

LENNAR CORP /NEW/
Form DEF 14A
March 02, 2016
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SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

Lennar Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies

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(3) Filing Party:

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Lennar Corporation
700 Northwest 107th Avenue
Miami, Florida 33172

NOTICE OF 2016 ANNUAL MEETING OF STOCKHOLDERS

March 2, 2016

Dear Stockholder:

It is my pleasure to invite you to attend Lennar Corporation's 2016 Annual Meeting of Stockholders. The meeting will be held on Wednesday, April 13, 2016, at 11:00 a.m. local time at our corporate office, located at 700 Northwest 107th Avenue, Second Floor, Miami, Florida 33172. At the meeting, you will be asked to:

- (1) Elect nine directors to serve a one-year term expiring at the next Annual Meeting of Stockholders.
- (2) Ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for our fiscal year ending November 30, 2016.
- (3) Approve, on an advisory basis, the compensation of our named executive officers.
- (4) Approve the Lennar Corporation 2016 Equity Incentive Plan.
- (5) Approve the Lennar Corporation 2016 Incentive Compensation Plan.
- (6) Vote on a stockholder proposal regarding our common stock voting structure, if properly presented at the Annual Meeting.

We will also transact such other business as may properly come before the Annual Meeting and any adjournment or postponement of the Annual Meeting.

Only stockholders of record as of the close of business on February 16, 2016 may vote at the Annual Meeting.

It is important that your shares be represented at the Annual Meeting, regardless of the number you may hold. *Whether or not you plan to attend, please vote using the Internet, by telephone or by mail, in each case by following the instructions in our proxy statement.* This will not prevent you from voting your shares in person if you are present.

I look forward to seeing you on April 13, 2016.

Sincerely,

Mark Sustana

Secretary and General Counsel

We mailed a Notice of Internet Availability of Proxy Materials containing instructions on how to access our proxy statement and annual report on or about March 2, 2016.

Lennar's proxy statement and annual report are available online at www.proxyvote.com.

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Lennar Corporation
700 Northwest 107th Avenue
Miami, Florida 33172

PROXY STATEMENT

Proxy Statement for Annual Meeting of Stockholders to be held on April 13, 2016

You are receiving this proxy statement because you own shares of our Class A common stock and/or Class B common stock that entitle you to vote at the 2016 Annual Meeting of Stockholders. Our Board of Directors is soliciting proxies from stockholders who wish to vote at the meeting. By use of a proxy, you can vote even if you do not attend the meeting. This proxy statement describes the matters on which you are being asked to vote and provides information on those matters so that you can make an informed decision.

Date, Time and Place of the 2016 Annual Meeting

We will hold the 2016 Annual Meeting on Wednesday, April 13, 2016, at 11:00 a.m. local time at our corporate offices located at 700 Northwest 107th Avenue, Second Floor, Miami, Florida 33172.

Questions and Answers about Voting at the Annual Meeting and Related Matters

Q: *How many votes may I cast at the Annual Meeting?*

A: You may vote all of the shares of our Class A common stock and Class B common stock that you owned at the close of business on February 16, 2016, the record date. You may cast one vote for each share of our Class A common stock held by you on all matters presented at the meeting, and ten votes for each share of our Class B common stock held by you on all matters presented at the meeting. On the record date, 183,164,775 shares of our Class A common stock and 31,303,195 shares of our Class B common stock were outstanding and entitled to be voted at the meeting.

Q: *What constitutes a quorum, and why is a quorum required?*

A: We are required to have a quorum of stockholders present to conduct business at the Annual Meeting. A majority in voting power, and not less than one-third in number, of the shares of Class A common

stock and Class B common stock entitled to vote, represented in person or by proxy, will constitute a quorum for the transaction of business at the Annual Meeting. Proxies received but marked as abstentions, if any, will be included in the calculation of the number of shares considered to be present at the meeting for quorum purposes. If we do not have a quorum, we will be forced to reconvene the Annual Meeting at a later date.

Q: *What is the difference between a stockholder of record and a beneficial owner?*

A: If your shares are registered directly in your name with Lennar's transfer agent, Computershare Trust Company, N.A., you are considered, with respect to those shares, the stockholder of record. If your shares are held by a brokerage firm, bank, trustee or other agent (nominee), you are considered the beneficial owner of these shares. If your shares are held by a nominee, the Notice of Internet Availability of Proxy Materials (Notice of Internet Availability) was forwarded to you by your nominee. As the beneficial owner, you have the right to direct your nominee on how to vote your

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shares by following your nominee's instructions for voting by telephone or on the Internet or, if you specifically request a copy of the printed materials, you may use the voting instruction card included in the materials you received.

Q: *How do I vote?*

A: If you are a stockholder of record, you may vote:

- via Internet;
- by telephone;
- by mail, if you have received a paper copy of the proxy materials; or
- in person at the meeting.

Detailed instructions for Internet and telephone voting are set forth on the Notice of Internet Availability, which also contains instructions on how to access our proxy statement and annual report online. You may also vote in person at the Annual Meeting.

If you are a beneficial owner, you must follow the voting procedures of your nominee included with your proxy materials. If your shares are held by a nominee and you intend to vote at the meeting, please bring with you evidence of your beneficial ownership as of the record date (such as a letter from your nominee confirming your beneficial ownership or a bank or brokerage firm account statement).

If your shares are held in our 401(k) plan, your proxy will serve as a voting instruction for the trustee of our 401(k) plan, who will vote your shares as you instruct. To allow sufficient time for the trustee to vote, your voting instructions must be received by April 8, 2016. If the trustee does not receive your instructions by that date, the trustee will vote the shares you hold through our 401(k) plan in the same proportion as it votes the shares in our 401(k) plan for which voting instructions are received.

Q: *What am I voting on?*

A: At the Annual Meeting you will be asked to vote on the following six proposals. Our Board recommendation for each of these proposals is set forth below.

Proposal

Board Recommendation

1. To elect nine directors to serve a one-year term expiring at the next Annual Meeting of Stockholders.

FOR all nominees

2. To ratify the appointment of Deloitte & Touche LLP (D&T) as our independent registered public accounting firm for our fiscal year ending November 30, 2016.

FOR

FOR

3. To approve, on an advisory basis, the compensation of our named executive officers, which we refer to as Say on Pay.
4. To approve the Lennar Corporation 2016 Equity Incentive Plan (2016 Equity Plan). **FOR**
5. To approve the Lennar Corporation 2016 Incentive Compensation Plan (2016 Incentive Plan). **FOR**
6. To vote on a stockholder proposal regarding our common stock voting structure, if properly presented at the Annual Meeting. **AGAINST**

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We will also consider any other business that may come before the meeting in a manner that is proper under Delaware law and our By-Laws.

Q: *What happens if additional matters are presented at the Annual Meeting?*

A: Other than the items of business described in this proxy statement, we are not aware of any business to be presented for action at the Annual Meeting. If you grant a proxy, the persons named as proxy holders, Stuart Miller, Bruce Gross and Mark Sustana, or any of them, will be able to vote your shares in their discretion on any additional matters that are properly presented for a vote at the meeting.

Q: *What is the required vote for approval of each of the proposals?*

Proposal	Votes Required for Approval
1. Election of Directors	Plurality of the votes cast
2. Ratification of Auditors	Majority of votes cast
3. Say on Pay	Majority of votes cast
4. Approval of 2016 Equity Plan	Majority of votes cast
5. Approval of 2016 Incentive Plan	Majority of votes cast
6. Stockholder Proposal	Majority of votes cast

With regard to each proposal, holders of shares of our Class A common stock and Class B common stock vote together as a single class (but with different voting rights). A proposal has received a majority of the votes cast if the votes cast FOR the proposal exceed the votes cast AGAINST the proposal.

Proposal 3 is an advisory vote, which means that while we ask stockholders to approve resolutions regarding the compensation of our named executive officers, the results of that vote will not have a binding effect on us. Although the advisory vote is non-binding, our Board and the Compensation Committee will review the results of the vote and take it into account in making future determinations concerning executive compensation. Proposal 6 is a precatory proposal, which means that it is requesting that our Board take steps to ensure that all of our company's outstanding stock has one-vote per share in each voting situation.

Our Bylaw provisions regarding voting requirements do not apply to Proposals 3 and 6. We will report the results of these proposals based on the number of shares cast FOR the proposals and AGAINST the proposals.

Q: *What if I sign and return my proxy without making any selections?*

A: If you sign and return your proxy without making any selections, your shares will be voted FOR all of the director nominees, FOR proposals 2, 3, 4 and 5, and AGAINST proposal 6. If other matters properly come

before the Annual Meeting, Stuart Miller, Bruce Gross and Mark Sustana, or any of them, will have the authority to vote your shares on those matters at their discretion. As of the date of this proxy statement, we are not aware of any matters that will come before the meeting other than those described in this proxy statement.

Q: *What if I am a beneficial owner and I do not give my nominee voting instructions?*

A: If you are a beneficial owner and your shares are held in the name of a broker, the broker is bound by the rules of the New York Stock Exchange (NYSE) regarding whether or not it can exercise

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discretionary voting power for any particular proposal if the broker does not receive voting instructions from you. Brokers have the authority to vote shares for which their customers do not provide voting instructions on certain routine matters. A broker non-vote occurs when a nominee who holds shares for a beneficial owner does not vote the beneficial owner's shares on a particular item because the nominee does not have discretionary voting authority for that item and has not received instructions from the beneficial owner. Broker non-votes are included in the calculation of the number of votes considered to be present at the meeting for purposes of determining the presence of a quorum but are not counted as votes cast with respect to a matter on which the nominee has expressly not voted.

