

MEMORANDUM

To: All Members, Participants and Related Parties
 From: BOX Market Operations Center
 Date: March 18, 2005
 Re: **Beazer Homes Inc (BZH) - 3 for 1 Stock Spli**

Beazer Homes Inc (BZH) has declared a 3 for 1 stock split payable to share holders of record on Thursday, March 10, 2005. Distribution date for the stock split will be Tuesday, March 22, 2005. Ex-distribution date for the stock split will be Wednesday, March 23, 2005.

The Options Clearing Corporation (OCC), pursuant to OCC By-Laws, intends to issue on the distribution date (2) additional BZH option contracts for each option contract held. Further, on the ex-distribution date each BZH series will have an adjusted exercise (strike) price equal to 1/3 of the exercise (strike) price for each BZH series existing on the business day preceding the ex-distribution date. For example, beginning on Wednesday, March 23, 2005 an account holding (2) BZH APR 130 calls (BZH DF) will hold (6) BZH APR 43 3/8 calls (BZH DR). Customers should be advised that (1) contract in the adjusted BZH series will still represent 100 shares of BZH common shares.

Adjustment Date: Effective on Wednesday, March 23, 2005
 Underlying Stock Symbol: Remains the same- BZH
 OPRA Option Symbol: Remains the same- BZH
 Number of Contracts: 3
 Strike Prices: Reduced by dividing existing strikes by 3 and rounded to the eighth
 Multiplier: 100 (e.g. Premium of 1.00=\$100)
 New Deliverable: Remains the same- 100 Shares of Beazer Homes Inc

POSITION/EXERCISE LIMITS:

Position and exercise limits will change to 94,500 contracts (9,450,000 shares) until the expiration date of January 20, 2007. At which time the position limits will revert to the 31,500 contracts (3,150,000 shares) standard.

GOOD-TILL-CANCELLED (GTC) ORDERS:

On Tuesday, March 22, 2005, after the BOX market close, all resting orders for the BZH options in the BOX order book will be cancelled by the BOX Market Operations Center. If a BOX Participant wishes to enter orders for the adjusted BZH series, the BOX Participant will need to reenter the orders before the open on Wednesday, March 23, 2005.

Please be advised any additional series added prior to the ex-date will also be adjusted in the manner described above. The resulting list of adjusted strike prices and symbols is as follows:

Beazer Homes Inc (BZH) (Before 3/23/2005) (1 Contract)					Beazer Homes Inc (BZH) (Beginning 3/23/2005) (3 Contracts)				
			Calls	Puts			Calls	Puts	
BZH	APR	130	DF	PF	BZH	APR	43 3/8	DR	PR
BZH	APR	135	DG	PG	BZH	APR	45	DI	PI
BZH	APR	140	DH	PH	BZH	APR	46 5/8	DS	PS
BZH	APR	145	DI	PI	BZH	APR	48 3/8	DT	PT
BZH	APR	150	DJ	PJ	BZH	APR	50	DJ	PJ

Beazer Homes Inc (BZH) (Before 3/23/2005) (1 Contract)					Beazer Homes Inc (BZH) (Beginning 3/23/2005) (3 Contracts)				
			Calls	Puts				Calls	Puts
BZH	APR	155	DK	PK	BZH	APR	51 5/8	DU	PU
BZH	APR	160	DL	PL	BZH	APR	53 3/8	DV	PV
BZH	APR	165	DM	PM	BZH	APR	55	DK	PK
BZH	APR	170	DN	PN	BZH	APR	56 5/8	DW	PW
BZH	APR	175	DO	PO	BZH	APR	58 3/8	DX	PX
BZH	APR	180	DP	PP	BZH	APR	60	DL	PL
BAD	APR	185	DQ	MQ	BAD	APR	61 5/8	DY	PY
BAD	APR	190	DR	MR	BAD	APR	63 3/8	DZ	PZ
BAD	APR	195	DS	MS	BAD	APR	65	DM	PM
BAD	APR	200	DT	MT	BAD	APR	66 5/8	DA	PA
BZH	MAY	65	EV	QV	BZH	MAY	21 5/8	EA	QA
BZH	MAY	70	EW	QW	BZH	MAY	23 3/8	EB	QB
BZH	MAY	75	EX	QX	BZH	MAY	25	EE	QE
BZH	MAY	80	EY	QY	BZH	MAY	26 5/8	EC	QC
BZH	MAY	85	EQ	QQ	BZH	MAY	28 3/8	ED	QD
BZH	MAY	90	ER	QR	BZH	MAY	30	EF	QF
BZH	MAY	95	ES	QS	BZH	MAY	31 5/8	EM	QM
BZH	MAY	100	ET	QT	BZH	MAY	33 3/8	EN	QN
BZH	MAY	105	EA	QA	BZH	MAY	35	EG	QG
BZH	MAY	110	EB	QB	BZH	MAY	36 5/8	EO	QO
BZH	MAY	115	EC	QC	BZH	MAY	38 3/8	EP	QP
BZH	MAY	120	ED	QD	BZH	MAY	40	EH	QH
BZH	MAY	125	EE	QE	BZH	MAY	41 5/8	EQ	QQ
BZH	MAY	130	EF	QF	BZH	MAY	43 3/8	ER	QR
BZH	MAY	135	EG	QG	BZH	MAY	45	EI	QI
BZH	MAY	140	EH	QH	BZH	MAY	46 5/8	ES	QS
BZH	MAY	145	EI	QI	BZH	MAY	48 3/8	ET	QT
BZH	MAY	150	EJ	QJ	BZH	MAY	50	EJ	QJ
BZH	MAY	155	EK	QK	BZH	MAY	51 5/8	EU	QU
BZH	MAY	160	EL	QL	BZH	MAY	53 3/8	EV	QV
BZH	MAY	165	EM	QM	BZH	MAY	55	EK	QK
BZH	MAY	170	EN	QN	BZH	MAY	56 5/8	EW	QW
BZH	MAY	175	EO	QO	BZH	MAY	58 3/8	EX	QX
BZH	MAY	180	EP	QP	BZH	MAY	60	EL	QL
BAD	MAY	185	EQ	QQ	BAD	MAY	61 5/8	EY	QY
BAD	MAY	190	ER	QR	BAD	MAY	63 3/8	EZ	QZ
BAD	MAY	195	ES	QS	BAD	MAY	65	EM	QM
BZH	AUG	90	HR	TR	BZH	AUG	30	HF	TF
BZH	AUG	95	HS	TS	BZH	AUG	31 5/8	HM	TM
BZH	AUG	100	HT	TT	BZH	AUG	33 3/8	HN	TN
BZH	AUG	105	HA	TA	BZH	AUG	35	HG	TG
BZH	AUG	110	HB	TB	BZH	AUG	36 5/8	HO	TO
BZH	AUG	115	HC	TC	BZH	AUG	38 3/8	HP	TP
BZH	AUG	120	HD	TD	BZH	AUG	40	HH	TH
BZH	AUG	125	HE	TE	BZH	AUG	41 5/8	HQ	TQ
BZH	AUG	130	HF	TF	BZH	AUG	43 3/8	HR	TR
BZH	AUG	135	HG	TG	BZH	AUG	45	HI	TI
BZH	AUG	140	HH	TH	BZH	AUG	46 5/8	HS	TS
BZH	AUG	145	HI	TI	BZH	AUG	48 3/8	HT	TT
BZH	AUG	150	HJ	TJ	BZH	AUG	50	HJ	TJ
BZH	AUG	155	HK	TK	BZH	AUG	51 5/8	HU	TU
BZH	AUG	160	HL	TL	BZH	AUG	53 3/8	HV	TV
BZH	AUG	165	HM	TM	BZH	AUG	55	HK	TK

BZH	AUG	170	HN	TN	BZH	AUG	56 5/8	HW	TW
BZH	AUG	175	HO	TO	BZH	AUG	58 3/8	HX	TX
BZH	AUG	180	HP	TP	BZH	AUG	60	HL	TL
BAD	AUG	185	HQ	TQ	BAD	AUG	61 5/8	HY	QY
BAD	AUG	190	HR	TR	BAD	AUG	63 3/8	HZ	QZ
BAD	AUG	195	HS	TS	BAD	AUG	65	HM	QM

Beazer Homes Inc - 2006 Leap (WZF)
(Before 3/23/2005)
(1 Contract)

			Calls	Put
WZF	JAN	75	AO	MO
WZF	JAN	80	AP	MP
WZF	JAN	95	AS	MS
WZF	JAN	100	AT	MT
WZF	JAN	105	AA	MA
WZF	JAN	110	AB	MB
WZF	JAN	115	AC	MC
WZF	JAN	120	AD	MD
WZF	JAN	125	AE	ME
WZF	JAN	130	AF	MF
WZF	JAN	140	AH	MH
WZF	JAN	150	AJ	MJ
WZF	JAN	155	AK	MK
WZF	JAN	160	AL	ML
WZF	JAN	165	AM	MM
WZF	JAN	170	AN	MN
WZF	JAN	175	AO	MO
WZF	JAN	180	AP	MP
WZF	JAN	185	AQ	MQ
WZF	JAN	190	AR	MR

Beazer Homes Inc - 2006 Leap (WZF)
(Beginning 3/23/2005)
(3 Contracts)

			Calls	Put
WZF	JAN	25	AE	ME
WZF	JAN	26 5/8	AC	MC
WZF	JAN	31 5/8	AM	MM
WZF	JAN	33 3/8	AN	MN
WZF	JAN	35	AG	MG
WZF	JAN	36 5/8	AO	MO
WZF	JAN	38 3/8	AP	MP
WZF	JAN	40	AH	MH
WZF	JAN	41 5/8	AQ	MQ
WZF	JAN	43 3/8	AR	MR
WZF	JAN	46 5/8	AS	MS
WZF	JAN	50	AJ	MJ
WZF	JAN	51 5/8	AU	MU
WZF	JAN	53 3/8	AV	MV
WZF	JAN	55	AK	MK
WZF	JAN	56 5/8	AW	MW
WZF	JAN	58 3/8	AX	MX
WZF	JAN	60	AL	ML
WZF	JAN	61 5/8	AY	MY
WZF	JAN	63 3/8	AZ	MZ

Beazer Homes Inc - 2007 Leap (VZE)
(Before 3/23/2005)
(1 Contract)

			Calls	Put
VZE	JAN	95	AS	MS
VZE	JAN	100	AT	MT
VZE	JAN	105	AA	MA
VZE	JAN	110	AB	MB
VZE	JAN	115	AC	MC
VZE	JAN	120	AD	MD
VZE	JAN	125	AE	ME
VZE	JAN	130	AF	MF
VZE	JAN	140	AH	MH
VZE	JAN	150	AJ	MJ
VZE	JAN	155	AK	MK
VZE	JAN	160	AL	ML
VZE	JAN	165	AM	MM
VZE	JAN	170	AN	MN
VZE	JAN	175	AO	MO
VZE	JAN	180	AP	MP
VZE	JAN	185	AQ	MQ
VZE	JAN	190	AR	MR

Beazer Homes Inc - 2007 Leap (VZE)
(Beginning 3/23/2005)
(3 Contracts)

			Calls	Put
VZE	JAN	31 5/8	AM	MM
VZE	JAN	33 3/8	AN	MN
VZE	JAN	35	AG	MG
VZE	JAN	36 5/8	AO	MO
VZE	JAN	38 3/8	AP	MP
VZE	JAN	40	AH	MH
VZE	JAN	41 5/8	AQ	MQ
VZE	JAN	43 3/8	AR	MR
VZE	JAN	46 5/8	AS	MS
VZE	JAN	50	AJ	MJ
VZE	JAN	51 5/8	AU	MU
VZE	JAN	53 3/8	AV	MV
VZE	JAN	55	AK	MK
VZE	JAN	56 5/8	AW	MW
VZE	JAN	58 3/8	AX	MX
VZE	JAN	60	AL	ML
VZE	JAN	61 5/8	AY	MY
VZE	JAN	63 3/8	AZ	MZ

Questions regarding this release may be directed to the BOX Market Operations Center at 1-781-759-1401 or 1-866-768-8845 Toll Free.

