

Toll Brothers Apartment Living and Pondmoon Capital Holdings USA Announce Joint Venture to Develop 285-Unit Luxury Rental Community in Frisco, Texas

January 30, 2023

JV Secures \$49.5 Million Construction Loan from Santander Bank N.A.

FORT WASHINGTON, Pa., Jan. 30, 2023 (GLOBE NEWSWIRE) -- Toll Brothers, Inc. (NYSE: TOL) ([TollBrothers.com](https://www.TollBrothers.com)), the nation's leading builder of luxury homes, through its Toll Brothers Apartment Living rental division, and Pondmoon Capital USA have announced a new joint venture to develop Mirra, a five-story, 285-unit multifamily rental community in Frisco, Texas. The project, on which construction will commence in February 2023, is being financed through a \$49.5 million construction loan facility from Santander Bank N.A. The equity and debt were arranged by Toll Brothers' in-house Finance Department.

The community will consist of 285 rental apartments as well as a 447-space parking garage. The apartment units will feature high-end luxury finishes and a best-in-class amenity package, including a state-of-the-art fitness studio, a resort-style pool, expansive coworking spaces, a clubroom, a social mail lounge, a bike lounge, and an outdoor lounge with gaming and barbecue.

Mirra is located on a 2.96-acre lot in Frisco Square Town Center, in the heart of Frisco, Texas, and is adjacent to two other properties Toll Brothers developed with other partners. The community is ideally positioned at the intersection of Oglethorpe and Church St., adjacent to the Dallas North Tollway, a major thoroughfare providing direct access to large employment corridors including Frisco Square, Legacy Business Park, Granite Business Park, the new PGA of America headquarters, Legacy West, Hall Park, and The Star, which is located within the \$5 Billion Mile. DFW International Airport, Dallas Love Field Airport, and the city of Dallas are easily accessible by car.

"As we continue expanding our presence in Texas, we look forward to bringing another luxury community to the Dallas-Fort Worth market with Mirra, which will introduce thoughtfully designed and uniquely elevated apartment homes for the most discerning residents in Frisco," said Charles Elliott, President of Toll Brothers Apartment Living. "Mirra will offer everything our residents have come to expect from Toll Brothers Apartment Living communities, including exceptional quality, luxury, and service that exemplifies the very best Texas hospitality."

Fred Cooper, Senior Vice President, Finance and Investor Relations for Toll Brothers said, "We are excited to be undertaking our fourth project with Pondmoon across a wide range of markets, including metro Los Angeles,

Atlanta, and Dallas. Santander has also financed multiple projects with us, and we are pleased to have their continued support for Mirra as well.”

Patrick Chen, CEO for Pondmoon Capital said, “Mirra is a showcase of our continued commitment in the Sun Belt region and in solid partnerships with first-class developers like Toll Brothers. We are particularly excited about the Frisco market, which is a center of the rapid growth in North Dallas. The recent announcement of a new Universal Studios just minutes north of our site is an example of its attractiveness. We look forward to contributing to a topnotch residential community at Frisco Square.”

For future updates and information regarding this community, please visit TollBrothersApartmentLiving.com.

ABOUT TOLL BROTHERS

Toll Brothers, Inc., A FORTUNE 500 Company, is the nation’s leading builder of luxury homes. The Company was founded over 55 years ago 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 first-time, move-up, empty-nester, active-adult, and second-home buyers, as well as urban and suburban renters. Toll Brothers builds in over 60 markets in 24 states: Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Maryland, Massachusetts, Michigan, Nevada, New Jersey, New York, North Carolina, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, and Washington, as well as in the District of Columbia. The Company operates its own architectural, engineering, mortgage, title, land development, golf course development, smart home technology, and landscape subsidiaries. The Company also operates its own lumber distribution, house component assembly, and manufacturing operations.

Toll Brothers was named the World’s Most Admired Homebuilder in FORTUNE magazine’s 2022 survey of the World’s Most Admired Companies®, the seventh year it has been so honored. Toll Brothers has also been named Builder of the Year by Builder magazine and is the first two-time recipient of Builder of the Year from Professional Builder magazine. For more information visit TollBrothers.com.

Toll Brothers discloses information about its business and financial performance and other matters, and provides links to its securities filings, notices of investor events, and earnings and other news releases, on the Investor Relations section of its website (investors.TollBrothers.com).

©2022 Fortune Media IP Limited. All rights reserved. Used under license. Fortune and Fortune Media IP Limited are not affiliated with, and do not endorse the products or services of, Toll Brothers.

ABOUT TOLL BROTHERS APARTMENT LIVING

Toll Brothers Apartment Living is the apartment development division of Toll Brothers, Inc. (NYSE: TOL), an award-winning FORTUNE 500 company, and the nation’s leading builder of luxury homes. Toll Brothers Apartment Living brings the same quality, luxury, and service for which Toll Brothers is known to its exceptional rental and mixed-use communities in select markets, including Atlanta, Boston, Dallas, Los Angeles, New York, Philadelphia, Phoenix, and Washington, DC. Toll Brothers Apartment Living communities combine the energy of vibrant locations with unparalleled amenities, resident services, design, and the expertise of America’s Luxury Home Builder®. In 2022, NMHC ranked Toll Brothers Apartment Living the 11th largest apartment developer in the United States. The firm has developed nearly 8,900 units, has nearly 5,000 units under management, and

controls a national pipeline of more than 17,500 units. For more information visit TollBrothersApartmentLiving.com.

