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TO: John Colbaruvias

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FROM: ML Calote

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MESSAGE: Arbitration Award

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AMERICAN ARBITRATION ASSOCIATION
DALLAS, TEXAS

ROBERT E. CULL and	\$	
S. JANE CULL	\$	
	\$	
V.	\$	
	\$	
PERRY HOMES, A JOINT VENTURE,	\$	CLAIM NO. 71 195 00341 2
HOME OWNERS MULTIPLE	\$	
EQUITY, INC., d/b/a	\$	
HOME/RWC OF TEXAS and	\$	
WARRANTY UNDERWRITERS	\$	
INSURANCE COMPANY	\$	

AWARD OF ARBITRATOR

ARBITRATOR: Robert C. Prather, Sr.

CLAIMANTS: ROBERT E. CULL and S. JANE CULL
Van L. Shaw, 214-754-7110

RESPONDENTS: PERRY HOMES, A JOINT VENTURE
Mike F. Pipkin, 214-651-4760

HOME OWNERS MULTIPLE EQUITY, INC.,
d/b/a HOME/RWC OF TEXAS
WARRANTY UNDERWRITERS INSURANCE COMPANY
Gary W. Javore, 210-733-6235

Hearing: 09/30, 10/1, 2 & 24 (8:00a.-10:00p.), 2002

A. The undersigned Arbitrator, having been designated in accordance with the arbitration agreement entered into by the above-named parties and, having been duly sworn, after due consideration of the evidence, pleadings, briefs and statements of counsel of the parties, hereby makes the following Award:

1. Claimants, ROBERT E. CULL and S. JANE CULL, shall recover from Respondents, PERRY HOMES, A JOINT VENTURE ("PERRY"), HOME OWNERS MULTIPLE EQUITY, INC., D/B/A HOME/RWC

OF TEXAS ("RWC"), AND WARRANTY UNDERWRITERS INSURANCE COMPANY ("WUIC"), jointly and severally, as follows:

a. The sale of the home located at 810 Doral Drive, Mansfield, Tarrant County, Texas, from PERRY to CULL is hereby rescinded and PERRY is ordered to purchase the home located at 810 Doral Drive, Mansfield, Tarrant County, Texas, and to pay related costs for a purchase price of \$242,759.00, calculated as follows:

(1)	\$233,730.00	Purchase
(2)	\$ 4,323.00	Closing Costs
(3)	\$ 13,246.00	Construction Upgrades
(4)	\$ 20,077.00	Finish/Move-in
(5)	\$ 7,942.00	Perm. Improvement
(6)	\$ 66,729.00	Interest
(7)	\$ 31,505.00	Taxes
(8)	\$ 360.00	HOA
(9)	\$ 4,500.00	Insurance
(10)	\$ 6,347.00	Repair & Maintenance
	\$388,759.00	Subtotal
	<u>-146,000.00</u>	Offset (Rent)
	\$242,759.00	Total

Claimants shall recover from RWC and WUIC, jointly and severally with Perry, the amount of \$3,849.69 as a part of the total amount of (10) above of \$6,347.00 Repairs. Claimants shall recover from all Respondents only a total of \$6,347.00 for item 1.a.(10).

PERRY is to pay all closing costs and expenses, including up to \$500.00 in Claimant's legal fees, if any, associated with the closing of said purchase of said home. Said closing shall take place within sixty (60) days after the date of this Award.

b. S. JANE CULL shall recover from PERRY, RWC and WUIC, jointly and severally, the amount of \$120,000.00 as mental anguish damages.

c. ROBERT E. CULL shall recover from PERRY, RWC and WUIC, jointly and severally, the amount of \$80,000.00 as mental anguish damages.

d. Claimants shall also recover from PERRY, RWC and WUIC, jointly and severally, their reasonable and necessary attorneys' fees of \$110,000.00 for legal services rendered from September 2000 through the hearing of this case, plus

(1) \$ 10,000.00 if an unsuccessful attempt to vacate or resist confirmation of this Award is made, plus

(2) \$ 15,000.00 if there is an unsuccessful appeal by Respondents to the Court of Appeals, plus

(3) \$ 5,000.00 if an unsuccessful Petition for Review by Respondents is made to the Texas Supreme Court, plus

(4) \$ 15,000.00 if a Petition for Review is granted and is unsuccessful.

e. Claimants shall also recover from PERRY, RWC and WUIC, jointly and severally, the sum of:

(1) \$ 30,496.11 for expert fees,

(2) \$ 9,000.00 for litigation costs, and

(3) \$200,000.00 in exemplary, punitive, additional and statutory damages for actual awareness

C. This Award is in full adjudication of all claims submitted to this Arbitrator, and all claims not specifically granted herein are hereby denied.

SIGNED, ORDERED AND AWARDED this 24 day of December, 2002.


ROBERT C. PRATHER, SR.
Arbitrator