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BY ELECTRONIC MAIL

SEC Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

References: Securities Exchange Act of 1934
Section 12(g)
Section 13(a)
Section 15(d)

Re: KBS Real Estate Investment Trust, Inc. (SEC File No. 000-52606): Request for Relief from Exchange Act Requirements During Liquidation and Dissolution

Ladies and Gentlemen:

On behalf of KBS Real Estate Investment Trust, Inc. (the "Company"), we are writing to request relief from the staff of the Division of Corporation Finance of the Securities and Exchange Commission (the "SEC") from the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in light of the Company's near completion of its liquidation and dissolution. The Company specifically requests that the staff grant it relief from further reporting requirements under Sections 13(a) and 15(d) of the Exchange Act, beginning with and including its Annual Report on Form 10-K for the year ended December 31, 2017. The Company proposes to undertake to disclose any material developments relating to its liquidation and dissolution on Current Reports on Form 8-K until the Company completes its liquidation, at which time it will file a Form 15 with the SEC.

The Company filed Articles of Dissolution (the "Articles") with the Maryland State Department of Assessments and Taxation (the "SDAT") on October 10, 2017, which became effective upon filing (the "Dissolution Date"), and as of that time, the Company closed its transfer books such that the Company's transfer agent will not record any further transactions of the Company's Common Stock (defined below), except by will, intestate succession or operation of law, and the Company will not issue any new shares of Common Stock. On November 22, 2017, the Company sold the last real estate property in its portfolio, and on December 19, 2017, the Company paid an aggregate liquidating distribution of \$442.0 million to its stockholders of record as of December 14, 2017. Thus, as of the date of this letter, the Company's total remaining assets consisted of approximately \$7.0 million in cash and cash equivalents, which funds make up the amount the Company has accrued for known and contingent liabilities and expenses and its reserve fund for potential unknown expenses and liabilities in liquidation.

I. BACKGROUND

The Company.

The Company was formed on June 13, 2005 as a Maryland corporation and elected to be taxed as a real estate investment trust (a "REIT"). On January 13, 2006, the Company's registration statement on Form S-11 (Reg. No. 333-126087) (as amended, the "Registration Statement") for its initial public offering was declared effective by the SEC. Its primary initial public offering was for a maximum of \$2,000,000,000 of shares of common stock, par value \$0.01 per share (the "Common Stock"), plus an additional \$760,000,000 of shares of Common Stock pursuant to its dividend reinvestment plan (the "DRP"). The Company ceased offering shares in its primary initial public offering on May 30, 2008. On September 17, 2008, the Company filed Post-Effective Amendment No. 14 to the Registration Statement to de-register all of its unsold primary initial public offering shares and terminate its primary initial public offering. Post-Effective Amendment No. 14 was declared effective by the SEC on September 22, 2008. The Company filed Post-Effective Amendment No. 15 to the Registration Statement on September 25, 2008 to convert

the Registration Statement, which then related only to the DRP, to Form S-3. The Company continued to offer DRP shares under the Registration Statement until April 10, 2012, when it terminated the DRP. On July 3, 2012, the Company filed Post-Effective Amendment No. 16 to the Registration Statement on Form S-3 to de-register all of its unsold DRP shares and terminate the offering of shares under the Registration Statement. Post-Effective Amendment No. 16 was immediately effective with the SEC. This Registration Statement (Reg. No. 333-126087) was the only registration statement the Company ever filed.

The Company accepted gross offering proceeds of \$1.7 billion in its primary initial public offering and accepted gross offering proceeds of \$233.7 million from shares issued pursuant to the DRP. As of the date of this letter, the Company had approximately 40,000 stockholders. The Common Stock is registered pursuant Section 12(g) of the Exchange Act. At no time have shares of the Common Stock been listed for trading on a national securities exchange and only a limited secondary trading market ever developed for the Common Stock.

The Company has no, and at no time has had any, paid employees. The Company operates under the direction of its board of directors (the "Board"), which currently consists of its two independent directors and two affiliated directors, one of whom is the Company's Chief Executive Officer and Chairman of the Board. The Board oversees the Company's operations and makes all major decisions concerning its business. In addition, subject to certain restrictions and limitations, the Company's business is managed by KBS Capital Advisors LLC, the Company's external advisor, pursuant to an advisory agreement. KBS Capital Advisors LLC is an investment adviser registered with the SEC.

