

SENATE BILL NO. 134—SENATOR SHAFFER

FEBRUARY 14, 2001

Referred to Committee on Judiciary

SUMMARY—Makes various changes pertaining to sales of real property. (BDR 9-454)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

~

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

AN ACT relating to real property; providing a statutory foreclosure mechanism for contracts of sale for the purchase of real property; making various changes regarding statutory releases and deeds of trust; 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 107 of NRS is hereby amended by adding thereto
- 2 the provisions set forth as sections 2 and 3 of this act.
- 3 **Sec. 2. 1.** *In any deed conveyed to a trustee pursuant to an*
- 4 *installment sales contract entered into pursuant to this chapter, a vendor*
- 5 *and vendee must:*
- 6 *(a) Irrevocably grant, transfer and assign their respective rights, titles*
- 7 *and interests in the real property that is the subject of the deed conveyed*
- 8 *to a trustee pursuant to an installment sales contract to the trustee; and*
- 9 *(b) Confer upon the trustee the authority:*
- 10 *(1) Of foreclosure under power of sale with respect to the*
- 11 *nonjudicial foreclosure of a deed conveyed to a trustee pursuant to an*
- 12 *installment sales contract; and*
- 13 *(2) To issue a deed upon foreclosure and sale.*
- 14 *2. A deed issued upon foreclosure and sale conveys title to the real*
- 15 *property without covenant or warranty.*
- 16 *3. A person, including a vendor, vendee or trustee, may purchase at a*
- 17 *sale conducted pursuant to a foreclosure under power of sale.*
- 18 **Sec. 3. 1.** *Except as otherwise provided in a deed conveyed to a*
- 19 *trustee pursuant to an installment sales contract or an installment sales*
- 20 *contract entered into pursuant to this chapter or the provisions of this*
- 21 *chapter, the laws of this state pertaining to deeds of trusts, where not*
- 22 *inconsistent with the provisions of this chapter, apply to an installment*
- 23 *sales contract entered into pursuant to this chapter.*



1 2. *The provisions of NRS 107.015 to 107.311, inclusive, and section 2*
2 *of this act apply only to an installment sales contract, or supplement or*
3 *amendment to an installment sales contract which states clearly that it is*
4 *to be governed by those provisions.*

5 **Sec. 4.** NRS 107.015 is hereby amended to read as follows:
6 107.015 As used in this chapter:

7 1. *“Deed conveyed to a trustee pursuant to an installment sales*
8 *contract” includes a contract between a vendor and vendee in which:*

9 (a) *A vendor agrees to sell an interest in real property located in this*
10 *state to a vendee;*

11 (b) *A vendee agrees to pay the purchase price of the real property in*
12 *installments;*

13 (c) *A vendor retains title to the property as security for the obligations*
14 *of the vendee; and*

15 (d) *A vendor agrees to convey or cause to be conveyed title to the real*
16 *property to the vendee upon payment of the purchase price.*

17 *The term does not include an option contract for the purchase of real*
18 *property or a purchase and sale agreement entered into with the good*
19 *faith expectation of a separate transaction in which a third party or the*
20 *seller agrees to finance the purchase price in a single installment.*

21 2. *“Facsimile machine” means a device which receives and copies a*
22 *reproduction or facsimile of a document or photograph which is*
23 *transmitted electronically or telephonically by telecommunications lines.*

24 ~~12~~ 3. *“Nonjudicial foreclosure” means a foreclosure of a deed of*
25 *trust or deed conveyed to a trustee pursuant to an installment sales*
26 *contract using a power of sale without judicial intervention or the order,*
27 *approval or other action of any court, unless the jurisdiction of the court*
28 *is invoked by an interested person or exercised as provided by other law.*

29 4. *“Power of sale” means the power established in a deed of trust,*
30 *deed conveyed to a trustee pursuant to an installment sales contract or*
31 *other written instrument which confers upon a trustee, a vendor or his*
32 *successor or assign, the power to sell certain real property that secures*
33 *an obligation upon a breach or default in the performance of the*
34 *obligation.*

35 5. *“Title insurer” ~~has the meaning ascribed to it in NRS 692A.070.~~*
36 *means a company organized under the laws of this state to transact as*
37 *insurer the business of title insurance and any foreign or alien company*
38 *licensed to transact business as an insurer engaged in title insurance.*

39 6. *“Trustee” means the person appointed as trustee in a deed of trust*
40 *or deed conveyed to a trustee pursuant to an installment sales contract*
41 *who has the powers conferred by NRS 107.015 to 107.311, inclusive, and*
42 *section 2 of this act.*

43 7. *“Vendee” means the purchaser of an interest in real property*
44 *pursuant to an installment sales contract.*

45 8. *“Vendor” means the seller of an interest in real property pursuant*
46 *to a deed conveyed to a trustee pursuant to an installment sales contract.*



1 **Sec. 5.** NRS 107.020 is hereby amended to read as follows:
2 107.020 **1.** Transfers in trust of any estate in real property may be
3 made after March 29, 1927, to secure the performance of an obligation or
4 the payment of any debt.

