

PRESIDENT'S CLUB QUARTERLY

Newsletter for Retail Division of American Homestar

4th Quarter '00 • Vol. 2, Issue 4

Congratulations President's Club 2000 Trip Winners!

General Managers

Name	SC#	Points
Tim Foster	17	2344
Brandon Stanley	45	1174
Trey Webb	93	957.6
Dave Schwartz	43	644
Rebecca Ashley	57	643.2
Dave Humphreys	64	640
Tom Sanders	15	628.36
Rick Vaughan	58	624
Jimmy Jones	37	587
Leon Dooley	11	556
Jerry Hughes	52	551
Art Carreon	42	550

Salespeople

Name	SC#	Points
Robert Russo	17	1476.15
Mario Giraldo	17	1249.59
Bridgett Burnett	31	1231.35
Charles Weinacht	93	1183.25
Vicki Hayward	58	1111.19
Charles Jerger	51	1034.46
Jimmy Whatley	11	1030.62
Jo McBride	59	978.1
Chad Lake	17	970.9
Donald Derouchie	97	900.67

Brenda Hodges	64	902.02
Vincent Barbour	9	832.28
Ron Elliott	53	782.28

Business Managers

Name	SC#	Points
Dave Fortriede	59	731
Christine Baker	51	544

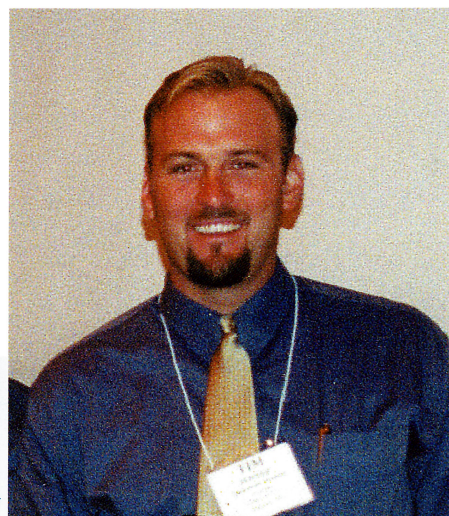
Office Managers

Name	SC#	Points
Dottie Moore	51	1132
Betty Haney	59	912
Cindy Garcia	17	727
Sherri Halbert	45	725



2000
PRESIDENT'S CLUB
cruisin' to paradise

#1 GM Tim Foster receives the coveted gold Rolex for surpassing the 1 million dollar pre-tax profit mark in Fiscal 2000.



National Retail Planning Meeting Hosted

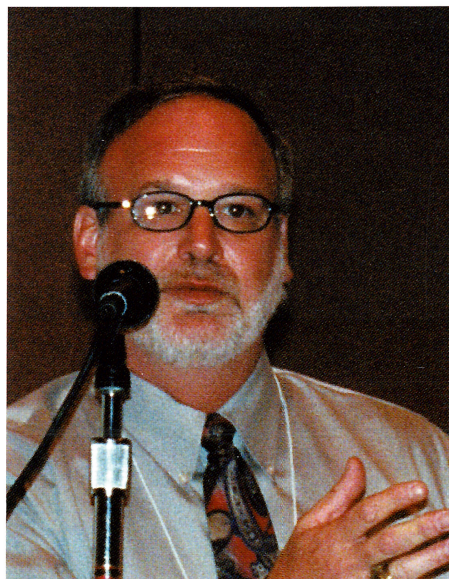
All Retail Division Senior Management gathered July 11 and 12th at the South Shore Harbor Hotel for a Retail Planning Conference. The objective of the meeting was to provide Division Presidents, Regional Vice Presidents and Controllers guidelines for developing a business plan for each company sales center.

As part of the Conference Buck Teeter, Chairman and Chief Operating Officer for the Retail Division of the Company and Craig Reynolds, Chief Financial Officer reviewed the step-by-step process required to build a business plan. Lad Dawson, President and Chief Executive Officer of American Homestar joined day two of the conference and along with Buck Teeter and Craig Reynolds, brought attendees up-to-date on overall industry conditions.

The fiscal year 2001 Business Plan is built on the premises that budgets would be most accurate and focused if accomplished from a bottoms-up perspective. The Conference was the first step in this process for Nationwide Housing Systems, HomeMax and first Value Homes.

The Company's priorities, which were clearly outlined by senior management at the Conference included, to make every business unit profitable with a positive cash flow, to maintain the maximum number of retail outlets, to increase asset efficiency and to preserve and build liquidity. These priorities, which have been the Company's strategy for the past two quarters, have already resulted in substantial improvements in these key areas.

Continued on page 2.



CFO Craig Reynolds teaches the finer points of business planning at the recent retail management meeting.

The next step in the planning process calls for each sales center General Manager to work with their Regional Manager and Division President to build a plan for their sales center. Part of the business plan will include a written marketing plan to achieve the projected results. A set of "best practices" were developed at the Conference for use at the sales center level so sales and operating objectives could be met.

