

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
§ 240.13d-2(a)

(Amendment No. 2)¹

Cavalier Homes, Inc.
(Name of Issuer)

Common Stock, \$0.10 par value per share
(Title of Class of Securities)

149507105
(CUSIP Number)

STEVEN WOLOSKY, ESQ.
OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP
Park Avenue Tower
65 East 55th Street
New York, New York 10022
(212) 451-2300
(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

March 17, 2009
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

¹ The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the *Notes*).

1	NAME OF REPORTING PERSON LEGACY HOUSING, LTD.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS WC	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION TEXAS	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 155,000
	8	SHARED VOTING POWER - 0 -
	9	SOLE DISPOSITIVE POWER 155,000
	10	SHARED DISPOSITIVE POWER - 0 -
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 155,000 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 0.9%	
14	TYPE OF REPORTING PERSON PN	

¹ See Item 5.

1	NAME OF REPORTING PERSON GPLH, LC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION TEXAS	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 155,000
	8	SHARED VOTING POWER - 0 -
	9	SOLE DISPOSITIVE POWER 155,000
	10	SHARED DISPOSITIVE POWER - 0 -
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 155,000 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 0.9%	
14	TYPE OF REPORTING PERSON OO	

¹ See Item 5.

1	NAME OF REPORTING PERSON SHIPLEY BROTHERS, LTD.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS WC, AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION TEXAS	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 637,392
	8	SHARED VOTING POWER 155,000
	9	SOLE DISPOSITIVE POWER 637,392
	10	SHARED DISPOSITIVE POWER 155,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 792,392 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 4.5%	
14	TYPE OF REPORTING PERSON PN	

¹ See Item 5.

1	NAME OF REPORTING PERSON K-SHIPLEY, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION TEXAS	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 792,392
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 792,392
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 792,392 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 4.5%	
14	TYPE OF REPORTING PERSON OO	

¹ See Item 5.

1	NAME OF REPORTING PERSON D-SHIPLEY, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION TEXAS	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 792,392
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 792,392
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 792,392 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 4.5%	
14	TYPE OF REPORTING PERSON OO	

¹ See Item 5.

1	NAME OF REPORTING PERSON B-SHIPLEY, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION TEXAS	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 792,392
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 792,392
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 792,392 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 4.5%	
14	TYPE OF REPORTING PERSON OO	

¹ See Item 5.

1	NAME OF REPORTING PERSON FEDERAL INVESTORS SERVICING, LTD	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS WC	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION TEXAS	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 133,000
	8	SHARED VOTING POWER - 0 -
	9	SOLE DISPOSITIVE POWER 133,000
	10	SHARED DISPOSITIVE POWER - 0 -
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 133,000 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 0.8%	
14	TYPE OF REPORTING PERSON PN	

¹ See Item 5.

1	NAME OF REPORTING PERSON FEDERAL INVESTORS MANAGEMENT, L.C.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION TEXAS	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 133,000
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 133,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 133,000 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 0.8%	
14	TYPE OF REPORTING PERSON OO	

¹ See Item 5.

1	NAME OF REPORTING PERSON KENNETH E. SHIPLEY	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 925,392
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 925,392
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 925,392 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 5.3%	
14	TYPE OF REPORTING PERSON IN	

¹ See Item 5.

1	NAME OF REPORTING PERSON CURTIS D. HODGSON	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS PF, AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 765,000
	8	SHARED VOTING POWER 155,000
	9	SOLE DISPOSITIVE POWER 765,000
	10	SHARED DISPOSITIVE POWER 155,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 920,000 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 5.2%	
14	TYPE OF REPORTING PERSON IN	

¹ See Item 5.

1	NAME OF REPORTING PERSON DOUGLAS M. SHIPLEY	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 792,392
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 792,392
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 792,392 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 4.5%	
14	TYPE OF REPORTING PERSON IN	

¹ See Item 5.

1	NAME OF REPORTING PERSON BILLY G. SHIPLEY	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 792,392
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 792,392
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 792,392 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 4.5%	
14	TYPE OF REPORTING PERSON IN	

¹ See Item 5.

1	NAME OF REPORTING PERSON MICHAEL R. O'CONNOR	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS PF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 300
	8	SHARED VOTING POWER - 0 -
	9	SOLE DISPOSITIVE POWER 300
	10	SHARED DISPOSITIVE POWER - 0 -
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 300 ¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) LESS THAN 1%	
14	TYPE OF REPORTING PERSON IN	

¹ See Item 5.

The following constitutes Amendment No. 2 ("Amendment No. 2") to the Schedule 13D filed by the undersigned. This Amendment No. 2 amends the Schedule 13D as specifically set forth.

Item 4. Purpose of Transaction.

Item 4 is hereby amended to add the following:

On March 17, 2009, the Reporting Persons filed preliminary proxy materials in connection with the nomination of Curtis D. Hodgson, Kenneth E. Shipley and Michael R. O'Connor (each a "Nominee" and collectively, the "Nominees") for election to the Board of Directors of the Issuer (the "CAV Board") at the Issuer's 2009 annual meeting of stockholders (the "2009 Meeting").

Item 5. Interest in Securities of the Issuer.

Item 5 is hereby amended and restated to read as follows:

The aggregate percentage of shares of Common Stock reported owned by each person named herein is based upon 17,598,380 shares of Common Stock outstanding, as of February 13, 2009, which is the total number of shares of Common Stock outstanding as reported in the Issuer's Annual Report on Form 10-K, filed with the Securities and Exchange Commission on February 20, 2009.

- (a, b) As of the date hereof, Legacy beneficially owns 155,000 shares of Common Stock, constituting approximately 0.9% of the Issuer's outstanding shares of Common Stock.

Legacy has the sole power to vote and dispose of the 155,000 shares of Common Stock it holds.

In addition, Legacy, as a member of a "group" with the other Reporting Persons for the purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), may be deemed to be the beneficial owner of the shares of Common Stock beneficially owned in the aggregate by the other members of the group reported herein. Legacy specifically disclaims beneficial ownership of such shares of Common Stock, except to the extent of its pecuniary interest therein.

- (a, b) As of the date hereof, Shipley LTD beneficially owns 637,932 shares of Common Stock. As the manager of GPLH, Shipley LTD may also be deemed to beneficially own the 155,000 shares of Common Stock held by Legacy, constituting (together with the shares of Common Stock owned directly by Shipley LTD) an aggregate of 792,392 shares of Common Stock or approximately 4.5% of the Issuer's outstanding shares of Common Stock.

Shipley LTD has the sole power to vote and dispose of the 637,392 shares of Common Stock it holds and, as a manager of GPLH, the shared power to vote and dispose of the 155,000 shares of Common Stock held by Legacy.

In addition, Shipley LTD, as a member of a "group" with the other Reporting Persons for the purposes of Section 13(d)(3) of the Exchange Act, may be deemed to be the beneficial owner of the shares of Common Stock beneficially owned in the aggregate by the other members of the group reported herein. Shipley LTD specifically disclaims beneficial ownership of such shares of Common Stock, except to the extent of its pecuniary interest therein.

- (a, b) As of the date hereof, Federal Servicing beneficially owns 133,000 shares of Common Stock, constituting approximately 0.8% of the Issuer's outstanding shares of Common Stock.

Federal Servicing has the sole power to vote and dispose of the 133,000 shares of Common Stock it holds.

In addition, Federal Servicing, as a member of a "group" with the other Reporting Persons for the purposes of Section 13(d)(3) of the Securities Exchange, may be deemed to be the beneficial owner of the shares of Common Stock beneficially owned in the aggregate by the other members of the group reported herein. Federal Servicing specifically disclaims beneficial ownership of such shares of Common Stock, except to the extent of its pecuniary interest therein.

- (a, b) As of the date hereof, Curtis D. Hodgson beneficially owns 765,000 shares of Common Stock. As a manager of GPLH, Curtis D. Hodgson may also be deemed to beneficially own the 155,000 shares of Common Stock held by Legacy, constituting (together with the shares of Common Stock owned directly by Curtis D. Hodgson) an aggregate of 920,000 shares of Common Stock or approximately 5.2% of the Issuer's outstanding shares of Common Stock.

Curtis D. Hodgson has the sole power to vote and dispose of the 765,000 shares of Common Stock he holds and, as a manager of GPLH, the shared power to vote and dispose of the 155,000 shares of Common Stock held by Legacy.

In addition, Curtis D. Hodgson, as a member of a "group" with the other Reporting Persons for the purposes of Section 13(d)(3) of the Exchange Act, may be deemed to be the beneficial owner of the shares of Common Stock beneficially owned in the aggregate by the other members of the group reported herein. Curtis D. Hodgson specifically disclaims beneficial ownership of such shares of Common Stock, except to the extent of his pecuniary interest therein.

- (a, b) As of the date hereof, GPLH, as the general partner of Legacy, may be deemed to beneficially own the 155,000 shares of Common Stock held by Legacy, constituting approximately 0.9% of the Issuer's outstanding shares of Common Stock.

GPLH, as the general partner of Legacy, has the shared power to vote and dispose of the 155,000 shares of Common Stock held by Legacy.

In addition, GPLH, as a member of a "group" with the other Reporting Persons for the purposes of Section 13(d)(3) of the Exchange Act, may be deemed to be the beneficial owner of the shares of Common Stock beneficially owned in the aggregate by the other members of the group reported herein. GPLH specifically disclaims beneficial ownership of such Shares, except to the extent of its pecuniary interest therein.

- (a, b) As of the date hereof, K-Shiple, D-Shiple and B-Shiple, as the general partners of Shiple LTD, may each be deemed to beneficially own the 637,392 Shares of Common Stock held by Shiple LTD and the 155,000 shares of Common Stock held by Legacy, constituting an aggregate of 792,392 shares of Common Stock or approximately 4.5% of the Issuer's outstanding shares of Common Stock.

K-Shipley, D-Shipley and B-Shipley, as the general partners of Shipley LTD, have the shared power to vote and dispose of the 637,392 shares of Common Stock held by Shipley LTD and the 155,000 shares of Common Stock held by Legacy.

In addition, each of K-Shipley, D-Shipley and B-Shipley, as a member of a “group” with the other Reporting Persons for the purposes of Section 13(d)(3) of the Exchange Act, may be deemed to be the beneficial owner of the shares of Common Stock beneficially owned in the aggregate by the other members of the group reported herein. Each of K-Shipley, D-Shipley and B-Shipley specifically disclaims beneficial ownership of such shares of Common Stock, except to the extent of its pecuniary interest therein.

- (a, b) As of the date hereof, Federal Management, as the general partner of Federal Servicing, may be deemed to beneficially own the 133,000 shares of Common Stock held by Federal Servicing, constituting approximately 0.8% of the Issuer’s outstanding shares of Common Stock.

Federal Management, as the general partner of Federal Servicing, has the shared power to vote and dispose of the 133,000 shares of Common Stock held by Federal Servicing.

In addition, Federal Management, as a member of a “group” with the other Reporting Persons for the purposes of Section 13(d)(3) of the Exchange Act, may be deemed to be the beneficial owner of the shares of Common Stock beneficially owned in the aggregate by the other members of the group reported herein. Federal Management specifically disclaims beneficial ownership of such shares of Common Stock, except to the extent of its pecuniary interest therein.

- (a, b) As of the date hereof, Kenneth E. Shipley, as the manager of Federal Management, manager of GPLH and sole member and manager of K-Shipley, may be deemed to beneficially own the 155,000, 637,392 and 133,000 shares of Common Stock held by Legacy, Shipley LTD and Federal Servicing, respectively, constituting an aggregate of 925,392 shares of Common Stock or approximately 5.3% of the Issuer’s outstanding shares of Common Stock.

Kenneth E. Shipley, as the manager of Federal Management, manager of GPLH and sole member and manager of K-Shipley, has the shared power to vote and dispose of the 925,392 shares of Common Stock held by Legacy, Shipley LTD and Federal Servicing.

In addition, Kenneth E. Shipley, as a member of a “group” with the other Reporting Persons for the purposes of Section 13(d)(3) of the Exchange Act, may be deemed to be the beneficial owner of the shares of Common Stock beneficially owned in the aggregate by the other members of the group reported herein. Kenneth E. Shipley specifically disclaims beneficial ownership of such shares of Common Stock, except to the extent of his pecuniary interest therein.

- (a, b) As of the date hereof, Douglas M. Shipley, as the sole member and manager of D-Shipley, may be deemed to beneficially own the 155,000 and 637,392 shares of Common Stock held by Legacy and Shipley LTD, respectively, constituting an aggregate of 792,392 shares of Common Stock or approximately 4.5% of the Issuer’s outstanding shares of Common Stock.

Douglas M. Shipley, as the sole member and manager of D-Shipley, has the shared power to vote and dispose of the 792,392 shares of Common Stock held by Shipley LTD and Legacy.

In addition, Douglas M. Shipley, as a member of a “group” with the other Reporting Persons for the purposes of Section 13(d)(3) of the Exchange Act, may be deemed to be the beneficial owner of the shares of Common Stock beneficially owned in the aggregate by the other members of the group reported herein. Douglas M. Shipley specifically disclaims beneficial ownership of such shares of Common Stock, except to the extent of his pecuniary interest therein.

- (a, b) As of the date hereof, Billy G. Shipley, as the sole member and manager of B-Shipley, may be deemed to beneficially own the 155,000 and 637,392 shares of Common Stock held by Legacy and Shipley LTD, respectively, constituting an aggregate of 792,392 shares of Common Stock or approximately 4.5% of the Issuer’s outstanding shares of Common Stock.

Billy G. Shipley, as the sole member and manager of B-Shipley, has the shared power to vote and dispose of the 792,392 shares of Common Stock held by Shipley LTD and Legacy.

In addition, Billy G. Shipley, as a member of a “group” with the other Reporting Persons for the purposes of Section 13(d)(3) of the Exchange Act, may be deemed to be the beneficial owner of the shares of Common Stock beneficially owned in the aggregate by the other members of the group reported herein. Billy G. Shipley specifically disclaims beneficial ownership of such shares of Common Stock, except to the extent of his pecuniary interest therein.

- (a, b) As of the date hereof, Michael R. O’Connor beneficially owns 300 shares of Common Stock, which represent less than 0.1% of the Issuer’s outstanding shares of Common Stock.

Michael R. O’Connor has the sole power to vote and dispose of the 300 shares of Common Stock he holds.

In addition, Michael R. O’Connor, as a member of a “group” with the other Reporting Persons for the purposes of Section 13(d)(3) of the Exchange Act, may be deemed to be the beneficial owner of the shares of Common Stock beneficially owned in the aggregate by the other members of the group reported herein. Michael R. O’Connor specifically disclaims beneficial ownership of such shares of Common Stock, except to the extent of his pecuniary interest therein.

- (c) None of the Reporting Persons has entered into transactions in the Issuer’s securities since the filing of Amendment No. 1 to the Schedule 13D.
- (d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Shares.
- (e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Item 6 is hereby amended to add the following:

On March 19, 2009, Legacy, Shipley LTD, Federal Servicing, Curtis D. Hodgson, GPLH, K-Shipley, D-Shipley, B-Shipley, Federal Management, Kenneth E. Shipley, Douglas M. Shipley, Billy G. Shipley and Michael R. O'Connor (collectively the "Group") entered into a Joint Filing and Solicitation Agreement in which, among other things, (a) the parties agreed to the joint filing on behalf of each of them of statements on Schedule 13D with respect to the securities of the Issuer, (b) the parties agreed to solicit proxies or written consents for the election of the Nominees, or any other person(s) designated by the Group, to the CAV Board at the 2009 Meeting (the "Solicitation"), and (c) the parties agreed to share all expenses on a pro rata basis, based on the number of shares of Common Stock in the aggregate beneficially owned by each party on the date thereof, incurred in connection with the Group's activities, including approved expenses incurred by any of the parties in connection with the Solicitation, subject to certain limitations. A copy of this agreement is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 7. Material to be Filed as Exhibits.

Item 7 is hereby amended to include the following exhibits:

Exhibit 99.1 Joint Filing and Solicitation Agreement by and among Legacy Housing, LTD., GPLH, LC, Shipley Brothers, LTD., K-Shipley, LLC, D-Shipley, LLC, B-Shipley, LLC, Federal Investor Servicing, LTD., Federal Investors Management, L.C., Kenneth E. Shipley, Curtis D. Hodgson, Douglas M. Shipley, Billy G. Shipley and Michael R. O'Connor, dated March 19, 2009.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: March 19, 2009

LEGACY HOUSING, LTD.

By: GPLH, LC, its general partner

By: /s/ Kenneth E. Shipley

Name: Kenneth E. Shipley

Title: President

GPLH, LC

By: /s/ Kenneth E. Shipley

Name: Kenneth E. Shipley

Title: President

SHIPLEY BROTHERS, LTD.

By: K-Shipley, LLC, its general partner

By: /s/ Kenneth E. Shipley

Name: Kenneth E. Shipley

Title: President

K-SHIPLEY, LLC

By: /s/ Kenneth E. Shipley

Name: Kenneth E. Shipley

Title: President

D-SHIPLEY, LLC

By: /s/ Douglas M. Shipley

Name: Douglas M. Shipley

Title: President

B-SHIPLEY, LLC

By: /s/ Billy G. Shipley

Name: Billy G. Shipley

Title: President

FEDERAL INVESTORS SERVICING, LTD.

By: Federal Investors Management, L.C.

By: /s/ Kenneth E. Shipley

Name: Kenneth E. Shipley

Title: President

FEDERAL INVESTORS MANAGEMENT, L.C.

By: /s/ Kenneth E. Shipley

Name: Kenneth E. Shipley

Title: Manager

/s/ Kenneth E. Shipley

KENNETH E. SHIPLEY

/s/ Curtis D. Hodgson

CURTIS D. HODGSON

/s/ Douglas M. Shipley

DOUGLAS M. SHIPLEY

/s/ Billy G. Shipley

BILLY G. SHIPLEY

/s/ Michael R. O'Connor

MICHAEL R. O'CONNOR

JOINT FILING AND SOLICITATION AGREEMENT

WHEREAS, certain of the undersigned are stockholders, direct or beneficial, of Cavalier Homes, Inc., a Delaware corporation (“Cavalier”); and

WHEREAS, Legacy Housing, LTD., a Texas limited partnership (“Legacy”), GPLH, LC, a Texas limited liability company, Shipley Brothers, LTD., a Texas limited partnership, K-Shipley, LLC, a Texas limited liability company, D-Shipley, LLC, a Texas limited liability company, B-Shipley, LLC, a Texas limited liability company, Federal Investor Servicing, LTD, a Texas limited partnership, Federal Investors Management, L.C., a Texas limited liability company, Kenneth E. Shipley, Douglas M. Shipley, Billy G. Shipley, Curtis D. Hodgson and Michael R. O’Connor wish to form a group for the purpose of soliciting proxies or written consents to elect Kenneth E. Shipley, Curtis D. Hodgson and Michael R. O’Connor (the “Nominees”), or any other person designated by the undersigned, as directors of Cavalier and taking all other action necessary or advisable to achieve the foregoing.

NOW, IT IS AGREED, by the parties hereto:

1. In accordance with Rule 13d-1(k)(1)(iii) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), each of the undersigned (collectively, the “Group”) agrees to the joint filing on behalf of each of them of statements on Schedule 13D with respect to the securities of Cavalier. Each member of the Group shall be responsible for the accuracy and completeness of his/its own disclosure therein, and is not responsible for the accuracy and completeness of the information concerning the other members, unless such member knows or has reason to know that such information is inaccurate.

