

# LEASE LINGO

## WHAT YOUR LEASE AGREEMENT NEEDS IN 2024

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### LEASE AGREEMENT

This Service Agreement is made as of the \_\_\_\_ day  
\_\_\_\_, a [corporation organized and ex  
referred to as "Lessor") and \_\_\_\_  
under the laws of the State of \_\_\_\_ (he  
Identification Number is \_\_\_\_

#### A. LESSOR

The Lessor is engaged to

provide the following services:

1. Provide the following services:

2. Provide the following services:

3. Provide the following services:

4. Provide the following services:

5. Provide the following services:

6. Provide the following services:

7. Provide the following services:

8. Provide the following services:

9. Provide the following services:

10. Provide the following services:

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# REQUIRED TERMS BY NEVADA LAW

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## Duration

Duration refers to how long the tenancy lasts. In your lease agreement, you should specify how long the tenancy is for. This also determines how the tenancy can be lawfully terminated and whether there is any month-to-month renewal.

## Rent

The most basic of leases should specify the rent amount, how rent should be paid (e.g. online, in person, via check) and when it must be paid.

## Occupancy by Children and Pets

Some communities restrict the people that can rent there, like 55+ communities. This means that, in some leases, there is a restriction on children. This requirement also necessitates that you detail whether pets are allowed in the dwelling.

## Services Included in the Rental Unit

Services commonly included are amenities like pools, fitness centers, and resident lounges. This also includes things like alarm systems that may be installed, smart home features, and appliances such as dishwashers.

## Required Fees and Their Purpose

Common fees include month-to-month fees, parking fees, storage fees, and eviction notice service fees. If you have these fees in your lease, you should disclose both the fee and why you charge it. Without this disclosure, it can be difficult to enforce the fee.

## Deposits

Your lease should include the deposits that you require, whether or not they are refundable, and the conditions necessary for refund.

## Late Fee and NSF Charges

By law, the tenant has 3 days after the date rent is due to pay before a late fee can be applied. This late fee can be no more than 5% of periodic rent. Periodic rent is determined by the total monthly rent amount paid by the tenant, not the monthly rent plus occasional fees. Your lease should also include the charge for whether a payment was returned NSF, as both late fees and NSF charges can be included on a 7 day non-payment of rent notice.



# REQUIRED TERMS BY NEVADA LAW

## Inspection Rights of the Landlord

This section must include a recitation of NRS 118A.330, which essentially states that landlords must give 24 hours advance notice (unless they consent to less) for various reasons such as repairs or inspections. Landlords may acquire immediate access in emergency situations that concern life or disastrous damages to property in event of fire or water.

## A Listing of Occupants

Unlike specific occupancy requirements, this provision needs to be a list of the people who will be residing in the unit. We recommend that, when listing occupants, you avoid listing any personally identifying information such as date of birth for any minors that will be living there; their name and age will be sufficient.

## Utility Responsibilities

This determines who is in charge of paying for any particular utility, and how the payments should be made.

## A Signed Record of the Inventory and Condition of the Premises

This is your move-in and move-out inventory. This is important for establishing damages and reductions to security deposits.

## Nuisance

You must include a summary of the provisions of NRS 202.470, which states that tenants should not be nuisances, and any nuisance offenses are considered misdemeanors. You should also include how and where a tenant can report nuisance issues.

## Display of the American Flag

The tenant can display the flag of the United States under the regulations set forth in NRS 188A.325.

## NRS 118A.200 Disclosure

If you have a single-family lease, NRS 118A.200 requires that you put a disclosure at the top of the lease in larger, bold font. If this disclosure is not provided, the lease may be presumed invalid.

# REQUIRED TERMS BY NEVADA LAW

## NRS 118A.260

This requires you to disclose names and addresses of managers, who can accept service of process, the owner's name, and the telephone number of someone who can be called locally for emergencies.

## A Copy of the Executed Lease

This is provided to the tenant at the commencement of the tenancy free of charge, but any additional copies may be charged a reasonable fee.

