

## 2025 Property Management Issues and Answers;

#### **Student Handout**

## **Learning Objectives**

- 1) Applicable Statutes (1<sup>ST</sup> Hour)
- 2) Case Studies/What would you do?
- 3) The "Management Agreement"
- 4) Tenant Responsibilities
- 5) Trust/Security Deposit Accounting

Who got in trouble and what did they do? "Open House" Newsletter review...

Can I attend a Commission Hearing and get CE?



**Student Handout/Specific Statutes** 

#### The MOST Basic Statute!

NRS 118A.200 Rental agreements: Signing; copies; required provisions; disputable presumptions; use of nonconforming agreement unlawful.

- 1. Any written agreement for the use and occupancy of a dwelling unit or premises must be signed by the landlord or his or her agent and the tenant or his or her agent.
- 2. The landlord shall provide one copy of any written agreement described in subsection 1 to the tenant free of cost at the time the agreement is executed and, upon request of the tenant, provide additional copies of any such agreement to the tenant within a reasonable time. The landlord may charge a reasonable fee for providing the additional copies.

7/10 1 of 12



- 3. Any written rental agreement must contain, but is not limited to, provisions relating to the following subjects:
  - (a) Duration of the agreement.
  - (b) Amount of rent and the manner and time of its payment.
  - (c) Occupancy by children or pets.
  - (d) Services included with the dwelling rental.
  - (e) Fees which are required and the purposes for which they are required.
  - (f) Deposits which are required and the conditions for their refund.
- (g) Charges which may be required for late or partial payment of rent or for return of any dishonored check.
  - (h) Inspection rights of the landlord.
  - (i) A listing of persons or numbers of persons who are to occupy the dwelling.
- (j) Respective responsibilities of the landlord and the tenant as to the payment of utility charges.
- (k) A signed record of the inventory and condition of the premises under the exclusive custody and control of the tenant.
  - (l) A summary of the provisions of NRS 202.470.
- (m) Information regarding the procedure pursuant to which a tenant may report to the appropriate authorities:
  - (1) A nuisance.
  - (2) A violation of a building, safety or health code or regulation.
- (n) Information regarding the right of the tenant to engage in the display of the flag of the United States, as set forth in NRS 118A.325.
- 4. In addition to the provisions required by subsection 3, any written rental agreement for a single-family residence which is not signed by an authorized agent of the landlord who at the time of signing holds a permit to engage in property management pursuant to <u>chapter 645</u> of NRS must contain a disclosure at the top of the first page of the agreement, in a font size at least two times larger than any other font size in the agreement, which states that:
- (a) There are rebuttable presumptions in NRS 205.0813 and 205.0817 that the tenant does not have lawful occupancy of the dwelling unless the agreement:
- (1) Is notarized or is signed by an authorized agent of the landlord who at the time of signing holds a permit to engage in property management pursuant to chapter 645 of NRS; and

7/10 2 of 12



- (2) Includes the current address and telephone number of the landlord or his or her authorized representative; and
- (b) The agreement is valid and enforceable against the landlord and the tenant regardless of whether the agreement:
- (1) Is notarized or is signed by an authorized agent of the landlord who at the time of signing holds a permit to engage in property management pursuant to chapter 645 of NRS; or
- (2) Includes the current address and telephone number of the landlord or his or her authorized representative.
  - 5. The absence of a written agreement raises a disputable presumption that:
  - (a) There are no restrictions on occupancy by children or pets.
  - (b) Maintenance and waste removal services are provided without charge to the tenant.
- (c) No charges for partial or late payments of rent or for dishonored checks are paid by the tenant.
- (d) Other than normal wear, the premises will be returned in the same condition as when the tenancy began.
- 6. It is unlawful for a landlord or any person authorized to enter into a rental agreement on his or her behalf to use any written agreement which does not conform to the provisions of this section, and any provision in an agreement which contravenes the provisions of this section is void.
- 7. As used in this section, "single-family residence" means a structure that is comprised of not more than four units. The term does not include a manufactured home as defined in NRS 118B.015.

## Habitability;

NRS 118A.290 Habitability of dwelling unit; prohibition against fees or other charges for performance of repairs, maintenance tasks or other work that is duty of landlord.

- 1. The landlord shall at all times during the tenancy maintain the dwelling unit in a habitable condition. A dwelling unit is not habitable if it violates provisions of housing or health codes concerning the health, safety, sanitation or fitness for habitation of the dwelling unit or if it substantially lacks:
- (a) Effective waterproofing and weather protection of the roof and exterior walls, including windows and doors.



