

LEHMAN BROTHERS

Indicative Terms and Conditions
816 Congress (the “Project”)
December 16, 2008

The following terms represent talking points and are intended for discussion purposes only. The information contained herein is strictly confidential and is intended for distribution to and review by the intended parties only.

Summary Terms and Conditions

Transaction:	<p>1 – (A) The purchase by Purchaser of the 1st Mortgage B Note (“Mezzanine Loan”) from Lehman Brothers Holdings Inc. (“Seller”) on an “as is” basis without any representation, warranty or recourse, other than basic representations that (i) Seller is the sole holder of the Mezzanine Loan free and clear of all liens, claims and encumbrances, (ii) the Mezzanine Loan has a future funding obligation in the approximate amount of \$2,336,713 and a representation as to the Maximum future funding obligations under the senior loan, (iii) to the Seller’s actual knowledge, there are no defaults by Seller or the underlying borrower under the Mezzanine Loan or senior loan, and (iv) confirmation of the outstanding principal balance of the Mezzanine Loan and the senior loan. The Purchase Price of the Mezzanine Loan is \$14,274,000 including the future funding obligation set forth in item (ii) above.</p> <p>2 – The purchase by Purchaser of Seller’s 90% equity interest in 816 Congress Holdings LLC, (the “JV Entity”) conditioned on Purchaser acquiring the 10% interest in 816 Congress from Grubb and Ellis Realty Investors, and Senior Lender approval. The Purchase Price of the 90% JV Equity Interest is \$1,000.</p>
Mezzanine Loan:	<p>That certain mezzanine loan made by Seller to 816 Congress Mezzanine LLC in the amount of \$16,785,000 with an interest rate of LIBOR plus 2.00%. The Mezzanine Loan shall have no other future funding obligations, except as described above.</p>
Equity Position:	<p>That certain capital contribution, in the amount of approximately \$23,173,515, as more fully detailed in the table attached, and as confirmed by the closing funding letter from</p>

	<p>Windels, Marx, Lane, and Mittendorf attached and as also confirmed by the attached Version 18 Excel spreadsheet, which “Waterfall” tab contains the XIRR calculation for Lehman Brothers’ \$23,173,515 equity investment in the joint venture based on the closing sources and uses. The \$23,173,515 is the equity investment made by LB 816 Congress LLC and represents a 90% interest in 816 Congress Holdings LLC, as well as rights to distributions, allocations of profits and losses and voting and approval rights attributable thereto, in the JV Entity.</p>
Closing	<p>Subject to Motion and Bankruptcy Court approval to be obtained as soon as possible. The expected closing date is January 31, 2009 with an outside closing date of February 15, 2009.</p>
	N/A
Buyer’s/Borrower’s Due Diligence; Loan Documents:	<p>Purchaser has completed substantial due diligence and has received all information with respect to the Mezzanine Loan, the Senior Loan, the underlying property, the underlying Borrower and any underlying guarantor(s) as is customarily reviewed in transactions of this nature. Purchaser has been granted access by Seller to the Property in order to conduct customary inspections.</p> <p>The respective rights and obligations of the holders of the Mezzanine Loan and the senior loan shall be governed by an Intercreditor Agreement mutually acceptable to Purchaser and Seller.</p> <p>If the existing Mezzanine Loan, Senior Loan or Equity Position governing documents are to be modified or amended prior to the closing, Purchaser shall be given sufficient time to review the proposed changes and any such modifications or amendments shall be subject to Purchaser’s prior approval.</p>
	N/A
	N/A
Purchaser:	<p>One or more TNP Funds, each of which is managed by Thompson National Properties, of which Tony Thompson is a principal (the “Purchaser”). The funds or vehicles formed and managed by the Purchaser or an affiliate</p>

	thereof and Tony Thompson (each a “TNP Fund”) is managed, directly or indirectly, by Thompson National Properties and Tony Thompson, and is otherwise satisfactory in form and substance to Seller.
Recourse:	N/A
Lender:	N/A
Credit Facility:	N/A
Advance Rate:	N/A
Maturity Date:	N/A
Voluntary	N/A
Cash Management:	N/A
Interest Rate:	N/A
Payments:	N/A
Mandatory Prepayments:	N/A
Mark to Market:	N/A
Assumability:	N/A
No Pledge:	N/A
Collateral:	N/A
Custodian:	N/A
Reporting Requirements:	N/A.
Financial Covenants:	N/A.
Assignments and	N/A

Participations:	
Credit Facility Documentation:	N/A
Diligence:	N/A
Costs and Expenses:	N/A
Governing Law:	N/A
Confidentiality:	This term sheet is are confidential and proprietary to Seller and Purchaser.
Not a Commitment:	This term sheet is a summary of indicative terms and conditions purely for discussion purposes and does not constitute a commitment on the part of Lehman Brothers Holdings Inc., or any of its affiliates (individually or collectively “Seller”) to lend money or to sell the Mezzanine Loan and or Equity Position. It is not intended to describe all of the terms and conditions of the proposed transaction described herein, but only to be indicative of certain terms and conditions around which the transaction will be structured. Any offer, commitment, obligation of Seller shall arise only upon the signing of formal documents by authorized signatories of Seller and Purchaser.
Patriot Act:	Seller is committed to complying with U.S. statutory and regulatory requirements designed to assist the federal government in combating money laundering and any activity which facilitates the funding of terrorist or criminal activities. The USA Patriot Act enhances the money laundering prevention requirements imposed on securities firms and other financial institutions. As part of our customer identification and verification procedures, Seller may ask Purchaser to provide additional information as necessary to verify their identity and comply with these procedures. Until such additional information or documentation is provided, Lender may not be able to effect any transactions for the Borrower or Guarantor.

If **Purchaser's** acceptance of this term sheet is not received by Lender by 5:00 PM New York City time on December [], 2008, this term sheet shall be of no further force and effect. Please indicate your acceptance of the matters set forth herein by signing in the place provided below and returning the executed Term Sheet via fax to Steven Gorey at (646) 333-8718.

Sincerely,

[PURCHASER

SELLER:

By: _____

LEHMAN BROTHERS HOLDINGS
INC.

By: _____
