

A ... CI Information Act

Attn: Richard B. Smith, Esquire

Senior Staff Attorney

Re: Exemption from premerger notification requirements under Hart-Scott-Rodino Antitrust Improvements Act of 1976, Pub.L. 94-435, 15 U.S.C. Sec. 18A (the "Act") and the regulations promulgated pursuant to 15 U.S.C. 18A(d) of the Act (the "Regulations")

Dear Mr. Smith:

As we discussed over the telephone, this firm represents a company which proposes to purchase a tract of property and

The nurnes of this letter in to masize whether and on the

event pursuant to 15 U.S.C. 18A(a)(3)(B), 15 U.S.C. 18A(c)(1) and Regulation \$801.15.

The purchaser will be an entity formed specifically for the purpose of purchasing the Property. It is expected that the "person" (as defined by the Regulations) within which the purchaser exists (hereinafter referred to as the "Purchasing

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Person") will be a "foreign person" (as defined by the Regulations). The Purchasing Person has a vast array of businesses and activities around the world, including, without undeveloped real estate. The proposed transaction would be similar to many transactions which have already been consummated and which are expected to be consummated in the future by the Purchasing Person.

The seller is a corporation which holds the Property as its primary aget. The "nerson" (as defined by the Regulations)

"Selling Person") is a "foreign person" (as defined in the Regulations). Like the Purchasing Person, the Selling Person has a vast array of businesses and activities. The Selling Person and investment and that the Property is only one of numerous real active investments and developments in its real activities.

The Property is a Planned Unit Development currently consisting of approximately six thousand seven hundred acres of Such improvements include a golf course, a clubhouse, an eighteen-unit lodge, four (4) single family and four (4) multifamily homes which were constructed by the seller on a seller on a

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cetera), in accordance with its original plan.

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With respect to the golf course, clubhouse, related amenities and that portion of the roads which service the foregoing improvements (collectively, the "Club Facilities"), the

Less than \$15 million of the purchase price for the Property will be allocated to the Club Facilities and the eighteen-unit lodge. Such allocation is based on: (i) the value of the two

(ii) the cost to build the guest lodge of \$2,160,000.00. Please note that the Purchasing Person and Selling Person believe that the figures set forth above are equal to or greater than the actual fair market value (as defined in the Regulations) of the assets described.

As you know, 15 U.S.C. 18A(a) requires each of the persons involved in the acquisition of assets to file a notice and observe a waiting period if three conditions are met. Both the Purchasing Person and the Selling Person affect commerce (as defined by the Regulations) and have assets (as defined in the Regulations) of well over \$100 million. Therefore, the first two

Regulation \$801.15, the third condition of 15 U.S.C. 18A(a) is not met by the proposed transaction and, therefore, the proposed transaction is not subject to the notice requirements of 15 U.S.C. 18A(a).

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As you know, the third condition found in 15 U.S.C. 18A(a) is that, as a result of the acquisition, the acquiring person

INA(C)(1) are not included. IS U.S.C. INA(C)(1) provides an

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accordance with Section 553 of Title 5, has the authority to define the terms used in the Act. You stated that the Federal Trade Commission defines "realty" as "non-income producing

"realty" for the same reason. The remaining property (i.e., the anulty memberships, the quest lodge and the related roads) is not

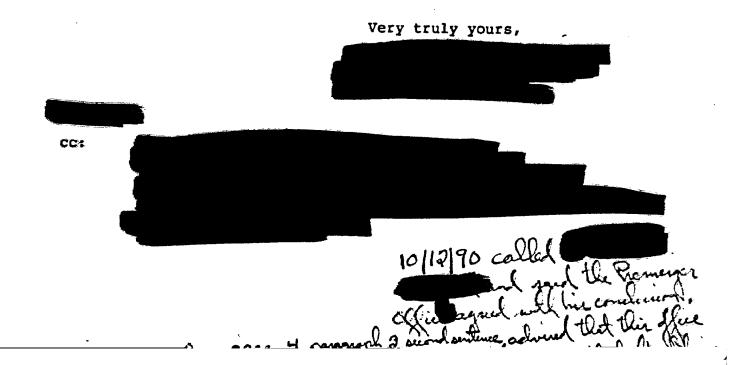
With regard to whether the transfer is being made in the ordinary course of business, it is our contention that the Selling Person, which has numerous real estate investments, developments and holdings throughout the world, is selling the formation of business. Slabourh the

developing or holding real estate by virtue of the proposed transaction and is only selling a portion of its "inventory" of real estate. Further, the Purchasing Person is also an investor, developer and holder of numerous investments in real estate and, therefore, the purchase of the Property by the Purchasing Person will be another addition to its "inventory" of real estate.

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In conclusion, based on the foregoing we content

toregoing or require any additional information relevant to the proposed transaction, please let me know.



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