

LandSource Communities Development LLC
Private Supplement

January 30, 2007

Forward-looking Statements and Confidentiality

The following presentation and related materials may include forward-looking statements that are subject to risks and uncertainties relating to the future financial and business performance of LandSource Communities Development LLC ("LandSource") and its members and their respective affiliates, including, but not limited to, Lennar Corporation, LNR Property Corporation, subsidiaries and joint ventures (collectively with LandSource, the "LandSource Parties").

These forward-looking statements may include statements regarding our business, financial condition, results of operations, cash flows, strategies and prospects. Forward-looking statements represent estimates only of LandSource and its affiliates on the date of this presentation and are not intended to give any assurance as to actual future results.

Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements. These factors include those described under the caption "Risk Factors Relating to Our Business" contained in the most recent Annual Report on Form 10-K of Lennar Corporation, which is on file with the Securities and Exchange Commission.

Please note that none of LandSource Parties assumes any obligation to update any forward-looking statement from this presentation or any past or present filings and conference calls.

The following presentation and related materials contain nonpublic information that may constitute material non public information for purposes of the Federal securities laws. This information is being provided on the understanding, and with the expectation, that each person to whom the following presentation and materials are made available will maintain the information in them in confidence, and in particular will not purchase or sell securities of the Company on the basis of nonpublic information in the presentation and materials.

Projected Financial Overview

Steve Bjerke

LNR Property Corporation

Projection Assumptions

- Current market conditions have been factored into the pro forma projections. The following is a summary of the key assumptions

Revenue

- ▶ 2007 to 2009 revenues are supported by over 8,000 homesites subject to Purchase Contracts, option agreements and rights of first offer by Lennar, representing aggregate revenues of over \$1.35 billion plus rights of first offer to LNR representing over \$200 million in additional revenue
- ▶ No revenue inflation on committed homesites to Lennar
- ▶ Net 5% revenue inflation on Newhall assets, excluding commercial & apartments
 - Total revenue from inflation in 2007 to 2009 is \$50 million out of \$1.8 billion of total revenue

Absorptions

- ▶ 2007 to 2009 absorption assumptions are consistent with Lennar's contractual obligations reflecting its revised business plan
- ▶ Long term absorption assumptions are consistent with historical absorptions in the Santa Clarita Valley

Costs

- ▶ Costs for communities under development, such as the Valencia and MWHP, are substantially contracted to a third party or there is a fixed price contract for development with Lennar
- ▶ G&A and Management fees are each 1.5% of revenues

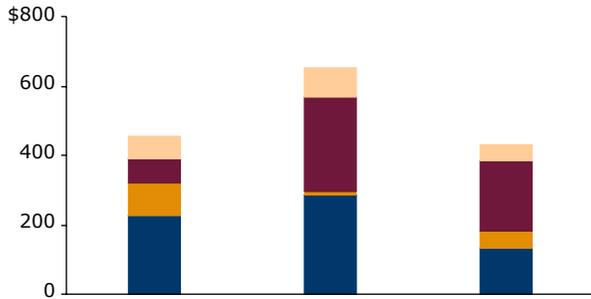
Strong cash flow visibility

- The assets at LandSource are highly strategic to Lennar's business plan, with commitments representing approximately 73% of LandSource's planned revenues over the next three years
 - ▶ Estimated revenue from Lennar commitments totals \$1,345 million through 2009

Certainty of Annual Revenue

(\$'s in millions)

- Other
- Rights of First Offer to Lennar
- Lennar Purchase Contracts ⁽¹⁾
- Lennar Option Agreement⁽¹⁾



	2007P ⁽²⁾	2008P	2009P
Revenue under option agreements to Lennar	\$226	\$288	\$134
Revenue under Purchase Contracts to Lennar	\$94	\$10	\$49
Revenue under rights of first offer to Lennar	\$72	\$271	\$201
Total Lennar visible revenue	\$392	\$569	\$383
Total revenue	\$581	\$751	\$500
Lennar revenues as % of total	67%	76%	77%
Cumulative Lennar visible revenue	\$392	\$961	\$1,345

