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

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 1996

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 25, 1996 there were 14,708,429 total shares of common stock outstanding.

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS
DURING THE PRECEDING FIVE YEARS

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13, or 15 (d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes X No

NVR, INC.
FORM 10-Q
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PART I

ITEM 1.

NVR, INC.
CONSOLIDATED BALANCE SHEETS
(DOLLARS IN THOUSANDS, EXCEPT SHARE DATA)

	SEPTEMBER 30, 1996 (UNAUDITED)	DECEMBER 31, 1995
ASSETS		
HOMEBUILDING:		
Cash and cash equivalents	$ 69,597	$ 51,911
Receivables	17,351	7,894
Inventory:		
Lots and housing units, covered under sales agreements with customers	126,435	116,140
Unsold lots and housing units	31,688	33,399
Manufacturing materials and other	5,494	5,174
	163,617	154,713
Property, plant and equipment, net	17,486	16,882
Reorganization value in excess of amounts allocable to identifiable assets, net	84,584	89,867
Other assets	50,760	47,308
	403,395	368,575
FINANCIAL SERVICES:		
Cash and cash equivalents	4,043	3,656
Mortgage loans held for sale, net	90,152	96,311
Mortgage servicing rights, net	6,343	18,017
Property and equipment, net	1,098	1,708
Reorganization value in excess of amounts allocable to identifiable assets, net	13,060	13,877
Other assets	13,711	10,452
	128,407	144,021
LIMITED-PURPOSE FINANCING SUBSIDIARIES:		
Mortgage-backed securities, net	50,657	94,403
Funds held by trustee	2,269	2,534
Other assets	2,855	4,338
	55,781	101,275
TOTAL ASSETS	$ 587,583	$ 613,871

See notes to consolidated financial statements.

NVR, INC.
CONSOLIDATED BALANCE SHEETS
(DOLLARS IN THOUSANDS, EXCEPT SHARE DATA)

	SEPTEMBER 30, 1996 (UNAUDITED)	DECEMBER 31, 1995
LIABILITIES AND SHAREHOLDERS' EQUITY		
HOMEBUILDING:		
Accounts payable	$ 52,633	$ 49,679
Accrued expenses and other liabilities	94,504	88,943
Notes payable	90	93
Other term debt	14,050	14,025
Senior notes	120,000	120,000
	281,277	272,740
FINANCIAL SERVICES:		
Accounts payable and other liabilities	6,801	7,501
Notes payable	87,113	87,177
	93,914	94,678
LIMITED-PURPOSE FINANCING SUBSIDIARIES:		
Accrued expenses and other liabilities	1,518	1,724
Bonds payable	54,149	98,549
	55,667	100,273
Total liabilities	430,858	467,691
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Common stock, $0.01 par value; 60,000,000 shares authorized; 19,880,635 and 18,384,083 shares issued as of September 30, 1996 and December 31, 1995, respectively	199	184
Additional paid-in-capital	155,596	144,072
Retained earnings	42,101	21,626
Less treasury stock at cost 5,172,189 and 3,170,721 shares at September 30, 1996 and December 31, 1995 respectively	(41,171)	(19,702)
Total shareholders' equity	156,725	146,180
Total liabilities and shareholders' equity	$587,583	$613,871

See notes to consolidated financial statements.

