

SENATE BILL NO. 200—SENATOR SCHNEIDER

FEBRUARY 28, 2011

Referred to Committee on Judiciary

SUMMARY—Makes various changes relating to real property.
(BDR 10-217)

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 property; restricting the disclosure of certain information about owners of time shares; requiring certain mailings to owners of time shares upon request by an owner; authorizing a notice of sale on the foreclosure of a time share to be given by posting on an Internet website under certain circumstances; revising provisions concerning the posting of a notice of default and election to sell or a notice of sale; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Section 2 of this bill requires the manager or board of an association of a time-share plan to maintain a list of owners of time shares in the plan. **Section 2** also prohibits the manager or board from disclosing personal information about an owner without the prior written consent of the owner except under certain circumstances.

Section 3 of this bill requires the manager or board of an association of a time-share plan to: (1) mail certain materials to all owners on the list of owners of time shares in the plan upon the request of an owner under certain circumstances; (2) provide an owner with the option to place certain limits on the information that may be provided to other owners; (3) provide an owner with a written disclosure regarding the potential effect of giving consent to publish or furnish information about the owner; and (4) establish procedures for such mailings.

Existing law requires that, among other forms of notice, a sale of a time share to satisfy a lien for unpaid assessments be noticed by publication in a newspaper under certain circumstances. (NRS 119A.560) **Section 4.5** of this bill authorizes, as an alternative to that form of publication, such a notice of sale to be posted on an Internet website if a statement of the Internet address is also published in a newspaper. **Section 4.5** also authorizes the publication of such information for one or more notices of sale in the same publication. Existing law requires that, among



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other forms of notice, a sale of real property in foreclosure under a deed of trust be noticed by publication in a newspaper under certain circumstances. (NRS 107.080) **Section 6** of this bill authorizes, as an alternative to that form of publication, a notice of a time share in foreclosure under a deed of trust to be posted on an Internet website if a statement of the Internet address is also published in a newspaper.

Existing law provides that for a residential foreclosure sale, a copy of the notice of default and election to sell and the notice of sale must be posted in a conspicuous place on the property not later than 3 business days after the notice of default and election to sell. (NRS 107.087) **Section 8** of this bill provides that for a notice of default and election to sell, the notice must be posted not later than 100 days before the date of sale and for a notice of sale, the notice must be posted not later than 15 days before the date of sale.

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

Section 1. Chapter 119A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. *A manager or, if there is no manager, the board shall maintain in the records of an association a complete list of the names and mailing addresses of all owners. The list must be updated not less frequently than quarterly.*

2. If a time-share plan is part of a common-interest community governed by chapter 116 of NRS, the names and addresses of delegates or representatives who are elected pursuant to NRS 116.31105 or, if there are none, the name and address of the association must appear on the list of owners of an association organized under NRS 116.3101 in lieu of the names, addresses and other personal information of the individual owners.

3. Notwithstanding any provision of the declaration or bylaws of a time-share plan to the contrary, a manager or a board may not, except as otherwise authorized or required by law, publish or furnish any information about any owner to any other owner or any other person without the prior written consent of the owner whose information is requested.

4. Before obtaining the written consent of an owner pursuant to subsection 3, a manager or a board shall provide the owner with:

(a) The option to limit the information about the owner that may be published or furnished to any other owner or any other person:

(1) To exclusively the owner's name and mailing address; and

(2) For use only in legitimate matters of business of the association.

(b) The following written disclosure:



1 **BY GIVING YOUR CONSENT TO PUBLISH OR**
2 **FURNISH INFORMATION ABOUT YOU FOR**
3 **PURPOSES OTHER THAN LEGITIMATE MATTERS OF**
4 **BUSINESS OF THE ASSOCIATION, THE**
5 **INFORMATION COULD BE USED FOR COMMERCIAL**
6 **OR OTHER PURPOSES.**

7
8 **5. The provisions of this section:**

9 (a) *Do not restrict the use by a manager or a board of*
10 *information about an owner in the performance of their respective*
11 *duties under the declaration of a time share plan or as otherwise*
12 *required by law.*

