UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20594

FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 1998
or

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 001-12822

BEAZER HOMES USA, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	58-2086934
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer identification no.)

5775 Peachtree Dunwoody Road, Suite C-550, Atlanta, Georgia 30342
(Address of principal executive offices) (Zip Code)

(404) 250-3420
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to the filing requirements for the past 90 days.

YES X NO

Class	Outstanding at May 15, 1998
Common Stock, $0.01 par value	6,064,180 shares
Series A Cumulative Convertible Exchangeable Preferred Stock, $0.01 par value	2,000,000 shares

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BEAZER HOMES USA, INC.
FORM 10-Q

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Part I. Financial Information

BEAZER HOMES USA, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except per share data)

	March 31, 1998 (unaudited)	September 30, 1997
ASSETS		
Cash and cash equivalents	$ 25,516	$ 1,267
Accounts receivable	6,289	7,114
Inventory	399,583	361,945
Property, plant and equipment, net	11,120	11,592
Goodwill, net	9,254	5,664
Other assets	24,654	12,013
Total assets	$ 476,416	$ 399,595
LIABILITIES AND STOCKHOLDERS' EQUITY		
Trade accounts payable	$ 31,239	$ 44,443
Other payables and accrued liabilities	26,810	30,866
Revolving credit facility	20,000	30,000
Senior notes	215,000	115,000
Total liabilities	293,049	220,309
Stockholders' equity:		
Preferred stock (par value $.01 per share, 5,000,000 shares authorized, 2,000,000 issued and outstanding; $50,000 aggregate liquidation preference)	20	20
Common stock (par value $.01 per share, 30,000,000 shares authorized, 9,355,957 issued, 6,064,180 outstanding)	93	93
Paid in capital	187,798	187,798
Retained earnings	48,424	44,802
Unearned restricted stock	(985)	(1,444)
Treasury stock (3,291,777 shares)	(51,983)	(51,983)
Total stockholders' equity	183,367	179,286
Total liabilities and stockholders' equity	$ 476,416	$ 399,595

See Notes to Condensed Consolidated Financial Statements

BEAZER HOMES USA, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(dollars in thousands, except per share data)

	Three Months Ended March 31,		Six Months Ended March 31,	
	1998	1997	1998	1997
Total revenue	$ 221,323	$ 177,762	$ 376,949	$ 338,845
Costs and expenses:				
Home construction and land sales	185,318	152,412	315,793	287,783
Interest	4,271	3,174	7,318	5,914
Selling, general and administrative	25,599	19,983	44,895	38,756
Write-down of inventory	---	6,326	---	6,326
Operating income (loss)	6,135	(4,133)	8,943	66
Other income	51	101	201	291
Income (loss) before income taxes	6,186	(4,032)	9,144	357
Provision (benefit) for income taxes	2,381	(1,572)	3,520	140
Net income (loss)	$ 3,805	$ (2,460)	$ 5,624	$ 217
Preferred dividends	$ 1,000	$ 1,000	$ 2,000	$ 2,000
Net income (loss) applicable to common stockholders	$ 2,805	$ (3,460)	$ 3,624	$ (1,783)
Weighted average number of shares (in thousands):				
Basic	5,850	6,295	5,842	6,303
Diluted	8,732	6,295	6,095	6,303
Net income (loss) per common share:				
Basic	$ 0.48	$ (0.55)	$ 0.62	$ (0.28)
Diluted	$ 0.44	$ (0.55)	$ 0.59	$ (0.28)

See Notes to Condensed Consolidated Financial Statements

BEAZER HOMES USA, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in thousands)

	Six Months Ended March 30,	
	1998	1997
Cash flows from operating activities:		
Net income	$ 5,624	$ 217
Adjustments to reconcile net income to net cash used by operating activities:		
Depreciation and amortization	1,344	956
Write-down of inventory		6,326
Changes in operating assets and liabilities, net of effects of acquisitions		
Increase in inventory	(20,708)	(34,852)
Decrease in trade accounts payable	(14,879)	(8,517)
Other changes	(11,804)	(17,867)
Net cash used by operating activities	(40,423)	(53,737)
Cash flows from investing activities:		
Acquisitions, net of cash acquired	(16,766)	
Capital expenditures	(2,995)	(780)
Net cash used by investing activities	(19,761)	(780)
Cash flows from financing activities:		
Proceeds from issuance of senior notes, net	96,433	
Changes in revolving credit facility, net	(10,000)	50,000
Treasury stock purchased		(789)
Dividend paid on preferred stock	(2,000)	(2,000)
Net cash provided by financing activities	84,433	47,211
Increase (decrease) in cash and cash equivalents	24,249	(7,306)
Cash and cash equivalents at beginning of period	1,267	12,942
Cash and cash equivalents at end of period	$ 25,516	$ 5,636

