



Playing well with others: Working with out-of-state brokers

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Q1. Do other states' real estate licenses qualify for the reciprocal Nevada Salesperson license?

A1. It depends! Nevada does have reciprocal agreements with *some* states which are identified here on the Real Estate Division's Form 501, *see* Section B. Out-of-State Applicants: [Form 501 - Real Estate Licensing Requirements \(nv.gov\)](https://red.nv.gov/Content/Forms/501.pdf). There are some exemptions from certain qualifications, too, such as licensed out-of-state applicants are not required to take the general/national exam if applying for an equivalent in-state license. (NRS 645.332) If the requirements are still fuzzy, consider reaching out to the Division's licensing section: E: realest@red.nv.gov or P: (702) 486-4033 (Option #1)

Q2. Can I pay an out-of-state real estate agent?

A1. I'm going to get picky here with the question. Just as commissions are paid in-state *licensed broker-to-licensed broker*, the same goes with paying out-of-state commissions. As the question is stated, you cannot pay an out-of-state *agent* but a Nevada broker can pay a commission to a licensed *broker* of another state. (NRS 645.280(1))

But we need to go further here, there are other things you must consider! **Nevada law requires an out-of-state broker to associate with a Nevada broker *à la* the Cooperative Certificate which is issued by the Real Estate Division¹.** An out-of-state broker bringing an out-of-state client into Nevada to show him/her a property without a certificate constitutes UNLICENSED ACTIVITY. The use of

¹ Form 542 Application: <https://red.nv.gov/uploadedFiles/rednvgov/Content/Forms/542.pdf>
Form 542A Instructions/Guidelines:
<https://red.nv.gov/uploadedFiles/rednvgov/Content/Forms/542.pdf>



the form is for a SINGLE TRANSACTION ONLY and NOT MEANT for conducting general real estate business on a day-to-day basis. Any more than once, the out-of-stater must get a Nevada real estate license.

It's also really important to note that **out-of-state broker's can ONLY represent out-of-state buyers, but NOT resident Nevada sellers.** The distinction is important because the expectation is that our resident seller's demand representation of their in-state-properties from a broker/agent who knows Nevada real estate law and that competence is demonstrated by being licensed in our state. A couple disciplinary cases are upcoming in front of the Division that will be heard on this very issue. Which brings up another point, if you're interested in tracking the Division's disciplinary actions/decisions, you can check out their quarterly Open House publication to review the issues that are plaguing the profession: [Open House \(nv.gov\)](http://nv.gov)

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