



## **Landlord/Tenant and Evictions- New Laws**

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Many of you are already aware of the significant changes to landlord/tenant law as of July 1, 2019. The way landlords and property managers in Nevada deal with evicting a tenant will be changed in a big way. SB 151 also has an impact on investors and how they do business in Nevada, or if they even want to continue to do so. We will touch on some of these changes below, what we know, what we don't know, but will keep you updated in the coming weeks as we learn more. Now that these laws are in effect, the question is, how will courts interpret these laws?

### **Serving Notices:**

Notices must now be served by licensed professionals, including the sheriff or constable, agent of an attorney and licensed process server. Prior to this, landlords and property managers could serve an eviction notice themselves.

***What does this mean?*** If you have been in the business of handling these notices yourself, you will now need to hire someone. Does this mean a notice to terminate a lease, within the terms of the lease needs a professional? No, you can do that yourself. These are for notices under Chapter 40.

### **Cap on Late Fees:**

Tenants who pay late can now only be charged a maximum of 5%, even if your current lease with the tenant requires more.

***What does this mean?*** Courts will only allow the 5% and no more. Does this mean that you must amend current leases to reflect these changes? No. You may however send the tenant a letter notifying them of the changes to the law, and on your next renewal make modifications to the lease. Prior to this legislative session, a landlord could charge a reasonable late fee, sometimes a base late fee and per day. Now, that is capped at 5% of periodic rent. \*\*Another article will be coming in the next few weeks as when it is determined how courts will determine what is included in "periodic rent." For now, if rent is \$1,000 a month and the late fee is \$50 then the amount you need them to pay to "stay in the property" is \$1,050.

### **Notice to Pay Rent or Quit:**

The notice to pay rent or quit, previously 5 days, is now close of business on the 7<sup>th</sup> judicial day.

### ***What does this mean?***

Tenant's rent is due July 1<sup>st</sup>, which is a Wednesday.

Landlord serves notice on Thursday July 2<sup>nd</sup> to pay rent or quit.



This would mean that the tenant has until the close of business on Monday July 13<sup>th</sup> to pay the rent in its entirety. The landlord could then take court action on Tuesday July 14<sup>th</sup>; with an order from the Judge on July 15<sup>th</sup>. The notice of the order has to be posted within 24 hours. This would mean that if the sheriff/constable received the order to post at 4 pm on Wednesday July 15<sup>th</sup>, and posted it on Thursday July 16<sup>th</sup> at 4:00 pm, the tenant may not be removed until the following Monday July 20<sup>th</sup>. This is now 19 full calendar days from the first day notice is served.

As you can see, this is a significant change from noon on the fifth day. Nevada REALTORS® worked hard on this provision to minimize the impact of an increase to the number of days. The proposed timeframe in the original bill was 10 business days.

### **Conclusion:**

These are just some of the changes to landlord/tenant laws. We will be updating you as we work through many of the same questions you have, so be sure and watch this eNews for additional guidance and FAQs in coming weeks. Please call the Legal Information Line at 800-748-6999 with your questions, and we will update those most frequently asked questions in future publications.

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