



“STAY OUT OF REAL ESTATE JAIL”



Participant Outline

**3 Hours of Law & Leg Update Continuing Education
CE.6840000-RE**

JOSEPH R. FITZPATRICK

MEET JOE:

Joe Fitzpatrick graduated from The University of Nevada, Las Vegas in 1985 and began his career with Coldwell Banker in Margate, Florida, listing and selling real estate. Joe went on to manage the North Miami office and opened Century 21 Fitzpatrick Realty with family. The firm became the top-ranked Century 21 company in Broward County, Florida.



In 1991, Joe returned to Las Vegas where he began teaching and authoring real estate courses. He also continued on as Vice-President of Century 21 MoneyWorld, which was consistently ranked among the top 10 Century 21 firms in the world where he led the education division among other duties.

Joe has authored and published over 30 real estate licensing textbooks and courses available on Amazon.com and which have been approved for utilization in several states. He made a few stops along the way including being the Education Director at LVR. You may recognize his voice from other online sites. Living through sellers' markets and buyer's markets, Joe has experienced interest rate fluctuations of 17.5% and 2%. He knows what it takes to stay successful in the business no matter what the market conditions may be.

In 2021, Joe opened Fitzpatrick Real Estate School and continues to practice real estate in addition to his other responsibilities. We trust you will find Mr. Fitzpatrick's courses to be informative, interesting, and entertaining too.

- **CE Agreement**

The student participant must:

- not miss more than 10 minutes of a 3-hour course; 15 minutes for internet connection issues.
- direct their attention to the instruction being provided and refrain from engaging in activities unrelated to the instruction and distracting.
- always have their cameras on and pointed to the student while the class is in session, excluding breaks.
- in Zoom, display the name under which they registered.
- must always have audio muted except when speaking to the group.
- participate and respond when asked to by the instructor.
- conduct themselves as they would in an in-person classroom setting.
- be appropriately dressed for a classroom setting.
- refrain from engaging in any activity that would be distracting to the instructor or fellow attendees such as using electronic/computer devices unrelated to the instruction, cell phone use, having conversations with other people, walking around, driving/riding in a vehicle, cooking, cleaning, etc.
- complete the course evaluation immediately upon the conclusion of the course.

COURSE OVERVIEW

Discuss Nevada statutes and regulations governing the actions of Nevada real estate licensee and apply to everyday situations. Major categories of focus are laws and statutes pertaining to:

- Administration (NRS 645.045 – 215; NAC 645.075 – 095)
- Licenses (NRS 645.330 – 6051)
- Regulation of Practices (NRS 645.230 – 321; NAC 645.525 – 695)
- Education (NAC 645.400 – 467)
- Disciplinary and Other Actions (NRS 645.610 – 875; NAC 645.810 – 875)

ADMINISTRATION

- **Differences between NRS and NAC**
- **NRS 645.050 Real Estate Commission: Creation; number and appointment of members; powers and duties; service of process.**
 1. The Real Estate Commission is hereby created. The Commission consists of five members appointed by the Governor.
 2. The Commission shall act in an advisory capacity to the Real Estate Division, adopt regulations and conduct hearings as provided in this chapter. The Commission shall adopt regulations establishing standards for the operation of licensees' offices and for their business conduct and ethics...
- **NRS 645.195 Inspection of records of broker and owner-developer by Real Estate Division; regulations.**
 1. The Division shall regularly inspect the transaction files, trust records and pertinent real estate business accounts of all real estate brokers and owner-developers to ensure compliance with the provisions of this chapter.
 2. The Commission shall adopt regulations pertaining to those inspections.

LICENSES

- **NRS 645.030 “Real estate broker” defined.** “Real estate broker” means a person who, for another and for compensation or with the intention or expectation of receiving compensation:
 - (a) Sells, exchanges, options, purchases, rents or leases, or negotiates or offers, attempts or agrees to negotiate the sale, exchange, option, purchase, rental or lease of, or lists or solicits prospective purchasers, lessees or renters of, any real estate...
 - (c) Engages in or offers to engage in the business of property management; or
 - (d) Engages in or offers to engage in the business of business brokerage.
- **NRS 645.230**
 1. It is unlawful for any person, limited-liability company, partnership, association or corporation to engage in the business of, act in the capacity of, advertise or assume to act as, a:
 - (a) Real estate broker, real estate broker-salesperson or real estate salesperson within the State of Nevada without first obtaining the appropriate license from the Real Estate Division as provided for in this chapter;
 - (b) Property manager ...
 - (c) Designated property manager...

