



# Open House

A quarterly newsletter from the Nevada Real Estate Division

Department of Business & Industry

Spring 2009

## Nevada's 75th Legislative Session: Making Strides to Control the Budget

The Nevada Legislature kicked off its 75th Session at 12:20pm on February 2, 2009. Many bills relating to the real estate industry have been introduced during this session, which is expected to end on or before June 1, 2009. A summary of the real estate bills is listed below. For more detailed information, visit the Legislature's website at [www.leg.state.nv.us](http://www.leg.state.nv.us) and click on Session Info—2009 Session—Bill Information.



### The Mission of the Real Estate Division Education Fund:

To ensure awareness of relevant laws and practices by all licensees through proactive education and information efforts.

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<b>AB 81</b>	Makes various changes related to the Central Repository for Nevada Records of Criminal History.
<b>AB 133</b>	Revises provisions concerning disbursement of funds in real estate transactions.
<b>AB 140</b>	Makes various changes to provisions relating to foreclosures of real property.
<b>AB 149</b>	Makes various changes to provisions relating to foreclosures on property.
<b>AB 287</b>	Prohibits improper influence in an appraisal and requires the registration of appraisal management companies with the Real Estate Division.
<b>AB 519</b>	Creates a statutory Evaluation and Sunset Commission to review continuation of state agencies, boards and commissions and tax exemptions, abatements and earmarked revenue sources.
<b>SB 15</b>	Ratifies revisions to provisions governing the regulation of real estate brokers and salesperson to correct manifest technical error.
<b>SB 76</b>	Revises provisions governing the administrative procedures for the summary suspension of licenses issued by certain state agencies.
<b>SB 128</b>	Restricts time for recording title to real estate transferred in a trustee sale.
<b>SB 184</b>	Defines broker price opinion and how it may be used. (NRS 645 change)
<b>SB 230</b>	Changes the renewal period for a real estate license from 2 years to 4 years.
<b>SB 242</b>	Requires real estate licensees to provide information on energy efficiency and conservation features in residential properties.
<b>SB 254</b>	Makes various changes relating to ethical standards in real estate transactions.
<b>SB 310</b>	Revises provisions governing the regulation of trust companies.

Anyone interested in keeping tabs on this year's session should start with the Legislature's website at [www.leg.state.nv.us](http://www.leg.state.nv.us). The website offers valuable resources, including live meetings, floor schedules and bill tracking,

The Legislature website also features an Opinion Poll that contains public opinions for the 2009 Legislative session. Throughout the session, legislators review these opinions to gain perspective on how constituents in their districts feel about legislation. Names, addresses and other personal information are NOT made public, but are available to legislators so that they will know who is submitting the comment and are able to contact the constituent if they so desire. Feel free to visit and post your opinion! ◀

## Open House

is an official publication of the

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Articles by outside experts express the authors' viewpoints and should not be mistaken for official policy of the Real Estate Division. They are included because they address relevant issues that may be of interest to Nevada licensees.

## REAL ESTATE COMMISSION

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# Aldinger Steps in as New Deputy Administrator

There's a new Deputy Administrator in town...and Steve Aldinger is his name. Appointed by former Administrator Ann McDermott, Steve began his duties as second in command on January 21, 2009.

As Deputy Administrator, Steve is responsible to the Administrator for providing overall leadership, planning and policy direction for the agency. He also manages the day-to-day work of the Carson City office and oversees the fiscal and personnel sections of the Division.

Steve has extensive private industry experience, where he has held various accounting, sales/marketing and management positions. He also has vast knowledge and expertise in the real estate industry. Prior to

joining the Division, he held an Arizona real estate sales license and was a successful real estate investor. He has been involved in numerous real estate transactions in at least eight different states.

Steve attended Dickinson College in Carlisle, Pennsylvania where he earned a Political Science degree. He later earned a Masters of Business Administration from Monmouth University in West Long Branch, New Jersey.

Along with his education and real estate background, Steve's experience in accounting and personnel will greatly support his new position with the Division.

Steve and his wife, Chris, moved to Minden three and a half years ago. They both enjoy the outdoors, travelling and especially hiking in the Sierra. ◀



## There's No Place Like Home

### Anderson returns as Division Administrator

The Nevada Real Estate Division is happy to announce the return of Administrator Gail Anderson to the position she vacated nearly two years ago. The move came shortly after former Administrator Ann McDermott accepted a position with the Attorney General's office.