The table below sets forth, for each proposal on the ballot, whether a broker can exercise discretion and vote shares absent instructions from the beneficial owner and, if not, the impact of broker non-votes on the approval of the proposal.

Proposal	Can Brokers Vote Absent Instructions?	Impact of Broker Non-Vote
1. Election of Directors	No	None
2. Ratification of Auditors	Yes	Not Applicable
3. Say on Pay	No	None
4. Approval of 2016 Equity Plan	No	None
5. Approval of 2016 Incentive Plan	No	None
6. Stockholder Proposal	No	None

Q: *What if I abstain on a proposal?*

A: If you sign and return your proxy or voting instruction marked "abstain" with regard to any proposal, your shares will not be voted on that proposal and will not be counted as votes cast in the final tally of votes with regard to that proposal. However, your shares will be counted for purposes of determining whether a quorum is present.

Q: *Can I change my vote after I have delivered my proxy?*

A: Yes. You may revoke your proxy at any time before the shares are voted. If you are a record owner, you will automatically revoke your proxy with regard to a matter by voting in person with regard to that matter at the Annual Meeting. If you are a beneficial owner, you must contact your nominee to change your vote or obtain a proxy to vote your shares if you wish to cast your vote in person at the meeting.

Q: *Who can attend the Annual Meeting?*

A: Only stockholders and our invited guests can attend the Annual Meeting. To gain admittance, you must bring a form of personal identification to the meeting, where your name will be verified against our stockholder list. If a broker or other nominee holds your shares and you plan to attend the meeting, you should bring a recent brokerage statement showing your ownership of the shares as of the record date or a letter from the broker confirming your ownership, and a form of personal identification.

Q: *If I plan to attend the Annual Meeting, should I still vote by proxy?*

A: Yes. Casting your vote in advance does not affect your right to attend the Annual Meeting or to vote at the meeting.

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If you vote in advance and also attend the meeting, you do not need to vote again at the meeting unless you want to change your vote with regard to a matter. Written ballots will be available at the meeting for stockholders of record and for beneficial owners who have proxies from their nominees.

Beneficial stockholders who wish to vote in person must request a legal proxy from the broker or other nominee and bring that legal proxy to the Annual Meeting.

Q: *Where can I find the voting results of the Annual Meeting?*

A: We will announce the results for the proposals voted upon at the Annual Meeting and publish final detailed voting results in a Form 8-K we will file with the SEC within four business days after the Annual Meeting.

Q: *Who should I call with questions?*

A: If you have questions about this proxy statement or the Annual Meeting or would like additional copies of this proxy statement or our annual report, please contact: Lennar Corporation, 700 Northwest 107th Avenue, Miami, Florida 33172, Attention: Investor Relations, Telephone: (305) 485-2038.

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I. PROPOSAL 1 ELECTION OF DIRECTORS

Our Board of Directors is responsible for overseeing the management of our business. We keep directors informed of our business at meetings and through reports and analyses presented to the Board of Directors or to committees of the Board. Regular communications between the directors and management also occur apart from meetings of the Board of Directors and committees of the Board. Among other things, from time to time, the Board schedules calls with senior management to discuss the Company's business strategies.

Under our By-Laws, directors are elected at each annual meeting of stockholders for a one-year term expiring at the next annual meeting of stockholders. Upon the recommendation of the Nominating and Corporate Governance Committee (the "NCG Committee"), our Board has nominated Mr. Irving Bolotin, Mr. Steven L. Gerard, Mr. Theron I. ("Tig") Gilliam, Mr. Sherrill W. Hudson, Mr. Sidney Lapidus, Ms. Teri P. McClure, Mr. Stuart A. Miller, Mr. Armando Olivera and Mr. Jeffrey Sonnenfeld for re-election, each for a one-year term that will expire at the 2017 annual meeting of stockholders, and each has consented to serve if elected.

We believe that each of our directors possesses the experience, skills and qualities to fully perform his or her duties as a director and contribute to our success. Our directors were nominated because each possesses outstanding personal integrity and interpersonal and communication skills, is highly accomplished in his or her field, has an understanding of the interests and issues that are important to our stockholders and is able to dedicate sufficient time to fulfilling his or her obligations as a director. Our directors as a group complement each other and each other's respective experiences, skills and qualities.

Each director's principal occupation and other pertinent information about particular experience, qualifications, attributes and skills that led the Board to conclude that each nominee should serve as a director, appears on the following pages.

Irving Bolotin, 83, has served as a director of our Company since 1974. Mr. Bolotin is currently retired. From 1972 until his retirement in December 1998, Mr. Bolotin served as a Senior Vice President of our Company. Mr. Bolotin also serves with the Board of Directors of WPBT Channel 2.

Qualifications. The Board nominated Mr. Bolotin to serve as a director because of the extensive knowledge of homebuilding he obtained during the many years he was a member of our senior management.

Steven L. Gerard, 70, has served as a director of our Company since May 2000. Mr. Gerard has been the Chief Executive Officer of CBIZ, Inc., a provider of professional business services to individuals and companies throughout the United States, since October 2000 and has been its Chairman since October 2002. Mr. Gerard has announced his intention to retire as the Chief Executive Officer of CBIZ, Inc. in March 2016. From July 1997 to October 2000, Mr. Gerard served as Chairman and Chief Executive Officer of Great Point Capital, Inc., an operations and financial consulting firm. From September 1992 to July 1997, Mr. Gerard served as Chairman and Chief Executive Officer of Triangle Wire & Cable, Inc., and its successor, Ocean View Capital, Inc., a manufacturer of residential, commercial and industrial wire and cable products. Prior to that, Mr. Gerard spent sixteen years in various corporate finance and banking positions at Citibank, N.A. and spent seven years at the American Stock Exchange, last serving as Vice President of its Securities Division. Mr. Gerard also serves on the Board of Directors of Joy Global, Inc. and Las Vegas Sands Corp.

Qualifications. The Board nominated Mr. Gerard to serve as a director because of his experience as the Chief Executive Officer and in other senior management positions of significant companies for many years.

Tig Gilliam, 51, has served as a director of our Company since June 2010. Mr. Gilliam has served as Chief Executive Officer of NES Global Talent, a global talent solutions company, since November 2014. Mr. Gilliam was previously a Managing Director and Operating Partner of AEA Investors LP, a private equity firm, from

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November 2013 to November 2014 and the Regional Head of North America and former member of the Executive Committee at Addeco Group SA, a human resources, temporary staffing and recruiting firm, from March 2007 until July 2012. From 2002 until he joined Addeco, Mr. Gilliam was with International Business Machines (IBM), serving, among other things, as the Global Supply Chain Management Leader for IBM Global Business Services. Mr. Gilliam was a partner with PricewaterhouseCoopers Consulting until it was acquired by IBM in October 2002.

Qualifications. The Board nominated Mr. Gilliam to serve as a director because of his expertise in matters related to supply chain management and human resources.

Sherrill W. Hudson, 73, has served as a director of our Company since January 2008. Mr. Hudson has served as the Chairman of TECO Energy, Inc., an energy-related holding company, since January 2013. Previously, Mr. Hudson was Executive Chairman of TECO Energy from August 2010 to December 2012, and Chairman and Chief Executive Officer of TECO Energy from 2004 until August 2010. Prior to joining TECO Energy in July 2004, Mr. Hudson spent 37 years with Deloitte & Touche LLP until he retired in 2002. Mr. Hudson is a member of the Florida Institute of Certified Public Accountants. Mr. Hudson serves on the Boards of Directors of CBIZ, Inc. and United Insurance Holdings Corp, and, from 2003 until April 2015, served on the Board of Directors of Publix Supermarkets, Inc.

Qualifications. The Board nominated Mr. Hudson to serve as a director because of his extensive knowledge of accounting and his management experience.

Sidney Lapidus, 78, has served as a director of our Company since April 1997. Mr. Lapidus is a retired partner of Warburg Pincus LLC, a private equity investment firm, where he was employed from 1967 until his retirement in 2007. Mr. Lapidus also serves on the Board of Directors of Knoll, Inc., as well as a number of non-profit organizations.

Qualifications. The Board nominated Mr. Lapidus to serve as a director because of the extensive knowledge of business enterprises (including homebuilding companies) and corporate governance he gained as a partner in a private equity investment firm and as a director of a number of publicly and privately owned companies.

Teri P. McClure, 52, has served as a director of our Company since June 2013. Ms. McClure is currently Chief Human Resources Officer and Senior Vice President Labor and Communications of UPS. She also serves as a member of the nine member Management Committee which is responsible for setting strategy, operating and profit plans for UPS. Ms. McClure joined UPS in 1995 and has served in various positions at the company including Chief Legal Officer, Senior Vice President of Compliance and Public Affairs, General Counsel and Corporate Secretary from 2006 to December 2015. Prior to joining UPS, Ms. McClure practiced with the Troutman Sanders law firm in Atlanta.

Qualifications. The Board nominated Ms. McClure to serve as a director because of her experience as a senior executive of a Fortune 500 company, her operational capabilities and her business experience.

Stuart A. Miller, 58, has served as a director of our Company since April 1990 and has served as our Chief Executive Officer since April 1997. Mr. Miller also served as President of our Company from April 1997 to April 2011. Mr. Miller serves as Chairman of the Board of Trustees of the University of Miami.

Qualifications. The Board nominated Mr. Miller to serve as a director because he is our Chief Executive Officer and has extensive knowledge of our Company, its operations and its strategic plans.

