

# Commercial Real Estate Brokerage Laws and Customs: Nevada

by Michael E. Buckley, Fennemore Craig, P.C., with Practical Law Real Estate

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A Q&A guide to state laws and customs on brokerage laws relating to commercial real estate transactions in Nevada. This Q&A addresses the state-specific guidance on several questions relating to brokerage laws and customs, including licensing requirements, legal restrictions on a broker's role in a real estate transaction, brokerage agreements, commission payments, and brokers' lien rights. This Q&A guide also provides guidance on any licensing requirements for managing real estate. Answers to questions can be compared across several jurisdictions (see Commercial Real Estate Brokerage Laws and Customs: State Q&A Tool).

## Licensing Laws and Requirements

### 1. Does your state regulate real estate brokers? If so:

- What statutes or laws regulate licensing requirements for brokers?
- What department oversees the licensing and regulations of brokers?
- Are different types of brokers or other roles recognized by the regulations? If so, specify the scope of responsibilities of these different roles.

### Licensing Laws

Chapter 645 of the Nevada Revised Statutes establishes licensing requirements for brokers and salespersons involved in both commercial and residential real estate transactions. The current codified statutes contain laws enacted through the 2021 Legislature. Laws enacted by the 2023 Legislature will likely not be codified until late spring 2024.

Chapter 645 of the Nevada Administrative Code contains regulations authorized by the provisions of NRS Chapter 645. The current codified regulations contain regulations adopted through October 2023. Additional uncodified regulations may be found on the [Nevada Register of Administrative Regulation](#).

Any person, limited-liability company, partnership, association, or corporation who, for another and with the intention or expectation of receiving compensation, engages in or attempts to perform any act or transaction contained in the definition of real estate broker must be licensed. A single act, direct or indirect, is sufficient to trigger this rule. The licensing requirement also applies regardless of whether the act is an incidental part of the transaction. (NRS 645.260; see Real Estate Broker.)

### Regulators

The [Nevada Real Estate Division](#) (NRED), as part of the [Department of Business and Industry](#), oversees the licensure, registration, and regulation of real estate brokers and real estate salespersons (NRS 645.045). The NRED performs these tasks with the five-member Nevada Real Estate Commission (the Commission), which conducts hearings and acts in an advisory capacity to the NRED (NRS 645.050). The Commission or the NRED, with the approval of the Commission, may adopt reasonable regulations for the administration of NRS Chapter 645 (NRS 645.190), subject to the limitations of NRS 233B.110(1). See *Killibrew v. State ex rel. Donohue*, 535 P.3d 1167 (Nev. 2023) (clarifying the standard for review of a regulation).

The NRED website also provides:

- The [Nevada Law and Reference Guide](#) (5th ed. 2020), a legal resource guide for Nevada real estate licensees.

- The [Course Manual](#) (4th ed. 2019), addressing real estate education requirements.
- Information on licensing requirements and licensing, education, complaint, and disclosure forms.

A real estate broker or real estate salesperson who holds another state license is subject to regulation by the regulator of the holders of such licenses. For example, a real estate broker or real estate salesperson who is also licensed as a mortgage company (NRS 645B.0127) or mortgage loan originator (NRS 645B.0125) must make certain disclosures prescribed by the Mortgage Lending Division of the Department of Business and Industry, Nev, Admin. Code § AC 645B.235, as amended by LCB File No. R070-23, 02-27-2024).

### Types of Brokers and Their Roles

Chapter 645 of the Nevada Revised Statutes recognizes the following relevant real estate professionals:

- Real estate broker (see Real Estate Broker).
- Real estate broker-salesperson (see Real Estate Broker-Salesperson).
- Real estate salesperson (see Real Estate Salesperson).
- Property manager (see Property Manager).
- Business broker (see Business Broker).
- Owner-developer, which is a person who owns five or more previously unsold homes or lots within a recorded subdivision (NRS 645.018). An owner-developer who sells homes or lots is not required to be licensed but must register with the NRED (NRS 645.283 to 645.289; Nev. Admin. Code §§ 645.700 to 645.770).

#### Real Estate Broker

A real estate broker is a person doing any of the following involving real estate for compensation or with the intention or expectation of receiving compensation:

- Selling.
- Exchanging.
- Optioning.
- Purchasing.
- Renting.
- Leasing.

