

NOBILITY HOMES INC
Form DEF 14A
February 01, 2019
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 240.14a-12

NOBILITY HOMES, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:

- (2) Aggregate number of securities to which transaction applies:

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

- (4) Proposed maximum aggregate value of transaction:

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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid:

- (2) Form, Schedule or Registration Statement No.:

- (3) Filing Party:

(4) Date Filed:

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NOBILITY HOMES, INC.

Notice and Proxy Statement

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD MARCH 1, 2019

TO THE HOLDERS OF COMMON STOCK:

PLEASE TAKE NOTICE that the annual meeting of the shareholders of NOBILITY HOMES, INC. will be held on Friday, the 1st day of March, 2019, at 10:00 A.M. local time, at our executive offices, 3741 S.W. 7th Street, Ocala, Florida.

The meeting will be held for the following purposes:

- 1 To elect as directors the four nominees named in the attached proxy statement to serve terms expiring at the annual meeting of shareholders to be held in 2020 and until their successors have been elected and qualified.
2. To transact such other business as may properly come before the meeting or any adjournment.

To be sure that your shares will be represented at the meeting, please date, sign and return your proxy, even if you plan to attend in person. A form of proxy and a self-addressed, postage prepaid envelope are enclosed. If you do attend the meeting, you may withdraw your proxy and vote in person.

By Order of the Board of Directors,

Jean Etheredge, Secretary

DATED: February 1, 2019

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NOBILITY HOMES, INC.

PROXY STATEMENT FOR ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD MARCH 1, 2019

This proxy material and the enclosed form of proxy are being sent to the shareholders of Nobility Homes, Inc. on or about February 1, 2019, in connection with the solicitation by our board of directors of proxies to be used at the annual meeting of our shareholders. The meeting will be held at our executive offices, 3741 S.W. 7th Street, Ocala, Florida, at 10:00 A.M. local time, on Friday, March 1, 2019.

If the enclosed form of proxy is executed and returned, you may revoke it at any time if it has not yet been exercised, by delivering a later dated proxy or written notice of revocation to our corporate secretary or by attending the annual meeting and electing to vote in person. The shares represented by the proxy will be voted unless the proxy is received in such form as to render it not votable. The proxy is in ballot form so that you may specifically grant or withhold authority to vote for the election of each director. Our board of directors has designated Terry E. Trexler and Jean Etheredge, and each or either of them, as proxies to vote the shares of common stock solicited on its behalf.

In the election of directors, you may vote **FOR** all or some of the nominees or your vote may be **WITHHELD** with respect to one or more of the nominees. Directors are elected by a plurality of the votes cast at the meeting, which means that the four nominees who receive the highest number of properly executed votes will be elected as directors, even if those nominees do not receive a majority of the votes cast. A properly executed proxy marked **withhold authority** with respect to the election of one or more directors will not be voted with respect to the director or directors indicated, although it will be counted for purposes of determining whether there is a quorum.

Shareholders of record at the close of business on January 28, 2019, the record date for the annual meeting, will be entitled to vote. Each share of common stock is entitled to one vote on any matter to come before the meeting. As of January 28, 2019, we had 3,873,731 shares of common stock outstanding and entitled to vote.

The complete mailing address of our principal executive office is 3741 S.W. 7th Street, Ocala, Florida 34474.

Table of Contents**PRINCIPAL HOLDERS OF OUR COMMON STOCK**

The following table sets forth, based on 3,873,731 shares of common stock as of January 28, 2019, information as to our common stock owned beneficially, directly or indirectly, (1) by each person who is known by us to own beneficially more than 5% of our outstanding voting securities, (2) by each director and nominee, (3) by each executive officer named in the summary compensation table set forth elsewhere herein and (4) by all directors, nominees and executive officers as a group:

Name of Beneficial Owner	Number of Common Shares Beneficially Owned ⁽¹⁾	Percent of Class
Terry E. Trexler ⁽²⁾	2,083,557 ⁽³⁾	53.8%
Thomas W. Trexler ⁽²⁾	419,749 ⁽⁴⁾	10.8%
Richard C. Barberie ⁽⁵⁾	825	*
Robert P. Saltsman ⁽⁶⁾	2,537	*
Arthur L. Havener, Jr. ⁽⁷⁾	0	*
GAMCO Investors, Inc. ⁽⁸⁾	532,649	13.8%
Directors, director nominee and executive officers (7 persons)	2,554,407	65.9%