As each sales center plan is completed it will be consolidated with the Region, Division and ultimately the Company as a whole to build the fiscal year 2001 Business Plan. That will guide us in the new fiscal year.

E-Learning Update

By Lanette Carpenter

On June 1st., we rolled out the Beta (Test) version of our first E-Learning course, Telemarketing. We selected eight sales centers across the country for this Pilot Project. As soon as we have made the necessary fixes and improvements, we will have this course available to all our Sales Centers.

Below are comments concerning the Telemarketing E-Learning course from one of our eight pilot locations.

"The Telemarketing course is a big success, and we anxiously await the additional courses. The visual and audio effects really add to the effectiveness of the program. Also, my people say that the tutorials are useful and easy to understand.

The information that is covered is thorough and covers all the points of the Best Practices telemarketing module. I personally feel that the program is very useful and will give my new Salespeople a very good impression of the professionalism and stability of our company and ultimately add to their longevity with our company. It will also be an excellent tool for me to use as a refresher for my veteran salespeople."

Brandon Stanley
General Manager #45

We expect to start working on our next E-Learning course in August. We'll keep you updated.

Repo Remarketing Revamped

Remarketing of 21st Century Mortgage repossessions took on an all-new look with the recent introduction of improved retail financing, selling procedures and tracking systems. The new and improved program is part of a joint effort by American Homestar and 21st Century, it's joint venture partner, to control repossession losses and proactively manage repossession inventories.

At a joint meeting of American Homestar and 21st Century senior management in early July, the new program was announced with the clear message that repossession loss reduction is everyone's job. Larry Wilkinson, Nationwide Housing Systems Vice President of Construction will take on the additional responsibility of managing the repossession remarketing program for the retail division. Robert Queen will oversee the program for 21st Century.

Program highlights include a retail financing plan with \$500 down on singles and \$1,000 down on multi-sections and the same financing rates as new homebuyers. Improved reporting will assure that 21st Century Mortgage provides retail selling prices and status on all repossessions available for sale within a region. Under the new program all repossessions are treated the same whether they are full recourse repurchase or consigned homes.

Other highlights include a great sales compensation program coupled with the fact that repossession sales are "plus" business and represent sales to homebuyers that typically have marginal credit.

New Aged Inventory Bonus Program

June 1 - August 29, 2000

Win another trip for two to Cabo, Mexico for four days and three nights by selling Aged Inventory! Points for the trip are accrued by selling "non-company" product, buybacks and inventory that is aged 19mos or older. Bonus money is also awarded for selling these homes.

For a copy of the program, please call Laurie Lowery at 281-334-9730 or e-mail to laurie@hstr.com.

Partners In Customer Care Orientation Announced

The Customer Satisfaction Index (CSI) has reached record levels for both manufacturing and retailing. The CSI for the American Homestar Manufacturing Centers has reached an all time high of over 90%. Retail CSI results are up over 20 percentage points from last year. These results are gratifying and set new standards as we continue to work to develop and provide world-class products and customer service.

The homebuyer closing process; delivery, installation and customer service are an area of great opportunity for improving customer satisfaction and ultimately increasing referrals. Our new Partners in Customer Care program is designed to address these areas and bring the company to the next level in Customer Satisfaction.

The new program will provide greater value for customers through a more seamless experience. It is designed to build bridges of cooperation and communication throughout the entire experience. When we function well as a team, our customers enjoy an experience superior to the competition. Partners in Customer Care helps us each understand our responsibility to the overall team, how to handle customers, and what to do when things don't go as expected.

Partners in Customer Care is how American Homestar plans to handle closing, installation, and after sales care with every homebuyer. To assure the success of the program, it is important that all manufacturing and retailing employee associates as well as installation and service contractors participate in the orientation program.

Over the next several months, Partners in Customer Care seminars will be held in 70 locations across the country. This 4 hour orientation seminar will prepare each of us and our transport, installation, and service contractors to participate in this new initiative. Within 90 days of the seminar, the Partners in Customer Care program will be officially launched in your area. One hundred percent participation is critical as American Homestar will follow this plan nationwide. Watch the mail for your invitation to an introductory seminar near you. Contact csi@hstr.com with questions or visit the American Homestar Back Room Intranet web site.

"You Are the Trainer" General Manager Workshops

By Lanette Carpenter

On June 7th, we conducted our first "You Are the Trainer" General Manager's workshop. The objective of this workshop is to teach our managers how to train their salespeople.

Most managers have never had formal training on how to teach their people the skills they need to make it. So, in most cases, managers teach by telling. They tell and tell and then they think to themselves, "I don't know why they aren't getting it. I've told them and told them how to do it. They just don't get it." Well we know the "Teaching by Telling" approach doesn't work. So we are training the managers on an approach that has been proven to be the best way for an adult to learn. We call it the "Critical Path of Training." It is a four-part model where the telling is just a fourth of the equation. The four parts of the model are: Tell them what, why and how to do it; Show them how to do it; Watch them try to do it; and then Coach them on what they are doing right and more importantly, what they need to do to improve.

