

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant [X]

Filed by a Party other than the Registrant []

Check the appropriate box:

[] Preliminary Proxy Statement

[] CONFIDENTIAL, FOR USE OF THE
COMMISSION ONLY (AS PERMITTED BY
RULE 14A-6(E)(2))

[X] Definitive Proxy Statement

[] Definitive Additional Materials

[] Soliciting Material Pursuant to (S) 240.14a-11(c) or (S) 240.14a-12

NVR, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.

[] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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

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(3) Per unit price or other underlying value of transaction computed
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number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

Notes:

Reg. (S) 240.14a-101.

SEC 1913 (3-99)

[LOGO] NVR

NVR, Inc.
7601 Lewinsville Road
McLean, VA 22102

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To be held on Wednesday, May 1, 2002

The Annual Meeting of Shareholders (the "Meeting") of NVR, Inc. (the "Company") will be held at the Company's headquarters at 7601 Lewinsville Rd., Suite 300, McLean, Virginia on Wednesday, May 1, 2002, at 11:30 A.M., Eastern Time, for the purpose of considering and acting upon the following matters:

1. The election of the three (3) nominees for director to serve three (3) year terms and until their successors are duly elected and qualified;
2. Ratification of appointment of KPMG LLP as independent auditors for the year ending December 31, 2002; and
3. Such other business as may properly be brought before the Meeting or any adjournment thereof.

The Board of Directors has established the close of business on March 1, 2002 as the record date for the Meeting. Only shareholders of record as of that date shall be entitled to notice of and to vote at the Meeting or any adjournment thereof.

Whether or not you plan to attend the Meeting, you are urged to date and sign the enclosed proxy card and return it promptly in the accompanying envelope. You are invited to attend the Meeting in person. If you do attend the Meeting, you may withdraw your proxy and vote in person.

By order of the Board of Directors,
/s/ James M. Sack
James M. Sack
Vice President, Secretary and General
Counsel

March 21, 2002

NVR, INC.
7601 Lewinsville Road
Suite 300
McLean, VA 22102

PROXY STATEMENT

This Proxy Statement, Proxy Card and the Annual Report for the year ended December 31, 2001 are being mailed on or about March 21, 2002 in connection with the solicitation on behalf of the Board of Directors of NVR, Inc., a Virginia corporation ("NVR" or the "Company"), of proxies for use at the Annual Meeting of Shareholders of the Company to be held on Wednesday, May 1, 2002, at the Company's headquarters at 7601 Lewinsville Rd., Suite 300, McLean, Virginia 22102, at 11:30 A.M., Eastern Time, and at any and all postponements and adjournments thereof. Except to the extent specifically incorporated by reference, the Annual Report does not constitute "soliciting material" and is not to be deemed "filed" with the Securities and Exchange Commission (the "SEC").

The cost of solicitation of proxies will be borne by NVR, including expenses in connection with preparing, assembling and mailing the proxy solicitation materials and all papers accompanying them. The Company may reimburse brokers or persons holding shares in their names or in the names of their nominees for their expenses in sending proxies and proxy material to beneficial owners. In addition to solicitation by mail, certain officers, directors and regular employees of the Company, who will receive no extra compensation for their services, may solicit proxies by telephone, facsimile transmission, internet or personally. The Company has retained Georgeson Shareholder Communications Inc. to assist in the solicitation of brokers, bank nominees and institutional holders for a fee of approximately \$4,500 plus out-of-pocket expenses.

All voting rights are vested exclusively in the holders of the Company's common stock, par value \$.01 per share (the "Common Stock"). Only Shareholders of record as of the close of business on March 1, 2002 (the "Record Date") are entitled to receive notice of and to vote at the Annual Meeting. Shareholders of record include holders (the "Participants") owning stock in the Company's Profit Sharing Trust Plan and Employee Stock Ownership Plan (the "Plans").

The accompanying proxy card should be used to instruct the person named as the proxy to vote the Shareholder's shares in accordance with the Shareholder's directions. The persons named in the accompanying proxy card will vote shares of Common Stock represented by all valid proxies in accordance with the instructions contained thereon. In the absence of instructions, shares represented by properly executed proxies will be voted for the election of those three persons designated hereinafter as nominees for Class III directors of the Company, for the ratification of KPMG LLP as the Company's Independent Auditors for 2002, and in the discretion of the named proxies with respect to any other matters presented at the Annual Meeting. With respect to the tabulation of proxies, abstentions and broker non-votes will be counted for purposes of constituting a quorum but have no effect on the vote. Any shareholder may revoke his or her proxy at any time prior to its use by filing with the Secretary of the Company, at 7601 Lewinsville Road, Suite 300, McLean, Virginia 22102, written notice of revocation or a duly executed proxy bearing a later date or by attending the Annual Meeting and voting in person. Execution of the enclosed proxy will not affect your right to vote in person if you should later decide to attend the Annual Meeting.

The proxy card also should be used by Participants to instruct the trustee of the Plans how to vote shares of Common Stock held on their behalf. The trustee is required under the applicable trust agreement to establish procedures to ensure that the instructions received from Participants are held in confidence and not divulged, released or otherwise utilized in a manner that might influence the Participants' free exercise of their voting rights. Proxy cards representing shares held by Participants must be returned to the tabulator using the enclosed return envelope and should not be returned to the Company. If shares are owned through the Plans and voting

instructions are not submitted by the Participant, the trustee of the Plans will vote such shares in the same proportion as the voting instructions received from the other Participants. Participants who wish to revoke a proxy card will need to contact the trustee and follow its instructions.

As of the Record Date, the Company had a total of 7,524,255 shares of Common Stock outstanding, each share of which is entitled to one vote. The presence, either in person or by proxy, of persons entitled to vote a majority of the outstanding Common Stock is necessary to constitute a quorum for the transaction of business at the Annual Meeting. Under the Company's Restated Articles of Incorporation and Bylaws, holders of Common Stock are not entitled to vote such shares on a cumulative basis.

