

EXHIBIT A

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

IN RE:)	Chapter 11
)	
OAKWOOD HOMES CORPORATION,)	Case No. 02-13396 (PJW)
<u>et al.</u> ,)	
Debtors.)	Jointly Administered
)	
)	Objections Due: November 5, 2003 @ 4:00 p.m.
)	Hearing Date: November 13, 2003 @ 3:30 p.m.

**DEBTORS' APPLICATION TO RETAIN AND EMPLOY
ERNST & YOUNG LLP AS TAX ADVISORS TO THE DEBTORS AND
DEBTORS IN POSSESSION NUNC PRO TUNC TO AUGUST 1, 2003**

Oakwood Homes Corporation, the above-captioned debtors and debtors in possession (collectively, the "Debtors") hereby move the Court for entry of an order under section 327(a) of title 11 of the United States Code (the "Bankruptcy Code"), authorizing the retention and employment of the accounting firm of Ernst & Young LLP ("E&Y") as tax consultants and advisors for the Debtors nunc pro tunc to August 1, 2003. In support of this Application, the Debtors respectfully state as follows:

Introduction

1. On November 15, 2002 (the "Petition Date"), the Debtors commenced their respective reorganization cases by filing voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. The Debtors are operating their respective businesses as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

2. On December 2, 2002, the United States Trustee appointed an official committee of unsecured creditors (the "Committee") in these cases.

3. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

4. The statutory predicates for the relief requested herein are sections 327(a) and 1107 of the Bankruptcy Code.

5. The Debtors, together with their non-debtor affiliates and related parties, design, manufacture and market manufactured and modular homes and finance the majority of their retail sales and a portion of the retail sales of their homes by their independent dealer network.

6. By order dated January 7, 2003 (D.I. 370), this Court established March 27, 2002 as the deadline for non-governmental entities to file pre-petition claims against the Debtor's estate and May 14, 2003 as the bar date for governmental entities to file pre-petition claims against the Debtors' estates. Since the bar dates, the Debtors have worked and continue to work on the claims reconciliation process to obtain an accurate picture of their true liabilities.

Relief Requested

7. By this Application, the Debtors seek to retain and employ E&Y pursuant to section 327(a) of the Bankruptcy Code to perform tax consulting and advisory services in these Chapter 11 cases, effective as of August 1, 2003.

8. The Debtors are familiar with the professional standing and reputation of E&Y. The Debtors understand that E&Y has a wealth of experience in providing tax consulting and advisory services in restructurings and reorganizations and enjoys an excellent reputation for services it has rendered in large and complex Chapter 11 cases on behalf of debtors and creditors throughout the United States.

9. In early August, E&Y was engaged to provide tax consulting and advisory services to the Debtors to enable them to maximize the value of their estates and to reorganize successfully. More specifically, E&Y has particular expertise in negotiating with taxing authorities regarding the amount and nature of their claims in large Chapter 11 cases on behalf of debtors. Faced with many such governmental claims, the Debtors believe that the expertise and assistance of E&Y is essential for them to fulfill their duties as debtors in possession and complete the claims reconciliation process in a timely and accurate fashion. Further, E&Y's expertise in this specialized area makes them well qualified and able to represent the Debtors in a cost-effective, efficient and timely manner. Accordingly, the Debtors wish to retain E&Y to provide assistance in tax-related issues during these cases.

Scope of Services

10. E&Y will provide such tax consulting and advisory services as E&Y and the Debtors deem appropriate and feasible in order to advise the Debtors in the course of these Chapter 11 cases, including the following:

a. Working with appropriate Company personnel and/or agents in developing an understanding of the business objectives related to the Company's recent Chapter 11 filing, including understanding reorganization and/or restructuring alternatives the Company is evaluating with existing creditors that may result in a change in the equity, capitalization and/or ownership of the shares of the Company or its assets;

b. Assisting and advising the Company in its bankruptcy restructuring objectives and post-bankruptcy operations by determining the most optimal tax manner to achieve these objectives, including, as needed, research and analysis of Internal Revenue Code sections, treasury regulations, case law and other relevant

tax authority which could be applied to business valuation and restructuring models;

c. Tax consulting regarding availability, limitations, preservation and maximization of tax attributes, such as net operating losses and alternative minimum tax credits, minimization of tax costs in connection with stock or asset sales, if any, assistance with tax issues arising in the ordinary course of business while in bankruptcy, and, as needed, research, discussions and analysis of federal and state income and franchise tax issues arising during the bankruptcy period;

d. Assistance with settling tax claims against the Company and obtaining refunds of reduced claims previously paid by the Company for various taxes, including, but not limited to, federal and state income, franchise, payroll, sales and use, property, excise and business license;

e. Assistance in assessing the validity of tax claims, including working with bankruptcy counsel to reclassify tax claims as non-priority;

f. Analysis of legal and other professional fees incurred during the bankruptcy period for purposes of determining the future deductibility of such costs; and

g. Documentation, as appropriate or necessary, of tax analysis, opinions, recommendations, conclusions and correspondence for any proposed restructuring alternative, bankruptcy tax issue or other tax matter described above.

h. As requested by the Company, provide any additional tax consulting services not described above.

