Appendix B:

Del Mar City Lease with The Winston School regarding status of development requirements during circumstances outside of Tenants control including pandemics
Appendix B: Pandemics

Winston School Lease

(ii) An election by Landlord to terminate this Lease pursuant to this Section 3(b) due to Tenant's failure to timely satisfy a Redevelopment Milestone may only be exercised by Landlord giving written notice to Tenant of such election within ninety (90) days after the Milestone Deadline applicable to that Redevelopment Milestone. Such election shall be effective as of the July 1 following the first anniversary of the date upon which Landlord gives written notice to Tenant of such election; provided however that if Tenant satisfies the Redevelopment Milestone within ninety (90) days after the giving of such notice by Landlord, then (a) such election shall be deemed ineffective, (b) Landlord shall have no further right to terminate or reduce the term of this Lease due to Tenant's failure to satisfy such Redevelopment Milestone, and (c) this Lease shall remain in full force and effect for the balance of the original term, subject only to Landlord's rights under this Section 3(b) for Tenant's failure to satisfy other future Redevelopment Milestones.

(iii) If Landlord fails to timely exercise its election to terminate or reduce the term of this Lease due to Tenant's failure to satisfy a Redevelopment Milestone on or before the Milestone Deadline applicable to that Redevelopment Milestone, then this Lease shall remain in full force and effect and Landlord's ability to terminate this Lease pursuant to this Section 3 shall no longer be of any force or effect, subject only to Landlord's rights under this Section 3(b) for Tenant's failure to satisfy other future Redevelopment Milestones.

(c) The Redevelopment Deadlines set forth above shall be extended to the extent that Tenant's performance is prevented or hindered by circumstances out of Tenant's reasonable control including an act of God, casualty, epidemic, war, terrorism, insurrection, riot, fire, flood, earthquake, strike, or boycott. Tenant's inability to fund the Redevelopment or to timely process entitlements and proceed with construction shall not extend the Redevelopment Deadlines.

(d) Should Tenant hold over after the termination or expiration of this Lease, or any renewal thereof, such holding over shall be deemed a tenancy for month-to-month only.

(e) If Tenant determines, in its sole discretion, that Redevelopment is not feasible for any reason, it may terminate this Lease without liability by providing written notice to Landlord not earlier than December 31, 2018 and not later than December 31, 2022. Such notice by Tenant shall set forth the effective date of such termination, which shall not be later than two (2) years after the date of such notice. If, upon any early termination of this Lease at Tenant's election pursuant to this Section 3(e), there remains Rent Credit, then Tenant waives the right to any refund or return of such Rent Credit.

(f) If, upon any early termination of this Lease at Landlord's election pursuant to Section 3(b) above due to Tenant's failure to timely satisfy a Redevelopment Milestone, Landlord shall pay to Tenant cash equal to the remaining Rent Credit within six (6) months after the effective date of such termination.

4. **Rent.** Tenant shall pay to Landlord as rental for the use and occupancy of the Premises, at the times and in the manner provided herein, the following sums of money:

(a) **Rent.** Tenant shall pay to Landlord annual rent (the "Rent") in the following amounts:

   (i) Rent (calculated as of July 1, 2007) shall be $197,245.39 per year ("Initial Rent") until the First Adjustment Date (as defined in Section 4(a)(iii) below). Commencing as of the July 1 immediately following the First Adjustment Date and continuing on each July 1st during the term of this Lease (each such July 1, an "Adjustment Date"), Rent shall be increased annually on each Adjustment Date by the percentage increase in the CPI obtained by comparing the CPI in effect as of the then-current Adjustment Date to the CPI in effect as of the immediately preceding Adjustment Date. As used in this