From 2006 through 2008, the Company used the net proceeds from its initial public offering and debt financing to purchase or fund \$3.0 billion of real estate and real estate-related investments, including office and industrial properties as well as real estate-related mortgage, mezzanine and other debt investments in accordance with its investment objectives. In the following years, the downturn in the global commercial real estate, financial and credit markets had a material impact on the Company's investments.

The Company's charter required that the Company seek stockholder approval of its liquidation if its Common Stock was not listed on a national securities exchange by November 2012, unless a majority of the Company's independent directors determined that liquidation was not then in the best interest of its stockholders. If the Company's independent directors did determine that liquidation was not then in the best interests of the Company's stockholders, the charter required that the independent directors revisit the issue of liquidation at least annually. Taking into consideration the Company's portfolio, debt obligations and market conditions, the independent directors postponed approval and recommendation of the Company's liquidation until October 2016.

Plan of Complete Liquidation and Dissolution.

On January 27, 2016, the Board formed a special committee (the "Special Committee") composed of all of its independent directors to explore the availability of strategic alternatives involving the Company. On October 5, 2016, in connection with a review of potential strategic alternatives available to the Company, the Special Committee and the Board unanimously approved the sale of all of the Company's assets and the Company's dissolution pursuant to the terms of the Company's plan of complete liquidation and dissolution (the "Plan of Liquidation"), pending stockholder approval. On November 10, 2016, the Company filed a definitive proxy statement pursuant to Regulation 14A under the Exchange Act, relating to the proposed Plan of Liquidation and related matters (the "Proxy Statement"). On January 27, 2017 at the Company's annual meeting of stockholders, the Company's stockholders adopted and approved the Plan of Liquidation. Pursuant to the Plan of Liquidation, the proper officers of the Company were authorized and directed, among other actions, to: (i) collect the Company's assets; (ii) dispose of such assets as are not to be distributed in kind to the Company's stockholders; (iii) pay or create a reserve fund for the payment of or otherwise adequately provide for the payment of all of the liabilities and obligations of the Company and its subsidiaries; (iv) pay all expenses incidental to the Plan of Liquidation, including all counsel fees, accountants' fees, advisory fees and such other fees and taxes as are necessary to effectuate the Plan of Liquidation; (v) distribute all of the Company's remaining assets,

either in cash or in kind, to the Company's stockholders in one or more distributions; and (vi) do every other act necessary or advisable to wind up the affairs of, and dissolve, the Company and its subsidiaries.

Liquidation and Dissolution Proceedings.

Since its stockholders' approval of the Plan of Liquidation on January 27, 2017, the Company has completed the sale or other disposition of its remaining assets and is completing the payment of its liabilities and other obligations, the winding down of operations and dissolution of the Company pursuant to the Plan of Liquidation. As noted above, the Company has also established a reserve fund to pay potential unknown expenses and liabilities in liquidation.

Asset Dispositions.

As referenced above, on November 22, 2017, the Company sold the last real estate property in its portfolio, and on November 28, 2017, the Company filed a Current Report on Form 8-K disclosing the sale. Since January 27, 2017, the Company has disposed of all of its remaining operating assets and revenue producing operations. Thus, as of the date of this letter, the Company's only remaining assets consisted of approximately \$7.0 million in cash and cash equivalents, which funds make up the amount the Company has accrued for known and contingent liabilities and expenses and its reserve fund for potential unknown expenses and liabilities in liquidation.

Articles of Dissolution.

On October 4, 2017, the Company filed with the SEC a Current Report on Form 8-K disclosing its intent to file the Articles on or about October 9, 2017. As referenced above, on October 10, 2017, pursuant to the Plan of Liquidation and Section 3-406 of the Maryland General Corporation Law (as amended from time to time, the "MGCL"), the Company filed the Articles with the SDAT, which became effective upon their acceptance for record by the SDAT. On October 11, 2017, the Company filed with the SEC a Current Report on Form 8-K disclosing the filing of the Articles. According to Section 3-408 of the MGCL, a dissolved corporation continues to exist for the purpose of paying, satisfying and discharging any existing debts or obligations, collecting and distributing its assets, and doing all other acts to liquidate and wind up its business and affairs. Thus, the Company is now dissolved and is in the process of completing the winding up of its business, all in accordance with the Plan of Liquidation and MGCL.

