

The President's Club Monthly

THE MONTHLY NEWSLETTER FOR THE RETAIL DIVISION OF
THE AMERICAN HOMESTAR CORPORATION

Explosive Fourth Quarter Numbers Drive Stock to All-Time High, Company Achieves 84% Price Increase in First Year on NASDAQ

Outperforming the Competition...

The stock price of the American Homestar Corporation (HSTR on the NASDAQ stock exchange), propelled by impressive fourth quarter results and a consistently positive market outlook, increased almost 20% in a two week span, closing as high as 14 3/4. This represents an increase in value of 84% in its first year of being publicly traded.

Reflecting the financial community's consistently high opinion of our company, Rauscher Pierce Refsnes, Inc. raised our stock rating from "buy-market outperformer" to "buy-focus," its highest rating. Siting sales and earnings that are running above estimates because of "an accelerated pace of retail sales openings," Rauscher Pierce said in its report that American Homestar has the ability to increase earnings per share by 15% to 20% annually.

The past year's impressive results represent the highest gains achieved by any publicly traded manufactured housing stock in the country, including Clayton and Oakwood. A bright economic outlook, commitment to growth at all levels of our company and continued vertical integration should help power our stock to new heights in the months to come. For a more detailed explanation of Fiscal Year 1995's results, see the press release on page 6.

Factory Outlet's Snouffer Takes Early Lead in 1st Qtr Sales Contest

Elaine Snouffer, of the American Homestar Factory Outlet in Lancaster, Texas, sold five new multi-sectionals in June to shoot ahead of the competition in the First Quarter Sales Contest. Her 76.4 President's Club Points place her slightly ahead of Tyler's superstar, **M'Lissa Manning**, who sold an amazing 9 homes. Rounding out the top 10 are Spring's **James Boyd** and **Mitch Moore**, Cleveland's **Richard Loftin**, Channelview's **Ted Wiese**, Athen's **Jim Rudolph**, Cedar Park's **Trey Webb**, Burleson's **Phillip Marchbanks**, and New Iberia's **Jim Cummings**. Keep a close eye on this tight race!

Retail Locations Get Off to Strong Start in FY 1996

Historically, June has not been one of the stronger months for our company. Being the month immediately after fiscal year end usually guarantees it a position of mediocrity. Not this year, though! Thanks to the efforts of super sales centers across our 4 state area, the retail division of the American Homestar corporation got off to its best start ever.

Dave Schwartz's Instant Living location in Spring took over where it left off last year, selling 18 new homes and earning

more payable gross than any sales center in the company. **Dewayne Click's** high powered Midland location also racked up big numbers, taking down 19 deals. **Jim Clark** and his gang in Tyler, obviously ready to retake their claim as top location, scored big in June with 22 homes sold. **Robby Golden**, fresh off a very impressive fiscal year 1995, also kept his momentum, selling 15 homes. Also performing strongly were N/W Burleson, Nationwide in Albuquerque, Nationwide in Lancaster, Key Homes in Athens, Instant Living in Granbury, the new guys in Seguin and Nationwide in

Mesquite.

Congratulations to all of our movers and shakers. Let's keep it going all year long!

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JULY, 1995

President's Club Monthly

Profiles in Excellence

A Talk w/ the SuperCenter's Big Dawg, Jim Taylor

COMPANY BIRTHDAYS, August, 1995

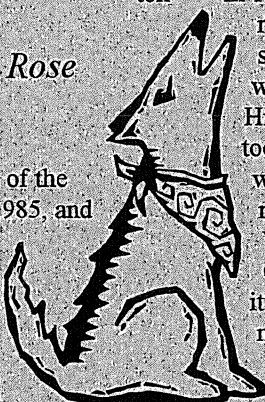
Karen McVey, 1st
Jerry Shaw, 2nd
Patty Pruitt, 3rd
Michael Lowe, 5th
Paula Massey, 7th
Kenneth Miller, 7th
Dewayne Click, 7th
Mitchell Oliver, 8th
Sandra Roberson, 11th
Mary Meza, 12th
Grace Mosley, 12th
John Caldwell, 13th
Jeff Smith, 13th
Joseph Woods, 14th
Ricky Storey, 15th
Oscar Gonzales, 18th
Michelle Rutledge, 19th
Theodore Wiese, 20th
Jim Rea, 20th
Phillip Foley, 20th
Richard Eklund, 20th
Linda Molinard, 20th
Steven Miller, 21st
Mike Robinson, 23rd
Jack Maximum, 24th
Kelly Benson, 26th
Charles Buttry, 26th
Mike Levin, 27th
Regina Brazzel, 28th
Chet Kearney, 29th
Angela Jackson, 29th

Jim Taylor's story is one that parallels many of those who have been with the company over the past 15 years... incredible success in the boom years of the early 80's, struggle and perseverance during the bust of 1985-1989, and redemption and prosperity in today's mature, stable market.

Jim started with the company as a salesperson on the Channelview location in 1982. His easy manner with people and willingness to go the extra mile to get the deal propelled him to the top of the salesperson ranks. He was promoted to Sales Manager at Larry Speck's Southwest Freeway location, a move which was soon followed by another promotion, this one to Asst. G.M. of Alameda. In February of 1985, his meteoric rise continued with another step up, this time to G.M. of Mobile America in Dickenson.