5 **2.** *Transfers in trust of any estate in real property may be made on or*
6 *after October 1, 2001, to secure the performance of an obligation or the*
7 *payment of any debt created pursuant to a deed conveyed to a trustee*
8 *pursuant to an installment sales contract.*

9 **Sec. 6.** NRS 107.025 is hereby amended to read as follows:
10 107.025 A deed of trust *or a deed conveyed to a trustee pursuant to*
11 *an installment sales contract* may encumber an estate for years however
12 created, including a lease of a dwelling unit of a cooperative housing
13 corporation, unless prohibited by the instrument creating the estate, and
14 foreclosure may be had by the exercise of a power of sale in accordance
15 with the provisions of this chapter.

16 **Sec. 7.** NRS 107.026 is hereby amended to read as follows:
17 107.026 Except as otherwise provided in NRS 104.9335, a deed of
18 trust *or a deed conveyed to a trustee pursuant to an installment sales*
19 *contract* given to secure a loan made to purchase the real property on
20 which the deed of trust *or the deed conveyed to a trustee pursuant to an*
21 *installment sales contract* is given has priority over all other liens created
22 against the purchaser *or vendee* before he acquires title to the real property.

23 **Sec. 8.** NRS 107.027 is hereby amended to read as follows:
24 107.027 **1.** The shares which accompany a lease of a dwelling unit in
25 a cooperative housing corporation are appurtenant to the lease. Any
26 security interest in, ~~the~~ lien on *or deed conveyed to a trustee pursuant to*
27 *an installment sales contract for* the lease encumbers the shares whether
28 or not the instrument creating the interest, ~~the~~ lien *or deed conveyed to a*
29 *trustee pursuant to an installment sales contract* expressly includes the
30 shares.

31 **2.** No security interest in, ~~the~~ lien on *or deed conveyed to a trustee*
32 *pursuant to an installment sales contract for* shares of a cooperative
33 housing corporation is effective unless the instrument which purports to
34 create the interest, ~~the~~ lien *or deed conveyed to a trustee pursuant to an*
35 *installment sales contract* encumbers the lease to which the shares pertain.

36 **Sec. 9.** NRS 107.055 is hereby amended to read as follows:
37 107.055 If a party to a deed of trust ~~is~~ *or an installment sales contract*
38 executed after July 1, 1971, desires to charge an assumption fee for a
39 change in parties, the amount of such charge must be clearly set forth in the
40 deed of trust *or installment sales contract* at the time of execution.

41 **Sec. 10.** NRS 107.073 is hereby amended to read as follows:
42 107.073 **1.** Except as otherwise provided in subsection 2, a recorded
43 deed of trust *or deed conveyed to a trustee pursuant to an installment*
44 *sales contract* may be discharged by an entry on the margin of the record
45 thereof, signed by the trustee or his personal representative or assignee in
46 the presence of the recorder or his deputy, acknowledging the satisfaction
47 of or value received for the deed of trust *or deed conveyed to a trustee*
48 *pursuant to an installment sales contract* and the debt secured thereby.
49 The recorder or his deputy shall subscribe the entry as witness. The entry



1 has the same effect as a reconveyance of the deed of trust *or deed conveyed*
2 *to a trustee pursuant to an installment sales contract which is*
3 acknowledged and recorded as provided by law. The recorder shall
4 properly index each marginal discharge.

5 2. If the deed of trust *or deed conveyed to a trustee pursuant to an*
6 *installment sales contract* has been recorded by a microfilm or other
7 photographic process, a marginal release may not be used and an
8 acknowledged reconveyance of the deed of trust *or deed conveyed to a*
9 *trustee pursuant to an installment sales contract* must be recorded.

10 3. If the recorder or his deputy is presented with a certificate executed
11 by the trustee or his personal representative or assignee, specifying that the
12 deed of trust *or deed conveyed to a trustee pursuant to an installment*
13 *sales contract* has been paid or otherwise satisfied or discharged, the
14 recorder or his deputy shall discharge the deed of trust *or deed conveyed to*
15 *a trustee pursuant to an installment sales contract* upon the record.

16 **Sec. 11.** NRS 107.077 is hereby amended to read as follows:

17 107.077 1. Within 21 calendar days after receiving written notice
18 that a debt secured by a deed of trust ~~made on or after October 1, 1991,~~ *or*
19 *a deed conveyed to a trustee pursuant to an installment sales contract* has
20 been paid or otherwise satisfied or discharged, the beneficiary shall deliver
21 to the trustee or the trustor the original note and deed of trust, *or the*
22 *original installment sales contract and deed conveyed to a trustee*
23 *pursuant to an installment sales contract*, if he is in possession of those
24 documents, and a properly executed request to reconvey the estate in real
25 property conveyed to the trustee by the grantor. If the beneficiary delivers
26 the original note and deed of trust, *or the original installment sales*
27 *contract and deed conveyed to a trustee pursuant to an installment sales*
28 *contract*, to the trustee or the trustee has those documents in his possession,
29 the trustee shall deliver those documents to the grantor.

30 2. Within 45 calendar days after a debt secured by a deed of trust
31 ~~made on or after October 1, 1991,~~ *or a deed conveyed to a trustee*
32 *pursuant to an installment sales contract* is paid or otherwise satisfied or
33 discharged, and a properly executed request to reconvey is received by the
34 trustee, the trustee shall cause to be recorded a reconveyance of the deed of
35 trust ~~+~~ *or the deed conveyed to a trustee pursuant to an installment sales*
36 *contract*.

