

Venture of Toll Brothers, Milestone and Oaktree-Managed Funds Completes Transaction With FDIC to Acquire Approximately \$1.7 Billion of Real Estate Loans and Properties

August 17, 2010

HORSHAM, Pa., Aug. 17, 2010 (GLOBE NEWSWIRE) -- PMO Loan Acquisition Venture, LLC, a joint venture between Toll Brothers, Inc. (through its wholly-owned subsidiary Gibraltar Capital and Asset Management, LLC. ("Gibraltar")), Milestone Merchant Partners, LLC ("Milestone") and its affiliated asset management group Milestone Asset Resolution Company ("MARC"), and certain funds managed by Oaktree Capital Management, L.P. or its subsidiaries ("Oaktree"), today announced the closing of a structured transaction with the Federal Deposit Insurance Corporation ("FDIC").

The transaction involves the purchase of an approximately \$1.7 billion portfolio consisting of loans with a combined unpaid balance of approximately \$1.32 billion and real estate properties with a book value of approximately \$382 million, all from the former Amtrust Bank, NA, which was taken into receivership by the FDIC in December 2009. The portfolio includes approximately 200 loans and 80 REO properties. The assets, which are primarily residential, are located in seventeen states. The average loan/asset size is approximately \$6.1 million. A significant majority of the loans in the portfolio are non-performing. The portfolio consists primarily of Acquisition, Development and Construction ("ADC") loans and REO relating to land, lots, condominiums and single family and multi-family residential communities at varying stages of completion.

The venture acquired a 40% managing member interest in Amtrust CADVC Venture, LLC, the limited liability company created by the FDIC to hold the loans and REO assets. The FDIC is retaining the remaining 60% equity interest and providing approximately \$303 million of non-recourse financing at 0% interest for seven years as well as a non-recourse advance facility of approximately \$40 million for additional working capital needs which is priced at Libor +300 basis points. Oaktree contributed approximately 79% of the private partner capital, Toll Brothers contributed approximately 20%, and Milestone contributed approximately 1%. Both MARC and Gibraltar will conduct the day-to-day management and workout of the portfolio and MARC will be the portfolio servicer.

John Brady, Managing Director of Toll Brothers, Milestone and the venture, said, "We are excited to be teaming with Oaktree and our respective investors."

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vast experience in real estate and distressed opportunities, MARC's solid servicing capabilities and Gibraltar's and MARC's strong asset management capabilities will bring unique and added value to the investment. During the early 1990's, we at Toll Brothers spent considerable time acquiring and working out distressed real estate assets, which was, and remains, an important part of our business expertise. In establishing Gibraltar we are building upon that experience and expertise as well as Toll Brothers' relationships, well-known brand name, nationwide presence and capital access to undertake complex transactions such as this one and to pursue a wider array of opportunities."

Gene Weil, Milestone's Chief Executive Officer, stated: "We established MARC in 2009 to address the looming ADC and small balance commercial real estate ("CRE") problems in the banking sector and are pleased to now join with such experienced partners as Oaktree and Toll Brothers to participate in the FDIC structured sale process. MARC's credit advisory support to banks and private investors for ADC and small balance CRE assets, as well as asset management and servicing for principal investors, is exactly where we saw the opportunity two years ago, and we are delighted to have the opportunity to leverage our expertise in this complex asset class to help create significant value."

About Oaktree

Oaktree is a premier global alternative and non-traditional investment manager with over \$76 billion in assets under management as of March 31, 2010. The firm emphasizes an opportunistic, value-oriented and risk-controlled approach to investments in distressed debt, high yield and convertible bonds, senior loans, corporate control (including power infrastructure), real estate, emerging market equities and mezzanine finance. Oaktree was founded in 1995 by a group of principals who have worked together since the mid-1980s. Headquartered in Los Angeles, the firm has approximately 600 employees and offices in 13 cities worldwide.

About Toll Brothers and Gibraltar Capital

Toll Brothers, Inc. (NYSE:TOL) (www.tollbrothers.com) is the nation's leading builder of luxury homes. The Company began business in 1967 and became a public company in 1986. Its common stock is listed on the New York Stock Exchange under the symbol "TOL". The Company serves move-up, empty-nester, active-adult and second-home home buyers and operates in 20 states and 50 markets.

Toll Brothers builds luxury single-family detached and attached home communities, master planned luxury residential resort-style golf communities and urban low-, mid- and high-rise communities, principally on land it develops and improves. Toll Brothers was recently honored to receive the #1 ranking in Fortune Magazine's 2010 World's Most Admired Companies Survey among home building companies.

Gibraltar Capital and Asset Management LLC, (www.gibaltarcapital.net), a wholly-owned subsidiary of Toll Brothers, Inc., was formed to pursue distressed real estate opportunities and services. The company's focus is on the development of sites for sale, purchase and a myriad of other potential value. Gibraltar's senior management has extensive experience in distressed workouts, land development and	<div data-bbox="734 1848 861 1930" data-label="Image"></div>	acquisition and investment in distressed real estate and property portfolios, the workout of troubled assets, and capital access can add value to distressed acquisitions and
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About Milestone

Milestone Merchant Partners LLC, (www.milestonecap.com) is the parent company to Milestone Advisors LLC and Milestone Asset Resolution Company LLC (MARC). Milestone is a leading investment banking firm specializing in mergers and acquisitions, capital formation, and corporate restructurings for the financial services industry. Milestone is a FINRA member broker dealer headquartered in Washington, DC with additional offices in Newport Beach, CA, Miami, FL, and New York, NY and has been the #1 M&A Advisor to the specialty finance industry for the years 2004 through 2009 as measured by number of deals announced. MARC provides consulting, asset management, and asset disposition services to owners of all types of land and ADC loans as well as small balance commercial real estate loans.

Certain of the statements in this press release relating to a member or members of the investor group are "forward-looking statements", as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements regarding, among other things, its business, financial condition, results of operations, cash flows, strategies and prospects. You can identify forward-looking statements by the fact that these statements do not relate strictly to historical or current matters. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties. Any or all of the forward-looking statements included herein are not guarantees of future performance and may turn out to be inaccurate. There is no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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