- Negotiating or offering, attempting or agreeing to negotiate a sale, exchange, option, purchase, rental, or lease of, or listing or soliciting prospective purchasers, lessees, or renters of, any real estate.
- Claiming, demanding, charging, receiving, collecting, or contracting to collect an advance fee to promote the sale or lease of real estate or business opportunities by an advance fee listing advertising or other offerings to sell, lease, exchange, or rent property.
- Engaging in or offering to engage in the business of property management.
- Engaging in or offering to engage in the business of business brokerage.
- Aiding, assisting, soliciting, or negotiating the procurement, sale, purchase, rental, or lease of public lands for another.

(NRS 645.030(1), (2).)

“Real estate broker” does not include a person who is employed by a licensed real estate broker to accept reservations on behalf of a person engaged in the business of renting lodgings for 31 days or less, if the employee does not perform any tasks related to the sale or other transfer of an interest in real estate (NRS 645.030(3)).

#### Real Estate Broker-Salesperson

A real estate broker-salesperson is either:

- A person licensed as a real estate broker.
- A person who has passed the real estate broker’s examination but who works as an employee or independent contractor for either:
  - a licensed real estate broker, in the capacity of a salesperson; or
  - a registered owner-developer, in the capacity of a sales manager.

(NRS 645.035(1).)

An “owner-developer” is a person who owns five or more legally subdivided lots, on each of which is a single-family residence not previously sold (NRS 645.018).

#### Real Estate Salesperson

A real estate salesperson is a person performing any activity typically performed by a real estate broker and who is an employee or independent contractor for either of the following:

- A licensed real estate broker.
- A registered owner-developer.

(NRS 645.040.)

### Property Manager

A property manager is a person working as an employee or independent contractor for a licensed real estate broker, who engages in property management, whether or not for compensation (NRS 645.0195).

Property management includes the physical, administrative, or financial maintenance and management of real property, or the supervision of those activities for a fee, commission, or other compensation or valuable consideration, under a property management agreement (NRS 645.019).

Property managers must be licensed as real estate brokers, salespersons, or broker-salespersons before obtaining a property management permit (NRS 645.230(1)(b)).

However, property managers for common-interest communities (which include condominiums, planned communities, and cooperatives) or a condominium hotel are exempt from real estate broker licensing requirements and must be certified as community managers (NRS 645.0445(1)(d), 116A.070, and 116A.400(1)). Nevada has adopted the Uniform Common-Interest Ownership Act, which defines and regulates common-interest communities (NRS 116.001 to 116.795), and enacted the Condominium Hotel Act (NRS 116B.005 to 116B.920) governing condominium hotels.

### Business Broker

A business broker is a person performing any of the following for compensation or with the intention or expectation of compensation:

- Selling, exchanging, optioning, purchasing, renting, or leasing a business that is sold, exchanged, optioned, purchased, rented, or leased as part of an interest or estate in real property.
- Negotiating or offering, attempting or agreeing to negotiate the sale, exchange, option, purchase, rental, or lease of a business that is or is intended to be sold, exchanged, optioned, purchased, rented, or leased as part of an interest or estate in real property.

- Listing or soliciting prospective buyers of a business if a component of the listing or solicitation is an interest or estate in real property.

(NRS 645.0075.)

A business broker must first be licensed as a real estate broker, salesperson, or broker-salesperson before obtaining a business broker permit (NRS 645.230(1)(d)).

### Exemptions

Exemptions to the licensing requirements of Chapter 645 of the Nevada Revised Statutes are contained in NRS 645.0445.

## 2. What are the licensing requirements for brokers and other roles listed in Question 1?

### General Requirements

All real estate professionals must:

- Be licensed by the [Nevada Real Estate Division](#) (NRED). An initial license is valid for 12 months and must be renewed every 24 months after that. (NRS 645.490 and 645.780.)
- Have a good reputation for honesty, trustworthiness, and integrity (NRS 645.330(1)(a)).
- Be competent to transact business in a manner that safeguards the interests of the public (NRS 645.330(1)(c)).
- Pass the Nevada and national licensing exams no more than 12 months before the date of the application (NRS 645.330(1)(d); Nev. Admin. Code § 645.225; [Nevada Real Estate Division: Real Estate Licensing Requirements](#)).
- Pass required exams with a minimum 75% score (NRS 645.330(1)(d); Nev. Admin. Code § 645.220).
- Undergo a background check and submit a set of fingerprints to the NRED (NRS 645.355).
- File an application that does not contain a false statement of material fact (NRS 645.350 and 645.330(1)(b)).