In order to maximize this training experience, each workshop is limited to six General Managers, their RVP, and myself. The GM's have been pre-assigned a Module or Course taken from the Best Practices Manager's Guide. Each GM teaches their assigned module to the rest of the class.

The premise of the class is that the GM is training new salespeople. The other GM's, the RVP and myself play the part of these new salespeople. This gives us an opportunity to put ourselves in the new salesperson's shoes.

At the end of each module, we have a discussion about what went well, and what the new GM/Trainer needs to do to improve their approach to training.

These workshops are intense. We are not there to play cheerleader and say, "Way to go - Good Job." We are there to give coaching that will help improve the General Managers training performance.

This has been an incredibly successful series of workshops, and we are starting to see positive results. So far, every RVP that has participated has committed to continuing these workshops on a regular basis.

Shipp Salutes Region 17

RVP Carrie Shipp would like to recognize Lot #24 Tracker Queen Elaine Ford. She is rated #1 in the Nation with the Listener Group and with Region #17. Elaine is responsible for entering and managing the Tracker for all the sales reps at Lot #24. Thank you Elaine...couldn't do without you!!

Susan Mathews from Lot #58 Tulsa NW has recovered from throat/thyroid surgery. Susan has been suffering for a long time and we're glad she came thru her five hour surgery safely. By the way, the day before surgery she was planting the entire front yard of the NW location...nothing like working off that stress. Thanks Susan! We all love ya and we're glad you're coming back.

HR News

Ann Armintor Promotion:

Don Robison is very pleased to announce that effective July 1, 2000 Ann Armintor was promoted to the new position of Employee Benefits Supervisor. Ann's additional responsibility's, among other functions, will also include conducting periodic benefit surveys, compilation and preparation of the data used for the annual 401(K) compliance test, and coordinating /conducting local and national 401(K) enrollment meetings.

401(K) Enhancements:

Vesting Schedule - Employee's become 100% vested in the company's matching contribution after completing four (4) years employment with the company compared to the previous requirement of completing six (6) years employment.

Loans - Participants in the 401(K) plan can apply for loans in the amount of \$50,000 "or" 50% of the participants vested account balance, which ever is less. The minimum loan amount is \$1,000.00.

Coming Soon - Investment Options will increase from seven (7) choices to eleven (11). The four additional choices will be outside the Principal family of investment choices.

Top 10 Ways to Get High CSI Results

1. Sell the customer what they want
2. Sell them what they can afford
3. Set the right expectations at closing
4. Clarify everything in writing
5. Make ready the home before the customer gets the keys
6. Never place the customer between the factory and retailer
7. Under-promise/over-deliver
8. Meet all commitments on schedule or ahead of time
9. Be responsive to all communication
10. The customer is not always right but they are the customer

Special Thanks!

The President's Club Quarterly would like to thank this issue's contributors:

Ronnie Richards
Lanette Carpenter
Robin Pate
Carrie Shipp
Don Robison
Vicki Hayward
Jim Brand

Top 25 New Unit Sales Centers March, April & May

SC#	Location	GM	Units
17	Houston, TX	Tim Foster	43
51	Lancaster, TX	Charles Jerger	31
48	Ft. Worth, TX (OCV)	Robert Farris	28
96	Lumberton, TX	Jimmy Fannett	25
5	Burlington, NC	Jay Johnson	24
52	Cedar Park, TX	Jerry Hughes	24
42	El Paso, TX	Art Carreon	22
45	Burleson, TX	Brandon Stanley	21
64	Spring, TX	Dave Humphreys	21
166	Andrews, NC	Rob West	21
58	Tulsa, OK	Rick Vaughan	20
95	Donna, TX	Fernando Romo	20
97	Austin, TX (OCV)	Donald Derouchie	19
3	Durham, NC	Rob Sauls, Jr.	18
15	New Iberia, LA	Tom Sanders	18
33	Ft. Worth, TX (OCV)	Kendall Kitching	18
55	DeSoto, TX	Mike Johnson	18
165	Sumter, SC	Roy Smith	18
11	Athens, TX	Leon Dooley	17
43	Jersey Village, TX	Ron Allison	17
93	Pflugerville, TX	Charles Weinacht	17
19	Denton, TX (OCV)	James Montoya	16
78	Denton, TX	Robby Golden	16
167	Fletcher, NC	Ernie Davis	16
164	Ashville, NC	John Alegria	15

