

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): **May 11, 2018**

**HOVNANIAN ENTERPRISES, INC.**  
(Exact Name of Registrant as Specified in Charter)

**Delaware**  
(State or Other  
Jurisdiction  
of Incorporation)

**1-8551**  
(Commission File Number)

**22-1851059**  
(I.R.S. Employer  
Identification No.)

**90 Matawan Road, 5th Floor**  
**Matawan, New Jersey 07747**  
(Address of Principal Executive Offices) (Zip Code)

**(732) 747-7800**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former Name or Former Address, if Changed Since  
Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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#### Item 1.01 Entry Into a Material Definitive Agreement.

On May 14, 2018, Hovnanian Enterprises, Inc. (the “Company”) and K. Hovnanian Enterprises, Inc., a wholly-owned subsidiary of the Company (“K. Hovnanian”), entered into a First Amendment (the “Term Loan Amendment”) to the Credit Agreement, dated as of January 29, 2018 (the “Term Loan Credit Agreement”), by and among K. Hovnanian, the Company, the other guarantors party thereto, Wilmington Trust, National Association, as administrative agent, and the lenders party thereto. The Term Loan Amendment provides for certain technical and clarifying amendments relating to defined terms and prepayment terms set forth in the Term Loan Credit Agreement.

In addition, on May 14, 2018, the Company and K. Hovnanian entered into a First Amendment (the “Secured Loan Amendment”) to the Credit Agreement, dated as of January 29, 2018 (the “Secured Credit Agreement”), by and among K. Hovnanian, the Company, the other guarantors party thereto, Wilmington Trust, National Association, as administrative agent, and the lenders party thereto. The Secured Loan Amendment provides for certain technical and clarifying amendments relating to defined terms and prepayment terms set forth in the Secured Credit Agreement and amends conditions to borrowing in the circumstance in which there were to exist certain defaults under the Secured Credit Agreement.

The foregoing summaries of the Term Loan Amendment and the Secured Loan Amendment do not purport to be complete and are qualified in their entirety by reference to the text of the Term Loan Amendment filed as Exhibit 10.1 and the text of the Secured Loan Amendment filed as Exhibit 10.2, respectively, to this Form 8-K and incorporated by reference herein.

#### Item 8.01 Other Events.

On May 14, 2018, the Company issued a press release announcing that the early tender deadline for K. Hovnanian’s previously announced private offer to exchange (the “Exchange Offer”) any and all of K. Hovnanian’s \$440.0 million outstanding 10.000% Senior Secured Notes due 2022 (the “Existing 2022 Notes”) and \$400.0 million outstanding 10.500% Senior Secured Notes due 2024 (together with the Existing 2022 Notes, the “Existing Notes”) for K. Hovnanian’s newly issued 3.0% Senior Notes due 2047 and concurrent solicitation of consents with respect to the Existing 2022 Notes (the “Existing 2022 Notes Consent Solicitation”) had expired. As of the early tender deadline, the minimum exchange condition to the Exchange Offer (which required that at least \$50.0 million in aggregate principal amount of the Existing Notes had been validly tendered and not validly withdrawn by the early tender deadline) had not been satisfied. As a result, a condition to the Exchange Offer has not been satisfied and no Existing Notes will be accepted for purchase in the Exchange Offer. K. Hovnanian will promptly return Existing Notes tendered pursuant to the Exchange Offer (and corresponding consents will be revoked).

A copy of the press release announcing the expiration of the early tender deadline of the Exchange Offer and Existing 2022 Notes Consent Solicitation is attached hereto as Exhibit 99.1 and is incorporated herein by reference into this Item 8.01.

