

FOURTH AMENDMENT TO LEASE

THIS FOURTH AMENDMENT TO LEASE ("Fourth Amendment") is made and executed in duplicate effective the 24th day of July, 2008, by and between Anaheim Union High School District, a California public school district, successor in interest to Crescent Corporate Center LLC and Aetna Life Insurance Company (hereinafter referred to as the "Landlord") and ITT Educational Services, Inc, a Delaware corporation (hereinafter referred to as the "Tenant"):

RECITALS:

WHEREAS, Landlord and Tenant entered into an agreement entitled Net Commercial Lease dated July 18, 1994 for the Lease of 39,747 rentable and usable square feet in a Building located at 525 North Muller Avenue, Anaheim, California 92801, and a First Amendment dated December 1, 1995, a Second Amendment dated October 30, 1998 and a Third Amendment dated September 7, 2007 (collectively referred to as the "Lease"); and

WHEREAS, on or about February 19, 2008, Landlord, through its Board of Trustees, declared the property located at 525 North Muller Avenue, Anaheim, California 92801 ("Premises") to be surplus property pursuant to California Education Code sections 17387 *et seq.*; and

WHEREAS, Landlord is still engaging in the statutory surplus property process which must be completed before the Premises can be offered for sale; and

WHEREAS, the current termination date for the Lease is March 30, 2010.

WHEREAS, given the time required to complete the statutory surplus property process, and the time needed by Tenant to locate new premises in advance of lease expiration, the parties desire to provide an opportunity, but not an obligation, for Tenant to extend the lease term on a short-term basis.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and promises contained herein, and other good and valuable consideration, the parties hereto agree the following terms and conditions:

1. **Incorporation of Recitals.** The above and foregoing Recitals, including, without limitation, all defined terms set forth therein, are hereby incorporated into and made a part of this Fourth Amendment as if more fully set forth in the body of this Fourth Amendment. Any capitalized terms used, but not defined in this Fourth Amendment, will have the meanings specified in the Lease.

2. **Extension of Lease Term.** Tenant shall have the option to extend ("Option") the Lease term. In the event Tenant exercises this Option, the Lease term shall be extended by six months, to September 30, 2010. Tenant shall have no other right to extend the Lease Term beyond the six month term specified herein.

3. **Exercise of Option.** Tenant shall exercise this Option by providing written notice to Landlord, as set forth in Paragraph 4. Written notice of exercise of the Option shall be actually received by Landlord on or before March 30, 2009. Failure to provide Landlord with written notice of exercise of the Option on or before March 30, 2009 shall constitute a waiver of the Option.

4. **Notice.** Tenant shall provide written notice of the exercise of the Option by signing and dating the Exercise Section at the end of this Fourth Amendment and returning it to the following address on or before March 30, 2009:

Timothy D. Holcomb
Deputy Superintendent, Chief Facilities Officer
Anaheim Union High School District
501 Crescent Way
P.O. Box 3520
Anaheim, CA 92803-3520
(714) 999-2188 telephone
(714) 520-5741 facsimile

5. **Rent.** Rent for the six-month Option period (April 1, 2010 to September 30, 2010) shall be upon the same terms as the Third Amendment to the Lease:

<u>Lease Period</u>	<u>Monthly Base Rent</u>	<u>Monthly</u>
August 1, 2007 through March 31, 2010 (Current Lease Term)	\$1.33/sq. ft.	\$52,515.51
April 1, 2010 through September 30, 2010 (Option Period)	\$1.33/sq. ft.	\$52,515.51

6. **Tenant Default.** The Option hereby granted may not be exercised at any time during which Tenant is in default under any of the terms of the Lease.

7. **Binding Effect.** This Fourth Amendment shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

8. **Counterparts.** This Fourth Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one agreement.

9. **Lienholder Consents.** Landlord represents that it has secured any necessary approval from any lienholder to enter into this Fourth Amendment.

10. **Brokers.** Tenant and Landlord warrant that neither party worked with a broker with regard to this Fourth Amendment, and no commission shall be due to any other third party.

The party who breaches this warranty shall defend, hold harmless and indemnify the non-breaching party from all costs, expenses, and/or liability arising from the breach.

11. **Reaffirmation.** Except as amended in this Fourth Amendment, all terms and conditions of the Lease are unmodified, are hereby reaffirmed, and shall remain in full force and effect. If not defined herein, all capitalized terms shall have the same meaning as set forth in the Lease.

12. **Conflicts.** In case of any conflict between any term or provision of this Fourth Amendment and the Lease, the term or provision of this Fourth Amendment shall govern.

IN WITNESS THEREOF, Tenant and Landlord, by their duly authorized representatives, have caused this Fourth Amendment to be executed all as of the date first above written.

TENANT:

LANDLORD:

ITT EDUCATIONAL SERVICES, INC.,
a Delaware corporation

**ANAHEIM UNION HIGH SCHOOL
DISTRICT**

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Exercise Section

TO BE COMPLETED UPON EXERCISE OF OPTION:

Tenant hereby exercises its Option to extend the Lease termination date to September 30, 2010, upon the terms and conditions set forth above. Executed this _____, 200__, in _____.

TENANT:

ITT EDUCATIONAL SERVICES, INC.,
a Delaware corporation

By: _____

Print Name: _____

Title: _____