- (b) Plumbing facilities which conformed to applicable law when installed and which are maintained in good working order.
  - (c) A water supply approved under applicable law, which is:
- (1) Under the control of the tenant or landlord and is capable of producing hot and cold running water;
  - (2) Furnished to appropriate fixtures; and
- (3) Connected to a sewage disposal system approved under applicable law and maintained in good working order to the extent that the system can be controlled by the landlord.
- (d) Adequate heating facilities which conformed to applicable law when installed and are maintained in good working order.
- (e) Electrical lighting, outlets, wiring and electrical equipment which conformed to applicable law when installed and are maintained in good working order.
- (f) An adequate number of appropriate receptacles for garbage and rubbish in clean condition and good repair at the commencement of the tenancy. The landlord shall arrange for the removal of garbage and rubbish from the premises unless the parties by written agreement provide otherwise.
- (g) Building, grounds, appurtenances and all other areas under the landlord's control at the time of the commencement of the tenancy in every part clean, sanitary and reasonably free from all accumulations of debris, filth, rubbish, garbage, rodents, insects and vermin.
  - (h) Floors, walls, ceilings, stairways and railings maintained in good repair.
- (i) Ventilating, air-conditioning and other facilities and appliances, including elevators, maintained in good repair if supplied or required to be supplied by the landlord.
- 2. The landlord and tenant may agree that the tenant is to perform specified repairs, maintenance tasks and minor remodeling only if:
  - (a) The agreement of the parties is entered into in good faith; and
- (b) The agreement does not diminish the obligations of the landlord to other tenants in the premises.
- 3. An agreement pursuant to subsection 2 is not entered into in good faith if the landlord has a duty under subsection 1 to perform the specified repairs, maintenance tasks or minor remodeling and the tenant enters into the agreement because the landlord or his or her agent has refused to perform them.
- 4. Except as otherwise provided in subsection 5, the landlord shall not require a tenant to pay any fee or other charge for the performance of any repairs, maintenance tasks or other



work for which the landlord has a duty under subsection 1 to perform, including, without limitation, any fee or other charge to cover the costs of any deductible or copayment under a policy of insurance for home protection or service contract for the performance of any such repairs, maintenance tasks or other work.

- 5. The landlord may require a tenant to pay any fee or other charge for the performance of any repairs, maintenance tasks or other work necessary for a condition caused by the tenant's own deliberate or negligent act or omission or that of a member of his or her household or other person on the premises with his or her consent.
  - 6. As used in this section:
  - (a) "Insurance for home protection" has the meaning ascribed to it in NRS 690B.100.
  - (b) "Service contract" has the meaning ascribed to it in NRS 690C.080.
    - 1. If the landlord is required by the rental agreement or this chapter to supply heat, air-conditioning, running water, hot water, electricity, gas, a functioning door lock or another essential item or service and the landlord willfully or negligently fails to do so, causing the premises to become unfit for habitation, the tenant shall give written notice to the landlord specifying the breach.

If the landlord does not adequately remedy the breach, or use his or her best efforts to remedy the breach within 48 hours, except a Saturday, Sunday or legal holiday, after it is received by the landlord, the tenant may, in addition to any other remedy:



## **Retaliatory?**

NRS 118A.510 Retaliatory conduct by landlord against tenant prohibited; remedies; exceptions.

