

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 23, 2024

NVR, Inc.

(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction
of incorporation)

1-12378
(Commission
File Number)

54-1394360
(IRS Employer
Identification No.)

**11700 Plaza America Drive, Suite 500
Reston, Virginia 20190**
(Address of principal executive offices) (Zip Code)

(703) 956-4000
(Registrant's telephone number, including area code)

Not applicable
(Former name or former address, if changed since last report)

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|--|-------------------|---|
| Common stock, par value \$0.01 per share | NVR | New York Stock Exchange |

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On July 23, 2024, NVR, Inc. issued a press release reporting its financial results for the quarter and year to date periods ended June 30, 2024. A copy of this press release is furnished herewith as Exhibit 99.1.

The information contained in this Current Report shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit Number</u> | <u>Exhibit Description</u> |
|-----------------------|--|
| 99.1 | Press release dated July 23, 2024 |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NVR, Inc.

Date: July 23, 2024

By: /s/ Daniel D. Malzahn
Daniel D. Malzahn
*Senior Vice President, Chief Financial Officer and
Treasurer*

**NVR, INC. ANNOUNCES SECOND QUARTER RESULTS**

July 23, 2024, Reston, VA—NVR, Inc. (NYSE: NVR), one of the nation's largest homebuilding and mortgage banking companies, announced net income for its second quarter ended June 30, 2024 of \$400.9 million, or \$120.69 per diluted share. For the second quarter ended June 30, 2024, net income decreased 1% and diluted earnings per share increased 4%, when compared to 2023 second quarter net income of \$404.0 million, or \$116.54 per diluted share. Consolidated revenues for the second quarter of 2024 totaled \$2.61 billion, which increased 12% from \$2.34 billion in the second quarter of 2023.

For the six months ended June 30, 2024, consolidated revenues were \$4.95 billion, a 10% increase from \$4.52 billion reported for the same period of 2023. Net income for the six months ended June 30, 2024 was \$795.2 million, an increase of 6% when compared to net income for the six months ended June 30, 2023 of \$748.4 million. Diluted earnings per share for the six months ended June 30, 2024 was \$237.05, an increase of 9% from \$216.52 per diluted share for the same period of 2023.

Homebuilding

New orders in the second quarter of 2024 increased by 3% to 6,067 units, when compared to 5,905 units in the second quarter of 2023. The average sales price of new orders in the second quarter of 2024 was \$458,800, an increase of 3% when compared with the second quarter of 2023. The cancellation rate in the second quarter of 2024 was 13% compared to 11% in the second quarter of 2023. Settlements in the second quarter of 2024 increased by 11% to 5,659 units, compared to 5,085 units in the second quarter of 2023. The average settlement price in the second quarter of 2024 was \$450,200, which remained relatively flat when compared to the second quarter of 2023. Our backlog of homes sold but not settled as of June 30, 2024 increased on a unit basis by 3% to 11,597 units and increased on a dollar basis by 6% to \$5.45 billion when compared to the respective backlog unit and dollar balances as of June 30, 2023.

Homebuilding revenues of \$2.55 billion in the second quarter of 2024 increased by 12% compared to homebuilding revenues of \$2.28 billion in the second quarter of 2023. Gross profit margin in the second quarter of 2024 decreased to 23.6%, from 24.3% in the second quarter of 2023. Income before tax from the homebuilding segment totaled \$488.5 million in the second quarter of 2024, an increase of 12% when compared to the second quarter of 2023.

Mortgage Banking

Mortgage closed loan production in the second quarter of 2024 totaled \$1.53 billion, an increase of 11% when compared to the second quarter of 2023. Income before tax from the mortgage banking segment totaled \$45.0 million in the second quarter of 2024, an increase of 23% when compared to \$36.5 million in the second quarter of 2023. This increase was primarily attributable to an increase in secondary marketing gains on sales of loans.

Effective Tax Rate

Our effective tax rate for the three and six months ended June 30, 2024 was 24.9% and 20.8%, respectively, compared to 14.3% and 17.3% for the three and six months ended June 30, 2023, respectively. The increase in the effective tax rate in each period is primarily attributable to a lower income tax benefit recognized for excess tax benefits from stock option exercises, which totaled \$6.8 million and \$50.6 million for the three and six months ended June 30, 2024, respectively, compared to \$55.9 million and \$79.2 million for the three and six months ended June 30, 2023, respectively.