- (d) Business broker ...
- (e) Designated business broker...

- **NRS 645.495 Nonresident licensee to authorize service of process upon Administrator.**
 - 1. No license may be issued pursuant to NRS 645.490 to a resident of a state other than Nevada until the applicant has appointed in writing the Administrator to be his or her agent, upon whom all process, in any action or proceeding against the applicant, may be served...
- **NRS 645.490 Issuance of license; duty of Real Estate Division; renewal of license.**
 - ...3. Except as otherwise provided in NRS 645.785:
 - (a) An original license as a real estate broker, broker-salesperson or salesperson must be renewed with the Division before the expiration of the initial license period of 12 consecutive months as prescribed in NRS 645.780; and
 - (b) Thereafter, the license must be renewed with the Division before the expiration of each subsequent license period of 24 consecutive months as prescribed in NRS 645.780.
- **NRS 645.780 Expiration of licenses; length of license periods; additional fees for electronic renewal.**
 - 1. Each license issued under the provisions of this chapter expires at midnight on the last day of the last month of the applicable license period for the license.
 - 2. The initial license period for an original license as a real estate broker, broker-salesperson or salesperson is a period of 12 consecutive months beginning on the first day of the first calendar month after the original license is issued by the Division. Thereafter, each subsequent license period is a period of 24 consecutive months...
- **NRS 645.785 Effect of failure to renew license; increased fee for late renewal.** If a licensee fails to apply for a renewal of his or her license prior to the date of the expiration thereof, no license may be issued to the licensee except upon another application for an original license, except that within 1 year of such expiration a renewal may be issued upon payment a late fee.
- **NRS 645.570 Notice of change of name, location of business or association; requirements for transfer of association; effect of failure to give notice.**
 - 1. Notice in writing must be given by the broker or a corporate officer to the Division within 10 days of any change of name or business location of any licensee or of a change of association of any broker-salesperson or salesperson licensee...
 - 3. Failure to give notice as required by this section constitutes cause for the revocation of any outstanding license or involuntary inactivation of the license.
- **NAC 645.690 Correction of certain deficiencies upon notice and request by Division**
 - 1. The Division may grant a licensee up to 10 days to correct any deficiency involving advertising, business location, office operation or a broker's sign. A notice of the deficiency and a request to correct the deficiency will be mailed to the licensee. Failure to comply with the request is a ground for the suspension or revocation of the license. The notice must state the deficiencies or violations, the recommended action, and the date by which the deficiencies must be corrected.
 - 2. The Division may grant an extension for a definite time to correct the deficiency whenever the correction may, practicably, require additional time.

- **NRS 645.580 Termination of association or employment of broker-salesperson or salesperson; duties of broker or owner-developer and broker-salesperson or salesperson; transfer of license or new license.**
 1. When any real estate broker-salesperson or salesperson terminates, for any reason... the real estate broker or owner-developer shall:
 - (a) Deliver or mail by certified mail to the Division the real estate broker-salesperson's or salesperson's license, together with a written statement of the circumstances surrounding the termination of the association or the employment, within 10 days after the termination occurs.
 - (b) At the time of delivering or mailing the license to the Division, address a communication to the last known residence address of the broker-salesperson or salesperson, advising him or her that the license has been delivered or mailed to the Division. A copy of the communication must accompany the license when delivered or mailed to the Division.
 2. A broker-salesperson or salesperson must, within 30 days after termination of that association, become associated with or employed by another broker or owner-developer or request that the license be placed on inactive status.
 3. It is unlawful for any real estate salesperson to perform any of the acts contemplated by this chapter...until the license is transferred or reissued or a new license is issued.
- **NRS 645.6052 Permit to engage in property management: Persons eligible; requirements; instruction; expiration; renewal; regulations.**
 1. A person who is licensed pursuant to this chapter as a real estate broker, real estate broker-salesperson or real estate salesperson may apply to the Real Estate Division for a permit to engage in property management.
 2. An applicant for a permit must:
 - (a) Furnish proof satisfactory to the Division that the applicant has successfully completed at least 24 classroom hours of instruction in property management; and
 - (b) Comply with all other requirements established by the Commission for the issuance of a permit.
 3. A permit expires, and may be renewed, at the same time as the license of the holder of the permit.
 4. An applicant for the renewal of a permit must:
 - (a) Furnish proof satisfactory to the Division that the applicant has successfully completed at least 3 9 hours of the continuing education required for the renewal of his or her license pursuant to the regulations adopted by the Commission pursuant to NRS 645.575 in an approved educational course, seminar or conference concerning property management
- **NRS 645.6055 Designated property managers: Requirements; qualifications; duties.**
 1. If a real estate broker does not hold a permit to engage in property management but intends to have property management activities conducted at an office, the real estate broker must:
 - (a) Appoint a person, who has the qualifications required by this section, as the designated property manager for the office to supervise the property management activities conducted at the office; and
 - (b) Submit notice of the appointment to the Division.
 2. The designated property manager for an office must be a natural person who:
 - (a) Holds a license as a real estate broker or real estate broker-salesperson;
 - (b) Holds a permit to engage in property management; and
 - (c) Has 2 years active experience, within the 4 years immediately preceding the date of the appointment, in conducting property management activities in the United States as a licensed real estate broker, real estate broker-salesperson or real estate salesperson.

