

HOME *Front*

A Monthly Publication of
AMERICAN HOMESTAR

American Homestar Reaches New Heights with Incredible Fiscal Year '96

**by Buck Teeter, Chairman and Co-CEO, and
Lad Dawson, President and Co-CEO**

Fiscal 1996 at American Homestar ended on a very positive note, rounding out a year of high growth and strong performance! In fact, every performance measure was a record. Some highlights:

- We posted revenues of over \$230 million, with earnings of nearly \$10 million (or \$1.23 per share).
- We built nearly 3,600 homes and retailed nearly 5,000 - 4,000 of which were new.
- Western Insurance sold more insurance than ever before with combined premiums of over \$12 million. 1997 should be even better.
- We opened 10 new retail outlets, with at least 10 more planned in 1997.
- Roadmasters Transport Company increased revenues by 18%.
- ARG increased revenues by 30% and is planning to broaden it's horizons even further in fiscal '97.
- We started up 21st Century Mortgage which is now moving quickly towards being our principal lender. 21st Century will begin to contribute profits in 1997 and will play an increasingly important role in our future profitability.
- We acquired an option to buy Guerdon and we assumed management of the company in March. This acquisition will double our manufacturing capacity and add dramatically to our annual revenues.
- We completed a very successful stock offering in March which will provide the capital to continue our growth in 1997 and beyond.

In the midst of this growth, our administrative support staff in both Houston and Arlington rose to the occasion; doing a great deal more work and doing it better and faster than ever before. Thanks for your very important efforts!

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Cleveland's Loftin and Tyler's Manning Finish FY 1996 as Top Salespeople

Propelled by phenomenal production in May and great insurance sales all year long, **Richard Loftin** finished Fiscal Year 1996 as the company's top ranked salesperson. His 459.2 President's Club Points placed him 66 points ahead of second place finisher, the amazing **Mike Levin** of Mesquite. Tyler's **M'Lissa Manning**, who finished third in PCP's, was far and away the company's payable gross leader for the year, placing her \$45,000 ahead of her nearest competitor, **Dave Fortreide** (also of Tyler!). **Trey Webb** of Cedar Park and **Daryl Wilkinson** of Greenville round out the top five President's Club finishers. For their efforts, all six of those mentioned will be on the big cruise!

Burleson's Warren Takes Home 2k in 4th Quarter Contest

Burleson's new phenomenon, **Alan Warren**, continues to blow people away with his sales results. In May, he finished out three fantastic months to place first in the big 4th Quarter Sales Contest. His 18 new home deals and 224.09 President's Club Points was over 60 points ahead of the second place finisher, the amazing **James Morrison** of Lancaster (who took home \$1,500 in prize money). Coming in third was Greenville's superstar (and year-end cruise participant) **Daryl Wilkinson**, who earned \$1,000 in winnings.. Two other "cruisers", Mesquite's **Mike Levin** and Cleveland's **Richard Loftin**, took home \$750 and \$500 in prize money, respectively. Way to go, Sales Pros!

Stars and Stats

Guerdon News

21st Century News

2-3 Profiles in Excellence

4-5 FY 1996 Top 20 Salespeople

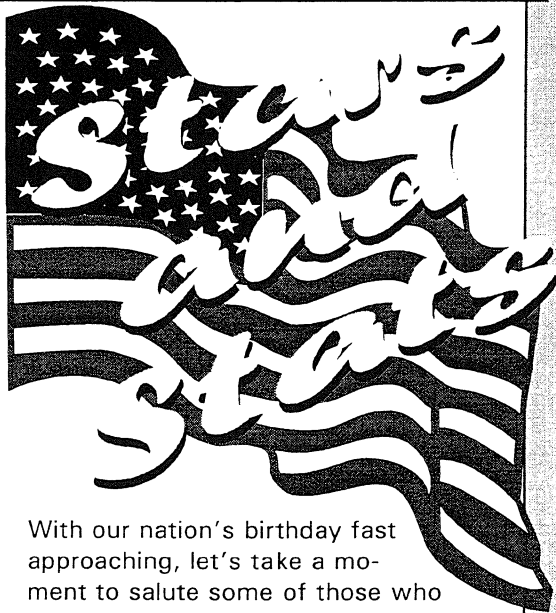
6 Insurance News

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JUNE, 1996



With our nation's birthday fast approaching, let's take a moment to salute some of those who helped make this country great... American Homestar's incredible sales force! After all, not many other professionals are focused on the single-minded goal of helping the nation's patriots achieve the American dream of home ownership. So, with a John Phillip Sousa tune playing in our heart, and Betsy Ross's stars and stripes flying overhead, let's sing the praises of the country's top sales team!

...from sea to shining sea!

Salesperson	Lot	NS	ND	U	R	T
Mike Levin	Nationwide Mesquite	1	5	0	0	6
M'lissa Manning	Nationwide Tyler	0	7	0	0	7
Richard Loftin	Nationwide Cleveland	5	3	3	0	11
Alan Waren	Nationwide Burleson	1	6	0	0	7
Richard Weber	Nationwide Abilene	2	3	0	0	5
Nathan Webb	Nationwide Cedar Park	2	3	2	0	7
David Fortreide	Nationwide Tyler	2	2	1	0	5
Gary Vaughn	Nationwide OK City	-1	7	0	0	6
J'nette Allred	Nationwide Mesquite	0	4	1	0	5
Fred McDonald	Nationwide Tyler	3	2	0	0	5
Vicki Ballew	Nationwide Albuquerque	2	2	0	0	4
Larry Key	Instant Living Granbury	2	5	0	0	7
Robert Stevenson	AHFO Lancaster	1	4	0	0	5
George Nixon	Nationwide South	3	1	0	0	4
Michael Johnson	Nationwide DeSoto	1	4	1	0	6
Mary Lewis	Nationwide Cedar Park	2	2	2	0	6
Greg Culverhouse	Nationwide Seguin	1	3	0	0	4
James Morrison	AHFO Lancaster	0	4	1	0	5
Paul Taylor	Nationwide Lufkin	1	3	0	0	4
Gina Reece	Advantage Longview	3	2	1	0	6
William Taylor	Nationwide Tyler	2	2	3	0	7
Debra O'Kelly	Nationwide Rosenberg	3	2	0	-1	4
Tracy Moore	Nationwide Monroe	2	2	0	0	4
Carrie Shipp	Instant Living Granbury	3	1	0	0	4
Marianna Sattar	AHFO Lancaster	3	1	0	0	4
Brad Adcock	Nationwide New Braunfels	1	3	1	0	5
John Estes	Nationwide Lufkin	2	2	1	0	5
Brena Smoak	Instant Living Granbury	2	2	0	0	4

Nationwide in Tyler Finishes on Top

Jim Clark and the gang at Nationwide in Tyler set a new standard in Fiscal Year 1996, breaking Jim Taylor's year old record for most profit in a single year by a single location. With the help of superstars **M'lissa Manning** and **Dave Fortreide** (who finished #1 and #2 in the company in payable gross), this location is ready to hang onto its title in fiscal year 1997. Congratulations to the entire staff in Tyler!

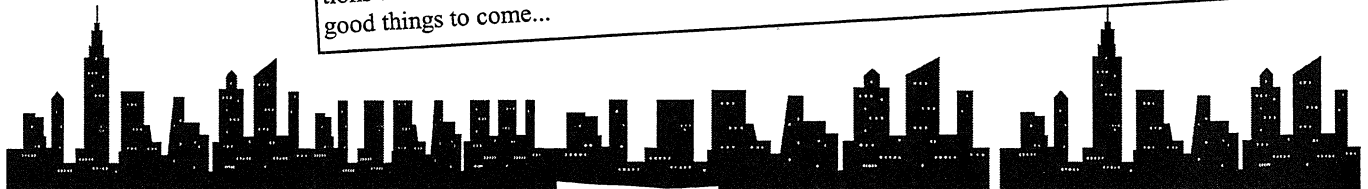
In the box above you'll find all of the sales superstars who scored big in the month of May (those who took down at least four new home deals). To the right, you'll see which three locations finished on top for fiscal year 1996. God Bless America!

Denton Has Best Year Ever with

You've been reading about their incredible results in this newsletter. It is only fitting that Robbie, finished the year ranked near the top! Holy Toledo,

Maxey and Co. at Burleson Work Magic in FY 1996!

What can be said about this team that hasn't been said already? They were amazingly consistent, held their margins like no one else and, most importantly, made their customers happy. Congratulations to Jack and his superb group of sales superstars for making FY 1996 their best yet! Here's to good things to come...



