

COMMENTS & AMENDMENTS ON  
SENATE BILL 243  
MARCH 24, 2011

This proposed BILL closely follows what the Common Interest Commission adopted on December 7, 2010 with Regulation number R 199-09. It was then frozen by the Governor this past January.

The schedule of FEES that were in regulation R 199-09 was the result of what the Collection Industry told the Commission what they wanted. One year ago the Commission held a workshop on this very matter, which lasted many hours. I was present and heard all the pros and cons on the fees.

After lunch the Collection Industry representatives realizing there was stiff opposition to their original fees requested compromised and stated they would be happy with a "CAP" of \$1,950.00 plus "reimbursable", which could add a substantial amount to the "CAP".

I have presented to each of you a copy of a LIEN today for delinquent Assessments that was filed against a home in a Sub Association in Sun City Summerlin for an amount at that time in the sum of \$ 850.00.

Please note the AMOUNT THAT IT COST TO FILE THAT LIEN AT THE RECORDERS OFFICE. IT IS SHOWN ON THE UPPER RIGHT CORNER, FEE \$14.00.

This is a STANDARD form that is taken off the Recorders web site and all that is required is to fill in the blank spaces.

Allowing for someone to physically bring it down to the Recorders office & return to their place of business or home, some money for gas & mileage and a prior notice of intent to place a lien on a home should not cost more than \$75.00 to \$100.00 Not thousands of dollars as currently being charged.

In the end this property was sold and the Association got its 9 months of Assessments as per the requirements in NRS 116.3116.

It must be clearly understood by all that with all the money that is charged by the Collection Industry the Crumbs go to the Association and the Filet mignon goes to the Collection Companies.

How does this HELP the Associations and how does this HARM the individual who is struggling to keep his or her home?

In the case where the home has gone into foreclosure the Association only gets the 9-month super priority amount of the assessments in arrears. The lending institution pays the inflated collection costs and if it is a government insured loan then these costs are picked up by the American Taxpayer.

In a case where the homeowner is NOT in foreclosure and desperately trying to save their home the added fees by the Collection Companies can and in many cases tip the scales to cause the homeowner to walk away from their homes. Thus causing more problems for all.

Last February When I appeared before this Committee I distributed binders with copies of Collection Company letters indicating the outrageous sums they were demanding to be paid, to release liens.

I ask each of you to review these documents.

This BILL is HURTFUL and perpetuates the present abuses and must not be passed. In reality how does it help the Association? To my knowledge it does not get more money for the Association.

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