About NVR

NVR, Inc. operates in two business segments: homebuilding and mortgage banking. The homebuilding segment sells and builds homes under the Ryan Homes, NVHomes and Heartland Homes trade names, and operates in thirty-six metropolitan areas in sixteen states and Washington, D.C. For more information about NVR, Inc. and its brands, see www.nvrinc.com, www.ryanhomes.com, www.nvhomes.com and www.heartlandluxuryhomes.com.

Some of the statements in this release made by the Company constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Certain, but not necessarily all, of such forward-looking statements can be identified by the use of forward-looking terminology, such as “believes,” “expects,” “may,” “will,” “should” or “anticipates” or the negative thereof or other comparable terminology. All statements other than of historical facts are forward-looking statements. Forward-looking statements contained in this document may include those regarding market trends, NVR’s financial position and financial results, business strategy, the outcome of pending litigation, investigations or similar contingencies, projected plans and objectives of management for future operations. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance of NVR to be materially different from future results, performance or achievements expressed or implied by the forward-looking statements. Such risk factors include, but are not limited to the following: general economic and business conditions (on both a national and regional level); interest rate changes; access to suitable financing by NVR and NVR’s customers; increased regulation in the mortgage banking industry; the ability of our mortgage banking subsidiary to sell loans it originates into the secondary market; competition; the availability and cost of land and other raw materials used by NVR in its homebuilding operations; shortages of labor; the economic impact of a major epidemic or pandemic; weather related slow-downs; building moratoriums; governmental regulation; fluctuation and volatility of stock and other financial markets; mortgage financing availability; and other factors over which NVR has little or no control. NVR undertakes no obligation to update such forward-looking statements except as required by law.

NVR, Inc.
Consolidated Statements of Income
(in thousands, except per share data)
(unaudited)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|------------------------------------|-------------------|----------------------------------|-------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Homebuilding: | | | | |
| Revenues | \$ 2,547,891 | \$ 2,283,769 | \$ 4,834,068 | \$ 4,415,102 |
| Other income | 36,184 | 34,259 | 77,050 | 67,205 |
| Cost of sales | (1,947,616) | (1,728,146) | (3,673,829) | (3,336,056) |
| Selling, general and administrative | (141,213) | (148,543) | (293,716) | (292,161) |
| Operating income | 495,246 | 441,339 | 943,573 | 854,090 |
| Interest expense | (6,710) | (6,628) | (13,359) | (13,629) |
| Homebuilding income | 488,536 | 434,711 | 930,214 | 840,461 |
| Mortgage Banking: | | | | |
| Mortgage banking fees | 64,566 | 54,561 | 111,852 | 101,505 |
| Interest income | 4,672 | 3,823 | 8,764 | 6,841 |
| Other income | 1,333 | 1,102 | 2,504 | 2,091 |
| General and administrative | (25,351) | (22,854) | (48,709) | (45,488) |
| Interest expense | (188) | (167) | (365) | (424) |
| Mortgage banking income | 45,032 | 36,465 | 74,046 | 64,525 |
| Income before taxes | 533,568 | 471,176 | 1,004,260 | 904,986 |
| Income tax expense | (132,664) | (67,149) | (209,087) | (156,607) |
| Net income | <u>\$ 400,904</u> | <u>\$ 404,027</u> | <u>\$ 795,173</u> | <u>\$ 748,379</u> |
| Basic earnings per share | <u>\$ 128.21</u> | <u>\$ 123.84</u> | <u>\$ 251.94</u> | <u>\$ 230.20</u> |
| Diluted earnings per share | <u>\$ 120.69</u> | <u>\$ 116.54</u> | <u>\$ 237.05</u> | <u>\$ 216.52</u> |
| Basic weighted average shares outstanding | <u>3,127</u> | <u>3,263</u> | <u>3,156</u> | <u>3,251</u> |
| Diluted weighted average shares outstanding | <u>3,322</u> | <u>3,467</u> | <u>3,355</u> | <u>3,456</u> |