ELECTION OF DIRECTORS

(Proposal 1)

The Company's Board of Directors is divided into three classes, each composed of three directors. At the 2002 Annual Meeting, the following persons constituting Class III of the directors have been nominated by the Board of Directors to be elected to hold office for a three year term and until their successors are duly elected and qualified:

Dwight C. Schar
Robert C. Butler
George E. Slye

Assuming the presence of a quorum, the affirmative vote of the holders of a plurality of the votes cast by the shares entitled to vote in person or by proxy at the Annual Meeting is required for the election of each of the three nominees named above. Unless marked otherwise, proxies received will be voted for the election of each of the three nominees named above. Each nominee has consented to serve as a director of the Company if elected. The Board of Directors of the Company does not contemplate that any of its proposed nominees listed above will become unavailable for any reason, but if any such unavailability should occur before the Annual Meeting, proxies may be voted for another nominee selected by the Board of Directors. Shareholders may withhold their votes from the entire slate of nominees or from any particular nominee by so indicating in the space provided on the attached proxy card.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS VOTING "FOR" ALL THE FOREGOING NOMINEES AS DIRECTORS OF THE COMPANY.

The following sets forth certain pertinent information with respect to the current directors of the Company, including the nominees listed above.

Name	Age	Year First Elected/ Term Expires
Dwight C. Schar(2)(3)(4)....	60	1993/2002
C. Scott Bartlett, Jr.(1)(4)	69	1993/2003
Robert C. Butler.....	71	
Manuel H. Johnson(1)(2)(4)..	53	1993/2004
William A. Moran(2)(3).....	55	1993/2003
David A. Preiser(2)(4).....	45	1993/2004
George E. Slye(1)(3).....	71	1993/2002
John M. Toups(2)(3).....	76	1993/2004

- (1) Member of Audit Committee
- (2) Member of Compensation Committee
- (3) Member of Executive Committee
- (4) Member of Nominating Committee

Dwight C. Schar has been chairman of the board, president and Chief Executive Officer of NVR since September 30, 1993.

C. Scott Bartlett, Jr. has been a director of NVR since September 30, 1993. Mr. Bartlett retired as an Executive Vice President of National Westminster Bank USA, now Fleet Bank. Mr. Bartlett is also a director of Janus Hotels and Resorts, Inc., Abraxas Petroleum Corporation and New ICO Global Communications (Holdings) Limited.

Robert C. Butler is being nominated for his first term as a director of NVR. Mr. Butler served as Senior Vice President and Chief Financial Officer of Celgene Corporation from 1996 through 1998. Additionally, Mr. Butler

was the Chairman of the Financial Accounting Standards Advisory Council from 1997 through 2001. Previously, Mr. Butler served as Chief Financial Officer of the National Broadcast Co. and the International Paper Co. Mr. Butler is a director of Carter Holt Harvey Ltd., Studio One Networks, Inc. and Schiffenhaus Industries. He is also on the Board of Trustees of the United Way of North Essex and the Montclair Foundation.

Manuel H. Johnson has been a director of NVR since September 30, 1993. Dr. Johnson is co-chairman and senior partner in Johnson Smick International, Inc., an international financial policy consulting firm. Effective August 1, 1997, Dr. Johnson was elected chairman of the Board of Trustees and president of the Financial Accounting Foundation, which oversees the Financial Accounting Standards Board. Also during 1997, Dr. Johnson was named a member of the Independence Standards Board formed jointly by the Securities and Exchange Commission and the American Institute of Certified Public Accountants. Dr. Johnson is a founder and co-chairman of the Group of Seven Council, an international commission supporting economic cooperation among the major industrial nations. He is a director of Morgan Stanley Dean Witter Funds, Trust Company of the West/Morgan Stanley Dean Witter Funds, and Greenwich Capital Markets, Inc.

William A. Moran has been a director of NVR since September 30, 1993. In addition, Mr. Moran is the chairman of Elm Street Development, Inc. ("Elm Street"). Mr. Moran is also a director and shareholder of Craftmark, Inc., a small homebuilder in Virginia and Maryland, and The Craftstar, Inc. which develops, invests in and periodically sells apartments, condominiums, single family homes and townhomes in Virginia and Maryland.

David A. Preiser has been a director of NVR since September 30, 1993. Mr. Preiser is a managing director and a member of the Board of Directors of the investment banking firm of Houlihan Lokey Howard & Zukin ("Houlihan Lokey"), and serves as managing partner of Sunrise Capital Partners L.P., a distressed private equity fund affiliated with Houlihan Lokey. Previously, Mr. Preiser had been active in coordinating the firm's real estate and financial restructuring activities since September 1990. Mr. Preiser is also a director of Jos. A Bank Clothiers, Inc., Akzion, LLC, Airwalk International, LLC, and NEXIQ Technologies, Inc.

George E. Slye has been a director of NVR since September 30, 1993. Mr. Slye has been the chief executive officer and owner of GESCOM, Inc., a real estate investment firm, since 1983. Mr. Slye was a co-founder and vice-chairman of Spaulding and Slye Colliers, a major real estate development company with offices in Boston and Washington, D.C. He has served as a trustee of Babson College and University Hospital of Boston and as a director of Manufacturers Advisor Corporation of Toronto. In addition, Mr. Slye was a two term president of the Greater Boston Real Estate Board.

John M. Toups has been a director of NVR since September 30, 1993. Mr. Toups held various management positions with Planning Research Corporation from 1970 through 1987, for which he was chief executive officer from 1978 to 1987 and chairman from 1982 to 1987. He is also a director of INOVA Health System, Halifax Corporation, CACI International, and GTSI, Inc.

The Board of Directors has an Audit, Compensation, Executive and Nominating Committee. The primary functions of these committees are as follows:

The functions of the Audit Committee and its activities during fiscal 2001 are described below under the heading Report of the Audit Committee. During the year, the Board confirmed that all members of the Audit Committee are "independent" within the meaning of the American Stock Exchange's independence rules.

