



FDI: Lennar Corporation Fails To Pay State Tax Lien Of \$88,000 While Awaiting \$320 Million Federal Tax Refund, A Walking Contradiction

FDI also points out the recent, record stock option gifts given to Lennar (NYSE:LEN) senior management at the same time the company stacks up losses

For Immediate Release

SAN DIEGO/EWORLDWIRE/Jan. 14, 2010 --- The Fraud Discovery Institute Inc. (FDI) today released evidence of an outstanding \$88,000.00 state corporate tax lien leveled against Lennar Corporation (NYSE:LEN) in the very state it conducts business - Florida.

Meanwhile and simultaneously Lennar awaits a federal \$320 million tax refund. Lennar closed its Nov. 30 quarter with what appeared to be profit for the first time since early 2007. According to FDI Co-founder Barry Minkow, "Wall Street expected a loss, and shares rose on the news of the profit - but was it really a profit? Not really."

The company had a loss of \$285 million, but thanks to \$320 million in tax refunds the company was gifted by the U.S. government - based on the opportunity to carry back some losses, Lennar was able to show a \$35 million profit for the quarter.

The company posted a \$417 million loss for the year including the \$320 million gift, which is really a \$737 million loss without that gift from the taxpayers. "The funds are a gift Lennar clearly does not deserve based on the fact that the state in which the company does business, Florida, had to go to the extent of filing a tax lien on past corporate taxes," stated Minkow, "which to date has not been satisfied."

Moreover, the Lennar executives believe their behavior should be rewarded for failing to pay taxes and creating substantial losses as evidenced by the hefty amounts of stock given to certain executives on Nov. 30, 2009. This action occurred despite the company failing to generate a profit; the number of shares gifted is the highest award granted since 2006. The total number of shares awarded was 1.16 million, with a market value of almost \$15 million on the day they were awarded.

"This boon is in conjunction with the upcoming news of a 'profit' for the quarter - all due to a clever sleight of hand tax refund of \$320 million - a refund clearly undeserved as Lennar has failed to pay its own state \$88,000," added Minkow. "The share price jumped up over 12 percent the day of the press release, adding millions to the value of the shares Lennar executives were granted."

"Do Lennar executives really deserve a raise, considering the performance of the company over the last three years?" asked Minkow. "When was the last time Lennar actually made any money from the building and selling of homes? At least back to early 2007 - yet, executives award themselves millions of dollars in stock shares thanks to the magic of tax refunds which, in my opinion, the company should not receive."

The Fraud Discovery Institute Inc. released a chart showing the stock grants at FraudDiscovery.net ('<http://www.frauddiscovery.net>'). More information is available by phone at 1-888-300-8307 or by e-mailing info@frauddiscovery.net. Information about the Fraud Discovery Institute and its work is available at FraudDiscovery.net (<http://www.frauddiscovery.net>) and at Lenn-ron.com ('<http://www.lenn-ron.com>').

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