

NVR INC
Form 11-K
June 26, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

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.

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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)

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PROFIT SHARING PLAN OF NVR, INC.

AND AFFILIATED COMPANIES

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Report of Independent Registered Public Accounting Firm

Profit Sharing Committee

NVR, Inc. and Affiliated Companies:

We have audited the accompanying statements of net assets available for plan benefits of the Profit Sharing Plan of NVR, Inc. and Affiliated Companies (the Plan) as of December 31, 2011 and 2010, and the related statement of changes in net assets available for plan benefits for the year ended December 31, 2011. 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. An audit also includes 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 plan benefits of the Profit Sharing Plan of NVR, Inc. and Affiliated Companies as of December 31, 2011 and 2010 and the changes in net assets available for plan benefits for the year ended December 31, 2011 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 schedule, Schedule H, line 4(i) schedule of assets (held at end of year) as of December 31, 2011, is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is 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. This supplemental schedule is the responsibility of the Plan's Administrator. This supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP

McLean, Virginia
June 26, 2012

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Statements of Net Assets Available for Plan Benefits

(in thousands)

| | December 31, | |
|--|--------------|------------|
| | 2011 | 2010 |
| <u>Assets</u> | | |
| Investments: | | |
| Plan interest in master trust, at fair value | \$ 207,256 | \$ 218,113 |
| Receivables: | | |
| Loans to participants | 4,980 | 4,737 |
| Employee contributions | | 6 |
| Interest, dividends and other | 1 | 37 |
| Total receivables | 4,981 | 4,780 |
| Total assets | 212,237 | 222,893 |
| <u>Liabilities</u> | | |
| Due to participants | 205 | 93 |
| Total liabilities | 205 | 93 |
| Net assets reflecting all investments at fair value | 212,032 | 222,800 |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts | (488) | (152) |
| Net assets available for plan benefits | \$ 211,544 | \$ 222,648 |

See accompanying notes to financial statements.

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**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, 2011

(in thousands)

Additions to net assets attributable to:

| | |
|--|---------------|
| Participation in investment income (loss) of master trust: | |
| Net depreciation in fair value of investments | \$ (5,481) |
| Interest and dividends | 4,276 |
| | (1,205) |
| Contributions: | |
| Employee | 11,871 |
| Employer | 1,009 |
| Rollovers | 328 |
| | 13,208 |
| Total additions | 12,003 |

Deductions from net assets attributable to:

| | |
|---|-----------------|
| Benefits paid to participants | (23,085) |
| Administrative expenses | (22) |
| Total deductions | (23,107) |
| Net decrease in assets available for plan benefits | (11,104) |
| Net assets available for plan benefits at beginning of year | 222,648 |
| Net assets available for plan benefits at end of year | \$ 211,544 |

See accompanying notes to financial statements.

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PROFIT SHARING PLAN OF NVR, INC.

AND AFFILIATED COMPANIES

Notes to Financial Statements

December 31, 2011 and 2010

(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 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 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 voluntary salary deferral contributions (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 \$16.5 during 2011 and 2010. 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 2011 and 2010 was \$5.5. 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.

In accordance with the Plan, the Company may declare a program of matching contributions. In 2011 and 2010, the Company matched up to the first five hundred dollars of individual participants' VSDC. NVR contributed \$999 and \$1,007 in matching contributions during 2011 and 2010, respectively. Matching contributions are invested in participant's accounts in the Plan as directed by participants.

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(dollars in thousands)

Vesting and Forfeitures

Employees vest in Company matching contributions 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 all eligible active 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 \$90 and \$77 in 2011 and 2010, respectively were allocated to participant accounts in 2012 and 2011, respectively.

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 participant accounts 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. 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 as of the loan origination date. 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 2011 and 2010. 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 Company. 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. Participant loans are recorded at unpaid principal plus accrued interest, which approximates fair value.

