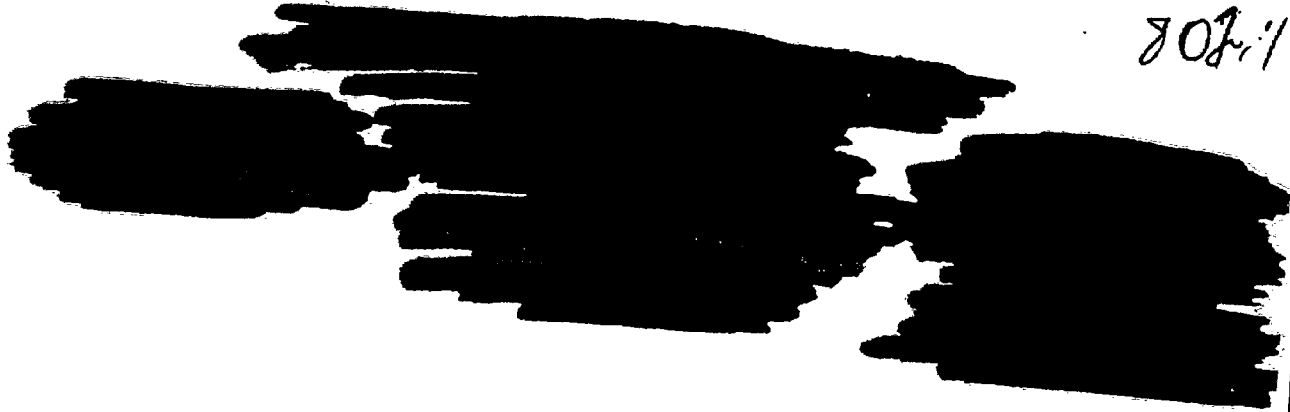


802/1



December 31, 1987
this confidentiality provision of
Section 7A (b) of the Clayton Act
which restricts release under the
Freedom of Information Act

VIA FEDERAL EXPRESS

Mr. Patrick Sharp
Federal Trade Commission
Pennsylvania Avenue at Sixth Street, NW
Washington, D.C. 20580

Dear Sir:

We are writing on behalf of our client, [redacted],
affiliate of [redacted] a Nebraska corporation, an
the [redacted] acquiring from
California partnership consisting of [redacted] a
a Delaware corporation which is an affiliate of [redacted]
California partnership, certain real property (the "Property")
for the sum of Fifty Seven Million Dollars (\$57,000,000).

The Property consists of approximately 395 acres of
land located on contiguous parcels in San Diego
California, as follows:

...ements, such as streets.
of the five buildings, one is located five
...ings, together valued at
and One-Half Million Dollars

Mr. Patrick Sharp
December 31, 1987
Page 2

approximately Two and One-Half Million Dollars (\$2,500,000) suitable

~~CURRENTLY LEASED OUT. ARE THE ONLY INCOME GENERATING PROPERTY~~

percentage of the total development.

~~is engaged in the business of acquiring unde-~~
developed or partly developed land for development, developing such
land and selling the land and its improvements upon completion of
development. ~~is engaged in the busi-~~

property being transferred, and other assets incidental to the
ownership of the Property, are the sole assets of

Under Section 7A of the Clayton Act, certain acquisi-
tions of assets or securities must be preceded by notification
from both parties to the Federal Trade Commission. Section
7A(c)(1) exempts acquisitions of goods or realty transferred to

~~Section 7A(c)(1) exempts acquisitions of goods or realty transferred to~~

~~business~~

~~developed land from which no income stream has been derived and~~

Section 7A(c)(1).

Accordingly, in the case of we believe that the
transfer of 210 acres of raw, undeveloped land, and the transfer
of 185 acres of land developed with site improvements, including
one office building, but excluding those parcels on which four
industrial buildings are located, as described above, are exempt

The transfer of any remaining Non-Exempt Realty is

Mr. Patrick Sharp
December 31, 1987

Realty exceeds the limits set forth in Section 7A of the Clayton Act.

exempt from the requirements of the Section 7A if as a result of the acquisition the acquiring person would not hold assets of the acquired person valued at more than \$15 million. It is our understanding that only Non-Exempt Realty is being transferred. Whether acquired assets exceed a value of more than \$15 million.

Four industrial buildings constitute the only Non-Exempt Realty being transferred. The transfer of these four industrial buildings involves consideration of approximately \$2,500,000, and is therefore well below the \$15 million reporting

7A.

On behalf of [REDACTED] we request that you confirm our understanding that the entire transaction described herein is not subject to the notification requirements of Section 7A of the Clayton Act.

Please feel free to contact me if you require any additional information.

[REDACTED]

[REDACTED]

called [REDACTED]

1-9-58

Office buildings should be carved out of the value of real estate for purpose of size of transaction (except 302)

Carved out as well. (except 302)
As to the 185 acre parcel (minus the office building) you must make a determination here. Where the land is an integral part of the operation of the business, then it must be included as a part of the business. There may not be a clear way ^{they may not} or be able to draw a clear line to separate the industrial park from the rest of the land and thus the whole 185 acre parcel must be included in the size of transaction
W.K. had input into this analysis.

R.L. v