The Compensation Committee determines the compensation of the Chief Executive Officer and reviews the recommendation of compensation made by the Chief Executive Officer for all other officers of the Company. The Option Subcommittee of the Compensation Committee administers and interprets incentive compensation and option plans for employees of the Company.

The Executive Committee has such powers, authority and responsibilities as may be determined by a majority of the entire Board of Directors.

The Nominating Committee recommends to the Board of Directors candidates for election as directors. Shareholders wishing to communicate with the Nominating Committee concerning potential director candidates may do so by corresponding with the Secretary of the Company and including the name and biographical data of the individual being suggested.

The Board of Directors met six times in 2001. The Audit and Compensation Committees each met four times during 2001, and the Nominating Committee met once. The Executive Committee did not meet during 2001.

Each outside director of the Board was paid \$6,500 per quarter for serving as a director and fees of \$1,600 for each meeting attended during 2001. Incidental travel and out-of-pocket expenses are reimbursed as incurred. During 2001, each non-employee director was issued an option to purchase 17,000 shares of NVR common stock at an exercise price of \$189.00 per share, which was equal to the fair market value of the underlying stock on the date of grant. The options vest in twenty-five percent increments in each of 2006, 2007, 2008, and 2009, and expire in May 2011. Directors who are also officers of the Company receive no additional compensation for their services as directors.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information as to the beneficial ownership of Common Stock by each person known by the Company to be the beneficial owner of more than 5% of the outstanding Common Stock as of the dates indicated and each director and executive officer and by all directors and executive officers as a group as of March 1, 2002. Except as otherwise indicated, all shares are owned directly and the owner has sole voting and investment power with respect thereto.

Certain Beneficial Owners

Name and Address of Holder -----	Number of Shares(1)	Percent of Class
Capital Growth Management Limited Partnership One International Place Boston, MA 02110.....	663,800	8.8%
Barclays Global Investors, N.A..... 45 Fremont Street San Francisco, CA 94105.....	410,008	5.5%

(1) Based solely upon information contained within Schedule 13G's filed by such entities dated February 11, 2002 and February 12, 2002, respectively.

Directors and Management

Name -----	Number of Shares	Percent of Class
Dwight C. Schar.....	1,043,187(1)	13.3%
C. Scott Bartlett, Jr.....	14,200(2)	*
Robert C. Butler.....	-- (3)	
Manuel H. Johnson.....	34,465(4)	*
William A. Moran.....	46,750	*
David A. Preiser.....	8,000(5)	*
George E. Slye.....	8,000	*
John M. Toups.....	30,400(6)	*
William J. Inman.....	171,266(7)	2.3%
Paul C. Saville.....	351,410(8)	4.6%
Dennis M. Seremet.....	77,470(9)	1.0%

All directors and executive officers as a group (11 persons) 1,785,148

* Less than 1%.

- (1) Includes 333,333 vested options issued under the 1996 Management Long-Term Stock Option Plan, 3,075 vested shares held by the NVR Employee Stock Ownership Plan in trust and 31,536 shares held as a discretionary investment in the NVR, Inc. Profit Sharing Plan. The total shares reported does not include 70,405 shares held in a Deferred Compensation Rabbi Trust that will vest in one-third increments on each of December 31, 2002, 2003, and 2004.
- (2) Includes 12,000 vested options issued under the 1996 Directors' Long Term Stock Option Plan and 1,700 shares owned by his wife.
- (3) Director nominee, no shares currently owned directly or indirectly.
- (4) Includes 24,000 vested options issued under the 1996 Directors' Long Term Stock Option Plan and 65 shares owned by his son.
- (5) Includes 8,000 vested options issued under the 1996 Directors' Long Term Stock Option Plan.
- (6) Includes 24,000 vested options issued under the 1996 Directors' Long Term Stock Option Plan and 43 shares owned by his wife.
- (7) Includes 66,667 vested options issued under the 1996 Management Long-Term Stock Option Plan and 2,987 vested shares held by the NVR Employee Stock Ownership Plan in trust. The total shares reported does not include 35,202 shares held in a Deferred Compensation Rabbi Trust that will vest in one-third increments on each of December 31, 2002, 2003, and 2004.
- (8) Includes 75,000 vested options issued under the 1993 Management Equity Incentive Plan, 116,667 vested options issued under the 1996 Management Long-Term Stock Option Plan, 3,075 vested shares held by the NVR Employee Stock Ownership Plan in trust, 4,055 shares held as a discretionary investment in the NVR, Inc. Profit Sharing Plan, 60,000 shares held in a family LLC and 2,000 shares owned by his children. The total shares reported does not include 44,003 shares held in a Deferred Compensation Rabbi Trust that will vest in one-third increments on each of December 31, 2002, 2003, and 2004.

(9) Includes 9,900 vested options issued under the 1993 Management Equity Incentive Plan, 40,000 vested options issued under the 1996 Management Long-Term Stock Option Plan, 2,931 vested shares held by the NVR Employee Stock Ownership Plan in trust, 1,789 shares held as a discretionary investment in the NVR, Inc. Profit Sharing Plan and 600 shares owned by his children. The total shares reported does not include 21,122 shares held in a Deferred Compensation Rabbi Trust that will vest in one-third increments on each of December 31, 2002, 2003, and 2004.

COMPLIANCE WITH SECTION 16(a) OF THE SECURITIES EXCHANGE ACT OF 1934

Section 16(a) of the Securities Exchange Act of 1934 (the "Exchange Act") requires the Company's directors and executive officers and persons who own more than 10% of the Company's Common Stock to file reports of ownership and changes in ownership of such stock with the SEC and the American Stock Exchange. Directors, executive officers and greater than 10% shareholders are required by SEC regulations to furnish the Company with copies of all such forms filed. To the Company's knowledge, based solely on a review of the copies of such reports furnished to the Company and written representations that no other reports were required, all directors, executive officers and greater than 10% shareholders complied with all applicable Section 16(a) filing requirements during 2001.

