

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D
(RULE 13D-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO
13D-1(A) AND AMENDMENTS THERETO FILED PURSUANT TO 13D-2(A)

(AMENDMENT NO. _____)

Sonic Automotive, Inc.

(Name of Issuer)

Class A Common Stock, Par Value \$.01 Per Share

(Title of Class of Securities)

83545G 10 2

(CUSIP Number)

Peter J. Shea, Esq.; Parker, Poe, Adams & Bernstein, L.L.P.;
2500 Charlotte Plaza, Charlotte, NC 28244;
Telephone (704) 372-9000

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

November 10, 1997

(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G
to report the acquisition which is the subject of this Schedule 13D, and is
filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box
[].

NOTE. Six copies of this statement, including all exhibits, should be
filed with the Commission. SEE Rule 13d-1(a) for other parties to whom copies
are to be sent.

(Continued on following pages)

Page 1 of 19 Pages

CUSIP NO. 83545G 10 2 13D Page 2 of 19 Pages

1 NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
O. Bruton Smith

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS*
OO. See Item 3.

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States

7 SOLE VOTING POWER
5,476,250. See Item 1.

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARES VOTING POWER -0-
	9	SOLE DISPOSITIVE POWER 5,476,250. See Item 1.
	10	SHARES DISPOSITIVE POWER -0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
5,476,250 shares. See Item 1.

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES* []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
48.7%. See Item 1.

14 TYPE OF REPORTING PERSON*
IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP NO. 83545G 10 2 13D Page 3 of 19 Pages

1 NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
Sonic Financial Corporation; T.I.N. 74-1725259

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC and OO. See Item 3.

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION
North Carolina

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 4,440,625. See Item 1.
	8	SHARES VOTING POWER -0-
	9	SOLE DISPOSITIVE POWER 4,440,625. See Item 1.
	10	SHARES DISPOSITIVE POWER -0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
4,440,625 shares. See Item 1.

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES* []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
39.5%. See Item 1.

14 TYPE OF REPORTING PERSON*
CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

ITEM 1. SECURITY AND ISSUER.

This Schedule is filed with respect to the Class A common stock, par value \$.01 per share (the "Class A Common Stock"), of Sonic Automotive, Inc., a Delaware corporation (the "Company"). The persons reporting on this Schedule are the owners of only Class B common stock, par value \$.01 per share (the "Class B Common Stock" and, together with the Class A Common Stock, the "Common Stock"), of the Company. Shares of Class B Common Stock are convertible into an identical number of shares of Class A Common Stock either at the option of the holder or upon the happening of certain events. Each share of Class A Common Stock entitles the holder to one vote per share. Each share of Class B Common Stock entitles the holder to ten votes per share, except in certain limited circumstances. For a discussion of the convertibility, voting rights and other attributes of the Class B Common Stock, see the discussion under the caption "Description of Capital Stock--Common Stock" in the Company's Registration Statement on Form S-1 (Registration No. 333-33295) (the "Registration Statement") on file with the Securities and Exchange Commission, which is incorporated into this Schedule by this reference. See Exhibit No. 1. The principal executive offices of the Company are located at 5401 East Independence Boulevard, Charlotte, North Carolina. The preferred mailing address of the Company is P.O. Box 18747, Charlotte, North Carolina 28218.

ITEM 2. IDENTITY AND BACKGROUND.

This Schedule is filed on behalf of a group consisting of O. Bruton Smith, hereinafter referred to as "Mr. Smith," and Sonic Financial Corporation, hereinafter referred to as "Sonic Financial." Mr. Smith, a United States citizen, is Chairman and Chief Executive Officer of the Company, an operator of multiple automobile dealership franchises whose principal business address is 5401 East Independence Boulevard, Charlotte, North Carolina, and the Chairman and Chief Executive Officer of Speedway Motorsports, Inc., an operator of several motor speedways and promotor of motor racing events whose principal business address is U.S. Highway 29 North, Concord, North Carolina. The address of the principal business and executive office of Sonic Financial, a North Carolina corporation, is 5401 East Independence Boulevard, Charlotte, North Carolina 28218. Sonic Financial maintains a portfolio of certain real estate and securities investments and is a holding company for an insurance company.