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All statements in this Current Report on Form 8-K that are not historical facts should be considered as “Forward-Looking Statements” within the meaning of the “Safe Harbor” provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Although the Company believes that our plans, intentions and expectations reflected in, or suggested by, such forward-looking statements are reasonable, we can give no assurance that such plans, intentions or expectations will be achieved. By their nature, forward-looking statements: (i) speak only as of the date they are made, (ii) are not guarantees of future performance or results and (iii) are subject to risks, uncertainties and assumptions that are difficult to predict or quantify. Therefore, actual results could differ materially and adversely from those forward-looking statements as a result of a variety of factors. Such risks, uncertainties and other factors include, but are not limited to, (1) changes in general and local economic, industry and business conditions and impacts of a sustained homebuilding downturn; (2) adverse weather and other environmental conditions and natural disasters; (3) levels of indebtedness and restrictions on the Company’s operations and activities imposed by the agreements governing the Company’s outstanding indebtedness; (4) the Company’s sources of liquidity; (5) changes in credit ratings; (6) changes in market conditions and seasonality of the Company’s business; (7) the availability and cost of suitable land and improved lots; (8) shortages in, and price fluctuations of, raw materials and labor; (9) regional and local economic factors, including dependency on certain sectors of the economy, and employment levels affecting home prices and sales activity in the markets where the Company builds homes; (10) fluctuations in interest rates and the availability of mortgage financing; (11) changes in tax laws affecting the after-tax costs of owning a home; (12) operations through joint ventures with third parties; (13) government regulation, including regulations concerning development of land, the home building, sales and customer financing processes, tax laws and the environment; (14) product liability litigation, warranty claims and claims made by mortgage investors; (15) levels of competition; (16) availability and terms of financing to the Company; (17) successful identification and integration of acquisitions; (18) significant influence of the Company’s controlling stockholders; (19) availability of net operating loss carryforwards; (20) utility shortages and outages or rate fluctuations; (21) geopolitical risks, terrorist acts and other acts of war; (22) increases in cancellations of agreements of sale; (23) loss of key management personnel or failure to attract qualified personnel; (24) information technology failures and data security breaches; (25) legal claims brought against the Company and not resolved in the Company’s favor; and (26) certain risks, uncertainties and other factors described in detail in the Company’s Annual Report on Form 10-K for the fiscal year ended October 31, 2017 and subsequent filings with the Securities and Exchange Commission. Except as otherwise required by applicable securities laws, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

The following exhibits are attached to this Current Report on Form 8-K:

Exhibit No.	Description
10.1	<a href="#"><u>First Amendment, dated as of May 14, 2018, to the \$212,500,000 Credit Agreement, dated as of January 29, 2018, among Hovnanian Enterprises, Inc., K. Hovnanian Enterprises Inc., the subsidiary guarantors party thereto, the lenders party thereto and Wilmington Trust, National Association, as administrative agent.</u></a>
10.2	<a href="#"><u>First Amendment, dated as of May 14, 2018, to the \$125,000,000 Credit Agreement, dated as of January 29, 2018, among Hovnanian Enterprises, Inc., K. Hovnanian Enterprises Inc., the subsidiary guarantors party thereto, the lenders party thereto and Wilmington Trust, National Association, as administrative agent.</u></a>
99.1	<a href="#"><u>Press release, dated May 14, 2018, announcing expiration of early tender deadline of the Exchange Offer and Existing 2022 Notes Consent Solicitation.</u></a>

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/ Michael Discafani  
Name: Michael Discafani  
Title: Vice President, Corporate Counsel and Secretary

Date: May 14, 2018

## FIRST AMENDMENT TO THE CREDIT AGREEMENT

This FIRST AMENDMENT, dated as of May 14, 2018 (this "Amendment"), to the \$212,500,000 Credit Agreement, dated as of January 29, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among HOVNANIAN ENTERPRISES, INC., a Delaware corporation ("Holdings"), K. HOVNANIAN ENTERPRISES, INC., a California corporation ("Borrower"), the Subsidiaries of Holdings from time to time party thereto (each a "Subsidiary Guarantor" and collectively, together with Holdings, the "Guarantors"), each lender from time to time party thereto (collectively, the "Lenders" and individually, each a "Lender") and WILMINGTON TRUST, NATIONAL ASSOCIATION, as administrative agent ("Administrative Agent"), is entered into by and among the Borrower, Holdings, the Administrative Agent and the Lenders signatory hereto (which constitute Required Lenders).

