



"NRS PICKLEBALL"

3 Hours of Law/Legislative Update
Continuing Education

Approved by the Division on Behalf of the Commission

Participant Outline

Written by Joe 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

“NRS Pickleball” brings our attention to NRS 113, NRS 645, and NAC 645.

As a 3-hour course approved by the Nevada Real Estate Division, we tried to keep the course fun and interactive with a Pickleball match or two to reinforce these statutes.

We hope you enjoy our program, learn some new things, and have fun too!

I. NRS 113 Sales of Real Property

A. The Form

SELLER'S REAL PROPERTY DISCLOSURE FORM

In accordance with Nevada Law, a seller of residential real property in Nevada must disclose any and all known conditions and aspects of the property which materially affect the value or use of residential property in an adverse manner (*see NRS 113.130 and 113.140*).

Date: _____ Do you currently occupy or have you ever occupied this property? ☐ YES ☐ NO

Property Address: _____

A seller's agent shall not complete a disclosure form regarding the residential property on behalf of the seller. (*NRS 113.130(2)*)

A seller that requires an ADA compliant version of this document can contact Nevada ADA Assistance for their request: [NV ADA Assistance](#)

A purchaser may not waive the requirement to provide this form and a seller may not require a purchaser to waive this form. (*NRS 113.130(3)*)

Type of Seller: ☐ Bank (financial institution); ☐ Asset Management Company; ☐ Owner-occupier; ☐ Other: _____

Purpose of Statement: (1) This statement is a disclosure of the condition of the property in compliance with the Seller Real Property Disclosure Act, effective January 1, 1996. (2) This statement is a disclosure of the condition and information concerning the property known by the Seller which materially affects the value of the property. Unless otherwise advised, the Seller does not possess any expertise in construction, architecture, engineering or any other specific area related to the construction or condition of the improvements on the property or the land. Also, unless otherwise advised, the Seller has not conducted any inspection of generally inaccessible areas such as the foundation or roof. This statement is not a warranty of any kind by the Seller or by any Agent representing the Seller in this transaction and is not a substitute for any inspections or warranties the Buyer may wish to obtain. Systems and appliances addressed on this form by the seller are not part of the contractual agreement as to the inclusion of any system or appliance as part of the binding agreement.

Instructions to the Seller: (1) ANSWER ALL QUESTIONS. (2) REPORT KNOWN CONDITIONS AFFECTING THE PROPERTY. (3) ATTACH ADDITIONAL PAGES WITH YOUR SIGNATURE IF ADDITIONAL SPACE IS REQUIRED. (4) COMPLETE THIS FORM YOURSELF. (5) IF SOME ITEMS DO NOT APPLY TO YOUR PROPERTY, CHECK N/A (NOT APPLICABLE). EFFECTIVE JANUARY 1, 1996, FAILURE TO PROVIDE A PURCHASER WITH A SIGNED DISCLOSURE STATEMENT WILL ENABLE THE PURCHASER TO TERMINATE AN OTHERWISE BINDING PURCHASE AGREEMENT AND SEEK OTHER REMEDIES AS PROVIDED BY THE LAW (*see NRS 113.150*).

Systems / Appliances: Are you aware of any problems and/or defects with any of the following:

	YES	NO	N/A		YES	NO	N/A
Electrical System.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Shower(s).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plumbing.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sink(s).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sewer System & line.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sauna/hot tub(s).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Septic tank & leach field.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Built-in microwave.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Well & pump.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Range/oven/hood-fan.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yard sprinkler system(s).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Dishwasher.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fountain(s).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Garbage disposal.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Heating system.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Trash compactor.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cooling system.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Central Vacuum.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solar heating system.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Alarm system.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fireplace & chimney.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Owned ... <input type="checkbox"/> Leased ... <input type="checkbox"/>			
Wood burning system.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Smoke Detector.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Garage door opener.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Intercom.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water treatment system(s).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Data Communication line(s).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Owned ... <input type="checkbox"/> Leased ... <input type="checkbox"/>				Satellite dish(es).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water heater.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Owned ... <input type="checkbox"/> Leased ... <input type="checkbox"/>			
Toilet(s).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bathtub(s).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

EXPLANATIONS: Any "Yes" must be fully explained on page 3 of this form.