Top 25 Payable Gross Sales Centers March, April & May

SC#	Location	GM	PG
17	Houston, TX	Tim Foster	\$407,866
51	Lancaster, TX	Charles Jerger	\$285,834
5	Burlington, NC	Jay Johnson	\$267,081
45	Burleson, TX	Brandon Stanley	\$232,228
48	Ft. Worth, TX (OCV)	Robert Farris	\$188,283
167	Fletcher, NC	Ernie Davis	\$185,137
64	Spring, TX	Dave Humphreys	\$183,854
97	Austin, TX (OCV)	Donald Derouchie	\$176,726
165	Sumter, SC	Roy Smith	\$172,074
95	Donna, TX	Fernando Romo	\$164,596
166	Andrews, NC	Rob West	\$162,436
96	Lumberton, TX	Jimmy Fannett	\$160,362
93	Pflugerville, TX	Charles Weinacht	\$155,832
24	Granbury, TX	Charlie Pahira	\$147,758
43	Jersey Village, TX	Ron Allison	\$147,627
33	Ft. Worth, TX (OCV)	Kendall Kitching	\$144,939
31	Colorado Springs, CO	Ron Burnett, Jr.	\$144,432
3	Durham, NC	Rob Sauls, Jr.	\$144,101
37	Ft. Collins, CO	Jimmy Jones	\$143,179
52	Cedar Park, TX	Jerry Hughes	\$140,138
58	Tulsa, OK	Rick Vaughan	\$135,425
11	Athens, TX	Leon Dooley	\$135,351
164	Asheville, NC	John Alegria	\$131,827
55	DeSoto, TX	Mike Johnson	\$131,587
15	New Iberia, LA	Tom Sanders	\$123,296

Focused Internet Marketing Works

Prospects visiting your web site and requesting information are typically the "Owl/Lamb" type personality. Read this comment which was received on our web site.

"We are looking for information regarding the options available and pricing with out being pressured into talking about what we are looking for by a salesman. We have had some bad experiences with salespeople in the past and we want to buy, but don't want to be pressured to decide while we are looking, we prefer to make educated decisions by reviewing literature and asking about the details later."

Recently one of our top GM's was quizzed about how they were doing with the Internet leads they were receiving. He responded, "I'm not sure how many we are selling off our web leads. I have the Office Manager print the leads off and I hand them over to Bob. He calls them and tries to get them to the sales center so we can get them in a home. I do know we've gotten at least four really big land/home deals closing this month that came off the Internet." Can you imagine how many sales he would be closing if he had a focused Internet marketing program?

Regional Vice President Ron Hayes is developing just such a program. It involves handing off all of the Internet leads to one designated web savvy person that has access to the Internet. This person communicates with the e-prospect via the Internet in his role as "Certified Internet Marketing Consultant." At the appropriate time after e-mail rapport is established and any requested information provided, an appointment is set and the prospect is then handed off to another sales person. According to Ron, "we are getting over 100 leads a month in my Region and I just can't keep up with them. I think this system will allow me to track results and greatly improve our sales. This is the way General Motors does it. To get the Certified Internet Marketing Consultant title they require two days of training."

Try this system at your sales center. It should work.

President's Club 2000 Winners

Lot#	Name	Position	Points	Level
17	Tim Foster	GM	2344	Gold
45	Brandon Stanley	GM	1174	Gold
93	Trey Web	GM/RVP	957.6	Gold
43	Dave Schwartz	GM/RVP	644	Gold
57	Rebecca Ashley	GM	643.2	Gold
64	Dave Humphreys	GM	640	Gold
15	Tom Sanders	GM	628.36	Gold
58	Rick Vaughan	GM	624	Gold
37	Jimmy Jones	GM/RVP	587	Gold
11	Leon Dooley	GM	556	Gold
52	Jerry Hughes	GM	551	Gold
42	Art Carreon	GM	550	Gold
96	Jimmy Fannett	GM	458	Silver
31	Ron Burnett, Jr.	GM	453	Silver
17	Robert Russo	Sales	1476.15	Gold
17	Mario Giraldo	Sales	1249.59	Gold
31	Bridgett Burnett	Sales	1231.35	Gold
93	Charles Weinacht	Sales	1183.25	Gold
58	Vicki Hayward	Sales	1111.19	Gold
51	Charles Jerger	Sales	1034.46	Gold
11	Jimmy Whatley	Sales	11030.6	Gold
59	Jo McBride	Sales	978.1	Gold
17	Chad Lake	Sales	970.9	Gold
64	Brenda Hodges	Sales	902.02	Gold
97	Donald Derouchie	Sales	900.67	Gold
9	Vincent Barbour	Sales	832.28	Gold
62	Ron Elliott	Sales	782.28	Gold
45	Loraine Baldwin	Sales	768.55	Silver
33	Lisa DuPre	Sales	735.21	Silver
45	Jonnell Christian	Sales	704.5	Silver
38	Scott Weilacher	Sales	703.28	Silver
48	Tom Pritchett	Sales	699.02	Silver
57	Nicole Dickens	Sales	688.07	Silver
3	Sergio Posada	Sales	682.9	Silver
55	Tammy Arledge	Sales	682.85	Silver
26	Rowan Wiesner	Sales	673.51	Bronze
29	Richard Eudaly	Sales	643.35	Bronze
51	Shannon Munns	Sales	628.93	Bronze
28	Luis Pena	Sales	625.15	Bronze
31	Gregory Smith	Sales	614.23	Bronze
17	Charles Bridy	Sales	613.44	Bronze
17	Dale Bostick	Sales	610.06	Bronze
170	Ronald Klamer	Sales	608.38	Bronze
59	Dave Fortriede	BM/GM	731	Gold
51	Christine Baker	BM	544	Gold
17	Bob Russo	BM	498	Silver
42	Ronnie Alvidrez	BM	462	Silver
603	Andrea Pollman	BM	312	Bronze
51	Dottie Moore	OM	1132	Gold
59	Betty Haney	OM	912	Gold
17	Cindy Garcia	OM	727	Gold
45	Sherri Halbert	OM	725	Gold
26	Gracie Sandoval	OM	636	Silver
60	Kim Stafford	OM	558	Bronze

