

EMERALD EQUITIES L L C
4501 N SCOTTSDALE RD STE 201
SCOTTSDALE, AZ 85251
173-38-016A

METZGER THOMAS F/EILEEN V
7181 E CAMELBACK RD UNIT 203
SCOTTSDALE, AZ 85251
173-42-083

SOUTHWEST INVESTMENTS
PARTNERS INC
7181 E CAMELBACK RD UNIT 704
SCOTTSDALE, AZ 85251
173-42-075

SWF HOLDINGS LLC
7150 E CAMELBACK RD STE 444
SCOTTSDALE, AZ 85251
173-42-401A

CF2 LLC
136 FOREST HIGHLANDS
FLAGSTAFF, AZ 86001
173-42-394

SCOTTSDALE WATERFRONT 202 LLC
8151 LAKE RIDGE DR
BURR RIDGE, IL 60527
173-42-398A

SCOTTSDALE FASHION SQUARE LLC
2235 FARADAY AVE STE O
CARLSBAD, CA 92008
173-36-004C

WATERFRONT PROPERTIES LLC
2525 E CAMELBACK RD SUITE 900
PHOENIX, AZ 85016
173-42-392

WATERFRONT RESIDENCES LLC
7175 E CAMELBACK RD STE 806
SCOTTSDALE, AZ 85251
173-42-345A

SCOTTSDALE CITY OF
3939 N DRINKWATER BLVD
SCOTTSDALE, AZ 85251-4468
173-38-074D

T M A G LLC
136 FOREST HIGHLANDS
FLAGSTAFF, AZ 86001
173-42-397A

FRIEDMAN HARVEY B/FRANCINE A TR
7181 E CAMELBACK RD NO 606
SCOTTSDALE, AZ 85251
173-42-134

METZLER I SCOTTSDALE
WATERFRONT LP
700 5TH AVE STE 6175
SEATTLE, WA 98104
173-42-377

SCOTTSDALE WATERFRONT 202 LLC
8151 LAKE RIDGE DR
BURR RIDGE, IL 60527
173-42-403

CONRAD TRACY
7181 E CAMELBACK RD UNIT 405
SCOTTSDALE, AZ 85251
173-42-108

SCOTTSDALE FASHION SQUARE LLC
PO BOX 2229
SEATTLE, WA 98111-2229
173-42-059L

APOSTOLOU LOUIS
8151 LAKE RIDGE DR
BURR RIDGE, IL 60527
173-42-404

CAMELBACK EP LLC
2355 E CAMELBACK RD STE 510
PHOENIX, AZ 85016
173-43-003A

DOBBINS BRIAN G/SUSAN F TR
11458 E CARIBBEAN LN
SCOTTSDALE, AZ 85255
173-42-121

PARK MINHYI/TAPPAN ROSS A
7181 E CAMELBACK UNIT 305-1
SCOTTSDALE, AZ 85251
173-42-095

SCOTTSDALE WATERFRONT
COMMERCIAL LLC
7135 E CAMELBACK RD STE 155
SCOTTSDALE, AZ 85251
173-42-385A

ONYX VENTURES LLC
4501 N SCOTTSDALE RD STE 201
SCOTTSDALE, AZ 85251
173-38-021A

SCOTTSDALE RENAISSANCE LLC
4501 N SCOTTSDALE RD STE 201
SCOTTSDALE, AZ 85251
173-38-022

6-UP-2012
1st: 3/15/2012

DAVID A. LEVY & ASSOCIATES

345 SPRINGSIDE DRIVE
AKRON, OHIO 44333-2434

> Retail Design & Development

March 15, 2012

Attn: Neighbors

Re: Tesla Motors, Inc.
Scottsdale Fashion Square Space 1210
Project # - 149-PA-2012

Dear Neighbors,

We are writing this letter to inform you that we are seeking a conditional use permit for vehicle sales located within the Scottsdale Fashion Square (Space 1210). Below is a short description of our retail concept and how we operate.

