

LENNAR[®]

UBS Building & Building Products
6th Annual CEO Conference
November 2008

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.



Business Overview



- Market weakness has accelerated as a result of increased foreclosures, weakened consumer confidence and tightened mortgage lending standards.**
- Additional government actions will be necessary to help stabilize home prices, which in turn will fortify banks' balance sheets, allowing the return of government capital.**
- While the housing market continues to search for a bottom, we have made significant progress despite this unprecedented downturn.**



**Significant
Progress on Our
Balance Sheet**

**Focus on a Strong Balance Sheet:
Aggressive Asset Management Leading to Strong
Cash Flow Generation and Ample Liquidity**

**Significant
Progress On JV's
& Recourse Debt**

**Focus on Reducing Financial Risk:
Reduce Number of Joint Ventures and
Recourse Debt Exposure**

**Significant
Progress on Rebuilding
Operating Profitability**

**Focus on Rebuilding Operating Profitability:
Improve Gross Margins and Rightsize the
Business**



Jon Jaffe

- COO since 2004
- Lennar associate for 25 years
- Spearheaded many key strategic initiatives

Rick Beckwitt

- EVP since 2006
- Former President of DR Horton
- Chief architect of DR Horton's growth strategy

Emile Haddad

- Chief Investment Officer – responsible for the management of Lennar's asset portfolio
- Lennar associate for over 13 years
- 25 years of real estate experience

Bruce Gross

- CFO since 1997
- Lennar associate for 11 years
- 25 years of real estate experience

Jeff Krasnoff

- Co-founder and former CEO of LNR Property Corp.
- Assisting Lennar with new strategic opportunities
- 32 years of real estate experience



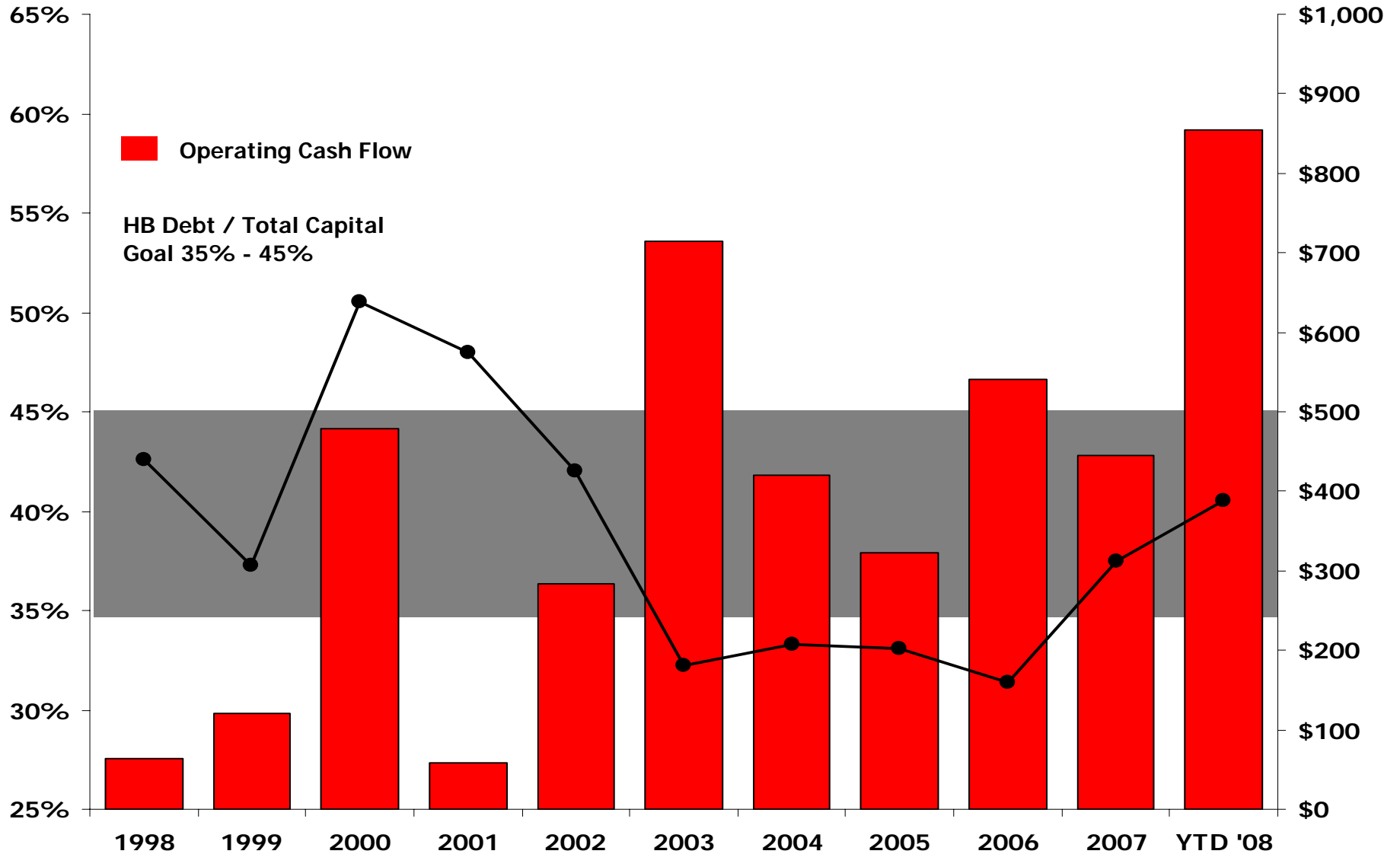
Significant Balance Sheet Progress





Significant Balance Sheet Progress Strong Cash Flow Generation and Low Leverage

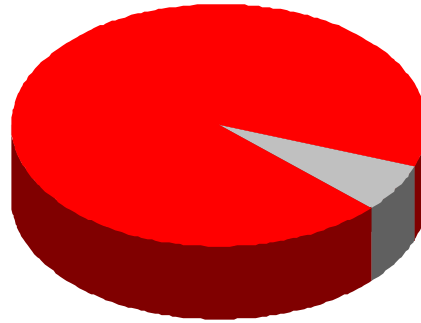
(Dollars in Millions)



