

Richard B. Smith, Esquire
Premerger Notification Office
Federal Trade Commission
6th Street and Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Informal Policy of the Premerger Notification Office with Respect to the Acquisition of a REIT by a REIT

Dear Dick:

I am writing to confirm my understanding of the informal policy of the

Premerger Notification Office that the acquisition of a REIT by a REIT is not a

California. Company A has one class of voting common stock outstanding. Company B also is a REIT, organized as a corporation under the laws of California. Company B has one class of voting common stock, two classes of preferred stock, and one class of convertible preferred stock outstanding. Each of Company A and

with and into Company B, with Company B surviving. The outstanding shares of Company A common stock will be converted into cash and/or shares of Company B common stock at the election of each Company A shareholder. However, no more

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than 50% of the Company A common stock will be converted into cash. The

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me, I will assume that you agree with this conclusion.

Thank you for your help and attention to this matter.

Very truly yours,

3/11/94 - advised writer that a REIT's purchase of the arete or voling stock of another REIT is exempt under A(c)(1), However, the acquisition of the voling stock of 1 Proma A Die its merger unto repolate as a voling stock

