

MODEL LEASE CLAUSE

Negotiate Damages for Delays from Renovations

You can protect yourself from a tenant's assertion that it's entitled to rent abatement or termination for a delay in its expected use of its space, common areas, amenities, or other features of your property by including in your lease the following damages drafted by Craig Ingber, Esq., of Belkin Burden Wenig & Goldman, LLP. Show this clause to your attorney before including it in your lease.

EXPECTED USE OF PREMISES

- 1. Monetary Credit.** In the event the [*insert service or amenity at issue, e.g., elevator*] is not available to Tenant for Tenant's use, then provided Tenant is not otherwise in default of its obligations under this lease, Tenant shall be entitled to a monetary credit of \$[*insert amount*] for each day that the [*insert service or amenity at issue, e.g., elevator*] is not available for Tenant's use, with such amount to be credited to Tenant on the rent due Landlord two months from the month when the service is available to Tenant for Tenant's use.
- 2. Liquidated Damages.** Tenant acknowledges and agrees that Tenant shall remain obligated for the payment of Base Rent and Additional Rent during any period of time when the [*insert service or amenity at issue, e.g., elevator*] is not available to Tenant for Tenant's use. Further, Tenant acknowledges and agrees with Landlord, as a material inducement to Landlord to enter into this lease and to afford Tenant the credit mentioned above, that such credit is intended to serve as liquidated damages and that Tenant acknowledges and agrees that Tenant shall have no right to: (1) terminate this lease; (2) assert that Landlord is in default of its obligations under this lease; or (3) make any claim of "constructive" eviction from the demised premises.