Significant Balance Sheet Progress Long-Term Fixed Rate Debt Maturities

At August 31, 2008

*Fixed-rate
Senior Notes
\$2.2B*

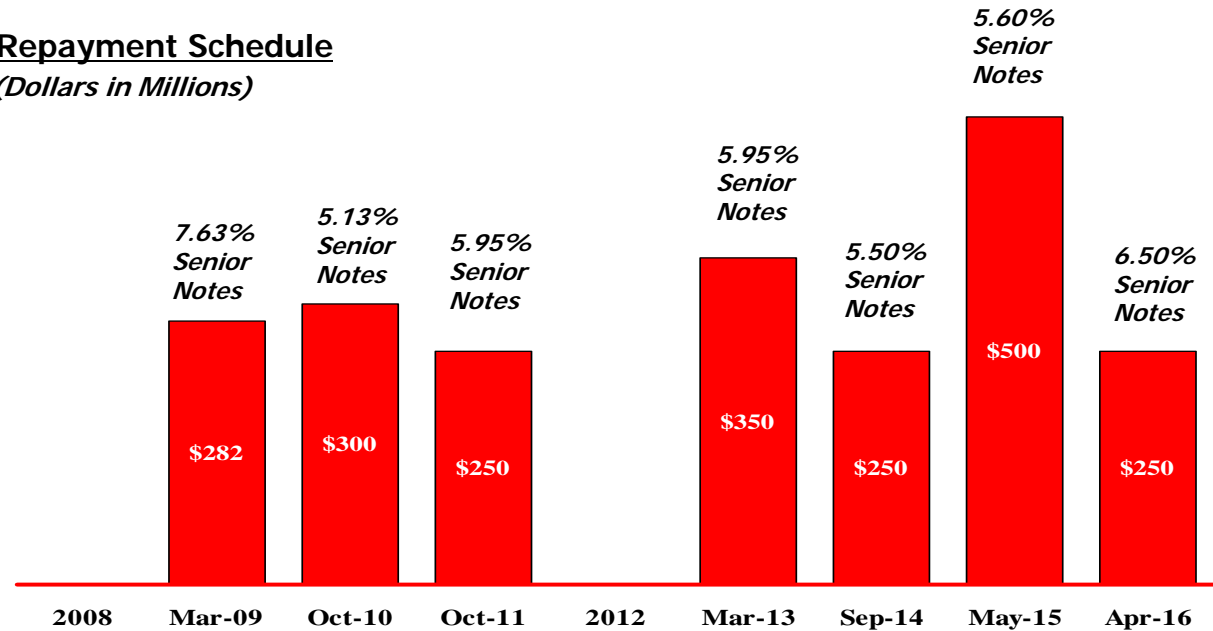


*Other notes
payable
\$0.1B*

Repayment Schedule (Dollars in Millions)

**Weighted average
maturity of 4.4 years**

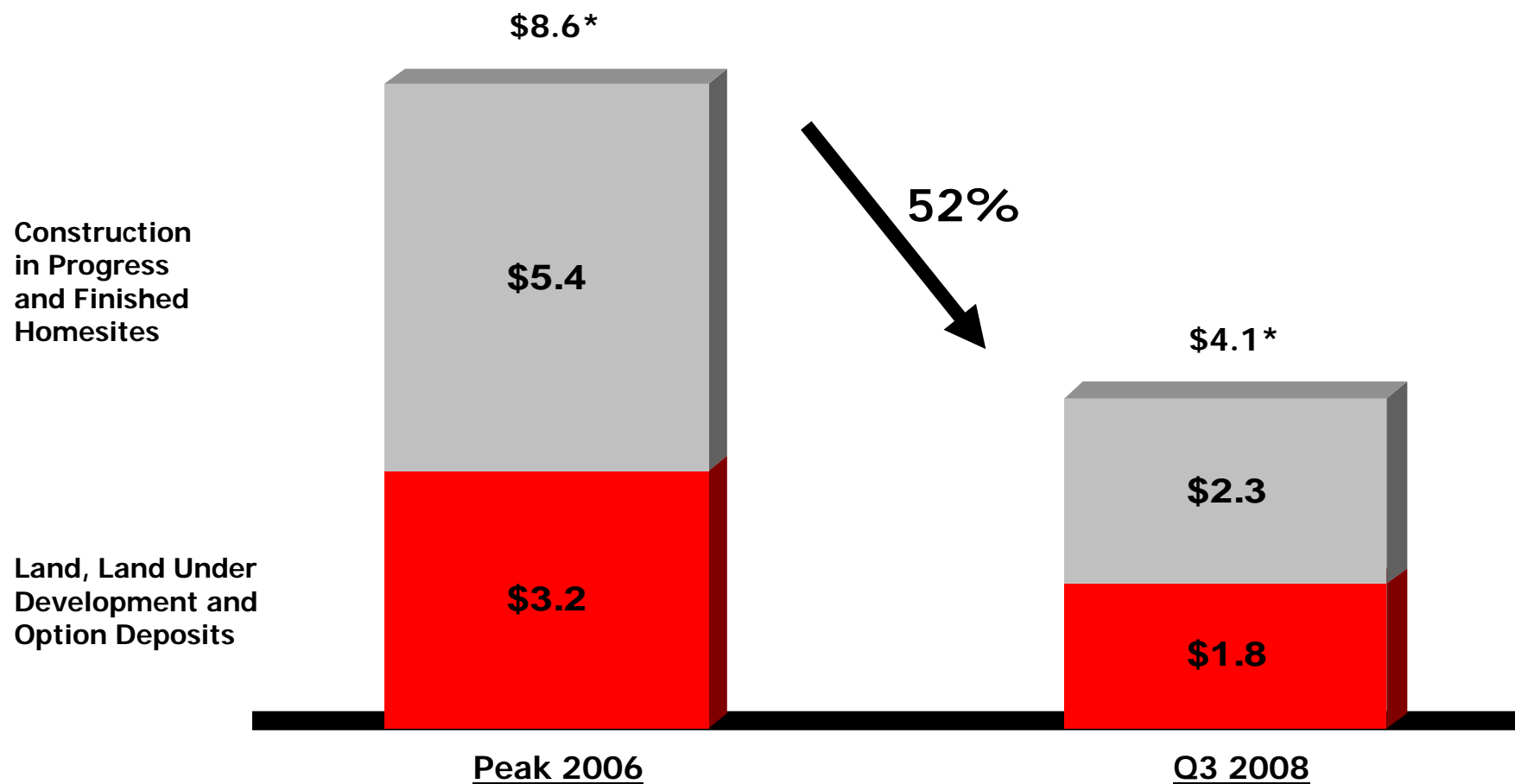
**Weighted average
interest rate of 5.9%**



Significant Balance Sheet Progress Aggressive Inventory Reduction

(Dollars in Billions)