Although Ms. Anderson had vacated the Administrator position for approximately 18 months, she was still very heavily involved in the Division's activities due to her role as Deputy Director for the Department of Business & Industry. Ms. Anderson returned in February 2009 to lead the Division in carrying out duties of administration and regulatory enforcement for real estate licensees. She has offices based in both Las Vegas and Carson City.



# New Federal Lead Renovation, Repair and Painting Requirements

**EDITOR'S NOTE:** The information below is provided for the general awareness of licensees. The EPA does not anticipate any changes to the lead-based paint disclosure form as a result of the new rule. However, should any changes occur that necessitate an amendment to the residential disclosure guide, the amendment will be forthcoming.

From the U.S. Environmental Protection Agency, Lead Program

To further protect children from exposure to lead-based paint, the U.S. Environmental Protection Agency (EPA) has issued new rules for contractors who renovate or repair housing, child-care facilities or schools built before 1978. Under the new rules, workers must follow lead-safe work practice standards to reduce potential exposure to dangerous levels of lead during renovation and repair activities.

Beginning October 22, 2009, contractors must take EPA-accredited training before beginning renovation, repair or painting projects.

"While there has been a dramatic decrease over the last two decades in the number of children affected by lead-poisoning, EPA is continuing its efforts to take on this preventable disease," said James Gulliford, EPA's Assistant Administrator for Prevention, Pesticides and Toxic Substances. "These new rules will require contractors to be trained and to follow simple but

effective lead-safe work practices to protect children from dangerous levels of lead."

The "Lead: Renovation, Repair and Painting Program" rule, which will take effect in April 2010, prohibits work practices creating lead hazards. Requirements under the rule include implementing lead-safe work practices and certification and training for paid contractors and maintenance professionals working in pre-1978 housing, child-care facilities and schools. Beginning October 22, 2009, contractors must take EPA-accredited training before beginning renovation, repair or painting projects as defined in the RR&P rule.

The rule covers all rental housing and non-rental homes where children under six and pregnant mothers reside. The new requirements apply to renovation, repair or

painting activities where more than six square feet of lead-based paint is disturbed in a room or where 20 square feet of lead-based paint is disturbed on the exterior. The affected contractors include builders, painters, plumbers and electricians. Trained contractors must post warning signs, restrict occupants from work areas, contain work areas to prevent dust and debris from spreading, conduct a thorough cleanup, and verify that the cleanup was effective.



Lead is a toxic metal that was used for many years in paint and was banned for residential use in 1978. Exposure to lead can result in health concerns for both children and adults. Children under six years of age are most at risk because their developing nervous systems are especially vulnerable to lead's effects and because they are more likely to ingest lead due to their more frequent hand-to-mouth behavior. Almost 38 million homes in the United States contain some lead-based paint, 24 million have deteriorated paint. Four million children live in these homes. The major source of lead poisoning is lead paint and lead-contaminated dust from deteriorated paint. These new requirements are key components of a comprehensive effort to eliminate childhood lead poisoning.

For more information on this new program visit: [www.epa.gov/lead](http://www.epa.gov/lead). For copies of the educational brochures, call 1-800-424-5323. ◀

## Download this...



### Protect Your Family From Lead in Your Home

This pamphlet is required to be provided to prospective buyers and renters of pre-1978 homes, and residents of homes where renovations will take place. Also available

in Spanish and other formats. Download it at [www.epa.gov](http://www.epa.gov).



# Disciplinary Actions/Stipulations



## ACTIONS/DECISIONS

*Real Estate Commission actions are not published in this newsletter until the 30-day period allowed for filing for Judicial Review has passed. If a stay on discipline is issued by the Court, the matter is not published until final outcome of the Review. A Respondent's license is automatically suspended for failure to comply with a Commission Order, and the Division may institute debt collection proceedings to recover fines and costs. We do not publish names of persons whose license applications are denied.*

## ALLEGATIONS/STIPULATIONS

*Stipulations occur when both the Respondent and Division have agreed to conditions reviewed and accepted by both sides. A stipulation may or may not be an admission of guilt. Stipulations are presented to the Commission for review and acceptance.*

