

October 12, 2020

Administration Section Manager
State of Nevada, Department of Business & Industry
Real Estate Division
3300 W. Sahara Avenue, Suite 350
Las Vegas, Nevada 89102

Re: Request for Review of the Schedule of Fees as outlined in NAC 116.470

Dear Commissioners,

Thank you for your time and consideration on the above-referenced matter.

The Nevada State Legislature passed a law in 2009 requiring the Commission on Common Interest Communities and Condominium Hotels to adopt a Fee Schedule for all trustee services (Nevada-licensed collection companies and law firms) that were hired by Nevada community associations to recover delinquent assessments and violation fines. The Fee Schedule is currently required to be followed by collection services in Nevada was adopted and finalized in May 2011.

The Fee Schedule placed limits on each service charged by the collection company hired by their client, the community association, along with placing a full cap of \$1950 on total fees that could be charged to a homeowner for services rendered for and on behalf of the association. Since its passage, little to no revisions have been made to the Fee Schedule. We are requesting this review be placed on your October 2020 Commission agenda meeting for consideration to raise these fees.

Our reasons for requesting this review by the Commission and an increase are:

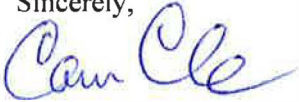
1. Indirect costs related to doing business in Nevada have risen over the last decade and include the requirement for every employer to provide affordable insurance options to employees under the Affordable Care Act, which was passed one-year prior in March 2010.
2. All of these costs combined with a continual cap on individual service fees and a total cap have led to company owners having to cut other services previously available to homeowners associations. With no way to guarantee recovery of fees that surpass the cap, the necessary decision to scale back was a common sense decision.
3. The "super-priority" protections offered to the 1st Trust Deed Holder (commonly known as the lender) caps the recovery of allowable fees at a rate lower than \$1950. Instead, the lender only needs to pay \$1365 to secure their interest. This amount does not include many of the hard-third-party costs the collection service pays for upfront to perform the collection service.
4. With this increase in third-party costs and other costs associated with doing business in Nevada, there have been a number of collection companies that have either had to close down or transfer their business to another entity to continue the contract obligations for their clients. This has led to a reduction of viable options available to Nevada community associations.

These are only a few of the reasons we believe this review and increase are warranted. We understand these requests will need to be reviewed in committee.

Additionally, we have consulted with many of our professional colleagues in the community association management industry on this matter and we have received their full support for a review. Attached, you will find the signatures and titles of those community management company owners, executives and others who believe an increase in fees is necessary.

We are always available to discuss further the items above and answer any questions you might have.


Sincerely,



Cameron Clark
President

Endorsements


The undersigned have reviewed this letter and agree that a review and Fee Schedule increase by the Commission on Common Interest Communities and Condominium Hotels is warranted:


Signature
Joel Just, CAMCO
Printed Name
CEO
Title


CAMCO
Company


Signature
JASON HOORN
Printed Name
OWNER / CEO
Title


Taylor Association Management
Company


Signature
Coleen Crawford
Printed Name
Managing Owner
Title

Desert Community Mgmt
Company


Signature
Kevin Ruth
Printed Name
President
Title

Thoroughbred Management
Company


Signature
PHILLIP MICHAELSON
Printed Name
REGIONAL COMMITTEE MBR
Title

Leishold Real Estate Mgt.
Company


Signature

STEVEN PARNISH
Printed Name
PRESIDENT
Title

FirstService Resolutions
Company

Re: Request for Review of the Schedule of Fees as outlined in NAC 116.470 (Endorsements Continued)

[Signature]
Signature

MICHAEL RANDOLPH
Printed Name

MANAGER
Title

HOA Collections LLC
Company

[Signature]
Signature

Amy L. Groves
Printed Name

Owner
Title

Nevada's Finest Properties LLC
Company

[Signature]
Signature

Alisa M. Vyenclo
Printed Name

President / CEO
Title

Real Properties Mngmt Group INC.
Company

[Signature]
Signature

STEVE Vitali
Printed Name

DIVISION PRESIDENT
Title

THE MANAGEMENT TRUST
Company

[Signature]
Signature

John E. Leach
Printed Name

Attorney - Leach Kern Gruchow Anderson Song
Title

Company

[Signature]
Signature

Edward Song
Printed Name

Shareholder
Title

Leach Kern Gruchow Anderson Song
Company

Cheri Hauer
Signature

Cheri Hauer
Printed Name

Attorney
Title

Leach Kern Gruchow
Company

Signature

Printed Name

Title

Company