802.1

September 20, 1990

Federal Trade Commission
7 Pennsylvania Avenue, N.W.
Room 301
Washington, D.C. 20580

    Attention: Marian Burno, Esq.

Gentlemen:

us in our telephone conversation today regarding the Federal

    As discussed, a client of this firm is the personal

an individual who does not have assets in excess of $100,000,000.
The purchase price is $17,000,000 cash. A very small portion of
the land has been leased to an individual who conducts tours for

The question we raised with you was whether the Federal

    You advised us that the transactions as described above
would fall under the raw land exemption under Section 802.1 of
the Federal Trade Commission's Rules. Your advice was based upon
the 40 acres being non-income producing property. We understand
that if the property is partially income producing, so long as
less than $15 million of the purchase price could be reasonably
and properly allocated to the income producing portion of the
property, the transaction would not meet the Federal Trade

Commission's size of the transaction test and, therefore, would

similar development. It is our understanding that the eventual development of the property in this fashion would not vitiate the raw land exemption since the Federal Trade Commission's position

transaction, i.e., is it non-income producing.

We understand that the advice of the Justice Department's Antitrust Division need not be sought regarding the matters described above since it follows the Federal Trade Commission's advice on such matters.

The parties would like to consummate the above-mentioned transaction in the very near future. Therefore, if you

proposed transaction, we would appreciate it if you would contact us by September 27, 1990.

Thank you for your assistance.

Very truly yours,

bcc:

7-24-90 - Called him back. Clarified that since the size-of-person test isn't met, there is no need to go to the exemption under 802.1 for realty. It is really a 2 step process - 1) do you have to file, under the premise rule 2) is there an exemption