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(dollars in thousands)

Administrative Expenses

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

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

All investments are carried at fair value except for fully benefit-responsive investment contracts. Under accounting standards generally accepted in the United States of America (GAAP), 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 plan 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. The Statement of Net Assets Available for Plan Benefits adjusts the value of the investment contract from fair value to contract value.

Net unrealized appreciation and depreciation is measured and recognized in the Statement of Changes in Net Assets Available for Plan Benefits as the difference between the fair value of investments remeasured at the financial statement date and the fair value at the beginning of the Plan Year or the original measurement at the investment purchase date if purchased during the Plan Year. Purchase and sale transactions are recorded on a trade-date basis.

Fair Value Measurements

Accounting Standard Codification (ASC) Topic 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability, in an orderly transaction between market participants at the measurement date. ASC Topic 820 establishes a fair value hierarchy for those instruments measured at fair value that distinguishes between assumptions based on market data (observable inputs) and the Plan s assumptions (unobservable inputs). The hierarchy consists of three levels:

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(dollars in thousands)

Level 1 Quoted market prices in active markets for identical assets or liabilities.

Investments in registered investment companies, shares of the Company's common stock, other common and preferred stock and cash are valued using quoted prices in active markets.

Level 2 Inputs other than Level 1 inputs that are either directly or indirectly observable.

Investments in a common collective trust (the Fund) are valued using the net asset value (NAV) provided by the trustee. The NAV is quoted in a private market, and is based on the fair value of the underlying assets owned by the Fund, which are predominantly traded in an active market. These investments are redeemable with the Fund at contract value under the Fund's terms of operations. It is possible that these redemption rights may be restricted by the Fund in the future in accordance with the terms. Due to the nature of the investments held by the Fund, changes in market conditions and the economic environment may significantly impact the net asset value of the Fund, and the Plan's interest in the Fund.

Level 3 Unobservable inputs developed using estimates and assumptions developed by the Plan, which reflect those a market participant would use.

The Plan has no investments valued using Level 3 inputs.

The following table presents the financial instruments the Plan measures at fair value on a recurring basis, based on the fair value hierarchy as of December 31, 2011:

| | Basis of Fair Value Measurements | | | Total |
|--|----------------------------------|------------------|-----------|-------------------|
| | Level 1 | Level 2 | Level 3 | |
| Fair Value Measurements: | | | | |
| Investments in Registered Investment Companies: | | | | |
| Domestic Equities - Small Cap | \$ 7,180 | \$ | \$ | \$ 7,180 |
| Domestic Equities - Mid Cap | 14,288 | | | 14,288 |
| Domestic Equities - Large Cap | 61,820 | | | 61,820 |
| International Equities | 11,490 | | | 11,490 |
| Life Cycle/Target Date Funds | 28,071 | | | 28,071 |
| Bond Funds | 6,420 | | | 6,420 |
| Subtotal | 129,269 | | | 129,269 |
| NVR, Inc. Common Stock | 53,610 | | | 53,610 |
| Investments in Common Collective Trusts | | 19,789 | | 19,789 |
| Other Common and Preferred Stock | 2,815 | | | 2,815 |
| Cash | 1,773 | | | 1,773 |
| Total | \$ 187,467 | \$ 19,789 | \$ | \$ 207,256 |

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PROFIT SHARING PLAN OF NVR, INC.

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(dollars in thousands)

The following table presents the financial instruments the Plan measures at fair value on a recurring basis, based on the fair value hierarchy as of December 31, 2010:

| | Basis of Fair Value Measurements | | | Total |
|--|----------------------------------|------------------|-----------|-------------------|
| | Level 1 | Level 2 | Level 3 | |
| Fair Value Measurements: | | | | |
| Investments in Registered Investment Companies: | | | | |
| Domestic Equities - Small Cap | \$ 7,684 | \$ | \$ | \$ 7,684 |
| Domestic Equities - Mid Cap | 15,829 | | | 15,829 |
| Domestic Equities - Large Cap | 65,181 | | | 65,181 |
| International Equities | 14,766 | | | 14,766 |
| Life Cycle/Target Date Funds | 28,712 | | | 28,712 |
| Bond Funds | 4,392 | | | 4,392 |
| Subtotal | 136,564 | | | 136,564 |
| NVR, Inc. Common Stock | 57,976 | | | 57,976 |
| Investments in Common Collective Trusts | | 18,708 | | 18,708 |
| Other Common Stock | 3,240 | | | 3,240 |
| Cash | 1,625 | | | 1,625 |
| Total | \$ 199,405 | \$ 18,708 | \$ | \$ 218,113 |