During the last five years, neither Mr. Smith nor Sonic Financial has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or been party to a civil proceeding of a judicial or administrative body of competent jurisdiction that resulted in a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Page 4 of 19 Pages

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

The 5,476,250 shares of Common Stock reported by this Schedule as beneficially owned by Mr. Smith (the "Shares") include 7,105 shares (the "Sonic Financial Reorganization Shares") acquired by Sonic Financial on June 30, 1997 in exchange for all of the outstanding capital stock and limited liability company interests, as the case may be, owned by Sonic Financial of Town & Country Ford, Inc., Fort Mill Ford, LLC, Lone Star Ford, Inc. and Frontier Oldsmobile-Cadillac, Inc. and 100 shares of the Company's original common stock, par value \$.01 per share, that had been acquired by Sonic Financial at the original organization of the Company for \$100.00 on January 30, 1997 (see Exhibit No. 2); and (b) 4,433,520 shares (the "Sonic Financial Dividend Shares" and, together with the Sonic Financial Reorganization Shares, the "Sonic Financial Shares") acquired by Sonic Financial as part of a Class B Common Stock dividend declared by the Company's

Board of Directors on October 16, 1997 (the "Class B Dividend"). Of the remaining 1,035,625 shares of Common Stock, 1,657 shares (the "Smith Reorganization Shares") were acquired by Mr. Smith on June 30, 1997 in exchange for all of the outstanding capital stock owned by Mr. Smith of Marcus David Corporation (d/b/a Town & Country Toyota) and Fort Mill Ford, LLC (see Exhibit No. 3) and 1,033,968 shares (the "Smith Dividend Shares" and together with the Smith Reorganization Shares, the "Smith Shares") were acquired as part of the Class B Dividend.

ITEM 4.

PURPOSE OF TRANSACTION.

Mr. Smith acquired the Shares in a reorganization and capital restructuring of the Company incident to the Company's initial public offering of its Class A Common Stock (the "IPO"). His purpose in acquiring the Shares was to continue his control of the Company. Except as indicated below (and as described in the Registration Statement), Mr. Smith and Sonic Financial have no present plans or proposals that relate to or would result in:

(a) the acquisition by any person of additional securities of the Company, or the disposition of securities of the Company, except as may be negotiated by the Company in connection with future acquisitions by the Company;

(b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries;

(c) a sale or transfer of a material amount of assets of the Company or any of its subsidiaries;

(d) any change in the present Board of Directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board, except to increase the board from its present four directors and thereafter appoint outside directors and the Company's Executive Vice President as a director;

Page 5 of 19 Pages

(e) any material change in the present capitalization or dividend policy of the Company;

(f) any other material change in the Company's business or corporate structure;

(g) changes in the Company's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Company by any person;

(h) causing a class of securities of the Company to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association;

(i) a class of equity securities of the Company becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934, as amended; or

(j) any action similar to any of those enumerated above.

ITEM 5.

INTEREST IN SECURITIES OF THE ISSUER.

The 5,476,250 Shares constitute approximately 48.7% of the Common Stock outstanding at the date of filing of this Schedule and represent approximately 81.1% of the combined voting power of the Common Stock (in those circumstances in which the Class B Common Stock has ten votes per share). The 4,440,625 Sonic Financial Shares constitute approximately 39.5% of the Common Stock outstanding at the date of filing of this Schedule and represent approximately 65.8% of the combined voting power of the Common Stock (in those circumstances in which the Class B Common Stock has ten votes per share).

Mr. Smith and Sonic Financial have effected no transactions in the Common Stock during the past 60 days, except as explained in Item 3.

Mr. Smith has sole voting and dispositive power over the Shares. Sonic Financial has sole voting and dispositive power over the Sonic Financial Shares. But see Item 6.

ITEM 6.

CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

Mr. Smith owns, of record and beneficially, the substantial majority of Sonic Financial's outstanding capital stock.