* Less than 1%

- (1) Unless otherwise noted, information contained in this table is based upon information furnished by the beneficial owners, and all shares are owned directly with sole voting and dispositive power.
- (2) The address for Mr. Terry Trexler and Mr. Thomas W. Trexler is 3741 S.W. 7th Street, Ocala, Florida 34474
- (3) Includes 2,080,535 shares owned by the Terry E. Trexler Revocable Trust for which Mr. Trexler is the sole trustee and beneficiary, 2,040 shares held in trust for the benefit of Mr. Trexler's grandchild and 982 shares owned through our 401(k) plan.
- (4) Includes 10,880 shares owned through our 401(k) plan.
- (5) Mr. Barberie's address is 13815 S.E. 15th Lane, Weirsdale, Florida 32195.
- (6) Mr. Saltsman's address is 222 South Pennsylvania Avenue, Suite 200, Winter Park, Florida 32789.
- (7) Mr. Havener's address is 9825 Sunset Greens Drive, St. Louis, Missouri 63127. Mr. Havener beneficially owns 5.3% membership interest in Nobility Parks I, LLC, a subsidiary of the Company.
- (8) GAMCO Investors, Inc.'s address is One Corporate Center, Rye, New York 10580. Information is based on a report on Schedule 13D/A filed with the SEC on April 26, 2018 by GAMCO Investors, Inc. According to the information provided in the Schedule 13D/A, Mario Gabelli, through various entities which he directly or indirectly controls or which he acts as chief investment officer, has investment control over these shares. Each of these entities has voting and dispositive power over the shares shown as follows:

	Sole Voting and Dispositive Power	Shared Voting and Dispositive Power
Gabelli Funds, LLC	144,700	

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GAMCO Asset Management, Inc.	207,697
Teton Advisors, Inc.	179,300
Gabelli & Company Investment Advisors, Inc.	952

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At the annual meeting, a board of four directors will be elected to serve for one year expiring at the annual meeting of shareholders to be held in 2020 and until their successors have been elected and qualified. Your proxy will be voted, unless you withhold authority to do so, for the election as directors of the persons named below, who have been nominated by our current board of directors.

Our bylaws provide that the board of directors shall be made up of no fewer than one nor more than ten directors. The current board of directors has determined that four directors are appropriate for the present time. Proxies cannot be voted for more than four nominees.

Each nominee has consented to being named as such in this proxy statement and is presently available for election. Richard C. Barberie previously notified our board that he intends to retire as a member of the board at the end of his term, which expires at this annual meeting of shareholders. Accordingly, our board has nominated Arthur L. Havener, Jr. to replace Mr. Barberie as one of our independent directors. Our board of directors nominated all of the other existing members of our board to stand for re-election at the 2019 meeting.

If any nominee should become unavailable, the persons voting the accompanying proxy may, in their discretion, vote for a substitute. Additional information concerning the nominees, based on data furnished by them, is set forth below. Terry E. Trexler is the father of Thomas W. Trexler.

The board of directors recommends a vote for the election of each of the following nominees. Proxies solicited by the board of directors will be so voted unless shareholders specify in their proxies a contrary choice.

Name	Principal Occupation or Employment; Certain Other Directorships	Director Since:
Terry E. Trexler (79)	Mr. Trexler is our chairman of the board, chief executive officer and president for more than five years; Mr. Trexler is also president of TLT, Inc., the general partner of limited partnerships which are developing manufactured housing communities in Central Florida. Mr. Trexler has a long history as the Company's chief executive officer and extensive experience in the manufactured home industry.	1967
Thomas W. Trexler (55)	Mr. Trexler is our executive vice president and chief financial officer since December 1994; president of Prestige Home Centers, Inc. since June 1995; president of Mountain Financial, Inc. since August 1992. Mr. Trexler is also vice president of TLT, Inc. since September 1991. Mr. Trexler has extensive experience in the manufactured home industry.	1993
Arthur L. Havener, Jr. (52)	Mr. Havener is and has been since 2007 principal of Stampede Capital LLC, a real estate advisory and investment firm. Prior to forming Stampede Capital LLC, he was a Vice President of A.G. Edwards and Sons Inc., and Head of Real Estate Research from 2002 to 2007. From 2007 to 2009 Mr. Havener served on the Board of Directors of MDC North American Real Estate Fund I, a private real estate equity fund. Mr. Havener serves as Lead Trustee of Boardwalk REIT, a Canadian Real Estate Investment Trust traded on the Toronto Stock Exchange and on the	Nominee

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Board of Life Storage, Inc. (NYSE LSI) where he currently serves as the Chair of the Audit Committee and a member of the Nominating and Governance Committee. Mr. Havener also has previously served as an Alderman and Chair of the Finance Committee in the municipality of Sunset Hills, Missouri. Mr. Havener is a past recipient of the Manufactured Housing Person of the Year award from the Manufactured Housing Institute and has extensive experience in manufactured housing and finance.