Out of Phoenix, Rose the Ashes

The "Appocalypse of the Mid-80's" started in 1985, and Jim packed up his wagon and headed West to Phoenix to work for Brand X. He called the six months he spent there "the best learning experience of my life." "The grass is not always greener on the other side of the fence," said Taylor, "unless the person over there



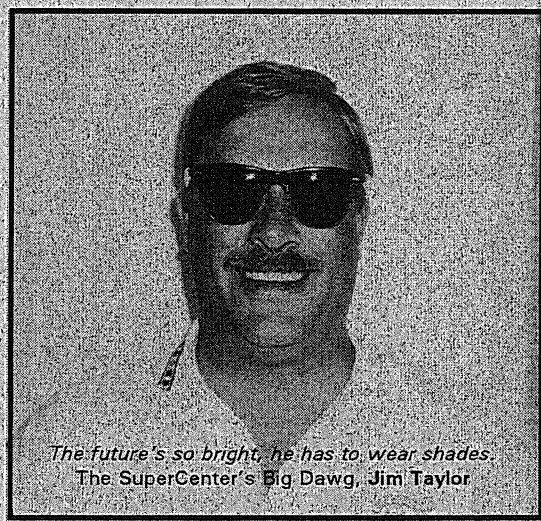
puts a whole lot of manure on his pasture." A call from Chuck Carney, Jr. resulted in Jim heading back to Texas, this time running a location in Midland, Texas ("where the sheep are nervous," said Taylor).

Perhaps a bit too soon, Taylor opened the second location under the then-new Nationwide banner in beautiful Austin, Texas in September of 1987. A year later, he acquired a second location from Redman in Killeen, Texas. Unfortunately, the market would not turn around in time for Jim and both locations were closed in 1991.

Out of the Ashes, Rose the Phoenix

Jim moved back home to Houston in 1991, and took the reigns of the then-struggling Nationwide location on Highway 288. He took this sales center, with the help of mainstays Randy Wilson and Cheryl Cowie, and molded it into the company's number one location... the SuperCenter!

The President's Club Monthly recently had a chance to talk to Taylor and this is what he had to say...



*The future's so bright, he has to wear shades.
The SuperCenter's Big Dawg, Jim Taylor*

PCM: Mr. Big Dawg, you finished the year number one out of 36 locations, a first for you. What did you do differently this year?

J.T.: Well it all started with building a great staff. You can't have above average results with average people. We respect each other and work as a team. Also, I took full advantage of the Tracker follow-up system, especially the mailing label feature. Oh yeah, it didn't hurt to have the lenders fighting over my business and having a Business Manager who really knew how to maximize a deal.

PCM: If you could suggest one thing for other locations to do to increase sales, what would it be?

J.T. Have an advertised sale complete with flyers and mass mail-outs AT LEAST once a quarter. It's like printing money! Those extra 72 home sales that I took to the bottom line sure didn't hurt this year. People buy into that kind of assault... look at Gallery Furniture. My customers hear from us so often, we are the Gallery Furniture of the mobile home business.

Continued on Page 6

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Laurie Lowery

NEW YEAR, NEW GOALS

Last year was an incredible year for insurance sales.

As we discussed at the company meeting, several significant events or changes occurred to allow us the opportunity to have this kind of success. First, our lenders became much more liberal in terms of what they would allow us to finance. Second, we became more dedicated to the Business Manager concept, hiring personnel for these positions at virtually every location. Lastly, we created our own life insurance company, opening the doors for a significant increase in profit on our credit life sales. All of these factors will continue to influence our potential for broader success in the coming year. The challenge lies in turning up the fire, taking further advantage of all these resources to reach some very aggressive goals.

In terms of insurance penetration, our goals have not really changed over the past few years. We are still working toward a goal of 90% penetration on physical damage insurance, currently we hover just under 80%. Obviously this is a realistic area for growth as many of our locations have already proved that 90% penetration is attainable. The same goes for credit life. Although our current penetration levels stand below 50%, our goal of 70% has been proven to be attainable, if not somewhat low, by several locations with numbers in the 90s. Again, the challenge lies in turning up the fire, bringing the majority of our locations up to a level already reached by a few.

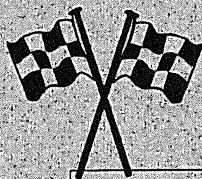
In terms of insurance premium volume, well, let's just say our goals for sales volume are high and believe it or not, of much less consequence, simply because when the penetration levels come up, so too will the volume. That's why penetration is so important. It is very easy to get overwhelmed or overimpressed with our volume of sales. But, when you think that as a company, we did not sell 50% of our opportunities for credit life (a huge profit opportunity for our company) and 20% of our opportunities for physical damage, you can put things in perspective and truly focus on turning up that fire.

I urge you, as the Business Manager or General Manager, to train yourself to think in terms of "PENETRATION", realize that it is a measure of our effectiveness and should be used as a tool to measure our opportunities for increased profitability. To quote one of the few Kevin Costner movies I actually liked, "if you build it, they (\$\$\$) will come"!

PROBLEMS GETTING INSURANCE FINANCED?

I have heard from numerous Business Managers in the last few months in regards to a continuing problem we are having in which Green Tree is approving deals minus the insurance products. First, please try to use another source if possible. Second,

please send documentation on these deals to my attention. We have been told that this practice is due to customers being out of budget. Since GT would like to compete on a level playing field with other lenders, we would like to discuss this matter with them but need the necessary information. Thank you!



BUSINESS MANAGER PC POINTS

TOP THREE as of June 95

Multi Store BM

1. Cathy Jackson 50pts
2. Bruce Reynolds 31pts
3. Jim Carpenter 24pts

Single Store BMs

1. Jim Rea 65pts
2. Marc Beauchamp 46pts
3. Elizabeth Benjamin 29pts

THE 1995-96 BUSINESS MANAGER PRESIDENTS CLUB PROGRAM REVISITED

Since I have received so many questions regarding the new program, I wanted to include the specifics once again. Please keep a copy of the program for your records.

