



March 26, 2008

## **NEW VALLEY PURCHASES SECURED PALM SPRINGS COMMUNITY LOAN**

**MIAMI, FL, March 26, 2008** – Vector Group Ltd. (NYSE: VGR) today announced that an affiliate of its New Valley LLC subsidiary has purchased a loan secured by a substantial portion of a 450-acre approved master planned community in Palm Springs, California known as “Escena.” The loan, which is currently in foreclosure, was purchased for approximately \$21,400,000.

The borrowers are Escena-PSC, LLC and Palm Springs Classic, LLC, a joint venture of Lennar Homes of California, Inc and Empire Land, LLC. Lennar Homes is an affiliate of Lennar Corporation (NYSE: LEN). The project consists of 867 substantially completed residential lots with site and public infrastructure, a fully operational 18-hole Nicklaus Signature golf course, a substantially completed clubhouse, and a 450-room hotel site on seven acres of land.

Vector Group is a holding company that indirectly owns Liggett Group LLC, Vector Tobacco Inc. and New Valley LLC. Additional information concerning the company is available on the company’s website, [www.VectorGroupLtd.com](http://www.VectorGroupLtd.com).

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