

HOME Front

American Homestar to Celebrate 25th Anniversary with Colossal Promotion

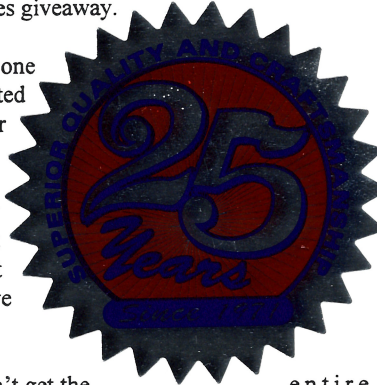
Company-Wide Sale to be Largest Single Promotion in History

Our 25th Anniversary offers a great opportunity for us to tell customers about the Company, it's history and the fact that we offer a lot of benefits that put us way out ahead of the competition. With that in mind, American Homestar has put together a Company wide 25th Anniversary promotion that includes a \$25,000 sweepstakes giveaway.

To maximize the effectiveness of the promotion everyone needs to get involved. There is a lot in this sale to get excited about and many tools included that will help you get your customers "pumped up" about doing business with us!

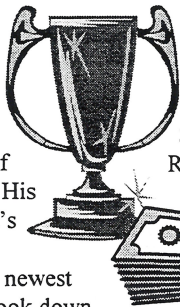
The 25th Anniversary Promotion was designed to allow maximum flexibility in planning ads and sales. It's a great central theme for promotions and it also makes a great secondary theme or "offer" for other theme promotions we may wish to run.

Remember, this promotion will not be effective if you don't get the sales center staff, your customers, and local newspapers involved. "It's only a tool and it won't sell homes by itself," said Retail Marketing Director and Sale Creator **Ronnie Richards**. For more information about the 25th Anniversary Sale, turn to page 4.



DeSoto's James Karrh Takes Down 1st Place in Quarterly Contest

DeSoto's incredible **James Karrh** finished his one-man assault on the salesperson standings with a first place finish in the quarterly contest. His fourteen home sales and 138.0 President's Club Points secured him the \$2,000 first prize. Finishing a strong second was **David Dalley** of American Homestar in Lancaster. His fourteen deals and 126.9 President's Club Points earned him a healthy \$1,500. In third place was Tyler's newest superstar, **Fred McDonald**, who took down



\$1,000 for his strong effort. Just behind Fred was New Braunfels new sensation, **Craig Bryant**, whose thirteen deals propelled him to an impressive fourth place (\$750). Rounding out the money winners was the ever-consistent **Daryl Wilkinson** with \$500 in earnings. Heck of a job, sales pros! Remember, the big contest starts over at the beginning of each new quarter, so the slate is clean, and the playing field is ready for our next champions!

Building a High Growth Company

Growth Strategy - Part 2

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

In last month's issue, we discussed in detail the first two elements of our Growth Strategy. This month, we'll talk more about elements three and four. Growing the Company is a big job, and it's everyone's responsibility. This year, we hope to grow our sales nearly \$60 million (excluding acquisitions) and our pretax profits nearly \$5.0 million. That means growing additional business almost equal to the entire size of our Company in 1993!!! Here's how:

#3 Expand our manufacturing production and capacity to take advantage of our growing retail sales volume.

In Fiscal 1996, we spent nearly \$3.5 million in plant expansions and equipment in the three Texas plants. The biggest expansion occurred at Oak Creek, but projects were completed at Burleson and Lancaster as well. As a result, we've boosted capacity to well over 7,000 floors per year. Current production has reached an all time high of 26 floors per day for an annual rate of 6,500 floors. As we continue to ramp up Burleson and Oak Creek, we expect to reach the 7,000 floor rate before the end of the fiscal year.

The new acquisitions will dramatically increase our capacity. The four Guerdon plants add 7,000 floors of capacity. We're already planning expansion projects for those plants to boost our output

Continued on Page 7

Stars and Stats

Lanette Carpenter

Bermuda Cruise!!!!

2-3 Lancaster News

5 Stayton Scoop

7 Insurance News

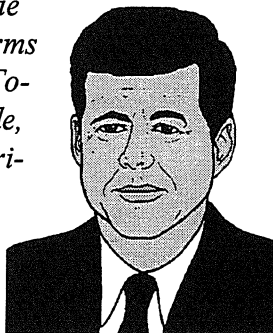
16

25

28

SEPTEMBER, 1996

It was 33 years ago that President John F. Kennedy committed the full resources of the United States of America to reaching Manufactured Housing Supremacy over the Soviet Union and its satellite countries. "Before the end of this century," he said in a historic speech, "we will reach the moon... and we'll knock those commie losers on their collective red rears in terms of manufactured housing know-how." Today, long after these promises were made, they've been kept by the incredible American Homestar sales team. In these two pages, see the names of those whose courage and perseverance has proven them to have...



Alan Waren - Nationwide of Burleson - The Multi-Section sales king strikes again. Alan, as usual, was a one-man wrecking machine in the month of August, taking down four big multi's for an impressive 46.0 President's Club Points. When this man's on a roll... get out of his way!

Victor Hernandez - Instant Spring - Victor, a new name to this page, showed the company what he is made of in the month of August. The man exploded for an unbelievable six new home sales and 44.4 President's Club Points. With this kind of talent, look for Victor to be a force to be reckoned with in Fiscal Year 1997.

Louis Ramicone - It looks like the new Azle location has got a star in their hands in Mr. Ramicone. He sold four big new multi's in August for an average payable of over \$8,500 per home. HOLY SMOKES!

The Right Stuff

Fred McDonald - Tyler - Folks, this man has the ability and the initiative to be this year's number one salesperson. Fred, who has turned everything he touches into gold since joining the company, rocked the manufactured housing world to the tune of 14 big deals in the first quarter of this year. He was also the company's number one salesperson for the month of August. Fred.... you rock!

Clint Fawcett - Man, when this guy's hot.... he's hotter than the sun! Clint turned it on in August, taking down five new home deals for an incredible 50.3 President's Club Points! This man has proven he has the talent to churn out great production, so look out for Clint in Fiscal Year 1997!

Salesperson	Lot	NS	ND	NEW	U
MCDONALD, FRED R.	Nationwide Tyler	1	5	6	
FAWCETT, CLINTON	Instant Living Gulf Frwy.	2	3	5	
WAREN, ALAN	Nationwide Burleson	0	4	4	
HERNANDEZ, VICTOR R	Instant Living Spring	4	2	6	
RAMICONE, LOUIS	Nationwide Azle	0	4	4	
TERBLANCHE, GEORGE	Nationwide Seguin	1	2	3	
MOERI, CHARLES A. III	Advantage El Paso	2	3	5	
NOSCHESE, PETER	Nationwide South	1	2	3	
CONLEY, DANIEL G	Nationwide Lufkin	2	2	4	
LEVIN, MICHAEL L	Nationwide Mesquite	2	1	3	
GUINN, MELISSA	Nationwide Lake Charles	3	1	4	
SMYSOR, STEPHEN A.	Nationwide Tulsa	0	3	3	
SATTAR, MARIANNA F.	AHFO Lancaster	2	3	5	
BROWNING, DENNIS DEAN	Nationwide Denton	0	2	2	
HEAD, PAUL	Nationwide Mesquite	0	4	4	
ADCOCK, BRAD	Nationwide Lytle	4	0	4	
MULLINS, KASH	F&M Nationwide	2	2	4	
GRACE, DARA	Nationwide Albuquerque	1	2	3	
COLLINS, MICHAEL	AHFO Colorado Springs	0	2	2	
BOUTTE, TINA	F&M Nationwide	0	2	2	
LOFTIN, RICHARD H.	Nationwide Cleveland	3	1	4	
ALVIDREZ, VERONICA	Instant Living El Paso	4	0	4	
CHAISSON, KEVIN JOHN	Nationwide Cleveland	3	1	4	
GREEN, DAVID P.	Nationwide South	3	0	3	
QUELLHORST, THOMAS	Nationwide Cleveland	2	1	3	
ARCHER, CLIFFORD RAY	Nationwide Rosenberg	2	2	4	
PRUITT, AARON M	Key Homes Bryan	4	0	4	
JERGER, CHARLES	Nationwide Monroe	0	4	4	
VAUGHAN, GARY L	Nationwide OK City	2	2	4	
COOKSEY, TOBY R.	Nationwide Mesquite	0	2	2	
OHLBERG, DANIELA	AHFO Colorado Springs	1	1	2	

Capt. Jean-Luc Shetler, of the Spaceship Free Enterprise



Dave Shetler, pictured above, manages the number one location in the company- Nationwide in Mesquite. He comes in peace.

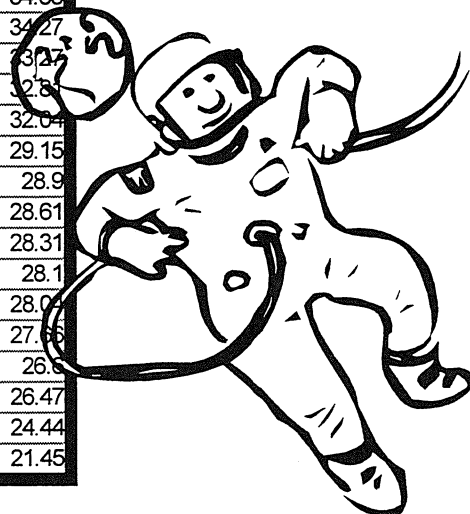


George Terblanche - Hey, can you believe George was Seguin's top salesperson in August all while juggling the responsibilities of the Business Manager position?! Wow! George blew away the competition with four deals and \$34,068!

Chuck Moeri - Chuck is a one man profit center in El Paso. He single-handedly sold five deals for 23k in payable gross in August while also overseeing the management responsibilities of the location. This guy is going to make things happen! Keep an eye on Chuck in FY 1997.

TOP 10 LOCATIONS - YTD

- #1 - Mesquite!
- #2 - Lancaster
- #3 - Tulsa
- #4 - DeSoto
- #5 - Ins. Granbury
- #6 - Burleson
- #7 - Tyler
- #8 - New Iberia
- #9 - COLORADO SPRINGS
- #10 - Cleveland



PG	PD	CL	VPTS	PDPTS	CLPTS	IPTS	FSPTS	EWPTS	CPPTS	Total
\$40,505.00	\$9,529.00	\$3,459.59	5	5	1	40.51	7	2	0	60.51
\$31,342.00	\$8,728.00	\$8,491.10	5	5	3	31.34	2	4	0	50.34
\$19,969.28	\$4,893.00	\$0.00	2	4	0	19.97	1	4	15	45.97
\$25,379.84	\$5,363.00	\$4,934.58	5	6	3	25.38	2	3	0	44.38
\$34,068.00	\$2,643.00	\$0.00	2	4	0	34.07	2	0	0	42.07
\$31,223.75	\$5,143.45	\$1,251.82	0	3	1	31.22	2	3	0	40.22
\$22,430.58	\$5,197.00	\$2,412.55	5	5	1	22.44	0	5	0	38.44
\$30,221.00	\$4,838.00	\$4,771.70	0	3	2	30.24	1	2	0	38.24
\$22,503.19	\$4,799.00	\$4,935.29	2	5	3	22.5	2	2	0	36.5
\$22,662.79	\$5,305.00	\$8,084.64	0	4	4	22.66	2	3	0	35.66
\$22,535.65	\$4,003.00	\$7,056.39	2	3	3	22.54	2	3	0	35.54
\$23,344.00	\$11,334.00	\$1,995.00	0	5	1	23.34	1	5	0	35.34
\$22,063.53	\$10,720.00	\$1,722.15	5	4	1	22.05	2	1	0	35.05
\$25,788.91	\$12,111.80	\$2,126.48	0	5	2	25.79	0	2	0	34.79
\$21,647.28	\$9,484.80	\$3,284.14	2	3	2	21.65	2	4	0	34.65
\$18,646.40	\$3,959.00	\$3,025.94	2	3	2	18.65	7	2	0	34.65
\$24,260.00	\$9,927.00	\$1,589.08	2	4	1	24.27	1	2	0	34.27
\$27,269.00	\$1,816.00	\$5,386.15	0	3	2	27.27	0	1	0	33.27
\$32,814.56	\$0.00	\$0.00	0	0	0	32.81	0	0	0	32.81
\$20,040.00	\$5,638.00	\$6,012.31	0	3	3	20.04	3	3	0	32.04
\$22,152.00	\$4,386.00	\$1,675.53	2	3	1	22.15	0	1	0	29.15
\$15,900.41	\$6,668.00	\$1,460.53	2	4	1	15.9	2	4	0	28.9
\$17,617.00	\$3,280.00	\$0.00	2	3	0	17.61	3	3	0	28.61
\$21,309.00	\$8,009.00	\$4,498.64	0	3	2	21.31	0	2	0	28.31
\$20,100.00	\$3,195.00	\$1,113.82	0	3	1	20.1	3	1	0	28.1
\$16,033.00	\$1,939.00	\$4,663.63	2	4	3	16.04	3	0	0	28.0
\$20,669.00	\$4,826.00	\$2,209.52	2	3	1	20.66	0	1	0	27.66
\$17,590.74	\$6,729.00	\$0.00	2	3	0	17.6	0	4	0	26.6
\$17,471.00	\$636.00	\$0.00	2	1	0	17.47	4	2	0	26.47
\$22,437.99	\$2,637.00	\$540.00	0	1	1	22.44	0	0	0	24.44
\$21,454.53	\$0.00	\$0.00	0	0	0	21.45	0	0	0	21.45

Ray McKinney, locations in Burleson, Granbury, Colorado Springs, Azle, Cleburne, Peking, Leningrad, Tokyo, etc.