NVR, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)
(UNAUDITED)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	1996	1995	1996	1995
HOMEBUILDING:				
Revenues	$312,658	$256,110	$796,425	$607,501
Other income	238	251	763	1,228
Cost of sales	(270,375)	(221,115)	(689,577)	(523,975)
Selling, general and administrative	(20,687)	(17,490)	(50,852)	(42,567)
Amortization of reorganization value in excess of amounts allocable to identifiable assets	(1,761)	(1,761)	(5,283)	(5,283)
Operating income	20,073	15,995	51,476	36,904
Interest expense	(4,136)	(4,402)	(12,536)	(12,906)
Homebuilding income	15,937	11,593	38,940	23,998
FINANCIAL SERVICES:				
Mortgage banking fees	6,225	7,146	19,043	16,797
Interest income	1,632	1,518	4,036	3,301
General and administrative	(6,407)	(7,520)	(18,337)	(17,701)
Amortization of reorganization value in excess of amounts allocable to identifiable assets	(272)	(272)	(816)	(816)
Interest expense	(772)	(743)	(1,801)	(1,342)
Operating income	406	129	2,125	239
LIMITED-PURPOSE FINANCING SUBSIDIARIES:				
Operating income	10	14	11	36
TOTAL SEGMENT INCOME	16,353	11,736	41,076	24,273
Income tax expense	(8,079)	(5,873)	(20,292)	(12,661)
Income before extraordinary gain	8,274	5,863	20,784	11,612
Extraordinary gain: (net of tax expense of $645 for the nine months ended September 30, 1995)	--	--	--	927
NET INCOME	$8,274	$5,863	$20,784	$12,539
EARNINGS PER SHARE:				
Income before extraordinary gain	$ 0.59	$ 0.38	$ 1.37	$ 0.75
Extraordinary gain	--	--	--	0.06
Earnings per share	$0.59	$0.38	$1.37	$0.81

See notes to consolidated financial statements.

NVR, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(DOLLARS IN THOUSANDS, EXCEPT SHARE DATA)
(UNAUDITED)

	NINE MONTHS ENDED SEPTEMBER 30,	
	1996	1995
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$20,784	$12,539
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Extraordinary gain--extinguishment of debt	--	(1,572)
Depreciation and amortization	9,236	10,867
Interest accrued and added to bond principal	446	1,674
Mortgage loans closed	(949,918)	(760,092)
Proceeds from sales of mortgage loans	960,537	715,004
(Gain) loss on sale of mortgage servicing rights	1,104	(2,895)
Gain on sale of loans	(11,531)	(4,812)
Net change in assets and liabilities:		
Increase in inventories	(8,904)	(63,799)
Decrease (increase) in receivables**	308	(1,612)
Increase in accounts payable and accrued expenses	7,745	16,292
Other, net	(3,917)	(7,811)
Net cash provided (used) by operating activities	25,890	(86,217)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Decrease in marketable securities	--	5,000
Decrease (increase) in funds held by trustee	265	(1,008)
Proceeds from sales of mortgage-backed securities	32,722	1,069
Purchase of property, plant and equipment	(2,890)	(2,770)
Principal payments on mortgage-backed securities	14,002	12,648
Proceeds from sales of mortgage servicing rights	12,316	6,781
Purchases of mortgage servicing rights	(112)	(9,995)
Other, net	1,771	390
Net cash provided by investing activities	58,074	12,115
CASH FLOWS FROM FINANCING ACTIVITIES:		
Redemption of bonds	(45,800)	(13,497)
Net borrowings under notes payable	(226)	75,343
Purchases of treasury stock	(23,179)	(871)
Repurchase of Senior Notes	--	(12,962)
Other	3,314	84
Net cash provided (used) by financing activities	(65,891)	48,097
Net increase (decrease) in cash	18,073	(26,005)
Cash, beginning of the period	55,567	71,476
Cash, end of period	$73,640	$45,471
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Interest paid during the period	$15,996	$16,006

Income taxes paid, net of refunds	$22,362	$13,586

** See Note 3 to the financial statements for an explanation of the non-cash increase to equity from the accrual of warrant proceeds.

See notes to consolidated financial statements.

(DOLLARS IN THOUSANDS, EXCEPT SHARE DATA)

1. BASIS OF PRESENTATION

The accompanying unaudited, 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 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 1995 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, 1996 are not necessarily indicative of the results that may be expected for the year ending December 31, 1996.

2. ADOPTION OF NEW ACCOUNTING PRINCIPLE

During the quarter ended March 31, 1996, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 121, ACCOUNTING FOR THE IMPAIRMENT OF LONG-LIVED ASSETS AND FOR LONG-LIVED ASSETS TO BE DISPOSED OF. SFAS No. 121 requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances based on future expected cash flows indicate that the carrying amount may not be recoverable. Such adoption did not have a material impact on the Company's financial condition or results of operations.

