

**CHARTER OF THE  
COMPENSATION COMMITTEE  
OF  
NVR, INC.**

The Board of Directors of NVR, Inc. has adopted and approved this amended Charter for the Compensation Committee of NVR, Inc. by resolution effective November 7, 2018.

**Purpose**

The Compensation Committee (the "Compensation Committee") of the Board of Directors (the "Board") of NVR, Inc. (the "Company") shall discharge the Board's responsibilities relating to compensation of the Company's directors and executive officers, and administer and implement the Company's incentive-compensation plans and equity-based plans. The Compensation Committee also shall be responsible for planning for the succession of the Chief Executive Officer and for assisting in the preparation of all disclosures and other materials relating to executive compensation to be included in the Company's Securities and Exchange Commission ("SEC") filings.

**Committee Membership**

The Compensation Committee shall consist of no fewer than four members of the Board. Members of the Compensation Committee shall be appointed by the Board upon the recommendation of the Nominating Committee and may be removed by the Board. All members of the Compensation Committee shall meet the independence requirements of the applicable exchange on which the Company's securities are listed. All members of the Compensation Committee must meet any other legal requirements relevant to the proper administration of the Company's compensation plans and programs, including that they qualify as "non-employee directors" for the purposes of Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and that at least two members of the Compensation Committee qualify as "outside directors" for the purposes of Section 162(m) of the Internal Revenue Code, as amended.

**Committee Powers, Authority, Duties and Responsibilities**

1. The Compensation Committee shall have the sole authority to retain and terminate any compensation consultant, legal counsel or other advisor to be used to assist in the evaluation of directors' and executive officers' compensation. The Compensation Committee shall also be directly responsible for the oversight of and the compensation and other retention terms for the compensation consultant, legal counsel or other advisor. The Compensation Committee shall receive appropriate funding, as determined by the Compensation Committee, from the Company for payment of fees related to the retention of such advisors.

2. The Compensation Committee is responsible for analyzing the independence of any compensation advisors selected by the Committee, taking into account all relevant factors, including any factors specified by the applicable exchange on which the Company's securities are listed.
3. The Compensation Committee shall annually review and approve corporate goals and objectives relevant to compensation of the Company's Chief Executive Officer ("CEO"), evaluate the CEO's performance in light of those goals and objectives, and have the sole authority to determine the CEO's compensation levels based on this evaluation and in accordance with any applicable employment agreements. In determining the long-term incentive component of the CEO's compensation, the Compensation Committee should consider the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, the awards given to the CEO in past years and such other matters as it deems relevant. To the extent such compensation is set forth in employment agreements, such employment agreements shall be subject to the review and approval of the Compensation Committee. In evaluating and determining CEO compensation, the Compensation Committee shall consider the results of the most recent stockholder advisory vote on executive compensation ("Say on Pay Vote") required by Section 14A of the Exchange Act.
4. The Compensation Committee, in consultation with the CEO, shall annually review and approve, for all other executive officers of the Company, (a) the annual base salary amount, (b) the annual bonus payment, as calculated in accordance with each such executive's employment agreement, as applicable, or pursuant to any incentive plan, (c) any long-term incentive compensation, (d) any amendments to such executive's employment agreement, any proposed severance arrangements or change in control and similar agreements/provisions, and any amendments, supplements or waivers to the foregoing agreements, in each case as, when and if deemed necessary or advisable, and (e) any perquisites, special or supplemental benefits, all in accordance with applicable law, rules and regulations, and to the extent appropriate or necessary to comply with any federal securities or tax law requirements, such as Rule 16b-3 of the Exchange Act, as amended, or Section 162(m) of the Internal Revenue Code, as amended. To the extent such compensation is set forth in employment agreements, such employment agreements shall be subject to the review and approval of the Compensation Committee. In evaluating and approving the compensation of all other executive officers of the Company, the Compensation Committee shall consider the results of the most recent Say on Pay vote.
5. The Compensation Committee shall periodically review and make recommendations to the Board with respect to the compensation of directors, including Board and committee retainers, meeting fees, equity-based compensation, and such other forms of compensation as the Compensation Committee may consider appropriate.
6. The Compensation Committee shall administer and implement the Company's incentive compensation plans and equity-based plans, including, but not limited to, (a) approving option grants and restricted unit or other awards, which may include delegating option

granting authority to a senior executive officer of the Company, within limits specifically prescribed by the Board, though in no event can the Compensation Committee delegate to any party the authority to issue option grants to members of the Board, the CEO or any other executive officer of the Company (and in all cases the senior executive to whom the Compensation Committee delegated option granting authority must report all options granted pursuant to that delegated authority at the next regularly scheduled Compensation Committee meeting) (b) interpreting the plans, (c) determining rules and regulations relating to the plans, (d) modifying or canceling existing grants or awards and (e) imposing limitations, restrictions and conditions upon any grant or award as the Compensation Committee deems necessary or advisable.

7. The Compensation Committee shall annually assess the desirability of proposing and making recommendations to the Board with respect to any new incentive-compensation plans and equity-based plans and any increase in shares reserved for issuance under existing plans.
8. The Compensation Committee shall review and discuss with management the Company's Compensation Discussion and Analysis ("CD&A"), recommend that the CD&A be included in the Company's annual report on Form 10-K and proxy statement, and prepare the disclosure required by Item 407(e)(5) of Regulation S-K.
9. The Compensation Committee may delegate its authority to members of the committee, as the Compensation Committee deems appropriate; provided that any delegate shall report any actions taken by him or her to the whole Compensation Committee at its next regularly scheduled meeting.
10. The Compensation Committee is responsible for making recommendations to the Board about succession planning for the Chief Executive Officer. The Compensation Committee, in conjunction with the CEO, shall also consider succession planning for other key positions within the Company.
11. The members of the Compensation Committee shall appoint one of their number as the Chairman of the Compensation Committee. The Chairman of the Compensation Committee shall be responsible for leadership of the Compensation Committee, including preparing the agenda, presiding over the meetings, making committee assignments and reporting for the Compensation Committee to the Board at the Board's next regularly scheduled meeting following the meeting of the Compensation Committee.
12. The Compensation Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
13. The Compensation Committee shall annually review its own performance as compared to the requirements of this Charter.
14. The Compensation Committee shall have such other authority and responsibilities as may be assigned to it from time to time by the Board.