NVR, Inc.
Consolidated Balance Sheets
(in thousands, except share and per share data)
(unaudited)

| | June 30, 2024 | December 31, 2023 |
|---|----------------------|--------------------------|
| ASSETS | | |
| <i>Homebuilding:</i> | | |
| Cash and cash equivalents | \$ 2,438,473 | \$ 3,126,472 |
| Restricted cash | 46,218 | 41,483 |
| Receivables | 35,491 | 29,000 |
| Inventory: | | |
| Lots and housing units, covered under sales agreements with customers | 1,927,451 | 1,674,686 |
| Unsold lots and housing units | 229,319 | 214,666 |
| Land under development | 61,512 | 36,895 |
| Building materials and other | 26,137 | 23,903 |
| | 2,244,419 | 1,950,150 |
| Contract land deposits, net | 646,341 | 576,551 |
| Property, plant and equipment, net | 79,057 | 63,716 |
| Operating lease right-of-use assets | 73,345 | 70,384 |
| Reorganization value in excess of amounts allocable to identifiable assets, net | 41,580 | 41,580 |
| Other assets | 258,172 | 242,751 |
| | 5,863,096 | 6,142,087 |
| <i>Mortgage Banking:</i> | | |
| Cash and cash equivalents | 31,123 | 36,422 |
| Restricted cash | 13,132 | 11,067 |
| Mortgage loans held for sale, net | 392,943 | 222,560 |
| Property and equipment, net | 7,069 | 6,348 |
| Operating lease right-of-use assets | 20,758 | 23,541 |
| Reorganization value in excess of amounts allocable to identifiable assets, net | 7,347 | 7,347 |
| Other assets | 71,820 | 152,385 |
| | 544,192 | 459,670 |
| Total assets | \$ 6,407,288 | \$ 6,601,757 |

NVR, Inc.
Consolidated Balance Sheets (Continued)
(in thousands, except share and per share data)
(unaudited)

| | June 30, 2024 | December 31, 2023 |
|---|----------------------|--------------------------|
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| <i>Homebuilding:</i> | | |
| Accounts payable | \$ 421,457 | \$ 347,738 |
| Accrued expenses and other liabilities | 405,338 | 413,043 |
| Customer deposits | 369,274 | 334,441 |
| Operating lease liabilities | 78,563 | 75,797 |
| Senior notes | 912,078 | 913,027 |
| | 2,186,710 | 2,084,046 |
| <i>Mortgage Banking:</i> | | |
| Accounts payable and other liabilities | 63,960 | 127,511 |
| Operating lease liabilities | 22,710 | 25,475 |
| | 86,670 | 152,986 |
| Total liabilities | 2,273,380 | 2,237,032 |
| <i>Commitments and contingencies</i> | | |
| <i>Shareholders' equity:</i> | | |
| Common stock, \$0.01 par value; 60,000,000 shares authorized; 20,555,330 shares issued as of both June 30, 2024 and December 31, 2023 | 206 | 206 |
| Additional paid-in capital | 2,935,053 | 2,848,528 |
| Deferred compensation trust – 106,697 shares of NVR, Inc. common stock as of both June 30, 2024 and December 31, 2023 | (16,710) | (16,710) |
| Deferred compensation liability | 16,710 | 16,710 |
| Retained earnings | 14,160,198 | 13,365,025 |
| Less treasury stock at cost – 17,465,064 and 17,360,454 shares as of June 30, 2024 and December 31, 2023, respectively | (12,961,549) | (11,849,034) |
| Total shareholders' equity | 4,133,908 | 4,364,725 |
| Total liabilities and shareholders' equity | \$ 6,407,288 | \$ 6,601,757 |

NVR, Inc.
Operating Activity
(dollars in thousands)
(unaudited)

| | Three Months Ended June 30, | | | | Six Months Ended June 30, | | | |
|---|-----------------------------|-----------------|--------------|-----------------|---------------------------|-----------------|---------------|-----------------|
| | 2024 | | 2023 | | 2024 | | 2023 | |
| | Units | Average Price | Units | Average Price | Units | Average Price | Units | Average Price |
| <i>New orders, net of cancellations:</i> | | | | | | | | |
| Mid Atlantic (1) | 2,297 | \$ 536.2 | 2,348 | \$ 519.2 | 4,579 | \$ 525.9 | 4,583 | \$ 517.8 |
| North East (2) | 478 | \$ 623.4 | 463 | \$ 557.0 | 1,005 | \$ 617.7 | 905 | \$ 564.9 |
| Mid East (3) | 1,262 | \$ 403.7 | 1,339 | \$ 390.3 | 2,525 | \$ 406.8 | 2,656 | \$ 387.3 |
| South East (4) | 2,030 | \$ 366.7 | 1,755 | \$ 365.7 | 4,007 | \$ 368.3 | 3,649 | \$ 363.5 |
| Total | <u>6,067</u> | <u>\$ 458.8</u> | <u>5,905</u> | <u>\$ 447.3</u> | <u>12,116</u> | <u>\$ 456.6</u> | <u>11,793</u> | <u>\$ 444.3</u> |