3. SHAREHOLDERS' EQUITY

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

	COMMON STOCK	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	TREASURY STOCK
BALANCE, DECEMBER 31, 1995	$184	$144,072	$21,626	$(19,702)
Net income	--	--	20,784	--
Option activity	--	88	--	--
Warrant activity	15	13,146	(309)	--
Purchases of treasury stock	--	--	--	(23,179)
Performance share activity	--	(1,710)	--	1,710
BALANCE, SEPTEMBER 30, 1996	$199	$155,596	$42,101	$(41,171)

During the nine months ended September 30, 1996, the Company repurchased 2,175,504 shares of its common stock at an aggregate purchase price of $23,179, which completed the equity repurchase program announced in April 1996.

On September 30, 1993, NVR issued warrants to purchase 2,162,828 shares of common stock at an exercise price of $8.80 per share with an expiration date of September 30, 1996. During 1996, 1,495,515 warrants were exercised for a like number of common shares. Of the $13,161 aggregate increase to equity pursuant to the warrant conversion, $9,600 is included as a receivable at September 30, 1996 as those proceeds were not received by the Company until October 1, 1996. In addition, pursuant to the previously announced warrant repurchase program, during 1996 NVR repurchased 561,135 warrants, at market prices, for an aggregate purchase price of $309. The Company retired the repurchased warrants with a charge to retained earnings equal to the purchase price. A total of 106,178 warrants expired unexercised.

4. DEBT

In May 1996, the Company amended and restated its working capital revolving credit facility (the "Facility") for a three year term expiring on May 31, 1999 under an agreement with a syndicate of financial institutions. The Facility provides for borrowings up to $60,000. The amended Facility resulted in a more favorable borrowing rate and a reduction in certain fees. The other terms and conditions are substantially the same as those under the facility in effect at December 31, 1995.

In June 1996, NVR Mortgage Finance, Inc. ("NVR Finance") renewed its mortgage warehouse facility for one year with more favorable pricing and an increase in the available borrowing limit to $105,000. The other terms and conditions are substantially the same as under the previous facility.

During the first quarter of 1996, NVR Finance entered into an annually renewable, uncommitted gestation mortgage-backed security repurchase agreement (the "Repo Facility"). The maximum amount available under the Repo Facility is $50,000, and amounts outstanding thereunder accrue interest at various rates tied to the federal funds rate, depending on the type of collateral. Borrowings outstanding under the Repo Facility are collateralized by gestation mortgage-backed securities. The covenants under the Repo Facility are consistent with NVR Finance's mortgage warehouse credit facility.

5. STOCK OPTION PLANS

During the second quarter of 1996, the Company's Shareholders approved the Board of Directors' adoption of the Management Long-Term Stock Option Plan (the "Stock Option Plan") and the Directors' Long-Term Stock Option Plan (the "Directors' Plan").

Under the Stock Option Plan, awards of non-qualified stock options ("Options") to purchase 2,000,000 Shares of the Company's common stock ("Shares") may be granted to executive officers and other key management personnel. Each Option will be granted for a period of ten (10) years from the date of grant. As of September 30, 1996, 1,504,000 Options have been granted under the Stock Option Plan at an exercise price of $10.63, which was equal to the fair market value of the Company's Shares on the date of grant. The Options granted will vest as to thirty-three and one-third percent (33 1/3 %) of the underlying Shares on each of December 31, 2000, 2001, and 2002, with vesting based upon continued employment.

Also as of September 30, 1996, the 192,000 Options authorized under the Directors' Plan were granted to the Company's outside directors at an exercise price of $10.25, which was equal to the fair market value of the Company's Shares on the date of grant. The Options were granted for a ten (10) year period beginning from the date of grant, and vest as to thirty three and one-third percent (33 1/3%) of the underlying Shares on each of December 31, 1999, 2000, and 2001.

6. MORTGAGE SERVICING RIGHTS

During the third quarter of 1996, the financial services segment sold the mortgage servicing rights to approximately $740,000 of its mortgage servicing portfolio, incurring a $1,104 pre-tax loss, which is included in mortgage banking fees on the accompanying statement of operations. At September 30, 1996, the financial services segment was servicing approximately 9,400 loans with aggregate principal balances of approximately $584,000.

ITEM 2.

NVR, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(DOLLARS IN THOUSANDS, EXCEPT SHARE DATA)

NVR, Inc. ("NVR" or the "Company") is a holding company that operates in two business segments: homebuilding and financial services. Holding company general and administrative expenses are fully allocated to the homebuilding and financial services segments in the information presented below.

