

JC Dealer Systems, L.L.C.
Form 424B3
September 07, 2007
Table of Contents

Filed Pursuant to Rule 424(b)(3)

Registration Nos. 333-144342

- 333-144342-01
- 333-144342-02
- 333-144342-03
- 333-144342-04
- 333-144342-05
- 333-144342-06
- 333-144342-07
- 333-144342-08
- 333-144342-09
- 333-144342-10
- 333-144342-11
- 333-144342-12
- 333-144342-13
- 333-144342-14
- 333-144342-15
- 333-144342-16
- 333-144342-17
- 333-144342-18
- 333-144342-19
- 333-144342-20
- 333-144342-21
- 333-144342-22
- 333-144342-23
- 333-144342-24

333-144342-25
333-144342-26
333-144342-27
333-144342-28
333-144342-29
333-144342-30
333-144342-31
333-144342-32
333-144342-33
333-144342-34
333-144342-35
333-144342-36
333-144342-37
333-144342-38
333-144342-39
333-144342-40
333-144342-41
333-144342-42
333-144342-43
333-144342-44
333-144342-45
333-144342-46
333-144342-47
333-144342-48
333-144342-49
333-144342-50
333-144342-51
333-144342-52

333-144342-53

333-144342-54

333-144342-55

333-144342-56

333-144342-57

333-144342-58

Table of Contents

333-144342-59
333-144342-60
333-144342-61
333-144342-62
333-144342-63
333-144342-64
333-144342-65
333-144342-66
333-144342-67
333-144342-68
333-144342-69
333-144342-70
333-144342-71
333-144342-72
333-144342-73
333-144342-74
333-144342-75
333-144342-76
333-144342-77
333-144342-78
333-144342-79
333-144342-80
333-144342-81
333-144342-82
333-144342-83
333-144342-84
333-144342-85

333-144342-86
333-144342-87
333-144342-88
333-144342-89
333-144342-90
333-144342-91
333-144342-92
333-144342-93
333-144342-94
333-144342-95
333-144342-96
333-144342-97
333-144342-98
333-144342-100
333-144342-101
333-144342-102
333-144342-103
333-144342-104
333-144342-105
333-144342-106
333-144342-107
333-144342-108
333-144342-109
333-144342-110
333-144342-111
333-144342-112
333-144342-113
333-144342-114

333-144342-115

333-144342-116

333-144342-117

Table of Contents

333-144342-118
333-144342-119
333-144342-120
333-144342-121
333-144342-122
333-144342-123
333-144342-124
333-144342-125
333-144342-126
333-144342-127
333-144342-128
333-144342-129
333-144342-130
333-144342-131
333-144342-132
333-144342-133
333-144342-134
333-144342-135
333-144342-136
333-144342-137
333-144342-138
333-144342-139
333-144342-140
333-144342-141
333-144342-142
333-144342-143
333-144342-144

333-144342-145
333-144342-146
333-144342-147
333-144342-148
333-144342-149
333-144342-150
333-144342-151
333-144342-152
333-144342-153
333-144342-154
333-144342-155
333-144342-156
333-144342-157
333-144342-158
333-144342-159
333-144342-160
333-144342-161
333-144342-162
333-144342-163
333-144342-164
333-144342-165
333-144342-166
333-144342-167
333-144342-168
333-144342-169
333-144342-170

Table of Contents

PROSPECTUS

\$115,000,000

Asbury Automotive Group, Inc.

3.00% Senior Subordinated Convertible Notes due 2012,

the Related Note Guarantees and

the Common Stock Issuable upon Conversion of the Notes

This prospectus relates to the offer and sale from time to time by the persons listed under "Selling Securityholders" in this prospectus of up to \$115,000,000 principal amount of our 3.00% Senior Subordinated Convertible Notes due 2012 (and the related note guarantees as described herein), and the shares of our common stock issuable upon conversion of the notes. We will not receive any of the proceeds from the sale of the notes or the sale of the underlying common stock by the selling securityholders.

The notes will mature on September 15, 2012. Holders may, at their option, convert their notes prior to the close of business on the scheduled trading day immediately preceding June 15, 2012, if any of the following conditions is satisfied: (i) the trading price of the notes falls below a specified threshold for a specified time period; (ii) the price of the common stock reaches a specific threshold; or (iii) in connection with the occurrence of certain specified corporate events and transactions as described in this prospectus. Holders may convert their notes at any time after June 15, 2012, and on or prior to the third scheduled trading day immediately preceding the maturity date. On September 5, 2007, the last reported sale price for the common stock on the New York Stock Exchange was \$21.65 per share. The common stock is listed under the symbol ABG .

Upon conversion we will pay cash and, if applicable, shares of our common stock based on a daily conversion value (as described herein) calculated on a proportionate basis for each VWAP trading day (as defined herein) of the relevant 30 VWAP trading day observation period. The initial conversion rate for the notes will be 29.4172 shares of common stock per each \$1,000 principal amount of notes, which is equivalent to an initial conversion price of approximately \$33.99 per share. The conversion rate will be subject to adjustment in some events but will not be adjusted for accrued interest. In addition, if certain "fundamental change" (as defined herein) events occur prior to the maturity date of the notes, we will in some cases increase the conversion rate for a holder that elects to convert its notes in connection with such a fundamental change.