Mr. Smith and Sonic Financial have entered into a Registration Rights Agreement dated as of June 30, 1997 (the "Registration Rights Agreement") with the Company, B. Scott Smith and Egan Group LLC. Subject to certain limitations, the Registration Rights Agreement provides Mr. Smith, Sonic Financial, B. Scott Smith and Egan

Page 6 of 19 Pages

Group LLC with certain piggyback registration rights that permit them to have their shares of Common Stock, as selling security holders, included in any registration statement pertaining to the registration of Class A Common Stock for issuance by the Company or resale by other selling security holders, with the exception of registration statements on Forms S-4 and S-8 relating to exchange offers (and certain other transactions) and employee stock compensation plans, respectively. These registration rights will be limited or restricted to the extent an underwriter of an offering, if an underwritten offering, or the Company's Board of Directors, if not an underwritten offering, determines that the amount to be registered by Sonic Financial, Mr. Smith, B. Scott Smith and Egan Group, LLC would not permit the sale of Class A Common Stock in the quantity and at the price originally sought by the Company or the original selling security holders, as the case may be. The Registration Rights Agreement expires on the tenth anniversary of the closing of the IPO, which occurred on November 17, 1997.

Mr. Smith and Sonic Financial have each signed letter agreements dated as of November 10, 1997 (the "Lock Up Agreements") with Merrill Lynch & Co., Merrill Lynch, Pierce Fenner & Smith Incorporated, NationsBanc Montgomery Securities, Inc. and Wheat, First Securities, Inc., as the U.S. representatives of the U.S. underwriters of the Company's IPO and Merrill Lynch International, NationsBanc Montgomery Securities, Inc. and Wheat, First Securities, Inc., as the lead managers of the international managers of the Company's IPO. Under the Lock Up Agreements, Mr. Smith and Sonic Financial have agreed, for a period of 180 days from November 10, 1997, not to, without the consent of the IPO underwriters, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, or otherwise dispose of or transfer any shares of Common Stock or any securities convertible into or exchangeable or exercisable for Common Stock, whether now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition, or file any registration statement under the Securities Act of 1933, as amended, with respect to any of the foregoing or (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Common Stock, whether any such swap or transaction is to be settled by delivery of Common Stock or other securities, in cash or otherwise.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

Exhibit No.	Description
1	"Description of Capital Stock-- Common Stock" excerpted from the Registration Statement on Form S-1 of Sonic Automotive, Inc. (Registration No. 333-33295)
2	Subscription Agreement between Sonic Financial and the Company dated June 30, 1997

3 Subscription Agreement between Mr. Smith and the Company dated June 30, 1997

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, we certify that the information set forth in this statement is true, complete and correct.

Date: November 18, 1997

/s/ O. Bruton Smith

O. Bruton Smith

SONIC FINANCIAL CORPORATION

By:/s/ William R. Brooks

William R. Brooks
Vice President

EXHIBIT INDEX

Exhibit No. -----	Description -----	Page No. -----
1	"Description of Capital Stock--Common Stock" excerpted from the Registration Statement on Form S-1 of Sonic Automotive, Inc. (Registration No. 333-33295)	10
2	Subscription Agreement between Sonic Financial and the Company dated June 30, 1997	12
3	Subscription Agreement between Mr. Smith and the Company dated June 30, 1997	16

DESCRIPTION OF CAPITAL STOCK

The Company's authorized capital stock consists of (i) 50,000,000 shares of Class A Common Stock, \$.01 par value, (ii) 15,000,000 shares of Class B Common Stock, \$.01 par value, and (iii) 3,000,000 shares of Preferred Stock, \$.10 par value. Upon completion of this Offering, the Company will have 5,000,000 outstanding shares of Class A Common Stock and 6,250,000 outstanding shares of Class B Common Stock and no outstanding shares of preferred stock (assuming the Underwriters' over-allotment option is not exercised).

The following summary description of the Company's capital stock does not purport to be complete and is qualified in its entirety by reference to the Company's Certificate, which is filed as an exhibit to the Registration Statement of which this Prospectus forms a part, and Delaware Law. Reference is made to such exhibit and Delaware Law for a detailed description of the provisions thereof summarized below.

Common Stock

The Company's Class A Common Stock and Class B Common Stock are equal in all respects except for voting rights, conversion rights of the Class B Common Stock and as required by law, as discussed more fully below.

