

IMPORTANT DISCLOSURE REGARDING ESTIMATED ENERGY AND UTILITY COSTS, SAVINGS, AND PERCENTAGE COMPARISONS; ENERGY PERFORMANCE GUIDES; ENERGY STAR[®]; AND WaterSense[®].**

YOUR ACTUAL ENERGY CONSUMPTION AND COSTS WILL VARY. PLEASE READ AND ACKNOWLEDGE THE IMPORTANT INFORMATION BELOW.

By signing the acknowledgment below, Buyer understands and acknowledges that Seller does not warrant or guarantee that Buyer's actual energy or utility costs for its home will match any specific or estimated energy or utility costs, savings, reductions, or percentage comparisons, or any other similar measurements, values, or comparisons communicated by Seller to Buyer or to others (whether oral, written, or electronic communications), all of which shall be referred to herein as "Energy/Utility Metrics." The Energy/Utility Metrics have been provided for guidance *only* and it is unlikely they will match the actual Energy/Utility Metrics for any particular household. Since the Energy/Utility Metrics are merely estimates for Buyer's general informational purposes, Buyer is cautioned against and should not rely solely or substantially on any such estimates in making a decision to purchase any particular KB home plan or a KB home.

The Energy/Utility Metrics were estimated at a specific point of time based on a specific and limited set of assumptions. Additionally, the Energy/Utility Metrics calculations are based on assumptions and estimates related to typical residential use of a home, and not for a home that is used for non-typical residential usage (for example, homes used for business purposes or, for further example, where residents have medical conditions that require special medical equipment or any other non-typical residential use). Buyer understands and acknowledges that Seller does not warrant or guarantee that any such Energy/Utility Metrics will remain the same if tested, evaluated, measured, or compared at any time after the original estimation, and Seller cautions Buyer that the actual Energy/Utility Metrics for any particular home will vary over time. Even if the home is built as designed per the relevant home plan, Buyer's actual energy and other utility costs will vary over time, and may vary substantially, and will depend on a number of factors, including but not limited to personal utility usage preferences, Buyers' energy conservation practices, the rates, fees, and charges of local energy or other utility providers, daily activities, home maintenance practices, household size, use of appliances, lighting and internal climate control systems, the surrounding climate and weather conditions, and many other variable items. Buyer understands and acknowledges that in no circumstance are the Energy/Utility Metrics intended to reflect the actual costs, performance, or Energy/Utility Metrics that Buyer will experience based on his or her use of a KB home.

Seller does not represent, warrant, or guarantee that all homes or that any specific home sold by Seller has been rated by certified independent energy raters. For certain homes, Seller retains certified independent energy raters to provide the relative KB home energy efficiency level shown based on the relevant home plan as designed, not as built, using software certified by the

California Energy Commission (CEC) and CEC-mandated inputs and certain assumed conditions. The relative typical new home energy efficiency level shown represents a home as built to the 2008 California Building Energy Efficiency Standards (Standards). More information about the Standards and the California Home Energy Rating System (HERS) Program, under which the relative energy efficiency levels shown have been generated, can be found on the CEC's website at <http://www.energy.ca.gov>.

The relative KB home energy efficiency level is a measurement of the home plan's energy efficiency against the energy efficiency level of a home as built to the Standards, but it is not a warranty or guarantee of energy utility costs or savings. The relative resale home energy efficiency range is a comparison to the energy efficiency level of a home as built to the Standards. The percentage markers shown on the Energy Performance Guide scale are intended solely as a general aid in displaying relative energy efficiency compared to the Standards, and do not represent an actual, expected or potential energy efficiency level that may be achieved by any resale home, new home built to the Standards, or as-built KB home.

Such relative energy efficiency level may be displayed on an Energy Performance Guide for the home or other materials or communications regarding the home or homes within the same community. Seller's Energy Performance Guide and any other Seller or Seller representative communication or other provision of Energy/Utility Metrics shall be referred to herein as "Energy/Utility Guides." Buyer is advised that, Buyer's home may not have been tested by energy raters to determine the relative energy efficiency level. Buyer understands and acknowledges that Seller cannot guarantee that a relative energy efficiency level, or any other energy performance rating, determined for any particular home after it is built will be equal to or lower than the relative energy efficiency level or rating for the home as designed pursuant to the applicable plan and/or shown on an Energy/Utility Guide.

The estimated monthly electric and gas energy bill cost shown on the Energy Performance Guide is also generated from CEC-certified software using assumptions about annual energy use solely from the home's climate control heating and cooling systems and water heating systems that are included as standard with the relevant home plan, and average local energy utility rates available at the time the estimate is calculated.

By signing the acknowledgment below, Buyer acknowledges that Buyer has received and reviewed the KB Home Energy Performance Guide, which includes an explanation of the relative energy efficiency level and applicable disclaimers. For general reference, a sample Energy Performance Guide is attached to the end of this disclosure as Exhibit A. Buyer also acknowledges receipt and review of all other Energy/Utility Guides provided to Buyer and acknowledges all disclaimers and qualifying statements contained therein. As provided in the KB Home Limited Warranty, the home is built in substantial conformance with applicable state and local building codes, including energy efficiency requirements, if any. Please refer to the KB Home Limited Warranty, the full extent of which is incorporated herein, for additional information and disclosures.

For more information, see:

<http://www.resnet.us>

<http://www.energystar.gov/>

(CA only) © 2011 KB HOME. All rights reserved.

http://www.energystar.gov/index.cfm?c=new_homes.hm_index

<http://www.epa.gov/WaterSense/>

<http://www.energysavers.gov/>

http://www.energysavers.gov/your_home/

http://www.energysavers.gov/tips/home_energy.cfm

http://www.energysavers.gov/tips/heating_cooling.cfm

<http://www.energysavers.gov/tips/thermostats.cfm>

California: <http://www.energy.ca.gov>

<http://www.energyalmanac.ca.gov/>

**ENERGY STAR and WaterSense are registered trademarks of the U.S. Environmental Protection Agency. No affiliation with the U.S. Environmental Protection Agency is intended or implied by references in any of Seller's marketing materials or other descriptions of the home as an ENERGY STAR qualified home or the descriptions of any faucets, fixtures, showerheads, or toilets as WaterSense.