37 3. If the beneficiary fails to deliver to the trustee a properly executed
38 request to reconvey pursuant to subsection 1, or if the trustee fails to cause
39 to be recorded a reconveyance of the deed of trust *or the deed conveyed to*
40 *a trustee pursuant to an installment sales contract* pursuant to subsection
41 2, the beneficiary or the trustee, as the case may be, is liable in a civil
42 action to the grantor, his heirs or assigns in the sum of \$500, plus a
43 reasonable attorney's fee and the costs of bringing the action, and he is
44 liable in a civil action to any party to the deed of trust *or the deed conveyed*
45 *to a trustee pursuant to an installment sales contract* for any actual
46 damages caused by his failure to comply with the provisions of this section
47 and for a reasonable attorney's fee and the costs of bringing the action.

48 4. Except as otherwise provided in this subsection, if a reconveyance is
49 not recorded pursuant to subsection 2 within ~~+~~



1 ~~—(a) Seventy five calendar days after the payment, satisfaction or~~
2 ~~discharge of the debt, if the payment, satisfaction or discharge was made~~
3 ~~on or after October 1, 1993; or~~

4 ~~—(b) Ninety~~ 60 calendar days after the payment, satisfaction or discharge
5 of the debt, ~~if the payment, satisfaction or discharge was made before~~
6 ~~October 1, 1993,~~ a title insurer may prepare and cause to be recorded a
7 release of the deed of trust ~~+~~ **or the deed conveyed to a trustee pursuant**
8 **to an installment sales contract.** At least 30 calendar days before the
9 recording of a release pursuant to this subsection, the title insurer shall
10 mail, by first-class mail, postage prepaid, notice of the intention to record
11 the release of the deed of trust **or the deed conveyed to a trustee pursuant**
12 **to an installment sales contract** to the trustee ~~+, trustor~~ and beneficiary of
13 record, or their successors in interest, at the last known address of each
14 such person. A release prepared and recorded pursuant to this subsection
15 shall be deemed a reconveyance of a deed of trust ~~+~~ **or a deed conveyed to**
16 **a trustee pursuant to an installment sales contract.** The title insurer shall
17 not cause a release to be recorded pursuant to this subsection if the title
18 insurer receives written instructions to the contrary from the trustee ~~+, the~~
19 ~~trustor, the owner of the land, the holder of the escrow or the owner of the~~
20 ~~debt secured by the deed of trust~~ **or his agent, or the beneficiary of record**
21 or his agent.

- 22 5. The release prepared pursuant to subsection 4 must set forth:
23 (a) The name of the beneficiary;
24 (b) The name of the trustor;
25 (c) The recording reference to the deed of trust ~~+~~ **or the deed conveyed**
26 **to a trustee pursuant to an installment sales contract;**
27 (d) A statement that the debt secured by the deed of trust **or the deed**
28 **conveyed to a trustee pursuant to an installment sales contract** has been
29 paid in full or otherwise satisfied or discharged; **and**
30 (e) ~~The date and amount of payment or other satisfaction or discharge;~~
31 ~~and~~
32 ~~—(f)~~ The name and address of the title insurer issuing the release.

33 6. A release prepared and recorded pursuant to subsection 4 does not
34 relieve a beneficiary or trustee of the requirements imposed by subsections
35 1 and 2.

36 7. A trustee may charge a reasonable fee to the trustor or the owner of
37 the land for services relating to the preparation, execution or recordation of
38 a reconveyance or release pursuant to this section. A trustee shall not
39 require the fees to be paid before the opening of an escrow, or earlier than
40 60 calendar days before the payment, satisfaction or discharge of the debt
41 secured by the deed of trust ~~+~~ **or the deed conveyed to a trustee pursuant**
42 **to an installment sales contract.** If a fee charged pursuant to this
43 subsection does not exceed ~~+\$100,~~ **\$150,** the fee is conclusively presumed
44 to be reasonable.

45 8. In addition to any other remedy provided by law, a title insurer who
46 improperly causes to be recorded a release of a deed of trust **or a deed**
47 **conveyed to a trustee pursuant to an installment sales contract** pursuant
48 to this section is liable for actual damages and for a reasonable attorney's



1 fee and the costs of bringing the action to any person who is injured
2 because of the improper recordation of the release.

3 9. Any person who willfully violates this section is guilty of a
4 misdemeanor.

5 **Sec. 12.** NRS 107.078 is hereby amended to read as follows:

6 107.078 1. If a deed of trust ~~made on or after October 1, 1995,~~ *or a*
7 *deed conveyed to a trustee pursuant to an installment sales contract*
8 authorizes the grantor to discharge in part the debt secured by the deed of
9 trust *or the deed conveyed to a trustee pursuant to an installment sales*
10 *contract* and the deed of trust *or the deed conveyed to a trustee pursuant*
11 *to an installment sales contract* authorizes a partial reconveyance of the
12 estate in real property in consideration of a partial discharge, the
13 beneficiary shall, within 21 calendar days after receiving notice that the
14 debt secured by the deed of trust *or the deed conveyed to a trustee*
15 *pursuant to an installment sales contract* has been partially discharged,
16 deliver to the trustee a properly executed request for a partial reconveyance
17 of the estate in real property conveyed to the trustee by the grantor.