The NRED publishes [Form 501](#), summarizing the basic licensing requirements. Real estate professionals seeking to work as property managers or business

brokers must also apply for and receive a separate permit in addition to their real estate license (NRS 645.6052 and 645.863).

There is no difference in licensing requirements for commercial or residential real estate professionals.

There is a \$15 technology fee added to existing fees payable for the issuance or renewal of a broker, salesperson, or broker-salesperson license (NRS 645.830).

### Reciprocal Licenses

The NRED may issue a real estate broker or broker-salesperson license to a person who holds a real estate broker or broker-salesperson license or an equivalent issued by another US state, territory, or the District of Columbia, if both:

- The jurisdiction has entered into a reciprocal agreement with the NRED.
- The person submits proof that:
  - they have been issued a license as a real estate broker or broker-salesperson, or an equivalent license, by that state or territory of the US, or the District of Columbia; and
  - at the time the person files the application with NRED, the license is in good standing.

(NRS 645.332(2).)

For more information, see [Nevada Real Estate Division: Real Estate Licensing Requirements](#).

### Broker

#### General Requirements

An applicant for an initial license as a real estate broker must satisfy the requirements for a license as a real estate salesperson as provided in Nev. Admin. Code § 645.100, with the exception of certain educational requirements (Nev. Admin. Code § 645.102(2); see Salesperson). However, brokers must include the following additional information in their application:

- The name under which business is to be conducted.
- The place or places, including street number, city, and county where business is to be conducted.
- If the broker is a limited liability company (LLC), the name and address of the manager and each member.

- If the broker is a partnership or an association, the name and address of each member.
- If the broker is an LLC, partnership, or association, proof that the application has been verified by at least two members.
- If the broker is a corporation, proof that the application has been verified by the president and secretary.

(NRS 645.350.)

A broker applicant must first have served as a full-time licensed real estate broker-salesperson or salesperson in Nevada or served as a full-time licensed real estate broker, broker-salesperson, or salesperson in another state or the District of Columbia for at least two of the four years immediately preceding the issuance of a broker's license (NRS 645.330(4); [Nevada Real Estate Division: Real Estate Licensing Requirements](#).)

#### Educational Requirements

With certain exceptions, an applicant for a license as a real estate broker must satisfy the requirements for a license as a real estate salesperson (Nev. Admin. Code § 645.102; see Salesperson).

Broker applicants for an initial license must complete 64 semester credits (or the equivalent in quarter units) of college-level pre-licensing courses, including courses on certain real estate topics (NRS 645.343(2), (3)). The NRED website details more specific initial and renewal requirements and should be consulted carefully as the educational requirements for applications on and after October 1, 2021 may differ ([Nevada Real Estate Division: Real Estate Broker Initial License Requirements](#)).

Brokers can substitute full-time experience for most of Nevada's educational requirements, with the exception of the 45-hour broker management course and the 18-hour Nevada law course. Nevada allows 16 college credits for every two years of experience. ([Nevada Real Estate Division: Real Estate Broker Initial License Requirements](#).)

#### Financial Requirements

The NRED must approve the financial condition of each applicant (Nev. Admin. Code § 645.102(1)). The NRED may:

- Investigate each applicant.
- Require the applicant to submit any information the NRED deems necessary to conduct the investigation.

- Require an applicant to submit a credit report dated within 30 days immediately preceding the date of the application, at the applicant's expense.

(Nev. Admin. Code § 645.150.)

### Salesperson

A real estate salesperson must:

- Be at least 18 years of age.
- Include in their application to NRED the following information:
  - a fingerprint card;
  - a verified statement from the broker;
  - fees;
  - proof that the applicant received a passing grade on the license exam within the last 12 months;
  - proof that the educational requirements for a salesperson's license are satisfied;
  - a credit report completed within 30 days of the application;
  - information required by Nev. Admin. Code § 645.150(3), including, without limitation, proof of honesty, truthfulness, and good reputation, and;
  - a statement prescribed by the [Nevada Division of Welfare and Supportive Services of the Department of Health and Human Services](#).

(Nev. Admin. Code § 645.100.)

An applicant for an initial salesperson license must also complete 120 hours of pre-licensing education, including courses on specific real estate topics (NRS 645.343(1)).

The NRED website details more specific initial and renewal requirements and should be consulted carefully as the educational requirements for applications on and after October 1, 2021 may differ ([Nevada Real Estate Division: Real Estate Salesperson Initial License Requirements](#)).

### Broker-Salesperson

An applicant for a license as a real estate broker-salesperson must satisfy the requirements for a license as a real estate salesperson as provided in Nev. Admin. Code § 645.100 (Nev. Admin. Code § 645.101; see Salesperson).