Liquidating Distributions.

Pursuant to the Plan of Liquidation, on March 10, 2017, the Board authorized an initial liquidating distribution in the amount of \$1.00 per share of Common Stock to the Company's stockholders of record as of the close of business on March 21, 2017, for an aggregate distribution of approximately \$184.8 million. The Company disclosed the authorization of the initial liquidating distribution in a Current Report on Form 8-K, filed with the SEC on March 14, 2017. The initial liquidating distribution was paid on March 24, 2017.

Pursuant to the Plan of Liquidation, on December 14, 2017, the Board authorized an additional liquidating distribution in the amount of \$2.40 per share of Common Stock to the Company's stockholders of record as of the close of business on December 14, 2017, for an aggregate distribution of approximately \$442.0 million. The additional liquidating distribution was paid on December 19, 2017. In addition, on December 14, 2017, the Board approved an updated estimated value per share of the Common Stock of \$0.00. The Company disclosed both the authorization of the additional liquidating distribution and the updated estimated value per share in a Current Report on Form 8-K, filed with the SEC on December 15, 2017. As disclosed in this Current Report on Form 8-K, should any of the reserve fund for potential unknown expenses and liabilities in liquidation not be needed, the Company will distribute such reserves to stockholders to the extent available. However, there can be no

assurances as to whether there will be any reserve funds available for distribution or the timing of any such distribution.

As the Company has liquidated, distributed substantially all of its assets and dissolved, it will not conduct or engage in any active trade or business, except to the limited and reasonable extent necessary to discharge, pay or make provision for all of its liabilities, and distribute any remaining assets in accordance with the Plan of Liquidation.

The Company's Securities.

The Company currently has one class of securities outstanding, the Common Stock. The Common Stock is registered under Section 12(g) of the Exchange Act but, as referenced above, the Common Stock at no time has been listed for trading on a national securities exchange and only a limited secondary trading market ever developed for the Common Stock. In addition, the Company's charter contains restrictions on the ownership of the Common Stock that prevent any one person from owning more than 9.8% of its aggregate outstanding shares unless exempted by the Board. Such restrictions are designed to enable the Company to comply with ownership restrictions imposed on REITs by the Internal Revenue Code. The Company's charter also limits the ability of the Company's stockholders to sell their shares of the Common Stock unless (i) the prospective purchaser meets the suitability standards regarding income or net worth and (ii) the transfer complies with the minimum purchase requirements (collectively, the "Transfer Restrictions"). The Transfer Restrictions acted to reduce the number of transfers of the Common Stock and as such, any trading of the Common Stock on a secondary market was limited.

On March 15, 2017, a third-party purchaser in a tender offer for shares of the Common Stock reported that it had acquired 1,824,156 shares. In addition, a third-party purchaser acquired approximately 140,490 shares of the Common Stock pursuant to a "mini" tender offer it initiated on or about May 8, 2017 and another third-party purchaser acquired approximately 72,056 shares of the Common Stock pursuant to a "mini" tender offer it initiated on or about July 25, 2017 (together, the "Mini Tenders"). According to www.otcm Markets.com, the website of the OTC Markets, (i) the Common Stock is not traded on the OTCQX, OTCQB or Pink markets, and (ii) during 2016, approximately 69,615 shares of the Common Stock traded in approximately 18 transactions on the "Grey Market" and from January 1, 2017 through September 30, 2017, approximately 32,000 shares of the Common Stock had traded in two transactions on the "Grey Market." Overall aggregate shares of the Common Stock transferred and the number of transfers related to such transferred shares for the months of September 2017, October 2017 and November 2017 are as follows:

	<u>September 2017</u>	<u>October 2017</u>	<u>November 2017</u>	<u>December 2017 (through December 22)</u>
Approximate aggregate number of shares transferred	602,188 (0.33% of the outstanding shares of Common Stock). Includes approx. 70,458 shares traded in the Mini Tenders.	624,647 (0.34% of the outstanding shares of Common Stock).	72,068 (0.04% of the outstanding shares of Common Stock).	1,225,547 (0.67% of the outstanding shares of Common Stock).
Approximate aggregate number of transfers	131. Includes approx. 20 transactions in the Mini Tenders.	155	30	299

As of September 30, 2017 and as of the date of this letter, there were no market makers for the Common Stock. The Company suspended its CUSIP effective October 9, 2017. Finally, the Company has not had funds available for ordinary redemptions under its share redemption program (the "SRP") since the April 2009 redemption date and since that time through the termination of the SRP, effective as of August 18, 2017, the SRP only provided for redemptions in connection with a stockholder's death, "qualifying disability" or "determination of incompetence" (each as defined in the SRP). In 2016 and from January 1, 2017 through August 31, 2017, the Company redeemed 1,428,865 and 801,769 shares of the Common Stock, respectively, pursuant to the SRP. Upon the filing of the Articles with the SDAT on October 10, 2017, the Company closed its stock transfer books and instructed its transfer agent that no further stock

transfers, except by will, intestate succession or operation of law, will be recognized. Thus, the limited secondary trading market for the Common Stock has ended.

As discussed above, pursuant to its Registration Statement, the Company accepted gross offering proceeds of \$1.7 billion in its primary initial public offering and accepted gross offering proceeds of \$233.7 million from shares issued pursuant to the DRP. On September 17, 2008 and July 3, 2012, respectively, the Company filed and caused to become effective post-effective amendments to the Registration Statement for the purpose of deregistering and removing any unsold shares in the primary initial public offering and the DRP, respectively. The Company has not issued any shares of Common Stock since the termination of the DRP in 2012.

As a result of the Common Stock's continued registration under Section 12(g) of the Exchange Act, the Company is subject to reporting requirements under Section 13(a) of the Exchange Act. The Company's reporting obligations under Section 15(d) of the Exchange Act are currently suspended. As of the date of this letter, the Company had approximately 40,000 holders of record of the Common Stock and approximately 184 million shares of Common Stock outstanding.

Remaining Assets and Liabilities.

As of the date of this letter, the Company had no remaining operating assets and no revenue producing operations. As of the date of this letter, the Company had remaining total assets of approximately \$7.0 million in cash and cash equivalents, which funds make up the amount the Company has accrued for known and contingent liabilities and expenses and its reserve fund for potential unknown expenses and liabilities in liquidation. Cash equivalents have been deposited in money market funds with the primary goal of preserving capital for the satisfaction of the Company's liabilities and distribution to its stockholders.

The Company has satisfied, or made provision to satisfy, all of its known and contingent liabilities.

Exchange Act Reporting.

The Company is current in its Exchange Act reporting requirements. The foregoing "Background" information relating to the Plan of Liquidation, along with other information pertinent to these matters, is described in more detail in the Proxy Statement. Since the Company's stockholders approved the Plan of Liquidation on January 27, 2017, the Company has continued to provide additional information concerning the progress of its liquidation and dissolution pursuant to the Plan of Liquidation and other matters in its Exchange Act reports filed with the SEC, as follows:

<u>Filing Type and Date</u>	<u>Information Provided</u>
Form 8-K filed on January 27, 2017	Initial disclosure of the approval by the Company's stockholders of the Plan of Liquidation.
Form 8-K filed on January 31, 2017,	Full results of the voting by the Company's stockholders to approve the Plan of Liquidation.
Form 8-K filed on March 14, 2017	Declaration of the initial liquidating distribution of \$1.00 per share pursuant to the Plan of Liquidation and adjustment to the redemption price under the SRP.
Form 8-K filed on March 28, 2017	Updated estimated value per share of the Common Stock as a result of the initial liquidating distribution.
Form 10-K for the year ended December 31, 2016 (filed on March 28, 2017)	Additional disclosure regarding the progress of the Company's liquidation and dissolution. As of December 31, 2016, the Company owned or, with respect to a limited number of properties, held a leasehold interest in, 90 real estate properties. In addition, as of December 31, 2016, the Company owned three real estate loans receivable and a participation interest in a real estate joint venture.
Form 8-K filed on May 9, 2017	Response to mini-tender offer, which response took into account the Company's ongoing liquidation and dissolution.