Presidents Club 2001

Awards:	Gold Level	Gold Presidents Club Watch
	Silver Level	Presidents Club Clock Plaque
	Bronze Level	Presidents Club Certificate

PC Trip: All Gold Level Regional Vice Presidents
Top 20 Gold General Managers
Top 20 Gold Salespeople
Top 5 Gold Office Managers
#1 Gold Business Manager

Eligibility: Program runs June 1, 2000 through May 31, 2001
Points prorated for hire dates between 6/1/2000 and 8/31/2000
1 Trip per family
Trip is not transferable
Must be employed at time of trip
Points are not transferable between programs

Regional Vice Presidents Program: TBA

General Managers Program: Gold = 1150 Silver = 1000 Bronze = 850
3 pts. Per \$1,000 Net (Pre-tax, After Bonus) Profit
5 pts. Per New Home Unit Sold
5 pts. Per 21st Buyback Sold
3 pts. Per 21st Repo Sold
*ROLEX WATCH awarded for Pre-Tax Profit (pre-bonus) = \$1,000,000 (one per person)

Salespersons Program:	Gold = 1000	Silver = 900	Bronze = 800
5 pts. Per New Home Unit Sold			
3 pts. Per \$1,000 Payable Gross			
10 pts. Per Aged Inventory Home Sold over 19 mos Old			
5 pts. Per Aged Inventory Home Sold 12-18 mos Old			
10 pts. Per 21st Buyback			
5 pts. Per 21st Century Repo			

Office Manager Program:	Gold = 750	Silver = 650	Bronze = 550
Insurance Penetration Points:			
PD 85%+ = 20 pts.	CL 60%+ = 40 pts.	ES 60%+ = 20 pts.	
	50%+ = 30 pts.	50% + = 10 pts.	
	40%+ = 20 pts.		

10 pts. Per Deal in Home Office by 10th
5 pts. Per Deal in Home Office by 20th
Bonus Money:
\$25 Per Deal in Home Office by 10th
\$15 Per Deal in Home Office by 20th

Business Manager Program: Gold Level Only = #1 Highest Insurance Penetration Average
Penetration Average = Add final year-end penetration % for PD, CL & ES. Divide by 3.

Service Manager Program: TBA

Top 28 New Unit Salespeople (7+ New Homes) March, April & May

SC#	Location	Salesperson	Units
169	Greenwood, SC	Andra Smith	15
58	Tulsa, OK	Vicki Hayward	14
97	Austin, TX (OCV)	Donald Derouchie	12.5
21	Burleson, TX	Shaun McCune	11
93	Pflugerville, TX	Charles Weinacht	10.5
11	Athens, TX	Vivian Lowery	9.5
5	Burlington, NC	Kelly Keeney	9
48	Ft. Worth, TX (OCV)	Billy Wayne Wilkerson	9
42	El Paso, TX (NW)	Veronica Alvarado	9
17	Houston, TX	Robert Russo	9
59	Tyler, TX	Jo McBride	8.5
37	Ft. Collins, CO	Robert Jones	8
166	Andrews, NC	Robin West	8
5	Burlington, NC	Ronald Adams	8
17	Houston, TX	Chad Lake	8
164	Asheville, NC	Robert Fitts	7.5
17	Houston, TX	Mario Giraldo	7.5
26	Abilene, TX	Rowan Weisner	7.5
68	Corpus Christi, TX	Gustavo Perez	7.5
31	Colorado Springs, CO	Bridgett Burnett	7
11	Athens, TX	Jimmy Whatley	7
64	Spring, TX	Brenda Hodges	7
55	DeSoto, TX	Tamara Arledge	7
3	Durham, NC	June Stallings	7
60	Mesquite, TX	Michael Mullins	7
19	Denton, TX	Janice Renfro	7
46	El Paso, TX (OCV)	Pablo Salazar	7
15	New Iberia, LA	Robert Malagrie	7

