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**"I have an office tenant holding over under a one-year lease with no holdover provision and I have done nothing to remove the tenant. If I accept the tenant's rent payment for the next month, can I unilaterally terminate the tenancy at any time? "**

No. It is a common misconception that a commercial tenant who holds over becomes a month-to-month tenant. This is not the case with commercial leases with an original term of a year or more. Under Wisconsin law, if the tenant under such a lease holds over beyond expiration of the lease term, the landlord may either (a) continue the lease on a *year-to-year* basis, or (b) remove the tenant.

If the landlord shows an intent to allow the tenant to remain in possession of the premises after expiration (for example, by accepting rent) prior to starting proceedings to remove the holdover tenant, then the lease automatically extends for *an additional year* under the same terms and conditions as the expired lease. The holdover tenant loses, however, any rights the lease might have granted to the tenant to extend or renew the lease or to purchase the leased premises.

During this additional year, neither party may unilaterally terminate the tenancy.

So, if you did not include a contrary holdover provision in your lease and the tenant does not agree to terminate the tenancy, you may be stuck with your holdover office tenant for another year by accepting rent. Or, looking at it another way, you can stick your tenant with a one-year extension by letting the tenant hold over and accepting rent.



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**CURRENT RATES**

		<u>Associated Bank</u>	<u>Grandbridge Real Estate Capital LLC</u>	<u>US Bank</u>	<u>Bank of America</u>
<b>Apartment/Multi Family Loans</b>	Rate	5.16% - 5.41%	5.75% - 6.25%	L*+175-200	L*+175-225
	Term	5 Years	10 Years	Up to 10 Years	5 Years
	LTV	80%	80%	Up to 80%	80%
	Amortization	Up to 30 Years	Up to 30 Years	Up to 30 Years	Up to 30 Years
<b>Retail/ Office Loans</b>	Rate	5.46% - 5.91%	6.00% - 6.50%	L*+175-225	L*+175-225
	Term	5 Years	10 Years	Up to 10 Years	5 Years
	LTV	80%	75%	Up to 80%	80 %
	Amortization	Up to 25 Years	Up to 30 Years	Up to 30 Years	Up to 30 Years
<b>Commercial Loans</b>	Rate	5.06% - 5.51%	6.00% - 6.50%	L*+175-205	L*+175-225
	Term	5 Years	10 Years	Up to 10 Years	5 Years
	LTV	80%	75%	Up to 80%	80%
	Amortization	Up to 25 Years	Up to 30 Years	Up to 30 Years	Up to 30 Years

\*L equals the Libor swap rate for the applicable period

Maturity	Today	Last week	Last month
<b>5 year Treasury</b>	2.77%	2.73%	3.49%
<b>10 year Treasury</b>	3.56%	3.62%	4.07%

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