

---

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

---

**FORM 8-K**

---

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): January 24, 2008**

---

**BOSTON PROPERTIES, INC.**

(Exact name of registrant as specified in charter)

---

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**1-13087**  
(Commission File Number)

**04-2473675**  
(IRS Employer  
Identification No.)

**800 Boylston Street, Suite 1900, Boston, Massachusetts 02199**  
(Address of Principal Executive Offices) (Zip Code)

**(617) 236-3300**  
(Registrant's telephone number, including area code)

---

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
- 
-

**ITEM 5.02. DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.**

***2008 Outperformance Awards under the Second Amendment and Restatement of the Boston Properties, Inc. 1997 Stock Option and Incentive Plan (the "1997 Plan")***

On January 24, 2008, the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Boston Properties, Inc. (the "Company") approved outperformance awards under the 1997 Plan to officers and key employees of the Company. These awards (the "2008 OPP Awards") are part of a new broad-based, long-term incentive compensation program designed to provide the Company's management team at several levels within the organization with the potential to earn equity awards subject to the Company "outperforming" and creating shareholder value in a pay-for-performance structure. 2008 OPP Awards utilize total return to shareholders ("TRS") over a three-year measurement period as the performance metric and include two years of time-based vesting after the end of the performance measurement period (subject to acceleration in certain events) as a retention tool.

Recipients of 2008 OPP Awards will share in an outperformance pool if the Company's TRS, including both share appreciation and dividends, exceeds absolute and relative hurdles over a three-year measurement period from February 5, 2008 to February 5, 2011, based on the average closing price of a share of the Company's common stock (a "REIT Share") for the five trading days prior to and including February 5, 2008. The aggregate reward that recipients of all 2008 OPP Awards can earn, as measured by the outperformance pool, is subject to a maximum cap of \$110 million, although OPP awards for an aggregate of up to approximately \$104.8 million have been allocated and will be granted on February 5, 2008. The balance remains available for future grants, with OPP awards exceeding a potential reward of \$1 million requiring the Committee's approval.

The outperformance pool will consist of (i) three percent (3%) of the excess total return above a cumulative absolute TRS hurdle of 30% over the full three-year measurement period (the "Absolute TRS Component") and (ii) three percent (3%) of the excess or deficient excess total return above or below a relative TRS hurdle equal to the total return of the SNL Equity REIT Index over the three-year measurement period (the "Relative TRS Component"). In the event that the Relative TRS Component is potentially positive because the Company's TRS is higher than the total return of the SNL Equity REIT Index, but the Company achieves a cumulative absolute TRS below 30% over the three-year measurement period (equivalent to 10% per annum), the actual contribution to the outperformance pool from the Relative TRS Component will be subject to a sliding scale factor as follows: (i) 100% of the potential Relative TRS Component will be earned if the Company's TRS is equal to or greater than a cumulative 30% over three years (equivalent to 10% per annum), (ii) 0% will be earned if the Company's TRS is equal to or less than a cumulative 21% over three years (equivalent to 7% per annum), and (iii) a percentage from 0% to 100% calculated by linear interpolation will be earned if the Company's cumulative TRS over three years is between 21% and 30%. The potential Relative TRS Component before application of the sliding scale factor will be capped at \$110 million (or such lesser amount as corresponds to the OPP awards actually granted). In the event that the Relative TRS Component is negative because the Company's TRS is less than the total return of the SNL Equity REIT Index, any outperformance reward potentially earned under the Absolute TRS Component will be reduced dollar for dollar, provided that the potential Absolute TRS Component before reduction for any negative Relative TRS Component will be capped at \$110 million (or such lesser amount as corresponds to the OPP awards actually granted). The algebraic sum of the Absolute TRS Component and the Relative TRS Component determined as described above will never exceed \$110 million (or such lesser amount as corresponds to the OPP awards actually granted).

Each employee's 2008 OPP Award will be designated as a specified percentage of the aggregate outperformance pool. Assuming the applicable absolute and/or relative TRS thresholds are achieved at the end of the measurement period, the algebraic sum of the Absolute TRS Component and the Relative TRS Component will be calculated and then allocated among the 2008 OPP Award recipients in accordance with each individual's percentage. Rewards earned with respect to 2008 OPP Awards will vest 25% on February 5, 2011, 25% on February 5, 2012, and 50% on February 5, 2013, based on continued employment. Vesting will be accelerated in the event of a change of control of the Company, termination of employment by the Company without cause, termination of employment by the award recipient for good reason, death, disability or retirement, although restrictions on transfer will continue to apply in certain of these situations.

All determinations, interpretations and assumptions relating to the calculation of performance and vesting relating to 2008 OPP Awards will be made by the Committee.

2008 OPP Awards will be in the form of LTIP units of limited partnership interest ("LTIP Units") of Boston Properties Limited Partnership (the "Operating Partnership"). LTIP Units will be issued prior to the determination of the outperformance pool, but will remain subject to forfeiture depending on the extent of rewards earned with respect to 2008 OPP Awards. The number of LTIP Units to be issued initially to recipients of the 2008 OPP Awards is an estimate of the maximum number of LTIP Units that they could earn, based on certain assumptions. The number of LTIP Units actually earned by each award recipient will be determined at the end of the performance measurement period by dividing his or her share of the outperformance pool by the average closing price of a REIT Share for the 15 trading days immediately preceding the measurement date. Total return for the Company and for the SNL Equity REIT Index over the three-year measurement period and other circumstances will determine how many LTIP Units are earned by each recipient; if they are fewer than the number issued initially, the balance will be forfeited as of the performance measurement date.

Prior to the measurement date, LTIP units issued on account of 2008 OPP Awards will be entitled to receive per unit distributions equal to one-tenth (10%) of the regular quarterly distributions payable on a common unit of limited partnership interest in the Operating Partnership (a "Common Unit"), but will not be entitled to receive any special distributions. After the measurement date, the number of LTIP Units, both vested and unvested, which 2008 OPP Award recipients have earned based on the establishment of an outperformance pool, will be entitled to receive distributions in an amount per unit equal to distributions, both regular and special, payable on a Common Unit.

LTIP Units are designed to qualify as "profits interests" in the Operating Partnership for federal income tax purposes. As a general matter, the profits interests characteristics of the LTIP Units mean that initially they will not be economically equivalent in value to a Common Unit. If and when events specified by applicable tax regulations occur, LTIP Units can over time increase in value up to the point where they are equivalent to Common Units on a one-for-one basis. After LTIP Units are fully vested, and to the extent the special tax rules applicable to profits interests have allowed them to become equivalent in value to Common Units, LTIP Units may be converted on a one-for-one basis into Common Units. Common Units in turn have a one-for-one relationship in value with REIT Shares, and are exchangeable on such one-for-one basis for cash or, at the election of the Company, REIT Shares.

#### ***Form of LTIP Unit Award Agreement***

On January 24, 2008, the Committee approved the form of 2008 Outperformance Award Agreement attached hereto as [Exhibit 10.1](#). The foregoing summary of the 2008 OPP Awards is qualified in its entirety by reference to the form of award agreement, which is attached hereto as [Exhibit 10.1](#) to this Current Report on Form 8-K and incorporated herein by reference.

### **2008 OPP Awards to Named Executive Officers**

The 2008 OPP Awards approved by the Committee for the Company's principal executive officer, principal financial officer and other named executive officers are as follows (each award is expressed as the maximum dollar value of the award based on the aggregate program cap of \$110 million and (in parentheses) the corresponding percentage allocation): Mortimer B. Zuckerman, \$15,000,000 (13.64%); Edward H. Linde, \$13,000,000 (11.82%); Douglas T. Linde, \$12,000,000 (10.91%); Raymond A. Ritchey, \$12,000,000 (10.91%); E. Mitchell Norville, \$12,000,000 (10.91%); and Michael E. LaBelle, \$1,500,000 (1.36%).

### **Employment Agreement with Michael E. LaBelle**

The Company and Mr. Michael E. LaBelle, the Company's Senior Vice President, Chief Financial Officer and Treasurer, entered into an Employment Agreement dated as of January 24, 2008. During the term of the employment agreement, Mr. LaBelle will devote substantially all of his business time to the Company's business and affairs. The initial term of the agreement is two years beginning on January 24, 2008 with automatic one-year renewals commencing on each anniversary date unless written notice of termination is given at least 90 days prior to such date by either party. Apart from base salary, which was initially established at \$300,000 per year, Mr. LaBelle is eligible to receive bonus compensation, including equity-based incentive compensation, to be determined in the discretion of the Committee. The base salary of Mr. LaBelle is to be reviewed annually by the Committee and may be increased but not decreased at its discretion.

Mr. LaBelle's employment with the Company may be terminated for "cause" by the Company for (1) gross negligence or willful misconduct; (2) an uncured breach of any of his material duties under the employment agreement (for reasons other than physical or mental illness); (3) conduct against the material best interests of the Company or a material act of common law fraud against the Company or its affiliates or employees; or (4) an indictment of a felony if such indictment has a material adverse effect on the Company's interests or reputation. Mr. LaBelle may terminate his employment for "good reason," which includes (1) a substantial adverse change, not consented to by Mr. LaBelle, in the nature or scope of his responsibilities, authorities, powers, functions, or duties under the employment agreement; (B) a breach by the Company of any of its material obligations under the employment agreement; or (C) a material change in the geographic location at which Mr. LaBelle must perform his services. To constitute "good reason" termination, Mr. LaBelle (1) must provide written notice to the Company within ninety (90) days of the initial existence of the event constituting "good reason," (2) may not terminate his employment unless the Company fails to remedy the event constituting "good reason" within thirty (30) days after such notice has been deemed given pursuant to the employment agreement, and (3) must terminate employment with the Company no later than thirty (30) days after the end of the thirty-day period in which the Company fails to remedy the event constituting "good reason."

If the employment of Mr. LaBelle is terminated by the Company "without cause" or by Mr. LaBelle for "good reason," then Mr. LaBelle will be entitled to a severance amount payable over a 12-month period equal to the sum of (x) his base salary plus (y) the amount of his cash bonus, if any, received in respect of the immediately preceding year. Mr. LaBelle is also entitled to an additional 12 months of vesting in his stock-based awards and, subject to payment of premiums, may also participate in the Company's health plan for up to 12 months.

The employment agreement prohibits Mr. LaBelle, while he is an officer of the Company and for one year thereafter, from (1) engaging, directly or indirectly, in the acquisition, development, construction, operation, management, or leasing of any commercial real estate property in the Company's markets at the time of termination of his employment, (2) intentionally interfering with the Company's relationships with its

tenants, suppliers, contractors, lenders or employees or with any governmental agency, or (3) competing for, soliciting or diverting the Company's tenants or employees, either for himself or any other business, person or entity. Pursuant to the employment agreement, however, Mr. LaBelle may engage in certain "minority interest passive investments" (as defined in the employment agreement). In addition, the employment agreement provides that the non-competition provision shall not apply if Mr. LaBelle's employment is terminated following a change of control of the Company.

The foregoing summary of the employment agreement is qualified in its entirety by reference to the copy of the employment agreement, which is attached hereto as [Exhibit 10.2](#) to this Current Report on Form 8-K and incorporated by reference herein.

**ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.**

***Amendment to the Agreement of Limited Partnership of the Operating Partnership***

On January 24, 2008, the Board of the Company, in its capacity as sole general partner of the Operating Partnership, amended the Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership (the "ALP") to modify the terms of the previously established LTIP Units in connection with the 2008 OPP Awards. The ALP already provided that LTIP Units (i) may be subject to such conditions and restrictions as the Committee may determine, including continued employment or other service, computation of financial metrics and/or achievement of pre-established performance hurdles, (ii) would be forfeited if applicable conditions or restrictions are not attained, and (iii) can be made eligible to receive partnership distributions, currently or on a deferred or contingent basis. However, certain modifications to the ALP were required to document the specific terms of LTIP Units issued in connection with 2008 OPP Awards and to coordinate their treatment with that of LTIP Units issued in connection with other equity-based incentive compensation awarded under the 1997 Plan. The Committee will determine the number of REIT Shares available under the 1997 Plan underlying LTIP Units issued in connection with 2008 OPP Awards in light of all applicable conditions set forth in the amended ALP and the 2008 OPP Award agreement, including applicable vesting conditions, Operating Partnership capital account allocations, and conversion or exchange ratios.

The foregoing summary is qualified in its entirety by reference to the Seventy-Seventh Amendment to Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership attached as [Exhibit 10.3](#) to this Current Report on Form 8-K and incorporated herein by reference.

**ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.**

***(d) Exhibits.***

- 10.1 Form of 2008 Outperformance Award Agreement.
- 10.2 Employment Agreement, dated as of January 24, 2008, by and between Boston Properties, Inc. and Michael E. LaBelle.
- 10.3 Seventy-Seventh Amendment to Second Amended and Restated Agreement of Limited Partnership of Boston Properties Limited Partnership dated as of January 24, 2008.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BOSTON PROPERTIES, INC.

Date: January 29, 2008

By: /s/ Douglas T. Linde

Name: Douglas T. Linde

Title: President

**BOSTON PROPERTIES, INC.**  
**2008 OUTPERFORMANCE AWARD AGREEMENT**

2008 OUTPERFORMANCE AWARD AGREEMENT made as of the date set forth on Schedule A hereto between BOSTON PROPERTIES, INC. a Delaware corporation (the "Company"), its subsidiary BOSTON PROPERTIES LIMITED PARTNERSHIP, a Delaware limited partnership and the entity through which the Company conducts substantially all of its operations (the "Partnership"), and the party listed on Schedule A (the "Grantee").

**RECITALS**

A. The Grantee is an employee of the Company or one of its affiliates and provides services to the Partnership.

B. The Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board") approved this and other 2008 outperformance ("OPP") awards pursuant to the Second Amendment and Restatement of the Company's 1997 Stock Option and Incentive Plan (as further amended, restated or supplemented from time to time, the "1997 Plan") and the Second Amended and Restated Agreement of Limited Partnership of the Partnership, as amended, restated and supplemented from time to time, to provide officers and key employees of the Company or its affiliates, including the Grantee, in connection with their employment or other service relationship, with the incentive compensation described in this Award Agreement (this "Agreement"), and thereby provide additional incentive for them to promote the progress and success of the business of the Company and its affiliates, including the Partnership. OPP awards were approved by the Committee pursuant to authority delegated to it by the Board as set forth in the Committee's charter, including authority to make grants of equity interests in the Partnership which may, under certain circumstances, become exchangeable for shares of the Company's Common Stock reserved for issuance under the 1997 Plan, or any successor equity plan (as any such plan may be amended, modified or supplemented from time to time, collectively the "Stock Plan"). This Agreement evidences one (this "Award") of a series of OPP awards and is subject to the terms and conditions set forth herein and in the Partnership Agreement (as defined herein).

C. The Grantee was selected by the Committee to receive this Award and the Committee, effective as of the grant date specified in Schedule A hereto, awarded to the Grantee the participation percentage in the Total Outperformance Pool (as defined herein) set forth in Schedule A.

