

802.1  
801.10

[REDACTED]

[REDACTED]

August 26, 1992

Section 7A (b) of the Clayton Act  
which restricts resale under the  
provisions of Information Act

Aug 27 10 52 AM '92

FEDERAL TRADE  
COMMISSION  
PREMERGER NOTIFICATION

**VIA FEDERAL EXPRESS**

Patrick Sharpe  
Premerger Notification Office  
Bureau of Competition  
Federal Trade Commission  
Sixth Street and Pennsylvania  
Avenue, N.W.  
Washington, D.C. 20580

Dear Mr. Sharpe:

This is to confirm our conversations on August 21 and August 25, in which you concluded that a premerger filing under the Hart-Scott-Rodino Antitrust Improvements Act would not be required under the following facts. (This letter revises my August 25 letter, reflecting your comments on that letter, and correcting certain factual statements).

Three affiliated corporations contained within the same "person", X, A, and B, are selling their assets. All of the assets of X are being sold, some to acquiring person "Y" and some to another acquiring person. (We did not discuss, and are not requesting your views on, the applicability of the Hart-Scott-Rodino Act to the sale of assets of X to the other acquiring person, which person is unrelated to Y.) All of the assets of A and B are being sold to Y.

The assets of A being sold to Y consist of four (4) medical office buildings and land under two (2) other medical office buildings. (A owns the foregoing buildings, but not any of the medical practices in the buildings, which simply lease space from A. As such, these practices are not being sold.) Part of one of these office buildings owned by A is occupied by a health club not owned by A. Part of another one of the buildings owned by A is occupied by a pharmacy not owned by A. Otherwise, the buildings house only offices.

X and B are engaged in businesses involving the sale of services, and their assets are not exempt office buildings or realty. The assets of X and B being sold to Y, together with the portions of A's buildings occupied by the health club and pharmacy, have a value of less than \$15,000,000.

OK

You confirmed that under these facts, those assets of A which consist of medical office buildings and realty (not including the portions of the buildings occupied by the health club or pharmacy) are exempt from filing

[REDACTED]

Patrick Sharpe, Esq.  
August 25, 1992  
Page 2

*X and B and A's commercial  
space.*

pursuant to 15 U.S.C § 7A(c)(1), as realty being sold in the ordinary course of business. Therefore, in making a determination as to whether a filing is necessary as to the entire transaction, the assets of A other than the portions of the building occupied by the health club and pharmacy need not be considered. Since the other assets being sold to Y are valued at less than \$15,000,000, no filing is required.

You explained that this is true because office buildings, including medical office buildings, and associated land are exempt from the Hart-Scott-Rodino requirements, as the sale of real estate in the ordinary course. This exemption applies to the sale of A's assets, except the portions of the buildings occupied by the pharmacy and health club.

Please call me immediately if any of the foregoing is incorrect. If I do not hear from you by Monday, August 31, I will assume that my understanding is correct, and act accordingly.

Sincerely,

[REDACTED]

[REDACTED]  
cc: [REDACTED]  
[REDACTED]

*I concur with  
this letter*

*(js)*

*called [REDACTED] 7-25-92*