

KB HOME
Form FWP
March 27, 2006

Issuer Free Writing Prospectus
 March 27, 2006
 Filed pursuant to Rule 433
 Registration No. 333-120458

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.