

## SECOND AMENDMENT TO LEASE AGREEMENT

This Second Amendment to Lease Agreement is entered into this 9 day of May, 2018, by and between Caroline Street Corridor and Bahama Village Community Redevelopment Agency hereinafter ("LANDLORD") and S&M of Lazy Way, Inc. (hereinafter "TENANT").

### WITNESSETH

WHEREAS, LANDLORD and TENANT entered into an Assignment of Lease Agreement on the 5th day of April, 2015 per Resolution 15-198, as previously assigned and amended per Resolution 15-050 (the "Lease Agreement"), pertaining to the premises located at 205 Elizabeth Unit C in the Key West Historic Seaport.

WHEREAS, the LANDLORD and TENANT now desire to amend their Lease Agreement which is attached hereto as Exhibit "A",

NOW, THEREFORE, in mutual consideration of the benefits conferred upon the parties by the terms of this Amendment, LANDLORD and TENANT agree as follows:

1. Section 1.5 and 3 Term, effective June 1, 2018 the Lease term shall be amended to extend the lease term until August 31, 2020 to become co-terminus with the lease for Unit D on Lazy Way which is also occupied by the Tenant.
2. Section 1.6 and 4 Rent, The document attached to the Lease Agreement and referred to as "Exhibit B" in paragraph 1.6, paragraph 4.4(a), and paragraph 4.4(c), of the Lease Agreement is hereby deleted in its entirety and replaced with "Exhibit B-1", which is attached hereto and incorporated by reference.
3. 1.8 and 6 Use, shall be amended to state that the Demised Premises shall be used for the preparation of food products and a retail store offering a variety of fresh fish and island specialties with beer and wine for take away only, and no other purpose.
4. Section 1.9 and 9 Insurance, shall be deleted in its entirety and replaced as follows:

At TENANT'S sole cost and expense, TENANT is to secure, pay for, and file with the LANDLORD, during the entire Term hereof, an occurrence form commercial general liability policy, covering the Demised Premises and the operations of TENANT and any person conducting business in, on or about the Demised Premises in a at least the following minimum amounts with specification amounts to prevail if greater than minimum amount indicated. Notwithstanding any other provision of this Lease, TENANT shall provide the minimum limits of liability coverage as follows:

Commercial General Liability	\$2,000,000	Aggregate
	\$2,000,000	Products Aggregate
	\$1,000,000	Any One Occurrence
	\$1,000,000	Personal Injury
	\$300,000	Fire Damage/Legal

TENANT shall also procure the following insurance coverage:

- (i) "All risk" property insurance, including theft coverage, written at replacement cost value and a replacement cost endorsement insuring TENANT'S improvements and betterments, fixtures, furnishings, equipment and any other property belonging to TENANT.
- (ii) Workers compensation coverage as required by the provisions of Florida statute.

Any consignment agreement used by TENANT must provide that consignor acknowledge that the LANDLORD does not have any liability whatsoever for any damage which may be done to items left in the Demised Premises on consignment. The TENANT must provide the LANDLORD with a copy of any consignment agreement used by TENANT regarding Demised Premises. LANDLORD shall not be responsible for damage to any property belonging to TENANT or consignor. TENANT completely indemnifies the LANDLORD with regard to any claims made by any consignor for any reason. From time to time during this Lease, at LANDLORD'S request, TENANT shall (i) procure, pay for and keep in full force and effect such other insurance as LANDLORD shall require and (ii) increase the limits of such insurance as LANDLORD may reasonably require.

Any general liability or other policy insuring the LANDLORD does not provide any contributing or excess coverage for TENANT. The policies TENANT procures for TENANT'S exposure are the only coverage available to TENANT.

TENANT shall furnish an original Certificate of Insurance indicating, and such policy providing coverage, to LANDLORD named as "Additional Insured" on a PRIMARY and NON CONTRIBUTORY basis utilizing an ISO standard endorsement at least as broad as CG 2010 (11/85) or its equivalent, INCLUDING A "Waiver of Subrogation" clause in favor of LANDLORD on all policies. TENANT will maintain the General Liability coverage summarized above with coverage continuing in full force including the "additional insured" endorsement until at least 3 years beyond the termination of this Lease.

TENANT's insurance policies shall be endorsed to give a 30-day written notice to LANDLORD in the event of cancellation or material change, using form CG 02 24, or its equivalent.

All policies of insurance required to be carried by TENANT pursuant to this Lease shall be written by responsible insurance companies authorized to do business in Florida with an AM Best rating of A-VI or better. Any such insurance required to be carried by TENANT hereunder may be furnished by TENANT under any blanket policy carried by it or under a separate policy therefore. Certificates shall be delivered to LANDLORD prior to the commencement of the Term of this Lease and, upon renewals, but not less than sixty (60) days prior to the expiration of such coverage. In the event TENANT shall fail to procure such insurance, LANDLORD may, at its option, procure the same for the account of TENANT, and the cost thereof shall be paid to LANDLORD as an additional charge upon receipt by TENANT of bills therefore, together with an administrative fee equal to fifteen (15%) percent to cover the cost of the LANDLORD'S efforts to procure such policy.

Certificates of Insurance submitted to LANDLORD will not be accepted without copies of the endorsements being requested. This includes additional insured endorsements, cancellation/material change notice endorsements, and waivers of subrogation. Copies of USL&H Act and Jones Act endorsements will also be required if necessary. **PLEASE ADVISE YOUR INSURANCE AGENT ACCORDINGLY**

4. Except as modified herein, the Lease Agreement as amended shall remain in full force and effect.

**Exhibit "A"**

**Assignment of Lease and Lease Agreement Resolution 15-198  
First Amendment and Assignment of Lease Resolution 15-050**



## Exhibit "B-1"

### Amended Rent Schedule

#### EXHIBIT "B-1"

Tenant: S&M of Lazy Way, Inc.

Square Feet 128 CAM

Location: Lazy Way Unit C

Square Feet 128 BASE RENT

Contact: Scott Saunders

Term June 1, 2018- August 31, 2020

**\$4.85 PER SQ. FT.**

	Period Beginning	Base Rent per sq. ft.	Base Rent	Base Rent	Tax, Ins., CAM	Tax, Ins., CAM	Total Rent Before Sales Tax	Sales Tax	Total Rent With Tax	TOTAL RENT	Percentage Rent Base Amount
YEAR #			Annual	Monthly	Annual	Monthly	Monthly	Monthly	Monthly	ANNUAL	
1	Current	\$79.17	\$10,133.76	\$844.48	\$620.80	\$51.73	\$896.21	\$65.41	\$961.62	\$11,539.48	\$168,896.00
2	June 1, 2018	CPI									
3	June 1, 2019	CPI									
4	June 1, 2020	CPI									

Tax, Insurance and CAM are **estimated**

IN WITNESS WHEREOF, the parties have made this Second Amendment to Lease Agreement on the date first written above.

Caroline Street Corridor and Bahama  
Village Community Redevelopment Agency

ATTEST:

\_\_\_\_\_  
Cheryl Smith, City clerk

By: \_\_\_\_\_  
Craig Cates, Chairman

S&M of Lazy Way, Inc.

Jennifer Tepcke  
Witness

Scott Saunders  
Scott Saunders, Director

The foregoing Second Amendment to Lease Agreement was acknowledged before me this 18<sup>th</sup> day of May, 2018, by Scott Saunders ☐ who is personally known to me, or who ☐ produced \_\_\_\_\_ as identification.



My commission expires:

Mary M. Felger  
Notary Public

Print name: Mary M. Felger