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November 3, 1993

Edward B. Crosland, Jr., Esq.
Housley Goldberg & Kantarian, P.C.
Suite 700
1220 19th Street, N.W.
Washington, D.C. 20036

RE: Healthcare America, Inc. and HealthVest
A.R.S. § 44-1844(A)(6)

Dear Mr. Crosland:

On the basis of the facts set forth in your letter of October 18, 1993, and in reliance upon your opinion as counsel, the Securities Division will not recommend enforcement action for violation of the Securities Act of Arizona should the transaction take place as set forth in your letter.

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.

We have attached a photocopy of your letter. 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:lb

Attachment

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* VIA FEDERAL EXPRESS *

October 18, 1993

*NOT ADMITTED IN DC

Leslie Block, Esq.
Senior Counsel
Corporation Commission
Securities Division
1300 West Washington St., 3rd Fl.
Phoenix, AZ 85007

Re: Request for No-Action Letter

Dear Ms. Block:

As special counsel to Healthcare America, Inc., a newly-formed Delaware corporation ("Healthcare"), and HealthVest ("HealthVest"), a Maryland real estate investment trust ("REIT"), we hereby request a No-Action Letter regarding the availability of an exemption from registration in connection with the transaction described below, pursuant to Section §14-1844(A)(6) of the Securities Act of Arizona (the "Act"). Healthvest proposes to distribute shares of Healthcare's common stock, par value \$.01 per share (the "Common Stock"), to holders of shares of beneficial ownership of HealthVest (the "Shares") pursuant to a Plan of Termination (the "Plan") adopted by HealthVest's Board of Trustees and to be submitted to HealthVest's shareholders for approval at a Special Meeting of Shareholders (the "Special Meeting") to be held in November or December 1993.

Background

Healthcare is a Delaware corporation organized in July 1993 to be the successor corporation to Healthcare International, Inc. ("HII") following the reorganization in bankruptcy of HII (the "Reorganization"), as described below. Healthcare currently has no assets or liabilities and conducts no business.

HealthVest is a REIT organized under the laws of Maryland. The formation of HealthVest was sponsored in 1986 by Health Care,

Investments Corporation, a wholly-owned subsidiary of Healthcare International, Inc. ("HII"). HealthVest was created primarily through the efforts and financial commitments of HII and, until 1990, certain individuals served as officers and/or directors/trustees of both entities. Such individuals are no longer affiliated with either HII or HealthVest, although they may continue to own stock in HII or Shares.

HII was incorporated under the laws of the State of Texas in 1981 and provides a wide range of health care products and services to both local and national markets. As of September 30, 1993, HII operated 10 facilities in three states, including six psychiatric and rehabilitation hospitals and four non-hospital residential facilities.

In August 1989, HII ceased making contractual rent and interest payments owed to HealthVest. The following table summarizes key events since August 1989.

October 1989 through September 1991	HII operated under the terms of certain standstill and restructuring agreements with HealthVest.
November 1991	HII (the parent company and certain non-operating subsidiaries) filed for protection under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Western District of Texas, Austin Division.
July 1992	All remaining subsidiaries of HII, including HII's solvent operating subsidiaries filed for protection under the bankruptcy laws.
July 1992	HII filed an adversary proceeding against HealthVest in the United States Bankruptcy Court. On February 16, 1993, prior to trial, this matter was settled when the Court approved a Motion to Compromise Controversies in the adversary proceeding.
February through July 1993	HealthVest filed plans of reorganization for HII and its subsidiaries.
May 20, 1993	Pursuant to a settlement of litigation with a controlling stockholder of HII, a subsidiary of HealthVest obtained voting control of HII and elected a majority of the Board of Directors.

Leslie Block, Esq.
October 18, 1993
Page 3

Under the Reorganization, HealthVest would receive approximately 96% of the Common Stock of Healthcare, which will be the successor corporation to HII upon effectiveness of the Reorganization. The remaining Common Stock of Healthcare will be held by the Third National Bank in Nashville as trustee for the approximately 110 holders of record of HII subordinated debentures in settlement of their claims.

The Termination

The Plan providing for the Termination (defined below) was proposed by the Board of Trustees as the final step in the consolidation of the businesses of HealthVest and HII. The Reorganization is expected to be confirmed in late October and become effective by the end of 1993. The Board of Trustees has proposed, subject to shareholder approval, that the businesses of Healthcare and HealthVest be consolidated within Healthcare and that there should be distributed to the current HealthVest shareholders 96% of the Common Stock of Healthcare as the final step in the liquidation of HealthVest.

