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

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2000

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ____ to ____

Commission file number 1-12378

NVR, Inc.
(Exact name of registrant as specified in its charter)

Virginia	54-1394360
(State or other jurisdiction of incorporation or organization)	(IRS employer identification number)

7601 Lewinsville Road, Suite 300
McLean, Virginia 22102
(703) 761-2000
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

(Not Applicable)
(Former name, former address, and former fiscal year if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No_____

As of October 18, 2000, there were 8,834,179 total shares of common stock outstanding.

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PART I

Item 1.

NVR, Inc.
Condensed Consolidated Balance Sheets
(dollars in thousands, except per share data)

ASSETS	September 30, 2000 (unaudited)	December 31, 1999
Homebuilding:		
Cash and cash equivalents	$ 107,708	$ 77,968
Receivables	9,362	2,171
Inventory:		
Lots and housing units, covered under sales agreements with customers	327,355	276,193
Unsold lots and housing units	24,989	37,573
Manufacturing materials and other	7,674	9,689
	360,018	323,455
Property, plant and equipment, net	12,881	13,114
Reorganization value in excess of amounts allocable to identifiable assets, net	49,281	53,901
Goodwill, net	7,746	8,566
Contract land deposits	90,215	62,784
Other assets	54,986	49,776
	692,197	591,735
Mortgage Banking:		
Cash and cash equivalents	10,690	11,158
Mortgage loans held for sale, net	93,780	136,311
Mortgage servicing rights, net	2,457	3,384
Property and equipment, net	2,516	4,239
Reorganization value in excess of amounts allocable to identifiable assets, net	8,707	9,523
Goodwill, net	-	2,739
Other assets	3,622	8,192
	121,772	175,546
Total assets	$ 813,969	$ 767,281

See notes to condensed consolidated financial statements.
(Continued)

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

	September 30, 2000 (unaudited)	December 31, 1999
LIABILITIES AND SHAREHOLDERS' EQUITY		
Homebuilding:		
Accounts payable	$ 112,176	$ 98,322
Accrued expenses and other liabilities	151,958	125,172
Customer deposits	63,826	50,348
Notes payable	1,909	2,128
Other term debt	5,021	5,206
Senior notes	115,000	145,000
	449,890	426,176
Mortgage Banking:		
Accounts payable and other liabilities	5,421	14,666
Notes payable	93,183	125,799
	98,604	140,465
Total liabilities	548,494	566,641
Commitments and contingencies		
Shareholders' equity:		
Common stock, $0.01 par value; 60,000,000 shares authorized; 20,614,365 and 20,614,855 shares issued as of September 30, 2000 and December 31, 1999, respectively	206	204
Paid-in-capital	184,544	196,654
Retained earnings	353,256	241,564
Deferred compensation trust- 340,703 shares of NVR, Inc. common stock	(15,915)	-
Deferred compensation liability	15,915	-
Less treasury stock at cost; 11,772,580 and 11,443,247 shares at September 30, 2000 and December 31, 1999, respectively	(272,531)	(237,782)
Total shareholders' equity	265,475	200,640
Total liabilities and shareholders' equity	$ 813,969	$ 767,281

See notes to condensed consolidated financial statements.