| | Three Months Ended June 30, | | | | Six Months Ended June 30, | | | |
|----------------------------|-----------------------------|-----------------|--------------|-----------------|---------------------------|-----------------|--------------|-----------------|
| | 2024 | | 2023 | | 2024 | | 2023 | |
| | Units | Average Price | Units | Average Price | Units | Average Price | Units | Average Price |
| <i>Settlements:</i> | | | | | | | | |
| Mid Atlantic (1) | 2,199 | \$ 515.5 | 2,030 | \$ 521.3 | 4,165 | \$ 516.5 | 3,825 | \$ 522.7 |
| North East (2) | 487 | \$ 589.8 | 432 | \$ 539.2 | 950 | \$ 571.5 | 795 | \$ 523.7 |
| Mid East (3) | 1,075 | \$ 403.7 | 1,067 | \$ 385.7 | 2,124 | \$ 400.6 | 2,056 | \$ 395.9 |
| South East (4) | 1,898 | \$ 365.1 | 1,556 | \$ 373.0 | 3,509 | \$ 367.3 | 3,048 | \$ 388.7 |
| Total | <u>5,659</u> | <u>\$ 450.2</u> | <u>5,085</u> | <u>\$ 449.0</u> | <u>10,748</u> | <u>\$ 449.7</u> | <u>9,724</u> | <u>\$ 454.0</u> |

| | As of June 30, | | | |
|------------------------|----------------|-----------------|---------------|-----------------|
| | 2024 | | 2023 | |
| | Units | Average Price | Units | Average Price |
| <i>Backlog:</i> | | | | |
| Mid Atlantic (1) | 4,508 | \$ 531.4 | 4,450 | \$ 528.8 |
| North East (2) | 1,083 | \$ 643.3 | 995 | \$ 587.9 |
| Mid East (3) | 2,377 | \$ 416.6 | 2,453 | \$ 392.1 |
| South East (4) | 3,629 | \$ 378.0 | 3,333 | \$ 375.1 |
| Total | <u>11,597</u> | <u>\$ 470.3</u> | <u>11,231</u> | <u>\$ 458.6</u> |

NVR, Inc.
Operating Activity (Continued)
(dollars in thousands)
(unaudited)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|------------------------------------|------------------------------------|-------------|----------------------------------|-------------|
| | 2024 | 2023 | 2024 | 2023 |
| Average active communities: | | | | |
| Mid Atlantic (1) | 153 | 169 | 155 | 166 |
| North East (2) | 31 | 36 | 33 | 36 |
| Mid East (3) | 101 | 111 | 100 | 112 |
| South East (4) | 148 | 110 | 142 | 106 |
| Total | 433 | 426 | 430 | 420 |

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|----------------------------------|------------------------------------|-------------|----------------------------------|-------------|
| | 2024 | 2023 | 2024 | 2023 |
| Homebuilding data: | | | | |
| New order cancellation rate | 12.9 % | 10.9 % | 13.0 % | 12.4 % |
| Lots controlled at end of period | | | 149,700 | 130,400 |

| | | | | |
|-------------------------------|--------------|--------------|--------------|--------------|
| Mortgage banking data: | | | | |
| Loan closings | \$ 1,530,081 | \$ 1,381,647 | \$ 2,908,090 | \$ 2,618,930 |
| Capture rate | 86 % | 86 % | 86 % | 85 % |

| | | | | |
|--------------------------------------|------------|------------|--------------|------------|
| Common stock information: | | | | |
| Shares outstanding at end of period | | | 3,090,266 | 3,260,538 |
| Number of shares repurchased | 83,168 | 34,827 | 150,026 | 56,001 |
| Aggregate cost of shares repurchased | \$ 638,976 | \$ 201,077 | \$ 1,135,912 | \$ 311,125 |

- (1) Maryland, Virginia, West Virginia, Delaware and Washington, D.C.
- (2) New Jersey and Eastern Pennsylvania
- (3) New York, Ohio, Western Pennsylvania, Indiana and Illinois
- (4) North Carolina, South Carolina, Tennessee, Florida, Georgia and Kentucky

Investor Relations Contact:

Ryan Sheplee
(703) 956-4243
ir@nvrinc.com