Appendix F:

City of Del Mar - Winston School
Ground Lease Page 1
GROUND LEASE

RECITALS

A. Pursuant to a lease dated July 1, 2004 ("District Lease"), between The Winston School of San Diego, Inc., a California corporation, ("Tenant") and the Del Mar Unified School District ("District"), Tenant currently occupies and uses for educational purposes portions of real property and the buildings, structures, and other improvements located at 215 Ninth Street, Del Mar, California, 92014.

B. The lease between Tenant and District is subject to an Addendum that extended the term of the District Lease to June 30, 2008.

C. The City of Del Mar ("Landlord") purchased property from the District and is currently the owner of record of all of that certain real property situated in San Diego, California, commonly known as 215 and 225 Ninth Street, Del Mar, California 92014, APN's 300-200-01, 300-200-22, 300-200-23, and more particularly described in Exhibit A ("Property").

D. District currently leases from Landlord a portion of the Property and Premises pursuant to a lease dated as of May 15, 2008 between the District and Landlord, which lease provides pursuant to its terms that it may be extended through May 15, 2011 ("District-City Lease"), which lease includes Unit B of the Premises.

E. Tenant agreed to support Landlord's efforts to acquire the Property in exchange for Landlord's entering into a lease with Tenant that permitted Tenant to continue operating its school on the Property.

F. Pursuant to the Assignment of Lease dated May 15, 2008, District transferred its interest in the District Lease to Landlord.

G. Landlord intends to lease to Tenant that portion of the Property identified in Exhibit B, attached hereto and incorporated herein (the "Premises").

H. This Ground Lease ("Lease") is entered into as contemplated by the Memorandum of Understanding between the Winston School of San Diego and the City of Del Mar, dated February 21, 2006 ("MOU").

I. In accordance with that Bill of Sale attached hereto as Exhibit C, and upon execution of this Lease, Landlord will convey to Tenant Landlord's interest in the buildings, structures, fixtures, and other personal property (identified in Exhibit C as the "Transferred Property" and hereinafter referred to as "Improvements") located on the Premises, provided, however, that title to Unit B shall be conveyed separately, upon termination of the District-City Lease. Upon such separate conveyance, Unit B shall be deemed part of the Improvements as defined and referenced in this Lease.