ABOUT PONDMOON CAPITAL

Founded in 2014, Pondmoon Capital USA, formerly known as JD Capital USA, is a privately held investment manager. Pondmoon Capital primarily focuses on investments in rental apartment development across major metropolitan areas in the U.S., including New York City, Washington D.C., Chicago, Minneapolis, Atlanta, Dallas, San Francisco, and Los Angeles. The firm's total investment consists of over 3,500 apartment or hotel units and over two million square feet of apartment and retail space. Learn more about Pondmoon Capital at pondmoon.com.

TOLL BROTHERS' FORWARD-LOOKING STATEMENTS

This release contains or may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. One can identify these statements by the fact that they do not relate to matters of a strictly historical or factual nature and generally discuss or relate to future events. These statements contain words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “may,” “can,” “could,” “might,” “should,” “likely,” “will,” and other words or phrases of similar meaning. Such statements may include, but are not limited to, information and statements regarding: the impact of Covid-19 on the U.S. economy and our business; expectations regarding interest rates and inflation; the markets in which we operate or may operate; our strategic objectives and priorities; our land acquisition, land development and capital allocation priorities; housing market conditions; demand for our homes; anticipated operating results and guidance; home deliveries; financial resources and condition; changes in revenues; changes in profitability; changes in margins; changes in accounting treatment; cost of revenues, including expected labor and material costs; selling, general, and administrative expenses; interest expense; inventory write-downs; home warranty and construction defect claims; unrecognized tax benefits; anticipated tax refunds; sales paces and prices; effects of home buyer cancellations; growth and expansion; joint ventures in which we are involved; anticipated results from our investments in unconsolidated entities; our ability to acquire or dispose of land and pursue real estate opportunities; our ability to gain approvals and open new communities; our ability to market, construct and sell homes and properties; our ability to deliver homes from backlog; our ability to secure materials and subcontractors; our ability to produce the liquidity and capital necessary to conduct normal business operations or to expand and take advantage of opportunities; and the outcome of legal proceedings, investigations, and claims.

Any or all of the forward-looking statements included in this release are not guarantees of future performance and may turn out to be inaccurate. This can occur as a result of incorrect assumptions or as a consequence of known or unknown risks and uncertainties. The major risks and uncertainties – and assumptions that are made – that affect our business and may cause actual results to differ from these forward-looking statements include, but are not limited to:

- the effects of the ongoing Covid-19 pandemic, which remain highly uncertain, cannot be predicted and will depend upon future developments, including the duration of the pandemic, the impact of mitigation strategies taken by applicable government authorities, the continued availability and effectiveness of vaccines, adequate testing and therapeutic treatments and the prevalence of widespread immunity to Covid-19;

- the effect of general economic conditions, including employment rates, housing starts, interest rate levels, availability of financing for home mortgages and strength of the U.S. dollar;
- market demand for our products, which is related to the strength of the various U.S. business segments and U.S. and international economic conditions;
- the availability of desirable and reasonably priced land and our ability to control, purchase, hold and develop such land;
- access to adequate capital on acceptable terms;
- geographic concentration of our operations;
- levels of competition;
- the price and availability of lumber, other raw materials, home components and labor;
- the effect of U.S. trade policies, including the imposition of tariffs and duties on home building products and retaliatory measures taken by other countries;
- the effects of weather and the risk of loss from earthquakes, volcanoes, fires, floods, droughts, windstorms, hurricanes, pest infestations and other natural disasters, and the risk of delays, reduced consumer demand, and shortages and price increases in labor or materials associated with such natural disasters;
- the risk of loss from acts of war, terrorism or outbreaks of contagious diseases, such as Covid-19;
- federal and state tax policies;
- transportation costs;
- the effect of land use, environment and other governmental laws and regulations;
- legal proceedings or disputes and the adequacy of reserves;
- risks relating to any unforeseen changes to or effects on liabilities, future capital expenditures, revenues, expenses, earnings, indebtedness, financial condition, losses and future prospects;
- the effect of potential loss of key management personnel;
- changes in accounting principles;
- risks related to unauthorized access to our computer systems, theft of our and our homebuyers' confidential information or other forms of cyber-attack; and
- other factors described in "Risk Factors" included in our Annual Report on Form 10-K for the year ended October 31, 2022 and in subsequent filings we make with the Securities and Exchange Commission ("SEC").

Many of the factors mentioned above or in other reports or public statements made by us will be important in determining our future performance. Consequently, actual results may differ materially from those that might be anticipated from our forward-looking statements.

Forward-looking statements speak only as of the date they are made. We undertake no obligation to publicly

update any forward-looking statements, whether as a result of new information, future events, or otherwise.

For a further discussion of factors that we believe could cause actual results to differ materially from expected and historical results, see the information under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our most recent Annual Report on Form 10-K filed with the SEC and in subsequent reports filed with the SEC. This discussion is provided as permitted by the Private Securities Litigation Reform Act of 1995, and all of our forward-looking statements are expressly qualified in their entirety by the cautionary statements contained or referenced in this section.

Contact: Frederick N. Cooper (215) 938-8312

fcooper@tollbrothers.com

A photo accompanying this announcement is available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/634e4671-88be-4db5-9c95-2af2859c9ed2>



Source: Toll Brothers, Inc.

Mirra



Frisco, TX