At the Special Meeting, HealthVest shareholders will vote upon the Termination, pursuant to which HealthVest would (i) transfer substantially all of its assets and all of its liabilities to Healthcare, (ii) terminate its existence as a REIT under Maryland law, and (iii) distribute to HealthVest shareholders the Healthcare Common Stock to be received by HealthVest, such that each HealthVest shareholder will receive one share of Common Stock for each Share owned. (The transfer of HealthVest's assets and liabilities to Healthcare, the termination of HealthVest's existence as a Maryland REIT and the distribution of Healthcare Common Stock to HealthVest's shareholders hereinafter collectively are referred to as the "Termination.") The result of the Termination will be to consolidate into Healthcare the business activities currently conducted by HII and HealthVest and to provide to the shareholders of HealthVest ownership of 96% of the combined entity. Under Maryland law and the provisions of the Declaration of Trust, the affirmative vote of a majority of the outstanding Shares is required to approve the Termination.

The Termination is proposed to occur after consummation of the Reorganization and is the only matter subject to the vote of HealthVest shareholders; the HealthVest shareholders will not vote on the Reorganization. If the Termination is not approved, HealthVest will retain the shares of Common Stock issued by Healthcare and continue to hold and operate Healthcare as a 96% owned subsidiary.

Additional Information

On August 13, 1993, HealthVest filed preliminary proxy materials with the Securities and Exchange Commission (the "SEC")

Leslie Block, Esq.
October 18, 1993
Page 4

which relate to the shareholder vote on the Termination at the Special Meeting. In addition, on October 15, 1993, HealthVest filed revised preliminary proxy materials with the SEC in response to SEC comments on the preliminary proxy materials. Following SEC review of the revised preliminary proxy materials, Healthcare will file a Registration Statement on Form S-4 with the SEC to register under the Securities Act of 1933 the Common Stock to be distributed to HealthVest shareholders.

Although HealthVest was organized as a REIT under Maryland law, we believe that the corporate reorganization exemption under Section §14-1844(A)(6) of the Act should be available for the vote on the Termination. As a REIT, HealthVest is subject to governance requirements substantially analogous to those applicable to Maryland corporations. Maryland REIT law and HealthVest's Declaration of Trust afford HealthVest and its shareholders rights and obligations similar to those afforded to a Maryland corporation and its stockholders. For example, HealthVest shareholders may: (i) elect or remove Trustees; (ii) approve or refuse a merger of HealthVest into, or the sale, conveyance, or transfer of substantially all of its property to, another organization; (iii) ratify amendments to the Declaration of Trust as proposed by Trustees; (iv) require Trustees to call shareholder meetings; (v) vote to approve or refuse an increase in the compensation of HealthVest's advisor or to terminate the advisory agreement altogether; and (vi) terminate the existence of HealthVest. The vote on the Termination and, if approved, the subsequent Termination, will be conducted in accordance with applicable Maryland REIT law and the Healthvest Declaration of Trust.

Further support for the view that the corporate reorganization exemption should be available for the vote on the Termination comes from the disclosure that will be provided to HealthVest shareholders in connection with the Termination. Specifically, the disclosure contained in the Proxy Statement/Prospectus complies with all the disclosure requirements applicable to corporations seeking to effect comparable transactions. Accordingly, shareholders of HealthVest residing in the State of Arizona will be provided with disclosure comparable to that given corporate stockholders residing in the State of Arizona, and thus will be afforded protection equal to that given to corporate stockholders residing in the State of Arizona, had a corporation sought to effect transactions analogous to the Termination.

In light of the foregoing, we believe that the proposed transaction falls within the scope of the exemption and that it is in the best interests of the 23 HealthVest shareholders residing in the State of Arizona to permit the distribution of the Common Stock pursuant to Section §14-1844(A)(6) of the Act. Therefore, we respectfully request that your office confirm to us that no enforcement action will be taken if the Common Stock is distributed

Leslie Block, Esq.
October 18, 1993
Page 5

to HealthVest's shareholders without registration of the Common Stock under the Act.

In connection with this request, enclosed are the following: (1) a copy of the preliminary proxy materials as filed with the SEC on August 13, 1993, and the exhibits thereto; (2) a copy of the revised preliminary proxy materials as filed with the SEC on October 15, 1993; and (3) a check in the amount of \$200 in payment of the requisite filing fee.

Once the Reorganization Plan is confirmed, which is expected to occur on or about October 27, 1993, HealthVest and Healthcare are expected to be in a position to mail the combined proxy statement and prospectus and conduct the Special Meeting in November or December. In view of the above schedule, we would appreciate your prompt response to this request. If you should have any questions or require any further information, please do not hesitate to contact the undersigned or Susan Boscarino, the legal assistant in charge of this filing, at (512) 320-7159. Thank you for your attention to this matter.

Very truly yours,


Edward B. Crosland, Jr.

Enc.

cc: Donald W. Evans, President and Chief Executive Officer
Gregory J. Herring, Vice President and Controller
Susan M. Boscarino, Legal Assistant
HealthVest