

NVR INC
Form 11-K
June 30, 2008

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 11-K**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 (FEE REQUIRED)**

For the fiscal year ended December 31, 2007

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 (NO FEE REQUIRED)**

For the transition period from _____ to _____

**Commission File Number 1-12378
Profit Sharing Plan of NVR, Inc. and Affiliated Companies**

(Full name of the Plan)

NVR, Inc.

11700 Plaza America Drive, Suite 500

Reston, Virginia 20190

(703) 956-4000

(Name of issuer of securities held pursuant to the Plan and the address and phone number of its principal executive offices)

**PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES
Form 11-K
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Report of Independent Registered Public Accounting Firm

Profit Sharing Trust Committee

NVR, Inc. and Affiliated Companies:

We have audited the accompanying statement of net assets available for benefits of the Profit Sharing Plan of NVR, Inc. and Affiliated Companies (the Plan) as of December 31, 2007 and 2006, and the related statement of changes in net assets available for benefits for the year ended December 31, 2007. These financial statements are the responsibility of the Plan's Administrator. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the Plan's Administrator, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Profit Sharing Plan of NVR, Inc. and Affiliated Companies as of December 31, 2007 and 2006 and the changes in net assets available for benefits for the year ended December 31, 2007 in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules, Schedule H, line 4i schedule of assets (held at end of year) as of December 31, 2007, and Schedule H, line 4j schedule of reportable transactions for the year ended December 31, 2007, are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's Administrator. These supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/KPMG LLP

McLean, VA

June 30, 2008

**PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES**
Statements of Net Assets Available for Plan Benefits
(in thousands)

| | December 31, | |
|--|---------------------|-------------|
| | 2007 | 2006 |
| Assets | | |
| Investments: | | |
| Plan interest in master trust, at fair value | \$ 257,206 | \$ 277,102 |
| Loans to participants, at cost | 4,524 | 4,337 |
| Receivables: | | |
| Employer contributions | | 1 |
| Employee contributions | | 16 |
| Interest, dividends and other | 77 | 92 |
| Total receivables | 77 | 109 |
| | | |
| Total assets | 261,807 | 281,548 |
| | | |
| <u>Liabilities</u> | | |
| Due to participants | 368 | 553 |
| | | |
| Total liabilities | 368 | 553 |
| | | |
| Net assets reflecting all investments at fair value | 261,439 | 280,995 |
| | | |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts | 193 | 232 |
| | | |
| Net assets available for plan benefits | \$ 261,632 | \$ 281,227 |

See accompanying notes to financial statements.

**PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES**
Statement of Changes in Net Assets Available for Plan Benefits
For the Year Ended December 31, 2007
(in thousands)

Additions to net assets attributable to:

| | |
|---|--------|
| Participation in investment income of master trust: | |
| Interest and dividends | 10,457 |
| Transfers in, net | 10 |
| Contributions: | |
| Employee | 18,083 |
| Employer | 1,740 |
| Rollovers | 355 |
| | 20,178 |
| Total additions | 30,645 |

Deductions from net assets attributable to:

| | |
|---|-------------|
| Participation in investment income of master trust: | |
| Net depreciation in fair value of investments | \$ (12,175) |
| Benefits paid to participants | (38,036) |
| Administrative expenses | (29) |
| Total deductions | (50,240) |
| Net decrease in assets available for plan benefits | (19,595) |
| Net assets available for plan benefits at beginning of year | 281,227 |
| Net assets available for plan benefits at end of year | \$ 261,632 |

See accompanying notes to financial statements.

PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES
Notes to Financial Statements
December 31, 2007
(dollars in thousands)

1. Description of Plan and Benefits

The following description of the Profit Sharing Plan of NVR, Inc. and Affiliated Companies (the Plan or PSP) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan s provisions.

