

ASSEMBLY BILL NO. 264—ASSEMBLYMEN
SPIEGEL; AND OHRENSCHALL

MARCH 11, 2015

Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes related to residential real estate transactions. (BDR 54-250)

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

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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 residential real estate transactions; prohibiting a real estate licensee or property manager from advertising or listing for sale or rental certain residential properties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law authorizes disciplinary action by the Real Estate Commission
2 against the holder of a real estate license or property manager permit who engages
3 in certain activities. (NRS 645.630) Existing law also sets forth additional grounds
4 for disciplinary action specifically relating to the unprofessional and improper
5 conduct of real estate transactions. (NRS 645.635) This bill adds to the list of
6 activities that are grounds for disciplinary action the advertising or listing for sale,
7 lease or rental by a real estate licensee or property manager of a residential property
8 that the licensee or property manager knows, or should know, is unavailable for
9 sale, lease or rental, or for which the licensee or property manager does not have a
10 valid listing agreement with the owner of the property.

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

1 **Section 1.** NRS 645.635 is hereby amended to read as follows:
2 645.635 The Commission may take action pursuant to NRS
3 645.630 against any person subject to that section who is guilty of:
4 1. Offering real estate for sale or lease without the knowledge
5 and consent of the owner or the owner's authorized agent or on
6 terms other than those authorized by the owner or the owner's
7 authorized agent.



2. Negotiating a sale, exchange or lease of real estate, or communicating after such negotiations but before closing, directly with a client if the person knows that the client has a brokerage agreement in force in connection with the property granting an exclusive agency, including, without limitation, an exclusive right to sell to another broker, unless permission in writing has been obtained from the other broker.

3. *In the case of a licensee or property manager, advertising, listing or otherwise holding out for sale, lease or rental a residential property:*

(a) That the licensee or property manager knows, or reasonably should know, is not available for sale, lease or rental, unless:

(1) The relevant property became unavailable for sale, lease or rental after the advertisement, listing or other holding out for sale, lease or rental of the property took place; and

(2) The licensee or property manager, as applicable, took reasonable action to inform potential purchasers, lessees or renters that the property was no longer available; or

(b) For which the licensee or property manager does not have a valid listing agreement with the owner of the property.

➤ As used in this subsection, "residential property" has the meaning ascribed to it in NRS 113.100.

4. Failure to deliver within a reasonable time a completed copy of any purchase agreement or offer to buy or sell real estate to the purchaser or to the seller, except as otherwise provided in subsection 4 of NRS 645.254.

~~14.1~~ 5. Failure to deliver to the seller in each real estate transaction, within 10 business days after the transaction is closed, a complete, detailed closing statement showing all of the receipts and disbursements handled by him or her for the seller, failure to deliver to the buyer a complete statement showing all money received in the transaction from the buyer and how and for what it was disbursed, or failure to retain true copies of those statements in his or her files. The furnishing of those statements by an escrow holder relieves the broker's, broker-salesperson's or salesperson's responsibility and must be deemed to be in compliance with this provision.

~~15.1~~ 6. Representing to any lender, guaranteeing agency or any other interested party, verbally or through the preparation of false documents, an amount in excess of the actual sale price of the real estate or terms differing from those actually agreed upon.

~~16.1~~ 7. Failure to produce any document, book or record in his or her possession or under his or her control, concerning any real estate transaction under investigation by the Division.



~~17.1~~ 8. Failure to reduce a bona fide offer to writing where a proposed purchaser requests that it be submitted in writing, except as otherwise provided in subsection 4 of NRS 645.254.

~~18.1~~ 9. Failure to submit all written bona fide offers to a seller when the offers are received before the seller accepts an offer in writing and until the broker has knowledge of that acceptance, except as otherwise provided in subsection 4 of NRS 645.254.

~~19.1~~ 10. Refusing because of race, color, national origin, sex or ethnic group to show, sell or rent any real estate for sale or rent to qualified purchasers or renters.

~~110.1~~ 11. Knowingly submitting any false or fraudulent appraisal to any financial institution or other interested person.

~~111.1~~ 12. Any violation of NRS 645C.557.

Sec. 2. This act becomes effective:

1. Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

2. On January 1, 2016, for all other purposes.

