

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2024	2025	2026	2027	2028
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT					

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes No
 Does this item include the use of Federal funds? Yes No
 Does this item include the use of State funds? Yes No

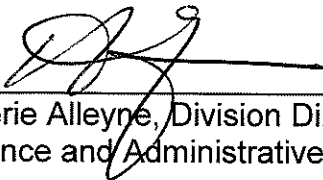
Budget Account No.:

Fund _____ Dept. _____ Unit _____ Object _____ Program Code/Period _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

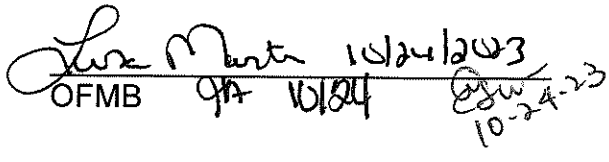

No fiscal impact associated with designating the Subject Site as a Brownfield Area.

C. Departmental Fiscal Review:


 Valerie Alleyne, Division Director II
 Finance and Administrative Services, DHED

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

 10/24/2023
 OFMB 9A 10/24/23
 10-24-23
 10/23/23
 Contract Development and Control
 7/6 10/23/23

B. Legal Sufficiency:

 11/1/23
 Assistant County Attorney

C. Other Department Review:

 Department Director

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

Background and Policy Issues: Continued from Page 1

Financial and regulatory incentives become available when a local government designates a Brownfield Area by resolution. These financial and regulatory incentives enable local governments and state agencies to partner with the private sector to rehabilitate contaminated properties, create jobs and promote sustainable reuse of properties within designated Brownfield Areas. A "Brownfield Area" is defined by statute as "*... a contiguous area of one or more Brownfield sites, some of which may not be contaminated, and which has been designated by a local government by resolution.*" A "Brownfield site" is defined by statute as "*... real property, the expansion, redevelopment or reuse of which may be complicated by actual or perceived environmental contamination.*" Section 376.80(12), Florida Statutes, does not require a local government to use the term Brownfield within the name of the area being designated.

**PALM BEACH COUNTY
DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT
SPECIAL PROJECTS**



Application for Brownfields Designation – Staff Report

BCC Public Hearing – Adoption, November 21, 2023

I. General

Project Name:	Verde Commons Green Reuse Area (aka Thomas Packing Plant or Meravita at Boca Raton)
Request:	Brownfield Area Designation
Location:	Northeast corner of Clint Moore Road and State Road 7/US 441
Address:	9845 – 9905 Clint Moore Road (unincorporated Palm Beach County)
Acres:	37.4 acres
Applicant:	Toll Brothers (Contract Purchaser); and, Westside Farms, Inc. and 7 T's Enterprises, Inc.
Owner:	Westside Farms, Inc. and 7 T's Enterprises, Inc.
Agent:	Brett C. Brumund, Esq., The Goldstein Environmental Law Firm, P.A.
Telephone No.:	(305) 640-5300
Project Manager:	William Cross, AICP, Principal Planner Alan Chin Lee, Manager, Special Projects

Motion and Title: A Resolution of the Board of County Commissioners (BCC) of Palm Beach County, Florida, making certain findings and designating the three parcels located at 9845 and 9905 Clint Moore Road, within unincorporated Florida, further identified by Parcel Control Numbers 00-42-43-27-05-070-1130, 1160 and 1170, (the "Subject Site"), as a Brownfield Area pursuant to Section §376.80(2)(c), *Florida Statutes*, which shall hereafter be known as the Verde Commons Green Reuse Area, for the purpose of rehabilitation, creation of recreation area, and promoting economic development; providing for an effective date; and, for other purposes.

Staff Recommendation: The Department of Housing and Economic Development (HED) recommends a motion to adopt.

Hearing History: On August 22, 2023, the BCC approved two (2) motions to allow for a Brownfield Area designation of the Subject Site: 1) A waiver of the statutory requirement, by a majority plus one vote, that one of two public hearings be held after 5:00 p.m.; and, 2) The advertising of public hearings on Tuesday, October 17, 2023 at 9:30 a.m., and Tuesday, November 21, 2023 at 9:30 a.m. On October 17, 2023, the BCC approved a motion to approve on First Reading and to advertise for Adoption Hearing on November 21, 2023.

II. Background

The Florida Brownfields Redevelopment Act, Sections §376.77-376.86, *Florida Statutes*, were adopted by the Florida Legislature in 1997 to provide incentives for local governments and individuals to voluntarily clean up and redevelop Brownfield Areas. Participation in the Florida Brownfields Program (FBP) encourages environmental cleanup, protection of public health, reuse of infrastructure and job creation. Local governments play a key role in the Brownfields program. In accordance with §376.80(1)(b)2, *Florida Statutes*, adoption of a resolution designating a Brownfield Area at the request of any person other than a governmental entity requires two public hearings.

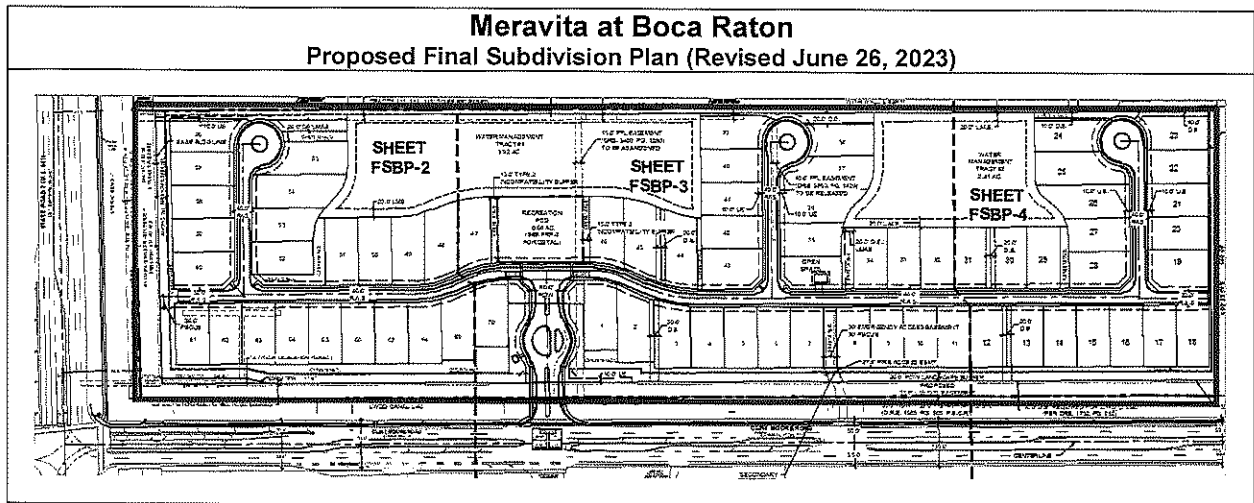
Approval of a Brownfield Area designation will not render the County liable for costs or site remediation, rehabilitation or removal of contamination. Financial and regulatory incentives become available when a local government designates a Brownfield Area by resolution. These incentives enable local governments and state agencies to partner with and/or encourage the private sector to rehabilitate contaminated properties, create jobs and promote sustainable reuse of properties within designated Brownfield Areas. A "Brownfield Area" is defined by statute as "...a contiguous area of one of more Brownfield sites, some of which may not be contaminated, and which has been designated by a local government by resolution." A "Brownfield site" is defined by statute as "...real property, the expansion, redevelopment or reuse of which may be complicated by actual or perceived environmental contamination."

For additional information on the Florida Brownfields Program, see the Florida Department of Environmental Protection (FDEP) Brownfields Program webpage at <https://floridadep.gov/waste/waste-cleanup/content/brownfields-program>.

On July 15, 2023, the Goldstein Environmental Law Firm, Inc. ("Agent") submitted an application to HED, on behalf of Toll Brothers, Inc. ("Toll Bros.") as contract purchaser, and the owners, Westside Farms, Inc. and 7 T's Enterprises, Inc., to designate the Subject Site as a Brownfield Area. The site supports a 163,093 square foot produce packing plant and cold storage facility, agricultural equipment and commercial vehicle storage, row crops, and related uses. Toll Bros. indicates the site is impacted by arsenic and dieldrin in the soil and groundwater.

The rezoning of the 37.4 acre site to the Single Family Residential (RS) district was approved by the Board of County Commissioners at the November 28, 2022 BCC Zoning Hearing (Application No. 2022-00681, Thomas Property), with a concurrent future land use amendment (LGA 2022-016, Thomas Packing Plant II). Conditions of approval would allow for the development of up to 75 residential dwelling units, and requires "...a minimum of 10% of the total dwelling units to be provided as workforce housing units. The workforce housing units are subject to the applicable requirements of the Workforce Housing Program (WHP) in Article 5.G.1. of the ULDC, and may utilize all disposition options, with the exception of the In-Lieu Fee Option."

Toll Bros. has submitted a request (Application No. DRO2-2023-00230, Meravita at Boca Raton) to the PBC Zoning and Land Development Divisions, requesting concurrent approvals for a Final Subdivision Plan (FSBP) and Plat. The most recently proposed FSBP indicates 70 single family dwelling units and a 0.66-acre recreation area (see below). Prior to redevelopment, Toll Bros. is seeking a "Brownfield Area" designation under Florida's Brownfields Redevelopment Act.



Additional Site Data

PCN(s)	00-42-43-27-05-070-1130, 1160 and 1170
Future Land Use:	Low Residential, 2 units per acre (LR-2), <u>Ord. 2022-031</u>
Zoning:	Single Family Residential (RS), <u>Resolution R-2022-1414</u>
Control No./Name:	2007-00288/Meravita at Boca Raton (fka Verde Commons MUPD, Thomas Packing Plant MUPD)
Planning Study Area:	N/A
Neighborhood Plan:	N/A
CCRT Area:	N/A
Comm. District	Commissioner Sachs, District 5

Since 1997, the Florida Brownfields Program (FBP) has made a wide array of financial, regulatory, and technical incentives available to local governments, businesses, and communities to catalyze environmental cleanup and economic redevelopment of marginalized or otherwise underutilized properties. In doing so, the FBP has encouraged confidence in neighborhood revitalization and investment of private capital in land reuse and job creation in hundreds of communities throughout Florida. According to figures provided by FDEP, as of June 30, 2023, 573 brownfield areas covering nearly 292,074 acres have been designated as brownfields, generating over \$3.5 billion in private capital investment, and contributing to the creation of more than 89,976 confirmed and/or projected direct and indirect jobs. Brownfield areas have enjoyed a wide range of redevelopment uses, including affordable housing, workforce housing, community health clinics, retail and commercial, renewable energy, transportation facilities, and conservation and recreation.

In accordance with §376.80(1)(c)1, *Florida Statutes*, within 30-days of adoption of a Brownfield Area resolution, HED is required to notify and provide a copy of the resolution to the FDEP, and the Palm Beach County Department of Environmental Resource Management, as the local pollution control program under §403.182, *Florida Statutes*.

If approved, Toll Bros. will be required to enter into a Brownfield Site Rehabilitation Agreement (BSRA) with FDEP. A BSRA typically includes, but is not limited to:

- a rehabilitation schedule;
- commitment to conduct site rehabilitation under the observation of professional engineers and geologists, in accordance with FDEP quality assurance rules, and state, federal and local laws and the brownfield site contamination criteria, including any applicable requirements for risk based corrective action;
- timeframes for FDEP review of technical reports and plans;
- commitment to secure site access for FDEP and the local pollution control program; and,
- other requirements outlined under §376.80(5), *Florida Statutes*.

III. Staff Analysis

Per §376.80, *Florida Statutes*, prior to approval of a resolution for a Brownfield Area designation proposed by persons other than a government entity, the County must confirm that the Agent and Toll Bros. has established the following five (5) criteria:

1. Agreement to Redevelop the Brownfield Site. As the first requirement for designation, §376.80(2)(c)1, *Florida Statutes*, provides that "A person who owns or controls a potential Brownfield Site is requesting the designation and has agreed to rehabilitate and redevelop the brownfield site."

The Applicant, Toll Bros. (contract purchaser) satisfies the first criterion in that it has made a showing that it controls the Subject Site and agrees to redevelop and rehabilitate it. Toll Bros. has documented control of the Subject Site under the terms of a contract purchase with the owners, Westside Farms, Inc. and 7 T's, Inc. The Agent has advised that the closing will occur prior to or on November 1, 2023, in accordance with an amended purchase and sale agreement. As previously noted, on November 28, 2022, the BCC

approved the Applicant's concurrent Planning and Zoning applications to allow for residential development of the Subject Site. For the reasons discussed herein, Toll Bros. meets the first criterion.

2. Economic Productivity. As the second requirement for designation, §376.80(2)(c)2, Florida Statutes, provides: *"The rehabilitation and redevelopment of the proposed brownfield site will result in economic productivity of the area, along with the creation of at least 5 new permanent jobs at the brownfield site that are full-time equivalent positions not associated with the implementation of the rehabilitation agreement, and are not associated with redevelopment project demolition or construction activities pursuant to the redevelopment of the proposed brownfield site or area. However, the job creation requirement does not apply to the rehabilitation and redevelopment of a brownfield site that will provide affordable housing as defined in s. 420.0004 or the creation of recreation areas, conservation areas, or parks."*

Toll Bros. satisfies the second criterion because it has sufficiently demonstrated that the rehabilitation and proposed residential development will include 0.66 acres of onsite recreation area, as delineated on the proposed FSBP dated June 26, 2023, and by copy of the November 28, 2022 Zoning Staff Report (see Attachment C, page 5 of the Applicant's Brownfield application). The Applicant further states: *"The budget for rehabilitation and redevelopment is approximately \$53 million, which will be spent in part on local labor, contractors, consultants, construction materials, furnishings, infrastructure improvements, and impact fees. This work will also support approximately numerous jobs over the period of development, which includes temporary construction workers and materials suppliers. The construction workers will spend a percentage of their salaries with local merchants who, in turn, will reinvest locally in their respective businesses, as well as the businesses of other local merchants."* Accordingly, Toll Bros. meets this second criterion.

3. Consistency with Local Comprehensive Plan and Permittable Use Under Local Land Development Regulations. As the third requirement for designation, §376.80(2)(c)3, Florida Statutes provides that *"The redevelopment of the proposed brownfield site is consistent with the local comprehensive plan and is a permittable use under the applicable local land development regulations."*

As previously noted, the Toll Bros. satisfies this criterion with the recent November 28, 2022 BCC approval of a concurrent future use atlas amendment and rezoning. The proposed residential development is permitted under the approved Single Family Residential (RS) Zoning district (Resolution R-2022-1414), which is consistent with the Low Residential, 2 units per acre (LR-2), future land use designation (Ord. 2022-031). Planning Division comments included in the November 28, 2022 Zoning Staff report states *"...the proposed use...is consistent with the Goals, Objectives and Policies of the Comprehensive Plan, including previous Land Use Amendments, densities and intensities of use."* Other residential, recreational, and/or civic uses will be as allowed by the County's Unified Land Development Code. Accordingly, the Toll Bros. meets this third criterion.

4. Public Notice and Comment. As the fourth requirement for designation, §376.80(2)(c)4, Florida Statutes, stipulates that *"Notice of the proposed rehabilitation of the brownfield area has been provided to neighbors and nearby residents of the proposed area to be designated, and the person proposing the area for designation has afforded to those receiving notice the opportunity for comments and suggestions about rehabilitation. Notice pursuant to this subsection must be posted in the affected area."*

Toll Bros. has demonstrated satisfaction of the fourth criterion by conducting a public meeting on Monday, September 25, 2023, at the West Boca Branch Library, 18685 SR 7, Boca Raton, FL 33498, at 5:30 p.m., for the purpose of affording interested parties the opportunity to provide comments and suggestions about the potential Brownfield Area

designation, development, and rehabilitation of the Subject Site. Prior to the meeting, the Agent provided proof that notice was posted on the Subject Site, and published in the Palm Beach Post, and Palm Beach County community bulletin board section of Craigslist. The notices provided the Agent's phone or mail contacts to obtain additional information regarding the community meeting or to provide comments or suggestions before or after the community meeting. The notices also advised that the County Brownfield Area application may be viewed at HED, and included the County Brownfield Program Manager contact for additional inquiries regarding the designation process. HED Staff attended the September 25, 2023 public meeting coordinated by the Applicant at the West Boca Branch Library (18685 SR 7, Boca Raton, FL). No community members or other interested parties attended the public meeting, and as of this writing, no inquiries have been made of HED Staff regarding the Brownfield designation process. For the reasons discussed herein, Toll Bros. has satisfied the fourth criterion.

5. Reasonable Financial Assurance. As the fifth requirement for designation, §376.80(2)(c)5, *Florida Statutes*, provides that *"The person proposing the area for designation has provided reasonable assurances that he or she has sufficient financial resources to implement and complete the rehabilitation agreement and redevelopment plan."*

The Applicant indicates that *"the total capital budget of \$53 million for the Project is to be fully funded through Toll Bros.' own financial resources. Toll Bros. is a FORTUNE 500 company founded in 1967, builds in 24 states and is one of the nation's top builders of luxury homes. It became a publicly owned company in 1986 and is listed on the New York Stock Exchange as TOL. As stated in Toll Bros.' 2022 Annual Report, the company has \$1.35 billion in cash equivalents on hand and an additional \$1.79 billion available for borrowing. See Attachment F, page 33. Accordingly, the success of previous projects, the magnitude of the capital previously raised, the quality of the development previously achieved, and the magnitude of its financial resources provide reasonable assurances that Toll Bros. has sufficient financial resources to implement and complete the rehabilitation agreement and redevelopment plan."* The Applicant therefor satisfies the fifth criterion.

IV. Fiscal Impact Analysis

A Brownfield Area designation shall not render Palm Beach County liable for costs or site remediation, rehabilitation, and economic development or source removal, which terms are defined in Section 376.79(19) and (20), *Florida Statutes*, or for any other costs, above and beyond the costs attributed to the adoption of the Resolution. Accordingly, approval of the designation request will not have any adverse impact on the County's operations.

V. Conclusions and Recommendations

Based on the foregoing, Staff recommends the Board of County Commissioners designate the 37.4 acre Subject Site, comprised of three parcels located at 9845 and 9905 Clint Moore Road, within unincorporated Florida, further identified by Parcel Control Numbers 00-42-43-27-05-070-1130, 1160 and 1170 (see Exhibits A and B), as a Brownfields Area, to be referred to as the **"Verde Commons Green Reuse Area,"** in accordance with Florida's Brownfields Redevelopment Act.

VI. Exhibits

- A. Location Map
- B. Legal Description

Exhibit A

Location Map
Verde Commons Green Reuse Area
(aka Thomas Packing Plant or Meravita at Boca Raton)

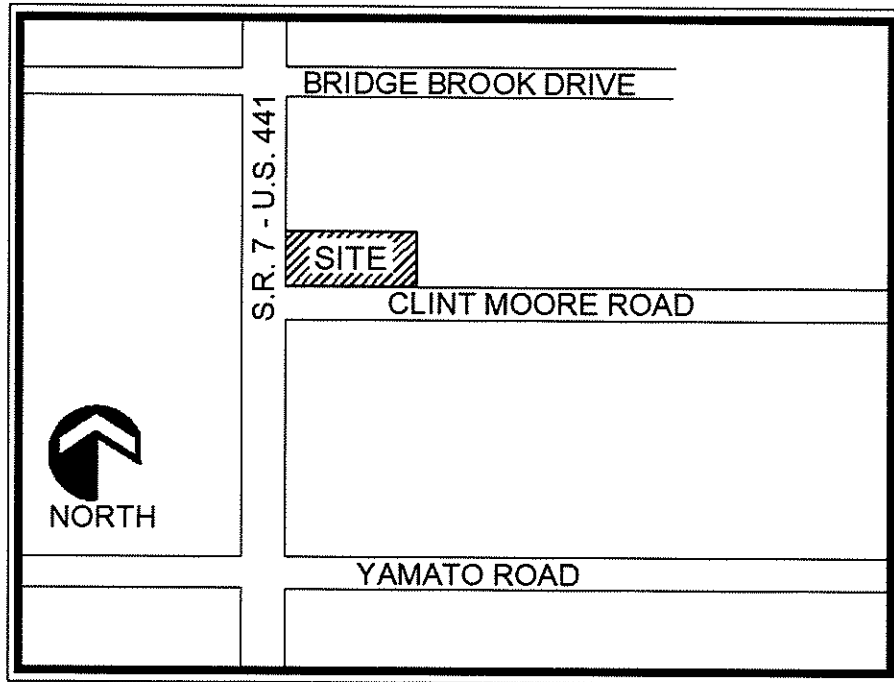


Exhibit B

**Legal Description
Verde Commons Green Reuse Area
(aka Thomas Packing Plant or Meravita at Boca Raton)**

PARCEL 1

TRACTS 113, 114 AND 115, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGES 45-54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

PARCEL 2

TRACT 116, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGE 45, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

PARCEL 3

TRACTS 117, 118 AND 119 OF BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGE 45, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

SAID LANDS LYING IN SECTION 31, TOWNSHIP 46 SOUTH, RANGE 42 EAST, AND SECTION 6, TOWNSHIP 47 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, AND CONTAINING 1,629,100 SQUARE FEET/ 37.399 ACRES, MORE OR LESS.

ALSO KNOWN AS:

TRACTS 113, 114, 115, 116, 117, 118 AND 119, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, PAGES 45-54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID TRACT 113; THENCE ALONG THE WEST LINE OF SAID TRACT 113, NORTH 01°27'31" WEST A DISTANCE OF 660.00 FEET TO THE NORTHWEST CORNER OF SAID TRACT 113; THENCE ALONG THE NORTH LINES OF SAID TRACTS 113, 114, 115, 116, 117, 118 AND 119, NORTH 89°34'01" EAST A DISTANCE OF 2,474.24 FEET TO THE NORTHEAST CORNER OF SAID TRACT 119; THENCE ALONG THE EAST LINE OF SAID TRACT 119, SOUTH 00°25'59" EAST A DISTANCE OF 660.00 FEET TO THE SOUTHEAST CORNER OF SAID TRACT 119; THENCE ALONG THE SOUTH LINES OF SAID TRACTS 119, 118, 117, 116, 115, 114 AND 113, SOUTH 89°34'01" WEST A DISTANCE OF 2,462.43 FEET TO THE POINT OF BEGINNING.

SAID LANDS LYING IN SECTION 31, TOWNSHIP 46 SOUTH, RANGE 42 EAST, AND SECTION 6, TOWNSHIP 47 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, AND CONTAINING 1,629,100 SQUARE FEET (37.399 ACRES), MORE OR LESS.



**Palm Beach County
Brownfields Designation Process
&
Application for Brownfields Designation**

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BROWNFIELDS DESIGNATION

Brownfields Pre-Application Meeting

The Brownfields Project Sponsor shall meet with or coordinate by telephone and email with County staff and other brownfields interested agencies to discuss the Brownfields Designation Project Application.

Application for Brownfield Designation

The County will provide assistance to a Brownfields Project Sponsor who completes a Brownfields Designation Project Application (attached) identifying the project site, the scope of the proposed brownfields project, and site/project information. At the time of application submittal, all Brownfields Designation applicants shall pay a processing fee of \$7,000.00, which is deemed non-refundable except in extraordinary circumstances, as determined by staff.

Documentation Requirements for Brownfield Site Designation

The following documentation shall be required to qualify for designation as a brownfield site:

1. Project application documentation which includes, at a minimum, the following:

- A completed Application for Brownfield Designation, including, but not limited to:
- Letter from the Palm Beach County Zoning Division stating that the proposed project is permitted as an allowable use consistent with the zoning on the subject brownfields site.
- Letter from the Palm Beach County Planning Division stating that the proposed project is permitted as an allowable use consistent with Comprehensive Plan and land use designation on the subject brownfields site.
- A reasonable assurance statement that sufficient resources are available to the applicant to implement and complete a rehabilitation and redevelopment plan.

2. Documentation of public notice

The Brownfields Project Sponsor must meet the requirements of the Florida Brownfields Redevelopment Act regarding public notification. Specifically, notice of the proposed rehabilitation of the brownfields area must be made in a newspaper of general circulation in the area and notice must be posted in the affected area located proximate to the brownfields site. The email address of the County's Brownfield Project Manager shall be included in the notifications so that interested parties may provide comment to the County on the proposed application. Said notifications shall be posted within 5 working days from the notification that the Brownfields Site Application has been deemed sufficient and project sponsor/applicant has been notified of such by Palm Beach County. A

copy of the newspaper advertisement and a photo of the posted notification(s) shall be provided to the County by the applicant.

3. Staff report with recommendation

County staff will review the Brownfields Project Sponsor's Application and consult with any Federal, State and local agencies as to any brownfields requirements, which may be part of the approval of the Brownfields Project. Upon establishing that the Brownfields Project Sponsor has an application with sufficient information required to qualify for a brownfields designation, County staff will schedule an agenda item with the Board of County Commissioners and prepare a staff report with its recommendation of the Brownfields Project Sponsor's Application. The agenda item shall be submitted for internal County review within 30 days of the determination of application sufficiency. Public hearing dates are typically 2 months following internal County review date.

Resolution by the Palm Beach County Board of County Commissioners

At the public hearing consideration of the Brownfields Designation request, the Palm Beach County Board of County Commissioners may pass a resolution designating the proposed site a Brownfields site under the Florida Brownfields Redevelopment Act.

Filings with Federal and State Agencies

Board actions for a brownfields designation under the Florida Brownfields Redevelopment Act shall be filed with the Florida Department of Environmental Protection in compliance with the Florida Brownfields Redevelopment Act.

Brownfields Site Rehabilitation Agreement

The designation of a brownfield area by the County entitles the applicant to negotiate a Brownfields Site Rehabilitation Agreement (BSRA) with the Florida Department of Environmental Protection or an approved local pollution control program. The specific requirements of the agreement are outlined in s. 376.80(5) Florida Statutes and s. 62-785 Florida Administrative Code.

PALM BEACH COUNTY APPLICATION FOR BROWNFIELDS DESIGNATION

Complete this form to request designation by Palm Beach County as a brownfields site or area. It is important to complete all applicable sections and attach all necessary information. It is required that a Brownfields Pre-Application Meeting be held before submitting this application. If you have any questions concerning completion of this application or wish to schedule a Pre-Application Meeting, please call (561) 233-3674 and ask to speak to the Brownfields Project Manager.

Property Information

Property Name: Verde Commons Green Reuse Area

Address: 9845-9905 Clint Moore Road

City: Boca Raton State: FL Zip Code: 33496

Property Size (acres/square feet): 37.4 acres

Parcel Number(s): 00-42-43-27-05-070-1130, 00-42-43-27-05-070-1160, and 00-42-43-27-05-070-1170

Attach a location map and a current aerial with the property delineated. Survey and property cards at Exhibit A.

Property Description

Briefly describe property (vacant land, unoccupied, etc.): Vegetable packing plant and crop cultivation.

Zoning: Single Family Residential (RS) Future Land Use Designation: Low Residential, 2 units per acre (LR-2)

Attach Future Land Use map and Zoning map with the property delineated on each. See Exhibit B.

Is property located within one or more of the following? (check all that apply)

Community Redevelopment Area

US EPA Assessment Grant Area

Existing Designated Brownfield Area

Is the property located within one-half mile of an existing major street? Yes No

Does the property have public street access? Yes No

Are there existing public water and sewer distribution lines? Yes No

Is the property located outside a floodplain area? Yes No

Describe all outstanding property taxes/liens due on the property: N/A

Applicant Information

Name: Toll Brothers, Inc.

Address: 1140 Virginia Drive

City: Fort Washington State: PA Zip Code: 19034

Phone: (305) 640-5300 Fax: N/A E-Mail: bbrumund@goldsteinenvlaw.com

Interest in Property: Contract Purchaser

Current Property Owner Information (if different from Applicant Information)

Name: Westside Farms, Inc. and 7 T's Enterprises, Inc.

Address: 9905 Clint Moore Road

City: Boca Raton State: FL Zip Code: 33496

Phone: 561-289-8195 Fax: N/A E-Mail: steve@thomasproduce.com

Legal Status of the Current Property Owner(s):

Individual/Sole Proprietorship General Partnership State

Limited Liability Co. Limited Partnership State

Florida Corporation

Environmental Status

Provide a brief description of the nature and geographical extent of contamination by hazardous substances and/or pollutants if known:

Onsite soils are impacted by arsenic and Dieldrin at concentrations greater than their respective Soil Cleanup Target Levels ("SCTLs"). Onsite groundwater is impacted by arsenic and Dieldrin at concentrations greater than their respective Groundwater Cleanup Target Levels ("GCTLs"). Please see the Limited Phase II ESA Report at Exhibit C for more information including maps of sample locations and data tables.

Provide a brief description of any previous or current remedial action:

Site assessment is ongoing but remediation will begin following the Applicant's acquisition of the property.

If remediation is needed will you agree to enter into a Brownfields Site Rehabilitation Agreement with the Florida Department of Environmental Protection (or authorized designee)? X Yes ____ No

Attach Phase I or Phase II Environmental Reports, if available.

Limited Phase II Environmental Site Assessment ("Phase II ESA") at Exhibit C.

Development Plan

General Description of Redevelopment Plans:

70 single-family residential units with a 0.66-acre recreational area. The recreational area is intended to satisfy the requirements of Section 376.80(2)(c)(2), Florida Statutes.

Attach further illustrative or graphic information, as appropriate. Site plan at Exhibit D.

How many new permanent full-time or part-time jobs will the project create after remediation and redevelopment?

Redevelopment will create recreational area onsite.

Financial Resources

Reasonable assurances must be provided by the applicant that sufficient financial resources are available to the applicant to implement and complete a rehabilitation agreement and redevelopment plan. Attach a statement, as well as any other appropriate information, outlining the financial resources available to the applicant for rehabilitation and redevelopment. This statement can include financial resources the applicant anticipates to obtain (private loans, equity and assistance) through designation as a brownfields site. In short, describe your general financial plan for your project.

The Applicant will fund site rehabilitation and redevelopment with its own financial resources. According to the Applicant's 2022 Annual Report, the Applicant has \$1.35 billion cash and cash equivalents on hand and approximately \$1.79 billion available for borrowing. Please see the Eligibility Statement and its Attachments at Exhibit E for additional information. The Applicant expects to spend approximately \$53 million to acquire and develop the property. Specifically, see page 33 of the Annual Report enclosed at Attachment F to Exhibit E.

Services to be Provided

Applicants are required to have a Pre-Application meeting either in person or via telephone conference call. Have you had a Brownfields Pre-Application Meeting? Yes No

- If "No", please call (561) 233-3674 to schedule a Pre-Application meeting.

In order to better assist you, please check the type of designation you are requesting and the type of assistance/incentives you are seeking through this designation (check all that apply):

Type of Designation: Area (several parcels) _____ Site (single parcel)

Type of Assistance/Incentives:

_____ Technical Assistance (aide in obtaining grants, loans, etc.)

_____ Loans (remediation loan funds via the County's EPA Revolving Loan Fund)

Tax Credits/Exemptions due to Brownfield Site Designation

_____ Job Creation Credits due to Brownfield Site Designation

_____ Job Training Grants due to Brownfield Site Designation

_____ Other (explain) _____

What are your goals with respect to the property (i.e., sale, redevelopment, business expansion, etc.)? Redevelopment

Attachments Checklist

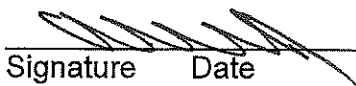
- Location map and current aerial with the property delineated Exhibit A.
- Phase I and/or Phase II Environmental Report(s), if available Exhibit C.
- Further Development Plan-related illustrative or graphic information Exhibit D.
- Statement and any other appropriate information outlining the financial resources available to the applicant for rehabilitation and redevelopment. Exhibit E, Attachment F
- Zoning Verification Letter from the Palm Beach County Zoning Division stating that the proposed brownfields site is consistent with the County' Comprehensive Plan. In progress.
- PBC Planning Division letter stating that the proposed brownfields site is consistent with the County's Comprehensive Plan In progress.

All applicants for Brownfields designation shall pay a non-refundable filing fee(s).

SIGNATURE PAGE

The contents of this application shall be considered public records of the County. The undersigned affirms that the information contained in this application is true and accurate.

Applicant:

 07/18/2023
Signature Date

Alex Martin
Print/Type Name

Division President
Title

FOR OFFICE USE ONLY

Application Received By: William Cross, AICP, Principal Planner Date: July 17, 2023

Application Completeness Review By: William Cross, AICP, Principal Planner

Application Complete

Application Incomplete (Specify reason(s)): N/A - Prior insufficiencies resolved.

Applicant Contacted on: July 17, 2023

Date Information Received to Complete Application (If Applicable): July 18, 2023

Signature of Reviewer:  Date: July 18, 2023

BCC Public Hearing Date for Designation of Brownfields Site: 8/22 BCC Public Meeting; and, 10/17 and 11/21 BCC Public Hearings

Exhibit A

{00011414.DOCX.1}

Property Detail

Location Address 9905 CLINT MOORE RD
Municipality UNINCORPORATED
Parcel Control Number 00-42-43-27-05-070-1130
Subdivision PALM BEACH FARMS CO PL NO 3
Official Records Book 03698 Page 1610
Sale Date JAN-1982
Legal Description PALM BEACH FARMS CO PLAT NO 3 TRS 113 TO 115 BLK 70

Owner Information

Owners	Mailing address
WESTSIDE FARMS INC	9905 CLINT MOORE RD BOCA RATON FL 33496 1016

Sales Information

Sales Date	Price	OR Book/Page	Sale Type	Owner
JAN-1982	\$200,000	03698 / 01610	WARRANTY DEED	WESTSIDE FARMS INC
JAN-1979	\$190,000	02995 / 00599		
JAN-1977	\$126,900	02750 / 00668		

Exemption Information

No Exemption information available

Property Information

Number of Units 1
*Total Square Feet 109510
Acres 17.53
Use Code 5100 - AG Classification CROP SOIL CLASS 1
Zoning MUPD - Multiple Use Planned Dev' (00-UNINCORPORATED)

Appraisals

Tax Year	2022	2021	2020
Improvement Value	\$5,814,678	\$4,837,014	\$4,565,802
Land Value	\$9,641,500	\$4,908,400	\$4,908,400
Total Market Value	\$15,456,178	\$9,745,414	\$9,474,202

All values are as of January 1st each year

Assessed and Taxable Values

Tax Year	2022	2021	2020
Assessed Value	\$6,077,238	\$5,526,139	\$5,190,997
Exemption Amount	\$0	\$0	\$0
Taxable Value	\$6,077,238	\$5,526,139	\$5,190,997

Taxes

Tax Year	2022	2021	2020
Ad Valorem	\$109,304	\$95,984	\$91,494
Non Ad Valorem	\$2,218	\$2,149	\$2,119
Total tax	\$111,522	\$98,133	\$93,613

Property Detail

Location Address CLINT MOORE RD
Municipality UNINCORPORATED
Parcel Control Number 00-42-43-27-05-070-1160
Subdivision PALM BEACH FARMS CO PL NO 3
Official Records Book 32840 Page 676
Sale Date AUG-2021
Legal Description PALM BEACH FARMS CO PLAT NO 3 TR 116 BLK 70

Owner Information

Owners	Mailing address
7 T'S ENTERPRISES INC	9905 CLINT MOORE RD BOCA RATON FL 33496 1099

Sales Information

Sales Date	Price	OR Book/Page	Sale Type	Owner
AUG-2021	\$10	32840 / 00676	QUIT CLAIM	7 T'S ENTERPRISES INC
MAY-2016	\$10	28311 / 00422	QUIT CLAIM	7 TS ENTERPRISES INC
JUL-1991	\$100	06897 / 01200	QUIT CLAIM	
FEB-1987	\$75,000	05197 / 01382	WARRANTY DEED	
JAN-1978	\$150,000	02816 / 00679		

Exemption Information

No Exemption information available

Property Information

Number of Units 0
*Total Square Feet 0
Acres 5.04
Use Code 5100 - AG Classification CROP SOIL CLASS 1
Zoning MUPD - Multiple Use Planned Dev' (00-UNINCORPORATED)

Appraisals

Tax Year	2022	2021	2020
Improvement Value	\$0	\$0	\$0
Land Value	\$2,772,000	\$1,411,200	\$1,411,200
Total Market Value	\$2,772,000	\$1,411,200	\$1,411,200

All values are as of January 1st each year

Assessed and Taxable Values

Tax Year	2022	2021	2020
Assessed Value	\$7,812	\$7,560	\$7,560
Exemption Amount	\$0	\$0	\$0
Taxable Value	\$7,812	\$7,560	\$7,560

Taxes

Tax Year	2022	2021	2020
Ad Valorem	\$132	\$131	\$133
Non Ad Valorem	\$248	\$248	\$248
Total tax	\$380	\$379	\$381

Property Detail

Location Address 9845 CLINT MOORE RD
Municipality UNINCORPORATED
Parcel Control Number 00-42-43-27-05-070-1170
Subdivision PALM BEACH FARMS CO PL NO 3
Official Records Book 32840 Page 685
Sale Date AUG-2021
Legal Description PALM BEACH FARMS CO PL NO 3 TRS 117 TO 119 BLK 70

Owner Information

Owners
7 T'S ENTERPRISES INC

Mailing address
9905 CLINT MOORE RD
BOCA RATON FL 33496 1099

Sales Information

Sales Date	Price	OR Book/Page	Sale Type	Owner
AUG-2021	\$10	32840 / 00685	QUIT CLAIM	7 T'S ENTERPRISES INC
MAY-2016	\$10	28311 / 00424	QUIT CLAIM	7 TS ENTERPRISES INC
JAN-1987	\$100	05197 / 01379	QUIT CLAIM	SEVEN TS ENTERPRISES INC

Exemption Information

No Exemption information available

Property Information

Number of Units 0
*Total Square Feet 0
Acres 15.12
Use Code 5100 - AG Classification CROP SOIL CLASS 1
Zoning MUPD - Multiple Use Planned Dev' (00-UNINCORPORATED)

Appraisals

Tax Year	2022	2021	2020
Improvement Value	\$0	\$0	\$0
Land Value	\$8,316,000	\$4,233,600	\$4,233,600
Total Market Value	\$8,316,000	\$4,233,600	\$4,233,600

All values are as of January 1st each year

Assessed and Taxable Values

Tax Year	2022	2021	2020
Assessed Value	\$23,436	\$22,680	\$22,680
Exemption Amount	\$0	\$0	\$0
Taxable Value	\$23,436	\$22,680	\$22,680

Taxes

Tax Year	2022	2021	2020
Ad Valorem	\$395	\$394	\$398
Non Ad Valorem	\$823	\$823	\$823
Total tax	\$1,218	\$1,217	\$1,221

OAKS AT BOCA RATON PLAT THREE

16-22)

(P.B. 99, PGS. 37-39)

SOCIATION, INC.
TRACT L-1

OAKS AT BOCA RATON PLAT ONE TRACT L-12
(P.B. 95, PGS. 16-22)

2474.10' (M)
N89°34'01"E 2474.24' (TOTAL)

OWNER: THE OAKS AT BOCA RATON PROP
ASSOCIATION, INC. PCN: 00-42-46-31-0

FPL EASEMENT (TRACTS 113, 114, 115)
B. 3400, PG. 1280

15' FPL EASEMENT
(ORB. 5865, PG. 1429)

15' FPL EASEMENT (TRACT 116)
(ORB. 5865, PG. 1430)

PARCEL 1

15' FPL EASEMENT
(ORB. 3400, PG. 1280)

PARCEL 2

TRACT 114, BLOCK 70
PCN: 00-42-43-27-05-070-1130

TRACT 115, BLOCK 70
PCN: 00-42-43-27-05-070-1130

TRACT 116, BLOCK 70
PCN: 00-42-43-27-05-070-1160

THE PALM BEACH FARMS CO. PLAT NO. 3
(P.B. 2, PGS. 45-54)

1663)

AREA TO BE VACATED)
1663)

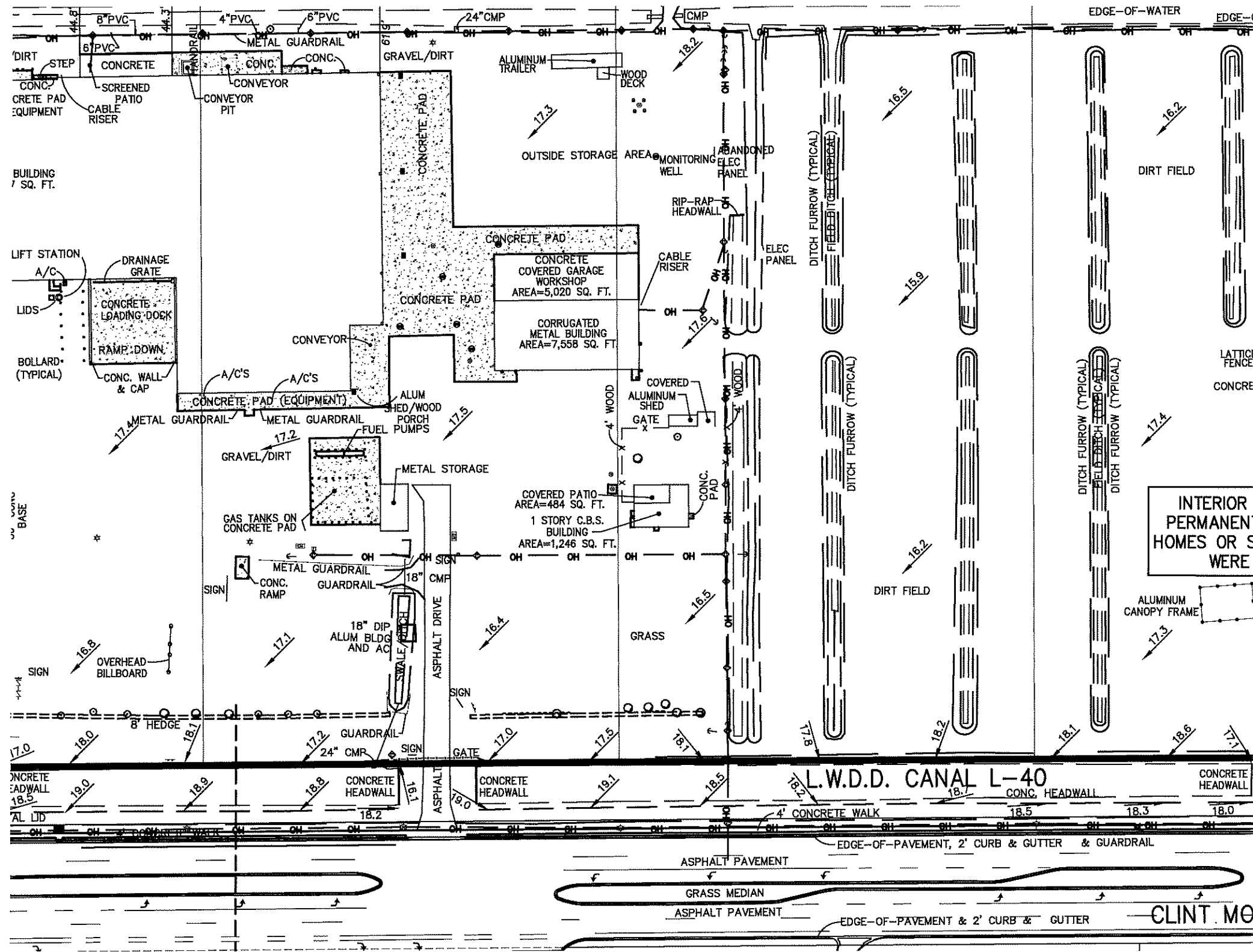
SECTION LINE PER F.D.O.T. R/W PROJECT SU-475-2(2),
MAP NO.93210-2515, DATED 12-23-94

35' D.E. REQUIRED FOR L.W.D.D. L-40 (PER L.W.D.D. LETTER DATED 5-3-2016)

L-40 (PER ORB. 1732, PG. 612)

S89°34'01"W 2462.43' (C)(TOTAL)

L W D D CANAL L-40



BUILDING
7 SQ. FT.

LIFT STATION
A/C

LIDS

BOLLARD
(TYPICAL)

CONC. BASE

CONCRETE
HEADWALL
18.5

AL LID

ASPHALT PAVEMENT

GRASS MEDIAN

ASPHALT PAVEMENT

CONCRETE
LOADING DOCK

RAMP DOWN

CONC. WALL
& CAP

A/C'S

METAL GUARDRAIL

GRAVEL/DIRT

GAS TANKS ON
CONCRETE PAD

METAL GUARDRAIL

CONC. RAMP

18" DIP
ALUM BLDG
AND AC

GUARDRAIL

CONCRETE HEADWALL

ASPHALT DRIVE

CONCRETE HEADWALL

CONCRETE HEADWALL

CONCRETE HEADWALL

CONCRETE HEADWALL

CONCRETE HEADWALL

CONCRETE PAD (EQUIPMENT)

A/C'S

METAL GUARDRAIL

GRAVEL/DIRT

METAL STORAGE

18" DIP
ALUM BLDG
AND AC

GUARDRAIL

CONCRETE HEADWALL

ASPHALT DRIVE

CONCRETE HEADWALL

CONCRETE HEADWALL

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CONCRETE COVERED GARAGE
WORKSHOP
AREA=5,020 SQ. FT.

CORRUGATED METAL BUILDING
AREA=7,558 SQ. FT.

COVERED PATIO
AREA=484 SQ. FT.

1 STORY C.B.S.
BUILDING
AREA=1,246 SQ. FT.

ALUM BLDG
AND AC

WOOD

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INTERIOR PERMANENT
HOMES OR SHEDS
WERE REMOVED

ALUMINUM CANOPY FRAME

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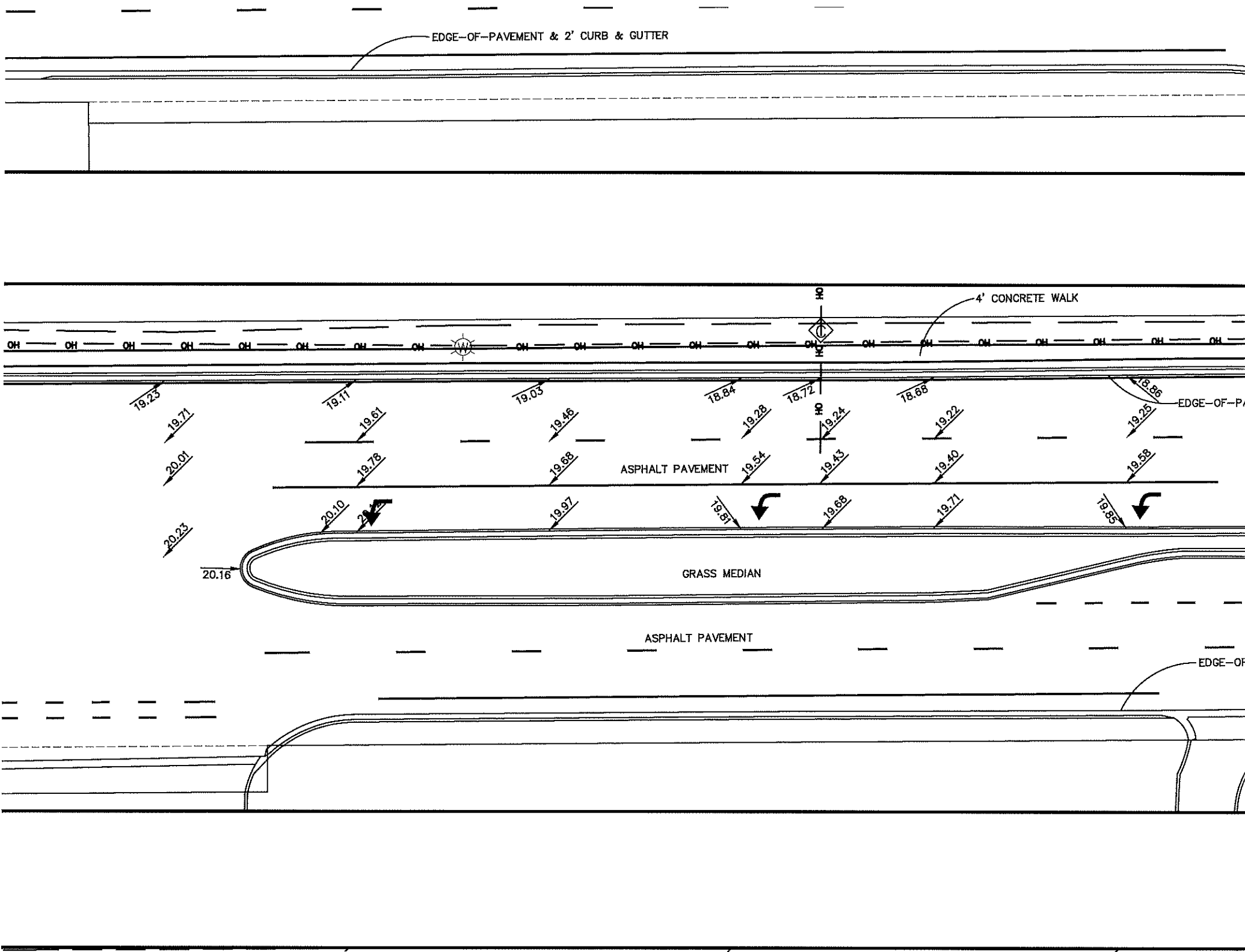
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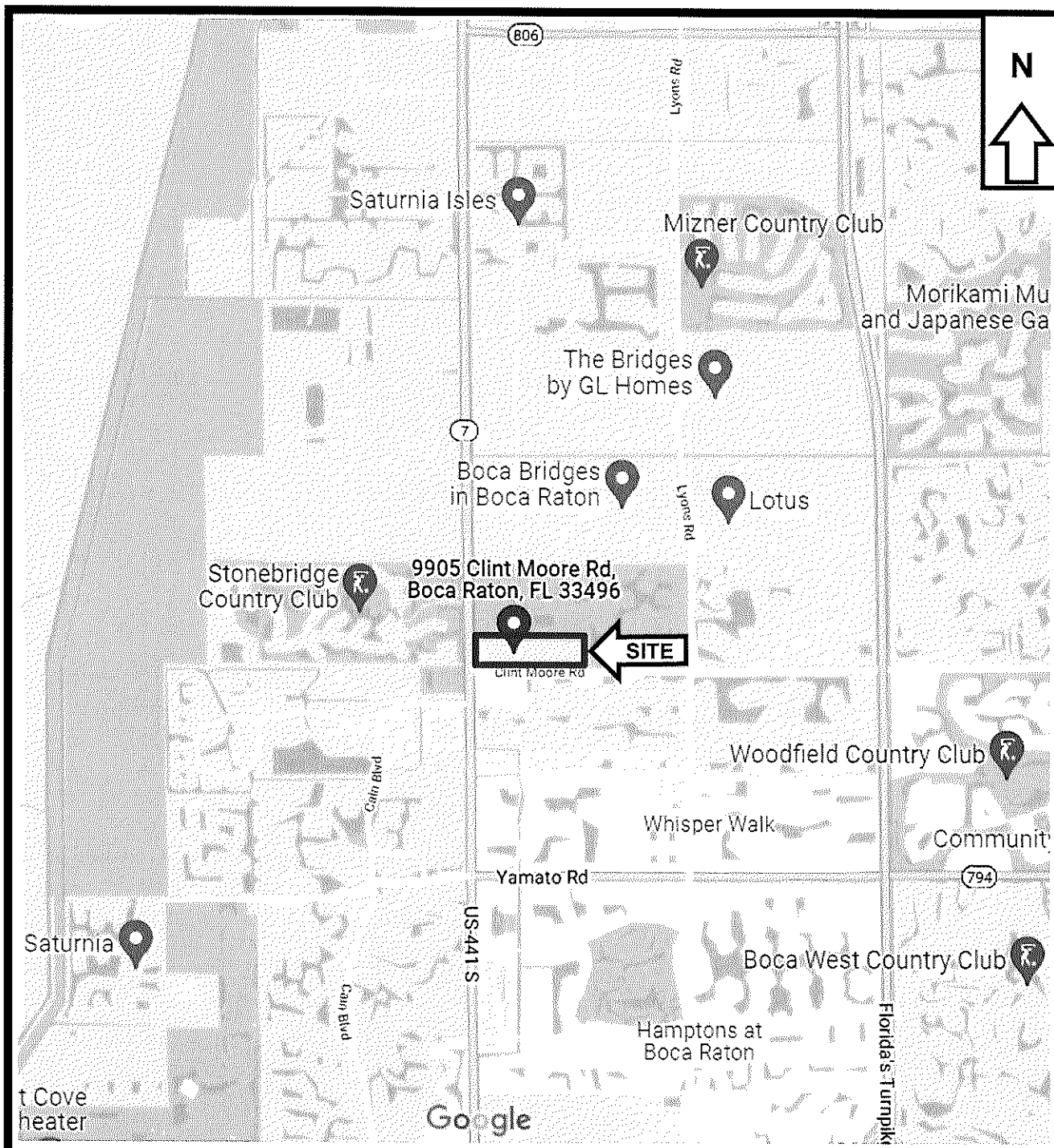
CONCRETE

EDGE-OF-PAVEMENT & 2' CURB & GUTTER



Aerial Map – 9845-9905 Clint Moore Road, Boca Raton, FL 33496





EDWARD G. RAHRIG, P.G., LLC
 1086 Southwest Sultan Drive
 Port St. Lucie, FL 34953
 Tel: (561) 246-9732 Fax: (888) 848-0816



Phase II Environmental Site Assessment
Thomas Produce aka Verde Commons
9845-9905 Clint Moore Road
Boca Raton, Florida

Site Location Map Scale Unknown	Drawn By	Date: December 8, 2021	Figure No.: 1
	ER	Job No.: 66103.01	

Exhibit B

{00011414.DOCX.1 }

Zoning Map

9845-9905 Clint Moore Road, Boca Raton, FL 33496

Parcel Nos.: 00-42-43-27-05-070-1130, 00-42-43-27-05-070-1160, and 00-42-43-27-05-070-1170



Future Land Use Map

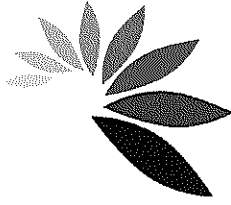
9845-9905 Clint Moore Road, Boca Raton, FL 33496

Parcel Nos.: 00-42-43-27-05-070-1130, 00-42-43-27-05-070-1160, and 00-42-43-27-05-070-1170



Exhibit C

{00011414.DOCX.1}



Edward G. Rahrig, P.G., LLC
1086 Southwest Sultan Drive
Port St. Lucie, Florida 34953
561-246-9732 (p)
888-848-0816 (f)
edrahrig@comcast.net

Mr. Stuart Gordon, P.E., Land Development Manager
Toll Brothers Land Development
2074 West Indiantown Road, Suite #203
Jupiter, Florida 33458

December 8, 2021

**Subject: Results of Limited Phase II Environmental Site Assessment
Thomas Produce aka Verde Commons
9845-9905 Clint Moore Road
Boca Raton, Palm Beach County, Florida**

Dear Mr. Gordon:

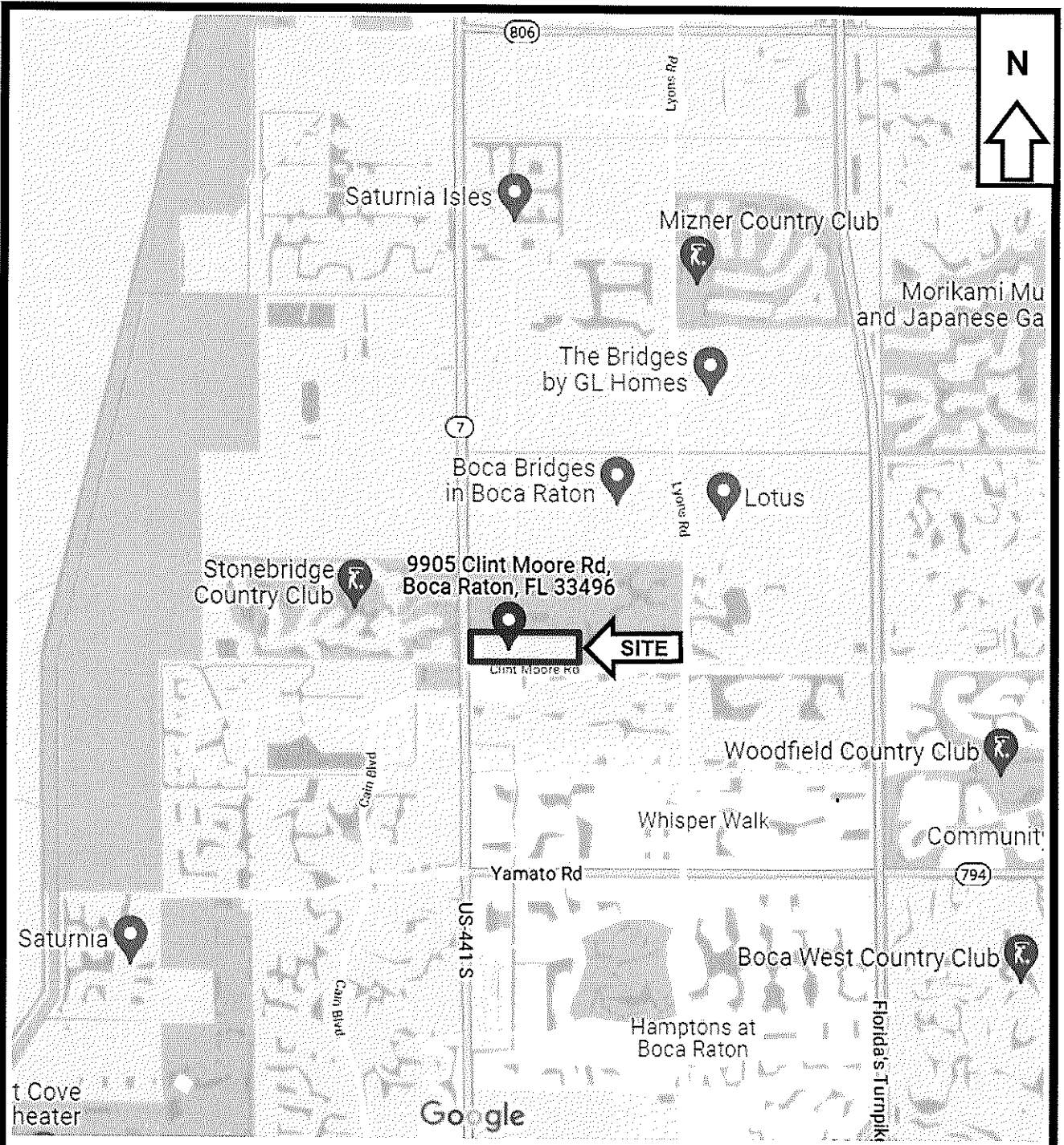
We are pleased to present the results of our limited Phase II Environmental Site Assessment (ESA) sampling and analysis performed at Thomas Produce aka Verde Commons, 9845-9905 Clint Moore Road, Boca Raton (unincorporated Palm Beach County), Florida (the "Subject"; Figure 1, attached). The limited Phase II ESA scope of work was recommended when information collected during preparation of a Phase I ESA found several *recognized environmental conditions* (RECs) to be associated with the Subject. One of the RECs determined the site has been used for row crop propagation from at least 1952 and concluded agricultural chemical residuals may be present in soil or groundwater beneath the Subject.

In order to assess if agricultural chemical residuals are present, we advanced twenty soil borings at the locations depicted on Figure 2 (attached). A *Geoprobe* direct push drill rig was used for collection and analysis of soil and groundwater samples from each boring location. Soil grab samples were collected from each boring using a *MacroCore* sampler at depths 0.5 and 2 feet below grade. Groundwater samples were collected using an *SP-15* sampler at depths of 3.5-7.5 feet below grade. A total of forty soil samples and twenty groundwater samples were collected at the site for arsenic and organochlorine pesticide analysis using EPA Methods 6020 and 8081. Depth to groundwater was observed to be around 3.5 feet below ground level.

