LENNAR CORP /NEW/
Form 10-K
January 28, 2019

false--11-30FY201810-K0000920760YesfalseLarge Accelerated FilerLENNAR CORP
/NEW/falsefalseNoYesP1Y27P3Y0.02000.160.160.160.160.160.100.100.100.1030000000009000000004000000009000000205
0000920760 2017-12-01 2018-11-30 0000920760 2016-12-01 2017-11-30 0000920760
us-gaap:CommonClassBMember 2018-12-31 0000920760 us-gaap:CommonClassAMember 2018-12-31 0000920760
2018-05-31 0000920760 len:LennarHomebuildingEastCentralWestHoustonandOtherMember
us-gaap:VariableInterestEntityPrimaryBeneficiaryMember 2018-11-30 0000920760
us-gaap:VariableInterestEntityPrimaryBeneficiaryMember 2017-11-30 0000920760
len:LennarHomebuildingEastCentralWestHoustonandOtherMember
us-gaap:VariableInterestEntityPrimaryBeneficiaryMember 2017-11-30 0000920760
us-gaap:VariableInterestEntityPrimaryBeneficiaryMember 2018-11-30 0000920760 len:LennarMultifamilyMember
us-gaap:VariableInterestEntityPrimaryBeneficiaryMember 2017-11-30 0000920760 len:RialtoInvestmentsMember
us-gaap:VariableInterestEntityPrimaryBeneficiaryMember 2017-11-30 0000920760 len:RialtoInvestmentsMember
us-gaap:VariableInterestEntityPrimaryBeneficiaryMember 2018-11-30 0000920760
len:LennarFinancialServicesMember 2018-11-30 0000920760
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:LennarMultifamilyMember 2017-11-30 0000920760
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760 2018-11-30
0000920760 len:LennarMultifamilyMember 2018-11-30 0000920760 len:RialtoInvestmentsMember 2017-11-30
0000920760 len:LennarFinancialServicesMember 2017-11-30 0000920760 2017-11-30 0000920760
len:RialtoInvestmentsMember 2018-11-30 0000920760 us-gaap:CommonClassAMember 2018-11-30 0000920760
us-gaap:CommonClassBMember 2018-11-30 0000920760 us-gaap:CommonClassBMember 2017-11-30 0000920760
us-gaap:CommonClassAMember 2017-11-30 0000920760 2015-12-01 2016-11-30 0000920760
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01 2018-11-30 0000920760
len:RialtoInvestmentsMember 2016-12-01 2017-11-30 0000920760
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-12-01 2017-11-30 0000920760
len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 len:LennarFinancialServicesMember 2015-12-01
2016-11-30 0000920760 len:LennarFinancialServicesMember 2016-12-01 2017-11-30 0000920760
len:LennarMultifamilyMember 2015-12-01 2016-11-30 0000920760 len:RialtoInvestmentsMember 2015-12-01
2016-11-30 0000920760 len:LennarMultifamilyMember 2017-12-01 2018-11-30 0000920760
len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-12-01 2016-11-30 0000920760
len:LennarMultifamilyMember 2016-12-01 2017-11-30 0000920760 us-gaap:CommonClassAMember
us-gaap:CommonStockMember 2016-12-01 2017-11-30 0000920760 us-gaap:RetainedEarningsMember 2015-12-01
2016-11-30 0000920760 us-gaap:NoncontrollingInterestMember 2017-11-30 0000920760
us-gaap:AccumulatedOtherComprehensiveIncomeMember 2017-11-30 0000920760
us-gaap:NoncontrollingInterestMember 2015-12-01 2016-11-30 0000920760 us-gaap:NoncontrollingInterestMember
2017-12-01 2018-11-30 0000920760 us-gaap:CommonClassBMember us-gaap:CommonStockMember 2017-12-01
2018-11-30 0000920760 us-gaap:NoncontrollingInterestMember 2016-12-01 2017-11-30 0000920760
us-gaap:CommonClassBMember us-gaap:CommonStockMember 2016-12-01 2017-11-30 0000920760
us-gaap:CommonClassBMember us-gaap:CommonStockMember 2015-12-01 2016-11-30 0000920760
us-gaap:TreasuryStockMember 2018-11-30 0000920760 us-gaap:ParentMember 2016-11-30 0000920760
us-gaap:CommonClassBMember us-gaap:CommonStockMember 2016-11-30 0000920760
us-gaap:RetainedEarningsMember 2016-11-30 0000920760
us-gaap:AccumulatedOtherComprehensiveIncomeMember 2015-11-30 0000920760
us-gaap:AccumulatedOtherComprehensiveIncomeMember 2018-11-30 0000920760
us-gaap:AdditionalPaidInCapitalMember 2017-12-01 2018-11-30 0000920760 us-gaap:CommonClassAMember
us-gaap:CommonStockMember 2017-11-30 0000920760 us-gaap:TreasuryStockMember 2016-12-01 2017-11-30
0000920760 us-gaap:RetainedEarningsMember 2016-12-01 2017-11-30 0000920760 us-gaap:TreasuryStockMember

2015-11-30 0000920760 us-gaap:AdditionalPaidInCapitalMember 2016-12-01 2017-11-30 0000920760 us-gaap:RetainedEarningsMember 2018-11-30 0000920760 us-gaap:AdditionalPaidInCapitalMember 2015-12-01 2016-11-30 0000920760 us-gaap:CommonClassBMember us-gaap:CommonStockMember 2017-11-30 0000920760 us-gaap:CommonClassBMember us-gaap:RetainedEarningsMember 2016-12-01 2017-11-30 0000920760 us-gaap:CommonClassBMember us-gaap:CommonStockMember 2015-11-30 0000920760 2016-11-30 0000920760 us-gaap:NoncontrollingInterestMember 2016-11-30 0000920760 us-gaap:CommonClassAMember us-gaap:CommonStockMember 2015-12-01 2016-11-30 0000920760 us-gaap:AccumulatedOtherComprehensiveIncomeMember 2015-12-01 2016-11-30 0000920760 us-gaap:AccumulatedOtherComprehensiveIncomeMember 2016-11-30 0000920760 us-gaap:CommonClassBMember us-gaap:CommonStockMember 2018-11-30 0000920760 us-gaap:AccumulatedOtherComprehensiveIncomeMember 2017-12-01 2018-11-30 0000920760 us-gaap:CommonClassAMember us-gaap:CommonStockMember 2017-12-01 2018-11-30 0000920760 us-gaap:AccumulatedOtherComprehensiveIncomeMember 2016-12-01 2017-11-30 0000920760 us-gaap:TreasuryStockMember 2017-12-01 2018-11-30 0000920760 us-gaap:TreasuryStockMember 2017-11-30 0000920760 us-gaap:ParentMember 2017-11-30 0000920760 us-gaap:NoncontrollingInterestMember 2018-11-30 0000920760 us-gaap:TreasuryStockMember 2015-12-01 2016-11-30 0000920760 us-gaap:AdditionalPaidInCapitalMember 2015-11-30 0000920760 us-gaap:CommonClassAMember us-gaap:RetainedEarningsMember 2017-12-01 2018-11-30 0000920760 us-gaap:CommonClassAMember us-gaap:CommonStockMember 2018-11-30 0000920760 us-gaap:CommonClassAMember us-gaap:RetainedEarningsMember 2016-12-01 2017-11-30 0000920760 us-gaap:TreasuryStockMember 2016-11-30 0000920760 us-gaap:AdditionalPaidInCapitalMember 2018-11-30 0000920760 us-gaap:AdditionalPaidInCapitalMember 2016-11-30 0000920760 us-gaap:AdditionalPaidInCapitalMember 2017-11-30 0000920760 us-gaap:ParentMember 2018-11-30 0000920760 us-gaap:CommonClassAMember us-gaap:RetainedEarningsMember 2015-12-01 2016-11-30 0000920760 us-gaap:CommonClassAMember us-gaap:CommonStockMember 2015-11-30 0000920760 us-gaap:NoncontrollingInterestMember 2015-11-30 0000920760 us-gaap:RetainedEarningsMember 2017-12-01 2018-11-30 0000920760 us-gaap:CommonClassAMember us-gaap:CommonStockMember 2016-11-30 0000920760 us-gaap:CommonClassBMember us-gaap:RetainedEarningsMember 2017-12-01 2018-11-30 0000920760 us-gaap:TreasuryStockMember 2014-12-01 2015-11-30 0000920760 us-gaap:CommonClassBMember us-gaap:RetainedEarningsMember 2015-12-01 2016-11-30 0000920760 us-gaap:RetainedEarningsMember 2017-11-30 0000920760 us-gaap:RetainedEarningsMember 2015-11-30 0000920760 us-gaap:CommonClassAMember 2016-12-01 2017-11-30 0000920760 us-gaap:CommonClassBMember 2016-12-01 2017-11-30 0000920760 us-gaap:CommonClassAMember 2017-12-01 2018-11-30 0000920760 us-gaap:CommonClassBMember 2017-12-01 2018-11-30 0000920760 us-gaap:CommonClassAMember 2015-12-01 2016-11-30 0000920760 us-gaap:CommonClassBMember 2015-12-01 2016-11-30 0000920760 len:LennarMultifamilyandLennarHomebuildingEastCentralWestHoustonandOtherMember 2015-12-01 2016-11-30 0000920760 len:LennarMultifamilyandLennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01 2018-11-30 0000920760 len:LennarMultifamilyandLennarHomebuildingEastCentralWestHoustonandOtherMember 2016-12-01 2017-11-30 0000920760 us-gaap:RevolvingCreditFacilityMember 2015-12-01 2016-11-30 0000920760 us-gaap:OperatingSegmentsMember len:LennarMultifamilyMember 2018-11-30 0000920760 us-gaap:OperatingSegmentsMember len:LennarFinancialServicesMember 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760 2015-11-30 0000920760 us-gaap:RevolvingCreditFacilityMember 2016-12-01 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-11-30 0000920760 us-gaap:WarehouseAgreementBorrowingsMember 2016-12-01 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:RialtoInvestmentsMember 2016-11-30 0000920760 us-gaap:WarehouseAgreementBorrowingsMember 2015-12-01 2016-11-30 0000920760 us-gaap:OperatingSegmentsMember len:RialtoInvestmentsMember 2018-11-30 0000920760 us-gaap:OperatingSegmentsMember len:LennarFinancialServicesMember 2016-11-30 0000920760 us-gaap:OperatingSegmentsMember len:RialtoInvestmentsMember 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:LennarMultifamilyMember 2016-11-30 0000920760

us-gaap:OperatingSegmentsMember len:LennarFinancialServicesMember 2018-11-30 0000920760
us-gaap:WarehouseAgreementBorrowingsMember 2017-12-01 2018-11-30 0000920760
us-gaap:RevolvingCreditFacilityMember 2017-12-01 2018-11-30 0000920760 us-gaap:OperatingSegmentsMember
len:LennarMultifamilyMember 2017-11-30 0000920760 srt:MinimumMember
us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsNonrecurringMember
us-gaap:MeasurementInputDiscountRateMember us-gaap:IncomeApproachValuationTechniqueMember 2018-11-30
0000920760 srt:MinimumMember us-gaap:FairValueInputsLevel3Member
us-gaap:FairValueMeasurementsNonrecurringMember len:MeasurementInputAverageSellingPriceMember
us-gaap:IncomeApproachValuationTechniqueMember 2017-11-30 0000920760 srt:MaximumMember
us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsNonrecurringMember
us-gaap:MeasurementInputDiscountRateMember us-gaap:IncomeApproachValuationTechniqueMember 2017-11-30
0000920760 srt:MaximumMember us-gaap:FairValueInputsLevel3Member
us-gaap:FairValueMeasurementsNonrecurringMember len:MeasurementInputAbsorptionRatePerQuarterMember
us-gaap:IncomeApproachValuationTechniqueMember 2018-11-30 0000920760 srt:MinimumMember
us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsNonrecurringMember
len:MeasurementInputAbsorptionRatePerQuarterMember us-gaap:IncomeApproachValuationTechniqueMember
2018-11-30 0000920760 srt:MaximumMember us-gaap:FairValueInputsLevel3Member
us-gaap:FairValueMeasurementsNonrecurringMember len:MeasurementInputAverageSellingPriceMember
us-gaap:IncomeApproachValuationTechniqueMember 2018-11-30 0000920760 srt:MinimumMember
us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsNonrecurringMember
len:MeasurementInputAbsorptionRatePerQuarterMember us-gaap:IncomeApproachValuationTechniqueMember
2017-11-30 0000920760 srt:MinimumMember us-gaap:FairValueInputsLevel3Member
us-gaap:FairValueMeasurementsNonrecurringMember len:MeasurementInputAverageSellingPriceMember
us-gaap:IncomeApproachValuationTechniqueMember 2018-11-30 0000920760 srt:MaximumMember
us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsNonrecurringMember
len:MeasurementInputAbsorptionRatePerQuarterMember us-gaap:IncomeApproachValuationTechniqueMember
2017-11-30 0000920760 srt:MaximumMember us-gaap:FairValueInputsLevel3Member
us-gaap:FairValueMeasurementsNonrecurringMember len:MeasurementInputAverageSellingPriceMember
us-gaap:IncomeApproachValuationTechniqueMember 2017-11-30 0000920760 len:InventoryLandMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-12-01 2016-11-30 0000920760
len:InventoryHomesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-12-01
2016-11-30 0000920760 len:InventoryHomesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-12-01 2017-11-30 0000920760
len:InventoryLandMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-12-01
2017-11-30 0000920760 len:InventoryHomesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01 2018-11-30 0000920760
len:InventoryLandMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01
2018-11-30 0000920760 us-gaap:FairValueInputsLevel3Member 2017-11-30 0000920760
us-gaap:EmployeeStockOptionMember 2017-12-01 2018-11-30 0000920760 srt:MaximumMember
us-gaap:MeasurementInputDiscountRateMember 2018-11-30 0000920760
us-gaap:MeasurementInputDiscountRateMember 2018-11-30 0000920760 srt:MinimumMember
us-gaap:MeasurementInputDiscountRateMember 2018-11-30 0000920760 us-gaap:FairValueInputsLevel3Member
2018-11-30 0000920760 len:RepresentationandWarrantyLiabilityMember len:LennarFinancialServicesMember
2017-12-01 2018-11-30 0000920760 len:RepresentationandWarrantyLiabilityMember
len:LennarFinancialServicesMember 2016-12-01 2017-11-30 0000920760
len:RepresentationandWarrantyLiabilityMember len:LennarFinancialServicesMember 2018-11-30 0000920760
len:RepresentationandWarrantyLiabilityMember len:LennarFinancialServicesMember 2017-11-30 0000920760
len:RepresentationandWarrantyLiabilityMember len:LennarFinancialServicesMember 2016-11-30 0000920760
us-gaap:LeaseholdImprovementsMember 2016-12-01 2017-11-30 0000920760 srt:MinimumMember
len:FurnitureFixturesandEquipmentMember 2016-12-01 2017-11-30 0000920760
us-gaap:EmployeeStockOptionMember 2016-12-01 2017-11-30 0000920760

us-gaap:LandBuildingsAndImprovementsMember 2016-12-01 2017-11-30 0000920760 srt:MaximumMember len:FurnitureFixturesandEquipmentMember 2016-12-01 2017-11-30 0000920760 len:EquityAwardsConvertibleUponChangeinControlMember len:CalAtlanticGroupInc.Member 2018-02-12 2018-02-12 0000920760 len:CalAtlanticGroupInc.Member 2018-02-12 0000920760 len:CalAtlanticGroupInc.Member 2018-02-12 2018-02-12 0000920760 len:CalAtlanticGroupInc.Member us-gaap:CommonClassAMember 2018-02-12 2018-02-12 0000920760 len:CalAtlanticGroupInc.Member us-gaap:CommonClassBMember 2018-02-12 2018-02-12 0000920760 len:CalAtlanticGroupInc.Member len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-12 0000920760 len:CalAtlanticGroupInc.Member 2018-02-12 0000920760 len:CalAtlanticGroupInc.Member len:LennarFinancialServicesMember 2018-02-12 0000920760 len:CalAtlanticGroupInc.Member 2017-12-01 2018-11-30 0000920760 len:CalAtlanticGroupInc.Member len:HomebuildingEastMember 2018-02-12 0000920760 len:CalAtlanticGroupInc.Member len:HomebuildingCentralMember 2018-02-12 0000920760 len:WCICommunitiesInc.Member us-gaap:TradeNamesMember 2017-02-10 2017-02-10 0000920760 len:WCICommunitiesInc.Member 2016-12-01 2017-11-30 0000920760 len:WCICommunitiesInc.Member len:HomebuildingEastMember 2017-02-10 0000920760 len:FourPointOneTwoFivePercentSeniorNotesDueTwoThousandTwentyTwoMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760 len:CalAtlanticGroupInc.Member len:HomebuildingTexasMember 2018-02-12 0000920760 len:WCICommunitiesInc.Member len:LennarFinancialServicesMember 2017-02-10 0000920760 len:WCICommunitiesInc.Member us-gaap:NoncompeteAgreementsMember 2017-02-10 2017-02-10 0000920760 len:CalAtlanticGroupInc.Member len:HomebuildingWestMember 2018-02-12 0000920760 len:CalAtlanticGroupInc.Member us-gaap:TradeNamesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-12 2018-02-12 0000920760 len:WCICommunitiesInc.Member 2017-02-10 2017-02-10 0000920760 len:WCICommunitiesInc.Member 2017-02-10 0000920760 len:CalAtlanticGroupInc.Member 2016-12-01 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingCentralMember 2018-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingEastMember 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingTexasMember 2016-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingTexasMember 2018-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingEastMember 2016-11-30 0000920760 us-gaap:CorporateNonSegmentMember 2018-11-30 0000920760 len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-11-30 0000920760 len:RialtoInvestmentsMember 2016-11-30 0000920760 us-gaap:MaterialReconcilingItemsMember 2018-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingCentralMember 2016-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingWestMember 2016-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingWestMember 2017-11-30 0000920760 us-gaap:CorporateNonSegmentMember 2016-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingCentralMember 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingTexasMember 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingWestMember 2018-11-30 0000920760 us-gaap:MaterialReconcilingItemsMember 2016-11-30 0000920760 us-gaap:MaterialReconcilingItemsMember 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingEastMember 2018-11-30 0000920760 us-gaap:CorporateNonSegmentMember 2017-11-30 0000920760 len:LennarFinancialServicesMember 2016-11-30 0000920760 us-gaap:OperatingSegmentsMember len:LennarMultifamilyMember 2016-12-01 2017-11-30 0000920760 us-gaap:MaterialReconcilingItemsMember 2016-12-01 2017-11-30 0000920760 len:TreasureIslandHoldingsMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-01-01 2018-01-31 0000920760 len:TreasureIslandHoldingsMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01 2018-11-30 0000920760 us-gaap:OperatingSegmentsMember len:LennarMultifamilyMember 2015-12-01 2016-11-30 0000920760 us-gaap:MaterialReconcilingItemsMember 2017-12-01 2018-11-30 0000920760 us-gaap:OperatingSegmentsMember len:LennarMultifamilyMember 2017-12-01 2018-11-30 0000920760 us-gaap:OperatingSegmentsMember

len:HomebuildingEastMember 2016-12-01 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember
len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 us-gaap:MaterialReconcilingItemsMember
2015-12-01 2016-11-30 0000920760 us-gaap:OperatingSegmentsMember len:LennarFinancialServicesMember
2016-12-01 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingCentralMember
2016-12-01 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingTexasMember
2015-12-01 2016-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingWestMember
2017-12-01 2018-11-30 0000920760 us-gaap:OperatingSegmentsMember len:HomebuildingEastMember 2015-12-01
2016-11-30 0000920760 us-gaap:CorporateNonSegmentMember 2017-12-01 2018-11-30 0000920760
us-gaap:OperatingSegmentsMember len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760
us-gaap:OperatingSegmentsMember len:HomebuildingWestMember 2016-12-01 2017-11-30 0000920760
us-gaap:OperatingSegmentsMember len:HomebuildingTexasMember 2017-12-01 2018-11-30 0000920760
us-gaap:OperatingSegmentsMember len:LennarFinancialServicesMember 2015-12-01 2016-11-30 0000920760
us-gaap:OperatingSegmentsMember len:HomebuildingWestMember 2015-12-01 2016-11-30 0000920760
us-gaap:OperatingSegmentsMember len:RialtoInvestmentsMember 2016-12-01 2017-11-30 0000920760
us-gaap:OperatingSegmentsMember len:HomebuildingTexasMember 2016-12-01 2017-11-30 0000920760
us-gaap:OperatingSegmentsMember len:RialtoInvestmentsMember 2015-12-01 2016-11-30 0000920760
us-gaap:OperatingSegmentsMember len:HomebuildingCentralMember 2015-12-01 2016-11-30 0000920760
us-gaap:CorporateNonSegmentMember 2015-12-01 2016-11-30 0000920760 us-gaap:OperatingSegmentsMember
len:HomebuildingEastMember 2017-12-01 2018-11-30 0000920760 us-gaap:OperatingSegmentsMember
len:HomebuildingCentralMember 2017-12-01 2018-11-30 0000920760 us-gaap:CorporateNonSegmentMember
2016-12-01 2017-11-30 0000920760 us-gaap:DisposalGroupHeldforsaleNotDiscontinuedOperationsMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:FivePointUnconsolidatedEntityMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember
2015-12-01 2016-11-30 0000920760 us-gaap:ManagementServiceMember us-gaap:EquityMethodInvesteeMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01 2018-11-30 0000920760
len:EquityMethodInvestmentOneMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember
2016-12-01 2017-11-30 0000920760 len:FivePointUnconsolidatedEntityMember us-gaap:SeniorNotesMember
2018-11-30 0000920760 len:FivePointUnconsolidatedEntityMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:UnconsolidatedEntityTwoMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember
2015-12-01 2016-11-30 0000920760 len:FivePointUnconsolidatedEntityMember 2017-05-01 2017-05-31
0000920760 len:FivePointUnconsolidatedEntityMember 2018-11-30 0000920760
len:EquityMethodInvestmentOneMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember
us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2016-12-01 2017-11-30 0000920760
us-gaap:ManagementServiceMember us-gaap:EquityMethodInvesteeMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-12-01 2017-11-30 0000920760
us-gaap:ManagementServiceMember us-gaap:EquityMethodInvesteeMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-12-01 2016-11-30 0000920760
len:JointVenturesPreviouslyManagedbyFivePointCommunitiesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
us-gaap:LandBuildingsAndImprovementsMember 2017-11-30 0000920760 us-gaap:FurnitureAndFixturesMember
2018-11-30 0000920760 us-gaap:FurnitureAndFixturesMember 2017-11-30 0000920760
us-gaap:LandBuildingsAndImprovementsMember 2018-11-30 0000920760 us-gaap:LeaseholdImprovementsMember
2017-11-30 0000920760 us-gaap:LeaseholdImprovementsMember 2018-11-30 0000920760
len:FourPointFiveZeroZeroPercentSeniorNotesDueTwoThousandTwentyFourMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-04-01 2017-04-30 0000920760
len:FourPointSevenFiveZeroSeniorNotesDueTwoThousandTwentyFiveMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-04-30 0000920760
len:EightPointThreeSevenFivePercentSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-12 0000920760
len:FourPointSevenFiveZeroPercentSeniorNotesDueTwoThousandTwentyOneMember us-gaap:SeniorNotesMember

len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-03-01 2016-03-31 0000920760
len:FourPointOneTwoFivePercentSeniorNotesDueTwoThousandTwentyTwoMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-01-01 2017-01-31 0000920760
len:TwoPointNineFivePercentSeniorNotesDueTwoThousandTwentyMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:FourPointSevenFiveZeroSeniorNotesDueTwoThousandTwentyFiveMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-04-01 2015-04-30 0000920760
len:FourPointFiveZeroZeroPercentSeniorNotesDueTwoThousandTwentyFourMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-04-30 0000920760
len:FourPointFiveZeroSeniorNotesDueTwoThousandNineteenMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-02-28 0000920760
len:FivePointTwoFivePercentSeniorNotesDueTwentyTwentySixMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-12 0000920760
len:SixPointSixTwoFivePercentSeniorNotesDueTwentyTwentyMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-12 0000920760
len:FourPointOneTwoFivePercentSeniorNotesDueTwoThousandTwentyTwoMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-01-31 0000920760
len:FourPointSevenFiveZeroPercentSeniorNotesDueTwoThousandTwentyOneMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-03-31 0000920760
len:FourPointSevenFiveZeroSeniorNotesDueTwoThousandTwentyTwoMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2012-10-01 2013-04-30 0000920760
len:SixPointTwoFivePercentSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-12 0000920760
len:ZeroPointTwoFivePercentConvertibleSeniorNotesDueTwentyNineteenMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-12 0000920760
len:FourPointEightSevenFivePercentSeniorNotesDueTwoThousandTwentyThreeMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-11-01
2015-11-30 0000920760 len:FourPointFiveZeroSeniorNotesDueTwoThousandNineteenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2014-11-01
2015-02-28 0000920760 len:FourPointEightSevenFivePercentSeniorNotesDueTwoThousandTwentyThreeMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-11-30
0000920760 len:FivePointZeroZeroPercentSeniorNotesDueTwentyTwentySevenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-12
0000920760 len:FivePointThreeSevenFivePercentSeniorNotesDueTwentyTwentyTwoMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-12
0000920760 len:FourPointSevenFiveZeroPercentSeniorNotesDueTwoThousandTwentySevenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30
0000920760 len:FourPointSevenFiveZeroSeniorNotesDueTwoThousandTwentyTwoMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2013-04-30
0000920760 len:FourPointSevenFiveZeroPercentSeniorNotesDueTwoThousandTwentySevenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-01
2017-11-30 0000920760 len:FourPointFiveZeroZeroPercentSeniorNotesDueTwoThousandNineteenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2014-02-01
2014-02-28 0000920760 len:TwoPointNineFivePercentSeniorNotesDueTwoThousandTwentyMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-01
2017-11-30 0000920760 len:FivePointEightSevenFivePercentSeniorNotesDueTwentyTwentyFourMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-12
0000920760 len:FourPointFiveZeroZeroPercentSeniorNotesDueTwoThousandNineteenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2014-02-28
0000920760
len:FourPointFiveZeroZeroPercentSeniorNotesDueTwoThousandNineteenIssuedatOneHundredPointFivePercentMember

us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2014-02-28
0000920760 len:SixPointNineFivePercentSeniorNotesDueTwoThousandEighteenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-06-30
0000920760 len:CalAtlanticGroupInc.Member us-gaap:SeniorNotesMember 2018-05-31 0000920760
us-gaap:SeniorNotesMember us-gaap:CommonClassBMember 2018-03-01 2018-05-31 0000920760
len:CalAtlanticGroupInc.Member len:SixPointTwoFivePercentSeniorNotesDueTwentyTwentyOneMember
us-gaap:SeniorNotesMember 2018-02-12 0000920760 len:CalAtlanticGroupInc.Member
len:ZeroPointTwoFivePercentConvertibleSeniorNotesDueTwentyNineteenMember us-gaap:SeniorNotesMember
2018-05-31 0000920760
len:FourPointSevenFiveZeroPercentSeniorNotesDueTwoThousandTwentyTwoIssuedatNinetyEightPointZeroSevenThreePerce
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2013-04-30
0000920760 len:EightPointThreeSevenFivePercentSeniorNotesDueTwentyEighteenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-05-31
0000920760 len:FivePointThreeSevenFivePercentSeniorNotesDueTwentyTwentyTwoMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-08-31
0000920760 us-gaap:RevolvingCreditFacilityMember len:CreditFacilityDueinApril2023Member
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-28 0000920760
len:CalAtlanticGroupInc.Member len:EightPointThreeSevenFivePercentSeniorNotesDueTwentyEighteenMember
us-gaap:SeniorNotesMember 2018-02-12 0000920760
len:FourPointFiveZeroPercentSeniorNotesDueTwoThousandNineteenIssuedatOneHundredPointTwoFivePercentMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-02-28
0000920760 len:FourPointOneTwoFivePercentSeniorNotesDueTwoThousandEighteenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30
0000920760 len:FourPointOneTwoFivePercentSeniorNotesDueTwoThousandEighteenMember
us-gaap:SeniorNotesMember 2018-11-30 0000920760 us-gaap:SuretyBondMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01 2018-11-30 0000920760
len:SixPointNineFivePercentSeniorNotesDueTwoThousandEighteenMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-06-01 2018-06-30 0000920760
len:MortgageNotesandOtherMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01
2018-11-30 0000920760 len:CalAtlanticGroupInc.Member
len:FivePointEightSevenFivePercentSeniorNotesDueTwentyTwentyFourMember us-gaap:SeniorNotesMember
2018-02-12 0000920760 len:EightPointThreeSevenFivePercentSeniorNotesDueTwentyTwentyOneMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-08-31
0000920760 us-gaap:LetterOfCreditMember
len:LettersofCreditAvailableforIssuancefromOtherFinancialInstitutionsMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:FivePointZeroZeroPercentSeniorNotesDueTwentyTwentySevenMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-08-31 0000920760
us-gaap:SeniorNotesMember us-gaap:CommonClassAMember 2018-03-01 2018-05-31 0000920760
len:FourPointFiveZeroPercentSeniorNotesDueTwoThousandNineteenIssuedatFaceMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-02-28
0000920760 len:FivePointTwoFivePercentSeniorNotesDueTwentyTwentySixMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-08-31 0000920760
len:FourPointFiveZeroZeroPercentSeniorNotesDueTwoThousandNineteenIssuedatFaceMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2014-02-28
0000920760 len:FivePointEightSevenFivePercentSeniorNotesDueTwentyTwentyFourMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-08-31
0000920760 len:MortgageNotesandOtherMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-12-01 2017-11-30 0000920760
len:CalAtlanticGroupInc.Member len:FivePointTwoFivePercentSeniorNotesDueTwentyTwentySixMember
us-gaap:SeniorNotesMember 2018-02-12 0000920760 us-gaap:RevolvingCreditFacilityMember

len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:FinancialLettersOfCreditMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30
0000920760 len:FourPointSevenFiveZeroPercentSeniorNotesDueTwoThousandTwentyTwoIssuedatFaceMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2013-04-30
0000920760 us-gaap:RevolvingCreditFacilityMember len:CreditFacilityDueinJune2018Member
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-28 0000920760
len:SixPointTwoFivePercentSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-08-31 0000920760
len:MortgageNotesandOtherMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30
0000920760 len:CalAtlanticGroupInc.Member
len:SixPointSixTwoFivePercentSeniorNotesDueTwentyTwentyMember us-gaap:SeniorNotesMember 2018-02-12
0000920760 len:CalAtlanticGroupInc.Member
len:FivePointThreeSevenFivePercentSeniorNotesDueTwentyTwentyTwoMember us-gaap:SeniorNotesMember
2018-02-12 0000920760 us-gaap:SuretyBondMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
us-gaap:RevolvingCreditFacilityMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember
2018-02-28 0000920760 us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:FourPointSevenFiveZeroPercentSeniorNotesDueTwoThousandTwentyTwoIssuedatNinetyEightPointTwoFiveZeroPercent
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2013-04-30
0000920760 len:EightPointThreeSevenFivePercentSeniorNotesDueTwentyEighteenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-05-01
2018-05-31 0000920760 us-gaap:SeniorNotesMember 2018-03-01 2018-05-31 0000920760
len:PerformanceLettersOfCreditMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember
2018-11-30 0000920760 len:PerformanceLettersOfCreditMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:MortgageNotesandOtherMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30
0000920760 us-gaap:SeniorNotesMember 2018-05-31 0000920760 len:FinancialLettersOfCreditMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
us-gaap:LetterOfCreditMember
len:LettersofCreditAvailableforIssuanceUnderUnsecuredRevolvingCreditFacilityMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:SixPointSixTwoFivePercentSeniorNotesDueTwentyTwentyMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-08-31 0000920760
len:CalAtlanticGroupInc.Member len:EightPointThreeSevenFivePercentSeniorNotesDueTwentyTwentyOneMember
us-gaap:SeniorNotesMember 2018-02-12 0000920760 len:CalAtlanticGroupInc.Member
len:ZeroPointTwoFivePercentConvertibleSeniorNotesDueTwentyNineteenMember us-gaap:SeniorNotesMember
2018-03-01 2018-05-31 0000920760 us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:CalAtlanticGroupInc.Member len:FivePointZeroZeroPercentSeniorNotesDueTwentyTwentySevenMember
us-gaap:SeniorNotesMember 2018-02-12 0000920760 us-gaap:RevolvingCreditFacilityMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-01-31 0000920760
len:FourPointOneTwoFivePercentSeniorNotesDueTwoThousandEighteenMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-01 2018-11-30 0000920760
us-gaap:RevolvingCreditFacilityMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember
2018-11-30 0000920760 us-gaap:RevolvingCreditFacilityMember len:CreditFacilityDueinJune2020Member
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-02-28 0000920760
len:CalAtlanticGroupInc.Member us-gaap:SeniorNotesMember 2018-03-01 2018-05-31 0000920760
len:CalAtlanticGroupInc.Member len:EightPointThreeSevenFivePercentSeniorNotesDueTwentyEighteenMember
us-gaap:SeniorNotesMember 2018-05-31 0000920760
len:SixPointSixTwoFivePercentSeniorNotesDueTwentyTwentyMember us-gaap:SeniorNotesMember

len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:FourPointEightSevenFivePercentSeniorNotesDueTwoThousandTwentyThreeMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30
0000920760 len:ZeroPointTwoFivePercentConvertibleSeniorNotesDueTwentyNineteenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30
0000920760 len:EightPointThreeSevenFivePercentSeniorNotesDueTwentyTwentyOneMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30
0000920760 len:TwoPointNineFivePercentSeniorNotesDueTwoThousandTwentyMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30
0000920760 len:FourPointSevenFiveZeroPercentSeniorNotesDueTwoThousandTwentyOneMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30
0000920760 len:FivePointTwoFivePercentSeniorNotesDueTwentyTwentySixMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:FourPointSevenFiveZeroSeniorNotesDueTwoThousandTwentyTwoMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:FourPointSevenFiveZeroPercentSeniorNotesDueTwoThousandTwentySevenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30
0000920760 len:FourPointFiveZeroSeniorNotesDueTwoThousandNineteenMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:FivePointThreeSevenFivePercentSeniorNotesDueTwentyTwentyTwoMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:FourPointSevenFiveZeroPercentSeniorNotesDueTwoThousandTwentyOneMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:FourPointFiveZeroZeroPercentSeniorNotesDueTwoThousandTwentyFourMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:FourPointOneTwoFivePercentSeniorNotesDueTwoThousandEighteenMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:FourPointSevenFiveZeroSeniorNotesDueTwoThousandTwentyTwoMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:EightPointThreeSevenFivePercentSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:SixPointSixTwoFivePercentSeniorNotesDueTwentyTwentyMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:FivePointZeroZeroPercentSeniorNotesDueTwentyTwentySevenMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:SixPointTwoFivePercentSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:FivePointTwoFivePercentSeniorNotesDueTwentyTwentySixMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:SixPointTwoFivePercentSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:SixPointNineFivePercentSeniorNotesDueTwoThousandEighteenMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:FourPointFiveZeroSeniorNotesDueTwoThousandNineteenMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:FourPointFiveZeroZeroPercentSeniorNotesDueTwoThousandNineteenMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
len:SixPointNineFivePercentSeniorNotesDueTwoThousandEighteenMember us-gaap:SeniorNotesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:FourPointEightSevenFivePercentSeniorNotesDueTwoThousandTwentyThreeMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30