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

	Three Months Ended September 30, 2000	Three Months Ended September 30, 1999	Nine Months Ended September 30, 2000	Nine Months Ended September 30, 1999
Homebuilding:				
Revenues	$ 602,485	$ 523,552	$ 1,651,572	$ 1,445,297
Other income	650	466	2,006	1,388
Cost of sales	(485,414)	(433,380)	(1,340,073)	(1,198,091)
Selling, general and administrative	(41,211)	(35,389)	(109,172)	(97,781)
Amortization of reorganization value in excess of amounts allocable to identifiable assets and goodwill	(1,813)	(1,813)	(5,440)	(5,440)
Operating income	74,697	53,436	198,893	145,373
Interest expense	(3,216)	(3,373)	(9,917)	(10,113)
Homebuilding income	71,481	50,063	188,976	135,260
Mortgage Banking:				
Mortgage banking fees	12,950	15,423	28,169	43,975
Interest income	1,438	3,358	5,149	9,931
Other income	149	140	333	397
General and administrative	(11,140)	(13,527)	(24,978)	(34,606)
Amortization of reorganization value in excess of amounts allocable to identifiable assets and goodwill	(272)	(428)	(980)	(1,200)
Interest expense	(552)	(2,078)	(2,593)	(6,094)
Restructuring and asset impairment charge	-	-	(5,726)	-
Operating income/(loss)	2,573	2,888	(626)	12,403
Total segment income	74,054	52,951	188,350	147,663
Income tax expense	(30,140)	(22,610)	(76,658)	(63,052)
Net Income	$ 43,914	$ 30,341	$ 111,692	$ 84,611
Basic Earnings per Share:	$ 4.93	$ 3.06	$ 12.19	$ 8.07
Diluted Earnings per Share:	$ 3.97	$ 2.52	$ 10.03	$ 6.82

See notes to condensed consolidated financial statements.

NVR, Inc.
Condensed Consolidated Statements of Cash Flows
(dollars in thousands, except share data)
(unaudited)

	Nine Months Ended September 30, 2000	Nine Months Ended September 30, 1999
Cash flows from operating activities:		
Net income	$ 111,692	$ 84,611
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	10,266	10,461
Restructuring and asset impairment charge	5,726	-
Mortgage loans closed	(1,338,453)	(2,324,773)
Proceeds from sales of mortgage loans	1,388,708	2,373,288
Gain on sale of mortgage servicing rights	(622)	(2,670)
Gain on sale of loans	(18,416)	(27,812)
Net change in assets and liabilities:		
Increase in inventories	(36,563)	(40,230)
Increase in receivables	(6,086)	(9,730)
Increase in contract land deposits	(27,431)	(17,922)
Increase in accounts payable, customer deposits and accrued expenses	49,845	53,988
Other, net	(3,371)	20,033
Net cash provided by operating activities	135,295	119,244
Cash flows from investing activities:		
Business acquisition, net of cash acquired	-	(3,697)
Purchase of property, plant and equipment	(3,186)	(6,394)
Principal payments on mortgage-backed securities	504	2,225
Proceeds from sales of mortgage servicing rights	11,332	27,061
Other, net	426	4,746
Net cash provided by investing activities	9,076	23,941
Cash flows from financing activities:		
Purchase of NVR common stock for funding of deferred compensation plan	(1,606)	-
Redemption of mortgage bonds	(581)	(1,625)
Net repayments under notes payable and other term debt	(32,759)	(51,955)
Repurchase of 8% Senior Notes due 2005	(30,000)	-
Purchase of treasury stock	(52,874)	(87,542)
Other, net	2,721	1,488
Net cash used by financing activities	(115,099)	(139,634)
Net increase in cash	29,272	3,551
Cash, beginning of the period	89,126	68,504
Cash, end of period	$ 118,398	$ 72,055
Supplemental disclosures of cash flow information:		
Interest paid during the period	$ 10,305	$ 11,677
Income taxes paid, net of refunds	$ 70,026	$ 54,448

See notes to condensed consolidated financial statements.

(dollars in thousands, except per share and share data)

1. Basis of Presentation

The accompanying unaudited, condensed consolidated financial statements include the accounts of NVR, Inc. ("NVR" or the "Company") and its subsidiaries. Intercompany accounts and transactions have been eliminated in consolidation. The statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. Because the accompanying condensed consolidated financial statements do not include all of the information and footnotes required by generally accepted accounting principles, they should be read in conjunction with the financial statements and notes thereto included in the Company's 1999 Annual Report on Form 10-K. In the opinion of management, all adjustments (consisting only of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine month period ended September 30, 2000 are not necessarily indicative of the results that may be expected for the year ending December 31, 2000. Certain prior period amounts have been reclassified to conform to the current period presentation.