Form 10-Q for the quarter ended March 31, 2017 (filed on May 12, 2017) (the "Q1 2017 10-Q")	<p>Additional disclosure regarding the progress of the Company's liquidation and dissolution. As of March 31, 2017, the Company owned or, with respect to one property, held a leasehold interest in, 23 real estate properties. In addition, as of March 31, 2017, the Company owned two real estate loans receivable and a participation interest in a real estate joint venture.</p> <p>During the three months ended March 31, 2017, the Company terminated a leasehold interest in a real estate property, wrote off one real estate loan receivable which had a book value of zero after asset-specific loan loss reserves at the time it was written off and disposed of 66 real estate properties with an aggregate sales price of \$65.1 million.</p>
Form 8-K filed on June 30, 2017	Disclosure regarding the Company's disposition of Tysons Dulles Plaza.
Form 8-K filed on July 6, 2017	Response to mini-tender offer, which response took into account the Company's ongoing liquidation and dissolution. This mini-tender offer was later withdrawn by the bidder.
Form 8-K filed on August 3, 2017	Response to mini-tender offer, which response took into account the Company's ongoing liquidation and dissolution.
Form 10-Q for the quarter ended June 30, 2017 (filed with the SEC on August 10, 2017)	<p>Additional disclosure regarding the progress of the Company's liquidation and dissolution. As of June 30, 2017, the Company owned or, with respect to one property, held a leasehold interest in, 11 real estate properties. In addition, as of June 30, 2017, the Company owned one real estate loan receivable and a participation interest in a real estate joint venture.</p> <p>During the three months ended June 30, 2017, the Company disposed of 12 real estate properties for an aggregate sales price of \$181.2 million, net of closing credits, if applicable.</p>
Form 8-K filed on October 4, 2017	Disclosure regarding the anticipated filing of the Articles on or about October 9, 2017.
Form 8-K filed on October 6, 2017	Disclosure regarding the Company's disposition of the Plaza in Clayton.
Form 8-K filed on October 11, 2017	Disclosure regarding the October 10, 2017 filing of the Articles.
Form 10-Q for the quarter ended September 30, 2017 (filed with the SEC on November 14, 2017)	<p>Additional disclosure regarding the progress of the Company's liquidation and dissolution. As of September 30, 2017, the Company owned four real estate properties. In addition, as of September 30, 2017, the Company owned a participation interest in a real estate joint venture.</p> <p>During the three months ended September 30, 2017, the Company terminated its leasehold interest in one real estate property and disposed of six real estate properties for an aggregate sales price of \$80.4 million, net of closing credits, if applicable. In addition, the borrower under the Company's real estate loan receivable paid off in full the outstanding balance under the loan.</p> <p>In the Form 10-Q, the Company disclosed that subsequent to September 30, 2017, the Company disposed of three additional real estate properties and as of the date of filing, November 14, 2017, the Company owned one real estate property, which was under contract to sell. The Company stated that it anticipated completing the sale of this property during the fourth quarter of 2017 and distributing the majority of the net sales proceeds from liquidation shortly thereafter.</p>
Form 8-K filed on November 28, 2017	Disclosure regarding the Company's the sale of the last real estate property in its portfolio.
Form 8-K filed on December 15, 2017	Authorization of additional liquidating distribution of \$2.40 per share and updated estimated value per share of the Common Stock of \$0.00 as a result of the additional liquidating distribution and the amount of the reserve fund established by the Company pursuant to the Plan of Liquidation, among other matters.

We note that, commencing with the Q1 2017 10-Q, the Company commenced providing the financial information contained in its Exchange Act reports pursuant to the liquidation basis of accounting. The Company believes that the foregoing Exchange Act reports also illustrate that the Company has a well-established record of keeping its stockholders fully informed and up-to-date by making timely disclosure of material information regarding the Company and the liquidation and dissolution process. The Company will continue this practice.

