

THE HAIG REPORT



Q3 | 2022

TRENDS IN AUTO RETAIL AND THEIR IMPACT ON DEALERSHIP VALUES



- Auto dealers are still enjoying impressive earnings, but profits may have peaked.
- Thanks to pent up demand and limited supply, dealer profits could remain high for some time.
- M&A activity remains robust with 5% more dealership sold through Q3 2022 compared to last year.
- Average estimated blue sky value has declined slightly but still more than double pre-pandemic levels.
- Public buyers have reduced spending on dealership acquisitions. Private buyers have become even more active.

OVERVIEW

02 -OVERVIEW

03 -BUY-SELL TRENDS

08 -TRENDS IMPACTING AUTO RETAIL

18 -FRANCHISE VALUATION RANGES

21 -KEY TAKEAWAYS

The auto retail industry has entered a new phase as it appears profits have peaked due to rising interest rates, inflation and low consumer confidence. Profitability still remains excellent, more than three times higher than before the Pandemic, but most dealers have felt a downdraft in demand coming mostly from the used vehicle department. The sky is certainly not falling, however. We believe that profits will remain elevated for years to come thanks to a massive amount of pent-up demand for new vehicles that will allow dealers to have leverage with consumers.

In terms of the buy-sell market, we are running slightly ahead of last year through the third quarter. Public company spending on acquisitions has dropped as they have shifted a portion of their spending to buying more of their own stock instead of dealerships. Their dollars have been replaced

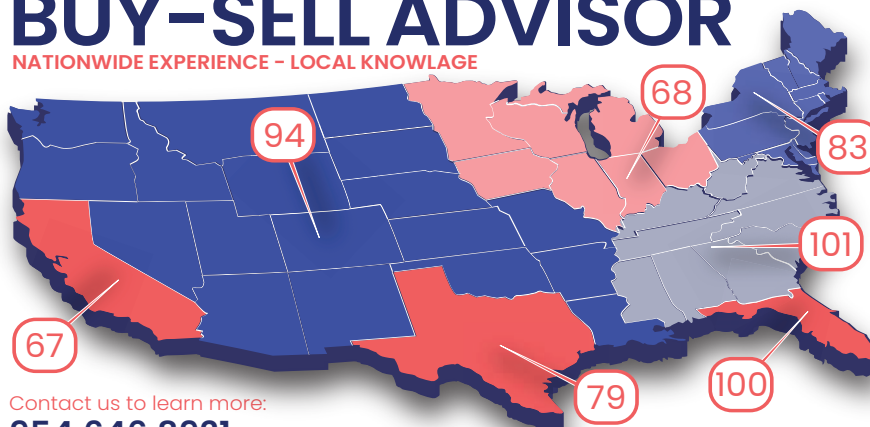
by private buyers who are still very active, with spending remaining at record high levels.

The result of these trends is that dealership values remain highly elevated thanks to high earnings and high demand, albeit declining slightly from the peak in the first half of the year. Buyers believe the long-term outlook for auto retail remains bright despite some risks on the horizon from EVs, the Agency Model, direct-to-consumer-sales, changing consumer habits and other factors that could erode the franchise model over time. Some dealers are taking advantage of these robust conditions to exit, and are finding ready buyers so long as their expectations are realistic.

Our practice at Haig Partners has never been stronger as we expect to close on the sale of around 50 dealerships this year. Please contact us if you'd like to have a confidential conversation about the value of your business. Our contact information can be found on the back cover of this report or at our website, www.haigpartners.com.

THE LEADING BUY-SELL ADVISOR

NATIONWIDE EXPERIENCE - LOCAL KNOWLEDGE



Contact us to learn more:
954.646.8921
HaigPartners.com

© 2022 Haig Partners LLC. All rights reserved.

MAXIMIZING THE VALUE OF YOUR LIFE'S WORK.

590+ DEALERSHIPS

Bought or Sold Nationwide

WE HAVE REPRESENTED **24** OF **THE TOP 150** DEALER GROUPS. More Than **ANY** Other Firm.

EXPERTISE From **TOP** Auto Retailers & Financial Institutions.



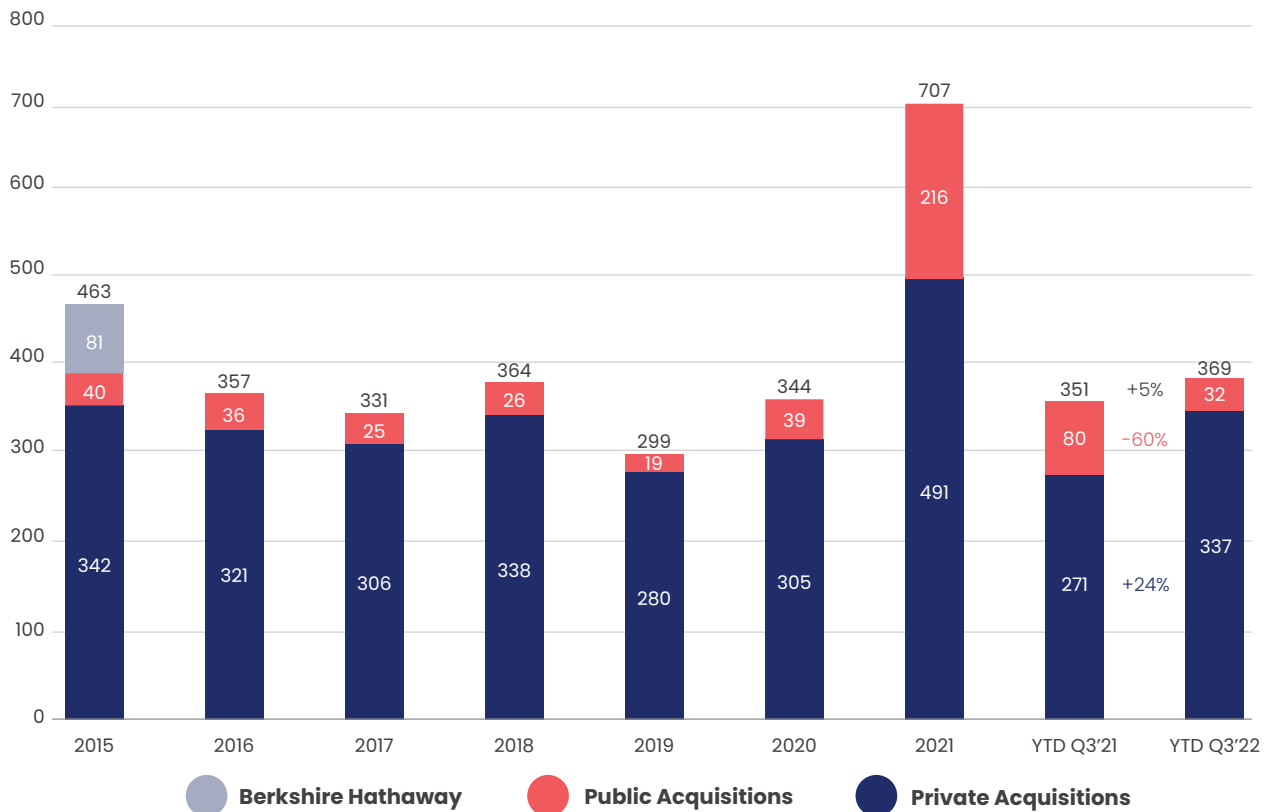
BUY-SELL TRENDS

Transaction Volume Remains At Record Levels

Before the Pandemic, we saw 25-30 dealerships sold per month. That pace jumped to over 50 dealerships per month in 2021. Based on our research and data from Automotive News, buy-sell activity in the first nine months of 2022 is running at a record high level. There were 369 dealerships acquired in the YTD Q3 2022 period, up 5% compared to the 351 dealerships acquired during the same period last year. And recall that 2021 set the all-time record for buy-sells when 707 dealerships trading hands.

The mix of buyers has changed. The public companies acquired 32 stores YTD Q3 2022, which is more than normal for pre-Pandemic years, but 60% below last year's level of 80 stores. Fortunately for sellers, private buyers have been on an acquisition spree, acquiring 337 stores YTD Q3 2022, 24% more than the same period last year. Private dealers have found themselves with loads of cash thanks to high profits and tax-free PPP funds, and many are choosing to invest it by buying more dealerships.

US DEALERSHIPS BOUGHT/SOLD



Source: Automotive News, The Banks Report, & Haig Partners



Record High Prices Being Paid For Dealerships

The recent transaction involving the sale of a majority stake in John Elway's Crown Toyota located in Ontario, CA, to Swickard Auto Group reflects a growing trend toward partnerships in automotive retail. The total value paid for John Elway's Crown Toyota is believed to be the second highest all-time for any dealership franchise in the U.S. The transaction also demonstrates that Toyota is perhaps the most desired brand in the industry today. Toyota is fully committed to supporting its retailers and is not dabbling in the agency model or other ideas that could harm both the retailer and the OEM. Toyota's long-term commitment to the health of the dealer is a critical reason that Toyota sells more vehicles than any other brand. It's a win-win-win for the customer, the dealer, and the OEM.

A Majority Stake
Acquired By

John K. Swickard

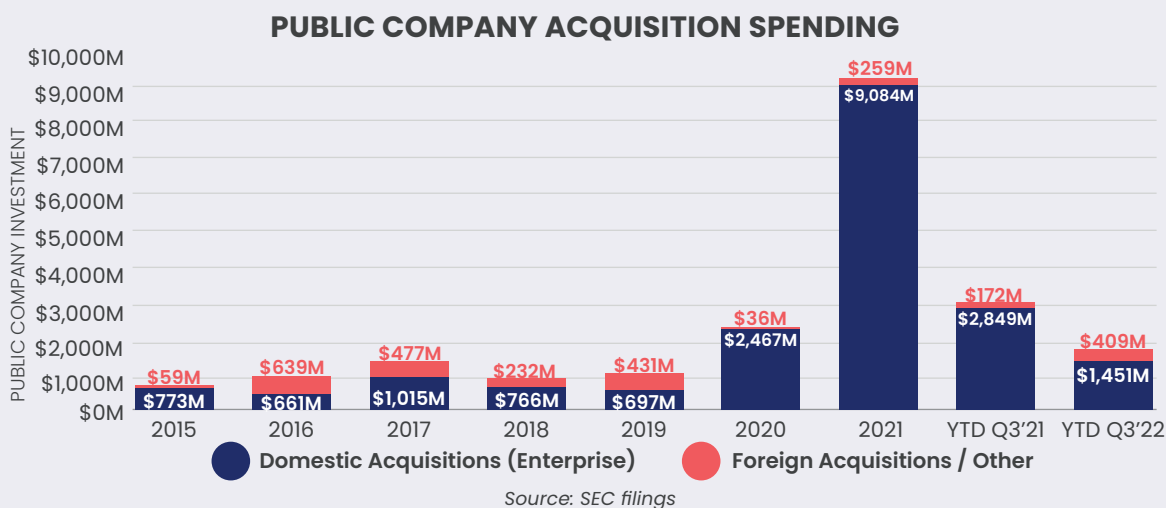
SWICKARD AUTO GROUP

Public Company Acquisition Spending Is Down Sharply From Last Year, But Still Higher Than Pre-Pandemic Times

Prior to the Pandemic, the public retailers were spending between \$700M and \$1B on domestic auto acquisitions per year. In 2021, we saw the highest level of spending from the publicly traded retailers ever, with nearly \$9.1B spent on domestic acquisitions. This year, spending by the public retailers on acquisitions dropped 49% from \$2.8B for the first nine months of 2021 to \$1.5B in the first nine months of 2022. However, spending is still 87% above the average annual spending from 2015-2019. There are a number of reasons the publics have been less active. One is that they, have been digesting some of the blockbuster deals they bought in 2021. Another reason is that the stock prices for the public retailers have fallen by an average of 10% since the beginning of the year, even after repurchasing millions of shares that would normally push up their stock prices. The CEOs of these companies are less interested in acquisitions when their own stock prices are low. And finally, 2021 was likely an anomaly for buy-sells, a year in which several very large groups came to market for various reasons and were acquired. There may simply be less to buy in 2022.

