



Are Your Contracts Covered for Covid-19? Force Majeure Clauses and Coronavirus

By Christal Park-Keegan, NVR Legal Information Line Attorney

In light of recent events, brokerages have been forced to examine how to address COVID-19 within their brokerages and in real estate transactions. The National Association of REALTORS® has released a guide for REALTORS® (<https://www.nar.realtor/coronavirus-a-guide-for-realtors>) which identifies modified business practices for listing and buyers' brokers, as well as precautions within brokerages. Over the last few weeks, Nevada REALTORS® reached out to its brokers for feedback since our contracts did not include provisions which may excuse, delay or postpone performance based on COVID-19 (a.k.a. *Force Majeure* Clause), and the overwhelming response was to act reasonably and with understanding given the National emergency.

In response to this, the Nevada REALTOR® worked with the local associations on the adoption of the **Coronavirus Addendum**, which all of the local associations in Nevada are currently using. Keep in mind, this is not a mandatory Real Estate Division issued form, rather another tool in your toolbox that you can use during these unprecedented times. Parties are encouraged to work together at this time as well as understand the new processes title companies may have in place when working with you and your client.

Statements made by the Nevada REALTORS® Legal Information Line attorneys on the telephone, in e-mails, or in legal news articles are for informational purposes only. Nevada REALTORS® staff attorneys provide general legal information, not legal representation or advice regarding your real estate related questions. No attorney-client relationship is created by your use of the Legal Information Line. You should not act upon information you receive without seeking independent legal counsel. Information given over the Legal Information Line or in these articles is for your benefit only. Do not practice law or give legal advice to your clients! Inform your clients they must seek their own legal advice.