**NOW, THEREFORE**, the Company, the Partnership and the Grantee agree as follows:

1. Administration. This Award and all other OPP awards shall be administered by the Committee, which in the administration of OPP awards in general and this Award in particular shall have all the powers and authority it has in the administration of the Stock Plan as set forth in the Stock Plan; provided that all powers of the Committee hereunder can be exercised by the full Board if the Board so elects.

2. Definitions. Capitalized terms used herein without definitions shall have the meanings given to those terms in the Stock Plan. In addition, as used herein:

“Absolute Baseline” means, as of the Valuation Date, an amount representing (without double-counting) the sum of: (A) the Baseline Value multiplied by (i) the difference between (x) the Initial Shares and (y) all Buyback Shares repurchased or redeemed between the Effective Date and the Valuation Date, multiplied by (ii) the sum of 100% plus the Target Absolute Return Percentage; plus (B) with respect to each Additional Share issued after the Effective Date, the product of (i) the Additional Share Baseline Value of such Additional Share, multiplied by (ii) the sum of (x) 100% plus (y) the product of the Target Absolute Return Percentage multiplied by a fraction the numerator of which is the number of days from the issuance of such Additional Share to and including February 5, 2011 (or the date of a Change of Control, if prior to February 5, 2011) and the denominator of which is the number of days from but excluding February 5, 2008 to and including February 5, 2011 (or the date of a Change of Control, if prior to February 5, 2011); plus (C) with respect to each Buyback Share repurchased or redeemed after the Effective Date, the product of (i) the Baseline Value multiplied by (ii) the sum of (x) 100% plus (y) the product of the Target Absolute Return Percentage multiplied by a fraction the numerator of which is the number of days from the Effective Date to and including the date such Buyback Share was repurchased or redeemed and the denominator of which is the number of days from but excluding February 5, 2008 to and including February 5, 2011 (or the date of a Change of Control, if prior to February 5, 2011); provided that if the Valuation Date occurs prior to February 5, 2011 as a result of a Change of Control, then for purposes of this definition in connection with the calculation of the Absolute TRS Pool as of the Valuation Date, then the Target Absolute Return Percentage to be used in such calculation shall be reduced to 30% multiplied by the CoC Fraction.

“Absolute TRS Pool” means, as of the Valuation Date, a dollar amount calculated as follows (or, if the resulting amount is a negative number, zero): (A) subtract the Absolute Baseline from the Total Return, in each case as of the Valuation Date, and (B) multiply the resulting amount by three percent (3%); provided, however, that in no event shall the Absolute TRS Pool as of the Valuation Date exceed \$110,000,000.

“Additional Share Baseline Value” means, with respect to each Additional Share, the gross proceeds received by the Company or the Partnership upon the issuance of such Additional Share, which amount shall be deemed to equal, as applicable: (A) if such Additional Share is issued for cash in a public offering or private placement, the gross price to the public or to the purchaser(s); (B) if such Additional Share is issued in exchange for assets or securities of another Person or upon the acquisition of another Person, the cash value imputed to such Additional Share for purposes of such transaction by the parties thereto, as determined by the Committee, or, if no such value was imputed, the Common Stock Price as of the date of issuance of such Additional Share; and (C) if such Additional Share is issued upon conversion or exchange of

equity or debt securities of the Company, the Partnership or any other Subsidiary, which securities were not previously counted as either Initial Shares or Additional Shares, the conversion or exchange price in effect as of the date of conversion or exchange pursuant to the terms of the security being exchanged or converted.

“Additional Shares” means (without double-counting), as of a particular date of determination, the sum of (A) the number of shares of Common Stock plus (B) the REIT Shares Amount for all Units (assuming that such Units were converted, exercised, exchanged or redeemed for Common Units as of such date of determination at the applicable conversion, exercise, exchange or redemption rate (or rate deemed applicable by the Committee if there is no such stated rate) and such Common Units were then tendered to the Partnership for redemption pursuant to Section 8.6 of the Partnership Agreement as of such date) other than those Units held by the Company, in the case of each (A) and (B), to the extent issued after the Effective Date and on or before such date of determination in a capital raising transaction, in exchange for assets or securities, or upon the acquisition of another entity, but specifically excluding, without limitation, (i) shares of Common Stock issued after the Effective Date upon exercise of stock options or upon the exchange (directly or indirectly) of LTIP Units or other Units issued to employees, non-employee directors, consultants, advisors or other persons or entities as incentive or other compensation, and (ii) shares of Common Stock awarded after the Effective Date to employees or other persons or entities in exchange for services provided or to be provided to the Company or any of its affiliates. For the avoidance of doubt, the definition of “Additional Shares” shall exclude all Initial Shares.

“Adjustment Factor” means a factor carried out to the sixth decimal determined by a straight-line interpolation between (A) zero (0) if the Hurdle Rate is 21% or less, and (B) one (1) if the Hurdle Rate is 30% or more; provided that if the proviso clause of the definition of “Hurdle Rate” applies, then in place of the range of 21% to 30% above, adjusted percentages calculated pursuant to such clause shall instead be used in this definition of “Adjustment Factor.”

“Award Common Units” has the meaning set forth in Section 7.

“Award LTIP Units” has the meaning set forth in Section 3.

“Baseline Value” means \$\_\_\_\_\_, representing the average of the Fair Market Value of one share of Common Stock over the five (5) consecutive trading days ending on, and including, the Effective Date.

“Buyback Shares” means (without double-counting), as of a particular date of determination, (A) shares of Common Stock or (B) the REIT Shares Amount for Units (assuming that such Units were converted, exercised, exchanged or redeemed for Common Units as of such date at the applicable conversion, exercise, exchange or redemption rate (or rate deemed applicable by the Committee if there is no such stated rate) and such Common Units were then tendered to the Partnership for redemption pursuant to Section 8.6 of the Partnership Agreement as of such date), other than Units held by the Company, in the case of each (A) and

(B), to the extent repurchased by the Company after the Effective Date and on or before such date of determination in a stock buyback transaction or in a redemption of Units for cash pursuant to Section 8.6 of the Partnership Agreement.

“Cause” for termination of the Grantee’s Service Relationship for purposes of Section 4 means: (A) if the Grantee is a party to a Service Agreement immediately prior to such termination, and “Cause” is defined therein, then “Cause” shall have the meaning set forth in such Service Agreement, or (B) if the Grantee is not party to a Service Agreement immediately prior to such termination or the Grantee’s Service Agreement does not define “Cause,” then “Cause” shall mean: (i) gross negligence or willful misconduct by the Grantee in connection with the performance of his or her material duties as an employee of the Company or any Subsidiary; (ii) a breach by the Grantee of any of his or her material duties as an employee of the Company or any Subsidiary and the failure of the Grantee to cure such breach within thirty (30) days after written notice thereof by the Company or any Subsidiary; (iii) conduct by the Grantee against the material best interests of the Company or any Subsidiary or a material act of common law fraud against the Company, any Subsidiary or the employees of either the Company or any Subsidiary; or (iv) indictment of the Grantee of a felony and such indictment has a material adverse effect on the interests or reputation of the Company or any Subsidiary.

“Change of Control” means, with respect to any event: (A) if the Grantee is party to a Service Agreement immediately prior to such event and “Change of Control” is defined therein, then “Change of Control” shall have the meaning set forth in such Service Agreement, or (B) if the Grantee is not party to a Service Agreement immediately prior to such event and/or “Change of Control” is not defined therein, the occurrence of any one of the following events:

(a) any “person,” as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any of its Subsidiaries, Mortimer B. Zuckerman, Edward H. Linde, any “affiliate” or “associate” (as such terms are defined in Rule 12b-2 under the Exchange Act) of Mortimer B. Zuckerman or Edward H. Linde, or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Company or any of its Subsidiaries), together with all “affiliates” and “associates” (as such terms are defined in Rule 12b-2 under the Exchange Act) of such person, shall become the “beneficial owner” (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 25 percent or more of the combined voting power of the Company’s then outstanding securities having the right to vote in an election of the Company’s Board of Directors (“Voting Securities”) (other than as a result of an acquisition of securities directly from the Company); provided that for purposes of determining the “beneficial ownership” (as such term is defined in Rule 13d-3 under the Exchange Act) of any “group” of which Mortimer B. Zuckerman, Edward H. Linde or any of their affiliates or associates is a member (each such entity or individual, a “Related Party”), there shall not be attributed to the “beneficial ownership” (as such term is defined in Rule 13d-3 under the Exchange Act) of such group any shares beneficially owned by any Related Party; or

(b) persons who, as of the Effective Date, constitute the Company's Board of Directors (the "Incumbent Directors") cease for any reason, including, without limitation, as a result of a tender offer, proxy contest, merger or similar transaction, to constitute at least a majority of the Company's Board of Directors, provided that any person becoming a director of the Company subsequent to such date shall be considered an Incumbent Director if such person's election was approved by or such person was nominated for election by either (i) a vote of at least two-thirds of the Incumbent Directors or (ii) a vote of at least a majority of the Incumbent Directors who are members of the Nominating and Corporate Governance Committee; or

(c) the stockholders of the Company shall approve (i) any consolidation or merger of the Company where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, "beneficially own" (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, shares representing in the aggregate 60 percent or more of the voting shares of the corporation issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), (ii) any sale, lease, exchange or other transfer to an unrelated party (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company or (iii) any plan or proposal for the liquidation or dissolution of the Company; or

(d) the stockholders of the Company or the general partner and/or limited partners of the Partnership approve a liquidation or dissolution of the Company or the Partnership and all material contingencies to such liquidation or dissolution have been satisfied or waived.

"CoC Fraction" means the number of calendar days that have elapsed since the Effective Date to and including the date as of which a Change of Control is consummated, divided by 1,096.

"Code" means the Internal Revenue Code of 1986, as amended.

"Common Stock" means the Company's common stock, par value \$0.01 per share, either currently existing or authorized hereafter.

"Common Stock Price" means, as of a particular date, the average of the Fair Market Value of one share of Common Stock over the fifteen (15) consecutive trading days ending on, and including, such date (or, if such date is not a trading day, the most recent trading day immediately preceding such date); provided, however, that if such date is the date upon which a Transactional Change of Control occurs, the Common Stock Price as of such date shall be equal to the fair value, as determined by the Committee, of the total consideration paid or payable in the transaction resulting in the Transactional Change of Control for one share of Common Stock.

"Common Units" has the meaning set forth in the Partnership Agreement.

“Continuous Service” means the continuous service to the Company or any Subsidiary or affiliate, without interruption or termination, in any capacity of employee, or, with the written consent of the Committee, consultant. Continuous Service shall not be considered interrupted in the case of: (A) any approved leave of absence; (B) transfers among the Company and any Subsidiary or affiliate, or any successor, in any capacity of employee, or with the written consent of the Committee, consultant; or (C) any change in status as long as the individual remains in the service of the Company and any Subsidiary or affiliate in any capacity of employee or (if the Committee specifically agrees in writing that the Continuous Service is not uninterrupted) as a member of the Board or a consultant. An approved leave of absence shall include sick leave, military leave, or any other authorized personal leave.

“Disability” means, with respect to any event: (A) if the Grantee is a party to a Service Agreement immediately prior to such event and “disability” is defined therein, then “Disability” shall have the meaning set forth in such Service Agreement, or (B) if the Grantee is not party to a Service Agreement immediately prior to such event and/or the Grantee’s “Disability” is not defined therein, then “Disability” shall mean that, as a result of the Grantee’s incapacity due to physical or mental illness, the Grantee shall have been absent from his or her duties on a full-time basis for one hundred eighty (180) calendar days in the aggregate in any consecutive twelve (12) month period.

“Effective Date” means the close of business on February 5, 2008.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Fair Market Value” means, as of any given date, the fair market value of a security determined by the Committee using any reasonable method and in good faith (such determination will be made in a manner that satisfies Section 409A of the Code and in good-faith as required by Section 422(c)(1) of the Code); provided that (A) if such security is admitted to trading on a national securities exchange, the fair market value of such security on any date shall be the closing sale price reported for such security on the principal stock exchange or, if applicable, any other national exchange on which the security is traded or admitted to trading on such date on which a sale was reported; and (B) if such security is admitted to quotation on the National Association of Securities Dealers Automated Quotation System (“NASDAQ”) or a successor quotation system, the fair market value of such security on any such date shall be the average of the highest bid and lowest asked prices for such security on the system on such date on which both the bid and asked prices were reported.

“Family Member” has the meaning set forth in Section 7.

“Good Reason” for termination of the Grantee’s Service Relationship for purposes of Section 4 means: (A) if the Grantee is a party to a Service Agreement immediately prior to such termination, and “good reason” is defined therein, then “Good Reason” shall have the meaning set forth in such Service Agreement, or (B) if the Grantee is not party to a Service Agreement immediately prior to such termination and/or the Grantee’s Service Agreement does not define “Good Reason”: (i) a substantial adverse change, not consented to by the Grantee, in the nature

or scope of the Grantee's responsibilities, authorities, powers, functions, or duties from the responsibilities, authorities, powers, functions or duties exercised by the Grantee immediately prior to a Change of Control; (ii) a breach by the Company of any of its material obligations hereunder; or (iii) a material change in the geographic location at which the Grantee must perform his or her services. Unless otherwise provided in a Service Agreement to which the Grantee is a party immediately prior to such termination, to constitute "good reason termination," the Grantee must: (1) provide written notice to the Company within ninety (90) days of the initial existence of the event constituting "Good Reason;" (2) may not terminate his or her employment unless the Company fails to remedy the event constituting "Good Reason" within thirty (30) days after such notice has been deemed given pursuant to this Agreement; and (3) the Grantee must terminate employment with the Company no later than thirty (30) days after the end of the thirty-day period in which the Company fails to remedy the event constituting "Good Reason."

"Hurdle Rate" means a percentage consisting of the Company's TRS Percentage over the period starting on the Effective Date and ending on the Valuation Date; provided that if the Valuation Date occurs prior to February 5, 2011 as a result of a Change of Control, then for purposes of determining the Adjustment Factor to be used in calculating the Relative TRS Pool as of the Valuation Date, the Hurdle Rate shall instead be the Company's TRS Percentage over the period starting on the Effective Date and ending on the date of the Change of Control divided by the CoC Fraction.

"Index Return Percentage" means, for any period, the total percentage return for the SNL Equity REIT Index from the start of such period to the end of such period, as calculated by a consultant engaged by the Committee and as approved by the Committee in its reasonable discretion for purposes of calculating the Relative Baseline.

