

CHAPTER.....

AN ACT relating to real property; exempting from certain licensing and regulation requirements persons who are engaged in the sale of a subdivision which consists solely of undivided interests, which is not located in the State of Nevada, which is offered for investment only and which does not contain lots or parcels; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that a sale of subdivided land must comply with certain licensing and regulation requirements. (Chapter 119 of NRS) Existing law exempts certain types of subdivisions or sales of an interest in a subdivision from complying with the provisions of chapter 119 of NRS. (NRS 119.120-119.125) This bill exempts from the licensing and regulation requirements of chapter 119 of NRS the sale of those subdivisions which consist solely of undivided interests, which do not contain lots or parcels, which are not located in the State of Nevada and which are offered for investment purposes only. This bill also provides for: (1) the application for the exemption; (2) the termination of the exemption if the property report from another jurisdiction is revoked, withdrawn or suspended, or a cease and desist order is entered regarding the sale of the land; and (3) a process for the Real Estate Division of the Department of Business and Industry to address complaints filed by a person against the owner, broker or seller of land under this exemption.

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

Sections 1-3. (Deleted by amendment.)

Sec. 4. Chapter 119 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The provisions of this chapter do not apply, unless the method of disposition is adopted to evade those provisions or the provisions of the Interstate Land Sales Full Disclosure Act, 15 U.S.C. §§ 1701 to 1720, inclusive, upon notification to the Division by the person electing to be exempt under this subsection, to the sale of an undivided interest in unimproved land if:

(a) The land has not been divided into lots or parcels;
(b) The land is not located in this State; and
(c) The undivided interest is offered for investment purposes and not for short- or long-term residential development purposes.

2. The seller of land exempted pursuant to this section must provide a property report from the jurisdiction where the land is located to each potential purchaser of the land.



3. The Division shall adopt regulations prescribing the application for an exemption pursuant to this section. The application must be posted by the Division on its Internet website. The application must contain:

(a) All information necessary to determine if an applicant is qualified for the exemption, including, without limitation, the information contained in paragraphs (a), (b) and (c) of subsection 1;

(b) The name, address, telephone number and license number, if any, of the owner, broker or seller of the land; and

(c) A property report issued by the jurisdiction where the land is located.

4. An application for an exemption pursuant to this section must be accompanied by the applicable fee specified in NRS 119.320.

5. An owner, broker or seller of land who applies for an exemption pursuant to this section must notify the Division of any change of his address, telephone number or other contact information within 10 days after such change. The Division shall update its records to reflect any changes in such information without charge to the owner, broker or seller.

6. If the property report issued by another jurisdiction and submitted as part of the application for exemption pursuant to this section is revoked, withdrawn or suspended, or a cease and desist order is issued by the jurisdiction concerning activities relating to the land, the exemption granted pursuant to this section is automatically revoked.

7. If a person files a complaint against an owner, broker or seller of land exempted from this chapter pursuant to this section, the Division shall:

(a) Provide the person with the contact information of the owner, broker or seller of the land that the Division has on file; and

(b) If the owner, broker or seller is a licensed or registered broker in another jurisdiction, provide the information contained in the complaint to the appropriate regulatory agency of the other jurisdiction.