Top 25 Payable Gross Salespeople March, April & May

SC#	Location	Salesperson	PG
169	Greenwood, SC	Andra Smith	144,321
5	Burlington, NC	Kelly Keeney	123,968
31	Colorado Springs, CO	Bridgett Burnett	114,509
97	Austin, TX (OCV)	Donald Derouchie	110,095
93	Pflugerville, TX	Charles Weinacht	109,412
17	Houston, TX	Robert Russo	104,459
37	Ft. Collins, CO	Robert Jones	101,010
58	Tulsa, OK	Vicki Hayward	90,718
166	Andrews, NC	Robin West	76,991
5	Burlington, NC	Ronald Adams	74,395
11	Athens, TX	Vivian Lowery	72,313
95	Donna, TX	Rene Rios	71,966
17	Houston, TX	Chad Lake	70,750
51	Lancaster, TX	Charles Jerger	67,594
167	Fletcher, NC	Robert Chernin	66,175
164	Asheville, NC	Robert Fitts	64,449
167	Fletcher, NC	Jane Conner	64,000
64	Spring, TX	Brenda Hodges	63,947
17	Houston, TX	Mario Giraldo	62,759
21	Burleson, TX	Shaun McCune	62,630
17	Houston, TX	Jesse Staley	62,496
43	Jersey Village, TX	Ron Allison	61,144
59	Tyler, TX	Jo McBride	60,265
55	DeSoto, TX	Tamara Arledge	58,579
11	Athens, TX	Jimmy Whatley	58,478

Aged Inventory Contest Winners Party In Cabo

The following Nationwide salespeople, General Managers and Executive Assistant and Host Robin Pate met in Cabo, Mexico for a four day, three night party! Winners earned the trip by accumulating the most points in the Aged Inventory/Buyback Liquidation Contest that ran from February through May. Although everyone spent most of the trip by the pool or in the water snorkeling, they did take time out to enjoy a group dinner at Pancho's, a local restaurant known for its collection of tequila and close proximity to the Gigglin' Marlin! Needless to say, everyone had a great time!

The following is an e-mail from Mike Collins, GM for our Fletcher, NC store:

*Dear Robin,
A special note of thanks from Donna and myself on a job well done. The trip to Cabo was fantastic, rewarding and greatly needed. Your personal attention to everyone's needs and your attention to detail made the trip a relaxing joy. You did a most professional job, with no short cuts on effort. It's people like you who make the American Homestar stand out and shine brighter.*

General Managers:

Joe Carreon #44
Larry Thomas #77
Rick Crosby #40
Michael Collins #168

Salespeople:

Weldon Bynum #77
Scott Rowden #37
Vivian Lowery #11
Michael Mullins #60
Loraine Baldwin #45
Nicole Dickens #57
Jules Gable #168

*See article in this issue on the current Aged Inventory contest and upcoming trip to Cabo!

Bonuses And Financing Move Aged Inventory

Special sales bonuses, an incentive trip to Cabo San Lucas, Mexico and special low interest retail financing are all being rolled out to help liquidate new homes that have been in inventory over 18 months.

The Aged Inventory sales bonuses and Cabo trip contest are at the center of the program. Aged inventory sales bonuses are paid based on the age of the home. Homes in inventory 19 - 24 months that hit specified minimum profit margins of \$4,500 for multi-sections and \$3,500 for single sections result in a sales bonus of \$750 to the sales person and \$500 to the GM plus 20 Cabo Trip points. Selling a home in inventory over 24 months with a minimum profit margin of \$3,500 and \$2,5000 respectively for multi-sections and single sections, will earn a bonus of \$1,000 for the sales person and \$500 for the GM plus 30 Cabo Trip points. Contest details and rules are available online at the American Homestar Back Room Intranet site.

An important element of the Aged Inventory Liquidation Program is the aged inventory financing plan being offered by 21st Century Mortgage. A rate as low as 8.49% with only 5% down is available on aged inventory. Under the program, 8 points are paid by the selling retailer to achieve an initial customer rate of 9.99%. Up to 6 additional points can be paid by the sales center or the customer to reduce the rate to 8.49%. The program is available on loans for home only, land/home and conforming mortgage loans. Special loan advance limitations apply under the home only program. For program details contact 21st Century or visit the company's Back Room Intranet web site.

Every sales center should have a detailed Aged Inventory Marketing Plan in place. A successful plan calls for all aged inventory homes to be walked by the RVP, GM and sales staff to identify any repairs, touch up or decor required to put the home in tip top condition. The Manufacturing Division has agreed to help bring these homes into "showroom new condition."

The next step is to pre-compute prices and monthly payments on an inventory log and Model Value Guide. The log should include a column for the payment under the old financing program and the payment under the 21st Century Mortgage Aged Inventory Finance Program. These columns should be labeled "Was" for the old payment and "Is" for the new payment.