Results of the analyses, which are summarized in Tables 1 and 2 (attached), indicate several agricultural chemical compound residuals are present in shallow soil and groundwater samples collected from beneath the Subject. Specifically, arsenic, 4,4-DDD, 4,4-DDE, 4,4-DDT, Chlordane, Aldrin, BHC, Dieldrin, Endosulfan, Endrin, Heptachlor, and Toxaphene were detected in one or more shallow soil samples at concentrations greater than their respective laboratory method detection limits (MDLs). Dieldrin was detected in soil samples collected from borings B-2 and B-5 at concentrations of 0.00939 and 0.00423 milligrams per kilogram (mg/kg), which are greater than its Florida Department of Environmental Protection (FDEP) 0.002 mg/kg soil cleanup target level (SCTL) for leachability.

Arsenic, 4,4-DDE, and Dieldrin were detected in several shallow groundwater samples at concentrations greater than their respective laboratory MDLs. Specifically, arsenic was detected

.....

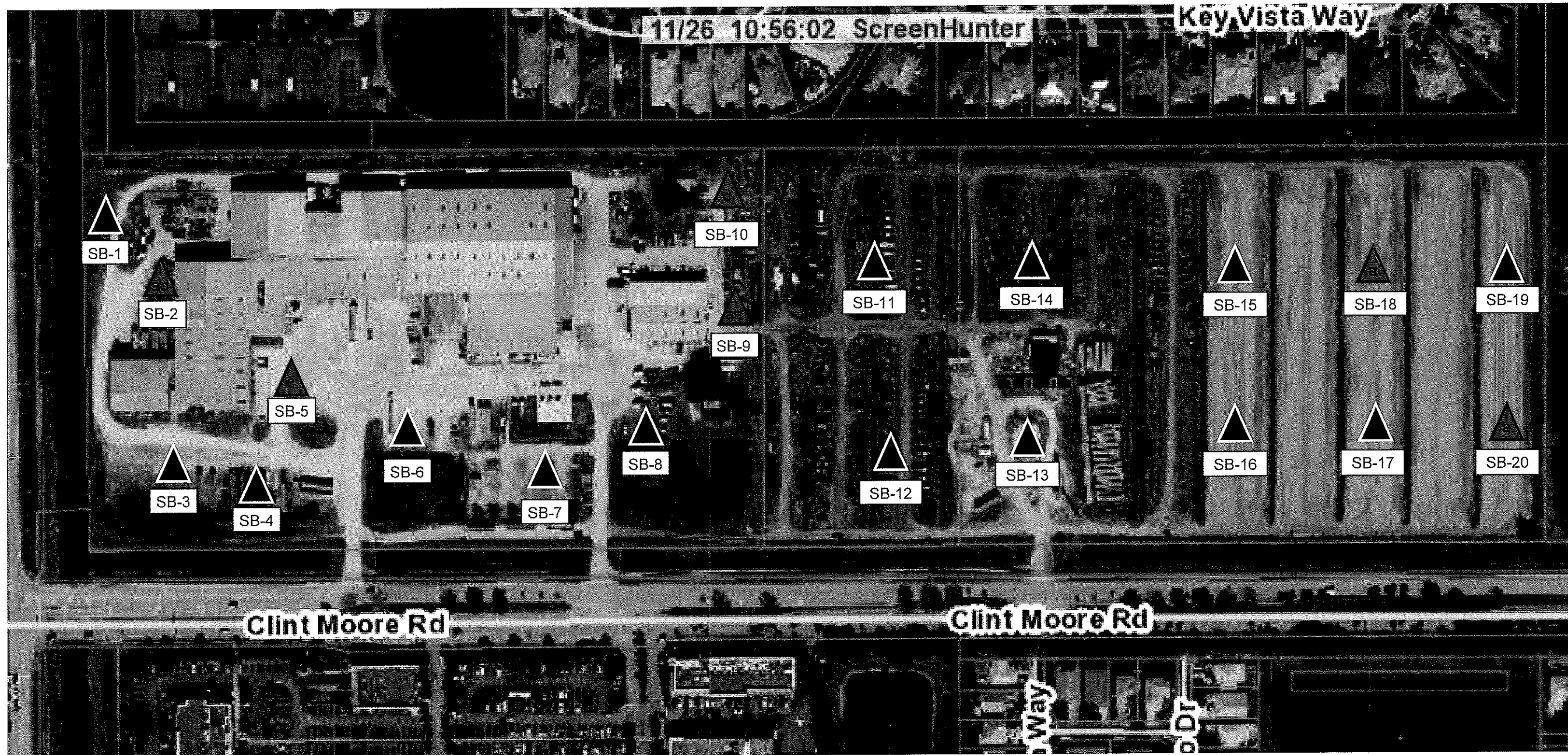


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 Port St. Lucie, FL 34953
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Phase II Environmental Site Assessment
Thomas Produce aka Verde Commons
9845-9905 Clint Moore Road
Boca Raton, Florida

Site Location Map Scale Unknown	Drawn By	Date:	December 8, 2021	Figure No.:
	ER	Job No.:	66103.01	



Phase II ESA
 Thomas Produce aka Verde Commons
 9845-9905 Clint Moore Road
 Boca Raton, Florida



EDWARD G. RAHRIG, P.G. LLC
 1086 Southwest Sultan Drive
 Port St. Lucie, Florida 34953
 Tel: (561) 246-9732 Fax: (888) 848-0816

Boring Location Map	Drawn By	ER	Date:	December 8, 2021	Figure No.:	2
			Job No.:	66103.01		

LEGEND



-  Boring Location
-  Boring Location with Elevated Soil or Groundwater Contamination
- a-Arsenic
- d-Dieldrin

Table 1.0 Soil Analytical Summary ("Hits Table")

Boring ID	Arsenic	4,4-DDE	4,4-DDD	4,4-DDT	Dieldrin	Total Chlordane	Total Toxaphene	Endrin	Total BHC	Heptachlor	Endo-sulfan
B-1-0.5	0.58	0.000106 U	0.000098 U	0.000245 U	0.000103 U	0.000239 U	0.0125 U	ND	ND	ND	ND
B-1-2	0.17i	0.00488	0.000174 i	0.000255 U	0.000107 U	0.000249 U	0.0129 U	ND	ND	ND	ND
B-2-0.5	0.13i	0.000097 U	0.00009 U	0.000225 U	0.000129 i	0.00022 U	0.0114 U	ND	ND	ND	ND
B-2-2	0.2i	0.00611	0.000094 U	0.000234 U	0.00939	0.0051	0.132	ND	ND	ND	ND
B-3-0.5	0.46i	0.000099 U	0.000092 U	0.00023 U	0.000227 i	0.000225 U	0.0117 U	ND	ND	ND	ND
B-3-2	0.093U	0.00459	0.000091 U	0.000226 U	0.000095 U	0.000995	0.0115 U	ND	ND	ND	ND
B-4-0.5	0.32i	0.00063	0.000096 U	0.00024 U	0.000468	0.000234 U	0.0122 U	ND	ND	ND	ND
B-4-2	0.091U	0.000744	0.000092 U	0.000229 U	0.000096 U	0.000462 i	0.0116 U	ND	ND	ND	ND
B-5-0.5	0.1i	0.0136	0.000098 U	0.000244 U	0.00423	0.0106	0.0124 U	ND	ND	ND	ND
B-5-2	0.13i	0.000215 i	0.000094 U	0.000234 U	0.000126 i	0.000228 U	0.0119 U	ND	ND	ND	ND
B-6-0.5	0.23i	0.000105 U	0.000097 U	0.000242 U	0.000102 U	0.000236 U	0.0123 U	ND	ND	ND	ND
B-6-2	0.19i	0.0126	0.000811	0.000262 U	0.000949	0.000255 U	0.0133 U	ND	ND	ND	ND
B-7-0.5	0.44i	0.000227 i	0.000092 U	0.000229 U	0.000096 U	0.000224 U	0.0116 U	ND	ND	ND	ND
B-7-2	0.5i	0.0607	0.103	0.0614	0.000099 U	0.0163	0.012 U	ND	ND	ND	ND
B-8-0.5	0.17i	0.000111 U	0.000103 U	0.000256 U	0.000107 U	0.00025 U	0.013 U	ND	ND	ND	ND
B-8-2	0.094U	0.000239 i	0.0001 U	0.000248 U	0.000104 U	0.000312 i	0.0126 U	ND	ND	ND	ND
B-9-0.5	0.32i	0.00266	0.000099 U	0.000247 U	0.00164	0.00219	0.0126 U	ND	ND	ND	ND
B-9-2	0.092U	0.000199 i	0.000091 U	0.000226 U	0.000095 U	0.000221 U	0.0115 U	ND	ND	ND	ND
B-10-0.5	0.42i	0.000116 i	0.000089 U	0.000222 U	0.000093 U	0.000216 U	0.0113 U	ND	ND	ND	ND
B-10-2	0.29i	0.000396	0.000087 U	0.000218 U	0.0001 i	0.000212 U	0.0111 U	ND	ND	ND	ND
B-11-0.5	0.37i	0.00806	0.0001 U	0.000249 U	0.000627	0.00133	0.0126 U	ND	ND	ND	ND
B-11-2	0.091U	0.000638	0.000162 i	0.000242 U	0.000101 U	0.000313 i	0.0123 U	ND	ND	ND	ND
B-12-0.5	0.091U	0.00732	0.000596	0.000243 U	0.000102 U	0.002	0.0124 U	ND	ND	ND	ND
B-12-2	0.17i	0.000358	0.000109 U	0.000273 U	0.000114 U	0.000266 U	0.0138 U	ND	ND	ND	ND
B-13-0.5	0.31i	0.0033	0.000369	0.00126	0.000188 i	0.000225 U	0.0117 U	ND	ND	ND	ND
B-13-2	0.092U	0.00177	0.000095 U	0.000236 U	0.000099 U	0.000452 i	0.012 U	ND	ND	ND	ND
B-14-0.5	0.18i	0.0095	0.00132	0.000249 U	0.00106	0.00407	0.0126 U	ND	ND	ND	ND
B-14-2	0.094U	0.00139	0.000427	0.000263 U	0.000145 i	0.000974	0.0134 U	ND	ND	ND	ND
B-15-0.5	0.25i	0.000539	0.000099 U	0.000246 U	0.000286 i	0.000496 i	0.0125 U	ND	ND	ND	ND
B-15-2	0.091U	0.000676	0.000103 U	0.000256 U	0.000107 U	0.000307 i	0.013 U	ND	ND	ND	ND
B-16-0.5	0.24i	0.000442	0.000093 U	0.000232 U	0.000143 i	0.000469 i	0.0118 U	ND	ND	ND	ND
B-16-2	0.093U	0.00176	0.000272 i	0.000235 U	0.000099 U	0.000668 i	0.0119 U	ND	ND	ND	ND
B-17-0.5	0.32i	0.00324	0.000088 U	0.00022 U	0.000135 i	0.000215 U	0.0112 U	ND	ND	ND	ND
B-17-2	0.092U	0.000846	0.000095 U	0.000238 U	0.0001 U	0.000252 i	0.0121 U	ND	ND	ND	ND
B-18-0.5	0.32i	0.00123	0.000098 U	0.000243 U	0.000102 U	0.000237 U	0.0124 U	ND	ND	ND	ND

B-18-2	0.3i	0.012	0.000095 U	0.000237 U	0.000099 U	0.000231 U	0.012 U	ND	ND	ND	ND
B-19-0.5	0.28i	0.00212	0.000089 U	0.000222 U	0.00013 i	0.000242 i	0.0113 U	ND	ND	ND	ND
B-19-2	0.093U	0.000633	0.000124 i	0.000247 U	0.000104 U	0.000372 i	0.0126 U	ND	ND	ND	ND
B-20-0.5	0.29i	0.00114	0.000096 U	0.000239 U	0.0001 U	0.000243 i	0.0121 U	ND	ND	ND	ND
B-20-2	0.091U	0.000224 i	0.000094 U	0.000235 U	0.000099 U	0.000229 U	0.0119 U	ND	ND	ND	ND
SCTL (r)	2.1	2.9	4.2	2.9	0.06	2.8	0.9	25	-	0.2	-
SCTL (l)	-	18	5.8	11	0.002	9.6	31	1	-	23	-

i=Estimated value between laboratory reporting limit and method detection limit

U=Compound(s) analyzed for but not detected above the method detection limit

ND=Compound list not detected above method detection limit

SCTL (r)=FDEP soil cleanup target level, residential exposure limit

SCTL (l)=FDEP soil cleanup target level, leachability

Bold Red denotes detected concentration greater than FDEP SCTL

Table 2.0 Groundwater Analytical Summary (“Hits Table”)

Boring ID	Arsenic	4,4-DDE	4,4-DDD	4,4-DDT	Dieldrin	Total Chlordane	Total Toxaphene	Endrin	BHC	Heptachlor	Endo-sulfan
B-1	2.4	0.00787	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-2	15	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-3	3.2	0.013	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-4	5.8	0.017	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-5	4	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-6	3.6	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-7	4.2	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-8	1.5i	0.017	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-9	110	0.00331i	ND	ND	0.00666	ND	ND	ND	ND	ND	ND
B-10	1.8i	0.03	ND	ND	0.00515	ND	ND	ND	ND	ND	ND
B-11	4	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-12	0.66i	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-13	6.3	0.0075	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-14	10	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-15	9.8	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-16	4.5	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-17	7.7	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-18	15	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-19	6.6	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
B-20	15	0.00155U	ND	ND	0.000593U	ND	ND	ND	ND	ND	ND
GCTL	10	0.1	0.1	0.1	0.002	-	3	-	-	0.4	-
NADC	100	10	10	10	0.2	-	-	-	-	-	-

i=Estimated value between laboratory reporting limit and method detection limit

U=Compound(s) analyzed for but not detected above the method detection limit

ND=Compound list not detected above method detection limit

GCTL=FDEP groundwater cleanup target level

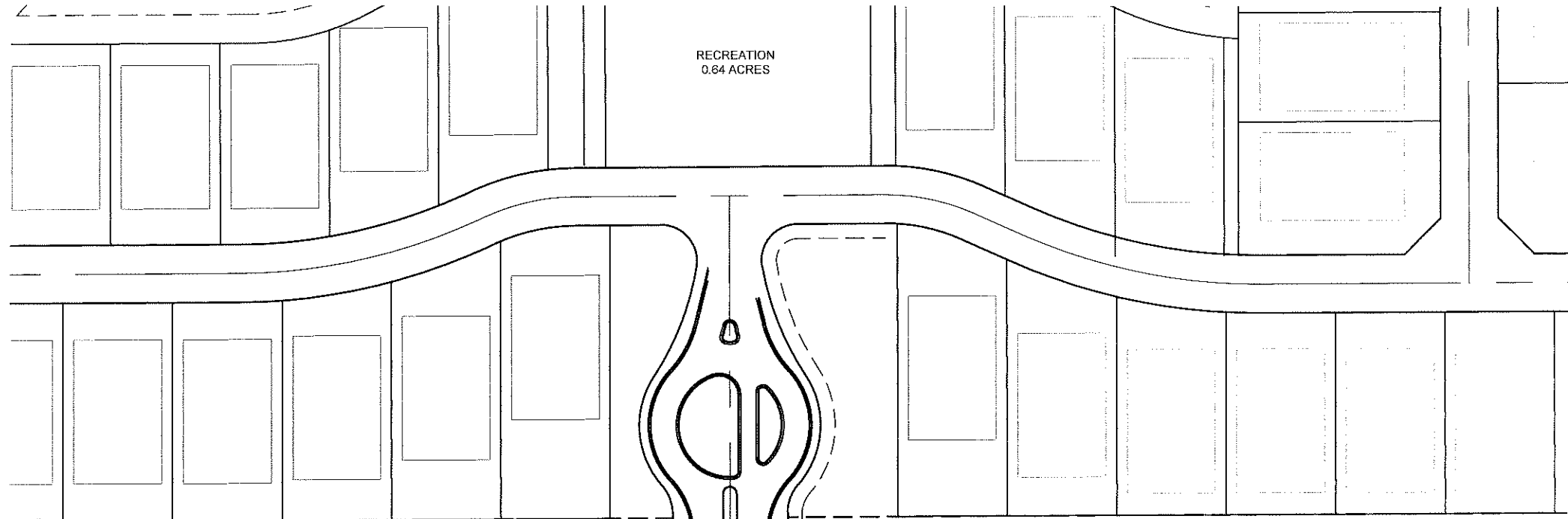
NADC=FDEP natural attenuation default concentration

Bold Red denotes detected concentration greater than FDEP GCTL

Exhibit D

{00011414.DOCX.1}

RECREATION
0.64 ACRES



LANDSCAPE BUFFER
12.02' U.E.

12.0' U.E.

3.00' L.W.D.D. EASEMENT

PROPOSED 35.00' L.W.D.D. EASEMENT

PROPOSED 35.00' L.W.D.D. EASEMENT

B. 2, PG. 45 - 54, P.B.C.R.
(G. 505, P.B.C.R.)

LWDD CANAL L-40

LWDD CANAL L-40

50.00' ROW (P.B. 2, PG. 45 - 54, P.B.C.R.
(O.R.B. 1585, PG. 505, P.B.C.R.)

ULTIMATE ROW

ROAD R.O.W. LINE

110.00' ULTIMATE ROW

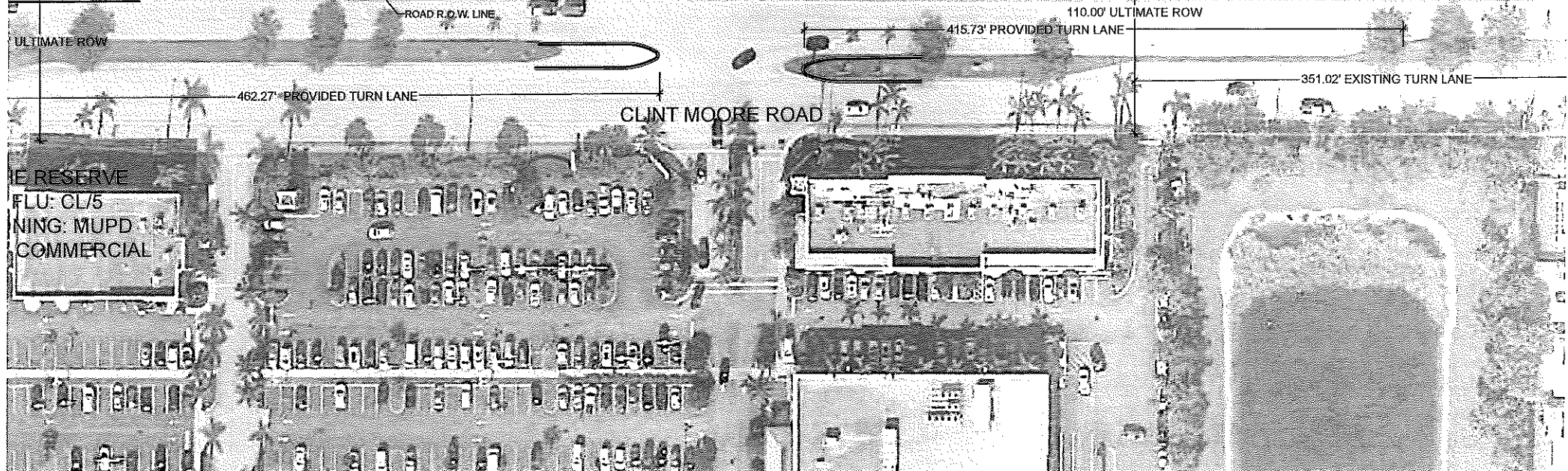
462.27' PROVIDED TURN LANE

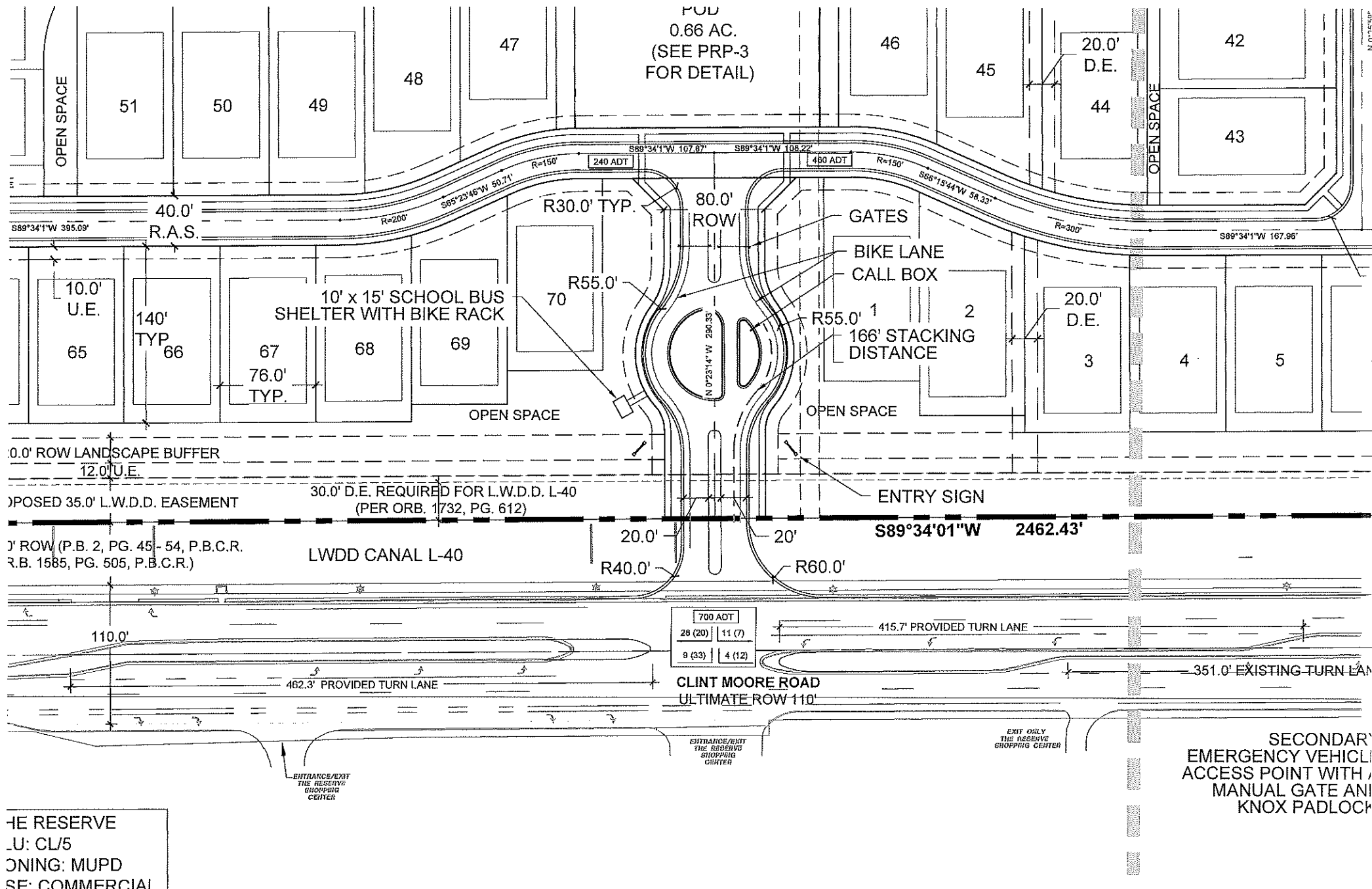
415.73' PROVIDED TURN LANE

351.02' EXISTING TURN LANE

CLINT MOORE ROAD

IE RESERVE
FLU: CL/5
ZONING: MUPD 1.5
COMMERCIAL

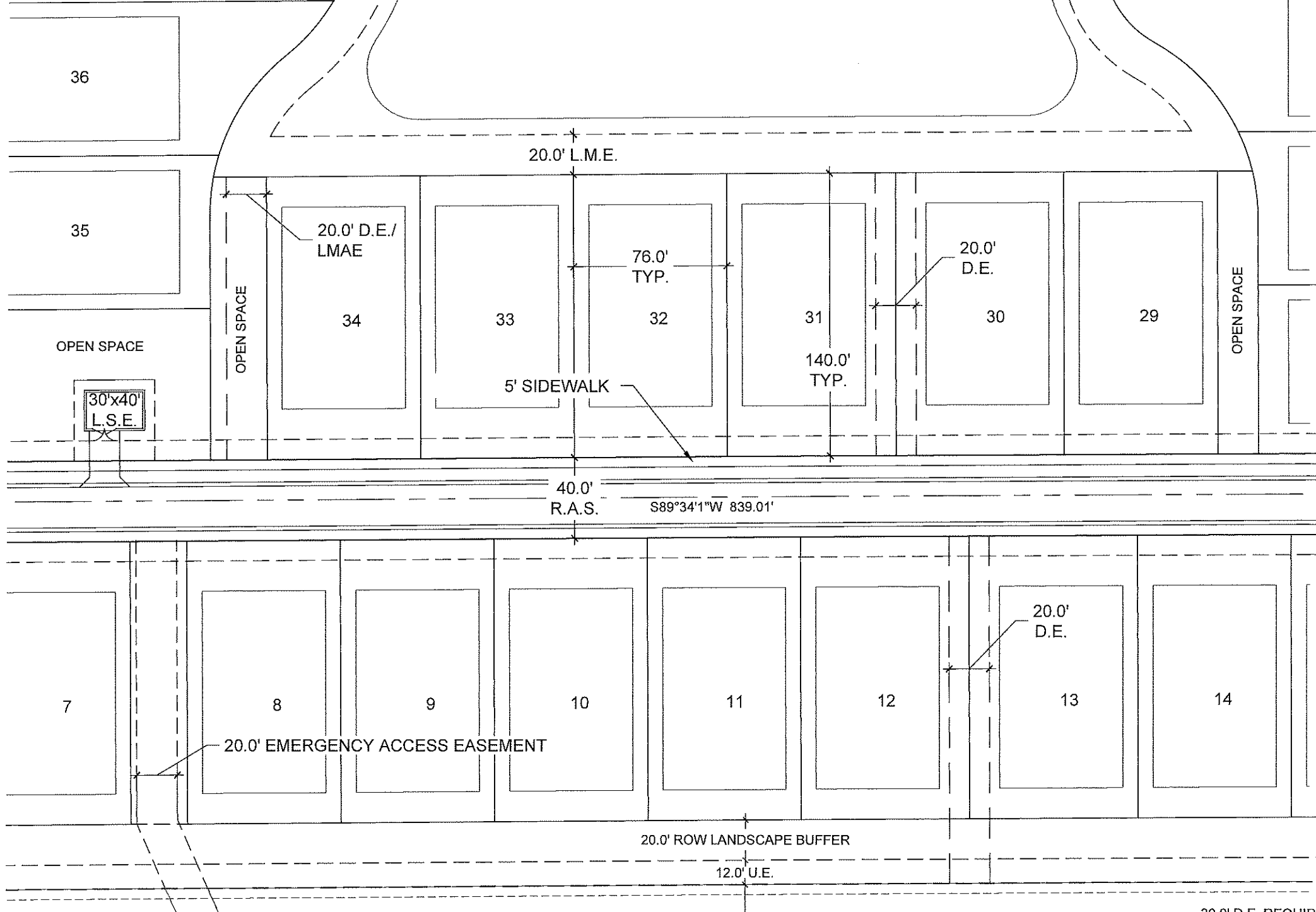




THE RESERVE
 U: CL/5
 ZONING: MUPD
 USE: COMMERCIAL

10.0' FPL EASEMENT
(ORB. 5865 PG. 1429)
TO BE ABANDONED

1.51 AC.



36

35

OPEN SPACE

30'x40'
L.S.E.

OPEN SPACE

20.0' D.E./
LMAE

34

5' SIDEWALK

33

76.0'
TYP.

32

140.0'
TYP.

31

20.0'
D.E.

30

OPEN SPACE

29

40.0'
R.A.S.

S89°34'1"W 839.01'

7

8

9

10

11

12

20.0'
D.E.

13

14

20.0' EMERGENCY ACCESS EASEMENT

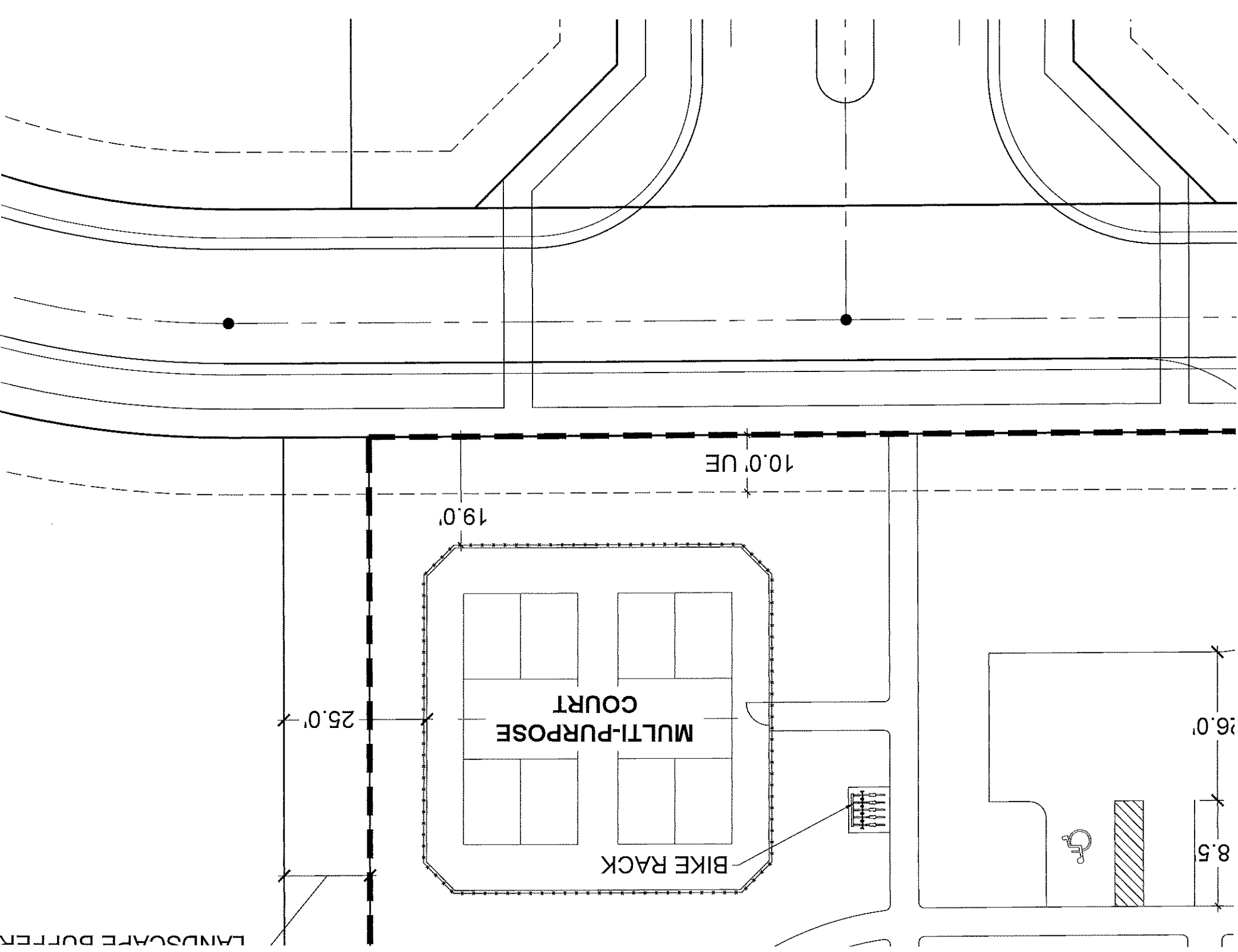
20.0' ROW LANDSCAPE BUFFER

12.0' U.E.

30.0' D.E. REQUIRED



LANDSCAPE BUFFER



10.0' UE

19.0'

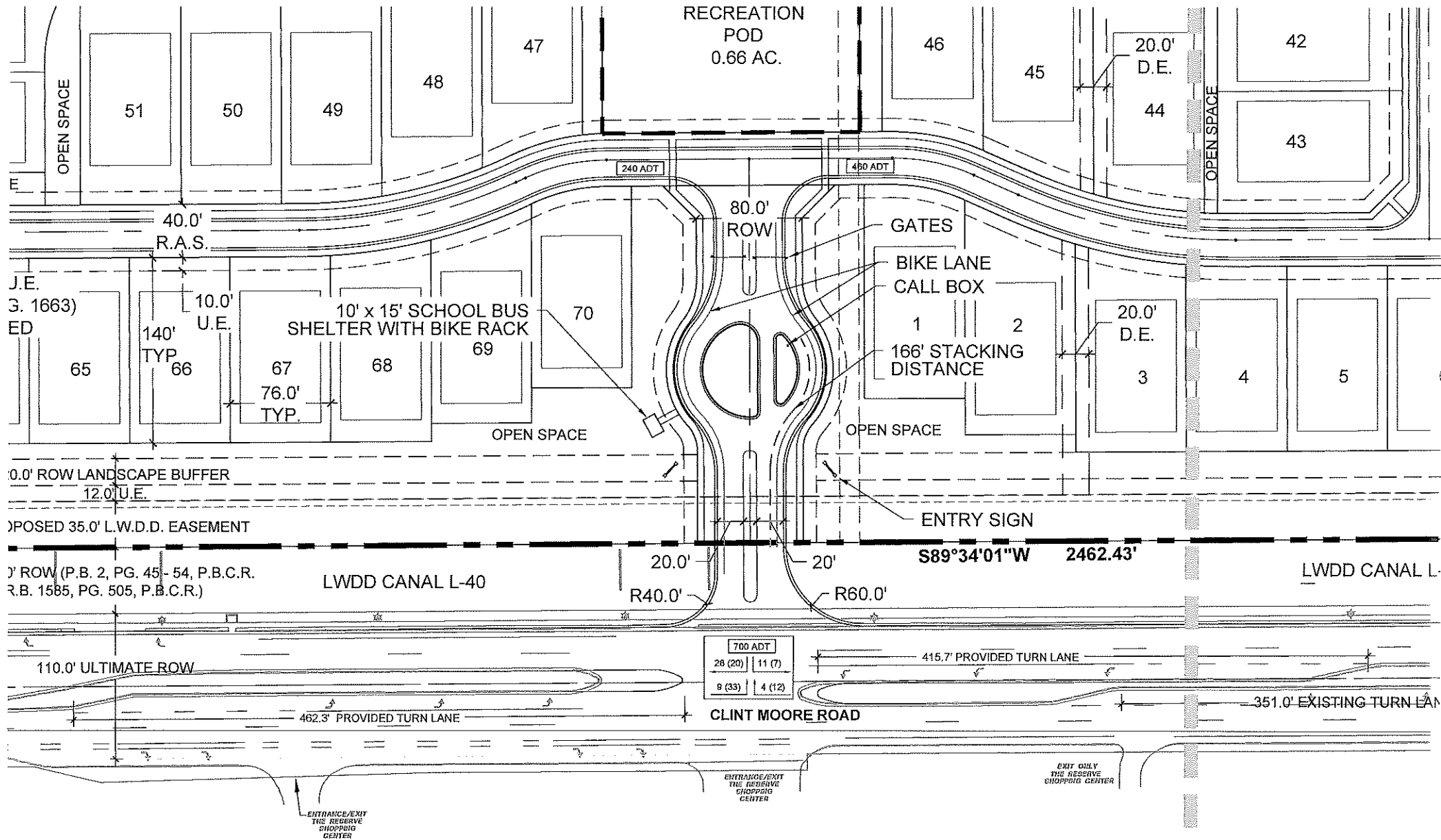
MULTI-PURPOSE COURT

BIKE RACK

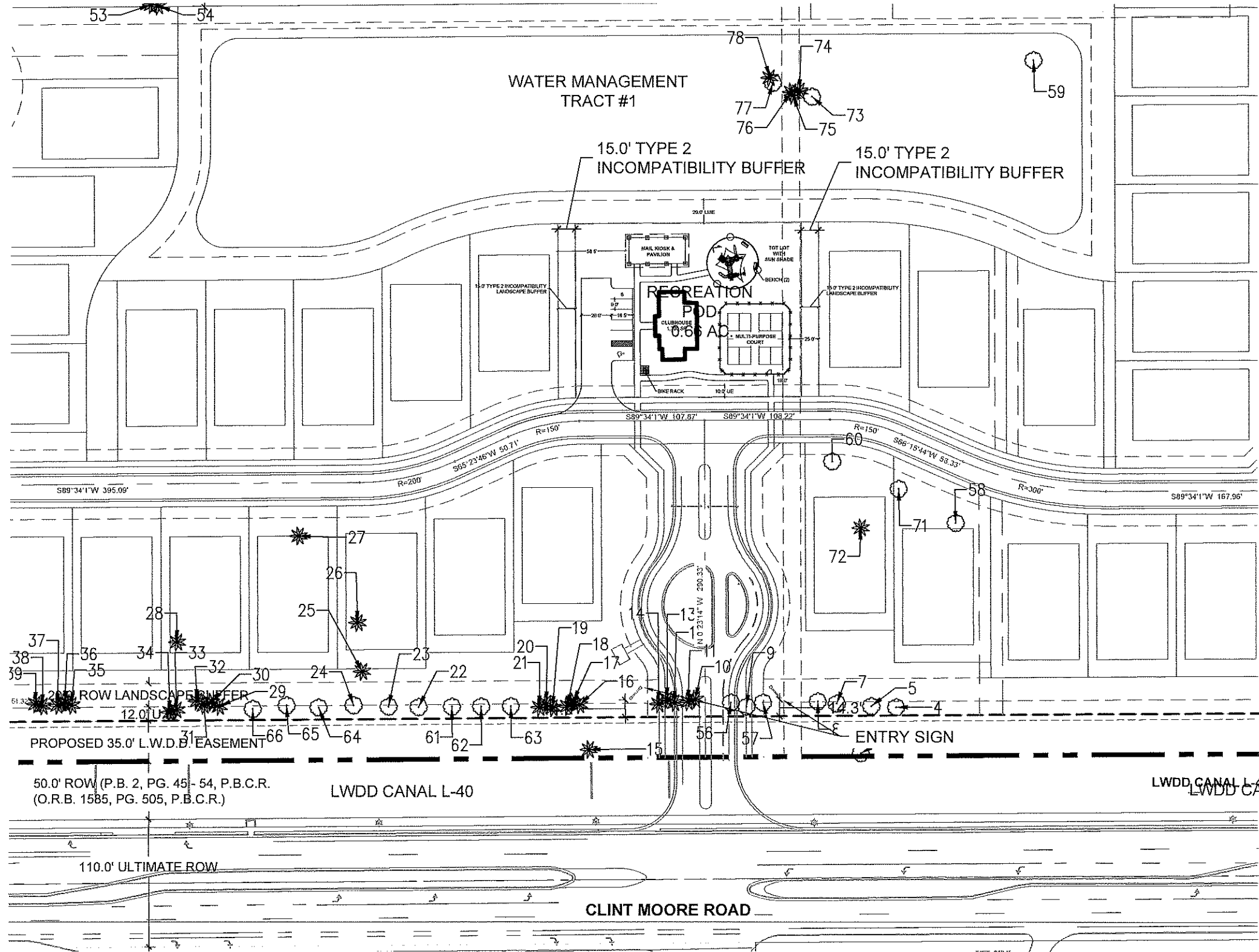
25.0'

26.0'

8.5'



THE RESERVE
 .U: CL/5
 ONING: MUPD
 SE: COMMERCIAL
 ONTROL NUMBER: 2001-00022



WATER MANAGEMENT TRACT #1

15.0' TYPE 2 INCOMPATIBILITY BUFFER

15.0' TYPE 2 INCOMPATIBILITY BUFFER

RECREATION POD

CLUBHOUSE

MULTI-PURPOSE COURT

BIKE RACK

MAIL KIOSK & PAVILION

TOT LOT WITH SUN SHADE

PROPOSED 35.0' L.W.D.B. EASEMENT

50.0' ROW (P.B. 2, PG. 45- 54, P.B.C.R. (O.R.B. 1585, PG. 505, P.B.C.R.))

LWDD CANAL L-40

LWDD CANAL L-40

110.0' ULTIMATE ROW

CLINT MOORE ROAD

Exhibit E

{00011414.DOCX.1}

Green Reuse Area Designation Eligibility Statement

Verde Commons Green Reuse Area

9845-9905 Clint Moore Road, Boca Raton, Palm Beach County, Florida 33496

Parcel Numbers 00-42-43-27-05-070-1130, 00-42-43-27-05-070-1160, 00-42-43-27-05-070-1170

Toll Brothers, Inc. ("Toll Bros.") propose to redevelop and rehabilitate three parcels of land located at 9845-9905 Clint Moore Road, Boca Raton, Palm Beach County, Florida 33496, Parcel Numbers 00-42-43-27-05-070-1130, 00-42-43-27-05-070-1160, and 00-42-43-27-05-070-1170 (the "Subject Property"), as a single-family residential development. When fully redeveloped, the development will consist of 70 single-family residential units and a 0.66-acre recreational area (the "Project"). As demonstrated herein, the Project meets all five of the applicable brownfield area designation criteria set forth at Section 376.80(2)(c), Florida Statutes. See Attachment A. In addition, the Subject Property meets the definition of a "brownfield site" pursuant to Section 376.79(4), Florida Statutes.

I. Subject Property Satisfies the Statutory Criteria for Designation

1. Agreement to Redevelop the Brownfield Site. As the first requirement for designation, Florida Statutes § 376.80(2)(c)(1) provides that "[a] person who owns or controls a potential brownfield site is requesting the designation and has agreed to rehabilitate and redevelop the brownfield site."

Toll Bros. satisfies this criterion in that it currently controls the Subject Property by virtue of a Purchase and Sale Agreement and has agreed to redevelop and rehabilitate the Subject Property. See Attachment B. Accordingly, Toll Bros. meets this first criterion.

2. Economic Productivity. As the second requirement for designation, Florida Statutes § 376.80(2)(c)(2) provides that "[t]he rehabilitation and redevelopment of the proposed brownfield site will result in economic productivity of the area, along with the creation of at least 5 new permanent jobs at the brownfield site that are full-time equivalent positions not associated with the implementation of the rehabilitation agreement or an agreement and that are not associated with redevelopment project demolition or construction activities pursuant to the redevelopment of the proposed brownfield site or area. However, the job creation requirement shall not apply to the rehabilitation and redevelopment of a brownfield site that will provide affordable housing as defined in s. 420.0004 or the creation of recreational areas, conservation areas, or parks."

Toll Bros. satisfies this criterion in that, when fully developed, the Project will include 0.66 acres of land dedicated to onsite recreational use. See Palm Beach County Zoning Division Staff Report at Attachment C, page 5. Additionally, the Project will result in significant economic productivity for the area. The budget for rehabilitation and redevelopment is approximately \$53 million, which will be spent in part on local labor, contractors, consultants, construction materials, furnishings, infrastructure improvements, and impact fees. This work will also support approximately numerous jobs over the period of development which includes temporary construction workers and materials suppliers. The construction workers will spend a percentage of their salaries with local merchants who, in turn, will reinvest locally in their respective businesses, as well as the businesses of other local merchants. Accordingly, Toll Bros. meets this second criterion.

3. Consistency with Local Comprehensive Plan and Permittable Use under Local Land Development Regulations. As the third requirement for designation, Florida Statutes § 376.80(2)(c)(3) provides that "[t]he redevelopment of the proposed brownfield site is consistent with the local comprehensive plan and is a permissible use under the applicable local land development regulations."

Toll Bros. satisfies this criterion in that the Subject Property is located in a Single Family Residential ("RS") Zoning District. See Resolution No. R-2022-1414 at Attachment D. The Subject Property will be developed in compliance with the conditions set forth in Resolution No. R-2022-1414, which allows a maximum density of 75 single-family residential units; Toll Bros.

intends to build 70 single-family residential units. *Id.* at page 6. The Subject Property also has a Low Residential, 2 units per acre ("LR-2") Future Land Use designation. See Ordinance No. 2022-031 at Attachment E. The LR-2 Future Land Use Designation allows two residential dwelling units per acre; Toll Bros.'s plans for 70 single-family homes falls well within the maximum density allowed for this approximately 37-acre site. The Project will also be developed in compliance with the conditions set forth in Ordinance No. 2022-031. *Id.* at page 5. Because the proposed redevelopment as designed is consistent with the local plan and is a permissible use under the proposed local land development regulations, Toll Bros. meets the third criterion.

4. Public Notice and Comment. Florida Statutes § 376.80(2)(c)(4) stipulates that "[n]otice of the proposed rehabilitation of the brownfield area has been provided to neighbors and nearby residents of the proposed area to be designated, and the person proposing the area for designation has afforded to those receiving notice the opportunity for comments and suggestions about rehabilitation. Notice pursuant to this subsection must be posted in the affected area." Additional notice requirements pertaining to applicants other than a governmental entity can be found at Florida Statutes § 376.80(1)(c)(4)(b) and consist of publication in a newspaper of general circulation in the area, publication in ethnic newspapers or local community bulletins, and announcement at a scheduled meeting of the local governing body before the actual public hearing.

Toll Bros. satisfies all applicable notice and opportunity to comment requirements established by Florida Statutes §376.80(2)(c)(4) and § 376.80(1)(c)(4)(b) as follows:

- (i) *a community meeting for purposes of affording interested parties the opportunity to provide comments and suggestions about the potential designation will be held.*
- (ii) *notice of the request to designate the Subject Property a Green Reuse Area and of the community meeting will be posted at the Subject Property;*
- (iii) *notice of the request to designate the Subject Property a Green Reuse Area and of the community meeting will be published in the Palm Beach Post; and*
- (iv) *notice of the request to designate the Subject Property a Green Reuse Area and of the community meeting has been published in the Palm Beach County community bulletin section of Craig's List.*

All notices contain the substantially the following narrative:

Representatives for Toll Bros., Inc. will hold a community meeting, date and location to be announced, from 5:30 p.m. to 7:00 p.m. for the purpose of affording interested parties the opportunity to provide comments and suggestions about the potential designation of a parcel of land located at 9845-9905 Clint Moore Road, Boca Raton, Palm Beach County, Florida 33496, Parcel Numbers 00-42-43-27-05-070-1130, 00-42-43-27-05-070-1160, 00-42-43-27-05-070-1170, as a Green Reuse Area. The designation is being made pursuant to Section 376.80, Florida Statutes, of Florida's Brownfield Redevelopment Act, and will involve two public hearings before the Palm Beach County Board of County Commissioners. The community meeting will also address future development and rehabilitation activities planned for the site.

For more information regarding the community meeting, including directions, the dates of the two public hearings, or to provide comments and suggestions regarding designation, development, or rehabilitation at any time before or after the meeting date, please contact Palm Beach County Brownfield Program Manager, Alan Chin Lee by email at AChinLee@pbcgov.org or Toll Bros.' representative, Brett C. Brumund, who can be reached by telephone at (305) 640-5300, U.S. Mail at The Goldstein Environmental Law Firm, P.A., 2100 Ponce de Leon Blvd., Suite 710, Coral Gables, FL 33134, and/or email at hbrumund@goldsteinenvlaw.com.

Proof of publication or posting, as appropriate, will be provided to the County.

5. Reasonable Financial Assurance. As the fifth requirement for designation, Florida Statutes § 376.80(2)(c)(5) provides that "[t]he person proposing the area for designation has provided reasonable assurance that he or she has sufficient financial resources to implement and complete the rehabilitation agreement and redevelopment plan."

The total capital budget of \$53 million for the Project is to be fully funded through Toll Bros.' own financial resources. Toll Bros. is a FORTUNE 500 company founded in 1967, builds in 24 states and is one of the nation's top builders of luxury homes. It became a publicly owned company in 1986 and is listed on the New York Stock Exchange as TOL. As stated in Toll Bros.' 2022 Annual Report, the company has \$1.35 billion in cash equivalents on hand and an additional \$1.79 billion available for borrowing. See Attachment F, page 33.

Accordingly, the success of previous projects, the magnitude of the capital previously raised, the quality of the development previously achieved, and the magnitude of its financial resources provide reasonable assurances that Toll Bros. has sufficient financial resources to implement and complete the rehabilitation agreement and redevelopment plan. It therefore satisfies the fifth criterion.

II. Subject Property Meets the Definition of Brownfield Site

Section 376.79(4), Florida Statutes, defines "brownfield site" to mean ". . . real property, the expansion, redevelopment, or reuse of which may be complicated by actual or perceived environmental contamination." The facts here clearly reflect that the Subject Property falls within the definition of the term "brownfield site" in that actual contamination is present in soils and groundwater on the Subject Property resulting from its historical use for row crop propagation and vegetable packing and distribution. Specifically, site assessment activities revealed several agricultural chemical compound residues in shallow soil and groundwater samples including arsenic and dieldrin above their respective Cleanup Target Levels. Agricultural contaminants are typical for properties with similar historical uses in this area of Palm Beach County and must be addressed during redevelopment.

Toll Bros. must now carefully address the presence of the contaminated media through continued site assessment activities and by undertaking site rehabilitation under the supervision of the Florida Department of Environmental Protection. As such, Toll Bros. faces significant additional redevelopment costs that are difficult to quantify at the start of redevelopment and must also work within a strict regulatory framework that exists to ensure contamination is properly and safely managed. To accomplish this, Toll Bros. will be required to carefully manage the contamination at all stages of the redevelopment, imposing great legal and financial risk, by incorporating design and construction changes on the Project that would not be required but for the presence of actual contamination.

In sum, the presence of contamination imposes a material level of regulatory, construction, health, and legal liability risk, complicates redevelopment efforts, and requires significant time and money for environmental, engineering, and legal consultants to properly address. Accordingly, this designation, if granted, will allow Toll Bros. to access limited but important state-based economic incentives to help underwrite the unanticipated and unbudgeted costs associated with managing the environmental risk as well as, generally, to put the Project on a more certain financial ground. In this sense, the designation will not only play a critical role in the successful redevelopment of the Subject Property, but also in the larger revitalization efforts for this area of Palm Beach County.

Based on all the foregoing, the Subject Property clearly falls within the definition of "brownfield site" as set forth in § 376.79(4), Florida Statutes.

III. Conclusion

Toll Bros. has demonstrated that the Subject Property meets the definition of a “brownfield site” and that it satisfies the five statutory criteria for designation. Accordingly, designation of the Subject Property as a Green Reuse Area pursuant to § 376.80(2)(c), Florida Statutes, of Florida’s Brownfield Redevelopment Act is appropriate.

Attachment A

{00011878.DOCX.1}

The 2022 Florida Statutes (including Special Session A)

Title XXVIII
NATURAL RESOURCES; CONSERVATION,
RECLAMATION, AND USE

Chapter 376
POLLUTANT DISCHARGE
PREVENTION AND REMOVAL

[View Entire
Chapter](#)

376.80 Brownfield program administration process.—

(1) The following general procedures apply to brownfield designations:

(a) The local government with jurisdiction over a proposed brownfield area shall designate such area pursuant to this section.

(b) For a brownfield area designation proposed by:

1. The jurisdictional local government, the designation criteria under paragraph (2)(a) apply, except if the local government proposes to designate as a brownfield area a specified redevelopment area as provided in paragraph (2)(b).

2. Any person, other than a governmental entity, including, but not limited to, individuals, corporations, partnerships, limited liability companies, community-based organizations, or not-for-profit corporations, the designation criteria under paragraph (2)(c) apply.

(c) Except as otherwise provided, the following provisions apply to all proposed brownfield area designations:

1. Notification to department following adoption.—A local government with jurisdiction over the brownfield area must notify the department, and, if applicable, the local pollution control program under s. [403.182](#), of its decision to designate a brownfield area for rehabilitation for the purposes of ss. [376.77-376.86](#). The notification must include a resolution adopted by the local government body. The local government shall notify the department, and, if applicable, the local pollution control program under s. [403.182](#), of the designation within 30 days after adoption of the resolution.

2. Resolution adoption.—The brownfield area designation must be carried out by a resolution adopted by the jurisdictional local government, which includes a map adequate to clearly delineate exactly which parcels are to be included in the brownfield area or alternatively a less-detailed map accompanied by a detailed legal description of the brownfield area. For municipalities, the governing body shall adopt the resolution in accordance with the procedures outlined in s. [166.041](#), except that the procedures for the public hearings on the proposed resolution must be in the form established in s. [166.041\(3\)\(c\)2](#). For counties, the governing body shall adopt the resolution in accordance with the procedures outlined in s. [125.66](#), except that the procedures for the public hearings on the proposed resolution shall be in the form established in s. [125.66\(4\)\(b\)](#).

3. Right to be removed from proposed brownfield area.—If a property owner within the area proposed for designation by the local government requests in writing to have his or her property removed from the proposed designation, the local government shall grant the request.

4. Notice and public hearing requirements for designation of a proposed brownfield area outside a redevelopment area or by a nongovernmental entity. Compliance with the following provisions is required before designation of a proposed brownfield area under paragraph (2)(a) or paragraph (2)(c):

a. At least one of the required public hearings shall be conducted as closely as is reasonably practicable to the area to be designated to provide an opportunity for public input on the size of the area, the objectives for rehabilitation, job opportunities and economic developments anticipated, neighborhood residents'

considerations, and other relevant local concerns.

b. Notice of a public hearing must be made in a newspaper of general circulation in the area, must be made in ethnic newspapers or local community bulletins, must be posted in the affected area, and must be announced at a scheduled meeting of the local governing body before the actual public hearing.

(2)(a) *Local government-proposed brownfield area designation outside specified redevelopment areas.*—If a local government proposes to designate a brownfield area that is outside a community redevelopment area, enterprise zone, empowerment zone, closed military base, or designated brownfield pilot project area, the local government shall provide notice, adopt the resolution, and conduct public hearings pursuant to paragraph (1)(c). At a public hearing to designate the proposed brownfield area, the local government must consider:

1. Whether the brownfield area warrants economic development and has a reasonable potential for such activities;
2. Whether the proposed area to be designated represents a reasonably focused approach and is not overly large in geographic coverage;
3. Whether the area has potential to interest the private sector in participating in rehabilitation; and
4. Whether the area contains sites or parts of sites suitable for limited recreational open space, cultural, or historical preservation purposes.

(b) *Local government-proposed brownfield area designation within specified redevelopment areas.*—Paragraph (a) does not apply to a proposed brownfield area if the local government proposes to designate the brownfield area inside a community redevelopment area, enterprise zone, empowerment zone, closed military base, or designated brownfield pilot project area and the local government complies with paragraph (1)(c).

(c) *Brownfield area designation proposed by persons other than a governmental entity.*—For designation of a brownfield area that is proposed by a person other than the local government, the local government with jurisdiction over the proposed brownfield area shall provide notice and adopt a resolution to designate the brownfield area pursuant to paragraph (1)(c) if, at the public hearing to adopt the resolution, the person establishes all of the following:

1. A person who owns or controls a potential brownfield site is requesting the designation and has agreed to rehabilitate and redevelop the brownfield site.
2. The rehabilitation and redevelopment of the proposed brownfield site will result in economic productivity of the area, along with the creation of at least 5 new permanent jobs at the brownfield site that are full-time equivalent positions not associated with the implementation of the brownfield site rehabilitation agreement and that are not associated with redevelopment project demolition or construction activities pursuant to the redevelopment of the proposed brownfield site or area. However, the job creation requirement does not apply to the rehabilitation and redevelopment of a brownfield site that will provide affordable housing as defined in s. 420.0004 or the creation of recreational areas, conservation areas, or parks.
3. The redevelopment of the proposed brownfield site is consistent with the local comprehensive plan and is a permissible use under the applicable local land development regulations.
4. Notice of the proposed rehabilitation of the brownfield area has been provided to neighbors and nearby residents of the proposed area to be designated pursuant to paragraph (1)(c), and the person proposing the area for designation has afforded to those receiving notice the opportunity for comments and suggestions about rehabilitation. Notice pursuant to this subparagraph must be posted in the affected area.
5. The person proposing the area for designation has provided reasonable assurance that he or she has sufficient financial resources to implement and complete the rehabilitation agreement and redevelopment of the brownfield site.

(d) *Negotiation of brownfield site rehabilitation agreement.*—The designation of a brownfield area and the identification of a person responsible for brownfield site rehabilitation simply entitles the identified person to negotiate a brownfield site rehabilitation agreement with the department or approved local pollution control program.

- (3) When there is a person responsible for brownfield site rehabilitation, the local government must notify

the department of the identity of that person. If the agency or person who will be responsible for the coordination changes during the approval process specified in subsections (4), (5), and (6), the department or the affected approved local pollution control program must notify the affected local government when the change occurs.

(4) Local governments or persons responsible for rehabilitation and redevelopment of brownfield areas must establish an advisory committee or use an existing advisory committee that has formally expressed its intent to address redevelopment of the specific brownfield area for the purpose of improving public participation and receiving public comments on rehabilitation and redevelopment of the brownfield area, future land use, local employment opportunities, community safety, and environmental justice. Such advisory committee should include residents within or adjacent to the brownfield area, businesses operating within the brownfield area, and others deemed appropriate. The person responsible for brownfield site rehabilitation must notify the advisory committee of the intent to rehabilitate and redevelop the site before executing the brownfield site rehabilitation agreement, and provide the committee with a copy of the draft plan for site rehabilitation which addresses elements required by subsection (5). This includes disclosing potential reuse of the property as well as site rehabilitation activities, if any, to be performed. The advisory committee shall review any proposed redevelopment agreements prepared pursuant to paragraph (5)(i) and provide comments, if appropriate, to the board of the local government with jurisdiction over the brownfield area. The advisory committee must receive a copy of the executed brownfield site rehabilitation agreement. When the person responsible for brownfield site rehabilitation submits a site assessment report or the technical document containing the proposed course of action following site assessment to the department or the local pollution control program for review, the person responsible for brownfield site rehabilitation must hold a meeting or attend a regularly scheduled meeting to inform the advisory committee of the findings and recommendations in the site assessment report or the technical document containing the proposed course of action following site assessment.

(5) The person responsible for brownfield site rehabilitation must enter into a brownfield site rehabilitation agreement with the department or an approved local pollution control program if actual contamination exists at the brownfield site. The brownfield site rehabilitation agreement must include:

(a) A brownfield site rehabilitation schedule, including milestones for completion of site rehabilitation tasks and submittal of technical reports and rehabilitation plans as agreed upon by the parties to the agreement.

(b) A commitment to conduct site rehabilitation activities under the observation of professional engineers or geologists who are registered in accordance with the requirements of chapter 471 or chapter 492, respectively. Submittals provided by the person responsible for brownfield site rehabilitation must be signed and sealed by a professional engineer registered under chapter 471, or a professional geologist registered under chapter 492, certifying that the submittal and associated work comply with the law and rules of the department and those governing the profession. In addition, upon completion of the approved remedial action, the department shall require a professional engineer registered under chapter 471 or a professional geologist registered under chapter 492 to certify that the corrective action was, to the best of his or her knowledge, completed in substantial conformance with the plans and specifications approved by the department.

(c) A commitment to conduct site rehabilitation in accordance with department quality assurance rules.

(d) A commitment to conduct site rehabilitation consistent with state, federal, and local laws and consistent with the brownfield site contamination cleanup criteria in s. 376.81, including any applicable requirements for risk-based corrective action.

(e) Timeframes for the department's review of technical reports and plans submitted in accordance with the agreement. The department shall make every effort to adhere to established agency goals for reasonable timeframes for review of such documents.

(f) A commitment to secure site access for the department or approved local pollution control program to all brownfield sites within the eligible brownfield area for activities associated with site rehabilitation.

(g) Other provisions that the person responsible for brownfield site rehabilitation and the department agree upon, that are consistent with ss. 376.77-376.86, and that will improve or enhance the brownfield site

rehabilitation process.

(h) A commitment to consider appropriate pollution prevention measures and to implement those that the person responsible for brownfield site rehabilitation determines are reasonable and cost-effective, taking into account the ultimate use or uses of the brownfield site. Such measures may include improved inventory or production controls and procedures for preventing loss, spills, and leaks of hazardous waste and materials, and include goals for the reduction of releases of toxic materials.

(i) Certification that the person responsible for brownfield site rehabilitation has consulted with the local government with jurisdiction over the brownfield area about the proposed redevelopment of the brownfield site, that the local government is in agreement with or approves the proposed redevelopment, and that the proposed redevelopment complies with applicable laws and requirements for such redevelopment. Certification shall be accomplished by referencing or providing a legally recorded or officially approved land use or site plan, a development order or approval, a building permit, or a similar official document issued by the local government that reflects the local government's approval of proposed redevelopment of the brownfield site; providing a copy of the local government resolution designating the brownfield area that contains the proposed redevelopment of the brownfield site; or providing a letter from the local government that describes the proposed redevelopment of the brownfield site and expresses the local government's agreement with or approval of the proposed redevelopment.