Point Structure:

PD Penetration:	90-100%	15pts
	80-89%	10pts
	70-79%	5pts
	0-69%	0pts
CL Penetration:	90-100%	20pts
	80-89%	15pts
	70-79%	10pts
	60-69%	5pts
	50-59%	2pts
	0-49%	0pts
Per extended service policy		1pt
Per "rate bumped" deal		1pt
	(min. 50 basis pts)	
Per deal in H.O. by 15th		2pts
Per deal in H.O. by 20th		1pts

Program levels:

Gold Level	400 pts	Watch
Silver Level	350 pts	Clock
Bronze Level	300 pts	Cert.
(BMs w/ multiple locations will have levels 1.5x's those above)		
The multi-location BM and the single location BM with the most points will go on the PC trip. All others reaching the Gold level will go on the second PC trip in September.		

Please note:

Chuck has given me the latitude to delete monthly points if we have recurring problems with insurance paperwork or misrated policies.

Also, any Business Manager with a start date between June 1st and November 30th will be eligible for the program on a pro rata basis.

For this program, only your Bonus Worksheet is needed for point calculation. Your insurance report is no longer necessary.

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WHO'S HOT

The Monthly Deposit Contest

Every month, the three salespeople who have taken the most deposits (min. \$200) win \$100, \$75 and \$50 respectively.

Also, the three salespeople who have the highest average deposits (minimum 8 total deposits to qualify) win the same amount of money. In the event of a tie for total number of deposits, the person with the highest average wins. Must be 18 or older to win. Winners cannot be family members of American Homestar Employees, unless their last name is Murray. As always, fourth place wins a free dinner at Denny's on his or her birthday.

Elaine Snouffer **American Homestar** **Factory Outlet in** **Lancaster**

Watch out, the woman's on fire! She took down five big doublewide deals and, as you read on the front page, took control of the big contest. Keep that momentum, Elaine!

M'Lissa Manning **Nationwide in Tyler**

NINE BIG DEALS for Tyler's queen of the sales scene! A relative newcomer to the company, many of you will recall seeing M'Lissa's name in this column the last four or five months of the fiscal year. Well, she's starting where she left off last year and promises to be at the top at year end!

James Boyd **Instant Living in** **Spring**

James rocked the North Houston market in July, taking down five homes and including (as all Spring associates do) mucho insurance with every casa mobilo! He also racked up 65.6 President's Club Points in the process. Nice going, James!

Mitch Moore **Instant Living in** **Spring**

Mitch is ready to prove that Fiscal Year 1995 was no fluke.... he's a perennial superstar! In June, he sold

five deals and earned 58.7 President's Club Points. Wow, what a month!

Richard Loftin **Nationwide in Cleveland**

When a salesman has a truly unbelievable month, as Richard did in May (14 deals), it is often followed by a month that pales in comparison. Well, Richard took down another seven amazing deals in June, enough to propel him to fifth place in the quarterly contest!

Ted Weise **Advantage in Channelview**

Four new singlewides, 28k in payable gross and a healthy dose of all available insurance products helped Ted earn 52.2 President's Club Points in June.

Phil Marchbanks **Nationwide in** **Burleson**

Phil really made it happen in June, rocking the Burleson market to the tune of four big, insurance packed deals! His amazing production earned him a nice 41.8 President's Club Points. Way to go, Phil!

Big Jim Rudolph **Key Homes in Athens**

He quietly and consistently manages one of the company's most profitable locations. Very often, you will see him selling his fair share to help take Athens to the next level. In June, he did just that, taking down four new home deals for an amazing 39k in p.g.!

Trey Webb **Nationwide in Cedar Park**

Here comes the son! And we all say "It's alright!" Trey, a new star on the Nationwide scene, made a pretty strong first impression in June, selling seven deals for 34k in payable gross. In the process, he earned a healthy 44.2 President's Club Points. Nice going, Mr. Webb!

Jim Cummings **F&M Nationwide in** **New Iberia**

How's this for another strong start? 6 big deals (all of them new) and 41.2 President's Club Points for the Cajun Country's newest sales pro! Keep it going, Jim, it looks like you know how to do it!

Tom Esquibel **Nationwide in Albuquerque**

5 deals (four of them new) for a future star who's making his first appearance in this column. His impressive production earned him a healthy 41.1 President's Club Points in June.

Paul Taylor **Nationwide in Lufkin**

You didn't think anything would be any different this year for the distinguished Mr. Taylor, did you? Well, if you did, you stand corrected. Paul had a typically strong month in June, selling 6 big homes for almost \$30k in payable gross. That was good for an impressive 37.3 President's Club Points. Way to go, Paul!

President's Club Monthly

WHO'S HOT

Jimmy Shepherd **Nationwide in Tulsa**

Shepherd, a man with his own staff who won't let his customers wander far, exploded in June, selling four new home deals for almost 22k in payable gross! Heck of a month, Jimmy! We hope to see your name in this column a lot more often in the future.

Bill Yokum **Nationwide in Midland**

One of many reasons for Midland's resurgence, Bill showed the company what he was made of in June, selling seven deals and earning 34.2 President's Club Points. Holy cow, what a month!

Chuck Cantu **Nationwide in Seguin**

The man does it all at our hot new location in Seguin! In June, "Can do" Cantu took down four big new home deals and earned 34.0 President's Club Points in the process. Keep it going, Chuck, that place is cookin'!