0000920760 len:FivePointEightSevenFivePercentSeniorNotesDueTwentyTwentyFourMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30
0000920760 len:FivePointThreeSevenFivePercentSeniorNotesDueTwentyTwentyTwoMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30
0000920760 len:FivePointZeroZeroPercentSeniorNotesDueTwentyTwentySevenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30
0000920760 len:FivePointEightSevenFivePercentSeniorNotesDueTwentyTwentyFourMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30
0000920760 len:FourPointFiveZeroZeroPercentSeniorNotesDueTwoThousandTwentyFourMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30
0000920760 len:ZeroPointTwoFivePercentConvertibleSeniorNotesDueTwentyNineteenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30
0000920760 len:FourPointSevenFiveZeroSeniorNotesDueTwoThousandTwentyFiveMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30
0000920760 len:FourPointSevenFiveZeroSeniorNotesDueTwoThousandTwentyFiveMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30
0000920760 len:FourPointOneTwoFivePercentSeniorNotesDueTwoThousandTwentyTwoMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30
0000920760 len:FourPointOneTwoFivePercentSeniorNotesDueTwoThousandTwentyTwoMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30
0000920760 len:FourPointFiveZeroZeroPercentSeniorNotesDueTwoThousandNineteenMember
us-gaap:SeniorNotesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30
0000920760 us-gaap:WarehouseAgreementBorrowingsMember len:LennarFinancialServicesMember 2017-12-01
2018-11-30 0000920760 us-gaap:ForwardContractsMember len:LennarFinancialServicesMember 2018-11-30
0000920760 len:WarehouseRepurchaseFacilityDueinDecember2018Member
us-gaap:WarehouseAgreementBorrowingsMember len:LennarFinancialServicesMember 2018-11-30 0000920760
len:WarehouseRepurchaseFacilityDueinOctober2019Member us-gaap:WarehouseAgreementBorrowingsMember
len:LennarFinancialServicesMember 2018-11-30 0000920760 us-gaap:ForwardContractsMember
len:LennarFinancialServicesMember 2017-11-30 0000920760 len:MortgageLoanCommitmentsMember
len:LennarFinancialServicesMember 2018-11-30 0000920760
len:WarehouseRepurchaseFacilityDueinMarch2019Member us-gaap:WarehouseAgreementBorrowingsMember
len:LennarFinancialServicesMember 2018-11-30 0000920760 us-gaap:ServicingContractsMember
len:LennarFinancialServicesMember 2018-11-30 0000920760 us-gaap:WarehouseAgreementBorrowingsMember
len:LennarFinancialServicesMember 2017-11-30 0000920760 len:MortgageLoanCommitmentsMember
len:LennarFinancialServicesMember 2017-11-30 0000920760 us-gaap:ServicingContractsMember
len:LennarFinancialServicesMember 2017-11-30 0000920760 us-gaap:WarehouseAgreementBorrowingsMember
len:LennarFinancialServicesMember 2018-11-30 0000920760
len:WarehouseRepurchaseFacilityDueinJune2019Member us-gaap:WarehouseAgreementBorrowingsMember
len:LennarFinancialServicesMember 2018-11-30 0000920760
len:WarehouseRepurchaseFacilityDueinOctober2019Member us-gaap:WarehouseAgreementBorrowingsMember
len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760
len:WarehouseRepurchaseFacilityDueinMarch2019Member us-gaap:WarehouseAgreementBorrowingsMember
len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760
len:WarehouseRepurchaseFacilityDueinJune2019Member us-gaap:WarehouseAgreementBorrowingsMember
len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760
len:WarehouseRepurchaseFacilityDueinDecember2018Member us-gaap:WarehouseAgreementBorrowingsMember
len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760 len:LennarMultifamilyVentureMember
len:LennarMultifamilyMember 2017-12-01 2018-11-30 0000920760 us-gaap:ManagementServiceMember
us-gaap:EquityMethodInvesteeMember len:LennarMultifamilyMember 2015-12-01 2016-11-30 0000920760
len:LennarMultifamilyVentureIILPMember len:LennarMultifamilyMember 2018-11-30 0000920760
len:FinancialLettersOfCreditMember len:LennarMultifamilyMember 2018-11-30 0000920760

len:LennarMultifamilyVentureMember len:LennarMultifamilyMember 2018-11-30 0000920760 us-gaap:ManagementServiceMember us-gaap:EquityMethodInvesteeMember len:LennarMultifamilyMember 2017-12-01 2018-11-30 0000920760 us-gaap:GeneralContractorMember len:LennarMultifamilyMember 2015-12-01 2016-11-30 0000920760 us-gaap:GeneralContractorMember len:LennarMultifamilyMember 2016-12-01 2017-11-30 0000920760 len:LennarMultifamilyVentureMember len:LennarMultifamilyMember 2017-11-30 0000920760 us-gaap:GeneralContractorMember len:LennarMultifamilyMember 2017-12-01 2018-11-30 0000920760 len:LennarMultifamilyVentureIILPMember len:LennarMultifamilyMember 2017-12-01 2018-11-30 0000920760 len:LennarMultifamilyVentureMember len:EquityCommitmentsMember len:LennarMultifamilyMember us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2018-11-30 0000920760 us-gaap:ManagementServiceMember us-gaap:EquityMethodInvesteeMember len:LennarMultifamilyMember 2016-12-01 2017-11-30 0000920760 len:FinancialLettersOfCreditMember len:LennarMultifamilyMember 2017-11-30 0000920760 us-gaap:WarehouseAgreementBorrowingsMember len:WarehouseRepurchaseFacilityDueinDecember2019OneMember len:RialtoInvestmentsMember 2018-11-30 0000920760 len:RialtoMortgageFinanceMember us-gaap:WarehouseAgreementBorrowingsMember len:WarehouseRepurchaseFacilityDueinDecember2019TwoMember len:RialtoInvestmentsMember 2018-11-30 0000920760 us-gaap:WarehouseAgreementBorrowingsMember len:WarehouseRepurchaseFacilityDueInNovember2019Member len:RialtoInvestmentsMember 2018-11-30 0000920760 us-gaap:WarehouseAgreementBorrowingsMember len:RialtoInvestmentsMember 2018-11-30 0000920760 len:RialtoMortgageFinanceMember us-gaap:WarehouseAgreementBorrowingsMember len:RialtoInvestmentsMember 2018-11-30 0000920760 us-gaap:WarehouseAgreementBorrowingsMember len:WarehouseRepurchaseFacilityDueinDecember2019FourMember len:RialtoInvestmentsMember 2018-11-30 0000920760 us-gaap:WarehouseAgreementBorrowingsMember len:WarehouseRepurchaseFacilityDueinDecember2019ThreeMember len:RialtoInvestmentsMember 2018-11-30 0000920760 len:RealEstateInvestmentFundLPMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 len:SevenPercentSeniorNotesdueTwoThousandEighteenMember us-gaap:SeniorNotesMember len:RialtoInvestmentsMember 2017-11-30 0000920760 len:RialtoMortgageFinanceMember len:RialtoInvestmentsMember 2016-12-01 2017-11-30 0000920760 len:RialtoMortgageFinanceMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 len:RialtoMortgageFinanceMember us-gaap:PerformingFinancingReceivableMember len:RialtoInvestmentsMember 2016-12-01 2017-11-30 0000920760 us-gaap:CommercialMortgageBackedSecuritiesMember len:RialtoInvestmentsMember 2017-11-30 0000920760 len:RealEstateInvestmentFundLPMember len:RialtoInvestmentsMember 2016-12-01 2017-11-30 0000920760 us-gaap:OperatingSegmentsMember len:RialtoInvestmentsMember 2018-11-30 2018-11-30 0000920760 len:RialtoMortgageFinanceMember len:RialtoInvestmentsMember 2017-11-30 0000920760 us-gaap:CommercialMortgageBackedSecuritiesMember srt:MaximumMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 len:RialtoMortgageFinanceMember us-gaap:DisposalGroupHeldForSaleOrDisposedOfBySaleNotDiscontinuedOperationsMember len:RialtoInvestmentsMember 2016-12-01 2017-11-30 0000920760 us-gaap:CommercialMortgageBackedSecuritiesMember len:RialtoInvestmentsMember 2018-11-30 0000920760 us-gaap:RealEstateFundsMember us-gaap:ManagementServiceIncentiveMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 us-gaap:CommercialMortgageBackedSecuritiesMember srt:MinimumMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 us-gaap:RealEstateFundsMember us-gaap:ManagementServiceIncentiveMember len:RialtoInvestmentsMember 2015-12-01 2016-11-30 0000920760 us-gaap:WarehouseAgreementBorrowingsMember len:RialtoInvestmentsMember 2017-11-30 0000920760 us-gaap:RealEstateFundsMember us-gaap:ManagementServiceIncentiveMember len:RialtoInvestmentsMember 2016-12-01 2017-11-30 0000920760 us-gaap:CommercialMortgageBackedSecuritiesMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 len:RialtoMortgageFinanceMember len:RialtoInvestmentsMember 2018-11-30 0000920760 us-gaap:CommercialMortgageBackedSecuritiesMember len:RialtoInvestmentsMember 2016-12-01 2017-11-30 0000920760 us-gaap:CommercialMortgageBackedSecuritiesMember len:RialtoInvestmentsMember 2015-12-01 2016-11-30 0000920760 len:WarehouseRepurchaseFacilityDueinDecember2019OneMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 len:WarehouseRepurchaseFacilityDueinDecember2019ThreeMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 us-gaap:WarehouseAgreementBorrowingsMember len:WarehouseRepurchaseFacilityDueinDecember2019FourMember len:RialtoInvestmentsMember 2017-11-30 0000920760 us-gaap:WarehouseAgreementBorrowingsMember len:WarehouseRepurchaseFacilityDueinDecember2019FourMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 len:WarehouseRepurchaseFacilityDueInNovember2019Member len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 len:WarehouseRepurchaseFacilityDueinDecember2019TwoMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 us-gaap:DomesticCountryMember 2017-12-01 2018-11-30 0000920760 srt:MinimumMember us-gaap:StateAndLocalJurisdictionMember 2017-12-01 2018-11-30 0000920760 us-gaap:DomesticCountryMember 2018-11-30 0000920760 us-gaap:DomesticCountryMember 2017-11-30 0000920760 us-gaap:StateAndLocalJurisdictionMember 2017-11-30 0000920760 srt:MaximumMember us-gaap:StateAndLocalJurisdictionMember 2017-12-01 2018-11-30 0000920760 us-gaap:StateAndLocalJurisdictionMember 2018-11-30 0000920760 len:LennarHomebuildingEastCentralWestHoustonandOtherLennarFinancialServicesandLennarMultifamilySegmentsMember 2017-11-30 0000920760 len:LennarHomebuildingEastCentralWestHoustonandOtherLennarFinancialServicesandLennarMultifamilySegmentsMember 2018-11-30 0000920760 us-gaap:EmployeeStockOptionMember 2017-12-01 2018-11-30 0000920760 len:ThreePointTwoFivePercentConvertibleSeniorNotesDueTwoThousandTwentyOneMember us-gaap:SeniorNotesMember 2015-12-01 2016-11-30 0000920760 len:ThreePointTwoFivePercentConvertibleSeniorNotesDueTwoThousandTwentyOneMember us-gaap:SeniorNotesMember 2016-12-01 2017-11-30 0000920760 len:ThreePointTwoFivePercentConvertibleSeniorNotesDueTwoThousandTwentyOneMember us-gaap:SeniorNotesMember 2017-12-01 2018-11-30 0000920760 len:ZeroPointTwoFivePercentConvertibleSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:OnePointSixTwoFivePercentConvertibleSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember 2017-11-30 0000920760 us-gaap:EmployeeStockOptionMember 2016-12-01 2017-11-30 0000920760 us-gaap:EmployeeStockOptionMember 2015-12-01 2016-11-30 0000920760 len:ThreePointTwoFivePercentConvertibleSeniorNotesDueTwoThousandTwentyOneMember us-gaap:SeniorNotesMember 2017-11-30 0000920760 len:OnePointSixTwoFivePercentConvertibleSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember 2016-11-30 0000920760 len:ZeroPointTwoFivePercentConvertibleSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember 2016-11-30 0000920760 len:ZeroPointTwoFivePercentConvertibleSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember 2017-11-30 0000920760 len:ThreePointTwoFivePercentConvertibleSeniorNotesDueTwoThousandTwentyOneMember us-gaap:SeniorNotesMember 2016-11-30 0000920760 len:OnePointSixTwoFivePercentConvertibleSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:ThreePointTwoFivePercentConvertibleSeniorNotesDueTwoThousandTwentyOneMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:ParticipatingPreferredStockMember 2018-11-30 0000920760 len:NonparticipatingPreferredStockMember 2018-11-30 0000920760 us-gaap:SubsequentEventMember 2019-01-28 0000920760 us-gaap:ChiefExecutiveOfficerMember 2018-11-30 0000920760 len:NonparticipatingPreferredStockMember 2017-11-30 0000920760 2017-11-27 2017-11-27 0000920760 len:ParticipatingPreferredStockMember 2017-11-30 0000920760 us-gaap:RestrictedStockMember 2016-12-01 2017-11-30 0000920760 us-gaap:RestrictedStockMember 2018-11-30 0000920760 us-gaap:RestrictedStockMember 2015-12-01 2016-11-30 0000920760 us-gaap:RestrictedStockMember 2017-12-01 2018-11-30 0000920760 us-gaap:RestrictedStockMember 2017-11-30 0000920760 us-gaap:ForwardContractsMember us-gaap:FairValueInputsLevel2Member us-gaap:FairValueMeasurementsRecurringMember len:LennarFinancialServicesMember 2018-11-30 0000920760 us-gaap:FairValueInputsLevel1Member us-gaap:FairValueMeasurementsRecurringMember len:LennarFinancialServicesMember 2017-11-30 0000920760

us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsRecurringMember
len:RialtoInvestmentsMember 2017-11-30 0000920760 us-gaap:FairValueInputsLevel2Member
us-gaap:FairValueMeasurementsRecurringMember len:LennarFinancialServicesMember 2017-11-30 0000920760
len:MortgageLoanCommitmentsMember us-gaap:FairValueInputsLevel2Member
us-gaap:FairValueMeasurementsRecurringMember len:LennarFinancialServicesMember 2018-11-30 0000920760
us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsRecurringMember
len:LennarFinancialServicesMember 2017-11-30 0000920760 us-gaap:FairValueInputsLevel3Member
us-gaap:FairValueMeasurementsRecurringMember len:RialtoInvestmentsMember 2018-11-30 0000920760
us-gaap:FairValueInputsLevel2Member us-gaap:FairValueMeasurementsRecurringMember
len:LennarFinancialServicesMember 2018-11-30 0000920760 us-gaap:FairValueInputsLevel1Member
us-gaap:FairValueMeasurementsRecurringMember len:LennarFinancialServicesMember 2018-11-30 0000920760
us-gaap:ForwardContractsMember us-gaap:FairValueInputsLevel2Member
us-gaap:FairValueMeasurementsRecurringMember len:LennarFinancialServicesMember 2017-11-30 0000920760
len:MortgageLoanCommitmentsMember us-gaap:FairValueInputsLevel2Member
us-gaap:FairValueMeasurementsRecurringMember len:LennarFinancialServicesMember 2017-11-30 0000920760
us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsRecurringMember
len:LennarFinancialServicesMember 2018-11-30 0000920760 us-gaap:FairValueMeasurementsRecurringMember
len:LoansHeldForSaleMember len:RialtoInvestmentsMember 2018-11-30 0000920760
len:ForwardCommitmentsMortgageBackedSecuritiesMember 2018-11-30 0000920760
us-gaap:ServicingContractsMember us-gaap:FairValueInputsLevel3Member
us-gaap:MeasurementInputDefaultRateMember len:LennarFinancialServicesMember 2018-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember len:LoansHeldForSaleMember
len:LennarFinancialServicesMember 2018-11-30 0000920760 us-gaap:FairValueMeasurementsRecurringMember
len:LoansHeldForSaleMember len:RialtoInvestmentsMember 2017-11-30 0000920760
us-gaap:ServicingContractsMember us-gaap:FairValueInputsLevel3Member
us-gaap:MeasurementInputDiscountRateMember len:LennarFinancialServicesMember 2018-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember len:LoansHeldForSaleMember
len:LennarFinancialServicesMember 2017-11-30 0000920760 us-gaap:ServicingContractsMember
us-gaap:FairValueInputsLevel3Member us-gaap:MeasurementInputPrepaymentRateMember
len:LennarFinancialServicesMember 2018-11-30 0000920760 us-gaap:FairValueInputsLevel3Member
us-gaap:FairValueMeasurementsNonrecurringMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01 2018-11-30 0000920760
us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsNonrecurringMember
len:RialtoInvestmentsMember 2015-12-01 2016-11-30 0000920760 us-gaap:FairValueInputsLevel3Member
us-gaap:FairValueMeasurementsNonrecurringMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-12-01 2017-11-30 0000920760
us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsNonrecurringMember
len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 us-gaap:FairValueInputsLevel3Member
us-gaap:FairValueMeasurementsNonrecurringMember len:RialtoInvestmentsMember 2016-12-01 2017-11-30
0000920760 us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsNonrecurringMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-12-01 2016-11-30 0000920760
len:LoansHeldForSaleMember len:RialtoInvestmentsMember 2016-11-30 0000920760
len:LoansHeldForSaleMember len:RialtoInvestmentsMember 2017-11-30 0000920760
us-gaap:ServicingContractsMember len:LennarFinancialServicesMember 2017-11-30 0000920760
us-gaap:ServicingContractsMember len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760
us-gaap:ServicingContractsMember len:LennarFinancialServicesMember 2016-12-01 2017-11-30 0000920760
len:LoansHeldForSaleMember len:RialtoInvestmentsMember 2018-11-30 0000920760
us-gaap:ServicingContractsMember len:LennarFinancialServicesMember 2018-11-30 0000920760
len:LoansHeldForSaleMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760
len:LoansHeldForSaleMember len:RialtoInvestmentsMember 2016-12-01 2017-11-30 0000920760
us-gaap:ServicingContractsMember len:LennarFinancialServicesMember 2016-11-30 0000920760

us-gaap:FairValueMeasurementsRecurringMember us-gaap:AvailableforsaleSecuritiesMember
len:LennarFinancialServicesMember 2015-12-01 2016-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember len:MortgageLoanCommitmentsMember
len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember us-gaap:ForwardContractsMember
len:LennarFinancialServicesMember 2015-12-01 2016-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember len:LennarFinancialServicesMember 2015-12-01 2016-11-30
0000920760 us-gaap:FairValueMeasurementsRecurringMember us-gaap:ForwardContractsMember
len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember us-gaap:AvailableforsaleSecuritiesMember
len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember len:LoansHeldForSaleMember
len:LennarFinancialServicesMember 2016-12-01 2017-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember len:MortgageLoanCommitmentsMember
len:LennarFinancialServicesMember 2015-12-01 2016-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember us-gaap:ForwardContractsMember
len:LennarFinancialServicesMember 2016-12-01 2017-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember len:LoansHeldForSaleMember
len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember us-gaap:AvailableforsaleSecuritiesMember
len:LennarFinancialServicesMember 2016-12-01 2017-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember len:LoansHeldForSaleMember
len:LennarFinancialServicesMember 2015-12-01 2016-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember len:LennarFinancialServicesMember 2017-12-01 2018-11-30
0000920760 us-gaap:FairValueMeasurementsRecurringMember len:MortgageLoanCommitmentsMember
len:LennarFinancialServicesMember 2016-12-01 2017-11-30 0000920760
us-gaap:FairValueMeasurementsRecurringMember len:LennarFinancialServicesMember 2016-12-01 2017-11-30
0000920760 us-gaap:FairValueInputsLevel2Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
us-gaap:FairValueInputsLevel3Member us-gaap:CarryingReportedAmountFairValueDisclosureMember
len:LennarFinancialServicesMember 2018-11-30 0000920760 us-gaap:FairValueInputsLevel2Member
us-gaap:CarryingReportedAmountFairValueDisclosureMember len:LennarFinancialServicesMember 2018-11-30
0000920760 us-gaap:FairValueInputsLevel2Member us-gaap:CarryingReportedAmountFairValueDisclosureMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760
us-gaap:FairValueInputsLevel2Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
len:LennarFinancialServicesMember 2017-11-30 0000920760 us-gaap:FairValueInputsLevel2Member
us-gaap:EstimateOfFairValueFairValueDisclosureMember len:LennarFinancialServicesMember 2018-11-30
0000920760 us-gaap:FairValueInputsLevel2Member us-gaap:CarryingReportedAmountFairValueDisclosureMember
len:LennarFinancialServicesMember 2017-11-30 0000920760 us-gaap:FairValueInputsLevel3Member
us-gaap:CarryingReportedAmountFairValueDisclosureMember len:RialtoInvestmentsMember 2018-11-30
0000920760 us-gaap:FairValueInputsLevel3Member us-gaap:CarryingReportedAmountFairValueDisclosureMember
len:RialtoInvestmentsMember 2017-11-30 0000920760 us-gaap:FairValueInputsLevel3Member
us-gaap:EstimateOfFairValueFairValueDisclosureMember len:RialtoInvestmentsMember 2017-11-30 0000920760
us-gaap:FairValueInputsLevel3Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
len:RialtoInvestmentsMember 2018-11-30 0000920760 us-gaap:FairValueInputsLevel3Member
us-gaap:CarryingReportedAmountFairValueDisclosureMember len:LennarFinancialServicesMember 2017-11-30
0000920760 us-gaap:FairValueInputsLevel3Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
len:LennarFinancialServicesMember 2017-11-30 0000920760 us-gaap:FairValueInputsLevel2Member
us-gaap:CarryingReportedAmountFairValueDisclosureMember len:RialtoInvestmentsMember 2017-11-30
0000920760 us-gaap:FairValueInputsLevel3Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
len:LennarFinancialServicesMember 2018-11-30 0000920760 us-gaap:FairValueInputsLevel2Member

us-gaap:CarryingReportedAmountFairValueDisclosureMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
us-gaap:FairValueInputsLevel2Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
len:RialtoInvestmentsMember 2018-11-30 0000920760 us-gaap:FairValueInputsLevel2Member
us-gaap:CarryingReportedAmountFairValueDisclosureMember len:RialtoInvestmentsMember 2018-11-30
0000920760 us-gaap:FairValueInputsLevel2Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
len:RialtoInvestmentsMember 2017-11-30 0000920760 us-gaap:FairValueInputsLevel2Member
us-gaap:EstimateOfFairValueFairValueDisclosureMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760
len:LennarMultifamilyMember us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2017-11-30
0000920760 len:LennarMultifamilyMember us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember
2018-11-30 0000920760 len:LennarHomebuildingEastCentralWestHoustonandOtherMember
us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2017-11-30 0000920760
us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2018-11-30 0000920760
len:RialtoInvestmentsMember us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2018-11-30
0000920760 us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2017-11-30 0000920760
len:LennarHomebuildingEastCentralWestHoustonandOtherMember
us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2018-11-30 0000920760
len:RialtoInvestmentsMember us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2017-11-30
0000920760 len:EquityCommitmentsMember len:LennarMultifamilyMember
us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2017-11-30 0000920760
len:VariableInterestEntityNotPrimaryBeneficiaryIncludingThirdPartiesMember 2017-12-01 2018-11-30 0000920760
len:FinancialStandbyLettersofCreditMember
len:VariableInterestEntityNotPrimaryBeneficiaryIncludingThirdPartiesMember 2018-11-30 0000920760
len:EquityCommitmentsMember len:LennarMultifamilyMember
us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2018-11-30 0000920760
len:RialtoInvestmentsMember us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2016-11-30
0000920760 len:VariableInterestEntityNotPrimaryBeneficiaryIncludingThirdPartiesMember 2017-11-30 0000920760
len:VariableInterestEntityNotPrimaryBeneficiaryIncludingThirdPartiesMember 2018-11-30 0000920760
len:FinancialStandbyLettersofCreditMember len:LennarMultifamilyMember
us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2018-11-30 0000920760
len:FinancialStandbyLettersofCreditMember
len:VariableInterestEntityNotPrimaryBeneficiaryIncludingThirdPartiesMember 2017-11-30 0000920760
len:FinancialStandbyLettersofCreditMember len:LennarMultifamilyMember
us-gaap:VariableInterestEntityNotPrimaryBeneficiaryMember 2017-11-30 0000920760
us-gaap:CapitalAdditionsMember 2017-12-01 2018-11-30 0000920760 len:DistrictofMarylandMember
us-gaap:JudicialRulingMember 2016-12-01 2017-02-28 0000920760 len:DistrictofMarylandMember 2016-12-01
2017-02-28 0000920760 srt:ConsolidationEliminationsMember 2018-11-30 0000920760
srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember 2017-12-01 2018-11-30 0000920760
srt:ConsolidationEliminationsMember 2017-12-01 2018-11-30 0000920760 srt:ParentCompanyMember
srt:ReportableLegalEntitiesMember 2017-12-01 2018-11-30 0000920760 srt:ConsolidationEliminationsMember
us-gaap:WarehouseAgreementBorrowingsMember 2017-12-01 2018-11-30 0000920760
srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember 2017-12-01 2018-11-30 0000920760
srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember 2017-12-01
2018-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember 2018-11-30
0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember
us-gaap:WarehouseAgreementBorrowingsMember 2017-12-01 2018-11-30 0000920760 srt:ParentCompanyMember
srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760
srt:ConsolidationEliminationsMember us-gaap:RevolvingCreditFacilityMember 2017-12-01 2018-11-30 0000920760
srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember us-gaap:RevolvingCreditFacilityMember
2017-12-01 2018-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember 2018-11-30

0000920760 srt:ConsolidationEliminationsMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember 2017-12-01 2018-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember 2018-11-30 0000920760 srt:ConsolidationEliminationsMember 2017-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember us-gaap:RevolvingCreditFacilityMember 2017-12-01 2018-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember 2017-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember us-gaap:RevolvingCreditFacilityMember 2017-12-01 2018-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember 2017-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember us-gaap:WarehouseAgreementBorrowingsMember 2017-12-01 2018-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember 2017-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember us-gaap:WarehouseAgreementBorrowingsMember 2017-12-01 2018-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01 2018-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarMultifamilyMember 2017-12-01 2018-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01 2018-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01 2018-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2017-12-01 2018-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2017-12-01 2018-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-12-01 2018-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2017-12-01 2018-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2017-12-01 2018-11-30 0000920760 len:FourPointSevenFiveZeroSeniorNotesDueTwoThousandTwentyTwoMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:FivePointThreeSevenFivePercentSeniorNotesDueTwentyTwentyTwoMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:FourPointFiveZeroSeniorNotesDueTwoThousandNineteenMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:TwoPointNineFivePercentSeniorNotesDueTwoThousandTwentyMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:SixPointSixTwoFivePercentSeniorNotesDueTwentyTwentyMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:SixPointTwoFivePercentSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:FivePointZeroZeroPercentSeniorNotesDueTwentyTwentySevenMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:FourPointFiveZeroZeroPercentSeniorNotesDueTwoThousandTwentyFourMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760 len:FourPointSevenFiveZeroPercentSeniorNotesDueTwoThousandTwentyOneMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:FourPointSevenFiveZeroSeniorNotesDueTwoThousandTwentyFiveMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:FourPointSevenFiveZeroPercentSeniorNotesDueTwoThousandTwentySevenMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:FourPointFiveZeroZeroPercentSeniorNotesDueTwoThousandNineteenMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:FivePointEightSevenFivePercentSeniorNotesDueTwentyTwentyFourMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:EightPointThreeSevenFivePercentSeniorNotesDueTwentyTwentyOneMember us-gaap:SeniorNotesMember 2018-11-30 0000920760 len:FourPointEightSevenFivePercentSeniorNotesDueTwoThousandTwentyThreeMember

us-gaap:SeniorNotesMember 2018-11-30 0000920760
len:FivePointTwoFivePercentSeniorNotesDueTwentyTwentySixMember us-gaap:SeniorNotesMember 2018-11-30
0000920760 srt:ConsolidationEliminationsMember 2016-12-01 2017-11-30 0000920760
srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember 2016-12-01 2017-11-30 0000920760
srt:ParentCompanyMember srt:ReportableLegalEntitiesMember 2016-12-01 2017-11-30 0000920760
srt:ConsolidationEliminationsMember len:RialtoInvestmentsMember 2016-12-01 2017-11-30 0000920760
srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember 2016-12-01 2017-11-30 0000920760
srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember 2016-12-01
2017-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember 2016-11-30 0000920760
srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember 2016-11-30 0000920760
srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember
us-gaap:WarehouseAgreementBorrowingsMember 2016-12-01 2017-11-30 0000920760
srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember 2016-12-01
2017-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember
us-gaap:WarehouseAgreementBorrowingsMember 2016-12-01 2017-11-30 0000920760 srt:ParentCompanyMember
srt:ReportableLegalEntitiesMember us-gaap:WarehouseAgreementBorrowingsMember 2016-12-01 2017-11-30
0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember
2016-12-01 2017-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember
2016-11-30 0000920760 srt:ConsolidationEliminationsMember us-gaap:WarehouseAgreementBorrowingsMember
2016-12-01 2017-11-30 0000920760 srt:ConsolidationEliminationsMember 2016-11-30 0000920760
srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember
2016-12-01 2017-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-12-01 2017-11-30 0000920760
srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-12-01 2017-11-30 0000920760
srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2016-12-01
2017-11-30 0000920760 srt:ConsolidationEliminationsMember
len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-12-01 2017-11-30 0000920760
srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2016-12-01
2017-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarMultifamilyMember 2016-12-01
2017-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember
len:LennarFinancialServicesMember 2016-12-01 2017-11-30 0000920760 srt:ParentCompanyMember
srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2016-12-01
2017-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember
len:LennarMultifamilyMember 2016-12-01 2017-11-30 0000920760 srt:ParentCompanyMember
srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2016-12-01 2017-11-30 0000920760
srt:ConsolidationEliminationsMember len:LennarFinancialServicesMember 2016-12-01 2017-11-30 0000920760
srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember 2015-12-01 2016-11-30 0000920760
srt:ConsolidationEliminationsMember 2015-12-01 2016-11-30 0000920760 srt:NonGuarantorSubsidiariesMember
srt:ReportableLegalEntitiesMember 2015-12-01 2016-11-30 0000920760 srt:GuarantorSubsidiariesMember
srt:ReportableLegalEntitiesMember us-gaap:WarehouseAgreementBorrowingsMember 2015-12-01 2016-11-30
0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember 2015-11-30 0000920760
srt:ParentCompanyMember srt:ReportableLegalEntitiesMember 2015-12-01 2016-11-30 0000920760
srt:ParentCompanyMember srt:ReportableLegalEntitiesMember 2015-11-30 0000920760
srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember 2015-12-01
2016-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember 2015-11-30
0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember
2015-12-01 2016-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember
len:RialtoInvestmentsMember 2015-12-01 2016-11-30 0000920760 srt:ConsolidationEliminationsMember
len:RialtoInvestmentsMember 2015-12-01 2016-11-30 0000920760 srt:ConsolidationEliminationsMember
us-gaap:WarehouseAgreementBorrowingsMember 2015-12-01 2016-11-30 0000920760 srt:ParentCompanyMember

srt:ReportableLegalEntitiesMember us-gaap:WarehouseAgreementBorrowingsMember 2015-12-01 2016-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember us-gaap:WarehouseAgreementBorrowingsMember 2015-12-01 2016-11-30 0000920760 srt:ConsolidationEliminationsMember 2015-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2018-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarFinancialServicesMember 2018-11-30 0000920760 srt:ConsolidationEliminationsMember len:RialtoInvestmentsMember 2018-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2018-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2018-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2018-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember 2018-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember 2018-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2018-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember 2018-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2018-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarMultifamilyMember 2018-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2018-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-12-01 2016-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-12-01 2016-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2015-12-01 2016-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2015-12-01 2016-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2015-12-01 2016-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarMultifamilyMember 2015-12-01 2016-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-12-01 2016-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarFinancialServicesMember 2015-12-01 2016-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2015-12-01 2016-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2015-12-01 2016-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2015-12-01 2016-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2015-12-01 2016-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember 2017-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember 2017-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2017-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarHomebuildingEastCentralWestHoustonandOtherMember 2017-11-30 0000920760 srt:ConsolidationEliminationsMember len:RialtoInvestmentsMember 2017-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarMultifamilyMember 2017-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2017-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2017-11-30 0000920760 srt:ConsolidationEliminationsMember len:LennarFinancialServicesMember 2017-11-30 0000920760 srt:ParentCompanyMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2017-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarFinancialServicesMember 2017-11-30 0000920760 srt:GuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:LennarMultifamilyMember 2017-11-30 0000920760 srt:NonGuarantorSubsidiariesMember srt:ReportableLegalEntitiesMember len:RialtoInvestmentsMember 2017-11-30 0000920760 2017-12-01 2018-02-28 0000920760 2017-06-01 2017-08-31 0000920760 2018-09-01 2018-11-30 0000920760 2018-03-01 2018-05-31 0000920760 2017-09-01 2017-11-30 0000920760 2018-06-01 2018-08-31 0000920760 2016-12-01 2017-02-28 0000920760 2017-03-01 2017-05-31 0000920760 us-gaap:CommonClassBMember 2017-11-27 2017-11-27 0000920760 us-gaap:ValuationAllowanceOfDeferredTaxAssetsMember 2016-12-01 2017-11-30 0000920760 us-gaap:AllowanceForLoanAndLeaseLossesMember 2015-12-01 2016-11-30 0000920760 us-gaap:AllowanceForLoanAndLeaseLossesMember 2017-12-01 2018-11-30 0000920760 len:AllowancesForDoubtfulAccountsAndNotesAndOtherReceivablesMember 2015-12-01 2016-11-30 0000920760 us-gaap:AllowanceForLoanAndLeaseLossesMember 2016-11-30 0000920760 us-gaap:AllowanceForLoanAndLeaseLossesMember 2017-11-30 0000920760 us-gaap:ValuationAllowanceOfDeferredTaxAssetsMember 2018-11-30 0000920760 len:AllowancesForDoubtfulAccountsAndNotesAndOtherReceivablesMember 2017-12-01 2018-11-30 0000920760 us-gaap:AllowanceForLoanAndLeaseLossesMember 2016-12-01 2017-11-30 0000920760 us-gaap:ValuationAllowanceOfDeferredTaxAssetsMember 2015-12-01 2016-11-30 0000920760 len:AllowancesForDoubtfulAccountsAndNotesAndOtherReceivablesMember 2017-11-30 0000920760 us-gaap:ValuationAllowanceOfDeferredTaxAssetsMember 2017-12-01 2018-11-30 0000920760 us-gaap:ValuationAllowanceOfDeferredTaxAssetsMember 2017-11-30 0000920760 len:AllowancesForDoubtfulAccountsAndNotesAndOtherReceivablesMember 2016-12-01 2017-11-30 0000920760 us-gaap:ValuationAllowanceOfDeferredTaxAssetsMember 2016-11-30 0000920760 len:AllowancesForDoubtfulAccountsAndNotesAndOtherReceivablesMember 2018-11-30 0000920760 us-gaap:AllowanceForLoanAndLeaseLossesMember 2018-11-30 0000920760 len:AllowancesForDoubtfulAccountsAndNotesAndOtherReceivablesMember 2015-11-30 0000920760 us-gaap:AllowanceForLoanAndLeaseLossesMember 2015-11-30 0000920760 us-gaap:ValuationAllowanceOfDeferredTaxAssetsMember 2015-11-30 0000920760 len:AllowancesForDoubtfulAccountsAndNotesAndOtherReceivablesMember 2016-11-30 len:communities len:metropolitan_area len:community iso4217:USD xbrli:shares len:state xbrli:pure iso4217:USD xbrli:shares len:homes len:transaction len:apartment len:joint_venture len:asset iso4217:USD len:homes len:investment len:property len:votes xbrli:shares len:extension

Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended November 30, 2018
Commission file number 1-11749

Lennar Corporation

(Exact name of registrant as specified in its charter)

Delaware	**95-4337490**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

700 Northwest 107th Avenue, Miami, Florida 33172
(Address of principal executive offices) (Zip Code)
Registrant's telephone number, including area code (305) 559-4000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Class A Common Stock, par value 10¢	New York Stock Exchange
Class B Common Stock, par value 10¢	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES ý NO ¨
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES ¨ NO ý
Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ý NO ¨
Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). YES ý NO ¨
Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ý
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.
Large accelerated filer ý Accelerated filer ¨ Non-accelerated filer ¨ Smaller reporting company ¨
Emerging growth company ¨

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ¨ NO ý
The aggregate market value of the registrant's Class A and Class B common stock held by non-affiliates of the registrant (286,258,248 shares of Class A common stock and 15,650,943 shares of Class B common stock) as of May 31, 2018, based on the closing sale price per share as reported by the New York Stock Exchange on such date, was $15,431,622,455.

As of December 31, 2018, the registrant had outstanding 286,454,512 shares of Class A common stock and 37,743,361 shares of Class B common stock.

DOCUMENTS INCORPORATED BY REFERENCE:

Related Section	Documents
III	Definitive Proxy Statement to be filed pursuant to Regulation 14A on or before March 30, 2019.

Table of Contents

LENNAR CORPORATION

FORM 10-K
For the fiscal year ended November 30, 2018

Table of Contents

PART I

Item 1. Business

Overview of Lennar Corporation

We are the largest homebuilder in the United States in terms of consolidated revenue, an originator of residential and commercial mortgage loans, and a developer of multifamily rental properties in various U.S. markets primarily through unconsolidated entities. In addition, we are involved in ventures, and have interests in companies, that are engaged in applying technology to purchasing, residing in and selling homes.

Our homebuilding operations are the most substantial part of our business, comprising $19.1 billion in revenues, or approximately 93% of consolidated revenues, in fiscal 2018.

As of November 30, 2018, our reportable homebuilding segments and Homebuilding Other had divisions located in:

East: Florida, New Jersey, North Carolina, and South Carolina

Central: Georgia, Illinois, Indiana, Maryland, Minnesota, Tennessee and Virginia

Texas: Texas

West: Arizona, California, Colorado, Nevada, Oregon, Utah and Washington

Other: Urban divisions and other homebuilding related investments, including FivePoint

Our other reportable segments are Lennar Financial Services, Lennar Multifamily and Rialto. Financial information about our Homebuilding, Lennar Financial Services, Lennar Multifamily and Rialto operations, including our former Rialto Capital Management investment and asset management platform ("Rialto Management Group"), which we sold on November 30, 2018, is contained in Management's Discussion and Analysis of Financial Condition and Results of Operations, which is Item 7 of this Report, and our consolidated financial statements and the notes to our consolidated financial statements, which are included in Item 8 of this Report. As of December 1, 2018, our reportable segments in addition to homebuilding were Lennar Financial Services, including Rialto Mortgage Finance ("RMF"), Lennar Multifamily and Corporate and Other.