Broker-salesperson applicants for an initial license must complete 64 semester credits (or the equivalent in quarter units) of college level pre-licensing courses, including courses on specific real estate topics (NRS 645.343(2), (3)).

The NRED website details more specific initial and renewal requirements and should be consulted carefully as the educational requirements for applications on and after October 1, 2021 may differ ([Nevada Real Estate Division: Real Estate Broker-Salesperson Initial License Requirements](#)).

Broker-salespersons can substitute full-time experience for most of Nevada's educational requirements, with the exception of the 45-hour broker management course and the 18-hour Nevada law course. Nevada allows 16 college credits for every two years of experience. ([Nevada Real Estate Division: Real Estate Broker-Salesperson Initial License Requirements](#).)

### Property Manager

A property manager must:

- Already be licensed as a real estate broker, real estate broker-salesperson, or real estate salesperson (NRS 645.6052(1)).
- File a permit application with the NRED along with the required fee (Nev. Admin. Code § 645.800(1)(a), (b)).
- With respect to the initial license, complete 24 classroom hours of property management instruction, including courses on specific real estate topics (Nev. Admin. Code § 645.800(2)).
- File a certificate of completion that indicates the person's successful completion of the 24 classroom hours of instruction in property management (Nev. Admin. Code § 645.800(1)(c)).

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:

- Appoint a property manager, who has the qualifications required by NRS 645.6055, to supervise property management activity at the brokerage office.
- Submit notice of the appointment to the NRED.

(NRS 645.6055.)



### Business Broker

A business broker must:

- Already be licensed as a real estate broker, real estate broker-salesperson, or real estate salesperson (NRS 645.863(1)).
- File a permit application with the NRED including the required application and examination fees.
- With respect to the initial license, complete 24 classroom hours of business brokerage instruction, including courses on specific real estate issues (Nev. Admin. Code § 645.913(1), (2)).

### 3. What are the on-going requirements for maintaining a license for brokers and other roles listed in Question 1?

Under Nevada law, the initial period of licensure for a broker, broker-salesperson, or salesperson is 12 consecutive months. Each subsequent period of licensure is 24 consecutive months. (NRS 645.490(3) and 645.780(2).)

All persons licensed pursuant to the provisions of NRS Chapter 645 must comply with continuing education requirements established by regulations of the [Nevada Real Estate Commission](#) (NRS 645.575). A person may apply for an exemption from continuing education requirements other than the mandatory subject matter if the person both:

- Is 65 years of age or older.
- Has been licensed in good standing as a broker, broker-salesperson, or salesperson for 30 years or longer at the time of the application.

(NRS 645.575(3)(a); Nev. Admin. Code § 645.449.)

The requirements for post-licensing education do not apply to a first-time licensee who either:

- Holds a real estate license issued by another state, US territory, or the District of Columbia on the date on which the first-time licensee obtains a real estate license issued by Nevada.
- Held a license as a real estate broker, real estate broker-salesperson, or real estate salesperson issued by Nevada within the five years immediately preceding the date on which the first-time licensee obtained a license as a real estate salesperson.
- Is licensed as a real estate broker-salesperson and obtained the qualifications for licensure as a real

estate broker-salesperson in connection with the provisions of NRS 645.343(4).

(Nev. Admin. Code § 645.4442(2).)

### Broker

Real estate brokers must complete 24 hours of continuing education, consisting of specific courses, upon their first renewal ([Nevada Real Estate Division: Broker First Renewal](#)).

For licenses expiring on or after October 1, 2021, brokers must complete 36 (previously 24) hours of continuing education every two years, consisting of specific courses (NRS 645.575(2); [Nevada Real Estate Division: Broker Subsequent Renewals](#)).

### Salesperson

Upon their first renewal, real estate salespersons must complete 30 hours of post-licensing education, unless exempted under Nev. Admin. Code § 645.4442(2). First-time licensed salespersons that are exempt from post-licensing requirements under Nev. Admin. Code § 645.4442(2), must complete 24 hours of continuing education, consisting of specific courses ([Nevada Real Estate Division: Salesperson First Renewal](#)).

For licenses expiring on or after October 1, 2021, salespersons must complete 36 (previously 24) hours of continuing education every two years, consisting of specific courses (NRS 645.575(2); [Nevada Real Estate Division: Salesperson Subsequent Renewals](#)).