Randy "Tyler" Taylor **Nationwide in Tyler**

Month after month, year after year, he's always near

the top of the list. Randy's obviously not going to let fiscal year 1996 be an exception to his rule of excellence. In June, he sold four new home deals and earned 31.6 President's Club Points. Way to go, Randy!

Dave Cuellar **Instant Living in Spring**

He's a sales manager who always gets his fair share of the sales! June was no exception as Dave rocked New Mexico to the tune of 5 deals, four of them new. His 31.6 President's Club Points give him a good head start on the new fiscal year. Nice month, Dave!

Phil Foley **Nationwide in Bossier City**

Phil made it happen in June, rolling four pretty, new manufactured homes down the road. His production earned him the title of number one salesman on his location last month, and word has it that he's got momentum going into July.

Billie Rolando **Nationwide in Corpus Christi**

Hey, hey, what can I say? We got a saleswoman who can sell all day! She's listed in this column month after month after month after month. Why? Because she's AWESOME! In June, she tallied up four new home deals for \$17k in payable gross and 26.4 President's Club Points. Way to go, Billie!

Marianna Forsberg **Nationwide in Lancaster**

She's establishing herself as a preeminent player in the Metroplex and she's doing it by selling lots and lots of manufactured housing. In June, she sold four big deals, and thanks to the assistance of Business Manager Cathy "Action" Jackson, she's selling lots of insurance, too. Keep it going, Marianna!

Carrol Mendoza **Nationwide in Midland**

Another Midland pro to step up to the plate, Carrol shook up West Texas in June, selling four deals for almost 25k in payable gross. Nice going, Carrol, we'll be seeing your name in this column many more times!

Christi Lancaster **Nationwide in Denton**

Christi, one of the company's most consistent salespros, had a stellar month in June, selling four homes for almost 27k in payable gross. Expect to hear a lot out of Christi this year!

Rickey Glover **Nationwide in Odessa**

Rickey, another new name to our column, showed his stuff in June, selling four homes for almost 24k in payable gross, and in the process, sold 14k in P.D. insurance in the process. His production earned him 30.6 President's Club Points last month. Nice going, Rickey!

Monthly Deposit Contest Winners

Hey, Cool Rays, Check the Super Sales Pros who Made it Happen in the Monthly Deposit Contest in June

Total Deposits

David Foy (16)
Christi Lancaster (12)
Nancy McCann (10)

Average Deposit

(Minimum 8)

Greg Luman

\$2,722

Nancy McCann

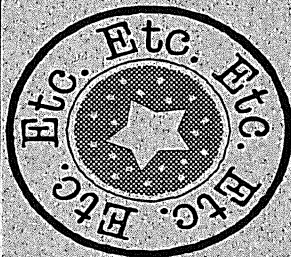
\$1,970

Bill Fortney

\$1,655

Congratulations, Big Winners!

President's Club Monthly



Phil Essex. Someone who REALLY has Faith in the Company Products... New Sales Star, Phil Essex, of Nationwide in Mesquite, recently demonstrated just how much he believes in the homes we build... he sold an American Homestar home to his mother. She custom ordered a well-appointed 28x64 HS-824 out of our Burleson plant. "Thanks to everybody at the plant who got involved and made sure my mom's house looked great. She loves it!" said Phil. Hey, folks, you never know how many prospects you may have!

Nationwide in Lumberton Holds Grand Opening! Check out these numbers... 300 ups on Saturday alone, 11 barbequed briskets eaten, 40 lbs of rib and 14 deposits taken down. Live music, race cars and race boats on display, everyone came out for the big event. "A special thank you goes out to Ford's Greg Kenefic for approving 9 deals on the spot," said Pres. Jay Jones, "he was the only lender rep. who showed up."

Breaker 1-9. Where can I buy a mobile home? How's this for rounding up business... A transporter was delivering one of Jay Jones' homes when he was hailed down by another trucker on the CB who wanted to buy a mobile home. The driver gave him Nationwide's name and Jay set up an appt. to show a used home at 9:00 that evening. Well, it took a flashlight to see the place, but Jay took down the deal that night with CASH.

Jim Taylor

Continued

PCM: You had four salesmem finish in the top 20, that's 20% of the top people in the company on one location. How do you attract top sales pros?

J.T. I find them in the bars. (laughing)

PCM: Other than finishing #1, what are you proudest of about Fiscal Year 1995?

J.T. Having 9 people make the President's Club, 7 of them in the Gold Level.

PCM: What are your goals for Fiscal Year 1996?

J.T. I would like to have the number one and number two locations in the company. I would like to have the most profitable corporation, behind Speck, McKinney and Clark. I mean, let's get serious, it would be hard to beat them with all of their lots.

Jim Taylor is currently opening his second location in Rosenberg, Texas, to be managed by former Sales Manager, Jim Mixon. It is also important to note that all references to the game of golf have been edited out of this interview.

N/W of Mesquite News Movers and Shakers

Nationwide of Mesquite, Inc. President Larry Speck recently purchased the Bear Creek Homes dealership in DeSoto, Texas and will open under the Nationwide Banner on Sept. 1st. Also, a major expansion is underway at the American

The Following is the Fourth Quarter Press Release as it was Issued Verbatim AMERICAN HOMESTAR ANNOUNCES RECORD RESULTS FOR THE FOURTH QUARTER, AND FISCAL YEAR 1995

HOUSTON, TEXAS, June 29, 1995 - American Homestar Corporation (NASDAQ-HSTR), today, announced the results of operations for its fourth fiscal quarter and for the year ended May 31, 1995. Revenues for the quarter were \$58.6 million, an increase of 44% over pro forma revenues of \$40.9 million in the fourth quarter of last year. Net income for the quarter was \$2.5 million or 41 cents per share (on 6.1 million post-offering shares outstanding) compared to pro forma net income of \$1.5 million or 37 cents per share (on 4 million pre-offering shares outstanding) in the fourth quarter of last year.