See Notes to Condensed Consolidated Financial Statements

BEAZER HOMES USA, INC.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(1) Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of Beazer Homes USA, Inc. ("Beazer" or the "Company") have been prepared in accordance with generally accepted accounting principles for interim financial information and in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. Consequently, such financial statements do not include all of the information and disclosures required by generally accepted accounting principles for complete financial statements. Accordingly, for further information, the reader of this Form 10-Q should refer to the audited consolidated financial statements of the Company for the year ended September 30, 1997 incorporated by reference in the Company's Annual Report on Form 10-K for the year ended September 30, 1997.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included in the accompanying condensed financial statements.

(2) Inventory

A summary of inventory is as follows (in thousands):

	March 31, 1998	September 30, 1997
Finished homes	$ 61,026	$ 69,609
Development projects in progress	288,627	231,692
Unimproved land held for future development	17,559	34,792
Model homes	32,371	25,852
	$399,583	$361,945

Development projects in progress consist principally of land, land improvement costs and, if applicable, construction costs for houses that are in various stages of development. Certain of the finished homes in inventory are reserved by a deposit or sales contract.

BEAZER HOMES USA, INC.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(3) Interest

The following table sets forth certain unaudited information regarding interest (in thousands):

	Three Months Ended March 31, 1998	Three Months Ended March 31, 1997	Six Months Ended March 31, 1998	Six Months Ended March 31, 1997
During the period:				
Interest incurred	$5,300	$3,757	$9,916	$6,938
Previously capitalized interest amortized to costs and expenses	$4,271	$3,174	$7,318	$5,914
At the end of the period:				
Capitalized interest in ending inventory	$9,453	$6,577	$9,453	$6,577

(4) Earnings Per Share

During the first quarter of fiscal 1998, the Company adopted Statement of Financial Accounting Standards (SFAS) No. 128, "Earnings per Share." As a result, all previously reported earnings per share data has have been restated to conform with SFAS No. 128. Basic and diluted earnings per share are calculated as follows:

	Quarter Ended March 31, 1998	Quarter Ended March 31, 1997	Six Months Ended March 31, 1998	Six Months Ended March 31, 1997
Earnings				
Net income (loss)	$ 3,805	$(2,460)	$ 5,624	$ 217
Less: Dividends on preferred shares	1,000	1,000	2,000	2,000
Net income (loss) applicable to common shareholders	$ 2,805	$(3,460)	$ 3,624	$(1,783)
Basic:				
Net income (loss) applicable to common shareholders	$ 2,805	$(3,460)	$ 3,624	$(1,783)
Weighted average number of common shares outstanding	5,850	6,295	5,842	6,303
Basic earnings per share	$ 0.48	$ (0.55)	$ 0.62	$ (0.28)
Diluted:				
Net income (loss) applicable to common shareholders	$ 2,805	$(3,460)	$ 3,624	$(1,783)
Plus: Dividends on preferred shares	1,000	n/a	n/a	n/a
Net income (loss) applicable to common shareholders	$ 3,805	$(3,460)	$ 3,624	$(1,783)
Weighted average number of common shares outstanding	5,850	6,295	5,842	6,303
Effect of dilutive securities--				
Assumed conversion of Preferred Stock	2,625	n/a	n/a	n/a
Restricted stock	176	n/a	184	n/a
Options to acquire common stock	81	n/a	69	n/a
Diluted weighted common shares outstanding	8,732	6,295	6,095	6,303
Diluted earnings per share	$ 0.44	$ (0.55)	$ 0.59	$ (0.28)

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The computation of diluted earnings per share for the three and six months ended March 31, 1997 excludes all potential common shares as these potential securities would be antidilutive since the Company recognized a net loss to common shareholders for those periods.

