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ARIZONA CORPORATION COMMISSION

SECURITIES DIVISION
(602) 542-4242
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January 10, 1992

Dennis B. O'Boyle, Esq.
Shefsky & Froelich, Ltd.
444 North Michigan Ave.
Chicago, Illinois 60611

RE: Recorp Partners, Inc. No-Action Request
A.R.S. § 44-1844A(3)

Dear Mr. O'Boyle:

On the basis of the facts set forth in your letter of December 20, 1991, and in reliance upon your opinion as counsel, the Securities Division will not recommend enforcement action for violation of the Securities Act of Arizona (the "Act") should the transaction take place as set forth in your letter, subject to the following conditions. The issuer must once again comply with each of the procedures specified by the Securities and Exchange Commission for foreclosure sales, as detailed previously in your letter of May 9, 1991. In addition, the form of notice disclosing the restricted nature of the securities offered must be prominently displayed on all offering materials, solicitations and certificates evidencing ownership. It appears from your letter of December 20, 1991 that this was intended.

As this position is premised upon the facts set forth in your letter, it should not be relied on for any other set of facts or by any other person. Please also note that this position applies only to the registration requirements of the Act; the anti-fraud provisions of the Act continue to be applicable.

The Division will be continuing to review whether this exemption was intended to be utilized by issuers who resell repossessed securities. Therefore, there may come a time in the future when the Division would take a different position on similar facts, or withdraw this no action position for further transactions. This letter should not be regarded as precedent for any future positions to be taken by the Division on similar facts. Therefore, if the issuer intends subsequent auctions, you should consult with the Division prior to any distribution of offering materials or securities.

Dennis B. O'Boyle, Esq.
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We have attached photocopies of your letters. By doing this we are able to avoid having to recite or summarize the facts set forth therein.

Very truly yours,



DEE RIDDELL HARRIS
Director of Securities

DRH:MGB:wjw

Attachment

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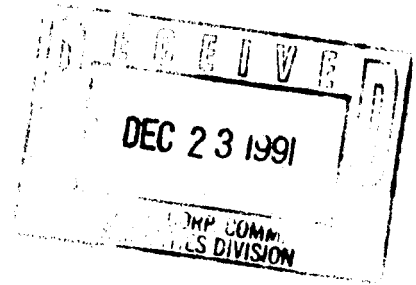
IN REPLY REFER TO:

4534-12-A

December 20, 1991

VIA FEDERAL EXPRESS

Mr. Matthew J. Neubert
Assistant Director of Securities
Trading & Markets
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007



Re: Recorp Partners, Inc.;
Limited Partnership Units in Default
to be Sold at Public Auction

Dear Mr. Neubert:

The purpose of this letter is to inform you that Recorp Partners, Inc., as general partner of various limited partnerships, intends to conduct a public auction in connection with the sale of limited partnership units in default by investors in certain of these partnerships. Specifically, Recorp Partners, Inc. will conduct a public auction on January 31, 1992 at 1:00 p.m. at the offices of the general partner, located at 7000 East Shea Boulevard, Scottsdale, Arizona. At this auction, the following units of limited partnership in default will be offered for sale: 1.75 units of Recorp-Diversified Partners II Limited Partnership; 2.875 units of Recorp I-10/Outerloop Associates Limited Partnership; 2 units of Recorp-Williams Field & Gilbert Roads Associates Limited Partnership; 1.747 units of Recorp-New Mexico Associates Limited Partnership; and 1.26 units of Recorp-New Mexico Associates II Limited Partnership. As was the case with prior auctions for defaulted units, Recorp is required to make a public announcement of the auction to satisfy the provisions of the Uniform Commercial Code. However, as in the past, it is expected that there will be little, if any, public interest in these units. It is much more likely that investors in these and in other limited partnerships sponsored by Recorp Partners, Inc. will be the purchasers of such units, if any units are purchased. As was the case with prior auctions for defaulted units, all existing limited partners will be notified of the January 31, 1992 auction.

SHEFSKY & FROELICH LTD.

Mr. Matthew J. Neubert
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Enclosed for your information is the form of auction notice which will be provided to persons. Please take note of the back cover page of this notice which specifically states that the units purchased are restricted as to further resale and that any certificate issued to a purchaser shall bear a legend indicating the restrictive nature of such security.

One additional small change from prior auctions is that the services of Fred Quick, a professional auctioneer, will not be used. The reason for this change is that Recorp Partners, Inc. wishes to save the amount of any auctioneer fees which might be otherwise payable.

Also enclosed is the form of Tombstone notice announcing the fact of the auction which will appear in the Arizona Republic-Gazette and the Albuquerque Journal in January.

Other than the few differences stated above, the proposed form of auction does not deviate from that employed by Recorp Partners, Inc. in its previous auctions. I would appreciate a response letter from you that the Securities Division will not recommend enforcement action for violation of the Securities Act of Arizona should the above-mentioned auction take place as set forth in this letter.

Please feel free to contact the undersigned with regard to any questions you may have in connection with this matter.

Very truly yours,

SHEFSKY & FROELICH LTD.



Dennis B. O'Boyle

DBO/bjm

Enclosures

cc: Mr. Myron Newton