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JOSE ADAN TREVINO
MEMBER

May 6, 1998

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

RE: Grubb & Ellis Company

Dear Ms. Phelps:

This in response to your letter dated March 19, 1998, and received by this Agency on March 20, 1998, and supplemented by your letter dated April 27, 1998, and received April 28, 1998. It will also serve to confirm our telephone conversation on May 4, 1998.

Your letter and supplemental materials describe a proposed offering of options ("Options") to purchase common stock ("Common Stock") of Grubb & Ellis Company ("G & E"), a Delaware corporation, to a group of individuals associated with G & E on a full time basis as consultants ("Consultants") pursuant to the terms and conditions as set forth in the G & E 1998 Stock Option Plan ("Plan"). The Plan provides for the issuance of Options and Common Stock to employees of G & E and to other persons who are not employees, but who render services to G & E or any entity that is then a parent corporation or a subsidiary of G & E, as a consultant or adviser. Specifically, Options will be offered in Texas to 18 Consultants of G & E that reside in this state.

You noted that G & E is publicly-held and its Common Stock is listed and traded on the New York Stock Exchange. Further, our telephone conversation confirmed that the Options and the Common Stock to be issued upon exercise of the Options are on parity with the Common Stock listed on the New York Stock Exchange.

Based upon the foregoing understanding, the exemptions from securities and dealer registration provided by Sections 6.F and 5.R of the Texas Securities Act are available.

Please note that this Agency has not made an independent investigation of the facts, but has relied solely upon the information you have provided. If this information is incorrect or changes substantially, the staff would reconsider the matter and the opinion stated above would be void.

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Further, this Agency does not grant nor confer the exemption. Its availability depends entirely upon full compliance with the language of the exemption. If a dispute arises as to the availability of the exemption, the burden of proof falls upon the party claiming the exemption.

Finally, opinions expressed by this Agency are not binding upon civil litigants in future proceedings.

I trust this answers your inquiry. Please feel free to write us if you need further information.

Very truly yours,

DENISE VOIGT CRAWFORD
Securities Commissioner

David Weaver
General Counsel

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