(6) Any contractor performing site rehabilitation program tasks must demonstrate to the department that the contractor:

- (a) Meets all certification and license requirements imposed by law; and
- (b) Will conduct sample collection and analyses pursuant to department rules.

(7) During the cleanup process, if the department or local program fails to complete review of a technical document within the timeframe specified in the brownfield site rehabilitation agreement, the person responsible for brownfield site rehabilitation may proceed to the next site rehabilitation task. However, the person responsible for brownfield site rehabilitation does so at its own risk and may be required by the department or local program to complete additional work on a previous task. Exceptions to this subsection include requests for "no further action," "monitoring only proposals," and feasibility studies, which must be approved prior to implementation.

(8) If the person responsible for brownfield site rehabilitation fails to comply with the brownfield site rehabilitation agreement, the department shall allow 90 days for the person responsible for brownfield site rehabilitation to return to compliance with the provision at issue or to negotiate a modification to the brownfield site rehabilitation agreement with the department for good cause shown. If an imminent hazard exists, the 90-day grace period shall not apply. If the project is not returned to compliance with the brownfield site rehabilitation agreement and a modification cannot be negotiated, the immunity provisions of s. 376.82 are revoked.

(9) The department is specifically authorized and encouraged to enter into delegation agreements with local pollution control programs approved under s. 403.182 to administer the brownfield program within their jurisdictions, thereby maximizing the integration of this process with the other local development processes needed to facilitate redevelopment of a brownfield area. When determining whether a delegation pursuant to this subsection of all or part of the brownfield program to a local pollution control program is appropriate, the department shall consider the following. The local pollution control program must:

- (a) Have and maintain the administrative organization, staff, and financial and other resources to effectively and efficiently implement and enforce the statutory requirements of the delegated brownfield program; and
- (b) Provide for the enforcement of the requirements of the delegated brownfield program, and for notice and a right to challenge governmental action, by appropriate administrative and judicial process, which shall be specified in the delegation.

The local pollution control program shall not be delegated authority to take action on or to make decisions regarding any brownfield site on land owned by the local government. Any delegation agreement entered into pursuant to this subsection shall contain such terms and conditions necessary to ensure the effective and efficient administration and enforcement of the statutory requirements of the brownfield program as established by the act and the relevant rules and other criteria of the department.

(10) Local governments are encouraged to use the full range of economic and tax incentives available to facilitate and promote the rehabilitation of brownfield areas, to help eliminate the public health and environmental hazards, and to promote the creation of jobs and economic development in these previously run-down, blighted, and underutilized areas.

(11)(a) The Legislature finds and declares that:

1. Brownfield site rehabilitation and redevelopment can improve the overall health of a community and the quality of life for communities, including for individuals living in such communities.

2. The community health benefits of brownfield site rehabilitation and redevelopment should be better measured in order to achieve the legislative intent as expressed in s. [376.78](#).

3. There is a need in this state to define and better measure the community health benefits of brownfield site rehabilitation and redevelopment.

4. Funding sources should be established to support efforts by the state and local governments, in collaboration with local health departments, community health providers, and nonprofit organizations, to evaluate the community health benefits of brownfield site rehabilitation and redevelopment.

(b) Local governments may and are encouraged to evaluate the community health benefits and effects of brownfield site rehabilitation and redevelopment in connection with brownfield areas located within their jurisdictions. Factors that may be evaluated and monitored before and after brownfield site rehabilitation and redevelopment include, but are not limited to:

1. Health status, disease distribution, and quality of life measures regarding populations living in or around brownfield sites that have been rehabilitated and redeveloped.

2. Access to primary and other health care or health services for persons living in or around brownfield sites that have been rehabilitated and redeveloped.

3. Any new or increased access to open, green, park, or other recreational spaces that provide recreational opportunities for individuals living in or around brownfield sites that have been rehabilitated and redeveloped.

4. Other factors described in rules adopted by the Department of Environmental Protection or the Department of Health, as applicable.

(c) The Department of Health may and is encouraged to assist local governments, in collaboration with local health departments, community health providers, and nonprofit organizations, in evaluating the community health benefits of brownfield site rehabilitation and redevelopment.

(12) A local government that designates a brownfield area pursuant to this section is not required to use the term "brownfield area" within the name of the brownfield area designated by the local government.

History.—s. 4, ch. 97-277; s. 3, ch. 98-75; s. 11, ch. 2000-317; s. 2, ch. 2004-40; s. 44, ch. 2005-2; s. 7, ch. 2006-291; s. 5, ch. 2008-239; s. 2, ch. 2014-114.

Attachment B

{00011878.DOCX.1}

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (“Agreement”) is made as of this 19th day of October 2021 (“Effective Date”) by and between 7 T’s Enterprises, Inc., a Florida corporation, and Westside Farms, Inc., a Florida corporation (collectively, the “Seller”), and Toll Bros., Inc., a Pennsylvania corporation, having an address of 1140 Virginia Drive, Fort Washington, PA 19034 (“Buyer”).

In consideration of the mutual covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller agree as follows:

1. Purchase and Sale of Property.

1.1 Agreement to Buy and Sell. Seller shall sell and Buyer shall purchase the following described real property, leases, contracts, agreements, intangible personal property, permits, approvals and rights (which shall collectively be referred to as the “Property”) upon and subject to the terms, conditions, stipulations and agreements hereinafter set forth:

1.1.1 Real and Personal Property. That certain land together with all development rights associated therewith (the “Real Property”) containing approximately 37.4 acres located at the northeast corner of Clint Moore Road and US 441 in Boca Raton, Florida, more particularly described on **Exhibit A** attached hereto, together with all buildings, structures, fixtures and improvements on the Real Property (collectively, the “Improvements”) and all of Seller’s right, title and interest in and to all fixtures, machinery, equipment, furnishings and other tangible personal property situated in or upon and used in connection with the ownership, operation and maintenance of the Real Property (the “Personal Property”) shall remain on the Real Property, and rights, if any, in adjacent streets, ways or alleys, and together with all other reservations, privileges, appurtenances and hereditaments (all of the foregoing being hereinafter referred to as the “Property”).

1.1.2 Leases. Those certain leases (the “Leases”) attached hereto as **Exhibit B**, if Buyer elects to accept an assignment of the Leases. Buyer shall notify Seller in writing during the Due Diligence Period (as hereinafter defined) whether Buyer elects to accept an assignment of the Leases at Closing. Buyer’s failure to so notify Seller within the Due Diligence Period shall be deemed to be Buyer’s election not to accept an assignment of the Leases at Closing. If Buyer notifies Seller that it elects not to accept an assignment of the Leases at Closing or is deemed to have made such election, Seller shall terminate the Leases prior to Closing and possession of the Real Property shall be delivered to Buyer at Closing free and clear of the Leases.

1.1.3 Permits and Governmental Approvals. All of Seller’s right, title and interest in and to all permits, certificates, licenses, franchises, variances, applications, consents, agreements, approvals, impact fee credits, and other land ownership rights pertaining to the Property (collectively, the “Permits”) including any Permits relating to the Verde Commons development use program for the Real Property as depicted on the Plan attached on **Exhibit D** (the “Project”).

1.1.4 Intangible Personal Property. All of Seller’s right, title and interest in and to any and all intangible property now or hereafter owned by Seller to the extent used in the ownership or operation of the Property, including, without limitation, any plans and specifications, surveys, Permit applications, Project plans, consultant agreements, agreements with neighboring communities, tenant letters of intent, title inspections, and together with the rights to any name by which the Property or Project is referred, including without limitation “Verde Commons” (collectively, the “Property Intangibles”).

2. The Purchase.

2.1 Purchase Price. The purchase price for the Property described in Section 1 above shall be Forty Million Dollars (\$40,000,000.00) (the "Purchase Price") payable in the following manner:

\$ 250,000.00	to be paid as a deposit within two (2) business day of execution of this Agreement by both Buyer and Seller (including any interest earned thereon, the "Initial Deposit")
\$ 750,000.00	to be paid as an additional deposit within two (2) business days after the expiration of the Due Diligence Period as defined in Section 14.1 below) (the "Additional Deposit")
\$ 39,000,000.00	to be paid at the Closing, subject to adjustment as hereinafter set forth, in the manner described in Section 6 below
\$ 40,000,000.00	Total.

2.2 Delivery of Deposits. Buyer shall deliver the Initial Deposit and Additional Deposit (collectively the "Deposit") to First American Title Insurance Company, to the address set forth in Section 17, as escrow agent (the "Escrow Agent"). The Deposit shall be held by the Escrow Agent in one or more federally insured, interest-bearing, accounts and shall be disbursed by Escrow Agent in accordance with the terms of this Agreement, or pursuant to the joint written direction of Seller and Buyer. The Deposit shall include all interest earned thereon, if any. At Closing, the Deposit shall be credited against the Purchase Price. The Initial Deposit shall be non-refundable to Buyer in all respects after receipt by Escrow Agent, except as set forth in Section 14.3 or in the event of the failure of a condition precedent to Closing to be performed by Seller set forth in Section 11. The duties and responsibilities of Escrow Agent are set forth in the Escrow Agreement attached hereto as **Exhibit C** which provisions are hereby incorporated into this Agreement and which Escrow Agreement shall be signed by the parties hereto on the Effective Date. Upon expiration of the Due Diligence Period, and provided Buyer has not terminated this Agreement in accordance with Section 14.3, the Additional Deposit shall become non-refundable to Buyer in the portions and time periods in the following subsections, except in the event of Seller's failure to satisfy a condition precedent to Closing on the Closing Date, as set forth in Section 11, so long as any condition that fails to be satisfied did not arise out of or result from the act(s) or omission(s) of Buyer or its agents:

2.2.1 The first portion of the Additional Deposit in the amount of One Hundred Twenty Five Thousand Dollars (\$125,000.00) (the "First Non-refundable Additional Deposit Amount") shall become non-refundable to Buyer on and after March 31, 2022 unless Buyer delivers a written project abandonment notice to Seller prior to March 31, 2022, in which event the entire Additional Deposit shall be refundable to Buyer, the Initial Deposit shall be paid to Seller, and the Agreement shall terminate, except for obligations that survive termination of the Agreement;

2.2.2 The second portion of the Additional Deposit in the amount of One Hundred Twenty Five Thousand Dollars (\$125,000.00) (the "Second Non-refundable Additional Deposit Amount") shall become non-refundable to Buyer on and after June 1, 2022 unless Buyer delivers a written project abandonment notice to Seller prior to June 1, 2022, in which event the Additional Deposit less the First Non-refundable Additional Deposit Amount shall be refundable to Buyer, the Initial Deposit and the First-Non-refundable Additional Deposit Amount shall be paid to Seller, and the Agreement shall terminate, except for obligations that survive termination of the Agreement; and

2.2.3 The final portion of the Additional Deposit in the amount of Five Hundred

Thousand Dollars (\$500,000.00) (the "Final Non-refundable Additional Deposit Amount") shall become non-refundable to Buyer on and after December 1, 2022 unless Buyer delivers a written project abandonment notice to Seller prior to December 1, 2022, in which event the Additional Deposit less the Second Non-refundable Additional Deposit Amount and less the First Non-refundable Additional Deposit Amount shall be refundable to Buyer, the Initial Deposit, the First-Non-refundable Additional Deposit Amount and the Second Non-refundable Additional Deposit Amount shall be paid to Seller, and the Agreement shall terminate, except for obligations that survive termination of the Agreement.

2.3 Payments. On the Closing Date, Buyer shall pay the Purchase Price, less the Deposit and subject to the adjustments, prorations and escrows described in Section 6 below, in immediately available U.S. funds by wire transfer or transfers of funds as shall be directed by Seller.

3. Condition of Title and Real Property.

3.1 Title of Seller in the Real Property shall be good, clear, record and marketable fee simple title, subject to no encumbrances other than the Permitted Exceptions. Seller shall provide a copy of Seller's existing survey (the "Existing Survey") with respect to the Property within five (5) business days after the Effective Date. Seller and Title Company have provided at Seller's sole cost and expense, the commitment for an ALTA Owner's Title Insurance Policy for the Property file number 1062-5377643 with a commitment date of June 23, 2021 at 08:00am, attached hereto as **Exhibit J** (the "Title Commitment") (together with copies of the title exception documents referenced therein), covering title to the Property as of the date hereof, and in Buyer's discretion, Buyer may order a new survey or Existing Survey update of the Property prepared by a surveyor licensed in the State of Florida (the "Survey"). Buyer shall pay the premium for the owner's title insurance policy and title commitment from the title insurance company, which shall be First American Title Insurance Company (the "Title Company") at the address as set forth in Section 17. Not later than forty-five days after the Effective Date (the "Title Objection Period"), Buyer may deliver to Seller a notice (the "Title Notice") identifying any matters contained in or disclosed by the Title Commitment and/or the Survey that are not acceptable to Buyer in its sole and absolute discretion (each, an "Objection"). Buyer's failure to object to any matters disclosed by the Title Commitment and/or the Survey in a Title Notice by the expiration of the Title Objection Period shall be deemed Buyer's acceptance of such matters. The exceptions to title shown on Schedule B-II of the Title Commitment shall be referred to herein as the "Permitted Exceptions" unless Buyer and Seller otherwise agree in writing or as otherwise set forth herein or the Title Commitment.

Seller may within ten (10) business days after receipt of Buyer's Title Notice notify Buyer in writing (the "Non Cure Notice"), of any Objection, that Seller does not elect to cure. Seller shall use commercially reasonable efforts to cure or provide for the cure of all other Objections which are not the subject of the Non Cure Notice within thirty (30) days after receipt of Buyer's Title Notice (the "Curative Period"). Notwithstanding the foregoing, Seller shall, at its sole expense, remove (or cause to be removed) any of the following encumbrances on the Real Property on or before Closing: (1) recorded mortgages of Seller or any Seller affiliate, recorded judgments against Seller or any Seller affiliate for a specified sum of money, or monetary liens on the Property, including any liens set forth in the PropLogix First American-South Florida Municipal Lien Search Reports Numbers 21-1172039, 21-1172040 and 21-1172041 compiled May 29, 2021, May 29, 2021 and May 31, 2021, respectively, attached hereto as **Exhibit K** and (2) material items not arising out of or related to actions by Buyer or its agents that first encumber title on or after the date of the Title Commitment (item (1)) above to be hereinafter referred to as "Monetary Exceptions" and item (2) to be hereinafter referred to as "Intervening Liens"). Seller agrees that Monetary Exceptions, whether disclosed in the Title Commitment or arising as an Intervening Lien, to the extent such Monetary Exception can be satisfied with the payment of money, shall be paid out of Closing Proceeds by the Title Company, unless satisfied prior to Closing. If Closing is scheduled to occur more than thirty (30) days from the date of the Title Commitment, the Title Commitment shall be updated by endorsement

("Update Endorsement"), which endorsement, together with legible copies of any additional matters identified therein, shall be delivered to Buyer and Seller no less than five (5) business days before the Closing Date.

If Seller delivers a Non Cure Notice, or Seller fails to cure, respond to an Objection, elect to cure or provide for the cure of an Objection (other than a Monetary Exception or Intervening Liens) by the end of the Curative Period, then Buyer shall have the right, by delivering notice to Seller within five (5) business days after the date of Seller's Non Cure Notice or the expiration of the Curative Period, as applicable to either (i) terminate this Agreement in its entirety in which event the Initial Deposit shall be refunded in full and this Agreement shall be null and void except for indemnities and obligations which expressly survive termination, or (ii) waive its objection and accept title to the Real Property subject to such Objection other than a Monetary Exception or Intervening Lien, which Seller is obligated to cure, in which event this Agreement shall remain in full force and effect.

In the event that any Intervening Lien arises, Buyer shall notify Seller, or Seller shall notify Buyer, of the same promptly after either of them becomes aware of the same.

3.2 AS-IS Condition of Property. On the Closing Date, Seller will vacate the Property and remove from the Property all of its crops, vehicles, moveable equipment, tractors, trailers, office supplies, office furniture, office equipment and office files and deliver the building broom clean, but shall have the right to leave behind items affixed to the Property, including, but not limited to, packing lines, billboards and fuel pumps that it elects not to remove (collectively, the "Delivery Condition"). Except for putting the Property in the Delivery Condition, and except for Seller's Representations and Warranties expressly set forth in Section 15.1 of this Agreement ("Seller's Warranties"), the Property is being sold in its "AS IS WHERE IS" condition as of the Closing Date excluding damage by fire or other casualty or taking by public authority (each of which is addressed below) subject to all faults, or violations of laws, free and clear of tenants or occupants claiming under Seller, other than the tenants under the Leases. Without limiting the foregoing:

Buyer specifically acknowledges that, except for Seller's Warranties, Buyer is not relying on any representations or warranties of any kind or nature whatsoever, whether oral or written, express, implied, statutory or otherwise, from Seller or any of its affiliates, shareholders, officers, directors, agents, assigns or employees (collectively the "Seller Parties"), as to the condition of the Property.

EXCEPT FOR THE EXPRESS REPRESENTATIONS OF SELLER IN SECTION 15.1, IT IS UNDERSTOOD AND AGREED THAT SELLER DISCLAIMS ALL WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, ZONING, TAX CONSEQUENCES, PHYSICAL OR ENVIRONMENTAL CONDITIONS, AVAILABILITY OF ACCESS, INGRESS OR EGRESS, PROPERTY VALUE, OPERATING HISTORY, GOVERNMENTAL APPROVALS, GOVERNMENTAL REGULATIONS OR ANY OTHER MATTER OR THING RELATING TO OR AFFECTING THE PROPERTY. BUYER AGREES THAT WITH RESPECT TO THE PROPERTY, EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES OF SELLER SET FORTH IN SECTION 15.1, BUYER HAS NOT RELIED UPON AND WILL NOT RELY UPON, EITHER DIRECTLY OR INDIRECTLY, ANY REPRESENTATION OR WARRANTY OF SELLER OR ITS RESPECTIVE SHAREHOLDERS, MEMBERS, PARTNERS, OFFICERS, DIRECTORS, TRUSTEES, PARENTS, SUBSIDIARIES, MANAGERS, BENEFICIARIES, EMPLOYEES OR AGENTS. BUYER REPRESENTS THAT IT IS A KNOWLEDGEABLE, SOPHISTICATED AND EXPERIENCED BUYER OF REAL ESTATE SIMILAR TO THE PROPERTY AND, EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES OF SELLER SET FORTH IN SECTION 15.1, IT IS RELYING ON ITS OWN EXPERTISE AND THAT OF BUYER'S CONSULTANTS, AND THAT BUYER WILL CONDUCT

SUCH INSPECTIONS, INVESTIGATIONS AND ANALYSES OF THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THE ZONING, PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AND SHALL RELY UPON SAME, AND, UPON CLOSING, ASSUME THE RISK THAT ADVERSE MATTERS, INCLUDING, BUT NOT LIMITED TO, ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS, MAY NOT HAVE BEEN REVEALED BY BUYER'S INSPECTIONS AND INVESTIGATIONS. BUYER ACKNOWLEDGES AND AGREES THAT UPON CLOSING, SUBJECT TO THE SATISFACTION OF THE CONDITIONS PRECEDENT SET FORTH IN SECTION 11 BELOW AT OR PRIOR TO CLOSING, AND SUBJECT TO SECTION 15.3.2 BELOW, SELLER SHALL SELL AND CONVEY TO BUYER AND BUYER SHALL ACCEPT THE PROPERTY "AS IS, WHERE IS, WITH ALL FAULTS", AND, THERE ARE NO ORAL CONTRACTS, WARRANTIES OR REPRESENTATIONS PERTAINING TO OR AFFECTING THE PROPERTY MADE BY SELLER OR ANY THIRD PARTY UNDER THE DIRECTION OR CONTROL OF SELLER. THE TERMS AND CONDITIONS OF THIS SUBSECTION OF THE AGREEMENT SHALL EXPRESSLY SURVIVE CLOSING OR TERMINATION OF THE AGREEMENT AND NOT MERGE INTO THE DEED.

Purchase Proceeds/Loan Payoff. Seller may, at Closing, use the purchase money or any portion thereof to clear the title of any or all encumbrances that Seller expressly agreed to clear or is required by the terms hereof to clear, provided all title clearing documents are delivered to the Title Company at or prior to the Closing Date (except institutional mortgage discharges may follow the custom of subsequent delivery provided the lien is insured over based on a payoff letter).

4. Documents of Transfer. The Property shall be conveyed and transferred on the Closing Date to Buyer or to one or more Permitted Assignees or a Financier Assignee (pursuant to Section 22(k) below) designated in writing by Buyer not later than five (5) business days prior to Closing. Buyer and Seller (as appropriate) agree to execute and deliver at Closing the following:

4.1 Real Property. Seller shall convey fee simple title to the Real Property in conformity with the requirements of Section 3.1 above by Special Warranty Deed (the "Deed") in the form of **Exhibit E**, and shall convey title to the Personal Property free and clear of liens and encumbrances by a good and sufficient bill of sale in the form set forth on **Exhibit F** ("Bill of Sale").

4.2 Leases. If Buyer elects to accept an assignment of the Leases during the Due Diligence Period as set forth in Section 1.1.2, Seller shall assign to Buyer, and Buyer shall assume from Seller, all of Seller's right, title, interest and obligations arising on and after the Closing Date, in, to and under the Leases and each of Buyer and Seller shall execute an Assignment and Assumption of Leases in the form of **Exhibit G** attached hereto. If in Seller's possession, Seller shall deliver original counterparts of the Leases to Buyer, otherwise, Seller shall deliver to Buyer copies of the Leases.

4.3 Permits and Property Intangibles. Seller shall assign to Buyer, and Buyer shall assume from Seller, all of Seller's right, title, interest and obligations arising on and after the Closing Date, in and to Property Intangibles and all Permits, and other rights pertaining to the Property and Project, if any, and execute an Assignment of Permits and Property Intangibles, in the form of **Exhibit H** attached hereto.

4.4 Tenant Documents. If Buyer elects to accept an assignment of the Leases during the Due Diligence Period as set forth in Section 1.1.2 and if requested by Buyer not less than ninety (90) days prior to the Closing Date, Seller will request and use commercially reasonable efforts to obtain tenant estoppel certificates from each tenant certifying that the Leases are in full force and effect and free of defaults, and Buyer will deliver any such certificates received from tenants at the Closing. At Closing Seller shall deliver a letter to tenant advising that the Property has been sold to Buyer, and directing payment of rental in accordance with the directions of Buyer and changing the landlord's address for notice purposes under the

Leases (the "Tenant Document").

4.5 Seller's Authority. Seller shall deliver written consents and certificates of Seller and its officers evidencing the authority of Seller to enter into this Agreement, perform the terms hereof, and deliver the Deed and other conveyancing documents, and a certificate of legal existence and good standing certificate of Seller, and Seller's articles of incorporation, by-laws, or other charter documents, all in form reasonably acceptable to Title Company and Buyer.

4.6 Exchange Documents. If applicable, Seller and Buyer shall execute and deliver any documents reasonably and customarily required in connection with a tax free exchange if elected by either party under Section 23 below.

4.7 Other Closing Documents. Seller shall deliver a certificate of non-foreign status, a parties-in-possession, gap and mechanic's lien affidavit and such other certificates as are customary and are reasonably required by the Title Company as set forth in the title commitment. Any such affidavits or certificates will be in form and substance reasonably acceptable to the Title Company and Seller.

4.8 Keys, Etc. Seller shall deliver (a) all keys, security cards, keycard passes and entrance cards to all gates, doors and entrances to the Property or any buildings thereon, and (b) all other Property-related information (other than proprietary information of Seller), including without limitation, manuals, plans, equipment lists, repair & maintenance records, warranties, service vendor lists, to the extent any of the foregoing exist and are in Seller's possession.

4.9 Closing Statement. Seller and Buyer shall execute agreed upon closing/proration statements reflecting the adjustments to the Purchase Price in accordance with the terms of Section 6 below.

4.10 Transfer Tax Forms. Seller and Buyer shall execute all required transfer tax forms if any.

4.11 Termination of Contracts. Seller shall upon request provide Buyer with evidence that all of the management, and other operating contracts or agreements currently in effect with respect to the Property, if any, (the "Operating Contracts") have been terminated as of the Closing Date at no cost to Buyer. If Buyer elects, in its sole and absolute discretion, to assume any Operating Contracts, Buyer will notify Seller during the Due Diligence Period and Seller will assign any such selected Operating Contracts to Buyer on the Closing Date.

4.12 Miscellaneous. Seller shall execute such other documents, instruments, certifications and confirmations as may be reasonably required by Buyer or the Title Company to fully effect and consummate the transactions contemplated hereby at no cost or expense to Seller and only to the extent such does not create additional liability for Seller in Seller's sole and absolute discretion. Buyer shall execute and provide such other documents, instruments, certifications and confirmations as may be reasonably required by the Title Company as set forth in the Title Commitment or as may be required to issue the Title Policy.

5. Closing. Subject to satisfaction of all conditions precedent contained in this Agreement and the other terms and provisions contained herein, the "Closing" or the "Closing Date" shall be on or before the first business day after four hundred eighty six (486) calendar days after expiration of the Due Diligence Period. Closing shall occur at the offices of Seller's counsel or such other reasonably convenient place as Buyer and Seller may agree upon. The parties agree to cooperate to close by mail using the Title Company as the closing agent. Buyer shall have the right to extend the Closing Date under this Section 5 for up to two (2) additional thirty (30) day periods by giving Seller written notice of such extension not less than three (3) days prior to the occurrence of the previously scheduled Closing Date and by depositing with Escrow Agent an additional deposit of Fifty Thousand and No/100 Dollars (\$50,000.00) (each an

“Additional Extension Deposit”) for each such additional thirty (30) day period. In the event Buyer elects to exercise its option(s) to extend the Closing Date, each Additional Extension Deposit shall be applicable to the Purchase Price, but immediately become non-refundable to Buyer. Notwithstanding anything contained herein to the contrary, including the provisions of Section 2.2 of this Agreement, in the event Buyer is not willing or able to close on or before August 1, 2023 (the “Outside Closing Date”) pursuant to this Agreement, unless due to extensions of the Closing Date requested by Seller, Buyer shall forfeit the Deposit and any Additional Extension Deposit, unless one or more Buyer conditions to Closing as set forth in Section 11 below fails to be satisfied on the Outside Closing Date, except if any condition that fails to be satisfied arose out of or resulted from the act(s) or omission(s) of Buyer or its agents. For the sake of clarity, Buyer’s failure to close due to its failure to obtain equity or debt financing or because it decides not to pursue its project would result in a forfeiture of the Deposit and any Additional Extension Deposit.

Only in the event that on the Closing Date there is a comprehensive governmental moratorium that completely prevents the construction of any improvement on the Property for the Proposed Use for a period of not less than six (6) consecutive months from and after the Closing Date, Buyer shall receive a credit against the Purchase Price on the Closing Statement of Five Hundred Thousand Dollars (\$500,000.00) in which case the Purchase Price would amount to Thirty Nine Million Five Hundred Thousand Dollars (\$39,500,000.00) instead of Forty Million Dollars (\$40,000,000.00).

6. Apportionments and Adjustments. On the Closing Date, Buyer and Seller shall apportion, adjust and prorate the following items in the manner as hereinafter set forth:

6.1 Taxes and Operating Expenses. For purposes hereof the term “Taxes” means all real estate taxes and assessments affecting the Property (“Taxes”), and the term “Operating Expenses” means all charges for water, electricity, sewer, gas, telephone, all other utilities, maintenance and operating expenses of the Property (“Operating Expenses”). Seller and Buyer agree that all Taxes and any other Operating Expenses shall be prorated between Seller and Buyer with respect to such items as of the Closing Date as set forth herein. All real estate taxes and current installments of assessments affecting the Property payable in respect to the current fiscal year of the applicable taxing authority in which the Closing Date occurs (the “Current Tax Year”) shall be prorated as of the Closing Date based on the actual current tax bill (or if such tax bills are unavailable, the same shall be prorated on an estimated basis on the basis of the tax bills of the most recent period available). Such real estate taxes and assessments shall be prorated on a per diem basis based upon the number of days in the Current Tax Year prior to the Closing Date (which shall be allocated to Seller) and the number of days in the Current Tax Year on and after the Closing date (which shall be allocated to Buyer). In no event shall Seller be charged with or be responsible for any increase in the real estate taxes on the Property resulting from the sale of the Property or from any improvements made or leases entered into on or after the Closing Date. Any special assessments levied against the Property prior to the Closing Date which may provide for installment payments to be made after the Closing Date shall be handled and prorated in accordance with Section 6 hereof, and Buyer shall be responsible for making any such future installment payments due and payable after the Closing Date.

6.2 Rent. All rent including fixed monthly rent and charges for common area maintenance, taxes and other charges paid by the tenant under the Leases (“Additional Rent”) to the extent paid through the Closing Date under the Leases shall be prorated to the date of Closing.

6.3 Closing Statement. Seller and Buyer shall jointly prepare a closing statement (the “Closing Statement”) prior to the Closing Date. All apportionments and prorations provided for in this Section 6 to be made as of the Closing Date shall be made, on a per diem basis, as of 11:59 p.m. of the day immediately preceding the Closing Date with Buyer being credited for rents on and after the Closing Date and charged for expenses on and after the Closing Date.

6.4 Errors. If there is an error on a Closing Statement discovered within ninety (90) days after

the Closing Date the parties will use commercially reasonable efforts to cooperate with each other to correct such error.

7. Closing Expenses. The expenses of Closing shall be paid in the following manner:

(a) On the Closing Date, Seller shall pay any and all prorations or adjustments required by Section 6 of this Agreement and shall pay the following:

(i) The cost of all recording fees relating to each deed and the recording fees related to any title clearing documents required to be recorded as the result of actions taken by Seller.

(ii) The costs of any title endorsements required to insure over title objections that are not Permitted Exceptions to the extent available in lieu of a cure and approved by Buyer.

(iii) All transfer taxes, documentary stamp and deed transfer taxes and surtaxes related to the conveyance of the Property, and

(iv) All other costs or expenses customarily paid by Seller in accordance with standard conveyancing practices in the state in which the Property is located.

(b) On the Closing Date, Buyer shall pay any and all prorations or adjustments required by Section 6 of this Agreement and shall also pay:

(i) All recording fees and excise taxes in connection with the recording of any mortgage or any other documents to be recorded in connection with any mortgage or Buyer proposed project on the Property, if any;

(ii) Any appraisal, engineering or other due diligence reports as Buyer may deem necessary to complete its inspections or financing or any costs or expenses required in connection with its proposed project or Verde Commons;

(iii) The cost associated with any Survey, the owner's or lender's title insurance policies (including the costs of all title endorsements or special coverages in the lender's or owner's title insurance policies requested by Buyer or lender, as the case may be, if applicable); and

(iv) All other costs or expenses customarily paid by Buyer in accordance with standard conveyancing practices in the state in which the property is located.

8. Operation Pending Closing. Between the Effective Date and Closing:

8.1 Seller shall use commercially reasonable efforts to operate the Property or cause the Property to be operated in the ordinary course of business and consistent with past procedures heretofore followed by it in connection with such operation, including, without limitation, maintaining Seller's existing insurance coverage with respect to the Property, provided, however, that Seller shall not be obligated to make any capital improvements, capital repairs or capital replacements prior to Closing.

8.2 Seller agrees to promptly forward to Buyer copies of any notices received from or sent to any tenant under the Leases. Seller shall not, without the prior written consent of Buyer in Buyer's sole discretion or except as otherwise permitted or required hereunder (i) grant any consent under the Leases, agree or enter into to any amendment or termination of either of the Leases or any concession thereunder except as approved by Buyer, and shall not agree or enter into any new agreement or lease concerning

occupancy or use of the Property, or (ii) agree or enter into any other agreement of service contract concerning the Property that will survive the Closing, or (iii) enter into any transaction in respect to or affecting the Property that is out of the ordinary course of business, or (iv) waive or diminish any of the rights to be assigned to Buyer, or (v) sell, encumber, or grant any ownership interest in the Property or agree to do any of the foregoing unless required by law.

8.3 Seller shall use commercially reasonable efforts to maintain the Property in the same manner as it has been maintained prior to the date of this Agreement, reasonable wear and tear excepted. The Seller will use commercially reasonable efforts not to permit the discharge, storage or release of hazardous materials at the Property in violation of Hazardous Materials Laws.

8.4 Seller or Buyer, as the case may be shall provide prompt written notice to the other party of any violation of the covenants set forth in this Article 8 or of hazardous materials that have been released, discharged or stored on the Property in violation of Hazardous Materials Laws after the Effective Date.

9. Insurance, Damage, Destruction or Eminent Domain.

9.1 Damage or Destruction. Seller agrees that it shall provide Buyer with written notice of any damage or destruction to Property within ten (10) business days after Seller receives knowledge thereof. Upon such notice from Seller, Buyer shall then have thirty (30) days within which to exercise the options granted in this Section 9.1 by written notice to Seller as applicable (and if the Closing Date is scheduled to occur during such thirty (30) day period, then the Closing Date shall be postponed until the third (3rd) business day after the expiration of such thirty (30) day period, so that Buyer shall be afforded all of such thirty (30) days to either elect the Closing Option or the Termination Option (as such terms are defined below)). Seller further agrees that at the time of giving written notice to Buyer of any such damage or destruction, Seller shall provide Buyer with complete copies of all insurance covering that portion of the Property so damaged or destroyed.

In the event that a material portion of the Real Property shall be damaged or destroyed by fire or any other casualty or act of God between the date of execution hereof and the Closing Date the cost of repair or restoration of which would reasonably be expected (based on the estimate of a licensed architect or engineer selected by Seller) to exceed the sum of \$1,000,000, Buyer's only two options shall be to proceed with closing or terminate this Agreement, whereupon the Deposit shall be fully refunded and this Agreement shall be null and void except with respect to indemnities or obligations which expressly survive termination (the "Termination Option"). In the event that Buyer does not have the right, or has not elected, to terminate this Agreement pursuant to the foregoing sentence, Buyer shall proceed with the Closing of this transaction in accordance with this Agreement with no further reduction in Purchase Price (the "Closing Option") and at Closing Seller shall pay to Buyer any insurance proceeds actually collected by Seller or its affiliates under any insurance policies covering the Property with respect to such casualty and assign to Buyer at Closing any unpaid claim related to such casualty event on the Property. Seller shall have no obligation to restore, repair or replace any portion of the Property or any such damage or destruction.

9.2 Eminent Domain. If, prior to the Closing Date, eminent domain proceedings shall be threatened in writing or commenced by any competent public authority to take a "material portion" thereof, Buyer shall have the option to terminate this Agreement, whereupon the Deposit shall be fully refunded and this Agreement shall be null and void except with respect to indemnities or obligations which expressly survive termination. If eminent domain proceedings shall be threatened in writing or commenced to take less than a material portion of a Property, then Buyer shall proceed with Closing on such Property and Buyer shall at Seller's election, either receive a credit for or an assignment of all eminent domain proceeds paid or payable to Seller. For purposes hereof, a taking of a "material portion" of the Property shall be a taking that results in a loss of value of the Real Property in excess of \$1,000,000. Seller agrees that it shall

give to Buyer written notice of any such eminent domain proceedings within ten (10) business days after it first receives written notice thereof, and upon the giving of such notice, Buyer shall then have thirty (30) days within which to exercise the options granted in this Section 9.2 by written notice to Seller.

10. Fees and Commissions. Buyer and Seller each represent and warrant to the other that there are no commissions, finder's fees or brokerage fees arising out of the transactions contemplated by this Agreement to any broker or other party except for a commission payable upon Closing to Aaron S. Adler of Aaron S. Adler, P.A. real estate brokerage, who represents Seller ("Seller's Broker"). Buyer agrees to pay the Seller's Broker commission of half of one percent (0.50%) of the Purchase Price at Closing pursuant to the terms set forth herein. Buyer and Seller each agree to indemnify, defend and hold the other harmless from and against any and all loss, cost, damage, liability or expense, including reasonable attorneys' fees, which the other may sustain, incur or be exposed to by reason of their breach of any representations or agreements made in this Section and any resulting claims for a fee or commission by any other broker that is not Seller's Broker who is to be compensated pursuant to the terms of this Section. The provisions of this Section 10 shall survive the Closing Date or the earlier termination of this Agreement.

11. Conditions Precedent to Buyer's Obligations. Buyer's obligations to close the transaction contemplated by this Agreement are and shall be subject to the following:

11.1 Transfer Documents. Seller shall have delivered to the closing agent on or prior to the Closing Date or such earlier date as is specified in Section 4 of this Agreement, all documents or other items as required to be delivered solely by Seller set forth in Section 4 of this Agreement.

11.2 Operation and Delivery. Seller shall not have violated the provisions of Section 8 in any way that will have a material adverse effect on Buyer or its ability to develop the Property, and Seller shall have put the Property in the Delivery Condition as of the Closing for delivery to Buyer.

11.3 Property Condition. There shall have been no material adverse change in the physical condition of the Property, which is not otherwise permissible under Section 9, occurring after the expiration of the Due Diligence Period, such as but not limited to a release of hazardous materials (excluding known existing conditions).

11.4 Seller's Warranties. The representations and warranties of Seller contained in Section 15.1 of this Agreement shall be true, correct and accurate on and as of the Closing Date. There shall be no material breach of Seller's Warranties in existence on the Closing Date.

11.5 No Violations or Open Permits. On the Closing Date, there shall be no open permits or outstanding notices of violation with respect to the Property or the Seller's operation thereof from any governmental authorities.

11.6 Title Insurance. The Title Company shall be irrevocably committed to issue a standard ALTA Owner's Policy of Title Insurance (2006) (with Florida modifications) in substantially the form of the Title Commitment and any Update Endorsement issued under Section 3.1 above (the "Title Policy"). Notwithstanding the foregoing, Seller shall be afforded the reasonable opportunity not to exceed thirty (30) days to obtain the Title Policy from a different title company in the event the original Title Company is unprepared or unable to issue the Title Policy; provided that the Title Policy is satisfactory to Buyer in its reasonable discretion.

11.7 Leases. If Buyer elects or is deemed to have elected not to accept an assignment of the Leases during the Due Diligence Period as set forth in Section 1.1.2, Seller shall have terminated the Leases and the tenants under the Leases shall have vacated the Real Property prior to Closing, but Seller shall have

no obligation to remove any tenant property from the Real Property if it remains affixed thereto, including, but not limited to, any billboards.

If conditions 11.1-11.7 above are not satisfied by Seller with respect to the Property on the Closing Date, Buyer may either elect to proceed with Closing and waive such obligations or elect to terminate this Agreement and receive a refund of the Deposit, except the Deposit shall not be refundable to Buyer if any condition that fails to be satisfied arose out of or resulted from the act(s) or omission(s) of Buyer or its agents.

12. Conditions Precedent to Seller's Obligations. In addition to the obligations set forth elsewhere in this Agreement, and without limiting any other provision of this Agreement, Buyer agrees to perform the following obligations each of which shall be conditions precedent to Seller's obligation to close or perform under this Agreement, all or any portion of which obligations may be waived by Seller in its sole discretion:

12.1 Payment by Buyer. Buyer shall have delivered at Closing the Purchase Price, inclusive of the Deposit and any Additional Extension Deposit and subject to any adjustments required hereunder, plus any other amounts due from Buyer under this Agreement, in immediately available U.S. funds by wire transfer or transfers as directed by Seller.

12.2 Closing Documents. Buyer shall have delivered and executed all documents required by to be executed or delivered by Buyer pursuant to Section 4 of this Agreement.

13. Delivery of Information. Not later than five (5) business days after the Effective Date, Seller shall deliver or make available to Buyer copies of all records related to the Property listed on **Exhibit I**, to the extent such are in Seller's possession or control (the "Records"). Seller also agrees to reasonably cooperate with Buyer or its consultants to provide additional information if available regarding past uses of the Property or the utilization of hazardous materials in connection therewith. All such Records shall be handled by Buyer in accordance with the Confidentiality provisions in Section 18 hereof.

14. Buyer's Due Diligence.

14.1 Access and Due Diligence. During the Due Diligence Period (as defined below) and thereafter in the event the termination notice from Buyer is not timely given on or prior to the end of the Due Diligence Period, Buyer, including its agents, contractors and employees, have the right to enter upon the Property during daylight hours for purposes of performing inspections and surveys; provided that Buyer shall inform Seller's representatives in writing via email to steve@thomasproduce.com and tommy@thomasproduce.com of all inspections or presence on the Property with Seller at least twenty-four (24) hours prior to the scheduled inspection or desired presence on the Property and Buyer permits Seller and Seller's representatives to accompany Buyer during any such inspection or presence on the Property, provided, however, that accompaniment by Seller or Seller's representatives shall not be a condition of Buyer's inspections. Buyer and its agents, engineers and architects shall have the right from and after the date hereof until 5:00 p.m. eastern time ninety (90) days after the Effective Date, (such period being herein referred to as the "Due Diligence Period") and thereafter until Closing to (i) enter upon each Property for the purpose of making surveys, tests, studies, investigations and inspections of all matters that may affect Buyer's decision to complete the purchase of the Property (including, without limitation, studies to determine the potential for the presence of Hazardous Materials on the Property (the "Haz Mat Reports")), and (ii) review the Records, interview the tenants under the Leases and government officials and otherwise determine the compliance of each Property with all zoning, land use or other applicable laws and regulations. Seller shall provide to Buyer access to David P. Andre, P.E., of Andersen Andre Consulting Engineers, Inc. to request copies of all Haz Mat Reports prepared for Seller in connection with the Property and hereby agrees that Buyer may seek reliance letters from the authors of such reports in favor of Buyer,

at Buyer's expense. If Buyer meets with state, county or local government officials or agencies regarding the Property and its redevelopment Buyer agrees that it shall have no authority to make any statements on behalf of Seller or to bind Seller to any agreement. During the Due Diligence Period and prior to Closing, Buyer may file applications with applicable governing authorities to plat or replat the Property for its planned development, and to obtain all development commitments, entitlements, permits and approvals, all as may be deemed necessary by Buyer in connection with its Proposed Use and development of the Property (collectively, all of the foregoing commitments, entitlements, permits, and approvals are the "Approvals"), and Seller agrees to use commercially reasonable efforts to cooperate with Buyer and execute such documents reasonably required in connection with the Approvals, subject to the following sentence. Buyer agrees that the Approvals shall not impose any burden or be binding upon the Seller at any time prior to Closing, nor impose any cost or liability on or be binding upon Seller at any time. Buyer agrees to promptly provide copies of all permitting applications and entitlement submittals and to keep the Seller apprised with regard to the status of same.

Buyer acknowledges that the Real Property is part of the Verde Commons future development project, as depicted on the Final Site Plan attached hereto as **Exhibit L** ("Verde Commons"), and subject to, among other things: (1) certain development orders and additional declarations, restrictions, limitations, covenants and easements that run with the Real Property, (2) the Memorandum of Agreement dated on or around October 20, 2015 by and among Seller, Westside Farms, Inc., a Florida corporation ("Westside") and The Oaks at Boca Raton Property Owners' Association, Inc., a Florida non-profit corporation, attached hereto as **Exhibit M** (the "Oaks MOA"), (3) the Proportionate Share Agreement dated July 19, 2016 by and among Seller, Westside and Palm Beach County, a political subdivision of the State of Florida, attached hereto as **Exhibit N** (the "Proportionate Share Agreement"), (4) the Declaration Unity of Control dated December 20, 2016 by and between Seller and Westside, as recorded in the public records of Palm Beach County, a copy of which is attached hereto as **Exhibit O** ("Unity of Control") and (5) the Standard Potable Water and Wastewater Development Agreement dated July 22, 2016 by and among Seller, Westside and Palm Beach County attached hereto as **Exhibit P** (the "Water Agreement"), all of the foregoing which may be amended from time to time. Buyer agrees that it shall be fully responsible for complying with, revising or amending the above referenced documents at its sole cost and expense and shall fully indemnify Seller for all costs and expenses, including reasonable attorney's fees, in connection with any claims made against Seller relating thereto, with such indemnification surviving the termination of this Agreement.

14.2 Insurance; Indemnification. Buyer hereby indemnifies and holds Seller and any agent, advisor, representative, affiliate, employee, director, partner, member, manager, beneficiary, investor, servant, shareholder, subsidiary, trustee or other person or entity acting on Seller's behalf or otherwise related to or affiliated with Seller (collectively, the "Seller Related Parties") harmless from and against any claims for injury or death to persons, damage to property or other losses, damages or claims, including, without limitation, claims of any tenant(s) then in possession, and including, without limitation, in each instance, attorneys' fees and litigation costs, arising out of or related to (i) the entry on the Property by or any action of, any person or firm entering the Property on Buyer's behalf as aforesaid or, (ii) any breach by Buyer of its obligations under Section 14, or (iii) any liens or claims arising from or related to any act or omission of or on behalf of Buyer, which indemnity under this Section shall survive the Closing and any termination of this Agreement (but such indemnity, defense and hold harmless obligation shall not extend to any such claims solely caused by the acts or omissions of the Seller Related Parties). Notwithstanding anything herein to the contrary, Buyer shall not be liable to Seller, nor shall Buyer have any indemnification obligations pursuant to this Section 14.2, solely as the result of: (a) any loss, liability, cost or expense solely caused by the acts or omissions of the Seller Related Parties, (b) any diminution in value of the Real Property for matters discovered by Buyer during its investigation of the Property, (c) any latent defects in the Real Property discovered by Buyer or (d) Buyer's discovery of a pre-existing condition on the Property to the extent that the activities of Buyer, its agents, representatives, employees, contractors, and/or consultants do not unreasonably exacerbate such condition. Prior to, and as a condition to any entry on the

Property by Buyer or its agents for the purposes set forth in Section 14, Buyer shall deliver to Seller a certificate of insurance evidencing commercial general liability coverage with a per occurrence limit of at least \$2,000,000.00, in a form reasonably acceptable to Seller, covering any activity, accident or damage arising in connection with Buyer or agents of Buyer on the Property, and naming Seller, as an additional insured. In the event that Buyer terminates this Agreement pursuant to any of its express rights set forth herein, Buyer shall provide, without representation or warranty of any kind, whether express or implied, a copy of any final written inspection, test, report, survey, assessment, plan or summary to Seller (excluding Buyer's financial projections or other similar proprietary information) within five (5) days after receipt of written request from Seller. Buyer shall deliver evidence of insurance coverage required herein to Seller prior to the commencement of the first inspection and proof of continued coverage prior to any subsequent inspection. Buyer shall promptly remove or bond any lien of any type that attaches to the Property as a result of any Buyer's inspections. Buyer's herein described insurance obligations are not contingent upon Seller's receipt of proof of insurance. Any access to the Property shall be during normal business hours to inspect the Property, including without limitation, verify zoning, conduct engineering and environmental studies and feasibility tests, determine use under zoning or the comprehensive land use plan, test for hazardous materials, and determine the availability of water, sewer, and other utilities. Upon completion of any inspection or presence on the Property, Buyer shall restore any damage to the Property caused by such inspection or presence on the Property. Buyer acknowledges and agrees that farming, produce packaging and shipping operations, including heavy machinery, are active and ongoing on the Property and to advise its employees and all third parties given access on behalf of Buyer or at Buyer's request to use extreme care when entering, exiting and operating or performing services or when otherwise present thereon.

14.3 Termination Right. Buyer may, for any or no reason whatsoever, in Buyer's sole discretion, elect to terminate this Agreement by providing written notice to Seller (the "Due Diligence Notice") on or before 5:00 p.m. eastern time on the last day of the Due Diligence Period. If this Agreement is terminated pursuant to the preceding sentence, the Initial Deposit shall be promptly refunded to Buyer and the Agreement shall be null and void except with respect to indemnity obligations that expressly survive a termination. The parties hereby agree that in the event Buyer does not deliver to Seller, in a timely manner, the Due Diligence Notice then Buyer shall be deemed to have waived its right to terminate this Agreement pursuant to this Section 14.3 and the Initial Deposit shall be nonrefundable except in the event of the failure of a condition precedent to Closing to be performed by Seller set forth in Section 11, except the Initial Deposit shall not be refundable to Buyer if any condition that fails to be satisfied arose out of or resulted from the act(s) or omission(s) of Buyer or its agents. After the expiration of the Due Diligence Period, Buyer's failure to close for any reason, including due to its failure to obtain any necessary approvals for its proposed project would result in a forfeiture of the Initial Deposit, except as may be provided for in the immediately preceding sentence. The terms and conditions of this Section 14 shall survive the termination of the Agreement and Closing.

14.4 No Reliance on Documents. Except as expressly set forth in Section 15.1 of this Agreement, Seller makes no representation or warranty, express or implied, as to the truth, accuracy or completeness of any materials, data, financial information, or other information in Seller's files, documents, or other documents delivered by Seller (or Seller's brokers, representatives or agents) to Buyer in connection with the transactions contemplated hereby except that Seller hereby represents and warrants that to Seller's knowledge such information is not materially false nor materially inaccurate. Except as set forth in the previous sentence and for intentional misrepresentation or intentional omission by or on behalf of Seller, Buyer acknowledges and agrees that all materials, data or information (financial or otherwise) delivered by Seller (or Seller's brokers, representatives or agents) in connection with the transactions contemplated hereby are provided to Buyer as a convenience only and, that any reliance on or use of such materials, data or information by Buyer shall be at the sole risk of Buyer.

14.5 Cooperation. Prior to Closing, Seller agrees to reasonably cooperate with Buyer in any

efforts Buyer may make to reach agreements with or obtain permits and approvals from state, county or local government officials or agencies regarding the Property or its development, including without limitation signing and permit applications or similar materials, provided that Buyer shall have no right to bind Seller or the Property (prior to Closing while still owned by Seller) to any agreements or obligations and Buyer shall be solely responsible, at its sole cost and expense, for the payment and performance of any sums due or obligations owed with respect to any such agreements or permits. Buyer's obligations pursuant to this Section 14 shall survive Closing or the termination of this Agreement. Buyer and Seller agree to operate in good faith throughout the term of this Agreement and take no action or fail to act in an effort to undermine the ability of the other party to close the transaction as contemplated herein.

15. Representations and Warranties.

15.1 Seller's Warranties. Seller represents and warrants the following are true, correct and accurate as of the Effective Date and shall be true and correct at the Closing.

(a) Each of the entities comprising Seller is a duly organized and validly existing corporation in good standing under the laws of the state of Florida and is duly qualified to conduct business in the state in which the Property is located, and has the legal right, power and authority to enter into this Agreement and to perform all of its obligations hereunder, and the execution and delivery of this Agreement and the performance by Seller of its obligations hereunder: (i) have been duly authorized by all requisite corporate action (including the execution of this Agreement by a duly authorized signatory of Seller), and (ii) will not conflict with, or result in a breach of, any of the terms and provisions of any law, regulation, order, judgment, writ, injunction or decree of any court or governmental authority having jurisdiction over Seller or either Property, or any agreement or instrument to which Seller is a party or by which it is bound which would have an adverse effect upon this Agreement or a Property. The individual executing this Agreement on behalf of Seller has all necessary power and authority to so execute this Agreement and to bind Seller to the terms hereof.

(b) To Seller's knowledge, except for the Leases, there are no leases with respect to the Property, and neither the landlord nor any tenant is or will be in default of any material obligation under the Leases, nor is there nor will there be any action or condition which, upon notice or lapse of time or both would constitute a material default thereunder. No rent or other amounts due under the Leases have been paid more than one (1) month in advance. The tenant thereunder is not entitled to any rent abatement or free rent and there are no commissions, leasing fees or other compensation due or payable, to any person, firm, corporation or other party with respect to the Leases. No security deposit has been paid or posted by the tenant thereunder. The Leases delivered to Buyer are true and complete copies and neither lease has been amended, modified or extended, except as such may be approved by the Buyer after the Effective Date.

(d) Seller is the fee simple owner of the Real Property. Except for the Leases and Permitted Exceptions, Seller is not a party to any lease, Operating Contract or other material agreement affecting the Property and in effect on the date of this Agreement that will survive the Closing.

(e) To Seller's knowledge, except as set forth in the Title Commitment, lien searches or other Records, there are no uncured material violations of any Permits, laws, ordinances, codes, regulations or other requirements of any governmental authority having jurisdiction over the Property, against, or with respect to, the Property or any part thereof. Neither Seller nor any agent or employee of Seller has received written notice of any intention on the part of the issuing authority to cancel, suspend or modify any of the material Permits or to take any action or institute any proceedings to affect such a cancellation, suspension or modification.

(f) There are no suits, actions or proceedings involving Seller or the Property or, to Seller's knowledge, threatened in writing against or affecting the Property before any court or administrative agency or officer, including, but not limited to, any eminent domain, environmental or other land use proceeding, and to Seller's knowledge, Seller is not in default with respect to, nor has Seller received notice of violation of, any previously issued judgment, order, writ, injunction, rule or regulation of any court or governmental agency or office to which Seller is subject in any way materially affecting the Property or the transactions provided for herein.

(g) Seller has not been adjudicated insolvent or bankrupt, or petitioned or applied to any tribunal for the appointment of any receiver or trustee; nor has Seller commenced, or is contemplating commencing, any proceeding relative to the reorganization, dissolution or liquidation of Seller.

(i) There are no special assessments filed, pending or, to Seller's knowledge, proposed, against the Property or any portion thereof, including, without limitation, any street improvement or special district assessments, other than as required as part of the Verde Commons project.

(j) To Seller's knowledge, there may exist violations of laws and regulations (collectively "Hazardous Materials Laws") governing the handling, storage, release, remediation or disposal of toxic or hazardous materials at the Property. Seller is aware of a release of hazardous materials at the Property as disclosed in the Haz Mat Reports to be provided to Buyer as set forth in Section 14.1; however except for the release described in such reports Seller is not aware of any other releases of hazardous materials, or the presence of underground storage tanks at the Property. For all purposes of this Agreement, the term hazardous materials means hazardous, toxic or harmful materials regulated as "hazardous materials" or "hazardous substances" under applicable federal or Florida law and shall include petroleum and petroleum containing materials, and shall also include "hazardous substances" as defined in the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 et seq., as amended by the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613, and as otherwise amended, and regulations adopted pursuant to such Acts, and shall also include asbestos, polychlorinated bi-phenyls (PCBs), petroleum and petroleum products.

(k) Except as delivered to Buyer as part of the Records there are no Operating Contracts with respect to or affecting either Property as of the date of this Agreement that will survive Closing.

(l) Seller is not a "foreign person" as defined by the Internal Revenue Code (the "Code") Section 1445, and Seller will execute and deliver to Buyer at Closing an affidavit or certification in compliance with Code Section 1445.

(m) Seller or its agents have not knowingly withheld any Records in its possession or control.

(n) To Seller's knowledge, there are no archeological, anthropological, or historical finds, objects, or sites or Federal or Florida designated endangered or threatened species on the Real Property.

(o) To Seller's knowledge, there is no pending or threatened in writing condemnation proceeding involving the Real Property.

(p) Seller is not in violation of any legal requirements, now or hereafter in effect, relating to money laundering, anti-terrorism, trade embargoes and economic sanctions, including, without limitation, Executive Order 13224 (as defined below) and the Patriot Act (as defined below). Seller (i) is not (a) a Blocked Person (as defined below) or (b) owned, in whole or in part, directly or indirectly, by any Blocked Person; and (ii) does not (a) conduct any business or engage in any transaction or dealing with a Blocked

Person or (b) deal in, or otherwise engage in, any transaction or dealing relating to any property, or interests in property, blocked pursuant to Executive Order 13224.

As used herein, (i) "Blocked Person" is defined as any individuals or entities which (a) are owned or controlled by, or acting on behalf of, the governments of countries currently listed under section 6(j) of the Export Administration Act as supporting international terrorism, or (b) are owned or controlled by, are acting on behalf of, or are associated with international terrorism, as indicated by their listing on the Treasury Department's Specially Designated Nationals and Blocked Persons, as updated from time to time; (ii) "Executive Order 13224" is defined as Executive Order Number 13224, "Blocking Property Transactions with Persons who Commit, Threaten to Commit, or Support Terrorism," 66 Fed. Reg. 49079 (Sept. 23, 2001); and (iii) "Patriot Act" is defined as the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. No. 107-56, 115 Stat. 272.

All of Seller's representations and warranties made in this Section 15.1 ("Seller's Warranties") shall survive the delivery of the Deed with respect to claims of breach for which Buyer has notified Seller in writing within six (6) months of Closing, and shall thereafter be null and void. In the event that Seller is not notified in writing by Buyer of a claim alleging a breach of Seller's Warranties within six (6) months of the Closing, then all of Seller's Warranties shall automatically be null and void and Buyer shall have no recourse against Seller or any Seller Parties with respect thereto.

15.2 Buyer's Representations. Buyer represents and warrants the following are true and correct on the Date of this Agreement and shall be true and correct at the Closing.

(a) Buyer is a corporation, duly incorporated and a validly existing corporation in good standing under the laws of the Commonwealth of Pennsylvania and is duly qualified to conduct business in the state in which the Property is located and has the legal right, power and authority to enter into this Agreement and to perform all of its obligations hereunder, and the execution and delivery of this Agreement and the performance by Buyer of its obligations hereunder: (i) has been duly authorized by all requisite corporate action (including the execution of this Agreement by a duly authorized signatory of Buyer), and (ii) will not conflict with, or result in a breach of, any of the terms and provisions of any law, regulation, order, judgment, writ, injunction or decree of any court or governmental authority having jurisdiction over Buyer, or any agreement or instrument to which Buyer is a party or by which it is bound which would have an adverse effect upon this Agreement.

(b) To the best of Buyer's knowledge there is no litigation or proceeding pending or threatened, which would prevent Buyer from complying with any of its obligations under this Agreement.

(c) Neither Buyer nor any direct or indirect parent of Buyer is the subject of receivership or insolvent and all are able to pay their debts as they come due.

(d) Buyer is seeking to buy the Property to build a residential "for sale" townhome, villa and/or single family home community consisting of not more than 300 units and no other proposed use (the "Proposed Use"). The Proposed Use shall be comprised of the following types of lots: (i) lots with a minimum depth of one hundred five feet (105') and a minimum width sufficient to accommodate a twenty four foot (24') wide townhome and applicable setbacks (each a "Townhome Lot" and, collectively, the "Townhome Lots"); (ii) lots with a minimum depth of one hundred thirty five feet (135') and a minimum width sufficient to accommodate a twenty three foot (23') wide villa home and applicable setbacks (each a "Villa Lot" and, collectively, the "Villa Lots"); and (iii) lots with a minimum depth of one hundred thirty five feet (135') and a minimum width sufficient to accommodate a forty foot (40') wide single family detached home and applicable setbacks (each a "Single Family Lot" and, collectively, the "Single Family

Lots”) and, if only one type of lot is allowed pursuant to applicable codes and ordinances, shall be comprised of a minimum of two hundred eighty four (284) Townhome Lots, one hundred seventy (170) Villa Lots or one hundred forty (140) Single Family Lots. Buyer shall only seek approvals from all applicable parties and governmental authorities in connection with the Proposed Use. Buyer agrees to use commercially reasonable efforts to diligently pursue all necessary zoning, land use, environmental, site plan, local community group and other applicable approvals, agreements and entitlements necessary to develop the Property for the Proposed Use prior to the Closing Date.

(e) Buyer will not use the assets of any employee benefit plan as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and covered under Title 1, Part 4 of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended, in the performance or discharge of its obligations hereunder, including the acquisition of the Property. Notwithstanding anything to the contrary set forth herein, Buyer shall not assign its interest hereunder to any person or entity which does not expressly make this covenant for the benefit of Seller.

(f) Buyer is not in violation of any legal requirements, now or hereafter in effect, relating to money laundering, anti-terrorism, trade embargoes and economic sanctions, including, without limitation, Executive Order 13224 and the Patriot Act. Buyer (i) is not (a) a Blocked Person or (b) owned, in whole or in part, directly or indirectly, by any Blocked Person; and (ii) does not (a) conduct any business or engage in any transaction or dealing with a Blocked Person or (b) deal in, or otherwise engage in, any transaction or dealing relating to any property, or interests in property, blocked pursuant to Executive Order 13224.

(g) Buyer shall take no action to solicit either directly or indirectly a governmental moratorium of the nature contemplated in Section 5.