Payments of Benefits

Benefits are recorded as deductions when paid. At December 31, 2011 and 2010, refunds of \$205 and \$93, 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.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with GAAP 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.

3. Investments

The investments of the Plan are maintained in a master trust with the investments of the NVR, Inc. Employee Stock Ownership Plan (ESOP). The Plan's share of changes in the master trust and the value of the master trust have been reported to the Plan by the trustee as having been determined through the use of fair values for all investments, 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

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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

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PROFIT SHARING PLAN OF NVR, INC.

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(dollars in thousands)

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 43% and 42% as of December 31, 2011 and 2010, 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:

| | December 31, | |
|--|---------------------|-------------------|
| | 2011 | 2010 |
| NVR, Inc. Common Stock | \$ 289,013 | \$ 317,008 |
| Investments in Registered Investment Companies | 156,245 | 165,292 |
| Investments in Common Collective Trusts | 33,855 | 31,424 |
| Other Common and Preferred Stock | 3,247 | 3,798 |
| Cash | 2,006 | 1,817 |
| Total | \$ 484,366 | \$ 519,339 |

The interests of each the PSP and ESOP participating in the master trust investments at December 31, 2011 and 2010 were as follows:

| | 2011 | 2010 |
|---|-------------------|-------------------|
| NVR, Inc. Employee Stock Ownership Plan | \$ 277,598 | \$ 301,378 |
| Profit Sharing Plan of NVR, Inc. and Affiliated Companies | 206,768 | 217,961 |
| Investments in master trust | \$ 484,366 | \$ 519,339 |

Net investment income (loss) for the master trust for the year ended December 31, 2011 was as follows:

| | |
|---|-------------------|
| Net investment loss due to depreciation of common and preferred stock | \$ (389) |
| Net investment loss due to depreciation in investments in Registered Investment Companies | (7,121) |
| Interest | 220 |
| Dividends | 5,026 |
| Net investment loss in master trust | \$ (2,264) |

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The interest of each the PSP and ESOP participating in the net investment loss in the master trust for the year ended December 31, 2011, was as follows:

| | |
|---|------------|
| NVR, Inc. Employee Stock Ownership Plan | \$ (1,059) |
| Profit Sharing Plan of NVR, Inc. and Affiliated Companies | (1,205) |
| Net investment loss in master trust | \$ (2,264) |

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.

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(dollars in thousands)

common stock; whereas the PSP has no similar requirements and thus holdings within the PSP are diversified among multiple investments.

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

| | December 31, | |
|--|---------------------|-------------|
| | 2011 | 2010 |
| Registered Investment Companies: | | |
| Fidelity Equity Dividend Inc. Fund | \$ 13,237 | \$ 15,726 |
| Fidelity Growth Company Fund | 22,717 | 24,183 |
| Fidelity Diversified International Fund | 11,230 | 14,413 |
| Fidelity Balanced Fund | 15,799 | 16,174 |
| Common Collective Trust: | | |
| Fidelity Managed Income Portfolio Fund (1) | \$ 19,301 | \$ 18,556 |
| Employer securities: | | |
| NVR, Inc. Common Stock | \$ 53,610 | \$ 57,976 |

- (1) Investment amounts at contract value. The fair value of the investment was \$19,789 and \$18,708 at December 31, 2011 and 2010, respectively.

