

SENT BY:

30211  
§ 302.1 (C)  
Hold (Beneficial  
ownership)  
Leases

[REDACTED]

December 19, 1990

Case #: 76197  
# of Pages: 1

VIA FACSIMILE (202) 326-2050

Mr. Patrick Sharpe  
Federal Trade Commission

Bureau of Competition  
Room 303  
6th Street and Pennsylvania Avenue  
Washington, D.C. 20500

N. Watkinson  
Cons.  
74 (b) 1

Re: Leasehold and Fee Purchase

leasehold interest in real property and the leased fee interest ("reversionary interest") in that same real property. When a leasehold interest in real property is purchased for a premium and the reversionary interest in that property is also purchased simultaneously, the leasehold portion of the acquisition is not reportable, but the fee purchase may be reportable if the filing threshold requirements are met. This is true even though the leasehold property may contain revenue generating operations such as a golf course. The rationale for this position is that because the buyer will be acquiring title to the property, the buyer will

reportable  
when a Prop. acquires an income producing property from

Very truly yours,

[REDACTED]

are met).  
Simultaneously acquiring a lease on the property is merely cancelling the lease - not reportable.

cc: