

Key Statistics (USD)

Price	92.06
Market Cap	26.44B
Enterprise Value	30.08B
PEG	0.16
52 weeks high	117.54
52 weeks low	77.86
Beta (5Y-monthly)	1.56
Dividend yield %	1.67%
EPS (TTM)	14.31
DPS	-
1 year stock performance	-5.6%

Growth Rates

	Company	Sector
Revenue (Q/Q last year)	23.55%	3.30%
Net earnings (YTD/YTD last year)	79.64%	25.01%
Net earnings (Q/Q last year)	34.97%	9.45%

Margins

	Company	Sector
Gross Profit margin	21.68%	26.40%
EBITDA margin	20.38%	-
EBIT margin	21.45%	8.13%
Net earnings margin	16.43%	6.10%
Gross Profit margin (5Y average)	16.58%	26.11%
Net earnings margin (5Y average)	14.11%	8.25%

Key Ratios

	Company	Sector
Current Ratio	-	1.83
Quick Ratio	-	1.08
Cash Ratio	-	-
Leverage Ratio	1.6	2.17
ROE	22.56%	11.16%
ROA	14.12%	6.80%
ROC	15.63%	7.20%
D/E	22%	58%

Valuation Metrics

	Company	Sector (median)
P/E (TTM)	6.33	6.33
P/S (TTM)	0.97	1.24
P/B (TTM)	1.29	2.27

Firm's Brief Description

Lennar Corporation is a homebuilder and an originator of residential and commercial mortgage loans. The Company is also a provider of title insurance and closing services, and a developer of multifamily rental properties. The Company's segments include Homebuilding East, Homebuilding Central, Homebuilding Texas, Homebuilding West, Financial Services, Multifamily and Lennar other. Its Homebuilding operations is engaged in construction and sale of single-family attached and detached homes as well as purchase, development and sale of residential land to third parties. The Company's Financial Services segment provides mortgage financing, title and closing services, as well as property and casualty insurance. Its Multifamily segment is engaged in developing, construction and property management of multifamily rental properties. The Lennar Other segment is principally engaged in fund investments, which invests in technology initiatives that includes Open-door, States Title and Notarize.

Sector Overview

- Pending home sales fall for a third consecutive month.
- Builders Firstsource (BLDR) and Trex(TREX) up on Q4 Earnings & Revenue beat.
- Construction Materials Shortage: Energy crisis drive up costs.

Fundamental Analysis

Lennar Corp stock performance fell during the last year by 5.6%. Taking into consideration the last three months, the company overperformed its competitors in all three growth rates. Revenue enlargement was at 23.55% whereas the sector average was at 3.30%. In addition, the Net earnings (Q/Q last year) were 34.97%, while the competitors were 9.45%. Furthermore, according to the margins, it is noticed that Lennar Corp. has a Gross Profit margin 21.68%, while the sector has a bit higher percentage (26.40%). However, it can be perceived that company's both EBIT margin and Net Earnings Margin have strongly surpassed industry's. Moreover, the Key Ratios show an optimistic view of the company. Particularly, all of Lennar's ROE, ROA and ROC are more than double the percentage of those of the sector's. Leverage Ratio of the company stands at 1.6, while the competitors at 2.17. Last but not least, the fact that both P/S and P/B metrics of the company are lower than the sector, makes Lennar Corp an undervalued stock. After all, we strongly recommend a long position on Lennar Corp.

Target Price (1 year forward): 128.59 \$

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