

**TERM SHEET  
FOR DISCUSSION PURPOSES ONLY  
PRESENTED BY  
U.S. TRUST, BANK OF AMERICA PRIVATE WEALTH MANAGEMENT  
("U.S. Trust" or "Bank")  
February 9, 2011**

This Term Sheet and the information contained herein do not constitute a commitment to lend or otherwise extend credit on the part of U.S. Trust and is presented for discussion purposes only. This Term Sheet is intended as an outline only, and does not purport to summarize all of the terms, conditions, covenants, representations, warranties, and other provisions which would be contained in definitive legal documentation for the proposed transaction. Any such commitment will be issued only in writing subject to appropriate documentation, the terms of which are not limited to those set forth herein. The actual terms and conditions upon which U.S. Trust may extend credit is also subject to satisfactory completion of due diligence, necessary credit approval and such other terms and conditions as determined by U.S. Trust.

U.S. Trust reserves the right at any time to cancel or modify this Term Sheet and the terms and conditions presented for discussion herein for any reason. In any event, this proposal expires on March 15, 2011 if the proposed transaction is not closed on or before that date.

**BORROWER:** Mortimer B. Zuckerman

**CREDIT FACILITY:** A revolving line of credit in an amount of \$175,000,000.

**PURPOSE:** Proceeds shall payoff and close a \$128,000,000 Line of Credit with Citibank, absorb the \$25,000,000 Line of Credit with Bank of America and the new proceeds of \$22,000,000 shall be used for capital investments in the Daily News, LP. The Credit Facility shall also be used to issue letters of credit.

The Credit Facility will not be used directly or indirectly for the purpose of purchasing or carrying "margin stock" as such term is defined in Regulation U of the Board of Governors of the Federal Reserve System, or to reduce or retire indebtedness incurred for such purpose

**MATURITY:** Two-years from closing.

**INTEREST RATE:** Daily floating rate per year equal to the One Month BBA LIBOR Daily Floating Rate plus 1.30%.

The rate shall be adjusted from time to time in Bank's sole discretion for then-applicable reserve requirements, deposit insurance assessment rates and other regulatory costs. All calculations of interest and fees shall be made on the basis of actual number of days elapsed in a 360-day year.

<b>FEES:</b>	<p>1/4% based upon the commitment due at closing and on the first anniversary date.</p> <p>On a per annum basis, a 1/4% unused fee payable on a calendar quarter in arrears.</p> <p>On a per annum basis, a 1.5% fee on the outstanding undrawn amount of each standby letter of credit, payable in advance.</p>
<b>REPAYMENT:</b>	<p>Interest payments due quarterly. All principal and accrued interest will be due at maturity.</p>
<b>COLLATERAL:</b>	<p>Unsecured.</p>
<b>PREPAYMENTS:</b>	<p>The Borrower may prepay any loan under the Credit Facility on which the interest rate floats daily in whole or in part at any time without penalty.</p>
<b>REPRESENTATIONS AND WARRANTIES:</b>	<p>Usual and customary for transactions of this type as determined by Bank.</p>
<b>LIQUIDITY MAINTENANCE AGREEMENTS:</b>	<p>Borrower will maintain unencumbered liquid assets in a form acceptable to Bank in its sole discretion in an amount no less than 175% of the Borrower's aggregate unsecured outstanding direct and indirect debt and letters of credit. Of the total unencumbered liquid assets, \$50,000,000 must consist of non-Boston Properties, Inc common shares and OP units. To be verified by quarterly compliance statement due within 60 days of calendar quarter end, except within 90 days of calendar year-end.</p> <p>"Unencumbered Liquid Assets" shall consists of the following assets owned by the credit party(ies) named above (excluding assets of any retirement plan) which (i) are not the subject of any lien, pledge, security interest or other arrangement with any creditor to have his claim satisfied out of the asset (or proceeds thereof) prior to the general creditors of such credit party(ies), and (ii) may be converted to cash within five (5) days:</p> <ul style="list-style-type: none"><li>(a) Cash or cash equivalents held in the United States;</li><li>(b) United States Treasury or governmental agency obligations which constitute full faith and credit of the United States of America;</li><li>(c) Commercial paper rated P-1 or A1 by Moody's or by S&amp;P, respectively;</li><li>(d) Medium and long-term securities rated investment grade by</li></ul>

one of the rating agencies described in (c) above;  
(e) Eligible Stocks; and  
(f) Mutual funds quoted in The Wall Street Journal which invest primarily in the assets described (a) - (e) above.  
(g) Common shares and OP units of Boston Properties, Inc. may be included as unencumbered liquid assets as long as the OP units can be converted to common shares and both can be sold in one quarter as stated under SEC Rule 144.