4. Tax Status

The Plan received its latest determination letter on May 17, 2012 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. This determination letter encompasses all of the Plan amendments made subsequent to the prior determination letter received by the Plan on February 17, 2000.

GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

5. The Stable Value Fund

The Plan invests in fully benefit-responsive synthetic guaranteed investment contracts (GICs) as part of offering the Fidelity 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.

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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

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(dollars in thousands)

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.

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 1.92% and 2.68% at December 31, 2011 and 2010, respectively. The average yield of the Fund based on interest rate credited to participants was 1.39% and 1.44% at December 31, 2011 and 2010, respectively.

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, partial Plan termination or if the Sponsor suspends contributions indefinitely, affected participants will become fully vested in their accounts.

7. Parties-In-Interest

At December 31, 2011 and 2010, Plan investments of \$130,139 and \$137,675, 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, 2011 and 2010, investments held by the Plan included 78,148 shares and 83,900 shares of NVR, Inc. common stock, with a fair value of approximately \$53,610 and \$57,976, respectively. These qualify as exempt parties-in-interest transactions.

8. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

9. Reconciliation of Financial Statements to Form 5500

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

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PROFIT SHARING PLAN OF NVR, INC.

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(dollars in thousands)

| | December 31, | |
|--|---------------------|-------------|
| | 2011 | 2010 |
| Net assets available for plan benefits as reported in the financial statements | \$ 211,544 | \$ 222,648 |
| Fully benefit responsive investment contracts (a) | 488 | 152 |
| Deemed distributions (b) | (91) | (95) |
| Net assets available for plan benefits as reported in the Form 5500 | \$ 211,941 | \$ 222,705 |

The following is a reconciliation from the financial statements to the Form 5500 of total additions/income (in thousands):

| | Year ended December 31, 2011 |
|--|---|
| Total additions to plan assets as reported in the financial statements | \$ 12,003 |
| Fully benefit responsive investment contracts, prior year adjustment (a) | (152) |
| Fully benefit responsive investment contracts, current year adjustment (a) | 488 |
| Total additions to plan assets as reported in the Form 5500 | \$ 12,339 |

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

| | Year ended December 31, 2011 |
|--|---|
| Benefit payments to participants as reported in the financial statements | \$ 23,085 |
| Deemed distributions, net | (4) |
| Benefit payments to participants as reported in the Form 5500 | \$ 23,081 |

- (a) Fully benefit-responsive investment contracts are included in the financial statements at contract value as opposed to at fair value in the Form 5500. See footnote 2 for additional discussion of fully benefit-responsive investment contracts.
- (b) 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.