General

The Plan is a defined contribution, profit-sharing retirement plan, and covers substantially all employees of NVR, Inc. and its affiliated companies (NVR or the Company). The Plan is administered by a Profit Sharing Trust Committee (the Plan Administrator), which is designated by the Board of Directors of NVR, Inc. (the Board). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

The Sponsor makes an annual matching contribution up to the first five hundred dollars of individual participants Voluntary Salary Deferral Contributions (VSDC) within the PSP. In December 2006, the Board authorized amending the matching contribution effective January 1, 2007, to no longer make the matching contribution in NVR, Inc. common stock, but instead to allow plan participants to select the investment funds in which to invest matching contributions. NVR contributed a total of \$1,740 in matching contributions during 2007, all of which was contributed prior to December 31, 2007.

The Plan Year begins each January 1st and ends each December 31st.

Employee Eligibility

All full-time and part-time employees are eligible to participate in the Plan immediately upon employment. The Plan excludes any employee covered by a collective bargaining agreement negotiated in good faith with the Company and leased employees.

Contributions

The Plan provides for eligible Plan participants to make VSDC from 1% to 13% of their current salary on a combined pre-tax and post-tax basis into the Plan for investment. All investment funds provided in the Plan are available for employee VSDC. A participant s pre-tax deferral was limited to a maximum contribution of \$15.5 and \$15 during 2007 and 2006, respectively. Participants may change their salary deferral percentages periodically, but participants generally cannot withdraw fund balances before termination, retirement, death or total permanent disability unless certain hardship conditions exist.

As a result of the Economic Growth and Tax Relief Reconciliation Act of 2001, the Plan was amended to allow participants the option of making catch-up contributions to the Plan. Participants who reached age 50 or older before the close of the calendar year and have deferred the maximum amount allowed under the Plan, have the option to make additional pre-tax salary deferrals. The maximum catch-up contribution for both 2007 and 2006 was \$5.

In accordance with the Plan, the Company may declare a program of matching contributions. In 2007 and 2006, the Company matched up to the first five hundred dollars of individual participants' VSDC.

PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES
Notes to Financial Statements
December 31, 2007
(dollars in thousands)

Vesting and Forfeitures

Employees vest in Company matching contributions contributed prior to January 1, 2002 at the rate of 20% per year beginning with the completion of their third year of service. Company matching contributions made after December 31, 2001 vest at the rate of 20% per year beginning with the completion of the second year of service. Full vesting is also attained upon an employee's termination on account of death or total disability, or upon reaching normal retirement age. Participants are fully vested at all times in their VSDC account balances. Forfeitures of unvested amounts relating to terminated employees are allocated annually to the participants in the Plan as of December 31, based upon the proportion that the participant's compensation for that Plan Year bears to the total compensation received for such year by all participants sharing in the allocation, subject to the annual addition limitation and nondiscrimination requirement imposed under the Internal Revenue Code. Forfeitures of \$675 in 2007 were allocated to participant accounts in 2008.

Investment Options

The Company selects the number and type of investment options available. The Plan's recordkeeper (Recordkeeper) is responsible for maintaining an account balance for each participant. Each participant instructs the Recordkeeper how to allocate their account balances. The Recordkeeper values account balances daily. Each fund's income and expenses are allocated to participants daily in relation to their respective account balances. Each account balance is based on the value of the underlying investments in each account. Generally, participants may elect to change how future contributions are allocated or may transfer current account balances among investment options.

Payments of Benefits

Depending on various provisions and restrictions of the Plan, the method of benefit payment can be in the form of a lump-sum distribution or based on a deferred payment schedule. Such amounts remaining in the Plan as a result of deferred payments are subject to daily fluctuations in value based on the underlying investments in each account.

Participant Loans

Loans are made available to all participants on a nondiscriminatory basis in accordance with the specific provisions set forth in the Plan. The amount of a loan generally cannot exceed the lesser of \$50 or one-half of a participant's total vested account balance. Generally, a loan bears interest at a fixed rate which is determined by the Profit Sharing Trust Committee. Such rate was prime plus 1% set at the date of loan origination for Plan Years 2007 and 2006. All loans are subject to specific repayment terms and are secured by the participant's nonforfeitable interest in his/her account equivalent to the principal amount of the loan. Participants must pay any outstanding loans in full upon termination of service with the Sponsor. Loans not repaid within the timeframe specified by the Plan subsequent to termination are considered to be in default and treated as a distribution to the terminated participant.