- 1. Except as otherwise provided in subsection 3, the landlord may not, in retaliation, terminate a tenancy, refuse to renew a tenancy, increase rent or decrease essential items or services required by the rental agreement or this chapter, or bring or threaten to bring an action for possession if:
- (a) The tenant has complained in good faith of a violation of a building, housing or health code applicable to the premises and affecting health or safety to a governmental agency charged with the responsibility for the enforcement of that code;
- (b) The tenant has complained in good faith to the landlord or a law enforcement agency of a violation of this chapter or of a specific statute that imposes a criminal penalty;
- (c) The tenant has organized or become a member of a tenant's union or similar organization;
  - (d) A citation has been issued resulting from a complaint described in paragraph (a);
- (e) The tenant has instituted or defended against a judicial or administrative proceeding or arbitration in which the tenant raised an issue of compliance with the requirements of this chapter respecting the habitability of dwelling units;
- (f) The tenant has failed or refused to give written consent to a regulation adopted by the landlord, after the tenant enters into the rental agreement, which requires the landlord to wait until the appropriate time has elapsed before it is enforceable against the tenant;
- (g) The tenant has complained in good faith to the landlord, a government agency, an attorney, a fair housing agency or any other appropriate body of a violation of NRS 118.010 to 118.120, inclusive, or the Fair Housing Act of 1968, 42 U.S.C. §§ 3601 et seq., or has otherwise exercised rights which are guaranteed or protected under those laws;
- (h) The tenant or, if applicable, a cotenant or household member, is a victim of domestic violence, harassment, sexual assault or stalking or terminates a rental agreement pursuant to NRS 118A.345; or
- (i) Except as otherwise provided in NRS 118A.315, the tenant is a federal worker, tribal worker, state worker or household member of such a worker and the tenant pays rent during the time specified in subsection 2 of NRS 118A.310. As used in this paragraph, "household member" has the meaning ascribed to it in NRS 40.0025.
- 2. If the landlord violates any provision of subsection 1, the tenant is entitled to the remedies provided in <u>NRS 118A.390</u> and has a defense in any retaliatory action by the landlord for possession.



- 3. A landlord who acts under the circumstances described in subsection 1 does not violate that subsection if:
- (a) The violation of the applicable building, housing or health code of which the tenant complained was caused primarily by the lack of reasonable care by the tenant, a member of his or her household or other person on the premises with his or her consent;
  - (b) The tenancy is terminated with cause;
- (c) A citation has been issued and compliance with the applicable building, housing or health code requires alteration, remodeling or demolition and cannot be accomplished unless the tenant's dwelling unit is vacant; or
  - (d) The increase in rent applies in a uniform manner to all tenants.

Ê The maintenance of an action under this subsection does not prevent the tenant from seeking damages or injunctive relief for the landlord's failure to comply with the rental agreement or maintain the dwelling unit in a habitable condition as required by this chapter.

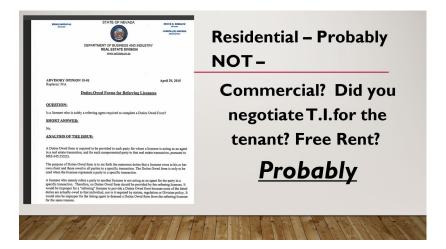
- 4. As used in this section:
- (a) "Cotenant" has the meaning ascribed to it in NRS 118A.345.
- (b) "Domestic violence" has the meaning ascribed to it in NRS 118A.345.
- (c) "Harassment" means a violation of NRS 200.571.
- (d) "Household member" has the meaning ascribed to it in NRS 118A.345.
- (e) "Sexual assault" means a violation of NRS 200.366.
- (f) "Stalking" means a violation of NRS 200.575.

# NRS 645.252 - Duties of an Agent

How much of the "Duties" apply to an agent <u>showing</u> rentals and referring the Prospect to a P.M. company?

# **Advisory Opinion 15-1**





# OTHER LAWS RELATED TO PROPERTY MANAGEMENT

NRS AND NAC 40 Somebody died? Stigmatize If they ask, AND you KNOW, you can't LIE, but you can say you 'don't talk about it because it's outside your scope'.

#### NRS 40 ALSO INCLUDES...

Sex Offenders, Halfway House, FORMER Meth Labs – it would be advisable to READ NRS 40

## **Property Management Case Studies**

## Case Study #1

Tenant calls Property Manager. "Someone broke into my house last night while I was out. I called the Police – it doesn't appear that anything was stolen, but my front door is now *trashed* – you need to send someone out right away so I can have the premises 'secure'.

What are your obligations as the Property Manager?

7/10 8 of 12



## The Management Agreement – What Did You Promise?

## Do the Statutes spell out what needs to be included?

NRS 645.6056 Property management agreements: Requirements; contents.

- 1. A real estate broker who holds a permit to engage in property management shall not act as a property manager unless the broker has first obtained a property management agreement signed by the broker and the client for whom the broker will manage the property.
  - 2. A property management agreement must include, without limitation:
- (a) The term of the agreement and, if the agreement is subject to renewal, provisions clearly setting forth the circumstances under which the agreement may be renewed and the term of each such renewal;
- (b) A provision for the retention and disposition of deposits of the tenants of the property during the term of the agreement and, if the agreement is subject to renewal, during the term of each such renewal;
  - (c) The fee or compensation to be paid to the broker;
  - (d) The extent to which the broker may act as the agent of the client;
- (e) If the agreement is subject to cancellation, provisions clearly setting forth the circumstances under which the agreement may be cancelled. The agreement may authorize the broker or the client, or both, to cancel the agreement with cause or without cause, or both, under the circumstances set forth in the agreement; and
- (f) If the broker intends to provide asset management services for the client, a provision indicating the extent to which the broker will provide those services. As used in this paragraph, "client" has the meaning ascribed to it in NRS 645H.060.