18 2. Within 45 calendar days after a debt secured by a deed of trust
19 ~~made on or after October 1, 1995,~~ *or a deed conveyed to a trustee*
20 *pursuant to an installment sales contract* is partially discharged and a
21 properly executed request for a partial reconveyance is received by the
22 trustee, the trustee shall cause to be recorded a partial reconveyance of the
23 deed of trust ~~or~~ *or the deed conveyed to a trustee pursuant to an*
24 *installment sales contract.*

25 3. If the beneficiary fails to deliver to the trustee a properly executed
26 request for a partial reconveyance pursuant to subsection 1, or if the trustee
27 fails to cause to be recorded a partial reconveyance of the deed of trust *or*
28 *the deed conveyed to a trustee pursuant to an installment sales contract*
29 pursuant to subsection 2, the beneficiary or the trustee, as the case may be,
30 is liable in a civil action to the grantor, his heirs or assigns in the amount of
31 \$500, plus a reasonable attorney's fee and the costs of bringing the action,
32 and he is liable in a civil action to any party to the deed of trust *or the deed*
33 *conveyed to a trustee pursuant to an installment sales contract* for any
34 actual damages caused by his failure to comply with the provisions of this
35 section and for a reasonable attorney's fee and the costs of bringing the
36 action.

37 4. Except as otherwise provided in this subsection, if a partial
38 reconveyance is not recorded pursuant to subsection 2 within ~~75~~ 60
39 calendar days after the partial satisfaction of the debt, ~~and if the~~
40 ~~satisfaction was made on or after October 1, 1995,~~ a title insurer may
41 prepare and cause to be recorded a partial release of the deed of trust ~~or~~ *or*
42 *the deed conveyed to a trustee pursuant to an installment sales contract.*
43 At least 30 calendar days before the recording of a partial release pursuant
44 to this subsection, the title insurer shall mail, by first-class mail, postage
45 prepaid, notice of the intention to record the partial release of the deed of
46 trust *or the deed conveyed to a trustee pursuant to an installment sales*
47 *contract* to the trustee ~~, trustee~~ and beneficiary of record, or their
48 successors in interest, at the last known address of each such person. A
49 partial release prepared and recorded pursuant to this subsection shall be



1 deemed a partial reconveyance of a deed of trust ~~†~~ *or a deed conveyed to*
2 *a trustee pursuant to an installment sales contract.* The title insurer shall
3 not cause a partial release to be recorded pursuant to this subsection if the
4 title insurer receives written instructions to the contrary from the trustee ~~†~~
5 ~~trustor, owner of the land, holder of the escrow or owner of the debt~~
6 ~~secured by the deed of trust~~ *or his agent, or the beneficiary of record* or
7 his agent.

8 5. The release prepared pursuant to subsection 4 must set forth:
9 (a) The name of the beneficiary;
10 (b) The name of the trustor;
11 (c) The recording reference to the deed of trust ~~†~~ *or the deed conveyed*
12 *to a trustee pursuant to an installment sales contract;*
13 (d) A statement that the debt secured by the deed of trust *or the deed*
14 *conveyed to a trustee pursuant to an installment sales contract* has been
15 partially discharged;
16 (e) ~~†~~ ~~The date and amount of partial payment or other partial satisfaction~~
17 ~~or discharge;~~
18 ~~†~~ The name and address of the title insurer issuing the partial release;
19 and
20 ~~†~~ ~~(g)~~ *(f)* The legal description of the estate in real property which is
21 reconveyed.

22 6. A partial release prepared and recorded pursuant to subsection 4
23 does not relieve a beneficiary or trustee of the requirements imposed by
24 subsections 1 and 2.

25 7. A trustee may charge a reasonable fee to the trustor or the owner of
26 the land for services relating to the preparation, execution or recordation of
27 a partial reconveyance or partial release pursuant to this section. A trustee
28 shall not require the fees to be paid before the opening of an escrow or
29 earlier than 60 calendar days before the partial payment or partial
30 satisfaction or discharge of the debt secured by the deed of trust ~~†~~ *or the*
31 *deed conveyed to a trustee pursuant to an installment sales contract.* If a
32 fee charged pursuant to this subsection does not exceed ~~†~~ ~~\$100,~~ *\$150,* the
33 fee is conclusively presumed to be reasonable.

34 8. In addition to any other remedy provided by law, a title insurer who
35 improperly causes to be recorded a partial release of a deed of trust *or a*
36 *deed conveyed to a trustee pursuant to an installment sales contract*
37 pursuant to this section is liable for actual damages and for a reasonable
38 attorney's fee and the costs of bringing the action to any person who is
39 injured because of the improper recordation of the partial release.

40 9. Any person who willfully violates this section is guilty of a
41 misdemeanor.

42 **Sec. 13.** NRS 107.080 is hereby amended to read as follows:

43 107.080 1. Where any transfer in trust of any estate in real property
44 is made after March 29, 1927, to secure the performance of an obligation
45 or the payment of any debt, a power of sale is hereby conferred upon the
46 trustee to be exercised after a breach of the obligation for which the
47 transfer is security.