For the quarters and the nine-month periods ended September 30, 2000 and 1999, comprehensive income equaled net income; therefore, a separate statement of comprehensive income is not included in the accompanying financial statements.

2. Shareholders' Equity

A summary of changes in shareholders' equity is presented below:

	Common Stock	Paid-In Capital	Retained Earnings	Treasury Stock	Deferred Comp. Trust	Deferred Comp. Liability
Balance, December 31, 1999	$ 204	$ 196,654	$ 241,564	$(237,782)	$ -	$ -
Net income	-	-	111,692	-	-	-
Deferred compensation activity	-	(14,918)	-	14,451	(15,915)	15,915
Purchase of common stock for treasury	-	-	-	(52,874)	-	-
Option activity	2	2,719	-	-	-	-
Tax benefit from stock-based compensation activity	-	3,763	-	-	-	-
Performance share activity	-	(3,674)	-	3,674	-	-
Balance, September 30, 2000	$ 206	$ 184,544	$ 353,256	$(272,531)	$ (15,915)	$ 15,915

Approximately 77,700 shares were reissued from the treasury during January 2000 in satisfaction of benefits earned and expensed in 1999 under an equity-based employee benefit plan. The basis for the shares reissued from the treasury was $47.25 per share. In addition, approximately 222,000 options were exercised during the first nine months of 2000, with NVR realizing $2,721 in aggregate equity proceeds.

(dollars in thousands, except per share and share data)

To minimize the non-deductibility of executive compensation expense due to the limitations of Section 162(m) of the Internal Revenue Code and still maintain the ability to competitively compensate the Company's executive officers, the Company established a deferred compensation plan (Deferred Comp Plan). The specific purpose of the Deferred Comp Plan was to establish a vehicle whereby the executive officers could defer the receipt of compensation that otherwise would be nondeductible for tax purposes into a period where the Company would realize a tax deduction for the amounts paid. The Deferred Comp Plan is also available to other members of the Company's management group. Amounts deferred into the Deferred Comp Plan are invested in NVR common stock and are paid out in a fixed number of shares upon expiration of the deferral period.

The Deferred Comp Plan Trust was funded during the first quarter of 2000 with 305,863 NVR shares issued from the Company's treasury stock account. The basis for the shares reissued from the treasury was $47.25 per share. In addition, the Deferred Comp Plan Trust purchased 34,840 NVR common shares on the open market at an aggregate cost of $1,606. The compensation deferred was related to benefits earned by NVR employees under the Company's 1994 Management Equity Incentive Plan and the 1996 High Performance Plan. The aggregate 340,703 shares are treated as outstanding shares in the earnings per share calculation for the three and nine months ended September 30, 2000.

3. Segment Disclosures

NVR operates in two business segments: homebuilding and mortgage banking. Corporate general and administrative expenses are fully allocated to the homebuilding and mortgage banking segments in the information presented below.

For the Nine Months Ended September 30, 2000

	Homebuilding	Mortgage Banking	Totals	
Revenues from external customers	$ 1,651,572	$ 28,169	$ 1,679,741	(a)
Segment profit	194,416	354	194,770	(b)
Segment assets	635,170	113,065	748,235	(b)

(a) Total amounts for the reportable segments equal the respective amounts for the consolidated enterprise.

(b) The following reconciles segment profit and segment assets to the respective amounts for the consolidated enterprise:
Homebuilding Mortgage Banking Totals

	Homebuilding	Mortgage Banking	Totals
Segment profit	$ 194,416	$ 354	$ 194,770
Less: Amortization of excess reorganization value and goodwill	(5,440)	(980)	(6,420)
Consolidated income (loss) before income taxes	$ 188,976	$ (626)	$ 188,350
Segment assets	$ 635,170	$ 113,065	$ 748,235
Add: Excess reorganization value and goodwill	57,027	8,707	65,734
Total consolidated assets	$ 692,197	$ 121,772	$ 813,969

(dollars in thousands, except per share and share data)

