

HOVNIANIAN ENTERPRISES INC  
 Form 4  
 September 17, 2007

**FORM 4**

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

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).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 HOVNIANIAN ARA K

2. Issuer Name and Ticker or Trading Symbol  
 HOVNIANIAN ENTERPRISES INC  
 [HOV]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 110 WEST FRONT STREET  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 09/13/2007

Director  10% Owner  
 Officer (give title below)  Other (specify below)

RED BANK, NJ 07701  
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 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)
Class A Common Stock	09/13/2007		A	395,873	A <u>(1)</u> 2,138,228 <u>(2)</u>	D	
Class A Common Stock					71,099 <u>(3)</u>	I	Held by trust for Esther K. Barry's family <u>(4)</u>
Class A Common Stock					85,319 <u>(3)</u>	I	Held by trust for Lucy K. Kalian's family <u>(5)</u>

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Class A Common Stock	30,737 <sup>(3)</sup>	I	Held as trustee of trust for Ester K. Barry's family
Class A Common Stock	32,237 <sup>(3)</sup>	I	Held as trustee of trust for Sossie K. Najarian's family
Class A Common Stock	30,487 <sup>(3)</sup>	I	Held as trustee of trust for Nadia K. Rodriguez's family
Class A Common Stock	32,237 <sup>(3)</sup>	I	Held as trustee of trust for Lucy K. Kalian's family
Class A Common Stock	157,271 <sup>(2)</sup>	I	Held by the Ara K. Hovnanian 2004 GRAT <sup>(6)</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

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

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(9-02)

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

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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 Underlying Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount Number of Shares
Class B Common Stock	(7)	12/19/2006		G	V 1,800	(7) (8)	Class A Common Stock 1,800
Class B Common Stock	(7)	09/13/2007		D	395,873	(7) (8)	Class A Common Stock 395,873
Class B Common Stock	(7)	12/19/2006		G	V 900	(7) (8)	Class A Common Stock 900
Class B Common Stock	(7)	12/19/2006		G	V 900	(7) (8)	Class A Common Stock 900
Class B Common Stock	(7)	03/09/2007		G	V 6,150.31	(7) (8)	Class A Common Stock 6,150.31
Class B Common Stock	(7)	03/09/2007		G	V 5,125.26	(7) (8)	Class A Common Stock 5,125.26
Class B Common Stock	(7)	03/09/2007		G	V 4,100.21	(7) (8)	Class A Common Stock 4,100.21
Class B Common Stock	(7)	03/09/2007		G	V 4,100.21	(7) (8)	Class A Common Stock 4,100.21
Class B Common Stock	(7)	03/09/2007		G	V 4,100.21	(7) (8)	Class A Common Stock 4,100.21

Class B Common Stock	(7)	(7)	(8)	Class A Common Stock	250
Class B Common Stock	(7)	(7)	(8)	Class A Common Stock	128
Class B Common Stock	(7)	(7)	(8)	Class A Common Stock	20,
Class B Common Stock	(7)	(7)	(8)	Class A Common Stock	199
Class B Common Stock	(7)	(7)	(8)	Class A Common Stock	4,
Class B Common Stock	(7)	(7)	(8)	Class A Common Stock	4,
Class B Common Stock	(7)	(7)	(8)	Class A Common Stock	33,
Class B Common Stock	(7)	(7)	(8)	Class A Common Stock	33,

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
	X	X		

HOVNIANIAN ARA K  
110 WEST FRONT STREET  
RED BANK, NJ 07701

## Signatures

Nancy A. Marrazzo  
Attorney-in-Fact

09/17/2007

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* 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).

(1) On September 13, 2007, in transactions approved in accordance with Rule 16b-3 under the Securities Exchange Act of 1934, as amended, the Issuer (i) exchanged 395,873 shares of Class B Common Stock held by the Reporting Person for an equal number of shares of Class A Common Stock and (ii) immediately thereafter exchanged the 395,873 shares of Class B Common Stock received from the Reporting Person for an equal number of shares of Class A Common Stock held by Kevork S. Hovnanian. The aggregate Hovnanian family holdings of shares, both of Class A Common Stock and Class B Common Stock, remain unchanged by such exchanges.

(2) On May 29, 2007 the Reporting Person received a distribution of 47,821 shares of Class A Common Stock from the Ara K. Hovnanian 2004 GRAT, of 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.

(3) The Reporting Person disclaims beneficial ownership of these securities except to the extent of his potential pecuniary interest therein, and the inclusion of these shares in this report shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or for any other purpose

(4) 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 Kevork S. Hovnanian Family Limited Partnership (the "Limited Partnership")

(5) 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

(6) Held by the Ara K. Hovnanian 2004 Grantor Retained Annuity Trust of which the reporting person is trustee and the principal beneficiary

(7) The Class B Common Stock, par value \$.01 per share, non-cumulative, is immediately convertible into an equal number of shares of Class A Common Stock, par value \$.01 per share, non-cumulative

(8) No expiration date

(9) N/A

(10) Held by The Ara K. Hovnanian Family 1994 Long-Term Trust, of which the reporting person is trustee, including shares held through a partnership interest in the Limited Partnership

(11) Held by The Sossie K. Najarian Family 1994 Long-Term Trust, of which the reporting person is a trustee and has a potential remainder interest, including shares held through a partnership interest in the Limited Partnership

(12) Held by The Nadia K. Rodriquez Family 1994 Long-Term Trust, of which the reporting person is a trustee and has a potential remainder interest, including shares held through a partnership interest in the Limited Partnership

(13) 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 199,262 shares of Class B Common Stock held by the KSH 2004 GRAT were, pursuant to the original terms of the GRAT, transferred to a trust for the benefit of the Reporting Person and his family. The Reporting Person is a trustee of this new trust. The Reporting Person's beneficial interest in shares was not changed by such transfer.

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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