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PULTE HOMES INC/MI/  
Form 11-K  
July 01, 2002

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

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 30, 2001

OR

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

FOR THE TRANSITION PERIOD FROM \_\_\_\_\_ TO \_\_\_\_\_

COMMISSION FILE NUMBER

PULTE HOME CORPORATION INVESTMENT SAVINGS PLUS  
(FULL TITLE OF THE PLAN)

PULTE HOMES, INC.  
(EXACT NAME OF ISSUER AS SPECIFIED IN CHARTER)

100 BLOOMFIELD HILLS PARKWAY, SUITE 300  
BLOOMFIELD HILLS, MI 48304  
(248) 647-2750  
(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER AND  
AREA CODE, OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES)

DATED: JUNE 28, 2002

REQUIRED INFORMATION

Item 4. Financial Statements and Supplemental Schedules for the Plan

The Pulte Home Corporation Investment Savings Plus (the "Plan") is subject to the Employee Retirement Income Security Act of 1974 ("ERISA"). In lieu of the requirements of Items 1-3 of this Form, the Plan is filing financial statements and supplemental schedules prepared in accordance with the financial reporting requirements of ERISA. The Plan financial statements and supplemental schedules as of and for the year ended December 30, 2001, have been examined by Ernst & Young LLP, Independent Auditors, and their report is included herein.

EXHIBITS

23 Consent of Independent Auditors, Ernst & Young LLP

FINANCIAL STATEMENTS AND SCHEDULE

Pulte Home Corporation Investment Savings Plus

December 30, 2001 and 2000 and year ended December 30, 2001  
with Report of Independent Auditors

Pulte Home Corporation  
Investment Savings Plus

Financial Statements and Schedule

December 30, 2001 and 2000 and year ended December 30, 2001

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Report of Independent Auditors

Board of Directors  
Pulte Home Corporation  
Investment Savings Plus

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We have audited the accompanying statements of net assets available for plan benefits of Pulte Home Corporation Investment Savings Plus (the "Plan") as of December 30, 2001 and 2000, and the related statement of changes in net assets available for plan benefits for the year ended December 30, 2001. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of Pulte Home Corporation Investment Savings Plus at December 30, 2001 and 2000, and the changes in its net assets available for plan benefits for the year ended December 30, 2001, in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 30, 2001 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ ERNST & YOUNG LLP

Detroit, Michigan  
June 7, 2002

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Pulte Home Corporation  
Investment Savings Plus

Statements of Net Assets Available for Plan Benefits

	DECEMBER 30	
	2001	2000
Investments, at fair value	\$ 125,337,571	\$ 129,51
Receivables:		
Employee contributions	318,701	28
Employer contributions	3,926,240	3,24

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Interest and dividends	20,980	3
Total receivables	4,265,921	3,55
Net assets available for plan benefits	\$ 129,603,492	\$ 133,07

See accompanying notes.

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Pulte Home Corporation  
Investment Savings Plus

Statement of Changes in Net Assets Available for Plan Benefits

Year ended December 30, 2001

Additions:		
Contributions:		
Participants	\$	12,774,279
Employer		3,902,556
		-----
		16,676,835
Investment income:		
Dividends		1,327,459
Interest		235,663
Interest income on participant loans		236,542
		-----
		1,799,664
		-----
Total additions		18,476,499
Deductions:		
Distributions to participants		(11,374,219)
Net realized and unrealized depreciation in fair value of investments		(10,571,327)
		-----
Total deductions		(21,945,546)
		-----
Net decrease		(3,469,047)
Net assets available for plan benefits at beginning of year		133,072,539
		-----
Net assets available for plan benefits at end of year	\$	129,603,492
		=====

See accompanying notes.

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Pulte Home Corporation  
Investment Savings Plus

Notes to Financial Statements

December 30, 2001

## 1. DESCRIPTION OF PLAN

The following brief description of Pulte Home Corporation ("Company") Investment Savings Plus ("Plan") is provided for general information purposes only. Participants should refer to Plan documents for more complete information. Pulte Home Corporation is a wholly-owned subsidiary of Pulte Homes, Inc. ("Pulte").

### GENERAL

The Plan is a defined contribution profit sharing plan for eligible employees of the Company and affiliated subsidiaries which have adopted the Plan. The Plan is administered by an Administrative Committee ("Committee") appointed by the Board of Directors of the Company and is subject to the provisions of the Employee Retirement Income Security Act of 1974.

Plan assets are held and investment transactions are executed by U.S. Bank, N.A., as Trustee.