HOMEBUILDING SEGMENT

THREE MONTHS ENDED SEPTEMBER 30, 1996 AND 1995

During the third quarter of 1996, homebuilding operations generated revenues of $312,658 compared to revenues of $256,110 in the third quarter of 1995. The change in revenues is primarily due to a 17.7% increase in the number of homes settled from 1,420 in 1995 to 1,672 in 1996 and to a 3.6% increase in the average settlement price from $179.5 in 1995 to $186.0 in 1996. The increase in settlements was a direct result of the higher backlog at the beginning of the 1996 quarter as compared to the same 1995 quarter. New orders of 969 during the third quarter of 1996 decreased 15.3% compared with the 1,144 new orders generated during the same 1995 period. The Company attributes the decrease in new orders to interest rate uncertainty and to the general economic environment in the Company's primary markets.

Gross profit margins in the third quarter of 1996 decreased to 13.5% compared to 13.7% for the same 1995 quarter. The decrease in gross profit margins from the prior year quarter was primarily due to increased competitive market conditions in certain of the Company's markets and, to a lesser extent, higher lumber costs.

SG&A expenses for the third quarter of 1996 increased $3,197 as compared to the same 1995 period, but decreased slightly as a percentage of revenues. The dollar increase in SG&A was primarily due to increased costs that corresponded to the aforementioned increase in revenues.

Backlog units and dollars were 2,398 and $436,487, respectively, at September 30, 1996 compared to 2,379 and $425,929 at September 30, 1995. The increase in backlog dollars is due primarily to a 3.3% increase in the average sales prices during the nine months period ended September 30, 1996 compared to the same 1995 period.

The Company believes that earnings before interest, taxes, depreciation and amortization ("EBITDA") provides a more meaningful comparison of operating performance of the homebuilding segment than operating income because it excludes the amortization of certain intangible assets. 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,	
	1996	1995
Operating income	$ 20,073	$ 15,995
Depreciation	701	589
Amortization of excess reorganization value	1,761	1,761
HOMEBUILDING EBITDA	$ 22,535	$ 18,345
% OF HOMEBUILDING REVENUES	7.2%	7.2%

Homebuilding EBITDA in the third quarter of 1996 was $4,190 or 22.8% higher than in the third quarter of 1995, and as a percentage of revenues was consistent with the prior year quarter.

FINANCIAL SERVICES SEGMENT

THREE MONTHS ENDED SEPTEMBER 30, 1996 AND 1995

The financial services segment generated operating income of $406 for the three months ended September 30, 1996 compared to operating income of $129 during the same period in 1995, representing an increase of $277. Loan closings were $338,895 and $359,756 during the respective quarters ended September 30, 1996 and 1995, representing a decrease of 6%. The increase in operating income over the prior year quarter was achieved despite fewer operating branch offices and continued strong price competition. Operating income for the three months ended September 30, 1995 was negatively impacted by the accrual of $1,000 for the closure of thirteen mortgage origination branch offices. As noted below, operating income for the third quarter of 1996 was impacted by a loss of approximately $1,104 from the sale of mortgage servicing rights

Mortgage banking fees had a net decrease of $921, representing a 13% decrease when comparing the respective quarters of September 30, 1996 and 1995. This decrease can be primarily attributed to the loss of approximately $1,104 from the sale of $740,000 of mortgage servicing rights during the third quarter of 1996. This resulted in a servicing portfolio balance of $584,000 at September 30, 1996. A summary of mortgage banking fees is noted below:

MORTGAGE BANKING FEES:	1996	1995
Net gain on sale of loans	$ 4,412	$ 2,762
Servicing	1,239	1,895
Title services	1,678	1,593
Gain/(loss) on sale of servicing rights	(1,104)	896
	$ 6,225	$ 7,146

HOMEBUILDING SEGMENT

NINE MONTHS ENDED SEPTEMBER 30, 1996 AND 1995

During the first nine months of 1996, homebuilding operations generated revenues of $796,425 compared to revenues of $607,501 in the first nine months of 1995. The increase in revenues was primarily due to a 26.3% increase in the number of homes settled from 3,431 in 1995 to 4,335 in 1996, and to a 4.0% increase in the average settlement price from $175.8 in 1995 to $182.8 in 1996. The increase in settlements was a direct result of a higher backlog at the beginning of 1996 and throughout the first six months of 1996 when compared to the same 1995 period. New orders increased by 4.3% to 4,262 during the first nine months of 1996 compared with 4,088 during the first nine months of 1995.