### W I T N E S S E T H:

WHEREAS, the Borrower, Holdings, the Administrative Agent and the Lenders have requested an amendment to the Credit Agreement; and

WHEREAS, pursuant to Section 9.01 of the Credit Agreement, the Borrower, Holdings, the Lenders party hereto (which constitute the Required Lenders) and the Administrative Agent are willing to agree to this Amendment on the terms set forth herein.

NOW THEREFORE, in consideration of the premises and mutual covenants hereinafter set forth, the parties hereto agree as follows:

#### ARTICLE 1. DEFINITIONS

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

#### ARTICLE 2. AMENDMENT

SECTION 2.1. Amendments to Section 1.01 of the Credit Agreement. Effective as of the First Amendment Effective Date (as defined below), Section 1.01 of the Credit Agreement is hereby amended as follows:

(a) The definition of "Other Prepayment Event" is hereby amended by replacing it in its entirety with the following:

““Other Prepayment Event” means the incurrence by the Borrower or any of its Restricted Subsidiaries of any Indebtedness, other than Indebtedness permitted under Section 6.03 (other than Refinancing Loans or any Refinancing Indebtedness which Refinances the Loans) or permitted by the Required Lenders pursuant to Section 9.01.”

(b) The definition of "Permitted Liens" is hereby amended by (a) deleting clause (h) in its entirety and (b) replacing it with the following:

“(h) Liens securing Indebtedness incurred pursuant to clauses (a)(i), (i) or (j) of the definition of "Permitted Indebtedness";”.

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SECTION 2.2. Amendment to Section 2.03(a)(vi) of the Credit Agreement. Effective as of the First Amendment Effective Date, Section 2.03(a)(vi) is hereby amended by deleting the words “clauses (iii), (iv) and (v) above” and replacing it with “clauses (iii) and (iv) above”.

ARTICLE 3.  
CONDITIONS; GENERAL

SECTION 3.1. Effectiveness. This Amendment shall become effective as of the date (the “First Amendment Effective Date”) on which the Administrative Agent (or its outside counsel) shall have received (i) a duly executed and completed counterpart hereof that bears the signature of each of the Borrower and Holdings, (ii) a duly executed and completed counterpart hereof that bears the signature of the Administrative Agent and (iii) duly executed and completed counterparts hereof that bear the signatures of Lenders sufficient to constitute the Required Lenders.

SECTION 3.2. Representations and Warranties. Each of the Borrower and Holdings represents and warrants to each of the Lenders and the Administrative Agent that, as of the First Amendment Effective Date:

(a) This Amendment has been duly authorized, executed and delivered by it, and this Amendment and the Credit Agreement, as amended hereby, constitutes its valid and binding obligation, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors’ rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

(b) At the time of entering into, and immediately after giving effect to, this Amendment, no Default or Event of Default has occurred and is continuing.

SECTION 3.3. Effect of Amendment.

(a) Except as expressly set forth herein, the execution, delivery and effectiveness of this Amendment shall not, by implication or otherwise, alter, modify, amend or in any way affect any of the terms, conditions, obligations, liabilities, covenants or agreements contained in the Credit Agreement, or any other provision of the Credit Agreement or of any other Loan Document, which shall remain in full force and effect and are hereby ratified and confirmed.

(b) The execution, delivery and effectiveness of this Amendment shall not, by implication or otherwise, (i) constitute or operate as a waiver of any Defaults or Events of Default that may be continuing under the Credit Agreement or (ii) limit, impair, constitute or operate as a waiver of, or otherwise affect any of the rights, powers, privileges or remedies of, the Lenders or the Administrative Agent under the Credit Agreement or any other Loan Document.

(c) On and after the First Amendment Effective Date, each reference in the Credit Agreement to “this Agreement”, “hereunder”, “hereof”, “herein”, or words of like import, and each reference to the Credit Agreement in any other Loan Document shall be deemed a reference to the Credit Agreement, as amended hereby, and this Amendment and the Credit Agreement shall be read together and construed as a single instrument. This Amendment shall constitute a Loan Document under the terms of the Credit Agreement.