For the Three Months Ended September 30, 2000

	Homebuilding	Mortgage Banking	Totals
Revenues from external customers	$ 602,485	$ 12,950	$ 615,435 (c)
Segment profit	73,294	2,845	76,139 (d)

(c) Total amounts for the reportable segments equal the respective amounts for the consolidated enterprise.
(d) The following reconciles segment profit to the respective amounts for the consolidated enterprise:

	Homebuilding	Mortgage Banking	Totals
Segment profit	$ 73,294	$ 2,845	$ 76,139
Less: Amortization of excess reorganization value and goodwill	(1,813)	(272)	(2,085)
Consolidated income before income taxes	$ 71,481	$ 2,573	$ 74,054

For the Nine Months Ended September 30, 1999

	Homebuilding	Mortgage Banking	Totals
Revenues from external customers	$ 1,445,297	$ 43,975	$1,489,272 (e)
Segment profit	140,700	13,603	154,303 (f)
Segment assets	508,075	229,802	737,877 (f)

(e) Total amounts for the reportable segments equal the respective amounts for the consolidated enterprise.
(f) The following reconciles segment profit and segment assets to the respective amounts for the consolidated enterprise:

	Homebuilding	Mortgage Banking	Totals
Segment profit	$ 140,700	$ 13,603	$ 154,303
Less: Amortization of excess reorganization value and goodwill	(5,440)	(1,200)	(6,640)
Consolidated income before income taxes	$ 135,260	$ 12,403	$ 147,663
Segment assets	$ 508,075	$ 229,802	$ 737,877
Add: Excess reorganization value and goodwill	64,280	12,698	76,978
Total consolidated assets	$ 572,355	$ 242,500	$ 814,855

For the Three Months Ended September 30, 1999

	Homebuilding	Mortgage Banking	Totals
Revenues from external customers	$ 523,552	$ 15,423	$ 538,975 (g)
Segment profit	51,876	3,316	55,192 (h)

(g) Total amounts for the reportable segments equal the respective amounts for the consolidated enterprise.
(h) The following reconciles segment profit to the respective amounts for the consolidated enterprise:

	Homebuilding	Mortgage Banking	Totals
Segment profit	$ 51,876	$ 3,316	$ 55,192
Less: Amortization of excess reorganization value and goodwill	(1,813)	(428)	(2,241)
Consolidated income before income taxes	$ 50,063	$ 2,888	$ 52,951

4. Mortgage Banking Segment Restructuring Plan

During the first quarter of 2000, NVR formulated a detailed plan to align its mortgage banking operations to exclusively serve the Company's homebuilding customers. The plan specifically entailed the closure of all of the Company's retail operations, including all of the retail branches acquired from the acquisition of First Republic Mortgage Corporation ("First Republic") in March 1999. This action is consistent with the Company's decision in December 1999 to exit the wholesale mortgage origination business. The Company's mortgage banking operation is now solely focused on serving the Company's homebuilding operations. The restructuring plan was substantially completed by June 30, 2000. As a result of the restructuring, the Company incurred net restructuring and asset impairment charges of $5,726, which are included in the mortgage banking segment's operating results for the nine months ended September 30, 2000 in the accompanying statements of income. For additional details, see the mortgage banking section of the Management Discussion and Analysis beginning on page 12.

5. Debt

In September 2000, NVR amended its mortgage warehouse facility to decrease the available borrowing limit to $100,000. The reduction in the available borrowing limit is consistent with the Company's restructuring plans discussed in note 4 above. The other terms and conditions are substantially equivalent to those in effect at December 31, 1999. There is $84,870 outstanding under the facility at September 30, 2000.

During the three months ended September 30, 2000, NVR purchased, in the open market, an aggregate of $30,000 in principal amount of its 8% Senior Notes due 2005 ("Senior Notes"). The Senior Notes were repurchased at par, with no material gain or loss resulting from the transaction. There is an aggregate of $115,000 of Senior Notes outstanding at September 30, 2000.

6. Subsequent Events

Subsequent to September 30, 2000, NVR reached agreement with a shareholder to purchase approximately 780,000 shares of its common stock effective January 2, 2001 for an aggregate purchase price of approximately $65,000. The shareholder is not affiliated with NVR or its subsidiaries.