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

December 31, 2011

(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 280,838 shares | \$ 22,717 |
| * | Fidelity Balanced Fund | Registered investment company 868,566 shares | 15,799 |
| * | Fidelity Equity Dividend Inc. | Registered investment company 760,757 shares | 13,237 |
| * | Fidelity Diversified Int 1 | Registered investment company 440,059 shares | 11,230 |
| * | Fidelity Mid-Cap Stock Fund | Registered investment company 322,106 shares | 8,587 |
| * | Fidelity Freedom Income | Registered investment company 101,973 shares | 1,146 |
| * | Fidelity Freedom 2000 | Registered investment company 39,012 shares | 463 |
| * | Fidelity Freedom 2005 | Registered investment company 4,407 shares | 46 |
| * | Fidelity Freedom 2010 | Registered investment company 91,266 shares | 1,196 |
| * | Fidelity Freedom 2015 | Registered investment company 115,268 shares | 1,260 |
| * | Fidelity Freedom 2020 | Registered investment company 458,954 shares | 6,022 |
| * | Fidelity Freedom 2025 | Registered investment company 234,061 shares | 2,530 |
| * | Fidelity Freedom 2030 | Registered investment company 310,036 shares | 3,981 |
| * | Fidelity Freedom 2035 | Registered investment company 233,964 shares | 2,468 |
| * | Fidelity Freedom 2040 | Registered investment company 796,804 shares | 5,864 |
| * | Fidelity Freedom 2045 | Registered investment company 214,160 shares | 1,861 |
| * | Fidelity Freedom 2050 | Registered investment company 144,386 shares | 1,233 |
| * | Fidelity Total Bond | Registered investment company 501,294 shares | 5,474 |
| * | Fidelity Low Priced Stock Fund | Registered investment company 148,887 shares | 5,320 |
| | Spartan US Equity Index Fund | Registered investment company 187,920 shares | 8,362 |
| | RS Sm Cap Growth A | Registered investment company 83,529 shares | 3,400 |
| | ABF Sm Cap Val Inv | Registered investment company 198,146 shares | 3,676 |
| | ABN Amro River Road Dynamic Equity CL N | Registered investment company 2,387 shares | 26 |
| | AQR Diversified Arbitrage CL N | Registered investment company 3,668 shares | 40 |
| | Alger Small Capital CL C | Registered investment company 412 shares | 3 |
| | Amana Mutual Fund Trust Growth | Registered investment company 8,078 shares | 196 |
| | Ameican Century Equity Income | Registered investment company 2,518 shares | 18 |
| | Artisan International | Registered investment company 2,128 shares | 42 |
| | Blackrock Health Sciences Port CL C | Registered investment company 1,280 shares | 34 |
| | Blackrock Latin America Fund CL A | Registered investment company 106 shares | 6 |
| | Dodge & Cox International Stock Fund | Registered investment company 1,374 shares | 40 |
| | Dodge & Cox Income | Registered investment company 653 shares | 9 |
| | Driehaus Emerging Markets | Registered investment company 838 shares | 22 |
| | Eaton Vance Strat Income CL A | Registered investment company 773 shares | 6 |
| | Fairholme Fund | Registered investment company 2,368 shares | 55 |
| | Federated Inst High Yield Bond Fund | Registered investment company 5,536 shares | 53 |

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See accompanying report of independent registered public accounting firm.

Table of Contents**PROFIT SHARING PLAN OF NVR, INC.****AND AFFILIATED COMPANIES****EIN: 54-1394360****Plan Number: 001**

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

December 31, 2011

(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> | | |
| | First Eagle Sogen Gold CL A | Registered investment company 192 shares | 6 |
| | First Eagle Sogen Global CL A | Registered investment company 137 shares | 6 |
| | Firsthand E-Commerce | Registered investment company 5,550 shares | 30 |
| | Franklin Gold and Precious Metals CL A | Registered investment company 153 shares | 6 |
| | Franklin Age High Income CL A | Registered investment company 3,247 shares | 6 |
| | American Fundamental Investors CL C | Registered investment company 70 shares | 2 |
| | Greenspring Fund | Registered investment company 6,292 shares | 143 |
| | Oakmark Fund | Registered investment company 309 shares | 13 |
| | Oakmark International | Registered investment company 3,864 shares | 64 |
| | Heartland Value Plus | Registered investment company 481 shares | 13 |
| | Intrepid Small Cap Fund | Registered investment company 2,317 shares | 34 |
| | Ivy Asset Strategy CL A | Registered investment company 358 shares | 8 |
| | Loomis Sayles Bond Retail Shares | Registered investment company 4,650 shares | 65 |
| | Matthews Pacific Tiger Fund | Registered investment company 1,540 shares | 31 |
| | Matthews China Fund | Registered investment company 296 shares | 6 |
| | Merger Fund | Registered investment company 2,542 shares | 40 |
| | Metropolitan West Total Return Bond | Registered investment company 3,469 shares | 36 |
| | Metropolitan West High Yield Bond CL M | Registered investment company 3,541 shares | 35 |
| | Needham Aggressive Growth CL A | Registered investment company 1,684 shares | 24 |
| | Needham Small Cap Growth | Registered investment company 2,711 shares | 31 |
| | Oppenheimer Inter 1 Diversified Fund CL N | Registered investment company 1,065 shares | 11 |
| | Oppenheimer Developing Markets CL A | Registered investment company 203 shares | 6 |
| | Pimco Total Return CL D | Registered investment company 19,044 shares | 207 |
| | Parnassus Workplace | Registered investment company 632 shares | 12 |
| | Permanent Portfolio Fund Inc | Registered investment company 2,179 shares | 100 |
| | Pimco All Asset Fund CL D | Registered investment company 8,173 shares | 94 |
| | Pimco Global Bond Fund CL D | Registered investment company 5,245 shares | 53 |
| | Pimco Income Fund CL D | Registered investment company 8,132 shares | 88 |
| | Akre Focus Fund Retail | Registered investment company 4,785 shares | 64 |
| | Royce Value Fund | Registered investment company 5,742 shares | 63 |
| | Sextant International Fund | Registered investment company 1,837 shares | 26 |
| | SIT Dividend Growth Fund CL S | Registered investment company 1,372 shares | 18 |
| | Templeton Global Bond CL A | Registered investment company 666 shares | 8 |
| | Vanguard Energy | Registered investment company 843 shares | 51 |
| | Vanguard Specialized Gold & Prec Metals | Registered investment company 510 shares | 10 |
| | Vanguard Health Care | Registered investment company 358 shares | 46 |

