

$\underline{\mathsf{KB}}\ \mathsf{HOME}\ \mathsf{ENERGY}\ \mathsf{SAVINGS}\ \mathsf{COMPARISON^{\mathsf{TM}}}\ \mathsf{DISCLOSURE}\ \mathsf{SHEET}$

KB Home's Energy Savings Comparison, or ESC, provides an *estimate* of monthly energy costs for a KB home *as designed (not as built)*, and information about the KB home's energy efficiency and estimated energy cost savings compared to the estimated monthly energy costs for the Reference or used home. We may provide similar or updated energy-related information in other materials and communications and in person at our new home communities. *Your actual energy costs and savings in using a KB home will vary from any estimates or measurements we provide.*

How are the energy costs and cost savings on the ESC estimated?

- > Per the California Energy Commission (CEC) Home Energy Rating System Program ("Program"), CEC-certified independent energy raters estimate the ESC energy costs and savings at a certain point in time using CEC-certified computer software and CEC-mandated inputs and certain assumed conditions as to specific standard features of a particular KB home as designed. The estimates are based on the heating and cooling systems, appliances and lighting that are included as standard items with the as-designed KB home and average local energy utility rates available at the time of estimation. Gas utilities may not be available in some communities and the estimated ESC energy costs and savings in those communities will reflect only electrical utilities. The estimated savings shown on the ESC compares the as-designed KB home's estimated energy costs to a calculation of energy costs of a vintage home (built in 1984-1991) of similar overall square footage (without accounting for layout or household size), as published by the CEC, or, for appliances and lighting, assumed for that period and average local energy utility rates available at the time of determination.
- ➤ If a solar energy system is required on the home due to California energy regulations, then the estimated energy cost and savings shown for the asdesigned KB home is based on owning the solar energy system. If buyer leases the required solar energy system, then the lease monthly payment will increase the as-designed KB home estimated energy cost. For more information, see kbhome.com/solar.
- > The estimates do not account for the addition and/or inclusion of any items that are not included as standard with the as-designed KB home (including those described below), or for non-typical residential use of a home, such as for business purposes or to support residents with medical conditions that require special equipment. The estimates also do not include or take into account any applicable local, state or federal taxes and/or regulatory or energy utility provider-imposed fees, tariffs or charges.

How is a home's energy efficiency determined?

- > Per the CEC Program, a home's energy efficiency is measured on a relative basis with a home built to the 2008 California Building Energy Efficiency Standards, for CA 2016 Title 24, using the % scale, or the 2006 International Energy Conservation Code (IECC) specifications, for CA 2019 Title 24, using the Energy Design Rating scale (Standards). For the ESC, a CEC-certified independent energy rater determines a KB home's as-designed energy efficiency level using the CEC-certified software that calculates the estimated energy costs and savings shown on the ESC.
- > A CEC-certified independent energy rater determines a home's as-built energy efficiency level using both the CEC-certified software and physical inspections. We do not warrant or guarantee that an energy efficiency level for an as-built KB home will be equal to or lower than the KB home's as-designed level as shown on its ESC, or that any energy efficiency level or estimated energy costs or savings on any ESC will be the same if measured after its original determination.

What are the comparison Reference and used homes on the ESC?

- > Per the CEC Program, the comparison Reference home is a home as built to the Standards. The used 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 ESC scale are intended solely as a general aid in displaying energy efficiency compared to the Standards, and do not represent an actual, expected or potential energy efficiency level that may be achieved by any new or used home, or any as-built KB home.
- > Please note that a typical new or used home in a given location in California may have better energy efficiency than the comparison Reference or used homes on the ESC, and any one typical new or used home may have better or worse energy efficiency or energy-related costs than the comparisons shown on the ESC.

Will my KB home have the same energy costs and savings as the estimates shown on the ESC?

- > No. The energy costs and savings estimates shown on the ESC are estimates only and are not intended to predict or guarantee the actual results you will experience based on your use of a KB home. Therefore, we caution you against and you should not rely solely or substantially on such estimates in making a decision to purchase any particular KB home or KB home design plan. We do not warrant or guarantee that your actual results in using a KB home will match, achieve or maintain the specific or estimated information on the ESC that may be provided for the home or any other KB home or home design plan, or that you will experience zero energy-related costs or receive any bill credits or other compensation from an energy utility provider. ESC is the same as (and formerly known as) the KB Home Energy Performance Guide or EPG®. Even if a KB home is built as designed per its plan, your actual results will vary over time, and may vary substantially, based on a number of factors and variables. These include, among many others:
- the number of people in your household; your energy use and conservation practices; your daily activities; the inside temperature you maintain
- the number, use, age, type, operating condition and your maintenance and servicing of appliances, lighting and internal climate control systems and electronic equipment
- changes in the methodology and factors used to estimate the energy costs and savings shown on the ESC
- the rates, fees, and charges of local energy or other utility providers and any applicable taxes or regulatory charges, which may increase over time and depend on the rate plan you choose
- surrounding climate and weather conditions; the location, orientation and manner in which a home is built; variations in building materials and methods used to build a home, and the size of an as-built home
- the addition and/or inclusion with an as-built home of any system(s), window(s), room(s), appliance(s), option(s) and other item(s) that are not included as standard with the as-designed home
- your home may have been built before the applicable ESC was created for the model home and therefore your home may be different from the model home and may be less energy efficient

Additional Information Sources: http://www.energy.ca.gov (CEC) http://www.energystar.gov http://www.epa.gov/WaterSense** http://www.energysavers.gov http://www.energyalmanac.ca.gov

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