Asbury will pay interest on the notes on March 15 and September 15 of each year. The first interest payment will be made on September 15, 2007. The notes were issued only in denominations of \$1,000 and integral multiples of \$1,000. The notes are guaranteed by all of Asbury's current, wholly-owned subsidiaries and will be guaranteed by all of Asbury's future domestic restricted subsidiaries that have outstanding, incur or guarantee any other indebtedness. The notes and the subsidiary guarantees will rank behind all of Asbury's and the subsidiary guarantors' current and future senior indebtedness, including indebtedness under our existing revolving credit facility and floor plan facilities. The notes will rank equally with all of Asbury's and the guarantees will rank equally with the subsidiary guarantors' existing and future senior subordinated indebtedness, including the 8% Senior Subordinated Notes due 2014 (the "8% Notes") and the 7.625% Senior Subordinated Notes due 2017 (the "7.625% Notes"), and the subsidiary guarantees thereof by those of Asbury's subsidiaries that guarantee the notes. The notes will be effectively subordinated to all indebtedness and other liabilities, including trade payables and any guarantees of the 8% Notes, 7.625% Notes, of Asbury's subsidiaries that do not guarantee the notes.

Holders have the option, subject to certain conditions, to require Asbury to repurchase any notes in the event of a "designated event," as described in this prospectus, at a price equal to 100% of the principal amount of the notes plus accrued interest to the date of repurchase.

For a more detailed description of the notes, see "Description of the Notes."

See "Risk Factors" beginning on page 5 to read about important factors you should consider before buying the notes or the shares of common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is September 7, 2007

Table of Contents

TABLE OF CONTENTS

	Page
<u>Manufacturer Disclaimer</u>	i
<u>Where You Can Find More Information</u>	ii
<u>Incorporation by Reference</u>	ii
<u>Forward-Looking Statements</u>	iii
<u>Prospectus Summary</u>	1
<u>Risk Factors</u>	5
<u>Use of Proceeds</u>	13
<u>Ratio of Earnings to Fixed Charges</u>	13
<u>Price Range of Common Stock and Dividend Policy</u>	14
<u>Description of the Notes</u>	15
<u>Description of Capital Stock</u>	47
<u>Material United States Federal Income Tax Considerations</u>	50
<u>Selling Securityholders</u>	56
<u>Plan of Distribution</u>	58
<u>Validity of the Notes</u>	61
<u>Experts</u>	61

You should rely only on the information contained or incorporated by reference in this prospectus. The selling securityholders are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date of this document, or that any information we have incorporated by reference in this prospectus is accurate as of any date other than the date of the document incorporated by reference regardless of the time of delivery of this prospectus. Our business, financial condition, results of operations and prospects may have changed since those dates.

MANUFACTURER DISCLAIMER

No manufacturer or distributor has been involved, directly or indirectly, in the preparation of this prospectus, the documents incorporated by reference herein or in the offering being made hereby. No manufacturer or distributor has been authorized to make any statements or representations in connection with this prospectus, and no manufacturer or distributor has any responsibility for the accuracy or completeness of this prospectus.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information regarding the operation of the Public Reference Room.

In addition, we make available on our web site at <http://www.asburyauto.com> our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K (and any amendments to those reports) filed pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as practicable after they have been electronically filed with the SEC. **Unless otherwise specified, information contained on our web site, available by hyperlink from our web site or on the SEC's web site, is not incorporated into the registration statement of which this prospectus forms a part or other documents we file with, or furnish to, the Commission.**

INCORPORATION BY REFERENCE

We are incorporating by reference the information that we file with the SEC, which means that we are disclosing important information to you in those documents. The information incorporated by reference is an important part of this prospectus, and the information that we subsequently file with the SEC will automatically update and supercede information in this prospectus and in our other filings with the SEC. We incorporate by reference the documents listed below, which we have already filed with the SEC, and any future filings we make with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 until the selling securityholders sell all the notes and shares of common stock offered by this prospectus. We are not, however, incorporating by reference any documents or portions thereof, whether specifically listed below or filed in the future, that are not deemed filed with the SEC, including any information furnished pursuant to Items 2.02 or 7.01 of Form 8-K.

Annual Report on Form 10-K/A for the year ended December 31, 2006, filed on March 12, 2007;

Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, filed on May 9, 2007;

Quarterly Report on Form 10-Q for the quarter ended June 30, 2007, filed on August 9, 2007; and

Current Reports on Form 8-K filed on January 2, 2007, January 18, 2007, February 15, 2007, February 26, 2007, February 28, 2007, March 13, 2007, March 30, 2007, May 9, 2007, July 5, 2007 and August 14, 2007.

Any statement contained in this prospectus, or in a document all or a portion of which is incorporated by reference in this prospectus, will be deemed to be modified or superceded for purposes of this prospectus to the extent that a statement contained in this prospectus modifies or supercedes the statement. Any such statement or document so modified or superceded will not be deemed, except as so modified or superceded, to constitute a part of this prospectus.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address and telephone number:

Asbury Automotive Group, Inc.