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(Dollars in thousands)

| Column A | Column B | Column C | Column D |
|----------|---|---|---------------|
| | Identity of issue, borrower, lessor, or similar party | Description of investment | Current Value |
| | Registered Investment Companies | | |
| | Vanguard/Wellesley Income | Registered investment company 4,212 shares | 97 |
| | Vanguard Windsor II | Registered investment company 21,209 shares | 547 |
| | Westport Fund CL R | Registered investment company 805 shares | 19 |
| | Yacktman Fund | Registered investment company 3,493 shares | 61 |
| | Yacktman Focused Fund | Registered investment company 10,943 shares | 206 |
| * | Fidelity New Markets Income | Registered investment company 2,218 shares | 35 |
| * | Fidelity Floating Rate High Income | Registered investment company 2,424 shares | 23 |
| * | Fidelity Utilities | Registered investment company 9,420 shares | 163 |
| * | Fidelity Convertible Securities | Registered investment company 6,038 shares | 138 |
| * | Fidelity Ginnie Mae | Registered investment company 990 shares | 12 |
| * | Fidelity Strategic Income | Registered investment company 505 shares | 5 |
| * | Fidelity Dividend Growth | Registered investment company 483 shares | 13 |
| * | Fidelity Leveraged Company Stock | Registered investment company 492 shares | 12 |
| | Annaly Mortgage Management Inc. | Registered investment company 1,000 shares | 16 |
| | Kinder Morgan Energy Partners LP | Registered investment company 512 shares | 44 |
| | | | 129,269 |
| | Common Collective Trusts | | |
| * | Fidelity Managed Income Portfolio | Common collective trust 19,300,843 shares | 19,789 |
| | Employer Securities | | |
| * | NVR, Inc. | NVR, Inc. common stock 78,148 shares | 53,610 |
| | Common Stocks | | |
| | Frontline LTD | Shares of stock 900 shares | 4 |
| | Fortescue Metal Grp LTD | Shares of stock 108 shares | |
| | AT&T Inc. | Shares of stock 430 shares | 13 |
| | Abbott Laboratories | Shares of stock 515 shares | 29 |
| | AL Int 1 Inc. | Shares of stock 1,700 shares | 1 |
| | Apple Computer Inc. | Shares of stock 437 shares | 177 |
| | Archer Daniels Midland | Shares of stock 103 shares | 3 |
| | Bank of America Corp | Shares of stock 18,722 shares | 104 |
| | Baxter Intl. Inc. | Shares of stock 500 shares | 25 |
| | Berkshire Hathaway Inc. CL B | Shares of stock 1,200 shares | 92 |
| | Best Buy Inc. | Shares of stock 101 shares | 2 |
| | Boeing Co. | Shares of stock 112 shares | 8 |

