

DEPARTMENT OF BUSINESS AND INDUSTRY

REAL ESTATE DIVISION

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**THE DUTIES OWED FORM 525
FREQUENTLY ASKED QUESTIONS**

The Duties Owed form (Form 525) REVISED 10/05/23: The purpose of this form is the disclosure of the permit holder/licensees' duties to both the clients and the public. Per **SB 355** (2023), NRS 645.193 was amended to include the designation of Property Management. Providing the form is a requirement under NRS 645.252 3. THE FORM IS A DISCLOSURE AND DOES NOT CREATE AN AGENCY RELATIONSHIP.

The Supplemental List of Licensees (Form 525A): This additional page was added with the 11/07/16 revision. It should be used when a team or a team's licensed assistants will be working on a transaction file.

Who should sign the Duties Owed form?

The Real Estate Division suggests that a single "Duties Owed" form be signed by each party to the transaction. The intent is to provide and assure that each of the parties has been provided the Duties. It is not necessary to provide two or more duplicates of the same disclosure. This means that the listing agent should have the seller's signed disclosure form in the listing and transaction files and the buyer's agent should have the buyer's signed form in the buyer transaction files. However, if there is an unrepresented party to the transaction, the sole agent in the transaction should have a disclosure form signed by both the client and unrepresented party to the transaction as evidence of the disclosure to both parties. (See unrepresented parties below.)

Is the licensee responsible for providing the Duties Owed form to unrepresented parties?

Yes. If you are acting as an agent in a real estate transaction in Nevada, even if you are a Nevada licensed real estate agent representing yourself as a principal in the transaction, you are required to provide the other party in the transaction with the form when the other party is not represented by a Nevada real estate licensee. It is required that you include a signed copy of the form in the broker transaction file.

When must I have the Duties Owed form signed?

Regulation (NAC 645.637) clearly states that the "Duties" must be disclosed "as soon as practicable but no later than the date and time on which any written document is signed by the client or any party not represented by the licensee, or both". "Any written document" would include a listing agreement, purchase agreement, lease agreement, property management agreement, letter of intent, and buyer brokerage agreements.

What about confirmation of representation?

NAC 645.637 also requires the disclosure to be “....confirmed in a separate provision incorporated in or attached to that document”. Some written agreements, i.e., purchase agreements, listing agreements, lease agreements, buyer brokerage agreements, etc. contain the confirmation of representation. When the confirmation is not contained in a written agreement, then you will need to include a separate document for the confirmation of representation disclosure.

What if there is a possibility of an agent representing both parties in the transaction?

The acknowledgement of possibly acting as an agent representing both parties in the transaction is located in the last paragraph above the client/customer's signature block on the *Duties Owed* form.

If the agent will be representing both parties, then a *Consent to Act* form (Form 524) would have to be completed and signed by the parties prior to representing both parties in the real estate transaction.

Where do I get the current revision of the *Duties Owed* form?

All Division forms are available Online at <http://red.nv.gov>. Position your mouse onto *Forms* to open the drop-down menu, and then click on *Disclosure*. Select the *Duties Owed* form.

For further information please contact the Division's Real Estate Enforcement Section in Carson City at 775- 684-1900 or Las Vegas at 702-486-4324 or e-mail realest@red.nv.gov.

What changes were made in the current version of the *Duties Owed* form?

Following the conclusion of the 82nd Legislative Session, the newest revision of the *Duties Owed* form was published on October 5th, 2023 to reflect the language in [SB355](#):

"The Division shall prepare and distribute to licensees [:] **and property managers**:

1. A form which sets forth the duties owed by a licensee **or property manager** who is acting for only one party to a real estate transaction **[.] or property management** agreement, as applicable.
2. A form which sets forth the duties owed by a licensee **or property manager** who is acting for more than one party to a real estate transaction **[.] or property management** agreement, as applicable.
3. A form which sets forth the duties owed by a real estate broker who assigns different licensees **or property managers** affiliated with his or her brokerage to separate parties to a real estate"

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