

July 28, 2008

Dear Members,

The purpose of this letter is to request permission for the demolition of our building on 2.25 acres located at 5714 Odana Rd. The former U.W. Medical Building served as our temporary headquarters during the demolition and construction phases of our new facility across the street. This building, which was constructed in 1966, is the oldest on Odana Road (West of Whitney Way), has become quite dilapidated as seen in the attached photos. While there are numerous problems surrounding wiring, insulation, and heating, the greatest concern is the water system. Numerous failures over the years have created mold-ridden and water damaged areas, with the biggest problem being that the system is encased in the basic foundation of the structure. Coupled with the daunting challenge of bringing the facility up to current day code for our employees, our studies have shown us that it would be cost prohibitive to attempt a renovation or remodel to suit our future needs.

We therefore, ask your permission to demolish the building at 5714 Odana Road and construct an inventory display lot (per attached plans) as phase one of our project. Phase two (to be announced at a later date) is currently considering plans for constructing a new pre-owned sales facility utilizing this site.

This is a similar request to our first project in 2005-2006, where we demolished several buildings and relocated our inventory, employee and guest parking areas while undergoing a massive construction project. I believe our new facility, which the City of Madison played a significant role in shaping, has met and hopefully even exceeded your expectations. You should be proud of the role you had in helping improve the landscape of Odana Road.

I hear comments daily assuring me that the residents of the City of Madison and Dane County as a whole appreciate the new Smart Motors. I mention this because I believe that over the past three years we have demonstrated by our actions that we honor our commitments. I am honored to own one of the oldest family owned and operated auto dealerships in the world, and appreciate your support in my continued effort.

Our Project team includes:

J.R. Smart, Jim Budinetz, and Allen Foster of Smart Motors  
Architect: Jim Triatik, A.I.A. of K.F. Sullivan Company  
General Contractor: K.F. Sullivan Company  
Landscape Architect: Jeremy Holmstadt of Barnes, Inc.  
Storm Water Management: Ryan Quam of Quam Engineering, L.L.C.  
Site Lighting: Rob Rudolf of Electric Construction, Inc.

Sincerely,

*J.R. Smart*

J.R. Smart  
President  
Smart Motors, Inc.