48 2. The power of sale must not be exercised, however, until:

49 (a) In the case of any trust agreement coming into force:



1 (1) On or after July 1, 1949, and before July 1, 1957, the grantor, or
2 his successor in interest, a beneficiary under a subordinate deed of trust or
3 any other person who has a subordinate lien or encumbrance of record on
4 the property, has for a period of 15 days, computed as prescribed in
5 subsection 3, failed to make good the deficiency in performance or
6 payment; or

7 (2) On or after July 1, 1957, the grantor, or his successor in interest, a
8 beneficiary under a subordinate deed of trust *or deed conveyed to a trustee*
9 *pursuant to an installment sales contract*, or any other person who has a
10 subordinate lien or encumbrance of record on the property, has for a period
11 of 35 days, computed as prescribed in subsection 3, failed to make good
12 the deficiency in performance or payment;

13 (b) The beneficiary, the successor in interest of the beneficiary or the
14 trustee first executes and causes to be recorded in the office of the recorder
15 of the county wherein the trust property ~~is~~ *or property that is the subject*
16 *of a deed conveyed to a trustee pursuant to an installment sales contract*,
17 or some part thereof, is situated a notice of the breach and of his election to
18 sell or cause to be sold the property to satisfy the obligation; and

19 (c) Not less than 3 months have elapsed after the recording of the
20 notice.

21 3. The 15- or 35-day period provided in paragraph (a) of subsection 2
22 commences on the first day following the day upon which the notice of
23 default and election to sell is recorded in the office of the county recorder
24 of the county in which the property is located and a copy of the notice of
25 default and election to sell is mailed by registered or certified mail, return
26 receipt requested and with postage prepaid to the grantor, and to the person
27 who holds the title of record on the date the notice of default and election
28 to sell is recorded, at their respective addresses, if known, otherwise to the
29 address of the trust property ~~is~~ *or property that is the subject of a deed*
30 *conveyed to a trustee pursuant to an installment sales contract*. The
31 notice of default and election to sell must describe the deficiency in
32 performance or payment and may contain a notice of intent to declare the
33 entire unpaid balance due if acceleration is permitted by the obligation
34 secured by the deed of trust ~~is~~ *or the deed conveyed to a trustee pursuant*
35 *to an installment sales contract*, but acceleration must not occur if the
36 deficiency in performance or payment is made good and any costs, fees
37 and expenses incident to the preparation or recordation of the notice and
38 incident to the making good of the deficiency in performance or payment
39 are paid within the time specified in subsection 2.

40 4. The trustee, or other person authorized to make the sale under the
41 terms of the trust deed, ~~or~~ transfer in trust ~~is~~ *or deed conveyed to a*
42 *trustee pursuant to an installment sales contract*, shall, after expiration of
43 the 3-month period following the recording of the notice of breach and
44 election to sell, and before the making of the sale, give notice of the time
45 and place thereof in the manner and for a time not less than that required
46 by law for the sale or sales of real property upon execution. The sale itself
47 may be made at the office of the trustee, if the notice so provides, whether
48 the property so conveyed in trust is located within the same county as the
49 office of the trustee or not.



1 5. Every sale made under the provisions of this section and other
2 sections of this chapter vests in the purchaser *or vendee* the title of the
3 grantor and his successors in interest without equity or right of redemption.
4 The sale of a lease of a dwelling unit of a cooperative housing corporation
5 vests in the purchaser title to the shares in the corporation which
6 accompany the lease.

7 **Sec. 14.** NRS 107.090 is hereby amended to read as follows:
8 107.090 1. As used in this section, "person with an interest" means
9 any person who has or claims any right, title or interest in, or lien or charge
10 upon, the real property described in the deed of trust ~~H~~ *or the deed*
11 *conveyed to a trustee pursuant to an installment sales contract*, as
12 evidenced by any document or instrument filed or recorded in the office of
13 the county recorder of the county in which any part of the real property is
14 situated.

15 2. A person with an interest or any other person who is or may be held
16 liable for any debt secured by a lien on the property desiring a copy of a
17 notice of default or notice of sale under a deed of trust *or a deed conveyed*
18 *to a trustee pursuant to an installment sales contract* with power of sale
19 upon real property may at any time after recordation of the deed of trust *or*
20 *the deed conveyed to a trustee pursuant to an installment sales contract*
21 file in the office of the county recorder of the county in which any part of
22 the real property is situated an acknowledged request for a copy of the
23 notice of default or of sale. The request must state the name and address of
24 the person requesting copies of the notices and identify the deed of trust *or*
25 *the deed conveyed to a trustee pursuant to an installment sales contract*
26 by stating the names of the parties thereto, the date of recordation and the
27 book and page where it is recorded.

28 3. The trustee or person authorized to record the notice of default shall,
29 within 10 days after the notice of default is recorded and mailed pursuant
30 to NRS 107.080, cause to be deposited in the United States mail an
31 envelope, registered or certified, return receipt requested and with postage
32 prepaid, containing a copy of the notice, addressed to:

- 33 (a) Each person who has filed a request for a copy of the notice; and
34 (b) Each other person with an interest whose interest or claimed interest
35 is subordinate to the deed of trust ~~H~~ *or the deed conveyed to a trustee*
36 *pursuant to an installment sales contract.*

37 4. The trustee or person authorized to make the sale shall, at least 20
38 days before the date of sale, cause to be deposited in the United States mail
39 an envelope, registered or certified, return receipt requested and with
40 postage prepaid, containing a copy of the notice of time and place of sale,
41 addressed to each person described in subsection 3.

