

## Property Management: Top 4 Inquiries

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Property management questions are always popular. This legal article shares the top trending questions into the legal information line.

Question 1. *As a property manager, I have a tenant who wants to pay their rent upfront - one (1) year in advance. Can I accept prepaid rent? If so, how should that be handled?*

Answer 1. ***First, consult your broker for policies regarding accepting prepaid rent.*** The brokerage has good reason to not want to become a fiduciary of these funds or acting escrow holder.

Prepaid rent must be handled very carefully and not treated like a security deposit. While there is no statute that explicitly prohibits a landlord / property manager from accepting prepaid rent volunteered by a tenant, it's extremely important that the prepaid rent is not and could not be considered a security deposit. ***Prepaid rent that looks like a security deposit would implicate security deposit limitations***, such as the total amount collected cannot exceed three months' rent (including prepayment of the last month's rent). Obviously, prepaid rent cannot be used for things a security deposit is collected for in the first place, such as unpaid rent, repairs, and cleaning, because again, that would operate as a security. NRS 118A.240 and NRS 11A.242(1).

***It's also important to remember prepaid rent applies to the particular rental period per the rental agreement terms.*** NRS 118A.200. Because lease breakups happen all the time (e.g., uninhabitable, failure to deliver possession, domestic violence), prepaid rent prematurely paid out to a landlord before its earned presents problems should a need arise to refund the tenant for amounts of prepaid rent that exceed what is owed for the rental period. NRS 118A.350.

Question 2. *During a one-year lease term, my client / landlord wants me to increase the tenant's obligation to pay utilities. It's not increasing the rent, so I'm wondering if I can legally do that?*

Answer 2. Under Nevada law, after a lease agreement is signed, a landlord cannot increase the tenant's rent amount, utilities or other charges. With that said, the landlord can make changes to the tenant's usage of the unit (e.g. house rules, quiet times, trash disposal) *as long as these changes do not change the length of tenancy and the amount of rent.* **Bottom line: a landlord cannot enforce lease changes that attempt to increase rent or add other charges during the lease term!**

See [Attorney General Ford Advises Nevada Tenants About Rights Regarding Lease Changes, Fees \(nv.gov\)](#)

Question 3. *The neighbor's tree is encroaching on my client's property causing substantial damage (upheaving the driveway, etc.). My client / the landlord wants me to hire a contractor to cut the trespassing roots out. Can I legally do that?*

Answer 3. Neighbor-to-neighbor disputes are delicate. After all, you have to live next to each other. First, it is not recommended to cut the invading roots or tree parts on your client's side of the fence. Doing so could kill the tree, and create **liability to the client up to three times the value of the tree**. NRS 40.160. Try to work it out! Try a written demand letter (an attorney can help draft one), or applying for community mediation through the local justice courts, and if those attempts to resolve the issue don't work, the landlord needs to consider going to court.

Question 4. *My client / landlord wants to prohibit pit bulls out of safety concerns of other tenants, particularly those with small children. Can I legally discriminate against tenant applicants who present with a stigmatized dog breed?*

Answer 4. No. Property managers must not ask about the breed of the dog. But a property manager *can* ask **if the particular dog is known or has been declared to be dangerous or vicious** pursuant to NRS 202.500.

See [SB 103 - Dog Breed FAQs \(nv.gov\)](#).

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