SECTION 3.4. General.

(a) Incorporation by Reference. Sections 9.12 through (and including) 9.16 and Section 9.19 of the Credit Agreement are hereby incorporated by reference and shall apply to this Amendment, mutatis mutandis.

(b) Counterparts. This Amendment may be executed by one or more of the parties to this Amendment in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by telecopier or other electronic transmission (including portable document format) of an executed counterpart of a signature page to this Amendment shall be effective as delivery of an original executed counterpart hereof.

(c) Headings. The headings of this Amendment are used for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

(d) Binding; Administrative Agent. Each of the Lenders party hereto, by its execution below, (i) authorizes the Administrative Agent to execute and deliver this Amendment and (ii) agrees to be bound by the terms and conditions of this Amendment. Wilmington Trust, National Association is entering into this Amendment solely in its capacity as Administrative Agent under the Credit Agreement and as such in executing this Amendment and acting hereunder, it shall be entitled to the rights, benefits, protections, indemnities and immunities afforded to it as Administrative Agent under the Credit Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective duly authorized officers as of the day and year first above written.

**HOVNANIAN ENTERPRISES, INC.,**  
as Holdings

By: /s/ J. Larry Sorsby  
Name: J. Larry Sorsby  
Title: Executive Vice President and Chief Financial Officer

**K. HOVNANIAN ENTERPRISES, INC.,**  
as the Borrower

By: /s/ J. Larry Sorsby  
Name: J. Larry Sorsby  
Title: Executive Vice President and Chief Financial Officer

[Hovnanian – First Amendment to Credit Agreement (Term Loan Credit Facility)]

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**WILMINGTON TRUST, NATIONAL  
ASSOCIATION,**  
as Administrative Agent

By: /s/ Jeffery Rose

Name: Jeffery Rose

Title: Vice President

[Hovnanian – First Amendment to Credit Agreement (Term Loan Credit Facility)]

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Signature page of Lenders on file with Administrative Agent.

[Hovnanian – First Amendment to Credit Agreement (Term Loan Credit Facility)]

## FIRST AMENDMENT TO THE CREDIT AGREEMENT

This FIRST AMENDMENT, dated as of May 14, 2018 (this "Amendment"), to the \$125,000,000 Credit Agreement, dated as of January 29, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among HOVNANIAN ENTERPRISES, INC., a Delaware corporation ("Holdings"), K. HOVNANIAN ENTERPRISES, INC., a California corporation ("Borrower"), the Subsidiaries of Holdings from time to time party thereto (each a "Subsidiary Guarantor" and collectively, together with Holdings, the "Guarantors"), each lender from time to time party thereto (collectively, the "Lenders" and individually, each a "Lender") and WILMINGTON TRUST, NATIONAL ASSOCIATION, as administrative agent ("Administrative Agent"), is entered into by and among the Borrower, Holdings, the Administrative Agent and the Lenders signatory hereto (which constitute Required Lenders).

### W I T N E S S E T H:

WHEREAS, the Borrower, Holdings, the Administrative Agent and the Lenders have requested an amendment to the Credit Agreement; and

WHEREAS, pursuant to Section 9.01 of the Credit Agreement, the Borrower, Holdings, the Lenders party hereto (which constitute the Required Lenders) and the Administrative Agent are willing to agree to this Amendment on the terms set forth herein.

NOW THEREFORE, in consideration of the premises and mutual covenants hereinafter set forth, the parties hereto agree as follows:

#### ARTICLE 1. DEFINITIONS

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

#### ARTICLE 2. AMENDMENT

SECTION 2.1. Amendments to Section 1.01 of the Credit Agreement. Effective as of the First Amendment Effective Date (as defined below), Section 1.01 of the Credit Agreement is hereby amended as follows:

(a) The definition of "Collateral" is hereby amended by replacing it in its entirety with the following:

““Collateral” means all property or assets of the Borrower and the other Loan Parties (whether now owned or hereafter arising or acquired) that secures Loan Obligations under the Collateral Documents.”