Inventory

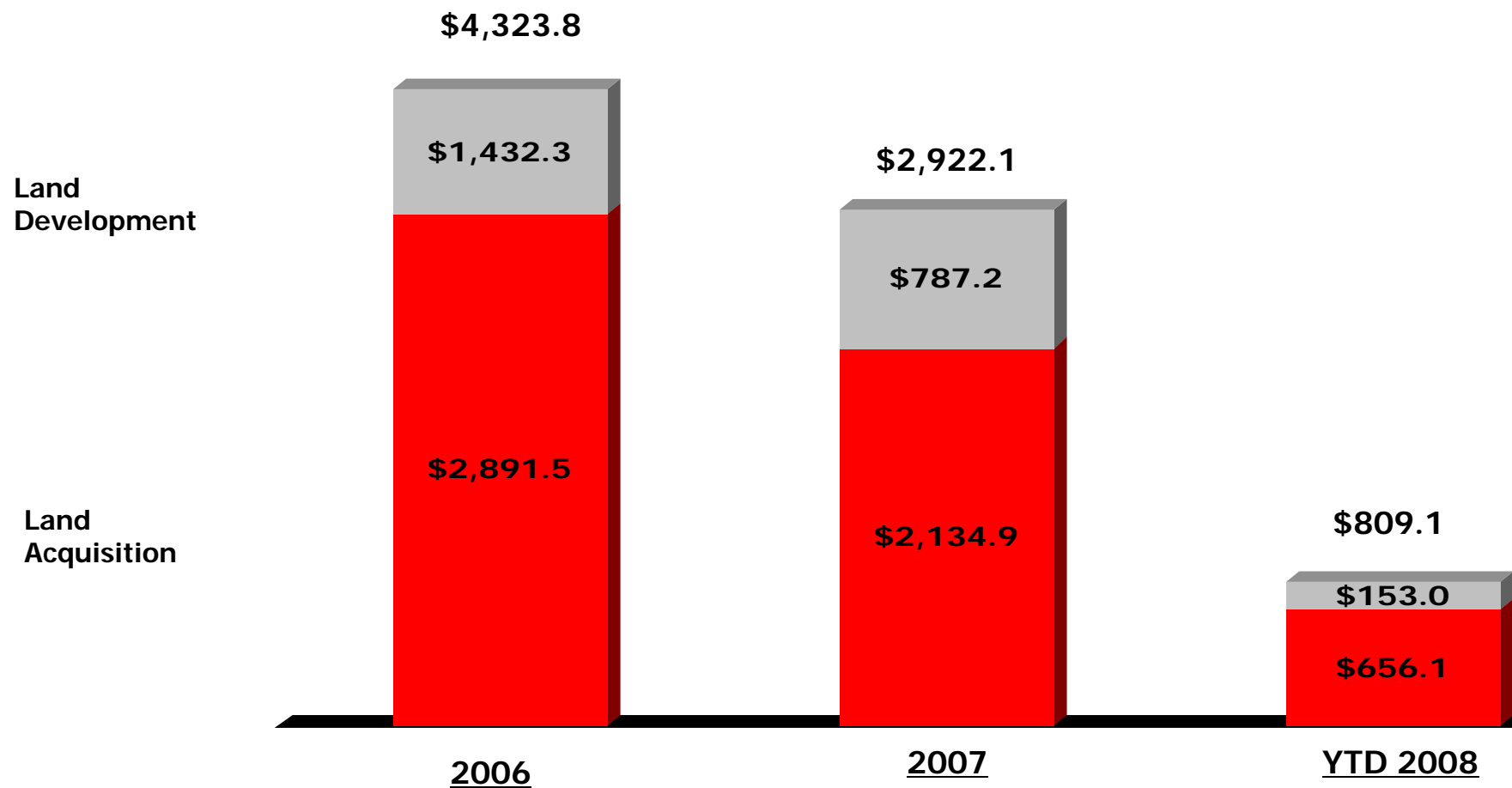


*Excludes consolidated inventory not owned

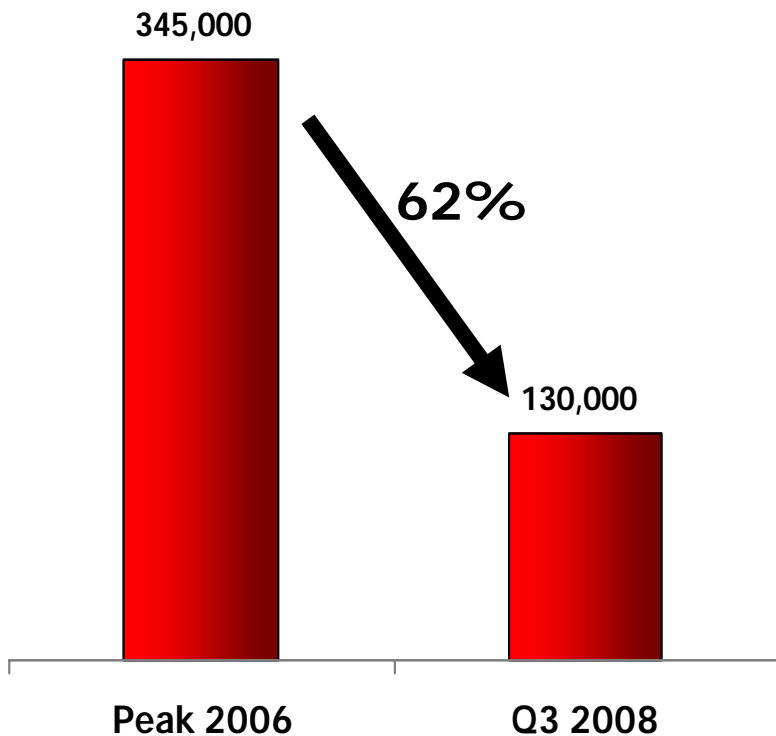


Significant Balance Sheet Progress Land Acquisition & Development

(Dollars in Millions)



Homesites Owned and Controlled



	<u>Peak 2006</u>	<u>Q3 2008</u>	<u>Change</u>
→ Owned	106,000	76,000	-28%
→ Optioned	134,000	15,000	-89%
→ Controlled-JVs	105,000	39,000	-63%
→ Total	345,000	130,000	-62%



Significant Joint Venture Progress



Joint ventures were structured strategically to mitigate risk.