622 Third Avenue

37th Floor

New York, New York 10017

Telephone: (212) 885-2500

Table of Contents

FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. The forward-looking statements include statements relating to goals, plans and projections regarding our financial position, results of operations, market position, product development and business strategy under the headings, Prospectus Summary and Risk Factors. These statements are based on management's current expectations and involve significant risks and uncertainties that may cause results to differ materially from those set forth in the statements. These risks and uncertainties include, among other things,

market factors,

our relationships with vehicle manufacturers and other suppliers,

risks associated with our substantial indebtedness,

risks related to pending and potential future acquisitions, and

general economic conditions both nationally and locally and governmental regulations and legislation.

There can be no guarantees our plans for future operations will be successfully implemented or that they will prove to be commercially successful. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

Table of Contents

PROSPECTUS SUMMARY

The following is a summary of some of the information contained in this prospectus. It may not contain all the information that is important to you. To understand this offering fully, you should read carefully the entire prospectus, including the section entitled Risk Factors beginning on page 5, the financial statements, and the documents we have incorporated by reference. For the purposes of this prospectus, references to Asbury, Company, we, us, and our refer to Asbury Automotive Group, Inc., and unless the context otherwise requires, its subsidiaries and their respective predecessors in interest.

This prospectus and the reports filed with the SEC that are incorporated by reference herein include statistical data regarding the automotive retailing industry. Although we believe these industry sources are reliable, we have not independently researched or verified this information. Accordingly, investors should not place undue reliance on this information.

BUSINESS

Our Company

We are one of the largest automotive retailers in the United States, operating 119 franchises (89 dealership locations) in 21 metropolitan markets within 10 states as of the date of this prospectus. We offer an extensive range of automotive products and services, including new and used vehicles, vehicle maintenance, replacement parts, collision repair services, and financing, insurance and service contracts. We offer 35 domestic and foreign brands of new vehicles, including six heavy truck brands. We also operate 23 collision repair centers that serve our markets.

Our retail network is currently organized into four regions and includes nine dealership groups, each marketed under different local brands: (i) Florida (comprising our Coggin dealerships, operating primarily in Jacksonville and Orlando, and our Courtesy dealerships operating in Tampa), (ii) West (comprising our McDavid dealerships operating throughout Texas and our California dealerships operating in Los Angeles, Sacramento and Fresno), (iii) Mid-Atlantic (comprising our Crown dealerships operating in North Carolina, South Carolina and Virginia) and (iv) South (comprising our Nalley dealerships operating in Atlanta, Georgia, and our North Point dealerships operating in Little Rock, Arkansas). Our Plaza dealerships operating in St. Louis, Missouri and our Gray Daniels dealerships operating in Jackson, Mississippi remain standalone operations.

The Refinancing

During the three months ended March 31, 2007, we initiated a refinancing of our long-term debt which included (i) a cash tender offer for all of our \$250.0 million principal amount of 9% Senior Subordinated Notes due 2012 (9% Notes), (ii) the issuance of \$115.0 million principal amount of the notes that are covered by this prospectus and (iii) the issuance of \$150.0 million principal amount of 7.625% Notes. As of March 31, 2007, we had completed the issuance of the notes and the 7.625% Notes and repurchased \$238.1 million of our 9% Notes through our tender offer. On June 15, 2007, we redeemed the remaining \$11.9 million of our 9% Notes. We refer to the tender offer, the issuance of the notes and the 7.625% Notes, the repurchase and redemption of the 9% Notes as the Refinancing.

Our principal executive offices are located at 622 Third Avenue, 37th Floor, New York, New York 10017. Our telephone number is (212) 885-2500. Information contained on our web site or that can be accessed through our web site is not incorporated by reference in this prospectus. You should not consider information contained on our web site or that can be accessed through our web site to be part of this prospectus.

Table of Contents

THE NOTES

This prospectus covers the resale of up to \$115,000,000 aggregate principal amount of the notes and the shares of our common stock issuable upon conversion of the notes. We issued and sold \$115,000,000 aggregate principal amount of the notes on March 16, 2007 in a private placement to certain initial purchasers. The summary below describes the principal terms of the notes. For a more detailed description of the notes, see Description of the Notes.

Issuer	Asbury Automotive Group, Inc.
Notes Offered Hereby	\$115,000,000 aggregate principal amount of 3.00% Senior Subordinated Convertible Notes due 2012.
Issue Date	March 16, 2007.
Maturity Date	September 15, 2012.
Interest	3.00% per annum, payable semi-annually in arrears on March 15 and September 15 of each year, commencing September 15, 2007.
Conversion	The notes are convertible by holders into cash and, if applicable, shares of our common stock at an initial conversion rate of 29.4172 shares of Asbury common stock per \$1,000 principal amount of notes (subject to adjustment in certain events), which is equivalent to an initial conversion price of approximately \$33.99 per share of common stock.

At any time prior to the close of business on the scheduled trading day, as defined under Description of the Notes Conversion Rights General, immediately preceding June 15, 2012, holders can convert their notes under any of the following conditions:

during the five business day period after any five consecutive trading day period in which the trading price per \$1,000 principal amount of the notes for each day of such period was less than 98% of the product of the last reported sale price of our common stock and the conversion rate for such date;

during any calendar quarter after the quarter ending June 30, 2007, if the last reported sale price of our common stock for 20 or more trading days in a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter exceeds 120% of the applicable conversion price on such last trading day; or

in connection with the occurrence of certain specified corporate events and transactions described in Description of the Notes Conversion Rights Conversion upon Specified Corporate Events.

