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Letter:	Westminster Co.
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SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549

SEP 21 1976

Act	33
Section	3(a)(11)
File	146
Public Availability	10-21-76

J. Roderick Heller III, Esquire
 Wilmer, Cutler, & Pickering
 1666 K Street, N.W.
 Washington, D.C. 20006

Re: Westminster Company

Dear Mr. Heller:

This is in response to your letter of August 20, 1976 concerning the proposed offer and sale of limited partnership interests in several limited partnerships organized by your client, Westminster Company ("Westminster"), without compliance with the registration requirements of the Securities Act of 1933 (the "Act"). You state that the partnership interests will be sold in reliance upon the exemption from registration provided by Section 4(2) of the Act through compliance with Rule 146 thereunder, and you seek the Division's concurrence with your view that the sales by the various limited partnerships would not be integrated so as to necessitate registration.

You indicate that Westminster, a North Carolina corporation engaged in the construction business, proposes to organize and serve as a general partner to a number of limited partnerships which will develop, own and operate government assisted projects located in North and South Carolina. In most, if not all, of the limited partnerships, Mr. John Egan, Jr. ("Egan"), who as an individual and through wholly-owned corporations is engaged in the building management business, will also serve as a general partner. Although timing of the partnership formations is dependent upon financing and construction arrangements for each project, it is anticipated that most, if not all, of the offerings will be made within the next 12 months.

Westminster and Egan have financed two other government-assisted housing projects through the offering of limited partnership interests. The sales of partnership interests in one of the projects were made in reliance upon the intra-state exemption from registration provided under Section 3(a)(11) of the Act. The other project is being financed through the offering of partnership units sold pursuant to Rule 146 of the Act.

At the present time, Westminster and Eagan are organizing a limited partnership to be called Woodbridge Ltd. ("Woodbridge"), the development and financing of which should be similar to that of the other proposed partnerships. Woodbridge proposes to build, own and operate a 100-unit rental apartment housing project on a leased site in Burlington, North Carolina. The partnership would raise capital through the sale of ten limited partnership units, with a minimum investment amount of \$25,000 per investor, pursuant to Rule 146. Westminster, as general contractor, will construct the project and arrange construction financing with Weyerhaeuser Mortgage Company and permanent financing by Government National Mortgage Association. The mortgage indebtedness will be insured by HUD under Section 331 (d)(4) of the National Housing Act.

It is your opinion that the partnership interests to be offered in Woodbridge and in the future organized partnerships should not be integrated with each other in accordance with the guidelines set forth in Securities Act Release No. 4552. With respect to these guidelines, you assert the following:

- (1) The offerings are not part of a single plan of financing because the proceeds from the sale of units in a partnership will be used solely to finance the operation of that one partnership and the financial success of one partnership will not be directly affected by the operation of any other.
- (2) The offerings do not involve the issuance of the same class of securities because they are not financially interdependent. Construction and permanent mortgage financing will be arranged separately for each partnership and the mortgage indebtedness of each will be secured solely by that partnership's assets.
- (3) The timing of the offerings is not interdependent, although they may be proximate in time. The timing of each is dependent upon receipt by Westminster of the necessary financial and site commitments and upon the construction schedule devised by Westminster for that individual project.
- (4) Although investors in each partnership will make cash payments to the partnership, the payment method may vary significantly among the partnerships.

J. Roderick Heller III, Esquire - 3 -

(5) The offerings will not be made for the same general purpose.

On the basis of the information presented, this Division will not recommend any enforcement action to the Commission if the offerings of interests in the separate limited partnerships, as proposed, are not integrated, based upon your opinion as counsel that integration of the various offerings is not required.

Because this position is based upon the representations made to the Division in your letter, it should be noted that any different facts or conditions might require a different conclusion. Further, this letter only expresses the Division's position on enforcement action and does not purport to express any legal conclusion on the questions presented.

Sincerely,

Consuela M. Washington
Attorney Adviser