Armando Olivera, 66, has served as a director of our Company since January 2015. Mr. Olivera was President of Florida Power & Light Company (FPL), a subsidiary of NextEra Energy, Inc. and one of the largest investor-owned

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electric utilities in the United States, from June 2003, and Chief Executive Officer from July 2008, until his retirement in May 2012. Mr. Olivera joined FPL in 1972. Prior to his 2003 appointment as President, Mr. Olivera served in a variety of management positions with the company, including Vice President of Construction Services, System Operations and Distribution and Senior Vice President of System Operations. Mr. Olivera also serves on the Board of Directors of AGL Resources, Inc., Consolidated Edison, Inc. and Fluor Corporation, and previously served on the Board of Directors of Florida Power & Light Company and Nicor Inc.

Qualifications. The Board nominated Mr. Olivera to serve as a director because of his experience running a successful, large power company, as well as his experience as a director of other public companies.

Jeffrey Sonnenfeld, 61, has served as a director of our Company since September 2005. Mr. Sonnenfeld has served as the Senior Associate Dean for Executive Programs and the Lester Crown Professor-in-the-Practice of Management at the Yale School of Management since 2001. In 1989, Mr. Sonnenfeld founded the Chief Executive Leadership Institute of Yale University, and he has served as its President since that time.

Qualifications. The Board nominated Mr. Sonnenfeld to serve as a director because of his business acumen and experience, as well as his exceptional work in the areas of corporate governance and leadership development as President of the Chief Executive Leadership Institute of Yale University.

Recommendation of the Board of Directors

The Board of Directors recommends a vote **FOR** all the director nominees.

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Our Board of Directors normally meets quarterly, but holds additional meetings as required. Under our Corporate Governance Guidelines, each director is required to attend substantially all meetings of the Board. During fiscal 2015, the Board of Directors met five times. During that year, each director attended at least 75% of (1) the total number of meetings of the Board of Directors held while that director was serving on our Board, and (2) the total number of meetings of each committee of the Board on which the director was serving. It is our policy to encourage directors and nominees for director to attend the annual meeting of stockholders. All members of our Board who were serving at the time of the 2015 annual meeting of stockholders attended the meeting.

Board Independence

Each year, the Board undertakes a review of director independence, which includes a review of each director's responses to questionnaires asking about any relationships with us. In January 2016, our Board of Directors undertook its review of director independence. Based on this review, our Board of Directors has determined that each of Mr. Bolotin, Mr. Gerard, Mr. Gilliam, Mr. Hudson, Mr. Lapidus, Ms. McClure, Mr. Olivera and Mr. Sonnenfeld is independent under the NYSE corporate governance listing standards and the Director Qualification Standards set forth in our Corporate Governance Guidelines, which are consistent with the NYSE standards. After considering any relevant transactions or relationships between each director, or any of his or her family members, and the Company, our senior management or our independent registered public accounting firm, the Board of Directors has affirmatively determined that none of the independent directors has a material relationship with us (either directly, or as a partner, significant stockholder, officer or affiliate of an organization that has a material relationship with us), other than as a member of our Board of Directors. In determining whether Mr. Gilliam is independent, the Board viewed Mr. Gilliam's position as a director of a private company that supplies wallboard to Lennar as not impairing his independence.

Mr. Lapidus serves as our Lead Director. In this capacity, Mr. Lapidus presides over Board meetings and presides at all meetings of our independent directors. In connection with our regularly scheduled Board meetings, our independent directors regularly meet in executive sessions that exclude our non-independent director and management. Mr. Lapidus presides over these executive sessions.

Board Leadership Structure

We have a Lead Director who presides over Board meetings and presides at all meetings of our independent directors. Our Board believes that arrangement works well for us because all but one of our directors (our Chief Executive Officer) are independent, and our Lead Director can cause the independent directors to meet at any time. Therefore, the Lead Director can at any time bring to the attention of a majority of the directors any matters he thinks should be addressed by the Board.

The Lead Director's duties, which are listed in our By-Laws, include:

Presiding at all meetings of the independent directors;
Presiding over, and being responsible for the agenda at, all meetings of the Board of Directors, if there is no Chairman of the Board, and, at the request of the Board of Directors, presiding over meetings of stockholders;

Conveying recommendations of the independent directors to the Board of Directors; and
Serving as a liaison between the Board and management.

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The Board has four standing Committees: the Audit Committee, the Compensation Committee, the NCG Committee and the Executive Committee. A summary of the current composition of each Committee and its responsibilities is set forth below.

Name	Audit	Compensation	Nominating and Corporate Governance	Executive
Irving Bolotin	Member		Member	
Steven L. Gerard	Member	Chair		
Tig Gilliam	Member	Member	Member	
Sherrill Hudson	Chair	Member		
R. Kirk Landon ⁽¹⁾	Member	Member		
Sidney Lapidus ⁽²⁾				Member
Teri P. McClure		Member	Member	
Stuart Miller				Member
Armando Olivera ⁽³⁾	Member			
Jeffrey Sonnenfeld			Chair	

(1) Mr. Landon was a member of the Audit Committee and Compensation Committee from December 1, 2014 through March 24, 2015, the date of his death.

(2) Lead Director of the Board.

(3) Mr. Olivera was appointed to the Audit Committee on April 8, 2015.

Copies of the Committee charters of each of the Audit Committee, the Compensation Committee and the NCG Committee setting forth the responsibilities of the Committees can be found under the Investor Relations-Corporate Governance section of our website at www.lennar.com, and those charters are also available in print to any stockholder who requests them through our Investor Relations department. We periodically review and revise the Committee charters. The Board most recently adopted a revised Audit Committee Charter and NCG Committee Charter on June 23, 2015 and a revised Compensation Committee Charter on October 31, 2014.

Audit Committee

Number of Meetings in fiscal 2015: 9

Responsibilities. The Audit Committee is responsible for selecting our independent auditors and overseeing the engagement of our independent auditors; pre-approving all audit and non-audit services provided to us by our independent auditors; reviewing our internal control environment, systems and performance; and overseeing the integrity of our financial statements, and our compliance with legal and regulatory requirements. The Audit Committee also discusses and reviews our policies with respect to risk assessment and risk management, including guidelines and policies governing our risk assessment and risk management processes. The Audit Committee Chairman reports on Audit Committee actions and recommendations at Board of Directors meetings.

Independence and Financial Expertise. The Board of Directors has determined that each member of the Audit Committee meets the independence requirements under the NYSE's corporate governance listing standards and the

enhanced independence standards for audit committee members required by the SEC, and each member is financially literate, knowledgeable and qualified to review financial statements. In addition, the Board of Directors has determined that each of Mr. Gerard, Mr. Gilliam and Mr. Hudson meets the requirements of an audit committee financial expert under SEC rules.

Table of Contents*Compensation Committee**Number of Meetings in fiscal 2015: 3*

Responsibilities. The Compensation Committee is responsible for (i) designing and implementing our executive compensation philosophy, policies and plans, (ii) establishing salaries, targets and performance goals for annual incentive awards, terms of equity awards and other forms of compensation for our Chief Executive Officer (CEO), each of our senior executives and our directors and (iii) administering our equity programs, including awards under our 2007 Equity Incentive Plan, as amended (the 2007 Equity Plan). The Compensation Committee also reviews the results of the annual advisory stockholder vote on executive compensation and considers whether to recommend adjustments to the Company s executive compensation policies and plans as a result of such votes. The Compensation Committee Chairman reports on Compensation Committee actions and recommendations at Board of Director meetings.

Independence. The Board of Directors has determined that each member of the Compensation Committee meets the independence requirements under the NYSE s corporate governance listing standards, is an outside director pursuant to the criteria established by the Internal Revenue Service and meets the independence standards for Compensation Committee members established by the SEC.

Role of Compensation Consultants and Advisors. The Compensation Committee has the authority, pursuant to its charter, to engage the services of outside legal or other experts and advisors as it deems necessary and appropriate to assist the Compensation Committee in fulfilling its duties and responsibilities. The Compensation Committee has previously engaged, and may in the future engage, F.W. Cook & Co., Inc. (FW Cook), an independent management compensation consulting firm. The Compensation Committee did not engage the services of FW Cook or other outside experts during fiscal 2015. The Compensation Committee considered the work previously performed by FW Cook and determined that no conflicts of interest were raised and that FW Cook was independent from management.

Role of Management and Delegation of Authority. As more fully discussed under Compensation Discussion and Analysis Compensation Setting Process Role of Management, our CEO and our President provide the Compensation Committee with (1) evaluations of each named executive officer, including themselves, (2) recommendations regarding base salary levels for the upcoming year for each named executive officer, other than themselves, (3) an evaluation of the extent to which each named executive officer met his annual incentive plan target, and (4) recommendations regarding the aggregate value of the long-term incentive compensation that each named executive officer should receive. Our CEO and our President typically attend all regularly-scheduled Compensation Committee meetings to assist the Compensation Committee in its discussion and analysis of the various agenda items, and are generally excused from the meetings as appropriate, including for discussions regarding their own compensation.

Under the 2007 Equity Plan, the Compensation Committee has the authority to delegate all or a part of its duties with respect to awards under that Plan to management (excluding awards intended to qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code, awards made to individuals covered by Section 16 of the Securities Exchange Act of 1934, as amended (the Exchange Act), and awards issued to any person delegated authority by the Compensation Committee). Under the Lennar Corporation 2012 Incentive Compensation Plan, the Compensation Committee has the authority to delegate all or a part of its duties with respect to bonuses under the plan to management (excluding bonuses intended to qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code).