All of this is duplicated for Business Brokers.

REGULATION OF PRACTICES

- **NRS 645.252 Duties of licensee acting as agent in real estate transaction.** A licensee: Shall disclose to each party to the real estate transaction as soon as is practicable:
 - (a) Any material and relevant facts, data or information which the licensee knows, or which by the exercise of reasonable care and diligence should have known, relating to the property which is the subject of the transaction.
 - (b) Each source from which the licensee will receive compensation as a result of the transaction.
 - (c) That the licensee is a principal to the transaction or has an interest in a principal to the transaction.
 - (d) Except as otherwise provided in NRS 645.253, that the licensee is acting for more than one party to the transaction. If a licensee makes such a disclosure, he or she must obtain the written consent of each party to the transaction for whom the licensee is acting before he or she may continue to act in his or her capacity as an agent...
- **NRS 645.253 Licensees affiliated with same brokerage: Additional duties when assigned to separate parties to real estate transaction.** If a real estate broker assigns different licensees affiliated with his or her brokerage to separate parties to a real estate transaction, the licensees are not required to obtain the written consent (Consent to Act not required) required pursuant to paragraph (d) of subsection 1 of NRS 645.252. Each licensee shall not disclose, except to the real estate broker, confidential information relating to a client in violation of NRS 645.254.

Assigned Agency/Designated Agency: Intent is to shield liability of a dual agency.

- **NRS 645.254 Additional duties of licensee entering into brokerage agreement to represent client in real estate transaction.** A licensee who has entered into a brokerage agreement to represent a client in a real estate transaction:
 - (1) Shall exercise reasonable skill and care to carry out the terms of the brokerage agreement and to carry out his or her duties pursuant to the terms of the brokerage agreement;
 - (2) Shall not disclose confidential information relating to a client for 1 year after the revocation or termination of the brokerage agreement...
 - (3) Shall seek a sale, purchase, option, rental or lease of real property at the price and terms stated in the brokerage agreement or at a price acceptable to the client;
 - (4) Shall present all offers made to or by the client as soon as is practicable, unless the client chooses to waive the duty of the licensee to present all offers and signs a waiver of the duty on a form prescribed by the Division;
 - (5) Shall disclose to the client material facts of which the licensee has knowledge concerning the transaction;
 - (6) Shall advise the client to obtain advice from an expert relating to matters which are beyond the expertise of the licensee; and
 - (7) Shall account for all money and property the licensee receives in which the client may have an interest as soon as is practicable.
- **NRS 645.259 Liability of licensee for misrepresentation made by client; failure of seller to make required disclosures is public record.** A licensee may not be held liable for:
 - (1) A misrepresentation made by his or her client unless the licensee:
 - (a) Knew the client made the misrepresentation; and
 - (b) Failed to inform the person to whom the client made the misrepresentation that the statement was false...

What are your “Fiduciary Duties”

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These six fiduciary duties can be remembered with the acronym “COLDAC.”