# REQUIRED TERMS BY FEDERAL LAW

This largely depends on the age of your building and what government projects you participate in. Because of these varying factors, we suggest that you consult with your legal counsel on these terms.



# WHAT IF THERE IS NO LEASE AGREEMENT?

First, this is not recommended. However, if this occurs, the law presumes various terms in existence, such as:

- ▶ No Restrictions on Children or Pets
- ▶ Rent Amount is the Fair Rental Value
- ▶ Maintenance and Waste Removal are Provided Without Charge to Tenants
- ▶ Rent is Payable at the Beginning of the Tenancy
- ▶ No Charges for Partial, Late, or NSF Payments
- ▶ Tenant is Responsible for Damages Beyond Normal Wear and Tear and Nothing Else





# PROHIBITED TERMS BY NEVADA LAW

## Forcing Tenants to Waive Rights Under NRS 118A

Tenants have state-provided rights they cannot give up.

## Forcing Tenants to Confess Judgment on Claims

For example, the tenant cannot enter a confession of judgment for an amount of unpaid rent if the tenant defaults; the landlord must sue to obtain judgment.

## Forcing Tenants to Pay Only Landlord Attorney Fees

The only provision allowed that lets you recoup your legal costs is a prevailing party provision, which means that the loser of the parties must pay the winner's legal costs.

## Cannot Agree to Waive or Limit Landlord Liability

The landlord must conduct themselves according to the law, and the tenant is not required to defend the landlord's wrongful conduct.

## Making Tenant Give Longer Notice Than the Landlord

In other words, requiring the tenant to give 60 days notice when the landlord can terminate the tenancy at will.

## Unconscionable Provisions

NRS 118A.230 prohibits any provision which would "shock the conscious", such as extremely high fees or incredibly lengthy tenancy terms for residential leases.

# RECOMMENDED LEASE TERMS

## Liability Provisions

These establish when the owner versus the tenant is liable, and helps limit owner liability as much as possible. These also help shift the burden to the tenant for any claims/lawsuits that are incurred by the owner as a result of the tenant's conduct.

## Renter's Insurance

This requires the tenant to maintain liability coverage throughout the tenancy. This will cover them for a specific amount of money, specific perils such as fire, and coverage of personal property.

## Attorney's Fees

While only a prevailing party fee provision is permitted, it may be an option to recoup your legal costs. It provides leverage, but, if you lose, you will be required to pay for the winning party's fees. Some PMCs put a cap on the award out of an abundance of caution.

## Early Termination

If there is no existing early termination provision in the lease, it is presumed that early termination is not authorized. If you want to deviate from this practice, you need an early termination provision establishing the process and requirements necessary for the tenant to invoke it.

## Bed Bugs

Bed bug addendums may sound scary, but can prevent lots of headache. They disclose what to look for, require that the tenant adopt certain practices to avoid infestation, and determine that the dwelling was bug-free upon move-in. They also help establish who pays for pest control.

## Mold & Mildew

Like bed bugs, this can seem intimidating, but in much the same way, it establishes proper hygiene practices as preventative measures and asserts that the dwelling was mold/mildew free upon move-in.

## Community Policies

These are the rules governing your amenities such as a pool, fitness center, or park. All need disclaimers, waivers, and regulation in order to avoid liability. These policies also establish what sort of modifications can be made to the dwelling exterior such as cameras, porches, and patios.

## Crime Free

Crime free policies provide concrete language that you can point to when you have a crime issue and need to use it for eviction purposes. Some communities often put in a line that says, "conviction is not necessary to prove violation under our policy", which can be helpful.

## WHAT HAPPENS WHEN A TENANT DOESN'T COMPLY WITH THE LEASE?

### NRS 118A.430

NRS 118A.430 instructs landlords to deliver a notice specifying the breach of contract and advising of lease termination if the tenant fails to remedy the breach, or if the breach cannot be remedied, within 5 days.

If the tenant breaches and a repair, replacement, or cleaning is required, and the tenant fails to do so within 14 days written notice, the landlord may enter the dwelling to fix the issue then submit a bill to the tenant for actual and reasonable costs.

