

SENATE BILL NO. 184—SENATOR SCHNEIDER

MARCH 9, 2009

JOINT SPONSOR: ASSEMBLYMAN CHRISTENSEN

Referred to Committee on Commerce and Labor

SUMMARY—Establishes provisions relating to broker's price opinions. (BDR 54-234)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: 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 real estate; establishing provisions relating to broker's price opinions; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 This bill defines and specifies the minimum required contents of a broker's
2 price opinion. This bill also sets forth the limitations on the use of a broker's price
3 opinion and the circumstances under which a licensee may provide a broker's price
4 opinion and collect a fee for preparing and providing that broker's price opinion.
5 This bill further establishes requirements governing a broker's price opinion which
6 is submitted electronically or on a form supplied by the requesting party.
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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** Chapter 645 of NRS is hereby amended by adding
2 thereto a new section to read as follows:
3 ***1. A person licensed pursuant to this chapter may prepare***
4 ***and provide a broker's price opinion and charge and collect a fee***
5 ***therefor if:***
6 ***(a) The license of that licensee is active and in good standing;***
7 ***and***
8 ***(b) The broker's price opinion meets the requirements of***
9 ***subsection 3.***



2. A person licensed pursuant to this chapter may prepare a broker's price opinion for:

(a) An existing or potential seller for the purposes of listing and selling a parcel of real property;

(b) An existing or potential buyer of a parcel of real property;

(c) A third party making decisions or performing due diligence related to the potential listing, offering, sale, exchange, option, lease or acquisition price of a parcel of real property; or

(d) An existing or potential lienholder, except that a broker's price opinion prepared for an existing or potential lienholder may not be used in lieu of an appraisal for the purpose of determining whether to approve a mortgage loan.

3. A broker's price opinion must include, without limitation:

(a) A statement of the intended purpose of the broker's price opinion;

(b) A brief description of the real property and the interest in the real property for which the broker's price opinion is being prepared;

(c) The basis used to determine the broker's price opinion, including, without limitation, any applicable market data and the computation of capitalization;

(d) Any assumptions or limiting conditions used to determine the broker's price opinion;

(e) The date of issuance of the broker's price opinion;

(f) A disclosure of any existing or contemplated interest of every licensee who prepares or provides the broker's price opinion, including, without limitation, the possibility of a licensee representing the seller or purchaser;

(g) The license number, name and signature of every licensee who prepares or provides the broker's price opinion;

(h) If a licensee who prepares or provides the broker's price opinion is a real estate salesman or a real estate broker-salesman, the name of the real estate broker with whom the licensee is associated; and

(i) In at least 14-point bold type, the following disclaimer:

Notwithstanding any preprinted language to the contrary, this opinion is not an appraisal of the market value of the property. If an appraisal is desired, the services of a licensed or certified appraiser must be obtained.

4. If a broker's price opinion is submitted electronically or on a form supplied by the requesting party:

(a) A signature required by paragraph (g) of subsection 3 may be an electronic signature, as defined by NRS 719.100.



(b) A signature required by paragraph (g) of subsection 3 and the disclaimer required by paragraph (i) of subsection 3 may be transmitted in a separate attachment if the electronic format or form supplied by the requesting party does not allow additional comments to be written by the licensee. The electronic format or the form supplied by the requesting party must:

- (1) Reference the existence of a separate attachment; and
- (2) Include a statement that the broker's price opinion is not complete without the attachment.

5. A broker's price opinion that is submitted electronically is subject to any regulations relating to recordkeeping as adopted pursuant to this chapter.

6. A broker is responsible for all activities of a licensee who is associated with the broker and with the preparation of a broker's price opinion.

7. The Commission may adopt regulations prescribing the manner in which a broker's price opinion must be prepared in accordance with the provisions of this section.

8. As used in this section, "broker's price opinion" means a written analysis, opinion or conclusion that a person licensed pursuant to this chapter prepares for a person described in subsection 2 relating to the estimated price for a specified parcel of real property.

Sec. 2. This act becomes effective on July 1, 2009.