What I look for is the following
Consistency

Have his personal sales been consistent? I don't necessarily look for the top salespeople, but they have to understand the sales process well enough to teach it and to have been consistently successful with it.

Coachability

I look for people who listen and want to learn. "Know it alls" generally don't know anywhere near what they think they know and won't listen when you try to teach them something.

Leadership skills

There is always the person on the sales center that others tend to gravitate to. The person that makes sure, without being asked, that the sales center is moving forward and positive things are happening in the GM's absence.

Not a whiner!

I hate whiners. I look for the person who readily accepts duties delegated to them and helps others in any way possible without insisting on being compensated for it. They understand that if they can prove they can do the job, they'll probably get the job.

Work ethic

You can't teach a work ethic. Either they have the sincere desire to do the things necessary to succeed, everyday, or they don't. If they don't, they never will.

Personal finances

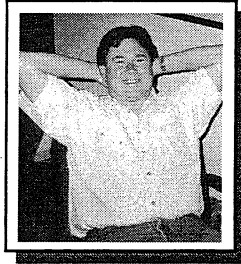
I also look to see if they have the ability to budget their own money. Running a sales center is the equivalent of running most medium sized companies. If they can't take care of their money, what makes me think they'll take care of mine?

Jim Clark - East Texas/ Northern Louisiana Mobile Home Czar

I have always said if you want to be a GM, let your RVP and General Manager know that you are interested but don't talk about it every day. Stay focused on your current job. I've seen many good managerial prospects get impatient and get out of focus. This caused a slump in sales... which caused a negative attitude... which in turn resulted in that person not getting a promotion. In short, I look for...

1. Positive attitude
2. Someone who takes on responsibility without being asked.
3. Is a positive influence on other salespeople.
4. Participates in sales meetings.
5. Has a "make it happen" kind of attitude.
6. Can handle pressure.
7. Proactive instead of reactive, does not sit around waiting for things to happen.
8. Company oriented - if there is a problem, does not talk negatively, and instead sits down with their superior to work out a way to make things better.
9. Leads by example.
10. Superior Sales Ability - Confident enough to get involved in any deal if he was running a lot.

The employees that do these ten things will not have to ask to be a G.M.... we will ask them!



HomeFront asks Some of Retail's Top R.V.P.'s....

Chuck Ladd, Retail and Trucking Magnate

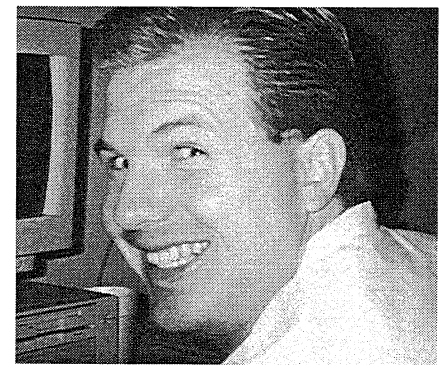
When making a decision to promote one of our people to a leadership position, I assess the following qualities or learned skills: 1) Honesty and level of integrity 2) Willingness to Listen and communication skills 3) Dedication - do they stay until the work is completed? 4) People skills - do they work and get along well with others? 5) Maturity - do they stay focused and composed under pressure? 6) Training - can they motivate and communicate? 7) Sales - Proven sales record. 8) Commitment - Will they give 100%?

There are other characteristics, but these are the primary Qualities necessary for our New Leaders.

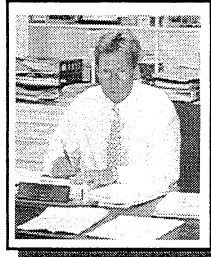


"What do you look for when Promoting to the G.M. Position?"

Why is this Man Smiling?



...Because he's just been promoted to General Manager of the (now) successful Abilene location. John Derouen (pictured above) will be taking over for turn-around king Tom Bradford, who will be opening the new Colorado Springs location mentioned in last month's newsletter.



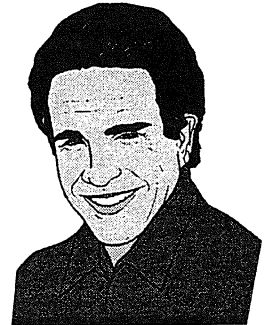
Larry Speck, Ambassador of Mobile Home World

1. **Positive Mental Attitude** - Results oriented positive mental attitude consistently displayed on a daily basis.
2. **The Ability to Sell Homes with a Minimum of Problems** - Consistently selling 3-4 "opportunity free" homes per month. Do you create the problem or do you address and solve the many opportunities that arise when dealing with the American public.
3. **Teachable and Trainable** - Do you support and utilize the company sequence of the sales training programs? (You can't teach what you don't know)
4. **Team Players** - Are you willing to help others succeed?
5. **Credibility & Leadership** - Do you accomplish what you say you are going to? Talk's cheap but quiet, consistent results are powerful. Leadership is never given... it is earned through consistent behavior.
6. **Honesty and Integrity** - Are you willing to sell the customer on their responsibility vs. taking the path of least resistance.
7. **Tracker Program** - Are you willing to learn and implement the American Homestar Tracker system on a daily basis? The future is now for learning these technologies.
8. **Proactive** - Don't wait for someone else to solve problems.
9. **Communication and Listening Skills** - You must be able to communicate with your people and customers!
10. **Self Evaluation** - Do you have the ability to critique your own performance or are you stuck in the self denial stage? Can you take positive criticism and learn from your mistakes?

The Critical Path to Selling Homes by Lanette Carpenter

In this series of articles, we have been covering the 5 Negotiations on the Critical Path to selling homes. The first negotiation is *Setting the Agenda*, the second is *Getting the Issues on the Table*, the third is *Presenting the Solution*, the fourth is *Closing the Sale* and the fifth is *Closing the Continuation*.

Last month we covered the Summary Question Close, which is always the close to use when the Model Value Guide Close does not work. To refresh your memory, the verbiage goes like this, "Dave, what is it about the offer that you are concerned with, is it the size of the home? Is it? Is it?" Their response to this question will determine whether you are dealing with a Client with an *Unresolved Issue*. If you resolve their issue before obtaining closure that this is the only thing standing in the way of them purchasing the home, then you are setting yourself up to be bombarded with objections. The following is a real life example that took place at AHS of Lancaster.



This sales method has not received the support or endorsement of actor Warren Beatty.

The Final Issue Close:

Listen carefully to Client's **Unresolved Issue**

Nail Down the **Final Issue**

Client responds

Pause and Respond in an unsure manner

Enthusiastically give them the **Great News**

Back in the office, start writing up the Deal and close the sale

"Well the home is great EXCEPT we wanted a home with a wet bar. I know it doesn't sound like a big deal, but it is to us and we are just going to keep looking until we find a house that we like that has a wet bar."

"So really what I hear you saying is you love this home and if it only had a wet bar, it would be the perfect home for you and your family, right?" Nod your head yes, while looking defeated.

"Well, yes, I guess that's right but we aren't giving up that wet bar."

"Dave, I'm a fairly new housing consultant so I don't know for sure, but that home may have a wet bar as an option. Let me ask my Manager."

"Dave, I don't believe this...Don my Manager said that home is available with a wet bar. Let's go back out to the house and I'll show you where it will be located."

"Boy, I am so happy that we could get you that wet bar because I knew how much ya'll love that home. Okay, let me add in the wet bar right here on your home's Value Guide. Alright, I need you to just okay this agreement right here."

Must be Something in the Water



Neither baby looks anything like the one pictured above

That was Ray Cox's explanation for the two children born to Longview team members in September. 7 lb 15 oz Dylan Shea Pickett was born to Craig and Stacy on Sept. 20th not long after Joby Ray Cox (7 lbs. 3 oz.) was born to Ray and his wife on the 8th. Congratulations!

As you can see in this illustration, once the unresolved issue had been identified, the Housing Consultant *Nailed it Down* and confirmed that indeed it was the Final Issue. At this stage of the Negotiation, so many sales are lost by salespeople attempting to shortcut the process. As with all aspects of selling, follow the process and *Win!* Next month, we'll cover what closes to use if the client can't make a decision.

Stay Tuned to Next Month's Issue!

The following is the text portion of a press release made available on Sept. 24th.
AMERICAN HOMESTAR CORPORATION ANNOUNCES RESULTS FOR FIRST QUARTER OF FISCAL 1997

HOUSTON, Texas (September 24, 1996) - American Homestar Corporation (Nasdaq/NM:HSTR) today announced results for the first quarter ended August 31, 1996. Revenues for the quarter increased 12% to \$66.7 million from revenues of \$59.7 million in the first quarter of fiscal 1996. Net income for the first quarter rose 38% to \$3.0 million compared with \$2.2 million in the first quarter of last year. Net income per share for the first quarter of fiscal 1997 was \$0.34 (on 9.0 million shares outstanding compared with \$0.28 (on 7.7 million shares outstanding) in the prior-year period.

The 17% increase in the average shares outstanding for the first quarter ended August 31, 1996, reflects 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, commented, "These positive results reflect the successful implementation of the Company's vertical integration plan and growth strategy as well as continued strong demand for manufactured housing in the Company's core southwestern markets. With three new retail centers opened during the first quarter of fiscal 1997, total new homes sold at retail were 16% higher than last year. Total homes manufactured during the quarter were 20% higher than in the first quarter of fiscal 1996.

"Our first quarter results do not include several new strategic growth initiatives which will begin to make a positive impact during the second quarter of fiscal 1997. The acquisitions of Heartland Homes, Inc. and Manu-Fac Inc., completed on September 3, together with the planned acquisition of Guerdon Homes, will expand our operations into five major regions of the country. These new operations provide another platform for future growth in our manufacturing and retailing sectors as well as a growing base of business for our finance affiliate, 21st Century Mortgage Company, and our insurance operations," Reynolds concluded.

American Homestar is one of the nation's leading vertically integrated manufactured housing companies. When the Guerdon acquisition is completed, the Company will operate a total of eight manufacturing plants, more than 47 Company-owned retail centers, and serve over 300 independent retail locations in 24 states. The Company also provides retail financing through its finance affiliate, 21st Century Mortgage, and provides insurance and transportation services to its customers.



Land Home Staged Funding is here!

Now, with staged funding, you can offer your buyer interim financing to buy a building lot, to make necessary improvements and, of course, to buy the home from you. To simplify processing, the 21st Century Land/Home Coordinator assists the Sales Center with the following steps:

- 1) Submit credit application
- 2) Upon approval, inform 21st Century Land/Home coordinator **Kimberly Denton**
- 3) Appraisal and title insurance will be ordered by Kimberly. Upon receipt of the appraisal and title commitment, final approval will be given to proceed with the land closing.
- 4) Contract and loan documents will be prepared by 21st and sent to the closing agent with instructions and a check for the amount of the first stage funding.
- 5) Subsequent disbursements will be based on draw requests from sales centers. Look for the additions to your Land Manuals by September 30!

Top 10 - 1st Quarter Based on Dollar Volume

RANK		Location	Bus. Mngr.	Gen. Mngr.
1	51	AH - Lanc.	Cathy Jackson	Don Simonson
2	78	Denton	Jack Smith	Robby Golden
3	24	IL - Granbury	Bruce Reynolds	Dave Davis
4	64	IL - Spring	Jim Rea	Bob Legg
5	55	DeSoto	Mike Johnson	John Raine
6	59	Tyler	Angela Jackson	Jim Clark
7	54	OKC	Karen McVey	Jeff Goodrich
8	88	Midland	David O'Reilly	Ron Burnett
9	52	Cedar Park	Wayne Peacock	Mark DeRuiter
10	21	Burleson	Debbie Maxey	Jack Maxey

Top 10 - 1st Quarter Based on % of Financed Sales

RANK		Location	Bus. Mngr.	Gen. Mngr.
1	78	Denton	Jack Smith	Robby Golden
2	49	Jacksonville	Mark Pell	Jack Williams
3	24	Granbury	Bruce Reynolds	Dave Davis
4	29	Cleburne	Tim White	Tim White
5	39	Longview	Mitch Brown	Craig Pickett
6	26	Abilene	Tom Bradford	Tom Bradford
7	11	Athens	D. McMichael	Jim Rudolph
8	18	Rosenberg	Jim Mixon	Jim Mixon
9	54	OKC	Karen McVey	Jeff Goodrich
10	52	Cedar Park	Wayne Peacock	Mark DeRuiter

Check Out
 whose the
 Best at
 Maximizing
 their 21st
 Century
 Oppor-
 tunities!

