03-28-95 08:27AM [redacted]

7-4(c)(1) REIT

[redacted]

March 28, 1995

BY FACSIMILE TRANSMISSION

Richard B. Smith, Esq.
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
Sixth and Pennsylvania Avenue, N.W.
Room 322
Washington, D.C. 20530

Re: Request for Informal Interpretation
Relating to Merger of REITs

Dear Dick:

We are seeking your concurrence in our conclusion

Rodino Antitrust Improvements Act of 1976 (the "HSR Act") under 15 U.S.C. § 18a(c)(1) as an acquisition of

The Transaction and the Parties

The transaction in question essentially the merger of two existing real estate investment trusts ("REITs").

REIT A is a publicly traded entity that presently is qualified as a REIT under the applicable Internal [redacted] promulgated thereunder. REIT A is a self directed, self managed REIT. It is the sole ultimate parent entity ("UPE") of an Operating Limited Partnership through which it engages in the development, management, operation, and leasing of manufacturers' outlet shopping centers. Units of the Operating Limited Partnership are exchangeable on a one to one basis for shares of capital stock of REIT A.

[redacted]

Richard B. Smith, Esq.
March 28, 1995

REIT B is a publicly traded entity that presently [redacted] promulgated thereunder. REIT B also is a self directed, self managed REIT. It is the sole UPE of an Operating Limited Partnership through which it engages in the development, management, operation, and leasing of manufacturers' outlet shopping centers. Units of the Operating Limited Partnership are exchangeable on a one [redacted]

REIT A will be merged into REIT B with REIT B continuing to exist as the surviving entity. Shareholders of REIT A will receive shares of REIT B as a [redacted] the Operating Limited Partnership B will be consolidated into a new Operating Limited Partnership. REIT B will be the UPE of the new Operating Limited Partnership after the transaction is completed.

Analysis

We have analyzed prior interpretations of the Premerger Notification Office ("PNO") and, based on those interpretations have concluded that the transaction described above should be exempt from the notification and waiting period requirements of the HSR Act under 15 U.S.C. § 18a(c)(1). In response to a letter dated December 20, 1990 the PNO concluded that [redacted]

REIT also was covered by the ordinary course exemption. In response to a letter dated April 8, 1993 the PNO concluded that these prior interpretations applied not only to raw land but also to income producing properties.

Based on the prior interpretations of the PNO it [redacted] Limited Partnerships, should be exempt from the prior notification and waiting period requirements of the HSR Act pursuant to the ordinary course exemption. The

[redacted]

We recognize that the acquisition of shares of REIT B by current holders of REIT A potentially is reportable but we do not believe that any single shareholder of REIT A will receive voting securities of REIT B valued at more than $15 million.

I would appreciate it if you could let me know at your earliest convenience whether or not you concur in this analysis. Our client is proceeding with the transaction described above and would like to confirm that there is no need file under the HSR Act. Thank you for taking the time to consider this issue.

Best regards.

[redacted]

3/28/95 - Called writer and advised that since REIT was acquiring person (and owner) for both merged REIT and its controlled partnership, the 7A(c)(1) exemption would apply and no HSR report would need to be made.

RBSmith