Voting Rights; Conversion of Class B Common Stock to Class A Common Stock

The voting powers, preferences and relative rights of the Class A Common Stock and the Class B Common Stock are subject to the following provisions. Holders of Class A Common Stock have one vote per share on all matters submitted to a vote of the stockholders of the Company. Holders of Class B Common Stock are entitled to ten votes per share except as described below. Holders of all classes of Common Stock entitled to vote will vote together as a single class on all matters presented to the stockholders for their vote or approval except as otherwise required by Delaware Law. There is no cumulative voting with respect to the election of directors. In the event any shares of Class B Common Stock held by a member of the Smith Group (as defined below) are transferred outside of the Smith Group, such shares will automatically be converted into shares of Class A Common Stock. In addition, if the total number of shares of Common Stock held by members of the Smith Group is less than 15% of the total number of shares of Common Stock outstanding, all of the outstanding shares of Class B Common Stock automatically will be reclassified as Class A Common Stock. In any merger, consolidation or business combination, the consideration to be received per share by holders of Class A Common Stock must be identical to that received by holders of Class B Common Stock, except that in any such transaction in which shares of common stock are distributed, such shares may differ as to voting rights to the extent that voting rights now differ between the classes of Common Stock.

Notwithstanding the foregoing, the holders of Class A Common Stock and Class B Common Stock vote as a single class, with each share of each class entitled to one vote per share, with respect to any transaction proposed or approved by the Board of Directors of the Company or proposed by or on behalf of holders of the Class B Common Stock or as to which any member of the Smith Group or any affiliate thereof has a material financial interest other than as a then existing stockholder of the Company constituting a (a) "going private" transaction, (b) sale or other disposition of all or substantially all of the Company's assets, (c) sale or transfer which would cause the nature of the Company's business to be no longer primarily oriented toward automobile dealership operations and related activities or (d) merger or consolidation of the Company in which the holders of the Common Stock will own less than 50% of the Common Stock following such transaction. A "going private" transaction is defined as any "Rule 13e-3 Transaction," as such term is defined in Rule 13e-3 promulgated under the Securities Exchange Act of 1934. An "affiliate" is defined as (i) any individual or entity who or that, directly or indirectly, controls, is controlled by, or is under common control with any member of the Smith Group, (ii) any corporation or organization (other than the Company or a majority-owned subsidiary of the Company) of which any member of the Smith Group is an officer partner or is, directly or indirectly, the beneficial owner of 10% or more of any class of voting securities, or in which any member of the Smith Group has a substantial beneficial interest, (iii) a voting trust or similar arrangement pursuant to which any member of the Smith Group generally controls the vote of the shares of Common Stock held by or subject to such trust or arrangement, (iv) any other trust or estate in which any member of the Smith Group has a substantial beneficial interest or as to which any member of the Smith Group serves as trustee or in a similar fiduciary capacity, or (v) any relative or spouse of any member of the Smith Group or any relative of such spouse, who has the same residence as any member of the Smith Group.

As used in this Prospectus, the term the "Smith Group" consists of the following persons: (i) Mr. Smith and his guardian, conservator, committee, or attorney-in-fact; (ii) William S. Egan and his guardian, conservator, committee, or attorney-in-fact; (iii) each lineal descendant of Messrs. Smith and Egan (a "Descendant") and their respective guardians, conservators,

corporation if at least 80% of its board of directors is composed of Mr. Smith, Mr. Egan and/or Descendants; (ii) any other corporation if at least 80% of the value of its outstanding equity is owned by members of the Smith Group; (iii) any partnership if at least 80% of the value of the partnership interests are owned by members of the Smith Group; and (iv) any limited liability or similar company if at least 80% of the value of the company is owned by members of the Smith Group. For a discussion of the effects of the disproportionate voting rights of the Common Stock, see "Risk Factors -- Concentration of Voting Power and Antitakeover Provisions."

Under the Company's Certificate and Delaware Law, the holders of Class A Common Stock and/or Class B Common Stock are each entitled to vote as a separate class, as applicable, with respect to any amendment to the Company's Certificate that would increase or decrease the aggregate number of authorized shares of such class, increase or decrease the par value of the shares of such class, or modify or change the powers, preferences or special rights of the shares of such class so as to affect such class adversely.