Building a High Growth Company Continued from Page 1

capability to 8,500 per year. The heartland plant will add another 2,500 floors. All in all, our 8 factories, within a few years, could produce up to 18,000 floors at full production, more than triple our production in Fiscal 1996!

#4 Strengthen and Maintain independent retailer relationships...

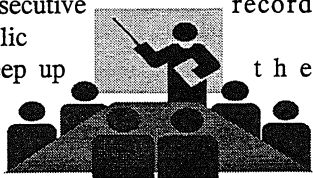
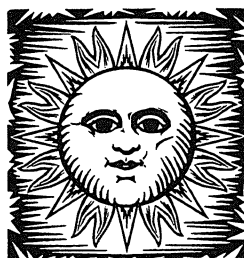
With the acquisitions, American Homestar will serve over 300 independent retail sales centers in 24 states!

In the Southwest, where the Nationwide network is huge, 75% of our production goes to Company stores. But we're now in 4 new regional markets - Pacific Northwest, Rocky Mountain, South Central, and South-east.

Today, we have no stores in those markets so independents are very important. Many of the markets in these regions are smaller and will be best served by independents. Plus, independents give us another shock absorber that allows our plants to provide excellent delivery to our stores and still maintain strong backlogs with the help of the independent dealer base.

Independents also provide us an excellent source of retail acquisitions. We are working on new ways to use our capabilities and resources to forge long term strategic alliances with more of our independent dealers. The Guerdon plants in Oregon and Idaho give us a good opportunity to develop these concepts with their network of Exclusive Retailers who operate under the "Guerdon Village" name.

Next month, we'll talk more about our Growth Strategy. In the meantime, we're wrapping up Quarter I and getting ready to post our 9th consecutive record quarter as a public Company! Keep up the good work.



about this newsletter...

Published in
Austin, Texas
on the 28th of
every month.

Please
Recycle!

Manufacturing Editors

Tom Jewell

Robin Cooper

Retail Editors

Dwayne Teeter

Ronnie Richards

Hey, Salespros!

You may be headed to...

BERMUDA!

On this Year's President's
Club Cruise...



Leaving New York City July 19th

Hold on to your hats, sales pros, and get ready for one of the most exciting President's Club trips ever! For seven wonderful days and nights in July, the top 10 salespeople, all Gold Level General Managers and the top 4 Business Managers in the Company (and a guest of their choice) will enjoy unparalleled luxury on board the Norwegian Cruise Lines ship, *Dreamward*. The 41,000 ton vessel departs from beautiful downtown New York City towards a destination of sun and fun on the island paradise of Bermuda. There are only two stops on the cruise, first in Hamilton and then one in beautiful and historic Georgetown. Anyone who was on board the cruise to Bermuda four years ago (It was fiscal 93's big trip) knows it as one of the world's most tropical and scenic destinations. Leaving New York harbor and passing under the historic bridges and by the remarkable skyline and landmarks (such as the statue of liberty and Ellis Island) makes the departure one of the most awe inspiring views you'll ever experience. So, sales pros, start working your follow-up extra hard, make the most of every "up" and do everything you can to reserve your spot on what is guaranteed to be one of the best President's Club trips on record!

Remember, you must be an employee of the company in good standing at the time of the cruise and meet all contest criteria to be eligible for the trip. Management has the authority to include and/or exclude any participants at their own discretion.



**THE MOST
COMMONLY ASKED
QUESTIONS ABOUT
THE 25th ANNIVERSARY
PROMOTION**

Q - When does the promotion start?

A - The day you receive the kit which should be by 10/1.

Q - How long does it last?

A - It runs until February 28, 1997 when the contest entry blanks are to be sent in for the big drawing.

Q - Is the Company really 25 years old?

A - Absolutely! The company sprang from a single sales center opened by our Chairman and Company Co-Founder in Pasadena, Texas in 1971.

Q - How does the \$25,000 giveaway work?

A - We will have a drawing from entries submitted by all sales centers through February 28, 1997 and the lucky winner will receive a zero coupon U.S. Government Security with a \$25,000 face value when held until maturity.

Q - When is maturity and how much is the bond worth when awarded?

A - Maturity, in keeping with our theme, is in 25 years and the value of the bond will be approximately \$4,500 the day we give it away.



Hey Managers! Most of you have not responded to Dwayne's Request of "Head and Shoulder" pictures of your sales force, and this has kept them from getting the newsletter recognition they deserve. If you have done this, way to go! If you haven't, try to muster up the delegation skills necessary to get this seemingly impossible task handled!

**HOW TO USE THE 25th
ANNIVERSARY SALE PROMO-
TIONAL KIT ON YOUR SALES
CENTER**

**25
Years**

by Ronnie Richards

4'x12' Banner - Hang the banner on the fence, the exterior of a home or somewhere it can easily be seen from the highway.

Lobby Display Entry Box - Place this in your lobby. It should be the "centerpiece" of your display. Every customer should see it when they enter your reception area.

Entry Blanks - The entry blanks can be placed on or near the entry box or you may wish to place them in each salesperson's office.

Easel Back Cards - The 9" x 12" easel back cards can be prominently displayed in the reception area and in the sales offices. Keep them off the salesperson's desk so they are out of the way during the sales presentation.

Clear Static Cling Sign - This sign goes on your glass front door so it can be seen by everyone coming in to your sales center. If you have a lot of stuff on your front door such as decals etc., now is a good time to scrape them off.

Lapel Buttons - These can be worn by your sales staff and anyone else on the sales center that works with the public. It reminds our customers that we've been around for 25 years.

Pocket Folders - This is something that everyone has been asking for. Give this to your customers to place their favorite floorplans in along with the EIGHT POINT DELIVERY

What's Included in the Anniversary Promo Kit

1. A 4' x 12' Outdoor Banner
2. A Sweepstakes Entry Box for Lobby Display
3. \$25,000 Sweepstakes Entry Blanks
4. 9" x 12" Sweepstakes Entry Blanks
5. 18" x 24" Clear Static Cling sign for front glass door
6. Lapel buttons for staff
7. Pocket Folders for Customer's to Carry Home Your Handouts
8. Anniversary Celebration Invitations and Envelopes
9. "Thank You" Anniversary Post Cards
10. Silver foil embossed Anniversary Labels
11. Preprinted Tracker mailers for Overprint by your Local Printer
12. Sample Ad slicks to help you create your own ads.
13. Camera Ready Logo Art for use in your local Newspaper ads.
14. Draft of a news Release for you to place in Local Newspapers.
15. Preprinted paper for your President's letter and other preformatted Tracker letters.

AND SET UP brochure.

Anniversary Invitations and envelopes - Use these to bring customer be-backs to the sales center and mail them to new phone-ups... a great prospecting tool.

Thank You Anniversary Postcards - Great follow-up tools. Why not mail them to past customers to get them to come to the sales center and sign up to win the \$25,000 drawing. While they are signing up to win the sweepstakes, you can sign them up on your referral program.

Preprinted Tracker Mailers - Do your own Tracker mailer using this preprinted 2 color shell. Just put together your own specials and send these shells to your local printer. They can over print these red and blue shells in black ink to give you a dynamite 3 color mailer with an offer customized to your market.

Sample Ad Slicks - Use these ad slicks to create your own ads. Just fill in your own specials and have your newspaper put the ad together for you.

Camera Ready 25th Anniversary Logos - Another handy tool for creating your own ads and mailers. Just give these to your newspaper or printer and you're ready to go.

News Release for Local Newspapers - Get some free exposure. just fill in the blanks and give this to your local newspapers. For best results, ask your newspaper to run a photo of you standing in front of your sign or a good photo of one of your popular models.

There's more to come...

After the original Promotion Kit is received, you can expect to have these additional resources and tools available as they are completed.

...**Lanette Carpenter** will be putting together a 25th Anniversary telemarketing script.

...A second Tracker mailer shell will be developed after we get your input.

...Special signs with the wording "Anniversary Special" will be developed for placement in the window of each sale model you have specially priced.

...A special edition 25th Anniversary 3' x 5' flag will be developed for outside use at your sales center.

New Iberia Edges Out Lake Charles in "Steak and Beans" Contest!!!



"Let them eat Steak!" - The victor, Lou Pommier of New Iberia, gets fed by his worthy adversary, Peggy Lewis, seated in front of the Sam's Club size can of Van de Camp's Pork and Beans.



The incredible team from New Iberia, who edged out Lake Charles by one new home sale. August was the best month ever for the rising location.

American Homestar Completes Acquisition of Guerdon Homes, Receives \$25 Million Credit Facility

- THE FOLLOWING IS A PRESS RELEASE -

HOUSTON, Texas (September 27, 1996) - American Homestar Corporation (Nasdaq/NM:HSTR) today announced that it has completed the acquisition of Guerdon Homes, Inc. The Company also announced that it has established a \$25 million credit facility through Bank One, Texas N.A. These funds, together with the capital raised in the March 1996 common stock offering, will be used to support the Company's internal growth as well as the Guerdon acquisition and the recently completed acquisitions of heartland Homes, Inc. and Manu-Fac Homes, Inc.

Guerdon produces manufactured homes in four facilities located in Oregon, Idaho, Nebraska and Mississippi, and sells its homes through approximately 150 independent retailers located primarily in the Pacific Northwest, Rocky Mountain, and South-Central regions. Guerdon has current annual sales of approximately \$100 million. The acquisition will be accounted for using the purchase method, and is expected to be accretive to American Homestar's earnings per share.

American Homestar's co-chief executive officers, Finis F. Teeter and Laurence A. Dawson, Jr., said, "With the Guerdon, Heartland and manu-Fac acquisitions complete, we are now operating in five major regions of the country with a total of eight manufacturing plants, forty-seven Company-owned retail centers, and serving over 300 independent retail locations in twenty-four states. From this established manufacturing presence in several new regional markets, we plan to solidify and expand our retail distribution network and benefit from the increased volume opportunities for our installment finance operation, 21st Century Mortgage, and our insurance subsidiaries. We now have a much larger and more geographically diverse base to support our growth plan for several years to come."

American Homestar is one of the nation's leading vertically integrated manufactured housing companies. The Company designs, produces and retails manufactured homes, and provides installment financing, insurance and transportation services to its customers.

MANUFACTURED Arlington Style

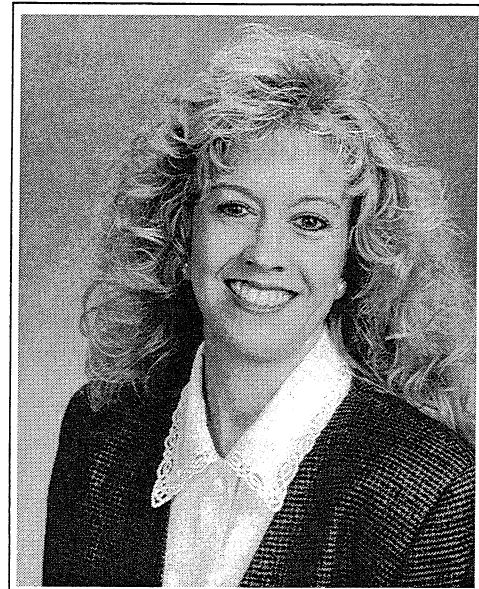
NEWS

The "Mistress of Marketing" is Here!!!

Another new face in our Arlington corporate office - **Cindy Minor** has been hired to fill Ronnie Richard's shoes (woo-woo) as Director of Marketing for the Manufacturing Division. As a 1987 graduate of East Central University in Ada, Oklahoma, Cindy holds a Bachelors Degree in Mass Communications

Advertising/Marketing and brings 9 years experience with her. Over the past 6 years, Cindy worked in the retail shopping center industry and was awarded and recognized for many outstanding marketing accomplishments.

As Director of Marketing, Cindy will be responsible for the marketing needs of our three D/FW plants. Her diverse background will afford American Homestar fresh and innovative ideas to further the Company's recognition on both a local and national level. Ms. Minor says she plans to have a major (not "minor") impact on our marketing direction and strategy. So, don't let the blonde hair & bubbly personality fool ya - this girl's a dynamo!



CUSTOMER CORNER



by Jim Moravec

Right now as you're reading this newsletter, there's a customer waiting to be satisfied. We often see the early signs of a problem and hope our system will work things out. Unfortunately, from time to time, the convenient path spells disaster.

Some customers slip into the void between retailer and factory and we miss out on an opportunity for a truly satisfied customer. Other customers are in the process of being "handled",

My Secret Recipe for Handling Our Favorite Customers

but wait for months before their situation is fully addressed. As an organization, we must continue to raise our standards to **ASSURE** customer satisfaction is achieved in even the most challenging conditions.

