

TRANSACTIONAL ISSUES

Encumbrance on Sale of Properties

A bill was introduced that would have put additional requirements on properties that have pools. Existing properties would have been required to have a secondary barrier around the pool (fence around property is not sufficient), or a motion-sensing alarm installed. Each city and county would also have been given the ability to enforce stricter codes, and some local governments expressed their intentions to do just that! NVAR opposed this legislation. We are glad to report this bill did not pass.

Good Funds

A bill introduced at the request of the title industry provides that disbursement from an escrow account can only be done when it can be verified that the funds in the escrow account are truly available. What this means to your clients is that the deposit in the escrow account must be made via a method

of immediately available funds if they want to close escrow the same day: that is cash, cashier's check, interbank electronic transfer, or a similar form of payment.

Reservation Agreements

A proposal emerged that would have provided that certain existing requirements and provisions concerning offers to sell subdivided land apply similarly to a reservation agreement concerning such land. It would also have required that a purchaser of a reservation agreement must enter into a contract of sale within 1 year after the execution of the reservation agreement, or the reservation agreement would have been voidable at the option of the purchaser. This bill did not pass.

Removal of Homestead Exemption Cap

A bill to remove the cap on the amount of equity protected in

homestead property was introduced, but it did not pass.

Form for Declaration of Homestead

The Real Estate Division will issue a form that may be used for filing a declaration of homestead. The Division and each county recorder will be required to make the form available to the public free of charge.

For a topic by topic summary or the comprehensive legislative report, please visit www.nvar.org.



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