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| | | | |
|---|-----------------|------------|----|
| Brookfield Asset Management Inc. | Shares of stock | 500 shares | 14 |
| Buffalo Wild Wings Inc. | Shares of stock | 30 shares | 2 |
| See accompanying report of independent registered public accounting firm. | | | |

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(Dollars in thousands)

| Column A | Column B | Column C | Column D |
|--|----------------------------------|----------------------|-----------------|
| Identity of issue, borrower, lessor, or similar party | Description of investment | Current Value | |
| Common Stocks | | | |
| Caterpillar Inc. | Shares of stock 222 shares | 20 | |
| Chevrontexaco Corp. | Shares of stock 501 shares | 53 | |
| Cisco Sys. Inc. | Shares of stock 2,000 shares | 36 | |
| Citigroup Inc. | Shares of stock 22 shares | 1 | |
| Coca Cola Co. | Shares of stock 215 shares | 15 | |
| Conforce Int l Inc. | Shares of stock 30,000 shares | 7 | |
| Constellation Energy Group | Shares of stock 103 shares | 4 | |
| Corning Inc. | Shares of stock 201 shares | 3 | |
| Crocs Inc. | Shares of stock 657 shares | 10 | |
| Diageo Plc. | Shares of stock 155 shares | 14 | |
| Dow Chemical Co. | Shares of stock 225 shares | 6 | |
| EMC Corp. | Shares of stock 175 shares | 4 | |
| Exxon Mobile Corp. | Shares of stock 880 shares | 75 | |
| Ford Motor Co. | Shares of stock 340 shares | 4 | |
| Galloway Energy Co. | Shares of stock 7 shares | | |
| General Electric Co. | Shares of stock 2,073 shares | 37 | |
| Genoil Inc. | Shares of stock 20,000 shares | 2 | |
| Graco, Inc. | Shares of stock 504 shares | 21 | |
| Heinz H J Co. | Shares of stock 211 shares | 11 | |
| Hormel George A & Co. | Shares of stock 212 shares | 6 | |
| Illinois Tool Works | Shares of stock 211 shares | 10 | |
| Intel Corp | Shares of stock 53 shares | 1 | |
| International Business Machines | Shares of stock 100 shares | 18 | |
| iShares Inc MSCI Singapore Index | Shares of stock 235 shares | 3 | |
| iShares Inc MSCI Switzerland Index | Shares of stock 311 shares | 7 | |
| iShares Trust goldman Sach Corp BD Fund | Shares of stock 1,010 shares | 115 | |
| iShares Trust Lehman 1-3 Year CR BD Fund | Shares of stock 1,450 shares | 151 | |
| Johnson & Johnson | Shares of stock 1,610 shares | 106 | |
| Kimberly Clark Corp. | Shares of stock 200 shares | 15 | |
| Kinder Morgan Inc. | Shares of stock 300 shares | 10 | |
| Kraft Foods Inc. | Shares of stock 400 shares | 15 | |
| Limelight Networks Inc. | Shares of stock 750 shares | 2 | |
| Lorillard Inc. | Shares of stock 80 shares | 9 | |
| Marathon Oil Corp. | Shares of stock 101 shares | 3 | |
| McCormick & Co. Inc. | Shares of stock 107 shares | 5 | |
| McDonalds Corp | Shares of stock 240 shares | 24 | |

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| | | | |
|-----------------|-----------------|--------------|-----|
| Merck & Co. | Shares of stock | 335 shares | 13 |
| Microsoft Corp. | Shares of stock | 5,008 shares | 130 |