A Brief History of Our Company

Our company was founded as a local Miami homebuilder in 1954. We completed our initial public offering in 1971 and listed our common stock on the New York Stock Exchange in 1972. During the 1980s and 1990s, we entered and expanded operations in a number of homebuilding markets, including California, Florida and Texas, through both organic growth and acquisitions, such as Pacific Greystone Corporation in 1997. In 2000, we acquired U.S. Home Corporation, which expanded our operations into New Jersey, Maryland, Virginia, Minnesota and Colorado and strengthened our position in other states. From 2002 through 2005, we acquired several regional homebuilders, which brought us into new markets and strengthened our position in several existing markets. From 2010 through 2013, we expanded our homebuilding operations into Georgia, Oregon, Washington and Tennessee. In 2017, we acquired WCI Communities, Inc. ("WCI"), a homebuilder of luxury single and multifamily homes, including a small number of luxury high-rise tower units, in Florida. In February 2018, we acquired CalAtlantic Group, Inc. ("CalAtlantic"), a major homebuilder which was building homes across the homebuilding spectrum, from entry level to luxury, in 43 metropolitan statistical areas spanning 19 states, and providing mortgage, title and escrow services. As a result, we became the nation's largest homebuilder in terms of consolidated revenues, with fiscal year 2018 revenues of $20.6 billion.

We are currently focused on maintaining moderate growth in community count and homes sales, reducing homebuilding costs through volume purchasing, increasing the efficiencies in our building process and reducing selling, general and administrative expenses by using technology and innovative strategies to reduce customer acquisition costs. We are also focused on a soft-pivot land strategy, shortening the average time between when we acquire land and when we expect to begin building homes on it. This decreases the percentage of homesites we need to purchase outright versus control through options or other arrangements, as well as increases the rate of return on our homebuilding investment and generating net cash flow. In addition we are focused on our strategic investments in technology companies that are looking to improve the homebuilding and financial services industry to better serve our customers and increase efficiencies.

In 2017, we decided to increase our focus on our core homebuilding and related finance businesses, and to dispose of some of our non-core businesses. During fiscal 2018 and the early part of 2019, we disposed of our Rialto Management Group, the majority of our retail title business, our title insurance underwriting business and our real estate brokerage business and contracted to sell our business of offering residential mortgages to non-Lennar homebuyers.

Table of Contents

In addition to focusing on growing our core operating platforms, Lennar Homebuilding and Lennar Financial Services, we have also been focusing on maximizing the value of our other businesses, including Lennar Multifamily, our approximately 40% interest in FivePoint Holdings, LLC ("FivePoint"), a publicly traded company that is developing three large multi-use planned developments in California, and our strategic investments in technology companies that are looking to improve the homebuilding and financial services industry to better serve our customers and increase efficiencies.

Homebuilding Operations

Overview

Our homebuilding operations include the construction and sale of single-family attached and detached homes as well as the purchase, development and sale of residential land directly and through unconsolidated entities in which we have investments. New home deliveries, including deliveries from unconsolidated entities, were 45,627 in fiscal 2018, compared to 29,394 in fiscal 2017 and 26,563 in fiscal 2016. The increase in fiscal 2018 resulted primarily from the acquisition of CalAtlantic in February 2018. We primarily sell single-family attached and detached homes in communities targeted to first-time, move-up, active adult, and luxury homebuyers. The average sales price of a Lennar home varies depending on product and geographic location. For fiscal 2018, the average sales price, excluding deliveries from unconsolidated entities, was $413,000, compared to $376,000 in fiscal 2017 and $361,000 in fiscal 2016.

We operate primarily under the Lennar brand name. Our homebuilding mission is focused on the profitable development of residential communities. Key elements of our strategy include:

- *Strong Operating Margins* - We believe our purchasing leverage combined with our attractive land purchases position us for strong operating margins.
- *Everything's Included® Approach* - We are focused on distinguishing our products, including through our Everything's Included® approach, which maximizes our purchasing power, enables us to include luxury features as standard items in our homes and simplifies our homebuilding operations.
- *Innovative Homebuilding* - We are constantly innovating the homes we build to create products that better meet our customers' needs and desires. Our Next Gen® home, or a home within a home, provides a unique new home solution for multi-generational households as homebuyers often need to accommodate children and parents to share the cost of their mortgage and other living expenses.
- *Flexible Operating Structure* - Our local operating structure gives us the flexibility to make operating decisions based on local homebuilding conditions and customer preferences, while our centralized management structure provides oversight for our homebuilding operations.
- *Digital Marketing* - We are increasingly advertising homes through digital channels, which is significantly increasing the efficiency of our marketing efforts.
- *Strategic partners and investments* - We partner with and/or invest in technology companies that are looking to improve the homebuilding and financial services industry to better serve our customers and increase efficiencies.
- *Soft-pivot land strategy* - We are focused on shortening the average time between when we acquire land and when we expect to begin building homes on it.

Diversified Program of Property Acquisition

We generally acquire land for development and for the construction of homes that we sell to homebuyers. Land purchases are subject to specified underwriting criteria and are made through our diversified program of property acquisition, which may consist of:

- Acquiring land directly from individual land owners/developers or homebuilders;
- Acquiring local or regional homebuilders that own, or have options to purchase, land in strategic markets;
- Acquiring land through option contracts, which generally enables us to control portions of properties owned by third parties (including land funds) and unconsolidated entities in which we have investments until we have determined whether to exercise the options;
- Acquiring parcels of land through joint ventures or partnerships, which among other benefits, limits the amount of our capital invested in land while helping to ensure our access to potential future homesites and allowing us to participate

in strategic ventures;
- Investing in regional developers in exchange for preferential land purchase opportunities; and
- Acquiring land in conjunction with Lennar Multifamily.

At November 30, 2018, we owned 201,648 homesites and had access through option contracts to an additional 68,623 homesites, of which 59,289 homesites were through option contracts with third parties and 9,334 homesites were through

2

option contracts with unconsolidated entities in which we have investments. At November 30, 2017, we owned 141,126 homesites and had access through option contracts to an additional 37,527 homesites, of which 32,082 homesites were through option contracts with third parties and 5,445 homesites were through option contracts with unconsolidated entities in which we had investments.

Construction and Development

Through our own efforts and those of unconsolidated entities in which Lennar Homebuilding has investments, we are involved in all phases of planning and building in our residential communities, including land acquisition, site planning, preparation and improvement of land and design, construction and marketing of homes. We use independent subcontractors for most aspects of home construction. At November 30, 2018, we were actively building and marketing homes in 1,329 communities, including five communities being constructed by unconsolidated entities. This was an increase from 765 communities, including four communities being constructed by unconsolidated entities, in which we were actively building and marketing homes at November 30, 2017.

We generally supervise and control the development of land and the design and building of our residential communities with a relatively small labor force. We hire subcontractors for site improvements and virtually all of the work involved in the construction of homes. Arrangements with our subcontractors generally provide that our subcontractors will complete specified work in accordance with price and time schedules and in compliance with applicable building codes and laws. The price schedules may be subject to change to meet changes in labor and material costs or for other reasons. Although homebuilders throughout the country have recently encountered shortages of materials and skilled labor, because of our size we have been less affected by these shortages than many of our competitors. We believe that the current sources and availability of raw materials and labor to our subcontractors are in most locations adequate for our planned levels of operation. We generally do not own heavy construction equipment. We finance construction and land development activities primarily with cash generated from operations and corporate debt.

For additional information about our investments in and relationships with unconsolidated entities, see Management’s Discussion and Analysis of Financial Condition and Results of Operations in Item 7 of this Report.

Marketing

We offer a diversified line of homes for first-time, move-up, active adult, luxury and multi-generational homebuyers in a variety of locations ranging from urban infill communities to suburban golf course communities. Our Everything’s Included® marketing program simplifies the home buying experience by including the most desirable features as standard items. This marketing program enables us to differentiate our homes from those of our competitors by including luxury items as standard features at competitive pricing, while reducing construction and overhead costs through a simplified construction process, product standardization and volume purchasing. In addition, we include solar power, built in wireless capability and home automation in many of the homes we sell, which enhances our brand and improves our ability to generate traffic and sales.

We sell our homes primarily from models that we have designed and constructed. We employ new home consultants who are paid salaries, commissions or both to conduct on-site sales of our homes. We also sell homes through independent realtors.

Most recently our marketing strategy has increasingly involved advertising through digital channels including paid search, display advertising, social media and e-mail marketing, all of which drive traffic to our website, www.lennar.com. This has allowed us to attract more qualified and knowledgeable homebuyers and has helped us reduce our selling, general and administrative expenses as a percentage of home sales revenues. However, we also continue to advertise through more traditional media, including newspapers, radio advertisements and other local and regional publications and on billboards where appropriate. We tailor our marketing strategy and message based on the community being advertised and the customers being targeted, such as advertising our active adult communities in areas where prospective active adult homebuyers live or will potentially want to purchase.

Quality Service

We continually strive to improve homeowner customer satisfaction throughout the pre-sale, sale, construction, closing and post-closing periods. We strive to create a quality home buying experience for our customers through the participation of sales associates, on-site construction supervisors and customer care associates, all working in a team effort, which we believe leads to enhanced customer retention and referrals. The quality of our homes is substantially affected by the efforts of on-site management and others engaged in the construction process, by the materials we use in particular homes, and by other similar factors.

We warrant our new homes against defective materials and workmanship for a minimum period of one year after the date of closing. Although we subcontract virtually all segments of construction to others and our contracts call for the subcontractors to repair or replace any deficient items related to their trades, we are primarily responsible to the homebuyers for the correction of any deficiencies.

Local Operating Structure and Centralized Management

We balance a local operating structure with centralized corporate level management. Our local operating structure consists of homebuilding divisions across the country, each of which is usually managed by a division president, a controller and personnel focused on land entitlement, acquisition and development, sales, construction, customer service and purchasing. This local operating structure gives our division presidents and their teams, who generally have significant experience in the homebuilding industry, and in most instances, in their particular markets, the flexibility to make local operating decisions, including land identification, entitlement and development, the management of inventory levels for our current sales volume, community development, home design, construction and marketing of our homes. We centralize at the corporate level decisions related to our overall strategy, acquisitions of land and businesses, risk management, financing, cash management and information systems.

Backlog

Backlog represents the number of homes under sales contracts. Homes are sold using sales contracts, which are generally accompanied by deposits. In some instances, purchasers are permitted to cancel sales contracts if they fail to qualify for financing or under certain other circumstances. We experienced a cancellation rate of 15% in both 2018 and 2017, and 16% in 2016. We do not recognize revenue on homes under sales contracts until the sales are closed and title passes to the new homeowners.

The backlog dollar value including unconsolidated entities at November 30, 2018 was $6.6 billion, compared to $3.6 billion at November 30, 2017 and $2.9 billion at November 30, 2016. We expect that substantially all homes currently in backlog will be delivered in fiscal year 2019.

Lennar Homebuilding Investments in Unconsolidated Entities

We create and participate in joint ventures that acquire and develop land for our homebuilding operations, for sale to third parties or for use in the ventures' own homebuilding operations. Through these joint ventures, we reduce the amount we invest in potential future homesites, thereby reducing risks associated with land acquisitions, and, in some instances, we obtain access to land to which we could not otherwise have obtained access or could not have obtained access on as favorable terms. As of November 30, 2018 and 2017, we had 59 and 38 Lennar Homebuilding unconsolidated joint ventures, respectively, in which we were participating, and our maximum recourse debt exposure related to Lennar Homebuilding unconsolidated joint ventures was $65.7 million and $69.2 million, respectively. At November 30, 2018, the 59 unconsolidated joint ventures includes 20 unconsolidated entities in which CalAtlantic or a subsidiary is the participant. This is discussed in greater detail in Management’s Discussion and Analysis of Financial Condition and Results of Operations in Item 7 of this Report.

FivePoint - We own an approximately 40% interest in FivePoint, the publicly traded developer of three large master planned mixed-use developments in California (Newhall Ranch, Great Park Neighborhoods, and the San Francisco Shipyard and Candlestick Point). As of November 30, 2018, the carrying amount of our investment in FivePoint was $342.7 million.

Homebuilding Ancillary Businesses

We have ancillary business activities that are related to our homebuilding business, but are not components of our core homebuilding operations.

Sunstreet - Our solar business is focused on providing homeowners through solar purchases or lease programs, high-efficiency solar power systems that generate much of a home's annual expected energy needs. In fiscal 2018, Sunstreet operated in California, Colorado, Delaware, Florida, Maryland, Nevada, Oregon, South Carolina, Texas and Washington. During the year ended November 30, 2017, we monetized $200 million of future lease payments related to solar systems.

Strategic Technology Investments - We strategically invest in technology initiatives that help us enhance the homebuying experience, reduce our SG&A and stay at the forefront of homebuilding innovation. Our strategic investments include Opendoor, a company that uses technology to streamline the home buying and selling process; Blend, a company that provides a digital mortgage application platform; Hippo Analytics, a company that provides home insurance in a more efficient and effective way; States Title, a company that builds a predictive analytics platform for title insurers; and Notarize, a company that provides online notarizations. At November 30, 2018, our investment in strategic technology ventures was $117.6 million.

Lennar Financial Services Operations

Residential Mortgage Financing

We offer conforming conventional, FHA-insured and VA-guaranteed residential mortgage loan products and other home mortgage products primarily to buyers of our homes through our financial services subsidiary, Eagle Home Mortgage, LLC, from locations in most of the states in which we have homebuilding operations, as well as some other states. In 2018, our financial services subsidiaries provided loans to 73% of our homebuyers who obtained mortgage financing in areas where we offered services. Because of the availability of mortgage loans from our financial services subsidiaries, as well as from independent mortgage lenders, we believe almost all credit worthy potential purchasers of our homes have access to financing.

During 2018, we originated approximately 36,500 residential mortgage loans totaling $11.1 billion, compared to 31,600 residential mortgage loans totaling $9.0 billion during 2017. Substantially all of the residential mortgage loans we originate are sold within a short period in the secondary mortgage market, a majority of them on a servicing released, non-recourse basis. After the loans are sold, we retain potential liability for possible claims by purchasers that we breached certain limited industry-standard representations and warranties in the loan sale agreements. Occasional claims of this type are a normal incident of our loan securitization activities. We do not believe that the ultimate resolution of these claims will have a material adverse effect on our business or financial position.

We finance our mortgage loan activities with borrowings under our financial services warehouse facilities or from our operating funds. At November 30, 2018, Lennar Financial Services had four warehouse facilities maturing at various dates through fiscal 2019 with a total maximum aggregate commitment of $1.9 billion including an uncommitted amount of $950 million. We expect the facilities to be renewed or replaced with other facilities when they mature. We have a corporate risk management policy under which we hedge our interest rate risk on rate-locked loan commitments and loans held-for-sale to mitigate exposure to interest rate fluctuations.

Title and Other Insurance and Closing Services

During 2018, we provided title insurance and closing services to our homebuyers and others in approximately 118,000 real estate transactions, and issued approximately 297,600 title insurance policies through our underwriter subsidiary, North American Title Insurance Company, compared to approximately 110,000 real estate transactions and 314,800 title insurance policies during 2017. Title and closing services by our insurance agency subsidiaries are provided in 35 states. Title insurance services are provided in 39 states. In December 2018, we agreed to sell to States Title the majority of our retail title insurance business and underwriting business in return for, among other consideration, an ownership interest in States Title. We retained our title agency business that provides services to our homebuyers and rebranded it as CalAtlantic Title.

During 2018, we also provided our homebuyers and others with personal lines, property and casualty insurance products through our insurance agency subsidiary, North American Advantage Insurance Services, LLC, which operates in the same states as our homebuilding divisions, as well as other states. During 2018 and 2017, we issued, as agent, approximately 19,800 and 12,800 new homeowner policies, respectively, and renewed approximately 37,400 and 26,500 homeowner policies, respectively.

Commercial Mortgage Origination

Our RMF subsidiary originates and sells into securitizations five, seven and ten year first mortgage loans, which are secured by income producing commercial properties. RMF also originates floating rate loans secured by commercial real estate properties, many of which are undergoing transition, including properties undergoing lease-up, sell-out and renovation or repositioning. In order to finance RMF lending activities, as of November 30, 2018, RMF had five warehouse repurchase financing agreements maturing between November 2019 and December 2019 with commitments totaling $900 million, which includes $50 million for floating rate loans. Prior to the sale of our Rialto Management Group on November 30, 2018, RMF was part of the Rialto operations, but, effective December 1, 2018, RMF became part of Lennar Financial Services.

Lennar Multifamily Operations

We have been actively involved, primarily through unconsolidated entities, in the development, construction and property management of multifamily rental properties. Our Lennar Multifamily segment focuses on developing a geographically diversified portfolio of institutional quality multifamily rental properties in select U.S. markets.

Our Lennar Multifamily segment is one of the largest developers of apartment communities across the country. At November 30, 2018, it had interests in 55 communities with development costs of approximately $6.3 billion, of which 23 communities were completed and operating, 5 communities were partially completed and leasing, 19 communities were under construction and the remaining communities were either owned or under contract. As of November 30, 2018, our Lennar Multifamily segment had a pipeline of future projects totaling $3.5 billion in anticipated development costs across a number of states that will be developed primarily by unconsolidated entities.

Table of Contents

Our Lennar Multifamily segment had equity investments in 22 and 27 unconsolidated entities (including the Lennar Multifamily Ventures, described below) as of November 30, 2018 and 2017, respectively. During the year ended November 30, 2018, our Lennar Multifamily segment sold, through its unconsolidated entities, 6 operating properties and an investment in an operating property resulting in the segment's $61.2 million share of gains. During both years ended November 30, 2017 and 2016, our Lennar Multifamily segment sold seven operating properties, through its unconsolidated entities, resulting in the segment's $96.7 million and $91.0 million share of gains, respectively.
Originally, our Lennar Multifamily segment focused on building multifamily properties and selling them shortly after they were completed. However, more recently we have focused on creating and participating in ventures that build multifamily properties with the intention of retaining them after they are completed. The Lennar Multifamily Venture Fund I LP (the "Venture Fund") is a long-term multifamily development investment vehicle involved in the development, construction and property management of class-A multifamily assets with $2.2 billion in equity commitments, including a $504 million co-investment commitment by us comprised of cash, undeveloped land and preacquisition costs. As of November 30, 2018, $1.8 billion of the $2.2 billion in equity commitments had been called, of which we had contributed our share of $440.8 million, resulting in a remaining equity commitment by us of $63.2 million.

In March 2018, the Lennar Multifamily segment completed the first closing of a second Lennar Multifamily Venture, Lennar Multifamily Venture Fund II LP ("Venture Fund II") for the development, construction and property management of class-A multifamily assets. As of November 30, 2018, Venture II had received $787 million of equity commitments, including a $255 million co-investment commitment by us comprised of cash, undeveloped land and preacquisition costs. As of November 30, 2018, $252.1 million in equity commitments were called, of which we had contributed our share of $81.2 million, resulting in a remaining equity commitment for the Company of $173.8 million. Venture II is currently seeded with eight undeveloped multifamily assets that were previously purchased by our Lennar Multifamily segment, which will contain approximately 3,000 apartments with projected project costs of approximately $1.3 billion.

For additional information about our investments in and relationships with unconsolidated entities, see Management's Discussion and Analysis of Financial Condition and Results of Operations in Item 7 of this Report.

Former Rialto Capital Management Operations

Until November 30, 2018, we had a group of subsidiaries, including Rialto Capital Management, LLC, that primarily managed real estate related investment funds and other real estate related investment vehicles. We sold the Rialto Management Group on November 30, 2018. However, we retained the right to receive carried interest distributions from some of the funds and other investment vehicles. We also retained limited partner investments in Rialto funds and investment vehicles that totaled $297.4 million as of November 30, 2018, and are committed to invest as much as an additional $71.6 million in Rialto funds.

Seasonality

We historically have experienced, and expect to continue to experience, variability in quarterly results. Our homebuilding business is seasonal in nature and generally reflects higher levels of new home order activity in our second fiscal quarter and increased deliveries in the second half of our fiscal year. However, periods of economic downturn in the industry can alter seasonal patterns.

Competition

The residential homebuilding industry is highly competitive. In each of the market regions where we operate, we compete for homebuyers with numerous national, regional and local homebuilders, as well as with resales of existing homes and with the rental housing market. We compete for homebuyers on the basis of a number of interrelated factors including location, price, reputation, amenities, design, quality and financing. In addition to competition for homebuyers, we also compete with other homebuilders for desirable properties, raw materials and access to reliable, skilled labor. We compete with a wide variety of property owners in our efforts to sell land to homebuilders and others. We believe we are competitive in the market regions where we operate primarily due to our:

- Everything's Included® marketing program, which simplifies the home buying experience by including most desirable features as standard items;
-

Innovative home designs, such as our Next Gen® homes that provide both privacy and togetherness for multi-generational families;
- Inclusion of built-in Wi-Fi and advanced technology in many of our homes;
- Financial position, where we continue to focus on inventory management and liquidity;
- Access to land, particularly in land-constrained markets;
- Pricing to current market conditions through sales incentives offered to homebuyers;

6

- Cost efficiencies realized through our national purchasing programs and production of value-engineered homes; and
- Quality construction and home warranty programs, which are supported by a responsive customer care team.
- Our size and scale in leading markets

Our residential financial services operations compete with other mortgage lenders, including national, regional and local mortgage bankers and brokers, banks, savings and loan associations and other financial institutions, in the origination and sale of residential mortgage loans. Principal competitive factors include interest rates and other features of mortgage loan products available to the consumer. We compete with other title insurance agencies and underwriters for closing services and title insurance. Principal competitive factors include service and price.

Our RMF commercial mortgage origination and sale business competes with a wide variety of banks and other lenders that offer small and mid-sized mortgage loans to commercial enterprises. Competition is based primarily on service, price and relationships with mortgage brokers and other referral sources. RMF is run by highly seasoned managers who have been originating and securitizing loans for over 27 years and can benefit from long-standing relationships with referral sources, as well as being able to leverage Lennar's infrastructure facilities for rapid market entrances and analysis. We believe these factors give RMF an advantage over many of the lenders with which it competes. Additionally, we believe access to Lennar's local homebuilding teams provides RMF with a distinct advantage in its evaluation of real estate assets.

Our multifamily operations compete with other multifamily apartment developers and operators, including REITs, across the United States. In addition, our multifamily operations compete in securing capital, partners and equity, and in securing tenants within the large supply of already existing rental apartments. Principal competitive factors include location, rental price and quality, and management of the apartment buildings.

Regulation

The residential communities and multifamily apartment developments that we build are subject to a large variety of local, state and federal statutes, ordinances, rules and regulations relating to, among other things, zoning, construction permits or entitlements, construction materials, density, building design and property elevation, building codes and handling of waste. These include laws requiring the use of construction materials that reduce the need for energy-consuming heating and cooling systems. These laws and regulations are subject to frequent change and often increase construction costs. For example, the California Energy Commission recently adopted a requirement that beginning in 2020, most newly built homes in California must have rooftop solar panels. In some instances, we must comply with laws that require commitments from us to provide roads and other offsite infrastructure, and may require them to be in place prior to the commencement of new construction. These laws and regulations are usually administered by counties and municipalities and may result in fees and assessments or building moratoriums. In addition, certain new development projects are subject to assessments for schools, parks, streets and highways and other public improvements, the costs of which can be substantial. Also, some states are attempting to make homebuilders responsible for violations of wage and other labor laws by their subcontractors.

Residential homebuilding and apartment development are also subject to a variety of local, state and federal statutes, ordinances, rules and regulations concerning the protection of health and the environment. These environmental laws include such areas as storm water and surface water management, soil, groundwater and wetlands protection, subsurface conditions and air quality protection and enhancement. Environmental laws and existing conditions may result in delays, may cause us to incur substantial compliance and other costs and may prohibit or severely restrict homebuilding activity in environmentally sensitive regions or areas. For example, a 2015 decision of the California Supreme Court significantly delayed the start, and increased the cost of a California master planned mixed-use development by a company in which we have a significant investment.

Over the years, several cities and counties in which we have developments have submitted to voters "slow growth" initiatives and other ballot measures that could impact the affordability and availability of land suitable for residential development within those localities. Although many of these initiatives have been defeated, we believe that if similar initiatives were approved, residential construction by us and others within certain cities or counties could be seriously impacted.

In order to make it possible for some of our homebuyers to obtain FHA-insured or VA-guaranteed mortgages, we must construct the homes they buy in compliance with regulations promulgated by those agencies. Various states have statutory disclosure requirements relating to the marketing and sale of new homes. These disclosure requirements vary widely from state-to-state. In addition, some states require that each new home be registered with the state at or before the time title is transferred to a buyer (e.g., the Texas Residential Construction Commission Act). In some states, we are required to be registered as a licensed contractor and comply with applicable rules and regulations. In various states, our new home consultants are required to be registered as licensed real estate agents and to adhere to the laws governing the practices of real estate agents.

Our mortgage and title subsidiaries must comply with applicable real estate, lending and insurance laws and regulations. The subsidiaries are licensed in the states in which they do business and must comply with laws and regulations in those states. These laws and regulations include provisions regarding capitalization, operating procedures, investments, lending and privacy disclosures, forms of policies and premiums. The Dodd-Frank Wall Street Reform and Consumer Protection Act contains a number of requirements relating to mortgage lending and securitizations. These include, among others, minimum standards for lender practices, limitations on certain fees and a requirement that the originator of loans that are securitized retain a portion of the risk, either directly or by holding interests in the securitizations.

Several federal, state and local laws, rules, regulations and ordinances, including, but not limited to, the Federal Fair Debt Collection Practices Act ("FDCPA") and the Federal Trade Commission Act and comparable state statutes, regulate consumer debt collection activity. Although, for a variety of reasons, we may not be specifically subject to the FDCPA or to some state statutes that govern debt collectors, it is our policy to comply with applicable laws in our collection activities. To the extent that some or all of these laws apply to our collection activities, our failure to comply with such laws could have a material adverse effect on us. We are also subject to regulations promulgated by the Federal Consumer Financial Protection Bureau regarding residential mortgage loans.

Associates

At November 30, 2018, we employed 11,626 individuals (excluding persons employed by Rialto Management Group which was sold on that day) of whom 7,844 were involved in the Lennar Homebuilding operations, 3,230 were involved in the Lennar Financial Services operations, 518 were involved in the Lennar Multifamily operations and 34 were involved in the RMF operations, compared to November 30, 2017, when we employed 9,111 individuals of whom 4,900 were involved in the Lennar Homebuilding operations, 3,414 were involved in the Lennar Financial Services operations, 462 were involved in the Lennar Multifamily operations and 335 were involved in our former Rialto operations (including RMF). The sale of the majority of our retail title business, title insurance underwriter and Berkshire Hathaway real estate brokerage business in the first quarter of fiscal year 2019 will result in a reduction in our associates of approximately 1,600 individuals that are involved in these businesses. We do not have collective bargaining agreements relating to any of our associates. However, we subcontract many phases of our homebuilding operations and some of the subcontractors we use have employees who are represented by labor unions.

NYSE Certification

On April 11, 2018, we submitted our Annual CEO Certification to the New York Stock Exchange ("NYSE") in accordance with NYSE's listing standards. The certification was not qualified in any respect.

Available Information

Our Form 10-K and all other reports and amendments filed with or furnished to the SEC are publicly available free of charge on the investor relations section of the Lennar website as soon as reasonably practicable after we file such materials with, or furnish them to, the SEC. Our website is www.lennar.com. We caution you that the information on our website is not part of this or any other report we file with, or furnish to, the SEC.

Item 1A. Risk Factors.

The following are what we believe to be the principal risks that could materially affect us and our businesses.

Market and Economic Risks

A downturn in the homebuilding market could adversely affect our operations.

In the first half of fiscal 2018, we continued to experience an improving housing market, and we saw increases in new sales contracts signed and homes delivered compared with the prior year. However, demand for new homes is sensitive to changes in economic conditions such as the level of employment, consumer confidence, consumer income, the availability of financing and interest rate levels. During the second half of fiscal 2018, demand for new homes slowed as a result of higher prices and higher interest rates. We believe the reduced demand is temporary, but that may not be the case. The economic downturn in 2007-2010 severely affected both the number of homes we could sell and the prices for which we could sell them. A continuation of the recent reduced demand for new homes could have a similar effect on us.

We and other homebuilders have been experiencing significant cost increases.

During fiscal 2018, we encountered significant increases in the costs of labor and materials. The increased labor costs were primarily the result of shortages of skilled labor in many parts of the country. The increase in material costs were due to inflationary pressures and, during the middle part of the year, to tariffs on Canadian lumber and other imported building materials. Inability to pass on all the increased costs to homebuyers puts downward pressure on our operating margins in the later months of 2018 and could continue to affect our operating margins in 2019.

An increase in mortgage interest rates could decrease our buyers' ability or desire to obtain financing and adversely affect our business or financial results.

Mortgage rates are currently low as compared to most historical periods; however, they increased during the past year as the Federal Reserve Board raised its benchmark rate several times, and they appear likely to increase further in 2019. When interest rates increase, the cost of owning a new home increases, which usually reduces the number of potential buyers who can afford to purchase a home. The cost of mortgage financing could result in a decline in the demand for our homes.

During the prior economic downturn, we had to take significant write-downs on the carrying values of land we owned and of option values. A future decline in land values could result in similar write-downs.

Inventory risks are substantial for our homebuilding business. There are risks inherent in controlling, owning and developing land and if housing demand declines, we may own land or homesites we acquired at costs we will not be able to recover fully, or on which we cannot build and sell homes profitably. This is particularly true when entitled land becomes scarce, as it has recently, and the cost of purchasing such land is relatively high. Also, there can be significant fluctuations in the value of our owned undeveloped land, building lots and housing inventories related to changes in market conditions. As a result, our deposits for building lots controlled under option or similar contracts may be put at risk, we may have to sell homes or land for lower than anticipated profit margins or we may have to record inventory impairment charges with regard to our developed and undeveloped land and lots. When demand for homes fell during the 2007-2010 recession, we were required to take significant write-downs of the carrying value of our land inventory and we elected not to exercise many options to purchase land, even though that required us to forfeit deposits and write-off pre-acquisition costs. Although we have reduced our exposure to costs of that type, a certain amount of exposure is inherent in our homebuilding business. If market conditions were to deteriorate significantly in the future, we could again be required to make significant write downs with regard to our land inventory, which would decrease the asset values reflected on our balance sheet and adversely affect our earnings and our stockholders' equity.

Homebuilding, mortgage lending and multifamily rentals are very competitive industries, and competitive conditions could adversely affect our business or financial results.

Homebuilding. The homebuilding industry is highly competitive. Homebuilders compete not only for homebuyers, but also for desirable land, financing, raw materials, skilled management and labor resources. We compete in each of our markets with numerous national, regional and local homebuilders. We also compete with sellers of existing homes, including foreclosed homes, and with rental housing. These competitive conditions can reduce the number of homes we deliver, negatively impact our selling prices, reduce our profit margins, and cause impairments in the value of our inventory or other assets. Competition can also affect our ability to acquire suitable land, raw materials and skilled labor at acceptable prices or other terms.

Lennar Financial Services. Our Lennar Financial Services residential and commercial lending businesses compete with other residential and commercial mortgage lenders, including national, regional and local banks and other financial institutions. Mortgage lenders who have greater access to low cost funds, superior technologies or different lending criteria than we do may be able to offer more attractive financing to potential customers than we can.

Lennar Multifamily. Our multifamily rental business competes with other multifamily apartment developers and operators at locations across the U.S. where we have investments in rental properties. We also compete in securing partners, equity capital and debt financing, and we compete for tenants with the large supply of already existing or newly built rental apartments, as well as with sellers of homes. These competitive conditions could negatively impact the ability of the ventures in which we are participating to find renters for the apartments they are building or the prices for which those apartments can be rented.

Operational Risks

We may be subject to significant potential liabilities as a result of warranty and liability claims made against us.

As a homebuilder, we are subject in the ordinary course of our business to warranty and construction defect claims. We are also subject to claims for injuries that occur in the course of construction activities. We record warranty and other reserves for the homes we sell based on historical experience in our markets and our judgment of the qualitative risks associated with the types of homes we build. We have, and many of our subcontractors have, general liability, property, workers compensation and other business insurance. These insurance policies are intended to protect us against risk of loss from claims, subject to self-insured retentions, deductibles and coverage limits. However, it is possible that this insurance will not be adequate to address all warranty, construction defect and liability claims to which we are subject. Additionally, the coverage offered and the availability of general liability insurance for construction defects are currently limited and policies that can be obtained are costly and often include exclusions based upon past losses those insurers suffered as a result of use of defective products in homes we and many other homebuilders built. As a result, an increasing number of our subcontractors are unable to obtain insurance, and we have in many cases had to waive our customary insurance requirements, which increases our and our insurers' exposure to claims and increases the possibility that our insurance will not be adequate to protect us against all the costs we incur.

Products supplied to us and work done by subcontractors can expose us to risks that could adversely affect our business.

We rely on subcontractors to perform the actual construction of our homes, and in many cases, to select and obtain building materials. Despite our detailed specifications and quality control procedures, in some cases, subcontractors may use improper construction processes or defective materials. Defective products widely used by the homebuilding industry can result in the need to perform extensive repairs to large numbers of homes. The cost of complying with our warranty obligations may be significant if we are unable to recover the cost of repairs from subcontractors, materials suppliers and insurers.

We also can suffer damage to our reputation, and may be exposed to possible liability, if subcontractors fail to comply with applicable laws, including laws involving things that are not within our control. When we learn about possibly improper practices by subcontractors, we try to cause the subcontractors to discontinue them. However, we may not always be able to do that, and even when we can, it may not avoid claims against us relating to what the subcontractors already did.

Supply shortages and risks related to the demand for skilled labor and building materials could increase costs and delay deliveries.

During 2018, we experienced increases in the prices of some building materials and shortages of skilled labor in some areas. We generally are unable to pass on increases in construction costs to customers who have already entered into purchase contracts, as those contracts generally fix the price of the homes at the time the contracts are signed, which may be well in advance of the construction of the homes. Increases in construction costs that exceeded our increase in home pricing eroded our operating margins in the latter part of fiscal 2018 and may continue to reduce our operating margins, particularly if pricing competition or weak demand restricts our ability to pass additional costs of materials and labor on to homebuyers.

Reduced numbers of home sales extend the time it takes us to recover land purchase and property development costs.

We incur many costs even before we begin to build homes in a community. Depending on the stage of development a land parcel is in when we acquire it, these may include costs of preparing land, finishing and entitling lots, installing roads, sewers, water systems and other utilities, and taxes and other costs related to ownership of the land on which we plan to build homes. If the rate at which we sell and deliver homes slows, or if we delay the opening of new home communities, we may incur additional pre-construction costs and it may take longer for us to recover our costs.

Increased interest rates will increase the cost of the homes we build.

Our business requires us to finance much of the cost of developing our residential communities. One of the ways we do this is with bank borrowings. At November 30, 2018, we had a $2.6 billion revolving credit facility with a group of banks (the "Credit Facility"), which includes a $315 million accordion feature, subject to additional commitments. The interest on borrowings under the Credit Facility is at rates based on prevailing short term rates from time to time. Due in part to Federal Reserve Bank actions, short term interest rates increased during fiscal 2018 and are likely to increase during fiscal 2019. This increases the cost of the homes we build, which either makes those homes more expensive for homebuyers, which is likely to reduce demand, or lowers our operating margins, or both.

Failure to comply with the covenants and conditions imposed by our credit facilities could restrict future borrowing or cause our debt to become immediately due and payable.

The agreement governing our Credit Facility (the "Credit Agreement") makes it a default if we fail to pay principal or interest when it is due (subject in some instances to grace periods) or to comply with various covenants, including covenants regarding financial ratios. In addition, our Lennar Financial Services segment has warehouse facilities to finance its residential lending activities and our RMF commercial lending group has warehouse facilities to finance its mortgage origination activities. If we default under the Credit Agreement or our warehouse facilities, the lenders will have the right to terminate their commitments to lend and to require immediate repayment of all outstanding borrowings. This could reduce our available funds at a time when we are having difficulty generating all the funds we need from our operations, in capital markets or otherwise, and restrict our ability to obtain financing in the future. In addition, if we default under the Credit Agreement or our warehouse facilities, it could cause the amounts outstanding under our senior notes to become immediately due and payable, which would have a material adverse impact on our consolidated financial condition.

We have a substantial level of indebtedness, which may have an adverse effect on our business or limit our ability to take advantage of business, strategic or financing opportunities.