We are seeing the public companies start to spend more on other acquisitions. Group 1 continues to invest in its UK platform perhaps due to much more favorable exchange rates. Penske continues to buy heavy truck dealerships and Lithia recently acquired six Airstream dealerships.

We expect the public retailers will increase their acquisition spending over the next year or two in order to hit growth plans set forth by at least three of the them. Asbury, Lithia and Sonic have all posted big revenue goals for 2025, and they will need to be consistently adding stores to hit their targets. The other publicly traded retailers are also interested in growth and are buying assets that are a strong fit for their networks. It's unlikely the public retailers will repeat the acquisition binge of 2021, but we do expect acquisitions from publicly traded retailers to be higher over the next few years than it was before the Pandemic. Earl Hesterberg, CEO of Group 1 Automotive, recently said during a CNBC interview, "Acquisitions are the best use of our capital, but we have to be much more careful now with the higher cost of capital and interest rates. We need to make sure what we purchase is a great brand and in a great market."



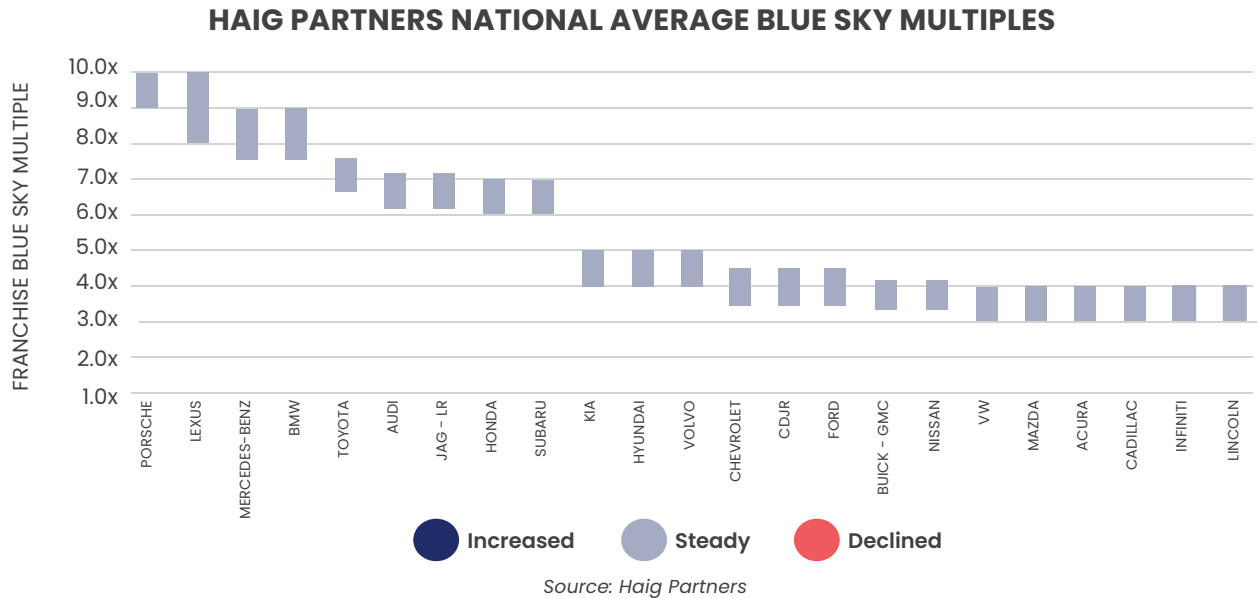
Blue Sky Multiples By Franchise

We carefully monitor the buy-sell market to assess the desirability of various auto franchises and overall market conditions. We analyze offers for the transactions that we are involved in and regularly speak with leading buyers

and many attorneys, bankers and CPAs who are involved in other acquisitions. Most buyers still base their blue sky offers on a multiple of earnings that they expect in the future – and these expectations have varied considerably over the past few years.

The following table sets forth our expectations of what a buyer would pay as a multiple of expected pre-tax profit for the blue sky value for various franchises. Prior to the Pandemic, you could apply these multiples to the most recent year of adjusted pre-tax profits to derive blue sky. After the Pandemic hit, buyers began to average in years of pre-Pandemic profits with Pandemic profits. Earlier in 2022, buyers had dropped the profits made in 2019 and before from their calculations. Now buyers

appear to be using revised valuation methodologies. We understand how buyers are valuing stores and we provide this information to our clients and potential clients to help them understand their potential blue sky values if they decide to go to market. We caution potential sellers from simply taking the multiples below and apply them to their current earnings to estimate their goodwill. The offers they receive will likely fall short of their expectations.



We are seeing particularly high interest in states like Florida and Texas where there are no state income taxes. Values are also strong throughout the Southeast, the Southwest and in the Mountain States where population growth is robust and the business climate is favorable. In these areas, blue sky multiples will likely be higher than our national average. Also, in very large transactions that are deemed strategic to the buyer, blue sky values may also be higher than what we set forth above.

Blue Sky Values Have Peaked And Have Started to Decline

Many factors drive the blue sky value of dealerships. A buyer's expectations of future profits are foremost, as are interest rates, the amount of capital a buyer has and how much financing is available.

Dealership valuations are challenging today, given the huge run up in profits and the uncertainty of how long these good times will continue. Since NADA has discontinued its publication of private dealership financial performance, we have been using the data from the publicly traded auto retailers to estimate average profits per dealership.

Our team has spoken to many dealership buyers discussing with them how they are valuing dealerships today. And we have analyzed our recent closed transactions to reverse-engineer the offers we accepted compared to the current and historical adjusted earnings of the dealerships that we were selling.

We take these estimated profits and apply the valuation methodology that we see buyers using currently to calculate the estimated blue sky value of a dealership owned by the public companies if it were to be sold on the open market.

Based on this analysis and research, we believe that dealership values peaked in Q1 and Q2 2022. In the third quarter and so far in the fourth quarter buyers have become more concerned about the future for two main reasons:

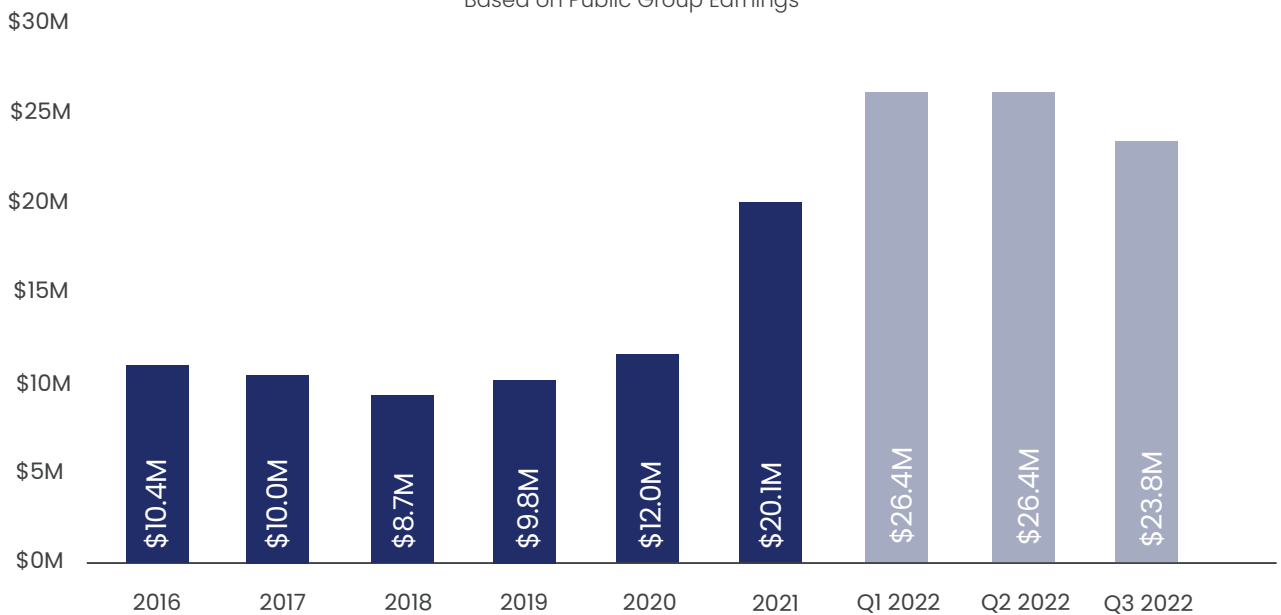
- Higher interest rates reduce consumer demand, and therefore will likely reduce dealership profits in the future.
- Higher interest rates hurt dealership buyers since they reduce the amount of cash flow from acquisitions.

As a result of the two factors above, and our recent experience, we estimate that blue sky values have declined 10% in Q3 2022 from their peak in the first half of 2022. The average publicly owned dealership has an estimated blue sky value of \$23.8M, down from \$26.4M earlier in the year. But even with this decline, the average blue sky value is estimated to be 142% higher (2.4x!) than year-end 2019, and 18% higher than at year-end 2021.

Please note that there are no hard and fast rules on dealership valuations. There are situations where the buyer has decided a dealership is strategically important to them, so they are willing to pay a big premium to acquire it. And there are situations when sellers don't find the Most Motivated Buyer® and end up selling for below market prices.

ESTIMATED AVERAGE BLUE SKY VALUE

Based on Public Group Earnings



Source: Haig Partners & SEC Filings

Ford and Lincoln EV Programs May Be Eroding Franchise Value

Ford's CEO Jim Farley has made a number of significant moves to prepare his company for a shift towards EVs. Some dealers are on board and excited that Ford is trying to be a leader in EVs, but others have become highly critical. They point to his plans to force Ford dealers to spend up to \$1.4M at their stores in order to have the rights to sell Ford EVs. Lincoln dealers are being told they need to spend up to \$900K. This cost is for installing chargers, but also interior renovations and training. And Ford says it will require dealers to offer pickup and delivery for sales and

service, as well as providing loaner vehicles when EVs go in for repairs. Other franchises have been adding EVs to their lineups and selling through existing dealers, but none have a program as costly and far reaching as Ford's.

We have been wondering what the impact of Ford's EV program would be on Ford dealership valuations. We now have three recent transactions that have Ford dealerships in them and have seen three different responses from buyers. Contact us to learn more.

It's possible that part of the reason Ford is pushing its costly program is to try to further reduce the number of Ford dealerships in the market. Ford has been closing a number of points around the country, usually during a buy-sell process, where they and surrounding dealers step into the contract with the seller and then terminate the point. If the result from an expensive EV program is fewer Ford stores, then profits for the remaining stores could rise. There could be a benefit to surviving Ford stores that is unrelated to the purported goal.

A number of state dealer associations will be formally objecting to Ford's plans, so whether or not they can be implemented remains to be seen. Some buyers are avoiding the drama and steering clear of the brand for the moment. Other buyers are still attracted to the brand due to its rock solid truck business. If Ford prevails on these battles, Ford stores may decline in value. Buyers can acquire other franchises that will have less onerous requirements to sell EVs.

Buy Sell Outlook For 2023

The conditions that drive a healthy buy-sell market are all still present. On the buy-side, profits are high, dealers have plenty of cash, many want to grow, and credit remains plentiful. In addition, buyers are open to more franchises and more markets than before the Pandemic since almost all dealerships are making strong profits and are likely to do so for the foreseeable future.