- **NRS 645.300 Delivery of copy of written brokerage agreement; receipt.** When a licensee prepares or has prepared a written brokerage agreement authorizing or employing the licensee to purchase or sell real estate for compensation or commission, the licensee shall deliver a copy of the written brokerage agreement to the client signing it at the time the signature is obtained, if possible, or otherwise within a reasonable time thereafter. Receipt for the copy may be made on the face of the written brokerage agreement.
- **NRS 645.320 Requirements for exclusive agency representation.** Every brokerage agreement which includes a provision for an exclusive agency representation must:
 1. Be in writing.
 2. Have set forth in its terms a definite, specified and complete termination date.
 3. Contain no provision which requires the client who signs the brokerage agreement to notify the real estate broker of the client’s intention to cancel.... *cannot have automatic renewal clause*
 4. Be signed by both the client or his or her authorized representative and the broker or his or her authorized representative in order to be enforceable.
- **NRS 645.6056 Property management agreements: Requirements; contents.**
 1. A real estate broker who holds a permit to engage in property management shall not act as a property manager unless the broker has first obtained a property management agreement signed by the broker and the client for whom the broker will manage the property.
 2. A property management agreement must include, without limitation:
 - (a) The term of the agreement and, if the agreement is subject to renewal, provisions clearly setting forth the circumstances under which the agreement may be renewed and the term of each such renewal;
 - (b) A provision for the retention and disposition of deposits of the tenants of the property during the term of the agreement and, if the agreement is subject to renewal, during the term of each such renewal;
 - (c) The fee or compensation to be paid to the broker;
 - (d) The extent to which the broker may act as the agent of the client;
 - (e) If the agreement is subject to cancellation, provisions clearly setting forth the circumstances under which the agreement may be cancelled...

How many of the protected classes can you name pertaining to housing discrimination in Nevada?

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- **NRS 645.321 Discriminatory practices unlawful; penalty.**
 1. It is unlawful, on account of race, religious creed, color, national origin, disability, sexual orientation, gender identity or expression, ancestry, familial status or sex, to:
 - (a) Discriminate against any person:
 - (1) By denying the person access to or membership or participation in any multiple-listing service, real estate brokers' organization or other service or facility relating to the sale or rental of dwellings; or
 - (2) In the terms or conditions of such access, membership or participation...
- **NAC 645.632 Notification of rejection of offer or counteroffer.**
 1. If a licensee represents a seller in a transaction, and if the seller does not accept an offer within a reasonable time after an offer has been presented to the seller, the licensee shall provide to the buyer or the representative of the buyer written notice signed by the seller which informs the buyer that the offer has not been accepted by the seller.
 2. *same is true of representing the buyer*
- **NAC 645.650 Periods for maintenance of certain records by broker and for provision of certain paperwork to broker.**
 1. A broker shall keep complete real estate transaction and property management records for at least 5 years after the date of the closing or the last activity involving the property, including, without limitation, offers that were not accepted and transactions that were not completed, unless otherwise directed by the Division.
 2. A salesperson or broker-salesperson must provide any paperwork to the broker with whom he or she is associated within 5 calendar days after that paperwork is executed by all the parties.
- **NRS 645.315 Conditions and limitations on certain advertisements; required disclosures; prohibited acts.**
 1. In any advertisement through which a licensee offers to perform services for which a license is required pursuant to this chapter, the licensee shall:

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 - a. If the licensee is a real estate broker, disclose the name of any brokerage under which the licensee does business; or
 - b. If the licensee is a real estate broker-salesperson or real estate salesperson, disclose the name of the brokerage with whom the licensee is associated.
 2. If a licensee is a real estate broker-salesperson or real estate salesperson, the licensee shall not advertise solely under the licensee's own name when acting in the capacity as a broker-salesperson or salesperson. All such advertising must be done under the direct supervision of and in the name of the brokerage with whom the licensee is associated.
also the same
- **NAC 645.611 Advertisement of services: Use of terms “team” and “group.”** A licensee may use the term “team” or “group” to advertise the services provided by the licensee if:
 1. The use of the term does not constitute the unlawful use of a trade name and is not deceptively similar to a name under which any other person is lawfully doing business;
 2. The team or group is composed of more than one licensee;
 3. The members of the team or group are employed by the same broker;
 4. The name of the team or group contains the ~~last~~ name of at least one of the members of the team or group...
- **NAC 645 was amended in 2020**

Except as otherwise provided by law, a licensee may use a nickname to advertise services offered for which a license is required pursuant to chapter 645 of NRS only if:

1. The nickname is not materially misleading as to the identity, affiliation or nature of the services of the licensee;
2. The nickname does not use any combination of numbers or spaces;
3. The nickname would not create a reasonable expectation that the licensee intends to engage in any discriminatory practices in violation of NRS 645.321; and
4. The advertising complies with all other applicable provisions of this chapter and chapter 645 of NRS.

- **NAC 645.610 was amended in 2020**

A licensee shall in a conspicuous way, include his or her license number in any advertisements. A licensee may, but is not required to, include any:

1. Preceding zeros at the beginning of the license number; or
2. Letters after the period following the license number.

“advertisement” includes, without limitation:

- a. Any unsolicited printed [material] media, sales literature, brochures or flyers and any broadcast media made by radio, television or electronic means, including, without limitation, by unsolicited electronic mail and social media, the Internet, billboards and signs; and
- b. Business cards, stationery, forms and other documents used in a real estate transaction.