42 5. No request filed pursuant to the provisions of subsection 2 affects
43 the title to real property.

44 **Sec. 15.** NRS 107.095 is hereby amended to read as follows:
45 107.095 1. The notice of default required by NRS 107.080 must also
46 be sent by registered or certified mail, return receipt requested and with
47 postage prepaid, to each guarantor or surety of the debt. If the address of
48 the guarantor or surety is unknown, the notice must be sent to the address
49 of the trust property ~~H~~ *or property that is the subject of an installment*



1 *sales contract*. Failure to give the notice, except as otherwise provided in
2 subsection 3, releases the guarantor or surety from his obligation to the
3 beneficiary, but does not affect the validity of a sale conducted pursuant to
4 NRS 107.080 nor the obligation of any guarantor or surety to whom the
5 notice was properly given.

6 2. Failure to give the notice of default required by NRS 107.090,
7 except as otherwise provided in subsection 3, releases the obligation to the
8 beneficiary of any person who has complied with NRS 107.090 and who is
9 or may otherwise be held liable for the debt or other obligation secured by
10 the deed of trust ~~H~~ *or the deed conveyed to a trustee pursuant to an*
11 *installment sales contract*, but such a failure does not affect the validity of
12 a sale conducted pursuant to NRS 107.080 nor the obligation of any person
13 to whom the notice was properly given pursuant to this section or to NRS
14 107.080 or 107.090.

15 3. A guarantor, surety or other obligor is not released pursuant to this
16 section if:

17 (a) The required notice is given at least 15 days before the later of:

18 (1) The expiration of the 15- or 35-day period described in NRS
19 107.080; or

20 (2) Any extension of that period by the beneficiary; or

21 (b) The notice is rescinded before the sale is advertised.

22 **Sec. 16.** NRS 107.100 is hereby amended to read as follows:

23 107.100 1. At any time after the filing of a notice of breach and
24 election to sell real property under a power of sale contained in a deed of
25 trust ~~H~~ *or a deed conveyed to a trustee pursuant to an installment sales*
26 *contract*, the trustee or beneficiary of the deed of trust *or the deed*
27 *conveyed to a trustee pursuant to an installment sales contract* may apply
28 to the district court for the county in which the property or any part of the
29 property is located for the appointment of a receiver of such property.

30 2. A receiver shall be appointed where it appears that personal
31 property subject to the deed of trust *or the deed conveyed to a trustee*
32 *pursuant to an installment sales contract* is in danger of being lost,
33 removed, materially injured or destroyed, that real property subject to the
34 deed of trust *or the deed conveyed to a trustee pursuant to an installment*
35 *sales contract* is in danger of substantial waste or that the income
36 therefrom is in danger of being lost, or that the property is or may become
37 insufficient to discharge the debt which it secures.

38 **Sec. 17.** NRS 107.200 is hereby amended to read as follows:

39 107.200 Except as otherwise provided in NRS 107.230, the beneficiary
40 of a deed of trust ~~secured on or after October 1, 1995,~~ *or a deed conveyed*
41 *to a trustee pursuant to an installment sales contract* shall, within 21 days
42 after receiving a request from a person authorized to make such a request
43 pursuant to NRS 107.220, cause to be mailed, postage prepaid, or sent by
44 facsimile machine to that person a statement regarding the debt secured by
45 the deed of trust ~~H~~ *or the deed conveyed to a trustee pursuant to an*
46 *installment sales contract*. The statement must include:

47 1. The amount of the unpaid balance of the debt secured by the deed of
48 trust ~~H~~ *or the deed conveyed to a trustee pursuant to an installment sales*



1 *contract*, the rate of interest on the unpaid balance and the total amount of
2 principal and interest which is due and has not been paid.
3 2. The amount of the periodic payments, if any, required under the
4 note ~~†~~ *or installment sales contract*.
5 3. The date the payment of the debt is due.
6 4. The period for which real estate taxes and special assessments have
7 been paid, if that information is known to the beneficiary.
8 5. The amount of property insurance covering the real property and the
9 term and premium of that insurance, if that information is known to the
10 beneficiary.
11 6. The amount in an account, if any, maintained for the accumulation
12 of money for the payment of taxes and insurance premiums.
13 7. The amount of any additional charges, costs or expenses paid or
14 incurred by the beneficiary which is a lien on the real property described in
15 the deed of trust ~~†~~ *or the deed conveyed to a trustee pursuant to an*
16 *installment sales contract*.
17 8. Whether the debt secured by the deed of trust *or the deed conveyed*
18 *to a trustee pursuant to an installment sales contract* may be transferred
19 to a person other than the grantor.
20 **Sec. 18.** NRS 107.210 is hereby amended to read as follows:
21 107.210 Except as otherwise provided in NRS 107.230 and 107.240,
22 the beneficiary of a deed of trust ~~secured on or after October 1, 1995,~~ *or a*
23 *deed conveyed to a trustee pursuant to an installment sales contract* shall,
24 within 21 days after receiving a request from a person authorized to make
25 such a request pursuant to NRS 107.220, cause to be mailed, postage
26 prepaid, or sent by facsimile machine to that person a statement of the
27 amount necessary to discharge the debt secured by the deed of trust ~~†~~ *or*
28 *the deed conveyed to a trustee pursuant to an installment sales contract*.
29 The statement must set forth:
30 1. The amount of money necessary to discharge the debt secured by
31 the deed of trust *or the deed conveyed to a trustee pursuant to an*
32 *installment sales contract* on the date the statement is prepared by the
33 beneficiary; and
34 2. The information necessary to determine the amount of money
35 required to discharge the debt on a per diem basis for a period, not to
36 exceed 30 days, after the statement is prepared by the beneficiary.
37 **Sec. 19.** NRS 107.220 is hereby amended to read as follows:
38 107.220 1. A statement described in NRS 107.200 or 107.210 may
39 be requested by:
40 (a) The grantor of, or his successor in interest in, the property which is
41 the subject of the deed of trust ~~†~~ *or the deed conveyed to a trustee*
42 *pursuant to an installment sales contract*;
43 (b) A person who has a subordinate lien or encumbrance of record on
44 the property which is secured by the deed of trust ~~†~~ *or the deed conveyed*
45 *to a trustee pursuant to an installment sales contract*;
46 (c) A title insurer; or
47 (d) An authorized agent of any person described in paragraph (a), (b)
48 or (c).



