

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 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 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 bill provides in skeleton form for 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 corporation or limited-liability company to register with the Securities Division before purchasing any residential real property in this State. This bill would further authorize the Secretary of State to charge a fee to each such corporation or limited-liability company and require the Secretary of State to adopt regulations. Finally, this bill provides in skeleton form that if a corporation or limited-liability company purchases residential real property, the county clerk is prohibited 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.



* S B 3 9 5 *

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

3. 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.

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

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



1 (d) Trustee's deed upon sale,
2 ➡ unless the document being recorded contains the name and
3 address of the person to whom a statement of the taxes assessed on
4 the real property is to be mailed.

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

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

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

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

22 ***(a) The county clerk shall not record the deed unless the deed***
23 ***contains the information about the ownership of the corporation***
24 ***or limited-liability company set forth in the registry created***
25 ***pursuant to section 1 of this act; and***

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