The computation of diluted earnings per share for the six months ended March 31, 1998 excludes the assumed conversion of 2.0 million shares of Series A Cumulative Convertible Exchangeable Preferred Stock ($50.0 million aggregate liquidation preference) issued in August 1995 into 2.6 million shares of common stock at the conversion price of $19.05 since the effect of such conversion is antidilutive for this period.

(5) Senior Notes

In 1994 the Company issued $115 million of Senior Notes which mature in March 2004 (the "9% Senior Notes"). Interest on the 9% Senior Notes is payable semiannually. The Company may, at its option, redeem the 9% Senior Notes in whole or in part at any time after February 1999, initially at 102.571% of the principal amount, declining to 100% of the principal amount after February 2001.

On March 20, 1998 the Company completed a $100 million offering of 8 7/8% Senior Notes, due April 1, 2008 (the "8 7/8% Senior Notes") at a price to investors of 99.183% of the face amounts. The net proceeds of the Senior Note offering were used to repay short-term borrowings under the Company's revolving credit facility. Interest on the 8 7/8% Senior Notes is payable semiannually. The Company may, at its option, redeem the 8 7/8% Senior Notes in whole or in part at any time after April 1, 2003, initially at 104.438% of the principal amount, declining to 100% of the principal amount after April 1, 2006.

The 9% Senior Notes and the 8 7/8% Senior Notes are unsecured obligations of the Company ranking pari passu with all other existing and future senior indebtedness of the Company.

(6) Acquisition

On November 30, 1997 the Company acquired the assets of the Orlando, Florida homebuilding operations of Calton Homes of Florida, Inc. for approximately $16.8 million in cash. The allocation of the purchase price resulted in approximately $3.9 million of goodwill.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(7) Write-down of Inventory

In March 1997, the Company recorded a pretax charge of $6.3 million ($3.9 million after tax) to write down two properties located in Nevada to their fair market value (estimated based on the sales prices of comparable projects). The two Nevada properties, Craig Ranch in North Las Vegas and Promontory in Reno, had incurred significant development costs that were not anticipated at the beginning of the projects. As a result, the estimated future undiscounted cash flows of the projects were less than their respective current book values.

(8) Recent Accounting Pronouncements

In June 1997, the FASB issued Statement No. 130, "Reporting Comprehensive Income,"("SFAS 130"), and Statement No. 131, "Disclosures about Segments of an Enterprise and Related Information,"("SFAS 131"). Both SFAS 130 and SFAS 131 become effective for fiscal periods beginning after December 15, 1997 with early adoption permitted. The Company is evaluating the effects these statements will have on its financial reporting and disclosures. The statements are not expected to have an effect on the Company's results of operations, financial position, capital resources or liquidity.

Item 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations

The following table presents certain operating and financial data for the Company (dollars in thousands):

	Three Months Ended March 31,			Six Months Ended March 31,		
	1998		1997	1998		1997
	Amount	% Change	Amount	Amount	% Change	Amount
Number of new orders, net of cancellations(a):						
Southeast Region	941	64.2%	573	1,358	44.2%	942
Southwest Region	1,058	44.3	733	1,631	27.6	1,278
Central Region	278	21.9	228	374	7.5	348
Total	2,277	48.4	1,534	3,363	31.0	2,568
Number of closings:						
Southeast Region	561	22.8%	457	976	16.9%	835
Southwest Region	663	5.7	627	1,132	(7.7)	1,227
Central Region	149	4.2	143	303	9.0	278
Total	1,373	11.9	1,227	2,411	3.0	2,340
Total revenue:						
Southeast Region	$ 91,110	25.7%	$ 72,464	$157,289	15.2%	$136,533
Southwest Region	103,727	24.5	83,309	167,170	4.8	159,453
Central Region	26,486	19.7	21,989	52,490	22.5	42,859
Total	$221,323	24.5	$177,762	$376,949	11.2	$338,845
Average sales price per home closed:						
Southeast Region	$ 161.7	2.0%	$ 158.6	$ 160.7	(1.7)%	$ 163.5
Southwest Region	155.4	16.9	132.9	147.1	13.2	130.0
Central Region	176.6	14.8	153.8	172.7	12.0	154.2
Total	161.2	11.2	144.9	156.3	7.9	144.8
Backlog units at end of period:						
Southeast Region	983	43.1%	687			
Southwest Region	978	33.8	731			
Central Region	279	18.2	236			
Total	2,240	35.4	1,654			
Aggregate sales value of homes in backlog at end of period:	$350,364	40.1%	$250,136			
Number of active subdivisions:						
Southeast Region	117	17.0%	100			
Southwest Region	65	1.6	64			
Central Region	32	0.0	32			
Total	214	9.2	196			

(a) New orders for the six months ended March 31, 1998 do not include 96 homes in backlog acquired from Calton Homes of Florida, Inc.