This bill must be paid the next date rent is due, and if the lease has already terminated, can be deducted from the security deposit.

## WHAT HAPPENS WHEN A LANDLORD DOESN'T COMPLY WITH THE LEASE?

### NRS 118A.350

When a landlord does not comply with the terms of the lease, the tenant may deliver a notice specifying the breach and advising of lease termination if the landlord fails to remedy (or make reasonable efforts to do so) within 14 days.

If the landlord fails to remedy the issue, the tenant can terminate the lease immediately, recover actual damages, and apply to the court for relief.

If the tenant caused the condition that they allege, they are unable to proceed under NRS 118A.350.





# CAN I CHANGE MY LEASE LANGUAGE MID-TERM?

A lease is a binding legal agreement. Like with all contracts, an agreement cannot be amended one-sided; amendment requires the consent of all parties in writing. If the landlord wants to change the lease language mid-term, they may need to wait until the end of the lease, except in two specific cases.

## Rule Change NRS 118A.320

NRS 118A.320 allows the landlord to amend the lease mid-term and makes the change enforceable after a 30 days written notice. In order to do this, the change must fall under the definition of a rule.

Rules must promote the convenience, safety, or welfare of the community, must be reasonably related to the purpose for which it is adopted, must be explicit in informing tenants what or what not to do, and must be in good faith and not to evade an existing obligation.

Even if it meets the definition of a rule, you still cannot affect the tenant's obligation to pay rent, utilities, or other charges, and you cannot affect the tenant's right to keep a pet.

A large portion of changes that landlords want to make mid-term interfere with the tenant's obligation to pay rent, utilities, and other charges, and so cannot be considered an enforceable rule.

## Rental Increases NRS 118A.300

NRS 118A.300 allows you to change a lease before it has expired, but only with respect to increasing the rent beyond the lease end date. This process requires written notice, at least 60 days in advance of the lease expiration, and must detail a definite amount- "Market Rate" is not sufficient.

# MONTH-TO-MONTH CHARGES AND RENTAL INCREASES

## Month-to-Month Charges

Some landlords will charge an extra fee for tenants on month-to-month leases. If you want to do this, or would like to, the language must be in the lease at the time of execution; you cannot add it after the fact as it does not meet the definition of a rule.

## Rental Increases

Pursuant to NRS 118A.300, you can notify tenants of an increase in rent after the expiration of the contract with 60 days notice, but if you would like to add an additional month-to-month fee, you will need that language in your lease.



## CAN I CHARGE A TENANT FOR VACATING EARLY?

### Early Termination Provisions

Generally speaking, what you can charge a tenant is determined by the language of the lease, and in the absence of an early termination provision, tenants may be charged for vacating the unit early. If they do, your remedy is to bill the tenant for the remainder of the least term and mitigate the costs upon relet. This can often result in multiple final account statements, but it is important to recoup your costs.

## CAN I CHARGE A TENANT FOR EVICTION COSTS?

### Your Lease Determines What You Can Charge

If your lease language allows you to charge for an eviction, you must specify the exact amount of the eviction charge and its purpose in order to render the charge enforceable. Your attorneys fees can only be covered under a prevailing party provision, so you must win in order to recoup your costs.





# IS THE LEASE STILL ENFORCEABLE DESPITE A MISTAKE?

## A Lease Is A Binding Contract

Often, landlords report having a lease but one or more terms are incomplete or have an incorrect value, such as monthly utility charges being blank.

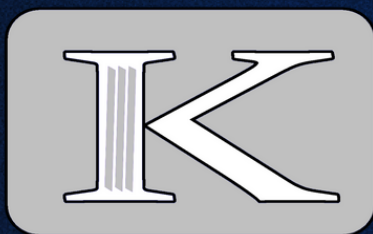
The lease is a binding contract, and as such, the language upon signing matters. Since most changes would interfere with the tenant's ability to pay rent, these inaccuracies must be corrected before the lease is signed.



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