"Initial Shares" means \_\_\_\_\_ shares of Common Stock, which includes the sum of (A) \_\_\_\_\_ shares of Common Stock outstanding as of the Effective Date (including restricted shares of Common Stock issued under the 1997 Plan prior to the Effective Date, regardless of whether they were vested or unvested as of the Effective Date), plus (B) \_\_\_\_\_ shares of Common Stock representing the REIT Shares Amount for all of the Common Units (other than those held by the Company) outstanding as of the Effective Date assuming that all of such Common Units were tendered to the Partnership for redemption pursuant to Section 8.6 of the Partnership Agreement as of such date, plus (C) \_\_\_\_\_ shares of Common Stock representing the REIT Shares Amount for all of the Common Units into which all LTIP Units outstanding as of the Effective Date could be converted (without regard to the book capital account associated with such LTIP Units as of the Effective Date and regardless of whether they were vested or unvested as of the Effective Date, but excluding all LTIP Units issued as part of OPP awards), assuming that all of such Common Units were tendered to the Partnership for redemption pursuant to Section 8.6 of the Partnership Agreement as of such date. For the avoidance of doubt, Initial Shares excludes shares of Common Stock issuable upon exercise of stock options.

"LTIP Units" means LTIP Units, as such term is defined in the Partnership Agreement.

“Maximum Total Outperformance Pool Amount” means \$110,000,000.

“Partial Service Factor” means a factor carried out to the sixth decimal to be used in calculating the Total OPP Unit Equivalent pursuant to Section 4(b) hereof in the event of a Qualified Termination of the Grantee’s Continuous Service prior to the Valuation Date, determined by dividing the number of calendar days that have elapsed since the Effective Date to and including the date of the Grantee’s Qualified Termination by 1,096.

“Participation Percentage” means, as of a particular date of determination, the percentage set forth opposite such term on Schedule A hereto.

“Partnership Agreement” means the Second Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of June 29, 1998, among the Company, as general partner, and the limited partners who are parties thereto, as amended, restated or supplemented from time to time.

“Person” means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, other entity or “group” (as defined in the Exchange Act).

“Per Unit Purchase Price” has the meaning set forth in Section 5.

“Qualified Termination” has the meaning set forth in Section 4(b).

“REIT Shares Amount” has the meaning set forth in the Partnership Agreement.

“Relative Baseline” means, as of the Valuation Date, an amount representing (without double-counting) the sum of: (A) the Baseline Value multiplied by (i) the difference between (x) the Initial Shares and (y) all Buyback Shares repurchased or redeemed between the Effective Date and the Valuation Date, multiplied by (ii) the sum of 100% plus the Index Return Percentage for the period beginning on the Effective Date and ending on the Valuation Date; plus (B) with respect to each Additional Share issued after the Effective Date, the product of (i) the Additional Share Baseline Value of such Additional Share, multiplied by (ii) the sum of 100% plus the Index Return Percentage for the period beginning on the date of issuance of such Additional Share and ending on February 5, 2011 (or the date of a Change of Control, if prior to February 5, 2011); plus (C) with respect to each Buyback Share repurchased or redeemed after the Effective Date, the product of (i) the Baseline Value multiplied by (ii) the sum of 100% plus the Index Return Percentage for the period beginning on the Effective Date and ending on the date such Buyback Share was repurchased or redeemed.

“Relative TRS Pool” means, as of the Valuation Date, a dollar amount (which can be positive or negative) calculated as follows: (A) subtract the Relative Baseline from the Total

Return, in each case as of the Valuation Date, (B) multiply the resulting amount by three percent (3%), and (C) multiply the lesser of (i) the resulting amount or (ii) \$110,000,000 by the Adjustment Factor.

“Retirement” means: (A) if the Grantee is a party to a Service Agreement immediately prior to such event, and “Retirement” is defined therein, then “Retirement” shall have the meaning set forth in such Service Agreement, or (B) if the Grantee is not party to a Service Agreement immediately prior to such event and/or the Grantee’s Service Agreement does not define “Retirement,” then “Retirement” shall mean the Grantee’s termination of employment with the Company and its Subsidiaries after attainment of age 65, or attainment of age 62 and completion of twenty (20) years of employment with the Company and/or a Subsidiary.

“Securities Act” means the Securities Act of 1933, as amended.

“Service Agreement” means, as of a particular date, any employment, consulting or similar service agreement then in effect between the Grantee, on the one hand, and the Company or one of its Subsidiaries, on the other hand, as amended or supplemented through such date.

“SNL Equity REIT Index” means the SNL Equity REIT Index as published from time to time (or a successor index including a comparable universe of publicly traded U.S. real estate investment trusts (“REITs”)), provided that if (A) the SNL Equity REIT Index ceases to exist or be published prior to the Valuation Date and the Committee determines that there is no successor to such index or (B) the Committee reasonably determines that the SNL Equity REIT Index is no longer suitable for the purposes of this Agreement, then the Committee in its good faith reasonable discretion shall select for subsequent periods, or if the Committee in its reasonable good faith discretion so determines, for the entire period from the Effective Date to the Valuation Date, a comparable index for purposes of calculating the Relative Baseline.

“Subsidiary” has the meaning set forth in the Stock Plan.

“Target Absolute Return Percentage” means 30%, except as otherwise defined for purposes of the definition of Absolute Baseline in certain circumstances, as described in the proviso clause of such definition.

“Total Outperformance Pool” means, as of the Valuation Date, a dollar amount equal to the algebraic sum of: (A) the Absolute TRS Pool, and (B) the Relative TRS Pool (whether the latter amount is positive or negative); provided that (i) if the resulting amount is a negative number, then the Total Outperformance Pool shall be zero, and (ii) in no event shall the Total Outperformance Pool exceed the Maximum Total Outperformance Pool Amount.

“Total Return” means (without double-counting), as of a particular date of determination, a dollar amount equal to the sum of: (A) the Total Shares as of such date of determination multiplied by the Common Stock Price as of such date, plus (B) an amount equal to the sum of the total dividends and other distributions declared between the Effective Date and such date of determination so long as the “ex-dividend” date with respect thereto falls prior to such date of

determination (excluding dividends and distributions paid in the form of additional shares of Common Stock or Units), in respect of the Total Shares as of such date of determination (it being understood, for the avoidance of doubt, that such total dividends and distributions shall be calculated by reference to actual securities outstanding as of each record date with respect to each applicable dividend or distribution payment date, and not by multiplying the aggregate amount of distributions paid on one Common Unit that was outstanding as of the Effective Date between the Effective Date and such date of determination by the number of Total Shares as of the date of determination).

“Total Shares” means (without double-counting), as of a particular date of determination, the algebraic sum of: (A) the Initial Shares, plus (B) the Additional Shares as of such date of determination, minus (C) all Buyback Shares repurchased or redeemed between the Effective Date and such date of determination.

“Total OPP Unit Equivalent” has the meaning set forth in Section 3(c).

“Transactional Change of Control” means (A) a Change of Control described in clause (a) of the definition thereof where the “person” or “group” makes a tender offer for Common Stock, (B) a Change of Control described in clause (c)(i) of the definition thereof where the Company is not the surviving entity, or (C) a Change of Control described in clause (c)(ii) of the definition thereof; provided that if the applicable definition of “Change of Control” in the applicable Service Agreement pursuant to clause (A) of the definition of “Change of Control” herein does not track such clauses (a), (c)(i) or (c)(ii), then the term “Transactional Change of Control” shall mean a Change of Control meeting the substantive criteria set forth in such clauses, as reasonably determined in good faith by the Committee.

“Transfer” has the meaning set forth in Section 7.

“TRS Percentage” means, with respect to the Company, the cumulative total percentage return per share achieved by one share of the Company’s Common Stock from the Effective Date to the Valuation Date, assuming contemporaneous reinvestment in Common Stock of all dividends and other distributions, as calculated by a consultant engaged by the Committee using: (A) as the initial value, the Baseline Value, and (B) as the final value, the Common Stock Price as of the Valuation Date, which calculation shall be approved by the Committee in its reasonable discretion for purposes of calculating the Relative TRS Pool.

“Units” means all Common Units and other Partnership Units (as defined in the Partnership Agreement) with economic attributes substantially similar to Common Units as determined by the Committee.

“Valuation Date” means the earlier of (A) February 5, 2011, or (B) the date upon which a Change of Control shall occur.

### 3. Outperformance Award.

(a) The Grantee is hereby granted this Award, consisting of the number of LTIP Units set forth on Schedule A hereto (the “Award LTIP Units”), which (i) will be subject to forfeiture to the extent provided in this Section 3 and (ii) will be subject to vesting as provided in Section 3(d) and Section 4 hereof. At any time prior to or in connection with the calculation of the Total OPP Unit Equivalent, the Partnership may issue additional LTIP Units to the Grantee as provided in Section 3 hereof that shall also be considered Award LTIP Units and subject to all of the terms and conditions of this Agreement; provided that such issuance will be subject to the Grantee executing and delivering such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws, and the Grantee paying the Per Unit Purchase Price for each such additional LTIP Unit issued on or before the issuance date.

(b) The Award LTIP Units shall be eligible for vesting over a five-year period, except as otherwise provided in Section 4 hereof, based on a combination of (i) the Company’s performance over a three-year period (or a shorter period in certain circumstances as provided herein) as indicated by the calculations required to establish the Absolute TRS Pool and the Relative TRS Pool and (ii) the passage of time (five years or a shorter period in certain circumstances as provided herein) as provided in Section 3(d). Vesting will occur at the times, in the amounts and upon the conditions set forth in this Section 3 and in Section 4, provided that, except as otherwise expressly set forth in this Agreement, the Continuous Service of the Grantee continues through and on the each applicable vesting date.

(c) As soon as practicable following the Valuation Date, but as of the Valuation Date, the Committee will:

(i) determine the Absolute TRS Pool;

(ii) determine the Relative TRS Pool;

(iii) determine the Total Outperformance Pool;

(iv) multiply the Total Outperformance Pool by the Grantee’s Participation Percentage; and

(v) divide the resulting dollar amount by the Common Stock Price calculated as of the Valuation Date (appropriately adjusted to the extent that the “Conversion Factor” (as defined in the Partnership Agreement) is greater or less than 1.0); the resulting number is hereafter referred to as the “Total OPP Unit Equivalent.”

Exhibit A hereto sets forth a hypothetical example of the calculation of the Absolute TRS Pool, the Relative TRS Pool and the Total Outperformance Pool based on factual

assumptions as of the date of this Agreement. For the avoidance of doubt, Exhibit A is merely illustrative and will not control the determination of the Total OPP Unit Equivalent as of the Valuation Date. If the Total OPP Unit Equivalent is smaller than the number of Award LTIP Units previously issued to the Grantee, then the Grantee, as of the Valuation Date, shall forfeit a number of Award LTIP Units equal to the difference without payment of any consideration by the Partnership other than as provided in the last sentence of Section 5 hereof; thereafter the term Award LTIP Units will refer only to the Award LTIP Units that were not so forfeited and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in the LTIP Units that were so forfeited. If the Total OPP Unit Equivalent is greater than the number of Award LTIP Units previously issued to the Grantee, then, upon the performance of the calculations set forth in this Section 3(c): (A) the Company shall cause the Partnership to issue to the Grantee, as of the Valuation Date, a number of additional LTIP Units equal to the difference; (B) such additional LTIP Units shall be added to the Award LTIP Units previously issued, if any, and thereby become part of this Award; (C) the Company and the Partnership shall take such corporate and partnership action as is necessary to accomplish the grant of such additional LTIP Units; and (D) thereafter the term Award LTIP Units will refer collectively to the Award LTIP Units, if any, issued prior to such additional grant plus such additional LTIP Units; provided that such issuance will be subject to the Grantee executing and delivering such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws, and the Grantee paying the Per Unit Purchase Price for each such additional LTIP Unit issued on or before the issuance date. If the Total OPP Unit Equivalent is the same as the number of Award LTIP Units previously issued to the Grantee, then there will be no change to the number of Award LTIP Units under this Award pursuant to this Section 3.

(d) If any of the Award LTIP Units have been earned based on performance as provided in Section 3(c), subject to Section 4 hereof the Total OPP Unit Equivalent shall become vested in the following amounts and at the following times, provided that the Continuous Service of the Grantee continues through and on the applicable vesting date or the accelerated vesting date provided in Section 4 hereof, as applicable:

- (i) twenty-five percent (25%) of the Total OPP Unit Equivalent shall become vested on February 5, 2011;
- (ii) twenty-five percent (25%) of the Total OPP Unit Equivalent shall become vested on February 5, 2012; and
- (iii) fifty percent (50%) of the Total OPP Unit Equivalent shall become vested on February 5, 2013.

To the extent that Schedule A provides for amounts or schedules of vesting that conflict with the provisions of this Section 3(d), the provisions of Schedule A will govern.

(e) Any Award LTIP Units that do not become vested pursuant to Section 3(d) or Section 4 hereof shall, without payment of any consideration by the Partnership other than as provided in the last sentence of Section 5 hereof, automatically and without notice be forfeited and be and become null and void, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Award LTIP Units.

**4. Termination of Grantee's Service Relationship; Death and Disability; Change of Control.**

(a) If the Grantee is a party to a Service Agreement and ceases to be an employee of the Company or any of its affiliates, the provisions of Sections 4(b) through 4(h) hereof shall govern the treatment of the Grantee's Award LTIP Units exclusively, unless the Service Agreement contains provisions that expressly refer to this Section 4(a) and provides that those provisions of the Service Agreement shall instead govern the treatment of the Grantee's Award LTIP Units. The foregoing sentence will be deemed an amendment to any applicable Service Agreement to the extent required to apply its terms consistently with this Section 4, such that, by way of illustration, any provisions of the Service Agreement with respect to accelerated vesting or payout or the lapse of forfeiture restrictions relating to the Grantee's incentive or other compensation awards in the event of certain types of terminations of the Grantee's service relationship with the Company (such as, for example, termination at the end of the term, termination without Cause by the employer or termination for Good Reason by the employee) shall not be interpreted as requiring that any calculations set forth in Section 3 hereof be performed or vesting occur with respect to this Award other than as specifically provided in this Section 4. In the event an entity ceases to be a Subsidiary or affiliate of the Company, such action shall be deemed to be a termination of employment of all employees of that entity for purposes of this Agreement, provided that the Committee or the Board, in its sole and absolute discretion, may make provision in such circumstances for lapse of forfeiture restrictions and/or accelerated vesting of some or all of the Grantee's remaining unvested Award LTIP Units that have not previously been forfeited, effective immediately prior to such event. If a Change of Control occurs, Section 4(h) hereof shall govern the treatment of the Grantee's Award LTIP Units exclusively notwithstanding the provisions of Section 18(a) of the 1997 Plan.

