

Toll Brothers Apartment Living® and Canyon Partners Real Estate Announce Joint Venture to Develop 323-Unit Rental Community in Phoenix, Arizona

September 02, 2020

JV Secures Construction Loan from Washington Federal

HORSHAM, Pa., Sept. 02, 2020 (GLOBE NEWSWIRE) -- Toll Brothers, Inc. (NYSE: TOL) (www.TollBrothers.com), the nation's leading builder of luxury homes, through its Toll Brothers Apartment Living® rental subsidiary, and real estate investment firm Canyon Partners Real Estate, have announced the formation of a new joint venture to develop Haverly, a 323-unit multifamily rental community in Phoenix, AZ. The joint venture has secured a \$53.1 million construction loan from Washington Federal Bank, (WaFd Bank). The debt and equity financing were arranged by Toll Brothers' in-house Finance Department. Toll Brothers Apartment Living will manage the development of Haverly.



Toll Brothers, America's Luxury Home Builder

Haverly is located on a 4.0-acre land site at Central Avenue and Thomas Road in the vibrant Midtown submarket of Phoenix. Adjacent to the Valley Metro rail stop, the community location offers convenient light rail access to Downtown, Sky Harbor Airport and Tempe. Phoenix has experienced robust economic expansion in recent years, benefitting from exceptionally strong job and population growth including nation leading net migration of over 77,000 people in 2019, and has losses well exceeding the nation and technology companies. For the pandemic with recovered job al services, health care, startup, izon, American Express, Avnet, OpenDoor, Republic Services,

Haverly will be a 5-story, midrise structure with luxury amenities including a resort-style pool, rooftop deck, state-of-the-art fitness center, electric car charging stations, resident

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clubroom, dog park and pet spa, and community-wide WiFi. The community will offer 323 apartment homes with various floor plan styles across a mix of studio, one, and two-bedroom apartments. Residents will enjoy convenient access to restaurants, retail stores, and office space all within a 5-minute walk from the community.

Charles Elliott, President of Toll Brothers Apartment Living, said, “Toll Brothers Apartment Living is excited to build our second multifamily community in the Phoenix market. Our student housing community, Canvas, opened for leasing in August located near Arizona State University. Haverly will benefit from Toll Brothers’ established for-sale brand presence in Phoenix and a strong employment base that the market offers.”

Fred Cooper, Toll Brothers’ Senior Vice President, Finance and Investor Relations, stated: “We look forward to working again with Canyon Partners to develop our first market rate rental deal in Phoenix. We also are pleased to undertake our first deal with WaFd Bank, which is a leading lender in this market.”

“Toll Brothers has been building homes and developing for-sale communities in the metro Phoenix area for over twenty-five years. We are excited to have a prospective pipeline of future rental projects to complement our strong home building presence and a burgeoning single-family rental business in the area as well.”

Canyon Partners Real Estate has deployed over \$900 million of debt and equity into multifamily projects, supporting the financing of \$2.8 billion of assets over the last five years.

Please visit www.TollBrothersApartmentLiving.com for future updates and information regarding the community.

ABOUT TOLL BROTHERS

Toll Brothers, Inc., A FORTUNE 500 Company, is the nation’s leading builder of luxury homes. The Company began business over fifty 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, affordable luxury and second-home buyers, as well as urban and suburban renters. It operates 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.

Toll Brothers builds an array of luxury residential single-family detached, attached home, master planned resort-style golf, and urban low-, mid-, and high-rise communities, principally on land it develops and improves. The Company acquires and develops rental apartment and commercial properties through Toll Brothers Apartment Living, Toll Brothers Campus Living, and the affiliated Toll Brothers Realty Trust, and develops urban low-, mid-, and high-rise for-sale condominiums through Toll Brothers City Living. The Company operates its own architectural, engineering, mortgage, title, land development and land sale, golf course development and management, and landscape subsidiaries. Toll Brothers operates its own alarm monitoring company through TBI Smart Home Solutions, a company providing security monitoring, TBI Smart Home Solutions offers helping buyers to maximize the potential of technology in the home. Toll Brothers has its own lumber distribution, house component assembly, and manufacturing. Estate Capital joint venture, the Company provides builders and and equity capital.

