

Amendment No. 208

Senate Amendment to Senate Bill No. 395	(BDR 10-288)
Proposed by: Senate Committee on Judiciary	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

Adoption of this amendment will MAINTAIN the 2/3s majority vote requirement for final passage of S.B. 395 (§ 1).

ASSEMBLY ACTION				Initial and Date		SENATE ACTION				Initial and Date	
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____		Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red-strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

AMD/HAC



Date: 4/19/2023

S.B. No. 395—Revises provisions relating to real property. (BDR 10-288)



SENATE BILL NO. 395--SENATOR NEAL

MARCH 27, 2023

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to real property. (BDR 10-288)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 real property; ~~providing in skeleton form for~~ limiting, with certain exceptions, the total aggregate number of units of residential real property in this State that may be purchased in any 1 calendar year by certain corporate investors; requiring the registration of certain corporate investors in residential property in this State with the Securities Division of the Office of the Secretary of State; ~~providing in skeleton form~~ requiring that certain deeds relating to residential real property include certain information about corporate investors; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~This~~ Section 1 of this bill provides ~~in skeleton form for~~ , with certain exceptions, that: (1) the total aggregate number of units of residential real property in this State that may be purchased in any 1 calendar year by corporations and limited-liability companies must not exceed 1,000 units; and (2) a corporation or limited-liability company is prohibited from purchasing any unit of residential real property in this State if, as a result of the purchase, the total aggregate number of units of residential real property purchased in this State during the current calendar year by corporations and limited-liability companies would exceed 1,000 units.

Section 1 also requires the creation and maintenance of a registry of corporations and limited-liability companies that purchase or own residential real property in this State by the Securities Division of the Office of the Secretary of State. ~~This bill would require a~~ A corporation or limited-liability company is required to register with the Securities Division before purchasing any residential real property in this State. ~~This bill would further authorize~~ Section 1: (1) authorizes the Secretary of State to charge a fee to each such corporation or limited-liability company and ~~require~~ requires the Secretary of State to adopt regulations ~~finally necessary to carry out section 1. For the purposes of section 1, the term "corporation" does not include a family trust company or a housing authority.~~

Section 2 of this bill provides ~~in skeleton form~~ that if a corporation or limited-liability company purchases residential real property, the deed must: (1) be accompanied by a copy of the certificate of registration issued by the Secretary of State; and (2) clearly set forth that the residential real property is not the primary residence of the owner. Section 2 also prohibits the county ~~clerk is prohibited~~ recorder from recording the deed unless the deed: (1) contains information about the ownership of the corporation or limited-liability

company, as set forth in the registry created pursuant to **section 1**; and (2) clearly sets forth that the residential real property is not the primary residence of the owner.

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

Section 1. Chapter 111 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in subsection 2:

(a) The total aggregate number of units of residential real property in this State that may be purchased in any 1 calendar year by corporations and limited-liability companies must not exceed 1,000 units.

(b) A corporation or limited-liability company shall not purchase any unit of residential real property in this State if, as a result of the purchase, the total aggregate number of units of residential real property purchased in this State during the current calendar year by corporations or limited-liability companies would exceed 1,000 units.

2. The provisions of subsection 1 do not apply to:

(a) The intracorporate sale or transfer of units of residential property; or

(b) The sale of newly constructed units of residential property.

3. The Securities Division of the Office of the Secretary of State shall create and maintain a registry of corporations and limited-liability companies that purchase or own residential real property in this State. The Securities Division shall make such registry available on the Internet website of the Office of the Secretary of State.

~~2.~~ 4. A corporation or limited-liability company must register with the Securities Division of the Office of the Secretary of State before purchasing any unit of residential real property in this State.

~~3.~~ 5. The Secretary of State shall issue a certificate of registration to each corporation or limited liability company that registers pursuant to this section.

6. The Secretary of State may charge a fee to each corporation or limited-liability company that registers with the Securities Division pursuant to subsection ~~2.~~ 3.

~~4.~~ 7. The Secretary of State shall adopt any regulations necessary to carry out the provisions of this section.

8. As used in this section, the term:

(a) "Corporation" does not include:

(1) A family trust company, as defined in NRS 669.042.

(2) A housing authority, as defined in NRS 315.021.

(b) "Limited-liability company" has the meaning ascribed to it in NRS 86.061.

Sec. 2. NRS 111.312 is hereby amended to read as follows:

111.312 1. The county recorder shall not record with respect to real property, a notice of completion, a declaration of homestead, a declaration of removal of discriminatory restriction, a lien or notice of lien, an affidavit of death, a mortgage or deed of trust, any conveyance of real property or instrument in writing setting forth an agreement to convey real property or a notice pursuant to NRS 111.3655 unless the document being recorded contains:

(a) The mailing address of the grantee or, if there is no grantee, the mailing address of the person who is requesting the recording of the document; and

(b) Except as otherwise provided in subsection 2, the assessor's parcel number of the property at the top left corner of the first page of the document, if the county assessor has assigned a parcel number to the property. The parcel number must comply with the current system for numbering parcels used by the county assessor's office. The county recorder is not required to verify that the assessor's parcel number is correct.

2. Any document relating exclusively to the transfer of water rights may be recorded without containing the assessor's parcel number of the property.

3. The county recorder shall not record with respect to real property any deed, including, without limitation:

(a) A grant, bargain and sale deed;

(b) Quitclaim deed;

(c) Warranty deed; or

(d) Trustee's deed upon sale,

unless the document being recorded contains the name and address of the person to whom a statement of the taxes assessed on the real property is to be mailed.

4. The assessor's parcel number shall not be deemed to be a complete legal description of the real property conveyed.

5. Except as otherwise provided in subsection 6, if a document that is being recorded includes a legal description of real property that is provided in metes and bounds, the document must include the name and mailing address of the person who prepared the legal description. The county recorder is not required to verify the accuracy of the name and mailing address of such a person.

6. If a document including the same legal description described in subsection 5 previously has been recorded, the document must include all information necessary to identify and locate the previous recording, but the name and mailing address of the person who prepared the legal description is not required for the document to be recorded. The county recorder is not required to verify the accuracy of the information concerning the previous recording.

7. If a corporation or limited-liability company purchases residential real property:

(a) The county ~~elects~~ recorder shall not record the deed unless ~~the~~ :

(1) The deed contains the information about the ownership of the corporation or limited-liability company set forth in the registry created pursuant to section 1 of this act; and

(2) The corporation or limited-liability company submits to the county recorder a copy of the certificate of registration issued by the Secretary of State pursuant to section 1 of this act and the name of the corporation or limited-liability company on the deed matches the name on the certificate of registration accompanying the deed; and

(b) The deed must clearly set forth that the residential real property is not the primary residence of the owner.

8. As used in this section, the terms "corporation" and "limited-liability company" have the meanings ascribed to them in section 1 of this act.