BEAZER HOMES USA, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS

OVERVIEW:

Beazer Homes USA, Inc. (the "Company" or "Beazer") designs, builds and sells single family homes in the Southeast, Southwest and Central regions of the United States. The Company's Southeast Region includes Georgia, North Carolina, South Carolina, Tennessee and Florida, its Southwest Region includes Arizona, California and Nevada and its Central Region includes Texas. The Company intends, subject to market conditions, to expand in its current markets and to consider entering new markets through expansion from existing markets ("satellite expansion") or through acquisitions of established regional homebuilders. On November 30, 1997 the Company acquired the assets of the Orlando operations of Calton Homes Florida, Inc. ("Calton") for approximately $16.8 million.

The Company's homes are designed to appeal primarily to entry-level and first move-up home buyers, and are generally offered for sale in advance of their construction. The majority of homes are sold pursuant to standard sales contracts entered into prior to commencement of construction. Once a contract has been signed, the Company classifies the transaction as a "new order." Such sales contracts are usually subject to certain contingencies such as the buyer's ability to qualify for financing. Homes covered by such sales contracts are considered by the Company as its "backlog." The Company does not recognize revenue on homes in backlog until the sales are closed and the risk of ownership has been transferred to the buyer.

The Company began offering mortgage origination services for its local homebuilders through branch offices of Beazer Mortgage Corp. ("Beazer Mortgage") during 1996, and currently has branches in each of the Company's markets. Beazer Mortgage originates mortgages principally for homebuyers of Beazer homes. Beazer Mortgage does not hold or service the mortgages.

During the first quarter of fiscal 1998 the Company entered into a joint venture agreement with Corporacion GEO, the largest builder of affordable homes in Mexico, to build homes in the United States. The joint venture will focus exclusively on the development, construction and sale of affordable housing throughout the U.S., priced between $35,000 and $45,000. The joint venture is owned 60% by Corporacion GEO and 40% by Beazer. Development is scheduled to begin on the venture during fiscal 1998, however the Company does not anticipate a significant contribution to operating results during fiscal 1998.

New Orders and Backlog: New orders for the three and six months ended March 31, 1998, were up 48.4% and 31.0%, respectively, relative to the comparable periods of the prior year. The Company believes that these increases exceeded the 4% increase in active subdivisions at March 31, 1998, as a result of both the strong economic conditions and the stage in the life cycle of the Company's subdivisions, many of which have been opened during the past six months.

In addition to the strong order trends contributing to an increase in unit backlog, the increase in sales activity in certain markets with higher average sales prices, such as California and Florida, as well as price increases in certain markets (principally California), contributed to a significantly higher aggregate dollar value of homes in backlog in March 1998 compared to March 1997.

RESULTS OF OPERATIONS:

The following table shows certain items in the Company's statements of income expressed as a percentage of total revenue.

	Three Months Ended March 31,		Six Months Ended March 31,	
	1998	1997	1998	1997
Total revenue	100.0%	100.0%	100.0%	100.0%
Costs of home construction and land sales	83.7	85.7	83.8	84.9
Interest	1.9	1.8	1.9	1.7
Selling, general and administrative	11.6	11.2	11.9	11.4
Write-down of inventory	--	3.6	--	1.9
Operating income (loss)	2.8	(2.3)	2.4	0.0

Revenues: The percentage increase in revenues for the three and six months ended March 31, 1998 compared to the same periods in 1997 is the result of both an increase in the average price per home closed and increases in the number of homes closed. The increase in average price is a result of a higher number of closings in certain markets such as Texas, Florida and California where average home prices are greater than the Company average, and a lower percentage of home closings from Arizona where the average home price is less than the Company average. Additionally, the Company recognized revenues on land sales during the quarter of $8.5 million. The land sales are consistent with the Company's stated policy of reducing its investment in markets and projects that are not exceeding the Company's overall cost of capital. The Company did not realize any significant profit or loss on these land sales during the quarter.

