

KB HOME
Form FWP
March 27, 2006

Pricing Term Sheet

Issuer:	KB Home
Ratings:	Ba1 (Moody's); BB+ (S&P); BB+ (Fitch)
Issue of Securities:	7 1/4% Senior Notes due 2018
Principal Amount:	\$300,000,000
Coupon:	7 1/4% per annum, accruing from April 3, 2006
Interest Payment Dates:	Semi annually on June 15 and December 15, commencing December 15, 2006
Maturity:	June 15, 2018
Treasury Benchmark:	4.500% due February 15, 2016
US Treasury Yield:	4.703%
Spread to Treasury:	2.580%
Re-offer Yield:	7.283%
Initial Price to Public:	The Notes will be offered from time to time for sale in one or more negotiated transactions, or otherwise, at varying prices to be determined at the time of each sale
Proceeds, before expenses, to KB Home:	per Note: 99.486%; Total: \$298,458,000
Optional Redemption:	Make Whole Treasury Rate + 35 basis points
Minimum Denomination:	\$1,000
Settlement Date:	April 3, 2006
CUSIP:	48666KAN9
Underwriter:	Banc of America Securities LLC

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents that the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the

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issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request by calling toll-free 1-800-294-1322 or you may e-mail a request to dg.prospectus_distribution@bofasecurities.com.