As of November 30, 2018, our consolidated debt, net of debt issuance costs, and excluding amounts outstanding under our credit facilities, was $8.7 billion. The indentures governing our senior notes do not restrict our incurrence of future secured or unsecured debt, and the agreement governing our Credit Facility allows us to incur a substantial amount of future unsecured debt. Among other things, we incurred a substantial amount of debt in connection with our acquisition of CalAtlantic during

Table of Contents

2018. We substantially reduced our outstanding indebtedness during the remainder of 2018, but we still have a significant amount of indebtedness. Our reliance on debt to help support our operations exposes us to a number of risks, including:

- we may be more vulnerable to general adverse economic and homebuilding industry conditions;
- we may have to pay higher interest rates upon refinancing indebtedness if interest rates rise, thereby reducing our earnings and cash flows;
- we may find it difficult, or may be unable, to obtain additional financing to fund future working capital, capital expenditures and other general corporate requirements that would be in our best long-term interests;
- we may be required to dedicate a substantial portion of our cash flow from operations to the payment of principal and interest on our debt, reducing the cash flow available to fund operations and investments;
- we may have reduced flexibility in planning for, or reacting to, changes in our businesses or the industries in which they are conducted;
- we may have a competitive disadvantage relative to other companies in our industry that are less leveraged; and
- we may be required to sell debt or equity securities or sell some of our core assets, possibly on unfavorable terms, in order to meet payment obligations.

Our inability to obtain performance bonds or post letters of credit could adversely affect our results of operations and cash flows.

We often are required to provide surety bonds to secure our performance or obligations under construction contracts, development agreements and other arrangements. At November 30, 2018, we had outstanding surety bonds of $2.7 billion including performance surety bonds related to site improvements at various projects (including certain projects of our joint ventures) and financial surety bonds. Although significant development and construction activities have been completed related to these site improvements, these bonds are generally not released until all development and construction activities are completed. Our ability to obtain surety bonds primarily depends upon our credit rating, financial condition, past performance and similar factors, the capacity of the surety market and the underwriting practices of surety bond issuers. Our ability to obtain surety bonds also can be impacted by the willingness of insurance companies to issue performance bonds for construction and development activities. If we are unable to obtain surety bonds when required, our results of operations and cash flows could be adversely affected.

Our Lennar Financial Services segment, including RMF, has warehouse facilities that mature in fiscal year 2019, and if we could not renew or replace these facilities, we probably would have to reduce our mortgage lending and origination activities.

Our Lennar Financial Services segment, excluding RMF, has committed and uncommitted amounts under four warehouse repurchase credit facilities that totaled $1.9 billion as of November 30, 2018, all of which will mature at various dates through fiscal 2019. Subsequent to November 30, 2018, the warehouse repurchase credit facility due in December 2018 was extended to February 2019. Our Lennar Financial Services segment uses these facilities to finance its residential mortgage lending activities until the mortgage loans it originates are sold to investors. In addition, RMF, our commercial mortgage lending subsidiary which on December 1, 2018, was moved into our Lennar Financial Services segment, has committed amounts under five warehouse repurchase credit facilities that totaled $900 million as of November 30, 2018, all of which will mature between November 2019 and December 2019. RMF uses these facilities primarily to finance its commercial mortgage loan origination activities. We expect these facilities to be renewed or replaced with other facilities when they mature. If we were unable to renew or replace these facilities on favorable terms or at all when they mature, that could seriously impede the activities of our Lennar Financial Services segment, which would have a material adverse impact on our financial results.

We conduct some of our operations through joint ventures with independent third parties and we can be adversely impacted by our joint venture partners' failures to fulfill their obligations or decisions to act contrary to our wishes.

In our Homebuilding and Lennar Multifamily segments, we participate in joint ventures in order to help us acquire attractive land positions, to manage our risk profile and to leverage our capital base. In certain circumstances, joint venture participants, including us, are required to provide guarantees of obligations relating to the joint ventures, such as completion and environmental guarantees. If a joint venture partner does not perform its obligations, we may be required to bear more than our proportional share of the cost of fulfilling them. For example, in connection with our

Lennar Multifamily business, and its joint ventures, we and the other venture participants have guaranteed obligations to complete construction of multifamily residential buildings at agreed upon costs, which could make us and the other venture participants responsible for cost over-runs. Although all the participants in a venture are normally responsible for sharing the costs of fulfilling obligations of that type, if some of the venture participants are unable or unwilling to meet their share of the obligations, we may be held responsible for some or all of the defaulted payments. In addition, because we do not have a controlling interest in most of the joint ventures in which we participate, we may not be able to cause joint ventures to sell assets, return invested capital or take other actions when such actions might be in our best interest.

Table of Contents

Several of the joint ventures in which we participate will in the relatively near future be required to repay, refinance, renegotiate or extend their borrowings. If any of those joint ventures are unable to do this, we could be required to provide at least a portion of the funds the joint ventures need to be able to repay the borrowings and to finance the activities for which they were incurred, which could adversely affect our financial position.

The loss of the services of members of our senior management or a significant number of our operating employees could negatively affect our business.

Our success depends to a significant extent upon the performance and active participation of our senior management, many of whom have been with us for a significant number of years. If we were to lose members of our senior management, we might not be able to find appropriate replacements on a timely basis and our operations could be negatively affected. Also, the loss of a significant number of operating employees and our inability to hire qualified replacements could have a material adverse effect on our business.

Our access to capital and our ability to obtain additional financing could be affected by any downgrade of our credit ratings.

Our corporate credit rating and ratings of our senior notes affect, among other things, our ability to access new capital, especially debt, and the costs of that new capital. A substantial portion of our access to capital is through the issuance of senior notes, of which we have approximately $8.0 billion outstanding, net of debt issuance costs as of November 30, 2018. Among other things, we rely on proceeds of debt issuances to pay the principal of existing senior notes when they mature. Negative changes in the ratings of our senior notes could make it difficult for us to sell senior notes in the future and could result in more stringent covenants and higher interest rates with regard to new senior notes we issue.

We will have to replace or repay a substantial amount of debt in fiscal year 2019.

We have a substantial amount of debt that matures in fiscal year 2019. We have $1.1 billion of senior notes that mature in fiscal year 2019 and we will have to replace or renew a total of $2.1 billion of warehouse lines used by Lennar Financial Services, including RMF as they mature. If we cannot replace or renew this debt when we need it, our operations could be adversely affected.

Natural disasters and severe weather conditions could delay deliveries and increase costs of new homes in affected areas, which could harm our sales and results of operations.

Many of our homebuilding operations are conducted in areas that are subject to natural disasters, including hurricanes, earthquakes, droughts, floods, wildfires and severe weather. The occurrence of natural disasters or severe weather conditions can delay new home deliveries, increase costs by damaging inventories and lead to shortages of labor and materials in areas affected by the disasters, and can negatively impact the demand for new homes in affected areas. If our insurance does not fully cover business interruptions or losses resulting from these events, our results of operations could be adversely affected. In the third and fourth quarters of 2017, our homebuilding operation was disrupted due to impacts from Hurricanes Harvey and Irma, which caused delays of 550 home deliveries that were pushed into fiscal 2018. In the third quarter of fiscal 2018, our homebuilding operations in the Houston area were affected by heavy rain that caused flooding.

If our homebuyers are not able to obtain suitable financing, that would reduce demand for our homes and our home sales revenues.

Most purchasers of our homes obtain mortgage loans to finance a substantial portion of the purchase price of the homes they purchase. While the majority of our homebuyers obtain their mortgage financing from Lennar Financial Services, others obtain mortgage financing from banks and other independent lenders. The uncertainties in the mortgage markets and increased government regulation could adversely affect the ability of potential homebuyers to obtain financing for home purchases, making it difficult for them to purchase our homes. Among other things, changes made by Fannie Mae, Freddie Mac and FHA/VA to sponsored mortgage programs, as well as changes made by private mortgage insurance companies, have reduced the ability of many potential homebuyers to qualify for mortgages. Principal among these are higher income requirements, larger required down payments, increased reserves and higher required credit scores. In addition, there has been uncertainty regarding the future of Fannie Mae and Freddie Mac, including proposals that they reduce or terminate their role as the principal sources of liquidity in the secondary market for mortgage loans. It is not clear how, if Fannie Mae and Freddie Mac were to curtail their secondary market mortgage loan purchases, the liquidity they provide would be replaced. There is a substantial possibility that substituting an alternate source of liquidity would increase mortgage interest rates, which would increase the buyers' effective costs of paying for the homes we sell, and therefore could reduce demand for our homes and adversely affect our results of operations.

Our Lennar Financial Services segment can be adversely affected by reduced demand for our homes or by a slowdown in mortgage refinancings.

Approximately 76% of the residential mortgage loans made by our Lennar Financial Services segment in 2018 were made to buyers of homes we built and we anticipate that the percentage will increase in fiscal 2019. Therefore, a decrease in the demand for our homes would adversely affect the revenues of this segment of our business. In addition, the revenues of our Lennar Financial Services segment would be adversely affected by a continued decrease in refinance transactions, if mortgage interest rates continue to rise.

If our ability to sell mortgages into the secondary market is impaired, that could significantly reduce our ability to sell homes unless we are willing to become a long-term investor in loans we originate.

Substantially all of the residential mortgage loans we originate are sold within a short period in the secondary mortgage market on a servicing released, non-recourse basis. If we became unable to sell residential mortgage loans into the secondary mortgage market or directly to Fannie Mae and Freddie Mac, we would have to either curtail our origination of residential mortgage loans, which among other things, could significantly reduce our ability to sell homes, or commit our own funds to long term investments in mortgage loans, which, in addition to requiring us to deploy substantial amounts of our own funds, could delay the time when we recognize revenues from home sales on our statements of operations.

We may be liable for certain limited representations and warranties we make in connection with sale of loans.

While substantially all of the residential mortgage loans we originate are sold within a short period in the secondary mortgage market on a servicing released, non-recourse basis, we remain responsible for certain limited representations and warranties we make in connection with such sales. Mortgage investors sometimes seek to have us buy back mortgage loans or compensate them for losses incurred on mortgage loans that we have sold based on claims that we breached our limited representations or warranties. In addition, when RMF sells loans to securitization trusts or other purchasers, it gives limited industry standard representations and warranties about the loans, which, if incorrect, may require it to repurchase the loans, replace them with substitute loans or indemnify persons for losses or expenses incurred as a result of breaches of representations and warranties. If we have significant liabilities with respect to such claims, it could have an adverse effect on our results of operations, and possibly our financial condition.

We have a substantial investment in funds managed by Rialto Capital Management.

In November 2018, we sold Rialto Capital Management and other subsidiaries that are involved in advising funds and investment vehicles that invest in real estate related assets. However, we retained investments in those funds and other investment vehicles totaling almost $297.4 million, and we have commitments to invest another $71.6 million. When we made those investments and commitments, Rialto Capital Management was a wholly owned subsidiary, which, among other things, enabled us to participate in decisions regarding senior management personnel. Subsequent to the sale, we no longer have any more influence than other large investors over decisions regarding senior management of Rialto Capital Management.

Regulatory Risks

We may be adversely impacted by legal and regulatory changes.

We are subject with regard to almost all of our activities to a variety of federal, state and local laws and regulations. Laws and regulations, and policies under or interpretations of existing laws and regulations, change frequently. Our businesses could be adversely affected by changes in laws, regulations, policies or interpretations or by our inability to comply with them without making significant changes in our businesses.

We may be adversely impacted by laws and regulations directed at the financial industry.

New or modified regulations and related regulatory guidance focused on the financial industry may have adverse effects on aspects of our businesses. For example, in October 2014, final rules were promulgated under the Dodd-Frank Wall Street Reform Act that require mortgage lenders or third-party B-piece buyers to retain a portion of the credit risk related to securitized loans. We have determined that the rules do not affect our residential mortgage lending operations at this time; however, the rules may adversely impact our RMF subsidiary’s commercial mortgage lending operations. The rules have been in effect for several years; however, their long term impact is still undetermined. If, in the future, the rules cause a decrease in the price of CMBS and/or a decrease in the overall volume of CMBS related loan purchases in the industry, this could negatively impact the financial results of our RMF business. In addition, if our residential mortgage lending operations became subject to these rules in the future, that would substantially increase the amount we would have to invest in our mortgage lending operations and increase our risks with regard to loans we originate and sell in the secondary mortgage market.

Governmental regulations regarding land use and environmental matters could increase the cost and limit the availability of our development and homebuilding projects and adversely affect our business or financial results.

We are subject to extensive and complex laws and regulations that affect the land development, homebuilding and apartment development process, including laws and regulations related to zoning, permitted land uses, levels of density, building design, elevation of properties, water and waste disposal and use of open spaces. These regulations often provide broad discretion to the administering governmental authorities as to the conditions we must meet prior to development or construction being approved, if they are approved at all. We are also subject to determinations by governmental authorities as to the adequacy of water or sewage facilities, roads and other local services with regard to particular residential communities. New housing developments may also be subject to various assessments for schools, parks, streets and other public improvements. In addition, in many markets government authorities have implemented no growth or growth control initiatives. Any of these can limit, delay, or increase the costs of land development or home construction.

We are also subject to a variety of local, state and federal laws and regulations concerning protection of the environment. In some of the markets where we operate, we are required by law to pay environmental impact fees, use energy-saving construction materials and give commitments to municipalities to provide infrastructure such as roads and sewage systems. We generally are required to obtain permits, entitlements and approvals from local authorities to commence and carry out residential development or home construction. These permits, entitlements and approvals may, from time-to-time, be opposed or challenged by local governments, environmental advocacy groups, neighboring property owners or other possibly interested parties, adding delays, costs and risks of non-approval to the process. Violations of environmental laws and regulations can result in injunctions, civil penalties, remediation expenses, and other costs. In addition, some environmental laws impose strict liability, which means that we may be held liable for unlawful environmental conditions on property we own which we did not create.

We are also subject to laws and regulations related to workers' health and safety, and there are efforts to subject homebuilders like us to other labor related laws or rules, some of which may make us responsible for things done by our subcontractors over which we have little or no control. In addition, our residential mortgage subsidiary is subject to various state and federal statutes, rules and regulations, including those that relate to lending operations and other areas of mortgage origination and loan servicing. The impact of those statutes, rules and regulations can increase our homebuyers’ costs of financing, and our cost of doing business, as well as restricting our homebuyers’ access to some types of loans.

Our obligation to comply with the laws and regulations under which we operate, and our need to ensure that our associates, subcontractors and other agents comply with these laws and regulations, could result in delays in construction and land development, cause us to incur substantial costs and prohibit or restrict land development and homebuilding activity in certain areas in which we operate. Budget reductions by state and local governmental agencies may increase the time it takes to obtain required approvals and therefore may aggravate the delays we encounter. Government agencies also routinely initiate audits, reviews or investigations of our business practices to ensure compliance with applicable laws and regulations, which can cause us to incur costs or create other disruptions in our businesses that can be significant.

We can be injured by improper acts of persons over whom we do not have control.

Although we expect all of our associates (i.e., employees), officers and directors to comply at all times with all applicable laws, rules and regulations, there may be instances in which subcontractors or others through whom we do business engage in practices that do not comply with applicable laws, regulations or governmental guidelines. When we learn of practices that do not comply with applicable laws or regulations, including practices relating to homes, buildings or multifamily rental properties we build or finance, we move actively to stop the non-complying practices as soon as possible and we have taken disciplinary action with regard to associates of ours who were aware of non-complying practices and did not take steps to address them, including in some instances terminating their employment. However, regardless of the steps we take after we learn of practices that do not comply with applicable laws or regulations, we can in some instances be subject to fines or other governmental penalties, and our reputation can be injured, due to the practices' having taken place.

We could be hurt by efforts to impose liabilities or obligations on persons with regard to labor law violations by other persons whose employees perform contracted services.

The homes we sell are built by employees of subcontractors and other contract parties. We do not have the ability to control what these contract parties pay their employees or the work rules they impose on their employees. However, various governmental agencies are trying to hold contract parties like us responsible for violations of wage and hour laws and other work-related laws by firms whose employees are performing contracted for services. In 2015 the National Labor Relations Board ("NLRB") issued a decision that made it possible that someone like us, who uses subcontractors, could be viewed as a joint employer of the subcontractors' employees. A subsequent NLRB decision (which was withdrawn for procedural reasons) and an appellate court decision questioned aspects of the 2015 decision and the NLRB has issued a proposed rule that, if adopted, would make it much less likely that we could be deemed to be a joint employer of our subcontractors' employees. While the future of joint employer liability remains uncertain, if we were deemed to be a joint employer of our subcontractors' employees, we could become responsible for collective bargaining obligations of, and labor law violations by, our subcontractors. Governmental rulings that make us responsible for labor practices by our subcontractors could create substantial exposures for us in situations that are not within our control.

Other Risks

Our results of operations could be adversely affected if legal claims against us are not resolved in our favor.

In the ordinary course of our business, we are subject to legal claims by homebuyers, borrowers against whom we have instituted foreclosure proceedings, persons with whom we have land purchase contracts and a variety of other persons. We establish reserves against legal claims and we believe that, in general, legal claims will not have a material adverse effect on our business or financial condition. However, if the amounts we are required to pay as a result of claims against us substantially exceed the sums anticipated by our reserves, the need to pay those amounts could have an adverse effect on our results of operations for the periods when we are required to make the payments.

Information technology failures and data security breaches could harm our business.

We rely extensively on information technology ("IT") systems, including Internet sites, data hosting facilities and other hardware and software platforms, some of which are hosted by third parties, to assist in conducting our businesses. Our IT systems, like those of most companies, may be vulnerable to a variety of interruptions, including, but not limited to, natural disasters, telecommunications failures, hackers, and other security issues. Moreover, our computer systems, like those of most companies, are subjected to computer viruses or other malicious codes, and to cyber or phishing-attacks. We have installed and continually upgrade an array of protections against cyber intrusions. The risk of cyber intrusion is one of the areas of risk as to which there are regular periodic presentations to our Board. However, computer intrusion efforts are becoming increasingly sophisticated, and it is possible that the controls we have installed could at some time be breached in a material respect. If we were to be subject to a material successful cyber intrusion, that could result in remediation costs, increased cyber protection costs, lost revenues or loss of customers, litigation or regulatory actions by governmental authorities, increased insurance premiums, reputational damage and damage to our competitiveness, our stock price and our long-term stockholder value. We have in recent years done two acquisitions of publicly traded companies. While each of those companies had its own protections against cyber intrusions, when we acquire a company there is a period of increased vulnerability as we integrate the acquired company into our information technology systems.

Failure to maintain the security of personally identifiable information could adversely affect us.

In connection with our business we collect and retain personally identifiable information (e.g., information of our customers, suppliers and employees), and there is an expectation that we will adequately protect that information. The U.S. regulatory environment surrounding information security and privacy is increasingly demanding. A significant theft, loss or fraudulent use of the personally identifiable information we maintain, or of our data, by cyber-crime or otherwise could adversely impact our reputation and could result in significant costs, fines and litigation.

Increases in the rate of cancellations of home sale agreements could have an adverse effect on our business.

Our backlog reflects agreements of sale with our homebuyers for homes that have not yet been delivered. We usually have received a deposit from our home buyer for each home reflected in our backlog, and generally we have the right to retain the deposit if the homebuyer does not complete the purchase. In some cases, however, a homebuyer may cancel the agreement of sale and receive a complete or partial refund of the deposit for reasons such as state and local laws, the homebuyer’s inability to obtain mortgage financing, his or her inability to sell his or her current home or our inability to complete and deliver the home within the specified time. If there is a downturn in the housing market, or if mortgage financing becomes less available than it currently is, more homebuyers may cancel their agreements of sale with us, which would have an adverse effect on our business and results of operations.

Our success to a substantial extent depends on our ability to acquire land that is suitable for residential homebuilding and meets our land investment criteria.

There is strong competition among homebuilders for land that is suitable for residential development. The future availability of finished and partially finished developed lots and undeveloped land that meet our internal criteria depends on a number of factors outside our control, including land availability in general, competition with other homebuilders and land buyers for desirable property, inflation in land prices, zoning, allowable housing density, and other regulatory requirements. Should suitable lots or land become less available, the number of homes we could build and sell could be reduced, and the cost of land could be increased, perhaps substantially, which could adversely impact our results of operations.

Table of Contents

International activities subject us to risks inherent in international operations.

We own an interest in a joint venture that is building a condominium development in Spain. Also, we sell a significant number of homes in the United States to people who are not residents of the United States, and some large investors in our multifamily development ventures are located outside the United States. Dealings with people or institutions located outside the United States create risks related to currencies and to political affairs in various countries. We must also be careful to comply with U.S. anti-corruption laws. Also, we have to be aware of tax issues involved in doing business outside the United States or with people who are not residents of the United States, both under U.S. tax laws and under the tax laws of the countries in which we do business.

We could suffer adverse tax and other financial consequences if we are unable to utilize our net operating loss ("NOL") carryforwards.

At November 30, 2018, we had state tax NOL carryforwards totaling $93.3 million that will expire between 2019 and 2037 and federal tax effected NOL carryforwards totaling $44.8 million that begin to expire in 2029. At November 30, 2018, we had a valuation allowance of $7.2 million, primarily related to state NOL carryforwards that are not more likely than not to be utilized due to an inability to carry back these losses in most states and short carryforward periods that exist in certain states. If the NOLs we are not able to use exceed the valuation allowance, we may have to record charges or reduce our deferred tax assets, which would adversely affect our results of operations.

There have been substantial changes to the Internal Revenue Code, some of which could have an adverse effect on our business.

On December 22, 2017, the President signed into law the Tax Cuts and Jobs Act, which contains substantial changes to the Internal Revenue Code, effective January 1, 2018, some of which could have an adverse effect on our business. Among the possible changes that could make purchasing homes less attractive are (i) limitations on the ability of our homebuyers to deduct property taxes, (ii) limitations on the ability of our homebuyers to deduct mortgage interest, and (iii) limitations on the ability of our homebuyers to deduct state and local income taxes. In addition, the new law eliminates the ability to carry back any future NOLs and only allows for carryforwards, the utilization of which is limited to 80% of taxable income in a given carryforward year. This could affect the timing of our ability to utilize net operating losses in the future.

We experience variability in our operating results on a quarterly basis and, as a result, our historical performance may not be a meaningful indicator of future results.

We historically have experienced, and expect to continue to experience, variability in quarterly results. As a result of such variability, our short-term performance may not be a meaningful indicator of future results. Our homebuilding business is seasonal in nature and generally reflects higher levels of new home order activity in our second fiscal quarter and increased deliveries in the second half of our fiscal year. Our quarterly results of operations may continue to fluctuate in the future as a result of a variety of factors, including, among others, seasonal home buying patterns, the timing of home closings and land sales and weather-related problems.

We have a stockholder who can exercise significant influence over matters that are brought to a vote of our stockholders.

Stuart Miller, our Executive Chairman and a Director, through family and personal holdings of Class B, and to a lesser extent Class A, common stock, has the power to cast approximately 33% of the votes that can be cast by the holders of all our outstanding Class A and Class B common stock combined. This gives Mr. Miller substantial influence regarding the election of our directors and the approval of most other matters that are presented to our stockholders. Mr. Miller's voting power might discourage someone from making a significant equity investment in us, even if we needed the investment to meet our obligations or to operate our business. Also, because of his voting power, Mr. Miller could be able to cause our stockholders to approve actions that are contrary to many of our other stockholders' desires.

The trading price of our Class B common stock normally is lower than that of our Class A common stock.

The only significant difference between our Class A common stock and our Class B common stock is that the Class B common stock entitles the holders to ten votes per share, while the Class A common stock entitles holders to only one vote per share. However, the trading price of the Class B common stock on the NYSE normally is lower than the NYSE trading price of our Class A common stock. We believe this is because only a relatively small number of shares of Class B common stock are available for trading, which reduces the liquidity of the market for our Class B common stock to a point where many investors are reluctant to invest in it. The limited liquidity could make it difficult for a holder of even a relatively small number of shares of our Class B common stock to dispose of the stock without materially reducing the trading price of the Class B common stock.

Table of Contents

Changes in global or regional environmental conditions and governmental actions in response to such changes may adversely affect us by increasing the costs of or restricting our planned or future growth activities.

There is growing concern from many members of the scientific community and the general public that an increase in global average temperatures due to emissions of greenhouse gases and other human activities have caused, or will cause, significant changes in weather patterns and increase the frequency and severity of natural disasters. Government mandates, standards or regulations intended to reduce greenhouse gas emissions or projected climate change impacts have resulted, and are likely to continue to result, in restrictions on land development in certain areas and increased energy, transportation and raw material costs. We have tried to reduce the effect of the homes we build on the climate by installing solar power systems and other energy saving devices on many of those homes. Nonetheless, governmental requirements directed at reducing effects on climate could cause us to incur expenses that we cannot recover or that will require us to increase the price of homes we sell to the point that it affects demand for those homes.

Item 1B. Unresolved Staff Comments.

Not applicable.

Executive Officers of Lennar Corporation

The following individuals are our executive officers as of January 28, 2019:

Name	Position	Age
Stuart Miller	Executive Chairman	61
Richard Beckwitt	Chief Executive Officer	59
Jonathan M. Jaffe	President	59
Diane J. Bessette	Vice President, Chief Financial Officer and Treasurer	58
Mark Sustana	Vice President, General Counsel and Secretary	57
David M. Collins	Controller	49
Jeff J. McCall	Senior Vice President	47

Mr. Miller is one of our Directors, and has served as our Executive Chairman since April 2018. Before that, Mr. Miller served as our Chief Executive Officer from 1997 to April 2018 and our President from 1997 to April 2011. Before 1997, Mr. Miller held various executive positions with us. Mr. Miller also serves on the Board of Directors of Five Point Holdings, LLC.

Mr. Beckwitt is one of our Directors, and has served as our Chief Executive Officer since April 2018. Before that, Mr. Beckwitt served as our President from April 2011 to April 2018, and as our Executive Vice President from March 2006 to 2011. Mr. Beckwitt also serves on the Board of Directors of Eagle Materials Inc. and Five Point Holdings, LLC.

Mr. Jaffe is one of our Directors, and has served as our President since April 2018. Mr. Jaffe served as our Chief Operating Officer from December 2004 to January 2019, though he continues to have responsibility for the Company's operations nationally. In addition, Mr. Jaffe served as Vice President from 1994 to April 2018 and prior to then, Mr. Jaffe served as a Regional President in our Homebuilding operations. Mr. Jaffe serves on the Board of Directors of Five Point Holdings, LLC.

Ms. Bessette has served as our Chief Financial Officer since April 2018, our Treasurer since February 2008, and as a Vice President since 2000. Ms. Bessette initially joined us in 1995 and served as our Controller from 1997 to 2008.

Mr. Sustana has served as Vice President since April 2018, and as our Secretary and General Counsel since 2005.

Mr. Collins joined us in 1998 and has served as our Controller since February 2008.

Mr. McCall has served as our Senior Vice President since February 2018. Before that, Mr. McCall served as Executive Vice President and Chief Financial Officer of CalAtlantic Group, Inc., or its predecessor, from June 2011 to February 2018.

Item 2. Properties.

We lease and maintain our executive offices in an office complex in Miami, Florida. Our homebuilding, financial services and multifamily offices are located in the markets where we conduct business, primarily in leased space. We believe that our existing facilities are adequate for our current and planned levels of operation.

Because of the nature of our homebuilding operations, significant amounts of property are held as inventory in the ordinary course of our homebuilding business. We discuss these properties in the discussion of our homebuilding operations in Item 1 of this Report.

Item 3. Legal Proceedings.

We are party to various claims and lawsuits which arise in the ordinary course of business, but we do not consider the volume of our claims and lawsuits unusual given the number of homes we deliver and the fact that the lawsuits often relate to homes delivered several years before the lawsuits are commenced. Although the specific allegations in the lawsuits differ, they most commonly involve claims that we failed to construct homes in particular communities in accordance with plans and specifications or applicable construction codes and seek reimbursement for sums allegedly needed to remedy the alleged deficiencies, assert contract issues or relate to personal injuries. Lawsuits of these types are common within the homebuilding industry. We are a plaintiff in many cases in which we seek contribution from our subcontractors for home repair costs. The costs incurred by us in construction defect lawsuits may be offset by warranty reserves, our third-party insurers, subcontractor insurers or indemnity contributions from subcontractors. We are also a party to various lawsuits involving purchases and sales of real property. These lawsuits include claims regarding representations and warranties made in connection with the transfer of the property and disputes regarding the obligation to purchase or sell the property. From time-to-time, we also receive notices from environmental agencies or other regulators regarding alleged violations of environmental or other laws. We typically settle these matters before they reach litigation for amounts that are not material to us. In addition, we are a defendant in several lawsuits by persons to which we sold pools of mortgages we originated, alleging breaches of warranties in the sale documents.

In July 2017, CalAtlantic Group, Inc., a subsidiary of ours, was notified by the San Francisco Regional Water Quality Control Board of CalAtlantic’s non-compliance with the Clean Water Act at a development in San Ramon, CA. We expect to pay monetary sanctions to resolve this matter, which we do not currently expect will be material.

Our mortgage subsidiary was subpoenaed by the United States Department of Justice ("DOJ") regarding the adequacy of certain underwriting and quality control processes related to Federal Housing Administration loans originated and sold in prior years. We provided information related to these loans and our processes to the DOJ. In October 2018, we paid monetary sanctions and restitution to resolve this matter that were not material.

We do not believe that the ultimate resolution of these claims or lawsuits will have a material adverse effect on our business or financial position. However, the financial effect of litigation concerning purchases and sales of property may depend upon the value of the subject property, which may have changed from the time the agreement for purchase or sale was entered into.

Item 4. Mine Safety Disclosures.

Not applicable.

Table of Contents

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our Class A and Class B common stock are listed on the New York Stock Exchange ("NYSE") under the symbols "LEN" and "LEN.B," respectively. As of December 31, 2018, the last reported sale price of our Class A and Class B common stock on the NYSE was $39.15 and $31.33, respectively. As of December 31, 2018, there were approximately 1,879 and 962 holders of record of our Class A and Class B common stock, respectively.

On January 10, 2019, our Board of Directors declared a quarterly cash dividend of $0.04 per share for both our Class A and Class B common stock, which is payable on February 8, 2019, to holders of record at the close of business on January 25, 2019.

On November 27, 2017, we paid a stock dividend of one share of Class B common stock for each 50 shares of Class A common stock or Class B common stock to holders of record at the close of business on November 10, 2017, as declared by our Board of Directors on October 30, 2017. Our Board of Directors evaluates each quarter the decision whether to declare a dividend and the amount of the dividend.

The following table provides information about our repurchases of common stock during the three months ended November 30, 2018:

Period:	**Total Number of Shares Purchased (1)**	**Average Price Paid Per Share**	**Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)**	**Maximum Number of Shares that may yet be Purchased under the Plans or Programs (2)**
September 1 to September 30, 2018	523	$49.83	—	6,218,968
October 1 to October 31, 2018	8,187	$45.84	1,849,599	4,369,369
November 1 to November 30, 2018	1,558	$37.10	4,150,401	218,968

(1) Represents shares of Class A common stock withheld by us to cover withholding taxes due, at the election of certain holders of nonvested shares, with market value approximating the amount of withholding taxes due.

(2) In June 2001, our Board of Directors authorized a stock repurchase program under which we were authorized to purchase up to 20 million shares of our outstanding Class A common stock or Class B common stock. This repurchase authorization had no expiration. We repurchased 6.0 million shares of Class A common stock for $249.9 million at an average share price of $41.63. Subsequent to November 30, 2018, our Board of Directors authorized a stock repurchase program, which replaced the June 2001 stock repurchase program, under which we are authorized to purchase up to the lesser of $1 billion in value, or 25 million in shares, of our outstanding Class A or Class B common stock. This repurchase authorization has no expiration.

The information required by Item 201(d) of Regulation S-K is provided in Item 12 of this Report.

Table of Contents

Performance Graph

The following graph compares the five-year cumulative total return of our Class A common stock with the Dow Jones U.S. Home Construction Index and the Dow Jones U.S. Total Market Index. The graph assumes $100 invested on November 30, 2013 in our Class A common stock, the Dow Jones U.S. Home Construction Index and the Dow Jones U.S. Total Market Index, and the reinvestment of all dividends.

	2013	2014	2015	2016	2017	2018
Lennar Corporation	$100	133	144	120	181	123
Dow Jones U.S. Home Construction Index	$100	119	135	119	213	152
Dow Jones U.S. Total Market Index	$100	116	118	128	157	166

Table of Contents

Item 6. Selected Financial Data.

The following table sets forth our selected consolidated financial and operating information as of or for each of the years ended November 30, 2014 through 2018. The information presented below is based upon our historical financial statements.

	At or for the Years Ended November 30,				
(Dollars in thousands, except per share amounts)	**2018**	**2017**	**2016**	**2015**	**2014**
Results of Operations:					
Revenues:					
Lennar Homebuilding	**$19,077,597**	11,200,242	9,741,337	8,466,945	7,025,130
Lennar Financial Services	**$867,831**	770,109	687,255	620,527	454,381
Lennar Multifamily	**$421,132**	394,771	287,441	164,613	69,780
Rialto	**$205,071**	281,243	233,966	221,923	230,521
Total revenues	**$20,571,631**	12,646,365	10,949,999	9,474,008	7,779,812
Operating earnings (loss):					
Lennar Homebuilding	**$2,254,650**	1,269,039	1,344,932	1,271,641	1,033,721
Lennar Financial Services	**$187,430**	155,524	163,617	127,795	80,138
Lennar Multifamily	**$42,695**	73,432	71,174	(7,171)	(10,993)
Rialto	**$(21,584)**	(22,495)	(16,692)	33,595	44,079
Gain on sale of Rialto investment and asset management platform	**$296,407**	—	—	—	—
Acquisition and integration costs related to CalAtlantic	**$152,980**	—	—	—	—
Corporate general and administrative expenses	**$343,934**	285,889	232,562	216,244	177,161
Earnings before income taxes	**$2,262,684**	1,189,611	1,330,469	1,209,616	969,784
Net earnings attributable to Lennar	**$1,695,831**	810,480	911,844	802,894	638,916
Diluted earnings per share	**$5.44**	3.38	3.86	3.39	2.75
Cash dividends declared per each - Class A and Class B common stock	**$0.16**	0.16	0.16	0.16	0.16
Financial Position:					
Total assets	**$28,566,181**	18,745,034	15,361,781	14,419,509	12,923,151
Debt:					
Lennar Homebuilding	**$8,543,868**	6,410,003	4,575,977	5,025,130	4,661,266
Lennar Financial Services	**$1,256,174**	937,431	1,077,228	858,300	704,143
Rialto	**$317,016**	625,081	622,335	771,728	617,077
Stockholders' equity	**$14,581,535**	7,872,317	7,026,042	5,648,944	4,827,020
Total equity	**$14,682,957**	7,986,132	7,211,567	5,950,072	5,251,302
Shares outstanding (000s)	**324,238**	239,964	239,133	215,804	209,697
Stockholders' equity per share	**$44.97**	32.81	29.38	26.18	23.02
Lennar Homebuilding Data (including unconsolidated entities):					
Number of homes delivered	**45,627**	29,394	26,563	24,292	21,003
New orders	**45,826**	30,348	27,372	25,106	22,029
Backlog of home sales contracts	**15,616**	8,935	7,623	6,646	5,832
Backlog dollar value	**$6,570,123**	3,550,366	2,891,538	2,477,751	1,974,328

Table of Contents

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.
The following discussion and analysis of our financial condition and results of operations should be read in conjunction with "Selected Financial Data" and our audited consolidated financial statements and accompanying notes included elsewhere in this Report.

Special Note Regarding Forward-Looking Statements
This annual report on Form 10-K contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements concern expectations, beliefs, projections, plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. These forward-looking statements typically include the words "anticipate," "believe," "consider," "estimate," "expect," "forecast," "i "objective," "plan," "predict," "projection," "seek," "strategy," "target," "will" or other words of similar meaning. Some of the opinions formed based upon general observations, anecdotal evidence and industry experience, but that are not supported by specific investigation or analysis.
These forward-looking statements reflect our current views about future events and are subject to risks, uncertainties and assumptions. We wish to caution readers that certain important factors may have affected and could in the future affect our actual results and could cause actual results to differ significantly from what is anticipated by our forward-looking statements. The most important factors that could cause actual results to differ materially from those anticipated by our forward-looking statements include, but are not limited to: an extended slowdown in the real estate markets across the nation, including a slowdown in the market for single family homes or the multifamily rental market; increases in operating costs, including costs related to real estate taxes, construction materials, labor and insurance, and our inability to manage our cost structure, both in our Lennar Homebuilding and Lennar Multifamily businesses; our inability to realize all of the anticipated synergy benefits from the CalAtlantic acquisition or to realize them in the anticipated timeline; our inability to successfully execute our strategies; changes in general economic and financial conditions that reduce demand for our products and services, lower our profit margins or reduce our access to credit; our inability to acquire land at anticipated prices; the possibility that we will incur nonrecurring costs that affect earnings in one or more reporting periods; decreased demand for our homes or Lennar Multifamily rental properties; the possibility that the Tax Cuts and Jobs Act will have more negative than positive impact on us; the possibility that the benefit from our increasing use of technology will not justify its cost; increased competition for home sales from other sellers of new and resale homes; negative effects of increasing mortgage interest rates; our inability to reduce the ratio of our homebuilding debt to our total capital net of cash; a decline in the value of our land inventories and resulting write-downs of the carrying value of our real estate assets; the failure of the participants in various joint ventures to honor their commitments; difficulty obtaining land-use entitlements or construction financing; natural disasters and other unforeseen events for which our insurance does not provide adequate coverage; new laws or regulatory changes that adversely affect the profitability of our businesses; our inability to refinance our debt on terms that are acceptable to us; and changes in accounting conventions that adversely affect our reported earnings.
Please see "Item 1A-Risk Factors" of this Annual Report for a further discussion of these and other risks and uncertainties which could affect our future results. We undertake no obligation to revise any forward-looking statements to reflect events or circumstances after the date of those statements or to reflect the occurrence of anticipated or unanticipated events, except to the extent we are legally required to disclose certain matters in SEC filings or otherwise.