2. So long as this agreement is in effect, each of the undersigned shall provide written notice to Olshan Grundman Frome Rosenzweig & Wolosky LLP (“Olshan”) of (i) any of their purchases or sales of securities of Cavalier; or (ii) any securities of Cavalier over which they acquire or dispose of beneficial ownership. Notice shall be given no later than 24 hours after each such transaction.

3. Each of the undersigned agrees to form The Cavalier Homes Committee for Change for the purpose of soliciting proxies or written consents for the election of the Nominees, or any other person(s) designated by the Group as directors of Cavalier and to take all other action necessary or advisable to achieve the foregoing (the “Solicitation”).

4. The parties agree to share all expenses incurred in connection with the Group’s activities, including expenses incurred by any of the parties in the Solicitation, on a pro rata basis, based on the number of shares of common stock of Cavalier in the aggregate beneficially owned by each party on the date hereof. Notwithstanding the foregoing, the parties shall not be required to reimburse any party for (i) out-of-pocket expenses incurred by a party in the aggregate in excess of \$250 without the other parties’ prior written approval; (ii) the value of the time of any party; (iii) legal fees incurred without the other parties’ prior written approval; or (iv) the costs of any counsel, other than Olshan, employed in connection with any pending or threatened litigation without the other parties’ prior written approval.

5. The relationship of the parties hereto shall be limited to carrying on the business of the Group in accordance with the terms of this Agreement. Such relationship shall be construed and deemed to be for the sole and limited purpose of carrying on such business as described herein. Nothing herein shall be construed to authorize any party to act as an agent for any other party, or to create a joint venture or partnership, or to constitute an indemnification. Nothing herein shall restrict any party's right to purchase or sell securities of Cavalier, as he/it deems appropriate, in his/its sole discretion, provided that all such sales are made in compliance with all applicable securities laws.

6. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument, which may be sufficiently evidenced by one counterpart.

7. In the event of any dispute arising out of the provisions of this Agreement, the parties hereto consent and submit to the exclusive jurisdiction of the Federal and State Courts in the State of New York.

8. Any party hereto may terminate his/its obligations under this Agreement at any time on 24 hours' written notice to all other parties, with a copy by fax to Steve Wolosky at Olshan, Fax No. (212) 451-2222.

9. Each party acknowledges that Olshan shall act as counsel for both the Group and Legacy and its affiliates relating to their investment in the Company.

10. Each of the undersigned parties hereby agrees that this Agreement shall be filed as an exhibit to a Schedule 13D pursuant to Rule 13d-1(k)(1)(iii) under the Exchange Act.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year below written.

Dated: March 19, 2009

LEGACY HOUSING, LTD.

By: GPLH, LC, its general partner

By: /s/ Kenneth E. Shipley

Name: Kenneth E. Shipley

Title: President

GPLH, LC

By: /s/ Kenneth E. Shipley

Name: Kenneth E. Shipley

Title: President

SHIPLEY BROTHERS, LTD.

By: K-Shipley, LLC, its general partner

By: /s/ Kenneth E. Shipley

Name: Kenneth E. Shipley

Title: President

K-SHIPLEY, LLC

By: /s/ Kenneth E. Shipley

Name: Kenneth E. Shipley

Title: President

D-SHIPLEY, LLC

By: /s/ Douglas M. Shipley

Name: Douglas M. Shipley

Title: President

B-SHIPLEY, LLC

By: /s/ Billy G. Shipley

Name: Billy G. Shipley

Title: President

FEDERAL INVESTORS SERVICING, LTD.

By: Federal Investors Management, L.C.

By: /s/ Kenneth E. Shipley

Name: Kenneth E. Shipley

Title: President

FEDERAL INVESTORS MANAGEMENT, L.C.

By: /s/ Kenneth E. Shipley

Name: Kenneth E. Shipley

Title: Manager

/s/ Kenneth E. Shipley

KENNETH E. SHIPLEY

/s/ Curtis D. Hodgson

CURTIS D. HODGSON

/s/ Douglas M. Shipley

DOUGLAS M. SHIPLEY

/s/ Billy G. Shipley

BILLY G. SHIPLEY

/s/ Michael R. O'Connor

MICHAEL R. O'CONNOR