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November 5, 2014
Doug Bradshaw
Director of Port and Marine Services
Port Office, City of Key West
201 William Street
Key West, FL 33040

Dear Doug,

This purpose of this letter is to request rent reimbursement from the City of Key West for the old storage room in the back of Turtle Kraals, consisting of approximately 253 sq. ft of space.

At the time we took over the Turtle Kraals lease from the previous owner, the City of Key West informed us that the west facing exterior wall of this room was unsafe and in need of repair. As a result, we did not use this room as part of our operation. We've communicated with the City of Key West on many occasions during the last few years regarding the planned repairs to the wall and at times, we were told the work was being planned and would soon begin. As of this date, we do not know when these needed repairs will be completed.

We have invested hundreds of thousands of dollars in building improvements since we took over the Turtle Kraals property. We have successfully increased revenue over recent historical performance however the rent is beyond the average acceptable industry range as a percentage of revenue and is a major factor in the business struggling to meet a reasonable profitability.

As our partner, we are requesting the City of Key West provide rent credits for the amount equivalent to the unused 253 sq. ft. from December 20, 2012, the date Moro Management assumed the Turtle Kraals lease, until the repair work is completed.

Sincerely yours,

Jeffrey Sorg

CEO, Pat Croce & Company