

**MINUTES OF THE JUNE 21, 2011 MEETING OF THE
EXECUTIVE COMMITTEE OF THE REAL PROPERTY LAW SECTION OF THE
STATE BAR OF NEVADA**

In attendance via teleconference were Michael Buckley, Karen Dennison, Matt Watson, Craig Howard, Colleen Dolan, DeArmond Sharp, Sandi Turner, Mary Drury, Angela Otto and Pierre Hascheff. Doug Flowers and Layne Butt were absent. The meeting commenced at 4:00 p.m. Deborah Hayes, legal secretary at Jones Vargas, took the minutes for the meeting.

1. The minutes of the April 19, 2011 meeting were approved.
2. *Treasurer's Report:* DeArmond Sharp reported that the Section had approximately \$12,592.
3. *2011 Legislation:*

SB 402: Michael Buckley reported the bill failed basically for the reason of being caught up in CIC issues. Specifically it was going to be a vehicle to add in collection costs. Karen Dennison commented that super priority provisions were going to be added as well which is another reason for its failure.

SB 204: Karen Dennison reported the bill passed (effective January 1, 2012). A few concessions were made to construction defect plaintiff lawyers and the issue of costs added to an assessment lien, but otherwise passed as drafted.

AB 284; AB 273: Michael Buckley reported both bills passed. Pierre Hascheff stated that in AB 273 the lender now has 90 days to approve the short sale. Michael Buckley added that the statute of limitations was also changed from six years to six months.

DeArmond Sharp reported he already has a case in connection with AB 273 where a settlement was reached with some guarantors, but the bank backed out of the settlement because they believe AB 273 limits their exposure.

SB 405: Michael Buckley reported the bill tightens up the provision concerning charging orders of a member's interest in an LLC. Pierre Hascheff explained that charging orders will not allow you to vote nor give you management rights in connection with a member's interest. Without this language, a creditor could foreclose on the membership interest, become the member that can vote and assuming he has a majority control, he forecloses and takes possession of 51% of the control, then they dissolve, vote to dissolve the LLC and attach all the assets. This is now precluded with the exclusive remedy provided in the bill. Pierre also stated that Chapter 78 was changed to give the same charging order protection to corporate stockholders.

SB 174; AB 448; AB 389; AB 412: Michael Buckley reported failed. Karen Dennison commented that one of the reasons for failure of SB 174 was the addition of super priority provisions, which were not acceptable to the conference committee.

AB 398; AB 271; AB 308; AB 373; AB 388; AB 246; AB 317; SB 30; SB 89; SB 222: Michael Buckley reported passed.

4. *2011 CLE Fall:* It was determined that plans would be made to go ahead with Professionalism in a Box for the Fall and that volunteers would be needed.

Annual Meeting: It was agreed that the Reno and Las Vegas offices of Jones Vargas will host the Annual Meeting taking place on July 26, 2011 at 5:00 p.m. Video conferencing will be provided between locations. A reminder will be sent out to all members on the 22nd and 25th of July.

Craig Howard made a motion to nominate Mary J. Drury, Douglas C. Flowers, Pierre Hascheff and Matthew E. Watson for reappointment to the Executive Committee. DeArmond Sharp seconded. There were no objections and the motion was approved.

It was also agreed that the Bylaws be amended to increase the Executive Committee from 12 members to 15 members, which will be put to a vote at the Annual Meeting. If approved, Matt Watson will approach Christopher Childs of American Nevada and Karen Dennison will speak with Mandy Shavinsky of Snell & Wilmer to see if they would be interested in serving. It was also discussed that possibly reaching out to someone who has influence with the legislators would be beneficial to the Real Property Section.

5. Craig Howard initiated a discussion regarding certificated or non-certificated water rights in connection with the beneficial use doctrine as it applies to permits. A legislative change makes it very clear that the beneficial use doctrine makes it a certificated right.

Pierre Hascheff initiated a discussion of the Section's ability to interface with the Governor's office in light of businesses moving out of state and the downsizing of the Real Estate Division. He suggested a protocol be developed so the Section could meet with the Governor or his staff to voice concerns about the effect certain policies may have on the economic agenda of the state. Prior to Pierre and Karen Dennison developing a strategic approach, he will first speak with the Mayor of Sparks for input and will report back to the Executive Committee.

6. Pierre Hascheff reported the Land Use Subcommittee no longer meets. The members are kept up-to-date on the Executive Committee level.

Mary Drury reported the Real Estate Finance Subcommittee did not meet.

The meeting was adjourned at 5:10 p.m. The next meeting will be held on July 19, 2011, at 4:00 p.m.