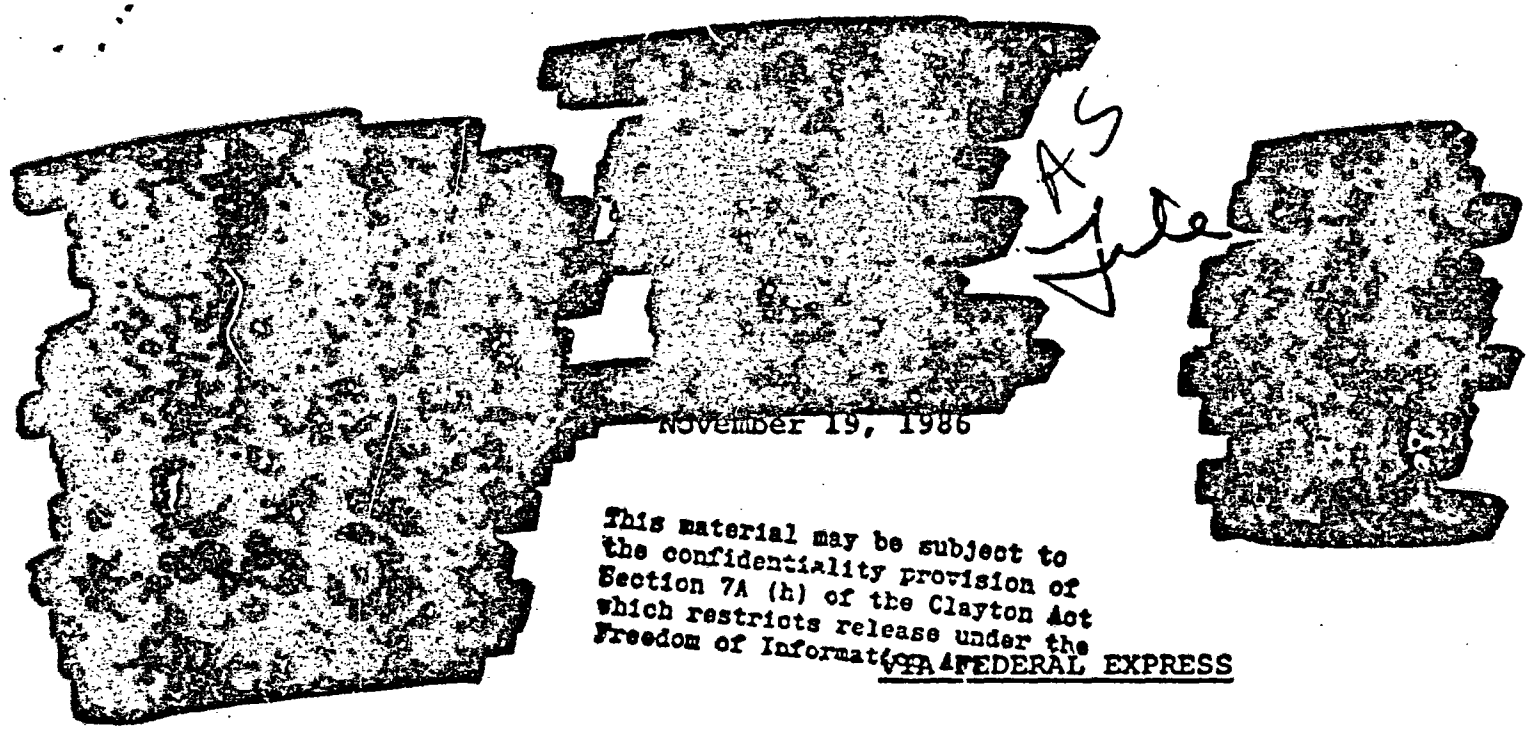

November 19, 1986

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

VIA FEDERAL EXPRESS

Mr. Andrew W. Scanlon
Bureau of Competition
Room 301
Federal Trade Commission
6th Street and Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Applicability of Hart-Scott-Rodino Act to Purchase of Real Property by a Partnership

Dear Mr. Scanlon:

This letter shall confirm our telephone conversation of November 19, 1986 regarding the applicability of the Hart-Scott-Rodino Act (the "Act") to the acquisition of real property by a partnership.

Based on our conversation, it is my understanding that the Federal Trade Commission (the (the "F.T.C.") Staff takes the position with respect to determining the amount of assets of a partnership that a partnership is the "ultimate parent entity" under the Act and the applicable F.T.C. rules and that the Staff will apply this position to a given transaction. Therefore, in determining the "size of the parties" pursuant to the Act with respect to partnerships, you look no further than to the sales and/or assets of the partnership or partnerships in question.

It is my further understanding based on our conversation that the F.T.C. Staff position with respect to the formation of a new partnership is that where such a partner-

ship is formed for the purpose of making the acquisition in question, has conducted no prior activity, no financial statements for the partnership have been prepared, and the assets transferred into the new partnership will be used solely for making the acquisition, there would not be a reportable transaction under the Act because the partnership would have less than the required $10 million in assets under the "size of the parties" test.

Furthermore, it is my understanding based upon our conversation, that with respect to determing the applicable "acquiring" entity under the Act, you look to the entity actually acquiring title to the property in question and not to the contracting party. Thus, if Entity A entered into an agreement to purchase property and subsequently assigned its rights to Entity B who later acquired title to the property, the "acquiring" entity under the Act would be Entity B.

Based upon our understanding as set forth in this letter, we have determined that the premerger notification requirements of the Act are inapplicable to our client's real property acquisition.

Thank you for your time in connection with this matter. We would appreciate if you could confirm by telephone whether this letter accurately sets forth our understanding pursuant to our November 19, 1986 conversation.

Very truly yours,

[redacted]

[redacted]

TC Scanlon
11/21/86