### JANUARY 2009

<b>Anita Herrera-Perez</b> Salesperson—47863 Broker/Sales—4220 Property Manager—163553	<b>Allegation:</b> Allegedly affiliated with salespersons without the express knowledge and consent of her affiliated broker.	<b>Stipulation:</b> Herrera-Perez did not admit any liability or guilt and there was no finding by the Commission of a violation. Respondent agreed to pay a \$250 assessment within 1 month and to attend 6 hours of CLE within 6 months.
<b>Cory Edge</b> Broker—42569	<b>Allegation:</b> Allegedly affiliated with salespersons without the express knowledge and consent of their affiliated broker.	<b>Stipulation:</b> Edge does not admit any wrongdoing, liability or guilt but agreed to attend 12 hours of CE within 6 months and to pay an administrative assessment of \$500 within 1 month.
<b>Erin Ruiz</b> Salesperson—32598	<b>Allegation:</b> Allegedly affiliated with salespersons without the express knowledge and consent of her affiliated broker.	<b>Stipulation:</b> Ruiz did not admit any liability or guilt and there was no finding by the Commission of a violation. Respondent agreed to pay a \$250 assessment within 1 month and to attend 6 hours of CLE within 6 months.
<b>Teresa Sweeney</b> Salesperson—65325	<b>Allegation:</b> Allegedly affiliated with salespersons without the express knowledge and consent of her affiliated broker.	<b>Stipulation:</b> Sweeney did not admit any liability or guilt and there was no finding by the Commission of a violation. Respondent agreed to pay a \$250 assessment within 1 month and to attend 6 hours of CLE within 6 months.
<b>Todd Miller</b> Broker—54513	<b>Allegation:</b> Failed to respond to the Division in a timely matter during the investigation of one of his salespersons.	<b>Stipulation:</b> Agreed to immediately pay a fine of \$3,500 and attend the 6-hour "What Every Broker Should Know" course.

### NOVEMBER 2008

<b>Lennar Homes, LLC</b> Developer—402207	<b>Allegation:</b> Engaged in the development and sales of real property after broker resigned and before a new broker was in place.	<b>Stipulation:</b> Agreed to pay a \$40,500 fine within 30 days.
<b>Paul Giles</b> Broker—31986 Property Manager—131986	<b>Allegation:</b> Stated on his application that he had received no discipline by any public authority when, in fact, his broker's license in Hawaii had been suspended for 5 years.	<b>Stipulation:</b> Agreed to pay a fine of \$5,000 within 7 days and attend 9 hours of Law and 9 hours of Ethics.

### JULY 2008

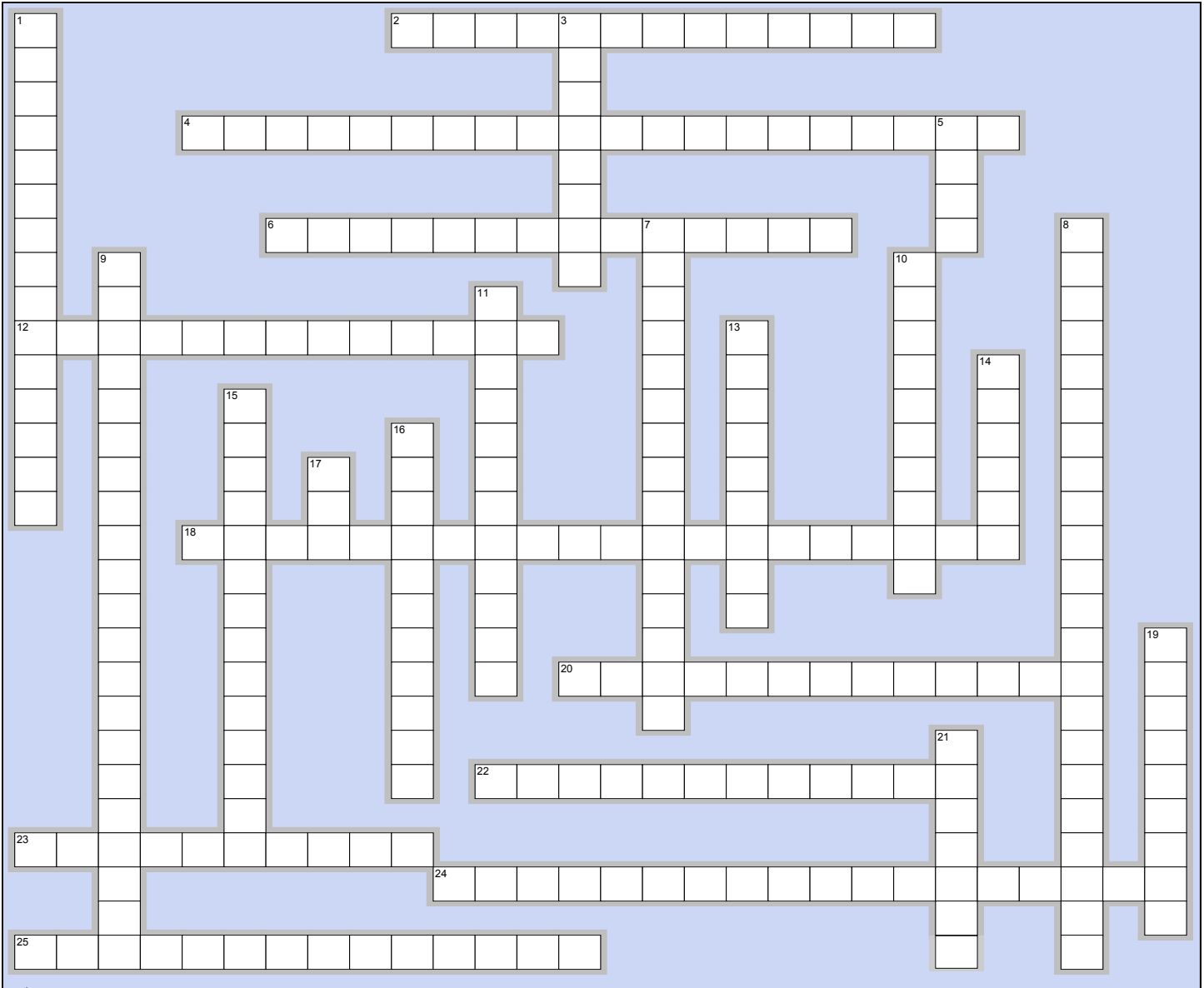
<b>Connie Ebbert</b> Unlicensed	<b>Action:</b> Practicing property management activities without a license.	<b>Decision:</b> Ordered to pay a fine of \$10,000 and fees of \$986.50 within 120 days. All unpermitted property management was ordered to cease and desist.
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# NOT A CROSS WORD!