All of Buyer’s warranties and representations made in this Section 15.2 (“Buyer’s Warranties”) shall survive the delivery of the Deed with respect to claims of breach for which Seller has notified Buyer in writing within six (6) months, and shall thereafter be null and void. In the event that Buyer is not notified in writing by Seller of a claim alleging a breach of Buyer’s Warranties within six (6) months of the Closing, then all of Buyer’s Warranties shall automatically be null and void and Buyer shall have no recourse against Buyer or any or any of its affiliates, agents, and assigns, and the employees with respect thereto.

15.3 Miscellaneous.

15.3.1 As used herein, the phrase “Seller’s knowledge” or any derivation thereof shall mean the actual knowledge of Stephen M. Thomas, as an officer or director of Seller, as the case may be, provided, however, Mr. Thomas shall have no duty to investigate the matter to which such actual knowledge, or the absence thereof, pertains. It shall be a condition of Closing that the representations and warranties contained in this Section 15 (the “Closing Date Representations”) are true and correct in all material respects at Closing. In the event that Seller or Buyer learns that any of said representations or warranties becomes inaccurate between the Effective Date and the Closing, Seller or Buyer, as applicable, shall immediately notify the other party in writing of such change (a “Notice of Inaccuracy”). The Closing may be extended up to thirty (30) days in order to allow Seller the option to cure such change if Seller elects, by written notice delivered to Buyer within five (5) business days after Seller’s receipt of a Notice of Inaccuracy. In the event Seller so cures such change by the Closing Date (as the same may be extended pursuant to this Section 15.3.1), this Agreement shall remain in full force and effect. If Seller does not cure such change by the Closing Date (as the same may be extended pursuant to this Section 15.3.1) or elects not to cure, Buyer may either (a) terminate this Agreement by written notice to Seller, in which case the Deposit shall be returned to Buyer and thereafter the parties shall have no further rights or obligations hereunder, except for those which expressly survive such termination, or (b) waive such right to terminate by proceeding with the transaction pursuant to the remaining terms and conditions of this Agreement

without any reduction in the Purchase Price. In the event Buyer elects option (b) in the preceding sentence, the representations and warranties shall be deemed to be automatically amended to reflect said change.

15.3.2 Notwithstanding and without limiting the foregoing, (i) if any of the representations or warranties of Seller that survive Closing contained in this Agreement or in any document or instrument delivered in connection herewith are materially false or inaccurate, or Seller is in material breach or default of any of its obligations under this Agreement that survive Closing, and Buyer nonetheless closes the transactions hereunder and purchases the Property, then Seller shall have no liability or obligation respecting such false or inaccurate representations or warranties or other breach or default (and any cause of action resulting therefrom shall terminate upon the Closing) in the event that either (x) prior to Closing, Buyer shall have had actual knowledge of the false or inaccurate representations or warranties or other breach or default, or (y) the accurate state of facts pertinent to such false or inaccurate representations or warranties or other breach or default was contained in any of the information respecting the Property furnished by Seller or otherwise obtained by Buyer.

16. Remedies.

(a) Subject to Section 15.3, in the event of a material default by Seller hereunder, which is not cured by Seller as provided hereunder, Buyer may, as its sole remedy therefor, either (i) bring an action seeking specific performance of this Agreement (but no other action, for damages or otherwise, shall be permitted, as qualified by the remainder of this Section 16(a) and Section 19, respectively, as applicable); provided that any action by Buyer for specific performance must be filed, if at all, within sixty (60) days of Seller's default, and the failure to file within such period shall constitute a waiver by Buyer of such right and remedy, or (ii) terminate this Agreement and recover from Seller a refund of the Deposit, and thereafter the parties shall have no further obligation to each other except for the obligations of the Buyer that expressly survive termination of this Agreement or the Closing, Buyer hereby waiving any right or claim to damages for Seller's breach, whereupon the parties shall be released from all further obligations under this Agreement. Notwithstanding the foregoing, the Deposit shall not be refundable to Buyer if such material default by Seller arose out of or resulted from the act(s) or omission(s) of Buyer or its agents. If Buyer shall not have filed an action for specific performance within the aforementioned time period or so notified Seller of its election to terminate this Agreement, Buyer's sole remedy shall be as set forth in clause (ii) above. The foregoing notwithstanding, if Seller fails to satisfy the conditions of Closing under Section 11 of this Agreement with respect to the Closing (and any condition that fails to be satisfied does not arise out of or result from the act or omission of Buyer or its agents), then Buyer shall also be entitled to liquidated damages in the amount of Three Hundred Fifty Thousand and 00/100 Dollars (\$350,000.00). It is hereby agreed that Buyer's damages in the event of default by Seller hereunder are difficult to ascertain, and that the amount of Three Hundred Fifty Thousand and 00/100 Dollars (\$350,000.00) constitutes a reasonable liquidation of such damages and is intended not as a penalty, but as liquidated damages. Notwithstanding the foregoing or anything to the contrary contained in Section 19 below, if Seller willfully defaults during the term of this Agreement by agreeing to sell or selling the Property or ownership interests in the Property or in the Seller to a third-party buyer that is not the Buyer or a Permitted Assignee or Financier Assignee then the Buyer shall have the right to seek all remedies available at law or equity against the Seller (the "Willful Seller Sale Default").

(b) In the event Buyer defaults in its obligation to Close on the Property or abandons its efforts to acquire the Property after expiration of the Due Diligence Period or becomes insolvent at any time, Seller shall, as its sole and exclusive remedy under this Agreement, at law or in equity therefor (except as expressly set forth below), be entitled to terminate this Agreement, whereupon Seller shall receive the Deposit and any Additional Extension Deposit, plus all interest earned and accrued thereon, as liquidated damages (and not as a penalty) in lieu of, and as full compensation for, all other rights or claims of Sellers against Buyer due to such default, and thereafter the obligations of the parties hereto that do not expressly survive

termination of this Agreement shall cease. Notwithstanding the foregoing, Seller shall have all rights at law or in equity to enforce Buyer's indemnity obligations under this Agreement.

(c) Except as expressly permitted by the terms of this Agreement, neither Buyer nor Seller shall have the right to seek or recover consequential, punitive, special or any other type of damages from the other under this Agreement. The provisions of this Section 16 shall survive the Closing and delivery of the Deed, or earlier termination of this Agreement.

17. Notice. Unless and until changed by written notice as provided herein, all notices, demands and requests which may or are required to be given by either party to the other shall be in writing, and shall be sent by (i) personal delivery, (ii) reputable overnight carrier, or (iii) facsimile or electronic mail (with a confirmatory copy by overnight mail sent on the same day), in all cases postage prepaid, addressed as follows:

To Seller:

7 T's Enterprises, Inc.
Westside Farms, Inc.
9905 Clint Moore Road
Boca Raton, FL 33496
Attention: Stephen M. Thomas
Email: Steve@thomasproduce.com

With a Copy To:

Adler Wellikoff, PLLC
Aaron S. Adler
1900 Glades Road, Suite 270
Boca Raton, FL 33431
Ph: 561-508-8365
Email: aadler@adwellgroup.com and swellikoff@adwellgroup.com

To Buyer:

Toll Bros., Inc.
Attention: Tom Murray, Regional President
2557 SW Grapevine Pky., Suite 100
Grapevine, TX 76051
Telephone: (817) 329-7961
Email: tmurray@tollbrothers.com

and

Toll Bros., Inc.
Attention: Fred Pfister, Division President
951 Broken Sound Parkway NW, Ste. 180
Boca Raton, Florida, 33487
Telephone: (561) 999-1877
Fax: (561) 999-1878

Email: fpfister@tollbrothers.com

With a copy to:

Toll Bros., Inc.
Attention: Thomas J. Smith, III, AVP & Counsel
1140 Virginia Drive
Fort Washington, PA 19034
Telephone: (215) 293-4366
Fax: (215) 938-8255
Email: tsmith@tollbrothers.com and legalnotices@tollbrothers.com

To Escrow Agent:

First American Title Insurance Company
c/o Nancy Cotto
13450 West Sunrise Boulevard, Suite 300
Sunrise, Florida 33323
Ph: 954-839-2960
Email: ncotto@firstam.com

All notices, demands and requests which shall be served upon either party in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder upon delivery (or refusal of receipt of delivery). Any notice may be given by a party's attorney.

18. Confidentiality. Buyer and Seller represent and warrant that each shall keep all information and/or reports obtained from the other, or related to or connected with the Property, the other party, or this transaction, and not already in the public domain ("Confidential Materials"), confidential and will not disclose any such information to any person or entity without obtaining the prior written consent of the other party. The restrictions set forth in this Section shall not apply to (a) disclosures which may otherwise be required by law, (b) disclosures by Buyer or Seller to its directors, officers, shareholders, partners, members, employees, legal counsel, accountants, engineers, architects, investors or potential investors, financial advisors and similar professionals and consultants to the extent that Buyer or Seller reasonably deems it necessary or appropriate in connection with the evaluation of the Property, and to potential or existing sources of financing or to potential or existing holders of equity interests in Buyer or Seller or their affiliates, or for the purpose of obtaining financing or equity investment in connection with the proposed transaction (provided that Buyer and/or Seller, as applicable, informs such parties of the confidential nature of such information)(collectively, "Representatives"), and (c) disclosures made pursuant to any legal action between Buyer and Seller relating to this Agreement. In the event of a breach or threatened breach by Buyer or Seller or their respective representatives of this Section 18, the non-breaching party shall be entitled to pursue any and all remedies available at law and equity and Buyer or Seller shall indemnify the other, as the case may be, for any direct damages arising out of a breach of the provisions of this Section 18 by such party; provided however that in no event will either party be liable to the other for indirect, punitive or speculation damages hereunder. Confidential Materials do not include information which either (i) is or becomes generally available to the public other than as a result of a disclosure by a party or its Representatives in violation of this Agreement; (ii) was available to or in the possession of a party or its Representatives prior to its disclosure by the other party; provided such information was not known by such party to be the subject of a confidentiality obligation in favor of the other party; or (iii) is independently developed by a party or its Representatives without use of the Confidential Materials. The provisions of

this Section 18 shall survive any termination of this Agreement for a period of one (1) year and shall become null and void if the Closing hereunder occurs.

19. LIMITATION OF LIABILITY. IF THE PERSON EXECUTING THIS AGREEMENT ON BEHALF OF SELLER OR BUYER IS NOT EXECUTING THIS AGREEMENT IN HIS OR HER OWN BEHALF AS AN INDIVIDUAL, BUT IN A REPRESENTATIVE OR FIDUCIARY CAPACITY, OR AS A TRUSTEE, PARTNER, OFFICER, DIRECTOR, MANAGER, OR MEMBER OF BUYER OR SELLER, ONLY THE PRINCIPAL, ESTATE OR ENTITY SHALL BE BOUND, AND NEITHER THE PERSON EXECUTING THIS AGREEMENT ON BEHALF OF SELLER OR BUYER, AS THE CASE MAY BE, NOR ANY DIRECTOR, OFFICER, EMPLOYEE, SHAREHOLDER, PARTNER, MANAGER OR MEMBER OR BUYER OR SELLER AS THE CASE MAY BE, OR ANY TRUSTEE OR BENEFICIARY OF ANY TRUST, SHALL BE PERSONALLY LIABLE FOR ANY OBLIGATION, EXPRESS OR IMPLIED HEREUNDER. EXCEPT FOR A WILFULL SELLER SALE DEFAULT AS SET FORTH IN THE LAST SENTENCE OF SECTION 16(A), THE AGGREGATE LIABILITY OF SELLER ARISING PURSUANT TO OR IN CONNECTION WITH THE REPRESENTATIONS, WARRANTIES, INDEMNIFICATIONS, COVENANTS OR OTHER OBLIGATIONS (WHETHER EXPRESS OR IMPLIED) OF SELLER UNDER THIS AGREEMENT (OR ANY DOCUMENT OR CERTIFICATE EXECUTED OR DELIVERED IN CONNECTION HEREWITH), TO THE EXTENT SUCH ARE STILL APPLICABLE AT THE THEN CURRENT TIME, SHALL NOT EXCEED SEVEN HUNDRED THOUSAND DOLLARS (\$700,000.00). HOWEVER, BUYER HEREBY AGREES THAT IT SHALL NOT MAKE ANY CLAIMS IN CONNECTION WITH THE REPRESENTATIONS, WARRANTIES, INDEMNIFICATIONS, COVENANTS OR OTHER OBLIGATIONS (WHETHER EXPRESS OR IMPLIED) OF SELLER UNDER THIS AGREEMENT UNLESS SUCH CLAIMS IN THE AGGREGATE EXCEED \$100,000.00.

THE PROVISIONS OF THIS SECTION 19 SHALL SURVIVE THE CLOSING OR SOONER TERMINATION OF THIS AGREEMENT.

20. WAIVER OF TRIAL BY JURY. SELLER AND BUYER, TO THE EXTENT THEY MAY LEGALLY DO SO, HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, CAUSE OF ACTION, OR PROCEEDING ARISING UNDER OR WITH RESPECT TO THIS AGREEMENT, OR IN ANY WAY CONNECTED WITH, OR RELATED TO, OR INCIDENTAL TO, THE DEALINGS OF THE PARTIES HERETO WITH RESPECT TO THIS AGREEMENT OR THE TRANSACTIONS RELATED HERETO OR THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND IRRESPECTIVE OF WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE. TO THE EXTENT THEY MAY LEGALLY DO SO, SELLER AND BUYER HEREBY AGREE THAT ANY SUCH CLAIM, DEMAND, ACTION, CAUSE OF ACTION, OR PROCEEDING SHALL BE DECIDED BY A COURT TRIAL WITHOUT A JURY AND THAT ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE OTHER PARTY OR PARTIES HERETO TO WAIVER OF ITS OR THEIR RIGHT TO TRIAL BY JURY.

21. GOVERNING LAW AND VENUE. THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA (WITHOUT REGARD TO THE APPLICATION OF CONFLICTS OF LAWS PRINCIPLES). VENUE SHALL LIE IN THE STATE COURTS OF PALM BEACH COUNTY, FLORIDA.

22. Miscellaneous.

(a) This Agreement contains the entire agreements and understandings of Seller and Buyer

with respect to the subject matter hereof, and the same shall not be altered, amended, changed, waived, terminated or otherwise modified in any respect or particular unless the same shall be in the writing and signed by or on behalf of the party to be charged therewith.

(b) This Agreement shall be interpreted and enforced in accordance with the state in which the Property is located, without regard to its conflict of law rules.

(c) This Agreement shall be binding upon and, except as otherwise expressly set forth, shall inure to the benefit of the parties hereto and to their respective heirs, executors, administrators and assigns.

(d) All prior understandings and agreements between the parties are merged in this Agreement, which alone fully and completely expresses the agreement between them, and which is entered into after full investigation, neither party relying upon any statement or representation made by the other not embodied in this Agreement, and without regard to or aid of canons requiring construction against Buyer, Seller or party drawing this Agreement.

(e) No failure or delay of either party in the exercise of any right given to such party hereunder or the waiver by any party of any condition hereunder for its benefit shall constitute a waiver of any other or further right nor shall any single or partial exercise of any right preclude other or further exercise thereof or any other right. The waiver of any breach hereunder shall not be deemed to be a waiver of any other or any subsequent breach hereof.

(f) Each party hereto shall from time to time exercise, acknowledge and deliver such further instruments and perform such additional acts as the other party may reasonably request to effectuate the intent of this Agreement.

(g) No provision of this Agreement shall survive the Closing except as herein expressly provided.

(h) If suit or action is filed to interpret or enforce this Agreement or relating to any dispute between Buyer and Seller relative to this Agreement, the prevailing party shall be entitled to be awarded its reasonable and documented attorney's fees in addition to other costs and disbursements allowed by law, including the same with respect to an appeal.

(i) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument. Executed counterparts of this Agreement or any amendments thereto which are exchanged by electronic email, digitally or by PDF shall be as fully binding on the parties as an original "blue ink" documents.

(j) If any term or provision of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

(k) Buyer may not assign this Agreement, except to any entities directly or indirectly owned or controlled by or under direct or indirect common ownership or control with Buyer ("Permitted Assignee"), without first obtaining Seller's written consent. Only at Closing, and at no other time, may Buyer assign this Agreement to one of the entities listed on Exhibit Q attached hereto, which provide financing to Buyer ("Financier Assignee"), without first obtaining Seller's written consent. No assignment shall release Buyer herein named from any obligation or liability under this Agreement. Any Permitted

Assignee or Financier Assignee shall be deemed to have made any and all representations and warranties made by Buyer under Section 15.2 above, as if such Permitted Assignee or Financier Assignee were the original signatory hereto, subject, however, to such modifications as are necessary due to the type of business entity of such Permitted Assignee or Financier Assignee. Only one assignment by Buyer to either a Permitted Assignee or a Financier Assignee shall be permitted pursuant to the terms herein, without first obtaining Seller's written consent.

(l) This Agreement is for the sole and exclusive benefit of the parties hereto and their respective successors and assigns, and no third party is intended to or shall have any rights hereunder.

(m) In the computation of any period of time provided for in this Agreement or by law, the day of the act or event from which the period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday, or legal holiday, in which case the period shall be deemed to run until the end of the next day which is not a Saturday, Sunday or legal holiday. Because Buyer's affiliate is a publicly traded company, if the date of Closing under this Agreement should fall within the last two (2) weeks of any of Buyer's fiscal quarters, which are the last two (2) weeks of January, April, July and October, then Buyer shall have the right to extend the date of such Closing to the first business day of the first week of the next fiscal quarter, provided Buyer provides Seller at least ten (10) days prior written notice that Buyer is electing to extend the Closing date pursuant to this Section 22(m).

(n) The preparation and/or delivery of unsigned drafts of this Agreement shall not create any legally binding rights in the Property and/or obligations of the parties, and Buyer and Seller acknowledge that this Agreement shall be of no effect until it is duly executed by both Buyer and Seller. Seller agrees that Seller will not continue to market the Property during the term of this Agreement.

(o) The parties acknowledge that, in connection with negotiating and executing this Agreement, each has had its own counsel and advisors and that each has reviewed and participated in the drafting of this Agreement. The fact that this Agreement was prepared by Seller's counsel as a matter of convenience shall have no import or significance to the construction of this Agreement. Any uncertainty or ambiguity in this Agreement shall not be construed against Seller because Seller's counsel prepared this Agreement in its final form. Any rule of construction that requires any ambiguities to be interpreted against the drafter shall not be employed in the interpretation of: (i) this Agreement; (ii) any exhibits to this Agreement; or (iii) any document drafted or delivered in connection with the transactions contemplated by this Agreement.

(p) Any captions or headings used in this Agreement are for convenience only and do not define or limit the scope of this Agreement.

(q) The singular of any term, including any defined term, shall include the plural and the plural of any term shall include the singular. The use of any pronoun with respect to gender shall include the neutral, masculine, feminine, and plural. The term "person" or "persons" includes a natural person or any corporation, limited liability company, partnership, trust, or other type of entity validly formed.

23. 1031 Exchange. Seller and Buyer agree that either party may elect to structure the purchase of either Property within the meaning of Section 1031 of the Internal Revenue Code by assigning its rights, but not its obligations, hereunder to a qualified intermediary as provided in Income Tax Regulations Section 1.1031(k)-1(g)(4) (the "Exchange Company") on or before the Closing Date, provided that (a) the other party will not be required to incur any costs as a result of such like-kind exchange, (b) the Closing Date shall not be adjourned by reason thereof, (c) the other party will incur no expense, liability or obligation, in connection with said structuring, other than acknowledging and consenting to exchanging party's assignment in connection with such exchange. Each party shall reasonably cooperate with the other party

to effectuate a 1031 exchange, including without limitation, adding the exchange party as a signatory to the closing statement, permitting the wiring of funds to and from the Exchange Company and acknowledging the assignment of this Agreement to the Exchange Company.

24. Performance. Time is of the essence in the performance of the obligations of Seller and Buyer under this Agreement. If any outside date for the performance of any obligation or giving of any notice under this Agreement shall occur on a weekend or legal holiday, then the date for such performance or notice shall be extended until the next succeeding business day.

25. Discharge of Seller's Obligations. Except as otherwise expressly provided in this Agreement, Buyer's acceptance of the Deed shall be deemed a discharge of all of the obligations of Seller hereunder and all of Seller's representations, warranties, covenants and agreements in this Agreement shall merge in the documents and agreements executed at the Closing and shall not survive the Closing, except and to the extent that, pursuant to the express provisions of this Agreement, any of such representations, warranties, covenants or agreements are to survive the Closing.

SIGNATURES APPEAR ON THE FOLLOWING PAGE

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

SELLER:

7 T's Enterprises, Inc.

By: [Signature]
Name: Stephen M. Thomas
Its: President

Westside Farms, Inc.

By: [Signature]
Name: Stephen M. Thomas
Its: Managing Director

BUYER:

Toll Bros., Inc.

By: [Signature]
Name: Frederick K. Pfister
Its: Division President

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

SELLER:

7 T's Enterprises, Inc.

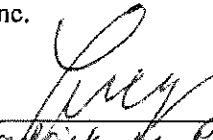
By: _____
Name: Stephen M. Thomas
Its: President

Westside Farms, Inc.

By: _____
Name: Stephen M. Thomas
Its: Managing Director

BUYER:

Toll Bros., Inc.

By:  _____
Name: Frederick W. Pfister
Its: Division President

Attachment C

{00011878.DOCX.1 }

**PALM BEACH COUNTY
PLANNING, ZONING AND BUILDING DEPARTMENT
ZONING DIVISION**

Application No.: ABN/Z-2022-00681
Application Name: Thomas Property
Control No./Name: 2007-00288 (Verde Commons MUPD)
Applicant: Toll Brothers, Inc.
 7T's Enterprises Inc.
 Westside Farms Inc.
Owners: 7T's Enterprises Inc.
 Westside Farms Inc.
Agent: Urban Design Studio - Ken Tuma
 Urban Design Studio - Tyler Woolsey
Telephone No.: (561) 366-1100
Project Manager: Jordan Jafar, Senior Site Planner

TITLE: a Development Order Abandonment **REQUEST:** to abandon a Type 1 Restaurant; 4 Type 2 Restaurants; and a Congregate Living Facility Type 3 on 37.40 acres

TITLE: an Official Zoning Map Amendment **REQUEST:** to allow a rezoning from the Multiple Use Planned Development (MUPD) Zoning District to the Single Family Residential (RS) Zoning District on 37.40 acres

APPLICATION SUMMARY: The proposed requests are for the 37.40-acres Thomas Property. The subject site was last approved by the Board of County Commissioners (BCC) on August 25, 2016.

The request for the Official Zoning Map Amendment from the Multiple Use Planned Development (MUPD) Zoning District to the Single Family Residential (RS) Zoning District along with the above abandonments will allow for a subsequent application for a Final Subdivision Plan. Access to the site will be from Clint Moore Road.

SITE DATA:

Location:	Northeast corner of Clint Moore Road and State Road 7/US 441
Property Control Number(s)	00-42-43-27-05-070-1130; 1160; 1170
Existing Future Land Use Designation:	Multiple Land Use (MLU)
Existing Zoning District:	Multiple Use Planned Development District (MUPD)
Proposed Zoning District:	Single Family Residential (RS) Zoning District
Total Acreage:	37.4 acres
Tier:	Urban/Suburban
Overlay District:	N/A
Neighborhood Plan:	N/A
CCRT Area:	N/A
Municipalities within 1 Mile	N/A
Future Annexation Area	N/A
Commissioner District:	District 5, Commissioner Maria Sachs

RECOMMENDATION: Staff recommends approval of the requests subject to the Conditions of Approval as indicate in Exhibit C.

PUBLIC COMMENT SUMMARY: At the time of publication, Staff had received no contact from the public regarding this application.

PROJECT HISTORY: The site was previously the subject of an Official Zoning Map Amendment to rezone from the Agricultural Reserve (AGR) Zoning District to the Multiple Use Planned Development (MUPD) Zoning District resolution R-2016-1083, along with multiple Requested Uses to allow a Type 3 CLF and four Type II Restaurants resolutions R-2016-1084 to 1089. The site currently is developed with an Agricultural Packing plant and cold storage.

FINDINGS:

Official Zoning Map Amendment (Rezoning) to a Standard District:

When considering a Development Order application for a rezoning to a Standard Zoning District with or without a Conditional Overlay Zone (COZ), the BCC and ZC shall consider Standards a through g listed

under Article 2.B.7.B.2, Standards. The Standards and Staff Analyses are indicated below. An amendment that fails to meet any of these standards shall be deemed adverse to the public interest and shall not be approved.

a. Consistency with the Plan - *The proposed amendment is consistent with the Plan.*

PLANNING DIVISION COMMENTS

o *Consistency with the Comprehensive Plan:* Should the BCC approve the amendment request, then the proposed use or amendment is consistent with the Goals, Objectives and Policies of the Comprehensive Plan, including previous Land Use Amendments, densities and intensities of use.

o *Concurrent Land Use Amendments:* The site is the subject of a concurrent Large Scale Amendment known as Thomas Packing Plant II (LGA 2022-016). The request seeks to delete all conditions including the conceptual plan adopted by Ord. 2016-015 and amend the land use from Multiple Land Use containing Commercial Low and Low Residential 2 units per acre (MLU, CL & LR-2) to Low Residential 2 units per acre (LR-2). The Planning Commission, sitting as the Local Planning Agency, heard the item on June 10, 2022 and recommended the BCC Transmit the item 7-0, without the requirement of Condition 2 to provide the WHP onsite by 11-0 vote. The BCC heard the request September 1, 2022 voted to Transmit the item by 7-0 vote and concurred with the Planning Commission to amend Condition 2 to permit other disposition options for the WHP obligation as follows:

1. Residential dwelling units shall be limited to a maximum of 75 units with no further density increases permitted through density bonus programs
2. The zoning development order shall require a minimum of 10% of the total dwelling units to be provided as workforce housing units. The workforce housing units are subject to the applicable requirements of the Workforce Housing Program (WHP) in Article 5.G.1 of ULDC.

The current request is a rezoning without a site plan, thus a Conditional Overlay Zoning is required to carry forward the amendment conditions in the Zoning process as it was approved by the BCC.

o *Prior Land Use Amendments:* The site was the subject of a previous Land Use amendment known as Thomas Packing Plant LGA2014-015, Ord. 2016-014, which amended the land use from AGR to MLU with a Conceptual Land Use plan and 7 conditions. All of the previous conditions will be nullified via the current request to abandon (ABN) the prior Resolution.

o *Density and Workforce Housing Program (WHP):* Upon submittal of a Subdivision Plan, the request will be limited to the 75 units with a 10% (7du) WHP obligation as stipulated in the land use conditions. The applicant has indicated that the request will be for 70 units utilizing the Limited Incentive Development Option, which will be submitted to the Development Review Officer (DRO) process. The 70 units at the proposed LR-2 future land use could be achieved as follows:

<u>Standard, Max & Bonus Density:</u>	<u>Workforce Housing (WHP without Ord. Cond. 2):</u>
56.54 Standard units	1.41 WHP units (2.5%)
13.00 Maximum units	1.04 WHP units (8%)
69.54 or 70 (rounded down) units total	2.45 or 2 required WHP (rounded down)

The applicant is in agreement with the amendment condition 2 required 10%, or 7 of the units to be obligated for Workforce Housing. The applicant has identified the intent to utilize the In Lieu payment option (ULDC Art.5.G.1.C.4.d.). The cost for a Single Family product would be \$126,360 per required WHP unit for a total of \$884,520 (7 X \$126,360 for single family = \$884,520 total). The payment is required prior to the release of 50% of the building permits. The subject request was deemed sufficient April 21, 2022 while the 2021 in lieu pricing was in effect. Effective September 29, 2021, the in lieu fees are \$126,360 for single-family, \$105,300 for townhouses, and \$78,975 for multi-family units.

o *Special Overlay District/Neighborhood Plan/Planning Study Area:* The site is not located within any neighborhood plans, overlays or plan study areas as identified in the Comprehensive Plan.

b. Consistency with the Code - *The proposed amendment is not in conflict with any portion of this Code, and is consistent with the stated purpose and intent of this Code.*

The proposed rezoning to the RS Zoning District will be consistent with the Low Residential 2 (LR-2) Large Scale Amendment (LGA) request.

o *Property Development Regulations (PDRs):* As the Applicant is proposing to rezone the subject site to the RS Zoning District, the property is required to meet the PDR requirements outlined in Table 3.D.1.A, Property Development Regulations. The proposed lots will meet the minimum lot sizes of 65 x 75.

o **Conditional Overlay Zone (COZ):** The purpose of a COZ is to modify or restrict the use and site development regulations authorized in the underlying Standard Zoning District to prevent, minimize, or mitigate adverse impacts upon the surrounding land uses. In application of the COZ, the BCC shall find that the proposed Rezoning is appropriate only if the applicable regulations are modified. The BCC shall find one or more of the following reasons for the COZ district:

1. Potential impact to surrounding land uses requires mitigation;
2. Compatibility will be furthered between the requested zoning district and adjacent zones if uses and PDRs are modified.
3. Intensity limits reflect available capacity of public facilities.

The Applicant is proposing 70 Single Family residential units for the subject site, which if rezoned would require an administrative approval. In order to allow for the rezoning Conditions of Approval are necessary, and thus a COZ, to address the Intensity limits proposed with the new zoning district and the capacity of the public facilities, including drainage, traffic performance and roadway construction. Planning Conditions of Approval have been incorporated into the Zoning Development as prescribed by the Large Scale Land Use amendment, related to the requirements for Workforce Housing as a mitigation to surrounding land uses and the need for housing on site.

c. **Compatibility with Surrounding Uses** - *The proposed amendment is compatible, and generally consistent with existing uses and surrounding zoning districts, and is the appropriate zoning district for the parcel of land. In making this finding, the BCC may apply an alternative zoning district.*

Directly to the north of the subject site is the Oaks at Boca Raton, Agricultural Reserve Planned United Development (AGR-PUD). To the east of the subject site is a property zoned Agricultural Reserve (AGR) with a Veterinary Clinic and the Planned United Development (PUD), Symphony Bay. To the South is the Boca Gardens PUD. The proposed residential zoning district is adjacent to residential on North, south, and west. The development of residential uses would compliment the commercial shopping plaza and recreational park to the west and south, providing needed amenities and services for the proposed development.

As part of the Land Use Amendment, conditions were placed by the Planning Division to restrict uses to address potential impact of the future land use. To be consistent with those conditions, and to ensure compatibility with the surrounding zoning districts, the limitations of the uses described in Exhibit C have been incorporated herein.

d. **Effect on Natural Environment** – *The proposed amendment will not result in significantly adverse impacts on the natural environment, including but not limited to water, air, stormwater management, wildlife, vegetation, wetlands, and the natural functioning of the environment.*

o **Vegetation protection:** The property is an existing citrus packing plant.

o **Wellfield protection zone:** The property is not located within a Wellfield Protection Zone.

o **Irrigation conservation concerns and surface water:** All new installations of automatic irrigation systems shall be equipped with a water sensing device that will automatically discontinue irrigation during periods of rainfall pursuant to the Palm Beach County Mandatory Year-Round Landscape Irrigation Conservation Measures Ordinance, Ordinance No. 2022-007. Any non stormwater discharge or the maintenance or use of a connection that results in a non stormwater discharge to the stormwater system is prohibited pursuant to Palm Beach County Stormwater Pollution Prevention Ordinance No. 93 15.

o **Environmental impacts:** There are no significant environmental issues associated with this petition beyond compliance with ULDC requirements

e. **Development Patterns** – *The proposed amendment will result in a logical, orderly, and timely development pattern.*

The proposed rezoning seeks to establish a consistent and timely development pattern along the State Road 7/US 441 corridor to the greatest extent possible. If the Future Land Use Amendment is approved, the development pattern will be continued as a mix of non-residential uses and residential uses at this intersection and in the broader area.

f. **Adequate Public Facilities** – *The proposed amendment complies with Art. 2.F, Concurrency (Adequate Public Facility Standards).*

ENGINEERING COMMENTS:

The proposed residential project consisting of 70 single family dwelling units on a piece of land with an existing 163,093 sf of warehouse, is expected to generate additional 444 net new daily trips, 27 net new AM peak hour trips, and 44 net new PM peak hour trips. Overall, the project will generate 700 net daily, 52 net AM peak hour, and 72 net PM peak hour trips. The build out of the project is expected to happen by 2027.

The project meets the Traffic Performance Standards. The Property Owner will be have to make modifications to the existing full median opening on Clint Moore Rd at the proposed access that will align with the existing shopping center main driveway on Clint Moore Rd.

ADJACENT ROADWAY LEVEL OF SERVICE (PM PEAK)

Segment: Clint Moore Rd from SR-7 to Lyons Rd
Existing count: Eastbound=664, Westbound=1212
Background growth: Eastbound=269, Westbound=288
Project Trips: Eastbound=28, Westbound=10
Total Traffic: Eastbound=961, Westbound=1510
Present laneage: 2 in each direction
Assured laneage: 2 in each direction
LOS "D" capacity: 1960 per direction
Projected level of service: Better than LOS D in both directions

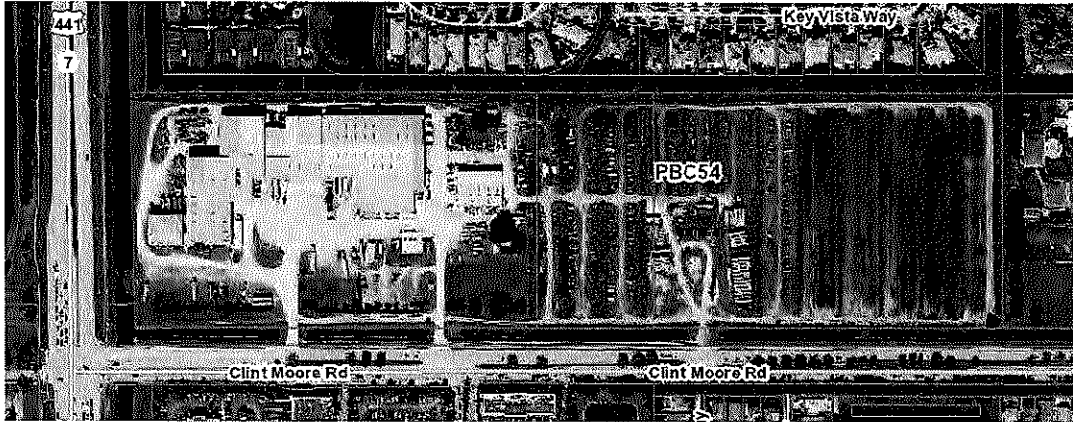
The Property Owner shall replat the property prior to the issuance of the building permit.

PALM BEACH COUNTY HEALTH DEPARTMENT:

This project has met the requirements of the Florida Department of Health.

FIRE PROTECTION:

Staff has reviewed this application and have no comment. The subject site is located within the service area of Fire Station 54.



SCHOOL IMPACTS:

In accordance with the adopted Coordinated Planning Interlocal Agreement, a School Capacity Availability Determination (SCAD) for 70 single family residential units had been approved on May 13, 2022 (SCAD Case #22042001D). The subject property is located in SAC 311K.

This project is estimated to generate approximately twenty-six (26) public school students. The schools currently serving this project area are: Sunrise Park Elementary School, Eagles Landing Middle School and Olympic Heights Community High School.

The School Capacity Availability Determination (SCAD) analysis for this application has determined that the proposal would exacerbate capacity deficiencies at the District elementary, middle and high school levels. The additional elementary school students generated by this proposal will increase the utilization percentage of Sunrise Park Elementary School to 137%. The additional middle school students generated by this proposal will increase the utilization percentage of Eagles Landing Middle School to 145%. The additional high school students generated by this proposal will increase the utilization percentage of Olympic Heights Community High School to 122%.

The revised Preliminary Subdivision Plan (dated 9/15/22) shows one (1) 10' by 15' public school bus shelter location. A bus shelter condition of approval has been applied to this request.

PARKS AND RECREATION:

Project proposes 70 dwelling units requiring 0.42 acres of onsite recreation, 0.66 acres of onsite recreation are being provided, and therefore recreational requirement is satisfied.

- g. Changed Conditions or Circumstances** – *There are demonstrated changed site conditions or circumstances provided by the Applicant's Justification Statement that necessitate the amendment.*

Over the last several years, there has been substantial changes in consumer patterns and market conditions across the county, region, and country. These changes have resulted in the Property Owner's hesitation to pursue the congregate living facilities, a more stringent analysis of demand for in-person commercial retail, personal service uses, and restaurants, and a continued increase in residential housing demand for a variety of housing options. These changes have prompted a reconsideration of the highest and best use for the Subject Property which, when balancing compatibility with the surrounding uses, is considered to be a low-density residential subdivision as proposed.

CONCLUSION: Staff has evaluated the Applicant's justification and responses for Standards a-g of Article 2.B.7.A.2 for an Official Zoning Map Amendment with a Conditional Overlay Zone (COZ), and determined that there is a balance between the need for change and the potential impacts generated by this change. Therefore, Staff is recommending approval of the request subject to a Conditional Overlay Zone and subject to the recommended Conditions of Approval as indicated in Exhibit C.

CONDITIONS OF APPROVAL

EXHIBIT C - Official Zoning Map Amendment

ENGINEERING

1. In order to comply with the mandatory Traffic Performance Standards, the Property Owner shall be restricted to the following phasing schedule:

a. No Building Permits for the site may be issued after December 31, 2027, or as amended. A time extension for this condition may be approved by the County Engineer based upon an approved Traffic Study which complies with Mandatory Traffic Performance Standards in place at the time of the request. This extension request shall be made pursuant to the requirements of Art. 2.E of the Unified Land Development Code. (DATE: MONITORING - Engineering)

2. Prior to the issuance of the first building permit, the Property Owner shall configure the property into a legal lot of record in accordance with provisions of Article 11 of the Unified Land Development Code or as otherwise approved by the County Engineer. (BLDGPMT: MONITORING - Engineering)

3. Prior to the issuance of the first building permit or within ninety (90) days of a request by the County Engineer, whichever shall occur first, the Property Owner shall provide to Palm Beach County Right of Way Section of Roadway Production Division by warranty deed additional right of way for the construction of a right turn lane on Clint Moore Road at the intersection of Clint Moore Road and State Road 7. This right of way shall be a minimum of 280 feet in storage length, a minimum of twelve feet in width and a taper length of 50 feet, or as approved by the County Engineer. Additional width may be required to accommodate paved shoulders. The right of way shall continue across the project entrance. This additional right of way shall be free of all encumbrances and encroachments and shall include Corner Clips where appropriate, as determined by the County Engineer. Property Owner shall provide Palm Beach County with sufficient documentation acceptable to the Right of Way Section to ensure that the property is free of all encumbrances and encroachments, including a topographic survey. The Property Owner must further warrant that the property being conveyed to Palm Beach County meets all appropriate and applicable environmental agency requirements. In the event of a determination of contamination which requires remediation or clean up on the property now owned by the Property Owner, the Property Owner agrees to hold the County harmless and shall be responsible for all costs of such clean up, including but not limited to, all applicable permit fees, engineering or other expert witness fees including attorney's fees as well as the actual cost of the clean up. The Property Owner shall not record the required right of way or related documents. After final acceptance of the location, legal sketches and dedication documents, Palm Beach County shall record all appropriate deeds and documents. (BLDGPMT/ONGOING: MONITORING - Engineering)

4. The Property Owner shall modify the existing full median opening on Clint Moore Road at the proposed access to align it with the existing shopping center main driveway on the south side of Clint Moore Rd as shown on the approved site plan or as approved by the County Engineer.

This construction shall be concurrent with the paving and drainage improvements for the site. Any and all costs associated with the construction shall be paid by the Property Owner. These costs shall include, but are not limited to, utility relocations and acquisition of any additional required right-of-way.

a. Permits required from Palm Beach County for this construction shall be obtained prior to the issuance of the first building permit. (BLDGPMT: MONITORING - Engineering)

b. Construction shall be completed prior to the issuance of the first Certificate of Occupancy. (BLDGPMT/CO: MONITORING - Engineering)

LAKE WORTH DRAINAGE DISTRICT

1. LWDD will require the petitioner to convey a 35-foot exclusive easement on the north side of the L-40 Canal prior to platting. (PLAT: ENGINEERING - Lake Worth Drainage District)

2. LWDD will require the petitioner to convey a 50-foot exclusive easement on the east side of the E-1 Canal prior to platting. (PLAT: ENGINEERING - Lake Worth Drainage District)

PLANNING

1. Per LGA 2022-16, Condition 1: Residential dwelling units shall be limited to a maximum of 75 units with no further density increases permitted through density bonus programs. (ONGOING: PLANNING - Planning)

2. Per LGA 2022-16, Condition 2: The zoning development order shall require a minimum of 10% of the total dwelling units to be provided as workforce housing units. The workforce housing units are subject to the applicable requirements of the Workforce Housing Program (WHP) in Article 5.G.1 of ULDC. (ONGOING: PLANNING - Planning)

3. Prior to Final DRO, the Property Owner shall submit all of the applicable documents and plans to match what the BCC approves. (DRO: PLANNING - Planning)

COMPLIANCE

1. In Granting this Approval, the Board of County Commissioners relied upon the oral and written representations of the Property Owner/Applicant both on the record and as part of the application process. Deviations from or violation of these representations shall cause the Approval to be presented to the Board of County Commissioners for review under the Compliance Condition of this Approval. (ONGOING: MONITORING - Zoning)

2. Failure to comply with any of the Conditions of Approval for the subject property at any time may result in:

- a. The Issuance of a Stop Work Order; the Issuance of a Cease and Desist Order; the Denial or Revocation of a Building Permit; the Denial or Revocation of a Certificate of Occupancy; the Denial of any other Permit, License or Approval to any developer, owner, lessee, or user of the subject property; the Revocation of any other permit, license or approval from any developer, owner, lessee, or user of the subject property; the Revocation of any concurrency; and/or
- b. The Revocation of the Official Map Amendment, Conditional Use, Requested Use, Development Order Amendment, and/or any other zoning approval; and/or
- c. A requirement of the development to conform with the standards of the Unified Land Development Code at the time of the finding of non-compliance, or the addition or modification of conditions reasonably related to the failure to comply with existing Conditions of Approval; and/or
- d. Referral to Code Enforcement; and/or
- e. Imposition of entitlement density or intensity.

Staff may be directed by the Executive Director of PZ&B or the Code Enforcement Special Master to schedule a Status Report before the body which approved the Official Zoning Map Amendment, Conditional Use, Requested Use, Development Order Amendment, and/or other zoning approval, in accordance with the provisions of Section 2.E of the ULDC, in response to any flagrant violation and/or continued violation of any Condition of Approval. (ONGOING: MONITORING - Zoning)

DISCLOSURE

1. All applicable state or federal permits shall be obtained before commencement of the development authorized by this Development Permit.

Figure 1 - Land Use Map

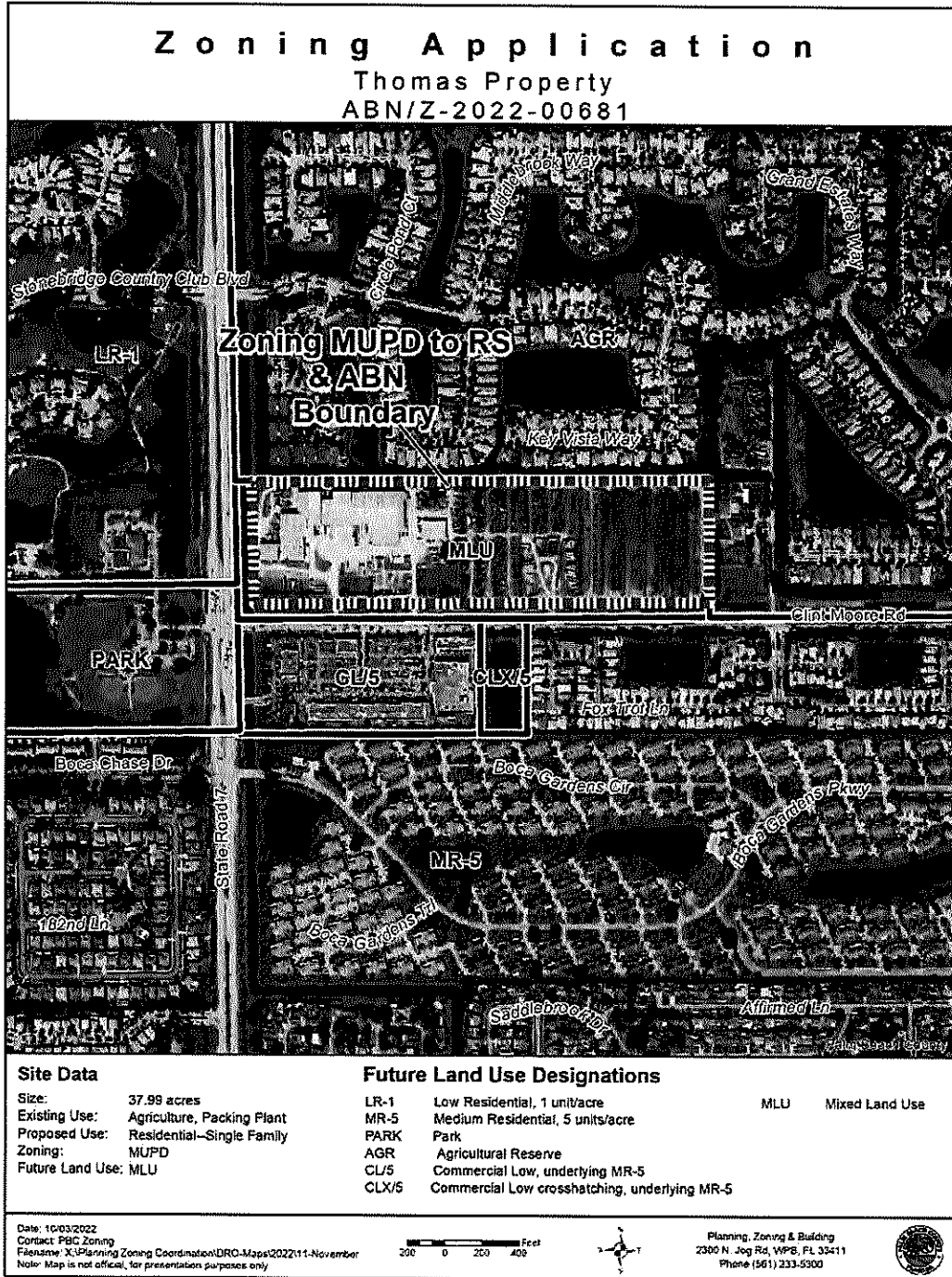


Figure 2 - Zoning Map

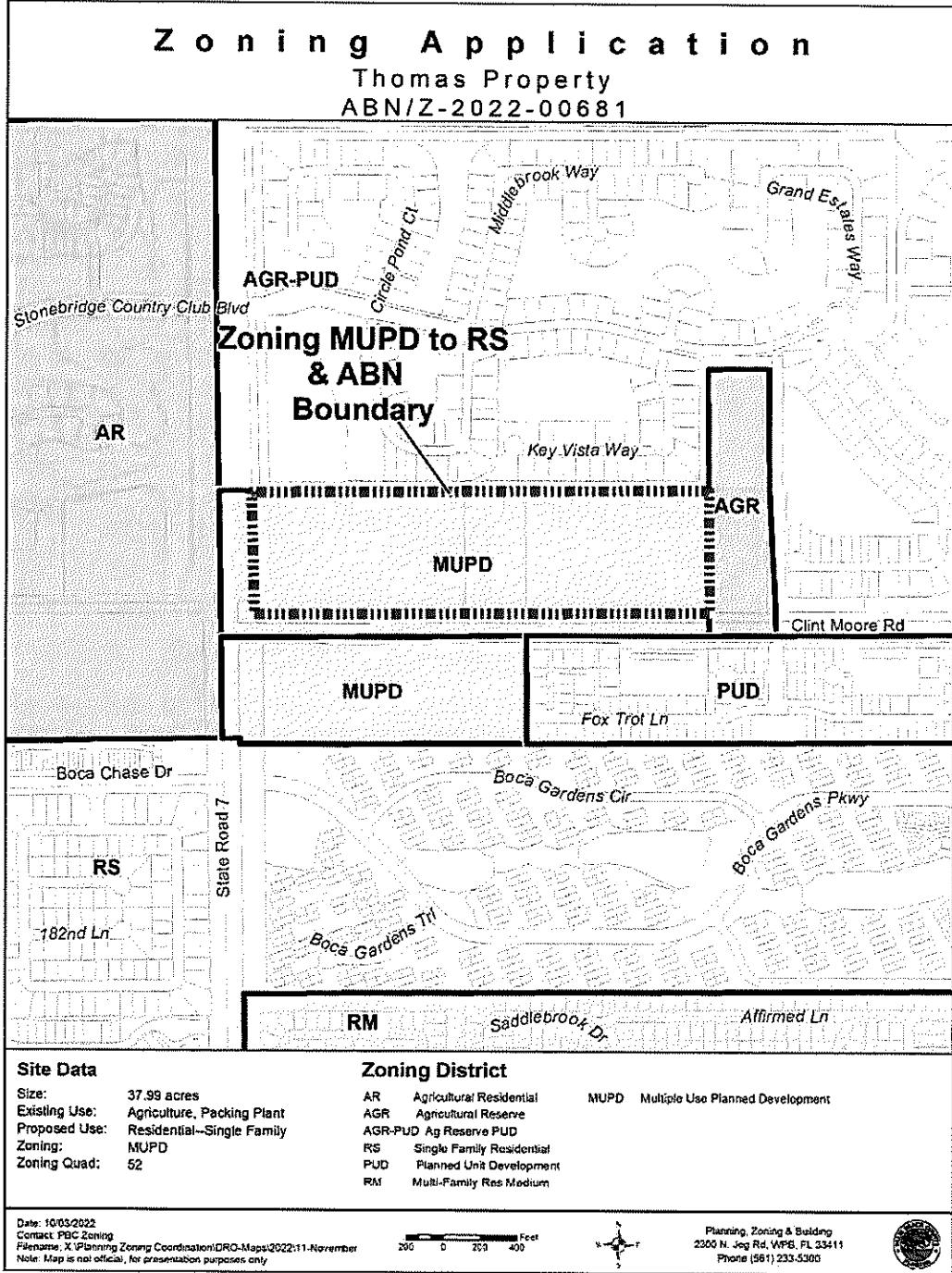


Figure 3 - Survey page 1 of 2

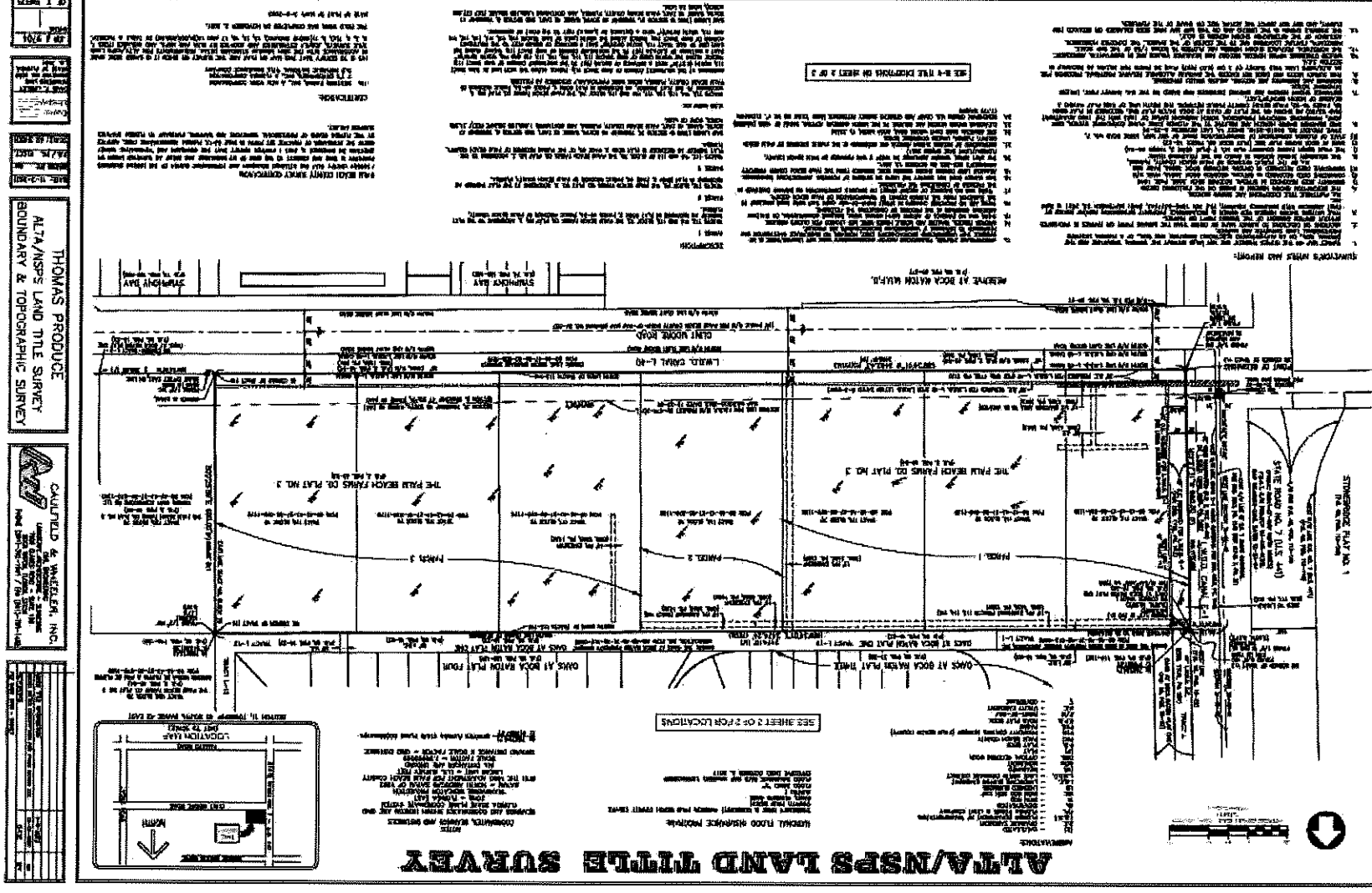


Figure 3 – Survey page 2 of 2

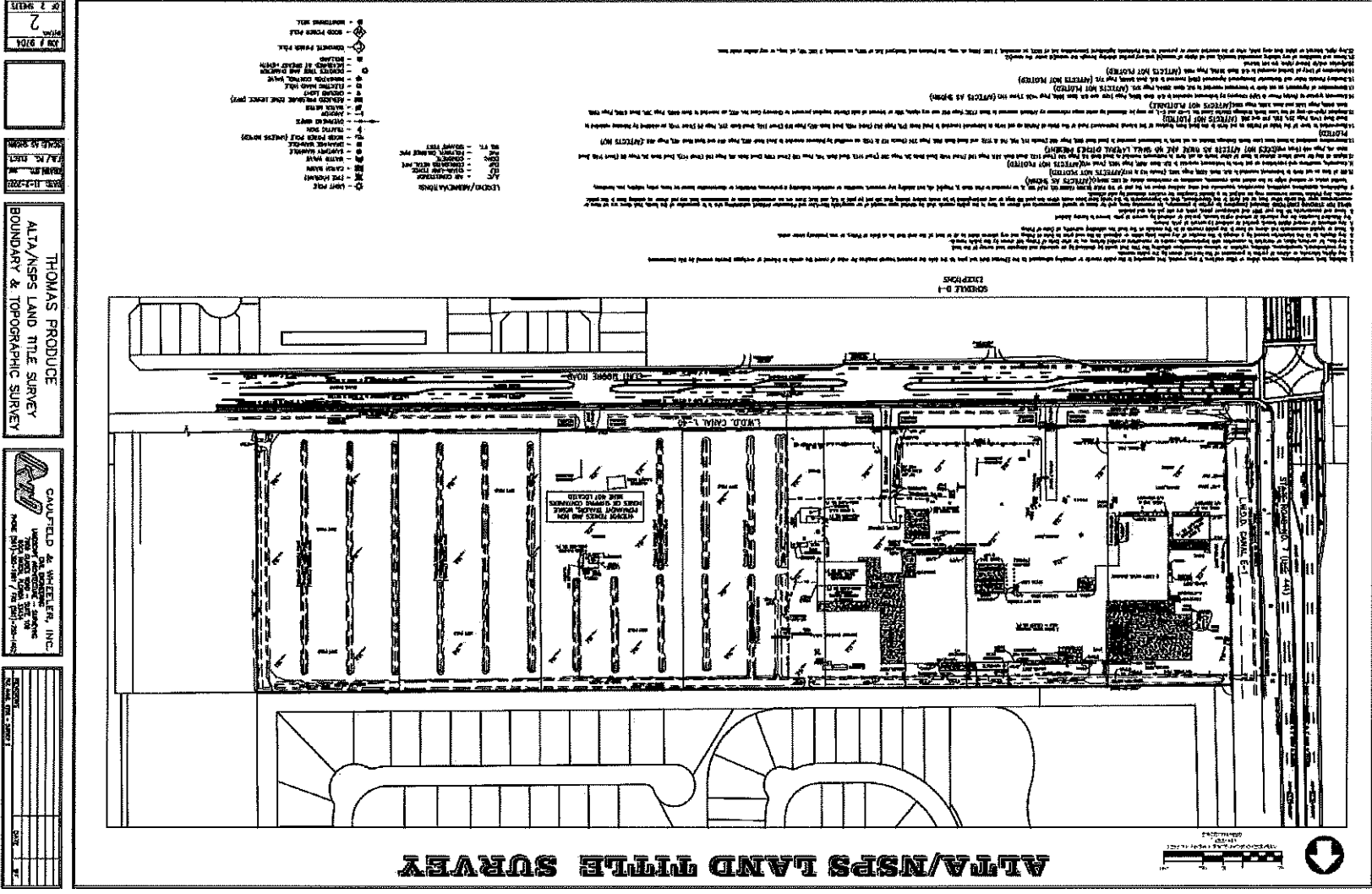


Exhibit D – Disclosure of Ownership

PALM BEACH COUNTY - ZONING DIVISION

FORM # 8

DISCLOSURE OF OWNERSHIP INTERESTS – APPLICANT

[TO BE COMPLETED AND EXECUTED ONLY WHEN THE APPLICANT IS NOT THE OWNER OF THE SUBJECT PROPERTY]

TO: PALM BEACH COUNTY PLANNING, ZONING AND BUILDING EXECUTIVE DIRECTOR, OR HIS OR HER OFFICIALLY DESIGNATED REPRESENTATIVE

STATE OF FLORIDA
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, this day personally appeared Frederick W. Pfister, hereinafter referred to as "Affiant," who being by me first duly sworn, under oath, deposes and states as follows:

1. Affiant is the [] individual or [x] Division President [position—e.g., president, partner, trustee] of Tall Bros., Inc. [name and type of entity - e.g., ABC Corporation, XYZ Limited Partnership], (hereinafter, "Applicant"). Applicant seeks Comprehensive Plan amendment or Development Order approval for real property legally described on the attached Exhibit "A" (the "Property").
2. Affiant's address is: 1140 Virginia Dr.
Ft. Washington, PA. 19034
3. Attached hereto as Exhibit "B" is a complete listing of the names and addresses of every person or entity having a five percent or greater interest in the Applicant. Disclosure does not apply to an individual's or entity's interest in any entity registered with the Federal Securities Exchange Commission or registered pursuant to Chapter 517, Florida Statutes, whose interest is for sale to the general public.
4. Affiant acknowledges that this Affidavit is given to comply with Palm Beach County policy, and will be relied upon by Palm Beach County in its review of Applicant's application for Comprehensive Plan amendment or Development Order approval. Affiant further acknowledges that he or she is authorized to execute this Disclosure of Ownership Interests on behalf of the Applicant.
5. Affiant further acknowledges that he or she shall by affidavit amend this disclosure to reflect any changes to ownership interests in the Applicant that may occur before the date of final public hearing on the application for Comprehensive Plan amendment or Development Order approval.
6. Affiant further states that Affiant is familiar with the nature of an oath and with the penalties provided by the laws of the State of Florida for falsely swearing to statements under oath.
7. Under penalty of perjury, Affiant declares that Affiant has examined this Affidavit and to the best of Affiant's knowledge and belief it is true, correct, and complete.