On the sell-side, the high value for stores is motivating dealers to consider exiting even if they are not at retirement age. Average single point dealerships are worth around \$40M including real estate and other assets. Mid-sized groups are valued in the hundreds of millions of dollars. Large groups bring billions of dollars. At these values, dealers and their families are having conversations about the benefits of being in the industry, but also the risks and capital investments required if they wish to remain dealers. There is a growing belief that dealers should own ten or more stores to be competitive with other consolidators that can offer huge selections and customer friendly processes and technology. Some dealers are considering selling a portion of their groups to raise capital for growth, while retaining equity stakes. Others are hedging their bets by selling stakes in their dealership groups, but putting the proceeds into their pockets for liquidity and diversification. That way they can take advantage of elevated valuations today, but retain most of the benefits of being a dealer for years to come. We are currently working on multiple transactions where our clients are considering partial sales.

With plenty of buyers and sellers in the market right now, we expect 2023 to be another busy year for transactions: likely not as active as 2021, but more than 2020 which was also an excellent year. Haig Partners has benefitted from these robust conditions, on track to sell around 50 dealerships in 2022.

MOST MOTIVATED BUYER®

Some items like milk and gasoline are commodities. They can be readily purchased and the prices are very consistent across the market since buyers will quickly migrate to the cheapest source. Sellers of these goods have little leverage since they have many competitors. Dealerships are the opposite of a commodity. Each one is unique. They differ by franchise, town, location within a town, performance, size and quality of facility, reputation, quality of competitors, etc. Also, buyers are unique. They have different budgets, strategies, and styles. We know of some dealers who will only consider luxury and exotic brands, the market is secondary. Other buyers care only for stores in their own market. Some will buy any brand in any market if they believe the price is attractive. In a market like this, sellers have the advantage, IF they are able to connect with the buyer in the market at that time looking for a dealership that best fits their objectives. This buyer will pay more than any other buyer. We refer to this buyer as the Most Motivated Buyer®. Haig Partners has relationships with thousands of dealers across the US.

A big part of the value we bring to our clients is knowing which of these buyers would be highly interested in purchasing a business we are representing, and then running a confidential sale process that is designed to yield the Most Motivated Buyer. Sometimes we find the most motivated buyer right down the street and sometimes we find them on the other side of the country.

TRENDS IMPACTING AUTO RETAIL

This section covers general economic trends as well as others that are more specific to auto retail. The trends that were so favorable over the past couple of years have begun to shift, hurting both consumers and retailers.

Inflation Remains Elevated

The 12-month inflation rate was 7.7% in October 2022. Consumers are paying more for almost every good or service they are purchasing. And wage growth is not keeping up. While demand for workers remains high, wages have grown by 5.1% over last year. As a result, consumers have less real income to afford purchases such as vehicles.

Interest Rates Continue To Increase

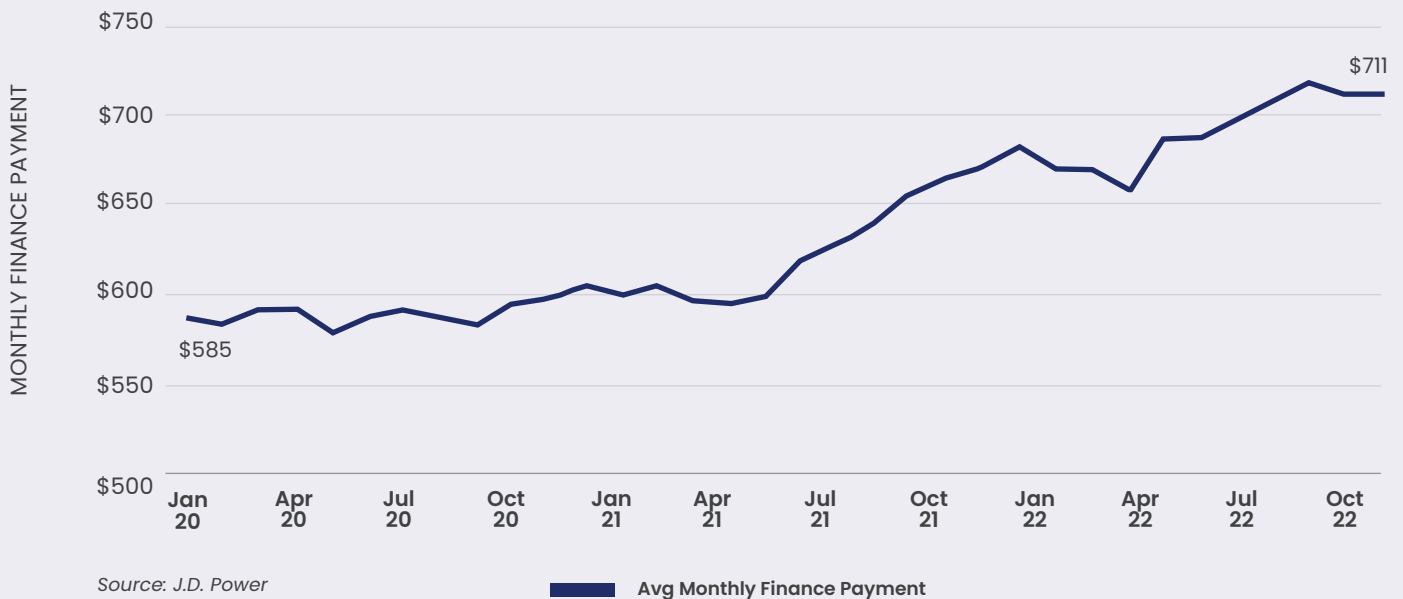
The Federal Reserve is trying to tame inflation and increased its discount rate by 75 basis points in November to 3.75%, the fourth consecutive rate hike of 75 basis points. The average mortgage rate in the US has reached 7.59%, the highest level since 2002. According to J.D. Power, rates on auto loans are expected to increase to 6.03%, 199 basis points higher than a year ago. Higher rates suppress inflation because they reduce the demand for goods. The challenge for the Federal Reserve is to orchestrate a soft landing for the economy by keeping inflation in check without pushing the US into

a recession. And it's not just consumers who pay higher rates. Dealership buyers may balk at paying around 6% for acquisition financing when it was available for about half that rate earlier this year. Higher rates reduce the amount of cash flow to dealership buyers, so they may decide to pay less for acquisitions.

Auto Prices Are Growing Faster Than Wages

Inflation has been particularly elevated in the auto industry as the prices of new vehicles grew faster than other goods. The higher purchase prices and interest rates are creating sticker shock for many auto buyers. Monthly payments on purchases have also gone up. The chart below from J.D. Power shows that the average monthly finance payment increased 22% from January 2020 to October 2022. Cox Automotive estimates that the average buyer today has to work for 42.2 weeks to afford a new vehicle compared to 34 weeks prior to the Pandemic, 24% higher. OEMs may need to bring back incentives sooner than they hoped.

AVERAGE MONTHLY FINANCE PAYMENT



Fuel Prices Remain High, But Are Dipping

Fuel prices hit a record high of \$5.01 in June, however the national average price per gallon of gas decreased to \$3.80 as of early November. Currently, we are about 11% above the level at the same time last year. Higher fuel prices can reduce demand for vehicles since consumers have less money to spend on monthly payments. Higher fuel prices could also increase demand for electric vehicles which will be welcome news for the OEMs who plan to bring dozens of EV models to the market soon.

GDP Increases After Two Straight Declining Quarters

We mentioned earlier that the greatest threat we see to dealers in the near future is a deep recession. After two straight quarters of declining GDP, GDP increased at an annual rate of 2.6% in Q3 2022. However, economists do not believe we are in the clear yet. Most of the growth was due to a narrowing trade deficit thanks to a stronger dollar, that won't be repeated in future quarters.

Unemployment Remains Low

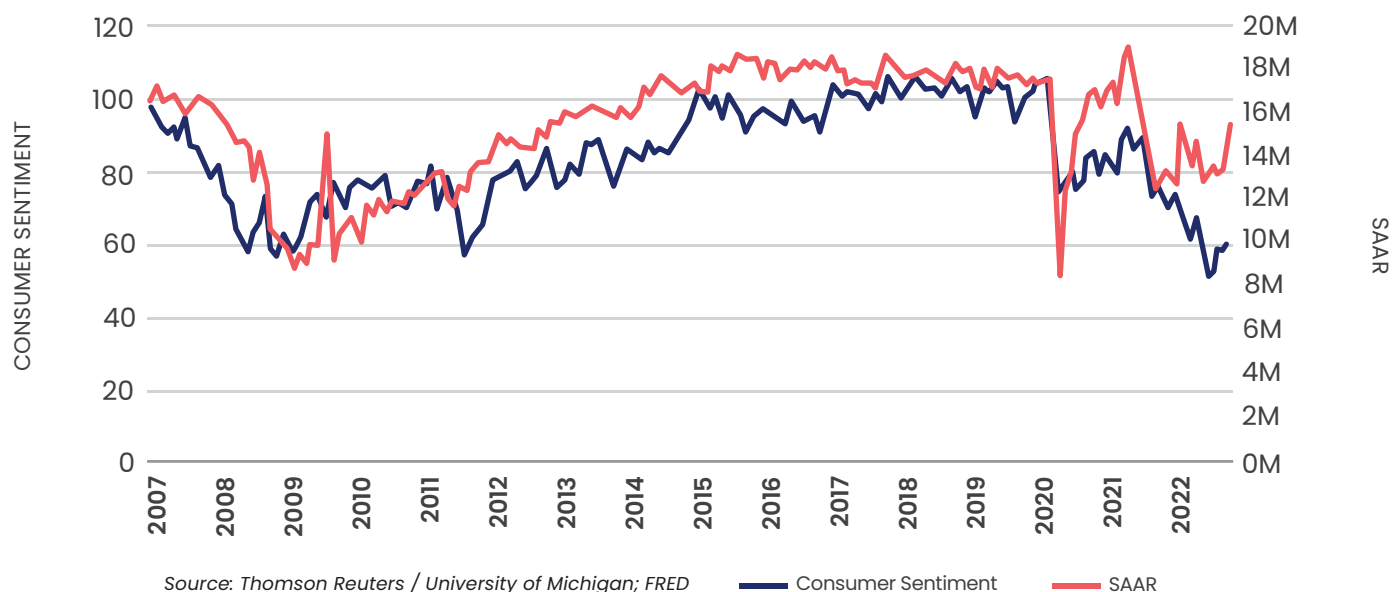
Another unusual aspect of our economy today is that although rates are rising rapidly, the unemployment rate

remains low. In October 2022, the unemployment rate was 3.7% and the economy generated 261,000 jobs about the same number of new jobs in September, according to the Labor Department. Some sectors of the economy have experienced a wave of layoffs, but others are still trying to fill openings.

Consumer Sentiment Slowly Rebounding

Consumer Sentiment is an economic indicator that measures how optimistic consumers feel about their finances and the state of the economy. New vehicle sales and Consumer Sentiment typically move together. When Consumer Sentiment is increasing, auto sales increase, and vice versa. But this relationship appears to be broken. Consumer Sentiment hit a record low in June, falling to 50. Consumer Sentiment rebounded 9.8 points and hit 59.8 in October and is down 17% from last October. The declines are driven by rising inflation, high gas prices and a weak economic outlook. Auto sales have not fallen as much however, which might mean that the demand for vehicles is not as flexible as expected. Consumers are still buying cars since they need them, even if they don't feel great about the overall economy.