(b) In the event of termination of the Grantee's Continuous Service by (A) the Company without Cause, (B) the Grantee for Good Reason, or (C) the Grantee upon Retirement (each a "Qualified Termination") prior to the Valuation Date, the Grantee will not forfeit the Award LTIP Units upon such termination, but the following provisions of this Section 4(b) shall modify the determination and vesting of the Total OPP Unit Equivalent for the Grantee:

(i) the calculations provided in Section 3(c) hereof shall be performed as of the Valuation Date as if the Qualified Termination had not occurred;

(ii) the Total OPP Unit Equivalent calculated pursuant to Section 3(c) shall be multiplied by the Partial Service Factor (with the resulting number being rounded to the nearest whole LTIP Unit or, in the case of 0.5 of a unit, up to the next whole unit), and such adjusted number of LTIP Units shall be deemed the Grantee's Total OPP Unit Equivalent for all purposes under this Agreement;

(iii) the Grantee's Total OPP Unit Equivalent as adjusted pursuant to Section 4(b)(ii) above shall no longer be subject to forfeiture pursuant to Section 3(d) hereof; provided that, notwithstanding that no Continuous Service requirement pursuant to Section 3(d) hereof will apply to the Grantee after the effective date of a Qualified Termination, the Grantee will not have the right to Transfer (as defined in Section 7 hereof) his or her Award LTIP Units or request redemption of his or her Award Common Units under the Partnership Agreement until such dates as of which his or her Total OPP Unit Equivalent, as adjusted pursuant to Section 4(b)(ii) above, would have become vested pursuant to Section 3(d) absent a Qualified termination. For the avoidance of doubt, the purpose of this Section 4(b)(iii) is to prevent a situation where grantees of OPP awards who have had a Qualified Termination would be able to realize the value of their Award LTIP Units or Award Common Units (through Transfer or redemption) before other grantees of OPP awards whose Continuous Service continues through the applicable vesting dates set forth in Section 3(d) hereof.

(c) In the event of Qualified Termination after the Valuation Date, all unvested Award LTIP Units that have not previously been forfeited pursuant to the calculations set forth in Section 3(c) hereof shall no longer be subject to forfeiture pursuant to Section 3(d) hereof; provided that, notwithstanding that no Continuous Service requirement pursuant to Section 3(d) hereof will apply to the Grantee after the effective date of a Qualified Termination, the Grantee will not have the right to Transfer (as defined in Section 7 hereof) his or her Award LTIP Units or request redemption of his or her Award Common Units under the Partnership Agreement until such dates as of which his or her Total OPP Unit Equivalent would have become vested pursuant to Section 3(d) absent a Qualified termination. For the avoidance of doubt, the purpose of this Section 4(c) is to prevent a situation where grantees of OPP awards who have had a Qualified Termination would be able to realize the value of their Award LTIP Units or Award Common Units (through Transfer or redemption) before other grantees of OPP awards whose Continuous Service continues through the applicable vesting dates set forth in Section 3(d) hereof.

(d) Notwithstanding the foregoing, in the event any payment to be made hereunder after giving effect to this Section 4 is determined to constitute "nonqualified deferred compensation" subject to Section 409A of the Code, then, to the extent the Grantee

is a “specified employee” under Section 409A of the Code subject to the six-month delay thereunder, any such payments to be made during the six-month period commencing on the Grantee’s “separation from service” (as defined in Section 409A of the Code) shall be delayed until the expiration of such six-month period.

(e) In the event of a termination of the Grantee’s Continuous Service as a result of his or her death or Disability prior to the Valuation Date, the Grantee will not forfeit the Award LTIP Units, but the following provisions of this Section 4(e) shall apply:

(i) the calculations provided in Section 3(c) hereof shall be performed as of the Valuation Date as if the Grantee’s death or Disability had not occurred; and

(ii) 100% of the Grantee’s Total OPP Unit Equivalent shall automatically and immediately vest as of the Valuation Date.

(f) In the event of a termination of the Grantee’s Continuous Service as a result of his or her death or Disability after the Valuation Date, all unvested Award LTIP Units that have not previously been forfeited pursuant to Section 3(c) hereof shall vest immediately and automatically upon the Grantee’s death or Disability.

(g) In the event of a termination of the Grantee’s Continuous Service Relationship other than a Qualified Termination or by reason of death or Disability, all Award LTIP Units except for those that, as of the date at such termination, both (i) have ceased to be subject to forfeiture pursuant to Section 3(c) hereof and (ii) are vested pursuant to Section 3(d) hereof shall, without payment of any consideration by the Partnership other than as provided in the last sentence of Section 5 hereof, automatically and without notice terminate, be forfeited and be and become null and void, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such Award LTIP Units.

(h) If the calculations provided in Section 3(c) hereof are triggered by a Change of Control, 100% of the Grantee’s Total OPP Unit Equivalent shall vest immediately and automatically as of the Valuation Date. If the Valuation Date occurs prior to the occurrence of a Change of Control, all unvested Award LTIP Units that have not previously been forfeited pursuant to the calculations set forth in Section 3(c) hereof shall vest immediately and automatically upon the occurrence of the Change of Control.

5. Payments by Award Recipients. The Grantee shall have no rights with respect to this Agreement (and the Award evidenced hereby) unless he or she shall have accepted this Agreement prior to the close of business on the Final Acceptance Date set forth on Schedule A hereto by (a) making a contribution to the capital of the Partnership by certified or bank check or other instrument acceptable to the Committee (as defined in the Plan), of \$0.25 (the “Per Unit Purchase Price”), multiplied by the number of LTIP Units to be issued to the Grantee as part of this Award, (b) signing and delivering to the Partnership a copy of this Agreement and (c) unless

the Grantee is already a Limited Partner (as defined in the Partnership Agreement), signing, as a Limited Partner, and delivering to the Partnership a counterpart signature page to the Partnership Agreement (attached hereto as Exhibit B). The Per Unit Purchase Price paid by the Grantee shall be deemed a contribution to the capital of the Partnership upon the terms and conditions set forth herein and in the Partnership Agreement. Upon acceptance of this Agreement by the Grantee, the Partnership Agreement shall be amended to reflect the issuance to the Grantee of the LTIP Units so accepted. Thereupon, the Grantee shall have all the rights of a Limited Partner of the Partnership with respect to the number of LTIP Units specified on Schedule A hereto, as set forth in the Partnership Agreement, subject, however, to the restrictions and conditions specified herein. Award LTIP Units constitute and shall be treated for all purposes as the property of the Grantee, subject to the terms of this Agreement and the Partnership Agreement. In the event of the forfeiture of the Grantee's Award LTIP Units pursuant to this Agreement, the Partnership will pay the Grantee an amount equal to the Per Unit Purchase Price multiplied by the number of Award LTIP Units so forfeited.

6. Distributions.

(a) The holder of the Award LTIP Units shall be entitled to receive distributions with respect to such Award LTIP Units to the extent provided for in the Partnership Agreement, as modified hereby.

(b) The LTIP Unit Distribution Participation Date (as defined in the Partnership Agreement) for the Award LTIP Units shall be the Valuation Date; provided that prior to such date Award LTIP Units shall be entitled to a percentage of Common Unit Distributions (as defined in the Partnership Agreement) equal to the following:

(i) the LTIP Unit Initial Regular Sharing Percentage (as defined in the Partnership Agreement) (*i.e.* 10%) of regular periodic distributions; and

(ii) the LTIP Unit Initial Special Sharing Percentage (as defined in the Partnership Agreement) (*i.e.* 0%) of special distributions and other distributions made other than in the ordinary course.

For the avoidance of doubt, after the Valuation Date Award LTIP Units, both vested and (until and unless forfeited pursuant to Section 3(e) or Section 4(g)) unvested, shall be entitled to receive the same distributions payable with respect to Common Units if the payment date for such distributions is after the Valuation Date, even though the record date for such distributions is before the Valuation Date.

(c) All distributions paid with respect to Award LTIP Units, both before and after the Valuation Date, shall be fully vested and non-forfeitable when paid, whether or not the underlying LTIP Units have been earned based on performance or have become vested based on the passage of time as provided in Section 3 or Section 4 hereof.

## 7. Restrictions on Transfer.

(a) Except as otherwise permitted by the Committee in its sole discretion, none of the Award LTIP Units granted hereunder nor any of the Common Units of the Partnership into which such Award LTIP Units may be converted (the "Award Common Units") shall be sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed of, encumbered, whether voluntarily or by operation of law (each such action a "Transfer"); provided that vested Award LTIP Units or Award Common Units that have been held for a period of at least two (2) years beginning on the Effective Date may be Transferred to the Grantee's Family Members (as defined below) by gift or domestic relations order; and provided further that the transferee agrees in writing with the Company and the Partnership to be bound by all the terms and conditions of this Agreement and that subsequent transfers shall be prohibited except those in accordance with this Section 7. Additionally, all Transfers of Award LTIP Units or Award Common Units must be in compliance with all applicable securities laws (including, without limitation, the Securities Act) and the applicable terms and conditions of the Partnership Agreement. In connection with any Transfer of Award LTIP Units or Award Common Units, the Partnership may require the Grantee to provide an opinion of counsel, satisfactory to the Partnership, that such Transfer is in compliance with all federal and state securities laws (including, without limitation, the Securities Act). Any attempted Transfer of Award LTIP Units or Award Common Units not in accordance with the terms and conditions of this Section 7 shall be null and void, and the Partnership shall not reflect on its records any change in record ownership of any Award LTIP Units or Award Common Units as a result of any such Transfer, shall otherwise refuse to recognize any such Transfer and shall not in any way give effect to any such Transfer of any Award LTIP Units or Award Common Units. Except as provided in this Section 7, this Agreement is personal to the Grantee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

(b) For purposes of this Agreement, "Family Member" of a Grantee, means the Grantee's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the Grantee's household (other than a tenant of the Grantee), a trust in which these persons (or the Grantee) own more than 50 percent of the beneficial interest, and a partnership or limited liability company in which these persons (or the Grantee) own more than 50 percent of the voting interests.

8. Changes in Capital Structure. If (i) the Company shall at any time be involved in a merger, consolidation, dissolution, liquidation, reorganization, exchange of shares, sale of all or substantially all of the assets or stock of the Company or other transaction similar thereto, (ii) any reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split, significant repurchases of stock, or other similar change in the capital stock of the Company or any other event that constitutes a change in stock under the terms of the Stock Plan

shall occur, (iii) any cash dividend or other distribution to holders of share of Common Stock or Common Units shall be declared and paid other than in the ordinary course, or (iv) any other extraordinary corporate event shall occur that in each case in the good faith judgment of the Committee necessitates action by way of equitable or proportionate adjustment in the terms of this Agreement or the LTIP Units to avoid distortion in the value of this Award, then the Committee shall make equitable or proportionate adjustment and take such other action as it deems necessary to maintain the Grantee's rights hereunder so that they are substantially proportionate to the rights existing under this Award and the terms of the LTIP Units prior to such event, including, without limitation: (A) interpretations of or modifications to any defined term in this Agreement; (B) adjustments in any calculations provided for in this Agreement, and (C) substitution of other awards under the Stock Plan or otherwise. All adjustments made by the Committee shall be final, binding and conclusive.

9. Miscellaneous.

(a) Amendments. This Agreement may be amended or modified only with the consent of the Company and the Partnership acting through the Committee; provided that any such amendment or modification materially and adversely affecting the rights of the Grantee hereunder must be consented to by the Grantee to be effective as against him or her. Notwithstanding the foregoing, this Agreement may be amended in writing signed only by the Company and the Partnership to correct any errors or ambiguities in this Agreement and/or to make such changes that do not materially adversely affect the Grantee's rights hereunder. This grant shall in no way affect the Grantee's participation or benefits under any other plan or benefit program maintained or provided by the Company or the Partnership.

(b) Incorporation of Stock Plan; Committee Determinations. The provisions of the Stock Plan are hereby incorporated by reference as if set forth herein. In the event of a conflict between this Agreement and the Stock Plan, the Stock Plan shall govern. The Committee will make the determinations and certifications required by this Award as promptly as reasonably practicable following the occurrence of the event or events necessitating such determinations or certifications. In the event of a Change of Control, the Committee will make such determinations within a period of time that enables the Company to make any payments due hereunder not later than the date of consummation of the Change of Control.

(c) Status of LTIP Units; Stock Plan Matters. This Award and the other OPP awards constitute incentive compensation awards by the Company under the Plan and by the Partnership. The Award LTIP Units are equity interests in the Partnership. The number of shares of Common Stock reserved for issuance under the Stock Plan underlying outstanding Award LTIP Units will be determined by the Committee in light of all applicable circumstances, including calculations made or to be made under Section 3 hereof, vesting, capital account allocations and/or balances under the Partnership Agreement, the conversion ratio in effect between LTIP Units and Common Units and the exchange ratio in effect

between Common Units and shares of Common Stock. The Company will have the right at its option, as set forth in the Partnership Agreement, to issue shares of Common Stock in exchange for Award Common Units in accordance with the Partnership Agreement, subject to certain limitations set forth in the Partnership Agreement, and such shares of Common Stock, if issued, will be issued under the Stock Plan. The Grantee acknowledges that the Grantee will have no right to approve or disapprove such determination by the Committee.

(d) Legend. The records of the Partnership evidencing the Award LTIP Units shall bear an appropriate legend, as determined by the Partnership in its sole discretion, to the effect that such LTIP Units are subject to restrictions as set forth herein and in the Partnership Agreement.

(e) Compliance With Law. The Partnership and the Grantee will make reasonable efforts to comply with all applicable securities laws. In addition, notwithstanding any provision of this Agreement to the contrary, no LTIP Units will become vested or be paid at a time that such vesting or payment would result in a violation of any such law.

(f) Grantee Representations; Registration.

(i) The Grantee hereby represents and warrants that (A) he or she understands that he or she is responsible for consulting his or her own tax advisor with respect to the application of the U.S. federal income tax laws, and the tax laws of any state, local or other taxing jurisdiction to which the Grantee is or by reason of this Award may become subject, to his or her particular situation; (B) the Grantee has not received or relied upon business or tax advice from the Company, the Partnership or any of their respective employees, agents, consultants or advisors, in their capacity as such; (C) the Grantee provides services to the Partnership on a regular basis and in such capacity has access to such information, and has such experience of and involvement in the business and operations of the Partnership, as the Grantee believes to be necessary and appropriate to make an informed decision to accept this Award; (D) Award LTIP Units are subject to substantial risks; (E) the Grantee has been furnished with, and has reviewed and understands, information relating to this Award; (F) the Grantee has been afforded the opportunity to obtain such additional information as he or she deemed necessary before accepting this Award; and (G) the Grantee has had an opportunity to ask questions of representatives of the Partnership and the Company, or persons acting on their behalf, concerning this Award.

(ii) The Grantee hereby acknowledges that: (A) there is no public market for Award LTIP Units or Award Common Units and neither the Partnership nor the Company has any obligation or intention to create such a market; (B) sales of Award LTIP Units and Award Common Units are subject to restrictions under the Securities Act and applicable state securities laws; (C) because of the restrictions on transfer or assignment of Award LTIP Units and

Award Common Units set forth in the Partnership Agreement and in this Agreement, the Grantee may have to bear the economic risk of his or her ownership of the LTIP Units covered by this Award for an indefinite period of time; (D) shares of Common Stock issued under the Stock Plan in exchange for Award Common Units, if any, are expected to be covered by a Registration Statement on Form S-8 (or a successor form under applicable rules and regulations of the Securities and Exchange Commission) under the Securities Act, to the extent that the Grantee is eligible to receive such shares under the Stock Plan at the time of such issuance and such registration Statement is then effective under the Securities Act; (E) resales of shares of Common Stock issued under the Stock Plan in exchange for Award Common Units, if any, shall only be made in compliance with all applicable restrictions (including in certain cases “blackout periods” forbidding sales of Company securities) set forth in the then applicable Company employee manual or insider trading policy and in compliance with the registration requirements of the Securities Act or pursuant to an applicable exemption therefrom.