Seller(s) Initials

Buyer(s) Initials

Property Conditions, improvements, and additional information:

YES NO N/A

Are you aware of any of the following?:

1. Structure:

- (a) Previous or current moisture conditions and/or water damage? ☐ ☐
- (b) Any structural defect? ☐ ☐
- (c) Any construction, modification, alterations, or repairs made without required state, city or county building permits? ☐ ☐
- (d) Whether the property is or has been the subject of a claim governed by NRS 40.600 to 40.695 (construction defect claims)? ☐ ☐

(If seller answers yes, FURTHER DISCLOSURE IS REQUIRED)

2. Land / Foundation:

- (a) Any of the improvements being located on unstable or expansive soil? ☐ ☐
- (b) Any foundation sliding, settling, movement, upheaval, or earth stability problems that have occurred on the property? ☐ ☐
- (c) Any drainage, flooding, water seepage, or high-water table? ☐ ☐
- (d) The property being located in a designated flood plain? ☐ ☐
- (e) Whether the property is located next to or near any known future development? ☐ ☐
- (f) Any encroachments, easements, zoning violations or nonconforming uses? ☐ ☐
- (g) Is the property adjacent to "open range" land? ☐ ☐

(If seller answers yes, FURTHER DISCLOSURE IS REQUIRED under NRS 113.065)

3. Roof: Any problem with the roof? ☐ ☐

4. Pool / Spa: Any problems with structure, wall, liner, or equipment ☐ ☐ ☐

5. Infestation: Any history of infestation (termites, carpenter ants, etc.)? ☐ ☐

6. Environmental:

- (a) Any substances, materials, or products which may be an environmental hazard such as but not limited to, asbestos, radon gas, urea formaldehyde, fuel or chemical storage tanks, contaminated water or soil on the property? ☐ ☐
- (b) Has property been the site of a crime involving the previous manufacture of Methamphetamine where the substances have not been removed from or remediated on the Property by a certified entity or has not been deemed safe for habitation by the Board of Health? ☐ ☐

7. Fungi / Mold: Any previous or current fungus or mold? ☐ ☐

8. Any features of the property shared in common with adjoining landowners such as walls, fences, road, driveways or other features whose use or responsibility for maintenance may have an effect on the property? ☐ ☐

9. Common Interest Communities: Any "common areas" (facilities like pools, tennis courts, walkways or other areas co-owned with others) or a homeowner association which has any authority over the property? ☐ ☐

- (a) Common Interest Community Declaration and Bylaws available? ☐ ☐
- (b) Any periodic or recurring association fees? ☐ ☐
- (c) Any unpaid assessments, fines or liens, and any warnings or notices that may give rise to an assessment, fine or lien? .. ☐ ☐
- (d) Any litigation, arbitration, or mediation related to property or common area? ☐ ☐
- (e) Any assessments associated with the property (excluding property taxes)? ☐ ☐
- (f) Any construction, modification, alterations, or repairs made without required approval from the appropriate Common Interest Community board or committee? ☐ ☐

10. Any problems with water quality or water supply? ☐ ☐

11. Any other conditions or aspects of the property which materially affect its value or use in an adverse manner? ☐ ☐

12. Lead-Based Paint: Was the property constructed on or before 12/31/77? ☐ ☐

(If yes, additional Federal EPA notification and disclosure documents are required)

13. Water source: Municipal ☐ Community Well ☐ Domestic Well ☐ Other ☐

If Community Well: State Engineer Well Permit Number: _____

Revocable ☐ Permanent ☐ Cancelled ☐

14. Conservation Easements such as the SNWA's Water Smart Landscape Program: Is the property a participant? ☐ ☐

15. Solar Panels: Are any installed on the property? ☐ ☐

If yes, are the solar panels: Owned ☐ Leased ☐ or Financed ☐

16. Wastewater Disposal: Municipal Sewer ☐ Septic System ☐ Other ☐

17. This property is subject to a Private Transfer Fee Obligation? ☐ ☐

EXPLANATIONS: Any "Yes" must be fully explained on page 3 of this form.

Seller(s) Initials

Buyer(s) Initials

EXPLANATIONS: Any “Yes” to questions on page 1 and 2 must be fully explained here. Attach additional pages if needed.

