





## Guidance for Commercial Properties under Directive 025 - FAQs

On June 25, 2020, Nevada Governor Steve Sisolak entered a <u>Declaration of Emergency Directive 025</u>, which lifts the statewide moratorium on evictions and foreclosures during the State of Emergency in phases. This guidance for landlords is intended to help explain Directive 025 unless prohibited by federal law.

- 1. Does Directive 025 apply to commercial landlords and tenants?
  - A: Yes. Directive 025 encourages commercial landlords and tenants to enter into a repayment agreement if the tenants fell behind in their payments, as well as outlines the timelines for when commercial evictions can proceed.
- 2. Do commercial tenants have to pay back the rent that became due while there was a stay of evictions under Directive 008?
  - A: Yes. Pursuant to Section 3 of Directive 008, all rent was still due and owing to landlords, including commercial landlords.
- 3. Do commercial landlord and tenants have to use the Lease Addendum and Promissory Note?
  - A: No. The Lease Addendum and Promissory Note was created to be used by residential landlords and tenants. However, commercial landlords and tenants are also strongly encouraged to enter into a voluntary repayment agreement for defaults in rental payments related to COVID-19.
- 4. When can a commercial landlord evict a commercial tenant for the tenant's failure to pay rental payments on time and/or in full while Directive 008 was in effect?
  - A: Commercial landlords are permitted to commence eviction proceedings as authorized by Nevada law against a commercial tenant on July 1, 2020.
- 5. Can a commercial landlord charge a tenant late fees or penalties for failure to pay rent that became due during the time Directive 008 was in effect?
  - A: No. Section 3 of Directive 008 specifically prohibited landlords, including commercial landlords, from charging late fees or penalties for any past due rent that became due while Directive 008 was in effect and this Directive prohibits charging those late fees retroactively.
- 6. Is a commercial landlord allowed to perform a lockout on a commercial tenant?
  - A: Yes. Landlords of commercial premises are authorized to proceed with lockouts allowed under NRS 118C.200, effective July 1, 2020.