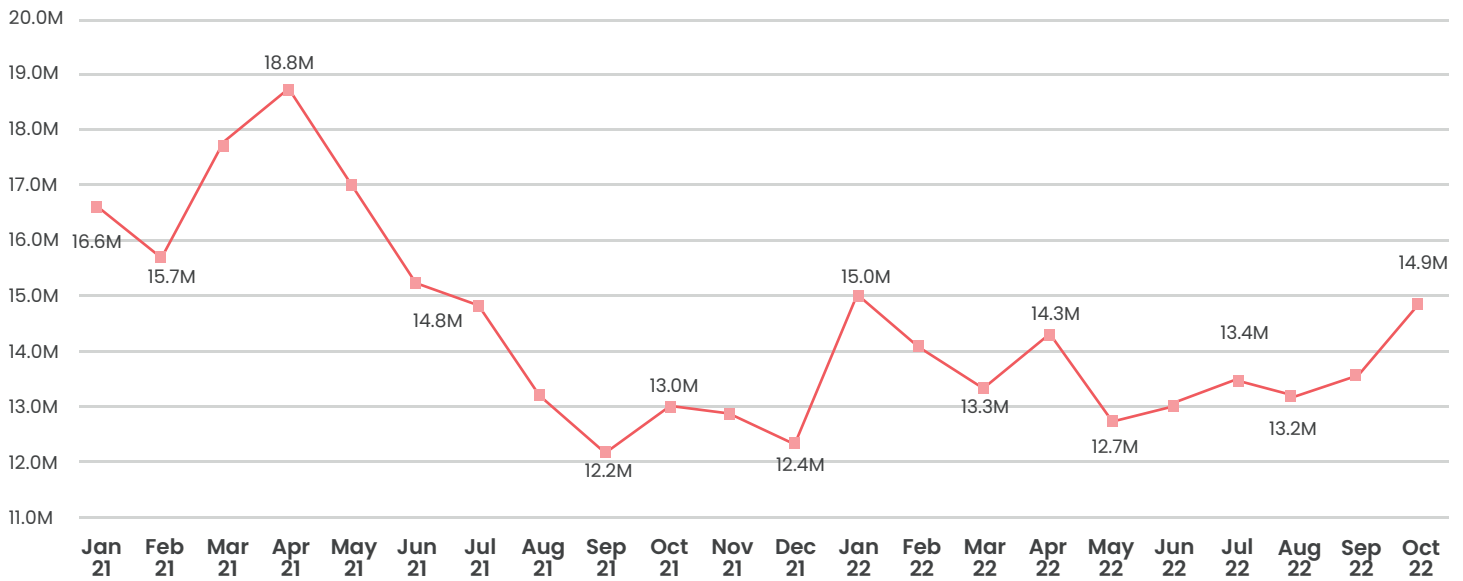
CONSUMER SENTIMENT VERSUS SAAR



The Lack Of Components Continues To Impair Production

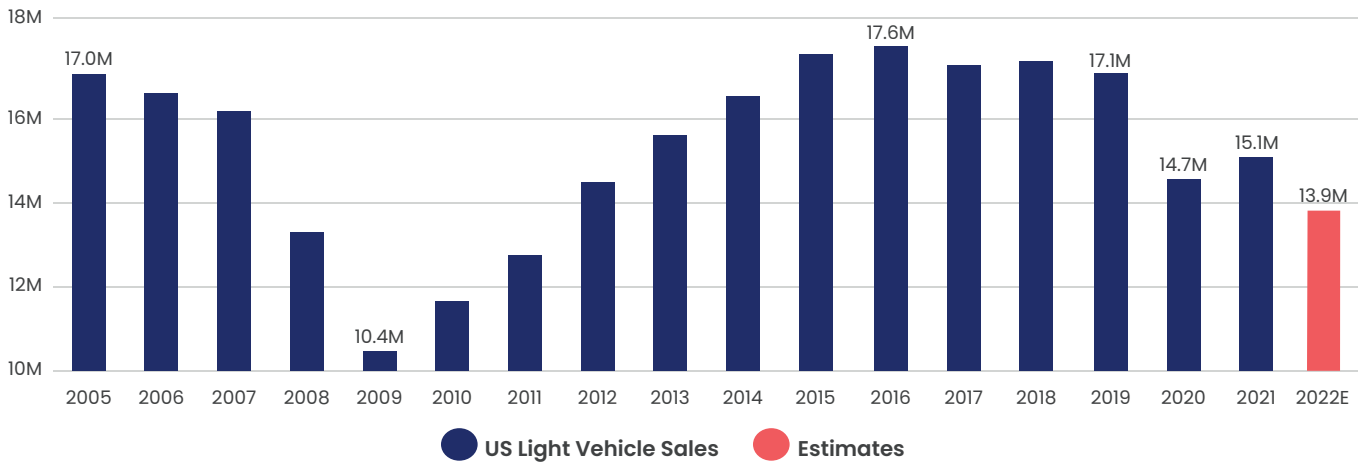
As the US began to exit the Pandemic in April 2021, the SAAR peaked at 18.8M units, the strongest April sales in the history of the US auto industry and the highest monthly sales rate since July 2005, according to NADA. But since the Pandemic began, OEMs have struggled with a shortage of microchips and other components and have had to sharply curtail their production of vehicles. Despite 18 months of progress on the supply chain, production continues to get cut and the production outlook remains cloudy. The SAAR was 14.9M in October 2022, 15% above the October 2021 level. Many analysts continue to lower their sales forecasts for 2022 and 2023 due to continued delays in production. Demand seems likely to exceed supply for the foreseeable future.

MONTHLY SAAR



Source: NADA

US LIGHT VEHICLE SALES



Source: IHS, Wards Auto, TrueCar, COX Automotive, NADA, J.D. Power

Pent Up Demand Is Still Growing So The Outlook For Future Profits Looks Bright

The chart on the previous page shows the combined amount of fleet and retail sales for light vehicles in the US over the past 17 years. You can see the impact of the Great Recession when sales dropped about 40% from 16-17M sales to 10.4M sales in 2009. This drop was caused by a lack of confidence, a lack of credit and a lack of capital on behalf of buyers.

The drop in sales today is solely caused by a lack of supply as the level of demand is high. Many in our industry wonder how much longer current conditions will continue. It appears to us as though demand will exceed supply for some time to come. Here is some data to consider.

- From 2015-2019, new vehicle sales in the US averaged 17.3M units. About 1.8M units went into rental car fleets per year.
- From 2020-2022, new vehicle sales in the US will average an estimated 14.6M units.
- If there had been no Pandemic, we expect that there would have been around 8.1M additional units built. To be conservative, let's eliminate the sales that would have gone to rental car fleets since demand for them truly dropped during the Pandemic as people stayed home. The combined lost sales to consumers over this three-year period is then 5.0M units.
- It's unclear how much production capacity the OEMs have now, given they are shifting over production lines to EVs. But let's assume their capacity returns to the average level produced from 2015-2019, so 17.3M units in 2023. This means that in 2023 production will match demand, leaving 5.0M units of pent up demand in 2024. Then, let's assume that factories can produce 10% above the average level produced from 2015-2019, so 19.1M units per year (1.7 million units over the 2015-2019 average).

- Assuming that the OEMs would be ready to produce at this estimated maximum capacity by the beginning of 2024, it could take three years after that to catch up with the lost production from 2020-2022 (5.0M lost units / 1.7 M units excess capacity per year = 2.87 years). By this calculation, we will remain in a period where demand exceeds supply well into 2026.

And even as supply comes back at higher levels and margins begin to drop, the total amount of gross profit from variable ops may not drop sharply from current levels. Higher sales at lower grosses is not a bad outcome, particularly when factoring in the additional F&I income that comes with the incremental volume.

There is a lot of speculation in our industry as to where new vehicle margins will end up. OEMs are making more money now than when they were producing more. Some OEMs are saying they will not go back to overproducing to fight for market share. But other industry executives are skeptical of these claims. They feel like the factories will make as many units as they can, pushing us back into a situation of oversupply, which will push margins back to where they were before the Pandemic. Mike Manley, CEO at AutoNation and formerly a senior executive at Stellantis, recently gave his perspective about the outlook for gross profits for new vehicles by saying, "New car prices will be steadier because automakers want to maintain tight inventories to protect profit margins and fund electrification." He believes that the OEMs will be more focused on profits than short term market share, so overproduction seems unlikely.

Of course, a BIG caveat to the last sentence. If the Fed has to keep increasing interest rates to fight inflation, the result could be sharply lower demand. If so, margins and profits will fall faster and further than the math above indicates.

"It's been my pleasure to work with a great staff at these two stores to serve many thousands of customers in the greater Minneapolis area. We built a terrific business and I expect Morrie's will provide even more opportunities for our people and our customers. I wish them all much success for the future. I'd like to thank Alan Haig and Nate Klebacha from Haig Partners for running a confidential sale process that brought me the outcome that I wanted."

- Randy Wilcox, Owner, Forest Lake Auto Group



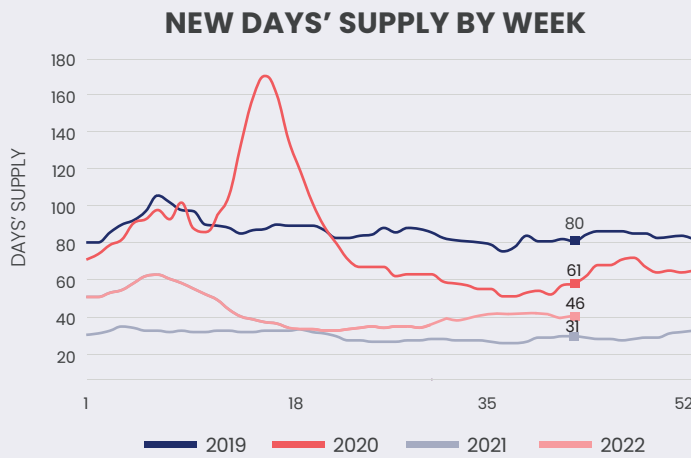
Inventories Are Slowly Improving

We are starting to see increasing levels of new vehicles in stock. According to Cox Automotive, the number of new vehicles in the market in mid-October 2022 reached 46 days' supply, 47% above the same time last year. Although it is a big increase compared to year ago levels, inventory is still very low, 42% below 2019 levels. Dealers continue to sell into their allocations, just not as deep. And the inventory situation varies from one franchise to another. Most Stellantis stores have adequate new stock, while Honda lots have almost none.

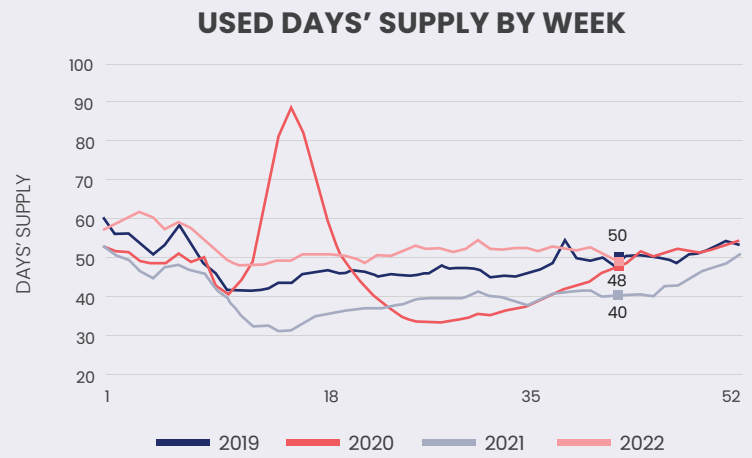
As a result of the strong demand and lack of supply, pricing on new vehicles remains high. J.D. Power data shows the average new-vehicle retail transaction price in October was expected to be \$45,599, 2.7% above year ago levels but slightly lower than the record high June price of \$45,988. OEM incentives are down to 1.9%, a record low. In addition to raising prices and reducing incentives, interest rate increases outpaced income growth and worsened the new-vehicle affordability situation.