Consider the following customers:

The Sailors: These customers must have been in the Navy because they yell louder than a fog horn and use words never heard on dry land. My phone ear is totally shot from listening to "The Sailors", so I'm planning to visit the ear doctor on my next day off.

The Perfectionists: Their statements include, "I ordered a 'custom built home' and one of my

cabinets is 1/8" taller than the other." These customers also say, "I asked the contractor to fix it and he told me 'You're just gonna have to live with it, Lady; it's just a mobile home!'" Seeing this as a recipe for disaster, we cook up a state inspection, after which these customers still aren't happy.

The Silent But Deadlies: These customers are the most difficult to read as they show little emotion. Other than a letter or two, some phone calls, a few notes on unsigned or incomplete factory work orders, they usually seem to be okay. In the end, we "think" we've responded to everything, but then some shark attorney is out for the kill and files suit for violation of the "No News is Bad News" provision in the Perceptive Trade Act!!

THE RECIPE:

WE MUST MOVE TO A PROACTIVE ATTITUDE CONCERNING DIFFICULT CUSTOMER SITUATIONS, SO PLEASE CONSIDER MY SECRET RECIPE FOR CUSTOMER SATISFACTION:

INGREDIENTS	DIRECTIONS
<p>Motivation Communication Clarification Mobilization Perseverance Completion</p>	<p>1. Do it NOW! (Now is always cheaper than later.) 2. Let those involved know this situation needs special attention. 3. Define the entire problem, (Inspect early on if needed, without the state.) 4. Get a clear action plan. (For both factory and retailer.) 5. Follow up. (Get documented closure within a few weeks.) 6. If these efforts don't result in closure, give me a call!!!</p>

AMERICAN HOMESTAR MANUFACTURING GROUP

**RECOGNIZES TOP TEN
SALES CENTERS**

**First
Quarter**

AMERICAN
HOMESTAR

BURLESON

Instant Living Granbury
Nationwide Burleson
Nationwide Corpus Christi
Nationwide Mesquite
Nationwide Tyler
Nationwide Tulsa
Advantage Greenville
Nationwide Sequin
Nationwide Denton
American Lancaster

AMERICAN
HOMESTAR

LANCASTER

Nationwide Houston
American Lancaster
Nationwide Tyler
Nationwide Corpus Christi
Nationwide Burleson
Nationwide Abilene
Nationwide Lorena
Nationwide Sequin
Nationwide Boerne
Nationwide Mesquite

OAK CREEK

Nationwide Midland
Nationwide Odessa
American Colorado Springs
Nationwide Mesquite
Nationwide Albuquerque
Nationwide Austin
American Lancaster
Nationwide Lytle
Nationwide Denton
Nationwide Burleson

BURLESON
OAK CREEK
LANCASTER
PLANT
FLAHERTY

COMBINED

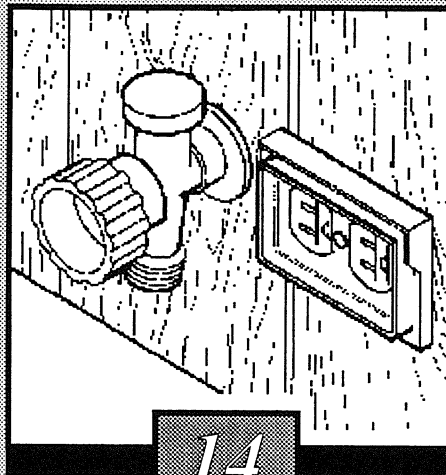
Nationwide Burleson
Nationwide Mesquite
Nationwide Corpus Christi
American Lancaster
Nationwide Tyler
Nationwide Denton
Nationwide Tulsa
Nationwide Austin
Nationwide Sequin
Nationwide Houston

UNDER THE OAKS

By Charley Boyer

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.



14

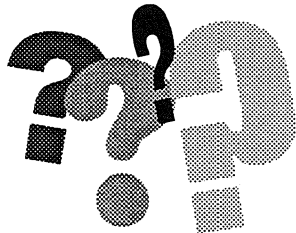
Exterior Water Faucet and Electrical Outlet

Conveniences found in every Oak Creek home. Safely connect your power tools and appliances outside with weatherproof exterior "GFI" protected receptacles. Plus, exterior water faucets let you water the yard or wash the car easily. The faucets are "frost-proof" to prevent wintertime freeze-ups. These conveniences may seem small until needed, then they're bigger than all outdoors. Extra convenience is part of the "better living" from Oak Creek.

Congratulations to American Homestar of Lancaster Factory!!!!

Believe it or not, but after years of leading the way for all American Homestar Manufacturing facilities in record volume and profits, the Oak Creek factory has been knocked out of our #1 position. Congratulations are in order for all those hard working employees at the Lancaster Facility for their perserverance and dedication to excellence. It's been a long, hard road to success (and we do know what you've been through), and now you can finally reap the rewards of your efforts. As quoted by the ever famous (infamous?) Jim Fallon of Oak Creek, "Even a *blind hog* can find an acorn every once in a while." (Ha Ha) Good luck, AHS/Lancaster, and keep up the pressure . . . we thrive on competition!

What is "Rigid Thermal Foil" and Why Would You Ever Use It?????



"Rigid Thermal Foil" is the new *super Tuff* material that covers and completely seals the new "Classic White" Cabinet Doors in the bath and utility rooms of all Oak Creek homes built after November. A competitor of ours calls their cabinet system "Hercules", but we just call it *Tuff Tuff-Tuff Stuff*. Unless you're wielding a super sharp switchblade, these new doors are virtually indestructable, yet

very elegant in our bathroom settings. Pick up any periodical from a kitchen &/or bath designer and you'll find the "Classic White" Cabinets everywhere! It's the hottest thing in the designers' circle!

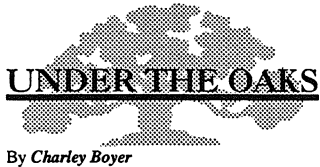
Since Bathrooms are subject to high exposure to moisture, we will only offer the "Classic White" Cabinets in Baths and Utilities. "Classic Whites" are optional in Kitchens as a very positive replacement for the "Glacier Oaks" which are currently being discontinued.

The definition of "Luck": "Where opportunity meets preperation.!!!

The Whispering Oak

"Southern Star homebuyers stop looking after they see an Oak Creek."

Good Luck and Good Selling!!!

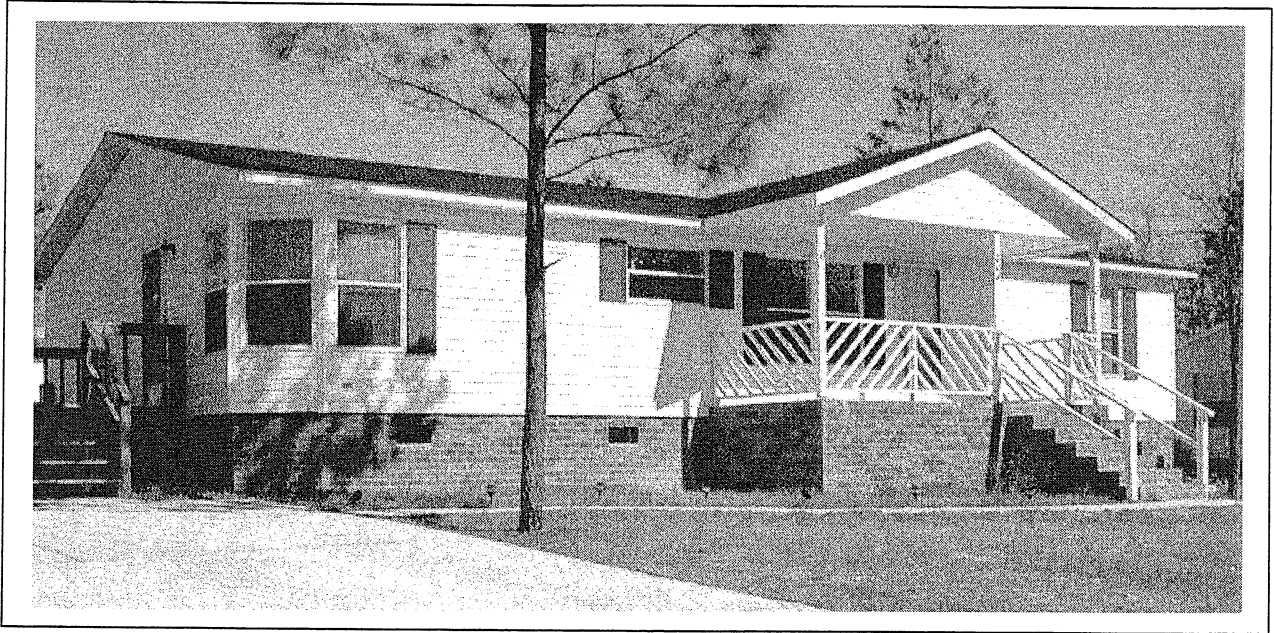


1997 Oak Creek Product Improvements Mean Extra Sales To You!!!!

By the time you get this months "HomeFront" you should have already become acquainted with all of the new "Standard Features" in your new 1997 Oak Creek Products. All homes produced after November 1, 1996 will contain these fantastic new Quality Features, unless previously arranged with your District Sales Manager. What a better way to usher in 1997 than with the following 1997 Product Improvements!!!

- 1) SOLID OAK CABINET Doors are Standard!!!**
- 2) The ever Popular DRAWERS OVER DOORS Cabinet Design!!!**
- 3) Distinctive RESIDENTIAL CABINET DETAILING Features!!!**
- 4) Tilt-Out KITCHEN Sink Drawer Storage MINI-BINS!!!**
- 5) Nationally Famous, High Quality "MOEN" Faucets Through-Out!!!**
- 6) "Moen" SINGLE LEVER Kitchen Faucet!!!**
- 7) Metal MINI-BLINDS vs. Plastic at all locations except: LR, DR & Baths!!!**
- 8) Residential "ELONGATED" Commodes (All Baths)!!!**
- 9) CHROME COMMODOE WATER RISERS w/Shutoff Valve (All Baths)**
- 10) Water Heater "SAFETY GUARD" Drip Pan with Drain Tube!!!**
- 11) All new "DESIGNER" Etched Glass Inserts for Cabinets and Dividers!!!**

"Welcome Aboard Heartland Homes!"



Our "HEARTS" are filled with excitement and delight over the newest addition to our American Homestar Family - Heartland Homes, Inc. This new baby of ours resides in Henderson, North Carolina, and is well taken care of by **Jimmy Johnson** . . . and no, this isn't the same Jimmy Johnson who took the Dallas Cowboys to the Superbowl, but we have every confidence in "our Jimmy" to take the Heartland plant to new heights and profitability, as well.

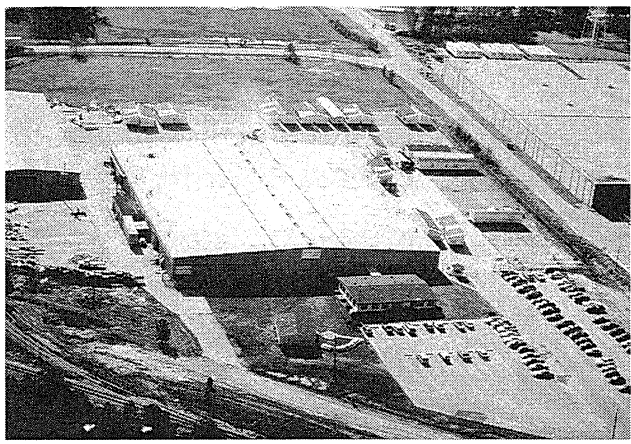
Our new baby measures in at 72,000 square feet of production area with an additional 25,000 square feet of storage, and comes equipped with the latest engineering technology for manufactured home production. Homes produced at Heartland have the latest residential-type features and are built for permanent foundations so that homeowners are able to qualify for 30-year land & home financing. Heartland's homes are distributed to retailers located in North & South Carolina, Delaware, Virginia, and West Virginia to a very enthusiastic and satisfied homebuying public. Heartland's goal is to "correct problems before they leave the plant, thus eliminating service calls for our retailers and increased customer satisfaction", said Johnson. Jim's philosophy is that "Heartland will always do very well in small towns and rural areas where there's a strong pride of ownership and an appreciation of good value."