- **NAC 645.611 was amended in 2020**

1. Requires advertising for a team to include a license number of at least one of the members of the team/group.
2. The name of the team or group contains the [last] name and license number of at least one of the members of the team or group;

EDUCATION

- NAC 645.448 Specific requirements for renewal of license other than initial license...

SALESPERSON SUBSEQUENT RENEWALS (Effective October 31, 2021)

Subsequent renewals are valid for 2 years.

36 hours of continuing education is required:

- 3 hours Agency
- 6 hours Contracts
- 3 hours Ethics
- 3 hours Law & Legislation
- 3 hours Risk Reduction
- 18 hours of General courses (property managers or business broker permit holder must include 9 hours of continuing education for each permit)

At least 18 of the 36 hours must be taken through live instruction.

Renewal Fee: \$180

BROKER OR BROKER-SALESPERSON SUBSEQUENT RENEWALS (Effective October 31, 2021)

Subsequent renewals are valid for 2 years.
36 hours of continuing education is required:

- 3 hours Agency
- 6 hours Contracts
- 3 hours Ethics
- 3 hours Law & Legislation
- 3 hours Risk Reduction
- 6 hours of Broker Management
- 12 hours of General courses (property managers or business broker permit holder must include 9 hours of continuing education for each permit)

At least 18 of the 36 hours must be taken through live instruction.
Renewal Fee: \$180

- **NAC 645.313 Proof of compliance with requirements for continuing education requisite to renewal of license.** The Division shall not renew the license of an active broker, broker-salesperson or salesperson unless he or she submits to the Division proof of compliance with the requirements for continuing education set forth in NRS 645.575 and the regulations adopted pursuant thereto.

DISCIPLINARY AND OTHER ACTIONS

- **NRS 645.610 Investigation of actions of licensees and other persons.** The Administrator may investigate the actions of any real estate broker, broker-salesperson, salesperson, owner-developer or any person who acts in any such capacity within this State.
- **NRS 645.280 Association with or compensation of unlicensed broker, broker-salesperson or salesperson unlawful; payment of commission other than through broker or owner-developer unlawful.**
 1. It is unlawful for any licensed real estate broker, or broker-salesperson or salesperson to offer, promise, allow, give or pay, directly or indirectly, any part or share of his or her commission, compensation or finder's fee arising or accruing from any real estate transaction to any person who is not a licensed...
 2. A real estate broker-salesperson or salesperson shall not be associated with or accept compensation from any person other than the broker or owner-developer under whom he or she is licensed at the time of the real estate transaction...
- **NRS 645.630 Authorized disciplinary action; grounds for disciplinary action; orders imposing discipline deemed public records.**
 1. The Commission may require a licensee, property manager or owner-developer to pay an administrative fine of not more than \$10,000 for each violation he or she commits or suspend, revoke, deny the renewal of or place conditions upon his or her license... is found guilty of:
 - (a) Making any material misrepresentation.
 - (b) Making any false promises of a character likely to influence, persuade or induce.
 - (c) Accepting a commission or valuable consideration as a real estate broker-salesperson or salesperson for the performance of any of the acts specified in this chapter or chapter 119 or 119A of NRS from any person except the licensed real estate broker with whom he or she is associated or the owner-developer by whom he or she is employed.