Seller(s) Initials

Buyer(s) Initials

Buyers and sellers of residential property are advised to seek the advice of an attorney concerning their rights and obligations as set forth in Chapter 113 of the Nevada Revised Statutes regarding the seller's obligation to execute the Nevada Real Estate Division's approved "Seller's Real Property Disclosure Form". For your convenience, Chapter 113 of the Nevada Revised Statutes provides as follows:

CONDITION OF RESIDENTIAL PROPERTY OFFERED FOR SALE

NRS 113.100 Definitions. As used in [NRS 113.100](#) to [113.150](#), inclusive, unless the context otherwise requires:

1. "Defect" means a condition that materially affects the value or use of residential property in an adverse manner.
2. "Disclosure form" means a form that complies with the regulations adopted pursuant to [NRS 113.120](#).
3. "Dwelling unit" means any building, structure, or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one person who maintains a household or by two or more persons who maintain a common household.
4. "Residential property" means any land in this state to which is affixed not less than one nor more than four dwelling units.
5. "Seller" means a person who sells or intends to sell any residential property.

(Added to NRS by [1995, 842](#); [A 1999, 1446](#))

NRS 113.110 Conditions required for "conveyance of property" and to complete service of document. For the purposes of [NRS 113.100](#) to [113.150](#), inclusive:

1. A "conveyance of property" occurs:
 - (a) Upon the closure of any escrow opened for the conveyance; or
 - (b) If an escrow has not been opened for the conveyance, when the purchaser of the property receives the deed of conveyance.
2. Service of a document is complete:
 - (a) Upon personal delivery of the document to the person being served; or
 - (b) Three days after the document is mailed, postage prepaid, to the person being served at the person's last known address. (Added to NRS by [1995, 844](#))

NRS 113.120 Regulations prescribing format and contents of form for disclosing condition of property. The Real Estate Division of the Department of Business and Industry shall adopt regulations prescribing the format and contents of a form for disclosing the condition of residential property offered for sale. The regulations must ensure that the form:

1. Provides for an evaluation of the condition of any electrical, heating, cooling, plumbing and sewer systems on the property, and of the condition of any other aspects of the property which affect its use or value, and allows the seller of the property to indicate whether or not each of those systems and other aspects of the property has a defect of which the seller is aware.
2. Provides notice:
 - (a) Of the provisions of [NRS 113.140](#) and subsection 5 of [NRS 113.150](#).
 - (b) That the disclosures set forth in the form are made by the seller and not by the seller's agent.
 - (c) That the seller's agent, and the agent of the purchaser or potential purchaser of the residential property, may reveal the completed form and its contents to any purchaser or potential purchaser of the residential property.

(Added to NRS by [1995, 842](#))

NRS 113.130 Completion and service of disclosure form before conveyance of property; discovery or worsening of defect after service of form; exceptions; waiver.

1. Except as otherwise provided in subsection 2:
 - (a) At least 10 days before residential property is conveyed to a purchaser:
 - (1) The seller shall complete a disclosure form regarding the residential property; and
 - (2) The seller or the seller's agent shall serve the purchaser or the purchaser's agent with the completed disclosure form.
 - A seller's agent shall not complete a disclosure form regarding the residential property on behalf of the seller.
 - (b) If, after service of the completed disclosure form but before conveyance of the property to the purchaser, a seller or the seller's agent discovers a new defect in the residential property that was not identified on the completed disclosure form or discovers that a defect identified on the completed disclosure form has become worse than was indicated on the form, the seller or the seller's agent shall inform the purchaser or the purchaser's agent of that fact, in writing, as soon as practicable after the discovery of that fact but in no event later than the conveyance of the property to the purchaser. If the seller does not agree to repair or replace the defect, the purchaser may:
 - (1) Rescind the agreement to purchase the property; or
 - (2) Close escrow and accept the property with the defect as revealed by the seller or the seller's agent without further recourse.
 - (c) A seller's agent is not liable to the purchaser for damages if:
 - (1) The seller is aware of a defect and fails to disclose the defect to the purchaser on the disclosure form as required pursuant to paragraph (a); or
 - (2) After service of the completed disclosure form but before conveyance of the property to the purchaser, the seller discovers a new defect in the residential property that was not identified on the completed disclosure form or discovers that a defect identified on the completed disclosure form has become worse than was indicated on the form and fails to inform the purchaser or the purchaser's agent of that fact as required pursuant to paragraph (b).
 - The provisions of this paragraph do not affect, and must not be construed to affect, the obligation of a seller's agent to comply with the provisions of paragraph (a) of subsection 1 of [NRS 645.252](#).
2. Subsection 1 does not apply to a sale or intended sale of residential property:
 - (a) By foreclosure pursuant to [chapter 107](#) of NRS.
 - (b) Between any co-owners of the property, spouses or persons related within the third degree of consanguinity.
 - (c) Which is the first sale of a residence that was constructed by a licensed contractor.
 - (d) By a person who takes temporary possession or control of or title to the property solely to facilitate the sale of the property on behalf of a person who relocates to another county, state or country before title to the property is transferred to a purchaser.
 - (e) By a fiduciary under title 12 or 13 of NRS, including, without limitation, a personal representative, guardian, trustee or person acting under a power of attorney, who takes temporary possession or control of or title to the property solely to facilitate the sale of the property on behalf of a person who is deceased or incapacitated.
3. A purchaser of residential property may not waive any of the requirements of subsection 1. A seller of residential property may not require a purchaser to waive any of the requirements of subsection 1 as a condition of sale or for any other purpose.
4. If a sale or intended sale of residential property is exempted from the requirements of subsection 1 pursuant to paragraph (a) of subsection 2, the trustee and the beneficiary of the deed of trust shall, not later than at the time of the conveyance of the property to the purchaser of the residential property, or upon the request of the purchaser of the residential property, provide:
 - (a) Written notice to the purchaser of any defects in the property of which the trustee or beneficiary, respectively, is aware; and
 - (b) If any defects are repaired or replaced or attempted to be repaired or replaced, the contact information of any asset management company who provided asset management services for the property. The asset management company shall provide a service report to the purchaser upon request.
5. As used in this section:
 - (a) "Seller" includes, without limitation, a client as defined in [NRS 645H.060](#).
 - (b) "Service report" has the meaning ascribed to it in [NRS 645H.150](#).