Outlook
At the end of our fiscal 2018, we believe the market has taken a natural pause as higher home prices and rapid interest rate increases have combined to create a mismatch between prices and homebuyer expectations. While we saw traffic moderate and sales slow toward the end of 2018, with inventories low, we believe this is a temporary adjustment as strong employment, wage growth, consumer confidence and general economic growth drive the consumer to the market. We still believe that the housing market is primarily driven by the deficit in housing production that has persisted for over a decade. As interest rates have started to ease at the end of 2018 and beginning of 2019, we have

seen traffic pick up. Additionally, if the market continues to remain soft, we believe our production-oriented focus should allow us to move quickly to realize reduced costs in an accelerated production pace. Alternatively, if the market returns to normalized levels, we believe we will have a superior position with more homes started and available to sell and the critically needed trade base to deliver them.

In spite of softer market conditions towards the back end of the year, fiscal 2018 was another strong year for Lennar, enhanced by the successful integration of CalAtlantic. Revenues totaled $20.6 billion, representing a 63% increase from 2017. This increase was largely driven by our homebuilding business which saw a 55% increase in deliveries to 45,627 homes primarily as a result of the CalAtlantic acquisition. Gross margins and operating margins, excluding backlog and construction in process write-up, were 21.8%, and 13.3%, respectively, which is an improvement in operating margins of 40 basis points from 2017. This improvement was driven by a reduction in S,G&A as a percentage of home sales revenue to 8.5%, which is an all-time fiscal year low, from 9.2% in 2017. Our new orders increased to 45,826, up 51% compared to fiscal 2017, primarily as a

Table of Contents

result of the CalAtlantic acquisition. In addition, we ended the year with a strong sales backlog of 15,616 homes or $6.6 billion, up 75% in homes and 85% in dollar value.

Consistent with our focus to revert to our core homebuilding platform, we sold our Rialto investment and asset management platform for $340 million in the fourth quarter of 2018. While we continue to hold valuable investment assets of Rialto, we will no longer oversee nor be engaged in the active management of Rialto. Subsequent to fiscal year end, we also sold the majority of our retail title agency business and our wholly owned title insurance carrier. In addition, we sold our real estate brokerage business in the first quarter of 2019.

In 2018, our Financial Services segment produced $187.4 million of pre-tax earnings, compared to $155.5 million in 2017. The increase was largely due to an increase in the segment's title and mortgage operations due to the acquisition of CalAtlantic's Financial Services operations.

Our rental apartment business has seen significant pickup in both rents and lease-ups. The Multifamily segment generated $42.7 million in operating earnings in fiscal 2018, which was down from 2017 due to a strategic shift from a merchant build-to-sell model to a build-to-hold model. While we still have a pipeline of 30 merchant-build communities with over 9,000 homes and a total development cost of $3.6 billion, our real focus is to create long-term cash flow and value through the build-out of our Lennar Multifamily Venture I and II.

In fiscal 2019, we are very focused on cash flow generation to reduce debt and to opportunistically repurchase shares. To further enhance our cash flow generation, we are continuing our pivot to a land-lighter operating model with an emphasis on controlling more land through options versus a more cash-intensive land acquisition and development program. We ended the year with approximately 25% of our homesites controlled via option contracts and similar arrangements. Our goal is to increase this to over 40% in the next several years. We expect that this shift in land strategy should increase our returns on inventory and generate additional cash flow.

We are excited about our position and business strategy today. We expect that our Company’s main driver of earnings will continue to be our homebuilding and financial services operations as we expect to deliver over 50,000 homes in fiscal 2019. We benefit from the size and scale we have amassed in each of our strategic markets. We have shed non-core assets to generate cash and have continued to partner with technology companies that can help enhance our customers experience while reducing our overhead. Our reversion to core and technology investment strategies have combined to enable us to rationalize our overall business, recognize significant cash flow and profits, and improve our customers’ experience, while reducing headcount by approximately 1,600 associates from fiscal year end through January 2019. This strategy will continue to reduce company overhead and increase efficiency in our core operations. Overall, we believe we are on track to achieve another year of strong profitability in fiscal 2019.

Table of Contents

Results of Operations

Overview

Our net earnings attributable to Lennar were $1.7 billion, or $5.44 per diluted share ($5.46 per basic share) in 2018, $810.5 million, or $3.38 per diluted share ($3.38 per basic share) in 2017, and $911.8 million, or $3.86 per diluted share ($4.05 per basic share) in 2016.

The following table sets forth financial and operational information for the years indicated related to our operations.

	Years Ended November 30,		
(Dollars in thousands)	**2018**	**2017**	**2016**
Lennar Homebuilding revenues:			
Sales of homes	**$18,810,552**	11,035,299	9,558,517
Sales of land	**267,045**	164,943	182,820
Total Lennar Homebuilding revenues	**19,077,597**	11,200,242	9,741,337
Lennar Homebuilding costs and expenses:			
Costs of homes sold	**15,121,738**	8,601,346	7,362,853
Costs of land sold	**206,971**	135,075	138,111
Selling, general and administrative	**1,608,164**	1,015,848	898,917
Total Lennar Homebuilding costs and expenses	**16,936,873**	9,752,269	8,399,881
Lennar Homebuilding operating margins	**2,140,724**	1,447,973	1,341,456
Lennar Homebuilding equity in loss from unconsolidated entities	**(91,915)**	(61,708)	(49,275)
Lennar Homebuilding other income, net	**205,841**	22,774	52,751
Lennar Homebuilding loss due to litigation	**—**	(140,000)	—
Lennar Homebuilding operating earnings	**$2,254,650**	1,269,039	1,344,932
Lennar Financial Services revenues	**$867,831**	770,109	687,255
Lennar Financial Services costs and expenses	**680,401**	614,585	523,638
Lennar Financial Services operating earnings	**$187,430**	155,524	163,617
Lennar Multifamily revenues	**$421,132**	394,771	287,441
Lennar Multifamily costs and expenses	**429,759**	407,078	301,786
Lennar Multifamily equity in earnings from unconsolidated entities and other gain	**51,322**	85,739	85,519
Lennar Multifamily operating earnings	**$42,695**	73,432	71,174
Rialto revenues	**$205,071**	281,243	233,966
Rialto costs and expenses	**190,413**	247,549	229,769
Rialto equity in earnings from unconsolidated entities	**25,816**	25,447	18,961
Rialto other expense, net	**(62,058)**	(81,636)	(39,850)
Rialto operating loss	**$(21,584)**	(22,495)	(16,692)
Total operating earnings	**$2,463,191**	1,475,500	1,563,031
Gain on sale of Rialto investment and asset management platform	**296,407**	—	—
Acquisition and integration costs related to CalAtlantic	**152,980**	—	—
Corporate general and administrative expenses	**343,934**	285,889	232,562
Earnings before income taxes	**$2,262,684**	1,189,611	1,330,469
Net earnings attributable to Lennar	**$1,695,831**	810,480	911,844
Gross margin as a % of revenue from home sales (1)	**19.6 %**	22.1 %	23.0 %
S,G&A expenses as a % of revenues from home sales	**8.5 %**	9.2 %	9.4 %
Operating margin as a % of revenues from home sales	**11.1 %**	12.9 %	13.6 %
Average sales price	**$413,000**	376,000	361,000

(1) Excluding the backlog/construction in progress write-up of $414.6 million related to purchase accounting on CalAtlantic homes that were delivered in the year ended November 30, 2018, gross margins on homes sales were $4.1 billion or 21.8%.

Table of Contents

2018 versus 2017

Revenues from home sales increased 70% in the year ended November 30, 2018 to $18.8 billion from $11.0 billion in the year ended November 30, 2017. Revenues were higher primarily due to a 55% increase in the number of home deliveries, excluding unconsolidated entities, and a 10% increase in the average sales price of homes delivered. New home deliveries, excluding unconsolidated entities, increased to 45,563 homes in the year ended November 30, 2018 from 29,322 homes in the year ended November 30, 2017, primarily due to the significant increase in volume resulting from the CalAtlantic acquisition. There was an increase in home deliveries in all of our Homebuilding segments. The average sales price of homes delivered, excluding unconsolidated entities, increased to $413,000 in the year ended November 30, 2018 from $376,000 in the year ended November 30, 2017. Sales incentives offered to homebuyers were $23,500 per home delivered in the year ended November 30, 2018, or 5.4% as a percentage of home sales revenue, compared to $22,700 per home delivered in the year ended November 30, 2017, or 5.7% as a percentage of home sales revenue.

Gross margins on home sales were $3.7 billion, or 19.6%, in the year ended November 30, 2018, compared to $2.4 billion, or 22.1%, in the year ended November 30, 2017. The gross margin percentage on home sales decreased compared to the year ended November 30, 2017 primarily due to the backlog/construction in progress write-up of $414.6 million related to purchase accounting adjustments on CalAtlantic homes that were delivered in the year ended November 30, 2018, which impacted gross margins on home sales by 220 basis points. In addition there was an increase in construction costs per home, partially offset by an increase in the average sales price of homes delivered.

Selling, general and administrative expenses were $1.6 billion in the year ended November 30, 2018, compared to $1.0 billion in the year ended November 30, 2017. As a percentage of revenues from home sales, selling, general and administrative expenses improved to 8.5% in the year ended November 30, 2018, from 9.2% in the year ended November 30, 2017, primarily due to a reduction in personnel and related expenses, brokers commissions, and model and selling expenses as a percentage of home sales revenue. This was achieved through improved operating leverage as a result of an increase in home deliveries and continued benefit from technology initiatives.

Gross profits on land sales were $60.1 million in the year ended November 30, 2018, compared to $29.9 million in the year ended November 30, 2017. Lennar Homebuilding equity in loss from unconsolidated entities was $91.9 million in the year ended November 30, 2018, compared to $61.7 million in the year ended November 30, 2017. In the years ended November 30, 2018 and 2017, Lennar Homebuilding equity in loss from unconsolidated entities was attributable to our share of net operating losses from our unconsolidated entities which were primarily driven by valuation adjustments related to assets of Lennar Homebuilding's unconsolidated entities and general and administrative expenses, partially offset by profits from land sales.

Lennar Homebuilding other income, net, totaled $205.8 million in the year ended November 30, 2018, compared to $22.8 million in the year ended November 30, 2017. In the year ended November 30, 2018, other income, net was primarily related to a $164.9 million gain on the sale of an 80% interest in one of our strategic joint ventures, Treasure Island Holdings.

Lennar Homebuilding loss due to litigation of $140 million in the year ended November 30, 2017 was related to litigation regarding a contract we entered into in 2005 to purchase property in Maryland. As a result of the litigation, we purchased the property for $114 million, which approximated our estimate of fair value for the property. In addition, we paid approximately $124 million in interest and other closing costs and have accrued for the amount we expect to pay as reimbursement for attorney's fees.

Lennar Homebuilding interest expense was $316.2 million in the year ended November 30, 2018 ($301.3 million was included in costs of homes sold, $3.6 million in costs of land sold and $11.3 million in other interest expense), compared to $277.8 million in the year ended November 30, 2017 ($260.7 million was included in costs of homes sold, $10.0 million in costs of land sold and $7.2 million in other interest expense). Interest expense included in costs of homes sold increased primarily due to an increase in home deliveries.

Operating earnings for our Lennar Financial Services segment were $187.4 million in the year ended November 30, 2018, compared to $155.5 million in the year ended November 30, 2017. Operating earnings were impacted by an increase in the segment's title and mortgage operations due to the acquisition of CalAtlantic's Financial Services operations, partially offset by a decrease in refinance transactions.

Operating earnings for our Lennar Multifamily segment were $42.7 million in the year ended November 30, 2018, compared to operating earnings of $73.4 million in the year ended November 30, 2017. The decrease in profitability was primarily due to the segment's $61.2 million share of gains as a result of the sale of six operating properties by our Lennar Multifamily's unconsolidated entities and the sale of an investment in an operating property in the year ended November 30, 2018, compared to the segment's $96.7 million share of gains as a result of the sale of seven operating properties by our Lennar Multifamily's unconsolidated entities in the year ended November 30, 2017, as well as an increase in general and administrative expenses for the year ended November 30, 2018. The decrease in profitability for the year ended November 30, 2018 was partially offset by $16.2 million of promote revenue recognized in the year ended November 30, 2018 related to eight properties in LMV Fund I.

On November 30, 2018, we recorded a $296.4 million gain on the sale of our Rialto investment and asset management platform. Operating loss for our Rialto segment was $18.3 million in the year ended November 30, 2018 (which included $21.6 million of operating loss and an add back of $3.3 million of net loss attributable to noncontrolling interests). Operating earnings for the Rialto segment in the year ended November 30, 2017 were $23.6 million (which included $22.5 million of operating loss and add back of $46.1 million of net loss attributable to noncontrolling interests). The decrease in operating earnings was primarily as a result of non-recurring expenses, partially offset by a decrease in real estate owned and loan impairments due to the liquidation of the FDIC and bank portfolios and a decrease in interest expense.

During the year ended November 30, 2018, we recorded $153.0 million of acquisition and integration costs that were comprised mainly of severance expenses and transaction costs and were included within the acquisition and integration costs related to CalAtlantic line item in the consolidated statement of operations.

Corporate general and administrative expenses were $343.9 million, or 1.7% as a percentage of total revenues, in the year ended November 30, 2018, compared to $285.9 million, or 2.3% as a percentage of total revenues, in the year ended November 30, 2017. The decrease in corporate general and administrative expenses as a percentage of total revenues was due to improved operating leverage as a result of an increase in revenues.

Net earnings (loss) attributable to noncontrolling interests were $21.7 million and ($38.7) million in the years ended November 30, 2018 and 2017, respectively. Net earnings attributable to noncontrolling interests during the year ended November 30, 2018 were primarily attributable to net earnings related to our Lennar Homebuilding consolidated joint ventures. Net loss attributable to noncontrolling interests during the year ended November 30, 2017 was primarily attributable to a net loss related to the FDIC's interest in the portfolio of real estate loans that we acquired in partnership with the FDIC in 2010.

In the years ended November 30, 2018 and 2017, we had a tax provision of $545.2 million and $417.9 million, respectively. Our overall effective income tax rates were 24.3% and 34.0% for the years ended November 30, 2018 and 2017, respectively. The decrease is primarily the result of the Tax Cuts and Jobs Act enacted in December 2017. The tax reform bill reduced the maximum federal corporate income tax rate to 21%, which also reduced the value of our deferred tax assets. As a result, we recorded a non-cash one-time write down of deferred tax assets that resulted in income tax expense of $68.6 million in the first quarter of fiscal year 2018.

2017 versus 2016

Revenues from home sales increased 15% in the year ended November 30, 2017 to $11.0 billion from $9.6 billion in 2016. Revenues were higher primarily due to an 11% increase in the number of home deliveries, excluding unconsolidated entities, and a 4% increase in the average sales price of homes delivered. New home deliveries, excluding unconsolidated entities, increased to 29,322 homes in the year ended November 30, 2017 from 26,481 homes in 2016. There was an increase in home deliveries in all of our Homebuilding segments. The increase in the number of deliveries was primarily driven by an increase in active communities over 2016 and by higher demand as the number of deliveries per active community increased. The average sales price of homes delivered, excluding unconsolidated entities, increased to $376,000 in the year ended November 30, 2017 from $361,000 in the year ended November 30, 2016, primarily due to product mix (selling at different price points) and increased pricing in certain of our markets due to favorable market conditions. Sales incentives offered to homebuyers were $22,700 per home delivered in the year ended November 30, 2017, or 5.7% as a percentage of home sales revenue, compared to $22,500 per home delivered in the year ended November 30, 2016, or 5.9% as a percentage of home sales revenue.

Gross margins on home sales were $2.4 billion, or 22.1%, in the year ended November 30, 2017, compared to $2.2 billion, or 23.0%, in the year ended November 30, 2016. Gross margin percentage on home sales decreased compared to the year ended November 30, 2016 primarily due to an increase in construction and land costs per home, partially offset by an increase in the average sales price of homes delivered.

Selling, general and administrative expenses were $1.0 billion in the year ended November 30, 2017, compared to $898.9 million in the year ended November 30, 2016. As a percentage of revenues from home sales, selling, general and administrative expenses improved to 9.2% in the year ended November 30, 2017, from 9.4% in the year ended

November 30, 2016 due to improved operating leverage as a result of an increase in home deliveries.

Gross profits on land sales were $29.9 million in the year ended November 30, 2017, compared to $44.7 million in the year ended November 30, 2016.

Lennar Homebuilding equity in loss from unconsolidated entities was $61.7 million in the year ended November 30, 2017, compared to $49.3 million in the year ended November 30, 2016. In the year ended November 30, 2017, Lennar Homebuilding equity in loss from unconsolidated entities was primarily attributable to our share of net operating losses from our unconsolidated entities which were primarily driven by general and administrative expenses and valuation adjustments related to assets of Lennar Homebuilding unconsolidated entities, partially offset by profits from land sales. In the year ended November 30, 2016, Lennar Homebuilding equity in loss from unconsolidated entities was primarily attributable to our share of costs associated with the FivePoint combination as well as our share of net operating losses associated with the new FivePoint unconsolidated entity formed as the result of this combination. This was partially offset by $12.7 million of equity in earnings from one of our unconsolidated entities primarily due to sales of homesites to third parties.

Lennar Homebuilding other income, net, totaled $22.8 million in the year ended November 30, 2017, compared to $52.8 million in the year ended November 30, 2016. In the year ended November 30, 2016, other income, net included management fee income and a profit participation related to Lennar Homebuilding's strategic joint ventures and gains on the sale of several clubhouses.

Lennar Homebuilding loss due to litigation of $140 million in the year ended November 30, 2017, was related to litigation regarding a contract we entered into in 2005 to purchase property in Maryland. As a result of the litigation, we purchased the property for $114 million, which approximated our estimate of fair value for the property. In addition, we paid approximately $124 million in interest and other closing costs and have accrued for the amount we expect to pay as reimbursement for attorney's fees.

Lennar Homebuilding interest expense was $277.8 million in the year ended November 30, 2017 ($260.7 million was included in costs of homes sold, $10.0 million in costs of land sold and $7.2 million in other interest expense), compared to $245.1 million in the year ended November 30, 2016 ($235.1 million was included in costs of homes sold, $5.3 million in costs of land sold and $4.6 million in other interest expense). Interest expense included in costs of homes sold increased primarily due to an increase in home deliveries.

Operating earnings for our Lennar Financial Services segment were $155.5 million in the year ended November 30, 2017, compared to $163.6 million in the year ended November 30, 2016. Operating earnings decreased due to lower profitability in the segment's mortgage operations as a result of a decrease in refinance transactions, which led to both lower origination volume and profit per loan. This was partially offset by higher profit per transaction in the segment's title operations and earnings from the real estate brokerage business which was acquired as part of the WCI Communities, Inc. ("WCI") acquisition in February 2017.

Operating earnings for our Lennar Multifamily segment were $73.4 million in the year ended November 30, 2017, compared to operating earnings of $71.2 million in the year ended November 30, 2016. The increase in profitability was primarily due to the segment's $96.7 million share of gains as a result of the sale of seven operating properties by Lennar Multifamily's unconsolidated entities, compared to the segment's $91.0 million share of gains as a result of the sale of seven operating properties by Lennar Multifamily's unconsolidated entities in the year ended November 30, 2016.

Operating earnings for our Rialto segment were $23.6 million in the year ended November 30, 2017 (which included $22.5 million of operating loss and an add back of $46.1 million of net loss attributable to noncontrolling interests). Operating earnings in the year ended November 30, 2016 were $2.1 million (which included $16.7 million of operating loss and add back of $18.8 million of net loss attributable to noncontrolling interests). The increase in operating earnings was primarily related to an increase in incentive income related to carried interest distributions from the Rialto real estate funds, as well as an increase in management fee income and equity in earnings from unconsolidated entities. This was partially offset by an increase in REO and loan impairments and general and administrative expenses. In addition, the year ended November 30, 2016 included a $16.0 million write-off of uncollectible receivables related to a hospital, which was acquired through the resolution of one of Rialto's loans from a 2010 portfolio.

Corporate general and administrative expenses were $285.9 million, or 2.3% as a percentage of total revenues, in the year ended November 30, 2017, compared to $232.6 million, or 2.1% as a percentage of total revenues, in the year ended November 30, 2016. The increase was primarily due to personnel and related expenses and professional expenses related to technology investments.

Net earnings (loss) attributable to noncontrolling interests were ($38.7) million and $1.2 million in the years ended November 30, 2017 and 2016, respectively. Net loss attributable to noncontrolling interests during the year ended

November 30, 2017 was primarily attributable to net loss related to the FDIC's interest in the portfolio of real estate loans that we acquired in partnership with the FDIC in 2010. Net earnings attributable to noncontrolling interests during the year ended November 30, 2016 were primarily attributable to earnings related to Lennar Homebuilding consolidated joint ventures, partially offset by a net loss related to the FDIC's interest in the portfolio of real estate loans that we acquired in partnership with the FDIC.

In the years ended November 30, 2017 and 2016, we had a tax provision of $417.9 million and $417.4 million, respectively. Our overall effective income tax rates were 34.0% and 31.4% for the years ended November 30, 2017 and 2016, respectively. The increase is primarily the result of the new energy efficient home credits expiring during the year ended November 30, 2017, which increased our effective tax rate by 1.74%. For the years ended November 30, 2017 and 2016, the impact of this tax credit was (0.73%) and (2.47%), respectively.

Table of Contents

Homebuilding Segments

Our Homebuilding operations construct and sell homes primarily for first-time, move-up, active adult and luxury homebuyers primarily under the Lennar brand name. In addition, our homebuilding operations purchase, develop and sell land to third parties. In certain circumstances, we diversify our operations through strategic alliances and attempt to minimize our risks by investing with third parties in joint ventures. In connection with the CalAtlantic acquisition, we experienced significant growth in our homebuilding operations. As a result, our chief operating decision makers ("CODM") reassessed how they evaluate the business and allocate resources. The CODM manages and assesses our performance at a regional level. Therefore, we performed an assessment of our operating segments in accordance with ASC 280, Segment Reporting, ("ASC 280") and determined that each of our four homebuilding regions, financial services operations, multifamily operations and Rialto operations are our operating segments. Prior to this change, in accordance with the aggregation criteria defined in ASC 280, our operating segments were aggregated into reportable segments, based primarily upon similar economic characteristics, geography, and product type.

As of and for the year ended November 30, 2018, we have determined that each of our homebuilding regions are our homebuilding operating segments and consist of Homebuilding East, Homebuilding Central, Homebuilding Texas, and Homebuilding West. Information about homebuilding activities in our urban divisions that do not have economic characteristics similar to those in other divisions within the same geographic area is grouped under "Homebuilding Other," which is not a reportable segment. All prior periods have been adjusted to conform with our current presentation.

References in this Management's Discussion and Analysis of Financial Condition and Results of Operations to homebuilding segments are to those four reportable segments.

At November 30, 2018 our homebuilding operating segments and Homebuilding Other consisted of homebuilding divisions located in:

East: Florida, New Jersey, North Carolina and South Carolina

Central: Georgia, Illinois, Indiana, Maryland, Minnesota, Tennessee and Virginia

Texas: Texas

West: Arizona, California, Colorado, Nevada, Oregon, Utah and Washington

Other: Urban divisions and other homebuilding related investments, including FivePoint

Table of Contents

The following tables set forth selected financial and operational information related to our homebuilding operations for the years indicated:

Selected Financial and Operational Data

	Years Ended November 30,		
(In thousands)	**2018**	**2017**	**2016**
Homebuilding revenues:			
East:			
Sales of homes	**$6,193,868**	4,023,150	3,272,884
Sales of land	**55,996**	31,699	53,666
Total East	**6,249,864**	4,054,849	3,326,550
Central:			
Sales of homes	**2,260,105**	915,835	919,562
Sales of land	**30,782**	7,683	9,418
Total Central	**2,290,887**	923,518	928,980
Texas:			
Sales of homes	**2,366,844**	1,651,619	1,495,351
Sales of land	**54,555**	46,112	47,761
Total Texas	**2,421,399**	1,697,731	1,543,112
West:			
Sales of homes	**7,934,138**	4,379,776	3,782,665
Sales of land	**125,712**	67,308	65,874
Total West	**8,059,850**	4,447,084	3,848,539
Other:			
Sales of homes	**55,597**	64,919	88,055
Sales of land	**—**	12,141	6,101
Total Other	**55,597**	77,060	94,156
Total homebuilding revenues	**$19,077,597**	11,200,242	9,741,337

	Years Ended November 30,		
(In thousands)	**2018**	**2017**	**2016**
Operating earnings (loss):			
East:			
Sales of homes	**$728,934**	569,145	523,961
Sales of land	**20,287**	5,593	21,986
Equity in loss from unconsolidated entities	**(818)**	(754)	(230)
Other income, net	**10,818**	1,717	16,358
Total East	**759,221**	575,701	562,075
Central:			
Sales of homes	**180,150**	86,847	84,925
Sales of land	**909**	(491)	2,661
Equity in earnings (loss) from unconsolidated entities	**691**	(255)	(74)
Other income, net	**858**	1,598	622
Loss due to litigation (1)	**—**	(140,000)	—
Total Central	**182,608**	(52,301)	88,134
Texas:			
Sales of homes	**165,094**	174,188	161,893
Sales of land	**10,808**	8,615	8,319
Equity in earnings from unconsolidated entities	**469**	8	364
Other expense, net	**(3,922)**	(2,599)	(265)
Total Texas	**172,449**	180,212	170,311
West:			
Sales of homes	**1,029,251**	601,235	544,783
Sales of land	**30,375**	12,896	9,228
Equity in loss from unconsolidated entities (2)	**(212)**	(13,095)	(2,052)
Other income, net	**22,888**	14,880	33,914
Total West	**1,082,302**	615,916	585,873
Other:			
Sales of homes	**(22,779)**	(13,310)	(18,815)
Sales of land	**(2,305)**	3,255	2,515
Equity in loss from unconsolidated entities (3)	**(92,045)**	(47,612)	(47,283)
Other income, net (4)	**175,199**	7,178	2,122
Total Other	**58,070**	(50,489)	(61,461)
Total homebuilding operating earnings	**$2,254,650**	1,269,039	1,344,932

(1) Loss due to litigation regarding a contract we entered into in 2005 to purchase property in Maryland. As a result of the litigation, we purchased the property for $114 million, which approximated our estimate of fair value for the property. In addition, we paid approximately $124 million in interest and other closing costs and have accrued for the amount we expect to pay as reimbursement for attorney's fees.

(2) Equity in loss for the year ended November 30, 2017 included our share of operational net losses from unconsolidated entities driven by general and administrative expenses and valuation adjustments related to assets of Lennar Homebuilding unconsolidated entities, partially offset by profit from land sales.

(3) Equity in loss from unconsolidated entities for the year ended November 30, 2018 included our share of operating net losses from unconsolidated entities driven by valuation adjustments related to assets of Lennar Homebuilding unconsolidated entities. Equity in loss for the year ended November 30, 2017 included our share of operational net losses from unconsolidated entities driven by general and administrative expenses and valuation adjustments related to assets of Lennar Homebuilding unconsolidated entities, partially offset by profit from land sales. Equity in loss for the year ended November 30, 2016 included our share of costs associated with the FivePoint combination and operational net losses from the new FivePoint unconsolidated entity, totaling $42.6 million, partially offset by $12.7 million of equity in earnings from one of our unconsolidated entities primarily due to sales of homesites to third parties.

(4) Other income, net for the year ended November 30, 2018 included $164.9 million related to a gain on the sale of an 80% interest in one of Lennar Homebuilding's joint ventures, Treasure Island Holdings.

Table of Contents

Summary of Homebuilding Data

Deliveries:

	Years Ended November 30, Homes		
	2018	**2017**	**2016**
East	**18,161**	12,625	10,913
Central	**5,865**	2,334	2,266
Texas	**7,146**	5,341	5,010
West	**14,352**	8,971	8,241
Other	**103**	123	133
Total	**45,627**	29,394	26,563

Of the total homes delivered listed above, 64, 72 and 82 represent home deliveries from unconsolidated entities for the years ended November 30, 2018, 2017 and 2016, respectively.

	Years Ended November 30,					
	Dollar Value (In thousands)			**Average Sales Price**		
	2018	**2017**	**2016**	**2018**	**2017**	**2016**
East	**$6,193,868**	4,023,150	3,276,072	**$341,000**	319,000	300,000
Central	**2,260,105**	915,835	919,563	**385,000**	392,000	406,000
Texas	**2,366,844**	1,651,619	1,495,351	**331,000**	309,000	298,000
West	**7,934,138**	4,379,775	3,782,664	**553,000**	488,000	459,000
Other	**103,330**	113,750	140,497	**1,003,000**	925,000	1,056,000
Total	**$18,858,285**	11,084,129	9,614,147	**$413,000**	377,000	362,000

Of the total dollar value of home deliveries listed above, $47.7 million, $48.8 million and $55.6 million represent the dollar value of home deliveries from unconsolidated entities for the years ended November 30, 2018, 2017 and 2016, respectively. The home deliveries from unconsolidated entities had an average sales price of $746,000 for the year ended November 30, 2018 and $678,000 for both years ended November 30, 2017 and 2016.

Sales Incentives (1):

	Years Ended November 30, (In thousands)		
	2018	**2017**	**2016**
East	**$444,122**	288,138	235,377
Central	**157,420**	66,554	64,856
Texas	**237,703**	173,005	160,950
West	**222,684**	132,920	128,761
Other	**8,195**	5,122	6,355
Total	**$1,070,124**	665,739	596,299

	Years Ended November 30,					
	Average Sales Incentives Per Home Delivered			**Sales Incentives as a % of Revenue**		
	2018	**2017**	**2016**	**2018**	**2017**	**2016**
East	**$24,500**	22,800	21,600	**6.7 %**	6.7%	6.7%
Central	**26,800**	28,500	28,600	**6.5 %**	6.8%	6.6%
Texas	**33,300**	32,400	32,100	**9.1 %**	9.5%	9.7%
West	**15,500**	14,800	15,600	**2.7 %**	2.9%	3.3%
Other	**210,200**	100,400	104,200	**12.8 %**	7.3%	6.7%
Total	**$23,500**	22,700	22,500	**5.4 %**	5.7%	5.9%

(1) Sales incentives relate to home deliveries during the period, excluding deliveries by unconsolidated entities.

31

Table of Contents

New Orders (2):

	Years Ended November 30, Homes		
	2018	**2017**	**2016**
East	**19,297**	13,214	11,303
Central	**5,855**	2,428	2,179
Texas	**7,078**	5,027	5,127
West	**13,516**	9,573	8,692
Other	**80**	106	71
Total	**45,826**	30,348	27,372

Of the total new orders listed above, 58, 65 and 23 represent new orders from unconsolidated entities for the years ended November 30, 2018, 2017 and 2016, respectively.

	Years Ended November 30, Dollar Value (In thousands)			Average Sales Price		
	2018	**2017**	**2016**	**2018**	**2017**	**2016**
East	**$6,505,867**	4,190,651	3,417,855	**$337,000**	317,000	302,000
Central	**2,263,946**	968,771	867,632	**387,000**	399,000	398,000
Texas	**2,284,726**	1,540,418	1,562,513	**323,000**	306,000	305,000
West	**7,544,235**	4,752,656	4,025,723	**558,000**	496,000	463,000
Other	**82,522**	106,741	80,214	**1,032,000**	1,007,000	1,130,000
Total	**$18,681,296**	11,559,237	9,953,937	**$408,000**	381,000	364,000

Of the total dollar value of new orders listed above, $39.7 million, $48.0 million and $9.2 million represent the dollar value of new orders from unconsolidated entities for the years ended November 30, 2018, 2017 and 2016, respectively. The new orders from unconsolidated entities had an average sales price of $685,000, $738,000 and $401,000 for the years ended November 30, 2018, 2017 and 2016, respectively.

(2) New orders represent the number of new sales contracts executed with homebuyers, net of cancellations, during the years ended November 30, 2018, 2017 and 2016.

Backlog (3):

	November 30, Homes		
	2018	**2017**	**2016**
East (4)	**7,075**	3,812	2,865
Central (5)	**1,986**	715	621
Texas	**2,148**	1,339	1,653
West	**4,401**	3,040	2,438
Other	**6**	29	46
Total	**15,616**	8,935	7,623

Of the total homes in backlog listed above, 17, 23 and 30 represent homes in backlog from unconsolidated entities at November 30, 2018, 2017 and 2016, respectively.

	November 30, Dollar Value (In thousands)			Average Sales Price		
	2018	**2017**	**2016**	**2018**	**2017**	**2016**
East	**$2,522,710**	1,273,847	921,436	**$357,000**	334,000	322,000
Central	**790,252**	295,813	242,950	**398,000**	414,000	391,000
Texas	**760,721**	425,485	537,460	**354,000**	318,000	325,000
West	**2,487,451**	1,525,424	1,152,886	**565,000**	502,000	473,000
Other	**8,989**	29,797	36,806	**1,498,000**	1,027,000	800,000
Total	**$6,570,123**	3,550,366	2,891,538	**$421,000**	397,000	379,000

Table of Contents

Of the total dollar value of homes in backlog listed above, $7.1 million, $15.2 million and $16.0 million represent the dollar value of homes in backlog from unconsolidated entities at November 30, 2018, 2017 and 2016, respectively. The homes in backlog from unconsolidated entities had an average sales price of $420,000, $659,000 and $533,000 at November 30, 2018, 2017 and 2016, respectively.

(3) During the year ended November 30, 2018, we acquired a total of 6,481 homes in backlog in connection with the CalAtlantic acquisition. Of the homes acquired that were in backlog, 2,126 homes were in the East, 1,281 homes were in the Central, 877 homes were in Texas and 2,197 homes were in the West.

(4) During the year ended November 30, 2017, we acquired 359 homes in backlog as a result of the WCI acquisition. During the year ended November 30, 2016, we acquired 110 homes in backlog from other homebuilders.

(5) During the year ended November 30, 2016, we acquired 58 homes in backlog.

Backlog represents the number of homes under sales contracts. Homes are sold using sales contracts, which are generally accompanied by sales deposits. In some instances, purchasers are permitted to cancel sales if they fail to qualify for financing or under certain other circumstances. We do not recognize revenue on homes under sales contracts until the sales are closed and title passes to the new homeowners.

We experienced cancellation rates as follows:

	Years Ended November 30,		
	2018	**2017**	**2016**
East	**14 %**	15 %	14 %
Central	**11 %**	11 %	13 %
Texas	**21 %**	21 %	22 %
West	**14 %**	14 %	14 %
Other	**21 %**	24 %	17 %
Total	**15 %**	15 %	16 %

Active Communities:

	November 30,		
	2018 (1)	**2017**	**2016**
East (2)	**481**	306	261
Central	**243**	86	81
Texas	**240**	158	155
West	**361**	211	194
Other	**4**	4	4
Total	**1,329**	765	695

Of the total active communities listed above, five communities represent active communities being developed by unconsolidated entities as of November 30, 2018. Of the total active communities listed above, four and two communities represent active communities being constructed by unconsolidated entities as of November 30, 2017 and 2016, respectively.

(1) We acquired 542 active communities as part of the CalAtlantic acquisition on February 12, 2018. Of the communities acquired, 177 were in the East, 135 were in the Central, 99 were in Texas and 131 were in the West.

(2) We acquired 51 active communities as part of the WCI acquisition on February 10, 2017.

Selected Pro Forma Homebuilding Data

On February 12, 2018, we completed our acquisition of CalAtlantic. To aid readers with comparability of key homebuilding metrics, we are including pro forma homebuilding information about combined new orders and deliveries of Lennar and CalAtlantic for the years ended November 30, 2018 and 2017 reflecting our updated homebuilding segments as if the acquisition occurred on December 1, 2016.