Upon valid tender of notes for conversion, we will pay cash and, if applicable, shares of our common stock, if any, based on a daily conversion value (as described herein) calculated on a proportionate basis for each day of the relevant thirty VWAP trading-day observation period. See Description of the Notes Conversion Rights Payment upon Conversion.

Table of Contents

On and after June 15, 2012, holders may convert their notes at the conversion rate regardless of the conditions described above and prior to the close of business on the third scheduled trading day immediately preceding the maturity date.

You will not receive any additional cash payment or additional shares representing accrued and unpaid interest and special interest, if any, upon conversion of a note, except in limited circumstances. Instead, interest will be deemed to be paid by the cash and shares, if any, of common stock issued to you upon conversion.

Guarantors

The notes are guaranteed by all of our current, wholly-owned subsidiaries and will be guaranteed by all of our future domestic restricted subsidiaries that have outstanding, incur or guarantee any other indebtedness. Each subsidiary guarantor guarantees the payment of principal, premium, if any, and interest on the notes on a senior subordinated basis.

Ranking

The notes are senior subordinated debt. Both the notes and the subsidiary guarantees rank:

junior to all of our and the subsidiary guarantors' existing and future senior indebtedness (including any borrowings under our committed credit facility (the Committed Credit Facility) with JPMorgan Chase Bank, N.A., 17 other financial institutions, Ford Motor Credit Company and DaimlerChrysler Financial Services North America LLC and floor plan facilities);

equally with all our existing and future senior subordinated indebtedness, including our 8% Notes and 7.625% Notes;

senior to any of our and the subsidiary guarantors' future junior subordinated indebtedness; and

effectively junior to all indebtedness and other liabilities of future non-guarantor subsidiaries, including trade payables.

As of June 30, 2007, we and our consolidated subsidiaries had \$723.1 million of secured indebtedness, including borrowings of \$667.3 million under our floor plan facilities and we and our subsidiary guarantors had \$444.4 million of unsecured senior subordinated indebtedness outstanding.

No Entitlement to Sinking Fund

The notes will not be entitled to the benefit of any sinking fund.

Optional Redemption

The notes may not be redeemed by us prior to maturity.

Repurchase at Option of the Holder upon a Designated Event

Subject to certain exceptions, if a designated event (as described under Description of the Notes Designated Event Permits Holders to Require Us to Repurchase Notes) occurs prior to maturity of the

Table of Contents

notes, holders may require us to repurchase all or part of their notes at a repurchase price equal to 100% of their principal amount, plus accrued and unpaid interest, if any, to, but excluding, the designated event repurchase date.

Use of Proceeds

We will not receive any of the proceeds from the sale by any selling securityholder of the notes or the shares of the common stock issuable upon conversion of the notes.

NYSE Symbol

ABG.

Table of Contents

RISK FACTORS

An investment in the notes and shares of our common stock involves various material risks. Prior to making a decision about investing, and in consultation with your own financial and legal advisors, you should carefully consider, among other matters, the following risk factors, as well as those incorporated by reference in this prospectus from our most recent annual report on Form 10-K under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other filings we may make from time to time with the SEC.

Risks Related to the Notes

Our substantial leverage could adversely affect our ability to operate our business and adversely impact our compliance with our Committed Credit Facility and other debt covenants.

We are highly leveraged and have significant debt service obligations. As of June 30, 2007, we and our consolidated subsidiaries had \$723.1 million of secured indebtedness, including borrowings of \$667.3 million under our floor plan facilities and we and our subsidiary guarantors had \$444.4 million of unsecured senior subordinated indebtedness outstanding. In addition, we and our subsidiaries may incur additional debt from time to time to finance acquisitions or capital expenditures or for other purposes, subject to the restrictions contained in our Committed Credit Facility and the indentures governing our 8% Notes and 7.625% Notes. We will have substantial debt service obligations, consisting of required cash payments of principal and interest, for the foreseeable future.

In addition, we have operating and financial restrictions and covenants in our debt instruments, including the Committed Credit Facility and the indentures governing each of our 8% Notes and 7.625% Notes, that may adversely affect our ability to finance our future operations or capital needs or to pursue certain business activities. In particular, our Committed Credit Facility requires us to maintain certain financial ratios, including a fixed charge coverage ratio of no less than 1.2 to 1. As of June 30, 2007, after giving pro forma effect to the Refinancing, our fixed charge coverage ratio would have been 1.8 to 1. Our ability to comply with these ratios may be affected by events beyond our control. A breach of any of the covenants in our debt instruments or our inability to comply with the required financial ratios could result in an event of default, which, if not cured or waived, could have a material adverse effect on us. In the event of any default under the Committed Credit Facility, the payment of all outstanding borrowings could be accelerated together with accrued and unpaid interest and other fees, and we would be required to apply all of our available cash to repay these borrowings or could be prevented from making debt service payments on our 8% Notes, our 7.625% Notes and the notes, any of which would be an event of default under the indentures governing each of our 8% Notes, our 7.625% Notes and the notes. Our substantial debt service obligations could increase our vulnerability to adverse economic or industry conditions.

We are a holding company and as a result are dependent on our subsidiaries to generate sufficient cash and distribute cash to us to service our indebtedness, including the notes.