(Added to NRS by [1995, 842](#); [A 1997, 349](#); [2003, 1339](#); [2005, 598](#); [2011, 2832](#); [2021, 961](#); [1081](#))

Seller(s) Initials

Buyer(s) Initials

NRS 113.135 Certain sellers to provide copies of certain provisions of NRS and give notice of certain soil reports; initial purchaser entitled to rescind sales agreement in certain circumstances; waiver of right to rescind.

1. Upon signing a sales agreement with the initial purchaser of residential property that was not occupied by the purchaser for more than 120 days after substantial completion of the construction of the residential property, the seller shall:

- (a) Provide to the initial purchaser a copy of [NRS 11.202](#), [11.2055](#), and [40.600 to 40.695](#), inclusive;
- (b) Notify the initial purchaser of any soil report prepared for the residential property or for the subdivision in which the residential property is located; and
- (c) If requested in writing by the initial purchaser not later than 5 days after signing the sales agreement, provide to the purchaser without cost each report described in paragraph (b) not later than 5 days after the seller receives the written request.

2. Not later than 20 days after receipt of all reports pursuant to paragraph (c) of subsection 1, the initial purchaser may rescind the sales agreement.

3. The initial purchaser may waive his or her right to rescind the sales agreement pursuant to subsection 2. Such a waiver is effective only if it is made in a written document that is signed by the purchaser.

(Added to NRS by [1999, 1446](#); A [2015, 18](#))

NRS 113.140 Disclosure of unknown defect not required; form does not constitute warranty; duty of buyer and prospective buyer to exercise reasonable care.

1. [NRS 113.130](#) does not require a seller to disclose a defect in residential property of which he is not aware.

2. A completed disclosure form does not constitute an express or implied warranty regarding any condition of residential property.

3. Neither this chapter nor [chapter 645](#) of NRS relieves a buyer or prospective buyer of the duty to exercise reasonable care to protect himself.

(Added to NRS by [1995, 843](#); A [2001, 2896](#))

NRS 113.150 Remedies for seller's delayed disclosure or nondisclosure of defects in property; waiver.

1. If a seller or the seller's agent fails to serve a completed disclosure form in accordance with the requirements of [NRS 113.130](#), the purchaser may, at any time before the conveyance of the property to the purchaser, rescind the agreement to purchase the property without any penalties.

2. If, before the conveyance of the property to the purchaser, a seller or the seller's agent informs the purchaser or the purchaser's agent, through the disclosure form or another written notice, of a defect in the property of which the cost of repair or replacement was not limited by provisions in the agreement to purchase the property, the purchaser may:

- (a) Rescind the agreement to purchase the property at any time before the conveyance of the property to the purchaser; or
- (b) Close escrow and accept the property with the defect as revealed by the seller or the seller's agent without further recourse.

3. Rescission of an agreement pursuant to subsection 2 is effective only if made in writing, notarized and served not later than 4 working days after the date on which the purchaser is informed of the defect:

- (a) On the holder of any escrow opened for the conveyance; or
- (b) If an escrow has not been opened for the conveyance, on the seller or the seller's agent.