- Strategic partners with specific expertise
 - ✓ JV with partner who brings specific expertise (e.g. commercial or infill experience)

- JV with other builders
 - ✓ Joint bid on land parcels is a smarter way to purchase
 - ✓ Homesites are allocated to each homebuilder

- JV with financial partners
 - ✓ Partners bring the majority of the capital
 - ✓ Lennar manages the JV

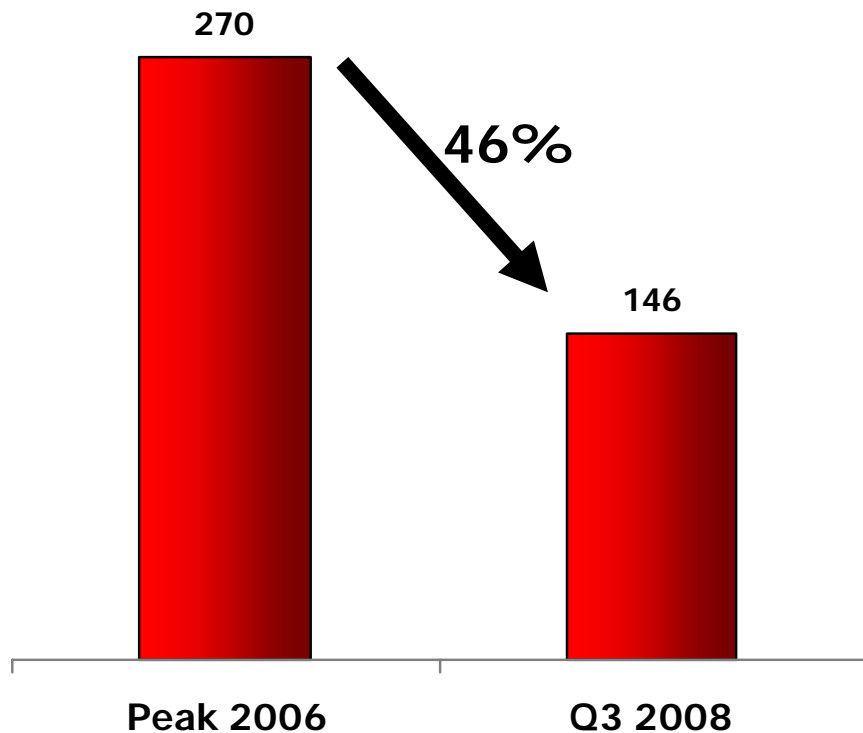
- JV with land owner/developers
 - ✓ Access to homesites owned or controlled by partner



Significant Joint Venture Progress

Number of Joint Ventures

Number of Joint Ventures



Joint Venture Detail

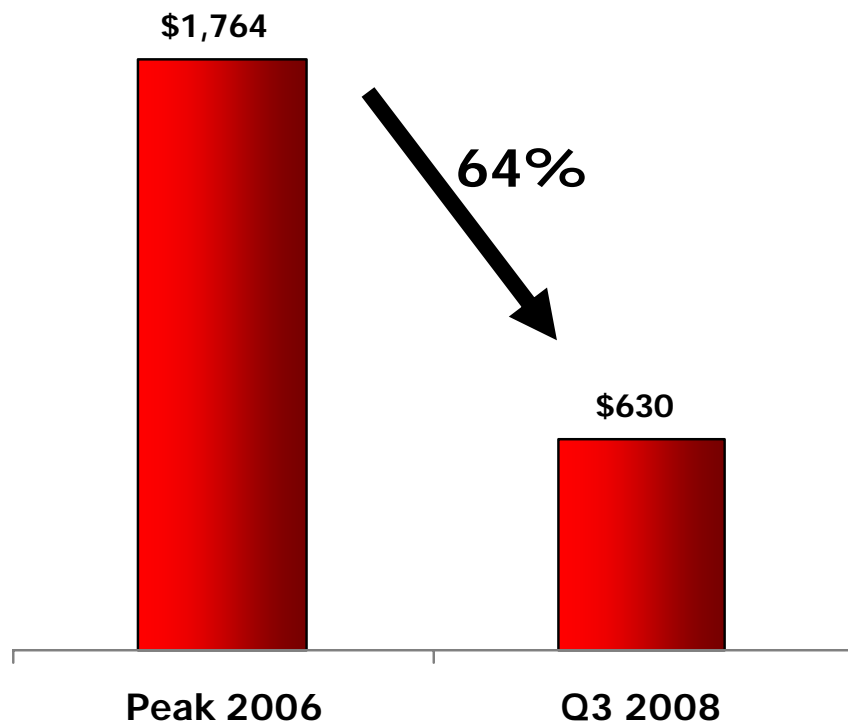
➔ JVs with recourse debt	48
➔ JVs with non-recourse debt	31
➔ JVs without debt	67
<hr/>	
➔ JV total	146



Significant Joint Venture Progress Recourse Debt Exposure & Capital Structure

Maximum JV Recourse Debt Exposure

(Dollars in Millions)



JVs with Recourse Debt

At 11/30/06 (Peak)

→ Assets	\$6.7B
→ Equity	\$2.2B
→ Maximum Recourse Debt	\$1.8B
→ Max Recourse to Net Cap	44%

At 8/31/08

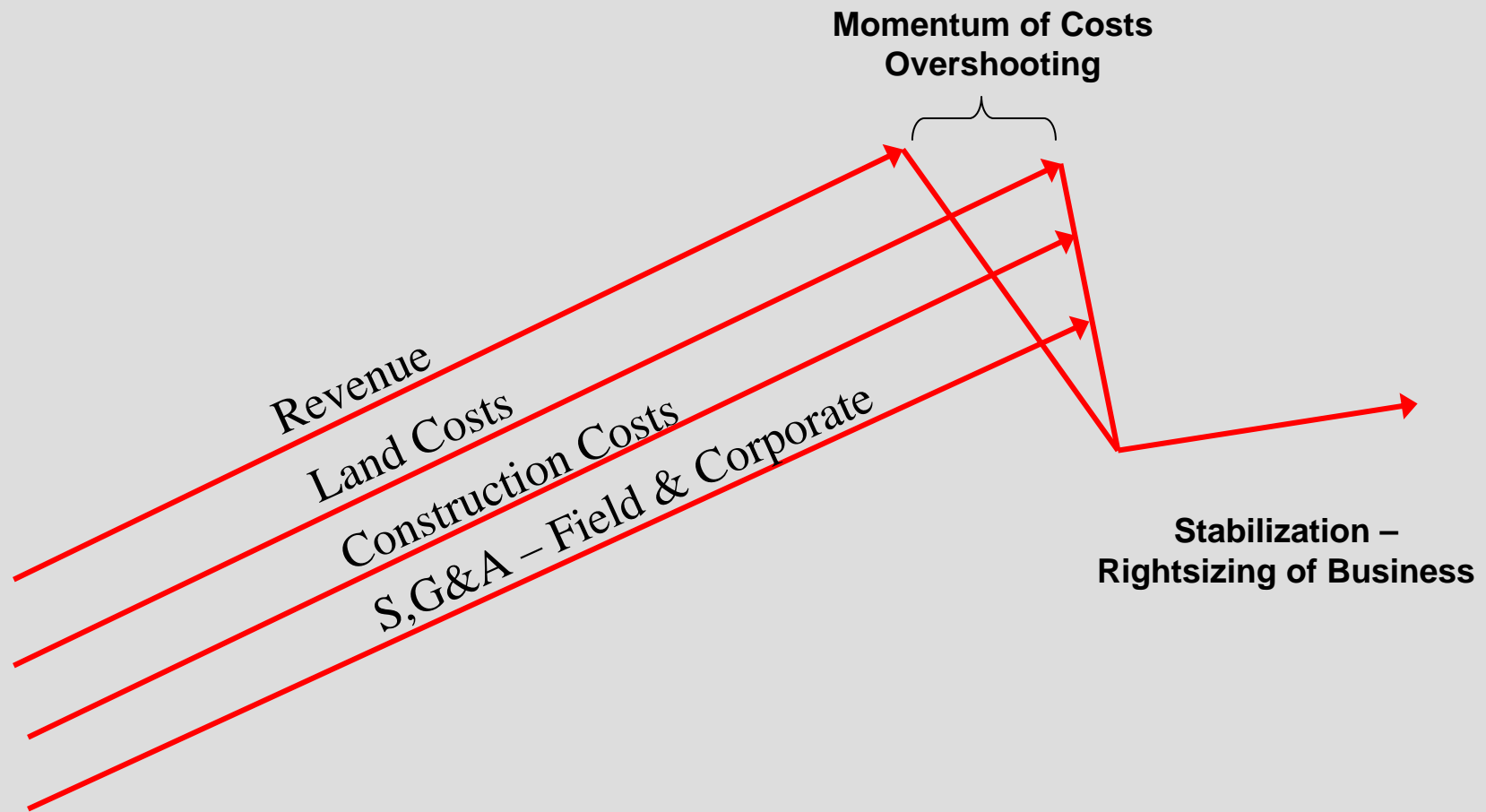
→ Assets	\$3.0B
→ Equity	\$1.2B
→ Maximum Recourse Debt	\$0.6B
→ Max Recourse to Net Cap	34%

