

News



March 31, 2020

COVID-19: Moratorium on Nevada Evictions and Foreclosures

On March 29, 2020, Nevada Gov. Steve Sisolak executed an emergency directive implementing a statewide moratorium ("Moratorium Directive") on evictions and foreclosures relating to residential and commercial property. This moratorium continues for the duration of the state of emergency declared by Gov. Sisolak on March 12, 2020 (the "Emergency Declaration"), unless extended by a subsequent directive.

At the press conference announcing this Moratorium Directive, Gov. Sisolak explained the intent of this directive. "[T]his directive is intended to keep people in their homes at a time when we are encouraging all Nevadans to stay at home. This is not the time to put people out on the streets. This is also not the time to evict small-business owners who have been hit hard by the economic fallout of this pandemic."

Specifically, the Moratorium Directive provides, until the termination of the Emergency Declaration, that:

- With respect to residential and commercial property, no landlord or lender may initiate any eviction, foreclosure
 or other proceedings, which includes a prohibition against delivering notices to vacate and to pay or quit, and
 against locking out tenants or mortgagees, based upon a default under a lease or mortgage;
- All eviction or foreclosure actions currently pending before a court are stayed; and
- No party is relieved of its obligations under a lease or mortgage, except that landlords and lenders may not
 impose any late fees or penalties for any payment defaults that occur between March 29, 2020, and the
 termination of the Emergency Declaration.

The Moratorium Directive encourages the lease and loan parties to, within 30 days of the termination of the directive, negotiate arrangements for the borrowers and tenants to make any missed payments and otherwise cure their defaults.

The Moratorium Directive, however, does not prohibit "the eviction of persons who seriously endanger the public or other residents, engage in criminal activity, or cause significant damage to the property." Further, current eviction or foreclosure actions based on these exceptions are not subject to the above-referenced stay. While "seriously endanger" and "significant damage" are not defined, the Moratorium Directive clarifies that a person who merely tests positive for, or is exposed to persons with, COVID-19 is not seriously endangering the public.

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