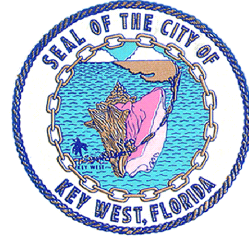


Key West City Marina  
1801 N. Roosevelt Blvd.  
Key West, FL 33040  
Ph: 305.292.8167  
Fax: 305.293.6477



September 1, 2010

To all Charter Boat Tenants,

Pursuant to your lease, it is time to execute your 5-year renewal, if you so choose. All of the terms and conditions of the lease will remain the same with the exception of your monthly lease rate which will have to be adjusted to a level that will allow the marina to continue to operate in a financially sound manner.

In the past two years, over One Million Dollars has been spent on Chart Boat Row including railing removal and installation of the new decking, new electric pedestals, new fish cleaning stations, and the new dock storage boxes which alone would take almost two years to pay for with this rent increase.

Going forward, the rate increase is necessary to continue to fund capital improvements, establish the required operating reserves, and to ensure a safe, well maintained marina that will support you in your business efforts.

The current rate is \$16.84 per foot for dockage. That rate will increase by 15% to a monthly per foot rate of \$19.37, a rate remaining well below other commercial dockage rates available in this area and will amount to an average increase of \$21.00 per week in additional rent.

The new rate will be effective October 1<sup>st</sup> 2010. Your security deposits will also need to be increased to reflect the new rate. Please see David Hawthorne to bring your deposits up to date.

Additionally, attached is a draft of the new Charter Boat Rules and Regulations that will correspond with the renewal lease.

We have every intention of continuing to improve the City Marina with the funds generated and appreciate your support of our efforts. If you have any questions please feel free to contact me at 305- 809-3794.

Marilyn Wilbarger

A handwritten signature in blue ink, appearing to read "Marilyn Wilbarger", is written over a light blue circular stamp.

City of Key West  
Senior Property Manager