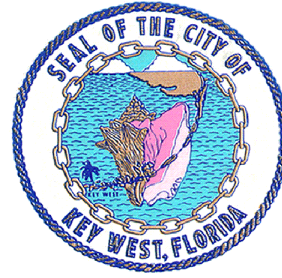


# Executive Summary



**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 D Lease Assignment

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## **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 D on Lazy Way Lane.

## **HISTORY**

The lease agreement is dated September 8, 2010 per Resolution 10-264. 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:** Unit D Lazy Way, 274 Square Feet

**Term:** Five years effective September 1, 2010

**Rent:** \$1,335.70 monthly

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

**Use:** Preparation of food products and operation of a retail store offering a variety of pretzels and homemade sauces, fresh squeezed lemonade and fruit drinks, coffee, and breakfast pretzels, for take away only, 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 in conjunction with Unit C.

**ATTACHMENTS:**

Assignment of Lease and Consent of Lessor

Lease

Personal Guaranty of Scott Saunders and Matt Cohen