### Broker-Salesperson

Upon their first renewal, real estate broker-salespersons must complete 30 hours of post-licensing education and three hours of broker management courses. First-time licensed broker-salespersons that are exempt from post-licensing requirements under Nev. Admin. Code § 645.4442(2), must complete 24 hours of continuing education, consisting of specific courses ([Nevada Real Estate Division: Broker-Salesperson First Renewal](#)).

For licenses expiring on or after October 1, 2021, broker-salespersons must complete 36 hours of continuing education every two years, consisting of specific courses (NRS 645.575(2); [Nevada Real Estate Division: Broker-Salesperson Subsequent Renewals](#)).

### Property Manager Permit

A property management permit is renewed at the same time as the real estate license to which it is attached. Property managers must complete at least three hours of continuing education every two years in addition to their license renewal continuing education requirements. For permits expiring on or after October 1, 2021, the three-hour requirement increases to nine hours. ([Nevada Real Estate Division: Property Manager Permit Renewal.](#))

### Business Broker Permit

A business broker permit is renewed at the same time as the real estate license to which it is attached. Business brokers must complete at least three hours of continuing education every two years in addition to their license renewal continuing education requirements. ([Nevada Real Estate Division: Business Broker Permit Renewal.](#))

### Question Set:

#### 4. What is the best way to determine if a real estate professional is duly licensed?

The Nevada Real Estate Division's [website](#) can be used to determine whether a particular real estate professional is licensed.

#### 5. What is the best way to file a complaint against a real estate professional for fraud, material misrepresentations, negligent acts, or intentional misconduct?

Individuals and entities may file a complaint against a real estate licensee by filing [Statement of Fact Form 514](#) with the Nevada Real Estate Division (NRED). For more information, see the NRED's [File a Complaint page](#).

### Customs in Practice for Brokers

#### 6. With regard to brokers in your jurisdiction, please briefly describe:

- The broker's customary involvement in a transaction.
- Whether there are any restrictions on the broker's role.

### Broker's Involvement

Practices and customs vary throughout Nevada in commercial real estate transactions. Real estate transfers generally occur through an escrow at licensed escrow companies, many of which are licensed title insurance companies. Most transactions do not involve paying a separate fee to a broker other than the commission itself. A broker's involvement in key transactions is generally as follows:

- **Transfer of commercial real property.** Brokers typically have initial contact with the seller or buyer. In a routine or uncomplicated sale or if the size of the transaction does not justify the expense of attorney's fees, the broker typically completes standard fill-in-the-blank forms common in the industry such as those offered by the Realtors® or other trade groups. Completed purchase and sale agreements, whether consisting of pre-printed forms or attorney prepared agreements, are delivered to an agreed-on licensed escrow company. Escrow officers then prepare escrow instructions by completing their company's fill-in-the-blank standard forms. Brokers may or may not be involved in larger transactions. It is not unusual for large transactions to lack broker participation or only involve a single broker, most often the seller's broker. If a broker does participate, the broker typically prepares a term sheet, letter of intent, or similar nonbinding document, which is delivered to counsel for the parties to prepare the formal purchase and sale agreement. In all instances, brokers typically stay involved during the contract period.
- **Leasing of commercial real property.** Broker involvement in commercial lease transactions varies considerably. In smaller retail and office building transactions, brokers often handle the entire transaction and use standard forms. When malls, large shopping centers, hotel casino spaces, and first-class office buildings are involved, brokers typically prepare term sheets and the attorneys complete negotiations and finalize the lease documents.

### Restrictions on Broker's Involvement

Brokers face disciplinary action for providing specialized professional services outside the expertise of the licensee (NRS 645.254; [Nevada Real Estate Division: Nevada Law and Reference Guide, p. II-36](#)). Rule 5.5 of the Nevada Rules of Professional Conduct prohibits the unauthorized practice of law. The Nevada Supreme Court has ruled that real

estate professionals engage in the unauthorized practice of law when they judge the legal sufficiency of instruments needed to close a real estate deal, such as purchase and sale agreements and deeds (*Pioneer Title Ins. & Tr. Co. v. State Bar of Nev.*, 326 P.2d 408, 412-13 (Nev. 1958)). However, it is common and uncontested for brokers and escrow agents to complete preprinted forms including the purchase and sale agreement forms and the escrow company's standard form of escrow instructions and disclosures. Brokers must also complete mandatory representation disclosure forms.

