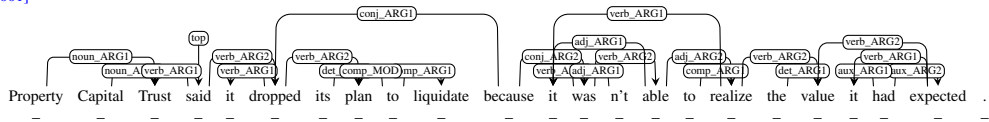
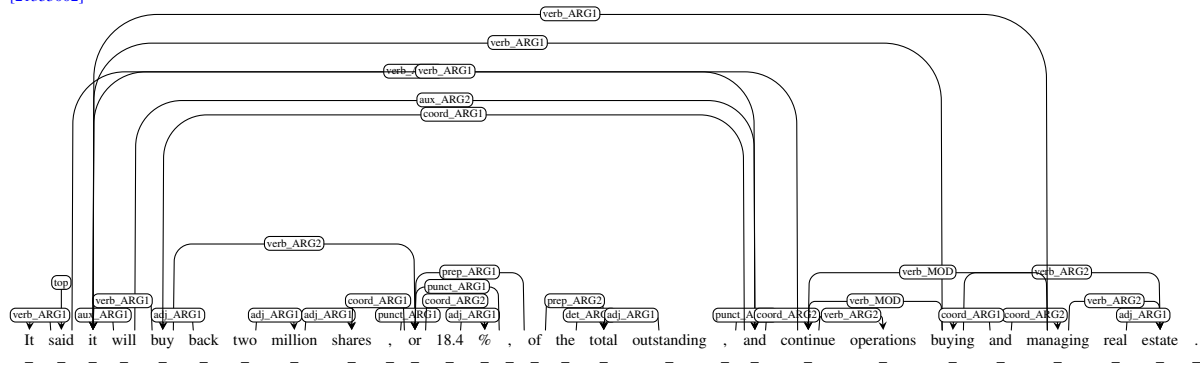


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[21355001]

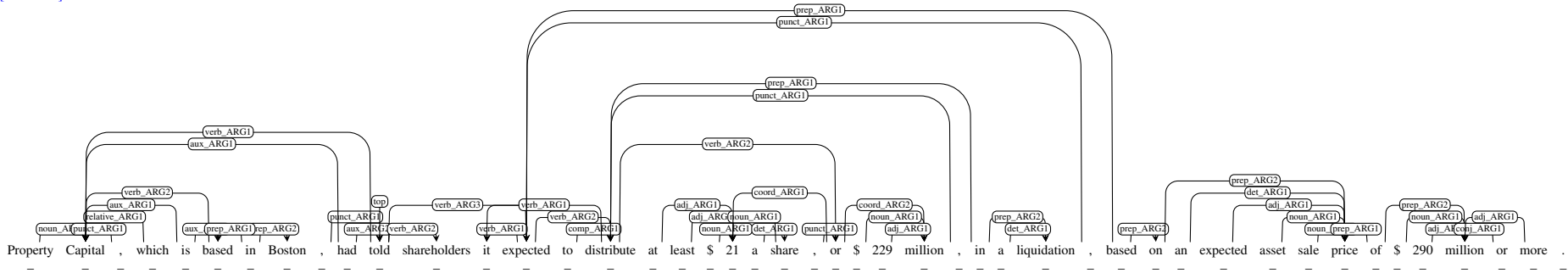


[21355002]



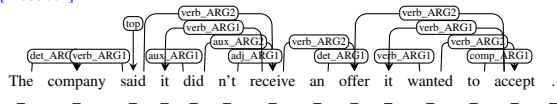
It said it will buy back two million shares, or 18.4%, of the total outstanding, and continue operations buying and managing real estate.

[21355003]



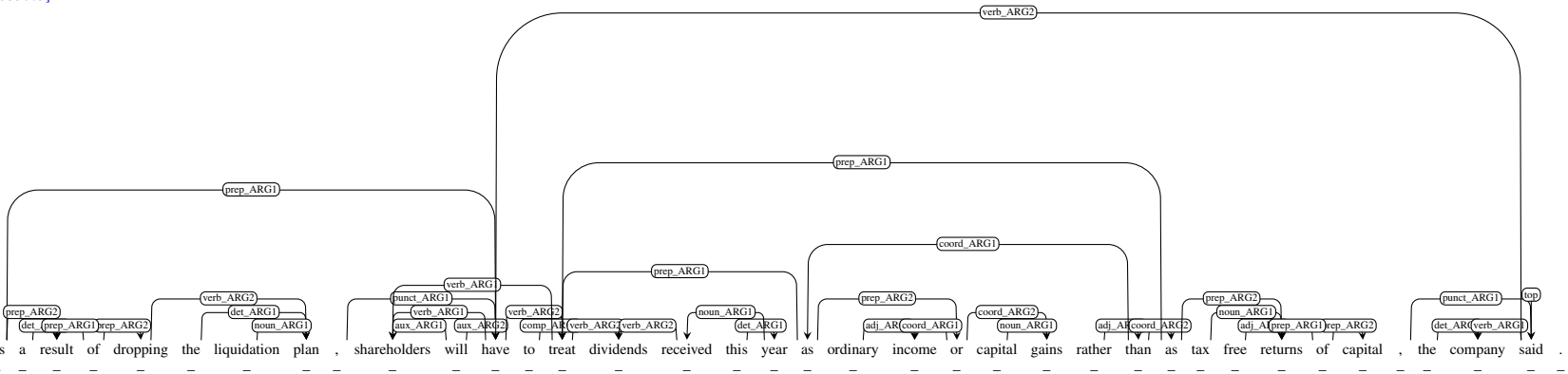
Property Capital, which is based in Boston, had told shareholders it expected to distribute at least \$ 21 a share, or \$ 229 million, in a liquidation, based on an expected asset sale price of \$ 290 million or more.

[21355004]



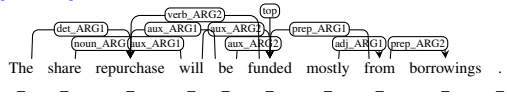
The company said it did n't receive an offer it wanted to accept .

[21355005]



As a result of dropping the liquidation plan, shareholders will have to treat dividends received this year as ordinary income or capital gains rather than as tax free returns of capital, the company said.

[21355006]



The share repurchase will be funded mostly from borrowings.