July
Frederick W. Pfister, Affiant
(Print Affiant Name)

NOTARY PUBLIC INFORMATION:

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of [physical presence or
[] online notarization, this 8th day of NOVEMBER, 2021 by
Frederick W. Pfister (name of person acknowledging) (He/she is personally
known to me or has produced _____ (type of identification) as
identification and did/did not take an oath (circle correct response).

Denise Bourne
(Name - type, stamp or print clearly)

Denise Bourne
(Signature)

My Commission Expires on: 3/11/2025

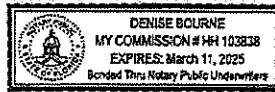


EXHIBIT "A"

PROPERTY

PARCEL 1

TRACTS 113, 114 AND 115, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGES 45-54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

PARCEL 2

TRACTS 116, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGE 45, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

PARCEL 3

TRACTS 117, 118 AND 119 OF BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGE 45, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

SAID LANDS LYING IN SECTION 31, TOWNSHIP 46 SOUTH, RANGE 42 EAST, AND SECTION 6, TOWNSHIP 47 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, AND CONTAINING 1,629,100 SQUARE FEET/ 37.399 ACRES, MORE OR LESS.

ALSO KNOW AS:

TRACTS 113, 114, 115, 116, 117, 118 AND 119, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, PAGES 45-54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID TRACT 113; THENCE ALONG THE WEST LINE OF SAID TRACT 113, NORTH 01°27'31" WEST A DISTANCE OF 660.00 FEET TO THE NORTHWEST CORNER OF SAID TRACT 113; THENCE ALONG THE NORTH LINES OF SAID TRACTS 113, 114, 115, 116, 117, 118 AND 119, NORTH 89°34'01" EAST A DISTANCE OF 2,474.24 FEET TO THE NORTHEAST CORNER OF SAID TRACT 119; THENCE ALONG THE EAST LINE OF SAID TRACT 119, SOUTH 00°25'59" EAST A DISTANCE OF 660.00 FEET TO THE SOUTHEAST CORNER OF SAID TRACT 119; THENCE ALONG THE SOUTH LINES OF SAID TRACTS 119, 118, 117, 116, 115, 114 AND 113, SOUTH 89°34'01" WEST A DISTANCE OF 2,462.43 FEET TO THE POINT OF BEGINNING.

SAID LANDS LYING IN SECTION 31, TOWNSHIP 46 SOUTH, RANGE 42 EAST, AND SECTION 6, TOWNSHIP 47 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, AND CONTAINING 1,629,100 SQUARE FEET (37.399 ACRES), MORE OR LESS.

EXHIBIT "B"

DISCLOSURE OF OWNERSHIP INTERESTS IN APPLICANT

Affiant must identify all entities and individuals owning five percent or more ownership interest in Applicant's corporation, partnership or other principal, if any. Affiant must identify individual owners. For example, if Affiant is the officer of a corporation or partnership that is wholly or partially owned by another entity, such as a corporation, Affiant must identify the other entity, its address, and the individual owners of the other entity. Disclosure does not apply to an individual's or entity's interest in any entity registered with the Federal Securities Exchange Commission or registered pursuant to Chapter 517, Florida Statutes, whose interest is for sale to the general public.

Name	Address
Toll Holdings, Inc.	1140 Virginia Drive, Fort Washington, PA 19034
(Sole stockholder of Toll Bros., Inc.)	
<hr/>	
Toll Brothers, Inc.	1140 Virginia Drive, Fort Washington, PA 19034
(Sole stockholder of Toll Holdings, Inc.;	
publicly-traded on the NYSE; registered	
with the SEC)	
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DISCLOSURE OF OWNERSHIP INTERESTS - PROPERTY

(TO BE COMPLETED AND EXECUTED BY THE PROPERTY OWNER(S) FOR EACH APPLICATION FOR COMPREHENSIVE PLAN AMENDMENT OR DEVELOPMENT ORDER)

TO: PALM BEACH COUNTY PLANNING, ZONING AND BUILDING EXECUTIVE DIRECTOR, OR HIS OR HER OFFICIALLY DESIGNATED REPRESENTATIVE

STATE OF FLORIDA
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, this day personally appeared Stephen M. Thomas, hereinafter referred to as 'Affiant,' who being by me first duly sworn, under oath deposes and states as follows:

- Affiant is the individual or President *(position - e.g., president, partner, trustee) of* TT's Enterprises, Inc. *(name and type of entity - e.g., ABC Corporation, XYZ Limited Partnership)* that holds an ownership interest in real property legally described on the attached Exhibit "A" (the "Property"). The Property is the subject of an application for Comprehensive Plan amendment or Development Order approval with Palm Beach County.
- Affiant's address is: 9905 Clint Moore Road
Boca Raton, FL 33495
- Attached hereto as Exhibit "B" is a complete listing of the names and addresses of every person or entity having a five percent or greater interest in the Property. Disclosure does not apply to an individual's or entity's interest in any entity registered with the Federal Securities Exchange Commission or registered pursuant to Chapter 517, Florida Statutes, whose interest is for sale to the general public.
- Affiant acknowledges that this Affidavit is given to comply with Palm Beach County policy, and will be relied upon by Palm Beach County in its review of application for Comprehensive Plan amendment or Development Order approval affecting the Property. Affiant further acknowledges that he or she is authorized to execute this Disclosure of Ownership Interests on behalf of any and all individuals or entities holding a five percent or greater interest in the Property.
- Affiant further acknowledges that he or she shall by affidavit amend this disclosure to reflect any changes to ownership interests in the Property that may occur before the date of final public hearing on the application for Comprehensive Plan amendment or Development Order approval.
- Affiant further states that Affiant is familiar with the nature of an oath and with the penalties provided by the laws of the State of Florida for falsely swearing to statements under oath.

7. Under penalty of perjury, Affiant declares that Affiant has examined this Affidavit and to the best of Affiant's knowledge and belief, it is true, correct, and complete

FURTHER AFFIANT SAYETH NAUGHT

[Signature]
Stephen M. Thomas, Affiant
(Print Affiant Name)

NOTARY PUBLIC INFORMATION:

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 8th day of November 2021 by Stephen M. Thomas (name of person acknowledging) He/she is personally known to me or has produced Florida Driver's License (type of identification) as identification and did/did not take an oath (circle correct response)

Jessica Igneri
(Name - type, stamp or print clearly)

[Signature]
(Signature)

My Commission Expires on: 09-03-2023

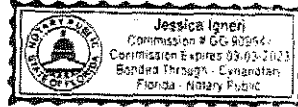


EXHIBIT "A"

PROPERTY

Tracts 116 through 119 inclusive, Block 70, PALM BEACH FARM CO. Plat #3 as record in Plat Book 2, Pages 45-54, Public Records of Palm Beach County, Florida.

Disclosure of Beneficial Interest - Property form
Form # 9

Page 3 of 4

Revised 12/27/2019
Web Format 2011

EXHIBIT "B"

DISCLOSURE OF OWNERSHIP INTERESTS - PROPERTY

Affiant must identify all entities and individuals owning five percent or more ownership interest in the Property. Affiant must identify individual owners. For example, if Affiant is an officer of a corporation or partnership that is wholly or partially owned by another entity, such as a corporation, Affiant must identify the other entity, its address, and the individual owners of the other entity. Disclosure does not apply to an individual's or entity's interest in any entity registered with the Federal Securities Exchange Commission or registered pursuant to Chapter 517, Florida Statutes, whose interest is for sale to the general public.

Name	Address
John J. Thomas, Jr.	9905 Clint Moore Rd. Boca Raton, FL. 33496
Norman A. Thomas	9905 Clint Moore Rd. Boca Raton, FL. 33496
Jeffrey A. Thomas	9905 Clint Moore Rd. Boca Raton, FL. 33496
Stephen M. Thomas	9905 Clint Moore Rd. Boca Raton, FL. 33496
Jane H. Andershock	9905 Clint Moore Rd. Boca Raton, FL. 33496
Kathleen J. LaSalle	9905 Clint Moore Rd. Boca Raton, FL. 33496
Cynthia A. Thomas	9905 Clint Moore Rd. Boca Raton, FL. 33496

7. Under penalty of perjury, Affiant declares that Affiant has examined this Affidavit and to the best of Affiant's knowledge and belief, it is true, correct, and complete

FURTHER AFFIANT SAYETH NAUGHT.

[Signature]
Stephen M. Thomas Affiant
(Print Affiant Name)

NOTARY PUBLIC INFORMATION:

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this 8th day of November 2021 by Stephen M. Thomas (name of person acknowledging). He/she is personally known to me or has produced Florida Driver's License (type of identification) as identification and did/did not take an oath (circle correct response)

Jessica Igneri
(Name - type stamp or print clearly)

Jessica Igneri
(Signature)

My Commission Expires on 09-03-2023



EXHIBIT "A"

PROPERTY

Tracts 113 through 115 inclusive, Block 70, PALM BEACH FARM CO. Plat #3 as record in Plat Book 2, Pages 45-54, Public Records of Palm Beach County, Florida.

EXHIBIT "B"

DISCLOSURE OF OWNERSHIP INTERESTS - PROPERTY

Affiant must identify all entities and individuals owning five percent or more ownership interest in the Property. Affiant must identify individual owners. For example, if Affiant is an officer of a corporation or partnership that is wholly or partially owned by another entity, such as a corporation, Affiant must identify the other entity, its address, and the individual owners of the other entity. Disclosure does not apply to an individual's or entity's interest in any entity registered with the Federal Securities Exchange Commission or registered pursuant to Chapter 517 Florida Statutes, whose interest is for sale to the general public.

Name	Address
Stephen M. Thomas	9905 Clint Moore Rd. Boca Raton, FL. 33496
Norman A. Thomas	9905 Clint Moore Rd. Boca Raton, FL. 33496
John J. Thomas, Jr.	9905 Clint Moore Rd. Boca Raton, FL. 33496
Jeffrey A. Thomas	9905 Clint Moore Rd. Boca Raton, FL. 33496

Attachment D

{00011878.DOCX.1 }

RESOLUTION APPROVING ZONING APPLICATION ABN/Z-2022-00681
(CONTROL NO. 2007-00288)
an Official Zoning Map Amendment
APPLICATION OF Toll Brothers, Inc., 7 T'S Enterprises Inc, Westside Farms Inc
BY Urban Design Studio, AGENT
(Thomas Property)

WHEREAS, the Board of County Commissioners, as the governing body of Palm Beach County, Florida, pursuant to the authority vested in Chapter 163 and Chapter 125, Florida Statutes, is authorized and empowered to consider applications relating to zoning;

WHEREAS, the notice and public hearing requirements pursuant to Article 2 (Application Processes and Procedures) of the Palm Beach County Unified Land Development Code, Ordinance 2003-067 as amended (ULDC), have been satisfied;

WHEREAS, Zoning Application ABN/Z-2022-00681 submitted on behalf of Toll Brothers, Inc., 7 T'S Enterprises Inc, Westside Farms Inc, by Urban Design Studio, Agent, for a Development Order Abandonment to Abandon to abandon a Type 1 Restaurant, 4 Type 2 Restaurants; and a Congregate Living Facility Type 3; and an Official Zoning Map Amendment to allow a rezoning from the Multiple Use Planned Development (MUPD) Zoning District to the Single Family Residential (RS) Zoning District was presented to the Board of County Commissioners at a public hearing conducted on November 28, 2022;

WHEREAS, the Board of County Commissioners has considered the evidence and testimony presented by the Applicant and other interested parties, the recommendations of the various County Review Agencies, and the recommendation of the Zoning Commission;

WHEREAS, the Board of County Commissioners pursuant to Article 2 (Application Processes and Procedures) of the ULDC is authorized and empowered to consider, approve, approve with conditions or deny the request;

WHEREAS, the Board of County Commissioners hereby incorporates by reference the Findings in the staff report addressing the Standards contained in Article 2.B (Public Hearing Processes) for an Official Zoning Map Amendment and Article 3.B.3 for a Conditional Overlay Zone;

WHEREAS, this approval is subject to Article 2.E (Monitoring), of the ULDC and other provisions requiring that development commence in a timely manner;

WHEREAS, the issuance of this Development Permit does not in any way create any rights on the part of the Applicant and/or Property Owner to obtain a permit from a state or federal agency and does not create any liability on the part of the County for issuance of the permit if the Applicant fails to obtain requisite approvals or fulfill the obligations imposed by a state or federal agency or undertakes actions that result in a violation of state or federal law;

WHEREAS, the Palm Beach County Survey Section may administratively correct any scrivener's errors that will not significantly impact the overall boundary of the adopted legal description; and,

WHEREAS, Article 2.B.6.C (Board Action) of the ULDC requires that the action of the Board of County Commissioners be adopted by resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that Zoning Application ABN/Z-2022-00681, the Application of Toll Brothers, Inc., 7 T'S Enterprises Inc, Westside Farms Inc, by Urban Design Studio, Agent, for an Official Zoning Map Amendment to

allow a rezoning from the Multiple Use Planned Development (MUPD) Zoning District to the Single Family Residential (RS) Zoning District on 37.40 acres, with a Conditional Overlay Zone (COZ), on a parcel of land generally described as shown on the legal description in EXHIBIT A, attached hereto and made a part hereof, and generally located as shown on a vicinity sketch as indicated in EXHIBIT B, attached hereto and made a part hereof, was approved on November 28, 2022, subject to the Conditions of Approval described in EXHIBIT C, attached hereto and made a part hereof.

Commissioner Kerner moved for the approval of the Resolution.

The motion was seconded by Commissioner Sachs and, upon being put to a vote, the vote was as follows:

Commissioner Gregg K. Weiss, Mayor	-	Aye
Commissioner Maria Sachs, Vice Mayor	-	Aye
Commissioner Maria G. Marino	-	Aye
Commissioner Dave Kerner	-	Aye
Commissioner Marci Woodward	-	Aye
Commissioner Sara Baxter	-	Aye
Commissioner Mack Bernard	-	Aye

The Mayor thereupon declared that the resolution was duly passed and adopted on November 28, 2022.

Filed with the Clerk of the Board of County Commissioners on December 2nd, 2022

This resolution shall not become effective unless or until the effective date of the Large Scale Land Use Amendment No. LGA-2022-0016

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

PALM BEACH COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

JOSEPH ABRUZZO,
CLERK & COMPTROLLER

BY 
COUNTY ATTORNEY

BY 
DEPUTY CLERK



EXHIBIT A
LEGAL DESCRIPTION

PARCEL 1

TRACTS 113, 114 AND 115, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGES 45-54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

PARCEL 2

TRACTS 116, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGE 45, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

PARCEL 3

TRACTS 117, 118 AND 119 OF BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGE 45, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

SAID LANDS LYING IN SECTION 31, TOWNSHIP 46 SOUTH, RANGE 42 EAST, AND SECTION 6, TOWNSHIP 47 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, AND CONTAINING 1,629.100 SQUARE FEET/ 37.399 ACRES, MORE OR LESS.

ALSO KNOWN AS:

TRACTS 113, 114, 115, 116, 117, 118 AND 119, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, PAGES 45-54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID TRACT 113; THENCE ALONG THE WEST LINE OF SAID TRACT 113, NORTH 01°27'31" WEST A DISTANCE OF 660.00 FEET TO THE NORTHWEST CORNER OF SAID TRACT 113; THENCE ALONG THE NORTH LINES OF SAID TRACTS 113, 114, 115, 116, 117, 118 AND 119, NORTH 89°34'01" EAST A DISTANCE OF 2,474.24 FEET TO THE NORTHEAST CORNER OF SAID TRACT 119; THENCE ALONG THE EAST LINE OF SAID TRACT 119, SOUTH 00°25'59" EAST A DISTANCE OF 660.00 FEET TO THE SOUTHEAST CORNER OF SAID TRACT 119; THENCE ALONG THE SOUTH LINES OF SAID TRACTS 119, 118, 117, 116, 115, 114 AND 113, SOUTH 89°34'01" WEST A DISTANCE OF 2,462.43 FEET TO THE POINT OF BEGINNING.

SAID LANDS LYING IN SECTION 31, TOWNSHIP 46 SOUTH, RANGE 42 EAST, AND SECTION 6, TOWNSHIP 47 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, AND CONTAINING 1,629.100 SQUARE FEET (37.399 ACRES), MORE OR LESS.

EXHIBIT B
VICINITY SKETCH

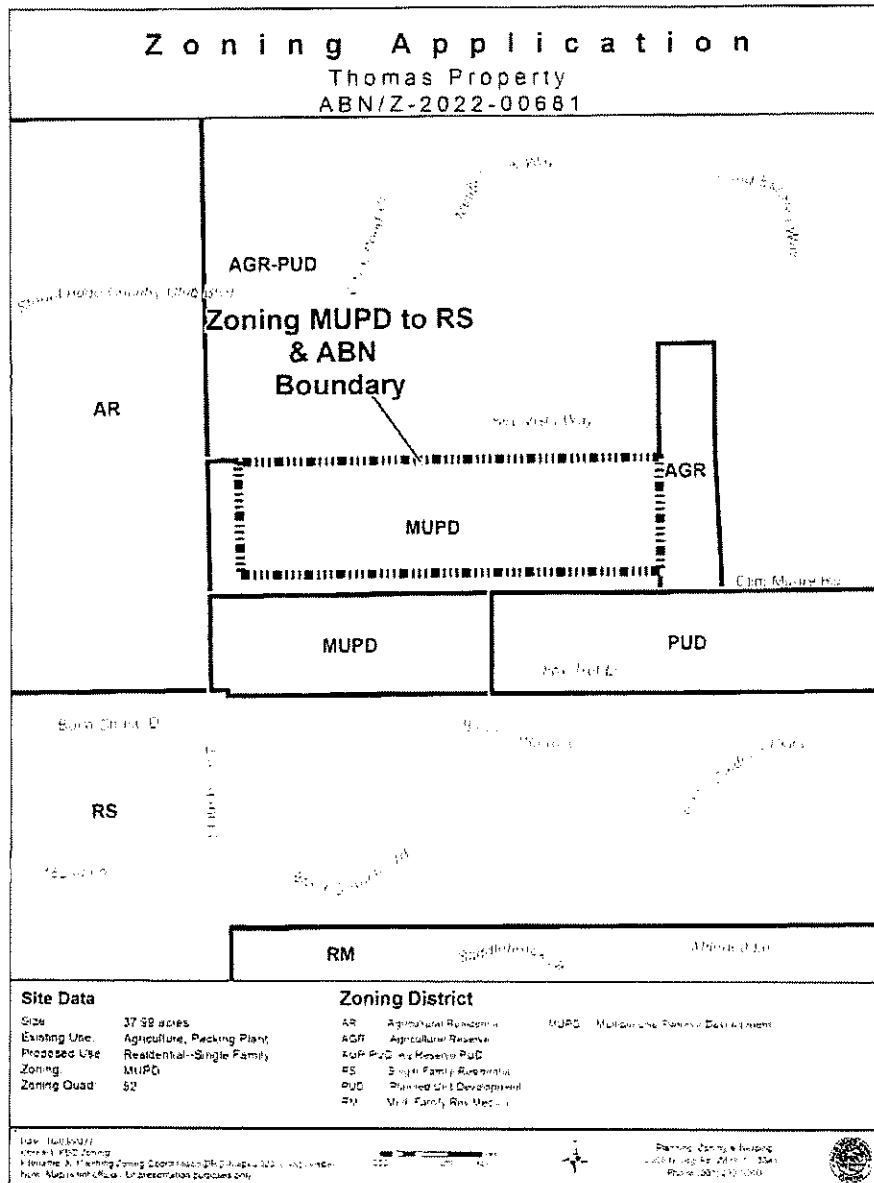


EXHIBIT C

CONDITIONS OF APPROVAL

Official Zoning Map Amendment

ENGINEERING

1. In order to comply with the mandatory Traffic Performance Standards, the Property Owner shall be restricted to the following phasing schedule:

a. No Building Permits for the site may be issued after December 31, 2027, or as amended. A time extension for this condition may be approved by the County Engineer based upon an approved Traffic Study which complies with Mandatory Traffic Performance Standards in place at the time of the request. This extension request shall be made pursuant to the requirements of Art. 2.E of the Unified Land Development Code. (DATE: MONITORING - Engineering)

2. Prior to the issuance of the first building permit, the Property Owner shall configure the property into a legal lot of record in accordance with provisions of Article 11 of the Unified Land Development Code or as otherwise approved by the County Engineer. (BLDGPMT: MONITORING - Engineering)

3. Prior to the issuance of the first building permit or within ninety (90) days of a request by the County Engineer, whichever shall occur first, the Property Owner shall provide to Palm Beach County Right of Way Section of Roadway Production Division by warranty deed additional right of way for the construction of a right turn lane on Clint Moore Road at the intersection of Clint Moore Road and State Road 7. This right of way shall be a minimum of 280 feet in storage length, a minimum of twelve feet in width and a taper length of 50 feet, or as approved by the County Engineer. Additional width may be required to accommodate paved shoulders. The right of way shall continue across the project entrance. This additional right of way shall be free of all encumbrances and encroachments and shall include Corner Clips where appropriate, as determined by the County Engineer. Property Owner shall provide Palm Beach County with sufficient documentation acceptable to the Right of Way Section to ensure that the property is free of all encumbrances and encroachments, including a topographic survey. The Property Owner must further warrant that the property being conveyed to Palm Beach County meets all appropriate and applicable environmental agency requirements. In the event of a determination of contamination which requires remediation or clean up on the property now owned by the Property Owner, the Property Owner agrees to hold the County harmless and shall be responsible for all costs of such clean up, including but not limited to, all applicable permit fees, engineering or other expert witness fees including attorney's fees as well as the actual cost of the clean up. The Property Owner shall not record the required right of way or related documents. After final acceptance of the location, legal sketches and dedication documents, Palm Beach County shall record all appropriate deeds and documents. (BLDGPMT/ONGOING: MONITORING - Engineering)

4. The Property Owner shall modify the existing full median opening on Clint Moore Road at the proposed access to align it with the existing shopping center main driveway on the south side of Clint Moore Rd as shown on the approved site plan or as approved by the County Engineer.

This construction shall be concurrent with the paving and drainage improvements for the site. Any and all costs associated with the construction shall be paid by the Property Owner. These costs shall include, but are not limited to, utility relocations and acquisition of any additional required right-of-way

a. Permits required from Palm Beach County for this construction shall be obtained prior to the issuance of the first building permit. (BLDGPMT: MONITORING - Engineering)

b. Construction shall be completed prior to the issuance of the first Certificate of Occupancy (BLDGPMT/CO: MONITORING - Engineering)

LAKE WORTH DRAINAGE DISTRICT

1. LWDD will require the petitioner to convey a 35-foot exclusive easement on the north side of the L-40 Canal prior to platting. (PLAT: ENGINEERING - Lake Worth Drainage District)

2. LWDD will require the petitioner to convey a 50-foot exclusive easement on the east side of the E-1 Canal prior to platting. (PLAT: ENGINEERING - Lake Worth Drainage District)

PLANNING

Application No. ABN/Z-2022-00681
Control No. 2007-00288
Project No. 01000-086

1. Per LGA 2022-16, Condition 1: Residential dwelling units shall be limited to a maximum of 75 units with no further density increases permitted through density bonus programs. (ONGOING: PLANNING - Planning)

2. Per LGA 2022-16, Condition 2: The zoning development order shall require a minimum of 10% of the total dwelling units to be provided as workforce housing units. The workforce housing units are subject to the applicable requirements of the Workforce Housing Program (WHP) in Article 5.G.1 of ULDC and may utilize all disposition options, with the exception of the in-lieu fee option. (ONGOING: PLANNING - Planning)

3. Prior to Final DRO, the Property Owner shall submit all of the applicable documents and plans to match what the BCC approves. (DRO: PLANNING - Planning)

COMPLIANCE

1. In Granting this Approval, the Board of County Commissioners relied upon the oral and written representations of the Property Owner/Applicant both on the record and as part of the application process. Deviations from or violation of these representations shall cause the Approval to be presented to the Board of County Commissioners for review under the Compliance Condition of this Approval. (ONGOING: MONITORING - Zoning)

2. Failure to comply with any of the Conditions of Approval for the subject property at any time may result in:

- a. The Issuance of a Stop Work Order; the Issuance of a Cease and Desist Order; the Denial or Revocation of a Building Permit; the Denial or Revocation of a Certificate of Occupancy; the Denial of any other Permit, License or Approval to any developer, owner, lessee, or user of the subject property; the Revocation of any other permit, license or approval from any developer, owner, lessee, or user of the subject property; the Revocation of any concurrency; and/or
- b. The Revocation of the Official Map Amendment, Conditional Use, Requested Use, Development Order Amendment, and/or any other zoning approval, and/or
- c. A requirement of the development to conform with the standards of the Unified Land Development Code at the time of the finding of non-compliance, or the addition or modification of conditions reasonably related to the failure to comply with existing Conditions of Approval, and/or
- d. Referral to Code Enforcement; and/or
- e. Imposition of entitlement density or intensity

Staff may be directed by the Executive Director of PZ&B or the Code Enforcement Special Master to schedule a Status Report before the body which approved the Official Zoning Map Amendment, Conditional Use, Requested Use, Development Order Amendment, and/or other zoning approval, in accordance with the provisions of Section 2.E of the ULDC, in response to any flagrant violation and/or continued violation of any Condition of Approval. (ONGOING: MONITORING - Zoning)

DISCLOSURE

1. All applicable state or federal permits shall be obtained before commencement of the development authorized by this Development Permit.

Attachment E

{00011878.DOCX.1}

ORDINANCE NO. 2022 - 031

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AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA AMENDING THE 1989 COMPREHENSIVE PLAN AS ADOPTED BY ORDINANCE NO. 89-17, AS AMENDED; AMENDING THE FUTURE LAND USE ATLAS (FLUA) FOR THE SITE SPECIFIC AMENDMENT **THOMAS PACKING PLANT II (LGA 2022-016)**, MODIFYING PAGE 106 OF THE FLUA FOR APPROXIMATELY 37.40 ACRES OF LAND, GENERALLY LOCATED ON THE NORTHEAST CORNER OF CLINT MOORE ROAD AND STATE ROAD 7, BY CHANGING THE FUTURE LAND USE DESIGNATION FROM MULTIPLE LAND USE WITH COMMERCIAL LOW AND LOW RESIDENTIAL, 2 UNITS PER ACRE (MLU, CL & LR-2) TO LOW RESIDENTIAL, 2 UNITS PER ACRE (LR-2), TO DELETE THE CONCEPTUAL PLAN AND TO MODIFY CONDITIONS OF APPROVAL ADOPTED IN ORDINANCE 2016-014; AND AMENDING ALL ELEMENTS AS NECESSARY; PROVIDING FOR REPEAL OF LAWS IN CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE 1989 COMPREHENSIVE PLAN; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on August 31, 1989, the Palm Beach County Board of County Commissioners adopted the 1989 Comprehensive Plan by Ordinance No. 89-17; and

WHEREAS, the Palm Beach County Board of County Commissioners amends the 1989 Comprehensive Plan as provided by Chapter 163, Part II, Florida Statutes; and

WHEREAS, Section 163.3184(2)(a), Florida Statutes, provides that comprehensive plan amendments shall follow the expedited state review process except as set forth in Section 163.3184(2)(b) and (c), Florida Statutes; and

WHEREAS, the Palm Beach County Board of County Commissioners have initiated amendments to several elements of the Comprehensive Plan in order to promote the health, safety, and welfare of the public of Palm Beach County; and

WHEREAS, the proposed amendments meet the requirements of Section 163.3184(3)(a), Florida Statutes, to be processed through the expedited state review process, and are being processed through the expedited state review process; and

WHEREAS, the Palm Beach County Local Planning Agency conducted its public hearing on June 10, 2022, to review the proposed amendments to the Palm Beach County Comprehensive Plan and made recommendations regarding the proposed amendments to the Palm Beach County Board of County Commissioners pursuant to Chapter 163, Part II, Florida Statutes; and

WHEREAS, the Palm Beach County Board of County Commissioners, as the governing body of Palm Beach County, conducted a public hearing pursuant to Chapter 163, Part II, Florida Statutes, on September 1, 2022, to review the recommendations of the Local Planning Agency, whereupon the Board of County Commissioners authorized transmittal of

1 proposed amendments to the state land planning agency and review agencies pursuant to
2 Chapter 163, Part II, Florida Statutes; and

3 **WHEREAS**, Palm Beach County received a letter from the state land planning agency
4 dated October 14, 2022, for Round 22-06ESR (County Round 22-B2) stating that the Agency
5 had no comment regarding the proposed amendment; and

6 **WHEREAS**, on November 28, 2022, the Palm Beach County Board of County
7 Commissioners held a public hearing to consider adoption of the amendments; and

8 **WHEREAS**, the Palm Beach County Board of County Commissioners has determined
9 that the amendments comply with the requirements of the Community Planning Act.

10 **NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY**
11 **COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:**

12 **Part I. Amendments to the 1989 Comprehensive Plan**

13 Amendments to the 1989 Comprehensive Plan are hereby adopted and attached to
14 this Ordinance as Exhibit 1:

15 **1. Future Land Use Atlas page 106 is amended as follows:**

16 **Application: Thomas Packing Plant II (LGA 2022-016)**

17 **Amendment:** From Multiple Land Use, with Commercial Low and Low Residential, 2 units
18 per acre (MLU, CL & LR-2) to Low Residential, 2 units per acre (LR-2) and to
19 delete the conceptual plan and modify conditions of approval in Ord 2016-014,

20 **Location:** Northeast corner of Clint Moore Road and State Road 7,

21 **Size:** 37.40 acres approximately,

22 **Conditions:** See Exhibits 1 and 2;

23 **Part II. Repeal of Laws in Conflict**

24 All local laws and ordinances applying to the unincorporated area of Palm Beach
25 County in conflict with any provision of this ordinance are hereby repealed to the extent of
26 such conflict.

27 **Part III. Severability**

28 If any section, paragraph, sentence, clause, phrase, or word of this Ordinance is for
29 any reason held by the Court to be unconstitutional, inoperative, or void, such holding shall
30 not affect the remainder of this Ordinance.

31 **Part IV. Inclusion in the 1989 Comprehensive Plan**

32 The provision of this Ordinance shall become and be made a part of the 1989 Palm
33 Beach County Comprehensive Plan. The Sections of the Ordinance may be renumbered or
34 re-lettered to accomplish such, and the word "ordinance" may be changed to "section,"
35 "article," or any other appropriate word.

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Part V. Effective Date

The effective date of this plan amendment, if the amendment is not timely challenged, shall be 31 days after the state land planning agency notifies the County that the plan amendment package is complete. If timely challenged, this amendment shall become effective on the date the state land planning agency or the Administration Commission enters a final order determining this adopted amendment to be in compliance. No development orders, development permits, or land uses dependent on this amendment may be issued or commence before it has become effective. If a final order of noncompliance is issued by the Administration Commission, this amendment may nevertheless be made effective by adoption of a resolution affirming its effective status, a copy of which resolution shall be sent to the state land planning agency.

APPROVED AND ADOPTED by the Board of County Commissioners of Palm Beach County, on the 28th day of November, 2022.

ATTEST:
JOSEPH ABRUZZO, CLERK
& COMPTROLLER

PALM BEACH COUNTY, FLORIDA,
BY ITS BOARD OF COUNTY COMMISSIONERS

By 
Deputy Clerk

By 
Gregg K. Weiss, Mayor

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

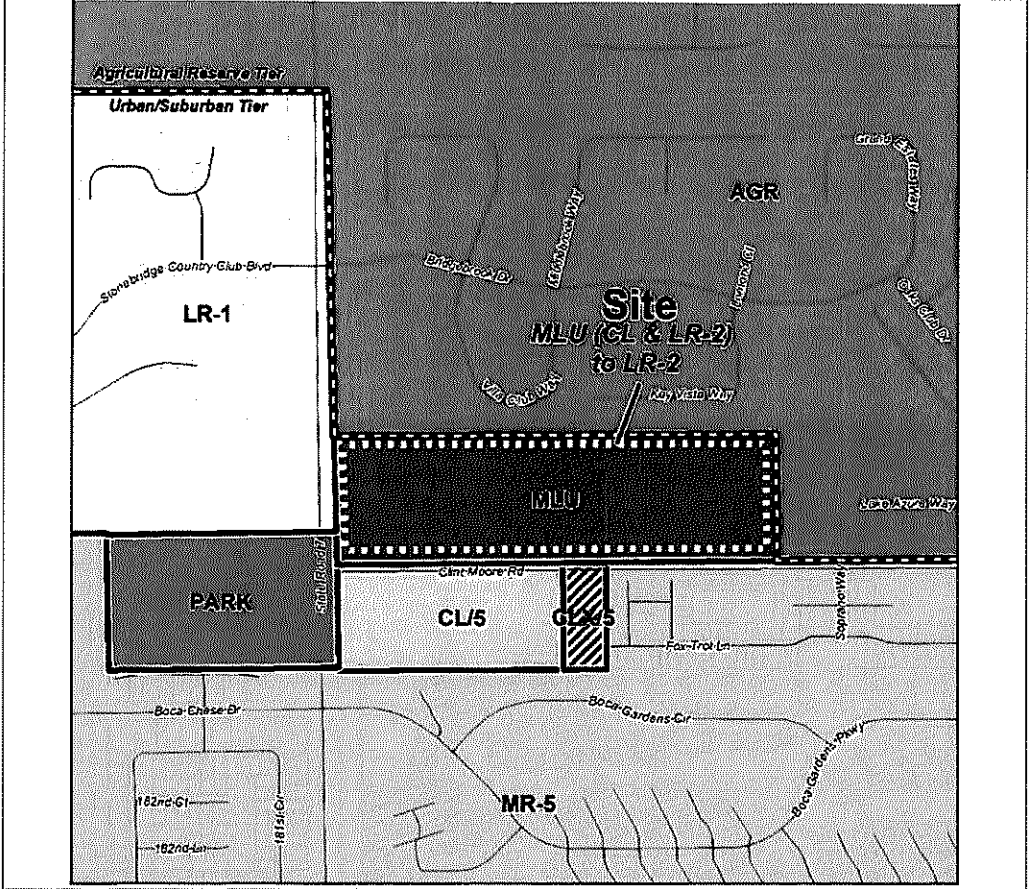
By 
County Attorney

Filed with the Department of State on the 7th day of December, 2022.

T:\Planning\AMEND\22-82\Admin\Ordinances\Ord-ThomasPacking.docx

EXHIBIT 1

Amendment No:	Thomas Packing Plant II (LGA 2022-016)
FLUA Page No:	106
Amendment:	From Multiple Land Use, with Commercial Low and Low Residential, 2 units per acre (MLU, CL & LR-2) to Low Residential, 2 units per acre (LR-2) and to delete the conceptual plan and modify conditions of approval in Ord 2016-014.
Location:	Northeast corner of Clint Moore Road and State Road 7
Size:	37.40 acres
Property No:	00-42-43-27-05-070-1170 00-42-43-27-05-070-1160 00-42-43-27-05-070-1130



Conditions: All conditions including the conceptual plan adopted by Ord. 2016-014 are proposed to be deleted with deleted text ~~stricken-out~~ below. Added conditions are shown below with text underlined.

Development of the site shall be subject to the following:

1. Residential dwelling units shall be limited to a maximum of 75 units with no further density increases permitted through density bonus programs.
2. The zoning development order shall require a minimum of 10% of the total dwelling units to be provided as workforce housing units. The workforce housing units are subject to the applicable requirements of the Workforce Housing Program (WHP) in Article 5.G.1 of ULDC, and may utilize all disposition options, with the exception of the In-Lieu Fee Option.

Development of the subject site shall be subject to the following.

A. Land Use Matrix:

Land Use	Acreage Range Min. — Max.	Intensity/Density ¹	
		Minimum	Maximum
CL	5.0 ac — 28.6 ac.	54,450 sq. ft.	203,643 sq. ft.
LR-2 ² (Congregate Living Facility)	5.0 ac — 28.6 ac.	23 beds/ residents	478 beds/ residents
Usable Open Space ³	3.74 ac. — no max	N/A	N/A
Total Acres	37.40 ac.		

B. Conceptual Plan in Exhibit 2, including, but not limited to:

C. Conditions

1. ~~Since the residential uses are not integrated, the development of on the CL portion of the site is limited to calculations based upon a maximum of 50% of the land area (18.7) multiplied by the maximum FAR for Commercial Low as identified in Table III.C.2 of the Future Land Use Element. The maximum commercial general square footage is limited to a 0.25 for general commercial projects calculated on a maximum of 18.7 acres (up to 203,643 sf).~~
2. ~~Residential uses on the site are limited to a congregate living facility with up to a maximum of 150 residents / beds.~~
3. ~~At a minimum 10% of the property must be committed to Usable Open Space. Usable Open Space is defined as pervious, vegetated areas, parks and squares as well as impervious "hardscaped" areas which are openly accessible to the public, such as plazas, squares, and courtyards. This open space can be used for passive or active recreation as well as formal and informal gatherings; however, credit shall not be given for any indoor or climate-controlled spaces, road rights of way, building setback areas, impervious surface courts (tennis, basketball, handball, etc.), swimming pools, parking lots, and any pervious green area not intended for passive or active recreation or gathering of a formal or informal nature.~~
4. ~~Development of the site is limited to the equivalent number of traffic-generating trips based upon a maximum of 185,130 square feet of commercial retail uses, 44,431 square feet of office general uses, and a congregate living facility with up to 150 beds.~~
5. ~~The Conceptual Plan depicts the following:~~
 - ~~The general location of useable open spaces where the functional integration of residential with non-residential land uses occur.~~
 - ~~A vehicular and pedestrian circulation system that creates an integrated network within the project.~~
 - ~~A cross-hatched area along the north of the site where no principal structures are allowed, extending 200 feet from the northern property line and 1,900 feet from the eastern property line.~~
 - ~~Minimum landscape buffer widths of 30 feet on the northern and eastern property lines, and minimum 25 feet along the western and southern property lines.~~

Legal Description

PARCEL 1

TRACTS 113, 114 AND 115, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGES 45-54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

PARCEL 2

TRACTS 116, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGE 45, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

PARCEL 3

TRACTS 117, 118 AND 119 OF BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGE 45, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

SAID LANDS LYING IN SECTION 31, TOWNSHIP 46 SOUTH, RANGE 42 EAST, AND SECTION 6, TOWNSHIP 47 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, AND CONTAINING 1,629,100 SQUARE FEET/ 37.399 ACRES, MORE OR LESS.

ALSO KNOW AS:

TRACTS 113, 114, 115, 116, 117, 118 AND 119, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, PAGES 45-54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID TRACT 113; THENCE ALONG THE WEST LINE OF SAID TRACT 113, NORTH 01°27'31" WEST A DISTANCE OF 660.00 FEET TO THE NORTHWEST CORNER OF SAID TRACT 113; THENCE ALONG THE NORTH LINES OF SAID TRACTS 113, 114, 115, 116, 117, 118 AND 119, NORTH 89°34'01" EAST A DISTANCE OF 2,474.24 FEET TO THE NORTHEAST CORNER OF SAID TRACT 119; THENCE ALONG THE EAST LINE OF SAID TRACT 119, SOUTH 00°25'59" EAST A DISTANCE OF 660.00 FEET TO THE SOUTHEAST CORNER OF SAID TRACT 119; THENCE ALONG THE SOUTH LINES OF SAID TRACTS 119, 118, 117, 116, 115, 114 AND 113, SOUTH 89°34'01" WEST A DISTANCE OF 2,462.43 FEET TO THE POINT OF BEGINNING.

SAID LANDS LYING IN SECTION 31, TOWNSHIP 46 SOUTH, RANGE 42 EAST, AND SECTION 6, TOWNSHIP 47 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, AND CONTAINING 1,629,100 SQUARE FEET (37.399 ACRES), MORE OR LESS.

**Exhibit 2
Conceptual Plan (to be deleted)**

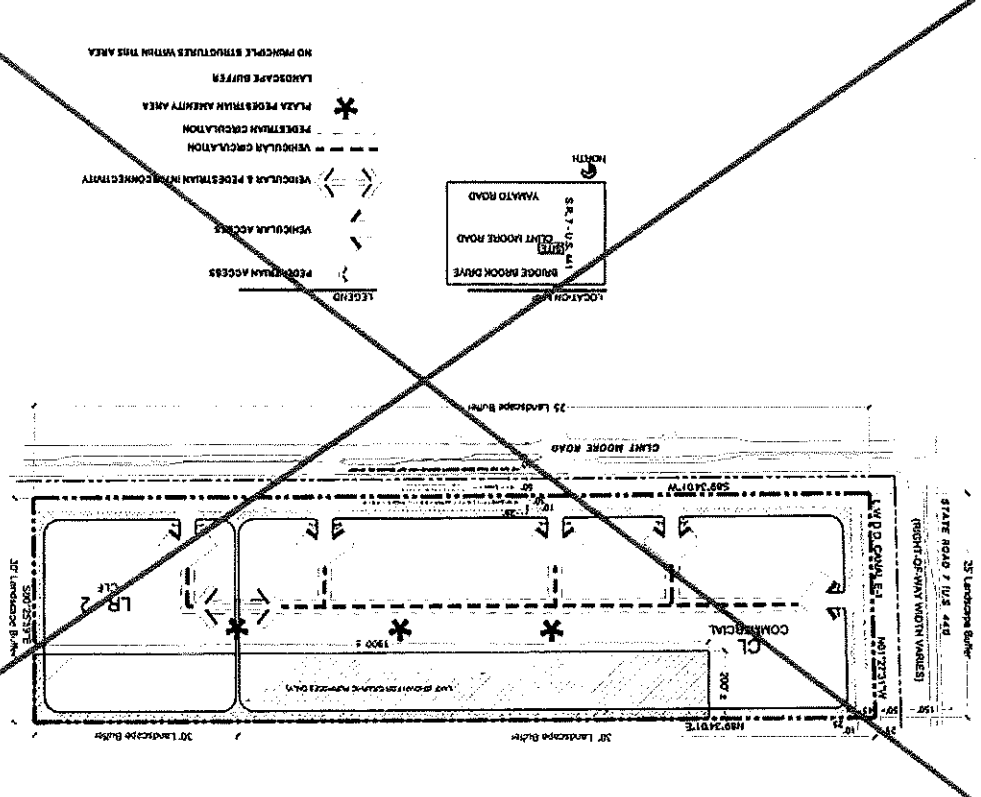
Urban design studios
Urban Design Studios
110 Orange Street, Suite 1000
Palm Beach, Florida 33480
561.366.1111
www.urbandesign.com



Scale: 1" = 100'
DATE: 7.28.09
PROJECT: 12-004-000
DESIGNED BY: JEB
CHECKED BY: WJ
DRAWN BY: JEB

**Thomas Packing
Plant MUPD**
Palm Beach County, Florida
Conceptual Master Plan

CMP-1	
DATE	7.28.09
PROJECT	12-004-000
DESIGNED BY	JEB
CHECKED BY	WJ
DRAWN BY	JEB
SCALE	1" = 100'
DATE	7.28.09





FLORIDA DEPARTMENT *of* STATE

RON DESANTIS
Governor

CORD BYRD
Secretary of State

December 7, 2022

Honorable Joseph Abruzzo
Clerk of the Circuit Court and Comptroller
Palm Beach County
301 North Olive Avenue
West Palm Beach, Florida 33401

Attn: Biaggia Jenkins

Dear Honorable Joseph Abruzzo:

Pursuant to the provisions of Section 125.66, Florida Statutes, this will acknowledge receipt of your electronic copy of Palm Beach County Ordinance No. 2022-031, which was filed in this office on December 7, 2022.

Sincerely,

Anya Owens
Program Administrator

ACO/rra

**R. A. Gray Building • 500 South Bronough Street • Tallahassee, Florida 32399-0250
Telephone: (850) 245-6270**

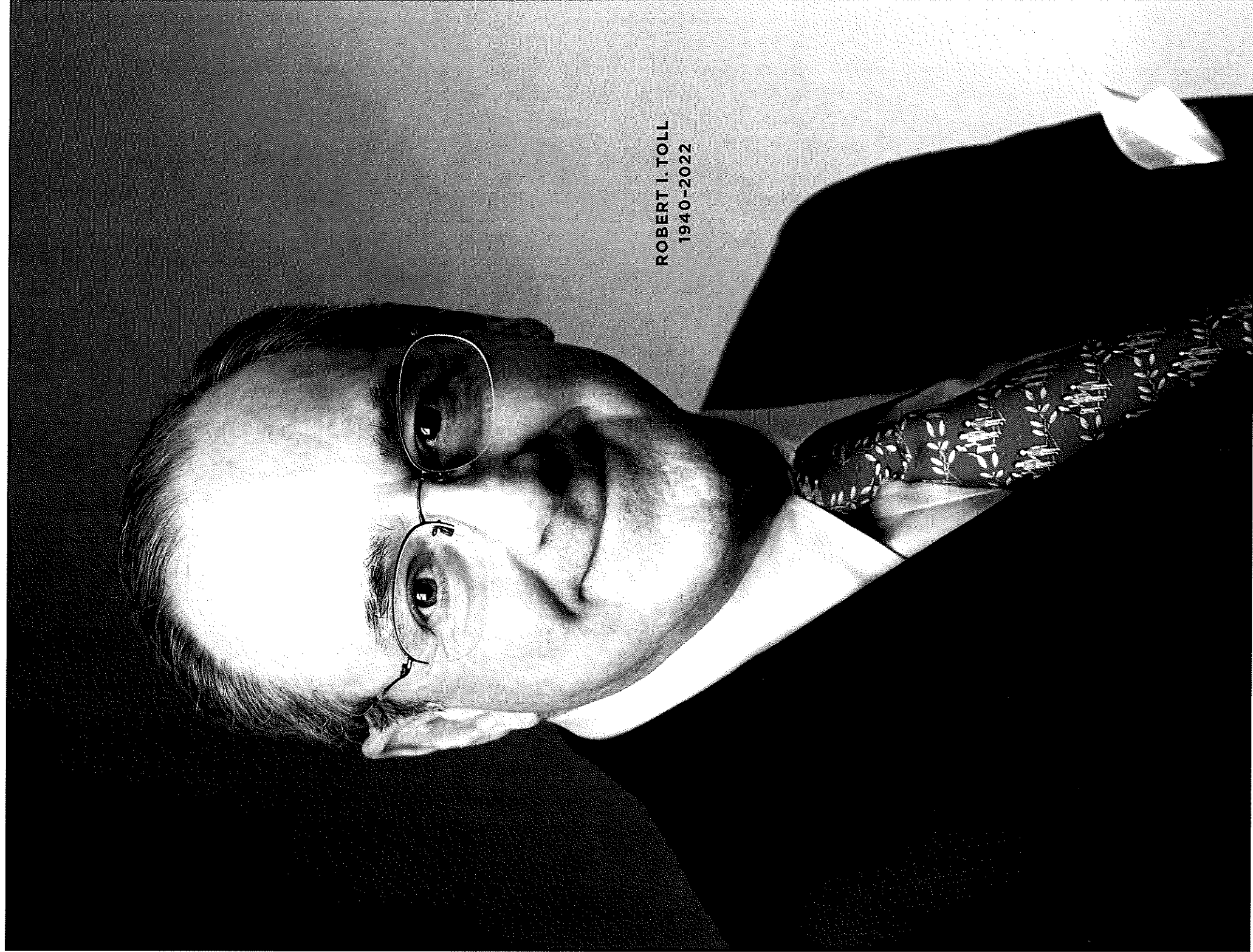
Attachment F

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ANNUAL REPORT | 2022

Toll Brothers
AMERICA'S LUXURY HOME BUILDER





ROBERT I. TOLL
1940 - 2022

An Incredible Legacy



A true innovator and visionary leader. A family man with a passion for giving. Robert I. Toll's extraordinary character and enduring impact can be described in countless ways, but they are immeasurable.

Bob was a practicing lawyer for just one year before founding Toll Brothers with his younger brother Bruce in the suburbs of Philadelphia in 1967. Toll Brothers later expanded to multiple states and went public on the New York Stock Exchange in 1986, ultimately becoming a Fortune 500 company with nearly \$10 billion in annual home building revenues and a presence that now spans over 60 markets in 24 states. Today, over 150,000 families across the United States live in a Toll Brothers home.

Beyond his incredible legacy in shaping the home building industry, Bob had a strong commitment to philanthropy and social justice. Alongside his beloved wife Jane, Bob made significant contributions of his time and resources to nonprofit organizations ranging from Seeds of Peace, an organization dedicated to bringing together youth and educators from areas of conflict to create more just and inclusive societies, to Say Yes to Education, for which Bob and Jane sponsored the higher education of 58 third-graders from an inner-city school in Philadelphia, to making the largest gift in history devoted entirely to the training and support of public interest lawyers at the University of Pennsylvania Law School. Bob and Jane were also avid supporters of the American Cancer Society, the American Red Cross, and The Metropolitan Opera.

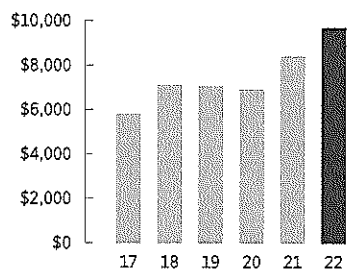
"Bob had such a profound impact on so many of us in so many unique ways," said Douglas C. Yearley, Jr., Chairman and CEO of Toll Brothers. "He lived an incredible life and leaves behind a tremendous legacy in his family, business, and philanthropy."

To learn more about Bob's incredible life and legacy, please visit Bob.TollBrothers.com.

TOLL BROTHERS

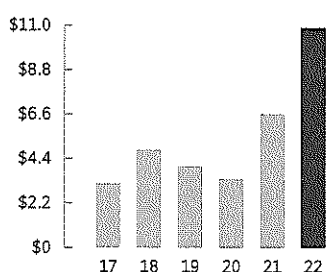
COMPANY OVERVIEW

FINANCIAL SUMMARY



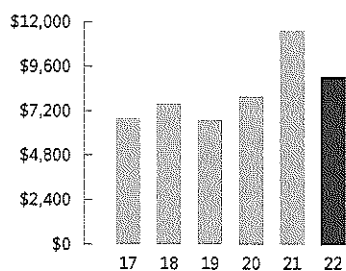
REVENUES

For Home Sales in FY (\$ in millions)



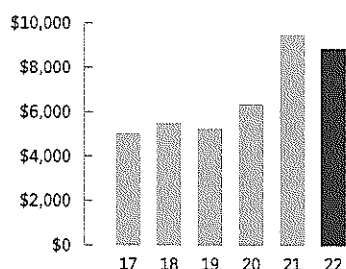
EARNINGS PER SHARE

In FY (\$)



CONTRACTS

In FY (\$ in millions)



BACKLOG

At FYE (\$ in millions)

INDUSTRY-LEADING COMPANY AND BRAND

America's Luxury Home Builder

Founded in 1967

NYSE-listed (TOL) since 1986

Fortune 500 Company

5th largest U.S. home builder by revenues

National Builder of the Year,
Builder magazine

Two-time Builder of the Year,
Professional Builder magazine

For the 7th time, named #1 World's Most
Admired Home Builder in FORTUNE
magazine's 2022 survey*

LUXURY HOMES AND COMMUNITIES

National presence in over 60 markets
in 24 states and Washington, DC

Selling from 348 communities

Delivered over 10,500 homes in FY 2022

Average delivered home price of \$923,600;
average price in backlog of \$1,095,800

Control 76,000 home sites

High-volume production of highly
personalized homes

Build-to-order model: home buyers added
an average of approximately \$190,000 in
lot premiums and structural and design
options to their homes in FY 2022

33 Design Studio locations nationwide

Diverse Product Lines:

Luxury move-up homes

Millennial-focused affordable luxury homes

Active-adult and second homes

Master-planned communities; resort-style
golf and country club living

Toll Brothers City Living: luxury mid- and
high-rise urban for-sale communities

Toll Brothers Apartment Living and
Toll Brothers Campus Living: luxury
for-rent urban, suburban, and student
housing communities

FINANCIAL AND MANAGEMENT STRENGTH

Liquidity of \$3.1 billion: \$1.3 billion in
cash and \$1.8 billion available under our
\$1.9 billion, 24-bank, 4-year revolving
credit facility

\$650 million, 12-bank, 4-year term loan

Over \$18 billion in corporate and joint
venture financing transactions completed
in the last 5 years

Debt-to-capital ratio of 35.7%; net
debt-to-capital ratio† of 23.4%

Focus on driving return on equity through
more capital-efficient land buying, product
optimization, and other strategies

Seasoned executive management team:
average 17-year tenure with Toll Brothers

Information for and as of FYE October 31, 2022,
unless otherwise noted.

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Limited are not affiliated with, and do not endorse
the products or services of, Toll Brothers.

†See "Reconciliation of Non-GAAP Measures" at the end
of this report for more information on the calculation of
the company's net debt-to-capital ratio.

DECEMBER 2022

DEAR SHAREHOLDER

The past few years have presented an unprecedented mix of challenges and opportunities, and 2022 was no exception. We are pleased to report that, once again, our Toll Brothers teams have delivered outstanding results.

In a year filled with supply chain disruptions, labor shortages, and many other operational challenges, we delivered over 10,500 homes, the most in our history, and grew homebuilding revenues by over 15% to a record \$9.7 billion. Net income was also a record \$1.3 billion, or \$10.90 per share diluted, and our return on beginning equity rose 720 basis points to 24.3%.

Our record 2022 fiscal year was also notable for the sheer contrast between the incredible demand for new homes we saw in the first half of the year, and the decline in demand experienced as inflation and interest rates rose sharply in the second half.

While we enter the new year in a softer market, we are still projecting another year of solid results in fiscal 2023 as we focus on delivering our \$8.9 billion backlog of nearly 8,100 luxury homes. Even more important, we continue to believe the long-term prospects for the housing market remain positive despite the recent demand weakness.

As we meet today's challenges and prepare for the future, we will be doing so for the first time without our founder, mentor, and friend, Bob Toll. Bob was an unparalleled leader who shaped this company and our industry. Bob's passing has made this year especially reflective for all of us at Toll Brothers, and the example he set and the lessons he taught us over the decades have become all the more relevant.

ONE YEAR, TWO DISTINCT MARKETS

Our fiscal year 2022 was a tale of two halves—a year that was divided into two very distinct demand environments. The first half of the year saw the continuation of the historic demand frenzy of 2021, driven by a strong economy and stock market, low interest rates, favorable demographics, tight housing supply, and continued migration. These factors drove robust demand for our new homes across the country.

Then, beginning in March, the Federal Reserve embarked on a rapid course of interest rate increases that raised the 30-year

home mortgage rate from under 3% to over 7% in a matter of months. The impact of this sharp rise in interest rates on our customers and our industry had a chilling effect on demand, as home buyers were already absorbing higher home prices. Combined with the rising inflation that continues to spur Fed action and the resulting economic uncertainty, many potential home buyers simply moved to the sidelines, and we saw our net signed contracts decline 60% in the second half of fiscal 2022 compared to the prior year period.

It is worth noting that both our website and foot traffic did not see the same level of decline, suggesting that while many potential home buyers are taking a pause, they remain interested and may just be waiting for more clarity on the direction of mortgage rates and the overall economy before making their purchase decision.

OUR STRATEGY: PATIENT, NOT PANICKED

The strength of our backlog has allowed us to be patient, not panicked, in the current market—and we remain focused on efficiently delivering these homes. Although our backlog cancellation rates have increased slightly, they are still among the lowest in the industry. With our build-to-order model, our buyers are both emotionally and financially committed to their new Toll Brothers homes, having made substantial nonrefundable deposits averaging \$83,000 and personalized their homes with both structural and Design Studio finishing selections. Underscoring the financial strength and higher incomes of our buyers, one in five of our customers pays all cash for their home.

We are also protecting our backlog and our luxury brand by avoiding drastic price reductions and instead focusing on what sets our homes apart in the market and offering highly targeted incentives. Price, incentive, and product offering decisions are based on an assessment of local market dynamics for each of our communities, including the elasticity of demand, the size of our backlog, and our land holdings in the market. As we continue to deliver our large backlog, we expect to have even more flexibility to more aggressively price our homes to the market as needed. We intend to grow our community count by 10% in 2023, as well as replenish our spec home inventory in select locations so

we will have more quick move-in homes available to our customers where market conditions warrant.

We are taking all these actions—delivering our backlog, growing community count, and increasing spec home production—in an environment where we are starting to see both building costs and construction cycle times come down, which should serve as tailwinds for our business.

Finally, we are taking additional steps to strategically position our business in the current environment. These include reducing our land spend to increase cash flow, renegotiating or electing not to proceed with land deals that no longer meet our tighter underwriting parameters, and lowering SG&A expenses with targeted cost reductions.

WELL-POSITIONED MARKET PRESENCE & BRAND

As a result of the many decisions we have made to shape this company since the last downturn—expanding geographically, diversifying our product offerings, and honing our land buying discipline—we are well-positioned for the current market and beyond. We have a strong presence in nearly every major metro area across the country, with ample opportunity to gain market share as our brand and financial strength distinguish us from our competition.

As past cycles have taught us, our well-respected brand as America's Luxury Home Builder matters now more than ever. Having been named the World's Most Admired Home Builder seven times by Fortune magazine, we have a reputation for quality, service, and value earned over many decades. This resonates with our discerning home buyers.

STRONG LAND HOLDINGS

With roughly eight years of land owned or optioned, we can be highly selective in our land buying in today's uncertain market, in addition to renegotiating more favorable terms on existing deals. In 2022, we continued to pursue strategies to improve capital efficiency and return on equity by controlling a greater percentage of our land through options rather than ownership. We controlled 76,000 home sites at fiscal year-end 2022; excluding the home sites allocated to our backlog, 56% were controlled through options. Our longer-term goal is 60% optioned, 40% owned.

SOUND FINANCIAL POSITION

Our sound financial footing positions us to execute our strategy to drive growth, increase profitability, and improve

capital efficiency. We ended fiscal 2022 with \$3.1 billion of liquidity, including \$1.3 billion of cash and \$1.8 billion available under our \$1.9 billion revolving bank credit facility.

This strong liquidity position gives us confidence in our ability to navigate the current market and to continue to grow in the future. There were significant opportunities that emerged from the market downturns of the early 1990s and 2006–2009. We expect this market volatility to present its own opportunities, and we will be ready.

We generated over \$986 million in cash flow from operations in fiscal 2022, which enabled us to repurchase nearly \$543 million of stock during the fiscal year and pay total dividends of approximately \$90 million, while retiring approximately \$410 million of long-term debt. We intend to pay off another \$400 million of debt in spring 2023, after which we will have no additional debt maturities until fiscal 2026. At fiscal year-end 2022, our net debt-to-capital ratio[†] was 23.4%.

Finally, we ended fiscal 2022 with a book value per share of \$54.79, and, based on our projected earnings per share in 2023, we expect our book value per share to increase to over \$60.00 at fiscal year-end 2023.

THEN & NOW

In preparing to write this letter, we took the opportunity to look back at previous Toll Brothers Annual Reports during the last downturn of 2006–2009. We were struck by the similarities in how we faced the challenges of that time, such as managing costs and preserving liquidity. But we were also struck by some of the key differences between then and now, including fundamental industry strengths that stand in stark contrast to prior downturns.

First and foremost is the chronic undersupply of new homes that emerged following the last downturn. Housing starts have not kept up with population and household growth in the U.S. for at least the last 15 years, and this lack of supply will continue to support the market for new homes.

Demographic trends are also in our favor, as the two largest demographic groups in America—Millennials and Baby Boomers—are both on the move. Millennials, seeking to build their families and wealth, have demonstrated that home ownership remains a strong foundation of the American dream. At the same time, Baby Boomers, many with significant savings and substantial equity in their existing homes, are also a strong driver of new home demand as they prepare for the next phase of their lives.

These industry tailwinds will not only help bolster our results as we navigate the current housing market, but they will also help ensure a faster turnaround as demand rebounds. We believe the housing industry will be among the first to benefit once inflation is under control and market volatility is replaced with stability.

DRAWING STRENGTH FROM OUR HISTORY

2022 marks 55 years since Toll Brothers was founded in 1967. In times of volatility and change, it is helpful to look back on what is constant in our business—the strategies and strengths that have stood the test of time for 55 years. These include the four pillars of The Toll Brothers Advantage: prestigious locations, distinctive architecture, unrivaled choice, and an extraordinary customer experience.

