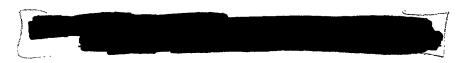
102. 1. Where property is no longer rented + the building must be devidently it acquiring now land + except winder 803. It rd person such as a zonen board April 3, 1991

Victor Cohen, Esquire Staff Attorney

Premerger Notification Office

6th Street and Pennsylvania Avenue allormation act Washington, D.C. 20580



Dear Victor:

This letter confirms our discussion this morning regarding the informal interpretation of Section 802.1 of the Commission's Rules implementing Section 7A(c)(1) of the Hart-Scott-Rodino Act (the "Act"). Section 7A(c)(1) of the Act

realty transferred in the ordinary course of business. This letter confirms our mutual view that the proposed acquisition of certain real property

As you recall, the subject transaction involves the anninition of the blocks of property in

on February 4, 1991.

comes within this exception.

On August 17, 1989, entered into an option agreement and, on October 12, 1990, entered into a first amendment to the option agreement ("the Option Agreement") pursuant to which was given the right to acquire, pursuant to a tax free exchange under Internal Revenue Code Section 1031, a fee interest in a portion of the Property, including certain street widening parcels (the "Fee

Victor Cohen, Esq. Page Two April 3, 1991

Parcels") as well as a leasehold interest in the remaining portion of the Property (the "Leasehold Parcels"). On October 12, 1990, the exercised its rights under the Option Agreement and have agreed to close the transaction on July 1, 1991 (the "Closing Date"). Because the Property is currently subdivided into many parcels, on the Closing Date, the Property and will be

convey their respective interests in the Fee Parcels to and will convey, to each of the various Haseko's fee interest in a portion of In addition, will convey additional property (the "Exchange Property") to the As of the date of this letter, the Exchange Property has not yet been identified. Finally, will convey the street widening portions of the Yea-Parcelants the City and County of the Parcelants the City and County of the City of

Presently, the Property supports a variety of

Option Agreement, is required to demolish all existing improvements and to complete a new development which will include, at the minimum, a residential condominium, a commercial office building and a retail shopping center. All tenants currently occupying the Property have been notified

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redevelopment of the Property.

business and does not raise any substantive antitrust concerns. Our conclusion was based on the consistent application of the Section 802.1 exemption by the FTC staff to acquisitions of raw land and partially developed income-producing property, such as retail shopping centers, which are not generating an income stream at the time they are

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land, or at most, a partially developed shopping center. Thus, since the Property will not be generating an income stream at

Thank you for taking the time to discuss the applicability of the Section 802.1 exemption to this transaction. If this letter misstates our discussion or the FTC Staff's application of the exemption, please call me as

Once again, thank you for your neip and guidance with this matter.

Very truly yours,