Debtors' Retention of PricewaterhouseCoopers

11. Earlier in these cases, the Debtors applied (D.I. 111) and obtained permission from the Court (D.I. 441) to retain and employ PricewaterhouseCoopers (“PwC”) as accountants to the Debtors nunc pro tunc to the Petition Date. While the retention application for PwC contemplates and authorizes that PwC will render limited tax advisory services to the Debtors, the audit committee of the board of directors of Oakwood Homes Corporation has purposefully limited PwC’s role in providing tax advisory services to try and ensure independence between the Debtors’ auditors and tax advisors and comply with the recently enacted Sarbanes-Oxley Act.

12. While the audit committee has allowed PwC to provide some limited tax guidance to the Debtors with respect to formulating and drafting its plan of reorganization and disclosure statement, PwC will not be allowed by the Debtors to provide additional tax advisory services and plans to rely on E&Y for whatever tax advice is needed on a going forward basis as the Debtors work toward confirmation of a plan of reorganization and completion of the claims administration process.

13. In addition to the oversight of the board of directors, both PwC and E&Y will be aware of the retention of the other entity, and will coordinate to make sure that duplicate effort is not being expended for the Debtors.

14. The Debtors believe that the mandated independence of those parties providing auditing and tax advisory services is important, and in order to effectuate such independence, the Debtors submit that the retention of E&Y is necessary and in the best interest of the Debtors and their estates and creditors.

E&Y's Disinterestedness

15. E&Y has informed the Debtors that, except as may be set forth in the Affidavit of William Shawn Smith (The "Smith Affidavit") attached hereto as Exhibit B and incorporated herein by reference, it (i) has no connection with the Debtors, its creditors or other parties in interest in this case, (ii) does not hold any interest adverse to the Debtors' estates; and (iii) believes it is a "disinterested person" as defined within section 101(14) of the Bankruptcy Code.

16. E&Y will conduct an ongoing review of its files to ensure that no conflicts or other disqualifying circumstances exist or arise. If any new facts or circumstances are discovered, E&Y will supplement its disclosure to the Court.

17. Other than with its own partners and employees, E&Y has agreed not to share with any person or firm the compensation to be paid for professional services rendered in connection with these cases.

Terms of Retention

18. Prior to the Petition Date, E&Y provided no services to the Debtors for which E&Y was not paid prior to the Petition Date.

19. Postpetition, the Debtors understand that E&Y intends to apply to the Court for allowances of compensation and reimbursement of expenses for all other tax consulting and advisory support services in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, corresponding local rules, orders of this Court and guidelines established by the United States Trustee. The customary hourly rates, subject to periodic adjustments, charged by E&Y's personnel anticipated to be assigned to this case are

as follows:

Partners, Principals and Directors	\$575-750
Senior Managers	\$525-650
Seniors	\$275-350
Staff	\$ 80-250

Dispute Resolution Provisions

20. The Debtors and E&Y have agreed, subject to the Court's approval of this Application, that: (1) any controversy or claim with respect to, in connection with, arising out of, or in any way related to this Application or the services provided by E&Y to the Debtors as outlined in this Application, including any matter involving any parent, subsidiary, affiliate, successor in interest or agent of any of the Debtors or of E&Y, shall be brought in the Bankruptcy Court or the District Court for the District of Delaware if such District Court withdraws the reference; (2) E&Y and the Debtors and any and all successors and assigns thereof, consent to the jurisdiction and venue of such court as the sole and exclusive forum (unless such court does not have or retain jurisdiction over such claims or controversies) for the resolution of such claims, causes of actions or lawsuits; (3) E&Y and the Debtors, and any and all successors and assigns thereof, waive trial by jury, such waiver being informed and freely made; (4) if the Bankruptcy Court, or the District Court if the reference is withdrawn, does not have or retain jurisdiction over the foregoing claims and controversies, E&Y and the Debtors, and any and all successors and assigns thereof, will submit first to non-binding mediation; and, if mediation is not successful, then to binding arbitration, in accordance with the dispute resolution procedures set forth in Exhibit A to this Application; and (5) judgment on any arbitration award may be entered in any court having proper jurisdiction. By this Application, the Debtors seek approval of this agreement by the Court.

Notice

21. Notice of this Application has been given to the United States Trustee, counsel to the Debtors' principal prepetition and postpetition secured lenders and the Official Committee of Unsecured Creditors. The Debtors submit that under the circumstances no further notice is necessary.

No Prior Request

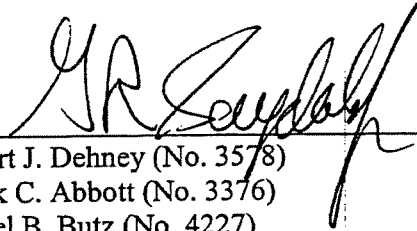
22. No prior application for the relief sought herein has been made to this Court or any other court.

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WHEREFORE, the Debtors respectfully request that the Court enter an Order, substantially in the form attached hereto as Exhibit C, authorizing the Debtors to employ and retain E&Y as accountants for the Debtors for the purposes set forth above, nunc pro tunc to August 1, 2003, and grant such further relief as is just and proper.

Dated: Wilmington, Delaware
October 21, 2003

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