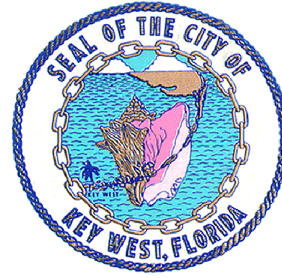


Executive Summary



TO: Key West Bight Board
Community Redevelopment Agency

CC: Doug Bradshaw
Jim Scholl

FR: Marilyn Wilbarger, RPA, CCIM

DT: April 30, 2015

RE: Lazy Way Lane Unit C Lease Assignment

ACTION STATEMENT

This is a request to approve a lease assignment from to Jan Nelson (Assignor) to S&M of Lazy Way, Inc. (Assignee) for Unit C on Lazy Way Lane.

HISTORY

The lease agreement is dated March 7, 2013 and the term is for five years. The lease was amended and assigned to the current tenant per Resolution 15-050. The Assignor has now entered into an agreement to sell the business and assign the lease to S&M of Lazy Way, Inc. whose owners are Scott Saunders and Matt Cohen. The terms of the lease will not be changed and are as follows:

Demised Premises: 128 square feet

Term: Five years effective April 1, 2013

Rent: \$817.31 monthly

Percentage Rent: 6% of gross in excess of percentage rent base amount

Use: Operation of a gourmet food gift store featuring gourmet mustards and local artisan food products and gift baskets and no other purpose

Increases: CPI

Additional Rent: Tenant shall pay their proportionate share of common area maintenance expenses, property taxes and insurance

Utilities: Tenant shall pay for all utility usage

FINANCIAL STATEMENT:

Scott Saunders and Matt Cohen will provide personal guaranties and post a six month security deposit as security for the payment of rent.

CONCLUSION: The lease may be assigned with the consent of the Landlord pursuant to Section 10, excerpted here for your reference, as follows:

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.

There is no change of use requested, the Assignees will post six months of rent as security, and will bring their successful business experience to operate and grow this business.

ATTACHMENTS:

Assignment of Lease and Consent of Lessor
Lease Assignment from Susan L. Labate to Jan J. Nelson
Lease Amendment for Jan J. Nelson
Lease
Personal Guaranty of Scott Saunders and Matt Cohen