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Nominating and Corporate Governance Committee

Number of Meetings in fiscal 2015: 4

Responsibilities. The NCG Committee is responsible for (i) soliciting, considering, recommending and nominating candidates to serve on the Board under criteria adopted by it from time to time; (ii) advising the Board with respect to Board and Committee composition; (iii) reviewing and recommending changes to our Corporate Governance Guidelines; (iv) overseeing periodic evaluations of the Board and the Committees; and (v) reviewing and reporting to the Board on a periodic basis with regard to matters of corporate governance. The NCG Committee Chairman reports on NCG Committee actions and recommendations at Board of Director meetings.

Independence. The Board of Directors has determined that each member of the NCG Committee meets the independence requirements under the NYSE's corporate governance listing standards.

Consideration of Director Nominees. The NCG Committee considers possible candidates for nominees for directors suggested by management, and by stockholders and others if there were any. The NCG Committee would evaluate the suitability of any potential candidates recommended by stockholders in the same manner as other candidates recommended to the NCG Committee. The NCG Committee and the Board of Directors have determined that a director should have the following characteristics, as set forth in our Corporate Governance Guidelines:

- Ability to comprehend the strategic goals of the Company and to help guide the Company towards the accomplishment of those goals;
- A history of conducting his/her personal and professional affairs with the utmost integrity and observing the highest standards of values, character and ethics;
- Time availability for in-person participation and to be present at annual meetings of stockholders;
- Willingness to demand that the Company's officers and associates insist upon honest and ethical conduct throughout the Company;
- Knowledge of, and experience with regard to at least some of: (i) real estate properties, loans and securities, including any lending and financing activities related thereto; (ii) public company regulations imposed by the SEC and the NYSE, among others; (iii) portfolio and risk management; (iv) the major geographic locations within which the Company operates; (v) sound business practices and (vi) accounting and financial reporting; and
- If applicable, ability to satisfy the criteria for independence established by the SEC and the NYSE, as they may be amended from time to time.

While our NCG Committee believes diversity as to race, gender and ethnicity is beneficial to the Board of Directors, and takes that into account in considering potential Board members, the NCG Committee does not have a formal policy regarding Board diversity.

The NCG Committee will consider candidates recommended by stockholders. If a stockholder wishes to recommend a potential nominee for director, the stockholder should submit a recommendation in writing containing the information set forth below to the NCG Committee at the address set forth on page 60 under "Communication with Lennar's Board of Directors":

- The recommending stockholder's name and contact information;

The candidate's name and contact information;

A brief description of the candidate's background and qualifications;

The reasons why the recommending stockholder believes the candidate would be well suited for the Board;

A written statement by the candidate that the candidate is willing and able to serve on the Board;

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A written statement by the recommending stockholder that the candidate meets the criteria established by the Board; and

A brief description of the recommending stockholder's ownership of our common stock and the period during which such shares have been held.

In making its determination whether to recommend that the Board of Directors nominate a candidate who has been recommended by a stockholder, the NCG Committee will consider, among other things, the appropriateness of adding another director to the Board and the candidate's background and qualifications. The NCG Committee may conduct an independent investigation of the background and qualifications of a candidate recommended by a stockholder, and may request an interview with the candidate. The NCG Committee will not determine whether to recommend that the Board nominate a candidate until the NCG Committee completes what it believes to be a reasonable investigation, even if that causes its recommendation to be delayed until after it is too late for the candidate to be nominated for election at a particular meeting of stockholders. When the NCG Committee determines not to recommend that the Board nominate a candidate recommended by a stockholder, or the Board determines to nominate or not to nominate a candidate recommended by a stockholder, the NCG Committee will notify the recommending stockholder and the candidate of the determination.

Executive Committee

Pursuant to our By-Laws, our Board of Directors has established an Executive Committee which has the authority to act on behalf of the Board of Directors, except as that power is limited by the corporate laws of the State of Delaware, where our Company is incorporated, and as our Board of Directors has otherwise provided. The Executive Committee took action by unanimous written consent twice during fiscal 2015.

Corporate Governance Guidelines

Our Corporate Governance Guidelines describe our corporate governance practices and policies and provide a framework for our Board governance. The topics addressed in our Corporate Governance Guidelines include director qualifications, director responsibilities, management succession, director compensation and the annual performance evaluation of the Board. Our Corporate Governance Guidelines are available to view at our website, www.lennar.com, under the Investor Relations-Corporate Governance section.

Compensation Committee Interlocks and Insider Participation

None of the members who served on the Compensation Committee during the fiscal year ended November 30, 2015, was, or ever had been, an officer or employee of Lennar. There were no transactions during the 2015 fiscal year between us and any of the directors who served as members of the Compensation Committee for any part of the 2015 fiscal year that would require disclosure by Lennar under the SEC's rules requiring disclosure of certain relationships and related-party transactions.

Code of Business Conduct and Ethics/Related Party Transaction Policy

Our Board of Directors has adopted a Code of Business Conduct and Ethics applicable to all our directors, officers and employees. Its purpose is to promote our commitment to high standards for ethical business practices. The Code provides that it is our policy that our business be conducted with the highest level of integrity. It states that our reputation for integrity is one of our most valuable assets, and each director, officer and employee is expected to contribute to the care and preservation of that asset. Our Code addresses a number of issues, including conflicts of interest, corporate opportunities, fair dealing, confidential information and insider trading.

Pursuant to our Audit Committee Charter, all related person transactions as defined by SEC rules must be approved by our Audit Committee. Current SEC rules require disclosure of any transaction, arrangement or

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relationship in which (i) Lennar or its subsidiary is a participant, (ii) the amount involved exceeds \$120,000, and (iii) any executive officer, director, director nominee, beneficial owner of more than 5% of Lennar's common stock, or any immediate family member of any such persons has or will have a direct or indirect material interest. All directors must recuse themselves from any discussion or decision affecting their personal, business or professional interests.

Certain Relationships and Related Transactions

Except as described below, since December 1, 2014, we have not had any relationships or transactions with any of our executive officers, directors, beneficial owners of more than 5% of our Class A common stock or Class B common stock or any immediate family member of such persons that are required to be described pursuant to Item 404(a) of SEC Regulation S-K.

In August 2005, Stuart Miller, our CEO, entered into a Time-Sharing Agreement with one of our subsidiaries, which provides that Mr. Miller can sub-lease an aircraft leased by that subsidiary for non-business or personal business purposes. Under that Agreement, Mr. Miller pays the subsidiary, out of a prepayment fund established in connection with the agreement, the aggregate incremental cost of each flight based on a list of expenses authorized by federal regulations. The subsidiary retains sole discretion to determine what flights may be scheduled by Mr. Miller, and under the Agreement the Company's prior planned use of the aircraft takes precedence over Mr. Miller's non-business or personal business use. In February 2015, Mr. Miller entered into a Time-Sharing Agreement that replaced the 2005 Agreement. The 2015 Agreement has substantially the same terms as the 2005 Agreement, but it allows Mr. Miller to sub-lease additional aircraft operated by the subsidiary for non-business or personal business purposes. Mr. Miller paid our subsidiary \$309,000 under the agreements for his use of the aircraft during fiscal 2015 (the cost reimbursed by Mr. Miller was calculated in accordance with Federal Aviation Administration regulations).

In addition to reimbursing the Company for his personal use of the aircraft, in December 2008, Mr. Miller entered into an Amended and Restated Aircraft Dry Lease Agreement with us and one of our subsidiaries that, under Federal Aviation Administration rules, permits Mr. Miller, at his option, to pay on behalf of the Company the full cost of all use and ownership of the aircraft, including business use. This agreement was required because Federal Aviation Administration rules did not permit Mr. Miller to reimburse the Company for business use of the aircraft under his 2005 Aircraft Time-Sharing Agreement. Our independent directors approved the Amended and Restated Agreement. There were no reimbursements in fiscal 2015. In February 2015, Mr. Miller entered into an amendment to the Amended and Restated Aircraft Dry Lease Agreement which removed Mr. Miller as a party to it.

In January 2011, Rick Beckwitt, our President, entered into a Time-Sharing Agreement with one of our subsidiaries which provides that Mr. Beckwitt can sub-lease an aircraft leased by that subsidiary for non-business or personal business purposes. The terms of that Time-Sharing Agreement are essentially the same as those in the Time-Sharing Agreement between the subsidiary and Mr. Miller. In February 2015, Mr. Beckwitt entered into a Time-Sharing Agreement that replaced the 2011 Agreement. The 2015 Agreement has substantially the same terms as the 2011 Agreement, but it allows Mr. Beckwitt to sub-lease additional aircraft operated by the subsidiary for non-business or personal business purposes. Mr. Beckwitt paid our subsidiary \$50,000 under the agreements for his use of the aircraft during fiscal 2015.

Occasionally, a spouse or other guest may accompany Mr. Miller or Mr. Beckwitt when they are using corporate aircraft for business travel. As there is no incremental cost to Lennar for the spouse or other guest accompanying the executive on a flight, no amount has been included in the Summary Compensation Table with respect to that usage. Because there are special tax rules regarding personal use of business aircraft, Mr. Miller or Mr. Beckwitt may be treated as receiving taxable income when a spouse or guest accompanies one of them on a business trip.

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We lease charter aircraft from time to time for business-related travel for Jonathan M. Jaffe, our Chief Operating Officer (COO). We also permit leased aircraft to be available for personal use by Mr. Jaffe, for which he pays the Company, out of a prepayment fund established in connection with the arrangement, an amount equal to twice the cost of fuel for each flight. In fiscal 2015, Mr. Jaffe paid the Company \$101,000 for his personal use of charter aircraft.

In June 2015, Jeffrey Miller, Mr. Miller's brother, entered into an agreement with one of our subsidiaries which provides that Jeffrey Miller can sub-lease an aircraft leased by that subsidiary for personal purposes. The Company retains sole discretion to determine what flights may be scheduled, and the Company's prior planned use of the aircraft takes precedence over Jeffrey Miller's use. Jeffrey Miller pays for use of the aircraft based on a fee structure similar to that used by third party charter companies, and, for his use of the aircraft during fiscal 2015, he paid our subsidiary \$131,000 under the agreement. The agreement was entered into to offset the cost of the aircraft when it is not being used by the Company.

Risk Management

Board Role in Management of Risk

Our Board is actively involved in the oversight and management of risks that could affect Lennar. Management, in consultation with the Board, identifies areas of risk that particularly affect us and assigns senior members of our management to report to the Board on each of those areas of risk on a rotating basis at the regularly scheduled quarterly Board meetings. The areas of risk reported to the Board change from time to time based on business conditions, advice of outside advisors, and review of risks identified by our competitors in their public filings. Currently, the risk areas reported on to our Board on a regular basis relate to joint ventures, housing inventory and land supply, construction costs, quality and warranty, financial services, associate retention and human resources, legal, natural disasters and information technology, taxation, Rialto's business, our multifamily business, our commercial business, and our solar business.

Our Board of Directors also asks for and receives reports on other risks that affect the Company after review of business presentations made during regular Board reviews. In addition, one of the responsibilities of our Audit Committee is to discuss and review policies with respect to risk assessment and risk management, including guidelines and policies governing our risk assessment and risk management processes.

Compensation Related Risks

In early 2016, as part of our risk management process, we conducted a comprehensive review and evaluation of our compensation programs and policies. The assessment covered each material component of executive and non-executive employee compensation. In evaluating our compensation components, we identified the following risk-limiting characteristics:

All material transactions, including land acquisitions, debt incurrences and joint venture relationships that may impact compensation, are reviewed by at least one member of our Board of Directors. The payment of cash bonuses to our senior executives and other members of our senior management are based upon achievement of performance goals. While a potentially substantial amount of the compensation of our CEO, our President and our COO is tied to short-term Company performance, it is balanced by the compensation of our Chief Financial Officer (CFO) and our General Counsel, whose bonus targets are based on, among other factors, the performance of the Company in its adherence to

corporate governance, policies and procedures and the results of an annual internal audit evaluation. While incentive compensation for our senior management in our Rialto segment consists of a percentage of the segment's annual profits, all significant investment decisions regarding the Rialto segment or assets it manages must be approved by our senior corporate management.

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A high percentage of our overall pay mix to senior management and key employees is equity based, which incentivizes efforts to generate long-term appreciation of stockholder value.

Equity awards to our executive officers vest over a three-year period, which mitigates against taking short-term risks.

Our Stock Ownership Guidelines require executive officers to hold any vested restricted stock until the aggregate amount of their stock ownership exceeds a multiple of their annual base salary.

Director Compensation

General. The Board maintains a compensation program for the non-employee directors of the Board. Our current Board compensation program, and the program under which the Board was compensated in fiscal 2015, is comprised of the following types and levels of compensation:

Annual Equity Grant. At the time of each annual meeting, each non-employee director receives a grant of 2,000 shares of our Class A common stock. Directors are permitted to sell 50% of that stock at any time but are required to hold the remaining 50% of the stock until the second anniversary of the grant date. In addition, each non-employee director receives options to purchase 2,500 shares of our Class A common stock at an exercise price equal to the fair value of our Class A common stock on that date. These options become exercisable six months after the grant date and expire on the third anniversary of the grant. Pursuant to this program, on April 8, 2015, each non-employee director at that time was granted 2,000 shares of Class A common stock, 50% of which may not be transferred until the second anniversary of the date of grant. In addition, each non-employee director at that time was granted stock options to purchase 2,500 shares of Class A common stock with an exercise price of \$51.26 per share, the closing price of the Class A common stock on April 8, 2015, and which are exercisable six months after the grant date and expire on the third anniversary of the grant.

Retainer and Committee Fees Paid in Cash. Each non-employee director is entitled to receive an annual retainer of \$90,000, payable on a quarterly basis, 50% in cash and 50% in shares of our Class A common stock. Those who serve on our Audit Committee are paid an additional retainer of \$25,000 (or \$30,000 for the committee Chairman); those who serve on our Compensation Committee are paid an additional retainer of \$15,000 (or \$20,000 for the committee Chairman); and those who serve on our NCG Committee are paid an additional retainer of \$10,000 (or \$15,000 for the committee Chairman). Committee retainers are paid quarterly in cash. Non-employee directors are also reimbursed for incidental expenses associated with each Board of Directors and/or committee meeting. Our Lead Director receives an additional \$75,000 per year for his services in that capacity, paid quarterly in cash. Directors who are employees do not receive any additional compensation for their services as a director.

Compensation Deferral. A director may elect to defer payment of both the cash and stock portion of the annual and committee retainers until the year of the member's separation from service as a director or the member's death. If a director makes this election, a number of phantom shares of Class A common stock with a value equal to the amount of the deferred retainers is credited to the director's deferred compensation account each quarter. Amounts equal to the dividends that would have been paid if the phantom shares had actually been outstanding are also credited to the director's accounts and treated as though they were used to purchase additional shares of Class A common stock. Upon termination of a director's deferred compensation account, the director will receive cash equal to the value of the number of phantom shares of Class A common stock or Class B common stock credited to the director's account. The value of the phantom shares of Class A common stock and Class B common stock is determined by multiplying the phantom shares by the closing price of the applicable common stock on either the date of the director's death or the date during the year of the director's separation from service that the director sends a notice to the Company requesting the settlement of such director's phantom share account.

For fiscal 2015, each of Messrs. Gilliam, Hudson, Lapidus, Olivera and Sonnenfeld, and Ms. McClure had elected to defer payment of both the cash and stock portions of their fees. During fiscal 2014, Mr. Gerard

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elected to terminate his participation in the deferred compensation program, which termination was effective during the third quarter of fiscal 2015. As a result, Mr. Gerard only participated in the deferred compensation program for the first two quarters of fiscal 2015.

Mr. Landon participated in the deferred compensation program until his death in March 2015, at which time his estate received a cash payment based on the amount of phantom shares that had been credited to his account, as discussed further below. Mr. Landon had planned to retire from the Board in April 2015, and had served as a member of the Board since 1999. The table below sets forth the aggregate number of phantom shares of Class A common stock and Class B common stock held by each director in their respective deferred compensation accounts at November 30, 2015:

Name	Aggregate Number of Shares of Phantom Stock Held in Deferred Compensation Account at November 30, 2015	
	Class A	Class B
Irving Bolotin	-	-
Steven L. Gerard	47,225	388
Tig Gilliam	17,138	-
Sherrill W. Hudson	37,997	-
Sidney Lapidus	32,913	-
Teri P. McClure	5,031	-
Armando Olivera	2,194	-
Jeffrey Sonnenfeld	33,033	-

On March 24, 2015, the date of Mr. Landon's death, he had 51,866 phantom shares of Class A common stock and 698 phantom shares of Class B common stock in his deferred compensation account. On that date, the closing price of the Company's Class A common stock and Class B common stock was \$50.44 and \$40.43, respectively. As a result, the Company paid \$2,644,341 to settle Mr. Landon's deferred compensation account.

The following table sets forth information regarding the compensation of our non-employee directors for fiscal 2015. Mr. Miller, our CEO, is omitted from the table as he does not receive any additional compensation for his services as a director.

Name	Fees Earned or Paid in				All Other Compensation	Total
	Cash (\$)(1)	Stock Award (\$)(1)(2)	Option Award (\$)(3)	(\$)(4)		
Irving Bolotin	80,000	147,469	16,000	51	243,520	
Steven L. Gerard	90,000	147,484	16,000	7,151	260,635	
Tig Gilliam	95,000	147,520	16,000	2,427	260,947	
Sherrill W. Hudson	90,000	147,520	16,000	5,625	259,145	
R. Kirk Landon ⁽⁵⁾	42,500	22,500	-	1,930	66,930	
Sidney Lapidus	120,000	147,520	16,000	4,816	288,336	
Teri P. McClure	70,000	147,520	16,000	573	234,093	

Armando Olivera	63,750	168,809	19,255	126	251,940
Jeffrey Sonnenfeld	60,000	147,520	16,000	4,870	228,390

- (1) Each of Messrs. Gilliam, Hudson, Landon, Lapidus, Olivera and Sonnenfeld, and Ms. McClure decided to defer 100% of both the cash and stock portion of their annual and committee retainers. Pursuant to the terms of our Outside Directors Compensation Program, these amounts were credited in the form of phantom shares of Class A common stock to such director's deferred compensation account. Mr. Gerard elected to terminate his participation in the deferred compensation program, which termination became effective during the third quarter of fiscal 2015. The table

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below sets forth the cash and stock portion of the deferred fees and the phantom shares credited to each participating directors' account for fiscal 2015.