In 2020, Toll Brothers was named one of the World’s Most Admired Companies™, the sixth year in a row it has been so honored. Toll Brothers has won



numerous other awards, including Builder of the Year from both Professional Builder magazine and Builder magazine, the first two-time recipient from Builder magazine. The Company sponsors the Toll Brothers Metropolitan Opera International Radio Network, bringing opera to neighborhoods throughout the world. For more information visit www.TollBrothers.com.

ABOUT TOLL BROTHERS APARTMENT LIVING®

Toll Brothers Apartment Living is the apartment development division of Toll Brothers, Inc. (NYSE: TOL). Toll Brothers Apartment Living is bringing the same quality, value, and service familiar to luxury home buyers throughout the country to upscale rental communities in select markets, including Atlanta, Boston, Dallas, Los Angeles, New York, Philadelphia, Phoenix and Washington, DC. Toll Brothers Apartment Living was ranked 11th largest apartment developer in the U.S. in 2020 by the National Multi-Family Housing Council. The firm has developed more than 6,200 units, has more 4,000 units under management and controls a national pipeline of more than 16,700 units. Toll Brothers Apartment Living communities combine the energy of vibrant locations with unparalleled amenities, resident services, design, and the expertise of the nation's leading builder of luxury homes. For more information visit www.TollBrothersApartmentLiving.com.

ABOUT CANYON PARTNERS REAL ESTATE LLC

Founded in 1991, Canyon Partners Real Estate LLC® ("Canyon") is the real estate direct investing arm of Canyon Partners, LLC, a global alternative asset manager with over \$25 billion in assets under management. Over the last ten years, Canyon has invested more than \$5.6 billion of debt and equity capital across 197 transactions capitalizing approximately \$14.6 billion of real estate assets, focusing on debt, value add, and opportunistic strategies. With over 28 years of experience, Canyon has established a broad menu of investment capabilities spanning property types, US regions, and project stages (including development, transitional, and distressed/workouts).

For more information visit: www.canyonpartners.com

Toll Brothers' Forward-Looking Statements

This release contains or may contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. 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,” “will” and other words or phrases of similar meaning. Such statements may include, but are not limited to, information related to market conditions; demand for our homes; anticipated operating results; home deliveries; financial resources and condition; changes in revenues; changes in profitability; changes in margins; changes in accounting treatment; cost of revenues; selling, general and administrative expenses; interest expense; inventory write-downs; home warranty and construction defect claims; unrecognized tax benefits; cancellations; growth and expansion; investments in unconsolidated entities; the ability to gain approvals and open new markets; the ability to deliver homes from backlog; the ability to secure materials and subcontractors; the ability to take advantage of opportunities; changes in prices; effects of home buyer preferences; anticipated results from our joint ventures; estate opportunities; the ability to acquire properties; the ability to deliver homes through joint ventures; the ability to secure capital necessary to expand and

Any or all of the forward-looking statements included in our reports or public statements made by us 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. Many factors mentioned in our reports or public statements made by us, such as market conditions, government regulation, and the competitive environment, 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.

The factors that could cause actual results to differ from those expressed or implied by our forward-looking statements include, among others: the impact of the COVID-19 pandemic on the economy and the housing industry; demand fluctuations in the housing industry; adverse changes in economic conditions in markets where we conduct our operations and where prospective purchasers of our homes live; increases in cancellations of existing agreements of sale; the competitive environment in which we operate; changes in interest rates or our credit ratings; the availability of capital; uncertainties in the capital and securities markets; the ability of customers to obtain financing for the purchase of homes; the availability and cost of land for future growth; the ability of the participants in various joint ventures to honor their commitments; effects of governmental legislation and regulation; effects of increased taxes or governmental fees; weather conditions; the availability and cost of labor and building and construction materials; the cost of raw materials; the outcome of various product liability claims, litigation and warranty claims; the effect of the loss of key management personnel; changes in tax laws and their interpretation; construction delays; and the seasonal nature of our business. For a more detailed discussion of these factors, see the risk factors in the information under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our most recent periodic reports filed on Forms 10-K and 10-Q with the SEC.

From time to time, forward-looking statements also are included in our periodic reports on Forms 10-K, 10-Q and 8-K, in press releases, in presentations, on our website and in other materials released to the public.

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.

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.

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A photo accompanying this announcement is available at
<https://www.globenewswire.com>

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