Payable Gross	Vol Pts	P.D. Pts	CL Pts	Inc. Pts	F. S.	Ext. War	Bonus	Total
\$48,319.69	5	4	20	48.32	6	2	0	85.32
\$40,561.31	5	5	4	40.55	0	4	0	50.55
\$37,641.35	5	4	12	37.66	10	5	30	103.7
\$33,810.51	5	6	8	33.81	3	7	15	77.81
\$33,010.00	5	5	4	33.01	3	4	0	54.01
\$31,986.92	5	4	12	31.98	0	1	0	53.98
\$31,714.90	2	1	0	31.72	0	2	0	36.72
\$30,501.94	5	3	0	30.5	2	2	0	42.5
\$29,586.40	2	5	16	29.59	3	2	0	57.59
\$29,582.52	5	2	4	29.59	1	0	0	41.59
\$29,530.50	2	0	12	29.54	1	3	0	47.54
\$27,851.00	5	6	16	27.85	7	5	0	66.85
\$27,356.00	5	4	16	27.35	4	2	0	58.35
\$26,378.00	2	4	4	26.38	4	2	0	42.38
\$26,318.06	5	4	16	26.31	0	3	0	54.31
\$26,063.31	2	4	4	26.06	0	0	0	36.06
\$24,804.00	2	4	4	24.81	0	2	30	66.81
\$23,579.00	2	3	4	23.59	0	0	30	62.59
\$22,014.70	2	1	4	22.02	0	1	0	30.02
\$21,352.00	5	2	0	21.34	1	1	0	30.34
\$20,785.20	2	4	4	20.78	2	1	0	33.78
\$20,413.98	5	0	4	20.41	0	0	0	29.41
\$18,761.00	2	2	0	18.76	2	2	0	26.76
\$18,695.00	2	4	4	18.69	2	2	0	32.69
\$17,132.53	2	2	0	17.14	2	1	0	24.14
\$16,436.00	2	3	12	16.43	0	3	0	36.43
\$13,204.22	2	2	4	13.2	2	1	0	24.2
\$12,571.00	2	1	7	12.57	0	0	0	16.57

1. Tyler **HOME**Front

Jim Clark - Pres.

2. Denton

Robbie Golden

3. Burleson

Jack Maxey - V.P.

4. Mesquite

Dave Shetler - G.M.

5. Lancaster

Don Simonson - V.P.

6. INSTANT-GRANBURY

Dave Davis - G.M.

7. Jacksonville

Dawn Clark - V.P.

8. Cedar Park

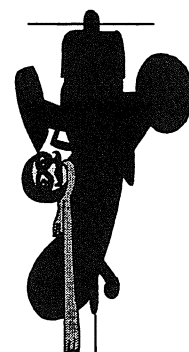
Randy Coffman - G.M.

9. Lufkin

Jim Tierney - G.M.

10. Instant - Gulf

Jim Taylor - Pres.

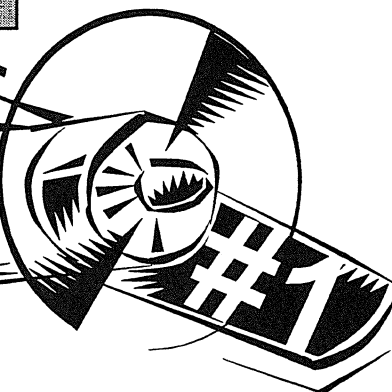


TOP 10 PROFIT LOCATIONS - FISCAL YEAR 1999

New Profit
Record Set
by the "Bad Dog!"

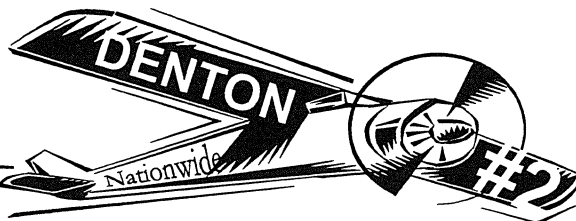
Nationwide

BAD
DOG



Fantastic #2 Finish!

month after month in
Christie, Jack, Susan and Company
what a fantastic finish!



The Nationwide Freedom Fighters,
led by Tyler, Denton and Burleson, bring the
American Dream of Home Ownership
to the Oppressed Masses Below.
Hail to the Mobile Home Patriots!
Hail! Hail! Hail!



STAYTON

By Rick Murdock



Manufactured Housing's Olympic Relay Team!!

There's a lot of excitement in Stayton as August approaches and we develop the strongest product in our market. Our "gold medal" team is working vigorously to complete our new offering as you read this. **Larry Nelson**, the Purchasing Manager here for years, looks a little worse for wear as he helps position us for the many changes in materials necessary to pull off the new look for the market place. As always, we are leaning heavily on the talents of **Gordon Gutches** as he creates unique designs with floorplans and elevations we believe will both turn quickly for our retailers, and be production-friendly. In the past, we have not had the luxury of having an interior design professional like **Nancy Cantu**, and we feel fortunate to have her assistance and direction. As all of the runners take their places, **Brian Woodcock**, our Engineer, will be ready for the engineering changes so we can hand the baton off to our Production

Manager **Fred Levanger** and his production staff. We really appreciate **Fred's CAN DO!** attitude. This **Winning Team** will receive many medals, accolades, etc... when our first prototype comes off the track in early August!!



New Faces

We're very enthusiastic about the new additions to our sales force - **Dawn Gladden, Jon Moon, and Wes Smith!!!** **Dawn** is a 17 year veteran of Fleetwood Homes and with her many years of experience and intense training coupled with her charming personality, she will be a true benefit to our retailers. **Jon** comes to us from the finance business - he was previously with ITT, and most recently with Deutsche Financial as the regional Sales Manager for Idaho, Utah, Nevada, Montana, and Wyoming. His financial background and wide knowledge of the region will establish Jon as a formidable adversary to our competitors. **Wes** has been with Guerdon for many years (some say "he was born here") and has a long history in sales. We believe he personally knows everyone in the Northwest, but is that a good thing or bad?!!

Another new face to warmly welcome aboard is that of **Heather Haywood**, our new Receptionist. **Heather** fits in very nicely with the rest of us - a little quiet, perhaps, but she'll get over that (we'll see to it!).

Rod Gum has accepted the position of Service Manager here in Stayton, and we feel *G-G-G-reat* about it. Rod's previous successes in Stayton's service arena has awarded him a very warm welcome by our retailers. **Mike Sullivan**, our former Service Manager, is now managing a family-owned business in California - we appreciate the job Mike did for us and wish him the best.

20 Years and Counting

Last, but not least, we want to congratulate **Bill Suitor** on his 20th anniversary with Guerdon. **Bill** has been an on-line inspector for the past 5 years, and prior to that, a Leadman in Electrical. **Thank You Bill** for your support!!!!



Scoop Sign-Off

That's the Stayton Scoop for this month. The phones are ringing off the walls . . . it must be orders. Until next time, see YA!

Vicksburg BLURB

By Melanie Hood and Dinah McCorquodale

Welcome Back and Aboard!

Magnolia Vicksburg is glad to welcome back **Phil Huffstatler** as Service Manager. Also added to our team this month are **Lauri Herrington** in Accounts Payable/Payroll, and **Bertha "Doll" Shirey** as our Receptionist. **Terry Gilbreath** has also joined our team as Q.C. Inspector. Welcome one and all!!!!

We're Going Nationwide!!

Dinah McCorquodale, our ACE Sales Representative, wants to welcome **Clay** and **Pattie Byrne** of Nationwide in Azle, Texas, as a New Magnolia dealer.

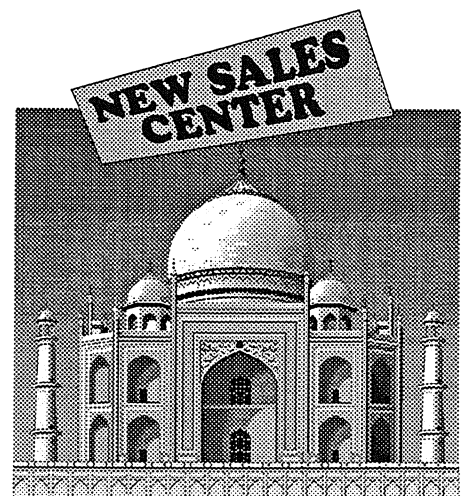


Park It On The PORCH!

The 618 "Porch Model" continues to lead the pack. One independent retailer has already retailed 7 of our **HOT** "Porch Models". Their newspaper advertisement reads, "Largest Deck in Texas". We appreciate the super job all our independent retailers are doing with our Vicksburg Magnolia product!!!

Yahoo For Yazoo!

Congratulations, Magnolia Estates of Vicksburg, on the opening of its new sales center in Yazoo City, Mississippi. Watch for these guys...they do a "bang-up" job!



GERING GOSSIP

By Doug Tollin



"MAG"num Force!!

The writer of this article, me, Doug Tollin, has been appointed HomeFront's reporter for Nebraska. I'm fortunately (or unfortunately) a product of the 60's, as is our Guerdon plant located here on the western edge of the Nebraska panhandle. The population of Gering and Scottsbluff combined including their various suburbs, may exceed 30,000 people stretched to the limits. If you poll the citizens of the area about Guerdon Homes, you'll get blank stares in response. However, if you describe to those same people what Guerdon Homes does (like build modular homes), everyone immediately exclaims, "Oh, you mean Magnolia?", or more affectionately, the "Maggie Plant". I've been here just short of three years and have come to realize that this plant is more than just a large building taking up space in the Gering Industrial Park . . . it is an institution - a landmark - almost an historical site.