We also reflect upon and celebrate the incredible life of our founder, Bob Toll. We hold fast to his legacy and are driven by the same principles that have built this company from a small builder in the Philadelphia suburbs to a national luxury builder in 24 states and over 60 markets.

The daily lessons that Bob taught us have been indelibly etched in the minds of those of us who were lucky enough to work with him, and a big part of our culture is passing down that knowledge to leaders at all levels in our business. As a result of this teaching culture that Bob created, we have a seasoned executive management team in place with an average tenure at Toll Brothers of 17 years and the broad market experience needed to both navigate today's housing environment and recognize the opportunities within it.

Looking back at our Annual Report from 1993, just as we were coming out of the economic downturn of 1989–1993, Bob wrote: "Our success over the past 26 years has reinforced our belief that the keys to successful homebuilding are diligence and hard work—a distinguished community, an elegant home, dramatic interiors. But we believe that what is not visible to the buyer is what really makes our homes such an exceptional value. Behind each of our homes are the nearly 1,000 Toll Brothers employees and their vast reservoir of knowledge, diligence, commitment, and intensity. Our challenge is to support their entrepreneurial drive, talent and spirit with the capital, information, and resources they need to build the very best homes and communities in the United States." All of this remains true today.

When we go through tough times in the housing industry, it reminds us of who we are. Toll Brothers is a smart, competitive, hard-charging company with an incomparable reputation in our industry. We've had the great privilege to build dream homes for our clients for 55 years—over 150,000 homes to date—from first-time and move-up homes for growing families to active-adult communities and high-rise condominiums. Our Toll Brothers Apartment Living business has also grown to be the 11th largest apartment developer in the country.

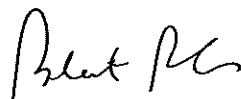
2023 may turn out to be another tale of two halves. There may continue to be challenges ahead in the near term. But we are also hopeful that as the year progresses we will see a stable interest rate environment that will once again unleash the tremendous pent-up demand for housing that we believe exists in our markets. We have the financial strength, we have the brand, we have the team, and we have the land to continue to be successful—even in today's market, and certainly well into the future.

We thank you, our valued shareholders, for continuing to believe in that future and this company. We would also like to extend a special thank you to our Toll Brothers employees, trade partners, capital providers, and clients. The trust you have placed in us is one that we never take for granted.

Sincerely,



DOUGLAS C. YEARLEY, JR.
Chairman & Chief Executive Officer



ROBERT PARAHUS
President & Chief Operating Officer

*Net Debt to Capital is a non-GAAP metric. See "Reconciliation of Non-GAAP Measures" at the end of this report.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended October 31, 2022

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-09186

TOLL BROTHERS, INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

1140 Virginia Drive
(Address of principal executive offices)

Fort Washington Pennsylvania

23-2416878

(I.R.S. Employer Identification No.)

19034
(Zip Code)

Registrant's telephone number, including area code
(215) 938-8000

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock (par value \$.01)	TOL	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Act. Yes No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of April 30, 2022, the aggregate market value of our Common Stock held by non-affiliates (all persons other than executive officers and directors of Registrant) of the Registrant was approximately \$5,322,035,000.

As of December 14, 2022, there were approximately 110,727,000 shares of our Common Stock outstanding.

Documents Incorporated by Reference: Portions of the proxy statement of Toll Brothers, Inc. with respect to the 2023 Annual Meeting of Stockholders, scheduled to be held on March 7, 2023, are incorporated by reference into Part III of this report.

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The following exhibits have been filed electronically with this Form 10-K:

- EXHIBIT 4.43
- EXHIBIT 21
- EXHIBIT 22
- EXHIBIT 23
- EXHIBIT 31.1
- EXHIBIT 31.2
- EXHIBIT 32.1
- EXHIBIT 32.2
- EXHIBIT 101
- EXHIBIT 101.INS
- EXHIBIT 104

PART I

ITEM 1. BUSINESS

Toll Brothers, Inc., a corporation incorporated in Delaware in May 1986, began doing business through predecessor entities in 1967. When this report uses the words “we,” “us,” “our,” and the “Company,” they refer to Toll Brothers, Inc. and its subsidiaries, unless the context otherwise requires. References herein to fiscal year refer to our fiscal years ended or ending October 31.

General

We design, build, market, sell, and arrange financing for an array of luxury residential single-family detached home, attached home, master-planned, and urban low-, mid-, and high-rise communities. This is done principally on land we develop and improve, as we continue to pursue our strategy of broadening our product lines, price points and geographic footprint. We cater to luxury first-time, move-up, empty-nester, active-adult and second-home buyers in the United States, as well as urban and suburban renters under the brand names Toll Brothers Apartment Living[®] and Toll Brothers Campus Living[®]. We also design, build, market, and sell high-density, high-rise urban luxury condominiums with third-party joint venture partners through Toll Brothers City Living[®] (“City Living”). At October 31, 2022, we were operating in 24 states and in the District of Columbia.

In the five years ended October 31, 2022, we delivered 45,369 homes from 904 communities, including 10,515 homes from 492 communities in fiscal 2022. At October 31, 2022, we had 981 communities in various stages of planning, development or operations containing approximately 76,000 home sites that we owned or controlled through options.

Backlog consists of homes under contract but not yet delivered to our home buyers. We had a backlog of \$8.87 billion (8,098 homes) at October 31, 2022; we expect to deliver approximately 90% of these homes in fiscal 2023.

We operate our own architectural, engineering, mortgage, title, land development, insurance, smart home technology, and landscaping subsidiaries. In addition, in certain regions we operate our own lumber distribution, house component assembly and component manufacturing operations.

We are developing several land parcels for master-planned communities in which we intend to build homes on a portion of the lots and sell the remaining lots to other builders. The majority of these master-planned communities are being developed through joint ventures with other builders or financial partners, with one being developed 100% by us.

In addition to our residential for-sale business, we also develop and operate urban and suburban for-rent apartment communities primarily through joint ventures. These projects are located in various metropolitan areas throughout the country and are generally being operated or developed (or we expect will be developed) with partners under the brand names Toll Brothers Apartment Living[®] and Toll Brothers Campus Living[®]. At October 31, 2022, we or joint ventures in which we have an interest, controlled 73 land parcels as for-rent apartment projects containing approximately 25,000 planned units.

See “Investments in Unconsolidated Entities” below for more information relating to our joint ventures.

Our Communities and Homes

Our home building communities are generally located in affluent suburban areas near major transit hubs and highways that provide access to employment and urban centers. They are generally located on land we have either acquired and developed or acquired fully approved and, in some cases, improved.

At October 31, 2022, we were operating in the following major suburban and urban residential markets:

- Boston, Massachusetts metropolitan area
- Fairfield, Hartford, and New Haven Counties, Connecticut
- Westchester and Dutchess Counties, New York
- New York metropolitan area
- Central and northern New Jersey
- Philadelphia, Pennsylvania metropolitan area
- Lehigh Valley area of Pennsylvania
- Virginia and Maryland suburbs of Washington, D.C.

- Delaware
- Raleigh and Charlotte, North Carolina metropolitan areas
- Nashville, Tennessee
- Charleston, Greenville, Hilton Head and Myrtle Beach, South Carolina
- Atlanta, Georgia metropolitan area
- Southeast and southwest coasts and the Jacksonville, Orlando, and Tampa areas of Florida
- Detroit, Michigan metropolitan area
- Chicago, Illinois metropolitan area
- Dallas, Houston, Austin, and San Antonio, Texas metropolitan areas
- Denver, Colorado metropolitan area, Fort Collins and Colorado Springs, Colorado
- Phoenix, Arizona metropolitan area
- Las Vegas and Reno, Nevada metropolitan areas
- Boise and Coeur d'Alene, Idaho metropolitan areas
- Salt Lake City, Utah metropolitan area and St. George/Southern Utah
- San Diego and Palm Springs, California
- Los Angeles, California metropolitan area and Orange County
- San Francisco Bay, Sacramento, and San Jose areas of northern California
- Seattle and Spokane, Washington metropolitan areas, and
- Portland, Oregon metropolitan area.

We develop individual stand-alone single-product communities as well as multi-product, master-planned communities. Our master-planned communities enable us to offer multiple home types and sizes to a broad range of move-up, first-time, empty-nester, active-adult, and second-home buyers. We seek to realize efficiencies from shared common costs, such as land development and infrastructure, over the several communities within the master-planned community.

Each of our detached home communities offers several home plans with the opportunity for home buyers to select various structural options and exterior styles. We design each community to fit existing land characteristics. We strive to achieve diversity among architectural styles within a community by offering a variety of house models and several exterior design options for each model, preserving existing trees, foliage and other natural features whenever feasible, and curving street layouts to allow relatively few homes to be seen from any vantage point. Our communities have attractive entrances with distinctive signage and landscaping. We believe that our added attention to detail gives each community a diversified neighborhood appearance that enhances home values.

Our attached home communities generally offer one- to four-story homes, provide for select exterior options, and often include commonly owned recreational facilities, such as clubhouses, playing fields, swimming pools, and tennis courts.

We are continuously developing new designs to replace or augment existing ones to ensure that our homes reflect current consumer tastes. Increasingly, we are modifying designs and the number of options we provide in order to continue to offer our customers a curated experience while gaining efficiencies in the home building process, particularly in respect to our affordable luxury product. We use our own architectural staff and also engage unaffiliated architectural firms to develop new designs.

A wide selection of structural and finishing options are available to our home buyers for additional charges. The number and complexity of options available typically increase with the size and base sales price of our homes. Major options include home offices, fitness rooms, multi-generational living suites, finished basements, and spacious indoor/outdoor living areas. We also offer numerous interior fit-out options such as flooring, wall tile, plumbing, cabinets, fixtures, appliances, lighting, and home-automation and security technologies.

We market our high-quality homes to both upscale luxury and affordable luxury home buyers. Our luxury homes are marketed primarily to buyers who generally have previously owned a home and who are seeking to buy a larger or more desirable home

— the so-called “move-up” market. Our affordable luxury homes are marketed primarily to more affluent first-time buyers. We believe our reputation as a builder of luxury homes in these markets enhances our competitive position with respect to the sale of our smaller, more moderately priced homes.

We continue to pursue growth initiatives by expanding our geographic footprint and by broadening our product lines and price points to appeal to buyers across the demographic spectrum. In addition to our traditional “move-up” home buyer, we are focusing on the “empty-nester” market, the millennial generation, and the affordable luxury buyer.

We market to the “empty-nester” market, which we believe has strong growth potential. We have developed a number of home designs with features such as single-story living and first-floor primary bedroom suites, as well as communities with recreational amenities, such as golf courses, marinas, pool complexes, country clubs, fitness and recreation centers that we believe appeal to this category of home buyer. We have integrated certain of these designs and features in some of our other home types and communities. As of October 31, 2022, we were selling from 51 age-restricted active-adult communities, in which at least one home occupant must be at least 55 years of age.

With the millennial generation in its prime family formation years, we also continue to focus on this group with our core suburban homes, affordable luxury offerings, urban condominiums and luxury rental apartment products.

Through our City Living brand, with third-party joint venture partners, we currently are developing a number of high-density, high-rise urban luxury communities to serve affluent move-up families, empty-nesters, and young professionals who are seeking to live in or close to major cities.

These City Living communities are high-rise condominiums and take an extended period of time to construct. We generally start selling homes in these communities after construction has commenced. By the time construction has been completed, we typically have a significant number of homes under contract with buyers in backlog. Once construction has been completed, the homes in backlog in these communities are generally delivered quickly. Because of the larger upfront costs and longer development time periods associated with high-rise projects, we are developing, and expect to continue to, develop all future City Living communities through joint ventures with third parties.

We believe that the demographics supporting the luxury first-time, move-up, empty-nester, active-adult, affordable luxury and second-home upscale markets will provide us with an opportunity for growth in the future. We continue to believe that many of our communities are in desirable locations that are difficult to replace and that many of these communities have substantial embedded value that may be realized in the future.

At October 31, 2022, we were selling homes from 348 communities, compared to 340 communities at October 31, 2021, and 317 communities at October 31, 2020.

The following table summarizes certain information with respect to our operating communities at October 31, 2022:

	Total number of operating communities	Number of selling communities	Homes approved	Homes closed	Homes under contract but not closed (Backlog)	Home sites available
North	81	53	10,155	6,103	1,122	2,930
Mid-Atlantic	53	40	4,184	1,958	842	1,384
South	133	99	14,438	5,072	2,523	6,843
Mountain	133	113	17,774	6,225	2,524	9,025
Pacific	59	43	5,683	1,910	1,087	2,686
Total	459	348	52,234	21,268	8,098	22,868

At October 31, 2022, significant site improvements had not yet commenced on approximately 14,000 of the 22,868 available home sites. Of the 22,868 available home sites, approximately 6,500 were not yet owned by us but were controlled through options.

Of our 459 operating communities at October 31, 2022, a total of 348 communities were offering homes for sale; with the remaining consisting primarily of sold out communities where not all homes had been completed and delivered. Of the 348 communities in which homes were being offered for sale at October 31, 2022, a total of 276 were detached home communities and 72 were attached home communities.

At October 31, 2022, excluding 373 model homes, we had 1,929 homes under construction or completed but not under contract in our communities, of which 998 were affordable luxury homes, 558 were luxury homes, and 373 were active-adult homes.

As a result of the breadth of our products and geographic footprint, we have a wide range of base sales prices for our homes. The percentage of the 10,515 homes delivered in fiscal 2022 within the various ranges of base sales price was as follows:

Range of Base Sales Price	Percentage of Homes Delivered in Fiscal 2022
Less than \$500,000	10%
\$500,000 to \$750,000	37%
\$750,000 to \$1,000,000	24%
\$1,000,000 to 2,000,000	25%
More than \$2,000,000	4%

Of the homes delivered in fiscal 2022, approximately 21% of our home buyers paid the full purchase price in cash; the remaining home buyers borrowed approximately 71% of the sales price of the home.

The table below provides the average value of all structural and finishing options purchased by our home buyers, as well as lot premiums, and the value of these options and premiums as a percent of the base sales price of the homes purchased in fiscal 2022, 2021, and 2020:

	2022		2021		2020	
	Option value (in thousands)	Percent of base sales price	Option value (in thousands)	Percent of base sales price	Option value (in thousands)	Percent of base sales price
Overall	\$ 190	25.3 %	\$ 168	23.9 %	\$ 173	25.5 %
Detached	\$ 215	28.9 %	\$ 193	28.4 %	\$ 198	28.8 %
Attached	\$ 117	15.4 %	\$ 105	15.3 %	\$ 98	15.7 %

In general, the ability to purchase a premium lot or customize a home with structural options and interior finishes varies widely across our product lines, which may result in significant variation in the option value as a percentage of base sales price. For example, our attached homes do not offer the opportunity for buyers to add significant structural options to their homes and thus they have a smaller option value as a percentage of base sales price.

For more information regarding revenues, net contracts signed, income (loss) before income taxes, and assets by segment, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Segments” in Item 7 of this Form 10-K.

Acquisitions

As part of our strategy to continue expanding our geographic footprint and product offerings, in fiscal 2022, we acquired substantially all of the assets and operations of a privately-held home builder with operations in San Antonio, Texas for approximately \$48.1 million in cash. The assets acquired, which consisted of 16 communities, were primarily inventory, including approximately 450 home sites owned or controlled through land purchase agreements.

In fiscal 2021, we acquired substantially all of the assets and operations of a privately-held home builder serving the Las Vegas, Nevada market, for approximately \$38.8 million in cash. The assets acquired were primarily inventory for future communities, including approximately 550 home sites owned or controlled through land purchase agreements.

In fiscal 2020, we acquired substantially all of the assets and operations of an urban infill builder with operations in Atlanta, Georgia and Nashville, Tennessee. We also acquired substantially all of the assets and operations of a builder with operations in Colorado Springs, Colorado. The aggregate purchase price for these acquisitions was approximately \$79.2 million in cash. The assets acquired were primarily inventory, including approximately 1,100 home sites owned or controlled through land purchase options.

Land Policy

Before entering into an agreement to purchase a land parcel, we complete extensive comparative studies and analyses that assist us in evaluating the acquisition. These analyses may include soil tests, environmental studies, an evaluation of necessary zoning and other governmental entitlements and extensive market research to evaluate which of our product offerings are appropriate for the market. In addition to purchasing land parcels outright, we are increasingly attempting to enter into option agreements and other arrangements to defer the acquisition of land until we are closer in time to delivering the completed home to our

customer. We have also entered into several joint ventures with other builders, financial partners, or developers to develop land for the use of the joint venture participants or for sale to third parties. These structures are generally more capital efficient than outright land purchases that occur earlier in the entitlement and development process.

Our business is subject to many risks, including risks associated with obtaining the necessary approvals on a property and completing the land improvements on it. In order to reduce the financial risk associated with land acquisitions and holdings and to more efficiently manage our capital, where practicable, we enter into option agreements (also referred to herein as “land purchase contracts,” “purchase agreements,” or “options”) to purchase land, on a non-recourse basis, thereby limiting our financial exposure to amounts expended in obtaining any necessary governmental approvals, the costs incurred in the planning and design of the community, and, in some cases, some or all of the cost of the option (also referred to as “deposits”). Option agreements enable us to obtain necessary governmental approvals before we acquire title to the land, and allow us to acquire lots over a specified period of time at contracted prices. The use of these agreements may increase our overall cost basis in the land that we eventually acquire, but reduces our risk by allowing us to obtain the necessary development approvals before acquiring the land or allowing us to forego or delay the acquisition to a later date. In prior periods, during the time it took to obtain approvals, the value of the purchase agreements and land generally increased; however, in any given time period, this may not happen. We have the ability to extend some of these purchase agreements for varying periods of time, which in some cases would require an additional payment. Our purchase agreements are typically subject to numerous conditions, including, but not limited to, the ability to obtain necessary governmental approvals for the proposed community. In certain instances, our deposit under an agreement may be returned to us if all approvals are not obtained, although predevelopment costs usually will not be recoverable. We generally have the right to cancel any of our agreements to purchase land by forfeiture of some or all of the deposits we have made pursuant to the agreement.

During fiscal 2022 and 2021, we acquired control of approximately 5,700 and 27,700 home sites, respectively, net of options terminated and lots sold. During fiscal year 2022, we forfeited control of over 9,000 lots subject to land purchase agreements primarily because the planned community no longer met our development criteria. At October 31, 2022, we controlled approximately 76,000 home sites, as compared to approximately 80,900 home sites at October 31, 2021. At October 31, 2022 and October 31, 2021, our percentage of optioned versus owned lots was 50% and 50%, respectively.

We, either alone or in joint venture, are developing several parcels of land for master-planned communities in which we intend to build homes on a portion of the lots, with the remaining lots being sold to other builders. At October 31, 2022, one of these master-planned communities was wholly owned, while the remaining communities were developed through joint ventures with other builders or financial partners. At October 31, 2022, our Land Development Joint Ventures owned approximately 24,300 home sites. At October 31, 2022, we had agreed to acquire 409 home sites and expect to purchase approximately 6,700 additional home sites from several of our Land Development Joint Ventures over a number of years.

Our ability and willingness to continue development activities over the long term will depend on, among other things, a suitable economic environment and our continued ability to locate and enter into options or agreements to purchase land, obtain governmental approvals for suitable parcels of land, and consummate the acquisition and complete the development of such land on acceptable terms.

The following is a summary of home sites for future communities (as distinguished from operating communities) that we either owned or controlled through options or purchase agreements at October 31, 2022:

	Number of communities	Number of home sites
North	67	4,953
Mid-Atlantic	141	12,359
South	154	12,657
Mountain	99	9,754
Pacific	61	5,360
Total	522	45,083

Of the 45,083 planned home sites at October 31, 2022, we owned 13,213 and controlled 31,870 through options and purchase agreements.

At October 31, 2022, the aggregate purchase price of land parcels subject to option and purchase agreements in both operating and future communities was approximately \$4.32 billion (including \$42.1 million of land to be acquired from joint ventures in which we have invested). Of the \$4.32 billion of land purchase contracts, we paid or deposited \$463.5 million. If we acquire all of these land parcels, we will be required to pay an additional \$3.86 billion. The purchases of these land parcels are expected to occur over the next several years. We have additional land parcels under option that have been excluded from this aggregate

purchase price because we do not believe that we will complete the purchase of these land parcels and no additional funds will be required from us to terminate these contracts. These option contracts have either been written off or written down to the estimated amount that we expect to recover when the contracts are terminated.

We have a substantial amount of land currently under control for which approvals have been obtained or are being sought. We devote significant resources to locating suitable land for future development and obtaining the required approvals on land under our control. There can be no assurance that the necessary development approvals will be secured for the land currently under our control or for land that we may acquire control of in the future or that, upon obtaining such development approvals, we will elect to complete the purchases of land under option or complete the development of land that we own. We generally have been successful in obtaining governmental approvals in the past. We believe that we have an adequate supply of land in our existing communities and proposed communities (assuming that all properties are developed) to maintain our operations at current levels for several years.

Community Development

We expend considerable effort in developing a plan for each community, which includes determining the size, style, and price range of the homes; the layout of the streets and individual home sites; and the overall community design. After the necessary governmental subdivision and other approvals have been obtained, which may take several years, we improve the land by clearing and grading it; installing roads, underground utilities, recreational amenities, and distinctive entrance features; and staking out individual home sites.

We act as a general contractor for substantially all of our communities. Subcontractors perform all home construction and land development work, generally under fixed-price contracts. We generally have multiple sources for the materials we purchase. In recent years, as a result of strong demand for homes following the onset of the COVID-19 pandemic, supply chain disruptions and the constrained availability of certain building products, housing components and construction labor, and municipality-related delays, the production cycle in many of our markets became elongated. There can be no assurance that these challenges will recede or that cycle times will normalize in the near term. See “Risk Factors – General Risk Factors” in Item 1A and “Manufacturing/Distribution Facilities” in Item 2 of this Form 10-K.

Our construction managers coordinate subcontracting activities and supervise all aspects of construction work and quality control. One of the ways in which we seek to achieve home buyer satisfaction is by providing our construction managers with incentive compensation arrangements based upon each home buyer’s satisfaction, as expressed by the buyers’ responses on pre- and post-closing questionnaires.

The most significant variable affecting the timing of our sales, other than housing demand, is the opening of the community for sale, which occurs after receipt of final land regulatory approvals. Receipt of approvals allows us to begin the process of obtaining executed sales contracts from home buyers. Although our sales and construction activities vary somewhat by season, which can affect the timing of closings, any such seasonal effect is relatively insignificant compared to the effect of the timing of receipt of final regulatory approvals, the opening of the community, and the subsequent timing of closings.

Marketing and Sales

We believe that our marketing strategy for our homes has enhanced our reputation as a builder and developer of high quality luxury homes. We believe this reputation results in greater demand for all of our product types. We generally include attractive design features even in our less expensive homes, based on our belief that these enhancements improve our marketing and sales effort.

In determining the prices for our homes, in addition to management’s extensive experience, we utilize an internally developed value analysis program that compares our homes with homes offered by other builders and competitive resale homes in each local market area. In our application of this program, we assign a positive or negative dollar value to differences between our product features and those of our competitors, such as home and community amenities, location, and reputation.

We typically have a sales center in each community that is staffed by our own sales personnel. Sales personnel are generally compensated with both salary and commission. A significant portion of our sales is also derived from the introduction of customers to our communities by local real estate agents, to whom we pay a real estate agent commission.

We expend great effort and cost in designing and merchandising our model homes, which play an important role in our marketing. Interior merchandising varies among the models and is carefully selected to reflect the lifestyles of prospective buyers.

Visitors to our website, www.TollBrothers.com, can obtain detailed information regarding our communities and homes across the country, take panoramic or video tours of our homes, and design their own homes based upon our available floor plans and

options. We have increasingly focused our marketing efforts to the digital environment for media buying and have adopted a number of virtual tools and techniques to allow our sales personnel to engage in remote interactions with potential customers.

We have a two-step sales process. The first step takes place when a potential home buyer visits one of our communities (either in person or virtually) and decides to purchase one of our homes, at which point the home buyer signs a non-binding deposit agreement and provides a small, refundable deposit. This deposit will reserve, for a short period of time, the home site or unit that the home buyer has selected. This deposit also locks in the base price of the home. Because these deposit agreements are non-binding, they are not recorded as signed contracts, nor are they recorded in backlog. Deposit rates are tracked on a weekly basis to help us monitor the strength or weakness in demand in each of our communities. If demand for homes in a particular community is strong, we determine whether the base sales prices in that community should be increased. If demand for the homes in a particular community is weak, we determine whether or not sales incentives and/or discounts on home prices should be adjusted.

The second step in the sales process occurs when we sign a binding agreement of sale contract with the home buyer and the home buyer provides a larger cash down payment that is generally non-refundable. Cash down payments averaged approximately 8% of the total purchase price of a home at the end of fiscal year 2022. Between the time that the home buyer signs the non-binding deposit agreement and the binding agreement of sale, which typically takes about three weeks, the home buyer is required to complete a financial questionnaire that allows us to determine whether the home buyer has the financial resources necessary to purchase the home. If we determine that the home buyer is not financially qualified, we will not enter into an agreement of sale. During fiscal 2022, 2021, and 2020, our customers signed net contracts for \$9.07 billion (8,255 homes), \$11.54 billion (12,472 homes), and \$8.00 billion (9,932 homes), respectively. When we report net contracts signed, the number and value of contracts signed are reported net of all cancellations occurring during the reporting period, whether the cancelled contracts were originally signed in that reporting period or in a prior period. Additionally, all options selected during the reporting period are reported as sales in that reporting period regardless of when the original contract was signed. Only outstanding agreements of sale that have been signed by both the home buyer and us as of the end of the period for which we are reporting are reported as contracts and included in backlog.

Customer Mortgage Financing

We maintain relationships with a diversified group of mortgage financial institutions, many of which are among the largest in the industry. We believe that national, regional and community banks continue to recognize the long-term value in creating relationships with our affluent home buyers, and these banks continue to provide these customers with financing. We believe that our home buyers generally are, and should continue to be, better able to secure mortgages due to their typically lower loan-to-value ratios and attractive credit profiles, as compared to the average home buyer.

Our mortgage subsidiary, Toll Brothers Mortgage Company (“TBMC”), provides mortgage financing for a portion of our home closings. Our mortgage subsidiary determines whether the home buyer qualifies for the mortgage that the home buyer is seeking based upon information provided by the home buyer and other sources. For those home buyers who qualify, our mortgage subsidiary provides the home buyer with a mortgage commitment that specifies the terms and conditions of a proposed mortgage loan based upon then-current market conditions.

Information about the number and amount of loans funded by our mortgage subsidiary is contained in the table below.

Fiscal year	Total Toll Brothers, Inc. settlements (a)	TBMC financed settlements* (b)	Gross capture rate (b/a)	Amount financed (in millions)
2022	10,515	3,706	35.2%	\$ 2,030.6
2021	9,986	4,364	43.7%	\$ 2,160.8
2020	8,496	3,782	44.5%	\$ 1,757.5

* Amounts exclude brokered and referred loans, which amounted to 6.5%, 5.6%, and 4.7% of our home closings in fiscal 2022, 2021, and 2020, respectively.

Prior to the actual closing of the home and funding of the mortgage, the home buyer may lock in an interest rate based upon the terms of the commitment. At the time of rate lock, our mortgage subsidiary agrees to sell the proposed mortgage loan to one of several third-party established mortgage financing institutions (“investors”) that are willing to honor the terms and conditions, including the interest rate, committed to the home buyer. We believe that these investors have adequate financial resources to honor their commitments to our mortgage subsidiary. Mortgage loans are sold to investors with limited recourse provisions derived from industry-standard representations and warranties in the relevant agreements. These representations and warranties primarily involve the absence of misrepresentations by the borrower or other parties, the appropriate underwriting of the loan,

and in some cases, a required minimum number of payments to be made by the borrower. The Company generally does not retain any other continuing interest related to mortgage loans sold in the secondary market.

At October 31, 2022, our mortgage subsidiary was committed to fund \$3.10 billion of mortgage loans. Of these commitments, \$669.6 million, as well as \$186.7 million of mortgage loans receivable, had “locked-in” interest rates as of October 31, 2022. Our mortgage subsidiary funds its commitments through a combination of its own capital, capital provided from us, its loan facility, and the sale of mortgage loans to various investors. Our mortgage subsidiary has commitments from investors to acquire all \$856.3 million of these locked-in loans and receivables. Our home buyers had not locked in the interest rate on the remaining \$2.43 billion of mortgage loan commitments as of October 31, 2022.

Backlog

We had a backlog of \$8.87 billion (8,098 homes) at October 31, 2022; \$9.50 billion (10,302 homes) at October 31, 2021; and \$6.37 billion (7,791 homes) at October 31, 2020. Of the 8,098 homes in backlog at October 31, 2022, approximately 90% are expected to be delivered by October 31, 2023. This delivery estimate is based on current expectations regarding our backlog conversion rate. Our backlog conversion rate can vary based on a number of factors, including the availability of subcontractors and qualified trades people; the availability of adequate utility infrastructure and services; the ability of municipalities to process permits, conduct inspections and take similar actions in a timely manner; and shortages, delays in availability, or fluctuations in prices of building materials. See “Risk Factors – Risks Related to Our Business and Industry – Component shortages and increased costs of labor and supplies are beyond our control and can result in delays and increased costs to develop our communities.”

Competition

The home building business is highly competitive and fragmented. We compete with numerous home builders of varying sizes, ranging from local to national in scope, some of which have greater sales and financial resources than we do. Sales of existing homes also provide competition. We compete primarily on the basis of price, location, design, quality, service, and reputation. We believe our financial stability, relative to many other home builders in our industry, is a favorable competitive factor.

Seasonality

Our quarterly operating results typically fluctuate with the seasons. A significant portion of our agreements of sale are generally entered into with customers in the winter and spring months. Weather-related events can delay housing starts and closings and increase costs. See “Risk Factors – Risks Related to Our Business and Industry – Our quarterly operating results may fluctuate due to the seasonal nature of our business” and “– Adverse weather conditions, natural disasters, and other conditions could disrupt the development of our communities, which could harm our sales and results of operation” in Item 1A of this Form 10-K.

Investments in Unconsolidated Entities

We have investments in joint ventures (i) to develop lots for the joint venture participants and for sale to outside builders (“Land Development Joint Ventures”); (ii) to develop for-sale homes (“Home Building Joint Ventures”); (iii) to develop luxury for-rent residential apartments and single family homes, and commercial space (“Rental Property Joint Ventures”); and (iv) to provide financing and land banking for residential builders and developers for the acquisition and development of land and home sites (“Gibraltar Joint Ventures”). At October 31, 2022, we had investments of \$852.3 million in these unconsolidated entities and were committed to invest or advance up to an additional \$304.3 million to these entities if they require additional funding.

In fiscal 2022, 2021, and 2020, we recognized income from the unconsolidated entities in which we had an investment of \$23.7 million, \$74.0 million, and \$0.9 million, respectively. In addition, we earned construction and management fee income from these unconsolidated entities of \$31.2 million in fiscal 2022, \$21.8 million in fiscal 2021, and \$17.6 million in fiscal 2020.

Land Development Joint Ventures

At October 31, 2022, we had investments in 15 Land Development Joint Ventures to develop land. Some of these Land Development Joint Ventures develop land for the sole use of the venture participants, including us, and others develop land for sale to the joint venture participants and to unrelated builders. At October 31, 2022, we had \$343.3 million invested in our Land Development Joint Ventures and funding commitments of \$180.8 million to nine of the Land Development Joint Ventures which will be funded if additional investments in the ventures are required. At October 31, 2022, ten of these joint ventures had aggregate loan commitments of \$557.2 million and outstanding borrowings against these commitments of \$444.3 million. At October 31, 2022, our Land Development Joint Ventures owned approximately 24,300 home sites.

At October 31, 2022, we had agreed to acquire 409 home sites from two of our Land Development Joint Ventures for an aggregate purchase price of approximately \$42.1 million. In addition, we expect to purchase approximately 6,700 additional home sites over a number of years from several of these joint ventures. The purchase prices of these home sites will be determined at a future date. We count lots in these joint ventures as optioned lots if we have a contractual right to acquire them.

Home Building Joint Ventures

At October 31, 2022, we had an aggregate \$49.4 million of investments in our Home Building Joint Ventures to develop luxury for-sale homes. In fiscal 2022, the value of net contracts signed by our Home Building Joint Ventures was \$97.2 million (51 homes), and they delivered \$60.9 million (19 homes) of revenue.

Rental Property Joint Ventures

As part of our strategy to expand product lines, over the past several years, we acquired control of a number of land parcels intended to be developed as for-rent apartment or single family rental home projects, including several student housing sites. At October 31, 2022, we had an aggregate of \$441.4 million of investments in 41 Rental Property Joint Ventures. At October 31, 2022, we or joint ventures in which we have an interest controlled 73 land parcels that are planned as for-rent apartment projects containing approximately 25,000 units. At October 31, 2022, joint ventures in which we had an interest had aggregate loan commitments of \$3.32 billion and outstanding borrowings against these commitments of \$1.77 billion. These projects are located in multiple metropolitan areas throughout the country and are being operated or developed (or we expect will be developed) with partners under the brand names Toll Brothers Apartment Living and Toll Brothers Campus Living.

At October 31, 2022, we had approximately 4,000 units in for-rent apartment projects that were occupied or ready for occupancy, 2,150 units in the lease-up stage, 7,900 units in the design phase or under development, and 10,950 units in the planning stage. Of the 25,000 units at October 31, 2022, 13,900 were owned by joint ventures in which we have an interest, approximately 2,900 were owned by us, and 8,200 were under contract to be purchased by us.

Gibraltar Joint Ventures

Over the past three years, we, through Gibraltar, entered into several ventures with an institutional investor to provide financing and land banking to residential buildings and developers. We have an approximate 25% interest in these ventures. These ventures finance builders' and developers' acquisition and development of land and home sites and pursue other complementary investment strategies. We may invest up to \$100.0 million in these ventures. As of October 31, 2022, we had an investment of \$18.2 million.

Regulatory and Environmental Matters

We are subject to various local, state, and federal statutes, ordinances, rules, and regulations concerning zoning, building design, construction, and similar matters, including local regulations that impose restrictive zoning and density requirements. In a number of our markets, there has been an increase in state and local legislation authorizing the acquisition of land as dedicated open space, mainly by governmental, quasi-public, and nonprofit entities. In addition, we are subject to various licensing, registration, and filing requirements in connection with the construction, advertisement, and sale of homes in our communities. The impact of these laws and requirements has been to increase our overall costs, and they may have delayed, and in the future may delay, the opening of communities, or may have caused, and in the future may cause, us to conclude that development of particular communities would not be economically feasible, even if any or all necessary governmental approvals were obtained. See "Land Policy" in this Item 1. We also may be subject to periodic delays or may be precluded entirely from developing communities due to building moratoriums in one or more of the areas in which we operate. Generally, such moratoriums often relate to insufficient water or sewage facilities or inadequate road capacity.

In order to secure certain approvals in some areas, we may be required to provide affordable housing at below market rental or sales prices. The impact of these requirements on us depends on how the various state and local governments in the areas in which we engage, or intend to engage, in development implement their programs for affordable housing. To date, these restrictions have not had a material impact on us.

We also are subject to a variety of local, state, and federal statutes, ordinances, rules, and regulations concerning protection of public health and the environment ("environmental laws"). The particular environmental laws that apply to any given community vary according to the location and environmental condition of the site and the present and former uses of the site. An increased regulatory focus on reducing greenhouse gas emissions has led to legislative mandates in certain jurisdictions that require new homes to be more energy efficient than existing homes, or that mandate energy efficient features, such as solar panels, be included in new construction. Complying with these environmental laws may result in delays, may cause us to incur substantial compliance and other costs, and/or may prohibit or severely restrict development in certain environmentally sensitive regions or areas.

Before consummating an acquisition of land, we generally engage independent environmental consultants to evaluate land for the potential of hazardous or toxic materials, wastes, or substances, and we believe that because of this, we have not been significantly affected to date by the presence of such materials on our land.

Our mortgage subsidiary is subject to various state and federal statutes, rules, and regulations, including those that relate to licensing, lending operations, and other areas of mortgage origination and financing. The impact of those statutes, rules, and regulations can be to increase our home buyers' cost of financing, increase our cost of doing business, and restrict our home buyers' access to some types of loans.

Insurance/Warranty

All of our homes are sold under our limited warranty as to workmanship and mechanical equipment. Many homes also come with a limited multi-year warranty as to structural integrity.

We maintain insurance, subject to deductibles and self-insured amounts, to protect us against various risks associated with our activities, including, among others, general liability, "all-risk" property, construction defects, workers' compensation, automobile, and employee fidelity. We accrue for our expected costs associated with the deductibles and self-insured amounts.

Human Capital Resources

At October 31, 2022, we employed approximately 5,200 persons full-time, as compared to approximately 5,100 employees at October 31, 2021. At October 31, 2022, less than 2% of our employees were covered by a collective bargaining agreement.

We believe our employees are among our most important resources and are critical to our continued success. We focus significant attention on attracting and retaining talented and experienced individuals to manage and support our operations, and our management team routinely reviews employee turnover rates at various levels of the organization. Management also reviews employee engagement and satisfaction surveys to monitor employee morale and receive feedback on a variety of issues. We pay our employees competitively and offer a broad range of company-paid benefits, which we believe are competitive with others in our industry.

We are committed to hiring, developing and supporting a diverse and inclusive workplace. Our management teams and all of our employees are expected to exhibit and promote honest, ethical and respectful conduct in the workplace. All of our employees must adhere to a code of conduct that sets standards for appropriate behavior and includes required annual training on preventing, identifying, reporting and stopping any type of unlawful discrimination.

In response to the COVID-19 pandemic, we implemented enhanced safety protocols and procedures to protect our employees, subcontractors and customers. Many of these protocols have evolved and become more permanent fixtures in our workplace and in the way we conduct certain aspects of our business. For example, we continue to use and expand technologies that allow for virtual interactions in many aspects of our business, including customer facing activities. Many administrative and operational routines have been modified including with respect to providing our employees with greater flexibility to work remotely. Many of these modifications have been well received by our employees with minimal disruption to our operations and have continued through fiscal 2022. For a detailed discussion of the impact of the COVID-19 pandemic on our human capital resources, see "Risk Factors - Public health issues such as a major epidemic or pandemic could adversely affect our business or financial results" in "Item 1A" of this Form 10-K.

Available Information

We file annual, quarterly and current reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). These filings are available over the internet at the SEC's website at <http://www.sec.gov>.

Our principal Internet address is www.tollbrothers.com. We make our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 available through our website under "Investor Relations" (our "Investor Relations website"), free of charge, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC.

We provide information about our business and financial performance, including our Company Overview, on our Investor Relations website. Additionally, we webcast our earnings calls and certain events we participate in with members of the investment community on the Investor Relations portion of our website. Further corporate governance information, including our code of ethics and business conduct, corporate governance guidelines, and board committee charters, is also available on the Investor Relations portion of our website. The content of our websites is not incorporated by reference into this Annual Report on Form 10-K or in any other report or document we file with the SEC, and any references to our websites are intended to be inactive textual references only.

FORWARD-LOOKING STATEMENTS

Certain information included in this report or in other materials we have filed or will file with the SEC (as well as information included in oral statements or other written statements made or to be made by us) contains or may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. One can identify these statements by the fact that they do not relate to matters of 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 related to: market conditions; mortgage rates; inflation rates; demand for our homes; sales paces and prices; effects of home buyer cancellations; our strategic priorities; growth and expansion; our land acquisition, land development and capital allocation priorities; 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, including expected labor and material costs; availability of labor and materials; selling, general and administrative expenses; interest expense; inventory write-downs; home warranty and construction defect claims; unrecognized tax benefits; anticipated tax refunds; joint ventures in which we are involved; anticipated results from our investments in unconsolidated entities; our ability to acquire 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; the outcome of legal proceedings, investigations, and claims; and the future impact of COVID-19 or other public health or other emergencies.

Any or all of the forward-looking statements included in this report and in any other 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 assumptions or estimates that differ from actual results or as a consequence of known or unknown risks and uncertainties. Many of the factors mentioned in “Item 1A - Risk Factors” below 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.

From time to time, forward-looking statements also are included in other reports on Forms 10-Q and 8-K; in press releases; in presentations; on our website; and in other materials released to the public. 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 more detailed discussion of factors that we believe could cause our actual results to differ materially from expected and historical results, see “Item 1A – Risk Factors” below. 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.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

Information about our executive officers is incorporated by reference from “Part III, Item 10” of this Form 10-K.

ITEM 1A. RISK FACTORS

Risks Related to Our Business and Industry

We are subject to demand fluctuations in the housing industry. Any reduction in demand would adversely affect our business, results of operations, and financial condition.

Demand for our homes and rental apartments is subject to fluctuations, often due to factors outside of our control, such as employment levels, consumer confidence and spending, housing demand, availability of financing for homebuyers, interest rates, availability and prices of new homes compared to existing inventory, and demographic trends. In a housing market downturn, our sales and results of operations will be adversely affected; we may have significant inventory impairments and other write-offs; our gross margins may decline significantly from historical levels; and we may incur substantial losses from operations. At any particular time, we cannot accurately predict whether housing market conditions will improve, deteriorate or continue as they exist at that time.

Adverse changes in economic conditions in markets where we conduct our operations and where prospective purchasers of our homes live could reduce the demand for homes and, as a result, could adversely affect our business, results of operations, and financial condition.

Adverse changes in economic conditions in markets where we conduct our operations and where prospective purchasers of our homes live have had and may in the future have a negative impact on our business. Adverse changes in mortgage interest rates, employment levels, job growth, consumer confidence, perceptions regarding the strength of the housing market, and population growth, or an oversupply of homes for sale may reduce demand or depress prices for our homes and cause home buyers to cancel their agreements to purchase our homes. This, in turn, could adversely affect our results of operations and financial condition.

Significant inflation, higher interest rates or deflation could adversely affect our business and financial results.

Inflation can adversely affect us by increasing costs of land, materials and labor, and interest rates. All of these factors can have a negative impact on housing affordability. In a highly inflationary environment, we may be unable to raise the sales prices of our homes at or above the rate of inflation, which could reduce our profit margins. In addition, our cost of capital, labor and materials can increase, which could have an adverse impact on our business or financial results. For example, the current and continued macro-economic conditions of high inflation and rising interest rates, especially the steep increases in mortgage rates during 2022, is one of the primary drivers behind the overall decrease in demand for new homes since our second quarter of fiscal 2022.

Conversely, deflation could cause an overall decrease in spending and borrowing capacity, which could lead to deterioration in economic conditions and employment levels. Deflation could also cause the value of our inventories to decline or reduce the value of existing homes. These, or other factors that increase the risk of significant deflation, could have a negative impact on our business or financial results.

The risks associated with our land, lot and rental inventory could adversely affect our business or financial results.

There are substantial risks inherent in controlling, owning and developing land. If housing demand declines, we may not be able to build, sell or rent homes profitably in some of our communities, we may not be able to fully recover the costs of some of the land and lots we own, and we may forfeit deposits on land that we put under control through option arrangements. We acquire land or make payments to control land for expansion into new markets and for replacement of land inventory and expansion within existing markets. If housing demand in a given market declines below the levels that we expected when we acquired or gained control of land, we may have to sell or rent homes or land for a lower profit margin or record inventory impairment charges on our land and lots. Due to the decline in our business during the 2006–2011 downturn in the housing industry, we recognized significant inventory impairments. We cannot assure you that significant inventory impairments will not occur again in the future.

If land is not available at reasonable prices, our sales and results of operations could decrease.

In the long term, our operations depend on our ability to obtain land at reasonable prices for the development of our residential communities. At October 31, 2022, we had approximately 76,000 home sites that we owned or controlled through options. In the future, changes in the availability of land, competition for available land, availability of financing to acquire land, zoning regulations that limit housing density, and other market conditions may hurt our ability to obtain land for new residential communities at acceptable prices. If the supply of land appropriate for the development of our residential communities becomes more limited because of these factors or for any other reason, the cost of land could increase and/or the number of homes that we are able to sell and build could be reduced.

Our ability to execute on our business strategies is uncertain, and we may be unable to achieve our goals.

We cannot guarantee that (i) our strategies, which include expanding our geographic footprint, product lines and price points, and becoming a more capital and operationally efficient home builder, and any related initiatives or actions (including home builder acquisitions), will be successful or that they will generate growth, earnings or returns at any particular level or within any particular time frame; (ii) in the future we will achieve positive operational or financial results or results in any particular metric or measure equal to or better than those attained in the past; or (iii) we will perform in any period as well as other home builders. We also cannot provide any assurance that we will be able to maintain our strategies, and any related initiatives or actions, in the future and, due to unexpectedly favorable or unfavorable market conditions or other factors, we may determine that we need to adjust, refine or abandon all or portions of our strategies, and any related initiatives or actions, though we cannot guarantee that any such adjustments will be successful. The failure of any one or more of our present strategies, or any related initiatives or actions, or the failure of any adjustments that we may pursue or implement, would likely have an adverse

effect on our ability to increase the value and profitability of our business; on our ability to operate our business in the ordinary course; on our overall liquidity; and on our consolidated financial statements, and the effect, in each case, could be material.

Negative publicity could negatively impact sales, which could cause our revenues or results of operations to decline.

Our business is dependent upon the appeal of the Toll Brothers brand, and its association with quality and luxury is integral to our success. Our strategy includes growing our business by expanding our luxury brand to new price points, product lines and geographies, including expansion of our affordable luxury products. If we are unable to maintain the position of the Toll Brothers brand, our business may be adversely affected by diminishing the distinctive appeal of the brand and tarnishing its image. This could result in lower sales and earnings.

In addition, unfavorable media or investor and analyst reports related to our industry, company, brand, marketing, personnel, operations, business performance, or prospects may affect our stock price and the performance of our business, regardless of its accuracy. Furthermore, the speed at which negative publicity is disseminated has increased dramatically through the use of electronic communication, including social media outlets, websites and other digital platforms. Our success in maintaining and enhancing our brand depends on our ability to adapt to this rapidly changing media environment. Adverse publicity or negative commentary from any media outlets could damage our reputation and reduce the demand for our homes, which would adversely affect our business.

We can also be affected by poor relations with the residents of communities we develop because efforts made by us to resolve issues or disputes that may arise in connection with the operation or development of their communities, or in connection with the transition of a homeowners association, could be deemed unsatisfactory by the affected residents and subsequent actions by these residents could adversely affect sales or our reputation. In addition, we could decide or be required to make material expenditures related to the settlement of such issues or disputes, which could adversely affect the results of our operations.

A significant portion of our revenues and income from operations is generated from California.

A significant portion of our revenues and income from operations are concentrated in California. Factors beyond our control could have a material adverse effect on our revenues and/or income from operations generated in California. These factors include, but are not limited to: changes in the regulatory and fiscal environment; prolonged economic downturns; high levels of foreclosures; lack of affordability; a decline in foreign buyer demand; severe weather including drought; the risk of local governments imposing building moratoriums and of state or local governments imposing regulations that increase building costs; natural disasters such as earthquakes and wild fires; environmental incidents; and declining population and/or growth rates and the related reduction in housing demand in this region. If home sale activity or sales prices decline in California, our costs may not decline at all or at the same rate and our inventory and lots owned or controlled in the state may be at risk of impairment. As a result, our consolidated financial results may be adversely affected.

In the construction of a mid-rise, high-rise or multifamily building, whether a for-sale or a for-rent property, we incur significant costs before we can begin construction, sell and deliver the units to our customers, or commence the collection of rent and recover our costs. We may be subject to delays in construction that could lead to higher costs that could adversely affect our operating results. Changing market conditions during the construction period could negatively impact sales prices and rents, which could adversely affect our operating results.

Before a mid-rise, high-rise or multifamily building generates any revenues, we make significant expenditures to acquire land; to obtain permits, development approvals, and entitlements; and to construct the building. It generally takes several years for us to acquire the land and construct, market, and deliver units or lease units in a high-rise building. Completion times vary on a building-by-building basis depending on the complexity of the project, its stage of development when acquired, our relationship with any joint venture partners that may be involved in a project, and the regulatory and community issues involved. As a result of these potential delays in the completion of a building, we face the risk that demand for housing may decline during this period and we may be forced to sell or lease units at a loss or for prices that generate lower profit margins than we initially anticipated. Furthermore, if construction is delayed, we may face increased costs as a result of inflation or other causes and/or asset carrying costs (including interest on funds used to acquire the land and construct the building). These costs can be significant and can adversely affect our operating results. In addition, if values of the building or units decline, we may also be required to recognize material write-downs of the book value of the building in accordance with U.S. generally accepted accounting principles.

Increases in cancellations of existing agreements of sale could have an adverse effect on our business.

Our backlog reflects agreements of sale with our home buyers for homes that have not yet been delivered. We have received a deposit from our home buyer for each home reflected in our backlog, and generally we have the right to retain the deposit if the home buyer does not complete the purchase. In some cases, however, a home buyer may cancel the agreement of sale and receive a complete or partial refund of the deposit for reasons such as state and local law requirements, the home buyer's

inability to obtain mortgage financing, the home buyer's inability to sell their current home, or our inability to complete and deliver the home within the specified time. Home buyers may also choose to cancel their home agreement and forfeit their deposit. At October 31, 2022, we had 8,098 homes with a sales value of \$8.87 billion in backlog. If economic conditions decline, if mortgage financing becomes less available, or if our homes become less attractive due to market price declines or due to other conditions at or in the vicinity of our communities, we could experience an increase in home buyers canceling their agreements of sale with us, which could have an adverse effect on our business and results of operations.

The home building industry is highly competitive, and, if other home builders are more successful or offer better value to our customers, our business could decline.

We operate in a very competitive environment in which we face competition from a number of other home builders in each market in which we operate. We compete with large national and regional home building companies and with smaller local home builders for land, financing, building components, and skilled management and labor resources. We also compete with the resale home market, also referred to as the "previously owned" or "existing" home market. An oversupply of homes available for sale or the heavy discounting of home prices by some of our competitors could adversely affect demand for our homes and the results of our operations. An increase in competitive conditions can have any of the following impacts on us: delivery of fewer homes; sale of fewer homes; higher cancellations by our home buyers; an increase in selling incentives and/or reduction of prices; and realization of lower gross margins due to lower sales prices or an inability to increase sales prices to offset increased costs of the homes delivered. If we are unable to compete effectively in our markets, our business could decline disproportionately to that of our competitors.

We rely on subcontractors to develop our land and construct our homes and on building supply companies to supply components for the construction of our homes. The failure of our subcontractors to properly construct our homes and adopt appropriate jobsite safety practices or defects in the components we obtain from building supply companies could have an adverse effect on us.

We engage subcontractors to develop our land and construct our homes, including by purchasing components used in the construction of our homes from building supply companies. Despite our quality control and jobsite safety efforts, we may discover that our subcontractors were engaging in improper development, construction or safety practices or that the components purchased from building supply companies are not performing as specified. The occurrence of such events could require us to repair facilities and homes in accordance with our standards and as required by law, or to respond to claims of improper oversight of construction sites. The cost of satisfying our legal obligations in these instances may be significant, and we may be unable to recover the cost of repair from subcontractors, suppliers and insurers. For example, we have incurred or expect to incur significant costs to repair homes built in Pennsylvania and Delaware. See Note 7 – "Accrued Expenses" in Item 15(a)1 of this Form 10-K for additional information regarding warranty charges.

We participate in certain joint ventures where we may be adversely impacted by the failure of the joint venture or its participants to fulfill their obligations.

We have investments in and commitments to certain joint ventures with unrelated parties. These joint ventures generally borrow money to help finance their activities. In certain circumstances, the joint venture participants, including us, are required to provide guarantees of certain obligations relating to the joint ventures. In most of these joint ventures, we do not have a controlling interest and, as a result, are not able to require these joint ventures or their participants to honor their obligations or renegotiate them on acceptable terms. If the joint ventures or their participants do not honor their obligations, we may be required to expend additional resources or suffer losses, which could be significant.

Government regulations and legal challenges may delay the start or completion of our communities, increase our expenses, or limit our home building activities, which could have a negative impact on our operations.

We must obtain the approval of numerous governmental authorities in connection with our development activities, and these governmental authorities often have broad discretion in exercising their approval authority. We incur substantial costs related to compliance with legal and regulatory requirements. Any increase in legal and regulatory requirements may cause us to incur substantial additional costs or, in some cases, cause us to determine that the property is not feasible for development.

Various local, state, and federal statutes, ordinances, rules, and regulations concerning building, zoning, sales, accessibility, safety, anti-discrimination, and similar matters apply to and/or affect the housing industry. Governmental regulation affects construction activities as well as sales activities, mortgage lending activities, and other dealings with home buyers, including anti-discrimination laws such as the Fair Housing Act and data privacy laws such as the California Consumer Privacy Act. The industry also has experienced an increase in state and local legislation and regulations that limit the availability or use of land. Municipalities may also restrict or place moratoriums on the availability of utilities, such as water and sewer taps. In some areas, municipalities may enact growth control initiatives, which will restrict the number of building permits available in a given year. In addition, we may be required to apply for additional approvals or modify our existing approvals because of

changes in local circumstances or applicable law. If municipalities in which we operate take actions like these, it could have an adverse effect on our business by causing delays, increasing our costs, or limiting our ability to operate in those municipalities. Further, we may experience delays and increased expenses as a result of legal challenges to our proposed communities, whether brought by governmental authorities or private parties.

Our mortgage subsidiary, TBMC, is subject to various state and federal statutes, rules, and regulations, including those that relate to licensing, lending operations, and other areas of mortgage origination and financing. The impact of those statutes, rules, and regulations can increase our home buyers' cost of financing, increase our cost of doing business, and restrict our home buyers' access to some types of loans.

Product liability claims and litigation and warranty claims that arise in the ordinary course of business may be costly, which could adversely affect our business.

As a home builder, we are subject to construction defect and home warranty claims arising in the ordinary course of business. These claims are common in the home building industry and can be costly. In addition, the costs of insuring against construction defect and product liability claims are high, and the amount of coverage offered by insurance companies is limited. There can be no assurance that this coverage will not be further restricted and become more costly. If the limits or coverages of our current and former insurance programs prove inadequate, or we are not able to obtain adequate, or reasonably priced, insurance against these types of claims in the future, or the amounts currently provided for future warranty or insurance claims are inadequate, we may experience losses that could negatively impact our financial results.

We record expenses and liabilities based on the estimated costs required to cover our self-insured liability under our insurance policies and estimated costs of potential claims and claim adjustment expenses that are above our coverage limits or that are not covered by our insurance policies. These estimated costs are based on an analysis of our historical claims and industry data, and include an estimate of claims incurred but not yet reported. The projection of losses related to these liabilities requires actuarial assumptions that are subject to variability due to uncertainties regarding construction defect claims relative to our markets and the types of products we build, insurance industry practices, and legal or regulatory actions and/or interpretations, among other factors. Key assumptions used in these estimates include claim frequencies, severities, and settlement patterns, which can occur over an extended period of time. In addition, changes in the frequency and severity of reported claims and the estimates to settle claims can impact the trends and assumptions used in the actuarial analysis, which could be material to our consolidated financial statements. Due to the degree of judgment required and the potential for variability in these underlying assumptions, our actual future costs could differ from those estimated, and the difference could be material to our consolidated financial statements.

Over the past several years, we have had a significant number of water intrusion claims related to homes we built in Pennsylvania and Delaware. See Note 7 – “Accrued Expenses” in Item 15(a)1 of this Form 10-K for additional information regarding these warranty charges.

Our condominium and rental multi-unit buildings are subject to fluctuations in delivery volume due to their extended construction time, levels of pre-sales and lease-up, and quick delivery of units once buildings are complete.

Our quarterly operating results will fluctuate depending on the timing of completion of construction of our multi-unit condominium buildings, levels of pre-sales, and the relatively short delivery time of the pre-sold units once the building is completed. These sales can result in significant gains or losses that we recognize on our Consolidated Statements of Operations and Comprehensive Income as income from unconsolidated entities. The timing of these gains or losses cannot be predicted with certainty and, as a result, can cause our net income to fluctuate from quarter to quarter.

In addition to our residential for-sale business, we also develop, operate and, in certain situations, sell for-rent apartments, which we accomplish mainly through joint ventures. Often, the joint venture through which we develop and lease-up a rental property sells the property to a third party or to the joint venture partner upon stabilization. These sales can result in significant gains or losses that we recognize on our Consolidated Statements of Operations and Comprehensive Income as income from unconsolidated entities. The timing of these gains or losses cannot be predicted with certainty and, as a result, can cause our net income to fluctuate from quarter to quarter.

Our quarterly operating results may fluctuate due to the seasonal nature of our business.

Our quarterly operating results fluctuate with the seasons; normally, a significant portion of our agreements of sale are entered into with customers in the winter and spring months. Construction of one of our homes typically proceeds after signing the agreement of sale with our customer and typically require 9 to 12 months to complete, although recently construction times have extended beyond 12 months in many communities due to a variety of reasons, including high demand, labor shortages, supply chain disruption and municipal related delays. In addition, weather-related events may occur from time to time, delaying starts or closings or increasing costs and reducing profitability. In addition, delays in opening new communities or new sections

of existing communities could have an adverse impact on home sales and revenues. Expenses are not incurred and recognized evenly throughout the year. Because of these factors, our quarterly operating results may be uneven and may be marked by lower revenues and earnings in some quarters than in others.

Increases in taxes or government fees could increase our costs, and adverse changes in tax laws or their interpretation could reduce demand for our homes and negatively affect our operating results.

Increases in real estate taxes and other local government fees, such as fees imposed on developers to fund schools, open space, and road improvements, and/or provide low- and moderate-income housing, could increase our costs and have an adverse effect on our operations. In addition, increases in local real estate taxes could adversely affect our potential home buyers, who may consider those costs in determining whether to make a new home purchase and decide, as a result, not to purchase one of our homes.

Changes in tax laws could reduce or eliminate tax deductions or incentives for homeowners and could make housing less affordable or otherwise reduce the demand for housing, which in turn could reduce our sales and hurt our results of operations. Further, while we believe that our recorded tax balances are adequate, it is not possible to predict the effects of possible changes in the tax laws or changes in their interpretation and whether they could have a material adverse impact on our operating results. We have filed our tax returns in prior years based upon certain filing positions we believe are appropriate. If the Internal Revenue Service or state taxing authorities disagree with these filing positions, we may owe additional taxes, which could be material.

We are subject to extensive environmental regulations, which may cause us to incur additional operating expenses, subject us to longer construction cycle times, or result in material fines or harm to our reputation.

We are subject to a variety of local, state and federal statutes, ordinances, rules and regulations concerning the protection of health and the environment, including those regulating the emission or discharge of materials into the environment, the management of storm water runoff at construction sites, the handling, use, storage and disposal of hazardous substances, impacts to wetlands and other sensitive environments, and the remediation of contamination at properties that we own or develop. In addition, state and local jurisdictions have in recent years enacted regulations that require new homes to be more energy efficient than existing homes, or have mandated energy efficient features, such as solar panels, be included in new construction. The environmental regulations applicable to each community in which we operate vary greatly depending on the location of the community site, the site's environmental conditions and the present and former use of the site. Environmental regulations may cause delays, may cause us to incur substantial compliance, remediation or other costs, and can prohibit or severely restrict development and home building activity. In addition, noncompliance with these regulations could result in fines and penalties, obligations to remediate, permit revocations or other sanctions; and contamination or other environmental conditions at or in the vicinity of our developments, whether or not we were responsible for such conditions, may result in claims against us for personal injury, property damage or other losses.

From time to time, the United States Environmental Protection Agency and other federal or state agencies review home builders' compliance with environmental laws and may levy fines and penalties for failure to strictly comply with applicable environmental laws or impose additional requirements for future compliance as a result of past failures. Any such actions taken with respect to us may increase our costs or harm our reputation. Further, we expect that increasingly stringent requirements will be imposed on home builders in the future. Environmental regulations can also have an adverse impact on the availability and price of certain building components such as lumber.