(g) Section 83(b) Election. In connection with each separate issuance of LTIP Units under this Award pursuant to Section 3 hereof, the Grantee hereby agrees to make an election to include in gross income in the year of transfer the applicable Award LTIP Units pursuant to Section 83(b) of the Code substantially in the form attached hereto as Exhibit C and to supply the necessary information in accordance with the regulations promulgated thereunder. The Grantee agrees to file such election (or to permit the Partnership to file such election on the Grantee’s behalf) within thirty (30) days after the Effective Date with the IRS Service Center where the Grantee files his or her personal income tax returns, and to file a copy of such election with the Grantee’s U.S. federal income tax return for the taxable year in which the LTIP Units are awarded to the Grantee. So long as the Grantee holds any Award LTIP Units, the Grantee shall disclose to the Partnership in writing such information as may be reasonably requested with respect to ownership of LTIP Units as the Partnership may deem reasonably necessary to ascertain and to establish compliance with provisions of the Code applicable to the Partnership or to comply with requirements of any other appropriate taxing authority.

(h) Severability. If, for any reason, any provision of this Agreement is held invalid, such invalidity shall not affect any other provision of this Agreement not so held invalid, and each such other provision shall to the full extent consistent with law continue in full force and effect. If any provision of this Agreement shall be held invalid in part, such invalidity shall in no way affect the rest of such provision not held so invalid, and the rest of such provision, together with all other provisions of this Agreement, shall to the full extent consistent with law continue in full force and effect.

(i) Governing Law. This Agreement is made under, and will be construed in accordance with, the laws of State of Delaware, without giving effect to the principles of conflict of laws of such state.

(j) No Obligation to Continue Position as an Employee, Consultant or Advisor. Neither the Company nor any affiliate is obligated by or as a result of this Agreement to continue to have the Grantee as an employee, consultant or advisor and this Agreement shall not interfere in any way with the right of the Company or any affiliate to terminate the Grantee's service relationship at any time.

(k) Notices. Any notice to be given to the Company shall be addressed to the Secretary of the Company at Prudential Center, 800 Boylston Street, Suite 1900, Boston MA 02199 and any notice to be given the Grantee shall be addressed to the Grantee at the Grantee's address as it appears on the employment records of the Company, or at such other address as the Company or the Grantee may hereafter designate in writing to the other.

(l) Withholding and Taxes. No later than the date as of which an amount first becomes includible in the gross income of the Grantee for income tax purposes or subject to the Federal Insurance Contributions Act withholding with respect to this Award, the Grantee will pay to the Company or, if appropriate, any of its affiliates, or make arrangements satisfactory to the Committee regarding the payment of, any United States federal, state or local or foreign taxes of any kind required by law to be withheld with respect to such amount; provided, however, that if any Award LTIP Units or Award Common Units are withheld (or returned), the number of Award LTIP Units or Award Common Units so withheld (or returned) shall be limited to the number which have a fair market value on the date of withholding equal to the aggregate amount of such liabilities based on the minimum statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such supplemental taxable income. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company and its affiliates shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Grantee.

(m) Headings. The headings of paragraphs hereof are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

(n) Counterparts. This Agreement may be executed in multiple counterparts with the same effect as if each of the signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

(o) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and any successors to the Company and the Partnership, on the one hand, and any successors to the Grantee, on the other hand, by will or the laws of descent and distribution, but this Agreement shall not otherwise be assignable or otherwise subject to hypothecation by the Grantee.

(p) Section 409A. This Agreement shall be construed, administered and interpreted in accordance with a good faith interpretation of Section 409A of the Code. Any provision of this Agreement that is inconsistent with Section 409A of the Code, or that may

result in penalties under Section 409A of the Code, shall be amended, with the reasonable cooperation of the Grantee and the Company and the Partnership, to the extent necessary to exempt it from, or bring it into compliance with, Section 409A of the Code.

*[signature page follows]*

IN WITNESS WHEREOF, the undersigned have caused this Award Agreement to be executed as of the \_\_ day of \_\_\_\_\_, 2008.

BOSTON PROPERTIES, INC.

By: \_\_\_\_\_  
Name:  
Title:

BOSTON PROPERTIES LIMITED PARTNERSHIP

By: Boston Properties, Inc., its general partner

By: \_\_\_\_\_  
Name:  
Title:

GRANTEE

\_\_\_\_\_  
Name:

**EXHIBIT A**

**HYPOTHETICAL EXAMPLE OF ABSOLUTE TRS POOL, RELATIVE TRS POOL AND TOTAL OUTPERFORMANCE POOL CALCULATIONS**

- \$110 Million Maximum Total Outperformance Pool Amount
- 3% Award for Absolute Performance Above 10% (Annual Equivalent) Threshold<sup>(1)</sup>
- 3% Award for Relative Performance Above (or Below) the Index Return Percentage<sup>(2)</sup>
- Total Outperformance Pool Equals the Absolute TRS Pool Plus (Minus) the Relative TRS Pool
- Adjustment Factor for Company TRS Percentage Below 10% (Annual Equivalent) Threshold<sup>(3)</sup>

Scenario	Annual Company TRS Percentage (%)	Annual Index Return Percentage (%)	Absolute TRS Pool	Relative TRS Pool	Total Outperformance Pool Before Adjustment Factor	Total Outperformance Pool After Adjustment Factor
1	5%	2%	—	30,000,000	30,000,000	—
2	6%	2%	—	40,000,000	40,000,000	—
3	7%	6%	—	10,000,000	10,000,000	—
4	8%	7%	—	10,000,000	10,000,000	3,333,333
5	9%	0%	—	90,000,000	90,000,000	60,000,000
6	9%	8%	—	10,000,000	10,000,000	6,666,667
7	10%	0%	—	100,000,000	100,000,000	100,000,000
8	10%	9%	—	10,000,000	10,000,000	10,000,000
9	11%	2%	10,000,000	90,000,000	100,000,000	100,000,000
10	11%	5%	10,000,000	60,000,000	70,000,000	70,000,000
11	11%	6%	10,000,000	50,000,000	60,000,000	60,000,000
12	11%	7%	10,000,000	40,000,000	50,000,000	50,000,000
13	11%	9%	10,000,000	20,000,000	30,000,000	30,000,000
14	11%	14%	10,000,000	(30,000,000)	—	—
15	12%	3%	20,000,000	90,000,000	110,000,000	110,000,000
16	12%	5%	20,000,000	70,000,000	90,000,000	90,000,000
17	12%	7%	20,000,000	50,000,000	70,000,000	70,000,000
18	12%	8%	20,000,000	40,000,000	60,000,000	60,000,000
19	12%	11%	20,000,000	10,000,000	30,000,000	30,000,000
20	12%	15%	20,000,000	(30,000,000)	—	—
21	13%	7%	30,000,000	60,000,000	90,000,000	90,000,000
22	13%	8%	30,000,000	50,000,000	80,000,000	80,000,000
23	14%	9%	40,000,000	50,000,000	90,000,000	90,000,000
24	14%	12%	40,000,000	20,000,000	60,000,000	60,000,000
25	14%	15%	40,000,000	(10,000,000)	30,000,000	30,000,000
26	15%	12%	50,000,000	30,000,000	80,000,000	80,000,000
27	15%	18%	50,000,000	(30,000,000)	20,000,000	20,000,000
28	17%	11%	70,000,000	60,000,000	110,000,000	110,000,000
29	18%	18%	80,000,000	—	80,000,000	80,000,000
30	19%	22%	90,000,000	(30,000,000)	60,000,000	60,000,000
31	20%	26%	100,000,000	(60,000,000)	40,000,000	40,000,000

- (1) Represents an annual equivalent Company TRS Percentage threshold based on a 30% cumulative 3-year Target Absolute Return Percentage. Please note that the assumed Absolute TRS Pool for each additional 100 basis points of Company TRS Percentage above the threshold is \$10 million.
- (2) Represents an annual equivalent Index Return Percentage threshold based on the cumulative 3-year total percentage return for the SNL Equity REIT Index. Please note that the assumed Relative TRS Pool for each 100 basis points of Company TRS Percentage above the Index Return Percentage threshold is \$10 million (before application of any Adjustment Factor).
- (3) In the event the Relative TRS Pool is potentially positive, but the Company TRS Percentage is below the 10% (annual equivalent) absolute TRS threshold, the Relative TRS Pool will be subject to a ratable sliding scale low return Adjustment Factor, with 100% of the potential Relative TRS Pool being earned for a Company TRS Percentage of 10% (annual equivalent) or higher, and 0% of the potential Relative TRS Pool being earned for a Company TRS Percentage of 7% (annual equivalent) or lower. For example, at a Company TRS Percentage of 9% (annual equivalent), the potential Relative TRS Pool would be prorated by 67%.

**EXHIBIT B**

**FORM OF LIMITED PARTNER SIGNATURE PAGE**

The Grantee, desiring to become one of the within named Limited Partners of Boston properties Limited Partnership, hereby accepts all of the terms and conditions of (including, without limitation, the provisions of Section 2.4 titled "Power of Attorney"), and becomes a party to, the Second Amended and Restated Agreement of Limited Partnership, dated as of June 29, 1998, of Boston Properties Limited Partnership as amended through the date hereof (the "Partnership Agreement"). The Grantee agrees that this signature page may be attached to any counterpart of the Partnership Agreement.

Signature Line for Limited Partner:

\_\_\_\_\_  
Name: \_\_\_\_\_

Date: \_\_\_\_\_, 2008

Address of Limited Partner:

\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT C**

**ELECTION TO INCLUDE IN GROSS INCOME IN YEAR OF TRANSFER OF  
PROPERTY PURSUANT TO SECTION 83(b) OF THE INTERNAL REVENUE CODE**

The undersigned hereby makes an election pursuant to Section 83(b) of the Internal Revenue Code with respect to the property described below and supplies the following information in accordance with the regulations promulgated thereunder:

1. The name, address and taxpayer identification number of the undersigned are:

Name: \_\_\_\_\_ (the "Taxpayer")

Address: \_\_\_\_\_

Social Security No./Taxpayer Identification No.: \_\_\_\_\_-\_\_\_\_-\_\_\_\_\_

2. Description of property with respect to which the election is being made: \_\_\_\_\_ LTIP Units in Boston Properties Limited Partnership (the "Partnership").

3. The date on which the LTIP Units were transferred is February 5, 2008. The taxable year to which this election relates is calendar year 2008.

4. Nature of restrictions to which the LTIP Units are subject:

(a) With limited exceptions, until the LTIP Units vest, the Taxpayer may not transfer in any manner any portion of the LTIP Units without the consent of the Partnership.

(b) The Taxpayer's LTIP Units vest in accordance with the vesting provisions described in the Schedule attached hereto. Unvested LTIP Units are forfeited in accordance with the vesting provisions described in the Schedule attached hereto.

5. The fair market value at time of transfer (determined without regard to any restrictions other than restrictions which by their terms will never lapse) of the LTIP Units with respect to which this election is being made was \$0.25 per LTIP Unit.

6. The amount paid by the Taxpayer for the LTIP Units was \$0.25 per LTIP Unit.

7. A copy of this statement has been furnished to the Partnership and Boston Properties, Inc..

Dated: \_\_\_\_\_

\_\_\_\_\_  
Name:

---

**SCHEDULE TO EXHIBIT C**

**Vesting Provisions of LTIP Units**

The LTIP Units are subject to time-based and performance-based vesting with the final vesting percentage equaling the product of the time-based vesting percentage and the performance-based vesting percentage. Performance-based vesting will be from 0% to 100% based on Boston Properties, Inc.'s (the "Company's") per-share total return to shareholders for the period from February 5, 2008 to February 5, 2011 (or earlier in certain circumstances). Under the time-based vesting hurdles, twenty-five percent (25%) of the LTIP Units will vest on February 5, 2011, twenty-five percent (25%) of the remaining LTIP Units will vest on February 5, 2012, and the remaining fifty percent (50%) of the LTIP Units will vest on February 5, 2008, provided that the Taxpayer continues his or her service relationship with the Company and the Partnership through such dates, subject to acceleration in the event of certain extraordinary transactions or termination of the Taxpayer's service relationship with the Company under specified circumstances. Unvested LTIP Units are subject to forfeiture in the event of failure to vest based on the determination of the performance-based percentage or the passage of time.

**SCHEDULE A TO 2008 OUTPERFORMANCE AWARD AGREEMENT**

Date of Award Agreement: February 5, 2008

Name of Grantee: \_\_\_\_\_

Participation Percentage: \_\_\_\_\_ percent (\_\_\_%)

Number of LTIP Units Subject to Award: \_\_\_\_\_

Final Acceptance Date: February \_\_, 2008

Initials of Company representative: \_\_\_\_\_

Initials of the Grantee: \_\_\_\_\_

## EMPLOYMENT AGREEMENT

THIS AGREEMENT (the "Agreement") is made as of the 24th day of January, 2008 (the "Effective Date"), by and between Michael E. LaBelle (the "Employee") and Boston Properties, Inc., a Delaware corporation, with its principal executive office located at 800 Boylston Street, Suite 1900, Boston, Massachusetts 02199-8103 (together with its subsidiaries, the "Company").

WITNESSETH THAT:

WHEREAS, the Company has determined that it is in its best interest to promote the Employee to Senior Vice President, Chief Financial Officer and Treasurer and continue his employment on the terms hereinafter set forth;

WHEREAS, the Employee wishes to be so employed pursuant to the terms hereinafter set forth;

WHEREAS, the Company has adopted that certain Senior Executive Severance Plan, effective as of July 30, 1998 (the "Severance Plan"), as may be amended from time to time, and which the parties desire to remain in full force and effect after the date hereof;

NOW, THEREFORE, in consideration of the mutual covenants and premises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Employee hereby agree as follows:

1. Term. Subject to the provisions of Paragraph 8, the term of employment pursuant to this Agreement (the "Term") shall be two (2) years from the Effective Date and shall be renewed automatically for periods of one (1) year commencing at each anniversary of the Effective Date, unless written notice is given by either party to the other not less than ninety (90) days prior to any such anniversary of such party's election not to extend the Term.

