

LENNAR[®]

Additional Unconsolidated Joint Venture Disclosures

Disclaimer Statement

This presentation includes "forward-looking statements," as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements regarding our business, financial condition, results of operations, cash flows, strategies and prospects. You can identify forward-looking statements by the fact that these statements do not relate strictly to historical or current matters. Rather, forward-looking statements relate to anticipated or expected events, activities, trends or results. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements. These factors include those described under the caption "Risk Factors" in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission. We do not undertake any obligation to update forward-looking statements, except as required by federal securities laws.



Our unconsolidated JV disclosures are made in accordance with generally accepted accounting principles. Based upon investor / analyst requests, we are providing additional joint venture disclosures which we believe will be useful in evaluating our joint ventures. Highlighted below are the new disclosures included in each section:

- Detailed JV Information
 - New – Ten Largest Joint Venture Investments
 - New – Types of Joint Venture Partners

- Detailed JV Debt Disclosures
 - New – JV Composition by Type of Debt
 - New – Lennar Cash Payments for Recourse Reductions
 - New – Future JV Debt Maturities

- Corporate Governance
 - New – Summary of our JV Corporate Governance
 - New – JV Interests are Prohibited From Being Pledged



Detailed JV Information



Detailed Joint Venture Information

New - Ten Largest Joint Venture Investments

10 Largest Joint Ventures (based on LEN investment) as of February 28, 2009

(Dollars in Thousands)

| Joint Venture Name | JV Partner Type | JV Type | Year Formed | Location | LEN Investment | Total JV Assets | Gross Recourse Debt to Lennar | Reimbursement Agreements | Net Recourse Debt to Lennar | Total Debt Without Recourse to Lennar | Total JV Debt | Total JV Equity | JV Debt to Total Capital Ratio | Remaining Homes/Homesites in JV |
|--|-----------------------|---------|-------------|-------------------|-------------------|---------------------|-------------------------------|--------------------------|-----------------------------|---------------------------------------|---------------------|---------------------|--------------------------------|---------------------------------|
| Platinum Triangle Partners, LLC | Strategic | Land | 2004 | Orange County, CA | \$ 95,587 | \$ 270,782 | \$ 74,889 | \$ 37,445 | \$ 37,444 | \$ - | \$ 74,889 | \$ 188,689 | 28% | 3,477 |
| Asante LH, LLC | Financial / Developer | Land | 2007 | Phoenix, AZ | 85,122 | 187,461 | - | - | - | - | - | 170,734 | - | 4,067 |
| Heritage Fields El Toro, LLC | Financial | Land | 2005 | Orange County, CA | 83,043 | 1,429,677 | - | - | - | 544,242 | 544,242 | 664,503 | 45% | 4,895 |
| Runkle Canyon, LLC | HB | Land | 2005 | Los Angeles, CA | 36,467 | 74,167 | - | - | - | - | - | 72,616 | - | 461 |
| Bellevue Towers Investors, LLC | Financial | HB | 2005 | Seattle, WA | 29,897 | 423,072 | - | - | - | 309,481 | 309,481 | 88,316 | 78% | 536 |
| Lennar Intergulf (Central Park), LLC | Strategic | HB | 2005 | Orange County, CA | 25,100 | 184,232 | 50,456 | 25,228 | 25,228 | 75,685 | 126,141 | 49,556 | 72% | 240 |
| MS Rialto Residential Holdings, LLC | Financial | Land | 2007 | National | 21,322 | 552,740 | - | - | - | 203,841 | 203,841 | 316,937 | 39% | 10,106 |
| Lennar Intergulf (Pacific), LLC | Strategic | HB | 2004 | San Diego, CA | 20,659 | 94,707 | 15,000 | - | 15,000 | 34,678 | 49,678 | 40,372 | 55% | 151 |
| Ballpark Village, LLC | Land Owner | Land | 2004 | San Diego, CA | 19,808 | 96,888 | - | - | - | 58,910 | 58,910 | 37,335 | 61% | 1,455 |
| USH/SVA Star Valley, LLC | HB | Land | 2001 | Tucson, AZ | 18,642 | 45,318 | 4,052 | - | 4,052 | 4,051 | 8,103 | 37,213 | 18% | 4,176 |
| Total JVs | | | | | <u>435,647</u> | <u>3,359,044</u> | <u>144,397</u> | <u>62,673</u> | <u>81,724</u> | <u>1,230,888</u> | <u>1,375,285</u> | <u>1,666,271</u> | <u>45%</u> | <u>29,564</u> |
| LandSource Communities Development LLC | Financial | Land | 2003 | National | - | 1,737,132 | - | - | - | 1,351,165 | 1,351,165 | (40,774) | 103% | 32,076 |
| Others | | | | | <u>341,165</u> | <u>2,470,298</u> | <u>320,638</u> | <u>59,740</u> | <u>260,898</u> | <u>832,910</u> | <u>1,153,548</u> | <u>1,003,073</u> | <u>53%</u> | <u>73,318</u> |
| Total bank debt | | | | | <u>\$ 776,812</u> | <u>\$ 7,566,474</u> | <u>\$ 465,035</u> | <u>\$ 122,413</u> | <u>\$ 342,622</u> | <u>\$ 3,414,963</u> | <u>\$ 3,879,998</u> | <u>\$ 2,628,570</u> | <u>60%</u> | <u>134,958</u> |
| Land seller and CDD debt | | | | | | | 8,920 | - | 8,920 | 89,501 | 98,421 | | | |
| Total debt | | | | | | | <u>\$ 473,955</u> | <u>\$ 122,413</u> | <u>\$ 351,542</u> | <u>\$ 3,504,464</u> | <u>\$ 3,978,419</u> | | | |
| 10 Largest JVs | | | | | | 44% | 31% | | 24% | 36% | | 64% | | |
| LandSource | | | | | | 23% | - | | - | 40% | | -2% | | |
| Other | | | | | | 33% | 69% | | 76% | 24% | | 38% | | |
| Total | | | | | | <u>100%</u> | <u>100%</u> | | <u>100%</u> | <u>100%</u> | | <u>100%</u> | | |



