid Assessment Letter issued to the lender. That amount must be paid to

the Association (by the new buyer) prior to the closing on the unit. PLEASE NOTE THAT THE SIX MONTH RULE APPLIES ONLY TO CONDOMINIUM ASSOCIATIONS.

If the Association is interested in proceeding against the prior owner, the first step would be to order a skip trace on the owner to determine whether they are employed and to obtain their current address for service of process. Once the employment information is verified, the breach of contract lawsuit can be filed. Once the judgment is obtained against the owner, we would attempt to collect on that judgment on a contingent fee basis, which means that if we are successful in collecting on that judgment, our fee is approximately one-third of the amount collected, with the Association paying for the costs. If there is no recovery, there is no fee to the Association, with the exception of the costs.

If the Association wishes to proceed against the owner for the delinquent amount, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald J. Kapustka", written in a cursive style.

Ronald J. Kapustka

RJK/kje
CDA01-61103