In recent years, an increasing number of state and Federal laws and regulations have been enacted or proposed that deal with the effect of climate change on the environment. These laws and regulations, which are generally intended to directly or indirectly reduce greenhouse gas emissions, conserve water or limit other potential climate change impacts, may impose restrictions or additional requirements on land development and home construction in certain areas. Such restrictions and requirements could increase our operating and compliance costs or require additional technology and capital investment, which could adversely affect our results of operations. This is a particular concern in the western United States, where some of the most extensive and stringent environmental laws and residential building construction standards in the country have been enacted, and where we have significant business operations. We believe we are in compliance in all material respects with existing climate-related government regulations applicable to our business, and such compliance has not had a material impact on our business. However, given the rapidly changing nature of environmental laws and matters that may arise that are not currently known, we cannot predict our future exposure concerning such matters, and our future costs to achieve compliance or remedy potential violations could be significant.

Additionally, increased governmental and societal attention to environmental, social, and governance ("ESG") matters, including expanding mandatory and voluntary reporting, diligence, and disclosure on topics such as climate change, human capital, labor and risk oversight, could expand the nature, scope, and complexity of matters that we are required to control,

assess and report. These factors may alter the environment in which we do business and may increase the ongoing costs of compliance and adversely impact our results of operations and cash flows. If we are unable to adequately address such ESG matters or fail to comply with all laws, regulations, policies and related interpretations, it could negatively impact our reputation and our business results.

Failure by our employees or representatives to comply with laws and regulations may harm us.

We are required to comply with laws and regulations that govern all aspects of our business including land acquisition, development, home construction, labor and employment, mortgage origination, title and escrow operations, sales, and warranty. It is possible that our employees or entities engaged by us, such as subcontractors, could intentionally or unintentionally violate some of these laws and regulations. Although we endeavor to take immediate action if we become aware of such violations, we may incur fines or penalties as a result of these actions and our reputation with governmental agencies and our customers could be damaged.

Component shortages and increased costs of labor and supplies are beyond our control and can result in delays and increased costs to develop our communities.

Our ability to develop residential communities may be adversely affected by circumstances beyond our control, including work stoppages, labor disputes, and shortages of qualified trades people, such as carpenters, roofers, masons, electricians, and plumbers; changes in laws relating to union organizing activity; lack of availability of adequate utility infrastructure and services; our need to rely on local subcontractors who may not be adequately capitalized or insured; the ability of municipalities to process permits, conduct inspections and take similar actions in a timely manner; and shortages, delays in availability, or fluctuations in prices of building components and materials. Any of these circumstances could give rise to delays in the start or completion of, or could increase the cost of, developing one or more of our residential communities. We may not be able to recover these increased costs by raising our home prices because the price for each home is typically set months prior to its delivery pursuant to the agreement of sale with the home buyer. If that happens, our operating results could be harmed.

Over the past several years, strong demand for homes combined with supply chain disruptions, labor shortages and municipal related delays has caused our construction cycle to lengthen and the costs of building materials to increase. Longer construction cycles can lead to increased cancellation rates. In addition, shortages and cost increases in building materials and tightness in the labor market can erode our profit margins and adversely affect our results of operations, especially if such disruptions, shortages and delays persist for extended periods of time.

We are subject to one collective bargaining agreement that covers less than 2% of our employees. We have not experienced any work stoppages due to strikes by unionized workers, but we cannot make assurances that there will not be any work stoppages due to strikes or other job actions in the future. We engage independent contractors that employ non-unionized workers to construct our homes. At any given point in time, the employees of those subcontractors, who are not yet represented by a union, may be unionized.

We are implementing a new enterprise resource planning system, and challenges with the implementation of the system may impact our business and operations.

We are in the midst of a multi-year process of implementing a complex new enterprise resource planning system (“ERP”). The ERP implementation requires the integration of the new ERP with multiple new and existing information systems and business processes, and has been designed to accurately maintain our books and records and provide information to our management teams important to the operation of the business. Our ERP implementation will continue to require ongoing investment. If the system as it currently stands or after necessary investments does not result in our ability to maintain accurate books and records, our financial condition, results of operations, and cash flows could be negatively impacted. Additionally, conversion from our old system to the ERP may cause inefficiencies until the ERP is stabilized and mature. The implementation of our ERP mandated new procedures and many new controls over financial reporting. These procedures and controls are not yet mature in their operation and not fully tested by our internal auditors. If we are unable to adequately implement and maintain procedures and controls relating to our ERP, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired and impact our assessment of the effectiveness of our internal controls over financial reporting.

Risks Related to Indebtedness and Financing

If we are not able to obtain suitable financing, or if the interest rates on our debt are increased, or if our credit ratings are lowered, our business and results of operations may decline.

Our business and results of operations depend substantially on our ability to obtain financing, whether from bank borrowings or from financing in the public debt markets. Substantial portions of our revolving credit facility, which provides for approximately \$1.90 billion in committed borrowing capacity, and our \$650.0 million term loan mature in November 2026,

with smaller portions maturing in November 2025. In addition, \$400.0 million of our senior notes become due and payable in April 2023 and \$1.60 billion of our senior notes become due and payable at various times from November 2025 through November 2029. We cannot be certain that we will be able to replace existing financing or find additional sources of financing in the future on favorable terms or at all.

If we are not able to obtain suitable financing at reasonable terms or replace existing debt and credit facilities when they become due or expire, our costs for borrowings may increase and our revenues may decrease or we could be precluded from continuing our operations at current levels.

Increases in interest rates can make it more difficult and/or expensive for us to obtain the funds we need to operate our business. The amount of interest we incur on our revolving bank credit facility and term loan (exclusive of the amount we have hedged with interest rate swap transactions as further described in Note 6 – “Loans Payable, Senior Notes, and Mortgage Company Loan Facility” in Item 15(a)1 of this Form 10-K) fluctuates based on changes in short-term interest rates and the amount of borrowings we incur. Increases in interest rates generally and/or any downgrade in the ratings that national rating agencies assign to our outstanding debt securities could increase the interest rates we must pay on any subsequent issuances of debt securities, and any such ratings downgrade could also make it more difficult for us to sell such debt securities.

If home buyers are not able to obtain suitable financing, our results of operations may decline.

Our results of operations also depend on the ability of our potential home buyers to obtain mortgages for the purchase of our homes. Mortgage rates increased significantly during fiscal 2022, which has impacted the demand for our homes during the second half of fiscal 2022, and market conditions and/or government actions could cause mortgage rates to increase even further in the future. Any uncertainty in the mortgage markets and its impact on the overall mortgage market, including the tightening of credit standards, future increases in the effective cost of home mortgage financing (including as a result of changes to federal tax law), and increased government regulation, could adversely affect the ability of our customers to obtain financing for a home purchase, thus preventing our potential home buyers from purchasing our homes. In addition, where our potential home buyers must sell their existing homes in order to buy a home from us, increases in mortgage costs and/or lack of availability of mortgages could prevent the buyers of our potential home buyers’ existing homes from obtaining the mortgages they need to complete their purchases, which would result in our potential home buyers’ inability to buy a home from us. Similar risks apply to those buyers whose contracts are in our backlog of homes to be delivered. If our home buyers, potential buyers, or buyers of our home buyers’ current homes cannot obtain suitable financing, our sales and results of operations could be adversely affected.

If our ability to resell mortgages to investors is impaired, our home buyers may be required to find alternative financing.

Generally, when our mortgage subsidiary closes a mortgage for a home buyer at a previously locked-in rate, it already has an agreement in place with an investor to acquire the mortgage following the closing. Our mortgage loans are sold to investors with limited recourse provisions derived from industry-standard representations and warranties in the relevant agreements. These representations and warranties primarily involve the absence of misrepresentations by the borrower or other parties, the appropriate underwriting of the loan and in some cases, a required minimum number of payments to be made by the borrower. We generally do not retain any other continuing interest related to mortgage loans sold in the secondary market. However, if these recourse provisions are not satisfied, the mortgage loans sold to investors could be returned to us. In addition, if the resale market for our mortgages decline or the underwriting standards of our investors become more stringent, our ability to sell future mortgage loans could be adversely affected and either we would have to commit our own funds to long-term investments in mortgage loans, which could, among other things, delay the time when we recognize revenues from home sales on our statements of operations, or our home buyers would be required to find an alternative source of financing. If our home buyers cannot obtain another source of financing in order to purchase our homes, our sales and results of operations could be adversely affected.

Risks Related to Other Events and Factors

Public health issues such as a major epidemic or pandemic could adversely affect our business or financial results.

The United States and other countries have experienced, and may experience in the future, outbreaks of contagious diseases that affect public health and public perception of health risk. In 2020, the World Health Organization declared COVID-19 a pandemic, resulting in federal, state and local governments and private entities mandating various restrictions, including the closures of non-essential businesses for a period of time. These restrictions had an adverse impact on our business in the spring of 2020. However, following the initial onset of the pandemic, economic activity resumed and demand for our homes improved significantly in the remainder of fiscal 2020 and remained strong through the first half of fiscal 2022. The effects of the pandemic on economic activity, combined with the strong demand for new homes, caused many disruptions to our supply chain

and shortages in certain building components and materials, as well as labor shortages. These conditions caused our construction cycles to lengthen.

There is continuing uncertainty regarding how long the impacts of COVID-19 will affect the U.S. economy and our supply chain and operations. The extent to which COVID-19 continues to impact our operational and financial performance will depend on future developments, including whether there is a resurgence in the pandemic and whether variant strains emerge, and the extent of any containment or mitigation measures on our customers, trade partners and employees, all of which are highly uncertain, unpredictable and outside our control. If COVID-19 or any of its variants continues to have a significant negative impact on the economy, or if a new pandemic emerges, our results of operations and financial condition could be adversely impacted.

Adverse weather conditions, natural disasters, and other conditions could disrupt the development of our communities, which could harm our sales and results of operations.

Adverse weather conditions and natural disasters, such as hurricanes, tornadoes, earthquakes, floods, droughts, and wildfires, can have serious effects on our ability to develop our residential communities. We also may be affected by unforeseen engineering, environmental, or geological conditions or problems, including conditions or problems which arise on lands of third parties in the vicinity of our communities, but nevertheless negatively impact our communities. Any of these adverse events or circumstances could cause delays in or prevent the completion of, or increase the cost of, developing one or more of our residential communities and, as a result, could harm our sales and results of operations.

General Risk Factors

Increased domestic or international instability could have an adverse effect on our operations.

Increased domestic or international instability could adversely impact the economy and significantly reduce demand for homes and the number of new contracts we sign, increase the number of cancellations of existing contracts, and/or increase our operating expenses, which could adversely affect our business.

We could be adversely impacted by the loss of key management personnel or if we fail to attract qualified personnel.

Our future success depends, to a significant degree, on the efforts of our senior management and our ability to attract qualified personnel. Our operations could be adversely affected if key members of our senior management leave the Company or we cannot attract qualified personnel to manage our business.

Information technology failures and data security breaches could harm our business.

We use information technology and other computer resources to carry out important operational and marketing activities as well as maintain our business records, including information provided by our customers. Many of these resources are provided to us and/or maintained on our behalf by third-party service providers pursuant to agreements that specify certain security and service level standards. Our ability to conduct our business may be impaired if these resources are compromised, degraded, damaged or fail, whether due to a virus or other harmful circumstance, intentional breach or disruption of our information technology resources by a third party, natural disaster, hardware or software corruption, failure or error (including a failure of security controls incorporated into or applied to such hardware or software), telecommunications system failure, service provider error or failure, intentional or unintentional personnel actions (including the failure to follow our security protocols), or lost connectivity to our networked resources. A significant and extended disruption in the functioning of these resources could impair our operations, damage our reputation, and cause us to lose customers, sales and revenue.

In addition, breaches of our data security systems, including by cyber-attacks, could result in the unintended public disclosure or the misappropriation of our proprietary information or personal and confidential information, about our employees, consumers who view our homes, home buyers, mortgage loan applicants and business partners, requiring us to incur significant expense to address and resolve these kinds of issues. The release of confidential information may lead to identity theft and related fraud, litigation or other proceedings against us by affected individuals and/or business partners and/or by regulators, and the outcome of such proceedings, which could include penalties or fines, could have a material and adverse effect on our reputation, business, financial condition and results of operations. Depending on its nature, a particular breach or series of breaches of our systems may result in the unauthorized use, appropriation or loss of confidential or proprietary information on a one-time or continuing basis, which may not be detected for a period of time. In addition, the costs of maintaining adequate protection against such threats, as they develop in the future (or as legal requirements related to data security increase) could be material.

In recent years, we have been subject to cyber incidents including an attack that temporarily disrupted access to certain of our systems and an incident involving identity theft through the unauthorized access of one of our third-party service provider's information systems. Neither of these incidents individually or in the aggregate resulted in any material liability to us, any

material damage to our reputation, or any material disruption to our operations. However, as a result of a widespread increase in the frequency and number of cyber-attacks, we expect that we will continue to be the target of additional and increasingly sophisticated cyber-attacks and data security breaches, and the safeguards we have designed to help prevent these incidents from occurring may not be successful. Any further increase in the frequency or scope of cyber-attacks may exacerbate these data security risks. If we experience additional cyber-attacks or data security breaches in the future, we could suffer material liabilities, our reputation could be materially damaged, and our operations could be materially disrupted.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Headquarters

Our corporate office, which we lease from an unrelated party, contains approximately 163,000 square feet and is located in Fort Washington, Pennsylvania.

Manufacturing/Distribution Facilities

We own a manufacturing facility of approximately 225,000 square feet located in Morrisville, Pennsylvania and a manufacturing facility totaling approximately 150,000 square feet located in Emporia, Virginia. We also lease, from unrelated parties, a facility of approximately 56,000 square feet located in Fairless Hills, Pennsylvania and two facilities of approximately 38,000 square feet, on a combined basis, located in Westfield, Massachusetts. In addition, we own a 34,000-square foot manufacturing, warehouse, and office facility in Culpepper, Virginia. At these facilities, our Toll Integrated Systems subsidiary manufactures open wall panels, roof and floor trusses, and certain interior and exterior millwork to supply a portion of our construction needs. These facilities supply components used in our North, Mid-Atlantic, and portions of our South geographic regions. These operations also permit us to purchase wholesale lumber, sheathing, windows, doors, certain other interior and exterior millwork, and other building materials to supply to our communities. We believe that increased efficiencies, cost savings, quality control and productivity result from the operation of these plants and from the wholesale purchase of materials.

ITEM 3. LEGAL PROCEEDINGS

We are involved in various claims and litigation arising principally in the ordinary course of business. We believe that adequate provision for resolution of all current claims and pending litigation has been made and that the disposition of these matters will not have a material adverse effect on our results of operations and liquidity or on our financial condition.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Shares of our common stock are listed on the New York Stock Exchange ("NYSE") under the symbol "TOL". At December 14, 2022, there were approximately 110,727,000 record holders of our common stock.

Issuer Purchases of Equity Securities

During the three months ended October 31, 2022, we repurchased the following shares of our common stock:

Period	Total number of shares purchased (a) (in thousands)	Average price paid per share	Total number of shares purchased as part of a publicly announced plan or program (b) (in thousands)	Maximum number of shares that may yet be purchased under the plan or program (b) (in thousands)
August 1, 2022 to August 31, 2022	—	\$ —	—	18,319
September 1, 2022 to September 30, 2022	3,695	\$ 42.48	3,695	14,624
October 1, 2022 to October 31, 2022	47	\$ 40.43	47	14,577
Total	<u>3,742</u>		<u>3,742</u>	

- (a) Our stock incentive plans permit us to withhold from the total number of shares that otherwise would be issued to a performance based restricted stock unit recipient or a restricted stock unit recipient upon distribution that number of shares having a fair value at the time of distribution equal to the applicable income tax withholdings due and remit the remaining shares to the recipient. During the three months ended October 31, 2022, we withheld 1,528 of the shares subject to performance based restricted stock units and restricted stock units to cover approximately \$68,500 of income tax withholdings and we issued the remaining 4,298 shares to the recipients. The shares withheld are not included in the total number of shares purchased in the table above.

Our stock incentive plans also permit participants to exercise non-qualified stock options using a "net exercise" method. In a net exercise, we generally withhold from the total number of shares that otherwise would be issued to the participant upon exercise of the stock option that number of shares having a fair market value at the time of exercise equal to the option exercise price and applicable income tax withholdings, and remit the remaining shares to the participant. During the three-month period ended October 31, 2022, the net exercise method was not employed to exercise options.

- (b) On May 17, 2022, our Board of Directors authorized the repurchase of 20 million shares of our common stock in open market transactions, privately negotiated transactions (including accelerated share repurchases), issuer tender offers or other financial arrangements or transactions for general corporate purposes, including to obtain shares for the Company's equity award and other employee benefit plans. This authorization terminated, effective May 17, 2022, the prior authorization that had been in effect since March 10, 2020. Our Board of Directors did not fix any expiration date for the current share repurchase program.

Our revolving credit agreement and term loan agreement each require us to maintain a minimum tangible net worth (as defined in the respective agreements), which limit the amount of share repurchases we may make. Based upon these provisions, our ability to repurchase our common stock was limited to approximately \$4.47 billion as of October 31, 2022.

Dividends

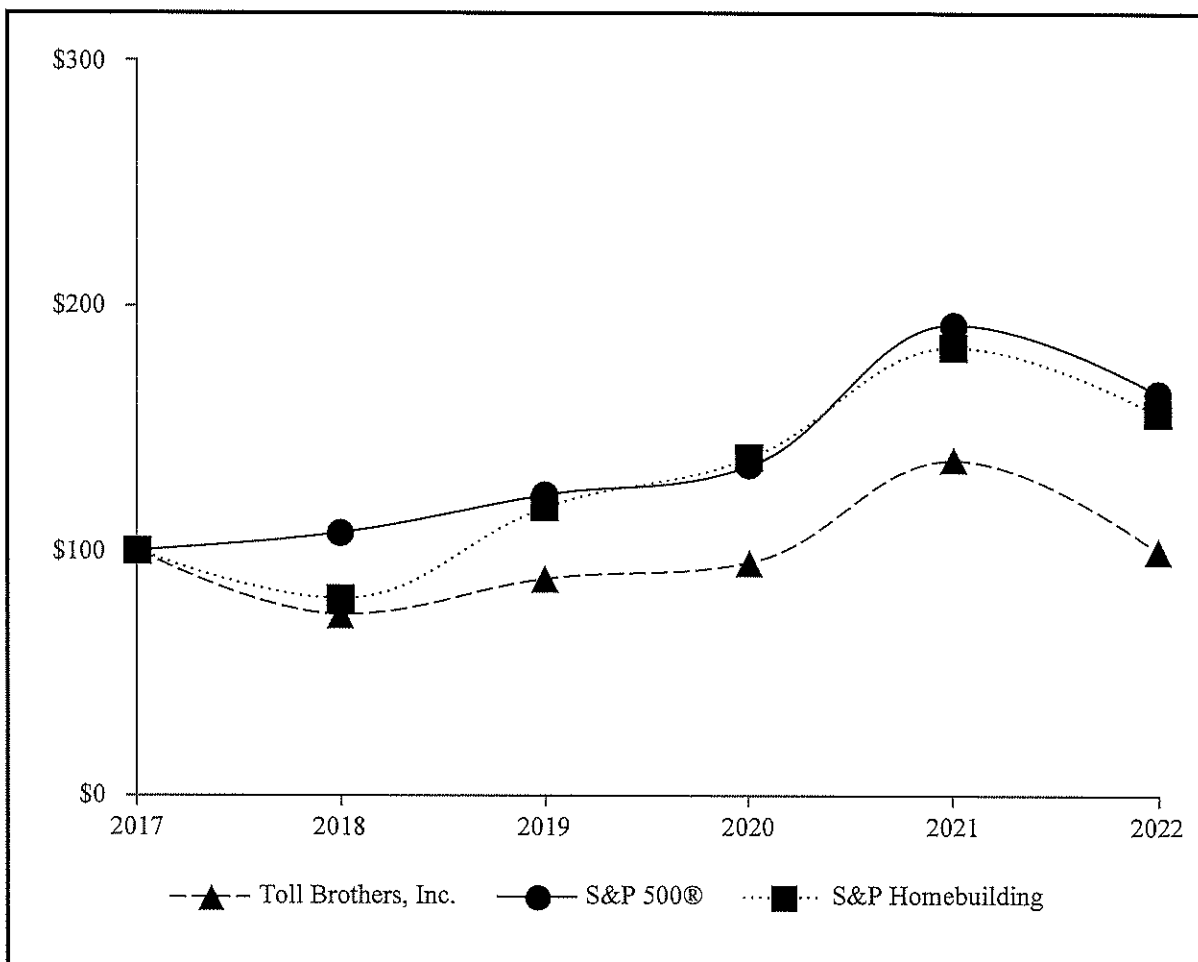
During fiscal 2022, we paid aggregate cash dividends of \$0.77 per share to our shareholders. The payment of dividends is within the discretion of our Board of Directors and any decision to pay dividends in the future, and the amount of any such dividend, will depend upon an evaluation of a number of factors, including our results of operations, our capital requirements, our operating and financial condition, and any contractual limitations then in effect. Our revolving credit agreement and term loan agreement each require us to maintain a minimum tangible net worth (as defined in the respective agreement), which

restricts the amount of dividends we may pay. At October 31, 2022, under the provisions of our revolving credit agreement and term loan agreement, we could have paid up to approximately \$3.72 billion of cash dividends.

Stockholder Return Performance Graph

The following graph and chart compares the five-year cumulative total return (assuming that an investment of \$100 was made on October 31, 2017, and that dividends were reinvested) from October 31, 2017 to October 31, 2022, for (a) our common stock, (b) the S&P Homebuilding Index and (c) the S&P 500®:

Comparison of 5 Year Cumulative Total Return Among Toll Brothers, Inc., the S&P 500®, and the S&P Homebuilding Index



October 31:	2017	2018	2019	2020	2021	2022
Toll Brothers, Inc.	\$ 100.00	\$ 73.89	\$ 88.34	\$ 95.15	\$ 136.97	\$ 99.58
S&P 500®	\$ 100.00	\$ 107.35	\$ 122.72	\$ 134.64	\$ 192.42	\$ 164.31
S&P Homebuilding Index	\$ 100.00	\$ 80.36	\$ 117.66	\$ 138.10	\$ 183.16	\$ 155.88

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS ("MD&A")

This discussion and analysis is based on, should be read together with, and is qualified in its entirety by, the Consolidated Financial Statements and Notes thereto in Item 15(a)1 of this Form 10-K, beginning at page F-1. It also should be read in conjunction with the disclosure under "Forward-Looking Statements" in Part I of this Form 10-K.

When this report uses the words "we," "us," "our," and the "Company," they refer to Toll Brothers, Inc. and its subsidiaries, unless the context otherwise requires. References herein to fiscal year refer to our fiscal years ended or ending October 31.

Unless otherwise stated in this report, net contracts signed represents a number or value equal to the gross number or value of contracts signed during the relevant period, less the number or value of contracts cancelled during the relevant period, which includes contracts that were signed during the relevant period and in prior periods. Backlog consists of homes under contract but not yet delivered to our home buyers ("backlog"). Backlog conversion represents the percentage of homes delivered in the period from backlog at the beginning of the period ("backlog conversion").

OVERVIEW

Our Business

We design, build, market, sell, and arrange financing for an array of luxury residential single-family detached, attached, master-planned, resort-style golf, and urban low-, mid-, and high-rise communities, principally on land we develop and improve, as we continue to pursue our strategy of broadening our product lines, price points and geographic footprint. We cater to luxury first-time, move-up, empty-nester, active-adult, and second-home buyers in the United States, as well as urban and suburban renters. We also design, build, market, and sell high-density, high-rise urban luxury condominiums with third-party joint venture partners through Toll Brothers City Living[®] ("City Living"). At October 31, 2022, we were operating in 24 states and in the District of Columbia.

In the five years ended October 31, 2022, we delivered 45,369 homes from 904 communities, including 10,515 homes from 492 communities in fiscal 2022. At October 31, 2022, we had 981 communities in various stages of planning, development or operations containing approximately 76,000 home sites that we owned or controlled through options.

We operate our own architectural, engineering, mortgage, title, land development, insurance, smart home technology, and landscaping subsidiaries. In addition, in certain regions we operate our own lumber distribution, house component assembly and component manufacturing operations.

We are developing several land parcels for master-planned communities in which we intend to build homes on a portion of the lots and sell the remaining lots to other builders. One of these master-planned communities is being developed 100% by us, and the remaining communities are being developed through joint ventures with other builders or financial partners.

In addition to our residential for-sale business, we also develop and operate for-rent apartments through joint ventures. See the section entitled "Toll Brothers Apartment Living/Toll Brothers Campus Living" below.

We have investments in various unconsolidated entities, including our Land Development Joint Ventures, Home Building Joint Ventures, Rental Property Joint Ventures and Gibraltar Joint Ventures.

Financial Highlights

In fiscal 2022, we recognized \$10.28 billion of revenues, consisting of \$9.71 billion of home sales revenues and \$564.4 million of land sales and other revenues, and net income of \$1.29 billion, as compared to \$8.79 billion of revenues, consisting of \$8.43 billion of home sales revenues and \$358.6 million of land sales and other revenues, and net income of \$833.6 million in fiscal 2021.

In fiscal 2022 and 2021, the value of net contracts signed was \$9.07 billion (8,255 homes) and \$11.54 billion (12,472 homes), respectively. The value of our backlog at October 31, 2022 was \$8.87 billion (8,098 homes), as compared to our backlog at October 31, 2021 of \$9.50 billion (10,302 homes).

At October 31, 2022, we had \$1.35 billion of cash and cash equivalents and approximately \$1.79 billion available for borrowing under our \$1.905 billion revolving credit facility (the "Revolving Credit Facility"), substantially all of which matures in November 2026. At October 31, 2022, we had no outstanding borrowings under the Revolving Credit Facility and had outstanding letters of credit of approximately \$117.7 million.

At October 31, 2022, our total equity and our debt to total capitalization ratio were \$6.02 billion and 0.36 to 1.00, respectively.

Acquisitions

As part of our strategy to expand our geographic footprint and product offerings, in fiscal 2022, we acquired substantially all of the assets and operations of a privately-held home builder with operations in San Antonio, Texas for approximately \$48.1 million in cash. The assets acquired, which consisted of 16 communities, were primarily inventory, including approximately 450 home sites owned or controlled through land purchase agreements.

In fiscal 2021, we acquired substantially all of the assets and operations of a privately-held home builder serving the Las Vegas, Nevada market, for approximately \$38.8 million in cash. The assets acquired were primarily inventory for future communities, including approximately 550 home sites owned or controlled through land purchase agreements.

These acquisitions were accounted for as asset acquisitions and were not material to our results of operations or financial condition.

Our Business Environment and Current Outlook

We entered fiscal year 2022 with a strong backlog of 10,302 homes valued at \$9.5 billion. During the year, we delivered 10,515 homes at an average delivered price of \$923,600, increasing home sales revenues by 15.2% to \$9.7 billion compared to \$8.4 billion in fiscal year 2021. In the fourth quarter, we delivered 3,765 homes at an average price of \$951,100 as compared to 3,341 homes and \$883,100 in the fourth quarter of fiscal 2021. These results reflect the robust housing market and strong demand for our homes that we experienced beginning in the second quarter of fiscal 2020 through the end of the second quarter of fiscal 2022. Since then, overall demand for new homes has significantly weakened, which we primarily attribute to the steep increases in mortgage rates during 2022. Corresponding with the weakened housing market, we experienced a significant decline in demand for our homes in the second half of fiscal year 2022. In the third and fourth fiscal quarters of 2022, we signed 2,452 net contracts with an aggregate value of \$2.98 billion as compared to 6,111 net contracts with an aggregate value of \$5.98 billion in the third and fourth fiscal quarters of 2021, representing a year-over-year decline of 60% in units and 56% in dollars. In light of continued uncertainty regarding the direction of mortgage rates and overall macro-economic conditions, it is unclear whether demand for new homes will improve in the near term. However, over the long term, we believe that the housing market will continue to benefit from strong fundamentals, including demographic and migration trends and an overall shortage of homes in the United States.

Our backlog at October 31, 2022 was 8,098 homes and \$8.87 billion, down 21% in units and 7% in dollars, as compared to our backlog at October 31, 2021. We continue to experience extended build times (the time it takes from contract signing to delivery of the completed home) due to the impacts of supply chain, labor and other disruptions that characterized the home construction industry during fiscal 2022. However, with weakness in the housing market and fewer home starts in the overall market, we expect these disruptions to recede. In addition, we continue to work with our suppliers and trade partners to resolve issues that arise.

Competitive Landscape

The home building business is highly competitive and fragmented. We compete with numerous home builders of varying sizes, ranging from local to national in scope, some of which have greater sales and financial resources than we do. Sales of existing homes, whether by a homeowner or by a financial institution that may have acquired a home through a foreclosure, also provide competition. We compete primarily based on price, location, design, quality, service, and reputation. We believe our financial stability, relative to many others in our industry, provides us with a competitive advantage.

Land Acquisition and Development

Our business is subject to many risks because of the extended length of time that it takes to obtain the necessary approvals on a property, complete the land improvements on it, and build and deliver a home after a home buyer signs an agreement of sale. We attempt to reduce some of these risks and improve our capital efficiency by utilizing one or more of the following methods: controlling land for future development through options, which enables us to obtain necessary governmental approvals before acquiring title to the land; generally commencing construction of a detached home only after executing an agreement of sale and receiving a substantial down payment from the buyer; and using subcontractors to perform home construction and land development work on a fixed-price basis.

During fiscal 2022 and 2021, we acquired control of approximately 5,700 and 27,700 home sites, respectively, net of options terminated and home sites sold. During fiscal year 2022, we forfeited control of over 9,000 lots subject to land purchase agreements primarily because the planned community no longer met our development criteria. At October 31, 2022, we controlled approximately 76,000 home sites, as compared to approximately 80,900 home sites at October 31, 2021, and approximately 63,200 home sites at October 31, 2020. In addition, at October 31, 2022, we expect to purchase approximately

6,700 additional home sites from several Land Development Joint Ventures in which we have an interest, at prices not yet determined.

Of the approximately 76,000 total home sites that we owned or controlled through options at October 31, 2022, we owned approximately 37,700 and controlled approximately 38,300 through options. Of the 76,000 home sites, approximately 17,400 were substantially improved.

In addition, at October 31, 2022, our Land Development Joint Ventures owned approximately 24,300 home sites (including 409 home sites included in the 38,300 controlled through options).

At October 31, 2022, we were selling from 348 communities, compared to 340 communities at October 31, 2021, and 317 communities at October 31, 2020.

Customer Mortgage Financing

We maintain relationships with a diversified group of mortgage financial institutions, many of which are among the largest in the industry. We believe that national, regional and community banks continue to recognize the long-term value in creating relationships with our home buyers, and these banks continue to provide these customers with financing.

We believe that our home buyers generally are, and should continue to be, well-positioned to secure mortgages due to their typically lower loan-to-value ratios and attractive credit profiles, as compared to the average home buyer.

Toll Brothers Apartment Living/Toll Brothers Campus Living

In addition to our residential for-sale business, we also develop and operate for-rent apartments generally through joint ventures. At October 31, 2022, we or joint ventures in which we have an interest, controlled 73 land parcels that are planned as for-rent apartment projects containing approximately 25,000 units. These projects, which are located in multiple metropolitan areas throughout the country, are being operated, are being developed, or will be developed with partners under the brand names Toll Brothers Apartment Living and Toll Brothers Campus Living.

In fiscal 2021, we announced a strategic partnership with Equity Residential to selectively acquire and develop sites for new rental apartment communities in metro Boston, MA; Atlanta, GA; Austin, TX; Denver, CO; Orange County/San Diego, CA; Seattle, WA; and Dallas-Fort Worth, TX. The strategic partnership has an initial term of three years. For selected projects, Equity Residential is expected to invest 75% of the equity and we are expected to invest the remaining 25% of the equity. It is expected that each project will also be financed with approximately 60% leverage. Equity Residential will have the option to acquire each property upon stabilization. The parties have targeted an initial minimum co-investment of \$733.0 million in combined equity, or \$1.83 billion in aggregate value, assuming 60% leverage. Through the fourth quarter of fiscal 2022, we entered into four joint ventures with Equity Residential under this arrangement. We also continue to evaluate potential strategic partnerships for our apartment projects in metro markets that are not designated to be developed exclusively with Equity Residential.

In fiscal 2022, one of our Rental Property Joint Ventures sold its assets to an unrelated party, resulting in a gain of \$29.9 million recognized by the joint venture. From our investment in this joint venture, we received cash and recognized a gain of \$21.0 million in fiscal 2022. In fiscal 2021, five of our Rental Property Joint Ventures sold their assets to unrelated parties, resulting in an aggregate gain of \$177.6 million recognized by the joint ventures. From our investments in these joint ventures, we received cash and recognized an aggregate gain of \$74.8 million in fiscal 2021. The gains recognized from these sales are included in "Income from unconsolidated entities" in our Consolidated Statement of Operations and Comprehensive Income included in Item 15(a)1 of this Form 10-K.

At October 31, 2022, we had approximately 4,000 units in for-rent apartment projects that were occupied or ready for occupancy, 2,150 units in the lease-up stage, 7,900 units in the design phase or under development, and 10,950 units in the planning stage. Of the 25,000 units at October 31, 2022, 13,900 were owned by joint ventures in which we have an interest; approximately 2,900 were owned by us; and 8,200 were under contract to be purchased by us.

Contracts and Backlog

The aggregate value of net sales contracts signed decreased 21% in fiscal 2022, as compared to fiscal 2021. The value of net sales contracts signed was \$9.07 billion (8,255 homes) in fiscal 2022 and \$11.54 billion (12,472 homes) in fiscal 2021. The decrease in the aggregate value of net contracts signed in fiscal 2022, as compared to fiscal 2021, was due to a 34% decrease in the number of net contracts signed, offset by a 19% increase in the average value of each contract signed. The decrease in the number of net contracts signed in fiscal 2022, as compared to fiscal 2021, reflects an overall moderation in demand from the extremely strong prior year primarily due to the steep increases in mortgage rates during 2022. The increase in average value attributed to each signed contracts signed in fiscal 2022 was principally due to price increases in many of our markets, as well

as a shift in the number of contracts signed to more expensive areas and/or products. The average value attributed to each contract signed includes the value of each binding agreement of sale that was signed in the period, as well as the value of all options selected during the period, regardless of when the initial agreement of sale related to such options was signed.

The value of our backlog at October 31, 2022, 2021, and 2020 was \$8.87 billion (8,098 homes), \$9.50 billion (10,302 homes), and \$6.37 billion (7,791 homes), respectively. Approximately 90% of the homes in backlog at October 31, 2022 are expected to be delivered by October 31, 2023. The 7% decrease in the value of homes in backlog at October 31, 2022, as compared to October 31, 2021, was due to the delivery of more homes out of backlog than were added during fiscal 2022, offset, in part, by an increase in the average value of each contract signed.

For more information regarding revenues, net contracts signed, and backlog by geographic segment, see “Segments” in this MD&A.

CRITICAL ACCOUNTING ESTIMATES

U.S. generally accepted accounting principles (“GAAP”) require us to make estimates and assumptions that affect our reported amounts in the consolidated financial statements and accompanying notes. Our estimates are based on (i) currently known facts and circumstances, (ii) prior experience, (iii) assessments of probability, (iv) forecasted financial information, and (v) assumptions that management believes to be reasonable but that are inherently uncertain and unpredictable. We use our best judgment when measuring these estimates, and if warranted, obtain advice from external sources. On an ongoing basis, we review the accounting policies, assumptions, estimates and judgments to ensure that our financial statements are presented fairly and in accordance with GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material. In times of economic disruption when uncertainty regarding future economic conditions is heightened, these estimates and assumptions are subject to greater variability.

For a discussion of all our significant accounting policies, including our critical accounting policies, refer to Note 1, “Significant Accounting Policies” of the Consolidated Financial Statements. We believe that the accounting estimates and assumptions described below involve significant subjectivity and judgment, and changes to such estimates or assumptions could have a material impact on our financial condition or operating results. Therefore, we consider an understanding of the variability and judgment required in making these estimates and assumptions to be critical in fully understanding and evaluating our reported financial results.

We believe the following critical accounting estimates reflect the more significant judgments and estimates used in the preparation of our consolidated financial statements.

Inventory

Inventory is stated at cost unless an impairment exists, in which case it is written down to fair value in accordance with GAAP. In addition to direct land acquisition, land development, and home construction costs, costs also include interest, real estate taxes, and direct overhead related to development and construction, which are capitalized to inventory during periods beginning with the commencement of development and ending with the completion of construction. Because our inventory is considered a long-lived asset under GAAP, we are required to regularly review the carrying value of each of our communities and write down the value of those communities when we believe the values are not recoverable.

Operating Communities: When the profitability of an operating community deteriorates, the sales pace declines significantly, or some other factor indicates a possible impairment in the recoverability of the asset, the asset is reviewed for impairment by comparing the estimated future undiscounted cash flow for the community to its carrying value. If the estimated future undiscounted cash flow is less than the community’s carrying value, the carrying value is written down to its estimated fair value. Estimated fair value is primarily determined by discounting the estimated future cash flow of each community. The discount rate used in determining each asset’s fair value reflects inherent risks associated with the related estimated cash flows, as well as current risk-free rates available in the market and estimated market risk premiums. During the year ended October 31, 2022, we did not record any inventory impairment charges on our operating communities and therefore no discount rate was used. In estimating the future undiscounted cash flow of a community, we use various estimates such as (i) the expected sales pace in a community, based upon general economic conditions that will have a short-term or long-term impact on the market in which the community is located and on competition within the market, including the number of home sites available and pricing and incentives being offered in other communities owned by us or by other builders; (ii) the expected sales prices and sales incentives to be offered in a community; (iii) costs expended to date and expected to be incurred in the future, including, but not limited to, land and land development costs, home construction, interest, and overhead costs; (iv) alternative product offerings that may be offered in a community that will have an impact on sales pace, sales price, building cost, or the number of homes that can be built in a particular community; and (v) alternative uses for the property, such as the possibility of a sale of the entire

community to another builder or the sale of individual home sites. Any impairment is charged to cost of home sales revenues in the period in which the impairment is determined.

Future Communities: We evaluate all land held for future communities or future sections of operating communities, whether owned or optioned, to determine whether or not we expect to proceed with the development of the land as originally contemplated. This evaluation encompasses the same types of estimates used for operating communities described above, as well as an evaluation of the regulatory environment in which the land is located and the estimated probability of obtaining the necessary approvals, the estimated time and cost it will take to obtain those approvals, alternative land uses and the possible concessions that may be required to be given in order to obtain them. Concessions may include cash payments to fund improvements to public places such as parks and streets, dedication of a portion of the property for use by the public or as open space, or a reduction in the density or size of the homes to be built or commitment to build or fund certain dedicated workforce and affordable housing units. Based upon this review, we decide (i) as to land under contract to be purchased, whether the contract will likely be terminated or renegotiated, and (ii) as to land we own, whether the land will likely be developed as contemplated or in an alternative manner, or should be sold. We then further determine whether costs that have been capitalized to the community are recoverable or should be written off. The write-off is charged to cost of home sales revenues in the period in which the need for the write-off is determined.

The estimates used in the determination of the estimated cash flows and fair value of both current and future communities are based on factors known to us at the time such estimates are made and our expectations of future operations and economic conditions. Should the estimates or expectations used in determining estimated fair value deteriorate in the future, we may be required to recognize additional impairment charges and write-offs related to current and future communities and such amounts could be material.

We have not made any material changes in the accounting methodology we use to assess possible impairments during the past three fiscal years.

We recognized inventory impairment charges and the expensing of costs that we believed not to be recoverable in each of the three fiscal years ended October 31, 2022, 2021, and 2020, as shown in the table below (amounts in thousands):

	2022	2021	2020
Land controlled for future communities	\$ 13,051	\$ 5,620	\$ 23,539
Land owned for future communities	19,690	19,805	31,669
Operating communities	—	1,110	675
	<u>\$ 32,741</u>	<u>\$ 26,535</u>	<u>\$ 55,883</u>

Cost of Revenue Recognition

Cost of revenues from home sales are recognized at the time each home is delivered and title and possession are transferred to the buyer.

For our standard attached and detached homes, land, land development, and related costs, both incurred and estimated to be incurred in the future, are amortized to the cost of homes closed based upon the total number of homes expected to be constructed in each community. Any changes resulting from a change in the estimated number of homes to be constructed or in the estimated costs subsequent to the commencement of delivery of homes are allocated to the remaining undelivered homes in the community. Home construction and related costs are charged to the cost of homes closed under the specific identification method. For our master-planned communities, the estimated land, common area development, and related costs, including the cost of golf courses, net of their estimated residual value, are allocated to individual communities within a master-planned community on a relative sales value basis. Any changes resulting from a change in the estimated number of homes to be constructed or in the estimated costs are allocated to the remaining home sites in each of the communities of the master-planned community.

For high-rise/mid-rise projects, land, land development, construction, and related costs, both incurred and estimated to be incurred in the future, are generally amortized to the cost of units closed based upon an estimated relative sales value of the units closed to the total estimated sales value. Any changes resulting from a change in the estimated total costs or revenues of the project are allocated to the remaining units to be delivered.

We rely on certain estimates to determine our construction and land development costs. Construction and land costs are comprised of direct and allocated costs, including estimated future costs. In determining these costs, we compile community budgets that are based on a variety of assumptions, including future construction schedules and costs to be incurred. Actual results can differ from budgeted amounts for various reasons, including construction delays, labor or material shortages, slower absorptions, increases in costs that have not yet been committed, changes in governmental requirements, or other unanticipated

issues encountered during construction and development and other factors beyond our control. To address uncertainty in these budgets, we assess, update and revise community budgets on a regular basis, utilizing the most current information available to estimate home construction and land costs.

We have not made any material changes in the methodology used in developing and revising community budgets over the past three fiscal years.

Warranty and Self-Insurance

Warranty: We provide all of our home buyers with a limited warranty as to workmanship and mechanical equipment. We also provide many of our home buyers with a limited 10-year warranty as to structural integrity. We accrue for expected warranty costs at the time each home is closed and title and possession are transferred to the home buyer. Warranty costs are accrued based upon historical experience related to product type, geographic location and other community specific factors. Adjustments to our warranty liabilities related to homes delivered in prior years are recorded in the period in which a change in our estimate occurs. Over the past decade, we have had a significant number of warranty claims related primarily to homes built in Pennsylvania and Delaware. See Note 7, "Accrued Expenses" in Item 15(a)1 of this Form 10-K for additional information regarding these warranty charges. We have not made any material changes in our methodology or significant assumptions used to establish our warranty reserves during the past three fiscal years.

Self-Insurance: We maintain, and require the majority of our subcontractors to maintain, general liability insurance (including construction defect and bodily injury coverage) and workers' compensation insurance. These insurance policies protect us against a portion of our risk of loss from claims related to our home building activities, subject to certain self-insured retentions, deductibles and other coverage limits ("self-insured liability"). We also provide general liability insurance for our subcontractors in Arizona, California, Colorado, Nevada, Washington, and certain areas of Texas, where eligible subcontractors are enrolled as insureds under our general liability insurance policies in each community in which they perform work. For those enrolled subcontractors, we absorb their general liability associated with the work performed on our homes within the applicable community as part of our overall general liability insurance and our self-insurance through our captive insurance subsidiary.

We record expenses and liabilities based on the estimated costs required to cover our self-insured liability and the estimated costs of potential claims and claim adjustment expenses that are not covered by our insurance policies. These estimated costs are based on an analysis of our historical claims and industry data, and include an estimate of claims incurred but not yet reported ("IBNR").

We engage a third-party actuary that uses our historical claim and expense data, input from our internal legal and risk management groups, as well as industry data, to estimate our liabilities related to unpaid claims, IBNR associated with the risks that we are assuming for our self-insured liability and other required costs to administer current and expected claims. These estimates are subject to uncertainty due to a variety of factors, the most significant being the long period of time between the delivery of a home to a home buyer and when a structural warranty or construction defect claim is made, and the ultimate resolution of the claim. Though state regulations vary, construction defect claims are reported and resolved over a prolonged period of time, which can extend for 10 years or longer. As a result, the majority of the estimated liability relates to IBNR. Adjustments to our liabilities related to homes delivered in prior years are recorded in the period in which a change in our estimate occurs.

The projection of losses related to these liabilities requires actuarial assumptions that are subject to variability due to uncertainties regarding construction defect claims relative to our markets and the types of product we build, insurance industry practices and legal or regulatory actions and/or interpretations, among other factors. Key assumptions used in these estimates include claim frequencies, severity and settlement patterns, which can occur over an extended period of time. In addition, changes in the frequency and severity of reported claims and the estimates to settle claims can impact the trends and assumptions used in the actuarial analysis, which could be material to our consolidated financial statements. Due to the degree of judgment required, and the potential for variability in these underlying assumptions, our actual future costs could differ from those estimated, and the difference could be material to our consolidated financial statements.

We have not made any material changes in our methodology used to establish our self-insurance reserves during the past three fiscal years. Over the past three fiscal years adjustments to our estimates have not been material.

Investments in Unconsolidated Entities

We evaluate our investments in unconsolidated entities for indicators of impairment on a quarterly basis. A series of operating losses of an investee, the inability to recover our invested capital, or other factors may indicate that a loss in value of our investment in the unconsolidated entity has occurred. If a loss exists, we further review to determine if the loss is other than temporary, in which case we write down the investment to its estimated fair value. The amount of impairment recognized is the excess of the investment's carrying amount over its estimated fair value.

The evaluation of our investments in unconsolidated entities for other-than-temporary impairment entails a detailed cash flow analysis using many estimates, including but not limited to: (1) projected future distributions from the unconsolidated entities, (2) discount rates applied to the future distributions and (3) various other factors. For our unconsolidated entities that develop for-sale homes and condominiums these other factors include those that are similar to how we evaluate our inventory for impairment as described above, such as expected sales pace, expected sales price, and costs incurred and anticipated. For our unconsolidated entities that own, develop and manage for-rent residential apartments, these other factors may include rental trends, expected future expenses and cap rates. Our assumptions on the projected future distributions from unconsolidated entities are also dependent on market conditions, sufficiency of financing and capital and competition.

We believe our assumptions on discount rates require significant judgment because the selection of the discount rate may significantly impact the estimated fair value of our investments in unconsolidated entities. A higher discount rate reduces the estimated fair value of our investments in unconsolidated entities, while a lower discount rate increases the estimated fair value of our investments in unconsolidated entities. During the year ended October 31, 2022, we utilized discount rates ranging from 12% to 15% in our valuations. Because of changes in economic conditions, actual results could differ materially from management's assumptions and may require material valuation adjustments to our investments in unconsolidated entities to be recorded in the future.

RESULTS OF OPERATIONS

The following table compares certain items in our Consolidated Statements of Operations and Comprehensive Income and other supplemental information for fiscal 2022 and 2021 (\$ amounts in millions, unless otherwise stated). For more information regarding results of operations by operating segment, see “Segments” in this MD&A.

	Years ended October 31,		
	2022	2021	% Change
Revenues:			
Home sales	\$ 9,711.2	\$ 8,431.7	15 %
Land sales and other	564.4	358.6	
	<u>10,275.6</u>	<u>8,790.4</u>	17 %
Cost of revenues:			
Home sales	7,237.4	6,538.5	11 %
Land sales and other	551.8	309.0	
	<u>7,789.2</u>	<u>6,847.5</u>	14 %
Selling, general and administrative	977.8	922.0	6 %
Income from operations	1,508.6	1,020.9	48 %
Other:			
Income from unconsolidated entities	23.7	74.0	(68)%
Other income - net	171.4	40.6	322 %
Expenses related to early retirement of debt	—	(35.2)	NM
Income before income taxes	<u>1,703.7</u>	<u>1,100.3</u>	55 %
Income tax provision	417.2	266.7	56 %
Net income	<u>\$ 1,286.5</u>	<u>\$ 833.6</u>	54 %
Supplemental information:			
Home sales cost of revenues as a percentage of home sales revenues	74.5 %	77.5 %	
Land sales and other cost of revenues as a percentage of land sales and other revenues	97.8 %	86.2 %	
SG&A as a percentage of home sales revenues	10.1 %	10.9 %	
Effective tax rate	24.5 %	24.2 %	
Deliveries – units	10,515	9,986	5 %
Deliveries – average sales price (in ‘000s)	\$ 923.6	\$ 844.4	9 %
Net contracts signed – value	\$ 9,067.4	\$ 11,539.9	(21)%
Net contracts signed – units	8,255	12,472	(34)%
Net contracts signed – average sales price (in ‘000s)	\$ 1,098.4	\$ 925.3	19 %
	At October 31,		
	2022	2021	% Change
Backlog – value	\$ 8,874.1	\$ 9,499.1	(7)%
Backlog – units	8,098	10,302	(21)%
Backlog – average sales price (in ‘000s)	\$ 1,095.8	\$ 922.1	19 %

Note: Due to rounding, amounts may not add. “Net contracts signed – value” is net of all cancellations that occurred in the period. It includes the value of each binding agreement of sale that was signed in the period, plus the value of all options that were selected during the period, regardless of when the initial agreements of sale related to such options were signed.

NM - Not Meaningful

A discussion and analysis regarding Results of Operations and Analysis of Financial Condition for the year ended October 31, 2021, as compared to the year ended October 31, 2020, is included in Part II, Item 7, “MD&A” to our Annual Report on Form 10-K for the fiscal year ended October 31, 2021, filed with the SEC on December 17, 2021.

FISCAL 2022 COMPARED TO FISCAL 2021

Home Sales Revenues and Home Sales Cost of Revenues

The increase in home sales revenues in fiscal 2022, as compared to fiscal 2021, was attributable to a 5% increase in the number of homes delivered and a 9% increase in the average price of the homes delivered. The increase in the number of homes delivered in fiscal 2022, as compared to fiscal 2021, is principally due to an increase in the number of homes in backlog at October 31, 2021, as compared to the number of homes in backlog at October 31, 2020, partially offset by lower backlog conversion in fiscal 2022, primarily due to supply chain disruptions, labor shortages, and municipality-related delays. The increase in the average delivered home price was mainly due to our ability to raise prices in the first half of our fiscal year when the housing market was strong, as well as an increase in homes delivered in more expensive product types/geographic regions.

Home sales cost of revenues, as a percentage of homes sales revenues, in fiscal 2022 was 74.5%, as compared to 77.5% in fiscal 2021. The decrease in fiscal 2022 was principally due to a shift in the mix of revenues to higher margin products/areas, sales price increases outpacing cost increases, and lower interest expense as a percentage of home sales revenues. Interest cost in fiscal 2022 was \$164.8 million or 1.7% of home sales revenues, as compared to \$187.2 million or 2.2% of home sales revenues in fiscal 2021. We recognized inventory impairments and write-offs of \$32.7 million or 0.3% of home sales revenues and \$26.5 million or 0.3% of home sales revenues in fiscal 2022 and fiscal 2021, respectively.

Land Sales and Other Revenues and Land Sales and Other Cost of Revenues

Our revenues from land sales and other generally consist of the following: (1) land sales to joint ventures in which we retain an interest; (2) lot sales to third-party builders within our master-planned communities; (3) bulk land sales to third parties of land we have decided no longer meets our development criteria; and (4) sales of commercial and retail properties generally located at our City Living buildings. Land sales to joint ventures in which we retain an interest are generally sold at our land basis and therefore little to no gross margin is earned on these sales.

In fiscal 2022, we sold nine land parcels to newly formed Rental Property Joint Ventures in which we have an interest for approximately \$322.3 million. Minimal gains were recognized on these land sales to joint ventures. In addition, during fiscal 2022, we recorded an impairment charge of \$5.2 million related to office space associated with certain Hoboken, New Jersey condominium projects in connection with a planned sale. During fiscal 2021, we sold a parking garage and retail space associated with certain Hoboken, New Jersey condominium projects for \$82.4 million and we recognized gains of \$38.3 million. In addition, in fiscal 2021, we sold ten land parcels to newly formed Rental Property Joint Ventures in which we have an interest for \$227.8 million. No gains were recognized on these land sales to joint ventures.

Selling, General and Administrative Expenses ("SG&A")

SG&A spending increased by \$55.7 million in fiscal 2022, as compared to fiscal 2021. As a percentage of home sales revenues, SG&A was 10.1% and 10.9% in fiscal 2022 and 2021, respectively. The dollar increase in SG&A was primarily due to higher headcount and additional investments in information technology in addition to normal compensation increases, offset by reduced commissions due to lower broker co-op rates. In addition, fiscal 2022 includes a \$10.0 million charge for a charitable contribution made to the Toll Brothers Foundation. The decrease in SG&A as a percentage of revenues was due to a 15% increase in revenues and reduced commission rates in fiscal 2022, as compared to fiscal 2021.

Income from Unconsolidated Entities

We recognize our proportionate share of the earnings and losses from the various unconsolidated entities in which we have an investment. Many of our unconsolidated entities are land development projects, high-rise/mid-rise condominium construction projects, or for-rent apartment projects and for-rent single-family home projects, which do not generate revenues and earnings for a number of years during the development of the property. Once development is complete for land development projects and high-rise/mid-rise condominium construction projects, these unconsolidated entities will generally, over a relatively short period of time, generate revenues and earnings until all of the assets of the entity are sold. Further, once for-rent apartments and for-rent single-family home projects are complete and stabilized, we may monetize a portion of these projects through a recapitalization or a sale of all or a portion of our ownership interest in the joint venture, resulting in an income-producing event. Because of the long development periods associated with these entities, the earnings recognized from these entities may vary significantly from quarter to quarter and year to year.

For our Rental Property Joint Ventures specifically, these entities typically generate operating losses until the related property reaches stabilization. For the fiscal years 2022 and 2021, our earnings related to the Rental Property Joint Ventures include approximately \$17.5 million and \$18.1 million of our share of net operating losses incurred by these joint ventures, respectively, of which approximately \$21.7 million and \$17.8 million was our share of the depreciation expense recognized by these joint ventures, respectively.

The decrease in income from unconsolidated entities from \$74.0 million in fiscal 2021 to \$23.7 million in fiscal 2022, was due mainly to a \$74.8 million of gains related to property sales by five of our Rental Property Joint Ventures and a \$6.0 million gain related to an asset sale of commercial property by one of our Land Development Joint Ventures in the fiscal 2021 period. In the fiscal 2022 period we recognized a \$21.0 million gain related to a property sale by one of our Rental Property Joint Ventures, higher income by a joint venture that owns a hotel and increased earnings from our Land Development Joint Ventures due to lot sales. In addition, during the fiscal 2022 period, we recognized other-than-temporary impairment charges on our investments in certain Home Building and Rental Property Joint Ventures of \$8.0 million compared to \$2.1 million in the fiscal 2021 period.

Other Income - Net

The table below provides the components of “Other Income – net” for the years ended October 31, 2022 and 2021 (amounts in thousands):

	2022	2021
Income from ancillary businesses	\$ 24,668	\$ 36,711
Management fee income from Land Development and Home Building Joint Ventures – net	7,968	1,646
Gain on litigation settlement – net	141,234	—
Other	(2,493)	2,257
Total other income – net	\$ 171,377	\$ 40,614

The decrease in income from ancillary businesses in fiscal 2022, as compared to fiscal 2021, was principally due to lower earnings from our mortgage operations due to lower volume and increased competition, as well as higher operating losses incurred in our apartment living operations. This decrease was partially offset by a gain of \$9.0 million related to the bulk sale of security monitoring accounts by our smart home technologies business in fiscal 2022.

In addition, in fiscal 2022 and 2021, our apartment living operations earned fees from unconsolidated entities of \$23.2 million and \$20.2 million, respectively. Fees earned by our apartment living operations are included in income from ancillary businesses.

Management fee income from Home Building and Land Development Joint Ventures - net includes fees earned by our City Living and home building operations. The increase in fiscal 2022, as compared to fiscal 2021, was primarily related to an increase in Joint Ventures to which we provide services.

In fiscal 2022, we entered into a \$192.5 million settlement agreement with Southern California Gas Company to resolve our claims associated with a natural gas leak that occurred from October 2015 through February 2016 at the Aliso Canyon underground storage facility located near certain of our communities in southern California. As a result, net of legal fees and expenses, we recorded a pre-tax gain of \$148.4 million, of which \$141.2 million was recorded in Other Income - net in our Consolidated Statements of Operations and Comprehensive Income in fiscal 2022. The remainder was recorded as an offset to previously incurred expenses. No similar gains were incurred in fiscal 2021.

Expenses Related to Early Retirement of Debt

In fiscal 2021, we redeemed, prior to maturity, all \$250.0 million aggregate principal amount of our then-outstanding 5.625% Senior Notes due 2024. In connection with this redemption, we incurred a pre-tax charge of \$34.2 million, inclusive of the write-off of unamortized deferred financing costs, which is recorded in our Consolidated Statement of Operations and Comprehensive Income. No similar charges were incurred in fiscal 2022.

Income Before Income Taxes

In fiscal 2022, we reported income before income taxes of \$1.70 billion or 16.6% of revenues, as compared to \$1.10 billion, or 12.5% of revenues in fiscal 2021.

Income Tax Provision

We recognized a \$417.2 million income tax provision in fiscal 2022. Based upon the federal statutory rate of 21.0% for fiscal 2022, our federal tax provision would have been \$357.8 million. The difference between the tax provision recognized and the tax provision based on the federal statutory rate was mainly due to the provision for state income taxes of \$75.5 million and \$4.4 million of other permanent differences, offset, in part, by a \$22.2 million benefit of federal energy efficient home credits; a benefit of \$3.0 million from excess tax benefits related to stock-based compensation; and the reversal of \$1.7 million of previously accrued tax provisions on uncertain tax positions that were no longer necessary due to the expiration of the statute of limitations.

We recognized a \$266.7 million income tax provision in fiscal 2021. Based upon the federal statutory rate of 21.0% for fiscal 2021, our federal tax provision would have been \$231.1 million. The difference between the tax provision recognized and the tax provision based on the federal statutory rate was mainly due to the provision for state income taxes of \$50.2 million and \$8.4 million of other permanent differences, offset, in part, by a \$24.3 million benefit of federal energy efficient home credits; a benefit of \$4.7 million from excess tax benefits related to stock-based compensation; and the reversal of \$1.0 million of previously accrued tax provisions on uncertain tax positions that were no longer necessary due to the expiration of the statute of limitations.

CAPITAL RESOURCES AND LIQUIDITY

Funding for our business has been, and continues to be, provided principally by cash flow from operating activities before inventory additions, unsecured bank borrowings, and the public debt markets.

Our cash flows from operations generally provide us with a significant source of liquidity. Our cash flows provided by operating activities, supplemented with our short-term borrowings and long-term debt, have been sufficient to fund our operations while allowing us to invest in activities that support the long-term growth of our operations. Our primary uses of cash include inventory additions in the form of land acquisitions and deposits to obtain control of land, land development, working capital to fund day to day operations, and investments in existing and future unconsolidated joint ventures. We may also use cash to fund capital expenditures such as investments in our information technology systems. From time to time we use some or all of the remaining available cash flow to repay debt, and to fund share repurchases and dividends on our common stock. We believe our sources of cash and liquidity will continue to be adequate to fund operations, finance our strategic operating initiatives, repay debt, fund our share repurchases and pay dividends for the foreseeable future.

At October 31, 2022, we had \$1.35 billion of cash and cash equivalents on hand and approximately \$1.79 billion available for borrowing under our Revolving Credit Facility.

Short-term Liquidity and Capital Resources

For at least the next twelve months, we expect our principal demand for funds will be for inventory additions in the form of land acquisition, deposits to control land and land development, operating expenses, including our general and administrative expenses, investments and funding of capital improvements, investments in existing and future unconsolidated joint ventures, debt repayment (including the \$400.0 million principal payment on our 4.375% Senior Notes due April 15, 2023), common stock repurchases, and dividend payments. Demand for funds include interest and principal payments on current and future debt financing. We expect to meet our short-term liquidity requirements primarily through our cash and cash equivalents on hand and net cash flows provided by operations. Additional sources of funds include distributions from our unconsolidated joint ventures, borrowing capacity under our revolving credit facility and our mortgage company loan facility, and borrowings from banks and other lenders. In addition, we received net cash proceeds of approximately \$148 million in the fourth quarter of fiscal 2022 related to a litigation settlement.

We believe we will have sufficient liquidity available to fund our business needs, commitments and contractual obligations in a timely manner for the next twelve months. We may, however, seek additional financing to fund future growth, refinance our existing indebtedness, or for other purposes. There can be no assurance that such financing will be available on favorable terms, or at all.