13 (b) *Supersede any provisions of chapter 82 of NRS to the*
14 *contrary.*

15 **Sec. 3. 1. A manager or, if there is no manager, the board**
16 **shall:**

17 (a) *Establish reasonable procedures by which owners may:*

18 (1) *Solicit votes or proxies from other owners; and*

19 (2) *Provide information to other owners with respect to*
20 *legitimate matters of business of the association.*

21 (b) *Mail to all persons included in the list of owners materials*
22 *provided by an owner upon the request of that owner if the*
23 *purpose of the mailing is to advance legitimate matters of business*
24 *of the association, including, without limitation, a solicitation of a*
25 *proxy for any purpose, provided that the owner who requests the*
26 *mailing;*

27 (1) *Provides to the manager or board a separate copy of the*
28 *materials for each of the owners on the list or, if the mailing is to*
29 *be transmitted electronically, a single copy of the materials in an*
30 *electronic format; and*

31 (2) *Pays the association the actual costs of the mailing*
32 *before the mailing.*

33 **2. The board is responsible for determining whether a**
34 **mailing requested pursuant to this section advances legitimate**
35 **matters of business of the association.**

36 **3. The manager or board, as applicable, may determine the**
37 **manner in which a mailing may be accomplished.**

38 **4. For the purposes of this section, "mail" and "mailing"**
39 **include, without limitation, a distribution made by electronic or**
40 **similar means, such as the transmission of electronic mail as**
41 **defined in NRS 41.715.**

42 **Sec. 4. (Deleted by amendment.)**

43 **Sec. 4.5. NRS 119A.560 is hereby amended to read as**
44 **follows:**

45 **119A.560 1. The power of sale may not be exercised until:**



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(a) The developer or the association, its agent or attorney has first executed and caused to be recorded with the recorder of the county wherein the project is located a notice of default and election to sell the time share or cause its sale to satisfy the assessment lien; and

(b) The owner or his or her successor in interest has failed to pay the amount of the lien, including costs, fees and expenses incident to its enforcement for 60 days computed as prescribed in subsection 2.

2. The 60-day period provided in subsection 1 begins on the first day following the day upon which the notice of default and election to sell is recorded and a copy of the notice is mailed by certified or registered mail with postage prepaid to the owner or to his or her successor in interest at the owner's address if that address is known, otherwise to the address of the project. The notice must describe the deficiency in payment.

3. The developer or the association, its agent or attorney shall, after expiration of the 60-day period and before selling the time share, give notice of the time and place of the sale in the manner and for a time not less than that required for the sale of real property upon execution, except that ~~that~~:

(a) A copy of the notice of sale must be mailed on or before the first publication or posting required by NRS 21.130 by certified or registered mail with postage prepaid to the owner or to his or her successor in interest at the owner's address if that address is known, otherwise to the address of the project ~~that~~; and

(b) In lieu of publishing a copy of the notice of sale in a newspaper pursuant to the provisions of NRS 21.130, the notice of sale may be given by posting a copy of the notice and a declaration pursuant to NRS 53.045 on a form prescribed by the Division pursuant to subsection 6 for 3 successive weeks on an Internet website and publishing three times, once a week for 3 successive weeks, in a newspaper, if there is one in the county, a statement in at least 10-point bold type, which includes, without limitation:

(1) A statement that the notice of sale for the foreclosure of the time share is posted on an Internet website;

(2) The Internet address where the notice is posted;

(3) The name of the record owner and the permanent identification number of each time share;

(4) The name and street address of the property in which the time share is located; and

(5) A statement of the date, time and place of the sale.

↪ A statement published in a newspaper pursuant to this paragraph may include the information required for a notice of sale for one or more time shares.



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1 4. The sale may be made at the office of the developer or the
2 association if the notice so provided, whether the project is located
3 within the same county as the office of the developer or the
4 association or not.

5 ~~[4.]~~ 5. Every sale made under the provisions of NRS 119A.550
6 vests in the purchaser the title of the owner without equity or right
7 of redemption.

