

SENATE BILL NO. 84—SENATOR O'DONNELL

FEBRUARY 2, 1999

Referred to Committee on Judiciary

SUMMARY—Provides for lien upon real estate for real estate brokers, real estate broker-salesmen and real estate salesmen. (BDR 9-196)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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

AN ACT relating to liens; providing for a lien upon real estate for a real estate broker, real estate broker-salesman or real estate salesman under certain circumstances; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** Chapter 108 of NRS is hereby amended by adding thereto
- 2
- 3 the provisions set forth as sections 2 to 12, inclusive, of this act.
- 4 **Sec. 2.** *As used in sections 2 to 12, inclusive, of this act, unless the*
- 5 *context otherwise requires, the words and terms defined in sections 3 to*
- 6 *7, inclusive, of this act have the meanings ascribed to them in those*
- 7 *sections.*
- 8 **Sec. 3.** *“Brokerage agreement” has the meaning ascribed to it in*
- 9 *NRS 645.005.*
- 10 **Sec. 4.** *“Real estate” has the meaning ascribed to it in NRS 645.020.*
- 11 **Sec. 5.** *“Real estate broker” has the meaning ascribed to it in NRS*
- 12 *645.030.*
- 13 **Sec. 6.** *“Real estate broker-salesman” has the meaning ascribed to it*
- 14 *in NRS 645.035.*
- 15 **Sec. 7.** *“Real estate salesman” has the meaning ascribed to it in*
- 16 *NRS 645.040.*
- 17 **Sec. 8. 1.** *A real estate broker, real estate broker-salesman or real*
- 18 *estate salesman has a lien upon real estate in the amount owed to him*
- 19 *pursuant to a written brokerage agreement signed by:*
- 20 **(a)** *The owner of the real estate or an agent of the owner; or*

1 ***(b) A prospective buyer or prospective tenant concerning the***
2 ***purchase, lease or other conveyance to the buyer or tenant of an interest***
3 ***in the real estate.***

4 ***2. The lien belongs to the real estate broker, real estate***
5 ***broker-salesman or real estate salesman named in the brokerage***
6 ***agreement by the owner, buyer or tenant and not to an employee or***
7 ***independent contractor of the real estate broker, real estate***
8 ***broker-salesman or real estate salesman.***

9 ***Sec. 9. A lien specified in section 8 of this act attaches to real estate***
10 ***if:***

11 ***1. The real estate broker, real estate broker-salesman or real estate***
12 ***salesman becomes entitled to a fee or commission pursuant to a written***
13 ***brokerage agreement; and***

14 ***2. The real estate broker, real estate broker-salesman or real estate***
15 ***salesman records a notice of lien in the office of the recorder of the***
16 ***county in which the real estate is entirely or partially located before the***
17 ***conveyance or transfer of the real estate against which the lien is claimed***
18 ***by the real estate broker, real estate broker-salesman or real estate***
19 ***salesman.***

20 ***Sec. 10. 1. A notice of lien recorded by a real estate broker, real***
21 ***estate broker-salesman or real estate salesman must specify:***

22 ***(a) The name of the claimant;***

23 ***(b) The name of the owner of the real estate against which the lien is***
24 ***claimed;***

25 ***(c) A legal description of the real estate;***

26 ***(d) The amount for which the lien is claimed; and***

27 ***(e) The license number of the real estate broker, real estate***
28 ***broker-salesman or real estate salesman.***

29 ***2. The notice must:***

30 ***(a) Recite that the information set forth in the notice is true and***
31 ***accurate to the knowledge of the signer;***

32 ***(b) Be signed by the real estate broker, real estate broker-salesman or***
33 ***real estate salesman or by a person authorized to sign on his behalf; and***

34 ***(c) Be verified.***

35 ***Sec. 11. 1. Except as otherwise provided in this subsection, a real***
36 ***estate broker, real estate broker-salesman or real estate salesman shall,***
37 ***within 10 days after recording a notice of lien:***

38 ***(a) Mail a copy of the notice to the owner of record of the real estate***
39 ***against which the lien is claimed by registered or certified mail, return***
40 ***receipt requested; or***

41 ***(b) Personally serve a copy of the notice on the owner of record or an agent of***
42 ***that owner.***

1 *If the lien is recorded within 10 days before the conveyance or*
2 *transaction is closed, the real estate broker, real estate broker-salesman*
3 *or real estate salesman is not required to mail or serve a copy of the*
4 *notice of lien.*

5 *2. Mailing a copy of the notice of lien pursuant to the provisions of*
6 *subsection 1 is effective:*

7 *(a) If the notice is mailed to the address of the owner of the real estate*
8 *against which the lien is claimed; and*

9 *(b) When deposited with the United States Postal Service with postage*
10 *thereon prepaid.*

11 *3. The lien is unenforceable if:*

12 *(a) A real estate broker, real estate broker-salesman or real estate*
13 *salesman is required to mail or serve a copy of a notice of lien pursuant*
14 *to the provisions of subsection 1; and*

15 *(b) Fails to mail or serve the copy within the period or in the manner*
16 *required pursuant to that subsection.*

17 *Sec. 12. 1. A real estate broker, real estate broker-salesman or real*
18 *estate salesman who claims a lien shall commence an action to enforce*
19 *the lien within 2 years after recording a notice of lien pursuant to the*
20 *provisions of section 9 of this act.*

21 *2. Failure to commence an action within the period specified in*
22 *subsection 1 extinguishes the lien.*