Life out in this part of God's country is good, however, He hasn't made it easy on us either. It seems like we have days when the temperature exceeds 100, and the following days we fight snow blizzards with winds up to 70mph. Just like the pioneers of old who passed right through this area headed west on the Oregon Trail, people from these parts have a philosophy of working hard and playing hard (even through the extreme, and I mean extreme, weather conditions). This has resulted in a very tough and determined plant work force - a force with pride and a sense of accomplishment for a job well done. One of the wonderfully positive results of our strong, sinewy attitude is a sense of being the best at what you do . . . a "**CAN DO**" **mentality**. Magnolia's product has, for all of it's years, been looked upon as being the very best quality product money can buy all the way from Montana to New Mexico and Utah to Kansas. The reputation of our homes is nothing more than the depiction of the attitudes in our employees' minds: "2nd place is not good enough!" Being able to simulate this #1 **attitude** for short periods of time by

clever management is not a particularly difficult task, but to maintain the honest image that surpasses the test of time is no mere accident.

A product of the 60's you say - whatever do you mean? Any of you that were associated with that time period must know (if you didn't destroy all your brain cells) that just about everything good, bad, &/or evil occurring today, we probably had a hand in creating back in the 60's in one form or another. Of the good, though, modular housing began to take off. New styles, innovative building systems, streamlined approaches for faster more economical and better quality methods, and staying out in front of the competitors were the beginnings of the *Magnolia Legend* which continues today. Need proof? Come visit us in our small community and ask the people on the street what they think of the "Maggie Plant" - they'll tell you illuminating stories which will have you swelling with pride as most of the townfolk have either worked at or had relatives who've worked at the "Mag" plant at one time or another.

Boise BULLETIN

By Dave Shigekawa

Village People Turn a Buck!

In the past two years, the Guerdon-Boise Division has established **twelve new Guerdon Villages** in **six states** throughout the Pacific Northwest. These modern **Villages** are located in Spokane, WA, Hermiston, OR, Laramie, WY, Salt Lake City, UT, Cedar City, UT, Winnemucca, NV, Elko, NV, Nampa, ID, Lewiston, ID, Pocatello, ID, and Rigby, ID. Four of the recently established **Villages** (Elko, Spokane, Lewiston, & Rigby locations), are planning their grand openings over the next two months. We're also very excited about current plans on board to establish new **Villages** in Ogden, UT, Montrose, CO, and Portland, OR.

The **Guerdon Village "Marketing Concept"** offers today's homebuyer a preview of homes that are fully furnished, decor'd, and displayed in an environmental surrounding. Each **Village** features completely landscaped homes installed at ground level for easy entrance. This enhances the contemporary residential design of the home.

The **Guerdon Village "Marketing Concept"** has been one of the keys to Boise's success and has had a very positive impact in our marketing area. **Guerdon Village Sales Centers** now account for well over half of our total sales and this percentage is increasing every month!



Over \$23 million of loans have been originated by our upstart company in seven short months of operation! \$22 million came from the great Nationwide dealer organization. In May, \$6.3 million of loans were booked by **Troy ("Boomer") Fussell**, **Melissa ("Red") Batista**, and **Milton (Don't call me Milt) McCammon**.

The 21st goal is same day response....our commitment is next day. **Sandy Akins** and **Lorie Wilson** had a wonderful challenge on Monday, June 3rd: 30 applications received after 4 pm!! Good news: all this business was written on the day after the fiscal year ended.

Don't forget the magic of the BUMP -- each .50% hike in APR can add an extra \$1,900* of income to the Nationwide bottom line over the life of a typical loan. Based on an average of 47 sales centers, if each location does one more bump per month for the next year, then \$1,071,000* will be added to the value of NATIONWIDE. Tip: Quote a payment and get them to agree to it -- no discussion of APR unless asked at the close. Prior to the close, indicate the mortgage company gives you the payment amount or a factor to use to calculate the payment...the APR comes with the final document package.

*Computed on 300 month term with \$45,000 financed.

Land deals made easy!

21st Century Mortgage is working with several sales centers throughout the Nationwide network on land deals. These deals have been a variety of Land/Home, Land-in-Lieu, Land as Additional Collateral and 2nd Liens on land to secure property improvements. We know this may all sound confusing, but it is really a simple process-- as some of you have already found out-- as long as you follow a few simple rules.

There are two prevalent considerations that must be considered in all land deals. The first one being, whether the land is "homesteaded" or not. This term only applies to deals with land in Texas, so the rest of you can breathe a sigh of relief. The one and only way to determine whether or not the land in question is homesteaded is to talk to your customer. Ask them if they have ever lived on the property. If they have, it still may not be homesteaded. Ask them if the land they are living on is in their name or if it was in the name of a relative. If it is in someone else's name, it still isn't homesteaded for your customer. The second consideration is when any work should be done on the land and when the home should be delivered. The lien creating documents need to be filed before any work can be done or the home delivered. If this is not done, a homestead may be created and the documents may not create a valid lien. Once these considerations are addressed, the rest is a matter of steps.

Preparing the Paperwork: Dwayne and John are developing a new version of Tracker, now installed in Cedar Park, with all the loan documents you need. In the interim, 21st Century will prepare the paperwork for you or provide you with the blank forms, or you can instruct your closing agent to prepare the forms. The choice is yours.

The process of getting liens on land is not as difficult as it appears. Follow the steps in your Land/Home manual and pick up some plus business.



MAY SCOREBOARD

Loans Booked	\$6,279,867
Direct Loans	\$ 671,792
Number of Applications	726
Number Approved	387
Past Due	.69%

TEXAS REQUIRED DOCUMENTATION

	Land- Home Non- Homestead	Land-In-Lieu Homestead	Land-In-Lieu Non-Homestead	2nd Lien Homestead	2nd Lien Non Homestead
Trust Deed	X	X	X	X	X
HUD-1 Settlement Strm	X	X	X	X	X
Transfer of Servicing	X	X	X	X	X
Controlled Business	X	X	X	X	X
Good Faith Estimate	X	X	X	X	X
Property Completion	X	X	X	X	X
Professional Appraisal	X	Required by CRMR	Required by CRMR	Normally	Normally
Mechanic's Lien	N/A	X	N/A	X	N/A
Notice of Resid. Loan	N/A	X	N/A	N/A	N/A
Non-Homestead Aff.	X	N/A	X	N/A	N/A
Title Insurance	X	X	N/A	N/A	N/A
Title Search or Abstract	N/A	N/A	X	N/A	N/A
Attorney Opinion	N/A	N/A	X	N/A	N/A
Closing by Title Co. or Attorney	X	X	N/A	N/A	N/A
Warranty Deed w/ Ven- dor's Lien	If not in cus- tomer name	N/A	If not in cus- tomer name	N/A	N/A

High Growth and Strong Performance Propel Company to Record Year, Continued from Page 1

Our recent retail business development initiatives are beginning to pay big dividends. **Dwayne Teeter** and **John Smith** are continually upgrading American Homestar Tracker and training us in its use. **Lanette Carpenter** is expanding and refining our recruiting, training and development programs. Together, these efforts are making us more professional, more productive and will empower us to consistently outperform the market - doing business the right way!

Chuck Carney, Jr. at Nationwide Housing Systems, and his retail "commanders," **Larry Speck**, **Ray McKinney**, **Jim Clark**, **Chuck Ladd** and the man to watch in 1997, **Chet Kearney**, are ready to get it done at retail. We hear that **Robbie Golden**, after another great year in 1996, is ready to grow in 1997. **Jim Taylor**, **Bob Legg**, **Greg Burnett**, **Dave Miller**, **Jim Rudolph**, and **Chuck Carney, Sr.**, all expect to have improved results in 1997. Albuquerque will be the "turn around" story this year at retail. Through the talents and experienced leadership of **Norbert Gabaldon**, we will see much improvement in New Mexico. Our new "SuperCenter" on Ben White Blvd. in Austin is nearing completion and will be a "super success" under the strong leadership of **Randy Coffman**. Also, the upcoming stars in El Paso, led by **Aaron Hutsell**, will continue to make important contributions in the next year.

Our manufacturing division under the new leadership of **Rick Brugge** is moving quickly toward a national presence with 7 plants, today, and more to come in 1997. **Jim Fallon** and the Oak Creek team continue to set new "records." Jim has expanded both the plant and the exciting Southern Star product line in 1996, Oak Creek continues to turn out high volume, high quality and high profits. Look for more of the same in 1997.

Without question the "turnaround" story of 1996 was **Neal Scarbrough** and his amazing team in Lancaster. Neal and his folks are nearing their goal of 12 per day as they continue to produce a broad offering of low-to-medium priced, high value homes.

Our new manufacturing "star" is **Derell Nicklas** at Burleson. His leadership and experience coupled with a new product direction are already making a difference. We're hearing good things about Burleson and expect that it will be a big contributor in 1997, driving the manufacturing division to new record levels of production and profitability.

We also look forward to welcoming the fine people at Guerdon to the American Homestar family in 1997. I know we can expect great things from them.

1997 will be one of the most successful years in our history as we continue to implement our growth strategy based on increased vertical integration. As we sell more of our own products, provide the financing, and sell more insurance products, we'll see better and better results for many years to come.

American Homestar is now recognized as a high growth, strong performance company. The investment community has rewarded us by placing a higher value on our stock - recently \$27 5/8 per share (also a new record). Our stock today has the highest P/E multiple of any company in our industry.

Using the many records we set in 1996 as a benchmark, 1997 poses a whole new challenge. We're ready if you are!