4. Except as otherwise provided in subsection 5, if a seller conveys residential property to a purchaser without complying with the requirements of [NRS 113.130](#) or otherwise providing the purchaser or the purchaser's agent with written notice of all defects in the property of which the seller is aware, and there is a defect in the property of which the seller was aware before the property was conveyed to the purchaser and of which the cost of repair or replacement was not limited by provisions in the agreement to purchase the property, the purchaser is entitled to recover from the seller treble the amount necessary to repair or replace the defective part of the property, together with court costs and reasonable attorney's fees. An action to enforce the provisions of this subsection must be commenced not later than 1 year after the purchaser discovers or reasonably should have discovered the defect or 2 years after the conveyance of the property to the purchaser, whichever occurs later.

5. A purchaser may not recover damages from a seller pursuant to subsection 4 on the basis of an error or omission in the disclosure form that was caused by the seller's reliance upon information provided to the seller by:

- (a) An officer or employee of this State or any political subdivision of this State in the ordinary course of his or her duties; or

(b) A contractor, engineer, land surveyor, certified inspector as defined in [NRS 645D.040](#) or pesticide applicator, who was authorized to practice that profession in this State at the time the information was provided.

6. A purchaser of residential property may waive any of his or her rights under this section. Any such waiver is effective only if it is made in a written document that is signed by the purchaser and notarized.

(Added to NRS by [1995, 843](#); A [1997, 350, 1797](#))

The above information provided on pages one (1), two (2) and three (3) of this disclosure form is true and correct to the best of the seller's knowledge as of the date set forth on page one (1). **SELLER HAS DUTY TO DISCLOSE TO BUYER AS NEW DEFECTS ARE DISCOVERED AND/OR KNOWN DEFECTS BECOME WORSE (See NRS 113.130(1)(b)).**

Seller(s): _____ Date: _____

Seller(s): _____ Date: _____

BUYER MAY WISH TO OBTAIN PROFESSIONAL ADVICE AND INSPECTIONS OF THE PROPERTY TO MORE FULLY DETERMINE THE CONDITION OF THE PROPERTY AND ITS ENVIRONMENTAL STATUS. Buyer(s) has/have read and acknowledge(s) receipt of a copy of this Seller's Real Property Disclosure Form and copy of NRS Chapter 113.100-150, inclusive, attached hereto as pages four (4) and five (5).

Buyer(s): _____ Date: _____

Buyer(s): _____ Date: _____

B. Statutes of Interest

NRS 113.120 Regulations prescribing format and contents of form for disclosing condition of property. The Real Estate Division of the Department of Business and Industry shall adopt regulations prescribing the format and contents of a form for disclosing the condition of residential property offered for sale. The regulations must ensure that the form:

1. Provides for an evaluation of the condition of any electrical, heating, cooling, plumbing and sewer systems on the property, and of the condition of any other aspects of the property which affect its use or value, and allows the seller of the property to indicate whether or not each of those systems and other aspects of the property has a defect of which the seller is aware.

2. Provides notice:

(a) Of the provisions of [NRS 113.140](#) and subsection 5 of [NRS 113.150](#).

(b) That the disclosures set forth in the form are made by the seller and not by the seller's agent.

(c) That the seller's agent, and the agent of the purchaser or potential purchaser of the residential property, may reveal the completed form and its contents to any purchaser or potential purchaser of the residential property.

NRS 113.130 Completion and service of disclosure form before conveyance of property; discovery or worsening of defect after service of form; limitation on liability of seller's agent; exceptions; waiver.

1. Except as otherwise provided in subsection 2:

(a) At least 10 days before residential property is conveyed to a purchaser:

(1) The seller shall complete a disclosure form regarding the residential property; and

(2) The seller or the seller's agent shall serve the purchaser or the purchaser's agent with the completed disclosure form.

Ê A seller's agent shall not complete a disclosure form regarding the residential property on behalf of the seller.

(b) If, after service of the completed disclosure form but before conveyance of the property to the purchaser, a seller or the seller's agent discovers a new defect in the residential property that was not identified on the completed disclosure form or discovers that a defect identified on the completed disclosure form has become worse than was indicated on the form, the seller or the seller's agent shall inform the purchaser or the purchaser's agent of that fact, in writing, as soon as practicable after the discovery of that fact but in no event later than the conveyance of the property to the purchaser. If the seller does not agree to repair or replace the defect, the purchaser may:

(1) Rescind the agreement to purchase the property; or

(2) Close escrow and accept the property with the defect as revealed by the seller or the seller's agent without further recourse.