8 6. *The Division shall prepare a form for a declaration*
9 *pursuant to NRS 53.045 that a developer or association must post*
10 *on an Internet website with a notice of sale pursuant to paragraph*
11 *(b) of subsection 3.*

12 Sec. 5. (Deleted by amendment.)

13 Sec. 6. NRS 107.080 is hereby amended to read as follows:

14 107.080 1. Except as otherwise provided in NRS 107.085
15 and 107.086, if any transfer in trust of any estate in real property is
16 made after March 29, 1927, to secure the performance of an
17 obligation or the payment of any debt, a power of sale is hereby
18 conferred upon the trustee to be exercised after a breach of the
19 obligation for which the transfer is security.

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

21 (a) Except as otherwise provided in paragraph (b), in the case of
22 any trust agreement coming into force:

23 (1) On or after July 1, 1949, and before July 1, 1957, the
24 grantor, the person who holds the title of record, a beneficiary under
25 a subordinate deed of trust or any other person who has a
26 subordinate lien or encumbrance of record on the property has, for a
27 period of 15 days, computed as prescribed in subsection 3, failed to
28 make good the deficiency in performance or payment; or

29 (2) On or after July 1, 1957, the grantor, the person who
30 holds the title of record, a beneficiary under a subordinate deed of
31 trust or any other person who has a subordinate lien or encumbrance
32 of record on the property has, for a period of 35 days, computed as
33 prescribed in subsection 3, failed to make good the deficiency in
34 performance or payment;

35 (b) In the case of any trust agreement which concerns owner-
36 occupied housing as defined in NRS 107.086, the grantor, the
37 person who holds the title of record, a beneficiary under a
38 subordinate deed of trust or any other person who has a subordinate
39 lien or encumbrance of record on the property has, for a period that
40 commences in the manner and subject to the requirements described
41 in subsection 3 and expires 5 days before the date of sale, failed to
42 make good the deficiency in performance or payment;

43 (c) The beneficiary, the successor in interest of the beneficiary
44 or the trustee first executes and causes to be recorded in the office of
45 the recorder of the county wherein the trust property, or some part



thereof, is situated a notice of the breach and of the election to sell or cause to be sold the property to satisfy the obligation; and

(d) Not less than 3 months have elapsed after the recording of the notice.

3. The 15- or 35-day period provided in paragraph (a) of subsection 2, or the period provided in paragraph (b) of subsection 2, commences on the first day following the day upon which the notice of default and election to sell is recorded in the office of the county recorder of the county in which the property is located and a copy of the notice of default and election to sell is mailed by registered or certified mail, return receipt requested and with postage prepaid to the grantor or, to the person who holds the title of record on the date the notice of default and election to sell is recorded, and, if the property is operated as a facility licensed under chapter 449 of NRS, to the State Board of Health, at their respective addresses, if known, otherwise to the address of the trust property. The notice of default and election to sell must:

(a) Describe the deficiency in performance or payment and may contain a notice of intent to declare the entire unpaid balance due if acceleration is permitted by the obligation secured by the deed of trust, but acceleration must not occur if the deficiency in performance or payment is made good and any costs, fees and expenses incident to the preparation or recordation of the notice and incident to the making good of the deficiency in performance or payment are paid within the time specified in subsection 2; and

(b) If the property is a residential foreclosure, comply with the provisions of NRS 107.087.

4. The trustee, or other person authorized to make the sale under the terms of the trust deed or transfer in trust, shall, after expiration of the 3-month period following the recording of the notice of breach and election to sell, and before the making of the sale, give notice of the time and place thereof by recording the notice of sale and by:

(a) Providing the notice to each trustor, any other person entitled to notice pursuant to this section and, if the property is operated as a facility licensed under chapter 449 of NRS, the State Board of Health, by personal service or by mailing the notice by registered or certified mail to the last known address of the trustor and any other person entitled to such notice pursuant to this section;

(b) Posting a similar notice particularly describing the property, for 20 days successively, in ~~three public places of the township or city~~ **a public place in the county** where the property is situated ; ~~and where the property is to be sold;~~

(c) Publishing a copy of the notice three times, once each week for 3 consecutive weeks, in a newspaper of general circulation in the



1 county where the property is situated ~~§~~ *or, if the property is a time*
2 *share, by posting a copy of the notice on an Internet website and*
3 *publishing a statement in a newspaper in the manner required by*
4 *subsection 3 of NRS 119A.560; and*

5 (d) If the property is a residential foreclosure, complying with
6 the provisions of NRS 107.087.