2. Employment; Duties; Location.

(a) Employee shall initially serve as an officer of the Company with the title Senior Vice President, Chief Financial Officer and Treasurer. Employee's duties and authority shall be commensurate with his title and position with the Company. The Employee shall report directly to the President and shall serve the Company in such other capacity or capacities as the Employee may be requested to serve by the Board of Directors of the Company (the "Board of Directors"). In such capacity or capacities, the Employee shall perform such services and duties in connection with the business, affairs and operations of the Company as may be assigned or delegated to the Employee from time to time by or under the authority of the Board of Directors. The Employee shall be principally located at the Company's Boston office.

(b) Employee agrees to his employment as described in this Paragraph 2 and agrees to devote substantially all of his working time and efforts to the performance of his duties hereunder, except as otherwise approved by the Board of Directors. Notwithstanding the foregoing, nothing herein shall be interpreted to preclude Employee from (i) engaging in Minority Interest Passive Investments (as defined below), including Minority Interest Passive

Investments in, or relating to the ownership, development, operation, management, or leasing of, commercial real estate properties or (ii) participating as an officer or director of, or advisor to, any charitable or other tax exempt organization; provided that such activities and related duties and pursuits do not restrict Employee's ability to fulfill his obligations as an officer and employee of the Company as set forth herein.

Engaging in a "Minority Interest Passive Investment" means acquiring, holding, and exercising the voting rights associated with an investment made through (i) the purchase of securities (including partnership interests) that represent a non-controlling, minority interest in an entity or (ii) the lending of money, in either case with the purpose or intent of obtaining a return on such investment but without management by Employee of the property or business to which such investment directly or indirectly relates and without any business or strategic consultation by Employee with such entity.

### 3. Compensation.

(a) Base Salary. The Company shall pay Employee an annual salary of Three Hundred Thousand Dollars (\$300,000.00) (the "Base Salary"), payable in accordance with the Company's normal business practices for senior executives (including tax withholding), but in no event less frequently than monthly. Employee's Base Salary shall be reviewed at least annually by the Board of Directors or the Compensation Committee of the Board of Directors (the "Compensation Committee") and may be increased but not decreased in its discretion.

(b) Bonus. On each annual compensation determination date established by the Company during the Term, the Company shall review the performance of the Company and of Employee during the prior year, and the Company may provide Employee with additional compensation as a bonus if the Board of Directors, or the Compensation Committee, in its discretion, determines that Employee's contribution to the Company warrants such additional payment and the Company's anticipated financial performance for the present period permits such payment.

### 4. Benefits.

(a) Medical/Dental Insurance. Employee shall be entitled to participate in any and all employee benefit plans, including all medical and dental insurance plans as in effect from time to time for senior executives of the Company. Such participation shall be subject to (i) the terms of the applicable plan documents, (ii) generally applicable policies of the Company, and (iii) the discretion of the Board of Directors, the Compensation Committee or any administrative or other committee provided for in, or contemplated by, such plan. Nothing contained in this Agreement shall be construed to create any obligation on the part of the Company to establish any such plan or to maintain the effectiveness of any such plan which may be in effect from time to time.

(b) Life Insurance/Disability Insurance. The Company shall provide Employee with such life and/or disability insurance as the Company may from time to time make available to senior executives of the Company.

(c) Expenses. The Company shall promptly reimburse Employee for all reasonable business expenses incurred by Employee in accordance with the practices of the Company for senior executives of the Company, as in effect from time to time.

(d) Vacation. Employee shall receive paid vacation annually in accordance with terms determined for such Employee by the Company, but in no event shall Employee receive less than four weeks of paid vacation per year.

(e) Stock Options; Restricted Stock; Other Stock-Based Awards. Employee shall be entitled to grants of stock options, restricted stock awards and other stock-based awards in an amount to be determined by the Compensation Committee in its discretion under the Second Amendment and Restatement of the Boston Properties, Inc. 1997 Stock Option and Incentive Plan or any other stock option plan adopted by the Company from time to time (the "Stock Option Plan").

(f) Deferred Compensation. Employee shall be entitled to participate in any deferred compensation plan or arrangement that the Company may have in place for its senior executives and/or officers.

(g) Other Benefits. The Company shall provide to Employee such other benefits, including the right to participate in such retirement or pension plans, as are made generally available to senior executives of the Company from time to time. Such participation shall be subject to (i) the terms of the applicable plan documents, (ii) generally applicable policies of the Company, and (iii) the discretion of the Board of Directors, the Compensation Committee, or any administrative or other committee provided for in, or contemplated by, such plan.

(h) Taxation of Payments and Benefits. The Company shall undertake to make deductions, withholdings and tax reports with respect to payments and benefits under this Agreement to the extent that it reasonably and in good faith believes that it is required to make such deductions, withholdings and tax reports. Payments under this Agreement shall be in amounts net of any such deductions or withholdings. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate the Employee for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

5. Indemnification. To the full extent permitted by law and subject to the Company's Certificate of Incorporation and Bylaws, the Company shall indemnify Employee with respect to any actions commenced against Employee in his capacity as a director or officer or former director or officer of the Company, or any affiliate thereof for which he may serve in such capacity, and the Company shall advance on a timely basis any expenses incurred in defending such actions. The obligation to indemnify hereunder shall survive the termination of this Agreement. The Company agrees to use its best efforts to secure and maintain directors' and officers' liability insurance with respect to Employee.

6. Company Authority/Policies. Employee agrees to observe and comply with the rules and regulations of the Company as adopted by its Board of Directors respecting the performance of his duties and to carry out and perform orders, directions and policies communicated to him from time to time by the Board of Directors.

7. Records/Nondisclosure/Company Policies.

(a) General. All records, financial statements and similar documents obtained, reviewed or compiled by Employee in the course of the performance by him of services for the Company, whether or not confidential information or trade secrets, shall be the exclusive property of the Company. Employee shall have no rights in such documents upon any termination of this Agreement.

(b) Confidential Information. Employee will not disclose to any person or entity (except as required by applicable law, the rules of the New York Stock Exchange, or otherwise in connection with the performance of his duties and responsibilities hereunder), or use for his own benefit or gain, any confidential information of the Company obtained by him incident to his employment with the Company. Employee shall take all reasonable steps to safeguard any confidential information and to protect such confidential information against disclosure, misuse, loss, or theft. The term "confidential information" includes, without limitation, financial information, business plans, prospects, and opportunities which have been discussed or considered by the management of the Company, but does not include any information which has become part of the public domain by means other than Employee's non-observance of his obligations hereunder.

This Paragraph 7 shall survive the termination of this Agreement.

8. Termination/Severance.

(a) General.

(i) At Will Employment. Employee's employment hereunder is "at will" and, therefore, may be terminated at any time, with or without cause, at the option of the Company, subject only to the severance obligations under this Paragraph 8.

(ii) Notice of Termination. Except for termination as a result of Employee's death as specified in Subparagraph 8(b), any termination of Employee's employment by the Company or any such termination by Employee shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision hereunder relied upon by the terminating party.

(iii) Date of Termination. "Date of Termination" shall mean: (A) if Employee's employment is terminated by his death, the date of his death; (B) if Employee's employment is terminated on account of disability under Subparagraph 8(c), the date on which Notice of Termination is given; (C) if Employee's employment is terminated by the Company for Cause under Subparagraph 8(d), the date on which a Notice of Termination is given; (D) if Employee's employment is terminated by the Company without Cause under Subparagraph 8(e)(i), thirty (30) days after the date on which a Notice of Termination is given; and (E) if Employee's employment is terminated by Employee under Subparagraph 8(e)(ii) or 8(f), thirty (30) days after the date on which a Notice of Termination is given.

(b) Death. Employee's employment hereunder shall terminate upon his death. If Employee's employment terminates by reason of his death, the Company shall, within ninety (90) days of death, pay in a lump sum amount to such person as Employee shall designate in a notice filed with the Company or, if no such person is designated, to Employee's estate, Employee's accrued and unpaid Base Salary to his date of death, plus his accrued and unpaid target bonus, prorated for the number of days actually employed in the then current calendar year. All unvested stock options and stock-based grants shall immediately vest in Employee's estate or other legal representatives and become exercisable or nonforfeitable, and Employee's estate or other legal representatives shall have such period of time to exercise the stock options as is provided in the Stock Option Plan and agreements with Employee pursuant thereto. For a period of eighteen (18) months following the Date of Termination, and subject to the continued copayment of premium amounts by the Employee's spouse and dependents, the Employee's spouse and dependents shall continue to participate in the Company's health insurance plan upon the same terms and conditions in effect on the Date of Termination, provided, however, that the continuation of health benefits under this Subparagraph shall reduce and count against the rights of the Employee's spouse and dependents under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"). In addition to the foregoing, any payments to which Employee's spouse, beneficiaries, or estate may be entitled under any employee benefit plan shall also be paid in accordance with the terms of such plan or arrangement. Such payments, in the aggregate, shall fully discharge the Company's obligations hereunder.

(c) Disability. If, as a result of Employee's incapacity due to physical or mental illness, Employee shall have been absent from his duties hereunder on a full-time basis for one hundred eighty (180) calendar days in the aggregate in any twelve (12) month period, the Company may terminate Employee's employment hereunder. During any period that Employee fails to perform his duties hereunder as a result of incapacity due to physical or mental illness, Employee shall continue to receive his accrued and unpaid Base Salary and accrued and unpaid target bonus, prorated for the number of days actually employed in the then current calendar year, until Employee's employment is terminated due to disability in accordance with this Subparagraph (c) or until Employee terminates his employment in accordance with Subparagraph (e)(ii) or (f), if earlier. All unvested stock options and stock-based grants shall immediately vest and become exercisable or nonforfeitable, and Employee shall have such period of time to exercise the stock options as is provided in the Stock Option Plan and agreements with Employee pursuant thereto. For a period of eighteen (18) months following the Date of Termination and subject to the Employee's continued copayment of premium amounts, the Employee, Employee's spouse and dependents shall continue to participate in the Company's health insurance plan upon the same terms and conditions in effect on the Date of Termination, provided, however, that the continuation of health benefits under this Subparagraph shall reduce and count against Employee's rights under COBRA. In addition to the foregoing, any payments to which Employee may be entitled under any employee benefit plan shall also be paid in accordance with the terms of such plan or arrangement. Such payments, in the aggregate, shall fully discharge the Company's obligations hereunder.

(d) Termination by the Company for Cause.

(i) The Company may terminate Employee's employment hereunder for Cause. "Cause" shall mean: (A) gross negligence or willful misconduct by Employee in connection with the performance of his material duties hereunder; (B) a breach by Employee of any of his material duties hereunder (for reasons other than physical or mental illness) and the failure of Employee to cure such breach within thirty (30) days after written notice thereof by the Company; (C) conduct by Employee against the material best interests of the Company or a material act of common law fraud against the Company or its affiliates or employees; or (D) indictment of Employee of a felony and such indictment has a material adverse affect on the interests or reputation of the Company.

(ii) If Employee's employment is terminated by the Company for Cause, then the Company shall, through the Date of Termination, pay Employee his accrued and unpaid Base Salary. Thereafter, the Company shall have no further obligations to Employee except as otherwise provided hereunder; provided that any such termination shall not adversely affect or alter Employee's rights under any employee benefit plan of the Company in which Employee, at the Date of Termination, has a vested interest, unless otherwise provided in such employee benefit plan or any agreement or other instrument attendant thereto. Notwithstanding the foregoing and in addition to whatever other rights or remedies the Company may have at law or in equity, all stock options and other stock-based grants held by Employee, whether vested or unvested as of the Date of Termination, shall immediately expire on the Date of Termination if Employee's employment is terminated by the Company for Cause.

(e) Termination by the Company without Cause or by Employee for Good Reason.

(i) The Company may terminate Employee's employment hereunder without Cause if such termination is approved by the Chief Executive Officer or President of the Company. Any termination by the Company of Employee's employment hereunder which does not (A) constitute a termination for Cause under Subparagraph (d)(i), (B) result from the death or disability of the Employee under Subparagraph (b) or (c), or (C) result from the expiration of the Term, shall be deemed a termination without Cause.

(ii) Employee may terminate his employment hereunder for Good Reason. "Good Reason" shall mean: (A) a substantial adverse change, not consented to by Employee, in the nature or scope of Employee's responsibilities, authorities, powers, functions, or duties under this Agreement; (B) a breach by the Company of any of its material obligations hereunder; or (C) a material change in the geographic location at which Employee must perform his services. To constitute Good Reason termination, Employee must (1) provide written notice to the Company within ninety (90) days of the initial existence of the event constituting Good Reason, (2) may not terminate his employment pursuant to this subparagraph unless the Company fails to remedy the event constituting Good Reason within thirty (30) days after such notice has been deemed given pursuant to this Agreement, and (3) Employee must terminate employment with the Company no later than thirty (30) days after the end of the thirty-day period in which the Company fails to remedy the event constituting Good Reason.

(iii) If Employee's employment is terminated by the Company without Cause or if Employee terminates his employment for Good Reason in accordance with this Subparagraph (e), then the Company shall, through the Date of Termination, pay Employee his accrued and unpaid Base Salary and his accrued and unpaid target bonus prorated for the number of days actually employed in the then current calendar year. In addition, subject to signing by Employee of a general release of claims in a form and manner satisfactory to the Company (the "Release") no later than twenty-one (21) days after the Date of Termination, the Employee shall be entitled to the following:

(A) Salary continuation in an amount (the "Severance Amount") equal to the sum of (x) his annual Base Salary under Subparagraph 3(a) and (y) the amount of his cash bonus, if any, received in respect of the immediately preceding year under Subparagraph 3(b). The Severance Amount shall be paid in equal installments in accordance with the Company's then payroll practice over a twelve (12) month period beginning with the first payroll date after the execution of the Release and the lapse of the seven-day revocation period provided in the Release. Solely for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), each installment payment is considered a separate payment;

(B) All stock options and other stock-based awards, granted to Employee after the Effective Date, in which Employee would have vested if he had remained employed for a period of twelve (12) months commencing on the Date of Termination, shall vest and become exercisable or nonforfeitable as of the Date of Termination;

(C) Subject to the Employee's continued copayment of premium amounts, continued participation for twelve (12) months in the Company's health insurance plan upon the same terms and conditions in effect on the Date of Termination, provided, however, that the continuation of health benefits under this Subparagraph shall reduce and count against Employee's rights under COBRA; and

(D) Subject to (B) above, all rights and benefits granted or in effect with respect to Employee under the Stock Option Plan and agreements with Employee pursuant thereto.

(E) Anything in this Agreement to the contrary notwithstanding, if at the time of Employee's separation from service, Employee is considered a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, and if any payment that Employee becomes entitled to under this Agreement would be considered deferred compensation subject to interest and additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, then no such payment shall be payable prior to the date that is the earlier of (1) six months and one day after Employee's separation from service, or (2) Employee's death, and the initial payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision.