Dividends

Holders of the Class A Common Stock and the Class B Common Stock are entitled to receive ratably such dividends, if any, as are declared by the Company's Board of Directors out of funds legally available for that purpose, provided, that dividends paid in shares of Class A Common Stock or Class B Common Stock shall be paid only as follows: shares of Class A Common Stock shall be paid only to holders of Class A Common Stock and shares of Class B Common Stock shall be paid only to holders of Class B Common Stock. The Company's Certificate provides that if there is any dividend, subdivision, combination or reclassification of either class of Common Stock, a proportionate dividend, subdivision, combination or reclassification of the other class of Common Stock shall simultaneously be made.

Other Rights

Stockholders of the Company have no preemptive or other rights to subscribe for additional shares. In the event of the liquidation, dissolution or winding up of the Company, holders of Class A Common Stock and Class B Common Stock are entitled to share ratably in all assets available for distribution to holders of Common Stock after payment in full of creditors. No shares of any class of Common Stock are subject to a redemption or a sinking fund. All outstanding shares of Common Stock are, and all shares offered by this Prospectus will be, when sold, validly issued, fully paid and nonassessable.

Transfer Agent and Registrar

The Company has appointed First Union National Bank as the transfer agent and registrar for the Class A Common Stock. The Company has not appointed a transfer agent for the Class B Common Stock.

Preferred Stock

No shares of preferred stock are outstanding. The Company's Certificate authorizes the Board of Directors to issue up to 3,000,000 shares of preferred stock in one or more series and to establish such designations and such relative voting, dividend, liquidation, conversion and other rights, preferences and limitations as the Board of Directors may determine without further approval of the stockholders of the Company. The issuance of preferred stock by the Board of Directors could, among other things, adversely affect the voting power of the holders of Class A Common Stock and, under certain circumstances, make it more difficult for a person or group to gain control of the Company. See "Risk Factors -- Concentration of Voting Power and Anti-takeover Provisions."

The issuance of any series of preferred stock, and the relative designations, rights, preferences and limitations of such series, if and when established, will depend upon, among other things, the future capital needs of the Company, the then-existing market conditions and other factors that, in the judgment of the Board of Directors, might warrant the issuance of preferred stock. At the date of this Prospectus, there are no plans, agreements or understandings for the issuance of any shares of preferred stock.

Delaware Law, Certain Charter and Bylaw Provisions and Certain Franchise Agreement Provisions

Certain provisions of Delaware Law and of the Company's Certificate and Bylaws, summarized in the following paragraphs, may be considered to have an antitakeover effect and may delay, deter or prevent a tender offer, proxy contest or other takeover attempt that a stockholder might consider to be in such stockholder's best interest, including such an attempt as might result in payment of a premium over the market price for shares held by stockholders.

SUBSCRIPTION AGREEMENT

This Subscription Agreement (the "Agreement"), dated as of June 30, 1997, by and between SONIC AUTO WORLD, INC., a Delaware corporation (the "Corporation"), and SONIC FINANCIAL CORPORATION, a North Carolina corporation ("SFC"), sets forth the terms and conditions of SFC's subscription for the capital stock of the Corporation.

WHEREAS, subject to the filing of a Certificate of Amendment (the "Certificate") to the Certificate of Incorporation of the Corporation, such Certificate to be substantially in the form attached hereto as Exhibit A, with and by the Secretary of State of the State of Delaware in accordance with applicable law, the authorized capital stock of the Corporation consists of (i) 50,000,000 shares of Class A Common Stock with par value of \$.01 per share, (ii) 15,000,000 shares of Class B Common Stock with par value of \$.01 per share, (the "Class B Common Stock"), and (iii) 3,000,000 shares of preferred stock with par value of \$.10 per share;

