

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

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 10, 2002

HOVNIANIAN ENTERPRISES, INC.

(Exact Name of registrant specified in its charter)

Delaware

1-8551

22-1851059

(State or other Jurisdiction
of Incorporation)

(Commission File Number)

(I.R.S. Employer
Identification No.)

10 Highway 35, P.O. Box 500
Red Bank, New Jersey 07701
(Address of principal executive offices)

Registrant's telephone number:
(732) 747-7800

Item 2. Acquisition or Disposition of Assets

On January 10, 2002, Hovnianian Enterprises, Inc., a Delaware corporation ("Hovnianian" or the "Registrant"), completed its acquisition of the California homebuilding operations of The Forecast Group, L.P., a privately held, single family homebuilder headquartered in Rancho Cucamonga, California ("Forecast").

The total equity value of Hovnianian's acquisition of Forecast was approximately \$176.5 million, paid by the issuance of 2,208,738 shares of Hovnianian's Class A Common Stock plus approximately \$131.0 million in cash. Hovnianian also repaid approximately \$88 million of Forecast's indebtedness. The purchase price is subject to adjustment based on Forecast's earnings through January 31, 2002. Additionally, and subject to option contracts, for a period of three years following January 10, 2002, Hovnianian will have the option to purchase certain land parcels retained by the principal owner of Forecast valued at \$49 million.

Copies of the Asset Purchase Agreement, dated as of January 4, 2002 between Hovnianian and Forecast and the Securities Purchase Agreement, dated as of January 4, 2002, between Hovnianian and Forecast are incorporated by reference herein to Exhibit 2(a) and Exhibit 2(b) of Hovnianian's annual report for the fiscal year ended October 31, 2001 on Form 10-K (Commission File No. 1-8551). A copy of the press release, dated January 11, 2002, is attached as an exhibit hereto and incorporated herein by reference.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(a) Financial Statements of Business Acquired.

Financial Statements required by this item shall be filed not later than 60 days after the date that this report is required to be filed.

(b) Pro Forma Financial Information.

Financial Statements required by this item shall be filed not later than 60 days after the date that this report is required to be filed.

(c) Exhibits.

Exhibit 2.1 Asset Purchase Agreement, dated as of January 4, 2002, between Hovnianian Enterprises, Inc. and The Forecast Group (incorporated by reference to

Exhibit 2(a) to Hovnanian Enterprises, Inc.'s
annual report for the fiscal year ended
October 31, 2001 on Form 10-K (Commission File
No. 1-8551)).

- Exhibit 2.2 Securities Purchase Agreement, dated as of
January 4, 2002, between Hovnanian Enterprises,
Inc. and The Forecast Group (incorporated by
reference to Exhibit 2(b) to Hovnanian
Enterprises, Inc.'s annual report for the fiscal
year ended October 31, 2001 on Form 10-K.
(Commission File No. 1-8551)).
- Exhibit 99.1 Press Release dated January 11, 2002.

SIGNATURES

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 hereunto duly authorized.

HOVNANIAN ENTERPRISES, INC.

(Registrant)

By: /s/ Peter S. Reinhart

Name: Peter S. Reinhart
Title: Senior Vice President
General Counsel

Date: January 24, 2002

INDEX TO EXHIBITS

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Empire markets where they are most active," stated Geaton A. DeCesaris, Jr., President of Homebuilding and Chief Operating Officer for Hovnanian. "In many parts of California, demand for housing continues to outpace supply due to tight government regulation, which limits the supply of available lots," he added. "With the addition of Forecast Homes, Hovnanian now controls more than 45,000 lots in attractive locations. Over 70% of these lots are controlled under option contracts, which reduces our risk and allows us to maintain balance sheet flexibility and liquidity," he said.

"We plan to maintain two separate operations in California to better cover the wide range of geographies and product types within the State and to leverage both the Forecast name and the Hovnanian brand we have developed in California," stated Mr. Hovnanian. "This will simplify and expedite the integration of Forecast Homes, and Hovnanian already has a successful track record of integrating acquisitions over the past few years. The growth prospects and increased market presence for the Company have improved the opportunities for both our current and our new associates in California," he added.

On a pro forma basis as of October 31, 2001, the Company had a combined sales backlog of 3,445 homes with a value approaching \$900 million. "Year to

date, we have already delivered or sold more than half of the Company's projected fiscal 2002 deliveries," Mr. Hovnanian said. "Thus we are confident that we will earn \$3.00 per share for fiscal 2002, representing a 31% increase from our record performance in fiscal 2001," he concluded.

Hovnanian Enterprises, Inc. founded in 1959, is headquartered in Red Bank, New Jersey. The Company is one of the nation's largest homebuilders with operations in Alabama, California, Maryland, Mississippi, New Jersey, New York, North Carolina, Pennsylvania, Tennessee, Texas, and Virginia. The Company's homes are marketed and sold under the trade names K. Hovnanian, Washington Homes, Goodman Homes, Matzel & Mumford, Diamond Homes, Westminster Homes, Fortis Homes, and Forecast Homes. The Company is also one of the nation's largest sellers of homes to Active Adults, under the name of K. Hovnanian's Four Seasons communities.

Note: All statements in this Press Release that are not historical facts should be considered as "forward-looking statements" within the meaning of the Private Securities Litigation Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. Such risks, uncertainties and other factors include, but are not limited to, changes in general economic conditions, fluctuations in interest rates, increases in raw materials and labor costs, levels of competition and other factors described in detail in the Company's Form 10-K for the year ended October 31, 2000.