(c) A seller's agent is not liable to the purchaser for damages if:

(1) The seller is aware of a defect and fails to disclose the defect to the purchaser on the disclosure form as required pursuant to paragraph (a); or

(2) After service of the completed disclosure form but before conveyance of the property to the purchaser, the seller discovers a new defect in the residential property that was not identified on the completed disclosure form or discovers that a defect identified on the completed disclosure form has become worse than was indicated on the form and fails to inform the purchaser or the purchaser's agent of that fact as required pursuant to paragraph (b).

Ê The provisions of this paragraph do not affect, and must not be construed to affect, the obligation of a seller's agent to comply with the provisions of paragraph (a) of subsection 1 of [NRS 645.252](#).

2. Subsection 1 does not apply to a sale or intended sale of residential property:

(a) By foreclosure pursuant to [chapter 107](#) of NRS.

(b) Between any co-owners of the property, spouses or persons related within the third degree of consanguinity.

(c) Which is the first sale of a residence that was constructed by a licensed contractor.

(d) By a person who takes temporary possession or control of or title to the property solely to facilitate the sale of the property on behalf of a person who relocates to another county, state or country before title to the property is transferred to a purchaser.

(e) By a fiduciary under title 12 or 13 of NRS, including, without limitation, a personal representative, guardian, trustee or person acting under a power of attorney, who takes temporary possession or control of or title to the property solely to facilitate the sale of the property on behalf of a person who is deceased or incapacitated.

3. A purchaser of residential property may not waive any of the requirements of subsection 1. A seller of residential property may not require a purchaser to waive any of the requirements of subsection 1 as a condition of sale or for any other purpose...

NRS 113.140 Disclosure of unknown defect not required; form does not constitute warranty; duty of buyer and prospective buyer to exercise reasonable care.

1. [NRS 113.130](#) does not require a seller to disclose a defect in residential property of which the seller is not aware.

2. A completed disclosure form does not constitute an express or implied warranty regarding any condition of residential property.

3. Neither this chapter nor [chapter 645](#) of NRS relieves a buyer or prospective buyer of the duty to exercise reasonable care to protect himself or herself.

NRS 113.150 Remedies for seller's delayed disclosure or nondisclosure of defects in property; waiver.

1. If a seller or the seller's agent fails to serve a completed disclosure form in accordance with the requirements of [NRS 113.130](#), the purchaser may, at any time before the conveyance of the property to the purchaser, rescind the agreement to purchase the property without any penalties.

2. If, before the conveyance of the property to the purchaser, a seller or the seller's agent informs the purchaser or the purchaser's agent, through the disclosure form or another written notice, of a defect in the property of which the cost of repair or replacement was not limited by provisions in the agreement to purchase the property, the purchaser may:

(a) Rescind the agreement to purchase the property at any time before the conveyance of the property to the purchaser; or

(b) Close escrow and accept the property with the defect as revealed by the seller or the seller's agent without further recourse.

3. Rescission of an agreement pursuant to subsection 2 is effective only if made in writing, notarized and served not later than 4 working days after the date on which the purchaser is informed of the defect:

(a) On the holder of any escrow opened for the conveyance;

4. Except as otherwise provided in subsection 5, if a seller conveys residential property to a purchaser without complying with the requirements of [NRS 113.130](#) or otherwise providing the purchaser or the purchaser's agent with written notice of all defects in the property of which the seller is aware, and there is a defect in the property of which the seller was aware before the property was conveyed to the purchaser and of which the cost of repair or replacement was not limited by provisions in the agreement to purchase the property, the purchaser is entitled to recover from the seller treble the amount necessary to repair or replace the defective part of the property, together with court costs and reasonable attorney's fees. An action to enforce the provisions of this subsection must be commenced not later than 1 year after the purchaser discovers or reasonably should have discovered the defect or 2 years after the conveyance of the property to the purchaser, whichever occurs later...

II. NRS 645 and NAC 645

A. Agency Duties

NRS 645.252 Duties of licensee acting as agent in real estate transaction. A licensee who acts as an agent in a real estate transaction:

1. Shall disclose to each party to the real estate transaction as soon as is practicable:
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
each source from which the licensee will receive compensation
that the licensee is a principal to the transaction or has an interest in a principal to the transaction.
that the licensee is acting for more than one party to the transaction

NRS 645.253 Licensees affiliated with same brokerage: Additional duties when assigned to separate parties to real estate transaction.