Gross profit margins decreased to 13.4% in the first nine months of 1996 compared to 13.7% in the first nine months of 1995. The decrease in gross profit margins from the prior year was primarily attributable to more competitive market conditions in certain of the Company's markets, additional costs incurred in the construction of homes as a result of severe winter weather conditions in NVR's principal markets in the first quarter of 1996 and, to a lesser extent, higher lumber costs.

SG&A expenses for 1996 increased $8,285 as compared to the same 1995 period, but as a percentage of revenues decreased .6%. The dollar increase in SG&A was primarily due to increased costs that correspond to the aforementioned increase in revenues.

CALCULATION OF HOMEBUILDING EBITDA:

	NINE MONTHS ENDED SEPTEMBER 30,	
	1996	1995
Operating income	$ 51,476	$ 36,904
Depreciation	2,104	1,638
Amortization of excess reorganization value	5,283	5,283
HOMEBUILDING EBITDA	$ 58,863	$ 43,825
% OF HOMEBUILDING REVENUES	7.4%	7.2%

Homebuilding EBITDA for the first nine months of 1996 was $15,038 or 34.3% higher than the first nine months of 1995, and as a percentage of revenues increased from 7.2% to 7.4%.

FINANCIAL SERVICES SEGMENT

NINE MONTHS ENDED SEPTEMBER 30, 1996 AND 1995

The financial services segment generated operating income of $2,125 compared to $239 during the same period in 1995, representing an increase of $1,886. Loan closings were $949,918 and $760,092 during the respective periods ended September 30, 1996 and 1995, representing an increase of 25%. The increase in operating income and the increased volume of loan closings during the current nine month period were achieved despite fewer operating branch offices and continued strong price competition. Operating income for the nine months ended September 30, 1995 was negatively impacted by the accrual of $1,000 for the closure of thirteen mortgage origination branch offices. As noted below, operating income for the nine months ended September 30, 1996 was impacted by a loss of approximately $1,104 from the sale of mortgage servicing rights.

Mortgage banking fees had a net increase of $2,246, representing a 13% increase when comparing the respective periods of September 30, 1996 and 1995. This increase can be primarily attributed to the higher gain on sale of loans resulting from the increased loan closings. This increase is partially offset by the loss of approximately $1,104 from the sale of $740,000 of mortgage servicing rights during the third quarter of 1996. A summary of mortgage banking fees is noted below:

MORTGAGE BANKING FEES:	1996	1995
Net gain on sale of loans	$ 11,531	$ 4,812
Servicing	4,046	5,330
Title services	4,570	3,760
Gain/(loss) on sale of servicing rights	(1,104)	2,895
	$ 19,043	$ 16,797

RECENT ACCOUNTING PRONOUNCEMENTS

In June 1996, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 125, ACCOUNTING FOR TRANSFERS AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES. SFAS No. 125 establishes accounting and reporting standards for transfers and servicing of financial assets and extinguishments of liabilities. SFAS No. 125 is effective for financial statements for fiscal years beginning after December 15, 1996. Upon adoption, the Company does not believe that SFAS No. 125 will have a material impact on its consolidated financial statements.

OTHER ELEMENTS IMPACTING RESULTS OF OPERATIONS

SUPPLEMENTAL DISCLOSURE OF NET INCOME PER SHARE

The Company is amortizing the reorganization value in excess of amounts allocable to identifiable assets on a straight-line basis over a fifteen year period beginning in the fourth quarter of 1993. Because this non-cash expense significantly impacts net income, the following is presented for additional analysis. Although the Company believes the calculation is helpful in assessing the financial results of the Company, it should not be considered a substitute for earnings per share as presented on the face of the statements of operations on the accompanying financial statements.