### ELIGIBILITY

All nonunion, regular salaried, sales and hourly employees of Pulte Homes, Inc. and of the Company and its subsidiaries that have adopted the Plan are eligible to participate on the first day of the month coincident with or following the completion of six months of employment. Temporary employees are not eligible to participate in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

### PARTICIPANT LOANS

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 minus the highest loan balance in the last twelve months or 50% of their vested account balance. The loans are secured by the balances in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan Administrator. Principal and interest are paid through payroll deductions.

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Pulte Home Corporation  
Investment Savings Plan

Notes to Financial Statements (continued)

## 1. DESCRIPTION OF PLAN (CONTINUED)

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### CONTRIBUTIONS

Contributions to participants' accounts are effected through voluntary withholdings from their compensation. Such withholdings are, in turn, paid to the Plan by Pulte and by the Company and its subsidiaries. At the discretion of their Boards of Directors, the Company and its subsidiaries may make additional contributions to the accounts of Plan participants. Annual contributions for each participant are subject to participation and discrimination standards of Internal Revenue Code Section 401(k)(3).

The Company and its subsidiaries match an amount on behalf of each participant for whom basic contributions were made, based on the participant's length of service with the Company in accordance with the following schedule:

A.) Less than one year of service: 100% of the first \$300 of participant's contributions.

B.) 1-2 years of service: 100% of the first \$600 of participant's contributions.

C.) 2-3 years of service: 100% of the first \$900 of participant's contributions.

D.) 3-4 years of service: 100% of the first \$1,200 of participant's contributions.

E.) 4 or more years of service: 100% of the first \$1,500 of participant's contributions.

Contributions may be invested in one or more of the investment options provided by the Plan. The Plan presently provides the following investment options: State Street Yield Enhanced Investment Fund, State Street Stable Value Fund, Vanguard Wellington Fund, Vanguard Institutional Index Fund, Vanguard Total Bond Market Index Fund, Putnam Voyager Fund, Putnam Asset Allocation Funds (Growth, Balanced and Conservative Portfolios), Twentieth Century International Growth Fund, Lord Abbett Small Capitalization Value Fund, and Pulte Common Stock Fund.

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Pulte Home Corporation  
Investment Savings Plan

Notes to Financial Statements (continued)

#### 1. DESCRIPTION OF PLAN (CONTINUED)

Participants may change their investment directives and contribution amounts on a daily basis via an interactive voice response system or interactive website. Discretionary contributions, which are to be allocated to eligible participants' "Special Contributions Account", are invested solely in the Pulte Common Stock Fund and are not available for investment direction. The allocation of the discretionary contribution excludes highly compensated employees covered under a Stock Option Plan. Discretionary contributions for the plan year ended December 30, 2001 were \$1,458,100.

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### ALLOCATIONS

Contributions to the Plan are allocated to participants' individual accounts on the date of receipt by the Trustee.

Discretionary contributions made the Company and its subsidiaries, if any, are allocated as of the last day of the Plan year among accounts of eligible participants.

### DISTRIBUTION

Participants or their beneficiaries may receive distributions of their account balances upon the earlier of reaching age 59-1/2, death or termination of service, as defined in the Plan. Further, the Committee may permit a participant who experiences a qualified financial hardship to receive a distribution of all or a portion of the participant's account balance. Such distributions are generally made in a lump sum.

### VESTING

A participant's account balance is fully vested and nonforfeitable.

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Pulte Home Corporation  
Investment Savings Plan

Notes to Financial Statements (continued)

## 1. DESCRIPTION OF PLAN (CONTINUED)

### TERMINATION

Although the Company intends to continue the Plan indefinitely, it has reserved the right to amend or terminate the Plan at any time. If the Plan were to be terminated, the amount in each participant's account would remain fully vested as of the date of termination of the Plan. Plan funds would continue to be invested and would continue to be held in the custody of the Plan's Trustee.

The Plan's Trustee would pay the balance of each participant's Plan account in a lump sum at the earlier of age 59-1/2, death or when employment with the Company is terminated.

### ADMINISTRATIVE EXPENSES

Other than loan origination fees, administrative expenses of the Plan are paid directly by the Company.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are significant accounting policies followed by the Plan:

Investment Valuation - Investments in money market instruments are

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carried at cost which approximates fair value. Investments in mutual funds and Pulte stock are carried at fair value based on quoted market prices. Interest income is recorded on the accrual basis. Dividends are recorded when declared.

Management Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and additions and deductions during the reporting period. Actual results could differ from those estimates.