Thank You,

Buck Teeter
Lad Dawson

Final Standings for Pres/VP/RVP GM President's Club - Fiscal Year 1996

Person	Loc./Comp	Points
1) Larry Speck	N/W Mes.	2373.7
2) Jim Clark	N/W E. TX	2008.4
3) R. McKinney	N/W FW	1291.7
4) Jack Maxey	Burleson	1015.1
5) D. Simonson	AHFO	849.7
6) Robby Golden	N/W N. TX	788.3
7) Dave Davis	Ins. Gran.	779.2
8) Dave Shetler	Mesquite	767.8
9) Jim Taylor	South	675.7
10) Larry Moran	RdMasters	517.4
11) Craig Pickett	Longview	499.9
12) John Raine	DeSoto	497.8
13) Rick Carver	ARG	484.5
14) Jim Tierney	Lufkin	475.2
15) R. Coffman	Cedar Park	474.8
16) C. Carney, Sr.	Chnlview	468.5
17) Dawn Clark	Jacksonville	466.9
18) Bob Legg	Spring	451.8
19) Jim Rudolph	Phoenix	379.9
20) Jeff Goodrich	OKC	369.7

Simonson and Co. Retake Prestigious Pride Award

The Pride Award, given quarterly to the most profitable location in the Nationwide of Mesquite family, was reclaimed in May by **Don Simonson** and his amazing team at American Homestar in Lancaster. The trophy had been in the possession of the incredible Cedar Park gang for the previous 6 months. Congratulations, Lancaster Team! Watch out, though. **Randy Coffman** says that bird's heading to Ben White!

Give Yourself a Raise - Start Taking Advantage of 401(k) Today!

Wouldn't it be nice to give yourself a raise? Today, you can by taking advantage of your **401(k) plan!** You get company matching contributions - an immediate return on your money - just like a raise! Then, your savings and the matching money earn interest, and that interest earns interest for you.

Plus...

You don't pay taxes on the money until later - when you start getting benefits. That means your amount of taxable income will be reduced, so less of your paycheck goes to taxes and more goes to your savings. Congress made this special tax advantage possible

to help you save for retirement.

It's Easy to Save!

Saving today means a big difference tomorrow. The sooner you enroll, the more your savings can grow and the more matching contributions you can get.

It's so easy through payroll deduction. When you enroll in the 401(k) plan, money will be deposited to your account from your paycheck. Starting now could make a big difference at retirement.

With 401(k), the tax advantages and company match

give you an edge in saving for retirement. If you were an employee on or before June 30, 1995, you are eligible to participate in the 401(k) plan. Passing up the match is like turning down a raise. Don't miss your chance to give yourself a raise with 401(k)!

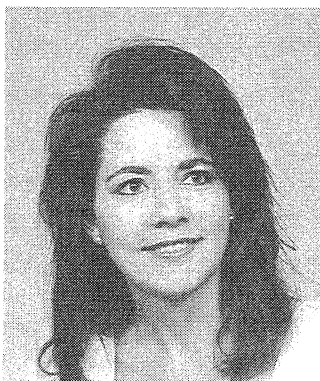
- **Lower Your Taxable Income!**
- **Earn Compound Interest!**
- **Automatic Savings Program!**
- **Earn Investment Income!**

Why Start Today?

Age Started Saving	Accumulated Savings at 65	Monthly Retirement Income
Age 21	\$289,129	\$2,231
Age 30	\$139,577	\$1,077
Age 40	\$59,216	\$456

*Assumptions based on a total contribution of \$750 per year. Money earns 8% interest.

Nationwide Loses Top Star as Dawn Clark Retires



Dawn Clark

Our stock price may drop as a result of this news, but **Dawn Clark**, General Manager of Jacksonville and Vice President of Nationwide of East Texas, is retiring to spend more time with her two young children. Few people have made more money for this company in the last seven years than Dawn. Starting as a salesperson for husband Jim when he opened his first Nationwide location in Tyler, she set herself apart as a top producer from the very beginning. Her first three years, she was one of the company's top salespeople, even finishing FY 1990 as the number one producer in the company. Her success carried over into management when she was promoted to lead a new location in

1992. The low-overhead, small town dealership in Jacksonville provided the perfect vehicle for Dawn, who made it one of the top money-earners in the company. "I don't think we've ever had a higher return on an investment as we did in Jacksonville," said American Homestar Chairman and Co-CEO **Buck Teeter**, "and that's thanks largely to the efforts of Dawn." Thanks for the incredible effort, Dawn! We'll see you on the cruise!

The Pros Talk about Dawn Clark...

"One thing I've always admired about Dawn has been her consistency. She's always been at the top, no matter what her position, all while juggling the responsibilities of a family. She's a true superstar."... **Larry Speck**

"Dawn motivated people brilliantly. She always led by example and brought the best out of her people. Everything I learned in this business came from Dawn and I have her to thank for the opportunities given to me."

... **Jim Tierney**

"I've always appreciated the fact that she earned her position on her own accomplishments, talents and efforts, not because she's my wife. Also, she's not only a great businessperson, she's a wonderful wife."

....**Jim Clark**

"She was the ultimate in consistent performance over the long term. Come back soon!"

...**Craig Reynolds**

President's Club Points Up For Grabs!!!

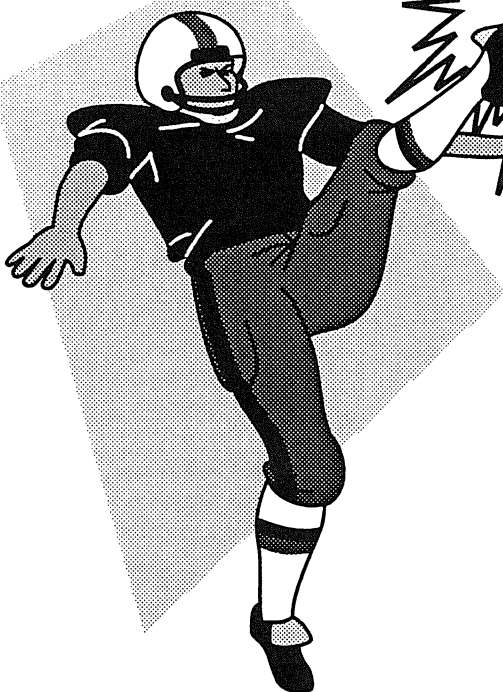
We are kicking off the new fiscal year by offering you the opportunity to earn Bonus Bucks and President's Club Points on the sale of the Galaxy Series Models 610 and 690 that you now have in inventory.

- The rules are simple:**
1. The Bonus Bucks and President's Club Points apply to sales booked in July.
 2. Write in the \$250 Bonus as a line item on the commission sheet.
 3. Forward the President's Club Redemption Certificate to Brian Owens.

KICK-OFF THE NEW YEAR RIGHT!

**\$250 Bonus Bucks
10 President's Club Points**

This program is designed to move out the aged inventory of 610's and 690's built to the Galaxy specifications and make room for the new lower price 610LE and 690LE models!



American Homestar of Lancaster is kicking off the new fiscal year by offering you the opportunity to earn Bonus Bucks and President's Club Points on the sale of 610's* and 690's* that you now have in inventory!

The rules are simple. The Bonus Bucks and President's Club Points apply to sales booked by the end of July. Write in the \$250 Bonus as a line item on the commission sheet. Forward the President's Club Redemption Certificate to Brian Shaw at American Homestar of Lancaster for validation.

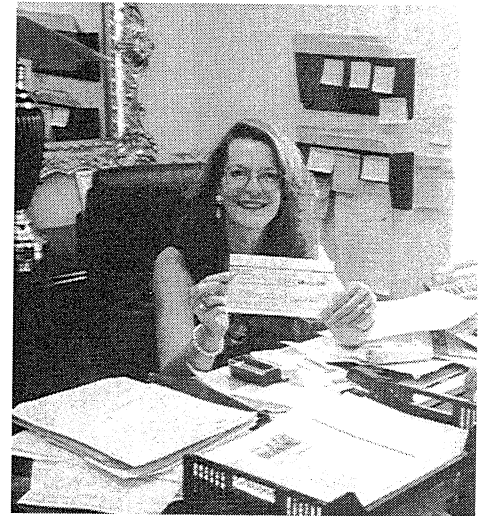
*Remember, Bonus Bucks and President's Club Points are earned only on 610's and 690's with the Galaxy specifications.

LANCASTER NEWS**New Sales Coordinator in Lancaster**

There's a new kid in town . . . **Jeff Mouat** is our new Sales Coordinator for the Lancaster Sales Department. We are very happy to have him aboard and Jeff is very excited about getting his "feet wet" in the manufactured housing industry. Jeff recently graduated from the University of Texas in Arlington with a degree in Business Finance. If you have any questions and/or need floorplans or samples, Jeff's office extension is 23 and he's anxiously awaiting your call.

Nationwide of Lake Charles Is On Fire!