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	1996	1995	1996	1995
WEIGHTED AVERAGE SHARES OUTSTANDING:				
Weighted average number of shares of common stock and common stock equivalents outstanding	14,017,496	15,373,244	15,138,306	15,387,869
SUPPLEMENTAL INFORMATION:				
Reported net income	$ 8,274	$ 5,863	$ 20,784	$ 12,539
Plus:				
Amortization of reorganization value in excess of amounts allocable to identifiable assets	2,033	2,033	6,099	6,099
Less:				
Extraordinary gain--net of taxes	--	--	--	(927)
Income before extraordinary gain and amortization of reorganization value in excess of amounts allocable to identifiable assets	$ 10,307	$ 7,896	$ 26,883	$ 17,711
Earnings per share before extraordinary gain and amortization of reorganization value in excess of amounts allocable to identifiable assets	$ 0.74	$ 0.51	$ 1.78	$ 1.15

LIQUIDITY AND CAPITAL RESOURCES

NVR's homebuilding segment generally provides for its working capital cash requirements using cash generated from operations and a short-term credit facility. The homebuilding segment has available a $60,000 Working Capital Revolving Credit facility to fund its working capital needs, under which there were no amounts outstanding at September 30, 1996.

NVR's financial services segment provides for its mortgage origination and other operating activities using cash generated from operations as well as various short-term credit facilities. NVR Mortgage Finance, Inc. ("NVR Finance") has available a $105,000 mortgage warehouse facility to fund its mortgage origination activities, under which $78,059 was outstanding at September 30, 1996. NVR Finance also has available two annually renewable, uncommitted gestation mortgage-backed security repurchase agreements ("Repo Facilities"), with a maximum of $50,000 in borrowings available under each agreement. There was $9,054 outstanding under the Repo Facilities at September 30, 1996.

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

OTHER ELEMENTS IMPACTING LIQUIDITY

During the nine months ended September 30, 1996, the Company repurchased 2,175,504 shares of its common stock at an aggregate purchase price of $23,179, which completed the equity repurchase program announced in April 1996.

On September 30, 1993, NVR issued warrants to purchase 2,162,828 shares of common stock at an exercise price of $8.80 per share with an expiration date of September 30, 1996. During 1996, 1,495,515 warrants were exercised for a like number of common shares. Of the $13,161 aggregate increase to equity pursuant to the warrant conversion, $9,600 is included as a receivable at September 30, 1996 as those proceeds were not received by the Company until October 1, 1996. In addition, pursuant to the previously announced warrant repurchase program, during 1996 NVR repurchased 561,135 warrants, at market prices, for an aggregate purchase price of $309. The Company retired the repurchased warrants with a charge to retained earnings equal to the purchase price. A total of 106,178 warrants expired unexercised.

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, 1996.

EXHIBIT INDEX

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, 1996 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		NINE MONTHS ENDED SEPTEMBER 30	
	1996	1995	1996	1995
1. Net income	$8,274	$5,863	$20,784	$12,539
2. Weighted average number of shares outstanding	13,643	15,373	14,696	15,336
3. Shares issuable upon exercise of dilutive options, warrants and subscriptions outstanding during period, based on average market price	374	--	442	52
4. Shares issuable upon exercise of dilutive options, warrants and subscriptions outstanding during period, based on higher of average or end of period market price	374	--	442	52
5. Weighted average number of shares and share equivalents outstanding (2 + 3)	14,017	15,373	15,138	15,388
6. Weighted average number of shares outstanding assuming full dilution (2 + 4)	14,017	15,373	15,138	15,388
7. Net income per share and share equivalents (1/5)	$0.59	$0.38	$1.37	$0.81
8. Net income per share, assuming full dilution (1/6)	$0.59	$0.38	$1.37	$0.81

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This schedule contains summary financial information extracted from NVR, Inc.'s consolidated financial statements included in Form 10-Q for the quarterly period ended September 30, 1996 and is qualified in its entirety by reference to such financial statements.

1,000
U.S. DOLLARS

9-MOS
DEC-31-1996
JAN-1-1996
SEP-30-1996
1.
73,640
0
17,351
0
163,617
0
18,584
0
587,583
0
174,149
0
0
155,795
930
587,583
796,425
826,840
689,577
69,189
6,099
0
14,337
41,076
20,292
20,784
0
0
0
20,784
1.37
1.37

Item represents the non-cash amortization of excess reorganization value.