The "HEART" of Heartland, though, lies in its workforce, though, totalling over 125 years of experience in the industry altogether. Jim Johnson, President & Owner, alone has over 28+ years seasoning

in manufactured housing, working for companies such as Redman, Kaufman & Broad, Marshfield, and Craftsman. **Danny Wright** is the Vice President of Heartland and **Larry Johnson** is the Purchasing Manager, both of whom worked very closely with Jimmy during his "Marshfield Days". Wright's varied 25+ years of experience in manufactured housing has established him as a very vital organ at the Heartland facility. Larry Johnson also has 25+ years under his belt, 22 of these years in the purchasing & materials arena. Steve Chandler, who worked with Jim Johnson at both Marshfield and Craftsman, is Heartland's very capable Sales Manager, while **Rozelyn Dunkley** is the Sales Coordinator with the most. **Sherry Stokes** keeps all of the accounts payable and payroll under control (and Jimmy & Danny, as well), and I'm sure like any other work place, Sherry is probably very well liked (paychecks, paychecks, paychecks!!!). **Duane Gordon** is the company's Engineer Extraordinaire, who farms, dabbles in cabinetry, and does a little general remodeling in his spare time. **Keith Cochran** is Heartland's computer guru, assisting in DataCad drafting, PC support & maintenance, graphic design for Heartland's Sales & Safety departments, and also manages federal & state code production compliance & troubleshooting of problems on the production line. **Robert "Bob" Kummer** is the Production Manager who came to Heartland with Mr. Johnson and has over 23 years experience in his field.

What a great family, right?

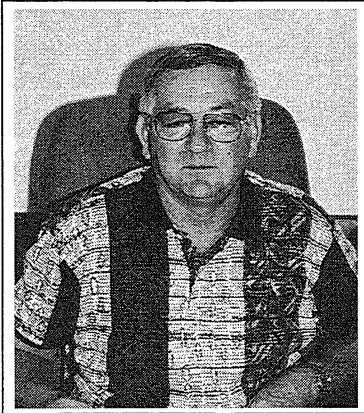
WELCOME!!! WELCOME!!! WELCOME!!!



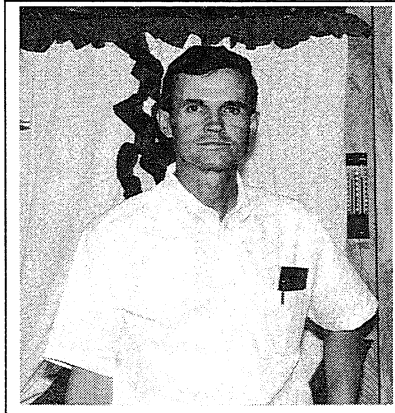
HEARTLAND HOMES, INC.

P.O. Box 1479
Henderson, NC 27538
(800)493-1151

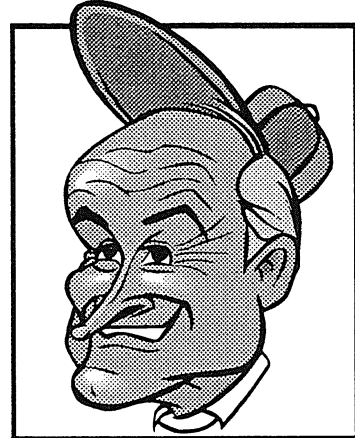
Sorry Bob, no picture provided.
(Any resemblance to a popular
entertainer may be coincidental).



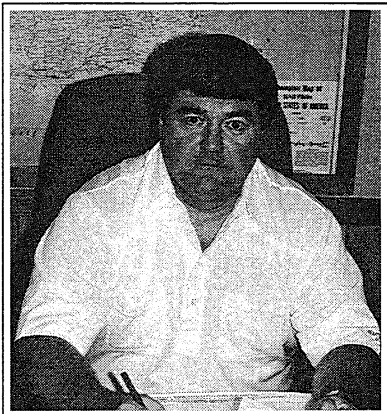
Jim Johnson
President



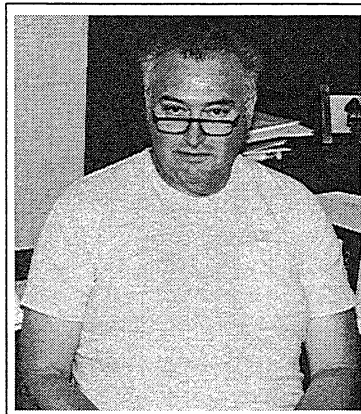
Danny Wright
Vice-President



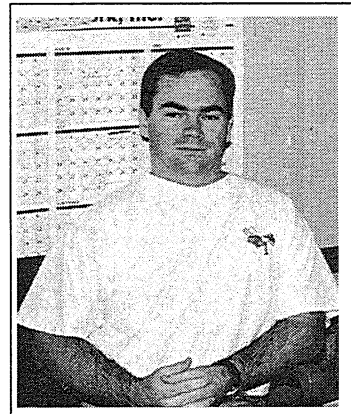
Bob Kummer
Production Manager



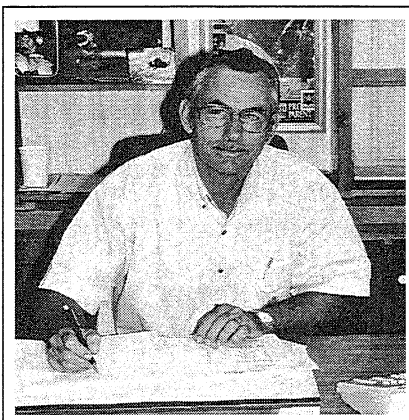
Steve Chandler
Sales Manager



Duane Gordon
Engineering Manager



Keith Cochran
Engineering Asst.



Larry Johnson
Purchasing Manager



Rozelyn Dunkley
Sales Co-ordinator



Sherry Stokes
Accounting

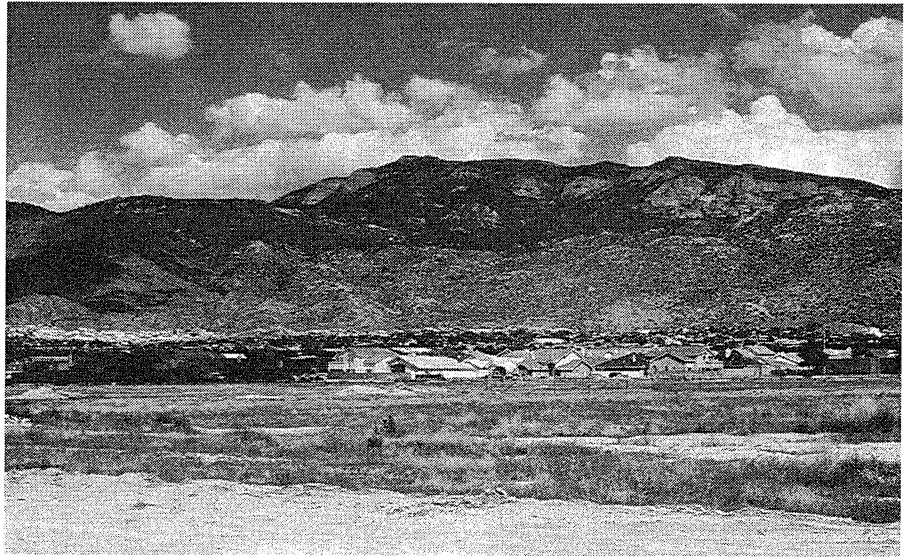
LANCASTER NEWS

By Brian Shaw

Nationwide and Instant Living of Albuquerque Striving to the Top of the Mountain with Lancaster Product!!

WATCH OUT!! Nationwide and Instant Living of Albuquerque are on their way to being the Lancaster plant's TOP buyer!! Both locations are fully prepared to tackle the Galaxy line with gusto.

Between **Liz Varela** (GM of Instant Living) and her brother **Norbert Gabaldon** (President and GM of Nationwide), these two siblings are turning the Albuquerque sales centers into **GOLD MINES!!**

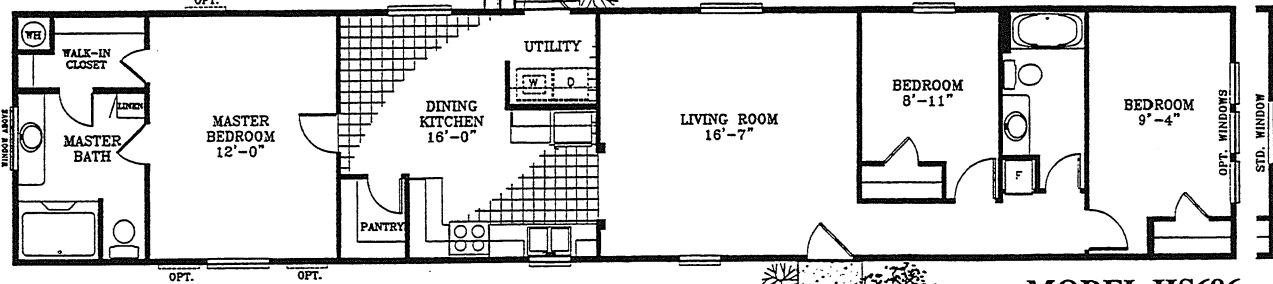


The fully trained sales staff of the Albuquerque sales centers (from left to right/top to bottom): Ken Ski, Robert Nolan, Gino DeAngelus, Ramon Salz, Dara Grace, Kim Biggs, Dick Russell, Yvonne Garcia, Karen Olguin (Lady K), and Shelia Smith.

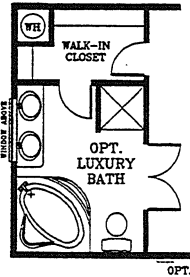
LANCASTER NEWS

(Cont.)
By Brian Shaw

Galaxy 686

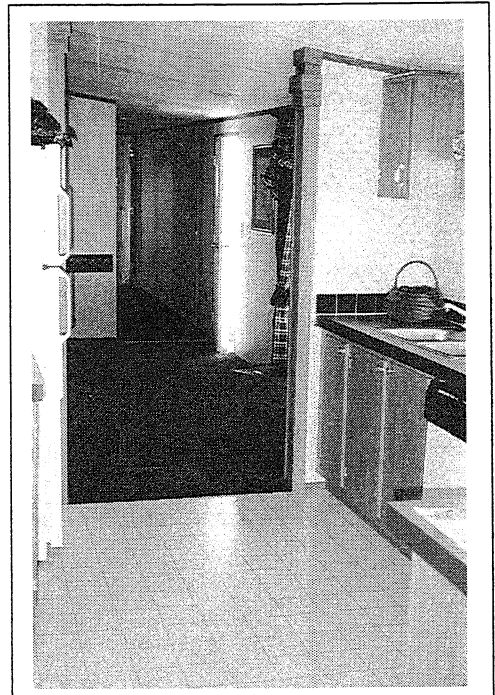


MODEL HS686
16'x80' (1180 Sq. Ft.)
3 Bedrooms, 2 Baths



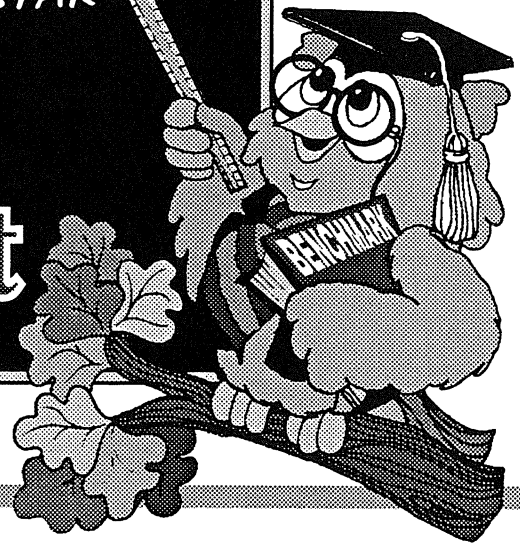
The Hidden Kitchen "HomeFront Home of the Month":

"The **HomeFront** Home of the Month" is the Hidden Kitchen Galaxy 686. This 16x30 3-Bedroom/2-Bath home sports a very unique floorplan. When the homeowner enters his/her front door, the Kitchen is hidden on the front door side wall behind a deluxe divider wall. There's also a formal eating area stemming off the Kitchen that's also hidden. The standard Master Bath has a 60" garden tub, a pentagon window above the lavy, a 3-door linen cabinet, and a walk-through closet from the Bath to the Bedroom. This home also comes with some very unique options. **Danny Rudd** (GM of Nationwide/Corpus Christi) stocked his 686 with a fireplace in the left corner (686 only), creating a wonderful view when entering the front door (see picture). Danny also optioned in the ceramic backsplash behind the counters and range giving the Kitchen a great accent. **Brandon Stanely** (GM of Nationwide/Boerne) sold three 686's during the month of August and just ordered two more for this month! Don't miss out on the "Home of the Month" - **ORDER YOUR 686 TODAY!!**



These pictures were taken at Nationwide of Corpus Christi.

LOOK FOR
AMERICAN HOMESTAR
BURLESON'S
**Benchmark
EnergySmart**



**We're
Movin'
On
Up!**

Production Manager Steve Week's production crew set a new record during the week of September 13th: 30 *Quality Floors!!!* It's only the beginning.....