7 5. Every sale made under the provisions of this section and
8 other sections of this chapter vests in the purchaser the title of the
9 grantor and any successors in interest without equity or right of
10 redemption. A sale made pursuant to this section may be declared
11 void by any court of competent jurisdiction in the county where the
12 sale took place if:

13 (a) The trustee or other person authorized to make the sale does
14 not substantially comply with the provisions of this section or any
15 applicable provision of NRS 107.086 and 107.087;

16 (b) Except as otherwise provided in subsection 6, an action is
17 commenced in the county where the sale took place within 90 days
18 after the date of the sale; and

19 (c) A notice of lis pendens providing notice of the pendency of
20 the action is recorded in the office of the county recorder of the
21 county where the sale took place within 30 days after
22 commencement of the action.

23 6. If proper notice is not provided pursuant to subsection 3 or
24 paragraph (a) of subsection 4 to the grantor, to the person who holds
25 the title of record on the date the notice of default and election to
26 sell is recorded, to each trustor or to any other person entitled to
27 such notice, the person who did not receive such proper notice may
28 commence an action pursuant to subsection 5 within 120 days after
29 the date on which the person received actual notice of the sale.

30 7. The sale of a lease of a dwelling unit of a cooperative
31 housing corporation vests in the purchaser title to the shares in the
32 corporation which accompany the lease.

33 8. After a sale of property is conducted pursuant to this section,
34 the trustee shall:

35 (a) Within 30 days after the date of the sale, record the trustee's
36 deed upon sale in the office of the county recorder of the county in
37 which the property is located; or

38 (b) Within 20 days after the date of the sale, deliver the trustee's
39 deed upon sale to the successful bidder. Within 10 days after the
40 date of delivery of the deed by the trustee, the successful bidder
41 shall record the trustee's deed upon sale in the office of the county
42 recorder of the county in which the property is located.

43 9. If the successful bidder fails to record the trustee's deed
44 upon sale pursuant to paragraph (b) of subsection 8, the successful
45 bidder:



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1 (a) Is liable in a civil action to any party that is a senior
2 lienholder against the property that is the subject of the sale in a sum
3 of up to \$500 and for reasonable attorney's fees and the costs of
4 bringing the action; and

5 (b) Is liable in a civil action for any actual damages caused by
6 the failure to comply with the provisions of subsection 8 and for
7 reasonable attorney's fees and the costs of bringing the action.

8 10. The county recorder shall, in addition to any other fee, at
9 the time of recording a notice of default and election to sell collect:

10 (a) A fee of \$150 for deposit in the State General Fund.

11 (b) A fee of \$50 for deposit in the Account for Foreclosure
12 Mediation, which is hereby created in the State General Fund. The
13 Account must be administered by the Court Administrator, and the
14 money in the Account may be expended only for the purpose of
15 supporting a program of foreclosure mediation established by
16 Supreme Court Rule.

17 ➤ The fees collected pursuant to this subsection must be paid over
18 to the county treasurer by the county recorder on or before the fifth
19 day of each month for the preceding calendar month, and, except as
20 otherwise provided in this subsection, must be placed to the credit of
21 the State General Fund or the Account as prescribed pursuant to this
22 subsection. The county recorder may direct that 1.5 percent of the
23 fees collected by the county recorder be transferred into a special
24 account for use by the office of the county recorder. The county
25 treasurer shall, on or before the 15th day of each month, remit the
26 fees deposited by the county recorder pursuant to this subsection to
27 the State Controller for credit to the State General Fund or the
28 Account as prescribed in this subsection.

29 11. The beneficiary, the successor in interest of the beneficiary
30 or the trustee who causes to be recorded the notice of default and
31 election to sell shall not charge the grantor or the successor in
32 interest of the grantor any portion of any fee required to be paid
33 pursuant to subsection 10.