Revenues for the year ended May 31, 1995 were 187.7 million, an increase of 48% over comparable pro forma revenues of \$127 million in fiscal year 1994. Net income for fiscal 1995 was \$7.2 million or \$1.23 per share (on 5.8 million shares) compared to pro forma income before an accounting change for income taxes of \$3.5 million or 88 cents per share (on 4 million shares) last year.

Craig Reynolds, the Company's Chief Financial Officer, added that these record results for the fourth quarter and for the year reflect continuing, successful implementation of the Company's vertical integration plan and growth strategy as well as continued strong demand for manufactured housing in the region. With ten new retail centers opened in fiscal 1995 and a 31% increase in average new home sales per retail center, total new homes sold at retail were 60% higher than last year. Total homes manufactured during fiscal 1995 were 36% higher than in fiscal 1994 due primarily to increased production from our new Lancaster and Burleson plants.

American Homestar produces manufactured homes from its three plants in the Dallas - Ft. Worth area and retails its products through 34 company-owned and 103 independently-owned retail locations in Texas, New Mexico, Oklahoma, Louisiana, Colorado, Missouri, Arkansas and Kansas. The Company also provides transportation and insurance services to its customers.

Homestar Factory Outlet in Lancaster which will incorporate four more acres into the existing sales center. "This will make Don Simsonson's Factory Outlet the 'ultimate SuperCenter'", said Speck.

In Oklahoma City, Mary Goodner has been promoted to Sales Manager at Jeff Goodrich's super-successful Nationwide location. "Mary's been someone I can really count on," said Goodrich. In Tulsa, Rick

"Home Run Hitter" Vaughan has also been promoted to the position of Sales Manager.

"Rick's the kind of stable and consistent superstar who can help take us to another level in his new position," said G.M. Tom Wilson. In Mesquite, Mike Levin has also been promoted to Sales Manager. "Levin's proven to be a very important part of our team and deserves this position," said General Manager Dave Shetler.

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Perfect Scorers on the Basic Training Final Exam

Vincent McDaniel
Abilene
Ted Wiese
Channelview
Kelly Jensen
Cleveland
Terry Vincent
Corpus Christi
Billie Gill
Corpus Christi
Dwayne Borchardt
Instant Granbury
Brenda Smoak
Instant Granbury
Rick Walters
Instant Granbury
Dayne Shetler
N/W Mesquite
Tracy Moore
Monroe
Jerry McClellan
New Iberia
Linda Molinard
Tulsa
William Freeze
Granbury
Jessie Baker
SuperCenter
Tonya Merrill
AHS F.O. - Lanc.
Tony Traponi
Denton
95 or Above
Gene Funk
Bossier City
Janet Tullios
Burleson N/W
Charles England
Instant Granbury
Don Baker
Instant Granbury
Mike McMillan
Greenville
John Estes
Lufkin
Mackie Cowart
Lufkin
U.B. Herrington
Monroe
Greg Culverhouse
Seguin
Mike Williams
Tulsa
Daniel Rhea
Key-Athens
John Sunny
SuperCenter
Patty Pruitt
Oklahoma City
Bob Riley
Oklahoma City
George Carleton
Mesquite

Lancaster News

Brian Shaw

New Things are Happening!

New exterior metal colors have been selected to update our look and provide more alternative combinations. The new standard exterior treatment will consist of a wood-grain body with a solid color accenting the wainscot area and new front end designs. These new features will give our homes a greater visual appeal.

New exterior Masonite colors have been slightly fine tuned by Sherwin Williams with exterior clad board shutter treatment going to a cleaner, simplified, more residential design.

The Lodgewood decor continues to be the leader with its strong evergreen color statement, popular with consumers in every price point of the product. Although this decor will continue to be fashionable, an equally exciting

AMERICAN HOMESTAR

and completely new decor we are happy to introduce is "Windsor." The Windsor decor is a fresh, jeweled approach to a tried and true blue/plum color scheme. It will replace the existing Cordova decor. Last but not least, our Cilantro decor has undergone a metamorphosis (as we all need from

time to time) and has been renamed "Cilantro Caliente" and it's definitely HOT! It will continue to be a predominately plum and green decor enhanced with accents of the sexy, sultry, rich color of black. Cilantro Calienta replaces the Firestone decor.

New Models Hit Lots

The 695/696 are just now hitting most of the sales centers and are selling quickly. Remember, this is a 16x80 2 bedroom or 3 bedroom with 2 bathrooms. These are very good looking floorplans. Please feel free to call if you have any questions about how to get yours on order today... We'll do the rest!

The 688 price leader has been prototyped and the "HOT WHEELS" have been put on. If you haven't yet, get yours on order or you will be missing out on the fun of "HOT WHEELS," if you know what I mean.

