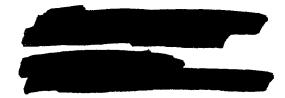
September 5, 1991

VIA FACSIMILE (202) 326-2050 AND DHL WORLDWIDE EXPRESS

Mr. Hy David Rubenstein
Pre-Merger Notification Office
H 303
Federal Trade Commission
Washington, D.C. 20580

RE: Internal Transfer of Partnership Interest



Dear Mr. Rubenstein:

The purpose of this letter is to present you with sufficient information regarding the transaction referenced above in order that the Federal Trade Commission ("FTC") can make a determination on whether the parties involved in such transaction must file a Pre-Merger Notification under the Hart-Scott-Rodino Anti-Trust Improvements Act of 1976, as amended, and the regulations promulgated thereunder (the "Act").

## BACKGROUND

On June 28, 1990, the ownership of a regional shopping center located in was transferred from T to The two Partners of ) and each owning a 50% interest lis a limited partnership composed of owning a 74% limited partnership interest, a wholly owned subsidiary corporation of and the owning a 1%

🚁 in the second of the second

GK:672.1

egeneral grand

Mr. Rubenstein September 5, 1991 Page 2

interest and a common owning the remaining 25% interest.

The aforementioned transaction was structured in the following manner. Initially, and distributed 25% of the assets of to in exchange for 50% partnership interest in The Partnership Agreement of was then amended to increase partnership interest in From 50% to 66.6% with interest decreasing to 33.4% (the "Distribution Transaction"). Immediately following the distribution to conveyed its remaining 75% interest in the to for a cash payment in excess of \$100,000.000.00 (the "Principal Transaction"). These funds represented capital contribution to then contributed its undivided 25% interest in the

In anticipation of the June 1990 conveyances, the parties contacted the FTC and were instructed that the Distribution Transaction and the Principal Transaction would in fact trigger the requirement that the parties file Pre-Merger Notifications pursuant to the Act. It was determined that was the ultimate parent entity for for for

In connection with the Distribution Transaction, Pre-Merger Notification reports as an acquiring person and with as acquired persons. In connection with the Principal Transaction, filed Pre-Merger Notifications as an acquired entity and as an acquiring entity. entity and early termination of the waiting period for the Principal Transaction under transaction identification numbers and and received an early termination of the waiting Distribution Transaction under transaction period in the identification number Therefore, the FTC reviewed and approved the transfer of 75% of the to was and remains under the control of by virtue of control over 75% interest in

## ACQUISITION OF REMAINING 25% INTEREST

Currently, has offered to sell and has agreed to purchase remaining 25% interest in the Acquisition Transaction"). The remains the ultimate parent entity for and for

Mr. Rubenstein September 5, 1991 Page 3

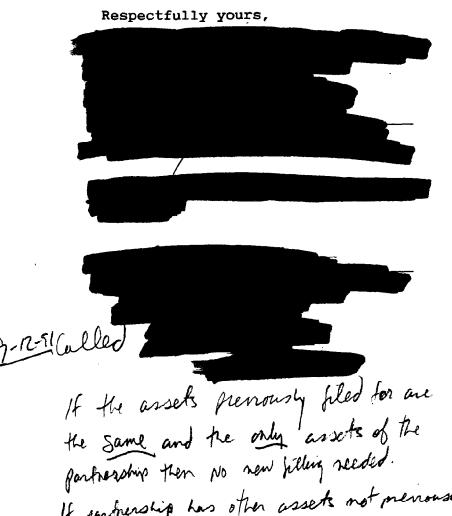
We understand that in transactions involving the transfer or acquisition of an interest or interests in an existing partnership, the Pre-Merger Office takes the position that acquisition of partnership interests is not the acquisition of securities or of assets and is not reportable, except that an acquisition that results in the acquiring person holding one hundred percent of the partnership interests is deemed to be an acquisition of the assets of the partnership.

We think that the Acquisition Transaction should not require reporting. We assume that the rationale for the interpretation that acquisition of one hundred percent of the partnership interests is an asset acquisition is that otherwise no report would occur. However, in this case the FTC has been fully apprised of the facts and should not extend its interpretation to require a second report. To require and and file Pre-Merger Notifications reports would accomplish nothing in furthering the purposes of the Act or the policies of the FTC. The FTC through its May and June 1990 review and approval of the Distribution and Transaction has previously acquiesced to Principal acquisition of a controlling 75% interest in \_\_by virtue of a transfer of the ownership to and control over 75% of

In the Acquisition Transaction, a partnership in which it is already the ultimate parent entity. The Acquisition Transaction does not represent a transaction where the FTC previously did not have an opportunity to review and approve the transactions which initially gave the acquiring entity an interest in the existing partnership. In fact, by review of the Distribution and Principal Transaction the FTC had the opportunity to review and approve the transaction which conveyed a controlling interest in the partnership and in turn the partnership's sole asset,

Mr. Rubenstein September 5, 1991 Page 4

confirm that the Acquisition Transaction is exempt from the Pre-Merger Notification requirements of the Act.



If partnership has other assets not menously filed for them a new foling is needed.