Fab 5 For Benchmark/Lifestyle

March thru September, 1996

1.	Nationwide-Burleson	Jack Maxey	54 Floors
2.	AHSFO-Lancaster (Tie for 3rd place)	Don Simonson	48 Floors
3.a	Nationwide-Mesquite	Dave Shetler	36 Floors
3.b	Nationwide-Denton (Tie for 4th place)	Robbie Golden	36 Floors
4.a	Nationwide-Tyler	Bill Williford	30 Floors
4.b	Advantage-Greenville	Brian Shear	30 Floors
4.c	Instant Living-Granbury	Dave Davis	30 Floors
5.	Nationwide-Desoto	John Raines	26 Floors

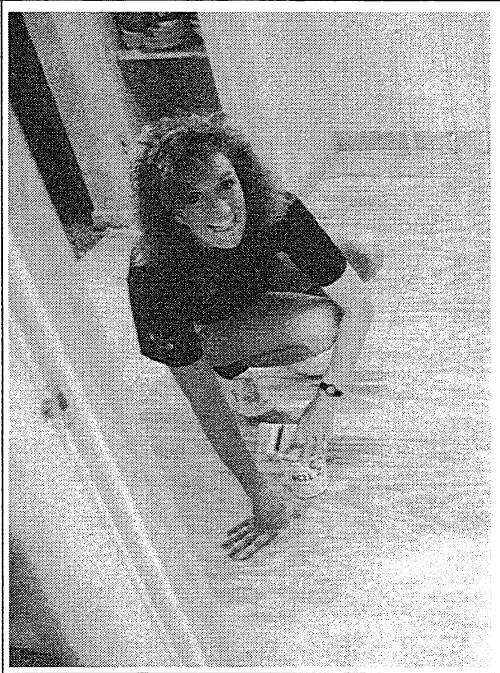
Great Job!!

BURLESON **STAR** NOTES (Cont.)

By *Charlie Lohin*

PEOPLE POWER:

Robin "Cope" Copeland
Sales Secretary/
Transportation Manager Extraordinaire!



This high-energy WHIRLWIND originates from Elkhart, Indiana, the RV capitol of the world! Her accounting background helped her land an office manager position with a company that had a regional office in Arlington, Texas. The call of the southwest soon pulled her to the Lone Star state.

"Copes" charm and tan toes soon landed her a husband of 8 years, **Byron**! Luckily, 5-1/2 years ago Robin's need for professional growth landed her in the office at Oak Creek. She's been a dynamo ever since!

Two years ago she joined the "up-start" of the Burleson facility as a seasoned vet. Most of the sales locations are used to Robin cheerfully handling their literature, sales book needs, and taking care of the scheduling for the shipments of their homes!

Most of "Copes" free time is spent chasing after her 3-year old daughter, **Sarah**. Her remaining hours are filled with shopping, cheering for the Rangers or Cowboys, exercising, or attending occasionl (Ha, Ha) "Happy Hours"!CHEERS!!!

The Burleson Hot Line: Models, Sales-Folks, Lots, Etc...

Instant Living-Granbury: Since inventorying his first "Retreat" (HS780), Dave Davis's sales team has sold a total of 10 houses! After receiving his new "Chalet" (HS759 and "Cape Cod" (HS 744), he turned both within 30 days. Super Salesperson **Carrie Shipp** leads the way with 5 big "Retreats (HS780) in sales!

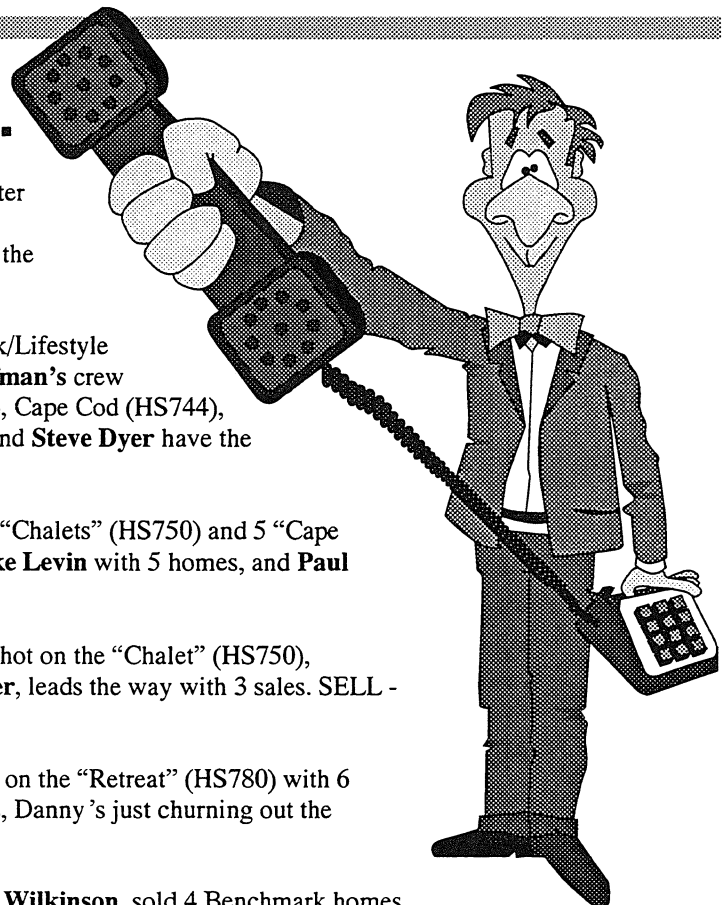
Nationwide-Austin: This new company flagship sold 6 Benchmark/Lifestyle homes within their first 30 days! WOW! Lot Manager **Randy Coffman's** crew sold at least 1 of each floorplan stocked as follows: Chalet (HS750), Cape Cod (HS744), Villa (HS724), and Retreat (HS780). Superior salesmen **Cris Lee** and **Steve Dyer** have the top sales with 2 deals each. Keep up the great work!!

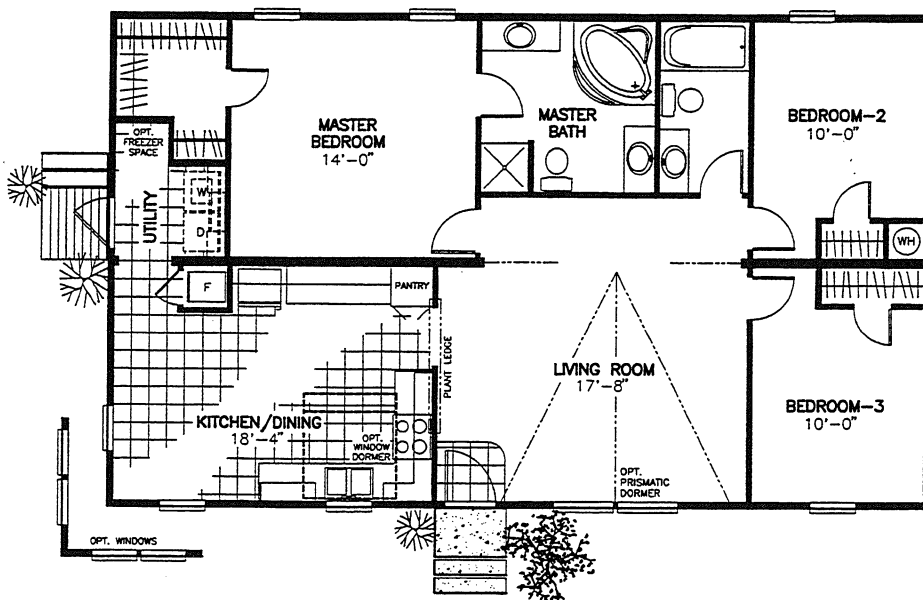
Nationwide-Mesquite: **Dave Shetler's** lot just keeps on selling! 7 "Chalets" (HS750) and 5 "Cape Cods" (HS744 have been sold in the last 90 days). Sales studs, **Mike Levin** with 5 homes, and **Paul Head** with 4 homes, lead the way respectively! Way to go!!!

Nationwide-Abilene: **Tom Bradford's** West Texas powerhouse is hot on the "Chalet" (HS750), averaging 1 house per month since May! Top sales pro, **Dick Weber**, leads the way with 3 sales. SELL - SELL - SELL!!!

Nationwide-Corpus Christi: **Danny Rudd's** sunny location is hot on the "Retreat" (HS780) with 6 retail sales. If you combine that with his "Cape Cod" (HS744) sales, Danny's just churning out the Benchmark/Lifestyles. Keep churning Danny!!!

Advantage-Greenville: **Brian Shear's** East Texas dynamo, **Daryl Wilkinson**, sold 4 Benchmark homes last quarter....WOW....Let's sell 4 more!!!



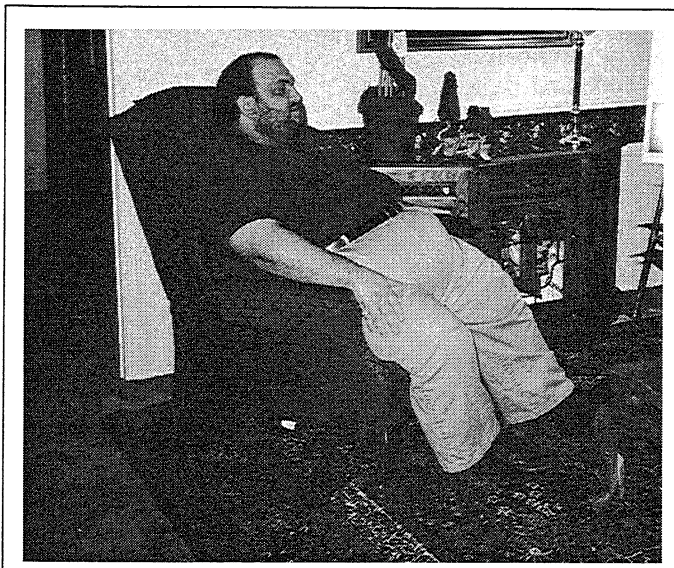
BURLESON *STAR* NOTES (Cont.)
By *Charlie Lohin*

Super Promoter Brian Shear Does It Again!!!

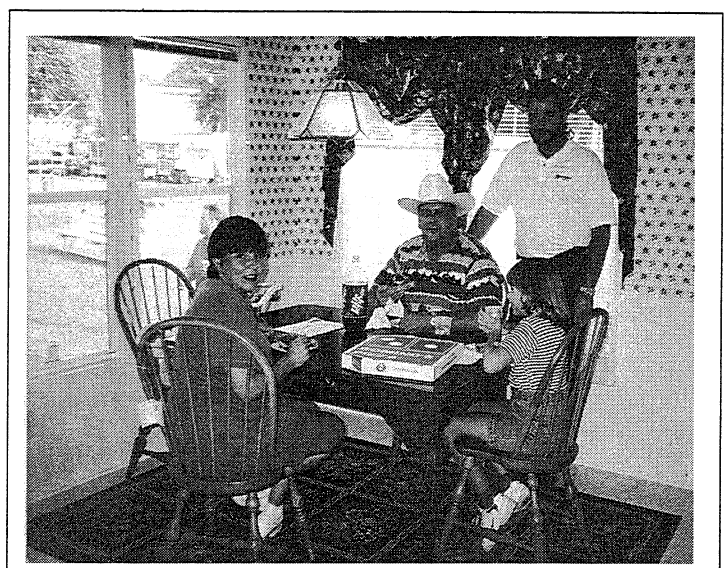
American Homestar of Burleson was honored to be the highlight at the Hunt County Fair. Therefore, Brian Shear (our Prince of Promotion) (picture below) chose the Benchmark "Chalet" (HS750) to show because he needed a small house with lots of pizzazz! As the home arrived, it was set up for the 5 days of touring, September 2-7th. An average of 300 people per day toured the home! As usual, Brian and his able staff were out giving it their best!

The home was shown with the highest quality furniture which was displayed by a local company. A microwave, water purifier and cedar chest were donated by local vendors for door prizes. Decks and awnings were also provided. The whole office staff.... Daryl Wilkinson, Mary Benson, Sandy Roberson, Cherry Krautz, Marty Anderson, Bill Cook, George Parks, and James Bentle worked long hours touring fairgoers, answering questions and redirecting potential customers to the Greenville sales location to see larger homes. As an extra bonus, a free washer and dryer was offered to anyone who purchased a home during the fair.

Full-page ads in three (3) surrounding newspapers and one (1)-minute radio ads leading up to the fair week kept Advantage of Greenville on the tip of every fairgoer's tongue! Best of all, there was a raffle held for box seats to watch the Battle of the Bands on the fairground stage. Those lucky winners (picture below) watched the show in air-conditioned comfort through the large windows in the breakfast room of the "Chalet (HS750)!!! Brian....you are the King!!!



(Brian Shear - Prince of Promotion)



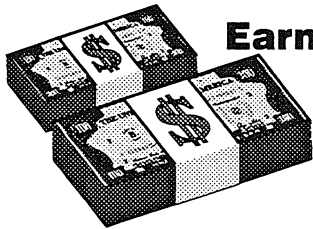
(Lucky Winners Box Seats)

BURLESON **STAR** NOTES (Cont.)