Our ability to make payments on our indebtedness, fund our ongoing operations and invest in capital expenditures and any acquisitions will depend on our subsidiaries' ability to generate cash in the future and distribute that cash to us. It is possible that our subsidiaries may not generate cash from operations in an amount sufficient to enable us to service our indebtedness, including the notes. Many of our subsidiaries are subject to restrictions on payments to us and our affiliates under their franchise agreements, dealer agreements, other agreements with manufacturers, mortgages, loan facilities and floor plan agreements. For example, most of the agreements contain minimum working capital or net worth requirements, and some manufacturers' dealer agreements specifically prohibit a distribution to us if the distribution would cause the dealership to fail to meet such manufacturer's capitalization guidelines, including net working capital. These restrictions limit our ability to utilize profits generated from one subsidiary at other subsidiaries or, in some cases, at the parent company. These factors could also render our subsidiary guarantors financially or contractually unable to make payments under their guarantees of the notes.

Table of Contents

Your right to receive payments on the notes is junior to our existing and future senior indebtedness and the existing and future senior indebtedness of our guarantors.

The notes and the guarantees are subordinated to the prior payment in full of our and the guarantors' respective current and future senior indebtedness to the extent set forth in the indenture. As of June 30, 2007, we had \$723.1 million of total senior indebtedness including borrowings of \$667.3 million under our floor plan facilities. As of such date, no amounts were outstanding under our Committed Credit Facility, which provides for aggregate borrowings, subject to certain conditions precedent, of up to \$125.0 million. The notes also are subordinated to senior indebtedness under our floor plan facilities. Because of the subordination provisions of the notes, in the event of the bankruptcy, liquidation or dissolution of Asbury or any guarantor, our assets or the assets of the guarantors would be available to pay obligations under the notes and our other senior subordinated obligations only after all payments had been made on our or the guarantors' senior indebtedness. Sufficient assets may not remain after all these payments have been made to make required payments on the notes and any other senior subordinated obligations, including payments of interest when due. As a result holders of notes may receive less, ratably, than our other unsecured general creditors if we are the subject of a bankruptcy, liquidation, reorganization or similar proceeding.

In addition, we are prohibited from making all payments on the notes and the guarantees in the event of a payment default on our senior indebtedness (including borrowings under our Committed Credit Facility and floor plan facilities) and, for limited periods, upon the occurrence of other defaults under our Committed Credit Facility and floor plan facilities. In the event of a nonpayment default under our senior indebtedness, we may not have sufficient funds to pay all our creditors, including the holders of the notes. See Description of the Notes.

Claims of creditors of all of our non-guarantor subsidiaries will have priority with respect to the assets and earnings of those subsidiaries over you as a holder of the notes.

The notes are effectively subordinated to all existing and future liabilities of our subsidiaries that are not guarantors. Subsidiaries we may establish or acquire in the future that are foreign subsidiaries, or which do not have any indebtedness or guarantees of indebtedness or which we designate as unrestricted subsidiaries in accordance with the indenture, will not be required to guarantee the notes. Claims of creditors of our non-guarantor subsidiaries, including trade creditors, generally will have priority with respect to the assets and earnings of such subsidiaries over our claims or those of our creditors, including you as a holder of the notes. In the event that any of our non-guarantor subsidiaries become insolvent, liquidate, reorganize, dissolve or otherwise wind up, the assets and earnings of those subsidiaries will be used first to satisfy the claims of their creditors, trade creditors, banks and other lenders and judgment creditors.

The notes are not secured.

In addition to being subordinated to all of our and our guarantors' existing and future senior indebtedness, the notes and the guarantees are not secured by any of our assets or those of our subsidiaries. Our obligations under our Committed Credit Facility are secured by a blanket lien on all of our assets. In addition, substantially all our new and used vehicle inventory, among other assets, is pledged to secure our obligations under our floor plan facilities under which we finance vehicle purchases. Finally, the terms of the notes do not restrict us from granting liens to secure debt that is senior in right of payment to the notes. If we become insolvent or are liquidated, or if payment under the Committed Credit Facility or any other secured senior indebtedness is accelerated, the lenders under the Committed Credit Facility or holders of other secured senior indebtedness will be entitled to exercise the remedies available to a secured lender under applicable law (in addition to any remedies that may be available under documents pertaining to the Committed Credit Facility or our other senior indebtedness).

Table of Contents

Restrictions imposed by our Committed Credit Facility and each of the indentures governing our 8% Notes and 7.625% Notes limit our ability to obtain additional financing and to pursue business opportunities.

The operating and financial restrictions and covenants in our debt instruments, including our Committed Credit Facility, 8% Notes and 7.625% Notes, may adversely affect our ability to finance our future operations or capital needs or to pursue certain business activities. In particular, our Committed Credit Facility requires us to maintain certain financial ratios. Our ability to comply with these ratios may be affected by events beyond our control. A breach of any of these covenants or our inability to comply with the required financial ratios could result in a default under our Committed Credit Facility. In the event of any default under our Committed Credit Facility, the lenders could elect to declare all borrowings outstanding, together with accrued and unpaid interest and other fees, to be due and payable, to require us to apply all of our available cash to repay these borrowings or to prevent us from making debt service payments on the notes, any of which would be an event of default under the notes. See Description of the Notes.

We may not have the funds necessary to finance the repurchase or conversion of the notes or may otherwise be restricted from making such repurchase or conversion if required by holders pursuant to the indenture.