Table of Contents

Pro forma Deliveries:

	Years Ended November 30,	
	Homes	
	2018	**2017**
East	**19,231**	17,339
Central	**6,506**	5,376
Texas	**7,582**	7,635
West	**15,434**	13,355
Other	**103**	123
Total	**48,856**	43,828

Pro forma New Orders:

	Years Ended November 30,	
	Homes	
	2018	**2017**
East	**20,041**	18,162
Central	**6,484**	5,520
Texas	**7,372**	7,144
West	**14,303**	14,362
Other	**80**	106
Total	**48,280**	45,294

The following table details our gross margins on home sales for each of our reportable homebuilding segments and Homebuilding Other:

	Years Ended November 30,					
(Dollars in thousands)	**2018 (1)**		**2017**		**2016**	
East:						
Sales of homes	**$6,193,868**		4,023,150		3,272,884	
Costs of homes sold	**4,900,188**		3,054,456		2,436,755	
Gross margins on home sales	**1,293,680**	**20.9%**	968,694	24.1%	836,129	25.5%
Central:						
Sales of homes	**2,260,105**		915,835		919,562	
Costs of homes sold	**1,882,114**		736,586		744,997	
Gross margins on home sales	**377,991**	**16.7%**	179,249	19.6%	174,565	19.0%
Texas:						
Sales of homes	**2,366,844**		1,651,619		1,495,351	
Costs of homes sold	**1,952,366**		1,303,268		1,168,825	
Gross margins on home sales	**414,478**	**17.5%**	348,351	21.1%	326,526	21.8%
West:						
Sales of homes	**7,934,138**		4,379,776		3,782,665	
Costs of homes sold	**6,331,368**		3,448,691		2,941,798	
Gross margins on home sales	**1,602,770**	**20.2%**	931,085	21.3%	840,867	22.2%
Other:						
Sales of homes	**55,597**		64,919		88,055	
Costs of homes sold (2)	**55,702**		58,345		70,478	
Gross margins on home sales (2)	**(105)**	**(0.2)%**	6,574	10.1%	17,577	20.0%
Total gross margins on home sales	**$3,688,814**	**19.6%**	2,433,953	22.1%	2,195,664	23.0%

(1) During the year ended November 30, 2018, gross margin on home sales included backlog/construction in progress write-up of $414.6 million related to purchase accounting on CalAtlantic homes that were delivered in the year ended November 30, 2018.
(2) Costs of homes sold include period costs in Urban divisions that impact costs of homes sold without any sales of homes revenue.

2018 versus 2017

Homebuilding East: Revenues from home sales increased in 2018 compared to 2017, primarily due to an increase in the number of home deliveries in all the states in the segment. Revenues from home sales also increased as a result of the increase in the average sales price of homes delivered in Florida and the Carolinas, partially offset by a decrease in the average sales price of homes delivered in New Jersey. The increase in the number of deliveries was primarily driven by an increase in active communities including communities acquired from CalAtlantic. The increase in the average sales price of homes delivered in Florida and the Carolinas was primarily due to an increase in home deliveries in higher-priced communities, including higher-priced communities acquired from CalAtlantic. The decrease in the average sales price of homes delivered in New Jersey was primarily driven by a change in product mix due to closing out the remaining homes in higher-priced communities and opening lower-priced communities during the year ended November 30, 2018. Gross margin percentage on home sales for the year ended November 30, 2018 decreased compared to the same period last year primarily due to increases in construction and land costs per home and purchase accounting adjustments on CalAtlantic homes that were in backlog/construction in progress when we acquired CalAtlantic, which reduced the gross margin percentage on those deliveries. This was partially offset by an increase in the average sales price of homes delivered.

Homebuilding Central: Revenues from home sales increased in 2018 compared to 2017, primarily due to an increase in the number of home deliveries in all the states in the segment. The increase in the number of deliveries was primarily driven by an increase in active communities including communities acquired from CalAtlantic. The average sales prices in the segment decreased in 2018 compared to 2017, primarily due to communities acquired from CalAtlantic in Indiana and Illinois, which are lower-priced communities, and a decrease in average sales prices in Georgia and Minnesota. The decrease in the average sales price of homes delivered in Georgia and Minnesota was primarily driven by a change in product mix due to closing out the remaining homes in higher-priced communities and opening lower-priced communities during the year ended November 30, 2018. Gross margin percentage on home sales for the year ended November 30, 2018 decreased compared to the same period last year primarily due to increases in construction and land costs per home and purchase accounting adjustments on CalAtlantic homes that were in backlog/construction in progress when we acquired CalAtlantic, which reduced the gross margin percentage on those deliveries.

Homebuilding Texas: Revenues from home sales increased in 2018 compared to 2017, primarily due to an increase in the number of home deliveries and in the average sales price of homes delivered. The increase in the number of deliveries was primarily driven by an increase in active communities including communities acquired from CalAtlantic. The increase in the average sales price of homes delivered was primarily due to an increase in home deliveries in higher-priced communities, including higher-priced communities acquired from CalAtlantic. Gross margin percentage on home sales for the year ended November 30, 2018 decreased compared to the same period last year primarily due to increases in construction and land costs per home and purchase accounting adjustments on CalAtlantic homes that were in backlog/construction in progress when we acquired CalAtlantic, which reduced the gross margin percentage on those deliveries. This was partially offset by an increase in the average sales price of homes delivered.

Homebuilding West: Revenues from home sales increased in 2018 compared to 2017, primarily due to an increase in the number of home deliveries and average sales price of homes delivered in all the states in the segment. The increase in the number of deliveries was primarily driven by an increase in active communities including communities acquired from CalAtlantic. The increase in the average sales price of homes delivered was primarily due to an increase in home deliveries in higher-priced communities, including higher-priced communities acquired from CalAtlantic. Gross margin percentage on home sales for the year ended November 30, 2018 decreased compared to the same period last year primarily due to increases in construction and land costs per home and purchase accounting adjustments on CalAtlantic homes that were in backlog/construction in progress when we acquired CalAtlantic, which reduced the gross margin percentage on those deliveries. This was partially offset by an increase in the average sales price of homes delivered.

2017 versus 2016

Homebuilding East: Revenues from home sales increased in 2017 compared to 2016, primarily due to an increase in the number of home deliveries in all states in the segment. Revenues from home sales also increased as a result of the increase in the average sales price of homes delivered in Florida and the Carolinas, partially offset by a decrease in the average sales price of homes delivered in New Jersey. The increase in the number of deliveries was primarily driven by an increase in active communities during 2017 primarily related to the WCI acquisition. The increase in the average sales price of homes delivered in Florida and the Carolinas was primarily due to an increase in home deliveries in higher-priced communities and favorable market conditions. The decrease in the average sales price of homes delivered in New Jersey was primarily driven by a change in product mix due to closing out the remaining homes in higher-priced communities and opening lower-priced communities during the year ended November 30, 2017. Gross margin percentage on home sales for the year ended November 30, 2017 decreased compared to 2016 primarily due to an increase in direct construction costs per home, partially offset by an increase in the average sales price of homes delivered.

Homebuilding Central: Revenues from home sales decreased slightly in 2017 compared to 2016, primarily due to a decrease in the number of home deliveries in Georgia and Virginia and a slight decrease in the average sales price of homes delivered in all the states in the segment. This was partially offset by an increase in the number of home deliveries in Minnesota and Tennessee. The decrease in the number of deliveries in Georgia and Virginia was primarily due to a decrease in deliveries per active community as a result of timing of opening and closing of communities. The increase in the number of deliveries in Minnesota and Tennessee was primarily driven by higher demand as the number of deliveries per active community increased. The decrease in the average sales price of homes delivered in all states in Homebuilding Central, was primarily driven by a change in product mix due to closing out the remaining homes in higher-priced communities and opening lower-priced communities during the year ended November 30, 2017. Gross margin percentage on home sales for the year ended November 30, 2017 decreased compared to 2016 primarily due to an increase in land and direct construction costs per home.

Homebuilding Texas: Revenues from home sales increased in 2017 compared to 2016, primarily due to an increase in the number of home deliveries and an increase in the average sales price of homes delivered. The increase in the number of deliveries in Homebuilding Texas was primarily driven by higher demand as the number of deliveries per active community increased and the number of active communities increased. The increase in the average sales price of homes delivered was primarily due to favorable market conditions. Gross margin percentage on home sales for the year ended November 30, 2017 decreased compared to the same period last year primarily due to an increase in land and direct construction costs per home, partially offset by an increase in the average sales price of homes delivered.

Homebuilding West: Revenues from home sales increased in 2017 compared to 2016, primarily due to an increase in the number of home deliveries in all the states in the segment, except Colorado and an increase in the average sales price in all the states in the segment, except Oregon. The increase in the number of home deliveries is primarily driven by higher demand as the number of deliveries per active community increased. The decrease in the number of deliveries in Colorado was primarily due to a decrease in deliveries per active community as a result of timing of opening and closing of communities. The increase in the average sales price of homes delivered was primarily due to a change in product mix and favorable market conditions. The decrease in the average sales price of homes delivered in Oregon was primarily driven by a change in product mix due to closing out the remaining homes in higher-priced communities and opening lower-priced communities during the year ended November 30, 2017. Gross margin percentage on home sales for the year ended November 30, 2017 decreased compared to the same period last year primarily due to an increase in direct construction and land costs per home, partially offset by an increase in the average sales price of homes delivered.

Lennar Financial Services Segment

Our Lennar Financial Services reportable segment provides mortgage financing, title insurance and closing services for both buyers of our homes and others. Our Lennar Financial Services segment sells substantially all of the loans it originates within a short period in the secondary mortgage market, a majority of them on a servicing released, non-recourse basis. After the loans are sold, we retain potential liability for possible claims by purchasers that we breached certain limited industry-standard representations and warranties in the loan sale agreements. Occasional claims of this type are a normal incident of our loan securitization activities. We do not believe these claims will have a material adverse effect on our business.

The following table sets forth selected financial and operational information related to our Lennar Financial Services segment:

	Years Ended November 30,		
(Dollars in thousands)	**2018**	**2017**	**2016**
Revenues	**$867,831**	770,109	687,255
Costs and expenses	**680,401**	614,585	523,638
Operating earnings	**$187,430**	155,524	163,617
Dollar value of mortgages originated	**$11,079,000**	8,973,000	9,343,000
Number of mortgages originated	**36,500**	31,600	33,500
Mortgage capture rate of Lennar homebuyers	**73** %	80 %	82 %
Number of title and closing service transactions	**118,000**	110,000	116,000
Number of title policies issued	**297,600**	314,800	298,900

Subsequent to November 30, 2018, we sold the majority of our retail title business, our title insurance underwriting business, and our real estate brokerage business and contracted to sell our business of offering residential mortgages to non-Lennar homebuyers.

Lennar Multifamily Segment

We have been actively involved, primarily through unconsolidated entities, in the development, construction and property management of multifamily rental properties. Our Lennar Multifamily segment focuses on developing a geographically diversified portfolio of institutional quality multifamily rental properties in select U.S. markets. Originally, our Lennar Multifamily segment focused on building multifamily properties and selling them shortly after they were completed. However, more recently we have focused on creating and participating in ventures that build multifamily properties with the intention of retaining them after they are completed.

As of November 30, 2018 and 2017, our balance sheet had $874.2 million and $710.7 million, respectively, of assets related to our Lennar Multifamily segment, which included investments in unconsolidated entities of $481.1 million and $407.5 million, respectively. Our net investment in the Lennar Multifamily segment as of November 30, 2018 and 2017 was $703.6 million and $561.0 million, respectively. During the year ended November 30, 2018, our Lennar Multifamily segment sold, through its unconsolidated entities, 6 operating properties and an investment in an operating property resulting in the segment's $61.2 million share of gains. During both years ended November 30, 2017 and 2016, our Lennar Multifamily segment sold seven operating properties, through its unconsolidated entities, resulting in the segment's $96.7 million and $91.0 million share of gains, respectively. During the year ended November 30, 2016, our Lennar Multifamily segment sold land to third parties generating gross profit of $5.6 million.

Our Lennar Multifamily segment had equity investments in 22 and 27 unconsolidated entities (including the Lennar Multifamily Venture Fund I LP (the "Venture Fund") and Lennar Multifamily Venture Fund II LP, ("Venture Fund II") as of November 30, 2018 and 2017, respectively. As of November 30, 2018, our Lennar Multifamily segment had interests in 55 communities with development costs of $6.3 billion, of which 23 communities were completed and operating, 5 communities were partially completed and leasing, 19 communities were under construction and the remaining communities were either owned or under contract. As of November 30, 2018, our Lennar Multifamily segment also had a pipeline of potential future projects totaling $3.5 billion of anticipated development costs across a number of states that will be developed primarily by unconsolidated entities.

The Venture Fund is a long-term multifamily development investment vehicle involved in the development, construction and property management of class-A multifamily assets with $2.2 billion in equity commitments, including a $504 million co-investment commitment by us comprised of cash, undeveloped land and preacquisition costs.

In March 2018, the Lennar Multifamily segment completed the first closing of a second Lennar Multifamily Venture, Venture Fund II, for the development, construction and property management of Class-A multifamily assets. As of November 30, 2018, Venture Fund II had approximately $787 million of equity commitments, including a $255 million co-investment commitment by Lennar comprised of cash, undeveloped land and preacquisition costs. As of and for the year ended November 30, 2018, $252.1 million in equity commitments were called, of which we contributed our portion of $81.2 million, which was made up of a $188.4 million inventory and cash contributions, offset by $107.2 million of distributions as a return of capital, resulting in a remaining equity commitment for the Company of $173.8 million. As of November 30, 2018, the carrying value of our investment in Venture Fund II was $63.0 million. The difference between our net contributions and the carrying value of our investments was related to a basis difference. Venture Fund II is currently seeded with eight undeveloped

Table of Contents

multifamily assets that were previously purchased by the Lennar Multifamily segment totaling approximately 3,000 apartments with projected project costs of approximately $1.3 billion.

Rialto Segment

As of November 30, 2018, our Rialto operating segment was a commercial real estate investment, investment management, and finance company focused on raising, investing and managing third-party capital, originating and selling into securitizations commercial mortgage loans as well as investing our own capital in real estate related mortgage loans, properties and related securities. We sold our Rialto investment and asset management platform on November 30, 2018 for $340 million, which resulted in a gain of $296.4 million. We retained our RMF business, which moved into our Financial Services segment as of December 1, 2018. We also retained our fund investments along with our carried interests in various Rialto funds and investments in other Rialto balance sheet assets. Our limited partner investments in Rialto funds and investment vehicles totaled $297.4 million at November 30, 2018, and we are committed to invest as much as an additional $71.6 million in Rialto funds.

Rialto's operating losses were as follows:

	Years Ended November 30,		
(In thousands)	**2018**	**2017**	**2016**
Revenues	**$205,071**	281,243	233,966
Costs and expenses (1)	**190,413**	247,549	229,769
Rialto equity in earnings from unconsolidated entities	**25,816**	25,447	18,961
Rialto other expense, net (2)	**(62,058)**	(81,636)	(39,850)
Operating loss (3)	**$(21,584)**	(22,495)	(16,692)

(1) Costs and expenses included loan impairments of $2.1 million, $32.6 million and $18.2 million for the years ended November 30, 2018, 2017 and 2016, respectively, primarily associated with the segment's FDIC loans portfolio (before noncontrolling interests).

(2) Rialto other expense, net, included REO impairments of $33.2 million, $63.6 million and $24.4 million for the years ended November 30, 2018, 2017 and 2016, respectively. Additionally, for the year ended November 30, 2018, Rialto other expense, net, included non-recurring expenses.

(3) Operating loss for the years ended November 30, 2018, 2017 and 2016 included net loss attributable to noncontrolling interests of $3.3 million, $46.1 million and $18.8 million, respectively.

The following is a detail of Rialto other expense, net:

	Years Ended November 30,		
(In thousands)	**2018**	**2017**	**2016**
Realized gains on REO sales, net	**$3,734**	4,578	17,495
Unrealized losses on transfer of loans receivable to REO and impairments, net	**(33,099)**	(64,623)	(23,087)
REO and other expenses	**(70,084)**	(49,432)	(54,008)
Rental and other income	**37,391**	27,841	19,750
Rialto other expense, net	**$(62,058)**	(81,636)	(39,850)

RMF

RMF originates and sells into securitizations five, seven and ten year commercial first mortgage loans, which are secured by income producing properties. This business has become a significant contributor to Rialto's revenues. During the year ended November 30, 2018, RMF originated loans with a total principal balance of $1.4 billion, all of which was recorded as loans held-for-sale, and sold $1.5 billion of loans into 16 separate securitizations. During the year ended November 30, 2017, RMF originated loans with a principal balance of $1.7 billion of which $1.6 billion were recorded as loans held-for-sale and $98.4 million were recorded as accrual loans within loans receivable, net, and sold $1.5 billion of loans into 12 separate securitizations. As of November 30, 2018, originated loans with an unpaid balance of $218.4 million were sold into a securitization trust but not settled and thus were included as receivables, net. As of November 30, 2017, there were no unsettled transactions.

Investments

Rialto was the sponsor of and an investor in private equity vehicles that invest in and manage real estate related assets and other related investments. During the year ended November 30, 2018, Rialto also earned fees for its role as a manager of these vehicles and for providing asset management and other services to those vehicles and other third parties. We retained our fund investments along with our carried interests in various Rialto funds and investments in other Rialto balance sheet assets.

At November 30, 2018 and 2017, the carrying value of Rialto's commercial mortgage-backed securities ("CMBS") was $197.0 million and $179.7 million, respectively. These securities were purchased at discount rates ranging from 9% to 84% with coupon rates ranging from 1.3% to 5.0%, stated and assumed final distribution dates between November 2020 and December 2027, and stated maturity dates between November 2043 and March 2059. The Rialto segment reviewed changes in estimated cash flows periodically to determine if an other-than-temporary impairment has occurred on its CMBS. Based on management's assessment, no impairment charges were recorded during any of the years ended November 30, 2018, 2017 and 2016. The Rialto segment classified these securities as held-to-maturity based on its intent and ability to hold the securities until maturity.

Financial Condition and Capital Resources

At November 30, 2018, we had cash and cash equivalents related to our homebuilding, financial services, Rialto and multifamily operations of $1.6 billion, compared to $2.7 billion and $1.3 billion at November 30, 2017 and 2016, respectively.

We finance all of our activities including homebuilding, financial services, Rialto, multifamily and general operating needs primarily with cash generated from our operations, debt issuances and equity offerings as well as cash borrowed under our warehouse lines of credit and our unsecured revolving credit facility (the "Credit Facility").

Operating Cash Flow Activities

During 2018, 2017 and 2016, cash provided by operating activities totaled $1.7 billion, $996.9 million and $507.8 million, respectively. During 2018, cash provided by operating activities was positively impacted by our net earnings, an increase in accounts payable and other liabilities of $412.8 million, deferred income tax expense of $268.0 million and a decrease in loans held-for-sale of $5.8 million of which $153.3 million related to Rialto, partially offset by an increase in loans held-for-sale of $147.5 million related to Lennar Financial Services. In addition, cash provided by operating activities was negatively impacted by an increase in other assets of $36.9 million, an increase in receivables of $431.2 million and an increase in inventories due to strategic land purchases, land development and construction costs of $135.9 million. For the year ended November 30, 2018, distributions of earnings from unconsolidated entities were $113.1 million, which included (1) $69.9 million from Lennar Homebuilding unconsolidated entities, (2) $37.8 million from Lennar Multifamily unconsolidated entities, and (3) $5.4 million from Rialto unconsolidated entities.

During 2017, cash provided by operating activities was positively impacted by our net earnings, a decrease in receivables, an increase in accounts payable and other liabilities and a decrease in restricted cash, partially offset by an increase in other assets and an increase in loans held-for-sale of $108.9 million related to Rialto. In addition, cash provided by operating activities was negatively impacted by an increase in inventories due to strategic land purchases, land development and construction costs. For the year ended November 30, 2017, distributions of earnings from unconsolidated entities were $137.7 million, which included (1) $35.0 million from Lennar Homebuilding unconsolidated entities, (2) $12.9 million from Rialto unconsolidated entities, and (3) $89.7 million from Lennar Multifamily unconsolidated entities.

During 2016, cash provided by operating activities was positively impacted by our net earnings, a net decrease in loans held-for-sale primarily related to RMF due to the timing of the securitizations and an increase in accounts payable and other liabilities, partially offset by a smaller increase in inventories than in 2015 due to our soft-pivot strategy, and an increase in receivables and other assets. For the year ended November 30, 2016, distributions of earnings from unconsolidated entities were $102.0 million, which included (1) $86.3 million from Lennar Multifamily unconsolidated entities, (2) $14.0 million from Rialto unconsolidated entities, and (3) $1.7 million from Lennar Homebuilding unconsolidated entities.

Investing Cash Flow Activities

During 2018, 2017 and 2016, cash used in investing activities totaled $608.1 million, $869.8 million and $85.8 million, respectively. During 2018, our cash used in investing activities was primarily due to our $1.1 billion acquisition of CalAtlantic, net of cash acquired, net additions to operating properties and equipment of $130.4 million and cash contributions of $405.5 million to unconsolidated entities, which included (1) $230.9 million to Lennar Homebuilding unconsolidated entities, (2) $113.0 million to Lennar Multifamily unconsolidated entities primarily for working capital and (3) $61.7 million to Rialto unconsolidated entities. This was partially offset by the receipt of $340 million from the sale of our Rialto investment and asset management platform to investment funds managed by Stone

Point Capital, $225.3 million of proceeds from the sale of investments in unconsolidated entities, including $200 million of proceeds from the sale of an 80% interest in one of our strategic joint ventures, Treasure Island Holdings, proceeds from maturities/sales of investment securities of $85.2 million, and distributions of capital from unconsolidated entities of $362.5 million, which primarily included (1) $172.0 million from Lennar Multifamily unconsolidated entities, (2) $141.0 million from Lennar Homebuilding unconsolidated entities, and (3) $49.3 million from Rialto unconsolidated entities.

During 2017, our cash used in investing activities was primarily due to our $611.1 million acquisition of WCI, net of cash acquired. In addition, we had cash contributions to unconsolidated entities of $430.3 million, which included (1) $261.9 million to Lennar Homebuilding unconsolidated entities primarily for working capital and paydowns of joint venture debt, including $120.7 million to FivePoint, (2) $119.7 million to Lennar Multifamily unconsolidated entities primarily for working capital and (3) $48.7 million to Rialto unconsolidated entities comprised primarily of $32.9 million contributed to Fund III, $8.8 million contributed to RCP and $7.0 million contributed to other investments. In addition, cash used in investing activities was impacted by purchases of CMBS bonds by our Rialto segment. This was partially offset by the receipt of $165.4 million of principal payments on loans receivable and other, $86.6 million of proceeds from the sales of REO and distributions of capital from unconsolidated entities of $207.3 million, which primarily included (1) $83.0 million from Lennar Multifamily unconsolidated entities, of which $26.8 million was distributed by the Venture Fund, (2) $80.9 million from Lennar Homebuilding unconsolidated entities, and (3) $41.6 million from Rialto unconsolidated entities comprised primarily of $21.2 million distributed by Fund II, $5.4 million distributed by Fund III, $7.0 million distributed by the Mezzanine Fund, and $5.4 million distributed by the CMBS Funds.

During 2016, our cash used in investing activities was primarily impacted by cash contributions to unconsolidated entities of (1) $198.2 million to Lennar Multifamily unconsolidated entities primarily related to contributions to the Venture Fund, (2) $184.2 million to Lennar Homebuilding unconsolidated entities primarily for working capital, (3) $43.4 million to Rialto unconsolidated entities comprised of $28.8 million contributed to the CMBS Funds, $7.2 million contributed to Fund III, $5.7 million contributed to RCP and $1.7 million contributed to other investments. In addition, cash used in investing activities was impacted by purchases of CMBS by our Rialto segment and origination of loans receivable primarily related to floating rate loans originated by RMF. This was partially offset by distributions of capital from unconsolidated entities of (1) $251.2 million from Lennar Multifamily unconsolidated entities, of which $193.7 million was distributed by the Venture Fund, (2) $44.6 million from Lennar Homebuilding unconsolidated entities, and (3) $27.4 million from Rialto unconsolidated entities comprised of $12.8 million distributed by Fund II, $11.7 million distributed by the Mezzanine Fund and $2.9 million distributed by the CMBS Funds; by the receipt of $97.9 million of proceeds from the sales of REO; and receipt of $84.4 million of principal payments on loans receivable and settlement of accrual loans.

Financing Cash Flow Activities

During 2018, 2017 and 2016, our cash (used in) provided by financing activities totaled ($2.2) billion, $1.2 billion and ($250.9) million, respectively. During 2018, our cash used in financing activities was primarily impacted by (1) $575 million aggregate principal redemption of our 8.375% senior notes due 2018 (the "8.375% Senior Notes"), (2) $454.7 million net repayments under our revolving Credit Facility, (3) $359.0 million of aggregate principal payment on Rialto's 7.00% senior notes due December 2018 and other notes payable, (4) payment at maturity of $275 million aggregate principal amount of 4.125% senior notes due 2018 (the "4.125% Senior Notes"), (5) $250 million aggregate principal redemption of our 6.95% senior notes due 2018 (the "6.95% Senior Notes"), (6) $138.5 million principal payments on other borrowings, and (7) $89.6 million of payments related to noncontrolling interests. This was partially offset by $272.9 million of net borrowings under our Lennar Financial Services and Rialto warehouse facilities.

During 2017, our cash provided by financing activities was primarily attributed to the receipt of proceeds related to the (1) issuance of $600 million aggregate principal amount of 4.125% senior notes due 2022, (2) issuance of $650 million aggregate principal amount of 4.50% senior notes due 2024, (3) issuance of $300 million aggregate principal amount of 2.95% senior notes due 2020 (the "2.95% Senior Notes"), (4) issuance of $900 million aggregate principal amount of 4.750% senior notes due 2027 (the "4.750% Senior Notes"), (5) $31.2 million of proceeds from other borrowings, (6) $99.6 million of proceeds from the issuance of Rialto notes payable and (7) $195.5 million of proceeds from other liabilities. This was partially offset by (1) the retirement of $400 million aggregate principal amount of our 12.25% senior notes due 2017, (2) the redemption of $400 million aggregate principal amount of our 4.75% senior notes due 2017, (3) the redemption of $250 million principal amount of our 6.875% senior notes due 2021 that had been issued by WCI, (4) $199.7 million of net repayments under our warehouse facilities, which was comprised of $139.8 million of net repayments under our Lennar Financial Services warehouse repurchase facilities and $59.9 million of net repayments under our Rialto warehouse facilities, (5) $74.4 million of payments related to noncontrolling interests, and (5) $139.7 million of principal payments on other borrowings. The proceeds from the issuance of the 2.95% Senior Notes and the 4.750% Senior Notes were used primarily to pay the cash portion of the consideration related to the merger with CalAtlantic.

During 2016, our cash used in financing activities was primarily impacted by (1) the redemption of $250 million aggregate principal amount of our 6.50% senior notes due April 2016, (2) $234.0 million of cash payments in connection with exchanges or conversions of our 2.75% convertible senior notes due December 2020, (3) $211.0 million of principal payments on other borrowings, (4) $111.3 million of net repayments under our Rialto's warehouse repurchase facilities, and (5) $127.4 million of payments related to noncontrolling interests. The cash used in financing activities was partially offset by the receipt of proceeds of the sale of $500 million aggregate principal amount of our 4.750% senior notes due 2021 and $218.8 million of net borrowings under our Lennar Financial Services' warehouse repurchase facilities.

Table of Contents

Debt to total capital ratios are financial measures commonly used in the homebuilding industry and are presented to assist in understanding the leverage of our Lennar Homebuilding operations. Lennar Homebuilding debt to total capital and net Lennar Homebuilding debt to total capital were calculated as follows:

	November 30,	
(Dollars in thousands)	**2018**	**2017**
Lennar Homebuilding debt	**$8,543,868**	6,410,003
Stockholders’ equity	**14,581,535**	7,872,317
Total capital	**$23,125,403**	14,282,320
Lennar Homebuilding debt to total capital	**36.9 %**	44.9 %
Lennar Homebuilding debt	**$8,543,868**	6,410,003
Less: Lennar Homebuilding cash and cash equivalents	**1,337,807**	2,282,925
Net Lennar Homebuilding debt	**$7,206,061**	4,127,078
Lennar Homebuilding net debt to total capital (1)	**33.1 %**	34.4 %

(1) Lennar Homebuilding net debt to total capital is a non-GAAP financial measure defined as net Lennar Homebuilding debt (Lennar Homebuilding debt less Lennar Homebuilding cash and cash equivalents) divided by total capital (net Lennar Homebuilding debt plus stockholders' equity). We believe the ratio of net Lennar Homebuilding debt to total capital is a relevant and a useful financial measure to investors in understanding the leverage employed in our Lennar Homebuilding operations. However, because net Lennar Homebuilding debt to total capital is not calculated in accordance with GAAP, this financial measure should not be considered in isolation or as an alternative to financial measures prescribed by GAAP. Rather, this non-GAAP financial measure should be used to supplement our GAAP results.

At November 30, 2018, Lennar Homebuilding debt to total capital was lower compared to the prior year period, primarily as a result of an increase in stockholders' equity primarily related to the issuance of shares in connection with the CalAtlantic acquisition and net earnings, partially offset by an increase in homebuilding debt primarily related to an increase in Lennar Homebuilding debt due to the CalAtlantic acquisition.

We are continually exploring various types of transactions to manage our leverage and liquidity positions, take advantage of market opportunities and increase our revenues and earnings. These transactions may include the issuance of additional indebtedness, the repurchase of our outstanding indebtedness for cash or equity, the repurchase of our common stock, the acquisition of homebuilders and other companies, the purchase or sale of assets or lines of business, the issuance of common stock or securities convertible into shares of common stock, and/or pursuing other financing alternatives. In connection with some of our non-homebuilding businesses, we are also considering other types of transactions such as sales, restructuring, joint ventures, spin-offs or initial public offerings as we intend to move back towards being a pure play homebuilding company over time. On November 30, 2018, we sold the Rialto Management Group. However, we retained the right to receive carried interest distributions from some of the funds and other investment vehicles. We also retained limited partner investments in Rialto funds and investment vehicles that totaled $297.4 million at November 30, 2018, and are committed to invest as much as an additional $71.6 million in Rialto funds.

Table of Contents

The following table summarizes our Lennar Homebuilding senior notes and other debts payable:

	November 30,	
(Dollars in thousands)	**2018**	**2017**
0.25% convertible senior notes due 2019	**$1,291**	—
4.500% senior notes due 2019	**499,585**	498,793
4.50% senior notes due 2019	**599,176**	598,325
6.625% senior notes due 2020 (1)	**311,735**	—
2.95% senior notes due 2020	**298,838**	298,305
8.375% senior notes due 2021 (1)	**435,897**	—
4.750% senior notes due 2021	**498,111**	497,329
6.25% senior notes due December 2021 (1)	**315,283**	—
4.125% senior notes due 2022	**596,894**	595,904
5.375% senior notes due 2022 (1)	**261,055**	—
4.750% senior notes due 2022	**570,564**	569,484
4.875% senior notes due December 2023	**395,759**	394,964
4.500% senior notes due 2024	**646,078**	645,353
5.875% senior notes due 2024 (1)	**452,833**	—
4.750% senior notes due 2025	**497,114**	496,671
5.25% senior notes due 2026 (1)	**409,133**	—
5.00% senior notes due 2027 (1)	**353,275**	—
4.75% senior notes due 2027	**892,297**	892,657
4.125% senior notes due December 2018	**—**	274,459
6.95% senior notes due 2018	**—**	249,342
Mortgage notes on land and other debt	**508,950**	398,417
	$8,543,868	6,410,003

(1) These notes were obligations of CalAtlantic when it was acquired, and were subsequently exchanged in part for notes of Lennar Corporation as follows: $267.7 million principal amount of 6.625% senior notes due 2020, $397.6 million principal amount of 8.375% senior notes due 2021, $292.0 million principal amount of 6.25% senior notes due 2021, $240.8 million principal amount of 5.375% senior notes due 2022, $421.4 million principal amount of 5.875% senior notes due 2024, $395.5 million principal amount of 5.25% senior notes due 2026 and $347.3 million principal amount of 5.00% senior notes due 2027. As part of purchase accounting, the senior notes have been recorded at their fair value as of the date of acquisition (February 12, 2018).

The carrying amounts of the senior notes listed above are net of debt issuance costs of $31.2 million and $33.5 million, as of November 30, 2018 and 2017, respectively.

Our Lennar Homebuilding average debt outstanding was $9.1 billion with an average rate for interest incurred of 4.8% for the year ended November 30, 2018, compared to $5.7 billion with an average rate for interest incurred of 4.8% for the year ended November 30, 2017. Interest incurred related to Lennar Homebuilding debt for the year ended November 30, 2018 was $423.7 million, compared to $290.3 million in 2017. The majority of our short-term financing needs, including financings for land acquisition and development activities and general operating needs, are met with cash generated from operations, proceeds from debt as well as borrowings under our Credit Facility.

Table of Contents

The terms of each of our senior notes outstanding at November 30, 2018 were as follows:

Senior Notes Outstanding (1)	Principal Amount	Net Proceeds (2)	Price		Dates Issued
(Dollars in thousands)					
0.25% convertible senior notes due 2019	$ 1,300	(3)	(3)		(3)
4.500% senior notes due 2019	500,000	495,725	(4)		February 2014
4.50% senior notes due 2019	600,000	595,801	(5)		November 2014, February 2015
6.625% senior notes due 2020	300,000	(3)	(3)		(3)
2.95% senior notes due 2020	300,000	298,800	100	%	November 2017
8.375% senior notes due 2021	400,000	(3)	(3)		(3)
4.750% senior notes due 2021	500,000	495,974	100	%	March 2016
6.25% senior notes due December 2021	300,000	(3)	(3)		(3)
4.125% senior notes due 2022	600,000	595,160	100	%	January 2017
5.375% senior notes due 2022	250,000	(3)	(3)		(3)
4.750% senior notes due 2022	575,000	567,585	(6)		October 2012, February 2013, April 2013
4.875% senior notes due December 2023	400,000	393,622	99.169	%	November 2015
4.500% senior notes due 2024	650,000	644,838	100	%	April 2017
5.875% senior notes due 2024	425,000	(3)	(3)		(3)
4.750% senior notes due 2025	500,000	495,528	100	%	April 2015
5.25% senior notes due 2026	400,000	(3)	(3)		(3)
5.00% senior notes due 2027	350,000	(3)	(3)		(3)
4.75% senior notes due 2027	900,000	894,650	100	%	November 2017

(1) Interest is payable semi-annually for each of the series of senior notes. The senior notes are unsecured and unsubordinated, but are guaranteed by substantially all of our 100% owned homebuilding subsidiaries.

(2) We generally use the net proceeds for working capital and general corporate purposes, which can include the repayment or repurchase of other outstanding senior notes.

(3) These notes were obligations of CalAtlantic when it was acquired, and were subsequently exchanged in part for notes of Lennar Corporation. As part of purchase accounting, the senior notes have been recorded at their fair value as of the date of acquisition (February 12, 2018).

(4) We issued $400 million aggregate principal amount at a price of 100% and $100 million aggregate principal amount at a price of 100.5%.

(5) We issued $350 million aggregate principal amount at a price of 100% and $250 million aggregate principal amount at a price of 100.25%.

(6) We issued $350 million aggregate principal amount at a price of 100%, $175 million aggregate principal amount at a price of 98.073% and $50 million aggregate principal amount at a price of 98.250%.

During the second quarter of 2018, holders of $6.7 million principal amount of CalAtlantic's 1.625% convertible senior notes due 2018 and $266.2 million principal amount of CalAtlantic's 0.25% convertible senior notes due 2019 either caused us to purchase them for cash or converted them into a combination of our Class A and Class B common stock and cash, resulting in our issuing approximately 3,654,000 shares of Class A common stock and 72,000 shares of Class B common stock, and paying $59.1 million in cash to former noteholders. All but $1.3 million of the principal balance of the convertible senior notes had either been converted or redeemed.

In November 2018, we redeemed $275 million aggregate principal amount of the 4.125% Senior Notes. The redemption price, which was paid in cash, was 100% of the principal amount plus accrued but unpaid interest.

In June 2018, we redeemed $250 million aggregate principal amount of the 6.95% Senior Notes. The redemption price, which was paid in cash, was 100% of the principal amount plus accrued but unpaid interest.

In May 2018, we redeemed $575 million aggregate principal amount of the 8.375% Senior Notes. The redemption price, which was paid in cash, was 100% of the principal amount plus accrued but unpaid interest. The 8.375% Senior Notes with $575 million of principal amount were obligations of CalAtlantic when it was acquired and $485.6 million principal amount was subsequently exchanged in part for notes of Lennar Corporation.

Currently, substantially all of our 100% owned homebuilding subsidiaries are guaranteeing all our senior notes (the "Guaranteed Notes"). The guarantees are full and unconditional. The principal reason our 100% owned homebuilding

Table of Contents

subsidiaries are guaranteeing the Guaranteed Notes is so holders of the Guaranteed Notes will have rights at least as great with regard to those subsidiaries as any other holders of a material amount of our unsecured debt. Therefore, the guarantees of the Guaranteed Notes will remain in effect with regard to a guarantor subsidiary only while it guarantees a material amount of the debt of Lennar Corporation, as a separate entity, to others. At any time when a guarantor subsidiary is no longer guaranteeing at least $75 million of Lennar Corporation’s debt other than the Guaranteed Notes, either directly or by guaranteeing other subsidiaries’ obligations as guarantors of Lennar Corporation’s debt, the guarantor subsidiary’s guarantee of the Guaranteed Notes will be suspended. Therefore, if the guarantor subsidiaries cease guaranteeing Lennar Corporation’s obligations under our Credit Facility and our letter of credit facilities and are not guarantors of any new debt, the guarantor subsidiaries’ guarantees of the Guaranteed Notes will be suspended until such time, if any, as they again are guaranteeing at least $75 million of Lennar Corporation’s debt other than the Guaranteed Notes.

