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## CITICORP BUYING 50 SEARS UNITS

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Citicorp Savings of California, one of the savings and loan subsidiaries of the big New York bank holding company, made the announcement last night. The seller is the Sears Savings Bank, the thrift unit of the Chicago-based retailer.

The purchase marks a big push by Citicorp Savings into Southern California. The Sears branches had been laggards in their markets, according to analysts, who predicted that Citicorp would apply its substantial marketing and financial thrust to improve the branches' market share and earnings.

"This is the key to Citi's strategy of entering Southern California in a big way," said Salvatore Serrantino, a thrift industry consultant based in Santa Monica, Calif. He added that Citicorp Savings had considered buying branches from a number of savings institutions before approaching Sears.

Analysts said Citicorp would now go head-to-head against the leaders in Southern California housing finance. These include Home Savings, California Federal and the Security Pacific Bank.

The deal, which needs approval by Federal regulatory authorities, had been rumored for some time. The price was not disclosed.

Citicorp is buying all of the assets of the 50 Sears branches, including their real estate and office equipment. Citicorp will also acquire the \$2 billion currently on deposit in the branches, which have been run separately from the Sears retail stores in California.

The Sears deposits will increase the deposits at Citicorp Savings by roughly 50 percent, to \$6 billion, from the \$4 billion of last Sept. 30. But that is still small, compared with the total of \$190 billion on deposit in California. And although Citicorp Savings will have 143 branches, up from 93 now, there are 3,300 savings-and-loan offices in the state altogether. Significance of Expansion

Still, with many of the 50 new branches situated around Los Angeles and San Diego, the move is significant. It reflects Citicorp's belief in the fundamental attractiveness of the savings business. Citicorp already owns thrift institutions in Florida and Illinois.

For Sears Savings, the divestiture is consistent with the parent company's strategy of marketing financial services through Sears stores. Many of the branches to be sold are in areas where Sears Savings already operates in Sears stores. Sears Savings will be left with 40 branches in stores around the state and with its headquarters in Glendale.

John Detterick, the chief executive of Sears Savings, said the company would concentrate on selling its

services through the financial centers in the stores and also through direct-mail marketing and the new Discover credit card.

In California, the financial centers offer the services of Sears Savings as well as Dean Witter Reynolds, the brokerage house; Coldwell Banker, a realty firm, and Allstate Insurance. All are subsidiaries of Sears, Roebuck.