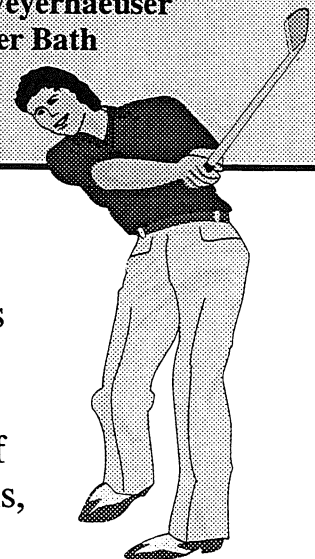
Nationwide of Lake Charles had their first Kick Off Sales Event the weekend of June 1st, and took down **11** deals on Lancaster homes. (G.M.) **Peggy Lewis** (picture at right) was "COLLECTING THAT CASH" all weekend!! Good job to the Sales Staff of the Lake Charles location: **Missy Guinn, Alan Smith, Gill Matt, Clint Hebert**, and Office Manager **Ramona Bertrand**. Keep up the good work!!!

**Always Mention Name Brands!!!**

In your Lancaster Sales Booklets, the chapter on Standard Features is a section that can enhance your knowledge on name brands used in the Lancaster product. The more name brands that are featured, the more comfortable your customer feels about the quality of a manufactured home. Some of the name brands that are standard in the Lancaster product line are:

Exterior Paint:**Windows:****Hardboard Siding:****Blanket/Batt Insulation:****Furnace/H2O Heater:****Kitchen Appliances:****Linoleum Floor Goods:****Floor Decking:****Faucets:****Formica Tops/Edges:****Action Backed Carpet:****#2 Grade/B Grade Lumber:****Bath Tubs:****Vinyl Siding Exterior:****Fiberglass Shingles:****Sherwin Williams****Kinro****Masonite****Schuller****Intertherm/State Mfg.****General Electric (GE)****Armstrong & Congoleum****Novadeck by Georgia Pacific****Phoenix****Wilsonart****Coronet****Georgia Pacific/Weyerhaeuser****Kevco/Capri/Better Bath****Gustafson, Inc.****Georgia Pacific****Owens and Taylor Took First Place**

Brian Owens and Jim Taylor (G.M. Of Nationwide South) recently teamed up and entered the Walnut Creek Country Club's Member-Guest golf tournament known as "The Creek Classic". They entered the championship flight and shot scores of 67, 68, and 72. Needless to say, they won the whole "**SHA-BANG**"!!! If you need any golf lessons, you know who to call. Congratulations, Owens and Taylor!!



UNDER THE OAKS

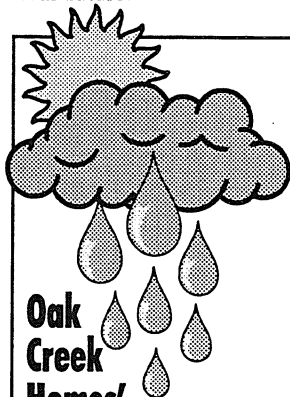
See next page for:
Profiles in Excellence

1997 Models Are Now Available at Oak Creek!!!

Effective with the first home which entered our production process on June 3, 1996, each home will be listed as a "1997" Model Home. Spread the word to your customers who have been waiting for the new Model Year or those customers who would buy thinking this is a real plus!!! Each year, the Model Year changes with the first home into production on the first production day of June.

New Southern Star #983 (28'x80')

The first Southern Star Model #983: 28x80 w/ Parents Retreat came rolling off our line on May 31st and WHAT A GREAT HOME!! Spacious rooms and lots of cabinetry really accent this great new home. Included in this model you will find "Drawers Over Doors" in the very roomy Kitchen, and they are "Standard". What a way to kick off a new model! Drawers Over Doors in Kitchens will be added as a Standard feature in all Southern Star Multi-Section homes as soon as Engineering can re-work the prints . . . This is just the beginning of many new features coming from Oak Creek for the Southern Star, Custom Classic, and Luxury Series in the near future.



Oak Creek Homes' Third Annual Picnic "A Rainy Success"

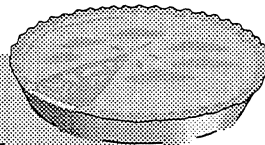
The third annual Oak Creek Employee Picnic was held on Saturday, June 3rd, at the Lakeside Ranch which is located south of Mansfield, Texas. Although we experienced a little rain and a short power outage, everyone had about six hours of food, drinks, games, and of course, a lot of fun. Over 700 attended including employees and their families. It was very entertaining and great family atmosphere.

A special "Atta-boy" goes to our Larry Davis for all of his hard work coordinating and overseeing this wonderful Company event. Many hours of thankless meetings, phone calls, and general dealing with many outside and internal associates go into making this a smooth-running program. When you see Larry, tell him... "Great Job, Sasquatch!"

New Southern Star Multi-Section Brochure "Part II"

It seems that the new product literature for the Southern Star Multi-Section Homes was missing from the last edition of the "HomeFront". If you were like me, I tore the newsletter apart looking for this wonderful new brochure and I finally realized it was totally missing. This month, please review our new literature piece which I am told will be included in this newsletter without fail or the new editors will resign immediately. Look this baby over and watch for extra copies in the mail!!!

"Southern Star Homebuyers Eat Apple Pie!"



Customized Floor Plans Will Add 8 Weeks to Your Delivery Schedule!!

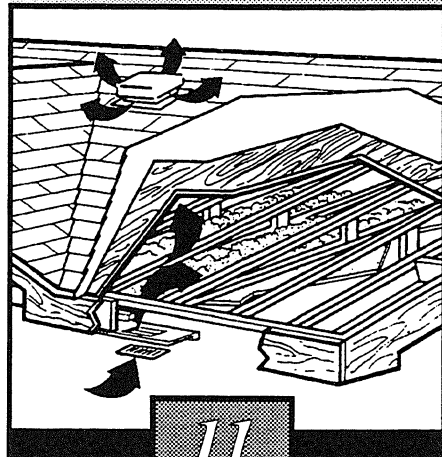
Just a reminder in case you missed the point in our last newsletter article concerning the customizing of standard models. Oak Creek always has a number of homes released to the production line equal to 3 weeks of production! If your customer requires changes to our standard models, you will need to add "8+ Weeks" to their production/delivery schedule. Are these changes really needed to satisfy the customer? Unfortunately, any month end or quarterly quotas will not change this time table, so fully inform your customer what these changes will do to their move-in schedules!!!

"Dreams are built on high expectations! Expect the BEST with Oak Creek."

The Whispering Oak

29 Reasons You Live Better in an Oak Creek Home

Each month, we will feature one of our copyrighted "29 Reasons" to assist in your education of "Why You Live Better in an Oak Creek Home". This information is also listed in detail on our famous "29 Reasons" brochure. Each sales center has this brochure to use as a sales training tool and point-of-purchase sales brochure.



11

"Flow-Thru" Attic Ventilation

In the summer, hot air is vented out of the attic to prevent excessive heat build up. During the winter, moist air is vented to the outside preventing condensation and frost build up. Vents located under the roof eave overhangs and at the roofs peak allow air to "flow through" the attic. An extra height truss design at the point where the roof meets the outside wall and at the roof peak allows maximum air flow through soffit vents without compression of the attic insulation material. Found only in an Oak Creek home, this fully vented roof cavity reduces cooling and heating bills and extends the durability and performance of the roof's framing and finished materials.

Good Luck and Good Selling!!!

UNDER THE OAKS (Cont.)

Profiles in Excellence:

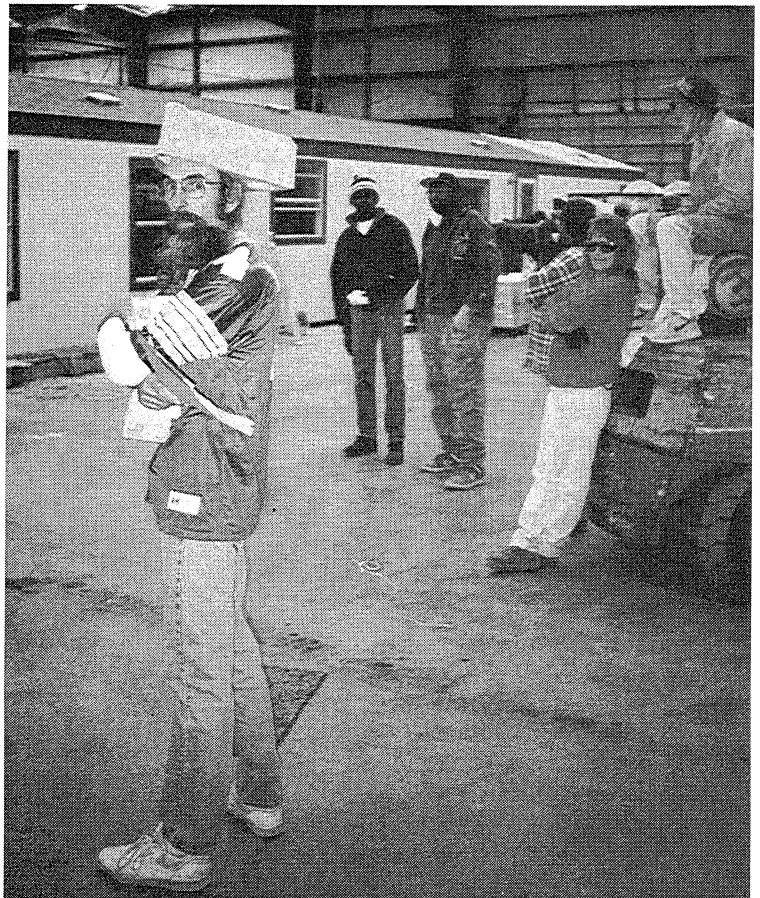
Gil Woelfel/Purchasing Manager

Oak Creek has many excellent performers throughout our plant and office staff. One of these high profile employees is Gilbert "GIL" Woelfel, who handles all purchasing for our homes (he does have a super assistant, but we'll save that for a future profile). Gil can be found in our plant anytime of the day or night (usually 6:00am into the wee hours of night) inventorying, reworking material, and general material support for our "Just in Time" production flow.

