

Lennar: Statement on Land-Light Strategy

Mar 30, 2026

MIAMI, March 30, 2026 /PRNewswire/ -- Since our first quarter earnings call on March 13, 2026, we have been asked by several analysts and investors for information and explanation of various parts of our land light strategy, as well as our volume-prioritized operating strategy. We welcome this dialogue and offer the following in the interest of transparency and our commitment to consistent, open engagement with the public.

The structure, costs, and accounting treatment associated with our land-light strategy have been consistently and transparently disclosed in Lennar's public filings. These disclosures and the underlying accounting treatment have been carefully vetted. We are confident in the accuracy of our financial statements and the adequacy of our public disclosures.

Lennar's financial transformation has been deliberate, consistent, and clearly communicated since 2019. We made a strategic decision to migrate our business from a model built around on-balance sheet land ownership and associated debt, to one built around land option platforms and option agreements. This was not a financial maneuver - it was a fundamental reimagining of what a homebuilding company should look like. We set out to operate as a manufacturing company: disciplined, capital-efficient, and focused entirely on the process of building homes rather than the business of holding land.

Our strategy was and continues to be to focus as a manufacturing company, on improving operational flexibility, reducing construction costs and cycle times, and improving returns on inventory and equity over the long term. Our strategy facilitates a just-in-time finished homesite delivery and enables a concentrated focus on the home manufacturing part of the business.

The results of that transformation speak for themselves. By executing land developer agreements and land bank partnerships, we have created a just-in-time finished homesite delivery model that reduces capital tied up in land, enables the efficiency of capital markets execution, improves operational flexibility, and concentrates our resources and management attention on what we do best - building quality homes efficiently and at scale. This model strengthens returns on inventory and equity over the long term and builds a more resilient homebuilding enterprise. While no amount of financial or corporate structure will eliminate all risk from our business model, we believe our current structure has minimized risk embedded in our business.

Maintaining volume in a rising rate environment required accepting margin compression. We used incentives and interest rate buydowns as a shock absorber - reducing our margin in order to meet the market at a price point that working families could afford, rather than protecting our margin by pricing families out of homeownership. That was

the right decision for our customers, the right decision for housing supply, and the right decision for the long-term health of our business.

Lennar remains deeply committed to engaging with investors, analysts, and all stakeholders on these strategies, the reasoning behind them, and the results they are producing.

About Lennar

Lennar Corporation, founded in 1954, is one of the nation's leading builders of quality homes for all generations. Lennar builds affordable, move-up and active adult homes primarily under the Lennar brand name. Lennar's Financial Services segment provides mortgage financing, title and closing services primarily for buyers of Lennar's homes and, through LMF Commercial, originates mortgage loans secured primarily by commercial real estate properties throughout the United States. Lennar's Multifamily segment is a nationwide developer of high-quality multifamily rental properties. LEN^X drives Lennar's technology, innovation and strategic investments. For more information about Lennar, please visit www.lennar.com.

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