THE FOLLOWING REPORT OF THE AUDIT COMMITTEE SHALL NOT BE DEEMED TO BE "SOLICITING MATERIAL" OR TO BE "FILED" WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933 OR THE SECURITIES EXCHANGE ACT OF 1934 OR INCORPORATED BY REFERENCE IN ANY DOCUMENT SO FILED.

REPORT OF THE AUDIT COMMITTEE

During 2001, the Audit Committee of the Board of Directors operated under a charter for the Committee that was approved by the Board on May 3, 2000.

As set forth in more detail in the charter, the Audit Committee's primary responsibilities fall into three broad categories:

- . first, the Committee is charged with recommending to the Board whether to include the audited financial statements in the Annual Report on Form 10-K filed with the Securities and Exchange Commission, based upon discussions with management and the Company's outside auditors about the draft annual financial statements and key accounting and reporting matters;
- . second, the Committee is responsible for matters concerning the relationship between the Company and its outside auditors, including recommending their appointment or removal; reviewing the scope of their audit services and related fees, as well as any other services being provided to the Company; and determining whether the outside auditors are independent (based in part on the annual letter provided to the Company by KPMG LLP pursuant to Independence Standards Board Standard No. 1); and
- . third, the Committee oversees management's implementation of effective systems of internal controls.

The Committee has implemented procedures to ensure that during the course of each fiscal year it devotes the attention that it deems necessary or appropriate to each of the matters assigned to it under the Committee's charter. To carry out its responsibilities, the Committee met four times during fiscal 2001.

In overseeing the preparation of the Company's financial statements, the Committee met with both management and the Company's outside auditors to review and discuss all financial statements prior to their issuance and to discuss significant accounting issues. Management advised the Committee that all financial statements were prepared in accordance with accounting principles generally accepted in the United States of America, and the Committee discussed the statements with both management and the outside auditors. The Committee's review included discussion with the outside auditors of matters required to be discussed pursuant to Statement on Auditing Standards No. 61 (Communication with Audit Committees).

With respect to the Company's outside auditors, the Committee, among other things, discussed with KPMG LLP matters relating to its independence, including the disclosures made to the Committee as required by the Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees).

Finally, the Committee continued to monitor the scope and adequacy of the Company's internal auditing program.

On the basis of these reviews and discussions, the Committee recommended to the Board of Directors that the Board approve the inclusion of the Company's audited financial statements in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2001, for filing with the Securities and Exchange Commission.

Members of the Audit Committee

Manuel H. Johnson (Chairman)
C. Scott Bartlett, Jr.
George E. Slye

THE FOLLOWING COMPENSATION COMMITTEE REPORT SHALL NOT BE DEEMED TO BE "SOLICITING MATERIAL" OR TO BE "FILED" WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933 OR THE SECURITIES EXCHANGE ACT OF 1934 OR INCORPORATED BY REFERENCE IN ANY DOCUMENT SO FILED.

COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

Compensation Philosophy

The Compensation Committee (the "Committee") of the NVR Board of Directors is responsible for determining and periodically evaluating the various levels and methods of compensating the Company's executive officers and directors. The Committee's philosophy regarding executive compensation is to provide a total compensation program for executive officers which is competitive with the compensation packages of other companies in the homebuilding and mortgage banking businesses and which includes performance based compensation which effectively aligns the interests of management with those of the Company's Shareholders. The Company's compensation package consists of base salary, annual incentive compensation and long-term incentives consisting of non-qualified stock options and long-term cash incentive plans. This compensation package is performance based and places a large portion of executive compensation at risk by making it dependent upon the achievement of annual and long-term financial objectives, which are tied to the Company's business plan and are intended to enhance shareholder value.

Base Salary

The base salary levels for the executive officers are reviewed annually by the Committee. Salaries, including executive salaries, are generally established at the average market rate of other companies of comparable size, particularly major homebuilding and residential mortgage companies, some of which are companies included in the Dow/Home Construction Index. In addition, consideration is given to individual experience as well as individual performance and the performance of those operations for which the executive is responsible. All four of the executive officers' 2002 base salaries were increased over their 2001 base salaries.

Annual Incentive Compensation

All of the executive officers participate in the Company's annual incentive compensation plan. Each participant has a maximum potential payout, which is limited to a fixed percentage of the executive's salary. Each executive officer has an opportunity to earn an annual incentive award which is based on actual financial results compared to the business plan approved by the Board of Directors. The maximum incentive opportunity is earned only if certain business objectives are met or exceeded. At the beginning of each year, financial targets are established by the Committee for predetermined key result areas, which are tied to the Company's annual business plan. These annual objectives are consistent with the current year's portion of the Company's five-year business plan. The key result areas used throughout the homebuilding operation are earnings before interest and taxes, pre-tax profit and return on assets. The primary key result areas used for the mortgage banking operation are pre-tax profit and return on invested capital. The key result area for corporate executives is predicated upon consolidated pre-tax profit. For 2001, the executive officers substantially exceeded their financial objectives and received the maximum incentive award (100% of base salary).

Long-Term Compensation

NVR's long-term incentive programs, administered by the Committee, are designed to focus the attention of the executive officers on the Company's long-term goals and link the interests of executive officers to those of the shareholders. Awards under the Company's long-term incentive programs also strongly encourage the retention of key executive personnel. Retention of a loyal and experienced management team has been and continues to be a key component of the Company's business strategy. In support of these objectives, the

Company's executive officers have historically participated in long-term, cash and stock-based incentive programs which have a long-term vesting schedule based upon certain cash flow, financial or employment objectives.

The last option grants for the executive officers were made under the 2000 Broadly Based Stock Option Plan adopted by the Company's Board of Directors. The options vest in twenty-five percent increments in each of 2006, 2007, 2008 and 2009 (see the Summary Compensation Table below).