1. Designated Agency / Assigned Agency
2. 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 [in the event of representing both parties to the same transaction.]
3. Each licensee shall not disclose, except to the real estate broker, confidential information...

NRS 645.254 Additional duties of licensee entering into brokerage agreement to represent client in real estate transaction.

1. Shall exercise reasonable skill and care...
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 [transaction] at the price and terms stated in the brokerage agreement or... acceptable to the client
4. Shall present all offers made to or by the client as soon as is practicable...
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 645.257 Action to recover damages suffered as result of licensee's failure to perform certain duties; standard of care.

A person who has suffered damages as the proximate result of a licensee's failure to perform any duties required by [NRS 645.252](#), [645.253](#) or [645.254](#) ... may bring an action against the licensee for the recovery of the person's actual damages.

B. Common Disciplinary Actions

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.

C. Considerations in Determining Misconduct

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...

III. Disciplinary Actions from the Open House

- “Open House” newsletter
- to access the newsletter:
 1. go to the Division website: <https://red.nv.gov/>
 2. select “Publications”
 3. choose “Newsletters”
 4. click on “Open House”
 5. select the quarterly publication you desire



Franco-Young, Thelma Case 2018-377 B.0029095 (Downgrade) PM.016837 (Voluntary Surrender)

Allegedly violated NRS 645.230(1)(b), by engaging in property management, without the requisite licensure from the Division; Allegedly violated NRS 645.310(4), by accepting funds on behalf of the owner that were made payable to herself and by failing to maintain a trust account for Complainant's funds, including rent; Allegedly violated NRS 645.630(1)(f), by failing, within a reasonable time, to account for or to remit any money which came into her possession and which belonged to the Complainant; Allegedly violated NRS 645.630(1)(g), by failing to submit to the Division an annual accounting of the trust account as required in NRS 645.310; Allegedly violated NRS 645.630(1)(h), by commingling the moneys of Complainant with her own, as well as by otherwise converting the same for her own personal use; Allegedly violated NRS 645.633(1)(h), by engaging in gross negligence or incompetence, specifically, RESPONDENT failed to utilize a properly licensed contractor at the Property, consistent with NRS Chapter 624, or otherwise meet the sole relevant exemptions in NRS 624.031(6)(d), in her contracting practices with unlicensed contractors at the Property; Allegedly violated NRS 645.633(1)(i), by engaging in conduct which constitutes deceitful, fraudulent or dishonest dealing, including by charging Complainant more for repairs than reflected in the associated receipts; Allegedly violated NRS 645.633(1)(6), by violating NAC 645.680(3), when she failed to disclose all facts and documents pertinent to the investigation to the members of the Division's staff conducting the investigation.

\$5,000 fine \$7,481.70 in Division costs and fees Broker license downgrade to BrokerSalesperson license Property Management permit voluntarily surrendered

Hall, Cynthia Case 2021-221 S.0045154 (Active)

Allegedly violated NRS 645.310(3) when she commingled his personal funds with those funds of property owners managed by RESPONDENT'S brokerage; Allegedly violated NRS 645.310(3) when she failed to deposit utility refund checks to the appropriate property owners, and instead deposited the utility refund checks into the RESPONDENT's brokerage general operating account; Allegedly violated NRS 645.633(1)(i) pursuant to NAC 645.605(11) by engaging in conduct that constitutes deceitful, fraudulent or dishonest by providing the Division with a false RPA for the Casey Property with a date of August 1, 2019, when the RPA Form was revised in November of 2019; Allegedly violated NRS 645.630(1)(e) when she failed to maintain a property management agreement for the Casey Property; Allegedly violated NRS 645.605(11)(c) and (11)(d) when she acted as a property manager for the Casey Property, by collecting and distributing rental monies from tenants and managing the property, without first obtaining a properly executed property management agreement.