- (d) Representing or attempting to represent a real estate broker other than the broker with whom he or she is associated, without the express knowledge and consent of the broker with whom he or she is associated.
 - (e) Failing to maintain, for review and audit by the Division, each brokerage agreement and property management agreement governed by the provisions of this chapter and entered into by the licensee.
 - (f) Failing, within a reasonable time, to account for or to remit any money which comes into his or her possession and which belongs to others.
 - (g) If he or she is required to maintain a trust account:
 - (1) Failing to balance the trust account at least monthly; and
 - (2) Failing to submit to the Division an annual accounting of the trust account as required in NRS 645.310.
 - (h) Commingling the money or other property of his or her clients with his or her own or converting the money of others to his or her own use.
 - (i) In the case of a broker-salesperson or salesperson, failing to place in the custody of his or her licensed broker or owner-developer, as soon as possible, any deposit...
 - (j) Accepting other than cash as earnest money unless that fact is communicated to the owner before his or her acceptance of the offer to purchase and that fact is shown in the receipt for the earnest money.
 - (k) Upon acceptance of an agreement, in the case of a broker, failing to deposit any check or cash received as earnest money before the end of the next banking day unless otherwise provided in the purchase agreement.
 - (l) Inducing any party to a brokerage agreement, property management agreement, agreement of sale or lease to break it in order to substitute a new brokerage agreement, property management agreement, agreement of sale or lease with the same or another party if the inducement to make the substitution is offered to secure personal gain to the licensee or owner-developer.
- **NRS 645.633 Additional grounds for disciplinary action: Improper trade practices; violations of certain orders, agreements, laws and regulations; criminal offenses; other unprofessional and improper conduct; reciprocal discipline; violations relating to property management; log of complaints; reports.**
 - 1. The Commission may take action pursuant to NRS 645.630 against any person subject to that section who is guilty of any of the following acts:
 - (a) Willfully using any trade name, service mark or insignia of membership in any real estate organization of which the licensee is not a member, without the legal right to do so.
 - (b) Violating any order of the Commission, any agreement with the Division, any of the provisions of this chapter...
 - (c) Paying a commission, compensation or a finder's fee to any person for performing the services of a broker, broker-salesperson or salesperson who has not secured a license...
 - (d) A conviction of, or the entry of a plea of guilty, guilty but mentally ill or nolo contendere to:
 - (1) A felony relating to the practice of the licensee, property manager or owner-developer; or
 - (2) Any crime involving fraud, deceit, misrepresentation or moral turpitude.
 - (e) Guaranteeing, or having authorized or permitted any person to guarantee, future profits which may result from the resale of real property.
 - (f) Failure to include a fixed date of expiration in any written brokerage agreement or failure to leave a copy of such a brokerage agreement or any property management agreement with the client.
 - (g) Accepting, giving or charging any undisclosed commission, rebate or direct profit on expenditures made for a client.
 - (h) Gross negligence or incompetence ...
 - (i) Any other conduct which constitutes deceitful, fraudulent or dishonest dealing.

- (j) Any conduct which took place before the person became licensed which was in fact unknown to the Division and which would have been grounds for denial of a license had the Division been aware of the conduct.
 - (k) Knowingly permitting any person whose license has been revoked or suspended to act as a real estate broker, broker-salesperson or salesperson, with or on behalf of the licensee.
 - (l) Recording or causing to be recorded a claim pursuant to the provisions of NRS 645.8701 to 645.8811, inclusive, that is determined by a district court to be frivolous and made without reasonable cause pursuant to NRS 645.8791.
- **NRS 645.635 Additional grounds for disciplinary action: Unprofessional and improper conduct relating to real estate transactions.** The Commission may take action pursuant to NRS 645.630 against any person subject to that section who is guilty of:
 - 1. Offering real estate for sale or lease without the knowledge and consent of the owner or the owner's authorized agent or on terms other than those authorized by the owner or the owner's 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 ...
 - 3. 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.
 - 5. 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.
 - 6. 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.
 - 7. 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.
 - 8. 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...
 - 9. 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.
 - 10. Knowingly submitting any false or fraudulent appraisal to any financial institution or other interested person.
 - **NRS 645.645 Additional grounds for disciplinary action: Unprofessional and improper conduct relating to sale of insurance for home protection.** The Commission may take action...
 - 1. Makes a misrepresentation in the sale of insurance for home protection.
 - 2. Misrepresents the provisions of the contract of insurance for home protection.
 - 3. Misappropriates any fees or premiums collected for the insurance for home protection.
 - **NRS 645.647 Additional grounds for disciplinary action: Failure to pay money to Commission or Division.** In addition to any other remedy or penalty, the Commission or the Division, as appropriate, may:
 - 1. Refuse to issue a license, permit, certificate or registration to a person who has failed to pay money which the person owes to the Commission or the Division.
 - 2. Refuse to renew, or suspend or revoke, the license, permit, certificate or registration of a person who has failed to pay money which the person owes to the Commission or the Division.
 - **NAC 645.605 Considerations in determining certain misconduct by licensee.** In determining whether a licensee has been guilty of gross negligence or incompetence under paragraph (h) of subsection 1 of NRS 645.633 or conduct which constitutes deceitful, fraudulent or dishonest dealing

under paragraph (i) of that subsection, the Commission will consider, among other things, whether the licensee:

1. Has done his or her utmost to protect the public against fraud, misrepresentation or unethical practices related to real estate or time shares.
2. Has ascertained all pertinent facts concerning any time share or property for which the licensee accepts an agency.
3. Has attempted to provide specialized professional services concerning a type of property or service that is outside the licensee's field of experience or competence...
4. Has disclosed, in writing, his or her interest or contemplated interest in any property or time share with which the licensee is dealing...
5. Has kept informed of current statutes and regulations governing real estate, time shares and related fields in which he or she attempts to provide guidance.
6. Has breached his or her obligation of absolute fidelity to his or her principal's interest or his or her obligation to deal fairly with all parties to a real estate transaction.
7. Has ensured that each agreement for the sale, lease or management of property or time shares is contained in a written agreement that has been signed by all parties and that his or her real estate broker, and each party to the real estate transaction has a copy of the written agreement.
8. Has obtained all changes of contractual terms in writing and whether such changes are signed or initialed by the parties concerned.
9. Understands and properly applies federal and state statutes relating to the protection of consumers.
10. Has acquired knowledge of all material facts...
11. Has impeded or attempted to impede any investigation of the Division...

END OF COURSE QUIZ

1. Who may receive compensation from ERRF?
 - a. a cooperating agency which did not receive its share of the commission from the listing firm
 - b. a broker whose commission was refuted by his client
 - c. a seller who pays a commission to a broker under false pretenses
 - d. a buyer who paid a brokerage fee under a brokerage agreement
2. What is the maximum fine for a violation of Nevada real estate licensing law?
 - a. \$500 per offense
 - b. \$5,000 per offense
 - c. \$10,000 per offense
 - d. \$20,000 per offense
3. The listing salesperson is showing his listing to very interested buyers. The asking price is \$249,000. The salesperson suggests to the buyers that they make an offer of \$230,000 because the salesperson believes that might be accepted by his sellers. Has the salesperson violated the licensing law?
 - a. No, because he is representing the buyers whenever he writes an offer on their behalf.
 - b. No, because the salesperson is attempting to generate some sort of purchasing activity on the property.
 - c. Yes, because he offered the property at a price not authorized by the sellers and is breaching his fiduciary duty.
 - d. Yes, because the offer is not a bona fide offer.
4. A salesperson procures a ready, willing, and able buyer for her seller. The seller accepts the offer and then gets cold feet the next day and withdraws his acceptance. The salesperson:
 - a. may sue the seller.
 - b. cannot collect a commission as the transaction will not close.
 - c. might still be entitled to collect a commission.
 - d. may retain the earnest money deposit in lieu of a commission.
5. The *Duties Owed by a Nevada Licensee* form must be supplied to prospective purchasers or tenants:
 - a. at an open house.
 - b. before they are shown any properties.
 - c. immediately after signing the buyer brokerage agreement.
 - d. at the close of escrow.

6. Regarding the duty of confidentiality, Nevada law requires that the:
 - a. broker maintain all information as confidential for a period of two years.
 - b. broker keep all information confidential that the seller has provided about the property.
 - c. broker disclose information that materially affects the property even when the buyer does not ask for it.
 - d. broker disclose everything that the seller shares.
7. All of the following are grounds for disciplinary action EXCEPT a licensee:
 - a. giving information on a rental to a tenant without the landlord's permission.
 - b. trying to negotiate a sale of property directly with an owner while that owner is currently exclusively listed with another broker.
 - c. refusing to show property to a prospective purchaser due to poor credit.
 - d. refusing to write a low offer that the licensee knows will not be accepted.
8. Bob, a Nevada real estate salesperson, puts his own home on the market and places a sign in the yard. Bob's sign must:
 - a. identify the brokerage name and Bob's name.
 - b. Include the word "REALTOR®."
 - c. indicate his name and contact information.
 - d. identify the brokerage name.
9. Several weeks after the close of escrow, a broker-salesperson received a nice thank you note with a bonus check from the seller. The broker-salesperson cashed the check and kept the funds for her own use. Which of the following is TRUE?
 - a. This is a violation of Nevada regulations and the broker-salesperson may be disciplined.
 - b. This is perfectly legitimate, but only if the check were payable to the broker-salesperson.
 - c. This is acceptable provided the broker is aware.
 - d. This is legal as long as the bonus check is not in excess of \$500.
10. Nevada real estate brokers are required to keep transaction records for:
 - a. one year.
 - b. five years from last activity.
 - c. forever.
 - d. None of the above
11. The maximum amount an individual may claim from the recovery fund pertaining to any one transaction is actual damages but no more than:
 - a. \$25,000.
 - b. \$50,000.
 - c. \$100,000.
 - d. \$300,000.