34 12. As used in this section, "residential foreclosure" means the
35 sale of a single family residence under a power of sale granted by
36 this section. As used in this subsection, "single family residence":

37 (a) Means a structure that is comprised of not more than four
38 units.

39 (b) Does not include *vacant land or* any time share or other
40 property regulated under chapter 119A of NRS.

41 **Sec. 7.** NRS 107.086 is hereby amended to read as follows:

42 107.086 1. In addition to the requirements of NRS 107.085,
43 the exercise of the power of sale pursuant to NRS 107.080 with
44 respect to any trust agreement which concerns owner-occupied
45 housing is subject to the provisions of this section.



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2. The trustee shall not exercise a power of sale pursuant to NRS 107.080 unless the trustee:

(a) Includes with the notice of default and election to sell which is mailed to the grantor or the person who holds the title of record as required by subsection 3 of NRS 107.080:

(1) Contact information which the grantor or the person who holds the title of record may use to reach a person with authority to negotiate a loan modification on behalf of the beneficiary of the deed of trust;

(2) Contact information for at least one local housing counseling agency approved by the United States Department of Housing and Urban Development; and

(3) A form upon which the grantor or the person who holds the title of record may indicate an election to enter into mediation or to waive mediation and one envelope addressed to the trustee and one envelope addressed to the Mediation Administrator, which the grantor or the person who holds the title of record may use to comply with the provisions of subsection 3;

(b) Serves a copy of the notice upon the Mediation Administrator; and

(c) Causes to be recorded in the office of the recorder of the county in which the trust property, or some part thereof, is situated:

(1) The certificate provided to the trustee by the Mediation Administrator pursuant to subsection 3 or 6 which provides that no mediation is required in the matter; or

(2) The certificate provided to the trustee by the Mediation Administrator pursuant to subsection 7 which provides that mediation has been completed in the matter.

3. The grantor or the person who holds the title of record shall, not later than 30 days after service of the notice in the manner required by NRS 107.080, complete the form required by subparagraph (3) of paragraph (a) of subsection 2 and return the form to the trustee by certified mail, return receipt requested. If the grantor or the person who holds the title of record indicates on the form an election to enter into mediation, the trustee shall notify the beneficiary of the deed of trust and every other person with an interest as defined in NRS 107.090, by certified mail, return receipt requested, of the election of the grantor or the person who holds the title of record to enter into mediation and file the form with the Mediation Administrator, who shall assign the matter to a senior justice, judge, hearing master or other designee and schedule the matter for mediation. No further action may be taken to exercise the power of sale until the completion of the mediation. If the grantor or the person who holds the title of record indicates on the form an election to waive mediation or fails to return the form to the trustee



1 as required by this subsection, the trustee shall execute an affidavit
2 attesting to that fact under penalty of perjury and serve a copy of the
3 affidavit, together with the waiver of mediation by the grantor or
4 the person who holds the title of record, or proof of service on the
5 grantor or the person who holds the title of record of the notice
6 required by subsection 2 of this section and subsection 3 of NRS
7 107.080, upon the Mediation Administrator. Upon receipt of the
8 affidavit and the waiver or proof of service, the Mediation
9 Administrator shall provide to the trustee a certificate which
10 provides that no mediation is required in the matter.

11 4. Each mediation required by this section must be conducted
12 by a senior justice, judge, hearing master or other designee pursuant
13 to the rules adopted pursuant to subsection 8. The beneficiary of the
14 deed of trust or a representative shall attend the mediation. The
15 grantor or a representative shall attend the mediation if the grantor
16 elected to enter into mediation, or the person who holds the title of
17 record or a representative shall attend the mediation if the person
18 who holds the title of record elected to enter into mediation. The
19 beneficiary of the deed of trust shall bring to the mediation the
20 original or a certified copy of the deed of trust, the mortgage note
21 and each assignment of the deed of trust or mortgage note. If the
22 beneficiary of the deed of trust is represented at the mediation by
23 another person, that person must have authority to negotiate a loan
24 modification on behalf of the beneficiary of the deed of trust or have
25 access at all times during the mediation to a person with such
26 authority.