Net Cap = Equity + Max Recourse



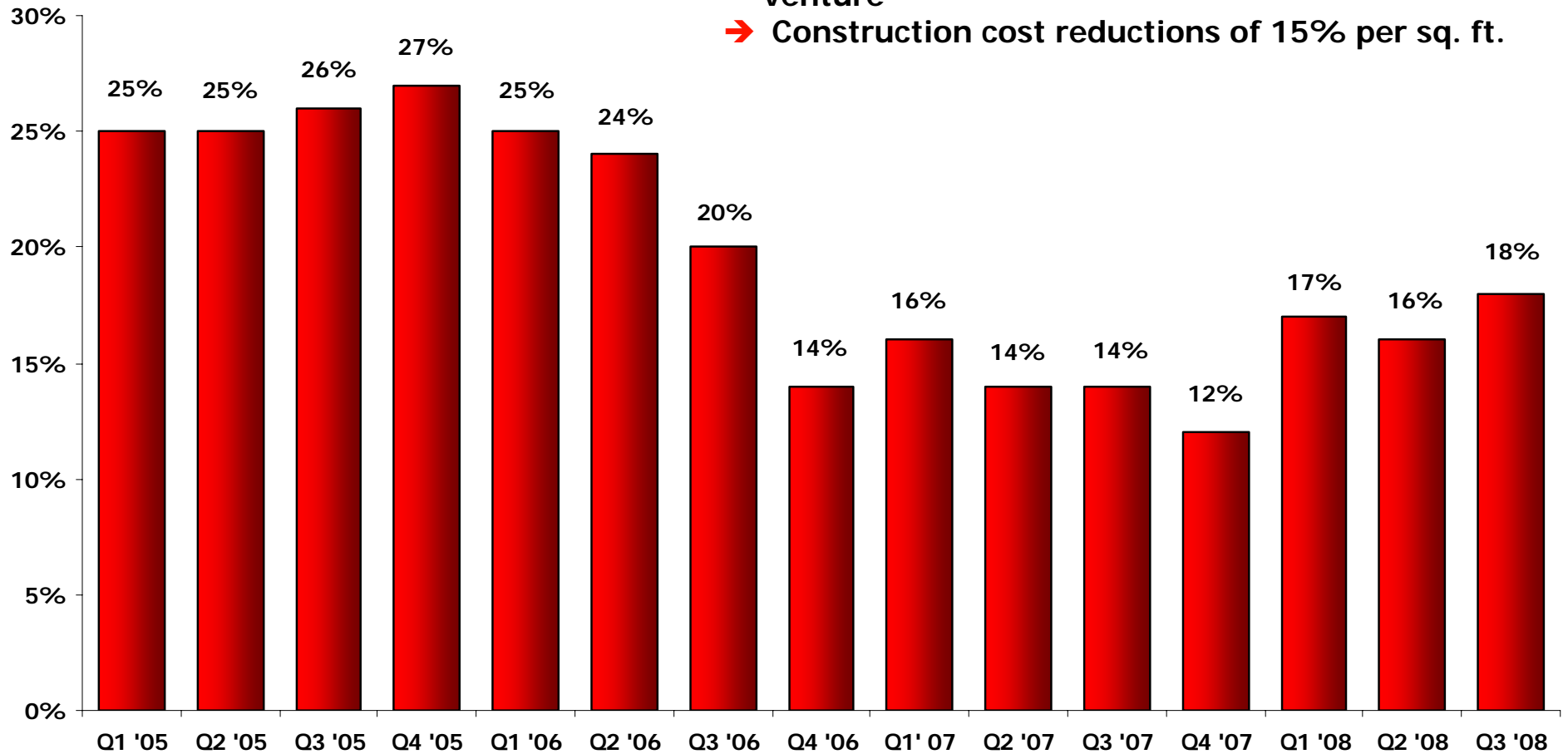
Significant Operating Profitability Progress