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Pulte Home Corporation  
Investment Savings Plan

Notes to Financial Statements (continued)

3. INVESTMENTS

During 2001, the Plan's investments (including investments purchased, sold and held during the year) appreciated (depreciated) in fair value as determined by quoted market prices as follows:

	NET REALIZED AND UNREALIZED APPRECIATION/ (DEPRECIATION) IN FAIR VALUE OF INVESTMENTS
	-----
Investments:	
State Street Stable Value Fund	\$ 747,609
Vanguard Wellington Fund	216,710
Vanguard Institutional Index Fund	(3,887,991)
Vanguard Bond Index Fund	(14,892)
Putnam Voyager Fund	(7,824,446)
Putnam Asset Allocation Fund - Growth Portfolio	(109,775)
Putnam Asset Allocation Fund - Balanced Portfolio	(74,629)
Putnam Asset Allocation Fund - Conservative Portfolio	(1,251)
Twentieth Century International Growth Fund	(1,076,291)
Lord Abbett Small Capitalization Value Fund	172,084
Pulte Common Stock Fund	1,281,545
	-----
Net Depreciation of Investments	\$ (10,571,327)
	=====

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Pulte Home Corporation  
Investment Savings Plan

Notes to Financial Statements (continued)

3. INVESTMENTS (CONTINUED)

Investments that represent 5% or more of the fair value of the Plan's net assets are as follows:

	FAIR VALUE AS OF DECEMBER 30, 2001	FAI A DEC
Investment:		
State Street Stable Value Fund	\$ 16,008,431	\$
Vanguard Wellington Fund	23,376,560	
Vanguard Institutional Index Fund	26,135,109	
Putnam Voyager Fund	26,738,427	
* Pulte Homes, Inc. Common Stock	11,881,699	
* Nonparticipant-Directed Investment		

4. NONPARTICIPANT-DIRECTED INVESTMENTS

The Pulte Common Stock Fund includes a non-participant directed investment. Information about the net assets and the significant components of changes in net assets related to the Pulte Common Stock Fund is as follows:

	DECEMBER 2001	
Net Assets	\$ 13,581,881	\$

Pulte Home Corporation  
Investment Savings Plan

Notes to Financial Statements (continued)

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4. NONPARTICIPANT-DIRECTED INVESTMENTS (CONTINUED)

	YEAR ENDED DECEMBER 30, 20
	-----
Change in net assets:	
Contributions	\$ 3,547,356
Loan repayments	81,935
Dividends	41,618
Interest	16,091
Net realized and unrealized appreciation in fair value	1,281,545
Distributions to participants	(1,007,445)
Net transfers among funds	(1,087,317)
	-----
	\$ 2,873,783
	=====

5. INCOME TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated March 11, 1992, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. Subsequent to this issuance of the determination letter, the Plan was amended. The Plan has applied for but has not received a new determination letter qualifying the plan under this provision. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

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Schedule

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Pulte Home Corporation Investment Savings Plus

Employee ID #38-1545089  
Plan #001

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Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)

December 30, 2001

IDENTITY OF ISSUE, BORROWER, LESSOR OR SIMILAR PARTY	DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR OR MATURITY VALUE	SHARES/ UNITS
State Street Global Advisors	State Street Stable Value Fund	1,162,09
	Yield Enhanced Short-Term Investment Fund	6,132,19
The Vanguard Group of Investment Companies	Vanguard Wellington Fund	855,03
	Vanguard Institutional Index Fund	246,39
	Vanguard Total Bond Market Index Fund	78,62
Putnam Investments	Putnam Voyager Fund	1,527,03
	Putnam Asset Allocation Fund - Growth Portfolio	104,64
	Putnam Asset Allocation Fund - Balanced Portfolio	108,11
	Putnam Asset Allocation Fund - Conservative Portfolio	38,85
American Century World Mutual Funds, Inc.	Twentieth Century International Growth Fund	772,27
* Pulte Homes, Inc.	Pulte Homes, Inc. Common Stock	249,66
Lord Abbett Fund, Inc.	Lord Abbett Small Capitalization Value Fund	117,16
* Employee Loans Receivable	Individual employee loans with varying maturity dates and interest rates ranging from 7.75% to 11.75%	
Total Investments		

There were no investment assets reportable as acquired and disposed of during the year.

\*Party-in-interest

\*\*Participant-directed investments, cost information is omitted

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1934, the 401(k) Committee

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Members who administer the Plan have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

June 28, 2002

By: /s/ Michael A. O'Brien

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Michael A. O'Brien  
Senior Vice President - Corporate Development

Exhibit Index

Exhibit No.

Exhibit Name

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Consent of Independent Auditors