Administrative Expenses

Loan origination fees and trustee fees are paid by the Plan. All other administrative expenses are paid directly by the Company.

PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES
Notes to Financial Statements
December 31, 2007
(dollars in thousands)

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

Investment Income

Interest income from investments is recorded on the accrual basis of accounting. Dividend income is recorded on the ex-dividend date. Gains or losses on sales of investments are based on the change in market values since the beginning of the Plan Year, or their acquisition date if purchased during the Plan Year.

Investment Valuation and Transactions

Valuation of Investment Securities

All investments are carried at fair market value except for fully benefit-responsive investment contracts. As described in Financial Accounting Standards Board Staff Position, FSP AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans (the FSP)*, investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. As required by the FSP, the Statement of Net Assets Available for Benefits adjusts the fair value of the investment contract from fair value to contract value.

Net unrealized gains and losses are measured and recognized in the Statement of Changes in Net Assets Available for Plan Benefits as the difference between the market value of investments remeasured at the financial statement date and the market value at the beginning of the Plan Year or the original measurement at the investment purchase date if purchased during the Plan Year.

Investment Transactions

Purchase and sale transactions are recorded on a trade-date basis. Participant loans receivable are valued at cost, which approximates fair value.

Payments of Benefits

Benefits are recorded as deductions when paid. At December 31, 2007 and 2006, refunds of \$368 and \$553, respectively, were due to participants for excess contributions made during the Plan Year and are reflected as a reduction of employee contributions in the Statement of Changes in Net Assets Available for Plan Benefits.

PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES

Notes to Financial Statements

December 31, 2007

(dollars in thousands)

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the Plan Administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of Plan activity during the reporting period. Accordingly, actual results may differ from those estimates.

Recent Accounting Pronouncements

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* (SFAS 157). SFAS 157 defines fair value, establishes a framework for measuring fair value in accordance with generally acceptable accounting principles and expands disclosure about fair value measurements. SFAS 157 is effective for fiscal years beginning after November 15, 2007. The Company is currently evaluating the effect that the provisions of SFAS 157 will have on the Plan's financial statements.

In February 2007, the FASB issued SFAS 159, *The Fair Value Option for Financial Assets and Financial Liabilities Including an amendment of FASB Statement No. 115* . The statement permits entities to choose to measure certain financial assets and liabilities at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. SFAS 159 became effective for the Company on January 1, 2008. The Company does not expect that the adoption of SFAS 159 will have a material impact on the Plan's financial statements.

3. Investments

The assets of the Plan are maintained in a master trust with the assets of the NVR, Inc. and Affiliated Companies Employee Stock Ownership Plan (ESOP). The Plan's share of changes in the trust and the value of the trust fund have been reported to the Plan by the trustees as having been determined through the use of fair values for all assets and liabilities, except for fully benefit-responsive investment contracts which are adjusted from fair value to contract value. See footnote 2 for further discussion of fully benefit-responsive investment contracts. The undivided interest of each Plan in the master trust is increased or decreased (as the case may be) (i) for the entire amount of every contribution received on behalf of the Plan, every benefit payment, or other expense attributable solely to such Plan, and every other transaction relating only to such Plan; and (ii) for accrued income, gain or loss, and administrative expense attributable solely to such Plan. The Plan's interest in the master trust was approximately 46% and 41% as of December 31, 2007 and 2006, respectively.

The following table presents the investments in the master trust at fair value for all investments except for fully benefit-responsive investment contracts which are presented at contract value:

PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES
Notes to Financial Statements
December 31, 2007
(dollars in thousands)

| | December 31, | |
|--|---------------------|-------------------|
| | 2007 | 2006 |
| NVR, Inc. common stock | \$ 341,780 | \$ 467,886 |
| Investments in Registered Investment Companies | 193,947 | 180,926 |
| Investments in Common Collective Trusts | 25,927 | 29,023 |
| Other common stock | 1,294 | 962 |
| Interest-bearing cash | 1,395 | 1,092 |
| Total | \$ 564,343 | \$ 679,889 |

The interests of each the PSP and ESOP participating in the master trust net investment assets at December 31, 2007 and 2006 were as follows:

| | 2007 | 2006 |
|--|-------------------|-------------------|
| NVR, Inc. and Affiliated Companies Employee Stock Ownership Plan | \$ 306,944 | \$ 402,555 |
| Profit Sharing Plan of NVR, Inc. and Affiliated Companies | 257,399 | 277,334 |
| Net investment assets in master trust | \$ 564,343 | \$ 679,889 |

Investment income for the master trust for the year ended December 31, 2007 was as follows:

| | |
|---|--------------------|
| Net investment loss due to depreciation of common stock | \$ (77,870) |
| Net investment gain due to appreciation in investments in registered investment companies | 6,069 |
| Interest | 110 |
| Dividends | 13,078 |
| Net investment loss in master trust | \$ (58,613) |

The interest of each the PSP and ESOP participating in the net investment loss in the master trust for the year ended December 31, 2007, was as follows:

| | |
|--|--------------------|
| NVR, Inc. and Affiliated Companies Employee Stock Ownership Plan | \$ (56,895) |
| Profit Sharing Plan of NVR, Inc. and Affiliated Companies | (1,718) |
| Net investment loss in master trust | \$ (58,613) |

The income allocation variance between the PSP and ESOP is driven primarily by the investment mix within the respective plans. The ESOP requires holdings to be predominately invested in NVR, Inc. common stock; whereas the PSP has no similar requirements and thus holdings within the PSP are diversified among multiple investments.

PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES
Notes to Financial Statements
December 31, 2007
(dollars in thousands)

The current value of the investments of the master trust attributable to the Plan which represent 5 percent or more of the Plan's net assets each year, were as follows:

| | December 31, | |
|--|---------------------|-------------|
| | 2007 | 2006 |
| Registered Investment Companies: | | |
| Fidelity Equity Inc. II Fund | \$ 26,879 | \$ 28,732 |
| Fidelity Growth Company Fund | 27,057 | 24,477 |
| Fidelity Diversified International Fund | 25,621 | 22,900 |
| Fidelity Balanced Fund | 20,404 | 20,598 |
| Fidelity Managed Income Portfolio Fund (1) | 17,959 | 21,176 |
| Employer securities: | | |
| NVR, Inc. Common Stock | \$ 79,668 | \$ 108,493 |

(1) Investment amounts at contract value. The fair value of the investment was \$17,766 and \$20,944 at December 31, 2007 and 2006, respectively.

4. Tax Status

The Plan received its latest determination letter on February 17, 2000 which stated that the Plan is qualified under section 401(a) of the Internal Revenue Code (the Code) and its related Trust is exempt from tax under section 501(a) of the Code. The Plan has been amended since receiving the determination letter; however, in the opinion of the Plan Administrator, the Plan and its underlying Trust have operated within the terms of the Plan and remain qualified under the applicable provisions of the Code.

5. The Stable Value Fund

The Plan invests in fully benefit-responsive synthetic guaranteed investment contracts (GICs) as part of offering the Managed Income Portfolio Fund (the Fund). Contributions to this fund are invested in a portfolio of high quality short- and intermediate-term U.S. bonds, including U.S. government treasuries, corporate debt securities, and other high-credit quality asset-backed securities.

Participant accounts in the Fund are credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The GIC issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

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As discussed in footnote 2, because the GICs are fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the GICs. The average yield of the Fund based on actual earnings was 4.82% and 4.84% at December 31, 2007 and 2006, respectively. The average yield of the Fund based on interest rate credited to participants was 4.40% and 4.27% at December 31, 2007 and 2006, respectively.

PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES
Notes to Financial Statements
December 31, 2007
(dollars in thousands)

6. Plan Termination

Although it has not expressed any intent to do so, the Plan Administrator has the right under the Plan to discontinue contributions at any time and terminate the Plan subject to the provisions of ERISA. In the event of a Plan termination or if the Sponsor suspends contributions indefinitely, affected participants will become fully vested in their accounts.

7. Fair Value of Financial Instruments

The carrying amounts of receivables and payables approximate fair value because of the short maturity of these instruments.

8. Parties-In-Interest

At December 31, 2007 and 2006, Plan investments of \$157,353 and \$150,662, respectively, are with parties-in-interest as they are investment funds of the Trustee and Recordkeeper, Fidelity Management Trust Company and Fidelity Investments Institutional Operations Company, Inc.

At December 31, 2007 and 2006, investments held by the Plan included 152,038 shares and 168,206 shares of NVR, Inc. common stock, with a fair value of approximately \$79,668 and \$108,493, respectively. These qualify as exempt parties-in-interest transactions.

9. Differences Between Financial Statements and Form 5500

The following is a reconciliation from the financial statements to the Form 5500 of net assets available for plan benefits (in thousands):

| | December 31, | |
|--|---------------------|-------------|
| | 2007 | 2006 |
| Net assets available for plan benefits as reported in the financial statements | 261,632 | 281,227 |
| Fully benefit responsive investment contracts (1) | (193) | |
| Deemed distributions (2) | (33) | (60) |
| Net assets available for plan benefits as reported in the Form 5500 | 261,406 | 281,167 |

The following is a reconciliation from the financial statements to the Form 5500 of benefits paid to participants (in thousands):

| | Year ended December 31, 2007 |
|--|---|
| Benefit payments to participants as reported in the financial statements | 38,036 |
| Deemed distributions, net | (27) |

Benefit payments to participants as reported in the Form 5500

38,009

PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES
Notes to Financial Statements
December 31, 2007
(dollars in thousands)

- (1) Fully benefit-responsive investment contracts are included in the financial statements at contract value as opposed to at fair value in the Form 5500. No adjustment was required for the period ended December 31, 2006 because the fully benefit responsive investment contracts were recorded in the Form 5500 at contract value. See footnote 2 for additional discussion of fully benefit-responsive investment contracts.
- (2) Deemed distributions represent defaulted loan balances for which there were no post-default payment activity. These distributions are disregarded for reporting purposes within the 5500 but are reflected in the total loan balances for financial statement reporting purposes.

**PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES**

EIN: 54-1394360

Plan Number: 333

Schedule H, Line 4(i) Schedule of Assets (Held at End of Year)

December 31, 2007

(Dollars in thousands)

| Column A | Column B | Column C | Column D |
|-----------------|--|---|----------------------|
| | Identity of issue, borrower, lessor, or similar party | Description of investment | Current Value |
| | <u>Registered Investment Companies</u> | | |
| * | Fidelity Growth Company | Registered investment company 326,069 shares | \$ 27,057 |
| * | Fidelity Balanced Fund | Registered investment company 1,041,443 shares | 20,423 |
| * | Fidelity Equity Inc. II | Registered investment company 1,169,689 shares | 26,879 |
| * | Fidelity Diversified Int 1 | Registered investment company 642,122 shares | 25,621 |
| * | Fidelity Mid-Cap Stock Fund | Registered investment company 432,912 shares | 12,658 |
| * | Fidelity Freedom Income | Registered investment company 123,536 shares | 1,414 |
| * | Fidelity Freedom 2000 | Registered investment company 89,288 shares | 1,104 |
| * | Fidelity Freedom 2005 | Registered investment company 2,508 shares | 30 |
| * | Fidelity Freedom 2010 | Registered investment company 147,169 shares | 2,181 |
| * | Fidelity Freedom 2015 | Registered investment company 65,633 shares | 818 |
| * | Fidelity Freedom 2020 | Registered investment company 225,455 shares | 3,564 |
| * | Fidelity Freedom 2025 | Registered investment company 96,487 shares | 1,272 |
| * | Fidelity Freedom 2030 | Registered investment company 227,116 shares | 3,752 |
| * | Fidelity Freedom 2035 | Registered investment company 86,510 shares | 1,183 |
| * | Fidelity Freedom 2040 | Registered investment company 580,055 shares | 5,644 |
| * | Fidelity Freedom 2045 | Registered investment company 6,327 shares | 72 |
| * | Fidelity Freedom 2050 | Registered investment company 40,983 shares | 468 |
| * | Fidelity Total Bond | Registered investment company 13,466 shares | 139 |

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| | | | |
|---|--------------------------------------|--|--------|
| | Spartan US Equity Index Fund | Registered investment company 173,935 shares | 9,027 |
| * | Fidelity Managed Income Portfolio | Registered investment company 17,959,449 shares | 17,766 |
| * | Fidelity Low Priced Stock Fund | Registered investment company 118,856 shares | 4,889 |
| | RS Emerging Growth A | Registered investment company 95,862 shares | 3,896 |
| | ABF Sm Cap Val PA | Registered investment company 206,293 shares | 3,552 |
| | Arisan International | Registered investment company 1,940 shares | 58 |
| | Dodge & Cox Income | Registered investment company 13,211 shares | 165 |
| | Dodge & Cox Stock | Registered investment company 1,368 shares | 189 |
| | Dodge & Cox International Stock Fund | Registered investment company 1,163 shares | 54 |
| * | Fidelity Int 1 Growth & Income | Registered investment company 1,162 shares | 50 |
| * | Fidelity Canada | Registered investment company 74 shares | 5 |
| * | Fidelity Small Cap Independence | Registered investment company 1,130 shares | 23 |
| * | Fidelity Capital Appreciation | Registered investment company 1,083 shares | 29 |
| * | Fidelity Equity Income II | Registered investment company 2,050 shares | 47 |
| * | Fidelity Investment Grade | Registered investment company 2,201 shares | 16 |
| * | Fidelity Int 1 Real Estate Fund | Registered investment company 314 shares | 4 |
| * | Fidelity Leveraged Company Stock | Registered investment company 438 shares | 14 |

**PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES**

EIN: 54-1394360

Plan Number: 333

Schedule H, Line 4(i) Schedule of Assets (Held at End of Year)

December 31, 2007

(Dollars in thousands)

| | | | |
|---|-------------------------------|----|---------|
| * Fidelity Value | Registered investment company | \$ | 12 |
| | 161 shares | | |
| * Spartan 500 Index | Registered investment company | | 24 |
| | 237 shares | | |
| American Fundamental Investors Class C | Registered investment company | | 3 |
| | 67 shares | | |
| Janus Strategic Value Fund | Registered investment company | | 18 |
| | 941 shares | | |
| MFS Value Class C | Registered investment company | | 26 |
| | 991 shares | | |
| Mainstay High Yield Corp Class C | Registered investment company | | 20 |
| | 3,190 shares | | |
| Munder Midcap Select CL II | Registered investment company | | 3 |
| | 108 shares | | |
| Nationwide International Growth CL C | Registered investment company | | 5 |
| | 297 shares | | |
| Oppenheimer Small Cap Value Class C | Registered investment company | | 25 |
| | 785 shares | | |
| Phoenix-Goodwin Mult Sect S/T CL C | Registered investment company | | 23 |
| | 4,926 shares | | |
| T Rowe Price International Japan | Registered investment company | | 3 |
| | 278 shares | | |
| T Rowe Price Emerg Euro & Mediterranean | Registered investment company | | 4 |
| | 100 shares | | |
| Third Avenue Value | Registered investment company | | 5 |
| | 82 shares | | |
| Third Avenue Small Cap Value | Registered investment company | | 3 |
| | 120 shares | | |
| Vanguard Energy | Registered investment company | | 9 |
| | 104 shares | | |
| Vanguard Specialized Gold & Prec Metals | Registered investment company | | 27 |
| | 804 shares | | |
| Vanguard Windsor II | Registered investment company | | 598 |
| | 19,144 shares | | |
| | | \$ | 174,871 |

