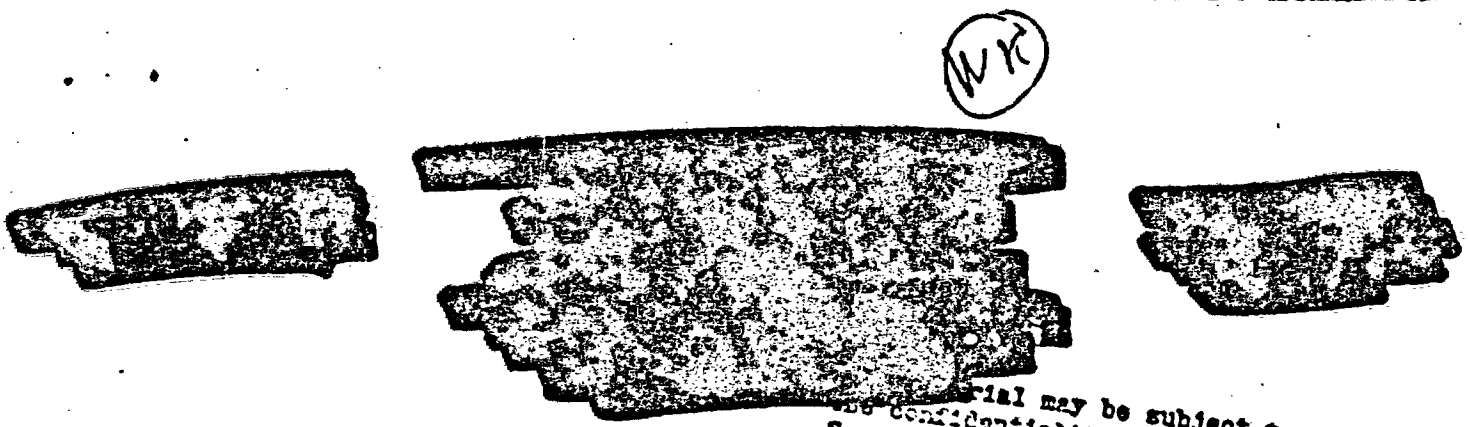

...rial may be subject to the confidentiality provision of Section 7A (h) of the Clayton Act which restricts release under the Freedom of Information Act

September 29, 1986

Mr. Wayne Kaplan
Premerger Notification Office
Bureau of Competition, Room 303
7 Pennsylvania Avenue, N.W.
Federal Trade Commission
Washington, D.C. 20580

RECEIVED
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PRE MERGER
NOTIFICATION
OFFICE

Re: Notification Requirements under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the "Act")

Dear Mr. Kaplan:

This letter is to confirm the advice you gave the undersigned during a telephone conversation recently regarding the Federal Trade Commission's (the "FTC's") position under the Act, and the regulations promulgated by the FTC thereunder (the "Regulations"), with respect to the acquisition of assets by a partnership.

Our client, Corporation A, proposes selling assets consisting of a leasehold interest in certain real property and the improvements located on such real property (collectively, the "Assets") to Partnership X, which was recently organized for the purpose of effecting this transaction. Partnership X has two corporate general partners, Corporation B and Corporation C, each of which was organized for the purpose of effecting this transaction, and each of which has

a different ultimate parent entity, as defined in the Regulations. There exists no regularly prepared balance sheet for Partnership X.

At the closing, Partnership X will pay approximately $55-60 million in cash to acquire the Assets, about $40-$45 million of which will be paid directly to Corporation A, and $15 million of which will be paid to satisfy certain indebtedness of Corporation A under a loan and a ground lease.

In order to pay the purchase price, Partnership X intends to borrow $57 million on a nonrecourse basis from a third-party lender shortly before the closing. In addition, Partnership X will borrow $3 million on a recourse basis from a third-party lender, and such $3 million indebtedness will be secured by a letter of credit issued for the accounts of the respective parent corporations of Corporation B and Corporation C.

Also, under the terms of the agreement between Corporation A, Corporation B and Corporation C, after the closing Corporation B and Corporation C will be required to make contributions of debt or equity to Partnership X of a total of $8 million within two years of the closing, and of a total of $14 million within 3 years of the closing.

Over the telephone, you advised the undersigned that the FTC takes the position that a partnership is its own ultimate parent entity. You further advised the undersigned that the FTC takes the position that, for the purpose of applying the "size-of-the-parties" test under Section 18a(a) of the Act, the total assets of an acquiror are calculated exclusive of the assets to be used to make the acquisition. Therefore, since under these interpretations Partnership X will not have total assets or annual net sales of at least $10 million at the time it acquires the Assets, you advised the undersigned that the acquisition of the Assets by Partnership X from Corporation A is not subject to the notification requirements of the Act.

We also understand that the advice of the Justice Department's Antitrust Division need not be sought regarding the matters described above since it follows the FTC's advice on such matters.

Please know that, in reliance on your advice, the parties to the proposed transaction described above do not intend to file a Notification and Report Form with the FTC or

the Justice Department in connection with the proposed transaction.

The parties would like to consummate the proposed transaction in the near future. Accordingly, if you are unable to concur with any part of the foregoing summary of your telephone conversation with the undersigned, or if you have any questions or further comments, we would appreciate it if you would contact the undersigned not later than October 6, 1986.

Please also file-stamp the enclosed copy of this letter, and return it to me in the enclosed, stamped, self-addressed envelope, to serve as a record of your receipt of this letter. Thank you for your assistance.

Very truly yours,

[redacted]

c.c. [redacted]

OK WEK 10/1/86