II. DISCUSSION

Pursuant to Rule 12g-4(a) under the Exchange Act, a reporting company may terminate its registration under Section 12(g) of the Exchange Act if it has less than (i) 300 holders of record of a registered class of equity securities or (ii) 500 holders of record and had total assets valued at no more than \$10 million at the end of each of its preceding three fiscal years. Because the Company currently has approximately 40,000 record holders of the Common Stock, it is not currently eligible to file a Form 15 to terminate the registration of the Common Stock under Section 12(g) of the Exchange Act and remains subject to reporting requirements under Section 13(a) of the Exchange Act.

The SEC stated in Release No. 34-9660 (June 30, 1972) that in certain instances granting relief from the reporting requirements of the Exchange Act upon request by the issuer would be appropriate if compliance would be unreasonably expensive in light of the benefit to be derived from continued reporting. The SEC stated that: "an unreasonable effort or expense would result if the benefits which might be derived by the shareholders of the issuer from the filing of the information are outweighed significantly by the costs to the issuer of obtaining the information. For example, where a company has ceased or severely curtailed its operations it might be unreasonable to require it to undergo the expense of obtaining the opinion of an independent auditor on its financial statements." In addition, in determining whether the suspension of a particular issuer's reporting requirements is consistent with the protection of investors, Release No. 34-9660 notes that the SEC "will consider the nature and extent of the trading in the securities of the issuer."

In several similar no-action letters, consistent with the SEC's policy as stated in Release No. 34-9660, the SEC staff has taken the position that it will not recommend enforcement action against an issuer that has filed articles of dissolution, that is otherwise current in its Exchange Act reporting requirements and where, in lieu of continuing to file certain periodic reports, the issuer undertakes to disclose to public investors any material developments relating to its liquidation, winding up and dissolution on Current Reports on Form 8-K. See, e.g., Swisher Hygiene Inc. (August 5, 2016); Sooner Holdings, Inc. (August 11, 2014); The Allied Defense Group, Inc. (November 13, 2013); CIL&D, LLC (August 12, 2013); Chai-Na-Ta Corp. (November 29, 2012); Freedom Financial Group, Inc. (March 24, 2010); Genesee Corporation (December 5, 2007); SeaDrill Ltd. (March 30, 2006); Cygnus, Inc. (March 27, 2006); JG Industries, Inc. (June 18, 2001); Secom General Corp. (March 21, 2001); and Ross Technology, Inc. (March 30, 1999).

The Company falls squarely within the criteria set forth in Release No. 34-9660 and the above-referenced no-action letters for granting relief from the reporting requirements of the Exchange Act, based on the following circumstances, as further described above:

- On January 27, 2017, the Company's stockholders approved the complete liquidation and dissolution of the Company pursuant to the Plan of Liquidation.
- On October 10, 2017, the Company filed the Articles with the SDAT as contemplated by the Plan of Liquidation. Upon filing of the Articles with the SDAT, the Company closed its stock transfer books and instructed its transfer agent that no further stock transfers will be recognized, except by will, intestate succession or operation of law.
- As of the date of this letter, the Company had satisfied or made provision to satisfy, all of its known and contingent liabilities and completed the liquidation of all of its operating assets. As of the date of this letter, the Company's total remaining assets consisted of approximately \$7.0 million in cash and cash equivalents, which funds make up the amount the Company has accrued for known and contingent liabilities and expenses and its reserve fund for potential unknown expenses and liabilities in liquidation.
- As noted above, at no point has the Common Stock been listed for trading on a national securities exchange and only a limited secondary trading market ever developed for the Common

Stock. The Common Stock is subject to the Transfer Restrictions and is not traded on the OTCQX, OTCQB or Pink markets. Finally, as noted, the Company has filed post-effective amendments to its Registration Statement to deregister and remove any unsold securities from registration under the Securities Act.