As of February 28, 2009
(Dollars in Thousands)

| Partner Type | Total JV Assets | Gross Recourse Debt to Lennar | Reimbursement Agreements | Net Recourse Debt to Lennar | Total Debt Without Recourse to Lennar | Total JV Debt | Total JV Equity | JV Debt to Total Capital Ratio | Remaining Homes/Homesites in JV |
|--------------------------|---------------------|-------------------------------|--------------------------|-----------------------------|---------------------------------------|---------------------|---------------------|--------------------------------|---------------------------------|
| LandSource | \$ 1,737,132 | \$ - | \$ - | \$ - | \$ 1,351,165 | \$ 1,351,165 | \$ (40,774) | 103% | 32,076 |
| Land Owners / Developers | 870,945 | 103,066 | - | 103,066 | 228,085 | 331,151 | 392,400 | 46% | 35,915 |
| Other Builders | 887,787 | 127,709 | 8,862 | 118,847 | 270,219 | 397,928 | 404,710 | 50% | 15,644 |
| Financial | 3,442,969 | 87,568 | 50,878 | 36,690 | 1,429,259 | 1,516,827 | 1,551,317 | 49% | 37,596 |
| Strategic | 627,641 | 146,692 | 62,673 | 84,019 | 136,235 | 282,927 | 320,917 | 47% | 13,727 |
| Total bank debt | \$ 7,566,474 | \$ 465,035 | \$ 122,413 | \$ 342,622 | \$ 3,414,963 | \$ 3,879,998 | \$ 2,628,570 | 60% | 134,958 |
| Land seller and CDD debt | | 8,920 | - | 8,920 | 89,501 | 98,421 | | | |
| Total debt | | \$ 473,955 | \$ 122,413 | \$ 351,542 | \$ 3,504,464 | \$ 3,978,419 | | | |

We have a diverse group of joint venture partners:

- ➔ JV with land owners / developers: provides access to homesites owned or controlled by land owner/developer
- ➔ JV with other homebuilders: joint bid on land parcels smarter way to purchase; Examples include Centex, Pulte, KB Home and Toll Brothers
- ➔ JV with financial partners: partner brings the majority of the capital while Lennar manages the venture; Examples include Morgan Stanley, MSD Capital and Stockbridge
- ➔ JV with strategic partners: partner brings specific expertise (e.g., commercial or infill experience); Examples include LNR Property Corp. and Intergulf



Detailed JV Debt Disclosures



As of February 28, 2009
(Dollars in Thousands)

- There has been significant progress on reducing the number of joint ventures, with extra focus on joint ventures with recourse debt