27 5. If the beneficiary of the deed of trust or the representative
28 fails to attend the mediation, fails to participate in the mediation in
29 good faith or does not bring to the mediation each document
30 required by subsection 4 or does not have the authority or access to
31 a person with the authority required by subsection 4, the mediator
32 shall prepare and submit to the Mediation Administrator a petition
33 and recommendation concerning the imposition of sanctions against
34 the beneficiary of the deed of trust or the representative. The court
35 may issue an order imposing such sanctions against the beneficiary
36 of the deed of trust or the representative as the court determines
37 appropriate, including, without limitation, requiring a loan
38 modification in the manner determined proper by the court.

39 6. If the grantor or the person who holds the title of record
40 elected to enter into mediation and fails to attend the mediation, the
41 Mediation Administrator shall provide to the trustee a certificate
42 which states that no mediation is required in the matter.

43 7. If the mediator determines that the parties, while acting in
44 good faith, are not able to agree to a loan modification, the mediator
45 shall prepare and submit to the Mediation Administrator a



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1 recommendation that the matter be terminated. The Mediation
2 Administrator shall provide to the trustee a certificate which
3 provides that the mediation required by this section has been
4 completed in the matter.

5 8. The Supreme Court shall adopt rules necessary to carry out
6 the provisions of this section. The rules must, without limitation,
7 include provisions:

8 (a) Designating an entity to serve as the Mediation
9 Administrator pursuant to this section. The entities that may be so
10 designated include, without limitation, the Administrative Office of
11 the Courts, the district court of the county in which the property is
12 situated or any other judicial entity.

13 (b) Ensuring that mediations occur in an orderly and timely
14 manner.

15 (c) Requiring each party to a mediation to provide such
16 information as the mediator determines necessary.

17 (d) Establishing procedures to protect the mediation process
18 from abuse and to ensure that each party to the mediation acts in
19 good faith.

20 (e) Establishing a total fee of not more than \$400 that may be
21 charged and collected by the Mediation Administrator for mediation
22 services pursuant to this section and providing that the responsibility
23 for payment of the fee must be shared equally by the parties to the
24 mediation.

25 9. Except as otherwise provided in subsection 11, the
26 provisions of this section do not apply if:

27 (a) The grantor or the person who holds the title of record has
28 surrendered the property, as evidenced by a letter confirming the
29 surrender or delivery of the keys to the property to the trustee, the
30 beneficiary of the deed of trust or the mortgagee, or an authorized
31 agent thereof; or

32 (b) A petition in bankruptcy has been filed with respect to the
33 grantor or the person who holds the title of record under chapter 7,
34 11, 12 or 13 of Title 11 of the United States Code and the
35 bankruptcy court has not entered an order closing or dismissing the
36 case or granting relief from a stay of foreclosure.

37 10. A noncommercial lender is not excluded from the
38 application of this section.

39 11. The Mediation Administrator and each mediator who acts
40 pursuant to this section in good faith and without gross negligence
41 are immune from civil liability for those acts.

42 12. As used in this section:

43 (a) "Mediation Administrator" means the entity so designated
44 pursuant to subsection 8.



(b) "Noncommercial lender" means a lender which makes a loan secured by a deed of trust on owner-occupied housing and which is not a bank, financial institution or other entity regulated pursuant to title 55 or 56 of NRS.

(c) "Owner-occupied housing" means housing that is occupied by an owner as the owner's primary residence. The term does not include *vacant land or* any time share or other property regulated under chapter 119A of NRS.

Sec. 8. NRS 107.087 is hereby amended to read as follows:

107.087 1. In addition to the requirements of NRS 107.080, if the sale of property is a residential foreclosure, a copy of the notice of default and election to sell and the notice of sale must:

(a) Be posted in a conspicuous place on the property not later than ~~{3 business days after the notice}~~ :

(1) For a notice of default and election to sell , 100 days before the date of sale; or {the}

(2) For a notice of sale ~~{is recorded pursuant to NRS 107.080;}~~ , 15 days before the date of sale; and

(b) Include, without limitation:

(1) The physical address of the property; and

(2) The contact information of the trustee or the person conducting the foreclosure who is authorized to provide information relating to the foreclosure status of the property.

