

ATK

Rule 802.1 (Turnkey Facility)

[REDACTED]

[REDACTED]

[REDACTED]

July 13, 1989

RECEIVED  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20540  
JUL 14 1989

JUL 14 1989

Federal Trade Commission

Dear Mr. Kaplan:

Pursuant to our telephone conversation on June 26, 1989, I

filing pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976 is not required in connection with the transaction described herein.

Our client (referred to herein as "Seller") is the owner of a hotel property presently under construction (the "Property"). Pursuant to an Agreement of Purchase and Sale between the parties (the "Agreement"), Seller has contracted to sell the Property to an unrelated third party (referred to herein as "Buyer"), upon completion of construction. The purchase price to be paid for the Property is approximately \$22,200,000.00.

Continuation of the Notice

investment company (referred to herein as the "Equity Company"), which primarily makes real estate investments and is 100% owned by a finance company engaged, as part of its business, in making real estate acquisition and development loans. For purposes of this request, please assume that the Equity Company's total assets or annual net sales are in excess of \$100 million. The Equity Company is entitled to receive 50% of the distributions of Seller. The sole general partner of Seller is a general

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partnership, which is owned [70%/30%] by two individuals. The general partnership also is entitled to 50% of the distributions of Seller. The general partnership's sole asset is its ownership interest in Seller. However, the two individual general partners of the general partnership have investments in a number of other

Buyer is a corporation. For purposes of this request, please assume that Buyer has total assets or annual net sales in excess of \$10 million.

B. The Transaction

Seller purchased the land upon which the hotel is being built. The Agreement provides, and the parties contemplate, that Seller will not open or operate the hotel. Closing under the Agreement is scheduled to occur upon completion of construction of the hotel. The parties contemplate that Seller would prepare the hotel for opening, and Buyer would open the hotel almost immediately after closing. However, if closing is delayed beyond the date

Buyer.

On the basis of these facts, we believe that the exemption set forth in 15 USC section 18A(c)(1) for "acquisitions of goods or realty in the ordinary course of business" applies to the sale

understanding of the facts based upon our earlier telephone conversation. I would appreciate if you would let me know as soon

Based upon our telephone conversation, and the facts as described above, it is our understanding that a pre-merger filing is not required. If we are not correct in this understanding, or

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if you have any questions or need any additional information,  
please do not hesitate to contact John A. Stemmler in this  
office, or me.

Very truly yours,

cc: [REDACTED]

[REDACTED] advised that hotel  
approval to be a "tamper"  
faulty and, as such, would not be  
reputable. If seller agrees on  
only a few weeks or so, would not  
seem to lose status as "tamper"  
[REDACTED]

Investigate under [REDACTED] [REDACTED]