

# C A T E L L U S



August 14, 1990

VIA FACSIMILE

Mr. James B. Salter  
Guardian Builders, Inc.  
2550 Miro Loma Way  
Anaheim, CA 92800

RE: Auto Mall Sale

Dear Jim:

In recent days we have been advised that a number of dealers will not have sufficient funds to pay cash and purchase auto mall parcels. Although the current contracts do not have provisions for owner financing, Catellus is willing to offer financing for lots totalling up to 14 acres of the total 51.65 acres under the following terms:

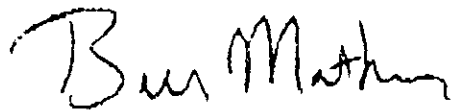
- 1) Base Price is \$8.21, subject to a credit adjustment as described below.
- 2) Closing is on or before August 31, 1990.
- 3) Total of 10% down plus sufficient funds to pay the onsite infrastructure costs required in escrow prior to closing.
- 4) An additional 15% down must be paid on or before November 30, 1990. If the buyer fails to pay, Catellus may take back the property by escrowed deed in lieu of foreclosure.
- 5) The Balance of the purchase price is due on or before August 31, 1992.
- 6) The note will carry interest at 14% per annum, amortized over 20 years, with monthly payments to Catellus.
- 7) Each note will be secured by a first Deed of Trust. Each financed party will deliver into escrow a Deed to be used in lieu of foreclosure for use as described in paragraph 4 above.

8) If a buyer pays off the note, plus accrued interest, on or before November 30, 1990, the base price will be adjusted downward to \$7.41.

We have had some preliminary discussions with two dealers. However, since the request for owner financing has broadened considerably, and we desire to treat all purchasers on the same basis, we felt you should communicate our position to everyone at your meeting tomorrow.

Please do not hesitate to call if we may be of assistance.

Very truly yours,



William C. Matheson  
Vice President  
Sales and Land Management

0025K.82.k1s

cc: Jim McKeehan (via facsimile)