(b) The definition of "Other Prepayment Event" is hereby amended by replacing it in its entirety with the following:

““Other Prepayment Event” means the incurrence by the Borrower or any of its Restricted Subsidiaries of any Indebtedness, other than Indebtedness permitted under Section 6.03 (other than Refinancing Loans or any Refinancing Indebtedness which Refinances the Loans) or permitted by the Required Lenders pursuant to Section 9.01.”

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(c) The definition of “Permitted Liens” is hereby amended by (a) deleting clause (h) in its entirety and (b) replacing it with the following:

“(h) Liens securing Indebtedness incurred pursuant to clauses (a)(i), (i) or (j) of the definition of “Permitted Indebtedness”;

(d) The following definition is hereby inserted after the definition of “Transaction Date”:

““Unentitled Land” means land owned by the Borrower or a Loan Party which has not been granted preliminary approvals ((a) in New Jersey, as defined in the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and (b) for the states other than New Jersey, a point in time equivalent thereto) for residential development.”

SECTION 2.2. Amendment to Section 2.03(a)(vi) of the Credit Agreement. Effective as of the First Amendment Effective Date, Section 2.03(a)(vi) is hereby amended by deleting the words “clauses (iii), (iv) and (v) above” and replacing it with “clauses (iii) and (iv) above”.

SECTION 2.3. Amendment to Section 4.02 of the Credit Agreement. Effective as of the First Amendment Effective Date, clause (e) of Section 4.02 of the Credit Agreement is hereby amended by inserting the following at the end of subclause (B) thereof:

“(other than any Default or Event of Default under Section 7.01(iv) or Section 7.01(y) resulting from an acceleration or non-payment of the Existing Unsecured Notes)”.

ARTICLE 3.  
CONDITIONS; GENERAL

SECTION 3.1. Effectiveness. This Amendment shall become effective as of the date (the “First Amendment Effective Date”) on which the Administrative Agent (or its outside counsel) shall have received (i) a duly executed and completed counterpart hereof that bears the signature of each of the Borrower and Holdings, (ii) a duly executed and completed counterpart hereof that bears the signature of the Administrative Agent and (iii) duly executed and completed counterparts hereof that bear the signatures of Lenders sufficient to constitute the Required Lenders.

SECTION 3.2. Representations and Warranties. Each of the Borrower and Holdings represents and warrants to each of the Lenders and the Administrative Agent that, as of the First Amendment Effective Date:

(a) This Amendment has been duly authorized, executed and delivered by it, and this Amendment and the Credit Agreement, as amended hereby, constitutes its valid and binding obligation, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors’ rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

(b) At the time of entering into, and immediately after giving effect to, this Amendment, no Default or Event of Default has occurred and is continuing.

SECTION 3.3. Effect of Amendment.

(a) Except as expressly set forth herein, the execution, delivery and effectiveness of this Amendment shall not, by implication or otherwise, alter, modify, amend or in any way affect any of the terms, conditions, obligations, liabilities, covenants or agreements contained in the Credit Agreement, or any other provision of the Credit Agreement or of any other Loan Document, which shall remain in full force and effect and are hereby ratified and confirmed.

(b) The execution, delivery and effectiveness of this Amendment shall not, by implication or otherwise, (i) constitute or operate as a waiver of any Defaults or Events of Default that may be continuing under the Credit Agreement or (ii) limit, impair, constitute or operate as a waiver of, or otherwise affect any of the rights, powers, privileges or remedies of, the Lenders or the Administrative Agent under the Credit Agreement or any other Loan Document.

(c) On and after the First Amendment Effective Date, each reference in the Credit Agreement to “this Agreement”, “hereunder”, “hereof”, “herein”, or words of like import, and each reference to the Credit Agreement in any other Loan Document shall be deemed a reference to the Credit Agreement, as amended hereby, and this Amendment and the Credit Agreement shall be read together and construed as a single instrument. This Amendment shall constitute a Loan Document under the terms of the Credit Agreement.

SECTION 3.4. General.