Cost of Home Construction and Land Sales: The cost of home construction and land sales as a percentage of revenues decreased for the three and six months ended March 31, 1998 compared to the same periods in 1997. The decrease is largely attributable to expansion of the Company's profitability initiatives, specifically design centers and mortgage origination operations. Additionally, substantially improved gross margins in the Company's California operations contributed to the overall decrease in the cost of home construction and land sales as a percentage of revenues for the three and six month periods ended March 31, 1998 compared to the same periods in fiscal 1997.

Selling, General and Administrative Expense: Selling, general and administrative expenses ("SG&A") increased as a percentage of total revenues for the three and six month periods ended March 31, 1998 compared to the same periods in the prior year. This increase resulted from higher overhead and marketing costs associated with the increase in active subdivision levels in most of the Company's markets, and an increase in the general and administrative costs of operating Beazer Mortgage.

Amortization of Previously Capitalized Interest: Amortization of previously capitalized interest expense as a percentage of revenues for the three and six months ended March 31, 1998 is greater than the comparable periods in 1997 as a result of increased borrowing levels associated with the Company's increased investment in inventory.

Write-down of inventory: During the quarter ended March 31, 1997, the Company recorded a pretax charge of $6.3 million ($3.9 million after tax) to write down two properties located in Nevada to their fair market value (estimated based on the sales prices of comparable projects). The two Nevada properties, Craig Ranch in North Las Vegas and Promontory in Reno, had incurred significant development costs that were not anticipated at the beginning of the project. As a result, the estimated future undiscounted cash flows of the projects were less than their respective current book values.

Mortgage Origination Operations: Beazer Mortgage recognized net operating income prior to intercompany eliminations of $1.0 million for the three months ended March 31, 1998. The Company recognized revenues for premiums paid to Beazer Mortgage branch offices from third party lenders ($1.3 million for the three months ended March 31, 1998). Closing and discount points paid to Beazer Mortgage branch offices from the Company's homebuilding operation are eliminated against costs of home construction in consolidation ($1.2 million for the three months ended March 31, 1998). All general and administrative expenses of operating Beazer Mortgage are included in SG&A ($1.5 million for the three months ended March 31, 1998). The results of operations for Beazer Mortgage were not significant for the three and six months ended March 31, 1997 or the three months ended December 31, 1997.

FINANCIAL CONDITION AND LIQUIDITY:

On March 20, 1998 the Company completed a $100 million offering of 8 7/8% Senior Notes, due April 1, 2008 (the "8 7/8% Senior Notes") at a price to investors of 99.183% of the face amount. The net proceeds of the Senior Note offering were used to repay short-term borrowings under the Company's revolving credit facility. Interest on the 8 7/8% Senior Notes is payable semiannually. The Company may, at its option, redeem the 8 7/8% Senior Notes in whole or in part at any time after April 1, 2003, initially at 104.438% of the principal amount, declining to 100% of the principal amount after April 1, 2006.

The Company also has outstanding $115 million of Senior Notes which mature in March 2004 (the "9% Senior Notes"). Interest on the 9% Senior Notes is payable semiannually. The Company may, at its option, redeem the 9% Senior Notes in whole or in part at any time after February 1999, initially at 102.571% of the principal amount, declining to 100% of the principal amount after February 2001.

The 9% Senior Notes and the 8 7/8% Senior Notes are unsecured obligations of the Company ranking pari passu with all other existing and future senior indebtedness of the Company.

At March 31, 1998 the Company had $20 million of outstanding borrowings under its $200 million unsecured revolving credit facility (the "Credit Facility"). The Company fulfills its short-term cash requirements with cash generated from its operations and unused funds available from the Credit Facility. Available borrowings under this credit agreement are limited to certain percentages of homes under contract, unsold homes, substantially improved lots and accounts receivable. At March 31, 1998 the Company had available additional borrowings of $18.2 million under the Credit Facility. During the quarter ended December 31, 1997, the Company utilized borrowings under its credit agreement of approximately $16.8 million for the acquisition of the Orlando, Florida operations of Calton Homes of Florida, Inc. During the quarter ended December 31, 1997 the company utilized borrowings under its credit agreement of approximately 16.7 million for acquisitions.