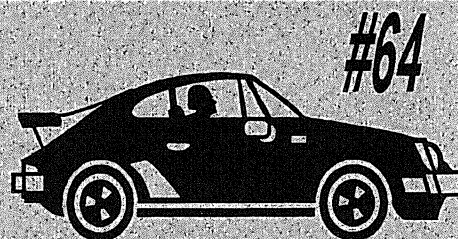
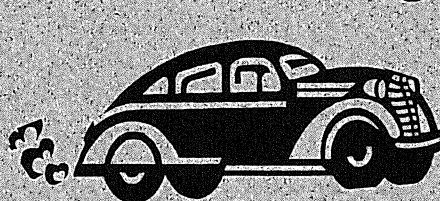
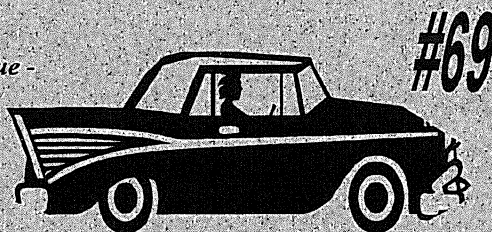
A New Race Begins in Fiscal Year 1996

Who Will be Most Profitable at Year End

Instant Living in Spring - Hey, no more headstarts, guys! Dave Schwartz and Company have taken hold of the number one spot and don't plan to give it up!

Nationwide in Mesquite - Hey Folks, watch out for G.M. Dave Shetler and his fine staff... Their growing pains are past them and they've got momentum on their side.

Nationwide in Albuquerque - Jim Lee has put the company on notice... "Watch out for the superstars at Nationwide, we plan to finish on top!"



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Inbound Telemarketing

Lanette Carpenter

CARPENTER'S NEW SEMINARS MAKE A BIG IMPACT IN MESQUITE

Lanette Carpenter's new seminars on inbound telemarketing have proven to be extremely effective already. Mesquite's Phil Essex has taken down 3 deals since the course. "I'm concentrating now on getting as much information as possible before they ever get to the location. In fact, I'm practically doing the entire Homefinder Interview over the phone. This allows me to be better prepared for their arrival, plus I am able to establish a rapport without actually meeting the customer."

The commitment to training in this company is extraordinary, and I am very proud and pleased to be back with such a great group of professionals.

Every month, I'm going to cover a section out of the new telemarketing book. If you haven't received your telemarketing book, ask your location's training coordinator to call Helena Jackson at (214)230-1983 and request a set for your location.

The Secrets of Inbound Tele- *marketing*

Secret #1 - The Advertising

Searching the paper for a manufactured home is probably not on most people's top 10 list of fun things to do. Wo why do our potential customers choose to put themselves through such an unpleasant ordeal? They are

looking for a deal. To most people, these days a "Real Deal" is hard to find. Since we are bombarded with sales every day, people are looking for other avenues to uncover bargains. People have turned to digging in the paper to uncover that once-in-a-lifetime deal.

That is why line ads are so effective. Line ads that deal with a situation that someone can take advantage of are generally the most effective ads. Example:

"Divorced, must sell '95 16x80" or "Must sell, custom ordered Oak Creed Doublewide - came in with wrong colored carpet." These ads are simple and yet very effective. Why? They scream "we have a situation here that you can take advantage of!" The

customer gets to capitalize off of someone else's misfortune or mistake and that leads them to believe that a "Real Deal" is available.

Avoid the Bad Credit Ads!

One of the pitfalls in advertising is using an ad that pulls in bad credit. Of course these ads will get the phone to ring off the hook, but so what? The return on investment for these ads is very minimal and they cause everyone to have very negative feelings about answering line ads.

So to summarize, in order to have a successful telemarketing program on your sales center, the ads you place should target viable prospects. Also remember, that these consumers are looking for a real life situation where they have the advantage.



**Smart, Good
Looking and Tal-**
ented! The Class of June, 1995 shows off their pearly whites during the week-end dinner. A very impressive group, with high test scores and energy to spare, the class of 1995 is sure to excel in the coming fiscal year!



President's Club Monthly

BURLESON **STAR** NOTES

Lock and Load

AHS - Burleson is providing yet another weapon for your arsenal that will enable you to blow the competition out of the water. It's our newest entry in the Lifestyle series, the model 750. This enchanting 3-bedroom home will come with the core construction that has made AHS-Burleson synonymous with quality. Combining the popular price points of the Lifestyle series with the newly incorporated "Packaged Option Pricing", you won't fail with the new model 750!

How We Can Serve

You

AHS- Burleson is keenly aware of the frustrations sometimes associated when interfacing with service. We now have on board **Cheryl Walker**, our new service coordinator. She has an extensive background in service and customer satisfaction and it is her mission to provide your centers with more efficient and expedient service. Along with this new addition to our work force, we will be scheduling training seminars for set-ups. This training will provide your contractors with valuable information that will save time, lower costs and

assure customer satisfaction.

Off Line and On Time

AHS-Burleson is currently implementing a new approach to the tape and texture process. We will be conducting an off-line tape and texture application to randomly selected models that will allow us to give the application more time to set and dry. This will provide you a home that will encounter less cracks during transit, and will be a faster set-up due to less texture requirements normally needed for stress cracks. All of this

will result in a home that will arrive a few days later but much crisper and any time delay will be made up for during set-up.

Survival of the Fittest

Congratulations to all of those who successfully survived the annual company outting. To those who are interested, our Production Manager, **Brian Grady**, will offer (for a nominal fee) dance lessons, teaching moves similar to those displayed at our event.