- The Company is not under active management, has ceased its operations and will not engage in any business operations, other than to satisfy its obligations to liquidate, wind up and dissolve according to the Plan of Liquidation and the MGCL.
- The Company paid an initial liquidating distribution to its stockholders on March 24, 2017 and paid an additional liquidating distribution to its stockholders on December 19, 2017. In addition, on December 14, 2017, the Board approved an updated estimated value per share of the Common Stock of \$0.00. As disclosed in this Current Report on Form 8-K filed with the SEC on December 15, 2017, should any of the reserve fund for potential unknown expenses and liabilities in liquidation not be needed, the Company will distribute such reserves to stockholders to the extent available. However, there can be no assurances as to whether there will be any reserve funds available for distribution or the timing of any such distribution.
- The Company is current in its Exchange Act reporting requirements, including its most recent Quarterly Report on Form 10-Q for the quarter ended September 30, 2017, which was filed on November 14, 2017.
- The Company will file Current Reports on Form 8-K to disclose any material events relating to its liquidation, winding up and dissolution, including any future liquidating distributions and other payments and expenses related to the process, if any, until such time as the process is complete.
- Upon completion of its liquidation and dissolution, the Company will file a final report on Form 8-K and a Form 15 to terminate its registration and reporting requirements.

Continued compliance with the reporting requirements of Sections 13(a) and 15(d) of the Exchange Act would place a substantial burden on the Company and diminish the amount of funds, if any, ultimately available for distribution to the Company's stockholders and, importantly, provide no offsetting benefit to any existing stockholder or to any trading market. The Company is seeking to curtail expenditures and conserve cash to maximize any future liquidating distributions to be paid to its stockholders. The Company estimates that the costs associated with producing its Annual Report on Form 10-K for the year ended December 31, 2017, would be approximately \$0.3 million, including approximately \$0.2 million in auditing fees paid to the Company's independent registered accounting firm and \$0.1 million in legal fees for report preparation and review. Additionally, the Company estimates that the costs associated with producing each Quarterly Report on Form 10-Q would be \$97,000, including approximately \$87,000 in fees paid to the Company's independent registered accounting firm and \$10,000 in legal fees for report preparation and review.

As noted above, as of the date of this letter, the Company's total remaining assets consisted of approximately \$7.0 million in cash and cash equivalents, which funds make up the amount the Company has accrued for known and contingent liabilities and expenses and its reserve fund for potential unknown expenses and liabilities in liquidation. As such, the type of information about the Company required by Exchange Act periodic reports would provide no offsetting benefit to any existing stockholder or any trading market. In addition, the Company has ceased its operations and will not generate any additional operating income, nor incur any liabilities unrelated to the implementation of the Company's liquidation and dissolution. Thus, the Company believes (i) there would be no public interest served by requiring the Company to continue to file periodic reports under the Exchange Act, and (ii) filing periodic reports would not provide any meaningful information to stockholders beyond the information that would be contained in its filings of Current Reports on Form 8-K. The Company proposes to continue to file such Current Reports on Form 8-K to report material developments related to its liquidation, winding up and dissolution process similar to, for example, the Company's Forms 8-K filed with the SEC on March 14, 2017 and

December 15, 2017, including any future liquidating distributions and other material payments and expenses related to the process, if any, until such time as the process is complete.

III. Request for Relief

For the reasons set forth above, the Company respectfully requests that the SEC grant it relief from any further reporting requirements under Sections 13(a) and 15(d) of the Exchange Act commencing with and including the Company's Annual Report on Form 10-K for the year ended December 31, 2017. If the SEC grants such relief, the Company undertakes to: (i) disclose on Current Reports on Form 8-K any material developments relating to its liquidation, winding up and dissolution process, including any future liquidating distributions and other material payments and expenses related to the process, if any; and (ii) upon completion of the process, file with the SEC a final Current Report on Form 8-K and a Form 15 to terminate the registration of the Common Stock under Section 12(g) of the Exchange Act.

Note that the Company has provided to us, or confirmed, all of the information in this letter and has authorized us to make the statements in this letter on its behalf.

If the staff requires additional information regarding this letter, or if we may otherwise be of assistance, please telephone me at (919) 786-2007 or Daniel C. Gunter III at (919) 786-2060.

Very truly yours,

DLA PIPER LLP (US)


Carrie J. Hartley
Partner