The executive officers also participate in the NVR, Inc. High Performance Compensation Plan ("HP Plan"). The objective of the HP Plan is to reward the executive officers for superior performance by the Company, measured by the three-year aggregate growth in earnings per share over a threshold equal to the base year earnings per share compounded annually by a designated percentage over the same three year period. Eligible participants will be allocated a specified percentage of a pool, the aggregate amount of which is equal to a percentage of earnings in excess of the threshold. Earnings for the measurement period January 1, 1999 to December 31, 2001 exceeded the threshold and therefore the participants earned allocations under the HP Plan as of December 31, 2001 (see the Summary Compensation Table below for amounts allocated to the executive officers). Amounts earned under the HP Plan vest in one-third increments on December 31, 2002, 2003, and 2004, based upon continued employment, and payment of vested amounts is deferred until the executive officer terminates employment with NVR. Amounts deferred are invested in NVR Common Stock, and upon termination, the executive officer receives a distribution of all vested shares. An additional measurement period began January 1, 2002 and continues through December 31, 2004. Receipt of any amounts earned under the new measurement period will vest in one-third increments on December 31, 2005, 2006, and 2007.

Chief Executive Officer Compensation

Mr. Dwight C. Schar has been Chairman of the Board, President and Chief Executive Officer of the Company since its inception. The compensation program for the CEO is linked to the long-term strategic and financial goals of the Company, and encourages the creation of shareholder value. A significant amount of the CEO's compensation is tied to the Company's performance and is at risk, in the form of annual and long-term cash incentive compensation and stock options. Mr. Schar's long-term incentive compensation opportunities are mainly dependent upon the Company attaining consistent annual growth in earnings per share. The Committee believes that earnings per share-structured incentives focus the CEO to grow the Company's operations while maintaining an efficient capital structure. The Committee believes the compensation program for the CEO is consistent with the Company's philosophy for compensating executive officers and encourages long-term shareholder value.

The CEO's 2001 annual incentive compensation opportunity was based on predetermined pre-tax profit objectives tied to the Company's business plan which was approved by the Board of Directors. As previously noted, for 2001, the pre-tax profit objectives for the Company were substantially exceeded and the CEO received the maximum award of 100% of his base salary. The CEO is a participant in the HP Plan described above. Mr. Schar earned an allocation of the HP Plan pool measured from the period January 1, 1999 to December 31, 2001. Mr. Schar's allocation was equal to five percent of the Company's aggregate earnings over the measurement period in excess of the aggregate sum of the Company's 1998 earnings compounded by 10% over the same period.

Stock Ownership Requirements of the Chief Executive Officer, Executive Officers and Certain Members of Senior Management

The Committee has established and adopted guidelines that require the CEO, other executive officers and certain members of senior management ("Management") to acquire and continuously hold a specified minimum level of Common Stock (the "Guidelines"). Under the Guidelines, Management must acquire and hold Common

Stock with a total fair market value ranging from one (1) to eight (8) times their annual base salaries, with the CEO required to acquire and hold Common Stock with a fair market value equal to a minimum of eight (8) times his annual base salary. The Committee believes that the imposition of a long-term holding requirement for Management provides for additional incentive to enhance shareholder value by linking the interests of Management directly to those of the shareholders. In the event of non-compliance at any date thereafter, a Participant subject to the Guidelines will receive one-half of any earned annual incentive compensation in restricted stock until compliance with the Guidelines is attained. All members of Management met their specified holding requirements at December 31, 2001 without the issuance of restricted stock in lieu of cash payments for any earned annual incentive compensation.

Deductibility of Compensation

Section 162(m) of the Internal Revenue Code limits the corporate deduction for compensation paid to the executive officers named in the Summary Compensation Table to \$1 million unless such compensation qualifies as "performance-based compensation" which, among other things, requires approval by the Company's stockholders. The Committee strives whenever possible to structure compensation plans such that they are tax deductible by the Company.

To minimize the non-deductibility of executive compensation expense due to the limitations of Section 162(m) and still maintain the ability to competitively compensate the Company's named 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 Company has amended the payout provisions for the compensation earned pursuant to the HP Plan for the three year measurement period that ended December 31, 2001 to require that those compensation benefits be mandatorily deferred until termination of employment. The deferral of any other earned annual incentive is at the election of the executive officer. To encourage the executive officers to defer any other earned annual incentive into the Deferred Comp Plan, the Deferred Comp Plan provides for a deferral incentive equal to twenty percent of the amounts deferred. The executive officer must defer receipt of any other earned annual incentive until separation of service to be eligible to receive the deferral incentive. In the event that the executive officer amends his deferral election to receive deferred compensation at a date earlier than separation of service, the executive officer forfeits the deferral incentive. Amounts deferred into the Deferred Comp Plan are invested in shares of NVR common stock, which are distributed to the executive officer upon expiration of the deferral period.

See the Summary Compensation Table for the individual amounts deferred under the Deferred Comp Plan.

Compensation Committee and Option Subcommittee

The Committee consists of the five individuals named below, all of whom, except Mr. Dwight C. Schar, are outside directors of the Company.

The Option Subcommittee of the Compensation Committee administers and interprets incentive compensation and option plans for employees of the Company. The Option Subcommittee consists of Messrs. Johnson, Preiser and Touns.

