



News release



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“MOM, DAD, WHAT HAPPENED TO MY ROOM?”

As the nest empties, national survey finds parents are replacing kids' rooms with home offices

LOS ANGELES, CA (August 16, 2006) – As millions of kids pack up for college this fall, KB Home (NYSE: KBH), one of the nation's premier homebuilders, found in a nationwide survey that 45 percent of adults would opt to convert their child's bedroom into a home office or study, once their child leaves home.

While there was virtually no difference in responses between men and women, those more likely to turn the spare room into an office or study tended to be more affluent (49% of those making over \$100,000), have children (54%) and be college graduates (50%) themselves.

Seventeen percent of respondents would convert the child's room into a craft or hobby room, 11% would opt for a home gym and 10% would convert the space into a home theater or media room.

“Many homeowners select homes with flexible floorplans, which enable them to easily convert rooms as family members move out and, very often, back in,” said Caroline Shaw, KB Home senior vice president, corporate communications. “This survey indicates that as the nest empties, parents are finding new ways to make their homes work for their changing needs and family dynamics. Many of KB homes are built with that purpose in mind, bedrooms and lofts can easily serve as game rooms and homework centers when children are young and then evolve into home offices, hobby rooms or even home gyms once the kids have left the house.”

Among the thousands of design choices available to new homebuyers at the KB Home Studio, are pre-wiring packages which enable the home to keep up with new technologies, from high speed internet connectivity ideal for a home office, to surround sound for the perfect home theater experience.

The telephone survey of 1000 adults was conducted during the week of August 6-10 by KCR Research with a +/-3.1% margin of error.

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, Louisiana and Texas; and Southeast—Florida, Georgia, Maryland, North Carolina, South Carolina and Virginia. Kaufman & Broad S.A., the Company's publicly-traded French subsidiary, is one of the leading homebuilders in France. In fiscal 2005, the Company delivered homes to 37,140 families in the United States and France. KB Home also offers complete mortgage services through Countrywide KB Home Loans, a joint venture with Countrywide Financial Corporation. Founded in 1957, and ranked the #1 homebuilder in *Fortune* Magazine's 2006 List of America's Most Admired Companies, 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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