(f) Voluntary Termination by Employee. Employee may terminate his employment hereunder for any reason, including, but not limited to, Good Reason in accordance

with Subparagraph (e)(ii). If Employee's employment is terminated by Employee other than for Good Reason, then the Company shall, through the Date of Termination, pay Employee his accrued and unpaid Base Salary. Thereafter, the Company shall have no further obligations to Employee except as otherwise expressly provided hereunder; provided any such termination shall not adversely affect or alter Employee's rights under any employee benefit plan of the Company in which Employee, at the Date of Termination, has a vested interest, unless otherwise provided in such employee benefit plan or any agreement or other instrument attendant thereto. The vesting and exercise of any stock options and the forfeitability of any stock-based grants held by Employee shall be governed by the terms of the Stock Option Plan and the related agreements between Employee and the Company

(g) No Mitigation. Without regard to the reason for the termination of Employee's employment hereunder, Employee shall be under no obligation to mitigate damages with respect to such termination under any circumstances and in the event Employee is employed or receives income from any other source, there shall be no offset against the amounts due from the Company hereunder.

9. Noncompetition. Because Employee's services to the Company are special and because Employee has access to the Company's confidential information, Employee covenants and agrees that during the Employment Period and until the end of a one-year period following the termination of Employee's employment with the Company for any reason, Employee shall not, without the prior written consent of the Company (which shall be authorized by approval of the Board of Directors of the Company, including the approval of a majority of the independent Directors of the Company), directly or indirectly:

(a) engage, participate or assist in, either individually or as an owner, partner, employee, consultant, director, officer, trustee, or agent of any business that engages or attempts to engage in, directly or indirectly, the acquisition, development, construction, operation, management, or leasing of any commercial real estate property in any of the Company's Markets (as hereinafter defined) at the time of Employee's termination of employment;

(b) intentionally interfere with, disrupt or attempt to disrupt the relationship, contractual or otherwise, between the Company or its affiliates and any tenant, supplier, contractor, lender, employee, or governmental agency or authority; or

(c) call upon, compete for, solicit, divert, or take away, or attempt to divert or take away any of the tenants or employees of the Company or its affiliates, either for himself or for any other business, operation, corporation, partnership, association, agency, or other person or entity.

"Market" as used herein means an area covering a 25 mile radius around (x) any property or land owned by the Company, under development by the Company or with respect to which the Company has an agreement or option to acquire a property, development or land or (y) any property or development for which the Company provides third party development or management services; provided that for any such property, development or land located in New York City, no such radial area shall extend beyond New York City.

This Paragraph 9 shall not be interpreted to prevent Employee from engaging in Minority Interest Passive Investments or any other activity permitted under Subparagraph 2(b). This Paragraph 9 shall survive the termination of this Agreement.

Notwithstanding anything to the contrary herein, the noncompetition provision of this Paragraph 9 shall not apply if Employee's employment terminates after a Change in Control (as defined in the Severance Plan).

10. Change in Control Payments. Notwithstanding anything to the contrary in the foregoing, in the event that the Employee's employment terminates after a Change in Control (as defined in the Severance Plan) under circumstances that would entitle him to payments and benefits under the Severance Plan, he shall not be entitled to receive any payments or benefits under this Agreement.

11. Conflicting Agreements. Employee hereby represents and warrants that the execution of this Agreement and the performance of his obligations hereunder will not breach or be in conflict with any other agreement to which he is a party or is bound, and that he is not now subject to any covenants against competition or similar covenants which would affect the performance of his obligations hereunder.

12. Notices. All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed duly given (i) if delivered by hand and receipted for by the party addressee, on the date of such receipt or (ii) if mailed by domestic certified or registered mail with postage prepaid, on the third business day after the date postmarked. Address for notice for the Company is as shown above, or as subsequently modified by written notice. Address for notice for the Employee is the address shown on the records of the Company.

13. Integration. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties with respect to any related subject matter, provided, however, that the Severance Plan, as amended from time to time, shall remain in full force and effect hereafter.

14. Assignment; Successors and Assigns, etc. Neither the Company nor the Employee may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other party; provided that the Company may assign its rights under this Agreement without the consent of the Employee in the event that the Company shall effect a reorganization, consolidate with or merge into any other corporation, partnership, organization or other entity, or transfer all or substantially all of its properties or assets to any other corporation, partnership, organization or other entity. This Agreement shall inure to the benefit of and be binding upon the Company and the Employee, their respective successors, executors, administrators, heirs and permitted assigns.

15. Miscellaneous. Headings herein are for convenience of reference only and shall not define, limit or interpret the contents hereof.

16. Amendment. This Agreement may be amended, modified or supplemented by the mutual consent of the parties in writing, but no oral amendment, modification or supplement shall be effective.

17. Arbitration; Other Disputes. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in Boston, Massachusetts, in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered in any court having jurisdiction. Notwithstanding the above, the Company shall be entitled to seek a restraining order or injunction in any court of competent jurisdiction to prevent any continuation of any violation of Paragraph 7 or 9 hereof. In the event that the Company terminates Employee's employment for Cause under Subparagraph 8(d)(i) and Employee contends that Cause did not exist, then the Company's only obligation shall be to submit such claim to arbitration and the only issue before the arbitrator will be whether Employee was in fact terminated for Cause. If the arbitrator determines that Employee was not terminated for Cause by the Company, then the only remedies that the arbitrator may award are (i) the Severance Amount specified in Subparagraph 8(e)(iii)(A), (ii) the costs of arbitration, (iii) Employee's reasonable attorneys' fees, (iv) the additional vesting of Employee's stock options and other stock-based awards in accordance with Subparagraph 8(e)(iii)(B), and (v) the continued participation in the Company's health insurance plan in accordance with Subparagraph 8(e)(iii)(C). If the arbitrator finds that Employee was terminated for Cause, the arbitrator will be without authority to award Employee anything, and the parties will each be responsible for their own attorneys' fees, and they will divide the costs of arbitration equally. Furthermore, should a dispute occur concerning Employee's mental or physical capacity as described in Subparagraph 8(c), a doctor selected by Employee and a doctor selected by the Company shall be entitled to examine Employee. If the opinion of the Company's doctor and Employee's doctor conflict, the Company's doctor and Employee's doctor shall together agree upon a third doctor, whose opinion shall be binding. This Paragraph 17 shall survive the termination of this Agreement.

18. Litigation and Regulatory Cooperation. During and after Employee's employment, Employee shall reasonably cooperate with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while Employee was employed by the Company; provided that such cooperation shall not materially and adversely affect Employee or expose Employee to an increased probability of civil or criminal litigation. Employee's cooperation in connection with such claims or actions shall include, without limitation, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after Employee's employment, Employee also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while Employee was employed by the Company. The Company shall also provide Employee with compensation on an hourly basis calculated at his final base compensation rate for requested litigation and regulatory cooperation that occurs after his termination of employment, and reimburse Employee for all costs and expenses incurred in connection with his performance under this Paragraph 18, including, without limitation, reasonable attorneys' fees and costs.

19. Severability. If any provision of this Agreement shall to any extent be held void or unenforceable (as to duration, scope, activity, subject or otherwise) by a court of competent jurisdiction, such provision shall be deemed to be modified so as to constitute a provision conforming as nearly as possible to the original provision while still remaining valid and enforceable. In such event, the remainder of this Agreement (or the application of such provision to persons or circumstances other than those in respect of which it is deemed to be void or unenforceable) shall not be affected thereby. Each other provision of this Agreement, unless specifically conditioned on the voided aspect of such provision, shall remain valid and enforceable to the fullest extent permitted by law; any other provisions of this Agreement that are specifically conditioned on the voided aspect of such invalid provision shall also be deemed to be modified so as to constitute a provision conforming as nearly as possible to the original provision while still remaining valid and enforceable to the fullest extent permitted by law.

20. Governing Law. This Agreement shall be construed and regulated in all respects under the laws of the State of Delaware.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, this Agreement is entered into as of the date and year first above written.

BOSTON PROPERTIES, INC.

By: /s/ Douglas T. Linde

Name: Douglas T. Linde

Title: President

/s/ Michael E. LaBelle

MICHAEL E. LABELLE

**BOSTON PROPERTIES LIMITED PARTNERSHIP****SEVENTY-SEVENTH AMENDMENT TO  
AGREEMENT OF LIMITED PARTNERSHIP**

This Seventy-Seventh Amendment (the "Amendment") is made as of January 24, 2008 by BOSTON PROPERTIES, INC., a Delaware corporation (the "General Partner" or the "Company"), as general partner of BOSTON PROPERTIES LIMITED PARTNERSHIP, a Delaware limited partnership (the "Partnership"), for the purpose of amending the Second Amended and Restated Agreement of Limited Partnership of the Partnership dated June 29, 1998, as amended (the "Partnership Agreement"). All capitalized terms used herein and not otherwise defined have the meanings assigned to them in the Partnership Agreement.

WHEREAS, Section 14.1.B(3) of the Partnership Agreement permits the General Partner, without the consent of the Limited Partners, to amend the Partnership Agreement for the purpose of setting forth and reflecting in the Partnership Agreement the designations, rights, powers duties and preferences of holders of any additional Partnership Interests issued pursuant to Section 4.2.A of the Partnership Agreement; and

WHEREAS, the General Partner desires by this Certificate to so amend the Partnership Agreement as of this 24<sup>th</sup> day of January, 2008; and

WHEREAS, as of April 11, 2003 the General Partner approved the Forty-Seventh Amendment to the Partnership Agreement to establish the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption and conversion of a class and series of Partnership Interest referred to as "LTIP Units" for grants to executives of the Company and its subsidiaries, including the Partnership, of "Other Stock-Based Awards" pursuant to the Second Amendment and Restatement of the Company's 1997 Stock Option and Incentive Plan, as amended and/or one or more successor or additional equity incentive plans or programs of the Company or the Partnership (each individually and all of them collectively, as the context requires, the "Plan"); and

WHEREAS, until the date hereof LTIP Units have been issued pursuant to the Plan in connection with time-vested, long-term incentive compensation awards; and

WHEREAS, the Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board") intends to issue LTIP Units in connection with outperformance awards under the Plan (the "2008 OPP Awards") as part of a long-term incentive compensation program designed to provide the Company's senior management team with the potential to earn equity awards subject to the Company "outperforming" and creating shareholder value in a pay-for-performance structure.

NOW, THEREFORE, the General Partner has set forth in this Amendment pursuant to its authority under Sections 4.2A and 5.4 of the Partnership Agreement the following modifications to the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption and conversion of LTIP Units for the purpose of enabling the issuance of LTIP Units in connection with the 2008 OPP Awards:

1. The following additional defined terms shall be inserted in Article 1 of the Partnership Agreement in alphabetical order:

“2008 Outperformance Award Agreement” means each or any, as the context implies, 2008 Outperformance Award Agreement entered into by LTIP Unitholder upon acceptance of a 2008 OPP Award substantially in the form approved by the Committee as of January 24, 2008, as such agreement may be amended, modified or supplemented from time to time.

“2008 OPP LTIP Unit” means an LTIP Unit issued in connection with each or any, as the context implies, of the 2008 OPP Awards pursuant to a 2008 Outperformance Award Agreement and that initially participates in distributions and allocations to a reduced extent until the applicable LTIP Unit Distribution Participation Date for such LTIP Unit, as set forth in the 2008 Outperformance Award Agreement pursuant to which such 2008 OPP LTIP Unit is granted.

“Book-Up Target” for each LTIP Unit shall be the lesser of (i) the Common Unit Economic Balance as determined on the date such LTIP Unit was granted and as reduced (not to less than zero) by allocations of Liquidating Gains to such LTIP Unit and reallocations of Economic Capital Account Balances to such LTIP Unit as a result of a forfeiture of an LTIP Unit, as determined by the General Partner and (ii) the amount required to be allocated to such LTIP Unit for the Economic Capital Account Balance, to the extent attributable to such LTIP Unit to be equal to the Common Unit Economic Balance. Notwithstanding the foregoing, the Book-Up Target shall be equal to zero for any LTIP Unit for which the Economic Capital Account Balance attributable to such LTIP Unit has at any time reached an amount equal to the Common Unit Economic Balance determined as of such time.

“Common Unit Economic Balance” shall mean (i) the Capital Account Balance of the Company, plus the amount of the Company’s share of any Partner Minimum Gain or Partnership Minimum, in either case to the extent attributable to the Company’s ownership of Common Units and computed on a hypothetical basis after taking into account all allocations through the date on which any allocation is made under this clause 6.1.B(iii), divided by (ii) the number of the Company’s Common Units.

“Economic Capital Account Balances” of the LTIP Unitholders will be equal to their Capital Account balances, plus the amount of their shares of any Partner Minimum Gain or Partnership Minimum Gain, in either case to the extent attributable to their ownership of LTIP Units.

“Eligible Unit” means, as of the time any Liquidating Gain is allocated to an LTIP Unit, an LTIP Unit, if since the date of issuance of such LTIP Unit, such Liquidating Gain when aggregated with other Liquidating Gains realized since the date of issuance of such LTIP Unit exceeds Liquidating Losses realized since the date of issuance of such LTIP Unit.

“LTIP Unit Distribution Participation Date” means (i) for each LTIP Unit issued prior to the date of the Seventy-Seventh Amendment to the Partnership Agreement, the date of such issuance and (ii) for each LTIP Unit issued on or after the date of the Seventy-Seventh Amendment to the Partnership Agreement, such date as is specified in the applicable 2008 Outperformance Award Agreement or other Vesting Agreement.

“LTIP Unit Initial Regular Sharing Percentage” means, with respect to a 2008 OPP LTIP Unit or other LTIP Unit, in the case of regular periodic distributions and allocations of Net Income or Net Loss (other than Liquidating Gain or Liquidating Loss) associated with such distributions, ten percent (10%) or such other percentage as set forth in the applicable 2008 Outperformance Award Agreement or other Vesting Agreement.

“LTIP Unit Initial Special Sharing Percentage” means, with respect to a 2008 OPP LTIP Unit or other LTIP Unit, in the case of special distributions or distributions made other than in the ordinary course and allocations of Net Income or Net Loss (other than Liquidating Gain or Liquidating Loss) associated with such distributions, zero percent (0%) or such other percentage as set forth in the applicable 2008 Outperformance Award Agreement or other Vesting Agreement.

“Liquidating Gains” has the meaning set forth in Section 6.1.B(iii).

“Liquidating Losses” means any net loss realized in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership (including upon the occurrence of any event of liquidation of the Partnership), including but not limited to net loss realized in connection with an adjustment to the Carrying Value of Partnership assets under Section 704(b) of the Code.

“Unvested LTIP Units” has the meaning set forth in Section 4.2.C.

“Vested LTIP Units” has the meaning set forth in Section 4.2.C.