How we operate

Although we're bringing a new type of product to a traditional shopping environment, we actually operate very much like a traditional retailer. We're much more like an Apple store than an Audi dealership. Here's a quick snapshot of how we do it:

- *Store hours:* we follow regular shopping center hours
- *Number of employees:* we typically employ 3 full-time Managers and 5-7 part-time Product Specialists. During store hours, we tend to have an average of 3-4 employees on the floor.
- *Store layout:* Tesla stores are typically in the 2,500-3,000 square foot range. Stores consist of the following areas:
 - Display area – graphics, merchandise, and vehicle displays; 4 touch screens and a 85" plasma video screen. Several Product Specialists/Managers available to answer questions
 - Lounges – 2 separate, semi-private lounges with seating and a computer terminal used for vehicle education, reservations, and configurations
 - Staff office – small office hidden from view with employee work terminals and break area
 - Washroom(s) – as required by local building code
- *In-store activities:* we perform the following functions in our stores:
 - Tesla vehicle / EV education via touch screens, Product Specialists
 - Tesla vehicle and component display – we display as many as 4 vehicles within each store, subject to store size and vehicle availability
 - Tesla vehicle reservations – involves minimal paperwork and a transaction (\$5,000 per reservation)

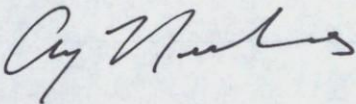
6-UP-2012
1st: 3/15/2012

- Tesla vehicle configurations – after a customer has reserved their vehicle, they can design/configure their vehicle in---store, approximately 3 months before it's produced
- Tesla merchandise sales – Tesla apparel and toys are displayed and sold
- Tesla customer events – from time to time we may host in---store events for Tesla reservation holders or owners, or for anyone interested in our products
- *Parking area activities:* each Tesla store has a Tesla---branded parking area within short walking distance. These parking areas consist of 6 parking spaces and 2 Tesla---installed vehicle chargers, and are outfitted with special lighting and signage. These areas are used to park and charge Tesla test---drive vehicles. Customers wanting to test---drive a Tesla vehicle may sign---up for a test---drive in---store and then walk over to the parking area, from which the test---drive will be launched. Test---drives occur on public roads as is done with conventional vehicles.

We have also enclosed an 8 ½"x11" aerial showing our space within the mall. We look forward to seeing all of you in the near future.

Should you need any additional information, please do not hesitate to contact me.

Sincerely,



Andy Neilands
David A. Levy & Associates

6-UP-2012
1st: 3/15/2012



TESLA RETAIL - CONTEXT PLAN
 NTS

TESLA
 MARCH 15, 2012

6-UP-2012
 1st: 3/15/2012



Description of the Tesla retail concept

At Tesla, we're striving to introduce a new type of retail, service, and driving experience. In doing so, we're challenging the status quo of a century old industry with the hope of revolutionizing it. Our retail concept is central to our business strategy: as a fairly small automaker we must make incredibly efficient use of limited capital to promote our brand. Instead of conventional advertising, we have chosen to invest heavily in our retail experience, getting in front of customers in our stores, versus in a magazine or TV ad.

Why Tesla is different

We are unlike the traditional automotive dealership concept in several ways:

1. We are located in high pedestrian traffic locations, where customers tend to shop on a frequent basis (e.g., shopping malls, high streets, etc.)
2. We do not have an inventory of vehicles; all orders are custom built and delivered ~3-6 months after the order is placed
3. We offer an informative and educational experience, rather than a high-pressure selling environment. Our employees are not paid commissions. We do not offer discounts or run promotions. We encourage all customers (including children) to sit in our vehicles, constantly promoting a fun and inviting atmosphere.
4. We own and operate all of our stores. This allows us to treat customers the way we believe they should be treated, in all of our stores worldwide.
5. We separate sales and service. We do not perform any type of repairs or maintenance in our retail stores. We also don't sell parts at these locations. Instead, we build service-only centers at separate locations that are more amenable for this type of activity.

What enables these differences

We are in a unique position to change a retail experience that hasn't changed in the last century. There are a few things that allow us to do so:

1. We control our retail experience – there is no franchisee/middleman. This allows us to react quickly and maintain a consistent, top-rate customer experience.
2. We design, build, and sell electric vehicles...only. These vehicles are quiet, emission-free, and do not contain any gasoline or motor oil. This makes them much safer to move and display within retail spaces.
3. We deploy technology to maximize customer interaction and education. With at least 4 touchscreens per store and display vehicles and components, we encourage customers to explore our company, technology, vehicles, and owners at their own pace.
4. We hire the best. Our store staff are all Tesla evangelists, and come from varied backgrounds (e.g., physics grad students, retired school teachers, former entrepreneurs).

6-UP-2012
1st: 3/15/2012

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Attached you will find pictures of existing Tesla stores and parking areas, and a typical Tesla store floor layout drawing. If you require anything else in order to better understand the Tesla retail concept, please don't hesitate to contact us.