

LCB File No. R164-09

**PROPOSED REGULATION OF THE COMMISSION
FOR COMMON-INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS**

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §§1-5, NRS 116.615; §§6 and 7, NRS 116.31152 and 116.615; §§8-14 and 22, NRS 116A.200; §§15-21, NRS 116A.420 and 116A.430.

A REGULATION relating to common-interest communities; expanding the information that must be included in a reserve study; providing for the qualifications and requirements for obtaining or renewing a permit as a reserve study specialist; establishing certain duties and rules of conduct for reserve study specialists; and providing other matters properly relating thereto.

Section 1. Chapter 116 of NAC is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this regulation.

The below regulation is from R145-06 which had not yet been codified at the time this regulation was drafted.

Sec. 2. (Sec. 15 of R145-06) *1. To ~~obtain or renew a permit to act~~ register as a reserve study specialist, an applicant must submit:*

(a) ~~An application~~ A registration on a form prescribed by the Division which includes the following information: ~~establishing that the applicant has the qualifications required pursuant to section 17 of this regulation~~ Name and business address ; and

(b) A fee in an amount established by the Division to cover the administrative cost of issuing the permit, not to exceed ~~\$250~~ \$.

2. A ~~[permit to act]~~ registration as a reserve study specialist ~~[issued by]~~ filed with the Division expires 2 years after the date of ~~[issuance]~~ registration unless renewed before that date.

Sec. 3. (Sec. 16 of R145-06) *The Division shall maintain a list of all persons who have ~~[obtained a permit]~~ registered to act as a reserve study specialist from the Division and make the list available to the public.*

Sec. 4. (Sec. 17 of R145-06) *A person is qualified by training and experience to ~~[obtain a permit]~~ register to act as a reserve study specialist if the person has:*

~~[1.—The person has:]~~

- (a) A good reputation for honesty, trustworthiness and integrity;*
- (b) The ability to evaluate the items on the component inventory with regard to normal and accelerated deterioration, deferred maintenance, remaining years of useful life and the current cost to repair, replace or restore;*
- (c) The ability to perform financial analysis, cost estimates and 30-year projections, as applicable;*
- (d) The ability to review improvement plans and specifications, maintenance histories, recorded plats and governing documents of the association in order to compile a complete component inventory and to consult with the executive board to ascertain and confirm that the component inventory is complete;*
- (e) The ability to gather and analyze financial data, including, without limitation, monthly assessment fees per unit, the current balance of reserves, the anticipated interest rate on reserves, and the anticipated inflation and maximum increases in assessment fees; and*

(f) The background and knowledge pertinent to all areas to be addressed by the reserve study . [; and

~~——(g) Certification in a course of training from a nationally recognized professional organization that provides educational courses and national accreditation of reserve study specialists; or~~

~~——2. The person:~~

~~——(a) Has a good reputation for honesty, trustworthiness and integrity; and~~

~~——(b) Uses consultants and other persons with expertise having the knowledge and abilities set forth in subsection 1 to assist in preparing the reserve study.]~~