

LETTER OF INTENT

- Buyer:** **Mehrdad Elie, and/or assignee**
The Buyer owns and manages over 470,000 sq ft of industrial, 167,000 sq ft of class A and B office buildings, 15,000 sq ft of Medical offices, 134 residential units, and 74,000 sq ft of shopping centers in California, Hawaii and Texas. Most of the transactions are done on cash basis without financing.
- Agreement:** Within 10 days following execution of this Letter of Intent, Buyer and Seller shall prepare and execute a definitive Purchase and Sale Agreement reflecting the terms and conditions set forth herein.
- Property:** All land, improvements, personal property, rights and interest of Seller in the property located at Public Utilities Building, San Francisco, CA 94102.
- Price:** \$60,000,000.00 **all cash** to Seller.
- Deposit:** \$900,000.00 to be deposited in escrow upon execution of the Agreement. Said deposit, together with any increases, shall be held subject to the terms and conditions of the Agreement and shall be applicable to the Price at Closing.

The deposit shall be increased to a total of \$1,800,000.00 upon Buyer's approval of the due diligence Studies of the Property.
- Title:** First American Title Company, Title and Escrow Fees and City & County Transfer Tax(s) to be paid by seller.
- Studies:** Within 5 days following execution of the Agreement, Seller shall provide Buyer all books, records, reports, plans, and studies in Seller's possession or control reasonably relating to the condition or operation of the Property. Buyer shall have 30 days following the date of the Agreement to review and approve all documents and to conduct such investigations of the physical and economic condition of the Property, as Buyer deems appropriate. Buyer shall provide Seller written approval of all due diligence Studies within the 30 day period. Such written approval by Buyer is a condition precedent to Buyer's obligation to purchase the property.
- Closing:** Close of escrow shall occur on or before 60 days following the date of the Agreement.
- Commission:** Seller shall pay a real estate commission as set forth in Seller's listing agreement with it's Broker. Elie Corp, Cooperating Broker, is the Buyer's Agent and shall be paid 50% of the commission paid by Seller.
- Other:** Subject to visual inspection of the property by the Buyer.
- Expiration:** This Letter of Intent shall be effective through 2:00 pm PST, April 21, 2010.

This Letter of Intent does not constitute a binding obligation of either Buyer or Seller. It is an expression of understanding and intention only and will provide guidance for drafting a definitive Purchase Agreement acceptable to Buyer, Seller and their respective counsel. The Purchase Agreement will be effective only upon execution and delivery.

Buyer:

By: *Mehrdad Elie*

Date: April 14, 2010

Mehrdad Elie

c/o Elie Corp

P.O Box 280148

San Francisco, CA 94128-0148

Tel: (650) 342-1212 ext. 212 Fax: (650) 636-9400

Cell: (650) 610-8000

elie@eliecorp.com

Seller:

By: _____

Date: _____