

Clyde Gephart  
3856 Tumble Weed Ave.  
Las Vegas, NV 89121

October 6, 2008

RE: Written Arbitration Hearing Testimony Exchange  
Better Business Bureau of Utah – Case No. 22046943

Rebuttal Testimony of Mr. & Mrs. Clyde Gephart

We wish to challenge the assertions and statements of Mr. Dave Higbee's testimony submitted in behalf of DSH Housing Group-West-LLC (Respondent).

We challenge Respondent's implications that we understood what we were signing when they flashed their agreements in front of us, pressuring us for our signature under false pretenses that the sole purpose of their agreements were to "lock in the price" so they could provide construction bids to their finance company. Considering the fact that total costs and financing were all "to be determined", had Respondent disclosed any of the terms and conditions hidden on the back side of their agreements, we surely would not have signed them. To suggest otherwise, is to imply that we, as well as many other complainants (**exhibit a**) are complete fools. Likewise, the lack of our initials on the signature lines of all the back pages of the agreements (**exhibit b**) is overwhelming evidence that Respondent makes a habit out of deliberately concealing the back side of their agreements. The fact that Respondent not only had full knowledge of our land usage and financing requirements, but also the two federal tax liens on our credit report, far in advance of inducing us to sign two of their agreements (**exhibit c**), is compelling and undisputable evidence of just one of the Respondent's deceptive, misleading and fraudulent business practices. Clearly, the verbiage Respondent conceals in small print on the back page of their agreements is worded primarily for the sole benefit of the Respondent to collect and retain consumer deposits.

Considering the number of complaints filed against Respondent and testimony of other victims, it's apparent that Respondent routinely employs a wide variety of deceptive, misleading and high pressure sales schemes, including their unlawful "Preferred Platinum Program" (Utah code 13-11-4 k) to induce consumers full of hope that they can afford to buy homes, that they are "guaranteed" financing (even with poor credit scores) and will "never lose their deposits". Our exhibits including the testimonies of other consumers illustrate a clear pattern of deception.

The Utah Department of Commerce maintains the records of quarterly sales for all manufactured housing dealers (**exhibit d**). It would be interesting to compare the ratio of homes Respondent actually sold, against the number of cumulative complaints filed at the BBB and various consumer protection agencies.

We further challenge all Respondent's assertions concerning the home specification process and the "numerous hours" Respondent claims they spent with us. The truth is, once our deposits and agreements were collected, we didn't exist to them anymore. We called them several times to inquire about the package of home options and contractor's list they claimed to have mailed to us on three separate occasions (after all, under their assumption that we would eventually be denied financing, why should they make an effort?).

With respect to Respondent's claims that "*we* decided to change one home", and they had "submitted changes to the factory in an effort to modify their home" is entirely untrue. The truth is, no home was ever ordered and no changes were ever submitted to their factory! Respondent's own verbiage (**exhibit b, paragraph 2**) reads, "*Buyer agrees to pay 50% of the cash purchase price prior to placing the home order with the factory*". Respondent's waited four weeks to inform us that they were incapable of building the model we selected with the "stretch" options and roof load requirements that they offered to us (only after they learned we had the IRS remove the inaccurate tax liens from our credit reports).

When Respondent emailed the third purchase agreement to us, once again, only the front page was sent. We were told that it was to supersede all prior agreements and they would apply our entire \$5000 deposit to this agreement, which they did. We faxed, emailed and called Respondent to remind them to add our financing contingency to their new agreement. With only nine days remaining to close our loan or lose our earnest money on the land, and once again, unable to contact anyone at Respondent's office, we added the contingency to the agreement, signed and emailed it back to them. The fact that they initialed the agreement in two places plus submitted this agreement as a bid to their mortgage company, indicates that they fully understood and agreed to the fact that we relied on financing to be able to complete the purchase. Respondent claims that they did not accept or sign this agreement, due to the added verbiage. Why then, would they submit such an agreement as their bid to their mortgage company?

Respondent's statement that "claimants decided they no longer wished to pursue the project" is completely untrue. The truth is, their mortgage broker denied us financing after receiving Respondent's construction bids and compared them to the appraisal. Respondent's costs of the home exceeded the appraisal by a

substantial amount. These circumstances beyond our control rendered us powerless to complete the purchase.

We wish to also challenge the Respondent's statement that, "No additional correspondence was received from either Claimant or the BBB" between "18 Dec 07" "until agreement to arbitrate dated 21 Aug. 08". BBB's complaint activity report (**exhibit d**) proves this is just another attempt by Respondent to deceive.

We are not attempting to challenge the fact that we signed their agreements. We did sign them, however, our signatures were obtained under high pressure and deception and without being shown neither the reverse side, nor having any of the items on the back explained to us. With final costs and financing still "to be determined", no one in their right mind would ever sign one of their agreements if they truly understood what they were signing.

It is our desire that a fair, just and reasonable decision will ensure that all consumers of this business are protected.

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Clyde Gephart

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Christine Wallace Gephart