



News release

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**BETTER BUSINESS BUREAU OF SOUTHERN ARIZONA HONORS
KB HOME'S TUCSON DIVISION WITH 2005 PRESIDENT'S TROPHY
*Homebuilder Applauded for Not Selling to Investors in "Hot Real Estate Market"***

TUCSON, AZ (April 22, 2005) – The Better Business Bureau of Southern Arizona announced at its annual Business Ethics Awards Breakfast that KB Home's Tucson Division was the recipient of the organization's President's Trophy in recognition of the homebuilder's policy of not selling homes in its new home communities to investors and speculative buyers.

The policy is consistent with KB Home's company-wide anti-speculative clause that is part of the buyer's agreement, which requires buyers to demonstrate that the home will be owner-occupied.

"There is hardly a latte served in Tucson without a conversation about how 'hot' the real estate market is," said Tom Collier, President and CEO of the Better Business Bureau of Southern Arizona. "In this environment, where you can make a lot of money and fast, KB Home made an admirable decision not to sell homes in its new home communities to real estate speculators and investors."

KB Home was the first homebuilder in Tucson to implement the anti-speculative clause in its sales offices, while other homebuilders in the area have since followed suit.

"KB Home has been building homes in Tucson for more than seven years and we are dedicated to developing communities where families live and prosper," said John Bremond, President of KB Home's Tucson Division. "Neighborhoods are stronger when the people who live in the home, also own the home and take pride in the home."

The Better Business Bureau of Southern Arizona only presents its President's Trophy when a company has gone "above and beyond." The only other recipient of the organization's President Trophy was in 2003 to the Hilton Tucson El Conquistador Golf & Tennis Resort, when the hotel provided shelter to Mt. Lemmon residents forced out of their homes by forest fires.

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BBB of Southern Arizona President's Trophy

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About KB Home

Building homes for nearly half a century, KB Home is one of America's premier homebuilders with domestic operating divisions in some of the fastest-growing regions and states: West Coast—California; Southwest—Arizona, Nevada and New Mexico; Central—Colorado, Illinois, Indiana and Texas; and Southeast—Florida, Georgia, North Carolina and South Carolina. Kaufman & Broad S.A., the Company's publicly-traded subsidiary, is one of the largest homebuilders in France. In fiscal 2004, the Company delivered homes to 31,646 families in the United States and France. It also operates a full-service mortgage company for the convenience of its buyers. Founded in 1957, and winner of the 2004 American Business Award for Best Overall Company, KB Home is a Fortune 500 company listed on the New York Stock Exchange under the ticker symbol "KBH." For more information about any of KB Home's new home communities, call 888-KB-HOMES or visit <http://www.kbhome.com>.

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