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KB HOME AND NATIONSTAR TO FORM MORTGAGE COMPANY

Builder and national home loan lender to form Home Community Mortgage, which will offer mortgage banking services to new KB homebuyers in communities across the country

LOS ANGELES (January 22, 2013) – KB Home (NYSE: KBH), one of the nation's largest and most recognized homebuilders, today announced that it has entered into an agreement with Nationstar Mortgage LLC, its current preferred mortgage lender and the principal operating subsidiary of Nationstar Mortgage Holdings Inc. (NYSE: NSM), to form Home Community Mortgage, LLC, a limited liability company that will offer an array of mortgage banking services to KB Home customers.

"Creating Home Community Mortgage with Nationstar is the natural progression of our successful alliance," said Jeffrey Mezger, president and chief executive officer of KB Home. "As our relationship with Nationstar has evolved, we have been very pleased with the alignment of the values of our two companies, particularly on our shared focus on achieving world-class customer service. A quality, predictable mortgage process is an essential element of our Built to Order™ business model, and Nationstar's performance as KB Home's preferred mortgage lender has already resulted in more consistent execution."

Nationstar Mortgage, which is also a leading mortgage servicer, offers FHA, VA, USDA, conventional conforming and nonconforming loan products directly to consumers. It is currently one of the largest non-bank mortgage servicers in the country, with a portfolio of approximately \$425 billion and more than 2.5 million customers, on a current pro-forma basis, based on announced acquisitions.

Since entering into a marketing services agreement with KB Home last year, Nationstar loan officers have served KB Home homebuyers on-site in the builder's communities coast-to-coast. Nationstar will continue to operate as KB Home's preferred mortgage lender until Home Community Mortgage is deployed, which is expected in the latter part of this year.

"We are excited to partner with KB Home to form Home Community Mortgage to support home buyers in the largest purchase decision of their lives," said Jay Bray, chief executive officer of Nationstar Mortgage. "This partnership showcases our ability to deliver creative solutions to one of the nation's premier homebuilders and our commitment to enhancing the home buying experience by providing accessible financing options to home buyers."





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Nationstar's mortgage banking services are available to KB homebuyers at all of KB Home's communities across the country. To learn more, and locate the community nearest you, visit kbhome.com or call 888-KB-HOMES.

About KB Home

KB Home is one of the largest and most recognized homebuilding companies in the United States. Since its founding in 1957, the company has built more than half a million quality homes. KB Home's signature Built to Order™ approach lets each buyer customize their new home from lot location to floor plan and design features. In addition to meeting strict ENERGY STAR® guidelines, all KB homes are highly energy efficient to help lower monthly utility costs for homeowners, which the company demonstrates with its proprietary KB Home Energy Performance Guide® (EPG®). A leader in utilizing state-of-the-art sustainable building practices, KB Home was named the #1 Green Homebuilder in the most recent study by Calvert Investments and the #1 Homebuilder on FORTUNE magazine's 2011 World's Most Admired Companies list. Los Angeles-based KB Home was the first homebuilder listed on the New York Stock Exchange, and trades under the ticker symbol "KBH." For more information about KB Home's new home communities, call 888-KB-HOMES or visit www.kbhome.com.

About Nationstar Mortgage Holdings Inc.

Based in Lewisville, Texas, as of September 30, 2012, Nationstar serviced over one million residential mortgages with a servicing portfolio totaling \$198 billion in unpaid principal balance. In addition, Nationstar operates an integrated loan origination business, enabling Nationstar to mitigate servicing portfolio run-off and improve credit performance for loan investors. Nationstar currently employs over 4,100 people. Nationstar is listed on the New York Stock Exchange under the symbol "NSM". More information is available at www.nationstarholdings.com.

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