Following a designated event under the indenture, holders may, subject to certain exceptions, require us to repurchase their notes for cash. In addition, upon any conversion of the notes, holders will have the right to receive at least a portion of the conversion consideration in cash. It is possible, however, that we will not have sufficient funds available at the time of any such repurchase or conversion to make the required cash payments. In addition, our debt agreements contain, and any future debt agreements could contain, provisions prohibiting such payments under certain circumstances, and a designated event allowing you to cause us to repurchase your notes, or the occurrence of an event that allows you to convert your notes, may constitute an event of default under one or more agreements governing our indebtedness. If any agreement governing our indebtedness prohibits or otherwise restricts us from repurchasing or converting the notes when we become obligated to do so, we could seek the consent of the lenders to repurchase or convert the notes or attempt to refinance the relevant indebtedness. If we did not obtain such a consent or refinance the indebtedness, we would not be permitted to repurchase or convert the relevant notes, which would constitute an event of default under the indenture and in turn would constitute a default under the terms of our other indebtedness.

Federal and state statutes allow courts, under specific circumstances, to void guarantees and require note-holders to return payments received from guarantors.

Under U.S. bankruptcy law and comparable provisions of state fraudulent transfer laws, a subsidiary guarantee can be voided, or claims under a subsidiary guarantee may be subordinated to all other debts of that subsidiary guarantor if, among other things, the subsidiary guarantor, at the time it incurred the indebtedness evidenced by its guarantee:

intended to hinder, delay or defraud any present or future creditor or received less than reasonably equivalent value or fair consideration for the issuance of the guarantee; and

the subsidiary guarantor:

was insolvent or rendered insolvent by reason of issuing the guarantee;

was engaged in a business or transaction for which the subsidiary guarantor's remaining assets constituted unreasonably small capital; or

intended to incur, or believed that it would incur, debts beyond its ability to pay those debts as they become due.

In addition, any payment by that subsidiary guarantor under a guarantee could be voided and required to be returned to the subsidiary guarantor or to a fund for the benefit of the creditors of the subsidiary guarantor under such circumstances.

Table of Contents

The measures of insolvency for purposes of fraudulent transfer laws will vary depending upon the governing law. Generally, a guarantor would be considered insolvent if:

the sum of its debts, including contingent liabilities, was greater than the fair salable value of all of its assets;

the present fair salable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they became absolute and mature; or

it could not pay its debts as they became due.

In the event the guarantee of the notes by a subsidiary guarantor is voided as a fraudulent conveyance, holders of the notes would effectively be subordinated to all indebtedness and other liabilities of that guarantor.

An active trading market may not develop for the notes. The failure of a market to develop for the notes could adversely affect the liquidity and value of the holders' notes.

An active or sustained trading market may not develop for the notes, and there can be no assurance as to the liquidity of any market that may develop for the notes. If an active market does not develop or is not maintained, the market price of the notes may decline and you may not be able to resell the notes. If any of the notes are traded, they may trade at a discount from their original offering price.

The liquidity of the trading market, if any, and future trading prices of the notes will depend on many factors, including, among other things, the market price of our common stock, prevailing interest rates, our operating results, financial performance and prospects, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in these factors. Historically, the market for convertible debt has been subject to disruptions that have caused volatility in prices. It is possible that the market for the notes will be subject to disruptions which may have a negative effect on the holders of the notes, regardless of our operating results, financial performance or prospects.

The conditional conversion feature of the notes could result in your not receiving the value of the common stock into which the notes are convertible.

Prior to the close of business on the scheduled trading day immediately preceding June 15, 2012, the notes are convertible into cash and shares of our common stock, if applicable, only if specific conditions are met. Until the specific conditions for conversion are met, you will not be able to receive the value of the common stock into which your notes would otherwise be convertible.

We expect that the trading value of the notes will be significantly affected by the price of our common stock, which may be volatile.

Our common stock has experienced significant price and volume fluctuations. The market price of the notes is expected to be significantly affected by the market price of our common stock as well as the general level of interest rates and our credit quality. This may result in a significantly greater volatility in the trading value of the notes than would be expected for nonconvertible debt securities we issue. For a discussion of the factors that may result in volatility in the market price of our common stock, see General Risks Related to Investing in our Common Stock.

It is impossible to predict whether the price of our common stock or interest rates will rise or fall. Trading prices of our common stock will be influenced by our operating results and prospects and by economic, financial, regulatory and other factors. In addition, general market conditions, including the level of, and fluctuations in, the trading prices of stocks generally, could affect the price of our common stock.

Table of Contents

The price of our common stock also could be affected by possible sales of our common stock by investors who view the notes as a more attractive means of equity participation in our company and by hedging or arbitrage activity that we expect to develop involving our common stock as a result of the issuance of the notes. The hedging or arbitrage could, in turn, affect the trading prices of the notes.

The convertible note hedge and warrant transactions may affect the value of the notes and our common stock.

