

(AS)  
*Lila*  
[REDACTED]  
[REDACTED]  
[REDACTED]  
May 17, 1985

FEDERAL EXPRESS

Mr. Andrew Scanlan  
Premerger Notification Office  
Bureau of Competition  
Room 301, Federal Trade Commission  
Washington, D.C. 20580

Dear Mr. Scanlan:

This letter will confirm our conversation of May 16, 1985, which also included [REDACTED] and [REDACTED]. As we described to you, [REDACTED]

[REDACTED] which is owned indirectly by an individual, proposes to sell 164 residential condominium units in [REDACTED]

[REDACTED] or one of its affiliates or subsidiaries. For purposes of our conversation, we assumed that the parties meet the size of person test and that the size of transaction test is also met for purposes of the filing requirements under the Hart-Scott-Rodino Act. (The proposed purchase price of the condominium units is [REDACTED] subject to adjustment based on prorations and other adjustments as may be agreed to between the parties.)

[REDACTED] owns two principal assets. It owns the condominium units being sold in the instant transaction, which are currently carried on [REDACTED] books at a value of \$33 million. It also owns approximately seven acres of land, which are currently shown on [REDACTED] books at a value of \$15 million. You should note that the book value figures are not, of course, necessarily indicative of the true value of the properties. [REDACTED] believes itself to be a company whose assets are solely real property and assets incidental to the ownership of real property. [REDACTED] has sold condominium units in [REDACTED] in the past. It has never, however, sold units in bulk before, and this sale, if consummated, will dispose of [REDACTED] remaining interest in [REDACTED]

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

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As [REDACTED] described the facts regarding his client [REDACTED] sometimes through affiliates or subsidiaries, has been developing high-rise office buildings, hotels, and residential condominiums for a number of years and is recognized as a major developer. It has acquired in the last two years a substantial number of residential condominium units in three other projects comparable to the one involved in this transaction. [REDACTED] counsel consider this transaction to be in its ordinary course of business.

As I understand your advice to us, this transaction is an acquisition of realty transferred in the ordinary course of business under § 7A(c)(1) of the Clayton Act and therefore no filing is required under the Hart-Scott-Rodino Act in order to consummate the transaction. We discussed specifically the question of whether the exemption is in any way made not available due to the fact that the \$15 million book value of [REDACTED] remaining assets may not reflect its fair market value so that the sale of 164 Condominium Units at [REDACTED] may constitute the sale of substantially more than half of [REDACTED] current assets. Again, as I understand your advice to us, you believe that the transaction is nevertheless exempt as an acquisition of realty transferred in the ordinary course of business.

We very much appreciate your advising us with respect to this transaction. The parties now contemplate closing on or before May 31, 1985. Therefore, we would appreciate your letting us know as soon as possible if we have in any way misstated the substance of our conversations or of your advice to us.

Very truly yours,  
[REDACTED]

OK  
[Handwritten signature]

[REDACTED]

[REDACTED]

Dana .

Please read and  
indicate if you agree .

Thanks .

Wayne .

5/21/85

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It looks o.k. to me; boy does this  
guy use a lot of words to say what's on  
his mind!

I napped <sup>PA</sup> ~~\_\_\_\_\_~~ on  
5/22/85 that letter is o.k.

Wayne  
Kaplan