

NVAR Legal

Frequently Asked Questions

QUESTION

Can a lawyer licensed in Nevada represent a client in a real estate transaction?

ANSWER

The analysis goes like this. Yes, an attorney may represent their client and provide “services if an attorney at law in performance of his or her duties as an attorney at law.” (NRS 645.0445 (2) (c). Does this mean that under Chapter 645 a licensed attorney may act in the capacity of a real estate agent or broker? The answer is no. A lawyer may only represent their client in the capacity of an attorney and not as a REALTOR®.

But can the attorney charge or share a commission?

No! We hear all of the time from attorneys that think they are entitled to a commission. NRS 645.280 prohibits unlicensed people from receiving or sharing a commission. The attorney representing a client would, in order to be paid, have to charge his or her client a fee for the work done in the real estate transaction.

QUESTION

Can an agent charge a transaction fee in addition to a commission?

ANSWER

The short answer is yes. There is no legal prohibition against charging such a fee although they are not favored by the Nevada Real Estate Division. Remember to always disclose to your client what fees you are charging and what they are for.

It seems common for brokerages to charge a small fee (\$200-\$300) for something like document preparation. Where the broker/agent can get into trouble is if they misrepresent the nature of the fee. See NRS 645.630 (g). So the bottom line is if you charge these fees be careful and don't misrepresent what the fee is for.

QUESTION

How long is a brokerage required to keep transaction records?

ANSWER

A broker is required to keep records for at least five years after the date of the closing or the last activity involving the property, including, without limitations offers that were not accepted and transactions that were not completed. (NAC 645.650)

Do the records have to be maintained in the form of paper copies?

The answer is No. See NAC 645.655. If the records are stored electronically, there must be an ability to print them out. So be sure, if you chose to store them electronically you can easily access at any time if needed.

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