On October 25, 2000, NVR commenced a consent solicitation of the holders of its Senior Notes to amend the underlying Trust Indenture ("Indenture") of the Senior Notes. The proposed amendment would modify the covenant in the Indenture limiting certain "Restricted Payments" to allow the Company to make, in addition to all other permitted Restricted Payments, additional Restricted Payments of up to $70,000 in the aggregate for the purpose of repurchasing the Company's outstanding capital stock (from persons other than officers and directors of the Company) in one or more privately negotiated and/or open market transactions at any time or from time to time on or before July 31, 2001; provided that any such additional Restricted Payments not made on or before July 31, 2001, may not be made at any subsequent time.

For each consent received and accepted, the Company has offered to pay a Senior Note holder cash equal to 1% of the principal amount of Senior Notes held. The cash payment made for each consent received and accepted will be capitalized and amortized to interest expense over the remaining term of the Senior Notes. The consent period ends at 5:00 p.m., New York City time, on November 13, 2000, unless extended. The Company has the right at any time to terminate the consent solicitation, amend the terms of the solicitation, or not to extend the deadline of the solicitation period beyond the expiration date.

Item 2.
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Management's Discussion and Analysis of Financial Condition and Results of Operations
(dollars in thousands, except per share and share data)

Forward-Looking Statements

Some of the statements in this Form 10-Q, as well as statements made by the Company in periodic press releases and other public communications, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. 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 variations thereof or comparable terminology, or by discussion of strategies, each of which involves risks and uncertainties. All statements other than of historical facts included herein, including those regarding market trends, the Company's financial position, business strategy, projected plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risk factors include, but are not limited to, general economic and business conditions (on both a national and regional level), interest rate changes, access to suitable financing, competition, the availability and cost of land and other raw materials used by the Company in its homebuilding operations, shortages of labor, weather related slow downs, building moratoria, governmental regulation, the ability of the Company to integrate any acquired business, fluctuation and volatility of stock and other financial markets and other factors over which the Company has little or no control.

Results of Operations for the Three and Nine Months Ended September 30, 2000 and 1999

NVR, Inc. ("NVR" or the "Company") operates in two business segments: homebuilding and mortgage banking. Corporate general and administrative expenses are fully allocated to the homebuilding and mortgage banking segments in the information presented below.

Homebuilding Segment

Three Months Ended September 30, 2000 and 1999

During the third quarter of 2000, homebuilding operations generated revenues of $602,485 compared to revenues of $523,552 in the third quarter of 1999. The change in revenues was due to a 6.3% increase in the number of homes settled to 2,674 units in 2000 from 2,516 units in 1999, and to an 8.2% increase in the average selling price to $224.5 in 2000 from $207.4 in 1999. The increase in the average selling price is attributable to price increases in certain of the Company's markets and to a larger number of settlements in the current period of higher-priced single family detached homes. New orders of 2,180 during the third quarter of 2000 increased 16.8% compared with the 1,866 new orders generated during the same 1999 period. The increase in new orders was primarily the result of increased sales in the Company's markets outside the Washington, D.C. metropolitan area.

Gross profit margins in the third quarter of 2000 increased to 19.4% as compared to 17.2% for the third quarter of 1999. The increase in gross margins was due to continuing favorable market conditions, which provided the Company the opportunity to increase selling prices in certain of its markets, a decrease in the cost of lumber and certain other material costs and to the Company's ongoing focus on controlling construction costs. Selling, general and administrative ("SG&A") expenses for the third quarter of 2000 increased $5,822 from the third quarter of 1999, and as a percentage of revenues, were flat with the third quarter of 1999.

Backlog units and dollars were 5,355 and $1,328,585, respectively, at September 30, 2000 compared to 4,797 and $1,082,116, respectively, at September 30, 1999. The increase in backlog units and dollars is primarily attributable to a 9.9% increase in new orders for the six month period ended September 30, 2000 compared to the same 1999 period. The increase in backlog dollars is also due to a 6.7% increase in the average selling price over the same six month period.

