

SIGNER

BUICK • CADILLAC

July 27, 1992

Mr. T. E. Garove
Assistant Zone Manager
Buick Motor Division
P. O. Box 23,500
Oakland, CA 94623

Dear Tom:

This is to inform you of the status of the Fremont Auto Mall, and my plans to relocate.

My current lease expires in May, 1994, with an early out provision up to six months early. It is my intent to relocate in December, 1993.

I have made arrangements with Catellus Land Corporation, the seller of the Auto Mall land, for a build-to-suit lease with an option to buy. I plan to occupy lot 8, a 3.5 acre sight. The monthly rental is estimated to be approximately \$29,000 per month triple-net, based on preliminary estimates of building cost. The actual rental amount will be adjusted up or down based on the final cost of the facility.

I am currently interviewing architects, and plan to make a selection in the near future. I am also studying building design concepts, including the Buick R. E. D. program.

My plans for the facility include the following elements:

Showrooms: Two distinct showroom areas, each with a outdoor covered display area. Each showroom will have a total display area of 4-6 cars, and have its own unique interior design and atmosphere.

Service Write-Up: Separate write-up areas will be provided for Buick and Cadillac.

Service Bays: Twenty-four service bays will be built, with provision to expand to forty in the future if necessary.

Miscellaneous: Architect and factory guidelines will determine area to be provided for office space, parts storage and display, and customer waiting areas.

As you know, this Auto Mall project has been in process for over five years. There have been delays caused by various factors beyond my control, including political problems between Catellus and the City of

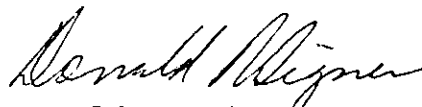


Fremont, financial problems and resulting closure of two participants, and the unpredictability of a third, major Auto Mall participant. Also, the planned, but not yet started, widening of the overcrossing of Auto Mall Parkway over Interstate 880 will be critical to the maximum success of the Mall. However, it appears that the above factors are nearing resolution, and timetables will become more focused in the near future.

Assuming the other participants are in operation or under construction by my intended relocation date of December, 1993, I plan to adhere to that timetable. As I have stated all along, I believe that due to a synergism effect, the Fremont Auto Mall will be a tremendous success once it is in full operation with the majority of manufacturers represented. But, as has already been proven by the closure of a lone dealer, a premature move would not be in my best interest, nor that of Buick and Cadillac. I do, however, plan to move forward with design plans to be ready to begin building in late spring, 1993, assuming Mall participation is sufficient at that time.

I am excited about this long-awaited project finally coming to fruition. As always, I appreciate your and Greg Warner's continued interest and will keep you informed of progress.

Sincerely,



Donald R. Signer
President

cc: Mr. G. J. Warner