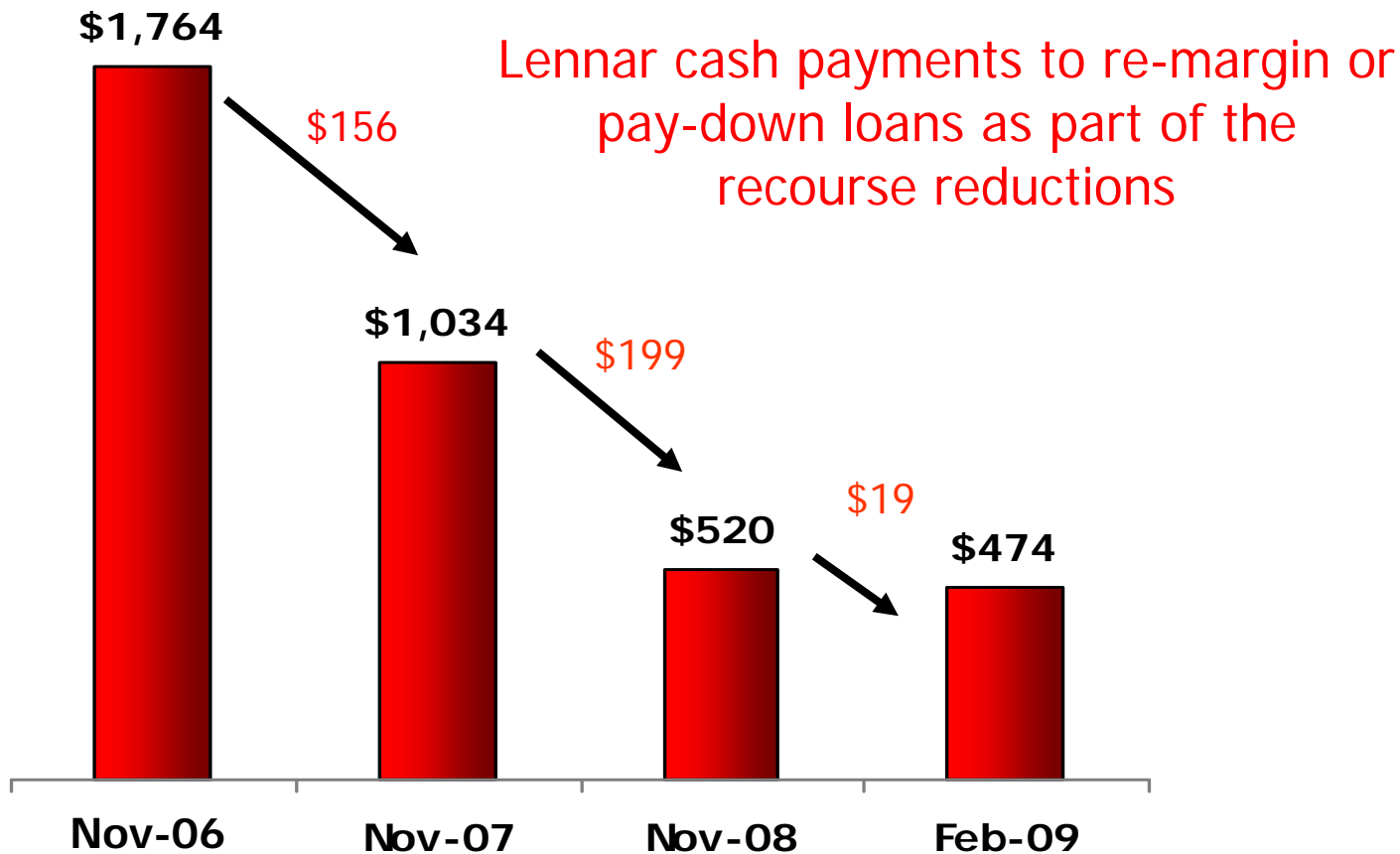
| | <u>Feb-09</u> | <u>Nov-08</u> | <u>Nov-07</u> | <u>Nov-06</u> |
|------------------------------|---------------|---------------|---------------|---------------|
| ✓ JVs with recourse debt | 36 | 41 | 75 | 94 |
| ✓ JVs with non-recourse debt | 23 | 27 | 36 | 44 |
| ✓ JVs without debt | 36 | 48 | 103 | 123 |
| <hr/> | | | | |
| JV total | 95 | 116 | 214 | 261 |

- Joint ventures with recourse debt have substantial assets and equity to support the debt as of February 28, 2009 as follows:

| | |
|-------------------|--------------|
| Total Assets | \$ 2,244,818 |
| Total Liabilities | \$ 1,244,814 |
| Total Equity | \$ 1,000,004 |



