

PROPERTY MANAGEMENT WORK GROUP MEETING FEEDBACK

November 21, 2017

Forrest Barbee

Here are my long and short term items that I'm hoping we can work on.

- Currently the PM Pre-Licensing requires 24 classroom hours of instruction:
NAC 645.800 Permit to engage in property management: General requirements; fees; effective date. ([NRS 645.190](#), [645.6052](#))
 1. A person who wishes to obtain a permit to engage in property management must submit to the Division:
 - a) A completed application on a form prescribed by the Division;
 - b) A fee of \$40; and
 - c) A certificate of completion, in a form that is satisfactory to the Division, that indicates the person's successful completion of the 24 classroom hours of instruction in property management required by paragraph (a) of subsection 2 of [NRS 645.6052](#).
 2. The 24 classroom hours of instruction in property management required pursuant to paragraph (a) of subsection 2 of [NRS 645.6052](#) must include, without limitation:

It would be worthwhile discussing a possible Code change to allow this course to be delivered by correspondence or online, rather than just in-class.

- The development of a "resource guide" that could be written and distributed using recovery fund monies.
- Some eventual legislative changes
 - ↳ Extend B/BS pre-licensing to 180 hours that would include content in PM, commercial, trust accounting, and risk management.
 - ↳ Require sales managers and team leaders to hold at BS license to be in those positions

Judy Cook

We briefly discussed the possibility of a "Resource Guide for Property Managers." I would very much like to participate in authoring such a guide. I believe it should include "best practices" for responsibilities of the property manager that are not presently addressed in either law or regulation - tenant screening, electronic banking, rent collection, privacy concerns (under the "FACT Act") are just a few topics that immediately come to mind.

See recommended changes on the next page

Judy Cook... continued

Changes Proposed for Property Management Prelicensing Curriculum:

NAC 645.800 Permit to engage in property management: General requirements; fees; effective date. (NRS 645.190, 645.6052)

1. A person who wishes to obtain a permit to engage in property management must submit to the Division:

- (a) A completed application on a form prescribed by the Division;
- (b) A fee of ~~\$40~~; and **- Propose fee increase to \$250.00.**

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(c) A certificate of completion, in a form that is satisfactory to the Division, that indicates the person's successful completion of the 24 classroom hours of instruction in property management required by paragraph (a) of subsection 2 of NRS 645.6052.

2. The 24 classroom hours of instruction in property management required pursuant to paragraph (a) of subsection 2 of NRS 645.6052 must include, without limitation:

- (a) Four hours of instruction relating to:
 - (1) Contracts for management services;
 - (2) Leases of real property;
 - (3) Applications to rent real property;
 - (4) The Fair Credit Reporting Act, 15 U.S.C. §§ 1681 et seq.; and
 - (5) The Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692 to 1692o, inclusive;

(b) Two hours of instruction relating to the maintenance of records of money deposited in trust accounts and the requirements for reporting to the Division set forth in chapter 645 of NRS; **Propose this requirement include "best practices" for electronic banking and EFT/ACH rent collection and owner payments.**

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~~(c) One hour of instruction relating to the use of a computerized system for bookkeeping;~~ **Propose this requirement be substituted with 1 hour of instruction on Agent Safety.**

(d) Two hours of instruction relating to the laws of this State governing property management;

(e) Two hours of instruction relating to the disclosure of required information in real estate transactions, including, without limitation:

- (1) Disclosures required pursuant to NRS 645.252; and
- (2) Disclosures related to environmental issues as governed by state and federal law;

(f) Five hours of instruction relating to:

- (1) The Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq.;
- (2) The Residential Landlord and Tenant Act as set forth in chapter 118A of NRS;

- (3) The Nevada Fair Housing Law as set forth in chapter 118 of NRS; and
- (4) State and federal law governing unlawful discrimination based on sex, including, without limitation, sexual harassment;

~~(g) Three hours of instruction relating to property management for a common interest community as set forth in chapter 116 of NRS;~~ **Proposed this be replaced with 1.5 hours related to Contractor's License Law, .5 hours related to 1031 Tax Deferred Exchanges, .5 hours related to the Servicemembers Civil Relief Act, and an expansion of the 2-hour requirement for Commercial Property Management to 2.5 hours, to include instruction on Green Building Maintenance.**

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(h) One hour of instruction relating to the duties and responsibilities of a real estate broker, including the supervision of employees and real estate salespersons and real estate broker-salespersons associated with the real estate broker;

(i) Two hours of instruction relating to risk management, including, without limitation:

- (1) The maintenance of real property;
- (2) The health and safety of a tenant;
- (3) Fire insurance;
- (4) Rental insurance; and
- (5) Disability insurance; and

(j) Two hours relating to the management of commercial property. **(See above proposal to expand this section to 2.5 hours, and include instruction on Green Building Maintenance)**

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Wayne Capurro

I've read and agree with the recommendations of both Forrest and Judy. I have nothing more to add.

Sandy Thomas

Here are a few issues we spoke about and a few we have not spoken about at the last meeting.

1. Licensing Hours

Make PM permit 30 hours instead of 24

Continuing education hours

1. Property managers should have to take 12-15 CE hours to renew their permit not only 3 hours.
2. The hours should be in specific topics such as accounting/bookkeeping, NRS 118A/645, Agency for PM's, Contracts for PM, Risk Management, to name a few....

Nevada Law Resource & Reference guide

1. Would need to be made in a simply bullet point format that can be interpreted easily by all property managers and Agents.
2. If you implement a Resource or Reference guide the PM/Agent should have to read it online in a time sensitive display as it is when taking courses online.

Bulletins

1. If we have a resource guide, I do not think any new bulletins would be necessary as long as the Resource Guide is kept up to date

Soliciting other PM owner about taking accounts

1. Property Managers should hold the same standards for contacting other PM agent's clients to solicit their business as RE agents do.
2. Agents are currently contacting owners and offering to manage for less fees and telling them how to get out of their contracts.

Ashley Hawks

An apprentice program, similar to that of an appraiser's requirements, be implemented and required so that new PMs are not be able to begin conducting property management immediately after being initially licensed. I would suggest 6 months to a year of working under a property manager before being able to practice alone, under a Broker's permit.

A Broker hotline or other such local contact for Brokers to utilize when in need of guidance, separate from the Division and NVAR Legal Hotline, and that is specific to property management. Not sure of the possibilities here being that a salary will likely be a factor. However, taking into consideration that property management is the bulk of both GLVAR and Commission hearings/ Division complaints it seems worthwhile to provide some additional resources for brokers and maybe even PMs.