(a) Incorporation by Reference. Sections 9.12 through (and including) 9.16 and Section 9.19 of the Credit Agreement are hereby incorporated by reference and shall apply to this Amendment, mutatis mutandis.

(b) Counterparts. This Amendment may be executed by one or more of the parties to this Amendment in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by telecopier or other electronic transmission (including portable document format) of an executed counterpart of a signature page to this Amendment shall be effective as delivery of an original executed counterpart hereof.

(c) Headings. The headings of this Amendment are used for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

(d) Binding; Administrative Agent. Each of the Lenders party hereto, by its execution below, (i) authorizes the Administrative Agent to execute and deliver this Amendment and (ii) agrees to be bound by the terms and conditions of this Amendment. Wilmington Trust, National Association is entering into this Amendment solely in its capacity as Administrative Agent under the Credit Agreement and as such in executing this Amendment and acting hereunder, it shall be entitled to the rights, benefits, protections, indemnities and immunities afforded to it as Administrative Agent under the Credit Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective duly authorized officers as of the day and year first above written.

**HOVNANIAN ENTERPRISES, INC.,**  
as Holdings

By: /s/ J. Larry Sorsby  
Name: J. Larry Sorsby  
Title: Executive Vice President and Chief Financial Officer

**K. HOVNANIAN ENTERPRISES, INC.,**  
as the Borrower

By: /s/ J. Larry Sorsby  
Name: J. Larry Sorsby  
Title: Executive Vice President and Chief Financial Officer

[Hovnanian – First Amendment to Credit Agreement (Revolving Credit Facility)]

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**WILMINGTON TRUST, NATIONAL  
ASSOCIATION,**  
as Administrative Agent

By: /s/ Jeffery Rose

Name: Jeffery Rose

Title: Vice President

[Hovnanian – First Amendment to Credit Agreement (Revolving Credit Facility)]

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Signature page of Lenders on file with Administrative Agent.

[Hovnanian – First Amendment to Credit Agreement (Revolving Credit Facility)]



HOVNIANIAN ENTERPRISES, INC.

For Immediate Release

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**Contact:** Jeffrey T. O’Keefe  
Vice President of Investor Relations  
732-747-7800

Ethan Lyle  
Teneo Strategy  
212-886-9376

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**K. HOVNIANIAN ENTERPRISES, INC. ANNOUNCES EXPIRATION OF EARLY TENDER DEADLINE OF EXCHANGE OFFER AND CONSENT SOLICITATION**

MATAWAN, NJ, May 14, 2018 — Hovnianian Enterprises, Inc. (NYSE: HOV) (the “Company”) announced today that, in connection with its wholly-owned subsidiary K. Hovnianian Enterprises, Inc.’s (the “Issuer”) previously announced private offer to exchange (the “Exchange Offer”) any and all of the Issuer’s \$440.0 million outstanding 10.000% Senior Secured Notes due 2022 (the “Existing 2022 Notes”) and \$400.0 million outstanding 10.500% Senior Secured Notes due 2024 (together with the Existing 2022 Notes, the “Existing Notes”) for the Issuer’s newly issued 3.0% Senior Notes due 2047 (the “New Notes”) and concurrent solicitation of consents with respect to the Existing 2022 Notes (the “Existing 2022 Notes Consent Solicitation”), the early tender deadline expired at 5:00 p.m., New York City time, on May 11, 2018 (the “Early Tender Deadline”).

As of the Early Tender Deadline, the minimum exchange condition to the Exchange Offer (which required that at least \$50.0 million in aggregate principal amount of the Existing Notes had been validly tendered and not validly withdrawn by the Early Tender Deadline) had not been satisfied. As a result, a condition to the Exchange Offer has not been satisfied and no Existing Notes will be accepted for exchange in the Exchange Offer. The Issuer will promptly return Existing Notes tendered pursuant to the Exchange Offer (and corresponding consents will be revoked).

