

COLLECTION POLICY
for
3300 Park Avenue Condominium Association, Inc.

The policy below regarding the collection of common expenses and assessments has been adopted by the Board of Directors effective May 1st, 2015.

Pursuant to Connecticut General Statutes (C.G.S.) §47-258(m) an association may not commence a foreclosure action against a unit owner unless:

- (1) the unit owner at the time the action is commenced owes at least two (2) months of common expenses assessments based on the current budget;
- (2) the association has made demand for payment in a record; and
- (3) the board has either voted to commence the foreclosure specifically against that unit or has adopted a standard collection policy that provides for foreclosure generally.

Therefore, this collection policy shall be the Association's "standard collection policy" which provides for foreclosure as described above. It is understood that the Board of Directors hereby authorizes the commencement of a foreclosure action by its counsel where a Unit Owner is in default in payment of their common expenses, and the account has been turned over to counsel for collection by either the property manager or the Board of Directors.

Due Date and Application of Payments

Common expenses shall be due on the first day of each month. Special assessments, fines, and other charges are due on dates announced by the Board. All payments should be made payable to 3300 Park Avenue Condominium Association, Inc.

Payments received after the 20th of the month will cause the unit owner to be assessed late fees, interest, collection costs, and attorney's fees as follows:

Late Fees will be applied at the rate of \$10.00 for each whole or part month upon any assessment, fine, and other debt owed to the Association for so long as it remains unpaid as of the 20th day of each month. A late fee will be charged for each month the account remains delinquent. In addition, interest will be applied at the rate of 1.5% on any unpaid balance at the end of each month and will continue to accrue on unpaid balances each month. If the Association receives a check back from the bank unpaid, the unit owner will be billed a \$20 administrative fee plus any bank fees.; and

Any attorney's fees and collection costs incurred to collect or in attempting to collect outstanding common expenses. Accounts more than two months past due will be turned over to an attorney for collection.

All payments received or recovered will be applied in the following order: First, to collection costs, attorney's fees, and expenses incurred in the collection of any common expenses; Second, to outstanding fines, if any; Third, to late fees and interest; Fourth, to the oldest monthly common expense balance due; Fifth, to any special assessments; and Sixth, to common expenses assessed in accordance with the Association's governing documents.

**COLLECTION AND FORECLOSURE POLICY OF 3300 PARK AVENUE
CONDOMINIUM ASSOCIATION, INC.**

WHEREAS, the Board desires to establish a policy governing collection of all amounts due and owing to the Association in accordance with the provisions of C.G.S. Section 47-258(m); and

WHEREAS, the Board established April 30, 2011 as the effective date of the policy; and

WHEREAS, the Board distributed the proposed policy to all Unit Owners at least 10 days prior to the effective date to allow the Unit Owners the right to Comment upon the Collection Policy.

WHEREFORE, at its April 21, 2011 Board of Directors meeting, the Board adopted the following Collection & Foreclosure Policy.

1. COLLECTION AND FORECLOSURE POLICY

Common expense assessments shall be due on the first day of each month.

If payment is not received by the tenth of the month, the Unit Owner shall receive a Notice of delinquency, which will state that the account may be turned over to legal counsel for collection if not paid in full. If the delinquency is not paid by the last day of the month the Unit Owners will receive a second Notice that the account will be turned over to legal counsel for collection when the amount due and owing equals two (2) months of common charges. Failure to receive all notices will NOT invalidate collection efforts.

In addition to receiving the above Notices, the Unit Owner will be assessed late fees, collection costs, attorney's fees, and interest pursuant to Section 7(f) of the Bylaws.

Unless otherwise stated within the Bylaws, \$10.00 shall be assessed to the Unit Owner's account for each delinquency which exists on a Unit Owner's account regardless of the basis of the delinquency or the amount of the delinquency. A delinquency exists if there is a balance due and owing on the account as of the 11th day of the month.

Unless otherwise stated within the Bylaws, Interest at the rate of one and one-half percent (1.5%) per month starting on the date the delinquency occurs through the date of the full payment of the delinquency, costs of collection, late fees, and attorney's fees will be assessed pursuant to Section 7(f) of the Bylaws.

Any account, which remains delinquent in an amount equal to two (2) months of common expense assessments for sixty (60) days, will be referred to the Association's

legal counsel for formal collection action without any additional notice from the Association.

Legal counsel will send a demand letter requiring payment of the delinquency, including all costs of collection and legal fees, within thirty (30) days. If full payment is not made within thirty days, legal counsel shall commence foreclosure provided the account is delinquent in an amount equal to two months of common expense assessments. All costs incurred in the foreclosure action, including attorney's fees, shall be the responsibility of the Unit Owner. Costs include, without limitation, title search fee, servicing fee, recording fee, appraisal, copies, postage and filing fee.

All attorney's fees and collection costs including, without limitation, returned check and bank charges, incurred in collecting, or in attempting to collect, any delinquency owed to the Association, whether or not litigation commences, shall be treated as common expense assessments against the Unit and shall be the Unit Owner's sole responsibility.

If the Association incurs a fee from the management company because the delinquent account is referred to legal counsel for collections, such fee shall be assessed to the Unit Owner's account and shall be paid by the Unit Owner.

Payments received when an account is delinquent shall be applied as follows:

First – collection costs, attorney fees, and expenses incurred in the collection of any common expenses or delinquency;

Second – fines or late charges;

Third – other charges;

Fourth – temporary increase in common charges/special assessments;

Fourth – interest:

Fifth – the oldest monthly common expense balance due.

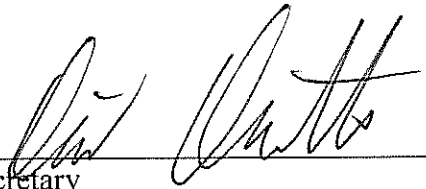
When a Unit Owner has been referred to legal counsel for collection of a delinquent account:

- A. All communications with, and payments by, the Unit Owner shall be made to legal counsel.
- B. Payments shall be made payable to legal counsel as trustee. Any payment made directly to the Association will be forwarded to legal counsel without being deposited.

- C. All requests for a payment plan shall be submitted to legal counsel in writing. The Board will NOT consider any verbal payment plan requests.
- D. If the Board approves a payment plan, all legal fees and costs incurred during the pendency of the plan remain the sole responsibility of the Unit Owner.
- E. No resale certificate shall be issued when a Unit Owner is in collection until the balance of the delinquency, including outstanding legal costs and fees, has been verified with legal counsel.
- F. The Board, after Notice and Hearing, has the right to suspend any right or privilege of a Unit Owner and/or the Owner's invitees, tenants, family, agents, or occupants of Unit Owner's Unit, who fail to pay an assessment pursuant to C.G.C. Section 47-244(a)(19).

This policy is in addition to all rights the Association has under the laws of the State of Connecticut, the Declaration, Bylaws, and Rules and Regulations of the Association.

This policy shall be effective as of the 30th day of April, 2011.



Secretary
Board of Directors – 3300 Park
Avenue Condominium Association, Inc.