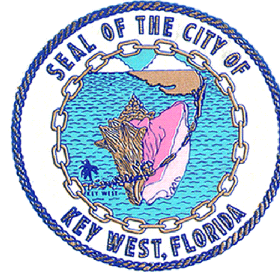


# EXECUTIVE SUMMARY



**TO:** City Commission

**CC:** Jim Scholl

**FR:** Marilyn Wilbarger, RPA, CCIM

**DT:** October 5, 2015

**RE:** Sub-Leases for We've Got the Keys at 922 Caroline

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**ACTION:** This is a request received from the tenant to approve sub-leases for a portion of the space located at 922 Caroline currently leased to Nadene Grossman Enterprises, Inc. DBA We've Got The Keys.

**HISTORY:** The tenant entered into a lease agreement for the office space located in the parking garage in 2013 per City Resolution 13-021. The tenant now desires to share desk space with Be in Key West Real Estate, LLC and Bond Fire Studio under two separate sub-lease agreements for the remainder of the current lease term.

The lease provides for assignment and sub-letting with the Landlord's approval in Section 10 as excerpted below:

**10. ASSIGNMENT AND HYPOTHECATION** - This Lease is not transferable or assignable and may not be hypothecated nor sublet without the prior written consent of the LANDLORD which may be withheld and shall be at the sole discretion of the LANDLORD.

Any assignment or sub-letting, even with LANDLORD's consent shall not relieve TENANT from liability for payment of Rent or from the obligation to keep and be bound by the agreements of this Lease. The acceptance of Rent from any other person shall not be deemed to be a waiver of any of the agreements of this Lease or to be consent to the assignment for the benefit of creditors or by operation of law and shall not be effective to transfer any rights to any assignee without prior consent of LANDLORD. In the event TENANT wishes to assign this Lease and LANDLORD consents to such assignment, LANDLORD may charge a reasonable fee, not to exceed **\$500.00** to help offset any costs LANDLORD may have in preparing such assignment, or in examining the information, financial statements, operating history, references, etc., necessary to effectuate same. Any assignment, transfer, hypothecation, mortgage, or subletting without LANDLORD'S written consent shall give LANDLORD the right to terminate this Lease and to re-enter and repossess the Demised Premises and the LANDLORD'S right to damages shall survive.

If the TENANT is a corporation, then a sale or transfer of a controlling interest in the

corporation by sale of stock or otherwise shall constitute an assignment for purposes of this provision.

**FINANCIALS:**

The rent which is currently \$23,023.00 annually will remain unchanged pursuant to the current lease. Ms. Grossman has an excellent payment history and is not currently in default of the terms of the lease.

**CONCLUSION:** The lease provides for sub-letting with the Landlord's consent and the proposed sub-leases are for business office purposes which will not change the nature of the use of the space.

**ATTACHMENTS:**

Lease

Sub-lease Be in Key West Real Estate, LLC

Sub-lease Bond Fire Studio