Global Bondholder Services Corporation is serving as the exchange agent, tabulation agent and information agent for the Exchange Offer and Existing 2022 Notes Consent Solicitation. Any question regarding procedures and copies of the Confidential Offering Memorandum, dated April 6, 2018, and in the related Letter of Transmittal and Consent (as such documents have been amended and supplemented to the date hereof, the “Exchange Offer Documents”) may be directed to Global Bondholder Services Corporation by phone at 866-470-4300 (toll free) or 212-430-3774.

*This press release is neither an offer to purchase or sell nor a solicitation of an offer to sell or buy the Existing Notes, the New Notes or any other securities of the Issuer or the Company. This press release also is not a solicitation of consents to the proposed amendment to the indenture governing the Existing 2022 Notes. The Exchange Offer and Existing 2022 Notes Consent Solicitation were made solely on the terms and subject to the conditions set forth in the Exchange Offer Documents and the information in this press release is qualified by reference to such documents.*

**About Hovnianian Enterprises®, Inc.**

Hovnianian Enterprises, Inc., founded in 1959 by Kevork S. Hovnianian, is headquartered in Matawan, New Jersey and, through its subsidiaries, is one of the nation’s largest homebuilders with operations in Arizona, California, Delaware, Florida, Georgia, Illinois, Maryland, New Jersey, Ohio, Pennsylvania, South Carolina, Texas, Virginia, Washington, D.C. and West Virginia. The Company’s homes are marketed and sold under the trade names K. Hovnianian® Homes, Brighton Homes® and Parkwood Builders. Additionally, the Company’s subsidiaries, as developers of K. Hovnianian’s® Four Seasons communities, make the Company one of the nation’s largest builders of active lifestyle communities.

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## Forward-Looking Statements

All statements in this press release that are not historical facts should be considered as “Forward-Looking Statements”. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such forward looking statements include but are not limited to statements related to the Company’s goals and expectations with respect to its financial results for future financial periods. Although we believe that our plans, intentions and expectations reflected in, or suggested by, such forward-looking statements are reasonable, we can give no assurance that such plans, intentions or expectations will be achieved. By their nature, forward-looking statements: (i) speak only as of the date they are made, (ii) are not guarantees of future performance or results and (iii) are subject to risks, uncertainties and assumptions that are difficult to predict or quantify. Therefore, actual results could differ materially and adversely from those forward-looking statements as a result of a variety of factors. Such risks, uncertainties and other factors include, but are not limited to, (1) changes in general and local economic, industry and business conditions and impacts of a sustained homebuilding downturn; (2) adverse weather and other environmental conditions and natural disasters; (3) levels of indebtedness and restrictions on the Company’s operations and activities imposed by the agreements governing the Company’s outstanding indebtedness; (4) the Company’s sources of liquidity; (5) changes in credit ratings; (6) changes in market conditions and seasonality of the Company’s business; (7) the availability and cost of suitable land and improved lots; (8) shortages in, and price fluctuations of, raw materials and labor; (9) regional and local economic factors, including dependency on certain sectors of the economy, and employment levels affecting home prices and sales activity in the markets where the Company builds homes; (10) fluctuations in interest rates and the availability of mortgage financing; (11) changes in tax laws affecting the after-tax costs of owning a home; (12) operations through joint ventures with third parties; (13) government regulation, including regulations concerning development of land, the home building, sales and customer financing processes, tax laws and the environment; (14) product liability litigation, warranty claims and claims made by mortgage investors; (15) levels of competition; (16) availability and terms of financing to the Company; (17) successful identification and integration of acquisitions; (18) significant influence of the Company’s controlling stockholders; (19) availability of net operating loss carryforwards; (20) utility shortages and outages or rate fluctuations; (21) geopolitical risks, terrorist acts and other acts of war; (22) increases in cancellations of agreements of sale; (23) loss of key management personnel or failure to attract qualified personnel; (24) information technology failures and data security breaches; (25) legal claims brought against us and not resolved in our favor; and (26) certain risks, uncertainties and other factors described in detail in the Company’s Annual Report on Form 10-K for the fiscal year ended October 31, 2017 and subsequent filings with the Securities and Exchange Commission. Except as otherwise required by applicable securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason.