

# Fundamentals of land

Can you sell 4 acres of land in Henderson?

Can I build a home on the land we have in escrow?

Can you do a CMA my land in the Northwest?

Where do I find this info?

# FUNDAMENTALS OF LAND

Different types of Land:

1. Residential - Single/Multi
2. Commercial –Retail/Manufacturing/Industrial/office
3. Agriculture- Farms/Ranches
4. BLM

# Key issues

Difference between Residential Brokerage and Land Brokerage

Highly Specialized! Requires In-depth knowledge of:

- Zoning and Land Use
  - State Statues
  - Water Rights
  - City Development
- 
- Know when to get help from an expert in the field!!!

# Fundamentals of land

Zoning plays a strong role in land sales, because it governs how the land may be used. For example, land with commercial zoning may sell for 10 or 20 times as much as land zoned for agriculture. So before you market your property, make sure you understand the zoning.

Can your land be subdivided?

Are there environmental restrictions?

What type of structures are permitted?

# Key issues

What To Disclose?

Current zoning of the subject property

Master planned zoning of the property

Zoning around the property

Any zoning that may be under consideration around the property

# Fundamentals of land

## Governing Authorities

- Boulder City
- N. Las Vegas
- Las Vegas
- Henderson
- Clark County

# Key issues

## Utilities

Does the property have utilities?

Where are they?

What are they?

What is the cost of getting utilities?

# Key issues

## Environmental Issues

Contaminates

Flooding

Drainage

SRPD?

# Fundamentals of land

Should I Represent a land client?

Lets talk about this...

What do you think?

# Key Fundamentals of land

Network of Land EXPERTS

Designations

CCIM- Certified Commercial Investment  
Member

RLI- Realtor Land Institute

# Land

Here are possible Cons of raw land:

Negative cash flow; It is just Dirt ☹️ Until you develop it.

Tax advantages- none really

Not typically Liquid

Can't usually be financed

# Land

Here are possible Pros of raw land:

Develop it! Can it be subdivided?

Possible appreciation

Owner Financing

# Property management & community management

# Common-interest community defined

A common-interest community is defined as any real estate with respect to which a person, by virtue of his ownership of a unit, is obligated to pay for real estate other than that unit. Homeowners associations and community associations are synonymous with common-interest communities.

# Nevada revised statutes chapter 116

Common-interest ownership (Uniform Act)  
is the set of laws that govern common-interest communities.

# Nevada administrative code chapter 116

## Management of Common-interest Community

As the name would imply, regulates how common-interest communities are to be managed.

# Alternative dispute resolution

When there is a disagreement, an alternative dispute resolution (ADR) between owners and their common interest community is required concerning the interpretation, application and enforcement of covenants, conditions and restrictions (CC&RS), bylaws, rules and regulations adopted by an association. Nevada Revised Statutes Chapter 38 is the set of laws that govern alternative dispute resolutions.

# Community association management

- Certificate required (SB 325, Section 23.) (See attached Handout)
- Education & experience required
  - Provisional community manager certificate
  - Supervising community manager qualifications & duties
- Community association manager application (NRS 116.31139)

# Property management

(NRS 645.6052 - 645.6056 & NAC 645.800 – 645.807)

Function of the property manager (NRS 645.019 & NRS 645.0195)

Property management agreement requirements (NRS 645.0192 & NRS 645.6056)

Permit required (NRS 645.6052, NRS 645.6054)

Education required

Designated property manager qualifications & duties (NRS 645.6055)

**REAL ESTATE DIVISION**[realest@red.state.nv.us](mailto:realest@red.state.nv.us)[www.red.state.nv.us](http://www.red.state.nv.us)**PROPERTY MANAGEMENT****What is Property Management?**

Property Management means the physical, administrative or financial maintenance and management of real property, or the supervision of such activities for a fee, commission or other compensation or valuable consideration, pursuant to a property management agreement. NRS 645.019.

**What is a Property Management Agreement?**

Property Management Agreement means a written contract between a client and a broker in which the broker agrees to accept valuable consideration from the client or another person for providing property management for the client. NRS 645.0192

**What is a Property Manager?**

Property Manager means a person engaged in property management who, as an employee or independent contractor, is associated with a licensed real estate broker, whether or not for compensation and has obtained a Property Manager Permit. NRS 645.0195

**What activities may a licensed real estate agent perform?**

A real estate licensee may rent, lease or lease option real estate and perform all activities necessary to represent their client, either the owner or the renter, leading to the conclusion of an agreement to rent, lease, or option the property involved. These activities include, but are not limited to, advertising a property, preparing the lease, rental or option agreement, having a credit check run on the prospective tenant, checking the tenant's references, doing a walk-through inspection with the tenant and negotiating the price and other terms and conditions of the agreement.

A real estate licensee may also accept an initial check for rent and deposits required by the rental, lease or option agreement. The check must be made out to the owner, property manager or escrow company. The real estate licensee's fee or commission must be made out to the broker with whom they are associated at the time of the transaction.

A real estate licensee may, during the listing and sale period, arrange for a listed property to have pool or yard maintenance, be cleaned and repaired. An agent may

# Disclosure

“Before you purchase in a common interest community, did you know...” disclosure

# Taxes

# Real estate tax advantages

Primary residence -At the time of purchase

Prepaid Mortgage Interest

Pro-rated Property Taxes

Transfer Taxes

Real Estate Taxes

Discount Points

What is not tax deductible?

# Real estate tax advantages

Primary residence –During Ownership

- Property taxes

- Mortgage Interest

  - Amount changes based on circumstance

# Real estate tax advantages

Primary residence –At the time of sale

Gains

Amount changes based on circumstance

# Real estate tax advantages

Investment at the time of the Sale

1031 Exchange

Accommodator

IPX 1031 – Steven Decker

# Real estate tax advantages

## FIRPTA

Foreign Investment In Real Property Tax act of 1980

Boy... lets talk about this one....

Things to advise your buyer:

Check settlement statement

Request copy of withholding certificate

Request copy of forms and check

Retain these documents