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Robert P. Saltsman (65)	Mr. Saltsman is an attorney in private practice since 1983 and prior to 2017 in private practice as CPA; prior to 1983 Mr. Saltsman was employed as a CPA by Arthur Andersen & Co. in Orlando, Florida. Mr. Saltsman has extensive expertise in accounting.	1988
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SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Under Section 16(a) of the Securities Exchange Act, a Form 4 reporting the acquisition or disposition of our securities by an officer, director or 10% shareholder must be filed with the Securities and Exchange Commission no later than the second business day after the date on which the transaction occurred unless certain exceptions apply. Most transactions not reported on Form 4 must be reported on Form 5 within 45 days after the end of our fiscal year. Based on information provided by our directors and executive officers, during the fiscal year ended November 3, 2018, all required reports were filed on a timely basis.

BOARD OF DIRECTORS AND COMMITTEES**Board Composition**

Our board of directors is comprised of four members, half of whom are independent directors. Although the Company is currently listed on the OTCQX and not on a national securities exchange, the board of directors has elected to use the NASDAQ definition of independence for determining whether a director or nominee is independent. The board of directors has determined that our non-management directors, Robert Saltsman and Richard Barberie, and our non-management director nominee, Arthur Havener, Jr., are independent according to NASDAQ rules. During the fiscal year ended November 3, 2018, the board of directors held 4 regular meetings. Our non-management directors meet in executive sessions without management on a regular basis. All directors attended all of the meetings of the board of directors and committees of the board on which they served.

Board Role in Risk Oversight

Our board is involved in the oversight of risks that could affect the Company. Although this oversight is conducted in part through the committees of the board as disclosed in the descriptions of the committees below and in the charters of each of the committees, the full board has retained responsibility for the general oversight of risks. The board satisfies this responsibility through full reports by each committee chair regarding the committee's considerations and actions, as well as through regular reports directly from officers responsible for oversight of particular risks within the Company.

Risk Considerations in our Compensation Policies

Our board believes that our compensation policies and practices are reasonable and properly align our employees interests with those of our shareholders. The board believes that the fact that incentive compensation for our executive officers and other employees is tied to earnings encourages actions that improve the Company's profitability over the short and long term. In addition, the compensation committee reviews changes to our compensation policies and practices to ensure that such policies and practices do not encourage our executive officers and other employees to take actions that are likely to result in a material adverse effect on the Company.

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Board Committees

Our board of directors has established three standing committees: a compensation committee, an audit committee and a nominating committee. The board of directors has elected to use the NASDAQ definitions of independence with respect to determining independence of members of specific committees. The charter of each committee is available on our website at www.nobilityhomes.com.

Compensation Committee. The compensation committee is presently comprised of Richard Barberie and Robert Saltsman. If elected, Arthur Havener will serve on the compensation committee. The compensation committee evaluates the performance of the CEO and other executive officers and recommends to the board of directors the salaries and bonuses, if any, to be paid to the executive officers. The compensation committee met 4 times during fiscal 2018.

Audit Committee. The audit committee is presently comprised of Robert Saltsman and Richard Barberie, both of whom are considered independent under current NASDAQ rules. If elected, Arthur Havener will serve on the audit committee. Our board has determined that Mr. Havener is considered independent under current NASDAQ rules for service on our audit committee. The audit committee has a written charter which establishes the scope of the committee's responsibilities and how it is to carry out those responsibilities. The audit committee charter charges the committee with overseeing management's conduct of our financial reporting process, including: (1) the integrity of our financial statements, (2) our compliance with legal and regulatory requirements, and (3) the independence and performance of our internal and external auditors. The audit committee met 4 times during fiscal 2018.

The board of directors has determined that Mr. Robert Saltsman is the audit committee financial expert.