2. In addition to the requirements of NRS 107.084, the notices must not be defaced or removed until the transfer of title is recorded or the property becomes occupied after completion of the sale, whichever is earlier.

3. A separate notice must be posted in a conspicuous place on the property and mailed, with a certificate of mailing issued by the United States Postal Service or another mail delivery service, to any tenant or subtenant, if any, other than the grantor or the grantor's successor in interest, in actual occupation of the premises not later than 3 business days after the notice of the sale is given pursuant to subsection 4 of NRS 107.080. The separate notice must be in substantially the following form:

NOTICE TO TENANTS OF THE PROPERTY

Foreclosure proceedings against this property have started, and a notice of sale of the property to the highest bidder has been issued.

You may either: (1) terminate your lease or rental agreement and move out; or (2) remain and possibly be subject to eviction proceedings under chapter 40 of the Nevada Revised



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1 Statutes. Any subtenants may also be subject to eviction
2 proceedings.

3
4 Between now and the date of the sale, you may be evicted if
5 you fail to pay rent or live up to your other obligations to the
6 landlord.

7
8 After the date of the sale, you may be evicted if you fail to
9 pay rent or live up to your other obligations to the successful
10 bidder, in accordance with chapter 118A of the Nevada
11 Revised Statutes.

12
13 Under the Nevada Revised Statutes eviction proceedings may
14 begin against you after you have been given a notice to quit.

15
16 If the property is sold and you pay rent by the week or
17 another period of time that is shorter than 1 month, you
18 should generally receive notice after not less than the number
19 of days in that period of time.

20
21 If the property is sold and you pay rent by the month or any
22 other period of time that is 1 month or longer, you should
23 generally receive notice at least 60 days in advance.

24
25 Under Nevada Revised Statutes 40.280, notice must generally
26 be served on you pursuant to chapter 40 of the Nevada
27 Revised Statutes and may be served by:

28 (1) Delivering a copy to you personally in the presence of
29 a witness;

30 (2) If you are absent from your place of residence or usual
31 place of business, leaving a copy with a person of suitable age
32 and discretion at either place and mailing a copy to you at
33 your place of residence or business; or

34 (3) If your place of residence or business cannot be
35 ascertained, or a person of suitable age or discretion cannot
36 be found there, posting a copy in a conspicuous place on the
37 leased property, delivering a copy to a person residing there,
38 if a person can be found, and mailing a copy to you at the
39 place where the leased property is.

40
41 If the property is sold and a landlord, successful bidder or
42 subsequent purchaser files an eviction action against you in
43 court, you will be served with a summons and complaint and
44 have the opportunity to respond. Eviction actions may result
45 in temporary evictions, permanent evictions, the awarding of



1 damages pursuant to Nevada Revised Statutes 40.360 or some
2 combination of those results.

3
4 Under the Justice Court Rules of Civil Procedure:

5 (1) You will be given at least 10 days to answer a
6 summons and complaint;

7 (2) If you do not file an answer, an order evicting you by
8 default may be obtained against you;

9 (3) A hearing regarding a temporary eviction may be
10 called as soon as 11 days after you are served with the
11 summons and complaint; and

12 (4) A hearing regarding a permanent eviction may be
13 called as soon as 20 days after you are served with the
14 summons and complaint.

15
16 4. *The posting of a notice required by this section must be*
17 *completed by a process server licensed pursuant to chapter 648 of*
18 *NRS or any constable or sheriff.*

19 5. As used in this section, "residential foreclosure" has the
20 meaning ascribed to it in NRS 107.080.

21 **Sec. 9.** Senate Bill No. 403 of this session is hereby amended
22 by adding thereto a new section to read as follows:

23 Sec. 2. This act becomes effective on July 1, 2011.

24 **Sec. 10.** 1. This section and section 9 of this act become
25 effective on July 1, 2011.

26 2. Sections 1 to 8, inclusive, of this act become effective on
27 October 1, 2011.