Employer Securities

| | | | | |
|-------------|------------------------|---------|----|--------|
| * NVR, Inc. | NVR, Inc. common stock | 152,038 | \$ | 79,670 |
| | shares | | | |

Common Stocks

| | | | | |
|--------------------------------|-----------------|--------------|----|----|
| Frontline LTD | Shares of stock | 450 shares | \$ | 22 |
| Seaspan Corp | Shares of stock | 206 shares | | 5 |
| Alcoa Inc. | Shares of stock | 184 shares | | 7 |
| Anadigics Inc | Shares of stock | 700 shares | | 8 |
| Apple Computer Inc. | Shares of stock | 280 shares | | 55 |
| Bank of America Corp | Shares of stock | 332 shares | | 14 |
| Berkshire Hathaway Inc | Shares of stock | 20 shares | | 95 |
| Boeing Co | Shares of stock | 262 shares | | 23 |
| Boston Scientific | Shares of stock | 1,000 shares | | 12 |
| Brookfield Asset Management | Shares of stock | 500 shares | | 18 |
| C & F Financial Corp | Shares of stock | 4 shares | | |
| Cit Group Inc New Com | Shares of stock | 708 shares | | 17 |
| Canadian Gen Invts LTD | Shares of stock | 215 shares | | 6 |
| Caterpillar Inc. | Shares of stock | 104 shares | | 8 |
| Chesapeake Energy Corporation | Shares of stock | 1,007 shares | | 39 |
| Cisco Sys. Inc. | Shares of stock | 2,100 shares | | 57 |
| Citigroup Inc. | Shares of stock | 207 shares | | 6 |
| Combimatrix Corp | Shares of stock | 50 shares | | |
| D R Horton Inc | Shares of stock | 530 shares | | 7 |
| Diamond Offshore Drilling Inc. | Shares of stock | 100 shares | | 14 |
| Directv Group Inc | Shares of stock | 100 shares | | 2 |
| Exxon Mobile Corp. | Shares of stock | 778 shares | | 73 |

**PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES**

EIN: 54-1394360

Plan Number: 333

Schedule H, Line 4(i) Schedule of Assets (Held at End of Year)

December 31, 2007

(Dollars in thousands)

