

SECOND AMENDMENT TO LEASE

THIS SECOND AMENDMENT TO LEASE entered into this ____ day of _____, 2018, among THE CITY OF KEY WEST, FLORIDA, a municipal corporation organized and existing under the laws of the State of Florida (the “**Lessor**”), and TROPICAL SHELL & GIFT, INC., a Florida corporation, (the “**Lessee**”). Lessor and Lessee are sometimes hereinafter referred to as the “**Parties**” collectively or a “**Party**” individually.

RECITALS

WHEREAS, Lessor and Lessee entered into a Lease dated July 3, 1978, as confirmed by City of Key West Resolution No. 78-87 (the “**Original Lease**”); and

WHEREAS, Lessor and Lessee entered into an Amendment to Lease dated September 9, 1981, which amendment provided for an Investment Credit, and an Option to Renew the Original Lease for an additional twenty-five years after the expiration of the Original Lease, beginning July 15, 2003 and ending July 14, 2028, as confirmed by City of Key West Resolution No. 81-92 and City of Key West Resolution No. 95-419 (the “**First Amendment**”).

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained and other valuable consideration, the receipt of which is hereby acknowledged, it is agreed as follows:

1. Recitals. That the recitals contained herein are true and correct and incorporated herein by reference.

2. Option to Renew. Lessee is hereby granted an option to renew its tenancy for one (1) additional ten (10) year renewal term beginning July 15, 2028 and ending July 14, 2038 (the “**Second Renewal Term**”), subject to the following terms and conditions:

(a) Lessee shall give written notice to Lessor at least one hundred eighty (180) days before expiration of the prior term, of Lessee’s exercise of the option to renew its tenancy.

(b) Lessee must not be in default of any of the conditions or covenants of this Lease, and the Lease must not have been otherwise terminated by Lessor.

3. Improvements. As a condition of this Second Amendment:

(a) Lessee represents and warrants that the improvements shown on the attached **Exhibit A** have been completed within the timeframes set forth on such schedule.

(b) Lessee agrees to make the improvements shown on the attached **Exhibit B**, or an equal dollar amount of improvements that would be approved by the City of Key West (such approval shall not be unreasonably withheld), within twenty-four (24) months from the date of this Second Amendment.

4. Authority. Each person executing this Second Amendment on behalf of a Party represents and warrants that it/he/she is has the full power, authority, and legal right to execute and deliver this Second Amendment on behalf of such Party and that this Second Amendment

constitutes the legal, valid and binding obligations of such Party, its heirs, representatives, successors and assigns, enforceable against such Party or Parties in accordance with its terms. Lessor hereby represents and warrants that it has obtained all necessary approvals and consents required for this Second Amendment.

5. Counterparts. To facilitate execution of this Second Amendment, this Second Amendment may be executed in one or more counterparts as may be convenient or required, and an executed copy of this Second Amendment delivered electronically by facsimile or e-mail shall have the effect of an original, executed instrument. All counterparts of this Second Amendment shall collectively constitute a single instrument; but, in making proof of this Second Amendment it shall not be necessary to produce or account for more than one such counterpart executed by each Party hereto, or that the signature of all persons required to bind any such Party appear on each counterpart of this Second Amendment.

6. Brokers. Each Party represents and warrants to the other that no broker, agent or finder negotiated or was instrumental in negotiating or consummating this Second Amendment.

7. No Further Modification. Except as set forth in this Second Amendment, all of the terms and provisions of the Original Lease and First Amendment (collectively "Lease") shall remain unmodified, in full force and effect, ratified and confirmed. In the event of a conflict between the Lease and this Second Amendment, this Second Amendment shall control. Effective as of the date hereof, all references to the "Lease" shall refer to the Lease as amended by this Second Amendment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Signed, sealed and delivered
in the presence of:

TROPICAL SHELL & GIFTS, INC.

Witness

By:_____

Witness

Date:_____

CITY OF KEY WEST, FLORIDA

Witness

By:_____

Witness

Date:_____

Attest:

City Clerk