

SENATE BILL NO. 139—SENATOR TOWNSEND

FEBRUARY 18, 2003

Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes to provisions governing certain real estate practices. (BDR 54-663)

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

~

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

AN ACT relating to real estate; making various changes to provisions governing certain real estate practices; revising provisions relating to certain civil actions brought against real estate brokers, real estate broker-salesmen and real estate salesmen; revising provisions which require real estate broker-salesmen and real estate salesmen to disclose in certain advertisements the name of the brokerage with whom they are associated; revising provisions relating to brokerage agreements which provide for exclusive agency representation; and providing other matters properly relating thereto.

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

- 1 **Section 1.** NRS 645.005 is hereby amended to read as follows:
2 645.005 “Brokerage agreement” means an oral or written
3 contract between a client and a ~~licensee~~ *broker* in which the
4 ~~licensee~~ *broker* agrees to accept valuable consideration from
5 the client or another person for assisting, soliciting or negotiating
6 the sale, purchase, option, rental or lease of real property.
7 **Sec. 2.** NRS 645.257 is hereby amended to read as follows:
8 645.257 1. A person who has suffered damages as the
9 proximate result of a licensee’s failure to perform any duties
10 required by NRS 645.252, 645.253 or 645.254 or the regulations
11 adopted to carry out those sections may bring an action against the



1 licensee ~~for~~ *in which the person's exclusive remedy is* the
2 recovery of his actual damages.

3 2. In such an action, any knowledge of the client of the licensee
4 of material facts, data or information relating to the real property
5 which is the subject of the real estate transaction may not be
6 imputed to the licensee.

7 3. In an action brought by a person against a licensee pursuant
8 to subsection 1, the standard of care owed by a licensee is the degree
9 of care that a reasonably prudent real estate licensee would exercise
10 and is measured by the degree of knowledge required to be obtained
11 by a real estate licensee pursuant to NRS 645.343 and 645.345.

12 **Sec. 3.** NRS 645.315 is hereby amended to read as follows:

13 645.315 1. In any advertisement through which a licensee
14 offers to perform services for which a license is required pursuant to
15 this chapter, the licensee shall:

16 (a) If ~~he~~ *the licensee* is a real estate broker, disclose the name
17 of any brokerage under which ~~he~~ *the licensee* does business; or

18 (b) If ~~he~~ *the licensee* is a real estate broker-salesman or real
19 estate salesman, disclose the name of the ~~broker~~ *brokerage* with
20 whom ~~he~~ *the licensee* is associated.

21 2. ~~A~~ *If a licensee is a* real estate broker-salesman or real
22 estate salesman, *the licensee* shall not advertise solely under ~~his~~
23 *the licensee's* own name when acting in the capacity as a broker-
24 salesman or salesman. All such advertising must be *done* under the
25 direct supervision of and in the name of the ~~broker~~ *brokerage* with
26 whom the ~~broker-salesman or salesman~~ *licensee* is associated.

27 **Sec. 4.** NRS 645.320 is hereby amended to read as follows:

28 645.320 Every brokerage agreement which includes a
29 provision for an exclusive ~~listing~~ *agency representation* must:

30 1. Be in writing.

31 2. Have set forth in its terms a definite, specified and complete
32 termination.

33 3. Contain no provision which requires the client who signs the
34 brokerage agreement to notify the real estate broker of his intention
35 to cancel the exclusive features of ~~that listing~~ *the brokerage*
36 *agreement* after the termination of the ~~listing~~ *brokerage*
37 *agreement*.

38 4. Be signed by both the client or his authorized representative
39 and the ~~listing agent~~ *broker* or his authorized representative in
40 order to be enforceable.