WHEREAS, SFC is the owner of (i) certain shares of the common stock (the "SAW Shares") of the Corporation, (ii) certain shares of the common stock (the "TCF Shares") of Town and Country Ford, Inc., a North Carolina corporation ("TCF"), (iii) certain shares of the common stock (the "Lone Star Shares") of Lone Star Ford, Inc., a Texas Corporation ("Lone Star"), (iv) certain shares of the common stock (the "Frontier Shares") of Frontier Oldsmobile-Cadillac, Inc., a North Carolina corporation ("Frontier"), and (v) certain shares of the common stock (the "FMF Management Shares") of FMF Management, Inc., a South Carolina corporation ("FMF Management") (the SAW Shares, TCF Shares, Lone Star Shares, Frontier Shares and FMF Management Shares, collectively, the "SFC Shares");

WHEREAS, in connection with a proposed reorganization of the operations of the Corporation and various automobile dealerships and the entities having interests therein substantially as outlined on Exhibit B hereto (the "Reorganization"), the parties hereto propose to effect an exchange of the SFC Shares for Class B Common Stock as described herein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the parties to this Agreement hereby agree as follows:

1. SUBSCRIPTION FOR SHARES. SFC hereby subscribes to and agrees to purchase 7,105 shares of the Class B Common Stock in consideration for the transfer to the Corporation of all of the SFC Shares (the "SFC Transfer"). SFC hereby agrees to take all actions necessary to effect the SFC Transfer. The Corporation hereby accepts the subscription by SFC for 7,105 shares of the Class B Common Stock and agrees that, upon consummation of the SFC Transfer, the Corporation will issue SFC a stock certificate representing 7,105 shares of the Class B Common Stock and that upon issuance such shares will be validly issued, fully paid and non-assessable.

2. REPRESENTATIONS, WARRANTIES AND COVENANTS OF SFC. SFC hereby represents, warrants and covenants that:

Page 12 of 19 Pages

(a) It has good and valid title to all of the SFC Shares, free and clear of all liens, pledges, encumbrances, claims, security interests, charges, voting trusts, voting agreements, other agreements, rights, options, warrants or restrictions or claims of any kind, nature or description and that all such SFC Shares, in respect of each of the Corporation, TCF, Lone Star, Frontier and FMF Management, as applicable, are validly issued, fully paid and non-assessable;

(b) It is purchasing the Class B Common Stock hereby subscribed for investment only, for its own account, and not with a view to the distribution thereof;

(c) It understands that the Class B Common Stock hereby subscribed will be issued without registration with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Act"), and will be issued under one or more exemptions from registration in the Act and state securities laws that depend upon the intent hereby represented and that the Corporation will rely on such representation in issuing such Class B Common Stock without registration;

(d) It will make no transfer of its securities acquired hereunder in violation of the Act, any rules of the SEC, any state

securities law or statute or this Agreement, and will not offer, sell, mortgage, pledge or otherwise dispose of the securities it acquires hereunder, unless, in the opinion of counsel satisfactory to the Corporation, registration under applicable federal or state securities laws is not required; and

(e) It agrees that the stock certificate issued pursuant to this Agreement, and any replacements thereof, may be marked with a legend to the effect that such Class B Common Stock cannot be sold or transferred without either (i) registration under federal and state securities laws, or (ii) an opinion of counsel satisfactory to the Corporation that neither the sale nor the proposed transfer constitutes a violation of any federal or state securities law.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE CORPORATION. The Corporation hereby represents, warrants and covenants that:

(a) It is purchasing the stock of the Corporation, TCF, Lone Star, Frontier and FMF Management hereby for investment only, for its own account, and not with a view to the distribution thereof;

(b) It understands that the stock of the Corporation, TCF, Lone Star, Frontier and FMF Management will be transferred without registration with the SEC under the Act, and will be transferred under one or more exemptions from registration in the Act and state securities laws that depend upon the intent hereby represented and that SFC will rely on such representation in transferring such stock without registration;

(c) It will make no transfer of the securities acquired by it hereunder in violation of the Act, any rules of the SEC, any state securities law or statute or this Agreement, and will not offer, sell, mortgage, pledge or otherwise dispose of the securities it acquired hereunder, unless, in the opinion of counsel satisfactory to SFC, registration under applicable federal or state securities laws is not required;

