BENTLEYFORBES®

Via Email

May 11, 2010

Mr. Kevin Shannon
Vice Chairman
CB Richard Ellis
990 W. 190th St., #100
Torrance, California 90502

Re: Golden State Portfolio – Los Angeles, San Francisco, and Sacramento, California

Dear Kevin:

This letter constitutes a Letter of Intent ("**LOI**") regarding the purchase by a to-be-formed joint-venture entity (with the initial party to the Purchase Agreement (defined below) to be BentleyForbes Acquisitions, LLC) ("**Purchaser**"), of the property described below from the owner of record ("**Seller**") on the following terms and conditions:

1. **Property to be Purchased and Conveyed**

   The "**Property**" means the real property and associated tangible personal property and intangible property relating to the eleven (11) assets commonly known as the Golden State Portfolio.

2. **Purchase Price**

   The purchase price for the all eleven (11) assets making up the Property shall be $2,017,782,055 ("**Purchase Price**"), and shall be payable at closing. The following table details a purchase price allocation for each of the eleven assets included in the Golden State Portfolio transaction:

Golden State Portfolio

Name	Valuation
Junipero Serra Building	$84,992,725
Ronald Reagan Building	$152,444,125
Elihu Harris Building	$168,183,493

San Francisco Civic Center	$339,080,862
Public Utilities Commission Building	$93,816,169
Judge Rattigan Building	$13,005,550
Franchise Tax Board Office Complex	$457,469,093
Capitol Area East End Complex	$473,914,360
Department of Justice	$63,695,819
The Attorney General Building	$129,447,787
Cal EMA	$41,732,071
	$2,017,782,055

The Purchase Price does not contemplate the assumption of any mortgage or other debt by Purchaser. The Purchase Price shall be adjusted in accordance with reasonable and customary prorations, credits, reserves and other adjustments, including credit for security deposits, if any. The Purchaser retains the right to increase the Purchase Price, via reserves that may be established for property expenses including, but not limited to, tenant improvements, capital expenditures, leasing commissions, etc. ("**Upfront Reserves**"), with such Upfront Reserves to be held by Purchaser's lender for the benefit of Purchaser.

3. **Capital Stack**

The ownership structure shall be comprised of equity from BentleyForbes and outside investor partners. The additional partners are a collection of extremely high net worth individuals with whom BentleyForbes has close relationships. The team held debt commitment discussions with Deutsche Bank and Goldman Sachs and is confident in the team's collective certainty to close this transaction in a timely fashion.

4. **Purchase and Sale Agreement**

Unless the Seller intends to send its proposed purchase and sale agreement to Purchaser, within two (2) business days after execution of this LOI, Purchaser's counsel shall deliver a proposed purchase agreement to Seller, and Purchaser and Seller shall thereupon use reasonable and good faith efforts to negotiate a final form of purchase and sale agreement which is in substance in accordance herewith and which is otherwise in a form and substance reasonably acceptable to Seller and Purchaser ("**Purchase Agreement**").

5. **Due Diligence Period**

The closing of this transaction shall be subject to Purchaser's review of the Property (including a review of the Property's physical and financial condition, environmental issues and all agreements, instruments and other documentation relating to the Property) within thirty (30) days following execution of the Purchase Agreement ("**Due Diligence Period**"). Commencing upon execution and delivery of this LOI, Seller agrees to make available to Purchaser documents relating to the Property including but not limited to the documents listed on Exhibit A hereto to the extent the same are in the possession and/or control of Seller. At any time during the Due Diligence Period, Purchaser may terminate the Purchase Agreement (or, if the Purchase Agreement has not been executed and delivered, this LOI) for

any reason or no reason in its sole and absolute discretion and in such case the Initial Deposit (defined below) shall be returned to Purchaser.

Purchaser has undertaken a preliminary review of the following items: (i) the proposed leases and the governing rules for operating lease standards; (ii) the revised projected year one operating budgets; (iii) the property condition reports for each of the properties; and (iv) the building, floor, site plans and specifications for the properties. Please note that this preliminary review shall not constitute a waiver of Purchaser's rights during the Due Diligence Period.

6. **Escrow; Escrow Deposits**

The purchase and sale contemplated hereby shall be consummated through an escrow established with Fidelity National Title Insurance Company of California, a California corporation ("**Escrow Agent**"). Upon the execution of the Purchase Agreement, Purchaser shall deposit one-half of one percent (.5%) of the Purchase Price (**"Initial Deposit"**), and, upon expiration of the Due Diligence Period, assuming Purchaser has not terminated the Purchase Agreement in accordance with Section 4 of this LOI, an additional one-half of one percent (.5%) of the Purchase Price (**"Second Deposit"**), into an escrow account maintained by the Escrow Agent. Such deposits shall be credited against the Purchase Price at closing, returned to Purchaser if the sale does not close because of a failure of any condition precedent to closing, or delivered to Seller as its sole remedy if the transaction does not close as a result of Purchaser's default under the Purchase Agreement following the Due Diligence Period.

7. **Title and Survey**

Title to each Property transferred to Purchaser at closing shall be insured under an ALTA Owner's Extended Coverage policy of title insurance issued by a title insurance company selected by Purchaser, such policy to be in the amount of the Purchase Price allocated to the respective Property, in a form and with such endorsements as shall be reasonably acceptable to Purchaser, and subject only to such exceptions to and/or exclusions from coverage as shall be agreed to by Purchaser during the Due Diligence Period (each a "**Title Insurance Policy**"). Prior to closing, each survey shall be updated (if necessary) and recertified to Purchaser, the title insurance company and Purchaser's lenders with respect to the transaction contemplated hereby ("**Updated Surveys**"). All exceptions to the coverage of any Title Insurance Policy relating to the respective Updated Survey shall be subject to the approval of Purchaser.

