

KARATZ BRUCE
Form 4
December 27, 2004

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
KARATZ BRUCE

(Last) (First) (Middle)

10990 WILSHIRE BLVD, #700

(Street)

LOS ANGELES, CA 90024

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
KB HOME [KBH]

3. Date of Earliest Transaction (Month/Day/Year)
12/22/2004

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

Chairman and CEO

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|--------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
| | | | | Code | V Amount or Price | | | |
| Common Stock | 12/22/2004 | | M | | 22,900 A \$ 17.75 | 803,337 | I | by Trust |
| Common Stock | 12/22/2004 | | S | | 22,900 D \$ 104.27 | 780,437 | I | by Trust |
| Common Stock | 12/22/2004 | | M | | 3,000 A \$ 19.06 | 783,437 | I | by Trust |
| Common Stock | 12/22/2004 | | S | | 3,000 D \$ 104.27 | 780,437 | I | by Trust |
| Common Stock | 12/22/2004 | | M | | 56,536 A \$ 21.59 | 836,973 | I | by Trust |

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| | | | | | | | | | |
|--------------|------------|--|---|---------|---|-----------|-----------|---|----------|
| Common Stock | 12/22/2004 | | S | 56,536 | D | \$ 104.27 | 780,437 | I | by Trust |
| Common Stock | 12/22/2004 | | M | 41,667 | A | \$ 21.59 | 822,104 | I | by Trust |
| Common Stock | 12/22/2004 | | S | 41,667 | D | \$ 104.27 | 780,437 | I | by Trust |
| Common Stock | 12/22/2004 | | M | 11,621 | A | \$ 21.59 | 792,058 | I | by Trust |
| Common Stock | 12/22/2004 | | S | 11,621 | D | \$ 104.27 | 780,437 | I | by Trust |
| Common Stock | 12/22/2004 | | M | 182,722 | A | \$ 22.44 | 963,159 | I | by Trust |
| Common Stock | 12/22/2004 | | S | 182,722 | D | \$ 104.27 | 780,437 | I | by Trust |
| Common Stock | 12/22/2004 | | M | 20,302 | A | \$ 22.44 | 802,739 | I | by Trust |
| Common Stock | 12/22/2004 | | S | 20,302 | D | \$ 104.27 | 780,437 | I | by Trust |
| Common Stock | 12/22/2004 | | M | 111,252 | A | \$ 23.74 | 891,689 | I | by Trust |
| Common Stock | 12/22/2004 | | S | 111,252 | D | \$ 104.27 | 780,437 | I | by Trust |
| Common Stock | 12/23/2004 | | M | 8,426 | A | \$ 23.74 | 788,863 | I | by Trust |
| Common Stock | 12/23/2004 | | S | 8,426 | D | \$ 101.4 | 780,437 | I | by Trust |
| Common Stock | 12/23/2004 | | M | 225,000 | A | \$ 25 | 1,005,437 | I | by Trust |
| Common Stock | 12/23/2004 | | S | 225,000 | D | \$ 101.4 | 780,437 | I | by Trust |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|--------------------------------------------|------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|----------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------|
|--------------------------------------------|------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|----------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------|

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| | Derivative Security | | Code | Disposed of (D) (Instr. 3, 4, and 5) | | Date Exercisable | Expiration Date | Title | A N S |
|-------------------------------------------|---------------------|------------|------|-----------------------------------------|---------|------------------|-----------------|--------------|-------------|
| | | | | (A) | (D) | | | | |
| Non-Qualified Stock Option (right to buy) | \$ 17.75 | 12/22/2004 | M | | 22,900 | 10/24/2002 | 10/24/2014 | Common Stock | 2 |
| Non-Qualified Stock Option (right to buy) | \$ 19.06 | 12/22/2004 | M | | 3,000 | 07/29/1996 | 07/28/2008 | Common Stock | |
| Non-Qualified Stock Option (right to buy) | \$ 21.59 | 12/22/2004 | M | | 56,536 | 12/05/2000 | 12/04/2012 | Common Stock | 5 |
| Non-Qualified Stock Option (right to buy) | \$ 21.59 | 12/22/2004 | M | | 41,667 | 12/05/2000 | 12/04/2012 | Common Stock | 4 |
| Non-Qualified Stock Option (right to buy) | \$ 21.59 | 12/22/2004 | M | | 11,621 | 12/05/2000 | 12/04/2012 | Common Stock | 1 |
| Non-Qualified Stock Option (right to buy) | \$ 22.44 | 12/22/2004 | M | | 182,722 | 11/30/2001 | 11/30/2013 | Common Stock | 1 |
| Non-Qualified Stock Option (right to buy) | \$ 22.44 | 12/22/2004 | M | | 20,302 | 11/30/2001 | 11/30/2013 | Common Stock | 2 |
| Non-Qualified Stock Option (right to buy) | \$ 23.74 | 12/22/2004 | M | | 111,252 | 05/27/2001 | 05/27/2013 | Common Stock | 1 |
| Non-Qualified Stock Option (right to buy) | \$ 23.74 | 12/23/2004 | M | | 8,426 | 05/27/2001 | 05/27/2013 | Common Stock | |
| Non-Qualified Stock Option (right to buy) | \$ 25 | 12/23/2004 | M | | 225,000 | 10/13/2003 | 10/13/2015 | Common Stock | 2 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---------------------------------------------|---------------|-----------|------------------|-------|
| | Director | 10% Owner | Officer | Other |
| KARATZ BRUCE 10990 WILSHIRE BLVD #700 | X | | Chairman and CEO | |

LOS ANGELES, CA 90024

Signatures

KIMBERLY N. KING, Attorney in Fact for Bruce
Karatz

12/23/2004

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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