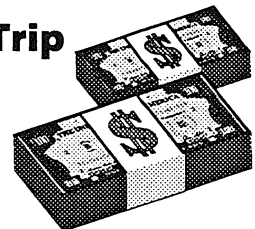
By Charlie Lohin

Fabulous FALL CLEARANCE Sale

Sell any American Homestar of Burleson Tape and Texture stock home or any MorningStar model and earn \$500!!! That's a \$500 line item spiff on your commission sheet! Not only that, you'll earn 15 President's Club Points. Simply fax in a completed President's Club Certificate (see page 24) to Charlie Lohin at the American Homestar of Burleson plant (817)295-3352. All sales must be booked by the quarter end (November 30th).



Earn Points for the Next President's Club Trip
Pay for Christmas
Pay Your Bills
Simply.....Blow It



Help yourself while helping the Company by selling obsolete inventory and making room for fresh inventory. Call Sam or Glenn for inventory updates. (800)817-4150.

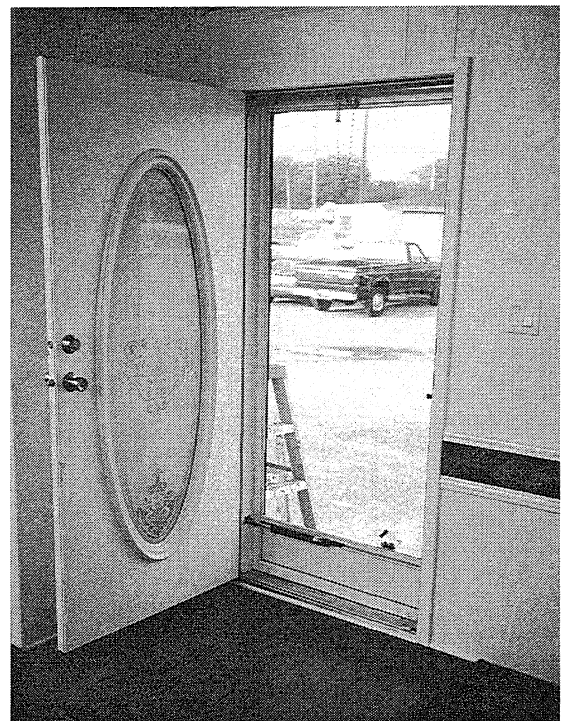
! SELL ! SELL ! SELL ! SELL ! SELL ! SELL ! SELL !

Effective with all deals booked from September 1st through November 30th!

DOORable, aDOORable!!!

LOOK!! It's the new 36"x80" Steel Door with a large oval etched glass insert. Give your inventory a classy exterior look. It comes with a full-view storm door for energy savings and sound reduction.

Only \$325.00!!!



Sell Your **STRENGTHS!** (Burleson continued)

American Homestar of Burleson Announces... New STANDARD Floor Decking

Starting with homes built on October 1st, 1996, ALL Benchmark/Lifestyle homes will be built with Oriented Strand Board (O.S.B.).

THE FACTS:

Thickness: 23/32" (Nominal 3/4")
Size: 4Ft. x 8Ft. Sheets
Edge: Tongue and Groove

Why The Change?

1

It's Stronger:

Tests show it's almost 50% more resistant to rupture than particle board.

4

It's Low Formaldehyde:

Requires less formaldehyde emitting compounds.

2

It's More Resistant:

Retains it's strength longer when wet than particle board.

3

It's Lighter:

20% lighter than particle board - lighter floor decking puts less stress on the home as it travels.

5

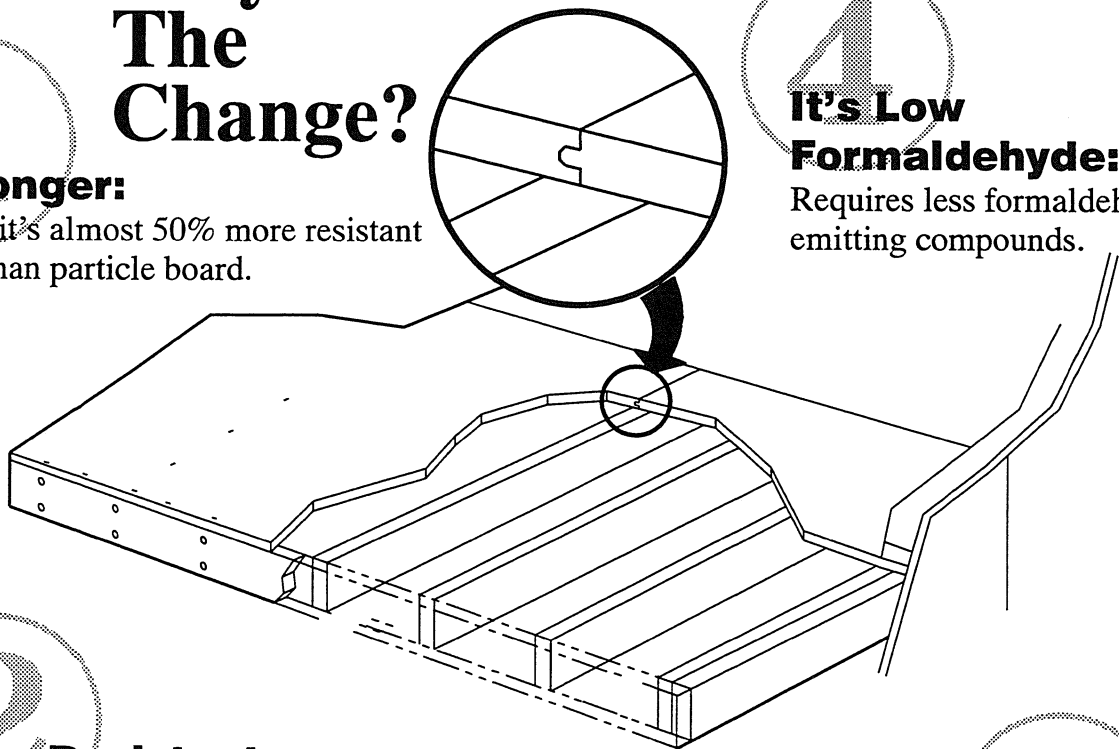
It's Warranted:

Carries a 10-year warranty provided by International Paper.

6

It Reduces Floor Squeaks:

Thick, strong tongue and grooved application virtually eliminates floor squeaks compared to typical butt-joint particle board floors.



O.S.B. = Your Best Choice Standard From American Homestar of Burleson!!!

A Word About AMERICAN HOMESTAR of BURLESON.....

In February of 1995, I came to work for Advantage Housing in Greenville, Texas. I began a career in what I considered to be trailer houses. I quickly learned that I was in the manufactured housing industry.

Enough about me..... We have a product that comes from our American Homestar - Burleson plant that we are all very proud of. With the sales support and technical knowledge that Charlie Lohin and Sam Winn have to offer, I have found myself selling more company product than ever before.

With all the standard features, such as, the 4/12 roof pitch, insulation package and the 13/16 inch tongue & groove novadeck flooring, we beat our local competition hands down. When you offer the unique options and new decor's, we have all the eye appeal we need, plus construction features that will convince anyone that our homes are built to last a lifetime.

I would like to offer my continued support to one of our outstanding factories and also thank them for those much needed "Bonus Presidents Club Points."

Thanks,

Daryl Wilkinson
Advantage Housing
Greenville, Texas

PRESIDENT'S CLUB

AMERICAN HOMESTAR
of BURLESON

Redemption Certificate
15
POINTS

Your Name

Customer Name

Company Name

Serial Number

Company Address

General Managers Signature

Your Signature

Date

President's Signature

FORWARD BEFORE DEC. 2, 1996 TO: Charles Lohin
AMERICAN HOMESTAR of Burleson
320 North Burleson
Burleson, Texas 76028
FAX (817)295-3352

Receive 15 points on each American Homestar of Burleson Stock
Tape & Texture or Morning Star Home retail sold and booked Sept. 1
through Nov. 30. To qualify this Redemption Certificate must be
completed and submitted prior to December 2, 1996.

STAYTON

By Rick Murdock

Back to School!!

We're having phenomenal success as we continue our Guerdon University at our plant display site. Invitations to enroll were sent to all of our retailers and the retail sales people have been answered with 100% attendance so far. In fact, we've had the pleasure of awarding 45 sales training graduates with our "Guerdon Bachelor of Sales Degree" certificate. Classes are conducted by some of the best known professionals in the business - Dawn Gladden and Dave Kiethly are our product & sales professors who've managed to make their classes both informative and fun.

Is Mount St. Helens in Oregon??

Have you felt the tremors yet? Don't be alarmed - it's just the after shocks from Stayton. Our retailers have !!ERUPTED!! with excitement over the new and improved product offering we're currently introducing. My father used to tell me (on more occasions than I care to remember), "Shut up, boy, and LISTEN!" Well that's just what we did . . . we listened to our retail network and responded to their needs - their impression has been one of utter disbelief. They can't believe it's a *Guerdon*!!

We recruited an old friend to provide us with special sales help for the "New GUERDON" -Groucho will be heading up all of our point-of-purchase sales material and will be telling the convincing story, "*You Bet Your Life... It's a GUERDON Home!!!!*" This theme will be carried over to the Portland Home Show where our retail sales force along with Dave Kiethly and Wes Smith will join Groucho dressed in tuxedos to formally introduce the "New GUERDON" to the public. In addition, "Groucho" faces will be given to the viewing public as they

enter the Guerdon display. Premiere Homes, who quickly stepped up to the plate to represent us in the Home Show, came up with the dress idea. Premiere also purchased all of the display homes and will get the exclusive benefit of selling the units in our plant display. A very BIG THANK YOU to Premiere Homes!!

Watch Out Washington!!!

We're also very grateful to Detray' Quality Housing as they are quite anxious to represent us in the Washington show the week following Portland's show. Pau Detray has three locations all full of Guerdon product and is our "muscle" in the Washington market. Another BIG THANK YOU to Detray's.

You Bet
Your Life . . .
It's A
GUERDON
Home!



New Retailers Billow Our Backlog

The recent excitement over the "New GUERDON" has increased our backlog at the plant by **110 floors** in just **8 days!!!** Assisting in these efforts are some new retailers we were recently privileged to secure. We welcome Hunt's Manufactured Homes to our growing list of retailers. Jim Snyder is at the helm of this operation and has retail locations in Hermiston, OR, and Kennewick, WA. In years past, Jim was a strong force for Guerdon in the Eastern Washington market. We're also very proud to introduce Mark Smith, Owner & Operator of Century Homes in Estacada, OR. Mark is certain to heighten our exposure in the Clackamas County area.

Sign Off

Our combined plant and retail efforts are focusing strongly on the hurried exit of old inventory so that we can begin displaying the most dynamic product in the Northwest as soon as possible. If all this good news seems unbelievable to you, I will respond with a quote made famous by the infamous Nancy Cantu, "GET OVER IT!!" Talk to you again next month!

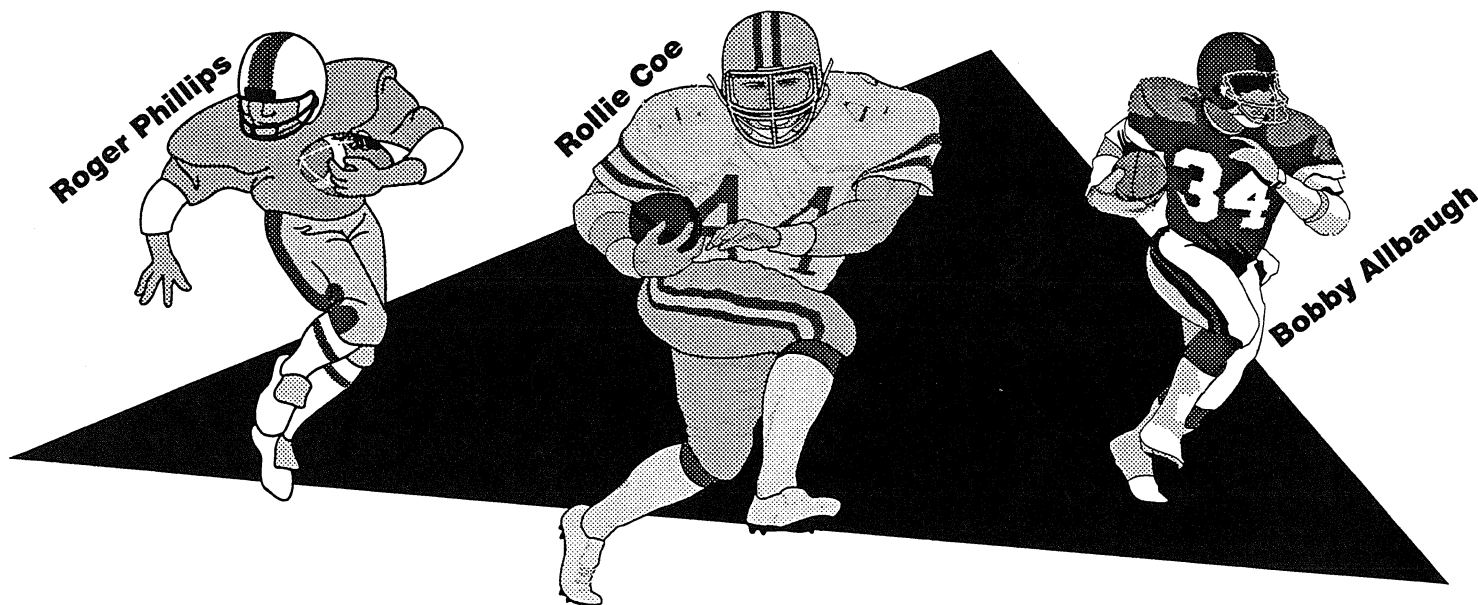
**GERING
GOSSIP**

By Doug Tollin
Home Front Nebraska Eye-Witness Reporter



Boola, Boola- Football Season's Here

Nebraska sort of goes into a deep sleep during that time of the year when the University of Nebraska Cornhusker football team is not in active play. Now that the season has begun and the first win is under our belt, the mental, physical, and economical well-being of the citizens of our fine state has returned to an exceptionally high level. By the way, it seems to me that some of your Texas schools are included in the new Big 12 Conference along with Nebraska. Our advice to you is if your kids are on one of these football teams, you should remove them from the playing field when the "Big Red" comes to town.