The used market has had a significant correction. There is a plentiful supply of used vehicles with a 48 days' supply, 20% above year ago levels. Used vehicle prices have fallen and we are hearing stories of many dealers taking writedowns on aging stock. Affordability is an increasing concern to many dealers as the jump in interest rates often hurts used vehicle buyers the most due to their lower incomes.

One factor that is helping vehicle buyers is that they are benefiting from more equity on their trade-in vehicles. In October, J.D. Power reported that the average trade-in equity for vehicles was \$9,297, a 7.0% increase from year ago levels.



Source: Cox Automotive

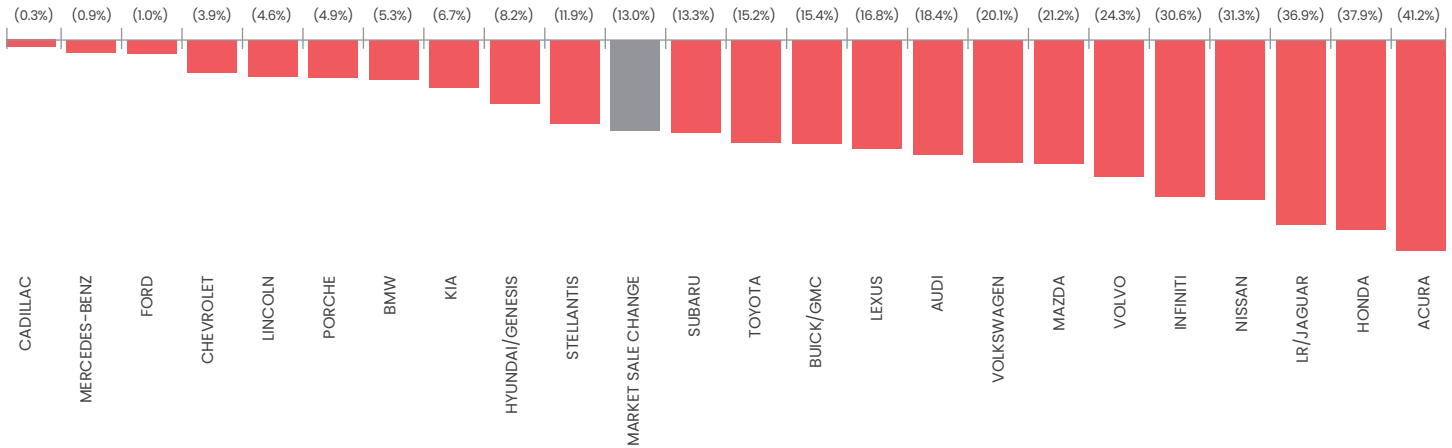


Source: Cox Automotive

All Franchises Are Suffering A Drop In New Vehicle Sales

Every franchise has shown a decline in sales for the first nine months of 2022 compared to the same period last year, as shown in the chart on the next page. It's amazing that late in the third year since the Pandemic began, OEMs are still having significant difficulty in producing new units. New vehicle sales at the average franchised dealership sold 13.0% fewer new units in Q3 2022 YTD compared to Q3 2021 YTD.

YEAR/YEAR SALES PERFORMANCE - Q3 2022 YTD



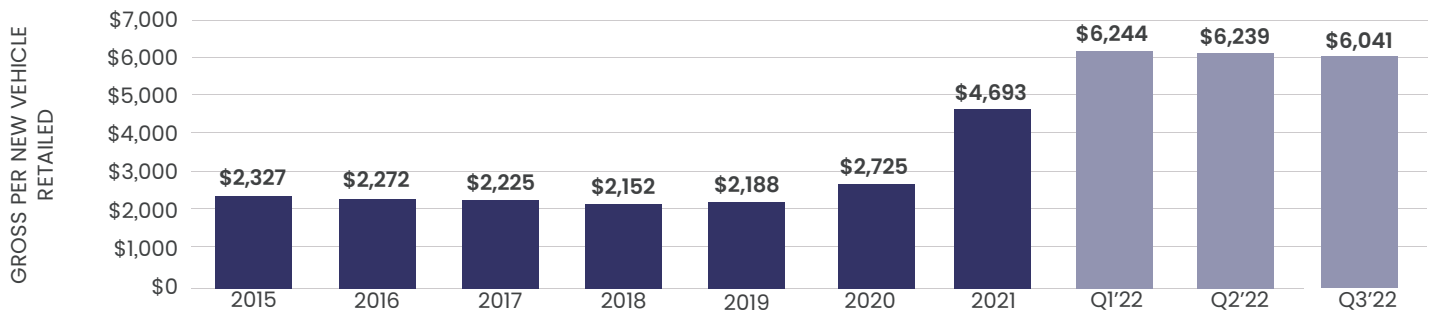
Source: Automotive News

New Vehicle Gross Profits Remain Elevated But Have Started To Decline

The public companies made an average of \$6,041 in front-end gross profit per vehicle in Q3 2022, 29% higher than in 2021. These gross profits declined \$198 (3%) compared to Q2 2022. Each week we hear about new supply constraints, so the outlook for higher supply of new units remains cloudy. Barring a shock to demand, we expect that margins will remain well above pre-Pandemic levels for years, as we wrote earlier.

NEW GROSS PROFITS PER VEHICLE: PUBLIC COMPANY DATA

(Weighted Average Same Store Performance - In Current Dollars)



Source: SEC filings

"It has been a great honor to work with an incredible team to build John Elway's Crown Toyota into one of the top performing Toyota dealerships. We thank all those who have contributed to its mighty success. But we are not retiring! We continue to own an equity stake in Crown Toyota and we want to continue to build our dealership group in the Mountain States and the Southwest. We enjoy the car business and are investing for the long-term. Many thanks to Alan Haig, who knew the one, very best, counterparty for us out of all the buyers in the market. His knowledge of the landscape of auto retailers is remarkable and his commitment to confidentiality and ability to navigate a smooth and successful transaction was invaluable for us during this process."

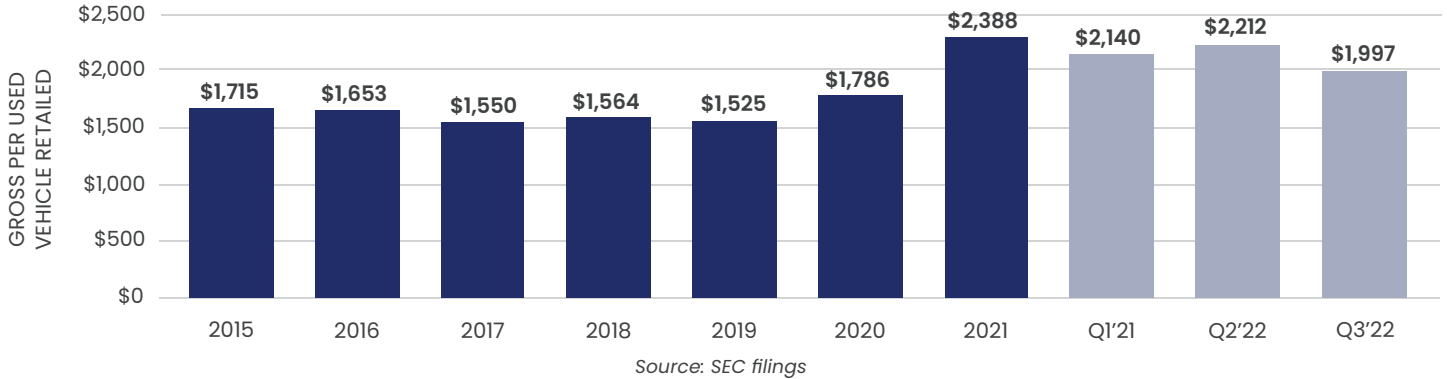
- Mitch Pierce, President and Partner, and John Elway, Partner at Elway Dealers



Used Vehicle Gross Profits Are Falling

Gross profits for used vehicles have fallen in recent months. Depreciation has resumed as demand fell due to a combination of higher prices and higher interest rates. Some consumers have decided to wait in the hopes of finding a lower payment in the future. Gross profit per used unit sold in Q3 2022 was 10% below the Q2 2022 level. Despite the recent declines, gross profit per used vehicle retailed is still 31% higher than in 2019, the last year before the Pandemic.

USED GROSS PROFITS PER VEHICLE: PUBLIC COMPANY DATA (Weighted Average Same Store Performance - In Current Dollars)

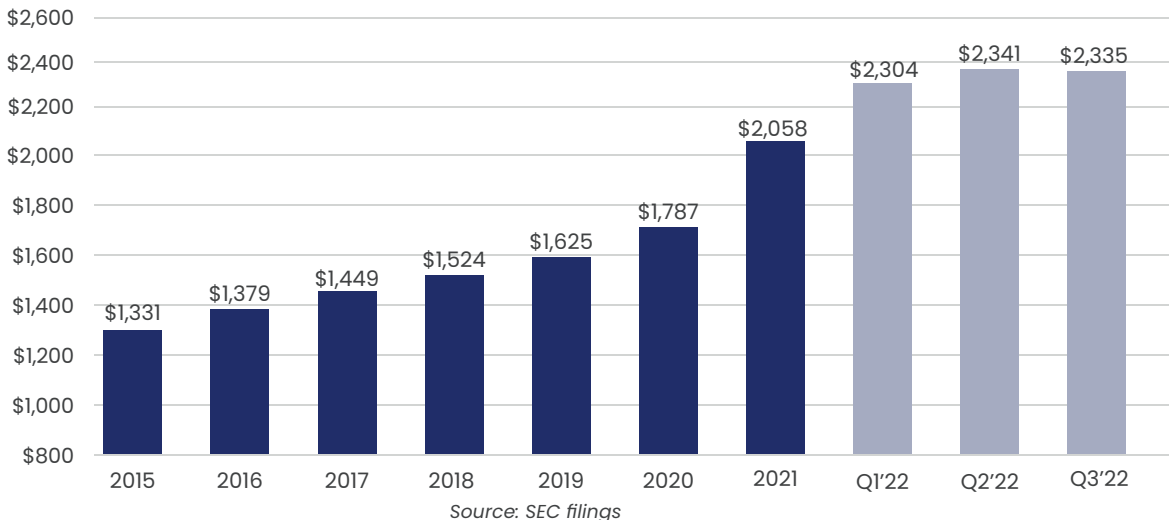


Finance & Insurance Income Remains Elevated Along With Higher Transaction Values

F&I profits per vehicle have remained elevated as transaction values go up and retailers do a better job on product penetration. The public companies earned \$2,335 per vehicle retailed in F&I gross profit in Q3 2022, up an impressive 13% from 2021.

Privately owned dealerships are also enjoying stronger F&I gross profits. As their volume has fallen, dealers have had more time to focus on their F&I processes and training. They have developed new strengths that should endure. We are representing a dealership group now with average PVRs in the \$3,000s.