(Dollars in Millions)



Detailed JV Debt Disclosures

New - Future JV Debt Maturities

(Dollars in Thousands)

Principal maturities of JVs' debt are as follows:

| | Gross Recourse Debt to Lennar | Reimbursement Agreements | Net Recourse Debt to Lennar | Debt Without Recourse To Lennar Excluding LandSource | Debt Without Recourse To Lennar For LandSource | Totals |
|--------------------------|-------------------------------------|-----------------------------|-----------------------------------|--|---|---------------------|
| 2009 | \$ 214,553 | \$ 8,862 | \$ 205,691 | \$ 528,157 | \$ 1,107,165 | \$ 1,849,875 |
| 2010 | 100,895 | 25,228 | 75,667 | 698,416 | - | 799,311 |
| 2011 | 63,018 | 50,878 | 12,140 | 813,832 | - | 876,850 |
| Thereafter | 86,569 | 37,445 | 49,124 | 23,393 | 244,000 | 353,962 |
| | <u>465,035</u> | <u>122,413</u> | <u>342,622</u> | <u>2,063,798</u> | <u>1,351,165</u> | <u>3,879,998</u> |
| Land seller and CDD debt | 8,920 | - | 8,920 | 76,087 | 13,414 | 98,421 |
| Total JV debt | <u>\$ 473,955</u> | <u>\$ 122,413</u> | <u>\$ 351,542</u> | <u>\$ 2,139,885</u> | <u>\$ 1,364,579</u> | <u>\$ 3,978,419</u> |

- ➔ The above amounts are maturities per current debt agreements and are not estimations of Lennar's cash payments that will be made to reduce debt balances
- ➔ Debt maturities are typically three years, but are often restructured or refinanced at the end of that three-year period
- ➔ Recourse debt reductions occur from a variety of transactions: for example, contributions from all partners (i.e., joint and several debt), asset sales and finance restructurings



Detailed JV Debt Disclosures

Condensed Balance Sheets

(Dollars in Thousands)

| | February 28, 2009 | 2008 | November 30, 2007 | 2006 |
|--|----------------------|---------------------|----------------------|----------------------|
| Assets: | | | | |
| Cash and cash equivalents | \$ 103,950 | \$ 135,081 | \$ 301,468 | \$ 276,501 |
| Inventories | 7,053,539 | 7,115,360 | 7,941,835 | 8,955,567 |
| Other assets | 408,985 | 541,984 | 827,208 | 868,073 |
| | <u>\$ 7,566,474</u> | <u>\$ 7,792,425</u> | <u>\$ 9,070,511</u> | <u>\$ 10,100,141</u> |
| Liabilities and equity: | | | | |
| Accounts payable and other liabilities | \$ 959,485 | \$ 1,042,002 | \$ 1,214,374 | \$ 1,387,745 |
| Debt | 3,978,419 | 4,062,058 | 5,116,670 | 5,001,625 |
| Equity of: | | | | |
| Lennar | 776,812 | 766,752 | 934,271 | 1,447,178 |
| Others | 1,851,758 | 1,921,613 | 1,805,196 | 2,263,593 |
| Total equity | <u>2,628,570</u> | <u>2,688,365</u> | <u>2,739,467</u> | <u>3,710,771</u> |
| | <u>\$ 7,566,474</u> | <u>\$ 7,792,425</u> | <u>\$ 9,070,511</u> | <u>\$ 10,100,141</u> |
| Lennar's equity in JVs | <u>30%</u> | <u>29%</u> | <u>34%</u> | <u>39%</u> |
| Partner's equity in JVs | <u>70%</u> | <u>71%</u> | <u>66%</u> | <u>61%</u> |
| Debt to total capital ratio | <u>60%</u> | <u>60%</u> | <u>65%</u> | <u>57%</u> |
| Debt to total capital ratio (excluding LandSource) | <u>50%</u> | <u>50%</u> | <u>61%</u> | <u>59%</u> |



Detailed JV Debt Disclosures

Detail of Total Debt Balances

(Dollars in Thousands)

| | February 28, 2009 | 2008 | November 30, | |
|---|----------------------|---------------------|---------------------|---------------------|
| | | | 2007 | 2006 |
| Lennar's net recourse exposure | \$ 351,542 | \$ 392,450 | \$ 794,934 | \$ 1,102,920 |
| Reimbursement agreements from partners | 122,413 | 127,428 | 238,692 | 661,486 |
| Lennar's maximum recourse exposure | <u>\$ 473,955</u> | <u>\$ 519,878</u> | <u>\$ 1,033,626</u> | <u>\$ 1,764,406</u> |
| Partner several recourse | \$ 243,366 | \$ 285,519 | \$ 465,641 | \$ 930,177 |
| Non-recourse land seller debt or other debt | 84,660 | 90,519 | 202,048 | 259,191 |
| Non-recourse bank debt with completion guarantees - excl. LandSource | 784,779 | 820,435 | 1,432,880 | 699,588 |
| Non-recourse bank debt with completion guarantees - LandSource | - | - | - | 248,850 |
| Non-recourse bank debt without completion guarantees - excl. LandSource | 1,040,494 | 994,580 | 748,412 | 1,099,413 |
| Non-recourse bank debt without completion guarantees - LandSource | 1,351,165 | 1,351,127 | 1,234,063 | - |
| Non-recourse debt to Lennar | <u>\$ 3,504,464</u> | <u>\$ 3,542,180</u> | <u>\$ 4,083,044</u> | <u>\$ 3,237,219</u> |
| Total debt | <u>\$ 3,978,419</u> | <u>\$ 4,062,058</u> | <u>\$ 5,116,670</u> | <u>\$ 5,001,625</u> |
| Lennar's maximum recourse exposure as a % of total JV debt | <u>12%</u> | <u>13%</u> | <u>20%</u> | <u>35%</u> |



Detailed JV Debt Disclosures

Lennar's Net Recourse Debt Exposure

(Dollars in Thousands)

| | February 28, 2009 | November 30, | | |
|---|----------------------|-------------------|-------------------|---------------------|
| | | 2008 | 2007 | 2006 |
| Sole recourse debt | \$ - | \$ - | \$ - | \$ 18,920 |
| Several recourse debt - repayment | 74,840 | 78,547 | 123,022 | 163,508 |
| Several recourse debt - maintenance | 144,439 | 167,941 | 355,513 | 560,823 |
| Joint and several recourse debt - repayment | 151,047 | 138,169 | 263,364 | 64,473 |
| Joint and several recourse debt - maintenance | 94,709 | 123,051 | 291,727 | 956,682 |
| Land seller and CDD debt recourse exposure | 8,920 | 12,170 | - | - |
| Lennar's maximum recourse exposure | <u>473,955</u> | <u>519,878</u> | <u>1,033,626</u> | <u>1,764,406</u> |
| Less joint and several reimbursement agreements with Lennar's partners | (122,413) | (127,428) | (238,692) | (661,486) |
| Lennar's net recourse exposure | <u>\$ 351,542</u> | <u>\$ 392,450</u> | <u>\$ 794,934</u> | <u>\$ 1,102,920</u> |



Corporate Governance



- Joint ventures have been a successful and consistent business strategy for Lennar since the mid-1970s
- Each joint venture is governed by an executive committee consisting of members from each of the partners of that JV
- We are the managing JV member in approximately 70% of our joint ventures
- Each quarter we perform a comprehensive review of both our wholly-owned and joint venture assets
- Our internal audit department periodically tests our joint ventures to ensure that we are in compliance with the operating agreements and other fiduciary responsibilities
- In transactions with joint ventures in which we are a partner:
 - ✓ When we purchase land from the JV – we defer our pro-rata share of the joint venture's earnings until the home is delivered to a third party
 - We buy homesites in arms-length transactions
 - Purchases are approved by joint venture partner(s)
 - ✓ When we sell land to the JV– we defer a portion of the profit equal to our ownership % until the land is sold to a third party
 - ✓ In both transactions above, any loss that is generated is recognized at the time of the transaction and not deferred



- Lennar has never siphoned cash from one joint venture to another JV
- Lennar has never pledged its interest in any joint venture for the benefit of another JV
- Lennar does not use its investment in one joint venture as collateral for debt in another joint venture
- Lennar does not cross collateralize debt between different joint ventures
- Funds are never commingled among joint ventures
- Lennar currently has no specific performance agreements to purchase homesites from its joint ventures



→ Example – sample language in a loan agreement that prohibits the pledging of our interest in one joint venture for the benefit of another:

“Borrower will not suffer to occur or exist, whether occurring voluntarily or involuntarily, any change in, or Lien or Encumbrance with respect to, the legal or beneficial ownership of any interest in Borrower, provided, that Borrower may cause or permit transfers of membership interests in Borrower to Persons solely owned and controlled by Lennar or Partner.”