2. The definition of “Percentage Interest” is hereby amended and restated in its entirety as follows:

“Percentage Interest” means, as to any Partner, the percentage ownership interest of such Partner in the Partnership from time to time, represented by a fraction (expressed as a percentage), the numerator of which is the number of Partnership Units (other than Preferred Units) then owned by such Partner, and the denominator of which is the total number of Partnership Units (other than Preferred Units) then owned by all of the Partners; provided that, for purposes of allocations and distributions prior to the LTIP Unit Distribution Participation Date for any LTIP Units, the Percentage Interest of such

LTIP Units will be appropriately reduced, and the Percentage Interest of all other Partnership Units will be appropriately increased, to take into account the provisions of Section 4.2.C. The Partners' Percentage Interests are as specified in Exhibit A attached hereto, as such Exhibit may be amended by the General Partner from time to time.

3. The definition of "Vesting Agreement" is hereby amended and restated in its entirety as follows:

"Vesting Agreement" means each or any, as the context implies, award, vesting or other similar agreement pursuant to which LTIP Units are issued subject to vesting, forfeiture, repurchase and/or additional restrictions on transfer, including without limitation any Long Term Incentive Plan (LTIP) Vesting Agreement or 2008 Outperformance Award Agreement, entered into by an LTIP Unitholder upon acceptance of an award of LTIP Units under the Plan (in each case, as such agreement may be amended, modified or supplemented from time to time).

4. Section 4.2.C, relating to distributions to LTIP Unitholders, is hereby amended and restated in its entirety as follows:

"C. The General Partner may from time to time issue LTIP Units to Persons who provide services to the Partnership, for such consideration as the General Partner may determine to be appropriate, and admit such Persons as Limited Partners. Subject to the following provisions of this Section 4.2.C and the special provisions of Sections 6.1.B(iii), 8.8 and 8.9, LTIP Units shall be treated as Common Units, with all of the rights, privileges and obligations attendant thereto.

(i) The Partnership shall maintain at all times a one-to-one correspondence between LTIP Units and Common Units for conversion, distribution and other purposes, including without limitation complying with the following procedures. If an Adjustment Event (as defined below) occurs, then the General Partner shall make a corresponding adjustment to the LTIP Units to maintain a one-for-one conversion and economic equivalence ratio between Common Units and LTIP Units. The following shall be "Adjustment Events": (A) the Partnership makes a distribution on all outstanding Common Units in Partnership Units, (B) the Partnership subdivides the outstanding Common Units into a greater number of units or combines the outstanding Common Units into a smaller number of units, or (C) the Partnership issues any Partnership Units in exchange for its outstanding Common Units by way of a reclassification or recapitalization of its Common Units. If more than one Adjustment Event occurs, the adjustment to the LTIP Units need be made only once using a single formula that takes into account each and every Adjustment Event as if all Adjustment Events occurred simultaneously. For the avoidance of doubt, the following shall not be Adjustment Events: (x) the issuance of Partnership Units in a financing, reorganization, acquisition or other similar business transaction, (y) the issuance of Partnership Units pursuant to any employee benefit or compensation plan or distribution reinvestment plan, or (z) the issuance of any Partnership Units to the Company in respect of a capital contribution to the Partnership of proceeds from the sale of securities by the Company. If the

Partnership takes an action affecting the Common Units other than actions specifically described above as “Adjustment Events” and in the opinion of the General Partner such action would require an adjustment to the LTIP Units to maintain the one-to-one correspondence described above, the General Partner shall have the right to make such adjustment to the LTIP Units, to the extent permitted by law and by the Plan, in such manner and at such time as the General Partner, in its sole discretion, may determine to be appropriate under the circumstances. If an adjustment is made to the LTIP Units as herein provided the Partnership shall promptly file in the books and records of the Partnership an officer’s certificate setting forth such adjustment and a brief statement of the facts requiring such adjustment, which certificate shall be conclusive evidence of the correctness of such adjustment absent manifest error. Promptly after filing such certificate, the Partnership shall mail a notice to each LTIP Unitholder setting forth the adjustment to his or her LTIP Units and the effective date of such adjustment; and

(ii) The LTIP Unitholders shall, in respect of each Distribution Payment Date, when, as and if authorized and declared by the General Partner out of assets legally available for that purpose, be entitled to receive distributions (other than distributions of proceeds from a Terminating Capital Transaction or any other cash received or reductions in reserves made after commencement of the liquidation of the Partnership) in an amount per LTIP Unit equal to the distributions per Common Unit (the “Common Unit Distribution”), paid to holders of record on the same record date established by the General Partner with respect to such Distribution Payment Date; provided that prior to the LTIP Unit Distribution Participation Date with respect to an LTIP Unit, such LTIP Unit will only be entitled to receive such distributions in an amount equal to the product of the Common Unit Distribution and the LTIP Unit Initial Regular Sharing Percentage or the LTIP Unit Initial Special Sharing Percentage with respect to such LTIP Unit, as applicable. The term “Newly Issued Unit” as defined in Section 5.1.B shall be deemed to include LTIP Units issued during a Distribution Period and such Section 5.1.B. shall apply in full to LTIP Units. During any Distribution Period, so long as any LTIP Units are outstanding, no distributions (whether in cash or in kind) shall be authorized, declared or paid on Common Units, unless equal distributions have been or contemporaneously are authorized, declared and paid on the LTIP Units for such Distribution Period.

The LTIP Units shall rank *pari passu* with the Common Units as to the payment of regular and special periodic or other distributions and distribution of assets upon liquidation, dissolution or winding up. As to the payment of distributions and as to distribution of assets upon liquidation, dissolution or winding up, any class or series of Partnership Units or Partnership Interests that by its terms specifies that it shall rank junior to, on a parity with, or senior to the Common Units shall also rank junior to, or *pari passu* with, or senior to, as the case may be, the LTIP Units. Subject to the terms of any Vesting Agreement, an LTIP Unitholder shall be entitled to transfer his or her LTIP Units to the same extent, and subject to the same restrictions, as holders of Common Units are entitled to transfer their Common Units pursuant to Article 11.

(iii) LTIP Units shall be subject to the following special provisions:

(A) Vesting Agreements. LTIP Units may, in the sole discretion of the General Partner, be issued subject to vesting, forfeiture and additional restrictions on transfer pursuant to the terms of a Vesting Agreement. The terms of any Vesting Agreement may be modified by the General Partner from time to time in its sole discretion, subject to any restrictions on amendment imposed by the relevant Vesting Agreement or by the Plan, if applicable. LTIP Units that have vested under the terms of a Vesting Agreement are referred to as “Vested LTIP Units”; all other LTIP Units shall be treated as “Unvested Incentive Units.”

(B) Forfeiture. Unless otherwise specified in the Vesting Agreement, upon the occurrence of any event specified in a Vesting Agreement as resulting in either the right of the Partnership or the General Partner to repurchase LTIP Units at a specified purchase price or some other forfeiture of any LTIP Units, then if the Partnership or the General Partner exercises such right to repurchase or forfeiture in accordance with the applicable Vesting Agreement, the relevant LTIP Units shall immediately, and without any further action, be treated as cancelled and no longer outstanding for any purpose. Unless otherwise specified in the Vesting Agreement, no consideration or other payment shall be due with respect to any LTIP Units that have been forfeited, other than any distributions declared with respect to a Partnership Record Date prior to the effective date of the forfeiture.

(C) Allocations. LTIP Unitholders shall be entitled to certain special allocations of gain under Section 6.1.B(iii). For purposes of determining allocations of Net Income and Net Loss pursuant to Section 6.1, to the extent that the LTIP Unit Distribution Participation Date with respect to an LTIP Unit has occurred, such LTIP Unit shall be treated as a Common Unit. Until the LTIP Unit Distribution Participation Date for an LTIP Unit has occurred, each LTIP Unit shall be treated as a fraction of one outstanding Common Unit equal to one Common Unit multiplied by the LTIP Unit Initial Regular Sharing Percentage or the LTIP Unit Initial Special Sharing Percentage with respect to such LTIP Unit, as applicable.

(D) Redemption. The Redemption Right provided to Limited Partners under Section 8.6 shall not apply with respect to LTIP Units unless and until they are converted to Common Units as provided in clause (F) below and Section 8.8.

(E) Legend. Any certificate evidencing an LTIP Unit shall bear an appropriate legend indicating that additional terms, conditions and restrictions on transfer, including without limitation any Vesting Agreement, apply to the LTIP Unit.

(F) Conversion to Common Units. Vested LTIP Units the Book-Up Target of which has been reduced to zero, are eligible to be converted to Common Units under Section 8.8.

(G) Voting. LTIP Units shall have the voting rights provided in Section 8.9.

(H) Safe Harbor Election. To the extent provided for in Regulations, revenue rulings, revenue procedures and/or other IRS guidance issued after the date of the Seventy-Seventh Amendment to the Partnership Agreement, the Partnership is hereby authorized to, and at the direction of the General Partner shall, elect a safe harbor under which the fair market value of any Partnership Interests issued after the effective date of such Regulations (or other guidance) will be treated as equal to the liquidation value of such Partnership Interests (i.e., a value equal to the total amount that would be distributed with respect to such interests if the Partnership sold all of its assets for their fair market value immediately after the issuance of such Partnership Interests, satisfied its liabilities (excluding any non-recourse liabilities to the extent the balance of such liabilities exceed the fair market value of the assets that secure them) and distributed the net proceeds to the Partners under the terms of this Agreement). In the event that the Partnership makes a safe harbor election as described in the preceding sentence, each Partner hereby agrees to comply with all safe harbor requirements with respect to transfers of such Partnership Interests while the safe harbor election remains effective. In addition, upon a forfeiture of any Unvested LTIP Unit by any LTIP Unitholder, gross items of income, gain, loss or deduction shall be allocated to such LTIP Unitholder if and to the extent required by final Regulations promulgated after the effective date of the Seventy-Seventh Amendment to the Partnership Agreement to ensure that allocations made with respect to all unvested Partnership Interests are recognized under Code Section 704(b).”

5. Section 6.1.B(iii) of the Partnership Agreement is hereby amended and restated in its entirety as follows:

“(iii) Notwithstanding the provisions of Section 6.1.A and Section 6.1.B, but subject to the prior allocation of Net Income and gross items of income under clauses (i) and (ii) above, any net capital gains realized in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership, including but not limited to net capital gain realized in connection with an adjustment to the Carrying Value of Partnership assets under Section 704(b) of the Code (“Liquidating Gains”) shall first be allocated to holders of Eligible Units until the Economic Capital Account Balance of each LTIP Unitholder, to the extent attributable to such LTIP Unitholder’s ownership of each Eligible Unit, is equal to the Common Unit Economic Balance. Any such allocations of Liquidating Gain shall be made among the holders of Eligible Units in proportion to the amounts required to be allocated to each under this Section 6.1.B(iii). Liquidating Gain allocated to an LTIP Unitholder under this Section 6.1.B(iii) will be attributed to specific LTIP Units of such LTIP Unitholder for purposes of determining (i) allocations under this Section 6.1.B(iii), (ii) the effect of the forfeiture or conversion of specific LTIP Units on such LTIP Unitholder’s Capital Account and (iii) the ability of such LTIP Unitholder to convert specific LTIP Units into Common Units. Such

Liquidating Gain will only be attributed to Eligible Units and, among such Eligible Units, it will be attributed in the following order: (i) first, to Vested LTIP Units held for more than two years, (ii) second, to Vested LTIP Units held for two years or less, (iii) third, to Unvested Incentive Units that have remaining vesting conditions that only require continued employment or service to the Company, the Partnership or an Affiliate of either for a certain period of time (with such Liquidating Gains being attributed in order of vesting from soonest vesting to latest vesting), and (iv) fourth, to other Unvested Incentive Units (with such Liquidating Gains being attributed in order of issuance from earliest issued to latest issued). Within each category, Liquidating Gain will be allocated seriatim (i.e., entirely to the first unit in a set, then entirely to the next unit in the set, and so on, until a full allocation is made to the last unit in the set) in the order of smallest Book-Up Target to largest Book-Up Target.”

6. Section 6.1 of the Partnership Agreement is hereby amended by adding the following paragraphs following Section 6.1.C., which relates to allocations of Net Losses:

“D. After giving effect to the special allocations set forth in Section 6.1.B(iii) hereof, and notwithstanding the provisions of Sections 6.1.A and 6.1.B, in the event that, due to distributions with respect to Common Units in which the LTIP Units do not participate on an equal basis per unit, the Economic Capital Account Balance of any LTIP Unitholder, to the extent attributable to the LTIP Unitholder’s ownership of any LTIP Unit, exceeds the Common Unit Economic Balance, the amount of such excess shall be re-allocated to such LTIP Unitholder’s remaining LTIP Units to the same extent and in the same manner as would apply in the event of a forfeiture of LTIP Units. To the extent such excess may not be re-allocated, Liquidating Losses shall be allocated to such holder to the extent necessary to reduce or eliminate the disparity; provided, however, that if Liquidating Losses are insufficient to completely eliminate all such disparities, such losses shall be allocated among the LTIP Units in a manner reasonably determined by the General Partner.

E. If an LTIP Unitholder forfeits any LTIP Units to which Liquidating Gain has previously been allocated under Section 6.1.B, the Capital Account associated with such forfeited LTIP Units will be re-allocated to that LTIP Unitholder’s remaining LTIP Units that were Eligible Units with respect to such Liquidating Gain, at the time it was originally allocated, using a methodology similar to that described in Section 6.1.B(iii) above, to the extent necessary to cause such LTIP Unitholder’s Economic Capital Account Balance attributable to each such Eligible Unit to equal the Common Unit Economic Balance. To the extent such Liquidating Gains are not re-allocated in accordance with the foregoing, such Liquidating Gains will be forfeited and the LTIP Unitholder’s Economic Capital Account Balance will be reduced accordingly.”

7. Section 6.1 of the Partnership Agreement is hereby amended by redesignating Sections 6.1.C, relating to Nonrecourse Liabilities, and Section 6.1.D, relating to other allocations of gain, Sections 6.1.F and 6.1.G , respectively.

8. Section 8.8.B of the Partnership Agreement is hereby amended by adding the following sentence to the end thereof:

“Notwithstanding the foregoing, an LTIP Unit cannot be converted until such time as the Book-Up Target of such LTIP Unit has been reduced to zero and, to the extent the Book-Up Target of such LTIP Unit has been reduced to zero, such LTIP Unit may be converted regardless of the Capital Account Limitation (but subject to the other conditions to conversion contained herein).”

9. Section 8.8.E of the Partnership Agreement is hereby amended and restated in its entirety as follows:

“E. For purposes of making future allocations under Section 6.1.B(iii), the portion of the Economic Capital Account Balance of the applicable LTIP Unitholder that is attributable to his or her LTIP Units shall be reduced, as of the date of conversion, by the amount of such Economic Capital Account Balance attributable to the converted LTIP Units.”

10. Except as modified herein, all terms and conditions of the Partnership Agreement shall remain in full force and effect.

*[End of Text]*

IN WITNESS WHEREOF, the General Partner has executed this Amendment as of the date first written above.

BOSTON PROPERTIES, INC. as general partner of Boston  
Properties Limited Partnership

By: /s/ Douglas T. Linde

Name: Douglas T. Linde

Title: President