1 A written statement signed by any person described in paragraph (a), (b) or
2 (c) which appoints a person to serve as his agent if delivered personally to
3 the beneficiary or delivered by mail, return receipt requested, is proof of
4 the identity of an agent.

5 2. For the purposes of paragraph (a) of subsection 1, a policy of title
6 insurance, preliminary report issued by a title company, certified copy of
7 letters testamentary or letters of guardianship, or an original or
8 photographic copy of a deed, if delivered personally to the beneficiary or
9 delivered by mail, return receipt requested, is proof of the identity of a
10 successor in interest of the grantor, if the person demanding the statement
11 is named as successor in interest in the document.

12 **Sec. 20.** NRS 107.240 is hereby amended to read as follows:

13 107.240 If the debt secured by a deed of trust *or a deed conveyed to a*
14 *trustee pursuant to an installment sales contract* for which a statement
15 described in NRS 107.210 has been requested is subject to a recorded
16 notice of default or a filed complaint commencing a judicial foreclosure,
17 the beneficiary may refuse to deliver the statement unless the written
18 request for the statement is received before the publication of a notice of
19 sale or the notice of the date of sale established by a court.

20 **Sec. 21.** NRS 107.250 is hereby amended to read as follows:

21 107.250 1. A person who receives a statement pursuant to NRS
22 107.200 or 107.210 may rely upon the accuracy of the information
23 contained in the statement. If the beneficiary notifies the person who
24 requested the statement of any amendment to the statement, the amended
25 statement may be relied upon by that person in the same manner as the
26 original statement.

27 2. If notification of an amendment to a statement is not given in
28 writing, a written amendment to the statement must be delivered to the
29 person who requested the original statement not later than the next business
30 day after notification.

31 3. If a statement prepared by the beneficiary pursuant to NRS 107.200
32 does not contain the entire amount necessary to discharge the debt secured
33 by the deed of trust *or the deed conveyed to a trustee pursuant to an*
34 *installment sales contract* and:

35 (a) A transaction has occurred which has resulted in the transfer of title
36 or recordation of a lien; or

37 (b) A trustee's sale or a sale supervised by a court has taken place,
38 the beneficiary may recover that money as an unsecured debt of the grantor
39 pursuant to the terms of the note ~~+~~ *or installment sales contract*.

40 **Sec. 22.** NRS 107.260 is hereby amended to read as follows:

41 107.260 If a person who is authorized pursuant to NRS 107.220 to
42 request a statement described in NRS 107.200 or 107.210 includes in his
43 request for such a statement a request for a copy of the note , ~~+~~ deed of
44 trust, *installment sales contract or deed conveyed to a trustee pursuant to*
45 *an installment sales contract*, the beneficiary shall mail a copy of the note
46 , ~~+~~ deed of trust , *installment sales contract or deed conveyed to a*
47 *trustee pursuant to an installment sales contract* with the statement at no
48 additional charge.



1 **Sec. 23.** NRS 107.270 is hereby amended to read as follows:
2 107.270 If the beneficiary has more than one place of business, a
3 request for a statement described in NRS 107.200 or 107.210 must be made
4 to the address to which the periodic payments under the note *or installment*
5 *sales contract* are made. If no periodic payments are made under the note
6 ~~†~~ *or installment sales contract*, the request must be mailed to the address
7 of the beneficiary listed on the note , ~~†~~ deed of trust ~~†~~ , *installment*
8 *sales contract or deed conveyed to a trustee pursuant to an installment*
9 *sales contract*.

10 **Sec. 24.** NRS 107.280 is hereby amended to read as follows:
11 107.280 Except as otherwise provided in a statement described in NRS
12 107.200 or 107.210, the information contained in the statement applies
13 only to the debt secured by the deed of trust *or the deed conveyed to a*
14 *trustee pursuant to an installment sales contract* which is payable at the
15 address to which the periodic payments are made. If periodic payments are
16 not made under the note ~~†~~ *or installment sales contract*, the statement
17 applies only to the entire debt secured by the deed of trust ~~†~~ *or the deed*
18 *conveyed to a trustee pursuant to an installment sales contract*.