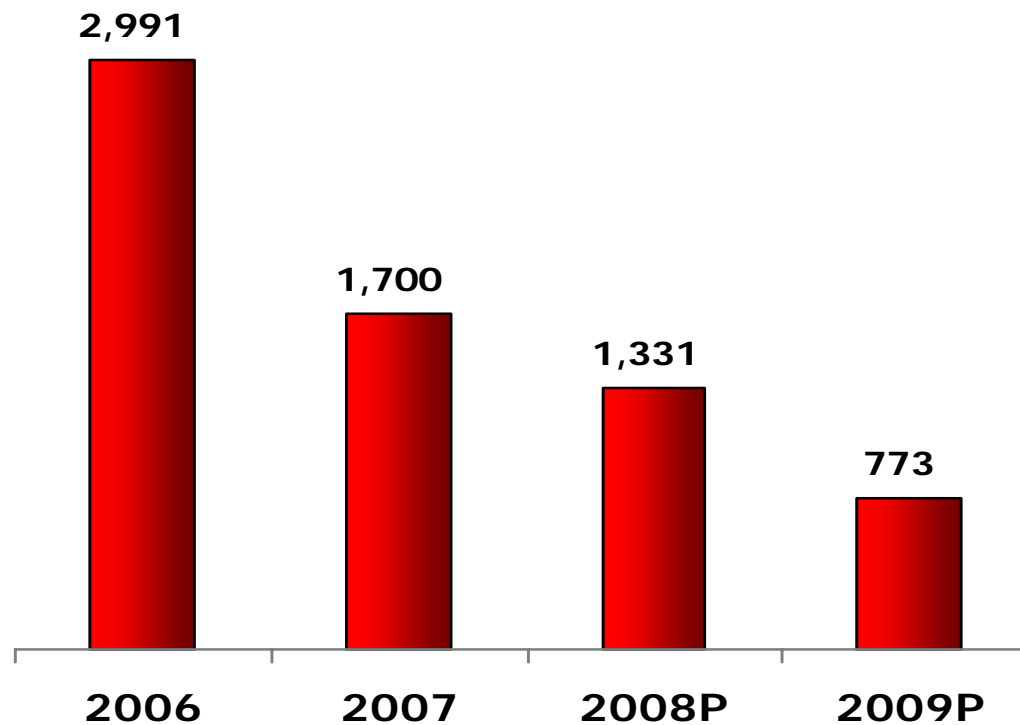


Significant Operating Profitability Progress Focus on Rebuilding Gross Margin

(Pre-impairment GM%)

