

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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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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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