In connection with the issuance of the notes, we entered into certain convertible note hedge transactions and warrant transactions with certain of the initial purchasers of the notes and/or their affiliates (the counterparties). The convertible note hedge transactions are expected to reduce the potential dilution upon conversion of the notes. In connection with hedging these transactions, the counterparties and/or their affiliates may enter into various derivative transactions with respect to our common stock. Such activities could have the effect of increasing, or preventing a decline in, the price of our common stock. In addition, the counterparties and/or their affiliates are likely to modify their hedge positions from time to time by entering into or unwinding various derivative transactions with respect to our common stock or by purchasing and selling shares of our common stock. In particular, such hedging modifications may occur during any observation period for a conversion of notes, which may have a negative effect on the value of the consideration received in relation to the conversion of those notes. In addition, we intend to exercise options we hold under the convertible note hedge and warrant transactions whenever notes are converted. To unwind their hedge positions with respect to those exercised options, the counterparties or their affiliates may sell shares of our common stock in secondary market transactions or unwind various over-the-counter derivative transactions with respect to our common stock during the observation period, if any, for the converted notes.

The effect, if any, of any of these transactions and activities on the market price of our common stock or the notes will depend in part on market conditions and cannot be ascertained at this time, but any of these activities could adversely affect the value of our common stock and the value of the notes and, as a result, the amount of cash and the number of shares of common stock, if any, you will receive upon a conversion of the notes.

The conversion rate of the notes may not be adjusted for all dilutive events.

The conversion rate of the notes is subject to adjustment for certain events including, but not limited to, the issuance of stock dividends on our common stock, the issuance of certain rights or warrants, subdivisions or combinations of our common stock, certain distributions of assets, debt securities, capital stock or cash to holders of our common stock and certain issuer tender or exchange offers as described under Description of the Notes Conversion Rights Conversion Rate Adjustments. The conversion rate will not be adjusted for other events, such as an issuance of common stock for cash that may adversely affect the trading price of the notes or the common stock. There can be no assurance that an event that adversely affects the value of the notes, but does not result in an adjustment to the conversion rate, will not occur.

You may have to pay taxes with respect to some distributions on our common stock that result in adjustments to the conversion rate.

The conversion rate of the notes is subject to adjustment as a result of stock splits and combinations, stock dividends, certain cash dividends and certain other actions by us that modify our capital structure. See Description of the Notes Conversion Rights Conversion Rate Adjustments and Description of the Notes Conversion Rights Adjustment to Shares Delivered upon Conversion upon Certain Fundamental Changes. If the conversion rate is adjusted as a result of a distribution that is taxable to holders of our common stock, such as a cash dividend, you will be required to include an amount in income for U.S. federal income tax purposes, notwithstanding the fact that you do not actually receive such distribution. The amount that you will have to include in income would generally be equal to the amount of the distribution that you would have received if you had converted your notes into our common stock. In addition, non-U.S. holders of the notes may, in certain

Table of Contents

circumstances, be deemed to have received a distribution subject to U.S. federal withholding tax requirements. See Material United States Federal Income Tax Considerations.

The adjustment to the conversion rate for notes converted in connection with certain fundamental changes may not adequately compensate you for any lost value of your notes as a result of such transaction.

If certain fundamental changes occur, we will increase the conversion rate by a number of additional shares of our common stock for notes converted in connection with any such fundamental change. The increase in the conversion rate will be determined based on the date on which the fundamental change becomes effective and the price paid per share of our common stock in such transaction, as described below under Description of the Notes Conversion Rights Adjustment to Shares Delivered upon Conversion upon Certain Fundamental Changes. The adjustment to the conversion rate for notes converted in connection with a fundamental change may not adequately compensate you for any lost value of your notes as a result of such transaction. In addition, if the price of our common stock in the transaction is greater than \$60.00 per share or less than \$27.75 per share (in each case, subject to adjustment), no adjustment will be made to the conversion rate. Moreover, in no event will the total number of shares of common stock issuable upon conversion as a result of this adjustment exceed 36.0360 per \$1,000 principal amount of notes, subject to adjustments in the same manner as the conversion rate as set forth under Description of the Notes Conversion Rights Adjustment to Shares Delivered Upon Conversion upon Certain Fundamental Changes. The enforceability of our obligation to deliver the additional shares upon a fundamental change could be subject to general principles of reasonableness of economic remedies.

A change in control of Asbury may not constitute a fundamental change for purposes of the notes.

The indenture contains no covenants or other provisions to afford protection to holders of the notes in the event of a change in control of Asbury except to the extent described under Description of the Notes Conversion Rights Adjustment to Shares Delivered upon Conversion upon Certain Fundamental Changes and Description of the Notes Designated Event Permits Holders to Require Us to Repurchase Notes upon the occurrence of a fundamental change. However, the term fundamental change is limited and may not include every change in control event that might cause the market price of the notes to decline. As a result, your rights under the notes upon the occurrence of a fundamental change may not preserve the value of the notes in the event of a change in control of Asbury. In addition, any change in control of Asbury may negatively affect the liquidity, value or volatility of our common stock, negatively impacting the value of the notes.

The notes may not be rated or may receive a lower rating than anticipated.

We do not intend to seek a rating on the notes. However, if one or more rating agencies rate the notes and assign the notes a rating lower than the rating expected by the investors, or reduce their rating in the future, the market price of the notes and our common stock could be harmed.

If you hold notes, you will not be entitled to any rights with respect to our common stock, but you will be subject to all changes made with respect to our common stock.