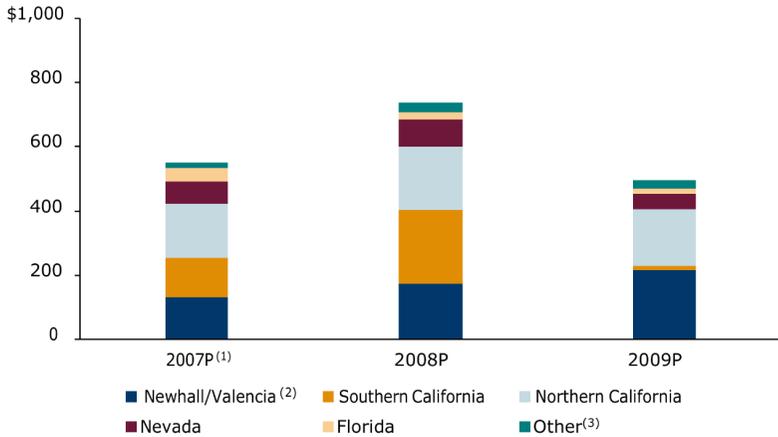
⁽¹⁾ Option agreements and Purchase Contracts prices are conservatively struck based on current market prices, or below.

⁽²⁾ 10 months ended November 30, 2007.

Regional cash flow diversity

- The contribution of MWHP assets, along with the predecessor LandSource assets, provides regionally diverse asset base supporting revenues

Annual Revenue Contribution by Region



⁽¹⁾ 10 months ended November 30, 2007.

⁽²⁾ Includes commercial revenue.

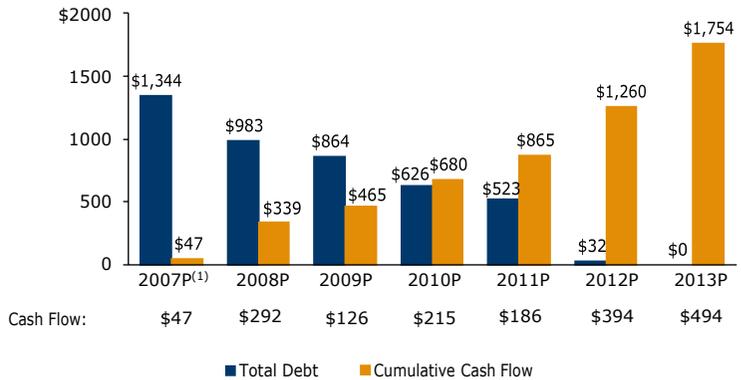
⁽³⁾ Includes Texas, New Jersey, Arizona, and Central California.

Diversified, stable and strong cash flow generation

- Over the next five years, LandSource is expected to generate approximately \$870 million of cumulative free cash flow
 - ▶ Results in significant deleveraging
- Certainty of these cash flows supported by:
 - ▶ Geographic, product and stage of development diversity of the land assets
 - ▶ Significant portion of projected homesite takedowns by Lennar

Cumulative Cash Flow Available to Repay Debt

(\$'s in millions)

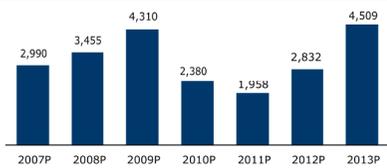


⁽¹⁾ 10 months ended November 30, 2007.

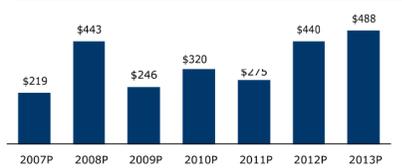
Summary projected financial information

(\$'s in millions)

Homesite Closings ⁽¹⁾



Adjusted EBITDA ⁽¹⁾⁽²⁾



Cumulative Cashflow ⁽¹⁾⁽³⁾



Debt Capitalization ⁽¹⁾



⁽¹⁾ 2007P is 10 months ended November 30, 2007.

