

[REDACTED]

[REDACTED]

That this was
NOT an
exempt transactio

November 19, 1991

VIA FACSIMILE

William J. Schechter
Federal Trade Commission
Room 311
Sixth and Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Dear Mr. Schechter:

This letter provides further information concerning our telephone conversation of Monday, November 18, 1991, in which I requested your advice as to whether the transaction described below is subject to the reporting and waiting period requirements of the Hart-Scott-Rodino Antitrust Improvements Act (the "Act").

The transaction satisfies the size-of-buyers and size-of-transaction tests established in the Act. I would like confirmation that the proposed transaction is nevertheless exempt from the requirements of the Act pursuant to section 7A(c)(1) because it is essentially an acquisition of unimproved realty.

Company A (the "Buyer") is a \$100 million person. Company B (the "Seller") is a \$10 million person. Buyer plans to acquire from Seller an option to purchase land for approximately \$25 million. An approximately 250 room hotel is located on the land. The hotel is currently in operation, but under the terms of the option agreement and related contract of sale, the hotel will no

demolished and the land will be utilized by the Buyer as a paid parking lot. Buyer has no intention of operating the hotel.

This transaction is exempt pursuant to section 7A(c)(1) of the Act as an acquisition of unimproved realty. At the time the

the hotel to the Buyer is that it will have to be demolished. The property therefore clearly should be treated as unimproved realty for purposes of the section 7A(c)(1) exemption.

[REDACTED]
William Schechter
November 19, 1991
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The parties to this transaction require an answer as soon as possible. Please call me to discuss whether you agree with our

waiting period requirements of the Act. If you have any questions prior to your determination, please do not hesitate to call.

Very truly yours,

[REDACTED]

[REDACTED]

WS called [REDACTED] and told that this transaction was not exempt. NT. discussed with HL 11/19/91

and my concern