New Nationwide Management Arrivals and Promotions

Regional Vice Presidents

Victor Hayes	Region 25	North Carolina
Mark Griffen	Region 26	North Carolina
Jim Miles	Region 18	South Texas

General Managers

Tim Sanders	#16	Lake Charles, LA
Albert Tapia	#18	Rosenburg, TX <i>Welcome Back!</i>
Wayne Wallis	#21	Burleson, TX
Bill Hicks	#27	Lorena, TX <i>Welcome Back!</i>
Gary Atkins	#29	Cleburne, TX
Martin Zera	#32	Pine Trace Community, TX
Kendall Kitching	#33	Fort Worth, TX (OCV)
Glenn Von Gilligan	#35	Fort Worth, TX
Ron Allison	#43	Jersey Village, TX
Eric Geffert	#47	Huntsville, TX
Charles Jerger	#51	Lancaster, TX
Doug Youst	#54	Oklahoma City, OK
Craig Johnston	#56	Austin, TX
James Pagitt	#60	Mesquite, TX
Ron Elliott	#62	Springdale, AR
Rhonda Jenkins	#89	Anniston, AL



CEO Lad Dawson, Nationwide President Chuck Carney, Chairman of the Board Buck Teeter and CFO Craig Reynolds present Mary Morton with her 25 year award; a beautiful engraved clock plaque. Thanks for your years of hard work and dedication, Mary!



Executive Assistant Joyce Coniglio is recognized for her 5 years of outstanding service by bosses, Buck Teeter and Craig Reynolds. Congratulations, Joyce!

A New Look For Americanhomestar.com

Americanhomestar.com was recently rolled out as a totally redesigned web site. The new updated site retains many popular features found on the original site while adding a totally new graphic look and a user-friendly navigation system.

The site's unique new design features include the live feeling created by graphic animation on the Home Page and the easy to navigate sections within the site. The animation is designed for fast downloading and requires no special software for viewing. Navigation is designed so information can be quickly located from the Home Page as well as from any page within the site.

Americanhomestar.com is designed to appeal to a wide range of audiences. The site features information about the homes built by the Company, where to find a model home center, loan pre-qualification, employment opportunities, franchise information and a complete section for investors.

Prospective homebuyers will enjoy the sites interactive features. A direct link to any Company or Franchise sales center Web Site is only two mouse clicks from anywhere in the site. This feature allows e-commerce to occur in an environment previously reserved for small item retailers and cataloguers.

A home shopper can come into the site, take a factory tour, view the home installation process, use the loan calculator to compute a home payment, complete an on-line loan application, request an insurance quote, link to the nearest Model Home Center's site, select a floor plan, print out an Internet Special Coupon and request an electronic price quote. All of this without ever visiting the Model Home Center display.

Americanhomestar.com is part of a comprehensive web strategy that includes other sites targeted at narrower audience segments. These sites include the branded Oakcreekvillage.com, the Supersizehome.com promotional site, generic sites at Mobilehome.net and Mfghome.net, as well as manufacturer specific sites at R-Anell.com, Goldmedal.com, and Oak-Creek-Homes.com. New sites under development include FirstValueHomes.com, Homemax.net and Nationwidetour.com.

We Got Mail!

We would like to thank, you Kim for your kindness and your helpfulness since buying our home from your company. We have had what seems like to us a lot of problems and you have been caring and kind. You are a great asset to your company and to be quite honest, it's been a pleasant experience in the purchase of our family's first home purchase. Thanks again, Kim. Sincerely, Brenda and David Schoener (Kim Flippin is an Office Manager at our Oak Creek Village store in Granbury,TX)

*Dear Vicki,
We would like to take this opportunity and time to write a letter of appreciation and commendation for your outstanding assistance. The professional manner displayed in the purchase of our "Horizon" model home was greatly appreciated. We started this endeavor over a year ago and made numerous trips to Oak Creek Village, attempting to cover all bases. You were always cordial and polite, seeming genuinely happy to see us on each and every occasion. We feel confident in the choices we made and think all bases were indeed covered. After purchasing the land we desired, everything started to fall into place. Knowing how particular and hard to please two individuals were about certain things, only someone of your knowledge and integrity could handle such a challenge. A lot of changes, additions, and upgrades were inquired upon and you seemed to always have a solution. In all of our many years, we don't recall of ever having dealt with a more kind, caring, and considerate individual. One can only assume there were times in which it was tiring and taxing for you working with us, taking so much of your valuable time. You always appeared to be available when needed for assistance or questions answered and never wavered in your tireless effort to please. The bottom line is...knowing how to treat people right and how to deal with them. That is an extraordinary asset! Your perseverance was quite admirable, too. Oak Creek Homes has a real jewel in you and we hope they realize that. We just wanted you to know how much you were appreciated and to give our sincerest thanks for a job well done! Come and see us when all is settled in our new home. We love you! Sincerely, Jerry and Ann Swan (Vicki Hayward is a Sales Associate at Oak Creek Village in Tulsa, OK where she finished #5 in the Presidents Club 2000)*

The following customer comment was received through our new web site at www.oakcreekvillage.com. Each of us, as part of the American

Homestar family, played a small part in providing this customer a home and making them happy with their home. In the future if you receive any positive customer comments please forward them to sales@hstr.com.