Page 13 of 19 Pages

(d) Subject to final approval of the Certificate by the Corporation's sole shareholder and the filing of the Certificate with the Secretary of State of Delaware, the execution and delivery of this Agreement and the issuance of the Class B Common Stock by the Corporation have been duly and validly authorized by the Corporation and no other action or proceeding on the part of the Corporation is necessary to authorize this Agreement or to consummate the transactions contemplated hereby; and

(e) The stock certificates issued to it pursuant to this Agreement, and any replacements thereof, may be marked with a legend to the effect that such securities cannot be sold or transferred without either (i) registration under federal and state securities laws, or (ii) an opinion of counsel satisfactory to SFC that neither the sale nor the proposed transfer constitutes a violation of any federal or state securities law.

4. DETERMINATION OF THE VALUE OF THE SFC SHARES. The parties acknowledge that the Board of Directors of the Corporation has determined in the exercise of its reasonable business judgment as of the date hereof the values of the consideration provided SFC hereunder in relation to the consideration provided by other subscribers for the Class B Common Stock as of the date hereof and giving effect to the Reorganization. Therefore, it is understood and agreed that, after the SFC Transfer and giving effect to the Reorganization, SFC will own 71.05% of the Class B Common Stock of the Corporation.

5. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties hereto with respect to SFC's subscription for Class B Common Stock of the Corporation and with respect to the SFC Transfer.

6. MODIFICATION. No modification of or amendment to this Agreement shall be binding unless executed in writing by both parties.

7. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Delaware.

8. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument, and this Agreement shall be effective when at least one counterpart hereof has been executed by each of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

SONIC AUTO WORLD, INC.

By:/s/ Theodore M. Wright

Theodore M. Wright, Vice President

SONIC FINANCIAL CORPORATION

By:/s/ William R. Brooks

William R. Brooks, Vice President

SUBSCRIPTION AGREEMENT

This Subscription Agreement (the "Agreement"), dated as of June 30, 1997, by and between SONIC AUTO WORLD, INC., a Delaware corporation (the "Corporation"), and O. BRUTON SMITH, a resident of the State of North Carolina ("Smith"), sets forth the terms and conditions of Smith's subscription for the capital stock of the Corporation.

WHEREAS, subject to the filing of a Certificate of Amendment (the "Certificate") to the Certificate of Incorporation of the Corporation, such Certificate to be substantially in the form attached hereto as Exhibit A, with and by the Secretary of State of the State of Delaware in accordance with applicable law, the authorized capital stock of the Corporation consists of (i) 50,000,000 shares of Class A Common Stock with par value of \$.01 per share, (ii) 15,000,000 shares of Class B Common Stock with par value of \$.01 per share, (the "Class B Common Stock"), and (iii) 3,000,000 shares of preferred stock with par value of \$.10 per share;

WHEREAS, Smith is the owner of (i) certain shares of the common stock (the "MDC Shares") of Marcus David Corporation, a North Carolina corporation ("MDC"), and (ii) certain shares of the common stock (the "FMF Management Shares") of FMF Management, Inc., a South Carolina corporation ("FMF Management") (the MDC Shares and FMF Management Shares, collectively, the "Smith Shares");

WHEREAS, in connection with a proposed reorganization of the operations of the Corporation and various automobile dealerships and the entities having interests therein substantially as outlined on Exhibit B hereto (the "Reorganization"), the parties hereto propose to effect an exchange of the Smith Shares for Class B Common Stock as described herein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the parties to this Agreement hereby agree as follows:

1. SUBSCRIPTION FOR SHARES. Smith hereby subscribes to and agrees to purchase 1,657 shares of the Class B Common Stock in consideration for the transfer to the Corporation of all of the Smith Shares (the "Smith Transfer"). Smith hereby agrees to take all actions necessary to effect the Smith Transfer. The Corporation hereby accepts the subscription by Smith for 1,657 shares of the Class B Common Stock and agrees that, upon consummation of the Smith Transfer, the Corporation will issue Smith a stock certificate representing 1,657 shares of the Class B Common Stock and that upon issuance such shares will be validly issued, fully paid and non-assessable.