PUBLIC COMPANY F&I PER UNIT RETAILED (Weighted Average Same Store Performance - In Current Dollars)

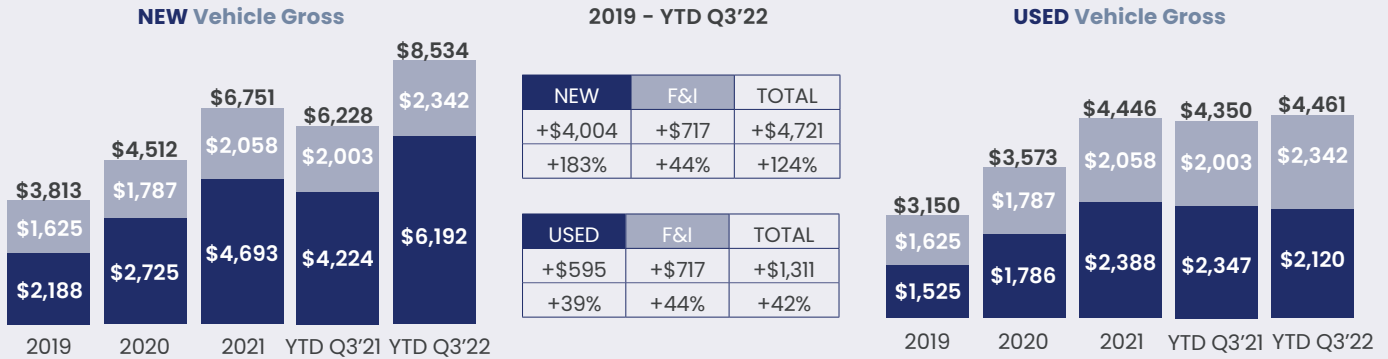


Combined Front And Back Gross Profits Per Vehicle Retailed Remain High

The tables below track total profits per vehicle retailed back to 2019. In Q3 2022 YTD, the public retailers made a whopping total of \$8,534 in front and back gross profit per new vehicle retailed, up 37% from Q3 2021 YTD. And the public retailers made a record high total of \$4,461 in front and back gross profits per used vehicle retailed, up 3% from Q3 2021 YTD.

PUBLIC COMPANY VEHICLE GROSS + F&I PVR

(Weighted Average Same Store Performance - In Current Dollars)



Note: Front-end gross profit includes manufacturer incentives and other income.

Source: SEC filings; F&I as reported for new and used combined

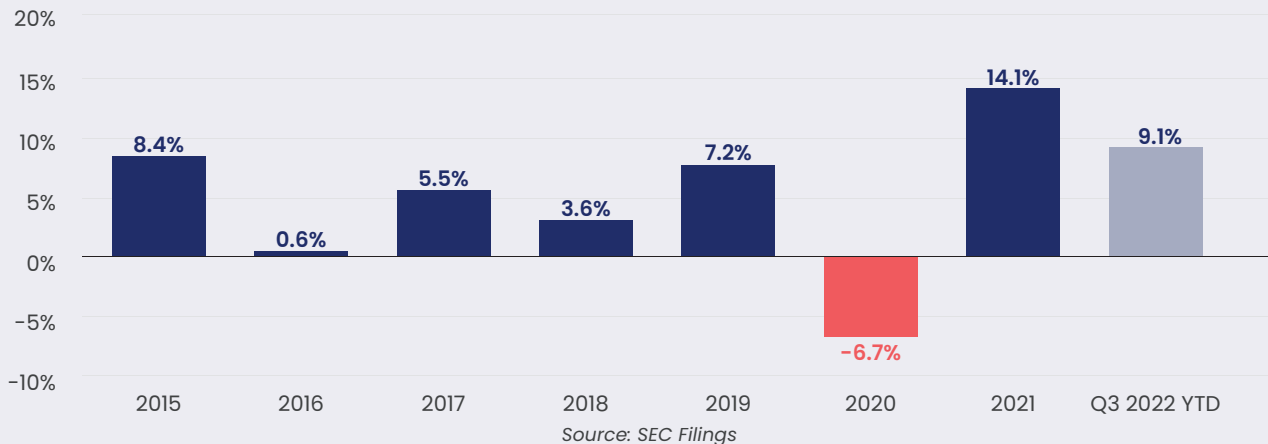
Fixed Operations Are Up Due To Higher Customer Pay, Recalls And Higher Labor Rates

Fixed operations are hitting on all cylinders for dealers right now. Due to the lack of supply and high prices, many owners are hanging onto their vehicles longer and spending more to maintain them. Plus, the level of recalls on increasingly complex vehicles has gone up recently. And finally, due to the high demand from vehicle owners and a limited number

of available workers, dealers have been charging more for their services by pushing up labor rates. As a result of these three factors, fixed operations have been booming for dealers. Gross profits are up an impressive 9.1% in Q3 2022 YTD compared to Q3 2021 YTD.

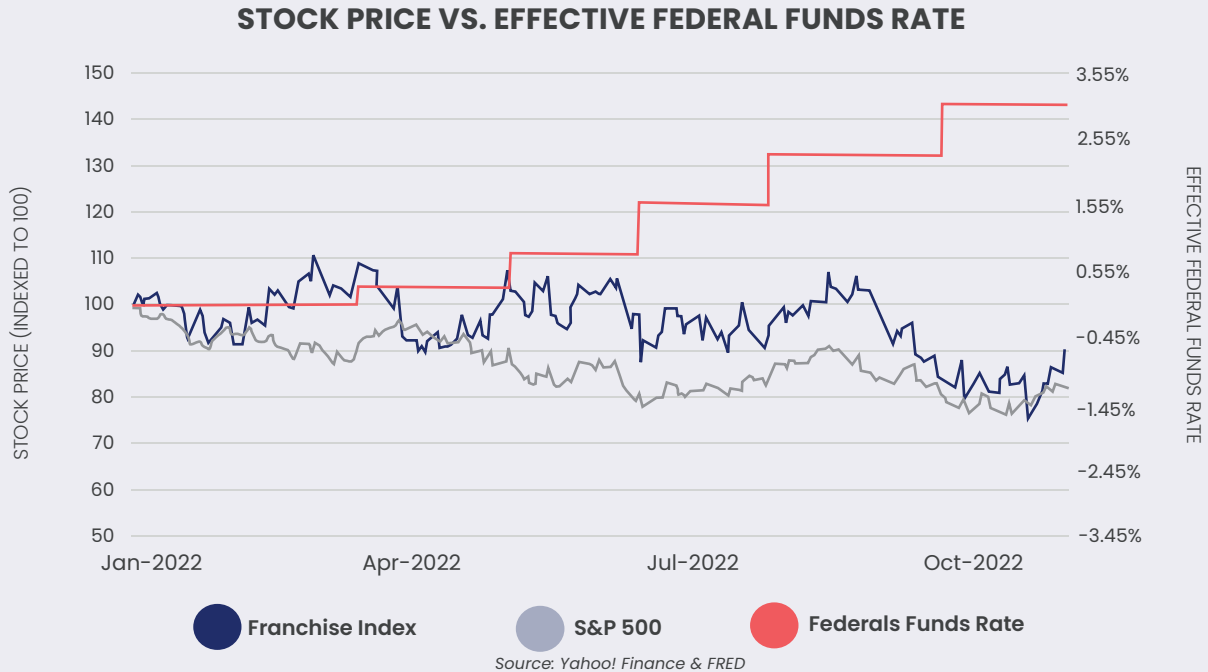
FIXED OPERATIONS GROSS PROFIT GROWTH: PUBLIC COMPANY DATA

Same Store Performance- In Current Dollars

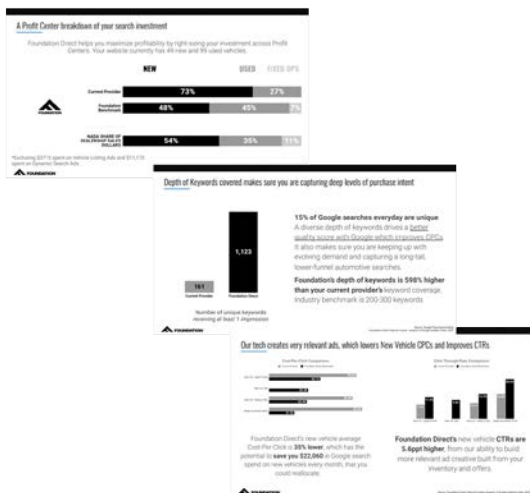


Public Auto Retailers Stocks Have Dropped But Continue To Outperform The Market

The average share price of the franchise retailer index has decreased 10% so far in 2022 due to investor concerns about inflation and rising interest rates. But auto stocks are outperforming the S&P 500, which has declined 19%. The chart below shows how the stock price and Federal Funds Rate are inversely correlated. As the Fed began to increase rates, stock prices have fallen in 2022.



Are You Capturing Auto Shopper Demand in Your Market?



Google just released their latest Automotive Path to Purchase Study, which confirmed that **Search remains the #1 source auto shoppers use to research vehicles**. The study also highlights **Price** and **Inventory** as the top two factors that influence dealership selection (Source: Google Gearshift 2022). Despite its vital importance in dealership selection, most dealers don't have a clear understanding whether they are successfully utilizing Paid Search to capture their fair share of high-intent shopper demand in their market. Foundation Direct – a team led by former Googlers with 50+ years of automotive experience – is offering subscribers of the Haig Report a free Search Strategy Analysis. This analysis (the same one performed at Google) includes actionable insights and auto industry benchmarks across key performance metrics."

Over 20 pages of digestible insights that you can take action on!

To get your free analysis visit

<https://foundationdirect.com/search-analysis-contact/>

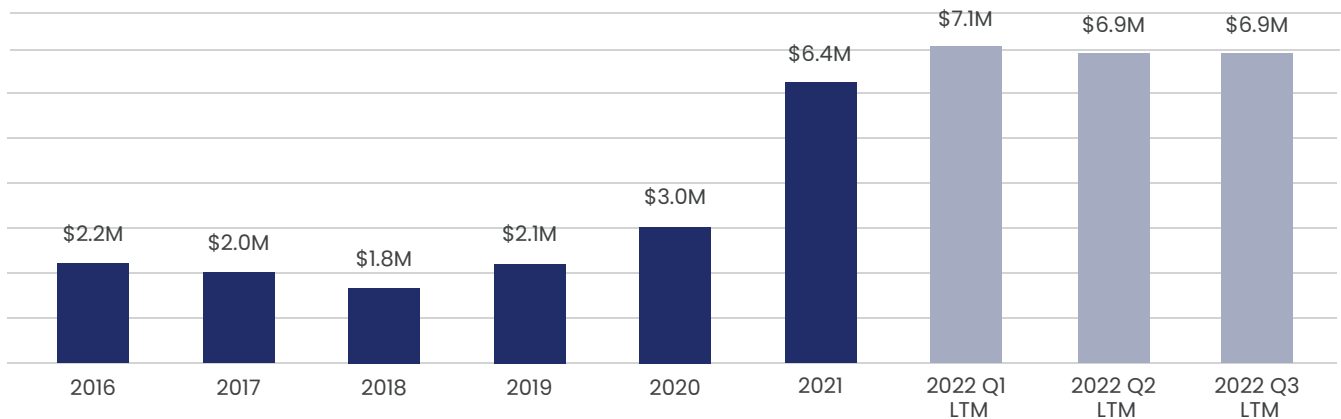
Dealership Profits Remain At Record Highs But May Have Peaked

The net outcome of the trends listed on the previous pages is that profits have begun to decline ever-so-slightly from their record levels. For many years we have referenced a composite of the financial results of privately owned dealerships that NADA shared on its website. But NADA stopped releasing the composite in October 2021 and has announced that it will no longer be sharing this information with the public. In order to track trends in profits per dealership, we are now analyzing the financial statements released by the publicly traded franchised retailers down to the individual store level.

From this analysis, we estimate that profit per rooftop for publicly owned dealerships during the twelve month

period ending Q3 2022 was the same as the twelve-month period ended Q2 2022, but 3% less than the profit per store for the period ended Q1 2022. This decline is slight and many have been expecting profits to trend down as the effects of the Pandemic wear off. Even with this small change, profits per store are 231% (3.3x!) higher than in 2019, the last year before the Pandemic, and 6% higher than in 2021. The table below shows the estimated earnings at publicly owned dealerships since 2016. We believe the profits at privately owned dealerships have also more than tripled since 2019, based upon data NADA released up to October 2021 and the financial statements of our clients.