### Customs in Practice for Attorneys

#### 7. With regard to real estate attorneys in your jurisdiction, please briefly describe:

- When an attorney becomes involved in the transaction, if at all.
- If an attorney can receive commission without a real estate broker license?
- Whether the attorney is exempt from the licensing regulations in Question 1.
- Whether an attorney can act as broker and legal counsel in the same transaction. If so, are any disclosures required?

#### Involvement

Nevada attorneys may be absent from smaller commercial real estate transactions, such as:

- Shopping center leases.
- Sales or leases of smaller commercial buildings.
- Sales of unimproved land.

In larger commercial transactions, attorneys typically become involved after the client has listed the property for sale and has received an offer, an expression of interest such as a letter of intent, or a proposed agreement or lease. In these cases, attorneys typically either prepare or review a purchase and sale or lease agreement and interact with the broker, escrow agent, title insurer, and, if applicable, counsel for the other party from the execution of the agreement to the closing or termination

of the transaction. In cases of lease transactions with national tenants with form leases, the role of Nevada attorneys is limited to reviewing the lease for compliance with Nevada law and practice.

#### Commissions

An attorney cannot receive a commission without having a license as a real estate broker, broker-salesperson, or salesperson (NRS 645.280). Attorneys are only exempt from licensure requirements to the extent they are performing the duties of an attorney (NRS 645.0445(2)(c)).

#### Exemption from Licensing Regulations

Attorneys are exempt from real estate licensing statutes and to the extent that they are performing duties as attorneys at law (NRS § 645.0445(2)(c)).

In connection with its Attorney Policy, the [Nevada Real Estate Division](#) accepts completion of a law degree as meeting the equivalency of the real estate principles and real estate law course requirements. In addition to a law degree, the applicant must show proof of completion of the following:

- For a salesperson license, 18 hours of Nevada law.
- For a broker-salesperson or broker license:
  - 18 hours of Nevada Law;
  - three semester credits (45 hours) of real estate appraisal (which may be met by experience);
  - three semester credits (45 hours) of broker management;
  - 15 college credits in real estate, business, or economics; and
  - 37 college level credits from any accredited college or university.

([Nevada Real Estate Division: Real Estate Licensing Requirements.](#))

#### Acting as Broker and Legal Counsel

An attorney may not act as a broker and counsel on the same transaction. Rule 1.6, 1.7, and 1.8 of the Nevada Rules of Professional Conduct, which govern conflicts of interest and the confidentiality of client information, are likely to conflict with the obligations of a real estate professional, including the disclosure requirements of NRS 645.252.



## Brokerage Agreements

### 8. Please describe different brokerage agreements commonly used in your jurisdiction between individuals selling or leasing their property and the brokers.

There are four common types of brokerage agreements in Nevada:

- **Open listing.** In this type of listing, the broker's right to sell or lease is not exclusive. The first broker to find the buyer or tenant is entitled to the commission.
- **Exclusive agency listing.** In this type of listing, the seller or landlord hires a broker as an exclusive agent, but the broker gets a commission only if the broker procures the buyer or tenant. The broker does not receive a commission if the seller or landlord obtains the buyer or tenant.
- **Exclusive right to sell or lease listing.** In this type of listing, the broker receives a commission regardless of whether the broker or another party found the buyer or tenant.
- **Multiple listing.** In this type of listing, brokers pool their exclusive listings. The broker then provides certain listing information to the local Multiple Listing Service (MLS) office, where it is coordinated with listings from other members. The listings are then published to all MLS members, any of which may sell any listed property. If a sale of property is made by someone other than the broker taking the listing initially, the commission is divided between the listing and selling broker.

Net listing agreements are permitted in Nevada and are typically used with hard to sell properties such as rural land and environmentally damaged property ([Nevada Real Estate Division: Nevada Law and Reference Guide, pp. III-57 and III-58](#)).

### 9. Is there a customary tail period for exclusive brokerage agreements?

The length of the tail period is negotiable in Nevada. In commercial transactions, a six-month to one-year tail period is common.

## Commission Payments

### 10. With regard to commission in your jurisdiction:

- Does a broker need a written brokerage agreement to claim its commission?
- When is a broker entitled to its commission?
- May a commission be earned if the closing does not occur?
- Are there any statutory restrictions on commission rates?
- If the parties are permitted to negotiate a commission, what is the customary range for commission rates.

## Written Brokerage Agreement

A Nevada broker generally does not need a written brokerage agreement to claim its commission. Brokerage agreements can be oral or written (NRS 645.005). However, a broker must have a written agreement to claim its commission in two instances:

- A brokerage agreement which includes a provision for an exclusive agency representation (NRS 645.320).
- To claim a lien on the owner's net proceeds (NRS 645.8705 and 645.8761).