2. REPRESENTATIONS, WARRANTIES AND COVENANTS OF SMITH. Smith hereby represents, warrants and covenants that:

(a) Smith has good and valid title to all of the Smith Shares, free and clear of all liens, pledges, encumbrances, claims, security interests, charges, voting trusts, voting agreements, other agreements, rights, options, warrants or restrictions or claims of any kind, nature or description (except for any of the foregoing to be released or otherwise terminated

Page 16 of 19 Pages

pursuant to the Reorganization), and that all such Smith Shares, in respect of each of MDC and FMF Management, as applicable, are validly issued, fully paid and non-assessable;

(b) He is purchasing the Class B Common Stock hereby subscribed for investment only, for his own account, and not with a view to the distribution thereof;

(c) He understands that the Class B Common Stock hereby subscribed will be issued without registration with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Act"), and will be issued under one or more exemptions from registration in the Act and state securities laws that depend upon the intent hereby represented and that the Corporation will rely on such representation in issuing such Class B Common Stock without registration;

(d) He will make no transfer of his securities acquired hereunder in violation of the Act, any rules of the SEC, any state securities law or statute or this Agreement, and will not offer, sell,

mortgage, pledge or otherwise dispose of the securities he acquires hereunder, unless, in the opinion of counsel satisfactory to the Corporation, registration under applicable federal or state securities laws is not required; and

(e) He agrees that the stock certificate issued pursuant to this Agreement, and any replacements thereof, may be marked with a legend to the effect that such Class B Common Stock cannot be sold or transferred without either (i) registration under federal and state securities laws, or (ii) an opinion of counsel satisfactory to the Corporation that neither the sale nor the proposed transfer constitutes a violation of any federal or state securities law.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE CORPORATION. The Corporation hereby represents, warrants and covenants that:

(a) It is purchasing the stock of MDC and FMF Management hereby for investment only, for its own account, and not with a view to the distribution thereof;

(b) It understands that the stock of MDC and FMF Management will be transferred without registration with the SEC under the Act, and will be transferred under one or more exemptions from registration in the Act and state securities laws that depend upon the intent hereby represented and that Smith will rely on such representation in transferring such stock without registration;

(c) It will make no transfer of the securities acquired by it hereunder in violation of the Act, any rules of the SEC, any state securities law or statute or this Agreement, and will not offer, sell, mortgage, pledge or otherwise dispose of the securities it acquired hereunder, unless, in the opinion of counsel satisfactory to Smith, registration under applicable federal or state securities laws is not required;

(d) Subject to final approval of the Certificate by the Corporation's sole shareholder and the filing of the Certificate with the Secretary of State of Delaware, the execution and delivery of this Agreement and the issuance of the Class B Common Stock by the Corporation have been duly and validly authorized by the Corporation and no other

Page 17 of 19 Pages

action or proceeding on the part of the Corporation is necessary to authorize this Agreement or to consummate the transactions contemplated hereby; and

(e) The stock certificates issued to it pursuant to this Agreement, and any replacements thereof, may be marked with a legend to the effect that such securities cannot be sold or transferred without either (i) registration under federal and state securities laws, or (ii) an opinion of counsel satisfactory to Smith that neither the sale nor the proposed transfer constitutes a violation of any federal or state securities law.

4. DETERMINATION OF THE VALUE OF THE SMITH SHARES. The parties acknowledge that the Board of Directors of the Corporation has determined in the exercise of its reasonable business judgment as of the date hereof the values of the consideration provided Smith hereunder in relation to the consideration provided by other subscribers for the Class B Common Stock as of the date hereof and giving effect to the Reorganization. Therefore, it is understood and agreed that, after the Smith Transfer and giving effect to the Reorganization, Smith will own 16.57% of the Class B Common Stock of the Corporation.

5. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties hereto with respect to Smith's subscription for Class B Common Stock of the Corporation and with respect to the Smith Transfer.

6. MODIFICATION. No modification of or amendment to this Agreement shall be binding unless executed in writing by both parties.

7. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Delaware.

8. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument, and this Agreement shall be effective when at least one counterpart hereof has been executed by each of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

SONIC AUTO WORLD, INC.

By: /s/ Theodore M. Wright

Theodore M. Wright, Vice President

/s/ O. Bruton Smith

O.Bruton Smith