

Chapter 645 of NAC

LCB File No. E001-07

**ADOPTED EMERGENCY REGULATION OF THE
REAL ESTATE COMMISSION**

(Effective for 120 days from February 14, 2007)

(EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: NRS 645.050; NRS 645.190 and NRS 645.863

Section 1 Chapter 645 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this regulation.

Sec. 2. *“Existing Enterprise” as used in NRS and NAC of chapter 645*

does not include the sale of real property concurrently with a related business where more than 50% of the income stream from the related business is directly derived from the use of that particular real property, including, but not limited to tenant occupancy transfers of lease and/or management agreements, storage facilities, hotels, motels, ranches and/or other businesses that would have no value without a concurrent transfer of the real property.

Sec. 3 NAC 645.911 is hereby amended to read as follows:

“Engage in business as a business broker” interpreted. (NRS 645.190 , 645.863) As used in **chapter 645** of NRS, the Commission will interpret the term “engage in business as a business broker” to mean engaging in the business of:

1. Selling, exchanging, optioning or purchasing (*including the sale, exchange, optioning or purchasing of individual assets of the business or the sale of stock, partnership interest or membership in an LLC*) ;

2. Negotiating or offering, attempting or agreeing to negotiate the sale, exchange, option or purchase of; or

3. Listing or soliciting prospective purchasers of,

~~[the tangible assets and goodwill of an existing enterprise, if the sale or purchase of the tangible assets and goodwill of the enterprise requires the seller and purchaser to file with the Internal Revenue Service a Form 8594, Asset Acquisition Statement, or its equivalent or successor form.]~~
any business which reported in the previous tax (calendar or fiscal) year the revenues and expenses on one or more of the following forms: Schedule C (Profit or Loss from Business or Profession) or Form 1120, 1120S or 1065 (unless 50% or more of reported income (excluding capital gain net income) came from rental of real estate (Form 8825).

NEVADA REAL ESTATE COMMISSION

STATEMENT OF EMERGENCY

The Real Estate Commission at its meeting on February 6, 2007 adopted the attached emergency regulation by unanimous vote for the following reason:

A misunderstanding exists in the Real Estate Industry in Nevada dealing with the business broker law.

This misunderstanding has created a hardship to real estate licensees. Therefore, the Real Estate Commission deems it necessary to adopt this emergency regulation to clarify this misunderstanding.

February 8, 2007

FOR THE COMMISSION

President, Curry Jameson

GOVERNOR'S ENDORSEMENT

I, Governor Jim Gibbons, endorse the Nevada Real Estate Commission Statement of Emergency.

Dated this 14th of February, 2007.

JIM GIBBONS

Governor of the State of Nevada