All significant subsidiaries of Beazer Homes USA, Inc. are guarantors of the Notes and the Company's obligations under the Credit Facility and are jointly and severally liable for the Company's obligations under the Notes and the Credit Facility. Separate financial statements and other disclosures concerning each of the significant subsidiaries are not included, as the aggregate assets, liabilities, earnings and equity of the subsidiaries equal such amounts for the Company on a consolidated basis and separate subsidiary financial statements are not considered material to investors. The total assets, revenues and operating profit of the non-guarantor subsidiaries are in the aggregate immaterial to the Company on a consolidated basis. Neither the Credit Facility nor the Notes restrict distributions to Beazer Homes USA, Inc. by its subsidiaries.

The Company has utilized, and will continue to utilize, land options as a method of controlling and subsequently acquiring land. At March 31, 1998 the Company had 10,567 lots under option. At March 31, 1998, the Company had commitments with respect to option contracts with specific performance obligations of approximately $45.5million. The Company expects to exercise all of its option contracts with specific performance obligations and, subject to market conditions, substantially all of its options contracts without specific performance obligations.

Management believes that the Company's current borrowing capacity at March 31, 1998, and anticipated cash flows from operations is sufficient to meet liquidity needs for the foreseeable future. There can be no assurance, however, that amounts available in the future from the Company's sources of liquidity will be sufficient to meet the Company's future capital needs. The amount and types of indebtedness that the Company may incur may be limited by the terms of the Indenture governing the Notes and the Credit Facility. The Company continually evaluates expansion opportunities through acquisition of established regional homebuilders and such opportunities may require the Company to seek additional capital in the form of equity or debt financing from a variety of potential sources, including additional bank financing and/or securities offerings.

OUTLOOK:

The Company is optimistic about its prospects for the remainder of fiscal 1998 and into fiscal 1999. As a result of increased backlog at March 31, 1998, the Company expects home closings to be strong for the remainder of fiscal 1998 compared to fiscal 1997. The Company believes the current strong economic environment and its profitability initiatives will result in continued reduction of its cost of home construction and land sales as a percentage of revenues. Additionally, increased home closings will contribute to a reduction in SG&A as a percentage of revenues.

The Company's Series A Convertible Preferred Stock (the "Preferred Stock") is convertible into common stock at an exchange rate of $19.05 per common share and becomes callable by the Company on September 1, 1998 at a 5% premium. The Company intends to call for redemption its Preferred Stock at the earliest date that it believes it is likely that the majority of holders would convert into common stock.

Cautionary Statement Pursuant to Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995:

Certain of the statements contained in this report, including those under "Outlook" and "Financial Condition," constitute "forward-looking statements" within the meaning of the federal securities laws. While the Company believes that these statements are accurate, Beazer's business is dependent upon general economic conditions and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. The most significant factors that could cause actual results to differ materially from those expressed in the forward-looking statements include, but are not limited to, the following:

- Economic changes nationally or in one of the Company's local markets
- Volatility of mortgage interest rates
- Increased competition in some of the Company's local markets
- Increased prices for labor, land and raw materials used in the production of houses
- Increased land development cost on projects under development
- Any delays in reacting to changing consumer preference in home design
- Delays or difficulties in implementing the Company's initiatives to reduce its production and overhead cost structure.
- Decreased value of the Company's common stock deterring conversion of Preferred Stock
- Delays in land development or home construction resulting from adverse weather conditions in one of the Company's local markets

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

27 Financial Data Schedule

(b) Reports on Form 8-K:

The Company filed a Current Report on Form 8-K on March 10, 1998 announcing the Company's new orders for the two months ended February 28, 1998.

The Company filed Current Reports on Form 8-K on March 19, 1998 and March 31, 1998 relating to the Company's offering and closing, respectively, of its $100 million in aggregate principal amount of 8 7/8% Senior Notes due 2008.

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 thereunto duly authorized.

Beazer Homes USA, Inc.

Date: May 15, 1998

By: /s/ David S. Weiss

Name: David S. Weiss
Executive Vice President and
Chief Financial Officer

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE COMPANY'S QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTER ENDED MARCH 31, 1998 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

6-MOS
SEP-30-1998
OCT-01-1997
MAR-31-1998
25,516
0
6,289
0
399,583
0
11,120
0
476,416
0
215,000
0
20
93
183,254
476,416
376,949
376,949
323,111
368,006
(201)
0
0
9,144
3,520
5,624
0
0
0
5,624
.62
.59

THE COMPANY PRESENTS A CONDENSED BALANCE SHEET.