



BEAZER HOMES

Beazer Homes Announces Closing of Trafalgar House Acquisition

December 7, 1998

Atlanta, Georgia, December 7, 1998 - Beazer Homes USA, Inc. (NYSE: BZH) today announced that it has closed its previously announced acquisition of the residential assets of Trafalgar House Property, Inc. ("Trafalgar House"), the US homebuilding operations of Kvaerner PLC.

In November, 1998 Beazer announced that it had signed an agreement to acquire Trafalgar House, the fourth largest homebuilder in the Washington DC metropolitan area, with operations in Virginia, Maryland and New Jersey. The operations being acquired by Beazer are estimated to have 1998 revenues of approximately \$210 million on over 1,000 home closings.

Beazer's previously announced estimated purchase price for Trafalgar House was approximately \$100 million. The actual final purchase price to Beazer was approximately \$90 million. The principal difference between the estimated and final purchase price related to certain properties which have been sold to a third party concurrent with Beazer's closing of the transaction. Beazer has obtained option contracts to purchase finished lots from the acquirer of these properties in the future.

Ian McCarthy, President and Chief Executive Officer of Beazer Homes, said, "We are pleased to announce the closing of our acquisition of Trafalgar House. This acquisition represents our entry into the Mid-Atlantic region and is expected to be accretive to our earnings in fiscal 1999. On a pro forma basis, including Trafalgar House, our backlog at September 30, 1998, which was already up 73%, would have been up over 110%."

Beazer Homes USA, Inc., based in Atlanta, Georgia, is one of the country's ten largest single family homebuilders, with operations in Arizona, California, Florida, Georgia, Maryland, Nevada, New Jersey, North Carolina, South Carolina, Tennessee, Texas and Virginia.