Mr. Woelfel is a Wisconsin native, and as you can see from the photo, Gil is an avid "Packer Backer" (this one shortcoming is usually worth a \$100 easy bet when they're playing "DA BOYZ"). A U of Wisconsin graduate (!), he has over 25 years in materials procurement and came on board at Oak Creek in August of 1983 for the now defunct Gainesville, TX facility. Gil and Sharon, along with son Ian, now reside in Kennedale -just minutes from our plant.

An ardent golfer and fisherman would be definite understatement to describe this hard working professional! Gil spends 90% of his waking hours at Oak Creek, and the rest is wasted on golf and fishing with occasional sleeping periods.

Please come visit us at Oak Creek and spend some time with our "Super Pro" Gil Woelfel!!!!!!!



OPEN ENROLLMENT DURING JULY FOR 401(k) RETIREMENT SAVINGS PLAN

Over the next several weeks you will be receiving information about the Company's retirement savings plan - the 401(k) Plan. June and July are open enrollment and we urge you to carefully consider this Company benefit.

The 401(k) Plan:

- ✓ Gives you matching Company money
- ✓ Reduces your income tax
- ✓ Helps build a secure retirement for you
- ✓ Works with convenient payroll deduction

If you started with the Company on June 30, 1995 or before and are at least 20 1/2 years old, you are eligible to enroll in our retirement savings plan. You can start with as little as a few dollars a week.

If you are already in the plan you've been watching your savings grow and may wish to consider increasing your contribution percentage during the open enrollment period.

Social Security may not be around by the time you retire and it's not meant to be our only retirement plan anyway. This plan makes it easy.

The Top Three Salespeople in the Company President's Club - Fiscal Year 1996



#1

Richard Loftin - Cleveland - You may remember big Richard as a name from last year's President's Club. He was the only one from last year's list to repeat and he did it in a big way, moving up from number eight to number 1. For the year, Richard earned an incredible 459.2 President's Club Points. See you on the cruise!

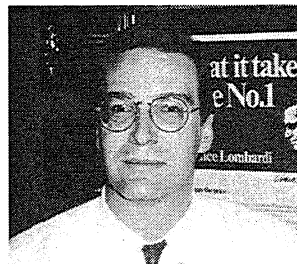
#2

Mike Levin - Mesquite - There's no slowing down the amazing Mike Levin, who really poured on the heat in the last quarter to propel himself to the number two ranking company-wide. "Mike's done a great job this year," said **Larry Speck** "and he will prove to be a great long-term contributor."



#3

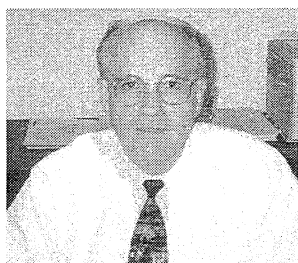
M'Lissa Manning - Tyler - M'Lissa capped off a truly unbelievable year with an incredible seven new multi-sectional sales in May. No one in the company sold more homes for more money in Fiscal Year 1996 than the amazing M'Lissa. Look for her on the big cruise in July - no one deserves it more!



The Top Three Salespeople in the Company Payable Gross - Fiscal Year 1996

#1

M'Lissa Manning - Tyler - Here she is again! As shown above, no one made more profit for the company last year than M'Lissa. Her \$286k in p.g. was \$45k ahead of the next closest salesperson. Holy Toledo, what a year!



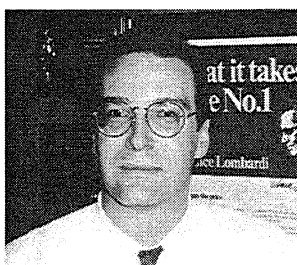
#2

Dave Fortreide - Tyler - Dave, who didn't even start with the company until July, exploded onto the Nationwide scene, propelling himself into the top 10 in essentially only 10 months of sales time. Dave seems destined for great things with American Homestar, and Fiscal Year 1996 will prove to be just the beginning!



#3

Mike Levin - Mesquite - This guy Mike - I think he's crazy or sumethin! He sells manufactured housing like it was going out of style! The big man sold enough houses this month to rank third in terms of overall profitability. What a year!



Year End Office Manager President's Club Points Standings

Office Manager	Loc	Points
1) Linda Toombs	51	579
2) Debbie Maxey	21	573
3) Devra Norton	79	524
4) Kim Stafford	60	482
5) Connie Snyder	64	424
6) Cheryl Cowie	28	405
7) Karen Stevens	69	363
8) Rhonda Inman	78	302
9) Cindy Garcia	17	298
10) John Hamilton	54	275
11) Susan Smiley	68	270
12) Dru West	23	262
13) SaDonna Rogers	88	252
14) Gracie Hernandez	26	223
15) Chere Kelley	15	199
16) Mary Benson	57	184
17) Belinda Humphrey	96	119
18) Linda Imai	44	110
19) Nancy Hancock	74	96
20) Billie Holloway	22	96

Jackson Top Multi-Store Business Manager

The great **Cathy Jackson** took down the number one position company-wide for Business Managers with more than one store. Her fantastic production has earned her a spot on the big year-end cruise. Congratulations, Cathy!

Sell Your **STRENGTHS!**

The Benchmark and Lifestyle product lines are equipped with High-Performance Kitchen Cabinet Systems!

1 Drawer Over Door Construction:

Our Base Cabinet Components are designed with a top row of heavy duty drawers above every cabinet door. Most competitors still provide only 1 drawer bank (a total of 3-4 drawers per kitchen). The Benchmark/Lifestyle "Drawer Over Door" system puts more drawer storage at your buyers' fingertips because every plan offers a minimum of 6 drawers. No more back aches from bending over to use the lowest drawers - all drawers in the Benchmark/Lifestyle series are directly under the countertops . . . within easy reach.



(Item #6 - Color Choices)

2 Heavy-Duty Construction:

All drawers are constructed with an attractive white lining and are supported by (2) steel roller drawer guides. The silky nylon rollers help operate the drawers with fingertip control.

3 Vinyl-Lined Shelves:

All kitchen cabinet shelving is a thick 1/2" MDF (medium density fiberboard) that is lined with vinyl. The vinyl lining eliminates the need for messy shelf paper and gives the inside of the cabinet a clean spacious look. The vinyl lined shelving also resists moisture build-up.

4 Adjustable Shelves in Overhead Cabinets:

This popular \$99 (only) option gives your customer the flexibility to store over and undersized goods with ease. Adjustable shelves also give the Benchmark and Lifestyle products a uniqueness that brings customers back.

5 Center Shelves in Base Cabinets:

Again, sturdy white vinyl lined 1/2" shelving is used to maximize storage in base cabinets. This fixed shelf equally divides the base cabinet space.

6 Color Choices:

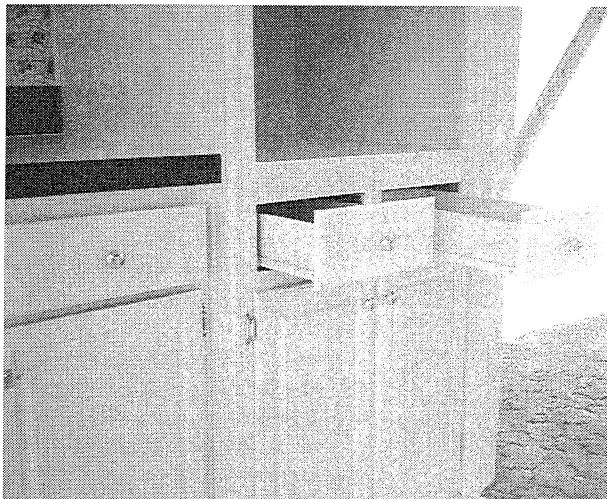
The rich warm tones of Velvet Cherry or the clean, crisp refreshing look of Snow Drift give your customer the choice of decor in their home.

7 Raised Panel Cabinet Doors:

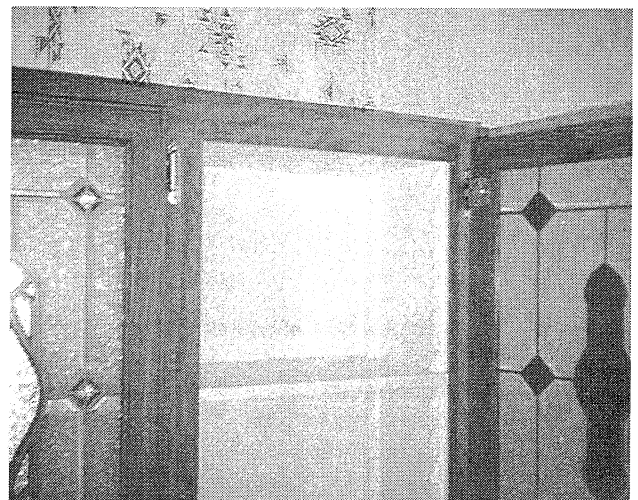
Most competitors' homes use completely flat cabinet doors or a cabinet door with a flat center panel. Benchmark and Lifestyle cabinet doors use a full raised panel cabinet door with heavy-duty self-closing hinges. This deluxe look adds elegance to our kitchens.