Theme: A generous dollop of ethical conduct and more.

By Safia Anwari



## Across

2. Subsequent sale disclosures of declarations, bylaws, etc. (2)
4. Selling mom's rental condo (3)
6. Looking back to before 1978 (3)
12. Offeree has not responded within reasonable time – what's an agent to do? (2)
18. Laying out the shared turf between neighbors (2)
20. Funds maintained for rental activities and security deposits (2)
22. Client requires delivery & conveyance of offers and counteroffers (2)
23. Client selects limited service (2)
24. Purchasing "as is" with FHA financing? (4)
25. Converted from personal to real (3)

## Down

1. Brokerage visually announces non-discriminatory policies (3)
3. Qualified to broker real estate transactions in Nevada
5. Seller tells it like it is – abbrev.
7. For sale by licensee-owner (2)
8. Nevada licensee consensually juggling interests of buyer and seller (2)
9. Able to bargain directly with patron of another (3)
10. Explains agency responsibilities to all parties (2)
11. Informs and obtains agreement for 8 down (3)
13. Holy roaming livestock! (2)
14. Credential required to engage in property management
15. Eligible to sell a medical practice with the real estate it is located in (2)
16. Broker deposits commission from an unrelated sale with client funds
17. Tool used to determine competitive listing price on a property - abbrev.
19. Deluge awareness in a desert?! (2)
21. Whose client is it anyway?

*Looking for the answers to this puzzle? Visit our website at [www.red.state.nv.us/publications/newsletters.htm](http://www.red.state.nv.us/publications/newsletters.htm).*

# NRED vs. GLVAR: A Tale of Two Companies

The Greater Las Vegas Association of Realtors (GLVAR) in Las Vegas is one of several local REALTOR® associations providing real estate services to its members. However, because GLVAR is located less than a mile away from the Real Estate Division, licensees in the Las Vegas area often confuse the two— ending up at the wrong location to handle a specific transaction. **The quiz below focuses on GLVAR and NRED’s Las Vegas offices to test how well you know the difference between these two locations.** Select the best answer for each question below.

NRED

GLVAR

1. Who has office locations in both Las Vegas and Carson City?

2. Where would you go to apply for a real estate license or permit?

3. Where would you go to pick up a lockbox or SupraKey?

4. Who approves real estate continuing education courses?

5. Who teaches real estate continuing education courses?

6. Who requires “Transfer and Drop Notice” for switching offices?

7. Who requires “License or Registration Change” form for switching offices?

8. Which office is located on the corner of Sahara and Atlantic in Las Vegas?

9. Which office is located on Sahara just west of Burnham in Las Vegas?

10. Who do you call when looking for forms in ZIPforms?

11. Who issues Public ID numbers?

12. Who issues license numbers?

13. Where do you go to pay yearly membership dues?

14. Where do you go to pay license renewal fees?

15. Who provides the designation/title “Broker”?

16. Who provides the designation/title “REALTOR®”?

Answers on the following page

# The Nevada Law and Reference Guide: A Valuable Tool for Licensees



Earlier this year, the Real Estate Division introduced the new Nevada Law and Reference Guide, which will serve as a legal resource guide for all Nevada real estate licensees. The 168-page booklet is divided into six main chapters: (1) Nevada Law on Real Estate Agency, (2) Nevada Law on Fiduciary Duties, (3) Nevada Law on Brokerage Agreements, (4) Nevada Law on Offers and Purchase Agreements, (5) Nevada Law on Disclosures, and (6) Nevada Law on Advertisements.