PUBLIC GROUP ADJUSTED EARNINGS PER DEALERSHIP



Source: Haig Partners & SEC Filings

Factors Impacting Multiples



FRANCHISE VALUATION RANGES

LUXURY FRANCHISE BLUE SKY MULTIPLES

Porsche

Porsche sales were down 4.9% in Q3 2022 YTD compared to last year. The Taycan EV now represents 12% of total sales, demonstrating the demand for this technology in performance brands. Porsche dealerships continue to bring the highest blue sky multiples other than Ferrari stores thanks to their scarcity, high profits, and ease of operation. We have a long list of excellent dealers who are looking to buy Porsche dealerships anywhere in the US. **Same multiple range on average adjusted pre-tax profit: 9.0x-10.0x.**

Lexus

Sales at Lexus were down 16.8% for Q3 2022 YTD compared to the prior year. Management has announced a balanced approach to future powertrains, offering customers the choice of gas, hybrid, plug-in hybrid or fully electric vehicles. We believe this is the smart strategy rather than putting too much emphasis on EVs like other brands. Lexus received the #1 ranking in terms of dealer optimism about the franchise. Based on this confidence, and the long-term love for anything Toyota-Lexus among dealers, we are seeing very strong demand for the franchise. **Same multiple range on average adjusted pre-tax profit: 8.0x-10.0x.**

Mercedes-Benz

Mercedes-Benz sales decreased just 0.9% in Q3 2022 YTD compared to Q3 2021 YTD, the second best performance for the brands we track. The new EVs have been well-received by customers, but dealers are telling us that they are now starting to stack up on the lots, and some customers are bringing them back complaining about range and a lack of charging infrastructure. It won't be easy to catch Tesla that has a more early-adopter clientele. The silver star is still highly coveted by buyers, although we are concerned that MB management is overusing/abusing its Rights of First Refusal in buy-sells to replace the original buyer with a preferred buyer. If this continues, it will chill the demand for MB stores as dealers outside the MB franchise system will turn down MB acquisition opportunities since they won't want to waste time and the risk of embarrassment of being denied at the end of a buy-sell process. We could go from hundreds of qualified potential buyers to just a few dozen willing to pay market prices for these highly valuable dealerships. **Same multiple range on average adjusted pre-tax profit: 7.5x-9.0x**

BMW

Sales were down 5.3% for the first nine months of 2022. BMW has done an excellent job on supplying vehicles to its dealers during the Pandemic and designing compelling products for consumers. Dealers are very happy with this

franchise and BMW came in just behind Lexus and Porsche in dealer optimism in a recent NADA survey. BMW has many EV units coming, so the showdown with Tesla is beginning. BMW has stated it plans on retaining the traditional relationship between dealers and customer, unlike some other brands that are talking about selling direct to consumers. **Same multiple range on average adjusted pre-tax profit: 7.5x-9.0x.**

Audi

Audi sales were down 18.4% in Q3 2022 YTD compared to Q3 2021 YTD. The products are excellent but Audi has struggled producing them compared to its peers. The new EV models have been long in coming, but could help add additional volume to this franchise. **Same multiple range on average adjusted pre-tax profit: 6.25x-7.25x.**

Jaguar / Land Rover

JLR saw unit sales decrease 36.9% in Q3 2022 YTD compared to Q3 2021 YTD. The demand for Range Rovers, Range Rover Sports and the new Defenders is sky high, but JLR has done perhaps the worst job of any OEM in supplying its dealers. A number of retailers we have spoken with are upset at recent steps JLR management has taken that might harm franchise value. Margins have been cut by 2%, and dealers are being asked to hand back their Jaguar franchise in return for a few extra units of allocation or a small amount of cash. Most dealers just spent millions to acquire low performing Jaguar franchises and then built large and expensive facilities to accommodate both brands. This about-face feels painful to many, although some dealers may be relieved parting with Jaguar which has struggled against its German competitors. We can see dealers in wealthy metro markets may choose to keep their Jaguar franchise, which will be solely electric and priced far higher than current Jag products. There are also conversations about the factory being more involved in sales of CPO units and F&I, none of which appear to benefit retailers. Despite the gyrations, JLR stores remain remarkably profitable due to their extremely high gross profits on vehicles and busy service departments. **Same multiple range on average adjusted pre-tax profit: 6.25x-7.25x.**

Volvo

Volvo saw a 24.3% decrease in sales in Q3 2022 YTD compared to the same period last year. Some dealers are excited by this franchise which has a unique niche in the market: luxurious, but in a quiet way. Profits are strong and the new facilities around the country are attracting higher end customers. Other dealers are concerned about Volvo's emphasis on EVs and hybrids and its interest in selling direct to consumers (the agency model). **Same multiple range on average adjusted pre-tax profit: 4.0x-5.0x.**

Acura

Acura's sales decreased 41.2% in the first nine months of 2022 compared to the same time last year. Acura stores were nicely profitable earlier this year and dealers ranked the brand 5th in terms of their optimism for luxury brands. We believe the decline in sales is directly related to the same production issues that Honda has been having. **Same multiple range on average adjusted pre-tax profit: 3.0x-4.0x.**

Cadillac

Cadillac sales declined just 0.3% in Q3 2022 YTD compared to Q3 YTD 2021, the best brand of all that we track. Dealers are doing well with the SUVs and some in metro areas are reporting high interest in the just-launched Lyriq CUV, Cadillac's first EV. Dealers are excited about this \$60K vehicle and think it could become their best selling model. They wonder when the units will begin to ship. **Same multiple range on average adjusted pre-tax profit: 3.0x-4.0x.**

Infiniti

Infiniti sales fell 30.6% in Q3 2022 YTD compared to Q3 2021 YTD. The QX60 and QX55 brought many Infiniti stores back into the black, but they are in short supply. Profits per store are likely the lowest for any major franchise, and many locations are primarily used vehicle stores at this point. **Same multiple range on average adjusted pre-tax profit: 3.0x-4.0x.**

Lincoln

Lincoln sales were down 4.6% in the first nine months of 2022. Its SUV/CUVs have been well-reviewed. While markets like Texas have a few high-volume Lincoln dealerships, the average Lincoln store is very small, selling an average of 10 units a month in 2021. Lincoln is now telling its dealers they need to invest \$900K in charging stations and other improvements in order to sell EVs. Given the low volumes and zero Lincoln EVs in production, dealers are faced with a difficult decision. Lincoln may be trying to get some Lincoln dealers to give up their franchises. **Same multiple range on average adjusted pre-tax profit: 3.0x-4.0x (before impact of EV program).**

MID-LINE IMPORT FRANCHISE BLUE SKY MULTIPLES**Toyota**

Toyota announced a 15.2% decrease in sales in Q3 2022 YTD compared to Q3 2021 YTD. In a recent NADA survey, dealers ranked Toyota #2 behind Lexus in terms of their optimism about the franchise. Toyota dealers are highly supportive of the management team at Toyota. They like that Toyota has not moved too fast towards EVs. It will offer customers powertrains based on gas, hybrid, plug-in hybrid and electric. Toyota also affirmed its commitment to keeping its franchise model intact with no interest in moving to an agency model and selling directly to customers. Toyota views dealers as partners and a core part of its competitive advantage in the marketplace. We've had the privilege of

selling eight Toyota dealerships over the past year and enjoyed strong offers on each one. This is the franchise that all dealers want to own. **Same multiple range on average adjusted pre-tax profit: 6.5x-7.5x.**

Honda

Honda sales were down 37.9% in the first nine months of 2022 compared to the same period last year. Dealers simply have no vehicles to sell. Honda is losing share to Toyota, Hyundai and Kia. When the supply returns, however, dealers are hopeful, ranking Honda #5 in terms of their optimism for the future in a recent NADA survey. Honda products remain strong sellers and the business model is nicely balanced. One recent development that concerns us is that Honda is active in exercising its Right of First Refusal to insert new buyers into buy-sells. If this continues, it will chill the demand for Honda stores as dealers outside the Honda franchise system will turn down Honda acquisition opportunities since they won't want to waste time and the risk of embarrassment of being denied at the end of a buy-sell process. **Same multiple range on average adjusted pre-tax profit: 6.0x-7.0x.**

Subaru

Subaru reported a 13.3% decrease in Q3 2022 YTD unit sales. Subaru has long had among the lowest days supply of any franchise, and unfortunately, it still does, down to just a few days at most lots. This is frustrating for all concerned, but as the order backlog grows, so does the promise of healthy future sales when production rebounds. Subaru is putting pressure on dealers to upgrade facilities and enlarge service departments that are too small given the number of units in operation. Dealers are complimentary of Subaru management and the overall business model, ranking it #4 in the overall NADA rating category. We've been involved in the sale of several Subaru stores recently and demand was high. **Same multiple range on average adjusted pre-tax profit: 6.0x-7.0x.**

VW

Volkswagen saw unit sales decrease by 20.1% in Q3 2022 YTD versus the prior year. VW has been focused on EVs as a part of its punishment for Dieselgate, but so far dealers have little EV product to sell. One area for potential resentment for VW dealers has to do with the Scout brand. VW acquired this long-retired auto brand as a part of an acquisition of a heavy truck manufacturer. It appears that it won't use the Scout brand on new products to be sold through current VW dealers, but may instead sell them direct to consumers, like Tesla. If so, money spent on developing and promoting new products would be siphoned away from VW dealers which could badly use some additional products to boost volumes and therefore profits. Some dealers complain about a revolving door of senior managers in the US. **Same multiple range on average adjusted pre-tax profit: 3.0x-4.0x.**

Kia

Kia sales decreased by 6.7% in Q3 2022 YTD. Dealers have become big fans of the Kia dealership model over the past 24 months, ranking it just behind Lexus and Toyota in terms of their optimism for the future. Kia dealership profits have jumped substantially thanks to higher volumes, better margins, and higher fixed operations. Blue sky values have grown accordingly, far more than most brands. Kia currently plans to offer all ICE and EV products through the same franchise agreements with dealers, making the future more predictable. **Same multiple range on average adjusted pre-tax profit: 4.0x-5.0x.**

Hyundai/Genesis

Hyundai/Genesis unit sales decreased by 8.2% in Q3 2022 YTD. Hyundai dealerships may have appreciated in value more than any franchise we track, given their surge in volume and margin. But there are concerns. Dealers are complaining that Hyundai is using strong arm tactics to force dealers into pricey facility upgrades and improved sales performance. Those who refuse may see their allocation cut or add-points arrive nearby. Hyundai is essentially testing the agency model on its Ioniq brand for EVs. This could lead to lower overall gross profits for dealers if Ioniq models become a bigger part of Hyundai's sales. And Genesis is still a messy situation with far too many points and too few units being produced. But despite all these issues, buyers are still interested in owning more of these stores. **Same multiple range on average adjusted pre-tax profit: 4.0x-5.0x.**

Mazda

Mazda sales decreased by 21.2% in Q3 2022 YTD versus Q3 2021 YTD. Mazda stores have become nicely profitable, given their high margins for mid-to-high selling stores. Dealers are hoping for more CX50s which are now being produced at its new plant in AL that is a joint venture with Toyota. **Same multiple range on average adjusted pre-tax profit: 3.0x-4.0x.**

Nissan

Nissan announced a 31.3% decrease in unit sales for Q3 2022 YTD. Nissan is falling further behind its peers on production, which is a shame since its products have been well received by consumers. Nissan management has said it will put dealer profits and sustainable growth at the forefront of its strategy. Value-seeking dealers are interested in acquiring this franchise again. **Same multiple range on average adjusted pre-tax profit: 3.25x-4.25x.**

