

State of Utah

DEPARTMENT OF COMMERCE DIVISION OF SECURITIES

Michael O. Leavitt
Governor

Constance B. White
Executive Director

Mark J. Griffin
Director

160 East 300 South
P.O. Box 45808
Salt Lake City, Utah 84145-0808
(801) 530-6600 • FAX (801) 530-6980

September 13, 1994

Ms. Victoria Phelps
Latham & Watkins
633 West Fifth Street
Suite 4000
Los Angeles, Ca. 90071-2007

Re: Grubb & Ellis Company No-Action Request

Dear Ms. Phelps

This letter is in response to your letter dated August 12, 1994. I am sorry for the delay. Your letter requested that the Utah Division of Securities take no action to require licensure of officers of Grubb & Ellis in connection with a Rights offering to current shareholders of Grubb & Ellis common stock.

The transactions described in your letter are not within any of the exemptions from agent registration provided in Section 61-1-13(2) of the Utah Uniform Securities Act. However, based upon the facts and representations outlined in your letter, and pursuant to authority provided in R164-25-5 of the Utah Administrative Code it is the recommendation of this office that no-action will be taken against the officers or employees of Grub & Ellis Company while acting as agents in the transactions described in the request.

Because this finding is based on the representations made to the Division in your letter, it should be noted that any different facts or conditions of a material nature might require a different conclusion.

If you should have any questions or concerns please call me at (801)530-6600.

Sincerely,



Mark E. Thomas
Director of Licensing

LATHAM & WATKINS

CHICAGO OFFICE

SEARS TOWER, SUITE 5800
CHICAGO, ILLINOIS 60606
TELEPHONE (312) 876-7700
FAX (312) 993-9767

LONDON OFFICE

ONE ANGEL COURT
LONDON EC2R 7HJ ENGLAND
TELEPHONE + 44-71-374 4444
FAX + 44-71-374 4460

MOSCOW OFFICE

113/1 LENINSKY PROSPECT, SUITE C200
MOSCOW 117198 RUSSIA
TELEPHONE + 7-503 956-5555
FAX + 7-503 956-5556

NEW YORK OFFICE

885 THIRD AVENUE, SUITE 1000
NEW YORK, NEW YORK 10022-4802
TELEPHONE (212) 906-1200
FAX (212) 751-4864

ATTORNEYS AT LAW

633 WEST FIFTH STREET, SUITE 4000
LOS ANGELES, CALIFORNIA 90071-2007

TELEPHONE (213) 485-1234

FAX (213) 891-8763

TLX 590773

ELN 62793268

CABLE ADDRESS LATHWAT

PAUL R. WATKINS (1899-1973)

DANA LATHAM (1898-1974)

August 12, 1994

ORANGE COUNTY OFFICE

650 TOWN CENTER DRIVE, SUITE 2000
COSTA MESA, CALIFORNIA 92626-1925
TELEPHONE (714) 540-1235
FAX (714) 755-8290

SAN DIEGO OFFICE

701 "B" STREET, SUITE 2100
SAN DIEGO, CALIFORNIA 92101-8197
TELEPHONE (619) 236-1234
FAX (619) 696-7419

SAN FRANCISCO OFFICE

505 MONTGOMERY STREET, SUITE 1900
SAN FRANCISCO, CALIFORNIA 94111-2562
TELEPHONE (415) 391-0600

95

OFFICE

W., SUITE 1300

04-2505

7-2200

01

008

VIA FEDERAL EXPRESS

Mark E. Thomas
Director of Licensing
Department of Commerce
Division of Securities
160 East 300 South
Salt Lake City, Utah 84111

Re: Grubb & Ellis Company
Request for No-Action

Dear Mr. Thomas:

This letter serves as a request to the Utah Division of Securities (the "Division"), on behalf of Grubb & Ellis Company (the "Company"), that the Division confirm that it will take no action to require the registration of the officers of the Company as agents of the Company prior to the issuance by the Company to existing holders of the Company's Common Stock, \$.01 par value (the "Common Stock"), of rights (the "Rights") to purchase additional shares of Common Stock.

The Company intends to issue at no cost to holders of record on September 13, 1994 of its Common Stock (the "Stockholders") one nontransferable Right for each share of Common Stock. Each Right entitles the holder to purchase, at any time prior to 5:00 p.m. (Chicago time) on October 13, 1994, one share of Common Stock at a subscription price of \$2.375 per share. The Rights are nontransferable.

The Company's outstanding shares of Common Stock are listed on the New York Stock Exchange (the "NYSE"). The shares of Common Stock to be issued upon exercise of the Rights are of the same class as the Company's outstanding shares of Common

Mark E. Thomas
August 12, 1994
Page 2

Stock and will themselves be listed on the NYSE at the time they are issued. Therefore, we believe that the Rights and the Common Stock issuable upon the exercise of the Rights are exempt from registration in Utah pursuant to Section 61-1-14(g) of the Utah Uniform Securities Act (the "Utah Act") and Rule R164-14-1g promulgated thereunder.

The Rights will be issued to the Stockholders directly by the Company. The Company, as issuer of the Rights and the Common Stock issuable upon exercise thereof, is excluded from the definition of "broker-dealer" at Section 61-1-13(3) of the Utah Act. However, the officers of the Company, including Robert J. Walner, Senior Vice President, General Counsel and Secretary, Robert J. Hanlon, Jr., Senior Vice President and Chief Financial Officer, and Carol M. Vanairsdale, Vice President and Assistant Secretary, who are the principal officers of the Company who will be acting on behalf of the Company in issuing the Rights, do not appear to be excluded from the definition of "agent" at Section 61-1-13(2) of the Utah Act. Neither Mr. Walner, Mr. Hanlon, Ms Vanairsdale nor any other officer of the Company will receive commissions or other remuneration in connection with the issuance of the Rights or the Common Stock issuable upon exercise of the Rights.

In sum, the Rights, which are nontransferable, will be issued only to the Stockholders who are already familiar with the Company and receive current financial information regarding the Company. Furthermore, no commissions will be paid in connection with the issuance of the Rights or the Common Stock issuable upon the exercise thereof. Therefore, we believe that registration of one or more of the officers of the Company as agents of the Company is not necessary in this case. We hereby request that the Division confirm to the undersigned that it will take no action to require the registration of Robert J. Walner, Robert J. Hanlon, Jr., Carol M. Vanairsdale or any other officer of the Company as an agent of the Company prior to the issuance of the Rights or the Common Stock issuable upon the exercise thereof.

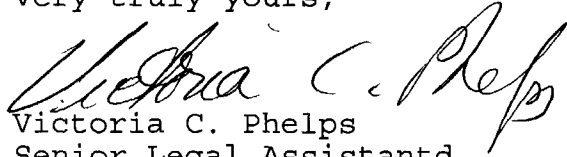
Enclosed is a copy of the Company's Registration Statement on Form S-3, as filed with the Securities and Exchange Commission on July 22, 1994. Also enclosed is a check in the amount of \$120 in payment of the required fee.

LATHAM & WATKINS

Mark E. Thomas
August 12, 1994
Page 3

Thank you for your consideration of our request and please do not hesitate to contact the undersigned at (213) 485-1234 if you have any questions or require additional information regarding this matter.

Very truly yours,


Victoria C. Phelps
Senior Legal Assistant