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HOA collection fees allowed, capped by recent Commission on Common-Interest Communities ruling

LAS VEGAS – On Dec. 8, the Commission for Common-Interest Communities (CIC) ruled that collection agencies serving homeowners associations can collect for the costs associated with recovering delinquent assessments on foreclosed homes. This supports the previous 2006 District Court case asserting the HOAs super-priority status.

The rulings by the CIC supersede the recent opinion by the Nevada Financial Institutions Division that HOA collections agencies were not allowed to collect for the costs of pursuing the delinquent assessments on lender foreclosures.

The CIC also ruled that collection fees will be capped at \$1,950 per homeowner plus associated costs

“We are pleased with the CIC ruling,” said Steven Parker, president of Red Rock Financial Services. “The CIC realizes there is a cost associated with collecting delinquent homeowners association assessments and that this financial impact should *not* be shifted to community associations and the paying homeowners residing in the community.

About Red Rock Financial Services

Red Rock Financial Services, a nationwide, fully licensed collection agency, provides services exclusively to community associations to assist them with their unique needs. Services include obtaining past due assessments, fines and other fees for homeowner associations while providing web-based reporting tools. Visit www.rdfs.com for more information.

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