This football frenzy has resulted in a resurgence of energy which has revitalized our sales team. Each player is working their way toward the goalposts led by Sales Manager, **Roger Phillips**, who's hit the road with a vengeance to build a bigger/better backlog of orders. **Rollie Coe**, Sales Representative, recently covered our Rocky Mountain Northwest, North, and Northeast arena, completing his rush down field at the Manufactured Housing Conventions in Montana and South Dakota. **Bobby Allbaugh**, Sales Representative, made his way down field in the Southwest, South, and Southeasterly directions, concluding his running blitz at the Manufactured Housing Convention in Vail, Colorado. Reports from our pressbox of marketing experts indicate a positive, progressive season (the fact that it's an election year seems to be the only reasons given as to why our Rocky Mountain Region isn't "booming" anymore than it is). Congratulations to this Gering Sales Team for it's continued teamwork, strategic plays, and footwork, and the best of luck for continued conquests in our marketing region.

Boise BULLETIN

By The Boise Staff

Village People Break New Ground

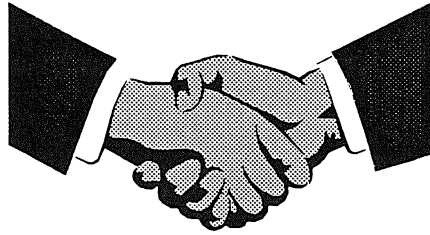
Greystone Homes, Inc. is the newest addition to the growing Guerdon Village Family. Approximately one year ago, Steve Schmidt, Dennis Werner, and Ron Johnson formed Greystone. Last month they saw the fruits of their labor come together, opening not one but two Villages. The Spokane Village displays nine model homes and the Lewiston Village sports eight models. All the homes are installed on permanent foundations and sit at ground level. Fully landscaped, furnished and tastefully decorated, these settings display the beauty of our homes wonderfully. Greystone Homes has been recognized by the Lewiston Morning Tribune for "entering into a new concept in the display, sale, and set-up of manufactured homes. They represent an industry's endeavor to remanufacture a marketable image."

LOOK OUT PACIFIC NORTHWEST!!

The Greystone Group is on the move and plans to open more Guerdon Villages in the near future.

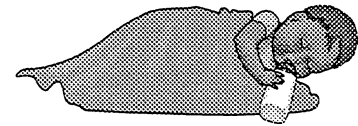
From the QC World

In August, our QC Department arrived en masse in Portland to attend the Annual NCSBCS Seminar. Kelly Glaser, Pat Garcia, and Dave Rybar spent 2½ educational days learning and reviewing various regulations (among other things). Kelly reported that NCSBCS/HBT appears to be more TQM oriented, and in fact, attendees received a very good book entitled *Root Cause Analysis*. Kelly's advise: "DO IT RIGHT THE FIRST TIME!!! SAFETY & QUALITY ARE # 1!!!"



Employee of the Month

The Floor Department has done it again!! This is the second month in a row that someone from the Floor Department has won the estimable honor of being named Guerdon Boise's Employee of the Month!!! Many heartfelt congratulations to Bill Lewis . . . he's been late only two BIG minutes in the last two years and is now \$50 richer.



New Additions

Bob Boyd in the Receiving Department had his first - Colby Boyd (actually, Justina's the one who had him). Born July 26th, Colby tipped the scale at 6 lbs., 10 oz. and was 21" long.

Jose Aldape in Roof Set, and Wendy Moore in Final Finish, are very proud parents of a new baby girl. Courtney Rae weighed in at 8 lbs., 8 oz. and measured 21" wiggling wet.

Shain Zenor, Supervisor in the Wall Department, has become a father for the third time. Vanessa Nicole arrived at 1:01pm on August 24th, weighing in at 7 lbs., 14 oz. and was 20½" long.

!!!Congratulations to the Moms and Dads!!!!

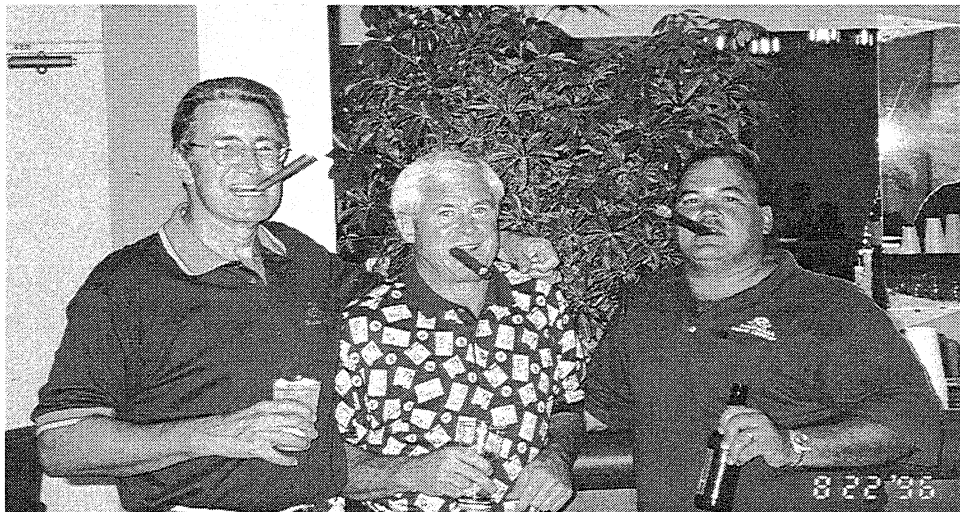
Editor Slips Up...Oops!!

Last month, Ken Mowder was inadvertently left off our list of softball team members. If you recall the team picture or have your HomeFront issue from last month, he's the player located in the furthest left position of the front row. Sorry, Ken!!

Vicksburg BLURB

By Melanie Hood and Dinah McCorquodale

Vicksburg Celebrates Joining American Homestar Corporation



(Left to right) Dave Whitson/VP Marketing, AHS; Eddie Upshaw/Owner, Magnolia Estates; Lennie Stevens/Owner, Magnolia Center.

Here's Dinah lighting the last and biggest candle on her cake!



Dinah McCorquodale, Magnolia Homes, Sales - Zone Manager.

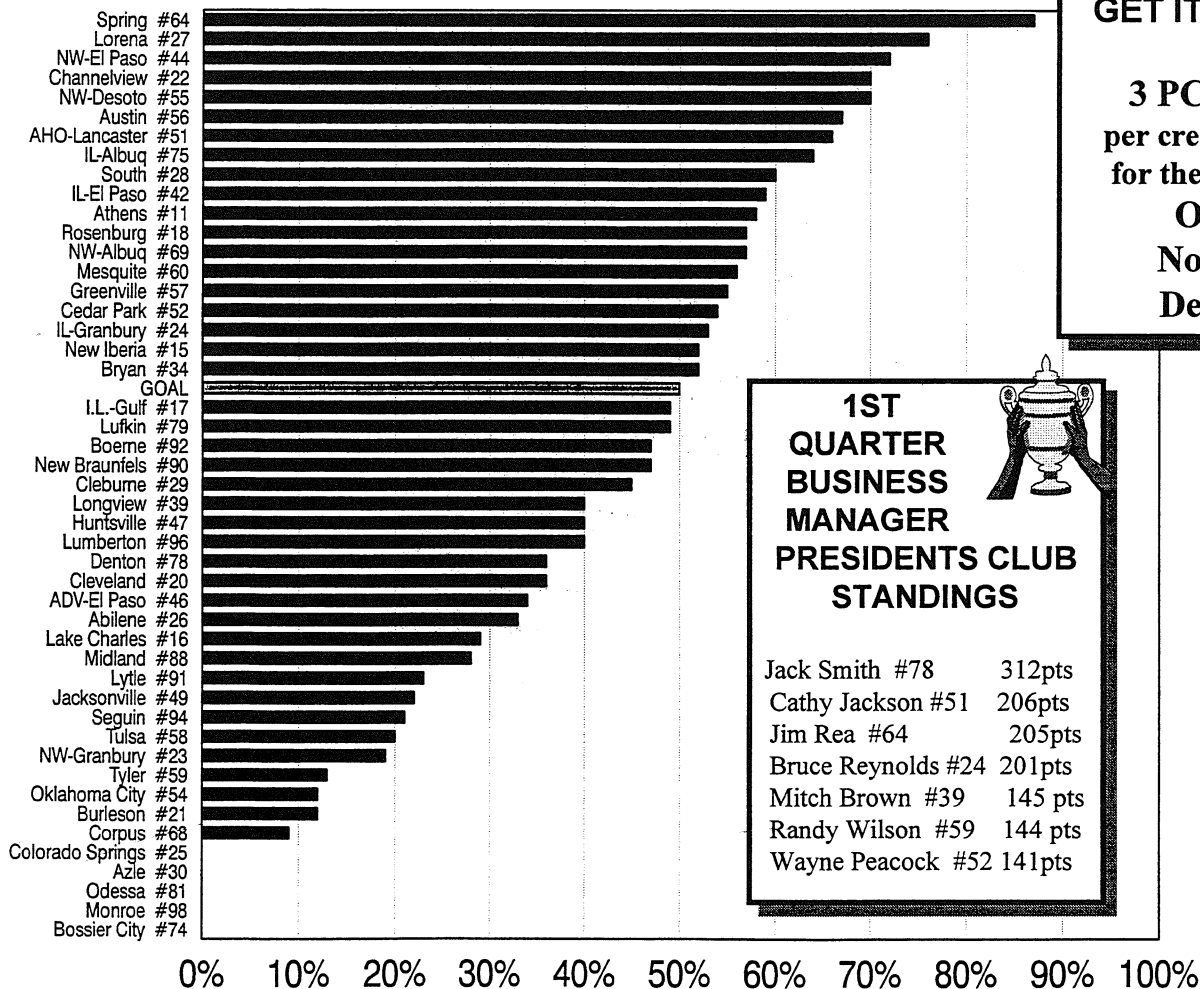
The "King" Lives

With this year's penetration program, high credit life numbers are very difficult to attain. But don't tell that to the "King of Credit Life", **Jim Rea of Instant Living-Spring** (see graph below). In the month of August, Jim added 20pts to his PC Club tally by maximizing his credit life sales opportunities, boosting him a point away from second place behind **Cathy Jackson** of Lancaster fame. The person to beat this year however, remains to be **Jack Smith** of **Nationwide-Denton** who continues to average 100 pts+ per month. Fear not his credit life sales prowess (sorry, Jack) but be very afraid of his innate ability to close the majority of his deals through 21st and BUMP em' big time. Other unsung heros for the month of August include **Terri Raymond** of NW-Lufkin, **Peggy Romero** of NW-New Iberia, **Ron Burnett** of NW-Lake Charles, **John DeRowen** of NW-Lorena, **Tommy Rivera** of Key-Bryan and **Wayne Peacock** of NW-Cedar Park. Everyone above had the ideal month, high penetration and strong volume. Peggy & Ron are showing us all that the Louisiana customer can and will buy credit life. Great job!



1ST Quarter CL Penetration

Do you know where your salescenter is?



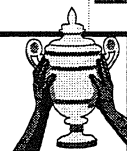
TODAY'S Credit Life Special

GET IT WHILE ITS
HOT!

3 PC Club pts
per credit life policy
for the months of...

October
November
December

1ST QUARTER BUSINESS MANAGER PRESIDENTS CLUB STANDINGS



Jack Smith #78	312pts
Cathy Jackson #51	206pts
Jim Rea #64	205pts
Bruce Reynolds #24	201pts
Mitch Brown #39	145 pts
Randy Wilson #59	144 pts
Wayne Peacock #52	141pts

Which
Four
Business
Managers
will be
on the
Big
Bermuda
Cruise???

