Lennar Corporation Suggests Formula for Allocating Tax Basis Between Class A And Class B Common Stock

MIAMI, Apr 22, 2003 /PRNewswire-FirstCall via COMTEX/ -- Lennar Corporation (NYSE: LEN and LEN.B) announced today a suggested formula for stockholders to use in allocating their tax basis in Lennar Class A Common Stock (formerly called "Common Stock") between their Class A Common Stock and the Class B Common Stock they received as a result of a distribution yesterday of one share of Class B Common Stock for each ten shares of Class A Common Stock or Class B Common Stock held at the close of business on April 9, 2003.

Lennar said it had been advised that one permissible way of allocating basis would be by comparing the value of one share of Class A Common Stock and the value of one-tenth of a share of Class B Common Stock to the combined value of the total, valuing shares of each class on the basis of the mean of the high and low reported sale price of shares of that class on April 22, 2003, the first day on which shares of the two classes are trading separately in regular way trading on the New York Stock Exchange (\$53.50 per Class A share and \$54.30 per Class B share). This results in the following basis allocation:

Lennar Class A Common Stock 90.79%

Lennar Class B Common Stock 9.21%

Lennar said that while it has been informed that the basis allocation formula described above should be acceptable to the Internal Revenue Service, it is not the only possible way to allocate basis. Accordingly, every stockholder should consult with their tax advisers as to the appropriate allocation of basis between the Class A Common Stock and the Class B Common Stock received in the distribution.

The distribution of Class B Common Stock was limited to whole shares. Holders of Common Stock who would have been entitled to a fraction of a Class B Common share will receive cash in lieu of that fraction of a share at the rate of \$52.58 per full share.

Lennar Corporation, founded in 1954, is headquartered in Miami, Florida and is one of the nation's leading builders of quality homes for all generations, building affordable, move-up and retirement homes. Under the Lennar Family of Builders banner, the Company includes the following brand names: Lennar Homes, U.S. Home, Greystone Homes, Village Builders, Renaissance Homes, Orrin Thompson Homes, Lundgren Bros., Winncrest Homes, Sunstar Communities, Don Galloway Homes, Patriot Homes, NuHome, Barry Andrews Homes, Concord Homes, Summit Homes, Cambridge Homes, Seppala Homes, Genesee and Rutenberg Homes. The Company's active adult communities are primarily marketed under the Heritage and Greenbriar brand names. Lennar's Financial Services Division provides mortgage financing, title insurance, closing services and insurance agency services for both buyers of the Company's homes and others. Its Strategic Technologies Division provides high-speed Internet access, cable television and alarm installation and monitoring services to residents of the Company's communities and others. Previous press releases may be obtained at www.lennar.com.

SOURCE Lennar Corporation

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