The Compensation Committee of the Board of Directors:

John M. Touns, Chairman, Manuel H. Johnson, William A. Moran, David A. Preiser, and Dwight C. Schar

EXECUTIVE COMPENSATION

Shown below is certain information concerning the compensation for services in all capacities to NVR for the years ended December 31, 2001, 2000 and 1999 of those persons who were, at December 31, 2001, (i) the Chief Executive Officer, and (ii) the three other executive officers of NVR.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation		
		Salary	Incentive Compensation(1)	Other Annual Compensation	Stock Options	LTIP Payouts	All Other Compensation(7)
Dwight C. Schar.....	2001	\$1,100,000	\$1,100,000	\$ --	400,000(2)	\$16,092,700(4)	\$ 9,000
Chairman of the Board,	2000	950,000	950,000	--	--	190,000(5)	10,700
Chief Executive Officer	1999	850,000	850,000	--	250,000(3)	4,855,177(6)	10,100
and President.....							
William J. Inman.....	2001	\$ 329,000	\$ 329,000	\$ --	50,000(2)	\$ 7,936,350(4)	\$ 8,500
President of NVR	2000	316,000	316,000	--	--	--	10,200
Mortgage Finance, Inc.....	1999	304,000	98,000	--	50,000(3)	1,983,625(6)	9,600
Paul C. Saville.....	2001	\$ 363,000	\$ 363,000	\$ --	150,000(2)	\$ 9,993,037(4)	\$ 9,000
Executive Vice	2000	330,000	330,000	--	--	--	10,700
President, Chief Financial	1999	300,000	300,000	--	87,500(3)	1,983,625(6)	10,100
Officer and Treasurer.....							
Dennis M. Seremet.....	2001	\$ 190,000	\$ 190,000	\$ --	50,000(2)	\$ 4,799,810(4)	\$ 9,000
Vice President and	2000	176,000	176,000	--	--	35,200(5)	10,700
Controller.....	1999	160,000	160,000	--	30,000(3)	377,852(6)	10,100

- (1) Incentive compensation is reflected in the year earned. All incentive compensation earned for the periods presented was paid in March of the subsequent calendar year, with the following exceptions: Messrs. Schar, Saville and Seremet deferred their Year 2001 payments into the Deferred Comp Plan, and Messrs. Schar and Seremet deferred their Year 2000 payments into the Deferred Comp Plan.
- (2) Twenty-five percent of the options vest on each of December 31, 2006, 2007, 2008, and 2009 with vesting based upon continued employment. The options expire in May 2011 and are exercisable at \$189.00 per share.
- (3) One-third of the options vest on each of December 31, 2003, 2004 and 2005 with vesting based upon continued employment. The options expire in May 2009 and are exercisable at \$47.625 per share.
- (4) Includes amounts earned pursuant to the HP Plan, and a deferral incentive earned for deferring otherwise nondeductible compensation into a period where the amounts paid will be deductible for tax purposes. The amounts pertaining to the deferral incentive equal \$409,732, \$94,866, \$191,182 and \$94,920 for Messrs. Schar, Inman, Saville and Seremet, respectively, and relate to the deferral of annual incentive compensation and the final payment due under the HP Plan for the three year measurement period that ended December 31, 1998. The amounts pertaining to the HP Plan for the three year measurement period ending on December 31, 2001 equaled \$15,682,968, \$7,841,484, \$9,801,855 and \$4,704,890 for Messrs. Schar, Inman, Saville and Seremet, respectively. All amounts earned pursuant to the HP Plan for the three year measurement period ending on December 31, 2001, were required to be deferred into the Deferred Comp Plan, with no deferral incentive earned pursuant to the mandatory deferral.
- (5) Includes a deferral incentive earned for deferring otherwise nondeductible incentive compensation into a period where the amounts paid will be deductible for tax purposes.
- (6) Includes amounts for both the vested portion of performance shares, valued at \$47.25 per share (which equaled the closing price of NVR's common stock as listed on the American Stock Exchange on the vesting determination date), awarded pursuant to the 1994 Management Equity Incentive Plan, and a deferral incentive earned for deferring otherwise nondeductible compensation into a period where the amounts paid will be deductible for tax purposes. The amounts pertaining to the 1994 Management Equity Incentive equal \$4,047,766; \$1,653,750; \$1,653,750 and \$315,016 for Messrs. Schar, Inman, Saville and Seremet, respectively. The amounts pertaining to the deferral incentive equal \$807,411; \$329,875; \$329,875 and \$62,836 for Messrs. Schar, Inman, Saville and Seremet, respectively.
- (7) Amount contributed to the Profit Sharing Trust Plan and the Employee Stock Ownership Plan for the respective plan years.

Stock Option Grants, Exercises and Year-End Values

Stock Option Grants in 2001

Name	Stock Options Granted (#)	Percent of Total Options Granted to Employees For the Fiscal Year	Option Exercise Price (\$/Share)	Expiration Date	Potential Realizable Value Using the Black-Scholes Option Pricing Model(1)
Dwight C. Schar..	400,000	21.9%	\$189.00	05/02/11	\$47,648,000
William J. Inman.	50,000	2.7%	189.00	05/02/11	5,956,000
Paul C. Saville..	150,000	8.2%	189.00	05/02/11	17,868,000
Dennis M. Seremet	50,000	2.7%	189.00	05/02/11	5,956,000

(1) The fair value per share was calculated under the following assumptions: i) the estimated option life is equal to ten years, ii) the risk free interest rate was 5.484% (based on a U.S. Treasury Strip due in a number of years equal to the stock option term), iii) the expected volatility equals 42.42%, and iv) the estimated dividend yield is equal to 0%.

Aggregated Stock Option Exercises in 2001 and Year-End Stock Option Values

Name	Shares Acquired on Exercise	Value Realized	Number of Unexercised Stock Options at Year-End		Value of Unexercised In-the-Money Options at Year-End	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Dwight C. Schar..	--	\$--	333,333	816,667	\$64,458,333	\$77,322,917
William J. Inman.	--	--	66,667	133,333	12,891,667	15,014,583
Paul C. Saville..	--	--	191,667	295,833	37,288,917	27,213,021
Dennis M. Seremet	--	--	49,900	100,000	9,679,162	9,308,750

Compensation Committee Interlocks and Insider Participation

The compensation committee is comprised of Mr. Schar, Mr. Johnson, Mr. Moran, Mr. Toups, and Mr. Preiser, all of whom, except Mr. Schar, are outside directors of the Company. No executive officer of NVR served as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of the Board's Compensation Committee; accordingly, there were no interlocks with other companies within the meaning of the SEC's proxy rules during 2001.

