

LUIGI A. VERNOLA
12218 Bombardier Ave.
Norwalk, CA 90650-2405

June 12, 1998

VIA FACSIMILE 202/219-3923

Jennifer H. Boyt, Esq.
Federal Election Commission
999 E Street, NW
Washington D.C. 204630

Re: MUR 4749

Dear Ms. Boyt:

This letter is sent in response to your letter dated May 22, 1998 concerning a complaint filed by James M. Casso.

The only section of the complaint which appears to relate to me is Part II which alleges that the reported value of the in-kind use of the office space located at 12123 E. Firestone Blvd., Norwalk, California by the Napolitano for Congress campaign does not represent the fair market rent for the space.

Please be advised as follows: I own the building located at 12123 E. Firestone Blvd. in Norwalk, CA. I have allowed the Napolitano for Congress committee to use office space in this building at no charge. The space is approximately 800 square feet. At the present time, this space is not suitable for office or other commercial purposes. (Please refer to the photographs taken by Grace Napolitano on May 29, 1998, which will be forwarded to you by Grace Napolitano under separate cover.) Further, the space is not finished and will require substantial remodelling before it is suitable for commercial rental purposes.

For example, you will notice from the photos that the carpeting is not installed, the outside walls are not painted, the inside windows are not finished, the ceiling is missing panels, and the walls have paint splattered on them. The space consists of two rooms and one bathroom. The bathroom was not usable for the first ten days of occupancy.

Based on the condition of the space, the location and other market factors, we have estimated a monthly rental value of \$250 per month. Given the conditions, this estimate is probably high. To further substantiate our position, I will seek to obtain an opinion from a local real estate professional on the value of the space and provide that to you as soon as possible.

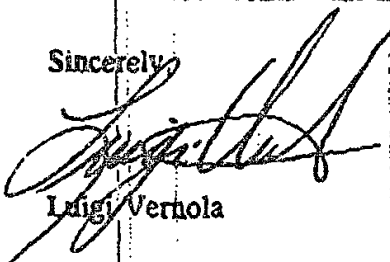
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Please contact me if you would like further information.

Sincerely,



Luigi Verhola

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FEDERAL ELECTION COMMISSION
OFFICE OF THE CLERK
WASHINGTON, D.C. 20543

555-106-110-66