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FEDERAL TRADE
COMMISSION
PREMERGER NOTIFICATION
OFFICE

October 28, 1992

Mr. Patrick Sharp
Federal Trade Commission
Premerger Notification Office
Sixth Street and Pennsylvania Ave. N.W.
Washington, D.C. 20580

Re: Federal Trade Commission Interpretation:
Partnership Rollups

Dear Mr. Sharp:

Earlier this month you advised that the Federal Trade Commission had determined that a Hart-Scott-Rodino filing is not required with respect to a partnership rollup. I am writing to confirm this interpretation with regard to the following transaction:

*wrong!
the Premerger
Office*

Seventeen limited partnerships and a related property management corporation intend to consolidate into a single corporate entity, which, as a result of the consolidation, will have over \$100 million in total assets. While each of these entities is related, they are not controlled by any other entity pursuant to 16 C.F.R. § 801.1(b). Thirteen of the limited partnerships are \$10 million entities; none are \$100 million entities. The property management company does not meet the size of parties test.

As a result of the transaction, the limited and general partners of the participating partnerships will receive voting securities and/or long-term notes of the new corporate entity. Based upon our understanding of the FTC interpretation regarding partnership rollups, this transaction will not be subject to the Hart-Scott-Rodino Act and none of the participating partnerships, the new corporation nor any of the partners or shareholders receiving stock will be required to file.

If this is inaccurate, or you require additional facts to

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determine the accuracy of this interpretation, please do not
hesitate to contact me at [REDACTED]

Very truly yours,
[REDACTED]

wrong - the formation of a comparison
is potentially reportable under Section 801.40
in spite of the language (except consolidations or mergers)
Talked to [REDACTED] 11-6-92

Patrick
Sharp

(PMN staff
concur)
(SS) (RS) (VC) (TH)