

DEPARTMENT OF BUSINESS AND INDUSTRY
REAL ESTATE DIVISION

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Risk Reduction Designation

Continuing Education Standards

A course of continuing education for real estate licensees must meet the curriculum requirements specified in [NAC 645.450](#). The curriculum is a required minimum standard which provides the basis for Division and/or Commission review in considering the merits of a course for CE credits.

In December 2020, NAC 645.450 was amended to include **risk reduction** as an acceptable course for continuing education.

Risk Reduction

This designation may include:

- **Information Security**

Process of identifying, assessing, evaluating, combating, and controlling threats to an organization.

- Finances, legal, cyber fraud, theft, confidentiality, and protecting an organization's assets.

- **Cyber Security**

Including but not limited to use of passwords, malware, privacy, data breaches, safe computing, wire fraud etc.

- **Property Management**

- Fair housing, advertising, disclosures, earnest money disputes, best practices for showing of homes.
- Management contracts, leases, trust accounts, trust accounting reconciliation, record keeping, tenant issues, ADA compliance.

- **Leasing**

- *Tenant risk.* Lease termination and broken agreements can leave behind empty spaces and an abrupt drop in cash flow.
- *Geographic risk.* Areas in which office buildings, apartment complexes, retail centers and warehouses are located can be impacted by local economies, market demand and competition.
- *Asset risk.* Sometimes known as investment risk, asset risk is focused on the influence of market changes on a particular real estate type, impacting its financial performance.
- *Liquidity risk* and real estate
- Negotiations with existing tenants
- Working with tenants who need help.
- Working with lenders

- Tenant communications and protocol
- Showing space and executing contracts

These topics come from the NAIOP – National Association of Industrial and Office Professionals and the Managing Risk and Real Estate websites.

Additional Themes

Code of Conduct

- Client confidentiality and information sharing
- The role of assistants (both licensed and unlicensed)
- Disclosures and the involvement of assistants (both licensed and unlicensed)
- New homes sales etiquette (contracts, disclosures), appropriate and professional conduct
- Agent collegiality
- Gifts for referrals protocol - best practices
- Electronic records - best practices
- Advertising disclosure

Please be advised that pre-licensing education includes specific components of “Risk Reduction” not limited to property management, leasing, and information security ([NAC 645.435](#)). Courses for pre-licensing education and continuing education will be examined and designated according to the content and objectives presented to the Division.

3/24/2021