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DIRECT DIAL

FILE NO.

[REDACTED]

[REDACTED]

March 16, 1995

**BY FACSIMILE (202) 326-2624**

Mr. Patrick Sharpe  
Compliance Specialist  
Premerger Notification Office  
Federal Trade Commission  
Room 301  
6th Street and Pennsylvania Avenue, N.W.  
Washington, D.C. 20580

RECEIVED  
MARCH 16 1995  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580

Re: Exemption for REIT-Controlled Entities

Dear Mr. Sharpe:

This letter memorializes our telephone conversation and the advice you gave on March 9, 1995.

Our conversation concerned whether the acquisition of a shopping center by a general partnership of which the ultimate parent entity is a real estate investment trust ("REIT") is reportable under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the "Act"). I explained that I represent the owner of a shopping center who is considering selling that shopping center to a general partnership controlled by a REIT. I indicated that the size of the Buyer and Seller and the transaction would normally trigger the premerger notification requirements of the Act. I asked whether the transaction would qualify for the exemption under section 7A(c)(1) of the Act (15 U.S.C. § 18a(c)(1)) as a transfer of realty in the ordinary course of business.

PMN Office  
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In our telephone conversation, you advised me that it has been the policy of the ~~Federal Trade Commission ("FTC")~~ for the past several years that an acquisition of a shopping center by a REIT or an entity, such as a partnership, controlled by a REIT is exempt from the Act's premerger notification requirements under section 7A(c)(1) of the Act (acquisitions of goods or realty transferred in the ordinary course of business). I understand that the staff of the Premerger Notification Office has given this advice to other law firms over the past several years, and that this advice reflects the ~~FTC's~~ current policy on the acquisition of shopping centers by REITs or entities controlled by REITs. Thus, based on this current policy, I have concluded that my client would not be required to file a premerger notification should it sell its shopping center to a general partnership, the ultimate parent of which is a REIT.

PMN Office

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Mr. Patrick Sharpe  
March 16, 1995  
Page 2

If the foregoing does not correctly summarize your advice (or the advice you would give based on the facts set forth in this letter), please call me at your earliest convenience at the telephone number shown above.

A10

Sincerely

[Redacted signature block]

cc:

[Redacted cc list]

called [Redacted] 3-17-95  
to let him know I concur  
with this letter.