

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

| OMB APPROVAL | |
|--------------------------|-----------|
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| | | |
|---|---|---|
| 1. Name and Address of Reporting Person* <u>HOVNANIAN ARA K</u> (Last) (First) (Middle) 10 HIGHWAY 35 (Street) RED BANK NJ 07701 (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>HOVNANIAN ENTERPRISES INC [HOV]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) <p style="text-align: center;">President and CEO</p> |
| | 3. Date of Earliest Transaction (Month/Day/Year) 01/01/2005 | |
| | 4. If Amendment, Date of Original Filed (Month/Day/Year) | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|-------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|------------------------|--|-----------------|---|----------------------------|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Phantom Stock Units | (1) | 01/01/2005 | | D | | | 113,506 ⁽²⁾ | (3) | (3) | Class A Common Stock | 113,506 | (4) | 0 | D | |
| Phantom Stock Units | (1) | 01/01/2005 | | A | | 113,506 | | (5) | (5) | Class A Common Stock | 113,506 | (4) | 113,506 | D | |
| Phantom Stock Units | (1) | 01/01/2005 | | D | | | 145,514 ⁽⁶⁾ | (3) | (3) | Class A Common Stock | 145,514 | (4) | 0 | D | |
| Phantom Stock Units | (1) | 01/01/2005 | | A | | 145,514 | | (5) | (5) | Class A Common Stock | 145,514 | (4) | 145,514 | D | |

Explanation of Responses:

- 1-for-1
- On March 19, 2004, the common stock of Hovnanian Enterprises, Inc. split 2-for-1, resulting in 56,753 additional Phantom Stock Units held by the reporting person.
- Payout to be made on January 1, 2005 or upon the occurrence of certain other events set forth under the terms of Deferred Compensation Plan.
- Not applicable
- Payout to be made on January 1, 2008 or upon the occurrence of certain other events set forth under the terms of Deferred Compensation Plan.
- On March 19, 2004, the common stock of Hovnanian Enterprises, Inc. split 2-for-1, resulting in 72,757 additional Phantom Stock Units held by the reporting person.

Remarks:

Nancy A. Marrazzo 01/04/2005
 ** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.