The format, chapter topic suggestions and problem areas referenced in the guide were identified with a series of round table discussion groups composed of real estate industry practitioners. Some of the many topics discussed include:

- ◆ *Agency disclosure forms*
- ◆ *Things for which a licensee is not liable*
- ◆ *When a licensee must investigate*
- ◆ *Procuring cause*
- ◆ *Advance fee agreements*
- ◆ *Purchase contracts requiring court approval*
- ◆ *Lease with options to purchase*
- ◆ *“Homemade” disclosure forms*
- ◆ *Licensee compensation*
- ◆ *Teams*
- ◆ *For Sale signs*
- ◆ *...and much, much more!*

The guide was conceived and given its nativity under the auspices of Real Estate Administrator Gail J. Anderson and the 2005-2006 Nevada Real Estate Commissioners. The names of these Commissioners and other contributors whose insight, comments and contributions were invaluable to the project can be found on the Acknowledgements page of the guide. The guide is available in electronic format on the Publications page of the Division’s website at [www.red.state.nv.us](http://www.red.state.nv.us). ◀

*Funding for the new guide was provided by the Nevada Real Estate Division, Department of Business & Industry, State of Nevada, through the Nevada Education Research and Recovery Fund.*

## NRED VS. GLVAR ANSWERS

1. NRED—Office locations at 2501 E. Sahara in Las Vegas and 788 Fairview Dr. in Carson City.
2. NRED—You must be issued a license from the Real Estate Division in order to practice Real Estate in Nevada.
3. GLVAR
4. NRED—CE credits will not be accepted by the Division if the course was not approved by the Division before the class was taken.
5. GLVAR—(The Division does not provide any training to licensees.)
6. GLVAR—requires Transfer and Drop notice along with a receipt from the Division for switching offices.
7. NRED—requires the License or Registration Change form (completed by the new broker), along with the Termination Notice (completed by old broker).
8. NRED—is located at 2501 E. Sahara.
9. GLVAR—is located at 1750 E. Sahara.
10. GLVAR—provides the ZipForms service to its members.
11. GLVAR—uses this number to identify licensees who are members of their association.
12. NRED—uses this number to identify all licensed professionals.
13. GLVAR—members pay REALTOR® dues that are due every January 1.
14. NRED—The initial license is issued for one year, then due for renewal every two years thereafter.
15. NRED—licenses individuals as Salespersons, Brokers, Community Managers, Inspectors, Appraisers, etc.
16. GLVAR—provides this designation to a licensee who becomes a member of its association.

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### Real Estate Statistics as of MARCH 2009

	BROKER		BROKER SALESPERSON		SALESPERSON		Total	
	Active	Inactive	Active	Inactive	Active	Inactive	Active	Inactive
Unknown	121	70	130	121	1162	544	1413	735
Carson City	52	39	45	27	153	70	250	136
Churchill	14	19	8	3	53	15	75	37
Clark	1733	625	2194	718	13135	3387	17062	4730
Douglas	89	28	76	36	304	118	469	182
Elko	31	8	21	11	63	24	115	43
Esmeralda	0	0	0	0	1	0	1	0
Eureka	1	1	0	0	0	0	1	1
Humboldt	4	4	5	4	18	1	27	9
Lander	2	1	0	0	7	0	9	1
Lincoln	1	0	1	0	2	2	4	2
Lyon	28	16	24	18	141	61	193	95
Mineral	1	0	1	0	4	1	6	1
Nye	48	14	30	18	163	54	241	86
Out Of State	227	47	187	81	384	227	798	355
Pershing	2	0	1	0	3	0	6	0
Storey	3	0	3	2	8	4	14	6
Washoe	424	269	410	202	1936	551	2770	1022
White Pine	2	0	2	2	8	5	12	7
<b>Total</b>	<b>2783</b>	<b>1141</b>	<b>3138</b>	<b>1243</b>	<b>17545</b>	<b>5064</b>	<b>23466</b>	<b>7448</b>