\$10,000 fine \$4,373.50 in Division costs and fees

Lainer, Donald Case 2021-1209 S.0052842 (Active) BUSB.0000111 (Active) PM.0165684 (Inactive)

Allegedly violated NRS 645.630(1)(d) when RESPONDENT represented or attempting to represent a real estate broker other than the broker with whom he is associated, without the express knowledge and consent of the broker with whom he is associated; Allegedly violated NRS 645.633(1)(i) pursuant to NAC 645.605(11)(c) by engaging in conduct that has impeded or attempted to impede any investigation of the Division by supplying false statements in his affidavit, including, but not limited to, affirming that he "has never used the account for any purpose whatsoever" and that he has "never written a check, transferred funds or directed any type of activity on the account"; Allegedly violated NRS 645.633(1)(i) pursuant to NAC 645.605(1) by engaging in conduct which constitutes deceitful, fraudulent or dishonest dealing by attempting to conceal his direct involvement with Platinum Portfolio Realty's management of the Blue Lagoon and Amboy properties; Allegedly violated NRS 645.633(1)(i)

pursuant to NAC 645.605(4) (a) and (4)(b) by failing to disclose, in writing, his interest or contemplated interest in any property with which the licensee was dealing, which includes, but is not limited to, the licensee's affiliation with financial interest in any person or company that furnishes services related to the properties.

\$10,000 fine \$4,638 in Division costs and fees 6 hours Ethics 6 hours Agency

Vidrine, Nathan Case 2021-1192 B.1000599 (Active) B.1000624 (Active) PM.0 164569 (Active) PM.0 165702 (Active)

Allegedly violated NRS 645.633(1)(h) pursuant to NAC 645.605(6) for breaching his obligations of absolute fidelity to his principal and fair dealing with all parties; Allegedly violated NRS 645.235(b) pursuant to NAC 645.600(1) for allowing his unlicensed assistants to directly engage with the Complainant in activities which require a license and/or permit.

\$1,000 fine \$2,640 in Division costs and fees 3 hours Broker Management 3 hours Ethics

Grant, John Case 2020-632 S.0069431 (Active)

Allegedly violated NRS 645.635(1)(a) pursuant to NAC 645.600(1) on three (3) separate occasions when he allowed an unlicensed individual, John Sheedy, to be listed on his brokerage website in advertisements for three different properties (Green Acres RV Park, Nevada Treasure RV Resort, and Y Rancho Mobile Home Park) that ultimately went to final sale; Allegedly violated NRS 645.630(1)(a) pursuant to NRS 645.252(3)(a) on four (4) separate occasions when he failed to provide the Division with signed duties owed forms for the four aforementioned properties for which he was the listing broker of record; Allegedly violated NRS 645.635(6) on two (2) separate occasions when he failed to provide the Division with listing agreements for Green Acres RV Park and Sierra Skies RV Park, for which he was the listing broker of record.

\$21,000 fine \$5,554 in Division costs and fees

IV. CASE STUDY: Violations of the Law

Client A complained to a Board of REALTORS® that two of its members, REALTORS® B and his sales associate, REALTOR-ASSOCIATE® C, had failed to represent the client's interests faithfully by proposing to various prospective buyers that a price less than the listed price of a house be offered. His complaint specified that REALTOR® B, in consultation with him, had agreed that \$337,900 would be a fair price for the house, and it had been listed at that figure. The complaint also named three different prospective buyers who had told Client A that while looking at the property, REALTOR-ASSOCIATE® C, representing REALTOR® B, when asked the price had said, "It's listed at \$337,900, but I'm pretty sure that an offer of \$330,000 will be accepted."

REALTOR® B and REALTOR-ASSOCIATE® C were notified of the complaint and requested to be present at a hearing on the matter scheduled before a Hearing Panel of the Board's Professional Standards Committee.

During the hearing, REALTOR® B confirmed that he had agreed with Client A that \$337,900 was a fair price for the house, and that it was listed at that figure. He added that he had asked for a 90 day listing contract as some time might be required in securing the full market value. Client A had agreed to do this but had indicated that he was interested in selling within a month even if it meant making some

concession on the price. The discussion concluded with an agreement on listing at \$337,900 and with REALTOR® B agreeing to make every effort to get that price for Client A.

REALTOR-ASSOCIATE® C said in the hearing that REALTOR® B had repeated these comments of Client A and he, REALTOR-ASSOCIATE® C, had interpreted them as meaning that an early offer of about \$8,000 percent less than the listed price would be acceptable to the seller, Client A. Questioning by the Hearing Panel established that neither REALTOR® B nor REALTOR-ASSOCIATE® C had been authorized to quote a price other than \$337,900.

What violations of the law do you see?

V. Rules of NRS Pickleball

- We have a bank of questions from NRS 113, NRS 645, and NAC 645.
- The match begins with the ladies serving to the men.
- If the men answer correctly, the ball is returned to the ladies who must answer correctly to return the ball or a miss leads to a point for the men.
- If the men miss the question, it is a point for the ladies, and the men then serve.
- We continue play until one team reaches the score of 11, however the team must win by 2. After a win, we start a new match.