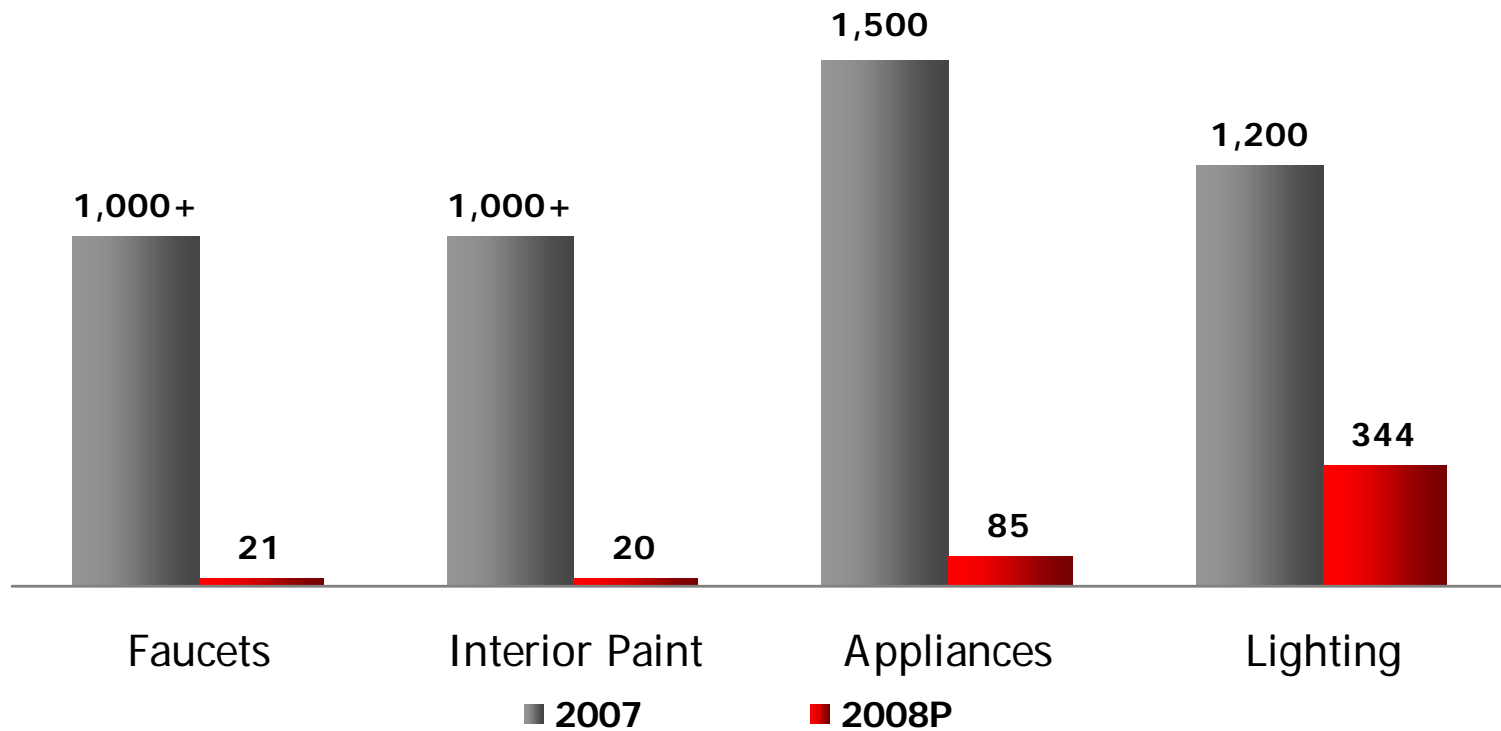


→ Total Floor Plan Count Will Be Reduced Approximately 75%



Significant Operating Profitability Progress Materially Simplified Offerings

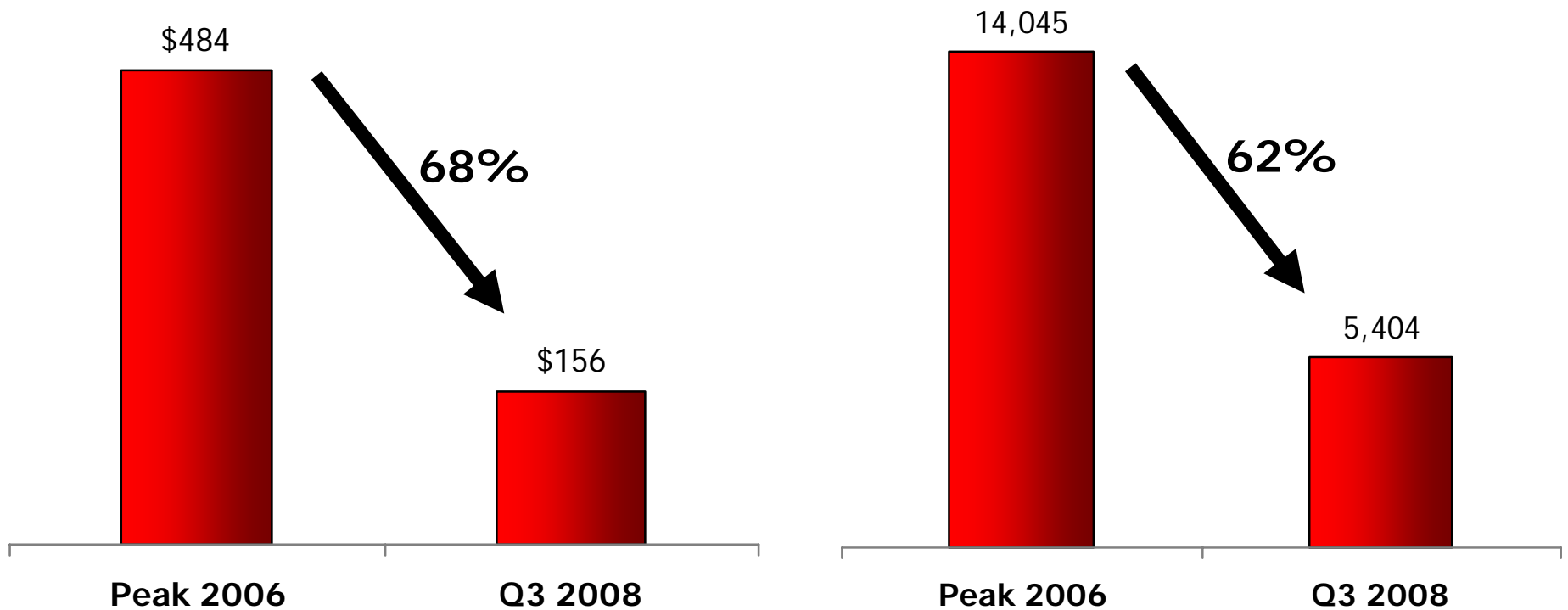
→ Comprehensive SKU Reductions



Significant Operating Profitability Progress Focus on S,G&A Reduction

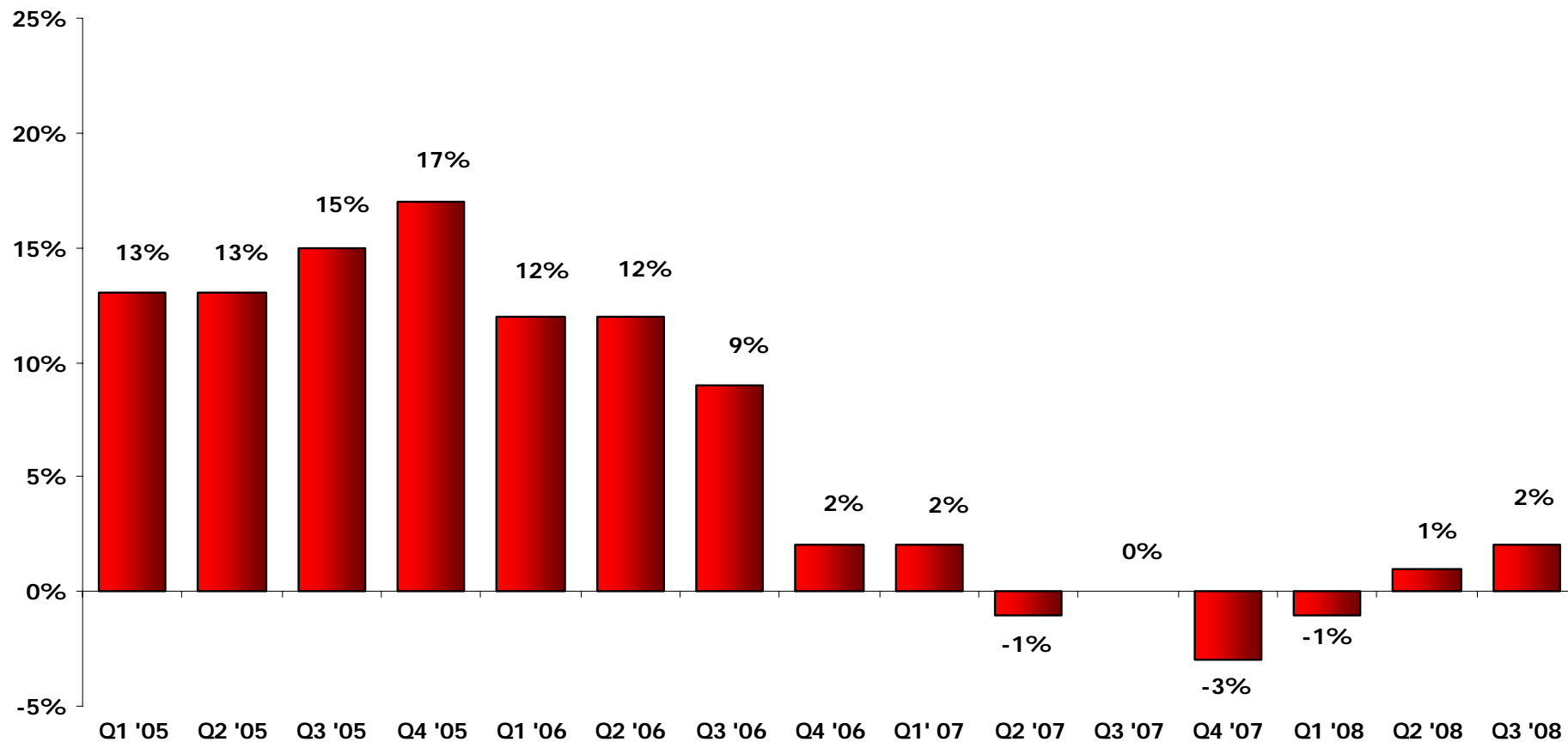
S,G&A Expenses (\$)
(Dollars in Millions)

Associate Headcount



Significant Operating Profitability Progress Focus on Positive Operating Margins

(Pre-impairment OM%)



Conclusion



Conclusion “Moving From Defense to Offense”

- **Lennar has traditionally maintained expertise in both homebuilding manufacturing and land acquisition and management**
 - ✓ The Company has been working for years on separately leveraging the expertise in these respective disciplines

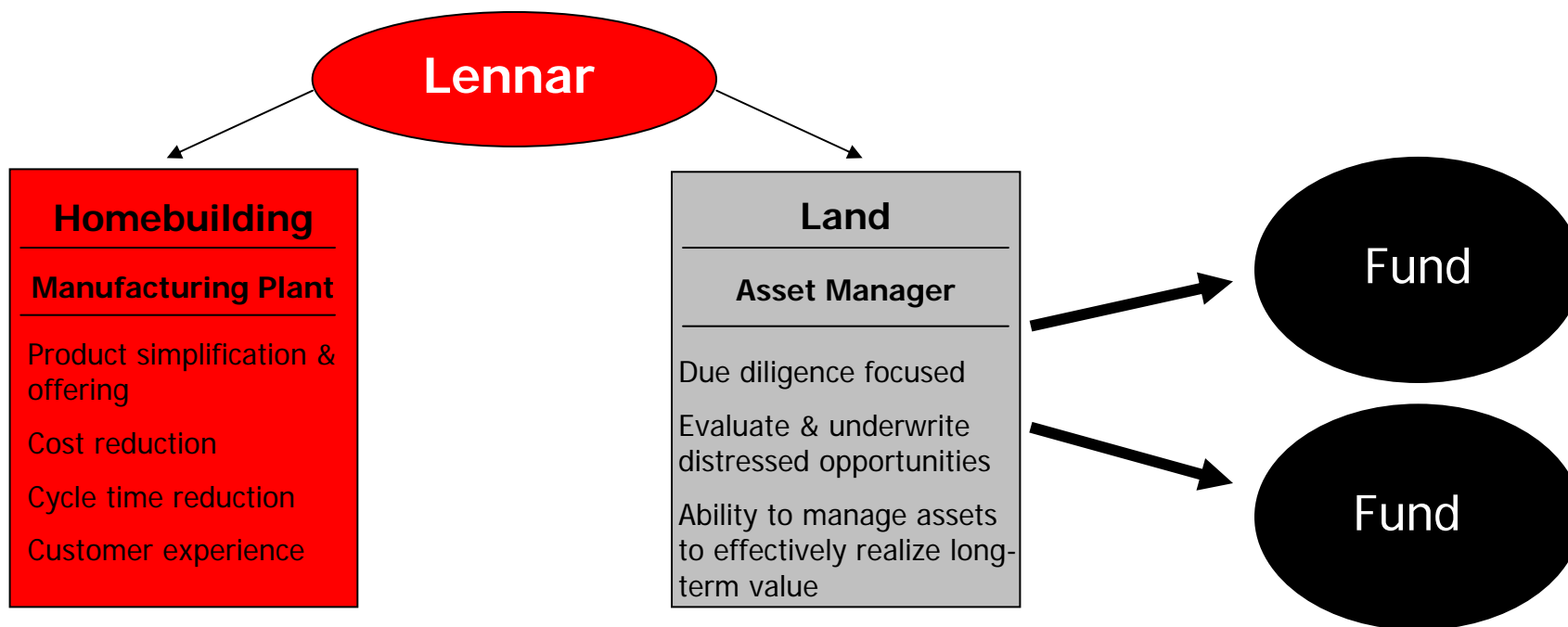
- **Lennar has been “incubating” a Fund program to take advantage of Lennar’s asset management expertise and ability to create value**
 - ✓ Evaluating and taking advantage of distressed opportunities is in Lennar’s “DNA” and history
 - ✓ Ability to utilize more efficient capital to create value from distressed and long-term land opportunities and benefit from positive results
 - ✓ Move land “machine” to a separate, focused, off-balance sheet program

- **Lennar’s balance sheet will be defined by a homebuilding manufacturing model with a cash flow focus**

- **Lennar will benefit from earnings and cash flows by employing its unique land/asset management franchise in a lower risk and more efficiently capitalized structure**



The Road Ahead

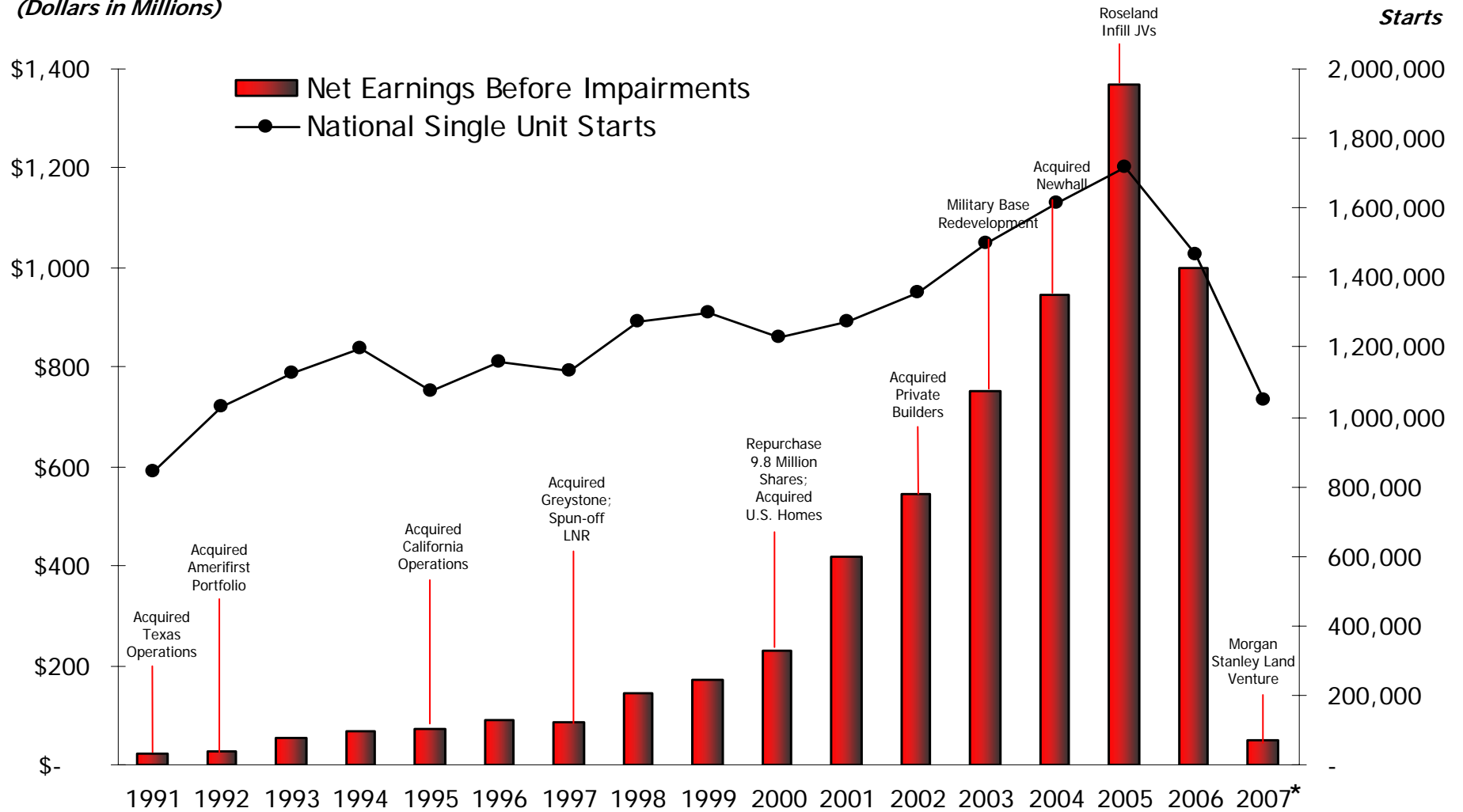


- ➔ Homebuilding machine will continue to manage existing assets
 - ✓ No legacy assets moving over to fund



Lennar Will The Cycle Be Our Ally?

(Dollars in Millions)



* Excludes income tax benefit.