## Timing of Commission Payment

By statute, a broker is entitled to a commission once it fulfills the terms of the brokerage agreement (NRS 645.8761(1)). Under common law, a broker is entitled to a commission when it produces a buyer ready, willing, and able to purchase the property on the agreed terms on which the broker is authorized to sell, or when a written contract on any terms acceptable to the seller has been entered into with the buyer (*Fleshman v. Hendricks*, 560 P.2d 1350, 1351 (Nev. 1977)).

In an open listing, the broker is entitled to a commission if a broker has an agreement with the seller and produces a buyer ready, willing, and able to purchase on the agreed terms (*Chicago Title Agency of Las Vegas, Inc. v. Schwartz*, 851 P.2d 419,

421 (Nev. 1993)). Payment typically occurs at the close of escrow.

For non-purchase transactions, payment is due after the services are tendered.

### Commission Payment Without Closing

A broker is entitled to a real estate commission if an employment contract exists and the broker is the procuring cause of the sale (*Atwell v. Sw. Secs.*, 820 P.2d 766, 768 (Nev. 1991)). Absent an agreement to the contrary, a broker may be entitled to a commission without a closing. However, commission payments may also depend on conditions beyond those implied in an ordinary broker's contract. The Nevada Supreme Court has noted a growing body of case law where courts imply a condition precedent to a payment. In those cases, the buyer's refusal or failure to perform is fatal to the commission. (*Ferrara v. Firsching*, 533 P.2d 1351, 1352-54 (Nev. 1975).)

### Statutory Restrictions

Nevada real estate brokerage statutes do not regulate the amount of compensation payable to a broker. However, when there is a real property sale within a decedent's estate, commissions cannot exceed:

- 10% for unimproved real property.
- 7% for improved real property.

(NRS 148.110(3).)

### Range of Negotiated Rates

Commission rates are negotiable and vary by location based on market factors, case-by-case conditions, and whether the transaction is residential or commercial. Commission rates for vacant land as well as commercial transactions depend on the size of the transaction, with lower commission percentages in large transactions. Commission percentages for transactions under \$1 million are generally in the range of 6%, with lower commission percentages for higher value transactions. Commissions on very large transactions (for example, \$100 million) may be fractions of a percent. Commissions payable to business brokers are typically between 10% to 15%. The National Association of Realtors' settlement, in March 2024, of a series of lawsuits involving real estate commission is likely to have some effect, as yet unknown, on commission practices and rates in the future.

### 11. Is it customary for the seller or the landlord to pay the commission? If so, how is payment to the purchaser's or tenant's broker usually ensured?

In commercial acquisitions in Nevada, commissions are typically paid as part of escrow to the buyer's broker or seller's broker at closing.

In commercial lease transactions, the landlord typically pays the commission after the lease is executed and the landlord receives the first rent payment. Lease commissions may also be paid over time as the landlord receives rental payments, particularly if the commission is based on the exercise of a lease renewal.

### 12. Is fee splitting permitted or customary in your state? If so, are there any restrictions?

Nevada permits fee splitting, but only between other:

- Salespersons that are licensed in Nevada.
- Brokers that are licensed in Nevada or another state.

(NRS 645.280(1).)

A real estate broker-salesperson or salesperson may not be associated with or accept compensation from any person other than the broker or owner-developer under whom they are licensed at the time of the real estate transaction (NRS 645.280(2)).

A licensed real estate broker may pay a commission to a licensed broker of another state in connection with a cooperative certificate (NRS 645.280(1)). A cooperative certificate is valid for the earlier of 12 months after the date of issuance or the completion of the single transaction identified in the application for the certificate (Nev. Admin. Code §§ 645.180 to 645.185.)

### 13. When real property is sold, is the grantor deemed released from any deferred commission payment obligations that are scheduled to come due after the transfer of fee title to the grantee or must there be an express release? Are deferred commission payments automatically assumed by the grantee or must the assumption be express?

### Grantor Release from Deferred Commission

In Nevada, generally a grantor is not deemed released from its obligation to pay any deferred commission payments unless there is express language in the purchase or brokerage agreement that provides otherwise. The specific details of each case are relevant in determining whether there is any ongoing liability for the grantor.

Transfer of title does not include a transfer of deferred commission payments, because a deferred brokerage commission payment is a personal obligation and not an obligation that runs with the land (NRS 645.8761(3)(a)).