The Company believes that earnings before interest, taxes, depreciation and amortization, excluding non-cash equity based compensation ("EBITDA"), provides a meaningful comparison of operating performance of the homebuilding segment. Although the Company believes the calculation is helpful in understanding the performance of the homebuilding segment, EBITDA should not be considered a substitute for net income or cash flow as indicators of the Company's financial performance or its ability to generate liquidity.

Calculation of Homebuilding EBITDA:

	Three Months Ended September 30,	
	2000	1999
Operating income	$ 74,697	$ 53,436
Depreciation	1,083	875
Amortization of excess reorganization value/goodwill	1,813	1,813
Non-cash compensation	-	4,560
Homebuilding EBITDA	$ 77,593	$ 60,684
% of Homebuilding revenues	12.9%	11.6%

Homebuilding EBITDA in the third quarter of 2000 was $16,909 higher than in the third quarter of 1999, and as a percentage of homebuilding revenues, increased to 12.9% from 11.6%.

Mortgage Banking Segment

Three Months Ended September 30, 2000 and 1999

The mortgage banking segment generated operating income, excluding the amortization of excess reorganization value and goodwill, of $2,845 for the three months ended September 30, 2000 compared to operating income of $3,316 during the same period in 1999. The reduction was primarily due to a 40% reduction in loan closings to $401,037 from $675,593 for the three months ended September 30, 2000 and 1999, respectively, and to costs associated with winding down the business of First Republic Mortgage Corporation ("First Republic"). The reduction in loan closings is the direct result of the Company's decision made in the first quarter of 2000 to exit the retail and wholesale loan origination business to focus exclusively on originating mortgages for NVR's homebuilding customers. (See the mortgage banking segment's nine-month discussion within this Management's Discussion and Analysis for further details).

Homebuilding Segment

Nine Months Ended September 30, 2000 and 1999

During the first nine months of 2000, homebuilding operations generated revenues of $1,651,572 compared to revenues of $1,445,297 in the first nine months of 1999. The increase in revenues was primarily due to a 4.8% increase in the number of homes settled to 7,379 in 2000 from 7,038 in 1999, and to an 8.9% increase in the average settlement price to $222.9 in 2000 from $204.6 in 1999. The increase in settlements is a direct result of the substantially higher backlog at the beginning of the 2000 period as compared to the same 1999 period. The increase in the average settlement price is attributable to price increases in certain of the Company's markets and to a larger number of settlements in the current period of higher-priced single family detached homes. New orders increased by 7.4% to 7,799 for the nine months ended September 30, 2000 compared with 7,262 for the nine months ended September 30, 1999. The majority of the Company's markets had a period to period increase in the number of new orders.

Gross profit margins for the first nine months of 2000 increased to 18.9% compared to 17.1% for the nine months ended September 30, 1999. The increase in gross profit margins was due to continuing favorable market conditions, which provided the Company the opportunity to increase selling prices in certain of its markets, a decrease in the cost of lumber and certain other material costs and to the Company's continued focus on controlling construction costs.

SG&A expenses for 2000 increased $11,391 compared to the same 1999 period, but as a percentage of revenues decreased to 6.6% from 6.8%. The increase in SG&A dollars and the percentage decrease is primarily attributable to the overall larger revenue base.

Calculation of Homebuilding EBITDA:

	Nine Months Ended September 30,	
	2000	1999
Operating income	$ 198,893	$ 145,373
Depreciation	3,108	2,479
Amortization of excess reorganization value and goodwill	5,440	5,440
Non-cash compensation	-	13,114
Homebuilding EBITDA	$ 207,441	$ 166,406
% of Homebuilding revenues	12.6%	11.5%

Homebuilding EBITDA for the first nine months of 2000 was $41,035 higher than the first nine months of 1999, and as a percentage of revenues increased to 12.6% from 11.5%.