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| Column A | Column B | Column C | Column D |
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| | Identity of issue, borrower, lessor, or similar party | Description of investment | Current Value |
| | <u>Common Stocks</u> | | |
| | Mosaic Co. | Shares of stock 300 shares | 15 |
| | Nike Inc. | Shares of stock 300 shares | 29 |
| | PNC Financial Services Group | Shares of stock 250 shares | 14 |
| | Petroleo Brasileiro SA Petrobras | Shares of stock 500 shares | 12 |
| | Pfizer Inc. | Shares of stock 2,050 shares | 44 |
| | Philip Morris International Inc. | Shares of stock 200 shares | 16 |
| | Powershares Global Water Port. | Shares of stock 2,000 shares | 57 |
| | Procter & Gamble Co. | Shares of stock 1,197 shares | 80 |
| | Royal Dutch Shell PLC | Shares of stock 1 share | |
| | S&P 500 Depository Receipt | Shares of stock 994 shares | 125 |
| | SPDR Gold TR Gold Shares | Shares of stock 750 shares | 114 |
| | Sector SPDR TR SHS BEN Int. Basic | Shares of stock 1,500 shares | 50 |
| | Sector SPDR TR SHS BEN Int. Consumer | Shares of stock 2,515 shares | 82 |
| | Sector SPDR TR SHS BEN Int. Energy | Shares of stock 1,415 shares | 98 |
| | Sector SPDR TR SHS BEN Int. Technology | Shares of stock 5,000 shares | 127 |
| | Sector SPDR TR SHS BEN Int. Utilities | Shares of stock 5,250 shares | 189 |
| | Sirius XM Radio Inc. | Shares of stock 1,000 shares | 2 |
| | Sprint Corp. | Shares of stock 500 shares | 1 |
| | Starbucks Corp. | Shares of stock 205 shares | 9 |
| | Sysco Corp. | Shares of stock 96 shares | 3 |
| | TFS Finl. Corp. | Shares of stock 275 shares | 2 |
| | 3M Company | Shares of stock 300 shares | 24 |
| | Total Fina Elf | Shares of stock 250 shares | 13 |
| | Unilever PLC | Shares of stock 352 shares | 12 |
| | United Technologies Corp. | Shares of stock 618 shares | 45 |
| | Universal Corp. | Shares of stock 102 shares | 5 |
| | Vanguard Int 1 Equity Indux Fund Inc. | Shares of stock 2,180 shares | 83 |
| | Verizon Communications | Shares of stock 640 shares | 26 |
| | Visa Inc. | Shares of stock 200 shares | 20 |
| | VU1 Corp. | Shares of stock 16 shares | |
| | Wal-Mart Stores Inc. | Shares of stock 300 shares | 18 |
| | Waste Management Inc. | Shares of stock 51 shares | 2 |
| | Wellpoint Inc. | Shares of stock 60 shares | 4 |
| | Call (GLD) Spdr. Gold Trust | Shares of stock 14 shares | |
| | Put (RYL) Ryland Group Inc. | Shares of stock 25 shares | 1 |
| | Put (BP) BP Plc. Adr. | Shares of stock 50 shares | |

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Put (ALL) Allstate Corp.

Shares of stock 75 shares

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| Column A | Column B | Column C | Column D |
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| | Identity of issue, borrower, lessor, or similar party | Description of investment | Current Value |
| | <u>Common Stocks</u> | | |
| | Call (SLV) Ishares Silver Tr | Shares of stock 50 shares | 11 |
| | Call (CIGX) Star Scientific Inc. | Shares of stock 29 shares | |
| | Put (C) Citigroup Inc. | Shares of stock 10 shares | 3 |
| | | | 2,795 |
| | <u>Preferred Stock</u> | | |
| | Ford Motor Co. | Shares of stock - 750 shares | 20 |
| | Interest-bearing cash | Cash held for pending investments and participant distributions in interest-bearing call accounts | 1,773 |
| | Participant loans - other | Participant loans with various rates of interest from 4.25% to 9.50% and maturity dates through December, 2026 | 4,889 |
| | | | \$ 212,145 |

* Party in interest.

See accompanying report of independent registered public accounting firm.

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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 26, 2012

NVR, Inc.

By: /s/ Kevin N. Reichard
Kevin N. Reichard
Plan Administrator

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EXHIBIT INDEX

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

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