Nominating Committee. The board of directors has established a nominating committee comprised of Robert Saltsman and Richard Barberie. If elected, Arthur Havener will serve on the nominating committee. The nominating committee will consider suggestions for potential director nominees nominated by our board from many sources, including management and our shareholders. Any such nominations, together with appropriate biographical information, should be submitted to the nominating committee no later than October 4, 2019 by sending a letter to our corporate secretary at 3741 S.W. 7th Street, Ocala, Florida 34474. The mailing envelope should contain a clear notation indicating that the enclosed letter is a Shareholder Nomination for Director . The nominating committee did not meet separately from the board of directors during fiscal 2018.

In evaluating director nominees, including candidates submitted by shareholders, the nominating committee will consider the candidate's experience, integrity, ability to make independent analytical inquiries, understanding of our business environment and willingness to devote adequate time to board duties. The nominating committee will also consider whether a candidate meets the definition of independent director under NASDAQ rules. There are no stated minimum criteria for director nominees, and the nominating committee may also consider such other factors as it deems to be in the best interest of Nobility Homes and its shareholders.

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EXECUTIVE COMPENSATION

Overview

The compensation committee of our board of directors established, subject to the approval of the full board of directors, the compensation for our chief executive officer and our chief financial officer, who are our only officers whose total compensation for the fiscal year ended November 3, 2018 exceeded \$100,000. We refer to these individuals as the named executive officers.

Because we are a small company, our compensation committee has sought to avoid the expense of retaining an outside compensation consultant to assist the committee with compensation plan design. The compensation committee takes into consideration recommendations of our CEO for compensation for officers other than our CEO.

Base Salary. The compensation committee sets salary levels for named executive officers so as to reflect the duties and level of responsibilities inherent in their positions and current economic conditions relating to our business. In establishing salary levels, the compensation committee considers the particular qualifications and level of experience of the individual.

At his request, our CEO's base salary has remained fixed for over twenty fiscal years because a major incentive for his performance is the value of his substantial stock ownership in Nobility Homes. Our CFO receives the same base salary as our CEO. We have not increased our CFO's base salary since 2005.

Quarterly Incentive Bonuses. We provide certain employees, including the named executive officers, the opportunity to earn a quarterly incentive bonus based on an evaluation of the employee's individual performance and our performance. The bonus pool is based on a specified percentage of earnings before interest and taxes for the quarter. The bonus pool is divided among eligible employees on a discretionary basis. In considering bonuses for named executive officers other than the CEO, the compensation committee consults with our chairman and CEO regarding instances of exceptional effort demonstrated by an employee. No named executive officer is automatically entitled to a bonus or a bonus in any particular amount.

Change of Control/Severance Arrangements. None of the company's executive officers have any employment agreements or change of control/severance agreements.

Table of Contents**Summary Compensation Table****For Fiscal Years Ended November 3, 2018 and November 4, 2017**

The following table provides information about all compensation awarded to, earned by or paid to our named executive officers during the fiscal years ended November 3, 2018 and November 4, 2017.

Name and Principal Positions	Year	Salary	Bonus	Non-Equity Incentive Plan		All Other Compensation	Total
				Compensation			
Terry E. Trexler	2018	\$ 93,500	\$ 200,000	\$	\$	20,455 ⁽¹⁾	\$ 313,955
President, chief executive officer	2017	\$ 93,500	\$ 200,000	\$	\$	20,455 ⁽¹⁾	\$ 313,955
Thomas W. Trexler	2018	\$ 93,500	\$ 200,000	\$	\$	16,220 ⁽²⁾	\$ 309,720
Executive vice president and chief financial officer	2017	\$ 93,500	\$ 200,000	\$	\$	16,220 ⁽²⁾	\$ 309,720

- (1) All other compensation for Mr. Terry E. Trexler for fiscal years 2018 and 2017 includes \$20,455 in annual insurance premiums paid or accrued by us on two term life insurance policies on the life of Mr. Terry E. Trexler. In the event of Mr. Trexler's death, the proceeds will be paid to Mr. Trexler's designated beneficiaries.
- (2) All other compensation for Mr. Thomas W. Trexler for fiscal years 2018 and 2017 includes \$16,220 in annual insurance premiums paid or accrued by us for an insurance policy on the life of Mr. Thomas W. Trexler. In the event of Mr. Trexler's death, the proceeds will be paid to Mr. Trexler's designated beneficiaries.