If you hold notes, you will not be entitled to any rights with respect to our common stock (including, without limitation, voting rights and rights to receive any dividends or other distributions on our common stock), but you will be subject to all changes affecting the common stock. You will have rights with respect to our common stock only if and when we deliver shares of common stock to you upon conversion of your notes and, in limited cases, under the conversion rate adjustments applicable to the notes. For example, in the event that an amendment is proposed to our Certificate of Incorporation requiring shareholder approval and the record date for determining the shareholders of record entitled to vote on the amendment occurs prior to delivery of common stock to you, you will not be entitled to vote on the amendment, although you will nevertheless be subject to any changes in the powers, preferences or special rights of our common stock.

Table of Contents

The net share settlement feature of the notes may have adverse consequences.

The net share settlement feature of the notes, as described under Description of the Notes Conversion Rights Payment upon Conversion, may:

result in holders receiving no shares upon conversion or fewer shares relative to the conversion value of the notes;

reduce our liquidity;

delay holders receipt of the consideration due upon conversion; and

subject holders to market risk before receiving any shares upon conversion.

We will generally deliver the cash and, if applicable, shares of common stock issuable upon conversion on the third VWAP trading day after the observation period, which will (other than in the specified period immediately prior to maturity of the notes) generally be at least 35 trading days after the date holders tender their notes for conversion. In addition, because the consideration due upon conversion is based in part on the trading prices of our common stock during the observation period, any decrease in the price of our common stock after you tender your notes for conversion may significantly decrease the value of the consideration you receive. Furthermore, because we must settle at least a portion of our conversion obligation in cash, the conversion of notes may significantly reduce our liquidity.

General Risks Related to Investing in our Common Stock

We may not be able to pay or maintain dividends and the failure to do so could adversely affect our share price.

On July 25, 2007, our board of directors approved a quarterly cash dividend of \$0.225 per common share, or an aggregate of approximately \$7.3 million. The cash dividend was paid on August 20, 2007, to stockholders of record as of August 6, 2007. These dividends may not be indicative of the amount of any future dividends. We intend to continue to pay regular quarterly dividends to our stockholders. Our ability to pay, maintain or expand cash dividends to our stockholders and to execute our dividend payment strategy is subject to the discretion of our board of directors and will depend on many factors, including, among other things, our ability to operate profitably, our earnings, capital requirements, general business conditions, our liquidity and other factors considered relevant by our board of directors. In addition, certain covenants in the agreements governing our Committed Credit Facility and the indentures governing our debt restrict our ability to pay dividends. Furthermore, any shares of our common stock issuable upon conversion of the notes and any new shares of common stock issued otherwise will substantially increase the cash required to continue to pay cash dividends at current levels. Any common or preferred stock that may be issued in the future to finance acquisitions, upon exercise of stock options or other equity incentives, would have a similar effect, and may hinder our ability to pay cash dividends. The failure to maintain or pay dividends could adversely affect our share price.

Our stock price may be volatile, which could result in substantial losses for investors in our securities.

The stock markets in general have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our common stock. The market price of the common stock may also fluctuate significantly in response to the following factors, some of which are beyond our control:

variations in our quarterly operating results;

changes in securities analysts estimates of our financial performance;

changes in market valuations of similar companies;

Table of Contents

announcements by us or our competitors of significant contracts, acquisitions, strategic partnerships,

joint ventures, capital commitments, new products or product enhancements;

loss of a major customer or failure to complete significant transactions; and

additions or departures of key personnel.

The closing price of our common stock since our initial public offering has ranged from a high of \$29.82 on the New York Stock Exchange on April 27, 2007 to a low of \$5.95 on March 10, 2003. The last reported price of our common stock on the New York Stock Exchange on September 5, 2007 was \$21.65 per share.

Anti-takeover provisions of our charter, bylaws, Delaware law and our franchise agreements may reduce the likelihood of any potential change of control.

Provisions of our charter and by-laws may have the effect of discouraging, delaying or preventing a change in control of us or unsolicited acquisition proposals that a shareholder might consider favorable. These include provisions:

providing that no more than one-third of the members of our board of directors stand for reelection by the shareholders at each annual meeting;

permitting the removal of a director from office only for cause and only by the affirmative vote of the holders of at least 80% of the voting power of all common stock outstanding;

vesting the board of directors with sole power to set the number of directors;

allowing a special meeting of the shareholders to be called only by a majority of the board of directors or by the chairman of our board of directors, either on his or her own initiative or at the request of shareholders collectively holding at least 50% of the common stock outstanding, by our president, by our chief executive officer or by a majority of our board of directors;

prohibiting shareholder action by written consent;

requiring the affirmative vote of the holders of at least 80% of the voting power of all common stock outstanding to effect certain amendments to our charter or by-laws; and

requiring formal advance notice for nominations for election to our board of directors or for proposing matters that can be acted upon at shareholders' meetings.

In addition, Delaware law makes it difficult for shareholders who have recently acquired a large interest in a corporation to cause the merger or acquisition of the corporation against the directors' wishes. Furthermore, our board of directors has the authority to issue shares of preferred stock in one or more series and to fix the rights and preferences of the shares of any such series without shareholder approval. Any series of preferred stock is likely to be senior to the common stock with respect to dividends, liquidation rights and, possibly, voting rights. Our board's ability to issue preferred stock may also have the effect of discouraging unsolicited acquisition proposals, thus adversely affecting the market price of the common stock. Finally, restrictions imposed by some of our franchise agreements may impede or prevent any potential consensual or unsolicited

change of control. See Description of Capital Stock