DOMESTIC FRANCHISE BLUE SKY MULTIPLES**Ford**

Sales fell just 1.0% in Q3 2022 YTD compared to Q3 2021 YTD, partly because Ford's production numbers were so low last year. Ford is a confusing franchise today. The F-Series was the top selling pick-up truck and the only full-size truck to post a year-over-year sales increase. And Ford's

commercial business remains very strong. Finally, Ford's new EV models like the Mustang Mach E and the F-150 Lightning look to be hot sellers. On the other hand, it has suffered more recalls than any other major OEM. Many dealers are concerned about CEO Jim Farley who is taking actions that they believe threaten the long-time Ford dealer business model, and therefore make future profits more difficult to predict. For instance, Ford is requiring its dealers to invest up to \$1.4M for charging stations and other improvements in order to sell EVs. Given the low EV volumes, dealers are faced with a difficult decision. In buy-sells, the cost of this upgrade can reduce blue sky and/real estate values. We still see buyers for this franchise, although some are taking a "wait and see" approach. **Same multiple range on average adjusted pre-tax profit: 3.5x-4.5x (before impact of EV program).**

Chevrolet

Chevrolet saw sales decrease by 3.9% in the first nine months of 2022. Dealers are starting to get more product, although the mix is not always what customers are seeking. We are hearing from some dealers that believe GM is investing too much of its engineering talent to develop EVs and not enough in producing vehicles customers want to buy today. GM has lost significant amounts of market share during the Pandemic era. **Same multiple range on average adjusted pre-tax profit: 3.5x-4.5x.**

Stellantis (Chrysler-Dodge-Jeep-RAM-Fiat)

Stellantis reported a 11.9% decline in sales for the first nine months of 2022. Unlike most franchises, Stellantis dealers are in decent shape with inventories. Some dealers point out that Stellantis has raised prices more than any other franchise. Stellantis continues to push dealers to carve out a separate showroom for Jeep which it is taking it more upscale. The reward for the investment is a significantly higher allocation of Jeeps. Dealers ranked Jeep 7th in terms of optimism for the future, higher than any other domestic brand. Stellantis assured its dealers that it has no plans to pursue the agency model, although it is requiring dealers to deliver better CSI in order to retain full margin on new vehicles. **Same multiple range on average adjusted pre-tax profit: 3.5x-4.5x.**

Buick-GMC

Combined Buick-GMC sales declined 15.4% in Q3 2022 YTD. One dealer told us Buick is basically out of business. Current products are dated and its EVs are not due for two to three years. In order to sell these EVs, GM is going to require them to invest significant funds. Just like with Chevrolet, there may be many thousands of units sitting in a field awaiting components that can then be quickly shipped to dealers who have been clueless about what to say to customers. One dealer said he had a client who ordered a new Denali every year. The 2022 unit the customer ordered last year never showed up, but the customer's 2023 just arrived. **Same multiple range on average adjusted pre-tax profit: 3.25x-4.25x.**

KEY TAKEAWAYS

Dealers continue to make astounding amounts of profit despite a lot of negative news about the economy. The lack of new vehicles has generated record results in every department. Rising rates have begun to put a bit of a damper on the party now, starting with a downturn in profits in used vehicles. And inflation will begin to push up expenses. The result of these changes is that dealership profits appear to have peaked in the first half of 2022 and have begun to drop, ever so slightly. Thanks to a massive amount of pent up demand, we think this decline will be gradual, meaning we believe dealers will enjoy elevated profits for several more years, and perhaps forever depending on future OEM production levels.

The buy-sell market has also enjoyed a record setting pace. More dealerships sold in 2021 than in any prior year, and we are slightly ahead of last year's pace through the

first nine months of 2022. While we are still gathering data and watching the market, buyers appear to have slightly reduced the values they are paying for dealerships as they anticipate the changes listed above. But values are still very high today since buyers remain interested in growing and profits are still close to record levels. Buyers like the returns on investment they can earn in auto retail, and believe they will be able to overcome some of the potential risks that have been talked about extensively.

Our firm is also enjoying these good times. We will represent our clients in the sale of an estimated 50 auto dealerships this year, all at very strong valuations. We encourage any dealer to contact us who is interested in having a confidential conversation about buying or selling a dealership.

How Haig Partners Add Value



HAIG PARTNERS

Maximizing The Value Of Our Clients' Lives Work

Haig Partners LLC helps dealers maximize the value of their businesses. We have unmatched auto retail buy-sell experience with executives from leading retail dealer groups AutoNation and Asbury, and financial institutions including Bank of America Dealer Financial Services, FORVIS (previously DHG), Deloitte, and JP Morgan. The team at Haig Partners has advised on the purchase or sale of more than 590 dealerships totaling \$9.3 billion. We leverage our expertise and relationships to lead clients through a confidential and customizable sales process, yielding the best price successfully.



Higher Prices

You benefit from a customized sales process. Detailed offering materials are created to provide buyers with a compelling investment thesis and a sales process is run that creates competition to generate highly attractive offers.



Confidentiality

You get an additional layer of protection. You have access to potential buyers who have been carefully selected based on your goals and objectives and that have been confidentially pre-screened.



Speed

You can stay focused on dealership operations. You continue to stay involved in the day-to-day as we focus on the transaction from beginning to closing.



Relationships With Buyers

You have access to many of the best buyers. You gain the benefit of our reputation with buyers who respect our team, our process, and our commitment to maximizing the value of your life's work.

29TH ANNUAL DEALER/CEO/CFO FORUM
10TH ANNUAL BUY/SELL SUMMIT

JANUARY 26, 2023 ☆ THE ROOM ON MAIN - DALLAS, TX

8:00 - 9:00 REGISTRATION & NETWORKING

BUY-SELL SUMMIT

9:00 - 11:00	ALAN HAIG PRESIDENT, Haig Partners	M&A Update
	ROB COCHRAN PRESIDENT & CEO, #1 Cochran PAUL DALY FOUNDER/CEO, ASOTU & Automotive Entrepreneur	PAUL WALSER CEO, Walser Automotive Group and Past NADA Chairman KARL SCHMIDT PRESIDENT, Hello Auto Group

Dealership Group
of the Future
Panel

DEALER/CEO/CFO FORUM

11:30 - 12:30	 BRYAN DeBOER CEO & PRESIDENT, Lithia Driveway	Morning Keynote Speaker
----------------------	--	-------------------------

12:30 - 1:30 ONSITE LUNCH W/ SURPRISE EVENT FEATURING BRYAN DeBOER

1:30 - 2:30	JOHN MURPHY MANAGING DIRECTOR, AND LEAD U.S. AUTOMOTIVE ANALYST, Bank of America	Industry & Economic Outlook
	JONATHAN SMOKE CHIEF ECONOMIST, Cox Automotive	
2:30 - 3:15	PAUL METREY SENIOR VP, Regulatory Affairs, NADA	Legislative & Regulatory Update
	RICHARD SOX PARTNER, Bass Sox Mercer	

3:15 - 3:30 BREAK

3:30 - 4:30	 TOM DOLL PRESIDENT AND CEO Subaru of America, Inc.	Afternoon Keynote Speaker
--------------------	--	---------------------------

COCKTAIL RECEPTION IMMEDIATELY FOLLOWING

**DON'T MISS THE ONLY DEALER
EXCLUSIVE EVENT AT NADA**

REGISTER NOW
WWW.AUTOTEAMAMERICA.COM

UPCOMING EVENTS

NADA Webinar | Presenting: Future Proofing Your Dealership Group
December 1, 2022

NADA 2023 | Presenting: 5 Growth Strategies for the Family Business
January 26-29th, 2023 | Dallas, TX

MADA - Maryland Automobile Dealers Association Annual Meeting | Presenting: Building a Dealership Group That Will Thrive in the Future
February 8, 2023 | Annapolis, MD

CONGRATULATIONS AND THANK YOU TO OUR 2022 CLIENTS!

To See All Of Our Transactions Visit www.haigpartners.com/transactions

FLORIDA



Largo Honda
Florida City

Doral Hyundai
DORAL

Doral Kia
KIA
DORAL

Doral Genesis
DORAL

Lehman Subaru
MIAMI

Essexman Acura
DORAL

Lehman Buick-GMC
MIAMI

Lehman Mitsubishi
MIAMI

Lehman Hyundai
MIAMI GARDENS

Lehman Genesis
MIAMI

Essexman VW
DORAL

HAS BEEN ACQUIRED BY:



OHIO

SUPERIOR
AUTOMOTIVE GROUP



CINCINNATI

DAYTON

HAS BEEN ACQUIRED BY:



OHIO

WAIKEM



HAS BEEN ACQUIRED BY:



CALIFORNIA

CROWN TOYOTA
A JOHN ELWAY DEALERSHIP



HAS BEEN ACQUIRED BY:



SWICKARD AUTO GROUP

NORTH CAROLINA

J&M
CHEVROLET



HAS BEEN ACQUIRED BY:

DAN MILLER & MARK ZURALES

SOUTH CAROLINA

SUMMERVILLE



HAS BEEN ACQUIRED BY:



TEXAS

GROUP 1
AUTOMOTIVE[®]
Sterling McCall Hyundai



HAS BEEN ACQUIRED BY:



NEW YORK

CAPITAL LUXURY CARS
ROUTE 158



HAS BEEN ACQUIRED BY:



TENNESSEE

TOYOTA
of **BRISTOL**



HAS BEEN ACQUIRED BY:

TAL VICKERS
OF SPRINGHILL
AUTOMOTIVE GROUP

IOWA

TOYOTA
of Iowa City



HAS BEEN ACQUIRED BY:



CONNECTICUT




HAS BEEN ACQUIRED BY:




PSD
AUTOMOTIVE GROUP

MISSOURI

THE EXCHANGE
A Division of Sterling McCall Inc.



HAS ACQUIRED:



KIRKWOOD

VIRGINIA

LUSTINE
1962-2022




HAS BEEN ACQUIRED BY:


OURISMAN
EST. 1971
TRUSTED TRADITION

MINNESOTA


FOREST LAKE
AUTO GROUP



Jeep



HAS BEEN ACQUIRED BY:



OHIO

Dan Tobin




HAS BEEN ACQUIRED BY:



OHIO

ARBOGAST
RV DEPOT
and more

HAS BEEN ACQUIRED BY:



The Team at Haig Partners has Advised on the Purchase or Sale of 100 Dealerships in Florida



On a personal level, I asked my wife, when do I retire? When do I smell the roses? I've had one job my whole career running these dealerships. I've had a great run. I'm 81 and I think it's time. From a corporate perspective, there is continued consolidation in the automotive retail space, so when Lithia expressed interest in starting initial conversations with us, I felt that this was not only the right time but the right company. I thank Alan Haig and the team at Haig Partners for introducing us to Lithia and advising us on the sale process. This was a complicated transaction and they were integral to helping it to come off smoothly. Jonathan Awner at Akerman LLP was also impressive in his ability to negotiate the legal agreements and close a large transaction like this.



~ William (Bill) Lehman, Principal Owner

Contact Us Today

To Learn How We Can Maximize the Value of Your Life's Work



Alan Haig

(954) 646-8921

Alan@HaigPartners.com



Mike Toth

(561) 302-1413

Mike@HaigPartners.com



Nate Klebacha

(917) 288-5414

Nate@HaigPartners.com



Kevin Nill

(904) 234-0008

Kevin@HaigPartners.com



Anne Haig

(954) 803-8837

Anne@HaigPartners.com



John Davis

(404) 406-7110

John@HaigPartners.com



Pete Thiel

(954) 478-5784

Pete@HaigPartners.com



Derek Garber

(407) 949-2549

Derek@HaigPartners.com



Aimee Allen

(603) 933-2194

Aimee@HaigPartners.com



Matt DeSantis

(727) 507-1859

Matt@HaigPartners.com