Name	Deferred Cash Fees (\$)	Deferred Stock Awards (\$)	Phantom Shares Credited to Account
Steven L. Gerard	45,000	22,500	1,396
Tig Gilliam	95,000	45,000	2,819
Sherrill W. Hudson	90,000	45,000	2,718
R. Kirk Landon	42,500	22,500	1,292
Sidney Lapidus	120,000	45,000	3,322
Teri McClure	70,000	45,000	2,315
Armando Olivera	63,750	45,000	2,191
Jeffrey Sonnenfeld	60,000	45,000	2,115

- (2) Amount reflects (i) 50% of the annual retainer fee, or \$45,000, payable in shares of Class A common stock and (ii) the fair market value of 2,000 shares of Class A common stock granted as part of the annual equity grant. The annual equity grant award was made on April 8, 2015 to each of Messrs. Bolotin, Gerard, Gilliam, Hudson, Lapidus, Olivera and Sonnenfeld, and Ms. McClure and had a grant date fair value of \$51.26 per share. These shares were fully vested upon issuance, but 50% of the shares are subject to a two-year minimum holding period from the date of issuance. As set forth above, each of Messrs. Gerard (for the first two quarters of fiscal 2015), Gilliam, Hudson, Landon (for the period served), Lapidus, Olivera and Sonnenfeld, and Ms. McClure deferred receipt of the stock portion of his or her 2015 annual retainer fee. Mr. Olivera received a grant when he joined the Board on January 13, 2015 of 460 shares of Class A common stock with a grant date fair value of \$46.28 per share. These shares were fully vested upon issuance, but 50% of the shares are subject to a two-year minimum holding period from the date of issuance.
- (3) Grants of stock options to purchase 2,500 shares of our Class A common stock for \$51.26 per share were made to each non-employee director on April 8, 2015. The grant date fair value of these stock options was \$6.40 computed in accordance with FASB ASC Topic 718. In addition, Mr. Olivera received an option to purchase 575 shares of our Class A common stock for \$46.28 per share on January 13, 2015. The grant date fair value of these stock options was \$5.66 computed in accordance with FASB ASC Topic 718. The table below sets forth the aggregate number of unexercised stock options for Class A common stock held at November 30, 2015 by each of our non-employee directors.

**Aggregate Number of Unexercised
Stock Options**

Held at November 30, 2015

Name	Held at November 30, 2015
Irving Bolotin	7,500
Steven L. Gerard	7,500
Tig Gilliam	7,500
Sherrill W. Hudson	7,500
R. Kirk Landon	-
Sidney Lapidus	7,500
Teri P. McClure	7,500

Armando Olivera	3,075
Jeffrey Sonnenfeld	7,500

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- (4) With respect to Mr. Bolotin and Mr. Gerard (for the second two quarters of fiscal 2015), the amount reflects cash in lieu of fractional shares relating to quarterly Board and committee fees paid in stock. For all other directors, and Mr. Gerard with respect to the first two quarters of fiscal 2015, the amounts reflect dividends payable on phantom shares held in the director's deferred compensation account. These deferred dividends are credited to the director's deferred compensation account in the form of additional phantom shares, calculated at the fair market value of a share of our Class A common stock on the dividend record dates. The table below sets forth the phantom shares credited to each participating director's account from deferred dividends for fiscal 2015.

Name	Dividends Deferred (\$)	Phantom Shares Credited to Account from Deferred Dividends
Steven L. Gerard	7,115	143
Tig Gilliam	2,427	49
Sherrill W. Hudson	5,625	113
R. Kirk Landon	1,930	42
Sidney Lapidus	4,816	97
Teri McClure	573	11
Armando Olivera	126	3
Jeffrey Sonnenfeld	4,870	98

- (5) Mr. Landon received a prorated amount of deferred compensation for his period of service as a director during the year.

Table of Contents**III. COMPENSATION DISCUSSION AND ANALYSIS**

This Compensation Discussion and Analysis describes our compensation philosophy, policies and plans and their objectives, our compensation-setting process, and the 2015 compensation of our named executive officers, or NEOs. In addition, we explain why we believe that our executive compensation plan is in the best interests of you, our stockholders.

For fiscal 2015, our named executive officers were:

Stuart A. Miller	Chief Executive Officer
Rick Beckwitt	President
Jonathan M. Jaffe	Vice President and Chief Operating Officer
Bruce Gross	Vice President and Chief Financial Officer
Mark Sustana	Secretary and General Counsel

As discussed in Proposal 3 on page 42, we are conducting a Say on Pay vote that requests your approval, on an advisory basis, of the compensation of our named executive officers as described in this section and in the tables and accompanying narrative contained in the discussion captioned Executive Compensation. In connection with that vote, you should review our compensation philosophies, the design of our executive compensation programs and how, we believe, these programs have contributed to the strong financial performance that Lennar has provided to stockholders.

Executive Summary

We Tie Our Executives Compensation to Performance. We believe that one of the best methods for aligning the interests of our senior executives with those of our stockholders is to tie a significant portion of their compensation to our financial and operational performance. With respect to our three named executive officers whose responsibilities are to grow our business, our CEO, our President and our COO, this translates into:

Approximately 94% of our CEO s, 95% of our President s, and 95% of our COO s, total direct compensation (base salary, annual cash incentive awards, and equity-based incentive awards) for fiscal 2015 was variable and tied directly to the financial performance of the Company;
 Annual incentive awards of our CEO, our President and our COO are a percentage of pretax income the metric that we believe most directly translates into stockholder value; and
 Equity awards are earned only if the Company accomplishes financial and operational metrics which we believe contribute to long-term growth and, upon being earned, the awards vest in three equal annual installments.

With respect to our other two named executive officers, our CFO and our General Counsel, whose principal responsibilities are the establishment and maintenance of strong corporate controls and regulatory compliance, we base their bonus targets on their individual performance, the performance of the Company in its adherence to corporate governance, policies and procedures, the results of an annual internal audit evaluation and, in the case of our CFO, the pretax income of our Lennar Financial Services segment which he oversees. The bonus each executive is awarded is based on the extent to which the executive achieves his target and the Company s financial performance, measured by our pretax income. Equity awards are service-based and vest over three years. As a result, 87% of our CFO s total direct compensation and 78% of our General Counsel s total direct compensation for 2015 was performance or equity based.

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We Maintain Strong Executive Compensation Policies. We maintain strong executive compensation policies to further align our executives' interests with those of our stockholders. Specifically, we have:

Stock ownership guidelines. We have a minimum stock ownership requirement for all of our executive officers. All of the NEOs significantly exceed their minimum stock ownership requirements.

No employment agreements. We do not have employment agreements, severance agreements, or change of control agreements with any of our executive officers and all equity grants are subject to a double trigger requirement to accelerate vesting in connection with a change of control.

2015 Compensation Reflects Exceptional 2015 Company Performance. During fiscal 2015, we achieved exceptional financial and operational performance, including:

Net earnings of \$802.9 million up 26%

Revenues of \$9.5 billion up 22%

Deliveries of 24,292 homes up 16%

New orders of 25,106 homes up 14%

Revenues from home sales increased 22% in the year ended November 30, 2015 to \$8.3 billion from the prior fiscal year and gross margins on home sales were \$2.0 billion or 24% in the year ended November 30, 2015. During fiscal 2015, we also had strong performances from our other business segments. Our Lennar Financial Services segment had operating earnings of \$127.8 million. Rialto generated \$28.8 million of operating earnings attributable to Lennar and completed the first closing in its third real estate investment fund with over \$510 million in commitments from investors. Our Multifamily rental business continued to grow during fiscal 2015, and completed the first closing of a venture for the development, construction and property management of class-A multifamily assets. The venture has approximately \$1.1 billion of equity commitments, including a \$504 million co-investment commitment by Lennar. Finally, our FivePoint Communities, a consolidated joint venture, is managing the entitlement and development of some of what we believe are the most desirable real estate assets in California. During 2015, we entered into an agreement to combine three of FivePoint's master planned mixed-used developments in California under a single holding company together with the existing FivePoint Communities management company when and if the holding company completes an initial public offering.

Compensation Setting Process

We designed our executive compensation to:

- attract, motivate and retain highly qualified and experienced executives;
- recognize valuable individual performance and motivate executives to maximize the Company's short-term and long-term performance;
- maintain flexibility to ensure that awards are competitive within our peer group of homebuilders and Fortune 500 companies;
- align the interests of our executives with those of our stockholders; and
- promote adherence to corporate governance, and company policies and values.

Role of the Compensation Committee

Our Compensation Committee annually evaluates and approves the compensation for our CEO and our most senior executive officers, including all the named executive officers. Its determinations regarding the compensation of our senior executive officers take into account information about compensation being paid by other homebuilders or companies engaged in other activities of the type in which we are engaged, as well as recommendations by our CEO (except regarding himself) and other members of our senior management, and any other factors the Compensation Committee believes to be applicable.

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Role of the Independent Compensation Consultant

The Compensation Committee has the authority to engage compensation consultants. In previous years, the Compensation Committee engaged F.W. Cook & Co., Inc., an independent management compensation consulting firm. However, neither the Compensation Committee nor management engaged the services of outside experts during fiscal 2015 for the purpose of providing advice on executive and director compensation.

Role of Management

Our CEO and our President provide written background and supporting materials for review at Compensation Committee meetings, attend Compensation Committee meetings at the Committee's request, and provide information regarding, and make recommendations about, designs for and, if warranted, changes to our executive compensation programs. Our CEO and our President provide reviews of each executive officer's performance and recommend compensation actions for executive officers other than themselves.

Use of Compensation Survey Data

We use compensation data regarding what we view as our peer group of publicly-traded homebuilding companies to analyze compensation decisions in light of current market rates and practices, and to help ensure that our compensation decisions are reasonable in comparison to the compensation paid by our peer group and in view of the value of particular executives to Lennar. In connection with setting fiscal 2015 compensation, the Compensation Committee reviewed summaries of information disclosed in public filings by the following publicly traded homebuilders that the Compensation Committee views as our peer group (Peer Group), based on revenue and home closings:

Beazer Homes USA, Inc.
D.R. Horton, Inc.
Hovnanian Enterprises
KB Home
Toll Brothers, Inc.
The Ryland Group, Inc. *

Meritage Homes Corp.
NVR, Inc.
Pulte Homes, Inc.
Standard Pacific Corp.*
M.D.C. Holdings, Inc.