If our guarantor subsidiaries are guaranteeing revolving credit lines totaling at least $75 million, we will treat the guarantees of the Guaranteed Notes as remaining in effect even during periods when Lennar Corporation’s borrowings under the revolving credit lines are less than $75 million. A subsidiary will be released from its guarantee and any other obligations it may have regarding the senior notes if all or substantially all its assets, or all of its capital stock, are sold or otherwise disposed of.

In February 2018, we amended the credit agreement governing our Credit Facility to increase the maximum borrowings from $2.0 billion to $2.6 billion and extended the maturity on $2.2 billion of the Credit Facility from June 2022 to April 2023, with $70 million that matured in June 2018 and the remaining $50 million maturing in June 2020. As of November 30, 2018, the Credit Facility included a $315 million accordion feature, subject to additional commitments. The proceeds available under the Credit Facility, which are subject to specified conditions for borrowing, may be used for working capital and general corporate purposes. The credit agreement also provides that up to $500 million in commitments may be used for letters of credit. As of both November 30, 2018 and 2017, we had no outstanding borrowings under the Credit Facility. Under the Credit Facility agreement, we are required to maintain a minimum consolidated tangible net worth, a maximum leverage ratio and either a liquidity or an interest coverage ratio. These ratios are calculated per the Credit Facility agreement, which involves adjustments to GAAP financial measures. We believe we are in compliance with our debt covenants at November 30, 2018. In addition, we had $285 million in letter of credit facilities with different financial institutions at November 30, 2018.

Under the amended Credit Agreement executed in February 2018 (the " Credit Agreement"), as of the end of each fiscal quarter, we are required to maintain minimum consolidated tangible net worth of approximately $6.0 billion plus the sum of 50% of the cumulative consolidated net income for each completed fiscal quarter subsequent to February 28, 2018, if positive, and 50% of the net cash proceeds from any equity offerings from and after February 28, 2018, minus the lesser of 50% of the amount paid after February 12, 2018 to repurchase common stock and $100 million. We are required to maintain a leverage ratio that shall not exceed 65% and may be reduced by 2.5% per quarter if our interest coverage ratio is less than 2.25:1.00 for two consecutive fiscal calendar quarters. The leverage ratio will have a floor of 60%. If our interest coverage ratio subsequently exceeds 2.25:1.00 for two consecutive fiscal calendar quarters, the leverage ratio we will be required to maintain will be increased by 2.5% per quarter to a maximum of 65%. As of the end of each fiscal quarter, we are also required to maintain either (1) liquidity in an amount equal to or greater than 1.00x consolidated interest incurred for the last twelve months then ended or (2) an interest coverage ratio equal to or greater than 1.50:1.00 for the last twelve months then ended. We believe that we were in compliance with our debt covenants at November 30, 2018.

The following summarizes our required debt covenants and our actual levels or ratios with respect to those covenants as calculated per the Credit Agreement as of November 30, 2018:

(Dollars in thousands)	**Covenant Level**	**Level Achieved as of November 30, 2018**
Minimum net worth test	$6,539,138	9,392,336
Maximum leverage ratio	65.0 %	40.1 %
Liquidity test (1)	1.00	3.30

(1)

We are only required to maintain either (1) liquidity in an amount equal to or greater than 1.00x consolidated interest incurred for the last twelve months then ended or (2) an interest coverage ratio of equal to or greater than 1.50:1.00 for the last twelve months then ended. Although we are in compliance with our debt covenants for both calculations, we have only disclosed our liquidity test.

The terms minimum net worth test, maximum leverage ratio, liquidity test and interest coverage ratio used in the Credit Agreement are specifically calculated per the Credit Agreement and differ in specified ways from comparable GAAP or common usage terms.

Our performance letters of credit outstanding were $598.4 million and $384.4 million at November 30, 2018 and 2017, respectively. Our financial letters of credit outstanding were $165.4 million and $127.4 million at November 30, 2018 and

Table of Contents

2017, respectively. Performance letters of credit are generally posted with regulatory bodies to guarantee the performance of certain development and construction activities. Financial letters of credit are generally posted in lieu of cash deposits on option contracts, for insurance risks, credit enhancements and as other collateral. Additionally, at November 30, 2018, we had outstanding surety bonds of $2.7 billion including performance surety bonds related to site improvements at various projects (including certain projects of our joint ventures) and financial surety bonds.

At November 30, 2018, the Lennar Financial Services segment warehouse facilities were as follows:

(In thousands)	**Maximum Aggregate Commitment**
364-day warehouse repurchase facility that matures December 2018 (1)	$400,000
364-day warehouse repurchase facility that matures March 2019 (2)	300,000
364-day warehouse repurchase facility that matures June 2019	700,000
364-day warehouse repurchase facility that matures October 2019 (3)	500,000
Total	$1,900,000

(1) Subsequent to November 30, 2018, the maturity date was extended to February 2019. Maximum aggregate commitment includes an uncommitted amount of $250 million.

(2) Maximum aggregate commitment includes an uncommitted amount of $300 million.

(3) Maximum aggregate commitment includes an uncommitted amount of $400 million.

Our Lennar Financial Services segment uses these facilities to finance its lending activities until the mortgage loans are sold to investors and the proceeds are collected. The facilities are non-recourse to us and are expected to be renewed or replaced with other facilities when they mature. Borrowings under the facilities and their prior year predecessors were $1.3 billion and $937.2 million, at November 30, 2018 and 2017, respectively, and were collateralized by mortgage loans and receivables on loans sold to investors but not yet paid for with outstanding principal balances of $1.3 billion and $974.1 million, at November 30, 2018 and 2017, respectively. The combined effective interest rate on the facilities at November 30, 2018 was 4.5%. If the facilities are not renewed or replaced, the borrowings under the lines of credit will be paid off by selling the mortgage loans held-for-sale to investors and by collecting on receivables on loans sold but not yet paid. Without the facilities, the Lennar Financial Services segment would have to use cash from operations and other funding sources to finance its lending activities.

At November 30, 2018, RMF warehouse facilities were as follows:

(In thousands)	**Maximum Aggregate Commitment**
364-day warehouse repurchase facility that matures November 2019	$ 200,000
364-day warehouse repurchase facility that matures December 2019	200,000
364-day warehouse repurchase facility that matures December 2019	250,000
364-day warehouse repurchase facility that matures December 2019	200,000
Total - Loans origination and securitization business	$ 850,000
Warehouse repurchase facility that matures December 2019 (two - one year extensions) (1)	50,000
Total	$ 900,000

(1) Rialto uses this warehouse repurchase facility to finance the origination of floating rate accrual loans, which are reported as accrual loans within loans receivable, net. There were no borrowings under this facility as of both November 30, 2018 and 2017.

Borrowings under the facilities that finance RMF's loan originations and securitization activities were $178.8 million and $162.1 million as of November 30, 2018 and 2017, respectively, and were secured by a 75% interest in the originated commercial loans financed. The facilities require immediate repayment of the 75% interest in the secured commercial loans when the loans are sold in a securitization and the proceeds are collected. These warehouse repurchase facilities are non-recourse to us and are expected to be renewed or replaced with other facilities when they mature.

In March 2018, Rialto paid off the remaining principal balance of its 7.00% senior notes due December 2018 (the "7.00% Senior Notes"). As of November 30, 2017, the carrying amount, net of debt issuance costs, of the 7.00% Senior Notes was $349.4 million.

Changes in Capital Structure

We had a stock repurchase program adopted in 2001, which originally authorized us to purchase up to 20 million shares of our outstanding common stock. During the year ended November 30, 2018, under our stock repurchase program, we repurchased 6.0 million shares of Class A common stock for $249.9 million at an average share price of $41.63. During the

Table of Contents

years ended November 30, 2017 and 2016, there were no share repurchases of common stock under the stock repurchase program.
Subsequent to November 30, 2018, our Board of Directors authorized us to repurchase up to the lesser of $1 billion in value, or 25 million in shares, of our outstanding Class A or Class B common stock. The repurchase authorization has no expiration date.
During the years ended November 30, 2018, treasury stock increased by 7.0 million shares of Class A common stock due primarily to 6.0 million shares of common stock repurchased during the year through our stock repurchase program. During the year ended November 30, 2017, treasury stock increased by 0.6 million shares of Class A common stock primarily due to activity related to our equity compensation plan.
During the years ended November 30, 2018, 2017 and 2016, our Class A and Class B common stockholders received an aggregate per share annual dividend of $0.16.
Based on our current financial condition and credit relationships, we believe that our operations and borrowing resources will provide for our current and long-term capital requirements at our anticipated levels of activity.

Off-Balance Sheet Arrangements

Lennar Homebuilding - Investments in Unconsolidated Entities

At November 30, 2018, we had equity investments in 59 homebuilding and land unconsolidated entities (of which 5 had recourse debt, 10 had non-recourse debt and 44 had no debt), compared to 38 homebuilding and land unconsolidated entities at November 30, 2017. At November 30, 2018, the 59 unconsolidated joint ventures includes 20 unconsolidated entities in which CalAtlantic or a subsidiary is the participant. Historically, we have invested in unconsolidated entities that acquired and developed land (1) for our homebuilding operations or for sale to third parties or (2) for the construction of homes for sale to third-party homebuyers. Additionally in recent years, we have invested in technology companies that are looking to improve the homebuilding and financial services industry in order to better serve our customers and increase efficiencies. Through these entities, we have primarily sought to reduce and share our risk by limiting the amount of our capital invested in land, while obtaining access to potential future homesites and allowing us to participate in strategic ventures. The use of these entities also, in some instances, has enabled us to acquire land which we could not otherwise obtain access, or could not obtain access on as favorable terms, without the participation of a strategic partner. Participants in these joint ventures have been land owners/developers, other homebuilders and financial or strategic partners. Joint ventures with land owners/developers have given us access to homesites owned or controlled by our partners. Joint ventures with other homebuilders have provided us with the ability to bid jointly with our partners for large land parcels. Joint ventures with financial partners have allowed us to combine our homebuilding expertise with access to our partners' capital. Joint ventures with strategic partners have allowed us to combine our homebuilding expertise with the specific expertise (e.g. commercial or infill experience) of our partner. Each joint venture is governed by an executive committee consisting of members from the partners.
Although the strategic purposes of our joint ventures and the nature of our joint ventures' partners vary, the joint ventures are generally designed to acquire, develop and/or sell specific assets during a limited life-time. The joint ventures are typically structured through non-corporate entities in which control is shared with our venture partners. Each joint venture is unique in terms of its funding requirements and liquidity needs. We and the other joint venture participants typically make pro-rata cash contributions to the joint venture. In many cases, our risk is limited to our equity contribution and potential future capital contributions. Additionally, most joint ventures obtain third-party debt to fund a portion of the acquisition, development and construction costs of their communities. The joint venture agreements usually permit, but do not require, the joint ventures to make additional capital calls in the future. However, capital calls relating to the repayment of joint venture debt under payment guarantees generally is required. Under the terms of our joint venture agreements, we generally have the right to share in earnings and distributions of the entities on a pro-rata basis based on our ownership percentage. Some joint venture agreements provide for a different allocation of profit and cash distributions if and when the cumulative results of the joint venture exceed specified targets (such as a specified internal rate of return). Lennar Homebuilding equity in earnings (loss) from unconsolidated entities excludes our pro-rata share of joint ventures' earnings resulting from land sales to our

homebuilding divisions. Instead, we account for those earnings as a reduction of our costs of purchasing the land from the joint ventures or reduce the investment in certain cost sharing unconsolidated entities. This in effect defers recognition of our share of the joint ventures’ earnings related to these sales until we deliver a home and title passes to a third-party homebuyer.

Table of Contents

In many instances, we are designated as the manager of a venture under the direction of a management committee that has shared power among the partners of the unconsolidated entity and we receive fees for such services. In addition, we often enter into option or purchase contracts to acquire properties from our joint ventures, generally for market prices at specified dates in the future. Option contracts, in some instances, require us to make deposits using cash or irrevocable letters of credit toward the exercise price. These option deposits are generally negotiated on a case by case basis.

We regularly monitor the results of our unconsolidated joint ventures and any trends that may affect their future liquidity or results of operations. Joint ventures in which we have investments may be subject to a variety of financial and non-financial debt covenants related primarily to equity maintenance, fair value of collateral and minimum homesite takedown or sale requirements. We monitor the performance of joint ventures in which we have investments on a regular basis to assess compliance with debt covenants. For those joint ventures not in compliance with the debt covenants, we evaluate and assess possible impairment of our investment.

Our arrangements with joint ventures generally do not restrict our activities or those of the other participants. However, in certain instances, we agree not to engage in some types of activities that may be viewed as competitive with the activities of these ventures in the localities where the joint ventures do business.

As discussed above, the joint ventures in which we invest generally supplement equity contributions with third-party debt to finance their activities. In some instances, the debt financing is non-recourse, thus neither we nor the other equity partners are a party to the debt instruments. In other cases, we and the other partners agree to provide credit support in the form of repayment or maintenance guarantees.

Material contractual obligations of our unconsolidated joint ventures primarily relate to the debt obligations described above. The joint ventures generally do not enter into lease commitments because the entities are managed either by us, or another of the joint venture participants, who supply the necessary facilities and employee services in exchange for market-based management fees. However, they do enter into management contracts with the participants who manage them. Some joint ventures also enter into agreements with developers, which may be us or other joint venture participants, to develop raw land into finished homesites or to build homes.

The joint ventures often enter into option or purchase agreements with buyers, which may include us or other joint venture participants, to deliver homesites or parcels in the future at market prices. Option deposits are recorded by the joint ventures as liabilities until the exercise dates at which time the deposit and remaining exercise proceeds are recorded as revenue. Any forfeited deposit is recognized as revenue at the time of forfeiture. Our unconsolidated joint ventures generally do not enter into off-balance sheet arrangements.

As described above, the liquidity needs of joint ventures in which we have investments vary on an entity-by-entity basis depending on each entity’s purpose and the stage in its life cycle. During formation and development activities, the entities generally require cash, which is provided through a combination of equity contributions and debt financing, to fund acquisition and development of properties. As the properties are completed and sold, cash generated is available to repay debt and for distribution to the joint ventures' members. Thus, the amount of cash available for a joint venture to distribute at any given time is primarily a function of the scope of the joint venture’s activities and the stage in the joint venture’s life cycle.

We track our share of cumulative earnings and cumulative distributions of our joint ventures. For purposes of classifying distributions received from joint ventures in our statements of cash flows, cumulative distributions are treated as returns *on* capital to the extent of cumulative earnings and included in our consolidated statements of cash flows as cash flow from operating activities. Cumulative distributions in excess of our share of cumulative earnings are treated as returns *of* capital and included in our consolidated statements of cash flows as cash flows from investing activities.

Table of Contents

Summarized financial information on a combined 100% basis related to Lennar Homebuilding’s unconsolidated entities that are accounted for by the equity method was as follows:

Statements of Operations and Selected Information

	Years Ended November 30,		
(Dollars in thousands)	**2018**	**2017**	**2016**
Revenues	**$525,931**	471,899	439,874
Costs and expenses	**729,700**	616,217	578,831
Other income, net (1)	**186,982**	23,253	—
Net loss of unconsolidated entities (1)	**$(16,787)**	(121,065)	(138,957)
Lennar Homebuilding equity in loss from unconsolidated entities (1)	**$(91,915)**	(61,708)	(49,275)
Lennar Homebuilding cumulative share of net earnings - deferred at November 30	**$35,233**	47,621	41,495
Lennar Homebuilding investments in unconsolidated entities (2)	**$996,926**	900,769	811,723
Equity of the unconsolidated entities	**$4,238,265**	4,196,811	3,765,336
Lennar Homebuilding investment % in the unconsolidated entities (3)	**24%**	21%	22%

(1) During the year ended November 30, 2018, other income was primarily due to FivePoint recording income resulting from the Tax Cuts and Jobs Act of 2017’s reduction in its corporate tax rate to reduce its liability pursuant to its tax receivable agreement (“TRA Liability”) with its non-controlling interests. However, we have a 70% interest in the FivePoint TRA Liability. Therefore, we did not include in Lennar Homebuilding’s equity in loss from unconsolidated entities the pro-rata share of earnings related to our portion of the TRA Liability. As a result, our unconsolidated entities have net losses of only $16.8 million, but we have an equity in loss from unconsolidated entities of $91.9 million.

(2) Does not include the ($62.0) million investment balance for one unconsolidated entity as it was reclassed to other liabilities.

(3) Our share of profit and cash distributions from operations could be higher compared to our ownership interest in unconsolidated entities if certain specified internal rate of return or cash flow milestones are achieved.

For the year ended November 30, 2018, Lennar Homebuilding equity in loss from unconsolidated entities was primarily attributable to our share of net operating losses from our unconsolidated entities which were primarily driven by valuation adjustments related to assets of Lennar Homebuilding's unconsolidated entities and general and administrative expenses, partially offset by profits from land sales.

For the year ended November 30, 2017, one of our unconsolidated entities had equity in earnings of $11.9 million relating to an equity method investee selling 475 homesites to a third-party land bank. Simultaneous with the purchase by the land bank, we entered into an option contract to purchase all 475 homesites from the land bank. Due to our continuing involvement with respect to the homesites sold from the investee entity, we deferred all of our equity in earnings from the unconsolidated entity relating to the sale transaction, which amounted to $4.9 million.

For the year ended November 30, 2017, Lennar Homebuilding equity in loss from unconsolidated entities was primarily attributable to our share of net operating losses from our unconsolidated entities, which were primarily driven by general and administrative expenses and valuation adjustments related to assets of Lennar Homebuilding unconsolidated entities, partially offset by the profits from land sales.

For the year ended November 30, 2016, Lennar Homebuilding equity in loss from unconsolidated entities was primarily attributable to our share of costs associated with the FivePoint combination and operational net losses from the new FivePoint unconsolidated entity, totaling $42.6 million. This was partially offset by $12.7 million of equity in earnings primarily due to sales of homesites to third parties by one of our unconsolidated entities.

Table of Contents

Balance Sheets

(In thousands)	November 30, 2018	2017
Assets:		
Cash and cash equivalents	**$782,565**	953,261
Inventories	**4,291,470**	3,751,525
Other assets	**1,251,884**	1,061,507
	$6,325,919	5,766,293
Liabilities and equity:		
Accounts payable and other liabilities	**$875,380**	832,151
Debt (1)	**1,212,274**	737,331
Equity	**4,238,265**	4,196,811
	$6,325,919	5,766,293

(1) Debt is net of debt issuance costs of $12.4 million and $5.7 million, for the years ended November 30, 2018 and 2017, respectively. The increase in debt in 2018 was primarily related to $500 million of senior notes issued by FivePoint.

In May 2017, FivePoint completed its initial public offering ("IPO"). Concurrent with the IPO, we invested an additional $100 million in FivePoint in a private placement. As of November 30, 2018, we own approximately 40% of FivePoint and the carrying amount of our investment is $342.7 million.

As of November 30, 2018 and 2017, our recorded investments in Lennar Homebuilding unconsolidated entities were $996.9 million and $900.8 million, respectively, while the underlying equity in Lennar Homebuilding unconsolidated entities partners' net assets as of both November 30, 2018 and 2017 was $1.3 billion. The basis difference is primarily as a result of us contributing our investment in three strategic joint ventures with a higher fair value than book value for an investment in the FivePoint entity and deferring equity in earnings on land sales to us.

The Lennar Homebuilding unconsolidated entities in which we have investments usually finance their activities with a combination of partner equity and debt financing. In some instances, we and our partners have guaranteed debt of certain unconsolidated entities.

Debt to total capital of the Lennar Homebuilding unconsolidated entities in which we have investments was calculated as follows:

(Dollars in thousands)	November 30, 2018	2017
Debt	**$1,212,274**	737,331
Equity	**4,238,265**	4,196,811
Total capital	**$5,450,539**	4,934,142
Debt to total capital of our unconsolidated entities	**22.2 %**	14.9 %

Our investments in Lennar Homebuilding unconsolidated entities by type of venture were as follows:

(In thousands)	November 30, 2018	2017
Land development	**$814,835**	841,507
Homebuilding	**64,523**	32,754
Strategic technology investments	**117,568**	26,508
Total investments (1)	**$996,926**	900,769

(1) Does not include the ($62.0) million investment balance for one unconsolidated entity as it was reclassed to other liabilities.

Indebtedness of an unconsolidated entity is secured by its own assets. Some unconsolidated entities own multiple properties and other assets. There is no cross collateralization of debt of different unconsolidated entities. We also do not use our investment in one unconsolidated entity as collateral for the debt of another unconsolidated entity or commingle funds among Lennar Homebuilding unconsolidated entities.

In connection with loans to a Lennar Homebuilding unconsolidated entity, we and our partners often guarantee to a lender, either jointly and severally or on a several basis, any or all of the following: (i) the completion of the development, in whole or in part, (ii) indemnification of the lender from environmental issues, (iii) indemnification of the lender from "bad boy acts" of the unconsolidated entity (or full recourse liability in the event of an unauthorized transfer or bankruptcy) and (iv) that the loan to value and/or loan to cost will not exceed a certain percentage (maintenance or remargining guarantee) or that a percentage of the outstanding loan will be repaid (repayment guarantee).

The total debt of Lennar Homebuilding unconsolidated entities in which we have investments, including Lennar's maximum recourse exposure, was as follows:

	November 30,	
(Dollars in thousands)	**2018**	**2017**
Non-recourse bank debt and other debt (partner's share of several recourse)	**$48,313**	64,197
Non-recourse land seller debt and other debt	**—**	1,997
Non-recourse debt with completion guarantees	**239,568**	255,903
Non-recourse debt without completion guarantees (1)	**871,088**	351,800
Non-recourse debt to Lennar	**1,158,969**	673,897
Lennar's maximum recourse exposure (2)	**65,707**	69,181
Debt issuance costs	**$(12,402)**	(5,747)
Total debt	**$1,212,274**	737,331
Lennar's maximum recourse exposure as a % of total JV debt	**5 %**	9 %

(1) The increase in non-recourse debt without completion guarantees was primarily related to $500 million of senior notes issued by FivePoint.

(2) As of November 30, 2018 and 2017, our maximum recourse exposure was primarily related to us providing a repayment guarantee on four unconsolidated entities' debt and three unconsolidated entities' debt, respectively.

During the year ended November 30, 2018, our maximum recourse exposure related to indebtedness of Lennar Homebuilding unconsolidated entities decreased by $3.5 million. The decrease was primarily attributable to a $13.0 million decrease in maximum recourse indebtedness resulting from a joint venture selling assets, partially offset by us providing a repayment guarantee on unconsolidated entities' debt of $2.6 million on Lennar Homebuilding unconsolidated entities debt, an increase in recourse debt due to additional borrowings of $6.2 million.

The recourse debt exposure in the previous table represents our maximum exposure to loss from guarantees and does not take into account the underlying value of the collateral or the other assets of the borrowers that are available to repay debt or to reimburse us for any payments on our guarantees.

In addition, in most instances in which we have guaranteed debt of a Lennar Homebuilding unconsolidated entity, our partners have also guaranteed that debt and are required to contribute their share of the guarantee payment. In a repayment guarantee, we and our venture partners guarantee repayment of a portion or all of the debt in the event of a default before the lender would have to exercise its rights against the collateral.

In connection with many of the loans to Lennar Homebuilding unconsolidated entities, we and our joint venture partners (or entities related to them) have been required to give guarantees of completion to the lenders. Those completion guarantees may require that the guarantors complete the construction of the improvements for which the financing was obtained. If the construction is to be done in phases, the guarantee generally is limited to completing only the phases as to which construction has already commenced and for which loan proceeds were used.

If we are required to make a payment under any guarantee, the payment would generally constitute a capital contribution or loan to the Lennar Homebuilding unconsolidated entity and increase our share of any funds the unconsolidated entity distributes.

As of both November 30, 2018 and 2017, the fair values of the repayment and completion guarantees were not material. We believe that as of November 30, 2018, in the event we become legally obligated to perform under a guarantee of the obligation of a Lennar Homebuilding unconsolidated entity due to a triggering event under a guarantee, the collateral is expected to be sufficient to repay at least a significant portion of the obligation or we and our partners would contribute additional capital into the venture. In certain instances, we have placed performance letters of credit and surety bonds with municipalities for our joint ventures (see Note 7 of the notes to our consolidated financial statements).

In view of credit market conditions during the past several years, it is not uncommon for lenders and/or real estate developers, including joint ventures in which we have interests, to assert non-monetary defaults (such as failure to meet construction completion deadlines or declines in the market value of collateral below required amounts) or technical monetary defaults against the real estate developers. In most instances, those asserted defaults are resolved by modifications of the loan terms, additional equity investments or other concessions by the borrowers. In addition, in some instances, real estate developers, including joint ventures in which we have interests, are forced to request temporary waivers of covenants in loan documents or modifications of loan terms, which are often, but not always obtained. However, in some instances developers, including joint ventures in which we have interests, are not able to meet their monetary obligations to lenders, and are thus declared in default. Because we sometimes guarantee all or portions of the obligations to lenders of joint ventures in which we have interests, when these joint ventures default on their obligations, lenders may or may not have claims against us. Normally, we do not make payments with regard to guarantees of joint venture obligations while the joint ventures are contesting assertions regarding sums due to their lenders. When it is determined that a joint venture is obligated to make a payment that we have guaranteed and the joint venture will not be able to make that payment, we accrue the amounts probable to be paid by us as a liability. Although we generally fulfill our guarantee obligations within a reasonable time after we determine that we are obligated with regard to them, at any point in time it is possible that we will have some balance of unpaid guarantee liability. At both November 30, 2018 and 2017, we had no liabilities accrued for unpaid guarantees of joint venture indebtedness on our consolidated balance sheets.

The following table summarizes the principal maturities of our Lennar Homebuilding unconsolidated entities ("JVs") debt as per current debt arrangements as of November 30, 2018 and it does not represent estimates of future cash payments that will be made to reduce debt balances. Many JV loans have extension options in the loan agreements that would allow the loans to be extended into future years.

	Principal Maturities of Unconsolidated JVs by Period					
(In thousands)	**Total JV Debt**	**2019**	**2020**	**2021**	**Thereafter**	**Other**
Maximum recourse debt exposure to Lennar	$65,707	43,596	19,562	2,549	—	—
Debt without recourse to Lennar	1,158,969	388,740	137,775	129,089	503,365	—
Debt issuance costs	(12,402)	—	—	—	—	(12,402)
Total	$1,212,274	432,336	157,337	131,638	503,365	(12,402)

The table below indicates the assets, debt and equity of our 10 largest Lennar Homebuilding unconsolidated joint venture investments by the carrying value of Lennar's investment as of November 30, 2018:

(Dollars in thousands)	**Lennar's Investment**	**Total JV Assets**	**Maximum Recourse Debt Exposure to Lennar**	**Total Debt Without Recourse to Lennar**	**Total JV Debt**	**Total JV Equity**	**JV Debt to Total Capital Ratio**
FivePoint	$342,671	2,958,867	—	565,130	565,130	1,868,970	23 %
Opendoor (1)	66,712	—	—	—	—	—	— %
Dublin Crossings (2)	64,395	215,557	—	—	—	176,606	— %
Heritage Hills Irvine	61,171	160,277	2,625	18,379	21,004	133,949	14 %
Heritage Fields El Toro	45,131	1,158,728	—	5,919	5,919	1,006,699	1 %
SC East Landco	41,040	97,797	—	—	—	97,499	— %
Runkle Canyon	38,349	76,905	—	—	—	76,699	— %
Hippo Analytics (1)	32,859	—	—	—	—	—	— %
E.L. Urban Communities	30,940	53,640	—	12,395	12,395	40,362	23 %
Mesa Canyon Community Partners (2)	30,378	127,864	—	37,112	37,112	91,085	29 %
10 largest JV investments (3)	753,646	4,849,635	2,625	638,935	641,560	3,491,869	16 %
Other JVs (4)	243,280	1,476,284	63,082	520,034	583,116	746,396	44 %
Total	$996,926	6,325,919	65,707	1,158,969	1,224,676	4,238,265	22 %
Debt issuance costs			—	(12,402)	(12,402)		
Total JV debt			65,707	1,146,567	1,212,274		

(1) Financial statements are not publicly available and thus only our investment balance has been included in the table above.

(2) Joint ventures acquired from CalAtlantic.

(3) The 10 largest joint ventures by the carrying value of Lennar's investment presented above represent the majority of total JVs assets and equity, 4% of total JV maximum recourse debt exposure to Lennar and 55% of total JV debt without recourse to Lennar. FivePoint, Opendoor, and Hippo Analytics are included in Homebuilding Other. The remaining joint ventures listed are included in the Homebuilding West segment. Treasure Island Community Development is no longer included above due to the sale of an 80% interest in Treasure Island Holdings.

(4) Includes CPHP Development, LLC which has assets of $261.2 million, maximum recourse debt exposure to Lennar of $52.2 million, total JV debt of $333.8 million, and total JV equity of ($96.7) million. Lennar's investment balance does not include the ($62.0) million investment as it was reclassed to other liabilities.

Lennar Multifamily - Investments in Unconsolidated Entities

At November 30, 2018, Lennar Multifamily had equity investments in 22 unconsolidated entities that are engaged in multifamily residential developments (of which 8 had non-recourse debt and 14 had no debt), compared to 27 unconsolidated entities at November 30, 2017. We invest in unconsolidated entities that acquire and develop land to construct multifamily rental properties. Through these entities, we are focusing on developing a geographically diversified portfolio of institutional quality multifamily rental properties in select U.S. markets. Participants in these joint ventures have been financial partners. Joint ventures with financial partners have allowed us to combine our development and construction expertise with access to our partners' capital. Each joint venture is governed by an operating agreement that provides significant substantive participating voting rights on major decisions to our partners.

The Venture Fund is a long-term multifamily development investment vehicle involved in the development, construction and property management of class-A multifamily assets with $2.2 billion in equity commitments, including a $504 million co-investment commitment by us comprised of cash, undeveloped land and preacquisition costs. The Venture Fund is currently seeded with 39 undeveloped multifamily assets that were previously purchased or under contract by the Lennar Multifamily segment totaling approximately 11,700 apartments with projected project costs of $4.1 billion as of November 30, 2018. There are 17 completed and operating multifamily assets with 4,900 apartments. During the year ended November 30, 2018, $384.3 million in equity commitments were called, of which we contributed $90.1 million. During the year ended November 30, 2018, we received $18.0 million of distributions as a return of capital from the Venture Fund. As of November 30, 2018, $1.8 billion of the $2.2 billion in equity commitments had been called, of which we had contributed $440.8 million representing our pro-rata portion of the called equity, resulting in a remaining equity commitment for us of $63.2 million. As of November 30, 2018 and 2017, the carrying value of our investment in the Venture Fund was $383.4 million and $323.8 million, respectively.

In March 2018, the Lennar Multifamily segment completed the first closing of a second Lennar Multifamily Venture, Venture Fund II, for the development, construction and property management of class-A multifamily assets. As of November 30, 2018, Venture Fund II had approximately $787 million of equity commitments, including a $255 million co-investment commitment by Lennar comprised of cash, undeveloped land and preacquisition costs. As of and for the year ended November 30, 2018, $252.1 million in equity commitments were called, of which we contributed our portion of $81.2 million, which was made up of $188.4 million in inventory and cash contributions, offset by $107.2 million of distributions as a return of capital, resulting in a remaining equity commitment for us of $173.8 million. As of November 30, 2018, the carrying value of our investment in Venture Fund II was $63.0 million. The difference between our net contributions and the carrying value of our investments was related to a basis difference. Venture Fund II is currently seeded with eight undeveloped multifamily assets that were previously purchased by the Lennar Multifamily segment totaling approximately 3,000 apartments with projected project costs of approximately $1.3 billion as of November 30, 2018.

The joint ventures are typically structured through non-corporate entities in which control is shared with our venture partners. Each joint venture is unique in terms of its funding requirements and liquidity needs. We and the other joint venture participants typically make pro-rata cash contributions to the joint venture except for cost over-runs relating to the construction of the project. In all cases, we have been required to provide guarantees of completion and cost over-runs to the lenders and partners. These completion guarantees may require us to complete the improvements for which the financing was obtained. Therefore, our risk is limited to our equity contribution, draws on letters of credit and potential future payments under the guarantees of completion and cost over-runs. In certain instances, payments made under the cost over-run guarantees are considered capital contributions.

Additionally, the joint ventures obtain third-party debt to fund a portion of the acquisition, development and construction costs of the rental projects. The joint venture agreements usually permit, but do not require, the joint ventures to make additional capital calls in the future. However, the joint venture debt does not have repayment or maintenance guarantees. Neither we nor the other equity partners are a party to the debt instruments. In some cases, we agree to provide credit support in the form of a letter of credit provided to the bank.

We regularly monitor the results of our unconsolidated joint ventures and any trends that may affect their future liquidity or results of operations. We also monitor the performance of joint ventures in which we have investments on a regular basis to assess compliance with debt covenants. For those joint ventures not in compliance with the debt covenants, we evaluate and assess possible impairment of our investment. We believe all of the joint ventures were in compliance with their debt covenants at November 30, 2018.

Under the terms of our joint venture agreements, we generally have the right to share in earnings and distributions of the entities on a pro-rata basis based on our ownership percentages. Most joint venture agreements provide for a different allocation of profit and cash distributions if and when the cumulative results of the joint venture exceed specified targets (such as a specified internal rate of return).

In many instances, we are designated as the development manager and/or the general contractor and/or the property manager of the unconsolidated entity and receive fees for such services. In addition, we generally do not plan to enter into purchase contracts to acquire rental properties from our Lennar Multifamily joint ventures.

Our arrangements with joint ventures generally do not restrict our activities or those of the other participants. However, in certain instances, we agree not to engage in some types of activities that may be viewed as competitive with the activities of these ventures in the localities where the joint ventures do business.

Material contractual obligations of our unconsolidated joint ventures primarily relate to the debt obligations described above. The joint ventures generally do not enter into lease commitments because the entities are managed either by us or the other partners, who supply the necessary facilities and employee services in exchange for market-based management fees. However, they do enter into management contracts with the participants who manage them.

As described above, the liquidity needs of joint ventures in which we have investments vary on an entity-by-entity basis depending on each entity's purpose and the stage in its life cycle. During formation and development activities, the entities generally require cash, which is provided through a combination of equity contributions and debt financing, to fund acquisition, development and construction of multifamily rental properties. As the properties are completed and sold, cash generated will be available to repay debt and for distribution to the joint venture's members. Thus, the amount of cash available for a joint venture to distribute at any given time is primarily a function of the scope of the joint venture's activities and the stage in the joint venture's life cycle.

Summarized financial information on a combined 100% basis related to Lennar Multifamily's investments in unconsolidated entities that are accounted for by the equity method was as follows:

Balance Sheets

	November 30,	
(In thousands)	**2018**	**2017**
Assets:		
Cash and cash equivalents	**$61,571**	37,073
Operating properties and equipment	**3,708,613**	2,952,070
Other assets	**40,899**	36,772
	$3,811,083	3,025,915
Liabilities and equity:		
Accounts payable and other liabilities	**$199,119**	212,123
Notes payable (1)	**1,381,656**	879,047
Equity	**2,230,308**	1,934,745
	$3,811,083	3,025,915

(1) Notes payable are net of debt issuance costs of $15.7 million and $17.6 million, for the years ended November 30, 2018 and 2017, respectively.

Table of Contents

The following table summarizes the principal maturities of our Lennar Multifamily unconsolidated entities debt as per current debt arrangements as of November 30, 2018 and does not represent estimates of future cash payments that will be made to reduce debt balances.

	Principal Maturities of Lennar Multifamily Unconsolidated JVs by Period					
(In thousands)	**Total JV Debt**	**2019**	**2020**	**2021**	**Thereafter**	**Other**
Debt without recourse to Lennar Multifamily	$1,397,353	281,093	595,139	164,035	357,086	—
Debt issuance costs	(15,697)	—	—	—	—	(15,697)
Total	$1,381,656	281,093	595,139	164,035	357,086	(15,697)

Statements of Operations and Selected Information

	Years Ended November 30,		
(Dollars in thousands)	**2018**	**2017**	**2016**
Revenues	**$117,985**	67,578	45,287
Costs and expenses	**172,089**	108,610	68,976
Other income, net	**93,778**	207,793	191,385
Net earnings of unconsolidated entities	**$39,674**	166,761	167,696
Lennar Multifamily equity in earnings from unconsolidated entities and other gain (1)	**$51,322**	85,739	85,519
Our investments in unconsolidated entities	**$481,129**	407,544	318,559
Equity of the unconsolidated entities	**$2,230,308**	1,934,745	1,514,286
Our investment % in the unconsolidated entities (2)	**22 %**	21 %	21 %

(1) During the year ended November 30, 2018 the Lennar Multifamily segment sold, through its unconsolidated entities, six operating properties and an investment in an operating property resulting in the segment's $61.2 million share of gains. The gain of $15.7 million recognized on the sale of the investment in an operating property and recognition of our share of deferred development fees that were capitalized at the joint venture level are included in Lennar Multifamily equity in earnings from unconsolidated entities and other gain, and are not included in net earnings of unconsolidated entities. During each of the years ended November 30, 2017 and 2016, the Lennar Multifamily segment sold seven operating properties through its unconsolidated entities resulting in the segment's $96.7 million and $91.0 million share of gains, respectively.