Certain Transactions

During the year ended December 31, 2001, NVR entered into new agreements to purchase lots for a total purchase price of approximately \$15,000,000 with Elm Street Development, which is controlled by Mr. Moran. These transactions were approved by a majority of the disinterested members of the Board of Directors. During 2001, NVR purchased developed lots at market prices from Elm Street for approximately \$19,000,000.

During the year ended December 31, 2001 the law firm of Sack & Harris, P.C. billed NVR approximately \$720,000 in fees and expenses for legal services. Mr. Sack, NVR's secretary and general counsel, was a principal of Sack & Harris, P.C. during that period.

NVR periodically sub-leases, at market rates, an airplane leased by Mr. Schar for Company travel when the use of the airplane lends itself to travel efficiencies. The Company paid approximately \$74,000 for use of the airplane during 2001.

Employment Arrangements

NVR has an employment agreement with Mr. Schar effective January 1, 2002 to serve as Chairman, President and Chief Executive Officer. The agreement continues through January 1, 2008. The agreement provides for an annual minimum base salary of \$1,500,000 and an annual bonus of up to 100% of base salary. If Mr. Schar's employment is terminated without cause, as defined in the agreement, including in connection with or within one year after a change in control of NVR, prior to January 1, 2008, he would be entitled to receive in twelve monthly installments an amount equal to 200% of his then annual base salary. In the event that Mr. Schar terminates pursuant to retirement (essentially a voluntary termination after attaining age 65), he would be entitled to receive in twelve monthly installments an amount equal to 100% of his then annual base salary. In the event that Mr. Schar voluntarily terminates his employment, including a voluntary termination upon the election of a new Chairman and/or Chief Executive Officer, he would not be entitled to receive any severance payments. Mr. Schar agreed that he will not compete with NVR during the term of his employment and for one year thereafter if termination is voluntary, due to retirement, without cause or within one year after a change in control, or two years if he is terminated for cause, as defined below. Mr. Schar is not subject to a non-compete clause if he voluntarily terminates his employment pursuant to the election of a new Chairman and/or Chief Executive Officer.

NVR has an employment agreement with Mr. Saville effective January 1, 2002 to serve as NVR's Executive Vice President-Finance, Chief Financial Officer and Treasurer. The agreement continues through January 1, 2008. The agreement provides for an annual minimum base salary of \$420,000 and an annual bonus of up to 100% of base salary. If Mr. Saville's employment is terminated without cause, as defined in the agreement, including in connection with or within one year after a change in control of NVR, prior to January 1, 2008, he would be entitled to receive in twelve monthly installments an amount equal to 200% of his then annual base salary. In the event that Mr. Saville voluntarily terminates his employment, including a voluntary termination upon the election of a new Chairman and/or Chief Executive Officer, he would not be entitled to receive any severance payments. Mr. Saville agreed that he will not compete with NVR during the term of his employment and for one year thereafter if termination is voluntary, without cause or within one year of a change of control, or two years if he is terminated for cause, as defined below. Mr. Saville is not subject to a non-compete clause if he voluntarily terminates his employment pursuant to the election of a new Chairman and/or Chief Executive Officer.

NVR has an employment agreement effective January 1, 2002 with Mr. Inman to serve as president of NVR Mortgage Finance, Inc. The agreement continues until January 1, 2008. The agreement provides for an annual minimum base salary of \$345,000 and an annual bonus of up to 100% of base salary. If Mr. Inman's employment is terminated without cause, as defined in the agreement, including in connection with or within one year after a change in control of NVR, prior to January 1, 2008, he would be entitled to receive in twelve monthly installments an amount equal to 200% of his base salary. In the event that Mr. Inman voluntarily terminates his employment, including a voluntarily termination upon the election of a new Chairman and/or Chief Executive Officer, he would not be entitled to receive any severance payments. Mr. Inman agreed that he will not compete with NVR during the term of his employment and for one year thereafter if termination is voluntary, without cause or within one year of a change of control, or two years if he is terminated for cause, as defined below. Mr. Inman is not subject to a non-compete clause if he voluntarily terminates his employment pursuant to the election of a new Chairman and/or Chief Executive Officer.

In each of the above described employment agreements, termination for "cause" may result if the executive officer subject to the respective employment agreement is convicted of any felony, other crime involving moral turpitude, or any crime or offense which results in his incarceration for more than three months, is guilty of gross misconduct in connection with the performance of his duties as described within the respective employment agreement, or if the executive officer materially breaches affirmative or negative covenants or undertakings set forth in his respective employment agreement.

STOCK PERFORMANCE GRAPH

THE FOLLOWING STOCK PERFORMANCE GRAPH SHALL NOT BE DEEMED TO BE "SOLICITING MATERIAL" OR TO BE "FILED" WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933 OR THE SECURITIES EXCHANGE ACT OF 1934 OR INCORPORATED BY REFERENCE IN ANY DOCUMENT SO FILED.

COMPARISON OF CUMULATIVE TOTAL EQUITYHOLDER RETURN ON EQUITY

The following chart graphs NVR's performance in the form of cumulative total return to holders of NVR's Common Stock since December 31, 1996 in comparison to the Dow/Home Construction Index and the Dow Jones Industrial Index for that same period. The Dow/Home Construction Index includes NVR, Inc., Pulte Corp., Centex Corp., K B Home, Champion Enterprises, Inc., Lennar Corp., DR Horton, Inc., Clayton Homes, Inc., MDC Holdings, Inc. and Toll Brothers, Inc.

