

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* <u>HOVNANIAN ARA K</u>  (Last) (First) (Middle) <u>110 WEST FRONT STREET</u>  (Street) <u>RED BANK NJ 07701</u>  (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;"><b>President and CEO</b></p>
	3. Date of Earliest Transaction (Month/Day/Year) <u>10/04/2006</u>	
	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			
Class A Common Stock	10/04/2006		S		1,750	D	\$30	30,487 <sup>(1)</sup>	I	Held as trustee of trust for Nadia K. Rodriguez's family
Class A Common Stock								32,237 <sup>(1)</sup>	I	Held as trustee of trust for Sossie K. Najarian's family
Class A Common Stock								32,237 <sup>(1)</sup>	I	Held as trustee of trust for Esther K. Barry's family
Class A Common Stock								32,237 <sup>(1)</sup>	I	Held as trustee of trust for Lucy K. Kalian's family
Class A Common Stock								1,694,534 <sup>(2)</sup>	D	
Class A Common Stock								205,092 <sup>(2)</sup>	I	Held by the Ara K. Hovnanian 2004 GRAT <sup>(3)</sup>
Class A Common Stock								13,974	I	Held by son Alexander
Class A Common Stock								6,700	I	Held by daughter Serena
Class A Common Stock								16,700	I	Held by wife

**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			
Class A Common Stock								71,099	I	Held by trust for Esther K. Barry's family <sup>(4)</sup>
Class A Common Stock								85,319	I	Held by trust for Lucy K. Kalian's family <sup>(5)</sup>
Class A Common Stock								39,100	I	Held by trust for Nadia K. Rodriquez's family <sup>(6)</sup>

**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					

**Explanation of Responses:**

- Following the final transfer of shares to the principal beneficiary of the KSH 2004 GRAT, of which the Reporting Person was the trustee and had a potential remainder interest, the remaining 128,948 shares of Class A Common Stock held by the KSH 2004 GRAT were, pursuant to the original terms of the GRAT, transferred to individual trusts for the benefit of the Reporting Person's sisters' families. The Reporting Person is a trustee of each of these new trusts and has a remote potential remainder interest in the trusts. The Reporting Person's beneficial interest in shares was not changed by any of such transfers.
- On June 12, 2006 the Reporting Person received a distribution of 31,254 shares of Class A Common Stock from the Ara K. Hovnanian 2004 GRAT in which the reporting person is trustee and the principal beneficiary. The Reporting Person's beneficial interest in such shares was not changed by such distribution.
- Held by the Ara K. Hovnanian 2004 GRAT of which the reporting person is trustee and the principal beneficiary
- Held by The Esther K. Barry Family 1994 Long-Term Trust, of which the reporting person is trustee and has a potential remainder interest, including shares held through a partnership interest in the Limited Partnership
- Held by The Lucy K. Kalian Family 1994 Long-Term Trust, of which the reporting person is trustee and has a potential remainder interest, including shares held through a partnership interest in the Limited Partnership
- Held by The Nadia K. Rodriquez Family 1994 Long-Term Trust, of which the reporting person is trustee and has a potential remainder interest, including shares held through a partnership interest in the Limited Partnership

**Remarks:**

Nancy A. Marrazzo Attorney- 10/06/2006  
in-Fact

\*\* 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.

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