



# *Advanced Asset Management, Inc.*

## **Real Property Support Services**

5909 Margate Boulevard  
Margate, Florida 33063  
(954) 817-1041

February 26, 2024

Mr. Cale Curtis  
Executive Director  
Margate Community Redevelopment Agency  
5790 Margate Boulevard  
Margate, Florida 33063

**RE: MCRA LEASES  
MARGATE, FLORIDA 33063**

Cale,

In follow up to our discussion on the expiration of MCRA tenant leases, and renewal recommendations, the following is provided for your consideration.

The MCRA has 38 leasable buildings and/or spaces with 34 active leases. Based on direction received in 2021 from the MCRA Board, all tenants were offered a 36 month lease without any increases. Those tenants that entered into those leases are now expiring at the end of April. Recommendations for lease renewals have been divided into tenant payment history and business operation. Three tenants fall into the category of habitual delinquency during their current lease. Wings Your Way with 23 late payments, The Sweet Spot with 22 and Way Back When with 13, all out of 34 lease payments.

As for business operations that are of concern;

Wings Your Way (occupancy commenced October 2019) has not maintained any consistency in their restaurant hours, and has gone weeks at a time of being closed. When asked why the tenant they replied they have two other businesses and lack staff to be open set days and hours. In addition, until recently cited by my office they did not have a current LBTR. Upon the tenant hearing that AAM would not recommend a lease renewal the tenant has attempted to sell the business. AAM's recommendation is that a notice be issued that there will not be a lease renewal and a notice to vacate be issued at lease end. Should a qualified buyer come forward prior to the lease termination the CRA can consider that buyer for tenancy.



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The Sweet Spot, (occupancy commenced July 2017) has not maintained consistent hours in their bakery. The tenant's LBTR remains unpaid and due since 2021. As of the date of this memorandum payment was just received for an outstanding rental balance due of \$1,755.69. AAM has visited the location several times to meet with the tenant without any success. The tenant through text has stated they are opening another location in Polk County which has placed a large demand on their time. I would like to have a more meaningful in person conversation with Sweet Spot however I have not been able to do that with this tenant. Currently, AAM's recommendation is that a notice be issued that there will not be a renewal and a notice to vacate be issued at lease end.

Way Back When (occupancy commenced June 2015) maintains consistent hours and steady presence at their collectable and antique store. The business is well recognized throughout the community and beyond the City. The only operational issue of concern is from time to time the tenant will have sidewalk sales that create parking and congestion issues for other tenants and without the benefit of a TUP. AAM recommends a lease renewal along with counseling the tenant with respect to adverse business operation issues and prompt payment methods.

CMSV Y, DBA Valencia's, (lease commenced July 2020) has been operated by a third party for the last twelve months. The days and hours at this restaurant are minimal and sporadic. Tenant principals of the corporation have been absent during this time. The operation runs more like a night club which is not a permissible use in single story buildings in the TOC-CC. Recently the principal tenant has communicated they have removed the operator from the business and they will take over the day to day operation. Absent any payment delinquency issues with the tenant and a commitment from the principals to operate the restaurant moving forward, AAM recommends a lease renewal.

Lastly it is recommended that any tenant that does not have a current LBTR will not be granted a lease renewal. I am available to discuss any tenants and the recommendations made as needed. Thank you.

**ADVANCED ASSET MANAGEMENT, INC.**

Jim Nardi  
President/Broker