* In October 2015, these companies completed their merger and the surviving company was named CalAtlantic Group, Inc.

In addition, the Compensation Committee reviewed information about compensation levels generally paid by Fortune 500 companies. The Compensation Committee does not design our executive compensation programs to fit within a specific percentile of the executive compensation programs of the Peer Group companies, the Fortune 500 companies or any other peer group or survey. Rather, the Compensation Committee compares numerous elements of executive compensation, including base salaries, annual incentive compensation and long-term cash and equity based incentives to assist in determining whether proposed compensation programs are competitive, and then uses its experience and judgment to make final compensation decisions.

Consideration of Stockholder Advisory Vote

As part of its compensation setting process, the Compensation Committee also considers the results of the prior-year's stockholder advisory vote on our executive compensation to provide useful feedback. As part of its 2015 compensation setting process, the Compensation Committee reviewed the results of the 2015 stockholder advisory vote, including the fact that approximately 92% of the votes cast were voted in favor of our executive compensation. The Compensation Committee intends to annually review the results of the

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advisory vote and will be cognizant of this feedback as it completes its annual review of the compensation packages for our named executive officers.

Compensation Plans

Our 2007 Equity Plan provides for the issuance of stock-based awards, such as options and restricted stock, to officers, directors, or associates of the Company and its subsidiaries, or individuals who provide significant services to the Company or its subsidiaries. The aggregate number of shares of Class A common stock or Class B common stock that may be subject to awards granted under the 2007 Equity Plan is 25 million shares. The 2007 Equity Plan will expire in January 2017. We are proposing, subject to stockholder approval, to replace it with the 2016 Equity Incentive Plan. Please see Proposal 4 for more information about the 2016 Equity Incentive Plan. Our 2012 Incentive Compensation Plan enables the Compensation Committee to establish performance goals for officers and other associates of the Company and its subsidiaries to determine bonuses which will be awarded on the basis of such performance goals. We are proposing, subject to stockholder approval, to replace it with the 2016 Incentive Compensation Plan. Please see Proposal 5 for more information about the 2016 Incentive Compensation Plan.

Executive Compensation Components and 2015 Compensation Decisions

Our executive officers do not have employment agreements. This gives the Compensation Committee flexibility to change the components of our executive compensation program in order to remain competitive in the market and address economic conditions. Our executive compensation program currently has three components of total direct compensation: (1) base salary, (2) annual cash incentive awards, and (3) equity-based incentive awards.

Element	Description	Primary Objectives
Base Salary	Fixed cash payment	To attract and retain executives by offering salaries that are competitive with market opportunities and that recognize each executive's position, role, responsibility and experience.
Annual Cash Incentive Award	Variable performance-based cash payment	To motivate and reward the achievement of annual financial performance.
Equity-Based Incentive Award	Performance-based restricted stock, with respect to our CEO, our President and our COO. Service-based restricted stock, with respect to our CFO and our General Counsel	To align executives' interests with the interests of stockholders, motivate executives to maximize our long-term, as well as our short-term, performance and promote employee retention.

We do not have a formal policy relating to the allocation of total compensation among the various components. However, our Compensation Committee believes executives with more influence over our operating and financial performance should have a greater portion of their compensation dependent upon the achievement of the performance objectives. The Compensation Committee believes that those executives who are responsible for growth should have the largest portion of their compensation from (i) annual cash incentive awards that are directly based on our financial performance, without a cap to motivate annual profitability and (ii) equity-based awards whose value is based on the long-term appreciation of our stock price. By comparison, those named executive officers whose responsibilities are

the establishment and maintenance of strong corporate controls and regulatory compliance should have a larger percentage of their direct compensation from their base salary and from annual incentive awards based on, among other factors, the performance of

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the Company in its adherence to corporate governance, policies and procedures and the results of an internal audit evaluation to avoid undue risk taking.

Base Salaries

Why we pay base salaries. The Compensation Committee believes that payment of competitive base salaries is an important element in attracting, retaining and motivating our executives. In addition, the Compensation Committee believes that having a certain level of fixed compensation allows our executives to dedicate their full time business attention to our Company.

How base salaries are determined. When the Compensation Committee sets the base salaries for the NEOs, it considers a number of factors, including:

- level of experience and responsibility;
- ability to contribute to meeting annual operating objectives;
- level of pay required to retain the executive's services in light of market conditions;
- average base salary of comparable executives in our Peer Group; and
- market changes and the economic and business conditions affecting Lennar at the time of the evaluation.

When setting base salaries, the Compensation Committee does not assign a specific weight to any individual factor, or apply any specific formula as to how base salary should compare to that of similar employees of our Peer Group.

Except for the base salaries of our President and our General Counsel, the base salaries of our NEOs have remained unchanged since 2007. The base salary of our CEO has remained unchanged since 2003.

2015 Base Salary Decisions. We increased the base salary of Mr. Sustana by 12.5% to bring his base salary more in line with comparable market compensation. We did not increase the base salaries of our other NEOs in fiscal 2015.

Annual Cash Incentive Compensation

Why we pay annual cash incentive compensation. The Compensation Committee believes that annual cash incentive compensation encourages executive officers to focus on the Company's annual profitability. Our annual cash incentive awards are made under our 2012 Incentive Compensation Plan.

How Annual Incentive Compensation is determined.

CEO, President and COO. The cash bonus for our CEO, our President and our COO is based on a percentage of our pretax income, which is net earnings attributable to Lennar plus/minus income tax expense/

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benefit (Pretax Income). Pretax Income takes into account and adjusts for goodwill charges, losses or expenses on early retirement of debt and impairment charges. The cash bonus for our CEO, our President and our COO is not capped. We believe that our executives' pay should be linked to the performance of Lennar and that linking the annual cash bonus to Pretax Income achieves this goal. As a result, there have been years, such as fiscal 2008 and 2009 during the economic downturn, when these executives did not receive a cash bonus, and other years, such as more recent years when Lennar has returned to profitability, when the executives have received significant cash bonuses.

In June 2014, our Compensation Committee reviewed an analysis of the compensation Lennar paid to its senior executives compared with that paid by 11 other publicly traded homebuilding companies. This included an analysis of the fiscal year 2013 compensation paid to our Chief Executive Officer with that paid in fiscal 2013 to the chief executive officers of each of the 11 other homebuilding companies and with the fiscal 2013 compensation of the chief executive officers of the companies in the Fortune 500. It also included an analysis of the fiscal 2013 compensation paid to our President and to our Chief Operating Officer compared with the compensation paid in fiscal 2013 to the persons in comparable positions by three of the homebuilding companies and the compensation paid in fiscal 2013 to the presidents of the companies in the Fortune 500. In January 2015, the Compensation Committee reviewed a comparison of the fiscal 2014 compensation of our Chief Executive Officer, our President and our Chief Operating Officer, which included cash incentive bonuses equal to 1.25%, 1.15% and 1.15%, respectively, of Lennar's fiscal 2014 pretax income, with that of the persons in similar positions at the publicly traded homebuilding company that is most nearly comparable in size with Lennar and companies in the Fortune 500. Based in part on its review of those analyses, and in part on the results Lennar had achieved during fiscal 2014 and expected to achieve during fiscal 2015, the Compensation Committee decided that the compensation of our Chief Executive Officer, our President and our Chief Operating Officer for fiscal 2014 had been appropriate and determined to apply a formula which included cash incentive bonuses equal to 1.25%, 1.15% and 1.15%, respectively, of Lennar's fiscal 2015 pretax income, in determining their compensation for fiscal 2015.

CFO and General Counsel. Mr. Gross and Mr. Sustana each had the opportunity to earn a target award of 100% of base salary based on the performance criteria set forth in the table below, and to receive an additional cash bonus of up to 50% of the target award based on our achievement of between 100% and 115% of our forecasted Pretax Income of \$1.1 billion for fiscal 2015 (Business Plan). For example, if we achieved 107.5% of our Business Plan, the additional cash bonus would be 25% of the target award that was earned, resulting in a total cash bonus of 125% of the executive's base salary.

The formula for determining each of Mr. Gross' and Mr. Sustana's target award based on performance is set forth in the table below:

Performance Criteria	Portion of 100% Target Award	Performance	
		Levels/Target Bonus Opportunity Threshold	% of Target
Individual performance ⁽¹⁾	Up to 60%	Good	20%
		Very Good	40%
		Excellent	60%
Corporate Governance, Company Policy and Procedure Adherence, and Internal	Up to 40%	Good	10%

Audit Evaluation ⁽²⁾	Very Good	25%
	Excellent	40%
Target Award	100%	

(1) Individual performance is based on an annual performance appraisal review.

(2) Determined by the Nominating and Corporate Governance Committee.

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In addition, Mr. Gross, who oversees our Lennar Financial Services segment, had the opportunity to earn 1.00% of our Lennar Financial Services pretax income, which is the operating earnings of our Lennar Financial Services segment (LFS Pretax Income).

2015 Annual Incentive Compensation Decisions.

CEO, President and COO. Based on our Pretax Income of \$1.2 billion, Messrs. Miller, Beckwitt and Jaffe were entitled to cash bonus payments of \$15,369,714, \$14,140,137 and \$14,140,137, respectively. However, upon the recommendation of Messrs. Miller, Beckwitt and Jaffe, and in order to keep their total compensation (base salary, cash bonus and equity grant) the same as their fiscal 2014 compensation, the Compensation Committee used its discretion to reduce Messrs. Miller, Beckwitt and Jaffe's cash bonus payments to \$11,805,133, \$10,922,090 and \$11,187,215, respectively.