19 **Sec. 25.** NRS 107.290 is hereby amended to read as follows:
20 107.290 If a person requests a statement described in NRS 107.200 or
21 107.210 and it is not clear from the request which statement is requested,
22 the request shall be deemed a request for a statement of the amount
23 necessary to discharge the debt secured by a deed of trust ~~†~~ *or a deed*
24 *conveyed to a trustee pursuant to an installment sales contract*.

25 **Sec. 26.** NRS 107.311 is hereby amended to read as follows:
26 107.311 The provisions of NRS 107.310 do not apply to deeds of trust
27 *or deeds conveyed to a trustee pursuant to installment sales contracts*
28 insured by the Federal Housing Administrator or guaranteed by the
29 Secretary of Veterans Affairs.

30 **Sec. 27.** NRS 40.255 is hereby amended to read as follows:
31 40.255 1. Except as provided in subsection 2, in any of the following
32 cases, a person who holds over and continues in possession of real property
33 or a mobile home after a 3-day written notice to quit has been served upon
34 him, and also upon any subtenant in actual occupation of the premises,
35 pursuant to NRS 40.280, may be removed as prescribed in NRS 40.290 to
36 40.420, inclusive:

37 (a) Where the property or mobile home has been sold under an
38 execution against him or a person under whom he claims, and the title
39 under the sale has been perfected;

40 (b) Where the property or mobile home has been sold upon the
41 foreclosure of a mortgage, or under an express power of sale contained
42 therein, executed by him or a person under whom he claims, and the title
43 under the sale has been perfected;

44 (c) Where the property or mobile home has been sold under a power of
45 sale granted by NRS 107.080 to ~~the trustee of~~ *a trustee pursuant to a*
46 deed of trust *or a deed conveyed to a trustee pursuant to an installment*
47 *sales contract* executed by such person or a person under whom he claims,
48 and the title under such sale has been perfected; or



1 (d) Where the property or mobile home has been sold by him or a
2 person under whom he claims, and the title under the sale has been
3 perfected.

4 2. This section does not apply to the tenant of a mobile home lot in a
5 mobile home park.

6 **Sec. 28.** NRS 40.455 is hereby amended to read as follows:

7 40.455 1. Upon application of the judgment creditor , or the
8 beneficiary of the deed of trust *or the deed conveyed to a trustee pursuant*
9 *to an installment sales contract* within 6 months after the date of the
10 foreclosure sale or the trustee's sale held pursuant to NRS 107.080,
11 respectively, and after the required hearing, the court shall award a
12 deficiency judgment to the judgment creditor , or the beneficiary of the
13 deed of trust *or the deed conveyed to a trustee pursuant to an installment*
14 *sales contract* if it appears from the sheriff's return , or the recital of
15 consideration in the trustee's deed *or in the deed conveyed to a trustee*
16 *pursuant to an installment sales contract* that there is a deficiency of the
17 proceeds of the sale and a balance remaining due to the judgment creditor ,
18 or the beneficiary of the deed of trust ~~†~~ *or the deed conveyed to a trustee*
19 *pursuant to an installment sales contract*, respectively.

20 2. If the indebtedness is secured by more than one parcel of real
21 property, more than one interest in the real property or more than one
22 mortgage , ~~†~~ deed of trust ~~†~~ *or deed conveyed to a trustee pursuant to*
23 *an installment sales contract*, the 6-month period begins to run after the
24 date of the foreclosure sale or trustee's sale of the last parcel or other
25 interest in the real property securing the indebtedness, but in no event may
26 the application be filed more than 2 years after the initial foreclosure sale
27 or trustee's sale.

28 **Sec. 29.** NRS 116.110383 is hereby amended to read as follows:

29 116.110383 "Security interest" means an interest in real estate or
30 personal property, created by contract or conveyance, which secures
31 payment or performance of an obligation. The term includes a lien created
32 by a mortgage, deed of trust, trust deed, security deed, contract for deed,
33 ~~†~~ *installment* sales contract, lease intended as security, assignment of
34 lease or rents intended as security, pledge of an ownership interest in an
35 association and any other consensual lien or contract for retention of title
36 intended as security for an obligation.

37 **Sec. 30.** NRS 116.31168 is hereby amended to read as follows:

38 116.31168 1. The provisions of NRS 107.090 apply to the
39 foreclosure of an association's lien as if a deed of trust *or the deed*
40 *conveyed to a trustee pursuant to an installment sales contract* were
41 being foreclosed. The request must identify the lien by stating the names of
42 the unit's owner and the common-interest community.

43 2. An association may, after recording a notice of default and election
44 to sell, waive the default and withdraw the notice or any proceeding to
45 foreclose. The association is thereupon restored to its former position and
46 has the same rights as though the notice had not been recorded.

47 **Sec. 31.** NRS 361A.060 is hereby amended to read as follows:

48 361A.060 "Owner" means any person having a legal or equitable
49 freehold estate in agricultural or open-space real property, including a



- 1 contract vendee of ~~fa-land~~ *an installment* sales contract respecting the
- 2 property, but excluding a lessee or tenant of the property.
- 3 **Sec. 32.** The amendatory provisions of this act do not apply to
- 4 offenses committed before October 1, 2001.

⑩