We did not grant any stock options, restricted stock awards or other equity-based awards to the named executive officers during fiscal 2018. No equity awards vested for our named executive officers during fiscal 2018. Our named executive officers did not exercise any stock options during fiscal 2018 nor did they hold any stock options or other equity awards as of the end of fiscal 2018.

Table of Contents**Independent Director Compensation****For Fiscal Year Ended November 3, 2018**

The following table summarizes compensation to independent directors for the fiscal year ended November 3, 2018. Directors who are not employees of Nobility Homes receive a fee of \$2,000 per board meeting. The chairman of the Audit Committee receives an additional \$1,250 per board meeting. We do not provide our independent directors with any compensation, equity awards or other benefits other than cash fees. No directors hold any stock options or other awards under our stock option plan.

Name	Total Fees Earned or Paid in Cash
Richard C. Barberie	\$ 8,000
Robert P. Saltsman	\$ 13,000

AUDIT COMMITTEE REPORT

The purpose of the Audit Committee is to assist the board of directors in its oversight of management's conduct of our financial reporting process. The audit committee is presently comprised of Robert Saltsman and Richard Barberie, each of whom is independent under NASDAQ rules. For the fiscal year ended November 3, 2018 the audit committee:

Reviewed and discussed our fiscal 2018 audited financial statements with management and representatives of Daszkal Bolton LLP, our independent public accountants (Daszkal);

Received the written disclosures and the letter from Daszkal mandated by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the audit committee concerning independence, and discussed with Daszkal its independence; and

Based on the foregoing review, discussions and disclosures, recommended to the board of directors that our audited financial statements for the fiscal year ended November 3, 2018 be included in our annual report on Form 10-K for the fiscal year.

Robert Saltsman, Chairman

Richard Barberie

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On August 20, 2018, the audit committee of the board of directors of the Company dismissed WithumSmith+Brown, PC (WithumSmith) as the Company's independent certified public accounting firm. The audit reports of WithumSmith on the Company's consolidated financial statements as of and for the years ended November 4, 2017 and November 5, 2016 did not contain an adverse opinion or a disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope or accounting principles.

In connection with the audits of the Company's consolidated financial statements for each of the fiscal years ended November 4, 2017 and November 5, 2016 and through August 20, 2018, there were: (1) no disagreements between the Company and WithumSmith on any matters of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreements, if not resolved to the satisfaction of WithumSmith, would have caused WithumSmith to make reference to the subject matter of the disagreement in their reports on the Company's financial statements for such years, and (2) no reportable events within the meaning set forth in Item 304(a)(1)(v) of Regulation S-K.

The Company received a letter from WithumSmith addressed to the SEC stating that it concurred with the statements made by the Company with respect to WithumSmith in its Current Report on Form 8-K filed with the SEC on August 23, 2018.

On August 20, 2018, the audit committee of the board of directors of the Company retained the independent accounting firm of Daszkal to serve as its independent certified public accounting firm effective immediately. During the two most recent fiscal years and for the subsequent interim period through August 20, 2018, neither the Company nor anyone on its behalf consulted with Daszkal regarding either: (i) the application of accounting principles to a specified transaction, either completed or proposed; or the type of audit opinion that might be rendered on the Company's financial statements, and none of the following was provided to the Company: (a) a written report, or (b) oral advice that Daszkal concluded was an important factor considered by the Company in reaching a decision as to an accounting, auditing or financial reporting issue; or (ii) any matter that was either the subject of a disagreement as described in Item 304(a)(1)(iv) of Regulation S-K or a reportable event within the meaning of Item 304(a)(1)(v) of Regulation S-K.

The following table provides information relating to the fees that WithumSmith and Daszkal will bill to us for the fiscal year ended November 3, 2018 and the fees WithumSmith billed us for the fiscal year ended November 4, 2017.

	Audit Fees⁽¹⁾	Tax Fees	All Other Fees	Total Fees
Fiscal Year 2018	\$ 62,742 ⁽²⁾	\$ 0	\$ 0	\$ 62,742
Fiscal Year 2017	\$ 82,800	\$ 0	\$ 0	\$ 82,800

(1) Audit fees include all fees for services in connection with the annual audit of our financial statements and review of our quarterly financial statements.

(2) Includes \$7,742 and \$55,000 fees of WithumSmith and Daszkal respectively.

All decisions regarding selection of independent accounting firms and approval of accounting services and fees are made by our audit committee in accordance with the provisions of the Sarbanes-Oxley Act of 2002. There are no

exceptions to the policy of securing pre-approval of our audit committee for any service provided by our independent accounting firm.

