

802.2(d)
802.2(h)

July 10, 1996

~~Mr. Daniel Sharpe~~
Premerger Notification Office
Bureau of Competition, Rm 303
Federal Trade Commission
~~6th Street and Pennsylvania Avenue, N.W.~~
Washington, D.C. 20580

~~Re: Hart-Scott-Rodino Exemption for Residential Property~~

Dear Mr. Sharpe:

This is to confirm our telephone conversation on July 2, 1996 concerning the exemption to the Hart-Scott-Rodino Premerger Notification requirements for residential property

- (1) The new exemption for "residential property", 16 C.F.R. § 802.2(d), clearly covers sales of apartment buildings in which the Seller rents out apartment units to unrelated third parties.

~~(2) Such property is at least the equivalent with~~

purposes other than residential and such purposes are not covered by any other exemption (e.g., retail, industrial or warehousing), the ^{wrong} portion of the property that is used for such other purposes must be separately valued to determine if the threshold requirements for Hart-Scott-Rodino Premerger Notification are met.

→ retail rental space and warehouses may be exempt under Section 802.2(h) except when it is an acquisition of a business on the property. ✓

Mr. Patrick Sharpe
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If our understanding is not correct, please either write us at the above address, fax us at [REDACTED] or call us at [REDACTED] to clarify the matter. Thank you very much for your kind attention.

Very truly yours,

[REDACTED]

cc: [REDACTED]

called [REDACTED] 7/15/96
noted exception
otherwise concu
(PS)