"Eligible Stocks" shall include any common or preferred stock outside of Boston Properties, Inc. which (i) is not subject to statutory or contractual restrictions on sales, (ii) is traded on the New York Stock Exchange, American Stock Exchange or included in the Global or Global Selects tier of NASDAQ and (iii) has, as of the close of trading on an applicable exchange (excluding after hours trading), a per share price of at least \$15.

## FINANCIAL AND REPORTING COVENANTS:

Financial and reporting covenants to include (but not be limited to):

- By April 30<sup>th</sup> of each year, the Borrower shall provide his annual personal financial statement dated as of calendar year-end.
- On an annual basis, the Borrower shall allow a Bank of America representative access to his Federal Income Tax Return, including K-1's, within 30 days of filing but no later than November 30<sup>th</sup> of each year.
- Within 60 days of each quarter, the Borrower shall provide his brokerage statements to the Bank.
- The Borrower shall not create, incur, assume or become liable in any manner for any indebtedness (direct and indirect) beyond \$360,000,000. However, excluded from this figure is an additional debt basket up to \$30,000,000 of borrowings from his various trusts as long as these borrowings are subordinated to Bank of America.
- The Borrower shall maintain a Net Worth greater than \$900,000,000. "Net Worth" means the gross fair market value of Borrower's total assets less total liabilities, including but not limited to estimated taxes on asset appreciation and any reserves or offsets against assets.

## EXPENSES:

Borrower will pay all costs and expenses associated with the preparation of documents, due diligence, and closing of the Credit Facility, including, without limitation, Bank's attorneys' fees (payable at closing) whether or not the Credit Facility is closed.

**TAXES:** Borrower shall be liable for all withholding, documentary stamp or other taxes or similar charges due in connection with the Credit Facility as set forth in Bank's standard loan documents.

Bank hereby notifies Borrower that pursuant to the requirements of the USA Patriot Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "Act"), Bank is required to obtain, verify and record information that identifies Borrower, which information includes Borrower's legal name, address, social security number or tax ID number and other information that will allow Bank to identify Borrower in accordance with the Act. If guarantees are requested, the Bank will also require information regarding each guarantor, such as legal name, address, social security number or tax ID number and date of birth.

This Term Sheet contains confidential and proprietary loan structuring and pricing information. Except for disclosure on a confidential basis to Borrower's accountants, attorneys and other professional advisors retained by Borrower in connection with the Credit Facility or as may be required by law, the contents of the Term Sheet may not be disclosed in whole or in part to any other person or entity without Bank's prior written consent, provided that nothing herein shall restrict disclosure of information relating to the tax structure or tax treatment of the proposed Credit Facility.

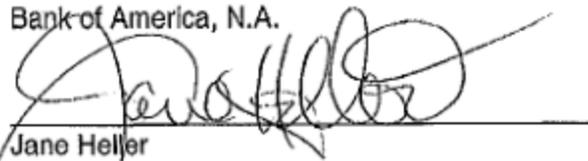
**EXPIRATION:**

The terms suggested in this proposal will be considered by the Bank for a period of three (3) days from the date of this proposal, subject to the modification by the Bank at any time. If you find the terms and conditions of this proposal to be acceptable to you, please sign and return this letter.

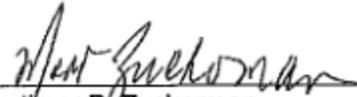
We appreciate the opportunity to provide Borrower with the financial services of U.S. Trust, Bank of America,  and look forward to a continuing mutually beneficial relationship.

Sincerely,

Bank of America, N.A.

  
Jane Heller  
Managing Director

Accepted and agreed to this 14 day of February, 2011

By:   
Mortimer B. Zuckerman