

[REDACTED]

[REDACTED]

[REDACTED]

September 27, 1990

VIA FAX

Mr. Thomas Hancock
Federal Trade Commission
~~Premergency Notification Office~~
Bureau of Competition
Room 301
Washington, D.C. 20580

Dear Mr. Hancock:

As you requested, I am writing to describe the transaction that we discussed by telephone on September 25.

Under the proposed transaction, two [REDACTED] companies will buy five parcels of U.S. real estate as tenants in common, with the [REDACTED] companies paying \$10 million each for their respective interests in the five properties. The properties will be bought from a single seller. The properties in question consist primarily of [REDACTED] that are leased to [REDACTED] although half of one building is used for office space.

After the closing, the two [REDACTED] companies intend to sell their interests in the parcels to a [REDACTED] partnership. The [REDACTED] partnership would be newly formed for the purpose of buying these properties. Interests in the partnership would be held by a large number of [REDACTED] investors.

My own analysis suggests that this transaction should be nonreportable.

15711 JJ
This material may be subject to the confidentiality provision of Section 7A (b) of the Clayton Act which restricts release under the Freedom of Information Act.

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To start with, if one looks at the specific structure of the transaction, it consists of two steps: the initial acquisitions of tenancy-in-common interests by the two

half interest as tenant in common) is \$10 million. Thus, as to this step in the transaction, the "size-of-transaction" test is not met, and this step of the transaction would be nonreportable for this reason.

As to the second step (sale of the interests in the

would be its own "ultimate parent entity" and would not meet the "size-of-person" test.

In sum, on these specific facts, I conclude that

I very much appreciate your advice and assistance.

10/1/90
10/1/90
Told [redacted] that the first [redacted] (but not the second) had made an analysis & concluded that the second [redacted] and assuming the first stated the conclusion is correct
TFH
TFH