Mortgage Banking Segment

Nine Months Ended September 30, 2000 and 1999

The mortgage banking segment had operating income, excluding the amortization of excess reorganization value and goodwill, of $354 for the nine months ended September 30, 2000 compared to operating income of $13,603 during the same period in 1999. During the first quarter of 2000, NVR formulated a detailed plan to align its mortgage banking operations to exclusively serve the Company's homebuilding customers. The plan specifically entailed the closure of all of the Company's retail operations, including all of the retail branches acquired from the acquisition of First Republic. This action was consistent with the Company's decision in December 1999 to exit the wholesale mortgage origination business. The Company's mortgage banking operation is now solely focused on serving the Company's homebuilding operations. The restructuring plan was substantially completed during the second quarter of 2000.

As a result of the restructuring, the Company recorded a restructuring and asset impairment charge of $5,926 in the first quarter of 2000. A detail of the costs comprising the total charge incurred in the first quarter is as follows:

Write off of First Republic goodwill	$2,575
Noncancelable office and equipment leases	1,480
Asset impairments	1,362
Severance	509
Total	$5,926

During the nine months ended September 30, 2000, approximately $695 in severance and lease costs was applied against the restructuring reserve. In addition, the Company reversed approximately $200 in restructuring reserves, primarily for unused severance costs. Approximately $1,100 of the restructuring accrual established at March 31, 2000, remains at September 30, 2000, and primarily relates to accrued lease costs.

Excluding the restructuring and impairment charges (net of reversals) incurred in the first nine months of 2000, operating income was $6,080, a decrease of 55.3% from the $13,603 of operating income generated in the first nine months of 1999. This was primarily due to a 42.4% reduction in loan closings to $1,338,453 for the first nine months of 2000 compared to $2,324,773 in loan closings for the first nine months of 1999, other costs associated with winding down the business of First Republic, and to competitive pricing pressures.

Recent Accounting Pronouncements

The Financial Accounting Standards Board has issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 133 requires all derivatives to be recognized as either assets or liabilities on the balance sheet and be measured at fair value. Depending on the hedge designation, changes in such fair value will be recognized in either other comprehensive income or current earnings on the income statement. During June 1999, the FASB issued SFAS No. 137, and in June 2000, the FASB issued SFAS No. 138, both of which provide additional guidance and amendments to SFAS No. 133. SFAS No. 133, as amended, is now effective for fiscal years beginning after June 15, 2000, and is applicable to interim periods in the initial year of adoption. At the present time, the Company cannot determine the impact that SFAS No. 133 will have on its financial statements upon adoption on January 1, 2001. Such impact will be solely determined based on loan commitments and forward mortgage delivery contracts for the Company's mortgage banking segment.

Liquidity and Capital Resources

The Company has $225,000 available for issuance under a shelf registration statement filed with the Securities and Exchange Commission on January 20, 1998. The shelf registration statement was declared effective on February 27, 1998, and provides that securities may be offered from time to time in one or more series and in the form of senior or subordinated debt.

NVR's homebuilding segment generally provides for its working capital cash requirements using cash generated from operations and a short-term unsecured working capital revolving credit facility (the "Facility"). The Facility expires on May 31, 2003. The Facility currently provides for borrowings of up to $60,000. Up to $24,000 of the Facility is currently available for issuance in the form of letters of credit, of which $17,570 was outstanding at September 30, 2000. There were no direct borrowings outstanding under the Facility as of September 30, 2000.

NVR's mortgage banking segment provides for its mortgage origination and other operating activities using cash generated from operations as well as a short-term credit facility. NVR Finance has available an annually renewable mortgage warehouse facility with an aggregate available borrowing limit of $100,000 to fund its mortgage origination activities. There was $84,870 outstanding under this facility at September 30, 2000. NVR Finance also currently has available an aggregate of $120,000 of borrowing capacity in various uncommitted gestation and repurchase agreements. There was an aggregate of $7,991 outstanding under such gestation and repurchase agreements at September 30, 2000.