### Grantee's Assumption of Deferred Commission

The buyer is not deemed to have assumed the obligation to pay deferred commission payments unless there is an express language in the purchase agreement that provides otherwise. The facts of each case are relevant in determining whether the grantee assumed the obligation.

## Costs

#### 14. With regard to the marketing and advertising costs associated with the listing:

- Does a broker typically pass on these costs to the seller or the landlord?
- Are provisions dealing with these costs usually found in exclusive or non-exclusive agreements, or both?

### Reimbursement of Costs

In Nevada, local customs and market conditions govern negotiations regarding the reimbursement of costs.

In commercial transactions where the broker has an exclusive agency listing or exclusive right to sell listing, the seller or landlord generally does not reimburse the broker for its marketing and advertising costs. However, this is negotiable and reimbursements may be capped by a specific amount.

### Cost Provisions

Provisions dealing with marketing and advertising costs are more likely to be found in exclusive brokerage agreements. However, these provisions are usually negotiable.

## Disclosure Laws

#### 15. Describe any disclosure laws affecting real estate brokers or salespersons. Is a broker required to disclose its dual agency?

### General Disclosure Laws

In Nevada, real estate licensees and property managers must disclose all material and relevant information they know or should know to all parties in a transaction as soon as possible (NRS 645.252(1)). This statutory duty cannot be waived (NRS 645.255). A licensee or property manager must also give the client and any unrepresented parties a statutory form that explains the licensee's duties in the transaction (NRS 645.193 and 645.252(3)). The form, called "[Duties Owed by a Nevada Real Estate Licensee](#)," is available on the website of the [Nevada Real Estate Division](#) (NRED).

Licensees featured in real estate advertisements must also disclose the name of the brokerage that they do business with or are associated with (NRS 645.315).

Licensees acting as a principal or agent in a real estate transaction must also disclose that status, in writing, to their client and any unrepresented parties (NRS 645.252(1)(c); Nev. Admin. Code § 645.637).

Nevada law identifies certain prior occupancies or uses of real property that are not material to the transaction and need not be disclosed (NRS 40.770).

### Property Managers

A property manager is required to make certain statutory disclosures to each party to its property management agreement as soon as practicable. Matters of disclosure include:

- Material and relevant facts, data, or information concerning the property.
- Each source from whom the property manager will receive compensation.

## Commercial Real Estate Brokerage Laws and Customs: Nevada

- Whether the property manager is a principal to the agreement or has an interest in a principal to the agreement.
- Whether the property manager is acting for more than one party to the agreement, in which case the consent of each party to the agreement is required.

([Sec. 18, Chapter 527, 2023 Statutes of Nevada \(SB 355\)](#)).

### Mortgage Company Disclosures

A mortgage company (NRS 645B.0127) or a mortgage loan originator (NRS 645B.0125) who is also licensed as a real estate broker or real estate salesperson and who acts in both capacities in a single transaction must disclose certain information to the borrower on a form prescribed by the Division of Mortgage Lending of the Department of Business and Industry, Nev. Admin. Code § 645B.235, as amended by LCB File No. R070-23, 02-27-2024).

### Dual Agency Disclosure

A broker may represent both parties to a purchase or lease transaction or a property management agreement in commercial transactions if he or she obtains prior written consent from both parties (NRS 645.252(1)(d)). A licensee affiliated with a broker or property manager is not required to obtain the written consent, and may not disclose confidential information except to the broker. (NRS 645.253, as amended by [Chapter 527, 2023 Statutes of Nevada \(SB 355\)](#)). The written consent form, covering both brokers and property managers, entitled "Consent to Act," is available on the NRED's [website](#).

### Broker's Liens

**16. Can a broker file a lien against real property if it has a claim for its commission? Is a broker's lien an inchoate lien?**

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### Filing a Lien

Nevada law does not provide for a broker's lien against real property based on unpaid commissions (NRS 645.8761).

### Brokers' Liens as Inchoate Liens

Nevada law does not provide for a broker's lien against real property based on unpaid commissions.

**17. How can a real property owner remove a broker's lien?**

Nevada law does not provide for a broker's lien against real property.

### Managing Real Estate

**18. Is a broker's license required to manage real estate and collect rents on behalf of a landlord? If so, what are the statutes regulating the licensing requirements?**

Under Nevada law, property management activities require a permit, whether residential or commercial (NRS 645.230(1)(b)). Property managers must also be real estate licensees and meet licensing requirements for those positions (see Question 2: Property Manager).