

DEALING WITH COVID 19 IN NEVADA **REAL ESTATE TRANSACTIONS**

Dated March 23, 2020

The below are two of the most pressing questions that Nevada Realtors are dealing with due to COVID-19. This is a fluid situation for all of us and the suggestions below are as of the above date and may be updated as the situation continues to evolve.

1. CAN REAL ESTATE OFFICES STILL OPERATE?

On March 20, 2020 Governor Sisolak ordered all non-essential businesses to close and once again urged all Nevadans to "Stay Home for Nevada". Governor Sisolak further stated "This is not the time to try to find loopholes -- if your business is not essential to providing sustenance and for the everyday safety, health, and wellbeing of Nevadans, you must shut down..." Specific non-essential businesses were ordered to close completely. Specific essential businesses were allowed to operate mostly as normal. Professional service businesses, including real estate, are allowed to operate but must do so remotely and must comply with all social distancing requirements.

We are fortunate here in Nevada that our real estate industry has already so enthusiastically embraced technology. We can, should and must follow directives and work from home. This does not mean that you have to close your business, you just have make adjustments to the way your business operates.

BEST PRACTICE GUIDELINES-

- ✦ PHYSICAL OFFICE- Close (and clean) your business offices and designate one person to check on the office periodically and do any tasks that must be done at the office (pick up mail, etc.) All agents and staff should be working from home.
- ✦ COMMUNICATIONS- Clients should also be encouraged to stay home. All communications with clients, other realtors, title companies, etc. should be done via telephone, email or video conferencing.



SHOWINGS- NO OPEN HOUSES! Encourage clients to view properties remotely. If clients insist on viewing properties in person, have them drive to the property separately; limit showing to groups of one or two people only; practice all social distancing guidelines and take all appropriate safety precautions. You may want to have your clients and/or property owners sign a covid-19 release regarding showings (ATTACHED).

2. CAN REAL ESTATE TRANSACTIONS STILL CLOSE?

The Clark County Recorder's Office is closed to the public, but is still working and still recording documents electronically or via US mail. However, although transactions currently may still be closed, there may be circumstances where the parties may choose to delay closings, or events may occur that require a closing to be delayed.

BEST PRACTICE GUIDELINES-



CLIENTS- Communicate early, often and continually with your clients via telephone, email or video conference. Have they had a change in circumstances due to COVID-19? Do they want to restrict showings of their home; have they had a layoff that may impact their ability to obtain financing; etc. It is impossible to know every issue that may arise. However, every issue has a solution and sooner it is discussed the better.



DELAYING CLOSINGS- Neither the GLVAR nor the northern Nevada form real estate purchase agreements contain a specific *force majeure* (unforeseeable circumstances that prevent someone from fulfilling a contract) clause. However, *force majeure* is still a legal defense to breaching a contract. GLVAR has drafted a specific COVID 19 addendum/amendment (ATTACHED) to help buyers and sellers communicate their intentions and modify the purchase agreement in accordance with any agreement that is reached. For the sake of consistency and clarity, the GLVAR form should be used in Southern Nevada whenever possible. However, parties may draft and execute any addendum that addresses their specific situation.



TITLE COMPANIES, HOA, INSPECTORS, REPAIRMEN, ETC. – As we all know, closing a real estate transaction requires the coordinated effort of multiple service professionals. At this time, all real estate related service professionals are still allowed to work remotely and all repairmen are still allowed to work as normal. However, issues may arise with related professionals which may delay closing. Again, communication is key--with all involved professionals, other agents and your clients. If circumstances arise which require an addendum to the purchase agreement, make sure any addendum is drafted appropriately and executed timely.

DISCLAIMER: This article is a brief overview of the most pressing issues facing real estate professionals related to COVID-19. This article is intended to serve as a general guideline only. This article does not constitute legal advice. The reader should consult with a licensed, experienced attorney in their jurisdiction for any specific legal advice.