The Company believes that internally generated cash and borrowings available under credit facilities will be sufficient to satisfy near and long term cash requirements for working capital in both its homebuilding and mortgage banking operations.

Other Elements Impacting Liquidity

During the three months ended September 30, 2000, NVR purchased, in the open market, an aggregate of $30,000 in principal amount of its 8% Senior Notes due 2005 ("Senior Notes"). The Senior Notes were repurchased at par, with no material gain or loss resulting from the transaction. There is an aggregate of $115,000 of Senior Notes outstanding at September 30, 2000.

During the nine months ended September 30, 2000, the Company repurchased approximately 935,000 shares of its common stock at an aggregate purchase price of $52,874. The Company may, from time to time, repurchase additional shares of its common stock, pursuant to repurchase authorizations by the Board of Directors and subject to the restrictions contained within the Company's debt agreements.

On October 25, 2000, NVR commenced a consent solicitation of the holders of its Senior Notes to amend the underlying Trust Indenture ("Indenture") of the Senior Notes. The proposed amendment would modify the covenant in the Indenture limiting certain "Restricted Payments" to allow the Company to make, in addition to all other permitted Restricted Payments, additional Restricted Payments of up to $70,000 in the aggregate for the purpose of repurchasing the Company's outstanding capital stock (from persons other than officers and directors of the Company) in one or more privately negotiated and/or open market transactions at any time or from time to time on or before July 31, 2001; provided that any such additional Restricted Payments not made on or before July 31, 2001, may not be made at any subsequent time.

For each consent received and accepted, the Company has offered to pay a Senior Note holder cash equal to 1% of the principal amount of Senior Notes held. The cash payment made for each consent received and accepted will be capitalized and amortized to interest expense over the remaining term of the Senior Notes. The consent period ends at 5:00 p.m., New York City time, on November 13, 2000, unless extended. The Company has the right at any time to terminate the consent solicitation, amend the terms of the solicitation, or not to extend the deadline of the solicitation period beyond the expiration date.

Subsequent to September 30, 2000, NVR reached agreement with a shareholder to purchase approximately 780,000 shares of its common stock effective January 2, 2001 for an aggregate purchase price of approximately $65,000. The shareholder is not affiliated with NVR or its subsidiaries.

Part II

Item 6. Exhibits and Reports on Form 8-K

a. 11. Computation of Earnings per Share.

b. 27. Financial Data Schedule.

c. The Company did not file any reports on Form 8-K during the quarter ended September 30, 2000.

Exhibit Index

Exhibit Number	Description	Page
11	Computation of Earnings per Share	18
27	Financial Data Schedule	19

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 thereunto duly authorized.

October 25, 2000 NVR, Inc.

By: /s/ Paul C. Saville
Paul C. Saville
Senior Vice President Finance and
Chief Financial Officer

Exhibit 11

NVR, Inc.
Computation of Earnings Per Share
(amounts in thousands, except per share amounts)

	Three Months Ended September 30, 2000	Three Months Ended September 30, 1999	Nine Months Ended September 30, 2000	Nine Months Ended September 30, 1999
1. Net income	$ 43,914	$ 30,341	$ 111,692	$ 84,611
2. Average number of shares outstanding	8,905	9,900	9,164	10,480
3. Shares issuable upon exercise of dilutive options, based on average market price	2,155	2,118	1,974	1,922
4. Average number of shares and share equivalents outstanding (2 + 3)	11,060	12,018	11,138	12,402
5. Basic earnings per share (1/2)	$ 4.93	$ 3.06	$ 12.19	$ 8.07
6. Diluted earnings per share (1/4)	$ 3.97	$ 2.52	$ 10.03	$ 6.82

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM NVR, INC.'S CONSOLIDATED FINANCIAL STATEMENTS INCLUDED IN FORM 10-Q FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2000 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

9-MOS
DEC-31-2000
JAN-01-2000
SEP-30-2000
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0
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111,692
12.19
10.03

ITEM REPRESENTS THE NON-CASH AMORTIZATION OF EXCESS REORGANIZATION VALUE AND GOODWILL.