8 Deluxe Cabinet Crown Molding:

The finishing touch on any residential cabinet system is the beautifully profiled crown molding. The picture-frame look is a touch of class so often missing with the competition.



(Item #1 - Drawer Over Door Construction)



(Item #3 - Adjustable Shelves in Overhead Cabinet)

TOP 20 SALESPEOPLE - FY 96'

Salesperson
Points

Location
Level

1) Richard Loftin	Cleveland
459.2 pts	Gold & Cruise Participant
2) Mike Levin	Mesquite
393.2 pts	Gold & Cruise Participant
3) M'Lissa Manning	Tyler
387.8 pts	Gold & Cruise Participant
4) Trey Webb	Cedar Park
359.1 pts	Gold & Cruise Participant
5) Daryl Wilkinson	Greenville
336.2 pts	Gold & Cruise Participant
6) John Estes	Lufkin
336.0 pts	Gold & Cruise Participant
7) J.C. Morrison	Lancaster
326.3 pts	Gold & Cruise Participant
8) Christi Lancaster	Denton
324.8 pts	Gold & Cruise Participant
9) Paul Taylor	Lufkin
313.6 pts	Silver & Cruise Participant
10) Dave Fortreide	Tyler
313.3 pts	Silver & Cruise Participant
11) Phil Essex	Mesquite/ C.P.
308.8 pts	Silver Level
12) Greg Culverhouse	Seguin
305.8 pts	Silver Level
13) J'nette Allred	Mesquite
302.9 pts	Silver Level
14) Larry Key	Instant Granbury
301.6 pts	Silver Level
15) Jack Williams	Jacksonville
297.3 pts	Silver Level
16) Ed Sampson	Lancaster
296.7 pts	Silver Level
17) Susan Lewis	Denton
287.8 pts	Silver Level
18) Mary Hohn-Ply	Midland
267.8 pts	Bronze Level
19) Samuel Sims	Jacksonville
260.9 pts	Bronze Level
20) Toby Cooksey	Mesquite
260.0	Bronze Level

THE INCREDIBLE TYLER TEAM!

Here they are folks, the amazing group of sales (and support) pros of Nationwide in Tyler, FY 96's Top Location!... (left to right) Bill Williford, Fred McDonald, Randy Taylor, Jim Clark, Dave Fortreide, Betty Haney, Carol Pollitt, M'Lissa Manning, Angela Jackson, and Roy Sandiford.



AMERICAN HOMESTAR CORPORATION ANNOUNCES RECORD RESULTS FOR FOURTH QUARTER AND FISCAL 1996

HOUSTON, Texas (June 25, 1996) - American Homestar Corporation (Nasdaq/NM:HSTR) today announced record results for both the fourth fiscal quarter and the year ended May 31, 1996. For the year, revenues increased 23% to \$231.2 million from \$187.7 million in fiscal 1995. Net income for the year increased 36% to \$9.8 million, or \$1.23 per share on 7.9 million average shares outstanding compared with net income of \$7.2 million, or \$0.98 per share on 7.3 million shares outstanding in the prior year.

Revenues for the fourth quarter ended May 31, 1996, increased 15% to \$67.3 million from revenues of \$58.6 million in the fourth quarter of last fiscal year. Net income for the quarter increased 35% to \$3.3 million, \$0.39 per share on 8.6 million average shares outstanding compared with net income of \$2.5 million, or \$0.32 per share on 7.6 million average shares outstanding in the fourth quarter of last year.

The 13% and 9% increases in the average shares outstanding for the fourth quarter and year ended May 31, 1996, respectively, reflect the offering of 1.1 million shares in March 1996. All share and per share amounts have been adjusted to reflect the five-for-four stock split effected in January 1996.

Craig Reynolds, the Company's chief financial officer, said, "These record results reflect the ongoing successful implementation of the Company's vertical integration plan and core growth strategy as well as continued strong demand for manufactured housing in the Company's primary market area. With ten new retail centers opened in fiscal 1996, the total number of new homes sold at retail was 24% higher than last year. In addition, the total number of homes manufactured during fiscal 1996 was 19% higher than in fiscal 1995 due primarily to increased capacity and production from all three of the Company's plants.

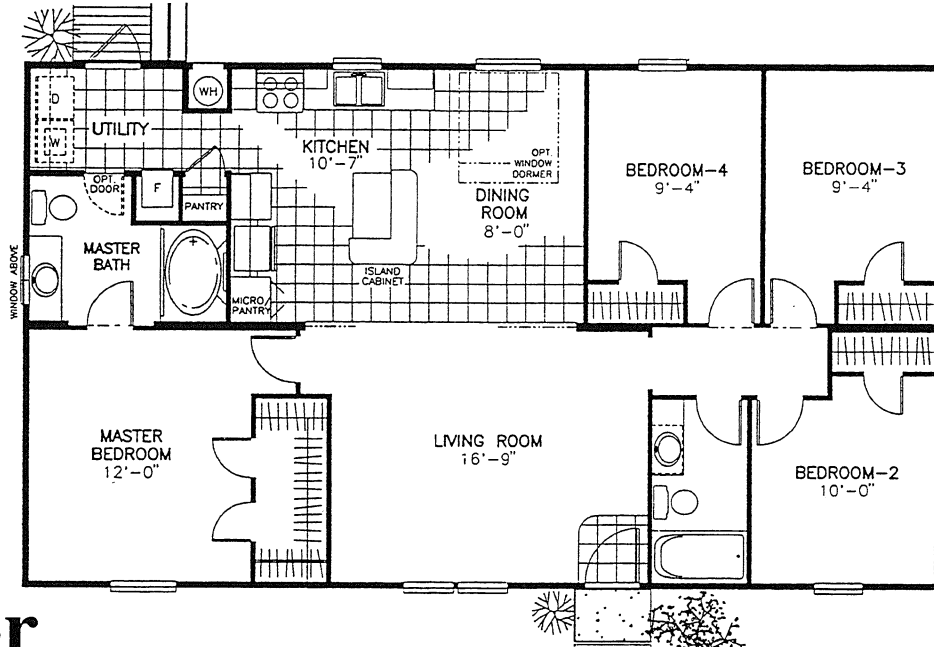
"Our strategy for fiscal 1997 is to add eight to ten new retail centers, to increase production to meet the growth in demand, and to position 21st Century Mortgage as the primary lender for all Company sales centers. We also are continuing to manage the operations of Guerdon Homes under our option agreement. When the option is exercised, we will be operating in three new markets including the Pacific Northwest, Rocky Mountain and South Central regions. American Homestar is now positioned as one of the fastest growing, vertically integrated manufactured housing companies in the industry," Reynolds concluded.

American Homestar produces manufactured homes from its three plants in the Dallas-Ft. Worth area and retails its products through 44 Company-owned and approximately 100 independently owned retail sales centers in Texas, New Mexico, Oklahoma, Louisiana, Colorado, Arkansas and Kansas. The Company also provides retail financing through its finance affiliate, 21st Century Mortgage Corporation, and provides transportation and insurance services to its customers. In addition, the Company is currently managing and plans to acquire Guerdon Homes, which will add four manufacturing plants, nearly 150 independent retailers in three new market areas including the Pacific Northwest, Rocky Mountain and South Central regions.

52' DYNAMIC DUO



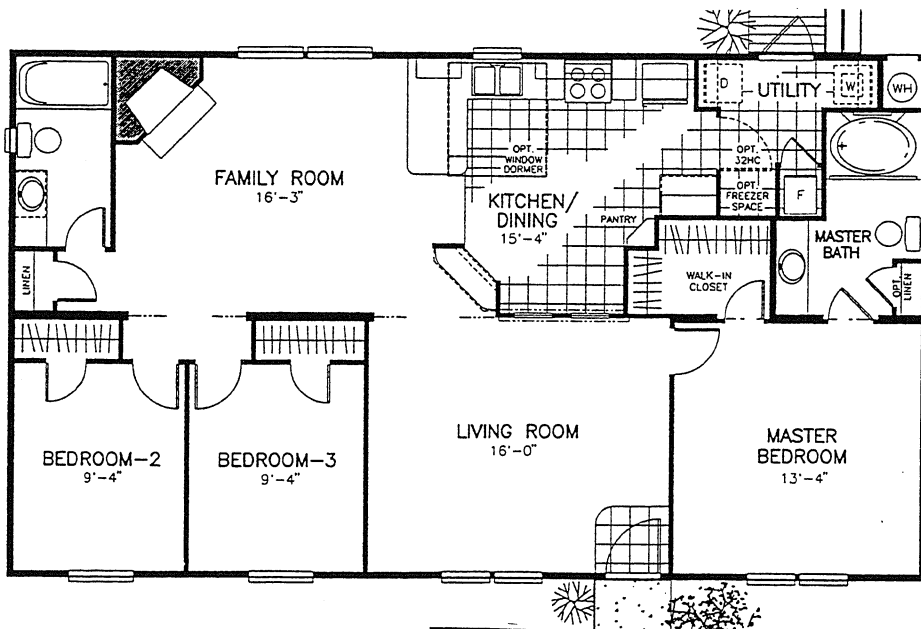
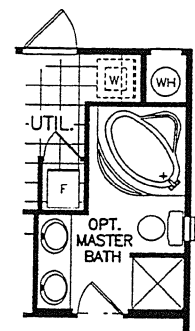
If your inventory lacks variety in the under \$400 per month category, look to Benchmark for the HS753 "BUNK HOUSE"!! This new model will be the 4-Bedroom leader on your sales center. A MUST FOR YOUR INVENTORY!.....



