

**MODEL LEASE
CLAUSE****Make Tenants Pay the Highest Premium Rate that Applies to Holdover Term**

Landlords typically require tenants that hold over to pay premium rent. That premium then steps up if the holdover drags on past a certain point. It's crucial to be clear that these subsequent step-ups, if they occur, apply retroactively to the start of the holdover. Here's a Model Lease Clause you can use to implement this arrangement, based on an initial holdover premium of 150 percent that increases to 200 percent if the holdover lasts more than 30 days. Of course, you can plug in any numbers that you want. In addition, while our Model Lease Clause provides for only one subsequent step-up after 30 days, you can incorporate further increases—for example, a step-up to 250 percent after 60 days and 300 percent after 90 days, etc. The important thing is to talk to your attorney about adapting the Model Lease Clause for your own circumstances.

TENANT HOLDOVER

- a. **Adjusted Minimum Rent for First 30 Days of Holdover:** In the event Tenant holds possession of all or any part of the Premises for [*thirty (30)*] days beyond the Expiration Date or Termination Date, as applicable, Tenant shall pay Landlord [*one hundred fifty percent (150%)*] of the Adjusted Minimum Rent on the entire Premises from and including the first (1st) day of holdover until the holdover period ends.
- b. **Adjusted Minimum Rent for Subsequent Holdover:** Notwithstanding the foregoing, in the event Tenant holds possession of all or any part of the Premises for more than [*thirty (30)*] days beyond the Expiration Date or Termination Date, as applicable, Tenant shall pay Landlord [*two hundred percent (200%)*] of the Adjusted Minimum Rent on the entire Premises from and including the first (1st) day of holdover until the holdover period ends.