CFO and General Counsel. Based on a review of the target award performance criteria, the Compensation Committee determined that Mr. Gross and Mr. Sustana were entitled to the maximum percentages of their respective target awards.

With respect to Mr. Gross, in determining the score earned for individual performance, the following were highlighted: overall contribution to strong financial and accounting controls and to the Company's solid performance during fiscal 2015. In determining the score earned for Corporate Governance, Company Policy and Procedure Adherence, and Internal Audit Evaluation the following were highlighted: overall contribution to strong internal control environment resulting in positive internal audit results, leadership in response to governance challenges during the year and overall contribution to continuing development of corporate governance programs and policies. No specific weight was given to any particular factor in the evaluations and no one factor was material. For fiscal 2015, we achieved 112.8% of our Business Plan. As a result, Mr. Gross was entitled to a cash bonus of 142.8% of his base salary, or \$928,200. Based on our LFS Pretax Income of \$127.8 million, Mr. Gross was entitled to \$1,277,952 for that portion of the award. Accordingly, Mr. Gross received a cash bonus payment of \$2,206,152 under the incentive program.

With respect to Mr. Sustana, in determining the score earned for individual performance, the following were highlighted: successful resolution of litigation matters, including precedent setting litigation victories in appellate courts, strong level of support provided to business units, overall contribution to the Company's solid performance during fiscal 2015 and successful recovery of insurance claims. In determining the score earned for Corporate Governance, Company Policy and Procedure Adherence, and Internal Audit Evaluation the following were highlighted: overall contribution to control environment resulting in positive internal audit results, leadership in response to legal and governance challenges during the year and overall contribution to continuing development of corporate governance programs and policies. No specific weight was given to any particular factor in the evaluations and no one factor was material. For fiscal 2015, we achieved 112.8% of our Business Plan. As a result, Mr. Sustana was entitled to a cash bonus of 142.8% of his base salary, or \$642,600 under the incentive program. In recognition of results achieved with respect to the Company's litigation and the management of lobbying efforts, the Compensation Committee also granted a cash award of \$32,400 to Mr. Sustana for such efforts. This cash award is separate from the 2015 target bonus incentive program.

Table of Contents**Equity-Based Compensation**

Why we pay equity-based compensation. The Compensation Committee's philosophy is that a significant component of a senior executive's compensation should be long-term incentive compensation in the form of restricted stock so as to align the financial interests of our senior executives with those of our stockholders. Since 2009, we have provided long-term equity incentive awards solely in the form of restricted stock, both performance-based and service-based. The Compensation Committee believes that giving equity incentives to our senior executives in the form of restricted stock also:

- motivates our senior management to maximize our long term, as well as our short term, performance;
- helps us attract and motivate highly qualified and experienced executives; and
- helps retain key personnel as a result of deferred vesting.

How equity-based compensation is determined. Annually, the Compensation Committee evaluates the appropriate form of equity-based compensation that Lennar will grant as part of its long term incentive compensation and approves the dollar value of long-term equity awards that will be granted to each NEO.

During 2015, our Compensation Committee reviewed the effect that our restricted stock grant program had on our retention of our senior executives. The Committee decided that the program had provided, and continued to provide, a strong retention incentive for senior management and that, because of the "stacking" effect, a program of annual grants that vests in three annual installments provides better employee retention benefits than a grant that vests upon the grant date. The Compensation Committee also believes that restricted stock awards provide a strong retention incentive for other key associates. In 2015, the Compensation Committee decided that we should continue making grants of restricted stock to a wider group of key associates, and, with the approval of the Compensation Committee, in June 2015, the Company awarded grants of restricted stock to senior management, our Division Presidents, our key Regional managers and other key associates (226 persons). One-third of the restricted stock awarded to an associate in June 2015 will vest on each of July 2, 2016, July 2, 2017, and July 2, 2018 and unvested shares will, under most circumstances, be forfeited if the associate terminates his or her employment with us.

The number of shares of restricted stock to be awarded to members of our senior management was based upon recommendations by our CEO, our President and other members of our senior management, followed by a review by our Compensation Committee of the total compensation our senior management had received over the last five years, a comparison of their 2014 compensation with that of similarly positioned executives at the Peer Companies, a review of total potential compensation for fiscal 2015, as well as consideration of each executive's responsibilities and expected contributions to our company. When considering the number of shares to award, the Compensation Committee did not assign a specific weight to any individual factor, or consider any policy as to how the compensation should compare to that of employees performing similar functions for our Peer Group.

2015 Equity Based Compensation Decisions. In June 2015, the Compensation Committee approved the following awards of restricted Class A common stock for our NEOs under the 2007 Equity Incentive Plan:

Officer	Restricted Stock Value (\$)	Restricted Stock (#)
Stuart A. Miller	5,096,000	104,000
Rick Beckwitt	4,263,000	87,000
Jonathan M. Jaffe	2,425,500	49,500
Bruce Gross	1,960,000	40,000
Mark Sustana	931,000	19,000

CEO, President and COO. The equity awards granted to Messrs. Miller, Beckwitt and Jaffe in June 2015 were performance shares which would be earned if Lennar achieved at least three of the five performance

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goals set forth below. The shares of restricted stock would then vest in equal installments on each of July 2, 2016, July 2, 2017 and July 2, 2018. The Compensation Committee awarded performance shares to these executive officers because the Committee believes that their responsibility for growing our business translates into earning equity awards only if the Company achieves financial and operational metrics which reflect growth.

The Compensation Committee set the 2015 corporate financial and operational performance goals higher than our 2014 results, except for gross margin and homebuilding debt-to-capital ratio. In January 2016, the Compensation Committee determined that each of the five performance goals had been achieved.

Performance Measure	November 30, 2014 Results	November 30, 2015 Performance Goals	November 30, 2015 Results	Performance Goals Achieved
Revenues for the nine months ended	\$6.42 billion	\$7.30 billion	\$7.83 billion	Yes
Homes Deliveries for the nine months ended	17,394	18,725	19,990	Yes
Gross Margin for the nine months ended	25.4%	23.25%	24.2%	Yes
Active Community Count as of	625	650	665	Yes
Homebuilding Debt-to-Capital Ratio as of	49.1%	Less than 52.0%	47.1%	Yes

CFO and General Counsel. The equity awards granted to Mr. Gross and Mr. Sustana in June 2015 were service-based restricted stock, which will vest in equal installments on each of July 2, 2016, July 2, 2017 and July 2, 2018. The Compensation Committee awarded service-based restricted stock to these executive officers because the Committee believes that their responsibility for the establishment and maintenance of strong corporate controls and regulatory compliance translates into the stability of service based vesting.

Other Benefits

Our NEOs are eligible to receive a 50% match on their 401(k) contributions up to \$7,950 for both 2015 and 2016, and participate in our active employee flexible benefits plans, which benefits are generally available to all full-time associates. Under the flexible benefits plans, all associates are entitled to medical, vision, dental, life insurance and long-term disability coverage. We also provide certain of our executive officers with a car allowance which varies based on level, term life insurance and long-term disability insurance. The Compensation Committee believes that Lennar's commitment to provide these employee benefits recognizes that the health and well-being of its associates contributes directly to a productive and successful work life that enhances results for Lennar and its stockholders.

Change of Control Benefits

Our equity plan provides for accelerated vesting of outstanding equity awards if there is a combination of a change of control together with certain employment termination events (i.e., a "double trigger"). A summary of potential payments relating to a change of control can be found under the heading "Potential Payments Upon Termination or Change-in-Control" on page 36.

Table of Contents**Other Compensation Practices**

Executive and Director Stock Ownership Guidelines. Our Board has adopted Stock Ownership Guidelines establishing minimum equity ownership requirements for our executive officers and each member of our Board. The purposes of the guidelines are to align the interests of those executives and directors with the interests of stockholders and further promote our commitment to sound corporate governance. Under those guidelines, a person is expected to own, by a date not later than five years after the person is elected as a director or is appointed to his or her position as an executive officer, shares of our common stock with a value on that date equal to the following multiple of the person's annual directors fee or annual base salary:

Position	Base Salary/Fee Multiple Requirement
Director	5x
Chief Executive Officer	6x
President	5x
Chief Operating Officer	5x
Chief Financial Officer	3x
Treasurer	2x
General Counsel/ Secretary	2x
Controller	2x

Until the required stock ownership level is achieved, a person is required to retain at least 50% of the restricted shares that become vested and the shares the person acquires through exercise of stock options, other than shares sold to enable the person to pay taxes resulting from the vesting or exercise. If the required level is not achieved within five years after a person is elected as a Director or appointed to his or her position as an executive officer, until the required level is achieved, the person will be required to retain 100% of the restricted shares that become vested and the shares the person acquires through exercise of stock options, other than shares sold to enable the person to pay taxes resulting from the vesting or exercise.

As of January 31, 2016, all of our named executive officers and directors were in compliance with our Stock Ownership Guidelines. As indicated in the table below, our named executive officers had stock ownership levels well above their respective ownership requirements.

NEO	Base Salary/Fee Multiple Requirement	Actual Base Salary Fee Multiple as of January 31, 2016⁽¹⁾
Stuart A. Miller	6x	903x
Rick Beckwitt	5x	54x
Jonathan M. Jaffe	5x	32x
Bruce Gross	3x	41x
Mark Sustana	2x	14x