How far does your authority extend?

P.M. #1 Job – "Accomplish the Owner's Objectives



## #2 - Maintain the Security of the Property

## #3 - Generate Revenue for the Owner

#### Reasonable Skill and CARE -

## How often should you inspect a property under your management?

NRS 118A.330 Landlord's access to dwelling unit.

- 1. A tenant shall not unreasonably withhold consent for the landlord peaceably to enter into the dwelling unit to:
  - (a) Inspect the premises;
  - (b) Make necessary or agreed repairs, decorating, alterations or improvements;
  - (c) Supply necessary or agreed services; or
- (d) Exhibit the dwelling unit to prospective or actual purchasers, mortgagees, tenants, workers, contractors or other persons with a bona fide interest in inspecting the premises.
- 2. The landlord may enter the dwelling unit without consent of the tenant in case of emergency.
- 3. The landlord shall not abuse the right of access or use it to harass the tenant. Except in case of emergency, the landlord shall give the tenant at least 24 hours' notice of intent to enter and may enter only at reasonable times during normal business hours unless the tenant expressly consents to shorter notice or to entry during nonbusiness hours with respect to the particular entry.
  - 4. The landlord has no other right of access except:
  - (a) Pursuant to court order;
  - (b) Where the tenant has abandoned or surrendered the premises; or
  - (c) Where permitted under NRS 118A.440.

#### **OBLIGATIONS OF TENANT**

NRS 118A.310 Basic obligations; exception to term of rental agreement requiring payment of rent at specified time in connection with shutdown.

- 1. A tenant shall, as basic obligations under this chapter:
- (a) Except as otherwise provided in subsection 2, comply with the terms of the rental agreement;



- (b) Keep that part of the premises which is occupied and used as clean and safe as the condition of the premises permit;
- (c) Dispose of all ashes, garbage, rubbish and other waste from the dwelling unit in a clean and safe manner;
  - (d) Keep all plumbing fixtures in the dwelling unit as clean as their condition permits;
- (e) Use in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and appliances, including elevators, in the premises;
- (f) Not deliberately or negligently render the premises uninhabitable or destroy, deface, damage, impair or remove any part of the premises or knowingly permit any person to do so; and
- (g) Conduct himself or herself and require other persons on the premises with his or her consent to conduct themselves in a manner that will not disturb a neighbor's peaceful enjoyment of the premises.
  - 2. Except as otherwise provided in NRS 118A.315:
- (a) Any term of a rental agreement requiring the payment of rent at a specified time pursuant to NRS 118A.210 is unenforceable against a tenant who is a federal worker, tribal worker, state worker or household member of such a worker during a shutdown. As used in this paragraph, "household member" has the meaning ascribed to it in NRS 40.0025.
- (b) If the terms of a rental agreement require the payment of rent at a specified time, the landlord shall accept payment of rent for the period in which a federal or state agency or tribal government was experiencing a shutdown from such a tenant for a period not to exceed 30 days after the end of the shutdown.

## Case Study #2

The neighbor of a property you manage tells you the tenant is BREEDING Pit Bulls and they are afraid for their safety. The "Daddy Pit Bull" has gotten out of the fenced yard on multiple occasions. *So far* no one has been bitten. The Lease clearly states "No Pets".

What steps do you take?



## NRS 118A.242 Security:

Limitation on amount or value; duties and liability of landlord; damages; prohibited provisions.

1. The landlord may not demand or receive security, including the last month's rent, whose total amount or value exceeds 3 months' periodic rent.

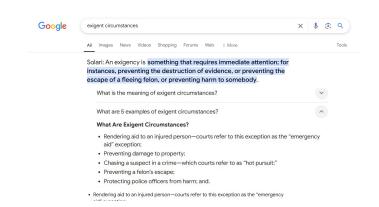


## Case Study #3

Landscaper does 'extra work' that was NOT authorized by neither the PM nor the Owner. Owner says "Don't pay them."

Landscaper is threatening to lien the property.

Ideas?



7/10 12 of 12