MODEL HS752
28'x52'
1310 Sq. Ft.

.....OR

Look to our Lifestyle for the HS752 Carmel!! This model will be the 2-Living Area leader on your lot! Designed for todays lifestyle, the Carmel adds informal dining and living with room for a fireplace...a nice BONUS to your inventory adding more choices for your under \$400/month customer.



MODEL HS753
28'x52'
1310 Sq. Ft.

The Critical Path to Selling Homes - Presenting the Solution

By Lanette Carpenter

Lanette Carpenter is Vice President of Training for Nationwide Housing Systems. Last week, she traveled to Russia, at the request of President Bill Clinton, to help sell the citizens (who were about to have an important election) on the benefits of a Democratic government. Early returns shows Lanette did a fantastic job. "Lanette could sell someone in Siberia an air conditioner," said Russian President Re-elect Boris Yeltsin.

This is the third in a series of articles concerning the 5 negotiations each salesperson must win in order to deliver a home.

The first negotiation is *Setting the Agenda*, the second is *Getting the Issues on the Table*, and the third is *Presenting the Solution*.

Presenting the solution includes *Game Planning*. This is simply taking the time to review the information you have collected with your manager to get an idea of which houses to show and in what order you should show them. This gets two people involved in the process up front to make sure you have all the information you need to sell them a home, before you go out and start the demonstration phase of the sale.

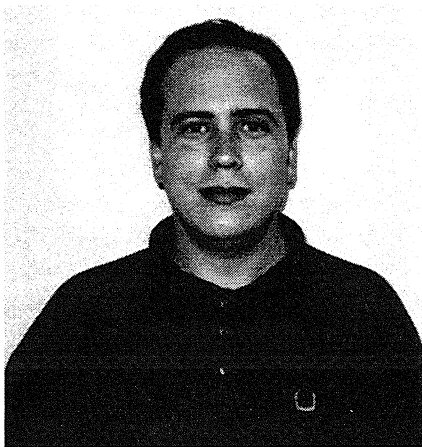
An additional benefit of *Game Planning* is that your Manager will be better prepared to take the T.O. when the time is right. Look at *Game Planning* as the last few words of advice you are going to get from your Coach before returning to the game.

A sample of verbiage you might use to excuse yourself to go *Game Plan* would be, "Excuse me for just a minute while I check with my Inventory Manager and get the keys to the homes that fit your information." By using this technique you are calling a "Time Out" to get some Coaching from the sidelines.

The featured "Presentation Checklist" details several important aspects of using this approach. Remember, there is a brand New Schwep Feature/Benefit audio tape on the Lancaster product that will be coming to you shortly. Next month, we'll be covering negotiation #4, *Closing the Sale*.

PRESENTATION CHECKLIST

1. Take the Needs Analysis Sheet and clipboard out on the location.
2. Always show from lowest to highest price.
3. Focus on no more than two homes at a time. This technique lessens the likelihood that your client will be confused.
4. Use Features and Benefits that FIT the client's Dominant Buying Motive.
5. Know your inventory upside down and backwards.
6. Never quote prices in homes.
7. Use tie-down questions (sparingly). (p. 102)
8. Recognize buying signals. (page 103)
9. use your Trial Closes to return to the office. (page 105)
10. Don't "wing it," if you do not have an answer to the client's question, tell them you will find out and let them know.



Mark Beauchamp

Former Business Manager
Cleveland

1st Place - Single Dealership

Two Business Managers Tie for Single Dealership Top Ranking

Cleveland's **Mark Beauchamp** and Spring's **Jim Rea** ended the year in a dead heat for first place in the Business Manager's President's Club. Both men brought bigtime additional profits to the bottom line of their sales centers through fantastic physical damage, credit life, extended warranty and finance participation sales. Jim's been ranked near the top every year he's been a B.M. Mark has since been promoted to General Manager, and indications are that he'll do well in that capacity, too!



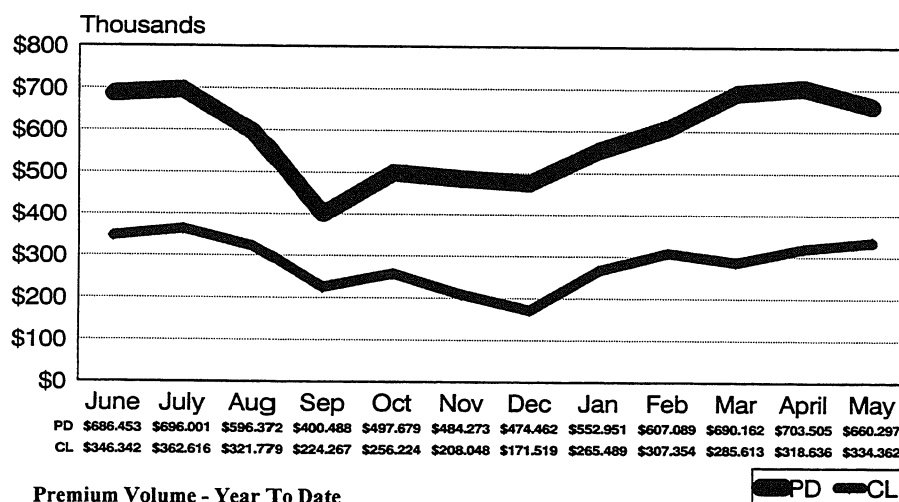
Jim Rea

Business Manager
Instant Spring

1st Place - Single Dealership

A Year of Bionic Proportions

The year that was characterized by feast, famine and feast again is finally over....over 10 million in insurance sales, to be not so exact. As it is customary at the end of the year, the best and brightest Business Managers will receive Presidents Club recognition (and some swell prizes) for their outstanding efforts in maximizing profits through insurance sales and finance participation. The first will be **Cathy Jackson of Nationwide-Desoto and AHO-Lancaster**. Cathy exceeded the points necessary for the Multi-Store Gold level. In addition, she will be "plaque'd" as this year's "Million Dollar" Business Manager for exceeding \$1,000,000 in insurance sales volume. Last year's winner, **Bruce Reynolds of Nationwide and Instant Living - Granbury**, also had an excellent year with over \$750,000 in insurance sales volume, earning himself a spot on the Big Trip in July.



Single-Store Photo Finish

It seems our top two Business Managers in the single store category took this race very seriously. When the dust settled, **Jim Rea of Instant Living-Spring** had won by a nose.... or perhaps a nostril...only 4 points. **Marc Beauchamp**, now General Manager of **Nationwide-Cleveland**, ran a fine, neck and neck, race that kept us riveted for months. In the end, Nationwide will recognize both Business Managers for an absolutely outstanding year by sending them both on the Big Trip in July! **Mitch Brown of Nationwide Longview** and newcomer, **Brad Carlton of Instant Living-Gulf Frwy** also reached the Gold level. They will be presented watches at this year's ceremony in October.

John Gutierrez of Nationwide Mesquite will be awarded the Presidents Club Certificate for attaining the Bronze level. Mitch, Brad and John will be invited to attend the PC trip in February.

Thank you and Congratulations to all!

Hats off to...

Barry Gilliland of Nationwide in Monroe, Louisiana. Barry recently passed his Property and Casualty exam, making him our newest licensed agent. Belated congratulations to **Karen McVey** of Nationwide Oklahoma City for passing her Credit Life & Health exam and attaining that license. Also, "good luck" to **Lou Pommier**, General Manager of Nationwide in New Iberia, who will be taking his P&C licensing exam this week!

A New Year, A New PC Program

The 96-97 Presidents Club Program for Business Managers has not changed as much as expanded. This year's program, detailed below, has added 3 points for each 21st Century financed deal, further emphasizing our goal to utilize 21st Century on 70% of our business. Points given for rate bumps have also expanded, allowing more points for higher bumps. And, you guessed it, so too have the goals expanded. This year's program is as follows:

Gold Level: 600 pts
Silver Level: 500 pts
Bronze Level: 400 pts

Points:

- (1) 3 pts per 21st Century deal
- (2) Points per Insurance Penetration:

PD		CL	
90-100%	15pts	90-100%	20pts
80-89%	7.5pts	80-89%	15pts
70-79%	5pts	70-79%	10pts
60-69%	0pts	60-69%	5pts
		50-59%	2pts
		40-49%	0pts

(*location must have 8+ new home sales for these points to be counted)

- (3) 1 pt. per extended service policy
- (4) Points for Finance Participation:

- 1 pt. per deal bumped 50 basis pts
- 2 pts. per deal bumped 100 basis pts
- 3 pts. per deal bumped 150 basis pts
- 4 pts. per deal bumped 200 basis pts

- (5) Points for Fast Start:

- 1 pt. per deal into home office by 20th
- 2pts per deal into home office by 10th