My husband and I just purchased one of your homes through the Home Store in Russellville, AR. We are thrilled. The home is beautiful. It looks like a picture out of a magazine. I've went through your Web page and what you say is true. I have been under my home and the steel beams and quality construction are there. I just can't tell you how pleased we are. This was our first new home and it was well worth the wait. Thanks again for making a beautiful home just for my family and I.

Tour Our New Homes On-line

American Homstar continued its aggressive Internet strategy today with the launch of it's newest web site dedicated to Nationwide Manufactured Homes. The site, which is accessible at nationwidemanufacturedhomes.com and nationwidetour.com, is designed to strengthen the company's "one-source home source" commitment to homebuyers.

Visitors to the the new interactive site can enjoy the shopping experience online 24 hours a day 7 days a week from the comfort of home. Online home tours, floor plans, financing, insurance, and the ability to link with any Nationwide Manufactured Homes sales center web site, are just a few of the sites features.

Other features include a selection of interior and exterior photography, a section on land and home financing and a section featuring the Magnavox wireless security system, a topic sure to attract the interest of safety conscious homebuyers. In the factory tour and eight point installation section, homebuyers will be able to view how homes are built and installed.

Along with the new site comes user friendly web addresses for each of the Nationwide Manufactured Homes sales centers. The new addresses will all have the same prefix, nationwidetour.com, but will be identified down to the store level by the suffix. For example, the Austin sales centers web site can be reached at www.nationwidetour.com/austin. Tour the new site today and give us your feedback at marketing@hstr.com.



Did You Say Something?

The final part in a series from Lanette Carpenter's "Keys to Effective Listening" class

Key Seven - Expand Your Frame of Reference: When a person is speaking to you, you interpret the meaning of their message by running the message through your frame of reference. Every experience you have ever had, good or bad effects your frame of reference.

The way you interpret the meaning of the message is effected by where you were raised, your mother and father, brothers and sisters, whether you were brought up in a certain religion, your educational background, what language you speak, etc.

Some examples:

Todd only speaks English and Pierre only speaks French. They both have a limited frame of reference when it comes to foreign languages; thus listening to each other is very frustrating. They can not interpret the meaning of the message being sent to them.

Mary is visiting her friend in Connecticut when her friend says, "Let's take our coffee over to the davenport." Mary could not interpret the meaning of the message, because the word davenport was not within her frame of reference. So Mary said, "What's a davenport?" Her friend replied, "Oh, I think you people from the south call it a couch."

A person who works on expanding their frame of reference is really working on understanding what others are trying to communicate.

The bad listener gets in a rut. As they continue to only seek light recreational material, their frame of reference stops growing, and can even start shrinking.

The good listener seeks to expand their frame of reference by attending seminars, studying difficult material and listening to training tapes. They know it is much easier to listen with an expanded frame of reference.

An example of how this can negatively impact a sale:

Bob attended a Sales seminar and came back ready to take on the world. He had stretched his frame of reference and felt alert and more confident. Using the new techniques he had learned, his productivity went way up.

Six weeks passed and Bob went back to his same old behavior. Reading the sports page instead of challenging himself to expand his frame of reference. His productivity dropped like a rock. Coincidence?

Key Eight - Keep An Open Mind: The bad listener reacts to emotional words. The good listener doesn't react emotionally. Instead they try to interpret the meaning of the message from the senders frame of reference.

An example of how this can negatively impact a sale:

Joe lived with his parents in a 14x80 until he graduated from High School. He was going to be getting married soon. So one afternoon he and his

fiancee went out shopping for a singlewide.

Joe had a limited frame of reference concerning Manufactured Housing and had always heard his folks refer to their home as a trailer.

Bill was a new Manufactured Housing Sales Representative. He had never lived in a manufactured home. He was very proud of his industry and became very defensive when anyone referred to his homes as trailers. Trailer was an emotional word for Bill. In his mind if a person referred to a manufactured home as a trailer they were being intentionally disrespectful.

Joe walks into the Sales Center with his fiancee. Bill greets them. Joe says, "We just want to look at your trailers."

Bill immediately becomes irritated and defensive. He responds by says, "We don't have any TRAILERS! Trailers, are what you pull behind your car, we only sell Manufactured Homes."

Joe felt stupid and embarrassed in front of his fiancee. He felt as if he had just been scolded for having called the homes the wrong thing. He wanted to immediately leave but he didn't have the courage too, so he decided he just wouldn't say too much so he won't be made to feel stupid again.

Joe had decided to tune Bill completely out. After all he wasn't going to buy from someone who thought he was stupid. His dad had taught him that if somebody thinks you are stupid they would try to take advantage of you.