| | | | | |
|---|-----------------|---------------|----|----|
| First TR Value Line 100 Exchange Traded | Shares of stock | 200 shares | \$ | 4 |
| Galloway Energy Co. | Shares of stock | 7 shares | | |
| Gardner Denver Inc. | Shares of stock | 190 shares | | 6 |
| General Electric Co. | Shares of stock | 607 shares | | 22 |
| Genoil Inc. | Shares of stock | 20,000 shares | | 11 |
| Genworth Financial Inc | Shares of stock | 300 shares | | 8 |
| Google Inc | Shares of stock | 29 shares | | 20 |
| Graco, Inc. | Shares of stock | 756 shares | | 28 |
| Gulfmark Offshore Inc | Shares of stock | 200 shares | | 9 |
| Halliburton Co. Holding Co Family | Shares of stock | 804 shares | | 30 |
| Intel Corp. | Shares of stock | 2,080 shares | | 55 |
| Intuitive Surgical Inc | Shares of stock | 85 shares | | 28 |
| Ishares Inc MSCI Singapore Index | Shares of stock | 195 shares | | 4 |
| Ishares Inc MSCI Japan Index | Shares of stock | 360 shares | | 6 |
| Ishares TR MSCI Emerging Markets | Shares of stock | 25 shares | | 4 |
| Ishares TR Dow Jones US Aerospace & Def | Shares of stock | 50 shares | | 3 |
| Johnson & Johnson | Shares of stock | 1,252 shares | | 83 |
| Legg Mason | Shares of stock | 353 shares | | 26 |
| Lundin Mng Corp | Shares of stock | 1,630 shares | | 16 |
| McDonalds Corp | Shares of stock | 103 shares | | 6 |
| Medtronic Inc. | Shares of stock | 512 shares | | 26 |
| Microsoft Corp. | Shares of stock | 1,036 shares | | 37 |
| Nike, Inc. | Shares of stock | 482 shares | | 31 |
| Novartis AG ADR | Shares of stock | 508 shares | | 28 |
| Patterson Companies, Inc. | Shares of stock | 300 shares | | 10 |
| Penn West Energy | Shares of stock | 355 shares | | 9 |
| Pfizer, Inc. | Shares of stock | 10 shares | | |
| Polaris INDS INC | Shares of stock | 158 shares | | 8 |
| Powershares Exchange Traded | Shares of stock | 100 shares | | 2 |
| Procter & Gamble Co. | Shares of stock | 780 shares | | 57 |
| Savient Pharmaceuticals Inc | Shares of stock | 300 shares | | 7 |
| TEVA Pharmaceutical INDS LTD | Shares of stock | 1,046 shares | | 49 |
| Unilever PLC | Shares of stock | 206 shares | | 8 |
| United Parcel Svc Inc. | Shares of stock | 56 shares | | 4 |
| United Technologies Corp | Shares of stock | 175 shares | | 13 |
| Unitedhealth Group | Shares of stock | 600 shares | | 35 |
| Wells Fago & Co | Shares of stock | 805 shares | | 24 |
| XTO Energy Inc | Shares of stock | 250 shares | | 13 |
| Zimmer Holdings, Inc. | Shares of stock | 259 shares | | 17 |
| Put (Leap 2010) WBA Bank of America | Shares of stock | 20 shares | | 13 |
| Put (Leap 2007) VFO Ford Motor Company | Shares of stock | 20 shares | | 7 |

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| | | | |
|---|-----------------|--------------|----|
| Put (Leap 2003) VGL General Motors Corp | Shares of stock | 5 shares | 3 |
| Put (Leap 2010) WD Powershares QQQ | Shares of stock | 10 shares | 3 |
| Annaly Mortgage Management Inc | Shares of stock | 500 shares | 10 |
| Luminent Management Cap | Shares of stock | 4,000 shares | 3 |

\$ 1,274

**PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES**

EIN: 54-1394360

Plan Number: 333

Schedule H, Line 4(i) Schedule of Assets (Held at End of Year)

December 31, 2007

(Dollars in thousands)

| | | | |
|-----------------------------|--|----|---------|
| Interest-bearing cash | Cash held for pending investments and participant distributions in interest-bearing call accounts | \$ | 1,392 |
| * Participant loans - other | Participant loans with various rates of interest from 5.00% to 10.50% and maturity dates through October 2022. | \$ | 4,490 |
| | | \$ | 261,697 |

* Party in interest.

**PROFIT SHARING PLAN OF
NVR, INC. AND AFFILIATED COMPANIES
EIN: 54-1394360
Plan Number: 333**

Schedule H, Line 4(j) Schedule of Reportable Transactions
Year ended December 31, 2007
(Dollars in thousands)

Series of Transactions

| Identity of party involved | Description of asset Common stock | Number of purchases | Number of Sales | Total dollar value of purchases | Total dollar value of sales | Total Cost | Net realized gain |
|----------------------------|-----------------------------------|---------------------|-----------------|---------------------------------|-----------------------------|------------|-------------------|
| NVR, Inc. | stock | 0 | 246 16 | \$ 0 | \$ 14,217 | \$5,405 | \$ 8,812 |

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Plan Administrator has duly caused this annual report to be signed on behalf of the Plan by the undersigned thereunto duly authorized.

June 30, 2008

NVR, Inc.

By: /s/ Darrell A. Carlisle

Darrell A. Carlisle

Plan Administrator

EXHIBIT INDEX

| Exhibit Number | Description |
|---------------------------|--|
| 23.1 | Consent of Independent Registered Public Accounting Firm 18 |