⁽²⁾ Adjusted EBITDA defined as EBITDA + Change in Inventory (land held for development and sale) + Master Improvements (land development costs including grading, removals and relocations, erosion control, sewer and water systems, street improvements, landscaping, engineering and utility district advances) + CFD Reimbursements (Community Facility District) – Tax Distributions.

⁽³⁾ Cumulative Cash Flow available for debt paydown defined as Pretax Income + Amortized Financing Fees +/- Change in Working Capital (inventory, master Improvements, CFD reimbursements, property taxes, capitalized interest, option deposits and other current liabilities) - Tax Distributions - Scheduled Amortization.

Summary projected financial and operating performance

Summary Financials

	(\$'s in millions)	2007P ⁽¹⁾	2008P	2009P	2010P	2011P	2012P	2013P
Operating Statistics	Homesite Closings	2,990	3,455	4,310	2,380	2,832	2,832	4,509
	Revenue	\$581	\$751	\$500	\$636	\$1,152	\$1,152	\$1,399
	EBITDA	86	141	111	290	764	764	854
	Adjusted	219	443	246	320	440	440	488
	EBITDA ⁽²⁾							
	Interest Incurred	111	131	97	86	40	40	4
	Net Income	61	115	93	266	723	723	813
	Cumulative Cash Flow ⁽³⁾	47	339	465	680	1,260	1,260	1,754
	Total Cash	\$82	3,455	4,310	2,380	2,832	2,832	4,509
	Total Assets		\$751	\$500	\$636	\$1,152	\$1,152	\$1,399
Summary Balance Sheet	Revolving Credit Facility	\$15	\$0	\$0	\$0	\$0	\$0	\$0
	Term Loan B Facility	1,018	672	564	326	223	0	0
	Valencia Water Company Debt	11	11	0	0	0	0	0
	Total First Lien Debt	\$1,044	\$683	\$564	\$326	\$223	\$0	\$0
	Second Lien Term Facility	300	300	300	300	300	32	0
	Total Debt	\$1,344	\$983	\$864	\$626	\$523	\$32	\$0
	Book Equity	216	288	345	509	798	1,250	1,748
	Total	\$1,561	\$1,272	\$1,209	\$1,135	\$1,321	\$1,282	\$1,748
	Capitalization		2	9				
	Net Debt	1,262	960	824	598	402	2	(492)
Credit Statistics	Net Debt / Book Capitalization	80.9%	75.5%	68.1%	52.7%	30.4%	0.2%	NM
	Fixed Charge Coverage ⁽⁴⁾	1.84x	3.13x	2.29x	3.32x	3.71x	9.64x	138.76x
	Liquidity ⁽⁵⁾	\$267	\$223	\$241	\$228	\$321	\$229	\$692

(1) 10 months ending November 30, 2007.

(2) Adjusted EBITDA defined as EBITDA + Change in Inventory (land held for development and sale) + Master Improvements (land development costs including grading, removals and relocations, erosion control, sewer and water systems, street improvements, landscaping, engineering and utility district advances) + CFD Reimbursements (Community Facility Development) - Tax Distributions.

(3) Cumulative Cash Flow Available for Debt Paydown defined as Pretax Income + Amortized Financing Fees +/- Change in Working Capital (inventory, master Improvements, CFD reimbursements, property taxes, capitalized interest, option deposits and other current liabilities) - Tax Distributions - Scheduled Amortization.

(4) Fixed Charge Coverage defined as Adjusted EBITDA to interest incurred + scheduled amortization (net of voluntary payments).

(5) Liquidity reserve defined as Cash on Hand + Availability Under the Revolving Credit Facility.

Private Lender Q&A