12. Which element, if missing in an exclusive right to sell listing agreement, could result in a suspension, revocation, or fine?
- a. exact expiration date
 - b. automatic renewal clause
 - c. salesperson's name
 - d. broker protection clause
13. A salesperson must submit all paperwork on a new transaction to the broker within what number of days?
- a. 1 business day
 - b. 3 calendar days
 - c. 5 calendar days
 - d. 10 days
14. An unlicensed assistant may perform all of the following activities EXCEPT:
- a. prepare mailings and promotional materials.
 - b. assemble disclosure documents required for a closing.
 - c. compute commission checks.
 - d. explain simple contract documents to prospective purchasers.
15. Which of the following omissions from an agent's web site could result in a fine from the Nevada Real Estate Division?
- a. contact information
 - b. the agent's license number
 - c. pictures of the properties
 - d. the term REALTOR®
16. In Las Vegas, the standard real estate commission rate is:
- a. 5%
 - b. 6%
 - c. 7%
 - d. None of the above
17. An earnest money deposit:
- a. is legally required with an offer.
 - b. may not be in the form of cash.
 - c. can be anything of value that is acceptable to the offeree.
 - d. in the form of promissory note is illegal in Nevada.

18. Must a Nevada broker maintain a trust account?

- a. No, but only if the Division has exempted the broker from maintaining one.
- b. No.
- c. Yes.

16. Yes, and the account information must be on file with the Commission

19. When must a *Seller's Real Property Disclosure* form be delivered to the buyer?

- a. no later than ten days before the property is conveyed to the purchaser
- b. at the time that the seller agrees to the offer
- c. at the time of the home inspection
- d. at the time of closing

20. If an associate makes a misrepresentation to a client, the broker:

- a. cannot be disciplined because he would have no way to know of the misrepresentation.
- b. should have offered better training and management.
- c. may be disciplined for failure to supervise.
- d. will have his license suspended until a monetary fine is paid.

21. Declaring a designated agency eliminates the need for what Nevada form?

- a. Consent to Act
- b. Duties Owed
- c. SRPD
- d. None of the above

22. A Nevada licensee forgot to renew her Nevada real estate license before the license expiration date. Which of the following statements is TRUE?

- a. She may renew her license if she completes additional education requirements.
- b. She may renew her license within one year if she pays additional fees.
- c. She must reapply for a license as an original, first-time applicant.
- d. She may only renew her license with both the completion of additional education and the payment of additional fees.

23. Which of these is responsible for adopting Nevada real estate regulations?

- a. the Division
- b. the Nevada Real Estate Commission
- c. the Attorney General
- d. the Administrator

24. James wants to obtain a property management permit. All of the following are requirements of a property manager permit holder EXCEPT:
- a. 24 hours of pre-permit education.
 - b. 3 hours of continuing education in property management upon renewal.
 - c. a real estate license.
 - d. a broker's license.
25. Carlos, an agent with Champions Realty, listed the Harrigan property on Oak Street. A week later, Rita, also with Champions Realty, wrote an offer on the Oak Street property which was accepted. To avoid a dual agency, the broker of Champions Realty could establish what type of agency?
- a. single agency
 - b. dual agency
 - c. multiple representation
 - d. assigned agency
26. A salesperson who is delinquent on child support:
- a. will automatically have his license suspended.
 - b. may have his license suspended or revoked after a hearing before the Commission.
 - c. is subject to a \$10,000 fine.
 - d. will be terminated by his brokerage.
27. What is the standard real estate brokerage commission in Nevada?
- a. 3%
 - b. 5%
 - c. 6%
 - d. There is no standard commission.
28. Salesperson Selma's license expires on October 31st of this year. Selma needs the following C.E. courses EXCEPT:
- a. 3 hours of agency
 - b. 6 hours of contracts
 - c. 3 hours of risk management
 - d. 6 hours of law and legislative update
29. According to Nevada real estate law, all of the following are a protected class in housing EXCEPT:
- a. age.
 - b. religion.
 - c. sexual orientation.
 - d. gender expression.

30. Which of the following is NOT a material fact?

- a. The electrical panel is insufficient for the home's electrical needs.
- b. The husband was murdered in the kitchen.
- c. The dishwasher is inoperative.
- d. There is fire damage in the attic.

CONCLUSION

- Comments and Questions
- Quiz and Quiz Review
- Evaluations
- Certificates
- Initial Out/Time Out