

The following information was featured in an April 2006 issue of Dealer's Edge magazine. Nancy Phillips of Nancy Phillips Associates, Inc. is a regularly featured contributor to the publication.

BENCHMARKS OF VALUE IN DEALERSHIP TRANSACTIONS 2005 through March 2006

Business Value, otherwise known as 'goodwill' refers to the intangible amount paid for a dealership over and above the worth of its operating assets. This table illustrates business value paid for dealership transactions orchestrated by Nancy Phillips Associates and industry affiliates in other regions of the country.

Franchise	Buyer Type	Region	Trade Area	Business Value as % of Sales	Business Value PNVR
Nissan	Large Dealer Group	Northeast	Under 250,000	8.1%	\$ 3,623
Chrysler	Large Dealer Group	Southwest	500,000 - 1,000,000	6.1%	\$ 2,798
Hyundai	Small Dealer Group	Northeast	250,000 - 500,000	5.9%	\$ 3,000
Cadillac	Small Dealer Group	Northeast	500,000 - 1,000,000	4.0%	\$ 3,149
General Motors	Individual Dealer	Midwest	Under 250,000	3.8%	\$ 1,829
Jaguar	Individual Dealer	East	500,000 - 1,000,000	0.0%	\$ 0

Information Description

Buyer Type Individual Dealer
Small Dealer Group
Large Dealer Group

Business Value (BV) - *As a percent of total revenues*
Means the percent of intangible business value exclusive of the actual value for all other business assets.

Trade Area *Population within 20-mile radius*
Under 250,000
250,000 – 500,000
500,000 – 1,000,000
1,000,000 +

Business Value PNVR - *Per new vehicle retailed*
Means the dollar amount of intangible business value (exclusive of all other business assets) per new vehicle retailed.

Nancy Phillips provides comprehensive and highly personalized professional brokerage and valuation services for franchised automobile dealerships. She was a featured speaker at the 2004 Dealer's Edge "Dealers in Transition" conference. For more information, visit www.nancyphillips.com or call Nancy Phillips Associates at 866-929-0006.