8. **Closing**

The closing shall occur thirty (30) days following expiration of the Due Diligence Period, provided that, Purchaser shall have the right to extend the closing for up to thirty (30) days if necessary to satisfy the conditions precedent to closing set forth in the Purchase Agreement.

9. **Conditions to Purchaser's Obligation To Close**

The Purchase Agreement shall provide the following conditions to the Purchaser's obligation to close, in addition to such further reasonable conditions as may be included in the Purchase Agreement to address Property-specific issues or which are otherwise reasonable and customary:

A. Leases. The following leases shall be in full force and effect at closing for each asset:

Tenant:	State of California
Lease Type:	(10) Modified Gross Leases, (1) NNN (Cal EMA)
Gross Rentable Area:	7.3 million sqft (portfolio)
Annual Rent Increases:	10% increases every five years
Initial Term Expiration Date:	20 Year Term
Renewal Options:	Six (6) five year renewal options

B. Other Conditions. (i) Receipt by Purchaser of satisfactory tenant estoppel certificate relating to any existing leases, (ii) receipt by Purchaser of satisfactory Subordination, Non-Disturbance and Attornment Agreement relating to any existing leases and the new leases, (iii) no defaults in existence under any existing leases and any other instruments or agreements affecting any Property, (iv) receipt by Purchaser of each Title Insurance Policy, (v) no material adverse change in the condition of any Property or any tenant between the date of the Purchase Agreement and the date of closing, (vi) Seller shall not be in default under the Purchase Agreement, and (vii) Purchaser shall have received satisfactory reliance letters in connection with each of the property condition reports, Phase I environmental reports and ADA surveys along with ALTA surveys for each of the properties certified in favor of Purchaser, the title insurance company and its lender.

10. **Transaction Costs**

Unless otherwise negotiated in the Purchase Agreement, the costs of the transaction shall be allocated as follows: Purchaser shall be responsible for Recording Costs, ALTA Title Policy, ALTA Title Endorsements, Escrow Fees and Charges.

11. **Real Estate Brokerage Commissions**

Any real estate brokerage commission owed to CB Richard Ellis in this transaction shall be paid by Seller.

12. **Binding Effect of this LOI**

Except for Seller's and Purchaser's respective rights and obligations under Sections 4 and 5 of this LOI, no contractual rights or legal obligations are intended to be or shall be created by this LOI and, subject to Sections 4 and 5 of this LOI, the parties shall be bound with respect to the subject matter of this LOI only if and when a final Purchase Agreement is fully executed and unconditionally delivered by Seller and Purchaser.

13. **Special Condition**

The closing documentation shall provide for a fee to be paid by Seller at closing to an affiliate of Purchaser. The Purchase Price shall be increased by the amount of such fee so that there is no net economic effect to Seller associated therewith. In addition, any incremental transaction costs associated with the aforesaid fee shall be borne by Purchaser, provided that, all brokerage commissions shall be based on the Purchase Price without any increase thereto relating to the payment of such fee.

[SIGNATURE PAGE TO FOLLOW]

This LOI is effective until 5:00 p.m., Pacific Standard Time, on May 18, 2010. If the terms of this offer are acceptable to you, please so indicate by executing and returning this LOI to the undersigned by facsimile or PDF attachment to an email prior to such time.

Very truly yours,

BENTLEYFORBES ACQUISITIONS LLC

C. Frederick Wehba
Chairman

C. Fredrick Wehba, II
President & CEO

Anthony J. Manos
Chief Operating Officer

AGREED AND ACCEPTED BY:

By: _____
Name: _____
Title: _____

EXHIBIT A

DUE DILIGENCE DOCUMENTS LIST

A. All leases including ground leases and subleases and all guaranties of the tenants' obligations thereunder

B. Tenant financials for the last three (3) years

C. Material correspondence with tenants for the last three (3) years, including the last estoppels delivered by the tenants

D. Floor Plans (8½" x 11")

E. Existing owner's title insurance policy, including all instruments or other documents relating to the exceptions to coverage shown therein

F. "As-built" ALTA/ACSM surveys

G. Current map indicating location of subject property and comparable properties if available

H. Recent aerial photographs (color 8x10s) of the subject properties and surrounding area

I. Recent photographs (color) of all facilities (interior)

J. Street level photographs of building exteriors

K. Detailed description of the Properties including square footage, number and type of units, year built and/or renovated, description of construction details, HVAC, and parking information (including number of total spaces, covered and handicapped spaces)

L. The Purchaser's construction cost for each Property

M. Legal description of each Property

N. "As-built" floor plans and specifications

O. Phase I Environmental reports, Phase II environmental reports, asbestos surveys and lead paint surveys

P. Engineering Reports

Q. Most current Appraisal Reports

R. Property tax bills for the last three (3) years, if any

S. Certificates evidencing all current insurance coverage on the Property (Accord 25 & 27)

T. All certificates of occupancy

U. All warranties applicable to the improvements on each Property

V. All licenses and permits required for the operation of, or otherwise in existence with respect to, each Property

W. Utility Bills for the last three (3) years.

X. Description, summary, and status of all known violations of property codes or other laws, and all litigation or other governmental proceedings, in each case affecting the Property

Y. Itemization of all capital expenditures for the last three (3) years, plus current year's budget

Z. Sales for the property for the past three (3) years (for retail tenants)

AA. Vendor/Service contracts

BB. Site Plans (including parking) for each Property

CC. Current year's operating budget, previous twelve months and past 3 years operating statements for the property

DD. Name and contact information for on-site property manager (if any)

EE. Property Management Agreements (if any)

FF. Documentation of each Property's zoning classification and compliance with zoning laws, including those relating to parking requirements, and including comfort letters from applicable governmental entities with respect to these issues.