August Training

Live Large, You Mammajammass

DATE	START TIME	DAYS	LOCATION	COURSE #	SUBJECT	TYPE	INSTRUCTOR
Aug. 15 - Aug 16	9:00 AM	1 each	Lancaster Training Facility	304	Feature Benefits, Trial Closes (same material repeated 2nd day)	Sales	G. Schwepfinger
Aug. 17 - Aug 18	9:00 AM	1 each	Tyler, TX Sheraton Hotel	322	Handling Objections (same material repeated 2nd day)	Sales	G. Schwepfinger
Aug. 22nd	8:00 AM and 1:00 PM	1/2 each	Corpus Christi Travelodge - Airport	365/366	Handling Objections	Sales	F. Carr
Aug. 23rd	8:00 AM and 1:00 PM	1/2 each	Houston, TX Holiday Inn at Hobby Airport	357/358	Identifying Behavior Styles	Sales	F. Carr
Aug. 24th	8:00 AM and 1:00 PM	1/2 each	Conroe, TX Holiday Inn	366/371	Closing the Sale, Finding your selling styles	Sales	F. Carr

President's Club Monthly

Phase 3 - A How to Approach

Dwayne Teeter

8 Megabytes of Pure Power

PAPERWORK PROGRAM IMPROVEMENTS IN VERSION 3.0

- 1) New "Procedures for Site Improvement Payment" Form
- 2) New and Improved Credit Life Waiver
- 3) Revamped Security (Bank-America) Paperwork w/ 2 new forms
- 4) Expanded Sales File Checklist
- 5) Tape & Texture Disclaimer in Doublewide Paperwork
- 6) Arbitration Agreement
- 7) Salesperson Numbers Added to Database and Paperwork Program
- 8) Amateur Artist's Rendering of Michelangelo's Statue of David, w/ Politically Correct Placed Fig Leaf, to be signed and notarized by all parties for no good reason
- 9) New Park Tenancy Agreement for Ford

What will the service program do for you? If used properly, it will painlessly organize your pending work, prioritize outstanding requests, automate the ordering and receiving of parts by manufacturer, create a number of important reports, build service histories and automatically fill-out your Factory Service and Material Authorization forms. In short, it will save you *time* and *anguish*, which will free you to concentrate on sales and make more money. However, a few basic principles must be understood before the program can be used properly.

The way the program is organized is best explained with the following examples (which are probably similar to the way service is done on your location):

- 1) Imagine a stack of forms labeled "Service Requests" that sits on your service manager's desk. Every time a customer calls in to register a problem, someone who is authorized to do so fills out this request, detailing each problem. Upon completion, these "Requests" are placed in a folder labeled "Requested."
- 2) The next morning, your service manager starts the day by looking in this folder marked "Requested," takes a look at each request, determines which parts are needed to perform this service, estimates the amount of money it will take to perform it, and sends the Factory Service and Material Authorization form (*automatically filled out*) to the proper manufacturer. Depending on whether he needs approval or parts from this manufacturer before he can schedule this service, he then either places this request in a folder marked "Parts or Approval Needed" or, if it is ready to be performed, in one marked "Scheduled."
- 3) As homes are about to be shipped from a plant, the Service Manager can send them lists of all parts that are to be received. "Make Sure that Mr. Johnson's roll of 5 lb carpet is in that Model 699!"
- 4) As service is performed, it is then placed in a folder marked either "Complete", where it becomes historical information, or in one marked "Partially

Hi, I'm the Tracker Service Manager! I quit my job in the Company Store and now you'll see my weathered, ugly Joe Piscopo lookin' face all over Tracker, ver 3.0!

Forget Windows 95, Here's the Real Upgrade You've Been Waiting For! American Homestar Tracker, Ver. 3.0

"Just as Late and Twice as Buggy"

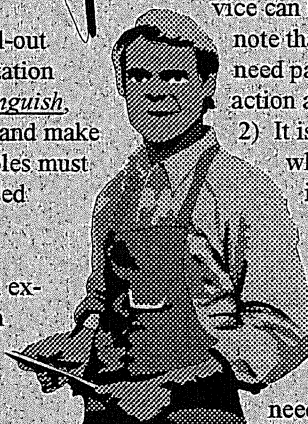
Complete," where it is then rescheduled so the balance of the work can be performed.

It's that easy! As a General Manager or Service Manager, the report features of Tracker will always allow you to know exactly where you stand...

- 1) Each Monday morning, a list of scheduled service can be pulled for that week. You may note that two of the items to be run still need parts or approval, so you can take action accordingly.
- 2) It is Thursday and you want to know where you stand on service invoicing. Pull up each of the completed service calls for that week, and view the corresponding invoices at the click of a button.
- 3) Your 694 is shipping today from Lancaster, and you have four different customers who are needing parts from that plant, within

- seconds you can have a list of all unreceived parts sitting on Lancaster's fax machine.
- 4) You receive a call from an angry customer, saying their service needs have not been attended to properly. With two clicks of a mouse button, you see a list of all service requests ever taken from that customer, and where you stand on each one.
- 5) You are a G.M., and your Service Manager quits Nationwide to study Transcendental Meditation with the **Maharishi Mahesh Yogi**. Tracker's detailed comment section for each customer allows you to have an understanding of the dialog that has taken place between the location and customer.
- 6) After 72 grueling holes of golf over a 96 hour span, you sit down in your office on Highway 288, and pull up a list of all service requests that have been made in the last four days. You act accordingly by poppin' open a cold one.

The best managers are able to walk the thin line between completely delegating all important functions and being personally involved in everything that goes on their location. Tracker allows for a General Manager to always know where he stands on service, without having to be personally involved with every request, parts order or service call.



