



For Immediate Release

For more information contact:

Kate Mulhearn
(310)231-4147
kmulhearn@kbhome.com

**J.D. Power and Associates Study Ranks KB Home
Highest in Austin, and Top 3 in Houston, Raleigh and Las Vegas
for Customer Satisfaction**

LOS ANGELES, (September 15, 2004) – KB Home (NYSE: KBH), one of the nation’s premier homebuilders, ranked among the highest three positions in four major U.S. markets, according to the J.D. Power and Associates 2004 New Home Builder Customer Satisfaction StudySM released today. Overall, the company saw improvements in 13 markets.

According to the study, KB Home ranked first in Austin, and in the top three in the Houston, Raleigh/Durham and Las Vegas markets for customer satisfaction. The independent study is based on responses from 64,502 new home buyers in 25 of the largest homebuilding markets in the U.S. who have lived in their homes from four to 18 months.

“KB Home is committed to building quality into every home and to providing superior customer service to each homebuyer,” said KB Home Chairman and CEO Bruce Karatz. “Every KB home is backed by our professional team of employees who are committed to delivering our customers the home of their dreams. This is the second year in a row that we have improved our scores across markets more than any other builder and we will continue to challenge ourselves to raise that level of satisfaction even higher. This growth is an impressive feat when considering how quickly we have grown and the short amount of time we have been present in many of these markets.”

Along with customer service and home readiness, factors that drive overall customer satisfaction include: the sales staff, quality of workmanship/materials, price/value, design elements, design center, recreational facilities and location.

The company has a solid commitment to customer service, offering every KB homeowner the “Power of 10” quality pledge, which offers homebuyers 10 point quality construction checkpoints at every step. During pre-construction a construction superintendent is assigned to each new homebuyer to teach them what they can expect during each phase. These internal quality assurance processes complement KB Home’s partnership with the NAHB Research Center’s National Housing Quality (NHQ) Program through which KB Home was the first large homebuilder to commit to working with certified subcontractors.

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KB Home's "Say Yes!" program represents the rigorous standards of customer satisfaction practiced throughout the company. The KB Home "Say Yes" problem-solving policy makes every effort to resolve homeowner concerns easily, efficiently and effectively. On average, it takes KB Home less than one week to resolve claims.

Last year KB Home ranked in the top 3 in Las Vegas and Austin for customer satisfaction. "We are pleased to see the results of our hard work pay off with higher overall customer satisfaction, but we won't be satisfied until we reach number one in all of our markets," said Karatz.

About JD Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is an ISO 9001-registered global marketing information services firm operating in key business sectors, including market research, forecasting, consulting, training and customer satisfaction. The firm's quality and satisfaction measurements are based on responses from millions of consumers annually. J.D. Power and Associates can be accessed through the World Wide Web at www.jdpower.com.

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 areas of the country including Arizona, California, Colorado, Florida, Georgia, Illinois, Indiana, Nevada, New Mexico, North Carolina, South Carolina and Texas. Kaufman & Broad S.A., the company's majority-owned subsidiary, is one of the largest homebuilders in France. In fiscal 2003, the company delivered homes to 27,331 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 kbhome.com.

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