[CHART]

	NVR	Dow/Homes	Dow Jones Ind. Avg.
	-----	-----	-----
Dec. 31, 1996 (a)	\$100	\$100	\$100
Dec. 31, 1997	168	147	125
Dec. 31, 1998	367	155	148
Dec. 31, 1999	367	103	188
Dec. 31, 2000	951	180	179
Dec. 31, 2001	1,569	242	169

(a) Assumes that \$100 was invested in NVR stock and the indices on December 31, 1996.

APPROVAL OF INDEPENDENT AUDITORS

(Proposal 2)

At the Meeting, the Board of Directors of the Company will recommend Shareholder ratification of the appointment of KPMG LLP as independent auditors for the Company for the year 2002. Representatives of KPMG LLP are expected to be present at the meeting to respond to Shareholders' questions and will have an opportunity to make a statement if they so desire.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS VOTING "FOR"
THE APPROVAL OF KPMG LLP AS THE COMPANY'S
INDEPENDENT AUDITORS FOR 2002.

DISCLOSURE OF FEES PAID TO KPMG LLP DURING THE
YEAR ENDED DECEMBER 31, 2001:

Audit fees.....	\$263,300
Financial information systems design and implementation fees	--
All other fees.....	46,600

Total fees.....	\$309,900
	=====

Consistent with its charter, the Audit Committee evaluates and considers whether any financial information systems design and implementation services and other non-audit services provided by KPMG LLP to NVR are compatible with maintaining KPMG LLP's independence pursuant to Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees).

SHAREHOLDER PROPOSALS

Proposals of holders of Common Stock intended to be included in the Company's proxy statement for the next annual meeting of Shareholders of the Company, must be received by the Company on or before November 21, 2002, and must comply with applicable rules of the Securities and Exchange Commission in order to be included. In addition, management intends to exercise discretionary voting authority with respect to any other proposal made by holders of Common Stock at the next annual meeting of Shareholders of which NVR does not have notice on or before February 20, 2003.

OTHER MATTERS

Management knows of no other business to be presented for action at the meeting, other than those items listed in the notice of the Meeting referred to herein. If any other business should properly come before the Meeting, or any adjournment thereof, it is intended that the proxies will be voted in accordance with the best judgment of the persons acting thereunder.

NVR's Annual Report on Form 10-K for 2001, including consolidated financial statements and other information, accompanies this Proxy Statement but does not form a part of the proxy soliciting material. A complete list of the stockholders of record entitled to vote at the Annual Meeting will be open and available for examination by any stockholder, for any purpose germane to the Annual Meeting, between 9:00 a.m. and 5:00 p.m. at NVR's offices at 7601 Lewinsville Road, McLean, Virginia 22102, from April 18, 2002 through April 30, 2002 and at the time and place of the Annual Meeting.

Copies of the Company's most recent Annual Report on Form 10-K, including the financial statements and schedules thereto, which the Company is required to file with the SEC, will be provided

without charge upon the written request of any shareholder. Such requests may be sent to Investor Relations, NVR, Inc., 7601 Lewinsville Road, Suite 300, McLean, Virginia, 22102. The Company's SEC filings are also available to the public from the SEC's World Wide Web site at <http://www.sec.gov>.

By Order of the Board of Directors,

/s/ James M. Sack

James M. Sack
Vice President, Secretary and General
Counsel

McLean, Virginia
March 21, 2002

PROXY

NVR, Inc.

Proxy for Annual Meeting of Shareholders
May 1, 2002

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby appoints James M. Sack, Paul C. Saville and Dennis M. Seremet, or any of them, as proxies (and if the undersigned is a proxy, as substitute proxies), each with the power to appoint his substitute, and hereby authorizes each of them to represent and to vote, as designated on the reverse, all of the shares of common stock of NVR, Inc. held of record by the undersigned at the close of business on March 1, 2002 at the Annual Meeting of Shareholders to be held at NVR Corporate Headquarters, 7601 Lewinsville Road, Suite 300, McLean, Virginia, 22102, on Wednesday, May 1, 2002 at 11:30 A.M. or at any adjournment thereof.

If there are shares allocated to the undersigned in the NVR, Inc. Profit Sharing Trust Plan or the Employee Stock Ownership Plan, the undersigned hereby directs the Trustee to vote all full and fractional shares as indicated on the reverse of this card. Shares for which no voting instructions are received by April 29th will be voted by the Trustee in the same proportion as all other shares which have been voted.

SEE REVERSE PLEASE VOTE, DATE AND SIGN ON THE REVERSE AND RETURN SEE REVERSE
SIDE PROMPTLY IN THE ENCLOSED ENVELOPE SIDE

NVR, INC.
c/o EquiServe
P.O. Box 43068
Providence, RI 02940

DETACH HERE

ZNVR11

Please mark
[X] votes as in
this example.

This proxy, when properly executed, will be voted in the manner directed herein by the undersigned. If no direction is given, this proxy will be deemed to grant authority to vote FOR ALL director nominees, to vote FOR the proposal to ratify the appointment of KPMG LLP as independent auditors for the year 2002 and to vote in the discretion of the named proxies as to any other matters that come before the meeting.

1. Election of Directors. (For a term of 3 years)

Nominees: (01) Dwight C. Schar, (02) George E. Slye
and (03) Robert C. Butler

FOR			WITHHELD
ALL	<input type="checkbox"/>	<input type="checkbox"/>	FROM ALL
NOMINEES			NOMINEES

For all nominees except as noted above

2. Proposal to ratify the appointment of KPMG LLP as independent auditors for the year 2002.	FOR	AGAINST	ABSTAIN
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

MARK HERE FOR ADDRESS CHANGE AND NOTE AT LEFT

The shares represented by this proxy card will be voted in the discretion of the named proxies as to any other matters that come before the meeting or any adjournment(s) thereof.

The shareholder's signature should be exactly as the name appears at left. When shares are held by joint tenants, both should sign. When signing as attorney, as executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by President or other authorized officer. If a partnership, please sign in partnership name by authorized person.

Signature:_____ Date:_____ Signature:_____ Date:_____