

CLARIDGE'S LTD

4300 Peralta Boulevard

(415) 790-1111

Fremont, California 94536



June 25, 1987

Fremont Auto Dealers

Dear Dealer:

Following our meeting at Massimo's on June 23rd I set up a meeting of Dealer Representatives and Santa Fe Pacific Realty. Attendee list attached.

It appears from this meeting that the auto dealers in Fremont have a unique opportunity to participate in an Auto Center unequalled by anything in the bay area. Santa Fe Pacific has 800 acres at Durham and Hwy 880 they wish to develop. They would like an Auto Center to be part of the development. The City of Fremont also wishes to facilitate an Auto Center so as to enhance tax revenues and to insure not losing auto dealers, as example Fremont Ford. A majority of represented franchises are going to move, and or must move to new facilities. Given this unique set of circumstances dealers recognize a once in a great while opportunity to develop an Auto Center unique in the bay area. Auto Centers of this type have historically brought the participating dealers enormous increases in sales and traffic. Missing such an opportunity when our industry is undergoing such vast changes would be a grave error.

Santa Fe Pacific mentioned many possible ways business could be conducted. Land trades may be possible. Sale and or lease of property is possible. Total development is possible. They are open to offers and only need some data and estimates so as to be able to bring back proposals to the dealers. Please fill out and return to me by next Friday, July 3, 1987. They in turn have agreed to return with a proposal within two to four weeks.

Confidentiality required.

Very truly yours,
CLARIDGE'S LTD.

A handwritten signature in black ink, appearing to read "Tom Claridge", with a long horizontal line extending to the right.

Thomas H. Claridge
President

THC:nd

ATTENDING

Jim Moran	Moran Oldsmobile	Fremont
Don Signer	Signer Buick	Fremont
Hank Torian	Auto West	Fremont
Tom Claridge	Claridge's Ltd.	Fremont
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Bill Jones	Santa Fe Pacific Realty	San Francisco
Sam Farib	Berliner Cohen Attny's	San Jose
Bruce Pope	M.R. Farrell Assoc.	Sacramento
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Stan Allen	Fremont Chamber of Commerce	Fremont

* Our thanks to Chamber of Commerce for facilitating the meeting and providing the meeting location.

Thomas H. Claridge

Don Signer Buick

FREMONT AUTO CENTER DEALER QUESTIONNAIRE

(Deadline July 3, 1987)

Facility - Your best guess as to your future needs:

Land Size (in acres) 6

Franchises (number) 2 Names Buick + ?

Total Building Size (sq.ft.) 36,000

Showroom (sq.ft.) 2600

Office (sq.ft.) 4600

Service (sq.ft.) 14,000

Parts (sq.ft.) 7800

Body Shop (sq.ft.) 7000

Parking (car units) 450 Total

New Car (units) 220

Used Car (units) 60

Storage (units) —

Service (units) 100

Employees (units) 70

Planning Potential (factory) 745 + new franchise

Actual Sales (units) 705 (1986) (795 5-year average)

Used Sales (units) 352 (1986) (360 5-year average)

Sales Last Five Years (\$) 79,525,000 (total) (\$15,905,000 average)

Projected '87 Sales (\$) 12,000,000

Ownership

Own Property Preferred in Auto Center

Lease Property Currently

Moving Schedule

Now Negotiable

When Lease renewal 12/90

Market Area (list cities w/majority sales)

Fremont, Newark, Union City (Nearest Buick dealers Hayward, Pleasanton, San Jose)

Questions: Bruce Pope - 916-446-1510