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CERTAIN TRANSACTIONS

Our chairman and chief executive officer owns a 51% interest in Walden Woods South which owns a manufactured home retirement community in Homosassa, Florida in which we own a 31.3% interest and the remaining 17.7% is owned by outside investors. We sell homes to Walden Woods South for display in the community and have provided Walden Woods South with a line of floor plan financing for these homes. During fiscal year 2018 and fiscal year 2017, we sold 28 homes for an aggregate sale price of \$1,262,084 and 19 homes for an aggregate sale price of \$823,540, respectively, to Walden Woods South. The highest amount outstanding under the floor plan financing during 2019 was \$1,420,102 on May 31, 2018; and the highest amount outstanding under the floor plan financing during 2017 was \$1,227,749 on February 4, 2017. Advances under the floor plan arrangement do not bear interest.

On February 5, 2018, the Company repurchased 100,000 shares of common stock from our Chief Executive Officer, Terry Trexler, for an aggregate purchase price of \$2.1 million.

SHAREHOLDER PROPOSALS AND

COMMUNICATION WITH THE BOARD OF DIRECTORS

Any shareholder desiring to present a proposal to be included in our proxy statement for the next annual meeting of shareholders should submit a written copy of such proposal to our principal offices no later than October 4, 2019, which is 120 calendar days prior to the anniversary of this year's mailing date. The proposal, including any accompanying supporting statement, may not exceed 500 words. Upon timely receipt of any such proposal, we will determine whether or not to include such proposal in the proxy statement and proxy in accordance with applicable regulations governing the solicitation of proxies.

If a shareholder wishes to present a proposal at our annual meeting in the year 2020 or to nominate one or more directors and the proposal is not intended to be included in our proxy statement relating to that meeting, the shareholder must give advance written notice to us prior to the deadline for such meeting determined in accordance with our bylaws. In general, our bylaws provide that such notice should be received at our principal offices by close of business no fewer than 120 days prior to the first anniversary of the preceding year's annual meeting, proxy statement meeting dates, except in certain circumstances. For purposes of our 2020 annual meeting, such notice must be received no later than the close of business on October 4, 2019.

Proposals should be submitted by certified mail, return receipt requested.

Shareholders who wish to communicate with the board of directors or with a particular director may send a letter to our corporate secretary at 3741 S.W. 7th Street, Ocala, Florida 34474. The mailing envelope should contain a clear notation indicating that the enclosed letter is a Shareholder-Board Communication or Shareholder-Director Communication. All such letters should identify the author as a shareholder and clearly state whether the intended recipients are all members of the board or just certain specified individual directors. Our corporate secretary will make copies of all such letters and circulate them to the appropriate director or directors.

We do not have a formal policy requiring directors to attend annual meetings. However, because the annual meeting generally is held on the same day as a regular board meeting, we anticipate that directors will attend the annual meeting unless, for some reason, they are unable to attend the board meeting on the same date. All directors attended the 2018 annual meeting of shareholders.

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**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF
PROXY MATERIALS**

A copy of our annual report for the fiscal year ended November 3, 2018 accompanies this proxy statement. The proxy statement and our annual report to shareholders are also available online at: www.nobilityhomes.com. A shareholder who would like to obtain an additional copy of the proxy statement or annual report may obtain one by (i) writing to our corporate secretary at 3741 S.W. 7th Street, Ocala, Florida 34474; (ii) by calling our corporate secretary at the following toll-free number 1-800-476-6624; or (iii) by downloading a copy at www.nobilityhomes.com. A shareholder who would like to obtain directions to the annual meeting may (i) write to our corporate secretary at the address above or (ii) call the corporate secretary at the toll-free number listed above.

OTHER MATTERS

Management does not know of any other matters to come before the meeting. However, if any other matters properly come before the meeting, it is the intention of the persons designated as proxies to vote in accordance with their best judgment on such matters.

EXPENSES OF SOLICITATION

The cost of soliciting proxies will be borne by us. We do not expect to pay any compensation for the solicitation of proxies but may reimburse brokers and other persons holding stock in their names, or in the names of nominees, for their expenses of sending proxy material to principals and obtaining their proxies.

Please specify your choices, date, sign and return the enclosed proxy in the enclosed envelope, postage for which has been provided. A prompt response is helpful. Your cooperation will be appreciated.

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