



BUICK

Buick Motor Division, General Motors Corporation
San Francisco Zone 47
39465 Paseo Padre Parkway
Fremont, CA 94538

November 2, 1992

PERSONAL & CONFIDENTIAL

Mr. Donald R. Signer
Signer Buick, Signer Cadillac
38623 Fremont Blvd.
Fremont, California 94536

Dear Don:

This letter confirms a discussion between you, Roch McClain of Argonaut Realty, and the undersigned on Tuesday, October 27, 1992 relative to the progress made to relocate your dealership currently located at 38623 Fremont Blvd. to the Fremont Auto Mall.

You were kind enough to reply to our letter dated May 29, 1992 confirming our discussion on April 23, 1992 with your letter dated July 27, 1992 in which you briefly described your time table for relocating to the Fremont Auto Mall. As we discussed at our recent meeting, over six (6) months have passed since our April 23, 1992 discussion and no progress has been made towards your relocation. You once again advised us of the following reasons for your lack of action concerning relocation which include:

- (a) The unpredictability of the primary dealer participant, Mr. Hank Torian, who you advised is currently experiencing serious personal and business financial problems. You also advised that Mr. Torian remains uncommitted regarding a construction start date of his facilities for numerous import franchises despite verbal promises made by him to both you and Fremont City officials.
- (b) Pending litigation between Mr. Torian and Mr. Claridge relative to the formers' lack of fulfilling facilities construction and dealership relocation to the Fremont Auto Mall.
- (c) The business failure of the first dealer to open at the new Fremont Auto Mall site, Pierotti, and the negative image cast on the project by the dealership closing.
- (d) The failure of Fremont City officials to begin the widening of the overcrossing of Auto Mall Parkway and Interstate 880.

All of the above reasons for your failure to take solid steps towards your relocation are similar to the ones presented to us during the April 23, 1992 discussion with the addition of a few legal problems which did not exist in April.

PREMIUM AMERICAN
MOTORCARS

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You also stated that you continue to believe that the Fremont Auto mall is the best environment in which to market Buick and Cadillac products in Fremont, California despite the continued legal, financial, political and image problems encountered in project completion.

As we indicated in our discussion, Mr. Roch McClain of Argonaut Realty is prepared to reopen investigations into the viability of Buick-Cadillac representation at the New Park Mall in Newark, California establishing rent equivalents similar to those you currently experience with no substantial increase in required working capital while offering the benefits of an auto mall environment. Mr. McClain recently submitted to you by fax the attached preliminary estimates for your review as promised during our meeting.

In light of your lack of progress towards relocating to the Fremont Auto Mall and our continued questioning of the Fremont Auto Mall viability, we were compelled to discuss the New Park Mall location once again with you. However, we remain steadfast in our resolve to hold you accountable to our agreement for you to provide adequate facilities for Buick and Cadillac as specified in our agreements dated June 13, 1990 and amended May 29, 1992.

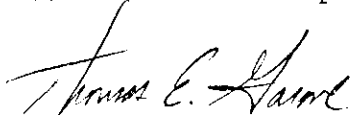
Part of that agreement specifies that you will occupy new premises no later than June 1, 1994 which are adequate in size, satisfactory in appearance and layout, properly equipped to conduct Dealership Operations and substantially in accordance with recommended space guides provided by Buick Motor Division.

You indicated that you would once again consider the New Park Mall proposal as presented by Mr. McClain and advise us within thirty (30) days, if you wish to pursue that opportunity. Otherwise, our previous agreements with you continue in effect and we will expect that your relocation to the Fremont Auto Mall will be completed as agreed.

We trust that the information contained in this letter accurately reflects the substance of our discussion.

Very truly yours,

BUICK MOTOR DIVISION
General Motors Corporation



Thomas E. Garove
Zone Manager

CADILLAC MOTOR CAR DIVISION
General Motors Corporation



Greg J. Warner
Zone Manager

cc: A. L. Roman
E. E. Peterson
B. C. Gibson