The Tip of the Iceberg... Just a Few of the Improvements in American Homestar Tracker, Ver. 3.0

1. Improved "Search" and "Goto" Features added to Prospect, Purchase Order and Invoicing Programs
2. Password Protection added to Prospect Program
3. Invoices and P.O.'s streamlined to fit onto one screen
4. Input Homogeneous throughout - Never type slashes for Dates, never type a salespersons or company's name!
5. Many New Follow-Up Letters added, letter generation screen more functional, powerful
6. P.O. Program now collects and Retrieves Company Names - Type them once and forget it!
7. ChargeTo Field now a line item in P.O.'s and Invoices, allowing for more accurate costing
8. A Salesperson's Inventory Sheet has been added, listing Model Value Guide Price Instead of Invoice Cost
9. Prospect Database now checks for duplicate prospects upon request.
10. 2 Follow-up Letters now available from "Add a Prospect" screen
11. Ability to Delete Advertisers added to Database Management
12. Virtually All Reports Sent to Screen on Request, Saving Paper and Retrieval Time
13. Customer Listing Feature (in the form of "mini-call back sheets) added to Prospect Database
14. New "Lanette Carpenter Phone-Up Report" add to Prospect Database
15. New and Improved "Edit Home Information" Screen added to Inventory Program

Top Tracker Tips

Good for Any Version!

The following is a list of special hints that may help you process information more effectively with American Homestar Tracker.

- 1) Use the [Escape] key to undo any

changes to a record. For instance, you're updating a prospect's information, you've clicked down to the comment section and typed in the new info, accidentally replacing everything that was there! Poop! Never fear, simply clicking the [Escape] button returns the data to its previous state.

G.M.'s - Are You Ready?

Training and System Requirements

With regards to training, it is important that those new users of the system prepare for the new version by brushing up on their mouse skills. Playing "Solitaire" (really!) and running the mouse tutorial built into your computer are two ways to do this. Also, a working knowledge of the Microsoft Windows operating environment is essential and is best developed with the tutelage of your office manager or by running the windows tutorial built into your system.

More information than ever will be organized using Tracker, Ver. 3.0, and for that reason, more access to the system is necessary. A minimum of two computers, three on the higher volume locations, is needed for Tracker to operate effectively. If you are planning on purchasing a new computer or installing a network, it is **REQUIRED** that you discuss the purchases with Dwayne Teeter beforehand, to ensure compatibility with future projects.

If you have any doubts as to your location's preparedness for this version, please call Dwayne at (512)320-9035 and discuss your situation. Or if you just feel like talking, feel like you need a friend, or want your tarot cards read by a professional, please feel free to give him a ring.

- 2) **The [F2] Key** - If you have moved to the comment section of a record, and want to move the cursor to the end of the comment without using your mouse, simply push the [F2] key (on the top row of your keyboard), and, voila, you are there!

- 3) **The [Alt] Key** - If you are in a screen, and are looking at a number of buttons, each with a label that has one letter underlined, pressing the [Alt] key in conjunction with the underlined letter will execute the function of that button.

- 4) **Rebooting** - Remember, if you ever have a problem with your Tracker program or the computer in general, always exit windows, reboot your computer, and then see if the problem persists. If it does, start praying.

President's Club Monthly

Roadmasters - FY 1995

Chuck Ladd

Chuck Ladd is Vice President of Nationwide Housing Systems and Co-Founder of Roadmasters, the transportation division of American Homestar Corporation.

A Record Year!

Roadmasters achieved record sales in fiscal year 95 with over ten million recorded in total revenue. May brought the first million dollar month for the company. Sales were up over 40% from fiscal 94 and profits increased by 44% before a deregulation extraordinary writeoff. All in

all, it was an absolutely super year!

Expanding Our Horizons

According to **Gene Huff**, Vice-President of Operations, increase sales were due to an expanded market (Nebraska, Missouri and Mississippi) and to increased production of homes in the Southwest. Mr. Huff further reports that the Roadmasters fleet of trucks has increased from 94 in 1994 to

140 trucks at year end of 1995. Gene projects continued increases in fiscal 1996 and "guarantees" at least six million dollar months this year!!



Many Reasons for Our Success

Larry Moran, President of the company, stated, "much of our success is support given us by the Nationwide sales centers and the American Homestar production facili-

ties. It is our belief that our growth will continue to parallel the growth of American Homestar. A second very important factor in our growth relates to the quality of the contractors. They are simply the best group of drivers in the business. We are very proud to have them work with Roadmasters."

A Big "Thank You"

Moran continued, "I want to express our appreciation to the Nationwide and American Homestar sales force for all the business laster year. Can you do better in 1996?"

Roadmaster's Announces Newest Diamond Club Members

by Chuck Ladd

Roadmasters had ten contractors achieve Diamond Club status in fiscal 1995. These men all exceeded 50,000 loaded miles last year with the Top Contractor recording over 71,000 loaded miles. Way to go, **Jeff Shults** - You're Number One!

Terminal Agents Excel

Road masters terminal agents all had outstanding years. Every agent exceeded projections and all are to be congratulated. The

competition for the top agent and Diamond Club status was stiff but by late winter everyone knew who was going to wind up on top. **Ron White**, from Waco, Texas was the number one producer for fiscal 1995. Ron's terminal created in excess of two and one-quarter million in sales last year. Way to go, Ron!!

Diamond Club members will receive various awards throughout the year as well as a four day trip to Cancun, Mexico. Our annual awards trip will be taken in late September. To be assured that the trip will be a success, **Larry Moran** and V.P. **Chuck Ladd** will go along to handle any problems that may arise.

Top 10 Contractors

1. Jeff Shults
2. Howard Hull*
3. Jeff Gordon
4. Darrin Jackson
5. Royce Cogburn
6. Carroll Richardson
7. John Chambers
8. Johnny Triplett *
9. Roger Crain
10. Robert Randolph

*Represents 2nd Year Members