



August 7, 1991

Premeger Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, DC 20580

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the confidentiality provision of
Section 5(b) of the Clayton Act
which precludes release under the
Freedom of Information Act*

Aug 12 10 46 AM '91

NOTED

Attention: Mr. Patrick Sharpe
Re: Necessity of filing Hart-Scott-Rodino application for sale
and purchase of [redacted]
located in [redacted]

Dear Mr. Sharpe:

The purpose of this letter is to memorialize our conversations of August 2 and August 6, 1991 wherein you confirmed my interpretation that, under the statutes, rules and regulations promulgated under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("H.S.R."), no filing would be required for a transaction involving the sale of an office/hotel mixed use complex where the hotel component of such a mixed complex is valued below the \$15,000,000 threshold governing asset sale transactions. As I described to you in our conversation, the hotel component of the subject mixed use complex is valued well below said \$15,000,000 threshold amount. Specifics of our transaction are as follows:

The complex consists of an office building, hotel building and parking garage. Our client, [redacted] will purchase the entire complex from [redacted] for a total purchase price of \$23,500,000. Immediately thereafter (or simultaneously therewith), we will sell the office building to an affiliate of [redacted] for \$13,388,000. The record ownership of the parking garage will be in the name of [redacted]

[REDACTED]

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however, both [REDACTED] and [REDACTED] will each have rights in the use of same, [REDACTED] rights arising through an easement agreement to be executed and recorded at the closing of the transaction. [REDACTED] will have a right to use approximately .28% of the parking spaces located in the parking garage.) Thus, the total consideration given for the hotel portion of the complex (including parking rights in the garage) will be approximately \$10,112,000.

As I stated to you in our conversations, I believed the foregoing facts firmly establish a valuation for the hotel far below the \$15,000,000 threshold amount. In our conversations, you confirmed my interpretation, stating that under the existing statutes, rules and regulations governing H.S.R., no filing would be necessary where the hotel component of a mixed use complex was valued at below said \$15,000,000 threshold amount. You confirmed that an immediate resale of the non-hotel portion to a bona fide purchaser would provide firm evidence of the valuation of the remaining (hotel) portion of the complex.

In the event you have any questions or comments in relation to any of the foregoing, please call me at [REDACTED]. Thanks again for taking the time to talk with me on this matter.

Very truly yours,

[REDACTED]

I concur
(PS)
called [REDACTED]
8-12-91