(2) Our share of profit and cash distributions from sales of operating properties could be higher compared to our ownership interest in unconsolidated entities if certain specified internal rate of return milestones are achieved.

Rialto - Investments in Unconsolidated Entities

Rialto was the sponsor of and an investor in private equity vehicles that invest in and manage real estate related assets and other related investments. We sold our Rialto Management Group on November 30, 2018. We retained our fund investments along with our carried interests in various Rialto funds and investments in other Rialto balance sheet assets. Our limited partner investments in Rialto funds and investment vehicles totaled $297.4 million at November 30, 2018, and we are committed to invest as much as an additional $71.6 million in Rialto funds.

As part of the sale of the Rialto investment and asset management platform, we retained our ability to receive a portion of payments with regard to carried interests if funds meet specified performance thresholds. We will periodically receive advance distributions related to the carried interests in order to cover income tax obligations resulting from allocations of taxable income to the carried interests. These distributions are not subject to clawbacks but will reduce future carried interest payments to which we become entitled from the applicable funds and have been recorded as revenues.

Table of Contents

Advanced and carried interest distributions received during the years ended November 30, 2018, 2017 and 2016 were $25.5 million, $44.2 million and $10.1 million, respectively. The following table represents amounts we would have received had the funds ceased operations and hypothetically liquidated all their investments at their estimated fair values on November 30, 2018, both gross and net of amounts already received as advanced tax distributions. The actual amounts we may receive could be materially different from amounts presented in the table below.

(In thousands)	Hypothetical Carried Interest	Paid as Advanced Tax Distribution	Paid as Carried Interest	Hypothetical Carried Interest, Net
Rialto Real Estate Fund, LP	$173,030	52,541	48,952	71,537
Rialto Real Estate Fund II, LP	56,068	15,609	—	40,459
	$229,098	68,150	48,952	111,996

Rialto previously adopted carried interest plans under which we and participating employees will receive 60% and 40%, respectively, of carried interest payments, net of expenses, received by entities that are general partners of a number of Rialto funds or other investment vehicles. When Rialto Management Group was sold, we retained our right to receive 60% of the distributions of carried interest payments received from funds that existed at the time of the sale.

Summarized condensed financial information on a combined 100% basis related to Rialto's investments in unconsolidated entities that are accounted for by the equity method was as follows:

Balance Sheets

	November 30,	
(In thousands)	2018	2017
Assets:		
Cash and cash equivalents	**$50,043**	95,552
Loans receivable	**705,414**	538,317
Real estate owned	**273,802**	348,601
Investment securities	**2,296,768**	1,849,795
Investments in partnerships	**380,290**	393,874
Other assets	**38,682**	42,949
	$3,744,999	3,269,088
Liabilities and equity:		
Accounts payable and other liabilities	**$30,236**	48,374
Notes payable (1)	**595,491**	576,810
Equity	**3,119,272**	2,643,904
	$3,744,999	3,269,088

(1) Notes payable are net of debt issuance costs of $4.6 million and $3.1 million, as of November 30, 2018 and 2017, respectively.

Statements of Operations and Selected Information

	Years Ended November 30,		
(Dollars in thousands)	2018	2017	2016
Revenues	**$373,355**	238,981	200,346
Costs and expenses	**103,138**	104,343	96,343
Other income (expenses), net (1)	**(58,757)**	109,927	49,342
Net earnings of unconsolidated entities	**$211,460**	244,565	153,345
Rialto equity in earnings from unconsolidated entities	**$25,816**	25,447	18,961
Rialto's investments in unconsolidated entities	**$297,379**	265,418	245,741
Equity of the unconsolidated entities	**$3,119,272**	2,643,904	2,314,563
Rialto's investment % in the unconsolidated entities	**10%**	10%	11%

(1) Other income (expenses), net, included realized and unrealized gains (losses) on investments.

Table of Contents

Option Contracts

We often obtain access to land through option contracts, which generally enable us to control portions of properties owned by third parties (including land funds) and unconsolidated entities until we have determined whether to exercise the options.

The table below indicates the number of homesites owned and homesites to which we had access through option contracts with third parties ("optioned") or unconsolidated JVs (i.e., controlled homesites) at November 30, 2018 and 2017:

	Controlled Homesites				
November 30, 2018	**Optioned**	**JVs**	**Total**	**Owned Homesites**	**Total Homesites**
East	25,699	3,482	29,181	72,367	101,548
Central	5,837	—	5,837	31,684	37,521
Texas	18,890	—	18,890	31,733	50,623
West	8,863	4,576	13,439	62,732	76,171
Other	—	1,276	1,276	3,132	4,408
Total homesites	59,289	9,334	68,623	201,648	270,271

	Controlled Homesites				
November 30, 2017	**Optioned**	**JVs**	**Total**	**Owned Homesites**	**Total Homesites**
East	16,556	482	17,038	48,473	65,511
Central	3,054	—	3,054	20,572	23,626
Texas	9,103	—	9,103	23,539	32,642
West	3,369	4,963	8,332	48,268	56,600
Other	—	—	—	274	274
Total homesites	32,082	5,445	37,527	141,126	178,653

We evaluate all option contracts for land to determine whether they are VIEs and, if so, whether we are the primary beneficiary of certain of these option contracts. Although we do not have legal title to the optioned land, if we are deemed to be the primary beneficiary or make a significant deposit for optioned land, we may need to consolidate the land under option at the purchase price of the optioned land.

During the year ended November 30, 2018, consolidated inventory not owned decreased by $184.3 million with a corresponding decrease to liabilities related to consolidated inventory not owned in the accompanying consolidated balance sheet as of November 30, 2018. The decrease was primarily related to a higher amount of homesite takedowns than construction started on homesites not owned. To reflect the purchase price of the inventory consolidated, we had a net reclassification related to option deposits from consolidated inventory not owned to land under development in the accompanying consolidated balance sheet as of November 30, 2018. The liabilities related to consolidated inventory not owned primarily represent the difference between the option exercise prices for the optioned land and our cash deposits.

Our exposure to loss related to our option contracts with third parties and unconsolidated entities consisted of our non-refundable option deposits and pre-acquisition costs totaling $209.5 million and $137.0 million at November 30, 2018 and 2017, respectively. Additionally, we had posted $72.4 million and $51.8 million of letters of credit in lieu of cash deposits under certain land and option contracts as of November 30, 2018 and 2017, respectively.

Table of Contents

Contractual Obligations and Commercial Commitments

The following table summarizes certain of our contractual obligations at November 30, 2018:

		Payments Due by Period			
(In thousands)	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
Lennar Homebuilding - Senior notes and other debts payable (1)	$8,467,148	1,270,534	1,712,372	1,809,496	3,674,746
Lennar Financial Services - Notes and other debts payable	1,256,174	1,256,174	—	—	—
Rialto - Notes and other debts payable (2)	325,725	193,316	1,121	15,596	115,692
Interest commitments under interest bearing debt (3)	1,860,229	406,628	640,439	416,074	397,088
Operating leases	230,905	55,302	86,644	46,891	42,068
Other contractual obligations (4)	308,642	179,737	128,905	—	—
Total contractual obligations (5)	$12,448,823	3,361,691	2,569,481	2,288,057	4,229,594

(1) The amounts presented in the table above exclude debt issuance costs and any discounts/premiums and purchase accounting adjustments.

(2) Primarily includes notes payable and other debts payable of $178.8 million related to the Rialto warehouse repurchase facilities, used by RMF, and $132.4 million related to Rialto's long-term loan facilities ("CMBS Loan Facilities") to finance the purchase of CMBS. These amounts exclude debt issuance costs and any discounts/premiums.

(3) Interest commitments on variable interest-bearing debt are determined based on the interest rate as of November 30, 2018.

(4) Amounts include $63.2 million remaining equity commitment to fund the Venture Fund for future expenditures related to the construction and development of the projects, $173.8 million remaining equity commitment to fund Venture Fund II for future expenditures related to construction and development of projects and $71.6 million of commitments to invest in Rialto funds.

(5) Total contractual obligations exclude our gross unrecognized tax benefits and accrued interest and penalties totaling $67.6 million as of November 30, 2018, because we are unable to make reasonable estimates as to the period of cash settlement with the respective taxing authorities.

We are subject to the usual obligations associated with entering into contracts (including option contracts) for the purchase, development and sale of real estate in the routine conduct of our business. Option contracts for the purchase of land generally enable us to defer acquiring portions of properties owned by third parties or unconsolidated entities until we have determined whether to exercise our options. This reduces our financial risk associated with land holdings. At November 30, 2018, we had access to 68,623 homesites through option contracts with third parties and unconsolidated entities in which we have investments. At November 30, 2018, we had $209.5 million of non-refundable option deposits and pre-acquisition costs related to certain of these homesites and had posted $72.4 million of letters of credit in lieu of cash deposits under certain land and option contracts.

At November 30, 2018, we had letters of credit outstanding in the amount of $763.8 million (which included the $72.4 million of letters of credit discussed above). These letters of credit are generally posted either with regulatory bodies to guarantee our performance of certain development and construction activities, or in lieu of cash deposits on option contracts, for insurance risks, credit enhancements and as other collateral. Additionally, at November 30, 2018, we had outstanding surety bonds of $2.7 billion including performance surety bonds related to site improvements at various projects (including certain projects of our joint ventures) and financial surety bonds. Although significant development and construction activities have been completed related to these site improvements, these bonds are generally not released until all of the development and construction activities are completed. As of November 30, 2018, there were approximately $1.4 billion, or 52%, of anticipated future costs to complete related to these site improvements. We do not presently anticipate any draws upon these bonds or letters of credit, but if any such draws occur, we do not believe they would have a material effect on our financial position, results of operations or cash flows.

Our Lennar Financial Services segment had a pipeline of loan applications in process of $3.5 billion at November 30, 2018. Loans in process for which interest rates were committed to the borrowers totaled approximately $584 million as of November 30, 2018. Substantially all of these commitments were for periods of 60 days or less. Since a portion of these commitments is expected to expire without being exercised by the borrowers or borrowers may not meet certain criteria at the time of closing, the total commitments do not necessarily represent future cash requirements.

Our Lennar Financial Services segment uses mandatory mortgage-backed securities ("MBS") forward commitments, option contracts, futures contracts and investor commitments to hedge our mortgage-related interest rate exposure. These instruments involve, to varying degrees, elements of credit and interest rate risk. Credit risk associated with MBS forward commitments, option contracts, futures contracts and loan sales transactions is managed by limiting our counterparties to investment banks, federally regulated bank affiliates and other investors meeting our credit standards. Our risk, in the event of default by the purchaser, is the difference between the contract price and fair value of the MBS forward commitments and the

57

option contracts. At November 30, 2018, we had open commitments amounting to $1.5 billion to sell MBS with varying settlement dates through February 2019 and there were no open futures contracts.
The following sections discuss market and financing risk, seasonality and interest rates and changing prices that may have an impact on our business:

Market and Financing Risk
We finance our contributions to JVs, land acquisition and development activities, construction activities, financial services activities, Lennar Multifamily activities and general operating needs primarily with cash generated from operations, debt and equity issuances, as well as borrowings under our Credit Facility and warehouse repurchase facilities. We also purchase land under option agreements, which enables us to control homesites until we have determined whether to exercise the options. We try to manage the financial risks of adverse market conditions associated with land holdings by what we believe to be prudent underwriting of land purchases in areas we view as desirable growth markets, careful management of the land development process and limitation of risks by using partners to share the costs of purchasing and developing land as well as obtaining access to land through option contracts. Although we believed our land underwriting standards were conservative, we did not anticipate the severe decline in land values and the sharply reduced demand for new homes encountered in the prior economic downturn.

Interest Rates and Changing Prices
Inflation can have a long-term impact on us because increasing costs of land, materials and labor result in a need to increase the sales prices of homes. In addition, inflation is often accompanied by higher interest rates, which can have a negative impact on housing demand and the costs of financing land development activities and housing construction. Rising interest rates as well as increased material and labor costs, may reduce gross margins. An increase in material and labor costs is particularly a problem during a period of declining home prices. Conversely, deflation can impact the value of real estate and make it difficult for us to recover our land costs. Therefore, either inflation or deflation could adversely impact our future results of operations.

New Accounting Pronouncements
See Note 1 of the notes to our consolidated financial statements for a comprehensive list of new accounting pronouncements.

Critical Accounting Policies and Estimates
Our accounting policies are more fully described in Note 1 of the notes to our consolidated financial statements included in Item 8 of this document. As discussed in Note 1, the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions about future events that affect the amounts reported in our consolidated financial statements and accompanying notes. Future events and their effects cannot be determined with absolute certainty. Therefore, the determination of estimates requires the exercise of judgment. Actual results could differ from those estimates, and such differences may be material to our consolidated financial statements. Listed below are those policies and estimates that we believe are critical and require the use of significant judgment in their application.
Business Acquisitions
In accordance with Accounting Standards Codification ("ASC") Topic 805, *Business Combinations* ("ASC 805"), we account for business acquisitions by allocating the purchase price of the transaction to the estimated fair values of the assets acquired and liabilities assumed. Any amount of the purchase price over the estimated fair value of the identifiable net assets acquired is recorded as goodwill. We believe that the accounting estimate for business combinations is a critical accounting estimate because of the judgment required in assessing the fair value of the assets acquired and liabilities assumed. We develop our estimate of fair value through various valuation methods, including the use of discounted expected future cash flows based on market-based assessments. These assessments are based on current market valuations as well as the current and anticipated future economic conditions in each of our markets. Given these estimates and assumptions of cash flows are based on market conditions that are inherently uncertain,

changes in the accuracy of the estimates and assumptions could be affected.

Goodwill

We have recorded a significant amount of goodwill in connection with the recent acquisition of CalAtlantic. We record goodwill associated with acquisitions of businesses when the purchase price of the business exceeds the fair value of the net tangible and identifiable assets acquired. In accordance with ASC Topic 350, *Intangibles-Goodwill and Other* ("ASC 350"), we evaluate goodwill for potential impairment on at least an annual basis. We evaluate potential impairment by comparing the carrying value of each of our reporting units to their estimated fair values. We believe that the accounting estimate for goodwill is a critical accounting estimate because of the judgment required in assessing the fair value of each of our reporting units. We estimate fair value through various valuation methods, including the use of discounted expected future cash flows of each reporting unit. The expected future cash flows for each segment are significantly impacted by current market conditions. If these market conditions and resulting expected future cash flows for each reporting unit decline significantly, the actual results for each segment could differ from our estimate, which would cause goodwill to be impaired. Our accounting for goodwill represents our best estimate of future events.

Lennar Homebuilding and Lennar Multifamily Operations

Lennar Homebuilding Revenue Recognition

Revenues from sales of homes are recognized when the sales are closed and title passes to the new homeowner, the new homeowner’s initial and continuing investment is adequate to demonstrate a commitment to pay for the home, the new homeowner’s receivable is not subject to future subordination and we do not have a substantial continuing involvement with the new home. Revenues from sales of land are recognized when a significant down payment is received, the earnings process is complete, title passes and collectability of the receivable is reasonably assured. We believe that the accounting policy related to revenue recognition is a critical accounting policy because of the significance of revenue.

Lennar Multifamily Revenue Recognition

Our Lennar Multifamily segment provides management services with respect to the development, construction and property management of rental projects in joint ventures in which we have investments. As a result, our Lennar Multifamily segment earns and receives fees, which are generally based upon a stated percentage of development and construction costs and a percentage of gross rental collections. These fees are included in Lennar Multifamily revenue and are recorded over the period in which the services are performed, fees are determinable and collectability is reasonably assured. In addition, our Lennar Multifamily segment provides general contractor services for the construction of some of its rental projects and recognizes the revenue over the period in which the services are performed under the percentage of completion method. We believe that the accounting policy related to Lennar Multifamily revenue recognition is a critical accounting policy because it represents a significant portion of our Lennar Multifamily's revenues and is expected to continue to grow in the future as the segment builds more rental properties.

Inventories

Inventories are stated at cost unless the inventory within a community is determined to be impaired, in which case the impaired inventory is written down to fair value. Inventory costs include land, land development and home construction costs, real estate taxes, deposits on land purchase contracts and interest related to development and construction. We review our inventory for indicators of impairment by evaluating each community during each reporting period. The inventory within each community is categorized as finished homes and construction in progress or land under development based on the development state of the community. There were 1,324 and 761 active communities, excluding unconsolidated entities, as of November 30, 2018 and 2017, respectively. If the undiscounted cash flows expected to be generated by a community are less than its carrying amount, an impairment charge is recorded to write down the carrying amount of such community to its estimated fair value.

In conducting our review for indicators of impairment on a community level, we evaluate, among other things, the margins on homes that have been delivered, margins on homes under sales contracts in backlog, projected margins with regard to future home sales over the life of the community, projected margins with regard to future land sales, and the estimated fair value of the land itself. We pay particular attention to communities in which inventory is moving at a slower than anticipated absorption pace and communities whose average sales price and/or margins are trending downward and are anticipated to continue to trend downward. From this review, we identify communities in which to assess if the carrying values exceed their undiscounted cash flows. Although gross margin percentages for the year ended November 30, 2018 have decreased compared to the year ended November 30, 2017 primarily due to purchase accounting adjustments and an increase in direct construction costs, revenues have increased for all of our Homebuilding segments, compared to the year ended November 30, 2017. The increase is primarily due to an increase in home deliveries in all of our Homebuilding segments, and an increase in the average sales price of homes delivered in all of our Homebuilding segments resulting primarily from the acquisition of CalAtlantic.

We estimate the fair value of our communities using a discounted cash flow model. The projected cash flows for each community are significantly impacted by estimates related to market supply and demand, product type by community, homesite sizes, sales pace, sales prices, sales incentives, construction costs, sales and marketing expenses, the local economy, competitive conditions, labor costs, costs of materials and other factors for that particular community. Every division evaluates the historical performance of each of its communities as well as current trends in the market and economy impacting the community and its surrounding areas. These trends are analyzed for each of the estimates listed above.

Table of Contents

Each of the homebuilding markets in which we operate is unique, as homebuilding has historically been a local business driven by local market conditions and demographics. Each of our homebuilding markets has specific supply and demand relationships reflective of local economic conditions. Our projected cash flows are impacted by many assumptions. Some of the most critical assumptions in our cash flow models are our projected absorption pace for home sales, sales prices and costs to build and deliver our homes on a community by community basis.

In order to arrive at the assumed absorption pace for home sales and the assumed sales prices included in our cash flow model, we analyze our historical absorption pace and historical sales prices in the community and in other comparable communities in the geographical area. In addition, we consider internal and external market studies and place greater emphasis on more current metrics and trends, which generally include, but are not limited to, statistics and forecasts on population demographics and on sales prices in neighboring communities, unemployment rates and availability and sales price of competing product in the geographical area where the community is located as well as the absorption pace realized in our most recent quarters and the sales prices included in our current backlog for such communities.

Generally, if we notice a variation from historical results over a span of two fiscal quarters, we consider such variation to be the establishment of a trend and adjust our historical information accordingly in order to develop assumptions on the projected absorption pace and sales prices in the cash flow model for a community.

In order to arrive at our assumed costs to build and deliver our homes, we generally assume a cost structure reflecting contracts currently in place with our vendors adjusted for any anticipated cost reduction initiatives or increases in cost structure. Those costs assumed are used in our cash flow models for our communities.

Since the estimates and assumptions included in our cash flow models are based upon historical results and projected trends, they do not anticipate unexpected changes in market conditions or strategies that may lead to us incurring additional impairment charges in the future.

Using all the available information, we calculate our best estimate of projected cash flows for each community. While many of the estimates are calculated based on historical and projected trends, all estimates are subjective and change from market to market and community to community as market and economic conditions change. The determination of fair value also requires discounting the estimated cash flows at a rate we believe a market participant would determine to be commensurate with the inherent risks associated with the assets and related estimated cash flow streams. The discount rate used in determining each asset’s fair value depends on the community’s projected life and development stage. We generally use a discount rate of approximately 20%, subject to the perceived risks associated with the community’s cash flow streams relative to its inventory.

We estimate the fair value of inventory evaluated for impairment based on market conditions and assumptions made by management at the time the inventory is evaluated, which may differ materially from actual results if market conditions or our assumptions change. For example, changes in market conditions and other specific developments or changes in assumptions may cause us to re-evaluate our strategy regarding previously impaired inventory, as well as inventory not currently impaired but for which indicators of impairment may arise if market deterioration occurs, and certain other assets that could result in further valuation adjustments and/or additional write-offs of option deposits and pre-acquisition costs due to abandonment of those options contracts.

We also have access to land inventory through option contracts, which generally enables us to defer acquiring portions of properties owned by third parties and unconsolidated entities until we have determined whether to exercise our options. A majority of our option contracts require a non-refundable cash deposit or irrevocable letter of credit based on a percentage of the purchase price of the land. In determining whether to walk-away from an option contract, we evaluate the option primarily based upon the expected cash flows from the property under option.

Our investments in option contracts are recorded at cost unless those investments are determined to be impaired, in which case our investments are written down to fair value. We review option contracts for indicators of impairment during each reporting period. The most significant indicator of impairment is a decline in the fair value of the optioned property such that the purchase and development of the optioned property would no longer meet our targeted return on investment with appropriate consideration given to the length of time available to exercise the option. Such declines could be caused by a variety of factors including increased competition, decreases in demand or changes in local regulations that adversely impact the cost of development. Changes in any of these factors would cause us to re-evaluate the likelihood of exercising our land options.

If we intend to walk-away from an option contract, we record a charge to earnings in the period such decision is made for the deposit amount and any related pre-acquisition costs associated with the option contract.

We believe that the accounting related to inventory valuation and impairment is a critical accounting policy because: (1) assumptions inherent in the valuation of our inventory are highly subjective and susceptible to change and (2) the impact of recognizing impairments on our inventory has been and could continue to be material to our consolidated financial statements.

Our evaluation of inventory impairment, as discussed above, includes many assumptions. The critical assumptions include the timing of the home sales within a community, management's projections of selling prices and costs and the discount rate applied to estimate the fair value of the homesites within a community on the balance sheet date. Our assumptions on the timing of home sales are critical because the homebuilding industry has historically been cyclical and sensitive to changes in economic conditions such as interest rates, credit availability, unemployment levels and consumer sentiment. Changes in these economic conditions could materially affect the projected sales price, costs to develop the homesites and/or absorption rate in a community. Our assumptions on discount rates are critical because the selection of a discount rate affects the estimated fair value of the homesites within a community. A higher discount rate reduces the estimated fair value of the homesites within the community, while a lower discount rate increases the estimated fair value of the homesites within a community. Because of changes in economic and market conditions and assumptions and estimates required of management in valuing inventory during changing market conditions, actual results could differ materially from management's assumptions and may require material inventory impairment charges to be recorded in the future.

Product Warranty

Although we subcontract virtually all aspects of construction to others and our contracts call for the subcontractors to repair or replace any deficient items related to their trades, we are primarily responsible to homebuyers to correct any deficiencies. Additionally, in some instances, we may be held responsible for the actions of or losses incurred by subcontractors. Warranty and similar reserves for homes are established at an amount estimated to be adequate to cover potential costs for materials and labor with regard to warranty-type claims expected to be incurred subsequent to the delivery of a home. Reserves are determined based upon historical data and trends with respect to similar product types and geographical areas. We believe the accounting estimate related to the reserve for warranty costs is a critical accounting estimate because the estimate requires a large degree of judgment.

At November 30, 2018, the reserve for warranty costs was $319.1 million, which included $3.1 million of adjustments to pre-existing warranties from changes in estimates during the current year primarily related to specific claims related to certain of our homebuilding communities and other adjustments as well as $141.0 million of warranties assumed related to the CalAtlantic acquisition. While we believe that the reserve for warranty costs is adequate, there can be no assurances that historical data and trends will accurately predict our actual warranty costs. Additionally, there can be no assurances that future economic or financial developments might not lead to a significant change in the reserve.

Lennar Homebuilding and Lennar Multifamily Investments in Unconsolidated Entities

We strategically invest in unconsolidated entities that acquire and develop land (1) for our homebuilding operations or for sale to third parties, (2) for construction of homes for sale to third-party homebuyers or (3) for the construction and sale of multifamily rental properties. Our Lennar Homebuilding partners generally are unrelated homebuilders, land owners/developers and financial or other strategic partners. Additionally in recent years, we have invested in technology companies that are looking to improve the homebuilding and financial services industry in order to better serve our customers and increase efficiencies. Our Lennar Multifamily partners are all financial partners.

Most of the unconsolidated entities through which we acquire and develop land are accounted for by the equity method of accounting because we are not the primary beneficiary or a de-facto agent, and we have a significant, but less than controlling, interest in the entities. We record our investments in these entities in our consolidated balance sheets as "Lennar Homebuilding or Lennar Multifamily Investments in Unconsolidated Entities" and our pro-rata share of the entities' earnings or losses in our consolidated statements of operations as "Lennar Homebuilding or Lennar Multifamily Equity in Earnings (Loss) from Unconsolidated Entities," as described in Note 5 and Note 9 of the notes to our consolidated financial statements. For most unconsolidated entities, we generally have the right to share in earnings and distributions on a pro-rata basis based upon ownership percentages. However, certain Lennar Homebuilding unconsolidated entities and all of our Lennar Multifamily unconsolidated entities provide for a different allocation of profit and cash distributions if and when cumulative results of the joint venture exceed specified targets (such as a specified internal rate of return). Advances to these entities are included in the investment balance.

Management looks at specific criteria and uses its judgment when determining if we are the primary beneficiary of, or have a controlling interest in, an unconsolidated entity. Factors considered in determining whether we have significant influence or we have control include risk and reward sharing, experience and financial condition of the other partners, voting rights, involvement in day-to-day capital and operating decisions and continuing involvement. The accounting policy relating to the use of the equity method of accounting is a critical accounting policy due to the judgment required in determining whether we are the primary beneficiary or have control or significant influence.

We believe that the equity method of accounting is appropriate for our investments in unconsolidated entities where we are not the primary beneficiary and we do not have a controlling interest, but rather share control with our partners. At November 30, 2018, the Lennar Homebuilding unconsolidated entities in which we had investments had total assets of $6.3

billion and total liabilities of $2.1 billion. At November 30, 2018, the Lennar Multifamily unconsolidated entities in which we had investments had total assets of $3.8 billion and total liabilities of $1.6 billion.

We evaluate the long-lived assets in unconsolidated entities for indicators of impairment during each reporting period. A series of operating losses of an investee or other factors may indicate that a decrease in the fair value of our investment in the unconsolidated entity below its carrying amount has occurred which is other-than-temporary. The amount of impairment recognized is the excess of the investment's carrying amount over its estimated fair value.

The evaluation of our investment in unconsolidated entities includes certain critical assumptions: (1) projected future distributions from the unconsolidated entities, (2) discount rates applied to the future distributions and (3) various other factors.

Our assumptions on the projected future distributions from unconsolidated entities are dependent on market conditions. Specifically, distributions are dependent on cash to be generated from the sale of inventory by the Lennar Homebuilding unconsolidated entities or operating assets by the Lennar Multifamily unconsolidated entities. Such long-lived assets are also reviewed for potential impairment by the unconsolidated entities. The unconsolidated entities generally also use a discount rate of between 10% and 20% in their reviews for impairment, subject to the perceived risks associated with the community's cash flow streams relative to its inventory. If a valuation adjustment is recorded by an unconsolidated entity related to its assets, our proportionate share is reflected in our Lennar Homebuilding or Lennar Multifamily equity in earnings (loss) from unconsolidated entities with a corresponding decrease to our Lennar Homebuilding or Lennar Multifamily investment in unconsolidated entities. We believe our assumptions on the projected future distributions from the unconsolidated entities are critical because the operating results of the unconsolidated entities from which the projected distributions are derived are dependent on the status of the homebuilding industry, which has historically been cyclical and sensitive to changes in economic conditions such as interest rates, credit availability, unemployment levels and consumer sentiment. Changes in these economic conditions could materially affect the projected operational results of the unconsolidated entities from which the distributions are derived.

Additionally, we evaluate if a decrease in the value of an investment below its carrying amount is other than-temporary. This evaluation includes certain critical assumptions made by management and other factors such as age of the venture, intent and ability for us to recover our investment in the entity, financial condition and long-term prospects of the unconsolidated entity, short-term liquidity needs of the unconsolidated entity, trends in the general economic environment of the land, entitlement status of the land held by the unconsolidated entity, overall projected returns on investments, defaults under contracts with third parties (including bank debt), recoverability of the investment through future cash flows and relationships with the other partners and banks. If the decline in the fair value of the investment is other-than-temporary, then these losses are included in Lennar Homebuilding other income, net or Lennar Multifamily costs and expenses.

We believe our assumptions on discount rates are critical accounting policies because the selection of the discount rates affects the estimated fair value of our investments in unconsolidated entities. A higher discount rate reduces the estimated fair value of our investments in unconsolidated entities, while a lower discount rate increases the estimated fair value of our investments in unconsolidated entities. Because of changes in economic conditions, actual results could differ materially from management's assumptions and may require material valuation adjustments to our investments in unconsolidated entities to be recorded in the future.

Consolidation of Variable Interest Entities

GAAP requires the consolidation of VIEs in which an enterprise has a controlling financial interest. A controlling financial interest will have both of the following characteristics: (a) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and (b) the obligation to absorb losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE.

Our variable interest in VIEs may be in the form of (1) equity ownership, (2) contracts to purchase assets, (3) management services and development agreements between us and a VIE, (4) loans provided by us to a VIE or other partner and/or (5) guarantees provided by members to banks and other third parties. We examine specific criteria and use our judgment when determining if we are the primary beneficiary of a VIE. Factors considered in determining whether we are the primary beneficiary include risk and reward sharing, experience and financial condition of other partner(s), voting rights, involvement in day-to-day capital and operating decisions, representation on a VIE's executive committee, existence of unilateral kick-out rights or voting rights, level of economic disproportionality between us and the other partner(s) and contracts to purchase assets from VIEs.

Generally, all major decision making in our joint ventures is shared among all partners. In particular, business plans and budgets are generally required to be unanimously approved by all partners. Usually, management and other fees earned by us are nominal and believed to be at market and there is no significant economic disproportionality between us and other partners. Generally, we purchase less than a majority of the JV's assets and the purchase prices under our option contracts are believed to be at market.

Table of Contents

Generally, our unconsolidated entities become VIEs and consolidate when the other partner(s) lack the intent and financial wherewithal to remain in the entity. As a result, we continue to fund operations and debt paydowns through partner loans or substituted capital contributions. The accounting policy relating to variable interest entities is a critical accounting policy because the determination of whether an entity is a VIE and, if so, whether we are primary beneficiary may require us to exercise significant judgment.

Lennar Financial Services Operations

Revenue Recognition

Title premiums on policies issued directly by us are recognized as revenue on the effective date of the title policies and escrow fees and loan origination revenues are recognized at the time the related real estate transactions are completed, usually upon the close of escrow. Revenues from title policies issued by independent agents are recognized as revenue when notice of issuance is received from the agent, which is generally when cash payment is received by us. Expected gains and losses from the sale of loans and their related servicing rights are included in the measurement of all written loan commitments that are accounted for at fair value through earnings at the time of commitment. Interest income on loans held-for-sale and loans held-for-investment is recognized as earned over the terms of the mortgage loans based on the contractual interest rates. We believe that the accounting policy related to revenue recognition is a critical accounting policy because of the significance of revenue.

Loan Origination Liabilities

Substantially all of the loans our Lennar Financial Services segment originates are sold within a short period in the secondary mortgage market on a servicing released, non-recourse basis. After the loans are sold, we retain potential liability for possible claims by purchasers that we breached certain limited industry-standard representations and warranties related to loan sales. Over the last several years there has been an industry-wide effort by purchasers to defray their losses by purporting to have found inaccuracies related to sellers’ representations and warranties in particular loan sale agreements. A number of claims of that type have been brought against us. We do not believe these claims will have a material adverse effect on our business.

Our mortgage operations have established reserves for possible losses associated with mortgage loans previously originated and sold to investors. We establish reserves for such possible losses based upon, among other things, an analysis of repurchase requests received, an estimate of potential repurchase claims not yet received and actual past repurchases and losses through the disposition of affected loans, as well as previous settlements. While we believe that we have adequately reserved for known losses and projected repurchase requests, given the volatility in the mortgage industry and the uncertainty regarding the ultimate resolution of these claims, if either actual repurchases or the losses incurred resolving those repurchases exceed our expectations, additional recourse expense may be incurred. This allowance requires management’s judgment and estimates. For these reasons, we believe that the accounting estimate related to the loan origination losses is a critical accounting estimate.

Rialto Mortgage Finance - Loans Held-for-Sale

The originated mortgage loans are classified as loans held-for-sale and are recorded at fair value. We elected the fair value option for RMF's loans held-for-sale in accordance with ASC Topic 825, *Financial Instruments*, which permits entities to measure various financial instruments and certain other items at fair value on a contract-by-contract basis. Changes in fair values of the loans are reflected in Rialto revenues in the accompanying consolidated statements of operations. Interest income on these loans is calculated based on the interest rate of the loan and is recorded in Rialto revenues in the accompanying consolidated statements of operations. Substantially all of the mortgage loans originated are sold within a short period of time in securitizations on a servicing released, non-recourse basis; although, we remain liable for certain limited industry-standard representations and warranties related to loan sales. We recognize revenue on the sale of loans into securitization trusts when control of the loans has been relinquished. We believe this is a critical accounting policy due to the significant judgment involved in estimating the fair values of loans held-for-sale during the period between when the loans are originated and the time the loans are sold and because of its significance to our Rialto segment.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to a number of market risks in the ordinary course of business. Our primary market risk exposure relates to fluctuations in interest rates on our investments, loans held-for-sale, loans held-for-investment and outstanding variable rate debt.

For fixed rate debt, such as our senior notes, changes in interest rates generally affect the fair value of the debt instrument, but not our earnings or cash flows. For variable rate debt such as our unsecured revolving credit facility and Lennar Financial Services' and RMF's warehouse repurchase facilities, changes in interest rates generally do not affect the fair value of the outstanding borrowings on the debt facilities, but do affect our earnings and cash flows.

Table of Contents

In our Lennar Financial Services operations, we utilize mortgage backed securities forward commitments, option contracts and investor commitments to protect the value of rate-locked commitments and loans held-for-sale from fluctuations in mortgage-related interest rates.

To mitigate interest risk associated with RMF's loans held-for-sale, we use derivative financial instruments to hedge our exposure to risk from the time a borrower locks a loan until the time the loan is securitized. We hedge our interest rate exposure through entering into interest rate swap futures. We also manage a portion of our credit exposure by buying protection within the CMBX and CDX markets.

We do not enter into or hold derivatives for trading or speculative purposes.

The table below provides information at November 30, 2018 about our significant instruments that are sensitive to changes in interest rates. For loans held-for-investment, net and investments held-to-maturity, senior notes and other debts payable and notes and other debts payable, the table presents principal cash flows and related weighted average effective interest rates by expected maturity dates and estimated fair values at November 30, 2018. Weighted average variable interest rates are based on the variable interest rates at November 30, 2018.

See Management’s Discussion and Analysis of Financial Condition and Results of Operations in Item 7 and Notes 1 and 15 of the notes to the consolidated financial statements in Item 8 for a further discussion of these items and our strategy of mitigating our interest rate risk.

Information Regarding Interest Rate Sensitivity
Principal (Notional) Amount by
Expected Maturity and Average Interest Rate
November 30, 2018

	Years Ending November 30,							**Fair Value at November 30,**
(Dollars in millions)	**2019**	**2020**	**2021**	**2022**	**2023**	**Thereafter**	**Total**	**2018**
ASSETS								
Rialto:								
Investments held-to-maturity:								
Fixed rate	$—	18.5	—	—	—	178.5	197.0	222.8
Average interest rate	—	4.0%	—	—	—	2.7%	3.3%	—
Lennar Financial Services:								
Loans held-for-investment, net and investments held-to-maturity:								
Fixed rate	$45.0	13.0	5.5	2.4	1.8	49.8	117.5	111.5
Average interest rate	2.8%	3.1%	4.3%	4.7%	4.3%	4.1%	3.5%	—
Variable rate	$0.1	0.2	0.2	0.2	0.2	4.3	5.2	4.6
Average interest rate	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	—
LIABILITIES								
Lennar Homebuilding:								
Senior notes and other debts payable:								
Fixed rate	$1,270.5	714.1	962.7	1,745.1	64.4	3,674.8	8,431.6	8,299.1
Average interest rate	4.3%	4.2%	6.2%	4.9%	5.2%	4.9%	4.9%	—
Variable rate	$—	24.9	10.7	—	—	—	35.6	37.1
Average interest rate	—	5.3%	4.4%	—	—	—	5.0%	—
Rialto:								
Notes and other debts payable:								
Fixed rate	$1.9	—	1.1	15.6	—	115.7	134.3	135.0
Average interest rate	3.2%	—	3.3%	3.3%	—	3.3%	3.3%	—
Variable rate	$191.4	—	—	—	—	—	191.4	191.4
Average interest rate	4.6%	—	—	—	—	—	4.6%	—
Lennar Financial Services:								