Long-term Liquidity and Capital Resources

Beyond the next twelve months, we expect that our principal demand for funds will be for payment of the principal on our long-term debt as it becomes due or matures, land purchases and inventory additions, long-term capital investments and investments in unconsolidated joint ventures, common stock repurchases, and dividend payments.

Over the longer term, to the extent the sources of capital described above are insufficient to meet our needs, we may also conduct additional public offerings of our securities, refinance debt or dispose of certain assets to fund our operating activities, debt service, dividends and common stock repurchases. We expect these resources will be adequate to fund our ongoing operating activities as well as providing capital for investment in future land purchases and related development activities and future joint ventures.

Material Cash Requirements

We are a party to many contractual obligations and commitments to make payments to third parties. These obligations impact our short-term and long-term liquidity and capital resource needs. Certain contractual obligations are reflected on the Consolidated Balance Sheet as of October 31, 2022, while others are considered future commitments. Our contractual obligations primarily consist of long-term debt and related interest payments, payments due on our Mortgage Company Loan Facility, purchase obligations related to expected acquisition of land under purchase agreements and land development

agreements (many of which are secured by letters of credit or surety bonds), operating leases, and obligations under our deferred compensation plan, supplemental executive retirement plans, and 401(k) savings plans. We also enter into certain short-term lease commitments, commitments to fund our existing or future unconsolidated joint ventures, letters of credit and other purchase obligations in the normal course of business. For more information regarding our primary obligations, refer to Note 6, "Loans Payable, Senior Notes, and Mortgage Company Loan Facility," and Note 15, "Commitments and Contingencies," to the Consolidated Financial Statements included elsewhere in this Annual Report on Form 10-K for amounts outstanding as of October 31, 2022, related to debt and commitments and contingencies, respectively.

We also operate through a number of joint ventures and have undertaken various commitments as a result of those arrangements. At October 31, 2022, we had investments in these entities of \$852.3 million, and were committed to invest or advance up to an additional \$304.3 million to these entities if they require additional funding. We expect to purchase approximately 6,700 home sites over a number of years from several of these joint ventures. The purchase price of these home sites will be determined at a future date.

The unconsolidated joint ventures in which we have investments generally finance their activities with a combination of partner equity and debt financing. In some instances, we and our joint venture partner have guaranteed debt of unconsolidated entities. These guarantees may include any or all of the following: (i) project completion guarantees, including any cost overruns; (ii) repayment guarantees, generally covering a percentage of the outstanding loan; (iii) carry cost guarantees, which cover costs such as interest, real estate taxes, and insurance; (iv) an environmental indemnity provided to the lender that holds the lender harmless from and against losses arising from the discharge of hazardous materials from the property and non-compliance with applicable environmental laws; and (v) indemnification of the lender from "bad boy acts" of the unconsolidated entity.

In situations where we have joint and several guarantees with our joint venture partner, we generally seek to implement a reimbursement agreement with our partner that provides that neither party is responsible for more than its proportionate share or agreed-upon share of the guarantee; however, we are not always successful. In addition, if the joint venture partner does not have adequate financial resources to meet its obligations under such a reimbursement agreement, we may be liable for more than our proportionate share. We believe that as of October 31, 2022, in the event we had become legally obligated to perform under a guarantee of the obligation of an unconsolidated entity due to a triggering event, the collateral would have been sufficient to repay all or a significant portion of the obligation. If it were not, we and our partners would have needed to contribute additional capital to the entity. At October 31, 2022, we had guaranteed the debt of certain unconsolidated entities with loan commitments aggregating \$2.86 billion, of which, if the full amount of the debt obligations were borrowed, we estimate \$597.8 million to be our maximum exposure related to repayment and carry cost guarantees. At October 31, 2022, the unconsolidated entities had borrowed an aggregate of \$1.11 billion, of which we estimate \$390.5 million to be our maximum exposure related to repayment and carry cost guarantees. These maximum exposure estimates do not take into account any estimates related to the environmental or "bad boy acts" indemnifications provided to the lenders or recoveries from the underlying collateral or any reimbursement from our partners.

For more information regarding these joint ventures, see Note 4, "Investments in Unconsolidated Entities" in the Notes to Consolidated Financial Statements in Item 15(a)1 of this Form 10-K.

Debt Service Requirements

Our financing strategy is to ensure liquidity and access to capital markets, to maintain a balanced profile of debt maturities, and to manage our exposure to floating interest rate volatility.

Outside of the normal course of operations, one of our principal liquidity needs is the payment of principal and interest on outstanding indebtedness. We are required by the terms of certain loan documents to meet certain covenants, such as financial ratios and reporting requirements. As of October 31, 2022, we were in compliance with all such covenants and requirements on our term loan, credit facility and other loans payable. Refer to Note 6, "Loans Payable, Senior Notes, and Mortgage Company Loan Facility" in the Notes to the Consolidated Financial Statements in Item 15(a)1 of this Form 10-K for additional information.

Operating Activities

Cash provided by operating activities during fiscal 2022 was \$986.8 million. Cash provided by operating activities was generated primarily from \$1.29 billion of net income plus \$21.1 million of stock-based compensation, \$76.8 million of depreciation and amortization, \$32.7 million of inventory impairments and write-offs, less \$23.7 million of income from unconsolidated entities; an increase of \$152.5 million in accounts payable and accrued expenses; an increase of \$160.5 million in current income taxes, net; and an increase of \$50.7 million in sale of mortgage loans, net of originations. This activity was offset, in part, by an increase of \$618.8 million in inventory; a net deferred tax benefit of \$96.7 million; and a decrease of \$95.0 million in receivables, prepaid assets, and other assets.

Cash provided by operating activities during fiscal 2021 was \$1.30 billion. Cash provided by operating activities was generated primarily from \$833.6 million of net income plus \$23.2 million of stock-based compensation, \$76.3 million of depreciation and amortization, \$26.5 million of inventory impairments and write-offs, a net deferred tax benefit of \$11.8 million, less \$74.0 million of income from unconsolidated entities; an increase of \$214.8 million in accounts payable and accrued expenses; an increase of \$165.6 million in net customer deposits; and a decrease of \$135.8 million in receivables, prepaid assets, and other assets. This activity was offset, in part, by an increase of \$196.2 million in inventory; an increase of \$18.6 million in mortgage loans held for sale; and a \$38.7 million gain from the sale of assets.

Investing Activities

Cash used in investing activities during fiscal 2022 was \$153.2 million, primarily related to \$226.7 million used to fund our investments in unconsolidated entities and \$71.7 million for the purchase of property and equipment. This activity was offset, in part, by \$116.8 million of cash received as returns from our investments in unconsolidated entities and \$28.3 million of cash proceeds from the sale of assets.

Cash used in investing activities during fiscal 2021 was \$4.2 million, primarily related to \$221.9 million used to fund investments in unconsolidated entities and \$66.9 million for the purchase of property and equipment. This activity was offset, in part, by \$203.5 million of cash received as returns on our investments in unconsolidated entities and proceeds of \$80.4 million of cash received from sales of certain commercial properties.

Financing Activities

We used \$1.12 billion of cash from financing activities in fiscal 2022, primarily for the redemption of \$409.9 million of senior notes; the repurchase of \$542.7 million of our common stock; payments of \$51.6 million of loans payable, net of new borrowings; the payment of dividends on our common stock of \$88.9 million and payments related to noncontrolling interest - net of \$25.8 million.

We used \$1.01 billion of cash from financing activities in fiscal 2021, primarily for the repurchase of \$378.3 million of our common stock; repayments of \$267.0 million of other loans payable, net of new borrowings; \$294.2 million of redemption of senior notes, and payment of \$76.6 million of dividends on our common stock, offset, in part, by the proceeds of \$10.5 million from our stock-based benefit plans.

INFLATION

The long-term impact of inflation on us is manifested in increased costs for land, land development, construction, and overhead. We generally enter into contracts to acquire land a significant period of time before development and sales efforts begin. Accordingly, to the extent land acquisition costs are fixed, subsequent increases or decreases in the sales prices of homes will affect our profits. Because the sales price of each of our homes is fixed at the time a buyer enters into a contract to purchase a home and because we generally contract to sell our homes before we begin construction, any inflation of costs in excess of those anticipated may result in lower gross margins. We generally attempt to minimize that effect by entering into fixed-price contracts with our subcontractors and material suppliers for specified periods of time, which generally do not exceed one year.

In general, housing demand is adversely affected by increases in interest rates and housing costs. For example, since the end of the second quarter of fiscal 2022, overall demand for new homes has significantly weakened, which we primarily attribute to the high inflationary period and steep mortgage rate increases during 2022. Additionally, interest rates, the length of time that land remains in inventory, and the proportion of inventory that is financed affect our interest costs. If we are unable to raise sales prices enough to compensate for higher costs, or if mortgage rates increase significantly, affecting prospective buyers' ability to adequately finance home purchases, our home sales revenues, gross margins, and net income could be adversely affected. Increases in sales prices, whether the result of inflation or demand, may affect the ability of prospective buyers to afford new homes.

SUPPLEMENTAL GUARANTOR INFORMATION

At October 31, 2022, our 100%-owned subsidiary, Toll Brothers Finance Corp. (the "Subsidiary Issuer"), had issued and outstanding \$2.00 billion aggregate principal amount of senior notes maturing on various dates between April 15, 2023 and November 1, 2029 (the "Senior Notes"). For further information regarding the Senior Notes, see Note 6 to our Consolidated Financial Statements under the caption "Senior Notes."

The obligations of the Subsidiary Issuer to pay principal, premiums, if any, and interest are guaranteed jointly and severally on a senior basis by us and substantially all of our 100%-owned home building subsidiaries (the "Guarantor Subsidiaries" and, together with us, the "Guarantors"). The guarantees are full and unconditional, and the Subsidiary Issuer and each of the Guarantor Subsidiaries are consolidated subsidiaries of Toll Brothers, Inc. Our non-home building subsidiaries and several of our home building subsidiaries (together, the "Non-Guarantor Subsidiaries") do not guarantee the Senior Notes. The Subsidiary

Issuer generates no operating revenues and does not have any independent operations other than the financing of our other subsidiaries by lending the proceeds of its public debt offerings, including the Senior Notes. Our home building operations are conducted almost entirely through the Guarantor Subsidiaries. Accordingly, the Subsidiary Issuer's cash flow and ability to service the Senior Notes is dependent upon the earnings of the Company's subsidiaries and the distribution of those earnings to the Subsidiary Issuer, whether by dividends, loans or otherwise. Holders of the Senior Notes have a direct claim only against the Subsidiary Issuer and the Guarantors. The obligations of the Guarantors under their guarantees will be limited as necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference or similar laws affecting the rights of creditors generally) under applicable law.

The indentures under which the Senior Notes were issued provide that any of our subsidiaries that provide a guarantee of our obligations under the Revolving Credit Facility will guarantee the Senior Notes. The indentures further provide that any Guarantor Subsidiary may be released from its guarantee so long as (i) no default or event of default exists or would result from release of such guarantee; (ii) the Guarantor Subsidiary being released has consolidated net worth of less than 5% of the Company's consolidated net worth as of the end of our most recent fiscal quarter; (iii) the Guarantor Subsidiaries released from their guarantees in any fiscal year comprise in the aggregate less than 10% (or 15% if and to the extent necessary to permit the cure of a default) of our consolidated net worth as of the end of our most recent fiscal quarter; (iv) such release would not have a material adverse effect on ours and our subsidiaries' home building business; and (v) the Guarantor Subsidiary is released from its guaranty under the Revolving Credit Facility. If there are no guarantors under the Revolving Credit Facility, all Guarantor Subsidiaries under the indentures will be released from their guarantees.

The following summarized financial information is presented for Toll Brothers, Inc., the Subsidiary Issuer, and the Guarantor Subsidiaries on a combined basis after intercompany transactions and balances have been eliminated among Toll Brothers, Inc., the Subsidiary Issuer and the Guarantor Subsidiaries, as well as their investment in, and equity in earnings from the Non-Guarantor Subsidiaries.

Summarized Balance Sheet Data (amounts in millions)

	October 31, 2022
Assets	
Cash	\$ 1,192.2
Inventory	\$ 8,564.3
Amount due from Non-Guarantor Subsidiaries	\$ 682.9
Total assets	\$ 11,156.5
Liabilities & Stockholders' Equity	
Loans payable	\$ 1,135.6
Senior notes	\$ 1,995.3
Total liabilities	\$ 5,591.0
Stockholders' equity	\$ 5,565.5

Summarized Statement of Operations Data (amounts in millions)

	For the year ended October 31, 2022
Revenues	\$ 9,812.2
Cost of revenues	\$ 7,385.5
Selling, general and administrative	\$ 970.9
Income before income taxes	\$ 1,588.3
Net income	\$ 1,199.4

SEGMENTS

We operate in five geographic segments, with current operations generally located in the states listed below:

Eastern Region:

- The **North** region: Connecticut, Delaware, Illinois, Massachusetts, Michigan, New Jersey, New York and Pennsylvania;
- The **Mid-Atlantic** region: Georgia, Maryland, North Carolina, Tennessee and Virginia;
- The **South** region: Florida, South Carolina and Texas;

Western Region:

- The **Mountain** region: Arizona, Colorado, Idaho, Nevada and Utah; and
- The **Pacific** region: California, Oregon and Washington.

Our geographic reporting segments are consistent with how our chief operating decision makers are assessing operating performance and allocating capital. At October 31, 2022, we concluded that our City Living operations were no longer a reportable operating segment, primarily due to its insignificance as a result of the change in structure and shift in strategy for its operations. Therefore, we have five operating segments as reflected above. Amounts reported in prior periods have been restated to conform to the fiscal 2022 presentation. The realignment did not have any impact on our consolidated financial position, results of operations, earnings per share or cash flows for the periods presented.

The following tables summarize information related to revenues, net contracts signed, and income (loss) before income taxes by segment for fiscal years 2022, 2021 and 2020. Information related to backlog and assets by segment at October 31, 2022, 2021, and 2020, has also been provided.

Units Delivered and Revenues:

	Fiscal 2022 Compared to Fiscal 2021								
	Revenues (\$ in millions)			Units Delivered			Average Delivered Price (\$ in thousands)		
	2022	2021 (restated)	% Change	2022	2021 (restated)	% Change	2022	2021 (restated)	% Change
North	\$ 1,853.7	\$ 2,011.9	(8)%	2,163	2,503	(14)%	\$ 857.0	\$ 803.8	7 %
Mid-Atlantic	1,149.0	1,076.9	7 %	1,222	1,402	(13)%	\$ 940.3	\$ 768.1	22 %
South	1,519.6	1,183.3	28 %	2,033	1,783	14 %	\$ 747.5	\$ 663.7	13 %
Mountain	2,747.8	2,003.0	37 %	3,366	2,732	23 %	\$ 816.3	\$ 733.2	11 %
Pacific	2,442.0	2,156.1	13 %	1,731	1,566	11 %	\$ 1,410.7	\$ 1,376.8	2 %
Total home building	9,712.1	8,431.2	15 %	10,515	9,986	5 %	\$ 923.6	\$ 844.4	9 %
Other	(0.9)	0.5							
Total home sales revenue	9,711.2	\$ 8,431.7	15 %	<u>10,515</u>	<u>9,986</u>	5 %	\$ 923.6	\$ 844.4	9 %
Land sales and other revenue	564.4	358.6							
Total revenue	<u>\$ 10,275.6</u>	<u>\$ 8,790.3</u>							

Units Delivered and Revenues (continued):

Fiscal 2021 Compared to Fiscal 2020

	Revenues (\$ in millions)			Units Delivered			Average Delivered Price (\$ in thousands)		
	2021 (restated)	2020 (restated)	% Change (restated)	2021 (restated)	2020 (restated)	% Change (restated)	2021 (restated)	2020 (restated)	% Change (restated)
North	\$ 2,011.9	\$ 1,480.2	36 %	2,503	2,103	19 %	\$ 803.8	\$ 703.9	14 %
Mid-Atlantic	1,076.9	851.1	27 %	1,402	1,274	10 %	\$ 768.1	\$ 668.1	15 %
South	1,183.3	1,041.2	14 %	1,783	1,566	14 %	\$ 663.7	\$ 664.9	— %
Mountain	2,003.0	1,535.8	30 %	2,732	2,219	23 %	\$ 733.2	\$ 692.1	6 %
Pacific	2,156.1	2,029.9	6 %	1,566	1,334	17 %	\$ 1,376.8	\$ 1,521.7	(10)%
Total home building	8,431.2	6,938.2	22 %	9,986	8,496	18 %	\$ 844.4	\$ 816.5	3 %
Other	0.5	(0.8)							
Total home sales revenue	8,431.7	\$ 6,937.4	22 %	9,986	8,496	18 %	\$ 844.4	\$ 816.5	3 %
Land sales and other revenue	358.6	140.3							
Total revenue	\$ 8,790.3	\$ 7,077.7							

Net Contracts Signed:

Fiscal 2022 Compared to Fiscal 2021

	Net Contract Value (\$ in millions)			Net Contracted Units			Average Contracted Price (\$ in thousands)		
	2022	2021 (restated)	% Change	2022	2021 (restated)	% Change	2022	2021 (restated)	% Change
North	\$ 1,534.7	\$ 1,996.4	(23)%	1,596	2,245	(29)%	\$ 961.6	\$ 889.3	8 %
Mid-Atlantic	1,105.4	1,310.7	(16)%	1,012	1,465	(31)%	\$ 1,092.3	\$ 894.7	22 %
South	1,838.3	2,109.6	(13)%	1,981	2,765	(28)%	\$ 928.0	\$ 763.0	22 %
Mountain	2,319.7	3,341.5	(31)%	2,292	4,031	(43)%	\$ 1,012.1	\$ 828.9	22 %
Pacific	2,269.3	2,781.7	(18)%	1,374	1,966	(30)%	\$ 1,651.6	\$ 1,414.9	17 %
Total consolidated	\$ 9,067.4	\$ 11,539.9	(21)%	8,255	12,472	(34)%	\$ 1,098.4	\$ 925.3	19 %

Fiscal 2021 Compared to Fiscal 2020

	Net Contract Value (\$ in millions)			Net Contracted Units			Average Contracted Price (\$ in thousands)		
	2021 (restated)	2020 (restated)	% Change (restated)	2021 (restated)	2020 (restated)	% Change (restated)	2021 (restated)	2020 (restated)	% Change (restated)
North	\$ 1,996.4	\$ 1,659.4	20 %	2,245	2,245	— %	\$ 889.3	\$ 739.2	20 %
Mid-Atlantic	1,310.7	1,077.8	22 %	1,465	1,475	(1)%	\$ 894.7	\$ 730.7	22 %
South	2,109.6	1,320.1	60 %	2,765	2,006	38 %	\$ 763.0	\$ 658.1	16 %
Mountain	3,341.5	2,008.2	66 %	4,031	2,802	44 %	\$ 828.9	\$ 716.7	16 %
Pacific	2,781.7	1,929.6	44 %	1,966	1,404	40 %	\$ 1,414.9	\$ 1,374.4	3 %
Total consolidated	\$ 11,539.9	\$ 7,995.1	44 %	12,472	9,932	26 %	\$ 925.3	\$ 805.0	15 %

Backlog at October 31:

October 31, 2022 Compared to October 31, 2021

	Backlog Value (\$ in millions)			Backlog Units			Average Backlog Price (\$ in thousands)		
	2022	2021	% Change	2022	2021	% Change	2022	2021	% Change
		(restated)			(restated)			(restated)	
North	\$1,119.5	\$1,494.2	(25)%	1,122	1,737	(35)%	\$ 997.8	\$ 860.2	16 %
Mid-Atlantic	960.5	1,004.5	(4)%	842	1,053	(20)%	\$1,140.7	\$ 954.0	20 %
South	2,352.5	1,965.2	20 %	2,523	2,470	2 %	\$ 932.4	\$ 795.6	17 %
Mountain	2,597.3	3,021.9	(14)%	2,524	3,598	(30)%	\$1,029.0	\$ 839.9	23 %
Pacific	1,844.3	2,013.3	(8)%	1,087	1,444	(25)%	\$1,696.7	\$1,394.3	22 %
Total consolidated	<u>\$8,874.1</u>	<u>\$9,499.1</u>	(7)%	<u>8,098</u>	<u>10,302</u>	(21)%	<u>\$1,095.8</u>	<u>\$ 922.1</u>	19 %

October 31, 2021 Compared to October 31, 2020

	Backlog Value (\$ in millions)			Backlog Units			Average Backlog Price (\$ in thousands)		
	2021	2020	% Change	2021	2020	% Change	2021	2020	% Change
	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)
North	\$1,494.2	\$1,508.0	(1)%	1,737	1,995	(13)%	\$ 860.2	\$ 755.9	14 %
Mid-Atlantic	1,004.5	770.4	30 %	1,053	990	6 %	\$ 954.0	\$ 778.2	23 %
South	1,965.2	1,038.4	89 %	2,470	1,488	66 %	\$ 795.6	\$ 697.9	14 %
Mountain	3,021.9	1,670.7	81 %	3,598	2,274	58 %	\$ 839.9	\$ 734.7	14 %
Pacific	2,013.3	1,387.1	45 %	1,444	1,044	38 %	\$1,394.3	\$1,328.6	5 %
Total consolidated	<u>\$9,499.1</u>	<u>\$6,374.6</u>	49 %	<u>10,302</u>	<u>7,791</u>	32 %	<u>\$ 922.1</u>	<u>\$ 818.2</u>	13 %

Income (Loss) Before Income Taxes (\$ amounts in millions):

	2022	2021	% Change 2022 vs 2021	2020	% Change 2021 vs 2020
		(restated)		(restated)	(restated)
North	\$ 280.8	\$ 313.7	(10)%	\$ 87.5	259 %
Mid-Atlantic	189.5	128.5	47 %	52.0	147 %
South	249.7	153.8	62 %	108.4	42 %
Mountain	509.5	276.3	84 %	167.6	65 %
Pacific	572.8	382.9	50 %	351.5	9 %
Total home building	1,802.3	1,255.2	44 %	767.0	64 %
Corporate and other	(98.6)	(154.9)	36 %	(180.1)	14 %
Total consolidated	<u>\$ 1,703.7</u>	<u>\$ 1,100.3</u>	55 %	<u>\$ 586.9</u>	87 %

“Corporate and other” is comprised principally of general corporate expenses such as our executive offices; the corporate finance, accounting, audit, tax, human resources, risk management, information technology, marketing, and legal groups; interest income; income from certain of our ancillary businesses, including our apartment rental development business; and income from our Rental Property Joint Ventures and Gibraltar Joint Ventures.

Total Assets (\$ amounts in millions):

	At October 31,	
	2022	2021 (restated)
North	\$ 1,465.0	\$ 1,624.4
Mid-Atlantic	1,049.0	995.9
South	2,137.6	1,421.6
Mountain	2,785.6	2,397.5
Pacific	2,174.1	2,221.8
Total home building	9,611.3	8,661.2
Corporate and other	2,677.4	2,876.7
Total consolidated	\$ 12,288.7	\$ 11,537.9

“Corporate and other” is comprised principally of cash and cash equivalents, restricted cash, deferred tax assets, properties held for rental apartments, investments in our Rental Property Joint Ventures, expected recoveries from insurance carriers and suppliers, our Gibraltar investments and operations, manufacturing facilities, and our mortgage and title subsidiaries.

FISCAL 2022 COMPARED TO FISCAL 2021 (Restated)*North*

	Year ended October 31,		
	2022	2021	% Change
Units Delivered and Home Sales Revenues:			
Home sales revenues (\$ in millions)	\$ 1,853.7	\$ 2,011.9	(8)%
Units delivered	2,163	2,503	(14)%
Average delivered price (\$ in thousands)	\$ 857.0	\$ 803.8	7 %
Net Contracts Signed:			
Net contract value (\$ in millions)	\$ 1,534.7	\$ 1,996.4	(23)%
Net contracted units	1,596	2,245	(29)%
Average contracted price (\$ in thousands)	\$ 961.6	\$ 889.3	8 %
Home sales cost of revenues as a percentage of home sales revenues	77.6 %	78.8 %	
Income before income taxes (\$ in millions)	\$ 280.8	\$ 313.7	(10)%
Number of selling communities at October 31,	53	66	(20)%

The decrease in the number of homes delivered in fiscal 2022 was mainly due to a decrease in the number of homes in backlog at October 31, 2021, as compared to the number of homes in backlog at October 31, 2020. The increase in the average price of homes delivered in fiscal 2022 was principally due to sales price increases.

The decrease in the number of net contracts signed in fiscal 2022, as compared to fiscal 2021, was principally due to a decrease in the average number of selling communities, as well as a weakening in demand in the second half of fiscal 2022. The increase in the average value of each contract signed in fiscal 2022, as compared to fiscal 2021, was mainly due to shifts in the number of contracts signed to more expensive areas and/or products and price increases.

The decrease in income before income taxes in fiscal 2022 was principally attributable to lower earnings from decreased revenues, offset by lower home sales cost of revenues, as a percentage of home sales revenues. The decrease in home sales cost of revenues, as a percentage of home sales revenues in fiscal 2022 was primarily due to a shift in product mix/areas to higher-margin areas and sales price increases. Furthermore, fiscal 2021 benefited from gains of \$38.3 million recognized from the sales of a parking garage and retail space associated with one of our Hoboken, New Jersey condominium projects, offset by \$2.1 million of other-than-temporary impairment charges that we recognized on two of our Home Building Joint Ventures.

Inventory impairment charges were \$11.9 million in fiscal 2022, as compared to \$12.2 million in fiscal 2021. During the fourth quarter of fiscal 2022, we decided to sell a land parcel in Philadelphia, Pennsylvania that formerly was included in our City

Living segment. In connection with this planned sale, we recognized an impairment charge of \$10.3 million. During the fourth quarter of fiscal 2021, we decided to sell the remaining lots in two communities, one in Connecticut and one in Illinois, in bulk sales. As a result, we recognized an impairment charge of \$8.7 million in the fourth quarter of fiscal 2021.

Mid-Atlantic

	Year ended October 31,		
	2022	2021	% Change
Units Delivered and Home Sales Revenues:			
Home sales revenues (\$ in millions)	\$ 1,149.0	\$ 1,076.9	7 %
Units delivered	1,222	1,402	(13)%
Average delivered price (\$ in thousands)	\$ 940.3	\$ 768.1	22 %
Net Contracts Signed:			
Net contract value (\$ in millions)	\$ 1,105.4	\$ 1,310.7	(16)%
Net contracted units	1,012	1,465	(31)%
Average contracted price (\$ in thousands)	\$ 1,092.3	\$ 894.7	22 %
Home sales cost of revenues as a percentage of home sales revenues	76.1 %	80.0 %	
Income before income taxes (\$ in millions)	\$ 189.5	\$ 128.5	47 %
Number of selling communities at October 31,	40	38	5 %

The decrease in the number of homes delivered in fiscal 2022, as compared to fiscal 2021, was mainly due to lower backlog conversion in fiscal 2022, partially offset by an increase in the number of homes in backlog at October 31, 2021, as compared to the number of homes in backlog at October 31, 2020. The increase in the average delivered price in fiscal 2022 was primarily due a shift in the number of homes delivered to more expensive areas and/or products, as well as sales price increases.

The decrease in the number of net contracts signed in fiscal 2022, as compared to fiscal 2021, was principally due to a weakening in demand in the second half of fiscal 2022. The increase in the average value of each contract signed in fiscal 2022 was primarily due to shifts in the number of contracts signed to more expensive areas and/or products, as well as sales price increases in fiscal 2022.

The increase in income before income taxes in fiscal 2022, as compared to fiscal 2021, was mainly due to higher earnings from increased revenues, coupled with lower home sales costs of revenues, as a percentage of home sale revenues. The decrease in home sales costs of revenues, as a percentage of home sale revenues, in fiscal 2022 was primarily due to a shift in product mix/ areas to higher-margin areas, lower interest costs as a percentage of home sales revenue and reduced inventory impairment charges. Included in fiscal 2021 income before income taxes was a \$6.0 million gain recognized from an asset sale of a commercial property by one of our Land Development Joint Ventures.

Inventory impairment charges were \$3.4 million and \$12.0 million in fiscal 2022 and 2021, respectively. In the third quarter of fiscal 2021, we decided to sell the remaining lots in one community located in Maryland in a bulk sale. As a result, we wrote down the carrying value of inventory in this community to its estimated fair value. This resulted in an impairment charge of \$10.1 million in fiscal 2021.

South

	Year ended October 31,		
	2022	2021	% Change
Units Delivered and Home Sales Revenues:			
Home sales revenues (\$ in millions)	\$ 1,519.6	\$ 1,183.3	28 %
Units delivered	2,033	1,783	14 %
Average delivered price (\$ in thousands)	\$ 747.5	\$ 663.7	13 %
Net Contracts Signed:			
Net contract value (\$ in millions)	\$ 1,838.3	\$ 2,109.6	(13)%
Net contracted units	1,981	2,765	(28)%
Average contracted price (\$ in thousands)	\$ 928.0	\$ 763.0	22 %
Home sales cost of revenues as a percentage of home sales revenues	75.6 %	76.7 %	
Income before income taxes (\$ in millions)	\$ 249.7	\$ 153.8	62 %
Number of selling communities at October 31,	99	84	18 %

The increase in the number of homes delivered in fiscal 2022, as compared to fiscal 2021, was mainly due to an increase in the number of homes in backlog at October 31, 2021, as compared to the number of homes in backlog at October 31, 2020, partially offset by lower backlog conversion in fiscal 2022. The increase in the average delivered price in fiscal 2022 was primarily due to a shift in the number of homes delivered to more expensive areas and/or products, as well as sales price increases.

The decrease in the number of net contracts signed in fiscal 2022, as compared to fiscal 2021, was principally due to a weakening in demand during the second half of fiscal 2022. The increase in the average value of each contract signed in the fiscal 2022 period was primarily due to sales price increases in fiscal 2022 and a shift in the number of contracts signed to more expensive areas and/or products.

The increase in income before income taxes in fiscal 2022, as compared to fiscal 2021, was principally due to higher earnings from increased home sales revenues and lower home sales costs of revenues, as a percentage of home sales revenues, offset, in part, by higher SG&A costs resulting from increased sales volume. The decrease in home sales cost of revenues, as a percentage of home sales revenues, was mainly due to a shift in product mix/areas to higher-margin areas, lower interest costs as a percentage of home sales revenue, offset by higher inventory impairment changes in fiscal 2022. Inventory impairment charges were \$3.4 million and \$0.7 million in fiscal 2022 and 2021, respectively.

Mountain

	Year ended October 31,		
	2022	2021	% Change
Units Delivered and Home Sales Revenues:			
Home sales revenues (\$ in millions)	\$ 2,747.8	\$ 2,003.0	37 %
Units delivered	3,366	2,732	23 %
Average delivered price (\$ in thousands)	\$ 816.3	\$ 733.2	11 %
Net Contracts Signed:			
Net contract value (\$ in millions)	\$ 2,319.7	\$ 3,341.5	(31)%
Net contracted units	2,292	4,031	(43)%
Average contracted price (\$ in thousands)	\$ 1,012.1	\$ 828.9	22 %
Home sales cost of revenues as a percentage of home sales revenues	74.6 %	77.2 %	
Income before income taxes (\$ in millions)	\$ 509.5	\$ 276.3	84 %
Number of selling communities at October 31,	113	105	8 %

The increase in the number of homes delivered in fiscal 2022, as compared to fiscal 2021, was mainly due to an increase in the number of homes in backlog at October 31, 2021, as compared to the number of homes in backlog at October 31, 2020, partially offset by lower backlog conversion in fiscal 2022. The increase in the average price of homes delivered in fiscal 2022 was primarily due to a shift in the number of homes delivered to more expensive areas and/or products and sales price increases.

The decrease in the number of net contracts signed in fiscal 2022, as compared to fiscal 2021, was principally due to a weakening in demand during the second half of fiscal 2022. The decrease in the average value of each contract signed in fiscal 2022 was mainly due to shifts in the number of contracts signed to less expensive areas and/or products.

The increase in income before income taxes in fiscal 2022, as compared to fiscal 2021, was mainly due to higher earnings from increased revenues coupled with lower home sales cost of revenues, as a percentage of home sales revenues, offset in part by higher SG&A resulting from increased volume. The decrease in home sales cost of revenues, as a percentage of home sales revenues, was primarily due to a shift in product mix/areas to higher-margin areas.

Pacific

	Year ended October 31,		
	2022	2021	% Change
Units Delivered and Home Sales Revenues:			
Home sales revenues (\$ in millions)	\$ 2,442.0	\$ 2,156.1	13 %
Units delivered	1,731	1,566	11 %
Average delivered price (\$ in thousands)	\$ 1,410.7	\$ 1,376.8	2 %
Net Contracts Signed:			
Net contract value (\$ in millions)	\$ 2,269.3	\$ 2,781.7	(18)%
Net contracted units	1,374	1,966	(30)%
Average contracted price (\$ in thousands)	\$ 1,651.6	\$ 1,414.9	17 %
Home sales cost of revenues as a percentage of home sales revenues	70.5 %	75.4 %	
Income before income taxes (\$ in millions)	572.8	382.9	50 %
Number of selling communities at October 31,	43	47	(9)%

The increase in the number of homes delivered in fiscal 2022, as compared to fiscal 2021, was mainly due to an increase in the number of homes in backlog at October 31, 2021, as compared to the number of homes in backlog at October 31, 2020, partially offset by lower backlog conversion in fiscal 2022. The increase in the average price of homes delivered in fiscal 2022

was primarily due increases in sales prices, partially offset by a shift in the number of homes delivered to less expensive areas and/or products.

The decrease in the number of net contracts signed in fiscal 2022, as compared to fiscal 2021, was principally due to a weakening in demand during the second half of fiscal 2022, as well as a decrease in the number of selling communities. The decrease in the average value of each contract signed in fiscal 2022 was mainly due to a shift in the number of contracts signed in less expensive areas.

The increase in income before income taxes in fiscal 2022, as compared to fiscal 2021, was primarily due to higher earnings from increased revenues and lower SG&A costs, offset by higher inventory impairment charges. Inventory impairment charges were \$10.0 million and \$1.3 million in fiscal 2022 and 2021, respectively. During the fourth quarter of fiscal 2022, we decided to sell a land parcel in California that was formerly included in our City Living segment. In connection with this planned sale, we recognized an impairment charge of \$5.6 million.

Corporate and Other

In fiscal 2022 and 2021, loss before income taxes was \$98.6 million and \$154.9 million respectively. The decrease in the loss before income taxes in fiscal 2022 was principally attributable to a favorable litigation settlement. As a result of the settlement, net of legal fees and expenses, we recorded a pre-tax gain of \$148.4 million, of which \$141.2 million was recorded in Other Income - net in our Consolidated Statements of Operations and Comprehensive Income in fiscal 2022. The remainder was recorded as an offset to previously incurred expenses. Coincident with this settlement, we made a charitable contribution of \$10.0 million to the Toll Brothers Foundation, which was recorded in Selling, general and administrative in our Consolidated Statements of Operations and Comprehensive Income in fiscal 2022.

In addition, we incurred a \$35.2 million charge related to the early retirement of debt in fiscal 2021. These decreases to loss before income taxes were offset by higher income generated by our Rental Property Joint Ventures in fiscal 2021 primarily as a result of \$74.8 million of gains recognized related to property sales by five of our Rental Property Joint Ventures; lower earnings from our mortgage company due to a decrease in volume and increased interest spreads in fiscal 2022; higher SG&A costs in fiscal 2022 primarily due to normal compensation increases and additional investments in information technology, and higher losses incurred in our apartment living operations.

FISCAL 2021 (Restated) COMPARED TO FISCAL 2020 (Restated)

North

	Year ended October 31,		
	2021	2020	% Change
Units Delivered and Home Sales Revenues:			
Home sales revenues (\$ in millions)	\$ 2,011.9	\$ 1,480.2	36 %
Units delivered	2,503	2,103	19 %
Average delivered price (\$ in thousands)	\$ 803.8	\$ 703.9	14 %
Net Contracts Signed:			
Net contract value (\$ in millions)	\$ 1,996.4	\$ 1,659.4	20 %
Net contracted units	2,245	2,245	— %
Average contracted price (\$ in thousands)	\$ 889.3	\$ 739.2	20 %
Home sales cost of revenues as a percentage of home sales revenues	78.8 %	84.2 %	
Income before income taxes (\$ in millions)	\$ 313.7	\$ 87.5	259 %
Number of selling communities at October 31,	66	73	(10)%

The increase in the number of homes delivered in fiscal 2021 was mainly due to an increase in the number of homes in backlog at October 31, 2020, as compared to the number of homes in backlog at October 31, 2019. The increase in the average price of homes delivered in fiscal 2021 was principally due to sales price increases.

The number of net contracts signed in fiscal 2021, as compared to fiscal 2020, was flat. The increase in the average value of each contract signed in fiscal 2021, as compared to fiscal 2020, was mainly due to shifts in the number of contracts signed to more expensive areas and/or products and price increases.

The increase in income before income taxes in fiscal 2021 was principally attributable to higher earnings from increased revenues and lower home sales cost of revenues, as a percentage of home sales revenues and decreased losses from our investments in unconsolidated entities. The decrease in home sales cost of revenues, as a percentage of home sales revenues in fiscal 2021 was primarily due to a shift in product mix/areas to higher-margin areas, sales price increases and lower inventory impairment charges. The decrease in losses from our investments in unconsolidated entities is primarily due to \$6.0 million of other than temporary impairment charges that we recognized on one of our Home Building Joint Ventures in fiscal 2020.

Inventory impairment charges were \$12.2 million in fiscal 2021, as compared to \$28.4 million in fiscal 2020. During the fourth quarter of fiscal 2021, we decided to sell the remaining lots in two communities, one in Connecticut and one in Illinois, in bulk sales. As a result, we recognized impairment charges of \$8.7 million in the fourth quarter of fiscal 2021. In the fourth quarter of fiscal 2020, we changed our strategy with respect to our land in the Delaware beach markets and the Chicago market. As a result, the carrying values of our land and communities were written down to their estimated fair values, which resulted in a charge to income before income taxes of \$18.0 million in fiscal 2020 related to this land. In addition, in the fourth quarter of fiscal 2020, due to a loss in lot density at one community located in New Jersey, the carrying value was written down to its estimated fair value, which resulted in a charge to income of \$6.4 million.

Mid-Atlantic

	Year ended October 31,		
	2021	2020	% Change
Units Delivered and Home Sales Revenues:			
Home sales revenues (\$ in millions)	\$ 1,076.9	\$ 851.1	27 %
Units delivered	1,402	1,274	10 %
Average delivered price (\$ in thousands)	\$ 768.1	\$ 668.1	15 %
Net Contracts Signed:			
Net contract value (\$ in millions)	\$ 1,310.7	\$ 1,077.8	22 %
Net contracted units	1,465	1,475	(1)%
Average contracted price (\$ in thousands)	\$ 894.7	\$ 730.7	22 %
Home sales cost of revenues as a percentage of home sales revenues	80.0 %	83.7 %	
Income before income taxes (\$ in millions)	\$ 128.5	\$ 52.0	147 %
Number of selling communities at October 31,	38	39	(3)%

The increase in the number of homes delivered in fiscal 2021, as compared to fiscal 2020, was mainly due to an increase in the number of homes in backlog at October 31, 2020, as compared to the number of homes in backlog at October 31, 2019, partially offset by lower backlog conversion in fiscal 2021. The increase in the average delivered price in fiscal 2021 was primarily due a shift in the number of homes delivered to more expensive areas and/or products, as well as sales price increases.

The decrease in the number of net contracts signed in fiscal 2021, as compared to fiscal 2020, was principally due to a decrease in the average number of selling communities, offset, in part, by an increase in demand. The increase in the average value of each contract signed in fiscal 2021 was primarily due to shifts in the number of contracts signed to more expensive areas and/or products, as well as sales price increases in fiscal 2021.

The increase in income before income taxes in fiscal 2021, as compared to fiscal 2020, was mainly due to higher earnings from increased revenues, coupled with lower home sales costs of revenues, as a percentage of home sale revenues. The decrease in home sales costs of revenues, as a percentage of home sale revenues, in fiscal 2021 was primarily due to a shift in product mix/areas to higher-margin areas, lower interest costs as a percentage of home sales revenue and reduced inventory impairment charges. A \$6.0 million gain recognized from an asset sale of a commercial property by one of our Land Development Joint Ventures was also recognized during fiscal 2021 with no similar gain in fiscal 2020.

Inventory impairment charges were \$12.0 million and \$17.9 million in fiscal 2021 and 2020, respectively. In the third quarter of fiscal 2021, we decided to sell the remaining lots in one community located in Maryland in a bulk sale. As a result, we wrote down the carrying value of inventory in this community to its estimated fair value. This resulted in an impairment charge of \$10.1 million in fiscal 2021. In the second quarter of fiscal 2020, following the onset of the COVID-19 pandemic, we terminated a land purchase agreement in Virginia and wrote-off the deposits and soft costs incurred. In addition, in the third quarter of fiscal 2020, we decided to sell the remaining lots in one community located in Maryland in a bulk sale. As a result,

we wrote down the carrying value of inventory in this community to its estimated fair value, resulting in an impairment charge of \$13.5 million in fiscal 2020.

South

	Year ended October 31,		
	2021	2020	% Change
Units Delivered and Home Sale Revenues:			
Home sales revenues (\$ in millions)	\$ 1,183.3	\$ 1,041.2	14 %
Units delivered	1,783	1,566	14 %
Average delivered price (\$ in thousands)	\$ 663.7	\$ 664.9	— %
Net Contracts Signed:			
Net contract value (\$ in millions)	\$ 2,109.6	\$ 1,320.1	60 %
Net contracted units	2,765	2,006	38 %
Average contracted price (\$ in thousands)	\$ 763.0	\$ 658.1	16 %
Home sales cost of revenues as a percentage of home sales revenues	76.7 %	79.9 %	
Income before income taxes (\$ in millions)	\$ 153.8	\$ 108.4	42 %
Number of selling communities at October 31,	84	67	25 %

The increase in the number of homes delivered in fiscal 2021, as compared to fiscal 2020, was mainly due to an increase in the number of homes in backlog at October 31, 2020, as compared to the number of homes in backlog at October 31, 2019, partially offset by lower backlog conversion in fiscal 2021.

The increase in the number of net contracts signed in fiscal 2021, as compared to fiscal 2020, was principally due to an increase in demand from our homes and an increase in the average number of selling communities in fiscal 2021, offset by our limiting of lot releases in certain communities. The increases in the average value of each contract signed in the fiscal 2021 periods were primarily due to sales price increases in fiscal 2021 and a shift in the number of contracts signed to more expensive areas and/or products.

The increase in income before income taxes in fiscal 2021, as compared to fiscal 2020, was principally due to higher earnings from increased home sales revenues and lower home sales costs of revenues, as a percentage of home sales revenues, offset, in part, by higher SG&A costs due to increased sales volume. The decrease in home sales cost of revenues, as a percentage of home sales revenues, was mainly due to a shift in product mix/areas to higher-margin areas, lower interest costs as a percentage of home sales revenue and lower inventory impairment changes in fiscal 2021, as compared to fiscal 2020. Inventory impairment charges were \$0.7 million and \$2.9 million in fiscal 2021 and 2020, respectively.

Mountain

	Year ended October 31,		
	2021	2020	% Change
Units Delivered and Home Sales Revenues:			
Home sales revenues (\$ in millions)	\$ 2,003.0	\$ 1,535.8	30 %
Units delivered	2,732	2,219	23 %
Average delivered price (\$ in thousands)	\$ 733.2	\$ 692.1	6 %
Net Contracts Signed:			
Net contract value (\$ in millions)	\$ 3,341.4	\$ 2,008.2	66 %
Net contracted units	4,031	2,802	44 %
Average contracted price (\$ in thousands)	\$ 828.9	\$ 716.7	16 %
Home sales cost of revenues as a percentage of home sales revenues	77.2 %	79.2 %	
Income before income taxes (\$ in millions)	\$ 276.4	\$ 167.7	65 %
Number of selling communities at October 31,	105	94	12 %

The increase in the number of homes delivered in fiscal 2021, as compared to fiscal 2020, was mainly due to an increase in the number of homes in backlog at October 31, 2020, as compared to the number of homes in backlog at October 31, 2019, partially offset by lower backlog conversion in fiscal 2021. The increase in the average price of homes delivered in fiscal 2021 was primarily due to a shift in the number of homes delivered to more expensive areas and/or products and sales price increases.

The increase in the number of net contracts signed in fiscal 2021, as compared to fiscal 2020, was principally due to increased demand for our homes and an increase in the average number of selling communities. The increases in the average value of each contract signed in fiscal 2021 was mainly due to shifts in the number of contracts signed to more expensive areas and/or products and price increases.

The increase in income before income taxes in fiscal 2021, as compared to fiscal 2020, was mainly due to higher earnings from increased revenues coupled with lower home sales cost of revenues, as a percentage of home sales revenues, offset in part by higher SG&A costs due to increased volume. The decrease in home sales cost of revenues, as a percentage of home sales revenues, was primarily due to a shift in product mix/areas to higher-margin areas.

Pacific

	Year ended October 31,		
	2021	2020	% Change
Units Delivered and Home Sales Revenues:			
Home sales revenues (\$ in millions)	\$ 2,156.1	\$ 2,029.9	6 %
Units delivered	1,566	1,334	17 %
Average delivered price (\$ in thousands)	\$ 1,376.8	\$ 1,521.7	(10)%
Net Contracts Signed:			
Net contract value (\$ in millions)	\$ 2,781.7	\$ 1,929.6	44 %
Net contracted units	1,966	1,404	40 %
Average contracted price (\$ in thousands)	\$ 1,414.9	\$ 1,374.4	3 %
Home sales cost of revenues as a percentage of home sales revenues	75.3 %	75.2 %	
Income before income taxes (\$ in millions)	382.9	351.5	9 %
Number of selling communities at October 31,	47	44	7 %

The increase in the number of homes delivered in fiscal 2021, as compared to fiscal 2020, was mainly due to an increase in the number of homes in backlog at October 31, 2020, as compared to the number of homes in backlog at October 31, 2019, coupled

with higher backlog conversion in fiscal 2021. The decrease in the average price of homes delivered in fiscal 2021 was primarily due to a shift in the number of homes delivered to less expensive areas and/or products.

The increase in the number of net contracts signed in fiscal 2021, as compared to fiscal 2020, was principally due to an increase in demand, as well as an increase in the number of selling communities. The increase in the average value of each contract signed in fiscal 2021 was mainly due to price increases, partially offset by a shift in the number of contracts signed in less expensive areas.

The increase in income before income taxes in fiscal 2021, as compared to fiscal 2020, was primarily due to higher earnings from increased revenues, lower SG&A costs and lower inventory impairment charges. Inventory impairment charges were \$1.3 million and \$6.0 million in fiscal 2021 and 2020, respectively. The fiscal 2020 impairment charge relates primarily to a land purchase agreement where we no longer expected to purchase the land and, accordingly, wrote-off soft costs incurred.

Corporate and Other

In fiscal 2021 and 2020, loss before income taxes was \$154.9 million and \$180.1 million respectively. The decrease in the loss before income taxes in fiscal 2021 was principally attributable to higher income generated by our Rental Property Joint Ventures primarily as a result of \$74.8 million of gains recognized in the fiscal 2021 period related to property sales by five of our Rental Property Joint Ventures; higher earnings from our mortgage company and title company operations due to an increase in volumes and improved interest spreads in fiscal 2021; lower losses incurred in our apartment living operations; and directly expensed interest of \$2.4 million in the fiscal 2020 period with no similar charges in fiscal 2021. These increases were offset, in part by a \$35.2 million charge incurred related to early retirement of debt in fiscal 2021, lower interest income in fiscal 2021, gains recognized in fiscal 2020 of \$13.0 million from the sale of golf club properties, and higher SG&A costs in fiscal 2021 primarily due to normal compensation increases and an increase in insurance costs due to higher revenues.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk primarily due to fluctuations in interest rates. We incur both fixed-rate and variable-rate debt. For fixed-rate debt, changes in interest rates generally affect the fair market value of the debt instrument, but not our earnings or cash flow. Conversely, for variable-rate debt, changes in interest rates generally do not affect the fair market value of the debt instrument, but do affect our earnings and cash flow. We do not have the obligation to prepay fixed-rate debt prior to maturity, and, as a result, interest rate risk and changes in fair market value should not have a significant impact on our fixed-rate debt until we are required or elect to refinance it.

The London Interbank Offered Rate (“LIBOR”) is the primary basis for determining interest payments on borrowings under each of our \$650.0 million Term Loan Facility and our \$1.905 billion Revolving Credit Facility. On March 5, 2021, ICE Benchmark Administration (“IBA”) confirmed it would cease publication of Overnight, 1, 3, 6 and 12 month US Dollar LIBOR settings immediately following the LIBOR publication on June 30, 2023. Various parties, including government agencies, are seeking to identify an alternative rate to replace LIBOR. The Alternative Reference Rates Committee, which was convened by the Federal Reserve Board and the New York Federal Reserve, has identified the Secured Overnight Financing Rate (“SOFR”) as the recommended risk-free alternative rate for US Dollar LIBOR. We expect a substantial portion of our indebtedness will eventually transition to bearing interest based on SOFR. At this time, it is not possible to predict the effect the anticipated discontinuance of LIBOR, or the establishment of alternative reference rates such as SOFR, will have on us or our borrowing costs. SOFR is a relatively new reference rate and its composition and characteristics are not the same as LIBOR. Given SOFR’s very limited history and potential volatility as compared to other benchmark or market rates, the future performance of SOFR cannot be predicted based on historical performance. The consequences of using SOFR could include an increase in the cost of our variable rate indebtedness. We are monitoring these transition efforts and, although each of our Term Loan Facility and Revolving Credit Facility contain provisions designed to accommodate an alternate reference rate, we may need to amend these and other contracts, such as interest rate hedges that reference these contracts, to accommodate any replacement rate. The potential effect of any such event on our cost of capital cannot yet be determined, but we do not expect it to have a material impact on our consolidated financial condition, results of operations, or cash flows.

The following table shows our debt obligations by scheduled maturity, weighted-average interest rates, and estimated fair value as of October 31, 2022 (\$ amounts in thousands):

Fiscal year of maturity	Fixed-rate debt		Variable-rate debt ^(a)	
	Amount	Weighted-average interest rate (%)	Amount	Weighted-average interest rate (%)
2023	\$ 604,527	4.15%	\$ 150,623	5.35%
2024	130,214	4.56%		
2025	88,488	5.11%		
2026	376,111	4.86%	101,563	4.81%
2027	460,442	4.83%	548,437	4.81%
Thereafter ^(b)	875,500	4.02%		
Bond discounts, premiums, and deferred issuance costs - net	(4,729)		(1,768)	
Total	<u>\$ 2,530,553</u>	4.39%	<u>\$ 798,855</u>	4.91%
Fair value at October 31, 2022	<u>\$ 2,351,388</u>		<u>\$ 800,623</u>	

(a) Based upon the amount of variable-rate debt outstanding at October 31, 2022, and holding the variable-rate debt balance constant, each 1% increase in interest rates would increase the interest incurred by us by approximately \$8.0 million per year, without consideration of the Company’s interest rate swap transactions.

(b) In November 2020, we entered into five interest rate swap transactions to hedge \$400.0 million of the Term Loan Facility through October 2025, which is included in the variable-rate debt column in the table above. The interest rate swaps effectively fix the interest cost on the \$400.0 million at 0.369% plus the spread set forth in the pricing schedule in the Term Loan Facility, which was 1.05% as of October 31, 2022. These interest rate swaps were designated as cash flow hedges.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements, listed in Item 15(a)(1) beginning on page F-1 of this report are incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Any controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected; however, our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives.

Our Chief Executive Officer and Chief Financial Officer, with the assistance of management, evaluated the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, (“Exchange Act”), as of the end of the period covered by this report (“Evaluation Date”). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of the Evaluation Date, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management’s Annual Report on Internal Control Over Financial Reporting and Attestation Report of the Independent Registered Public Accounting Firm

Management’s Annual Report on Internal Control Over Financial Reporting and the attestation report of our independent registered public accounting firm on internal control over financial reporting on pages F-1 and F-2, respectively, are incorporated herein by reference.

Changes in Internal Control Over Financial Reporting

We are in the process of a complex implementation of a new ERP system that affects many of our financial processes. This project is expected to improve the efficiency and effectiveness of certain financial and business transaction processes, as well as the underlying systems environment. The new ERP system will be a significant component of our internal control over financial reporting. Other than the ERP system implementation noted above, there has not been any change in our internal control over financial reporting (as that term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during our quarter ended October 31, 2022, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. For a discussion of risks related to the implementation of our new ERP system, see “Risk Factors - We are implementing a new enterprise resource planning system, and challenges with the implementation of the system may impact our business and operations.”

ITEM 9B. OTHER INFORMATION

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The following table includes information with respect to all persons serving as executive officers as of the date of this Form 10-K. All executive officers serve at the pleasure of our Board of Directors.

Name	Age	Positions
Douglas C. Yearley, Jr.	62	Chairman of the Board and Chief Executive Officer
Robert Parahus	59	President and Chief Operating Officer
Martin P. Connor	58	Senior Vice President and Chief Financial Officer

Douglas C. Yearley, Jr. joined us in 1990 as assistant to the Chief Executive Officer with responsibility for land acquisitions. He has been an officer since 1994, holding the position of Senior Vice President from January 2002 until November 2005, the position of Regional President from November 2005 until November 2009, and the position of Executive Vice President from November 2009 until June 2010, when he was promoted to Chief Executive Officer. On November 1, 2018, he was appointed to the position of Chairman of the Board and Chief Executive Officer. Mr. Yearley was elected a Director in June 2010.

Robert Parahus joined us in 1986 and served in various positions with us, including Regional President from 2006 through October 31, 2019. During this time, he oversaw the Company's home building operations in New Jersey, New York, Connecticut, Massachusetts, and Florida, and had oversight responsibility for Toll Integrated Systems, the Company's building component manufacturing operations. He was appointed to the position of Executive Vice President and Co-Chief Operating Officer effective November 1, 2019, with responsibility for the Company's eastern region. Effective November 1, 2021, Mr. Parahus was promoted to President and Chief Operating Officer.

Martin P. Connor joined us as Vice President and Assistant Chief Financial Officer in December 2008 and was appointed a Senior Vice President in December 2009. Mr. Connor was appointed to his current position of Senior Vice President and Chief Financial Officer in September 2010. From June 2008 to December 2008, Mr. Connor was President of Marcon Advisors LLC, a finance and accounting consulting firm that he founded. From October 2006 to June 2008, Mr. Connor was Chief Financial Officer and Director of Operations for O'Neill Properties, a diversified commercial real estate developer in the Mid-Atlantic area. Prior to October 2006, he spent over 20 years at Ernst & Young LLP as an Audit and Advisory Business Services Partner, responsible for the real estate practice for Ernst & Young LLP in the Philadelphia marketplace. During the period from 1998 to 2005, he served on the Toll Brothers, Inc. audit engagement. In September 2022, Mr. Connor was appointed as an alternate director of Univest Financial Corporation, a publicly traded banking and financial services provider serving customers primarily in Pennsylvania and New Jersey.

The other information required by this item will be included in the "Election of Directors" and "Corporate Governance" sections of our Proxy Statement for the 2023 Annual Meeting of Stockholders (the "2023 Proxy Statement").

Code of Ethics

We have adopted a Code of Ethics for the Principal Executive Officer and Senior Financial Officers ("Code of Ethics") that applies to our principal executive officer, principal financial officer, principal accounting officer, controller, and persons performing similar functions designated by our Board of Directors. The Code of Ethics is available on our Internet website at www.tollbrothers.com under "Investor Relations – Corporate Governance." If we were to amend or waive any provision of our Code of Ethics, we intend to satisfy our disclosure obligations with respect to any such waiver or amendment by posting such information on our Internet website set forth above rather than by filing a Form 8-K.

Indemnification of Directors and Officers

Our Certificate of Incorporation and Bylaws provide for indemnification of our directors and officers. We have also entered into individual indemnification agreements with each of our directors.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item will be included in the "Executive Compensation" section of our 2023 Proxy Statement and is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required in this item will be included in the “Voting Securities and Beneficial Ownership” and “Equity Compensation Plan Information” sections of our 2023 Proxy Statement and is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS; DIRECTOR INDEPENDENCE

The information required in this item will be included in the “Corporate Governance” and “Certain Relationships and Transactions” sections of our 2023 Proxy Statement and is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required in this item will be included in the “Ratification of the Re-Appointment of Independent Registered Public Accounting Firm” section of the 2023 Proxy Statement and is incorporated herein by reference.

**Community Meeting Agenda
Verde Commons Green Reuse Area**

September 25, 2023, at 5:30 p.m.

West Boca Branch Library - 18685 SR 7, Boca Raton, FL 33498

Property Location: 9845-9905 Clint Moore Rd., Boca Raton, FL 33496

Parcel ID Nos.: 00-42-43-27-05-070-1130, 00-42-43-27-05-070-1160, and 00-42-43-27-05-070-1170

- I. **Welcome/Introduction**

- II. **Nature and Status of Environmental Concerns and Redevelopment**

- III. **Discussion of Request for Designation**

- IV. **Designation Process**

- V. **Closing/Questions**

RESOLUTION No. R2023-_____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, MAKING CERTAIN FINDINGS AND DESIGNATING THE THREE PARCELS LOCATED AT 9845 AND 9905 CLINT MOORE ROAD, WITHIN UNINCORPORATED PALM BEACH COUNTY, FLORIDA, FURTHER IDENTIFIED BY PARCEL CONTROL NUMBERS 00-42-43-27-05-070-1130, 1160 AND 1170, AS A BROWNFIELD AREA PURSUANT TO SECTION §376.80(2)(c), *FLORIDA STATUTES*, WHICH SHALL HEREAFTER BE KNOWN AS THE VERDE COMMONS GREEN REUSE AREA, FOR THE PURPOSE OF REHABILITATION, CREATION OF RECREATION AREA, AND PROMOTING ECONOMIC DEVELOPMENT; PROVIDING FOR AN EFFECTIVE DATE; AND, FOR OTHER PURPOSES.

WHEREAS, the State of Florida has provided in §97-277, Laws of Florida, codified as the Brownfields Redevelopment Act, §376.77 - §376.86, *Florida Statutes* (the "Act"), for designation of a "Brownfield Area" by resolution of the local governing body at the request of the person who owns or controls the real estate parcels, to provide for environmental remediation and redevelopment, creation of recreation area, and promote economic development and revitalization generally; and

WHEREAS, Toll Brothers, Inc. ("Toll Bros.") as contract purchaser, and the owners, Westside Farms, Inc. and 7 T's Enterprises, control the parcels located at 9845 and 9905 Clint Moore Road, Palm Beach County, Florida, as depicted and more particularly described in Exhibit A, and Toll Bros. intends to develop the subject site as a residential development with 70 single family dwelling units and a 0.66 acre recreation area; and

WHEREAS, Toll Bros., and Westside Farms, Inc. and 7 T's Enterprises, have requested the Board of County Commissioners of Palm Beach County, Florida designate the site as a "Brownfield Area" pursuant to §376.80(2)(c), *Florida Statutes*; and

WHEREAS, Toll Bros. has provided information, and made sufficient representations and demonstrations to allow the Board of County Commissioners to make the findings required pursuant to §376.80(2)(c), *Florida Statutes*; and

WHEREAS, proper notice has been provided in accordance with §376.80(2)(c)(4) and §376.80(1)(c)(4)(b), *Florida Statutes*; and

WHEREAS, such designation shall not render the County liable for costs or site remediation, rehabilitation or source removal, which terms are defined in §376.79 (19) and (20), *Florida Statutes*, or for any other costs related to the redevelopment of the site.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, THAT;

1. The Board of County Commissioners finds that Toll Bros. has presented sufficient information and testimony to satisfy the criteria set forth in §376.80(2)(c), *Florida Statutes*, and the Board of County Commissioners hereby makes all of the following findings:
 - a. Toll Bros. controls the site and has agreed to rehabilitate and redevelop the site.
 - b. The rehabilitation and redevelopment of the site will result in the creation of recreation area and economic productivity of the area.
 - c. The redevelopment of the site is consistent with the County's Comprehensive Plan, and is a permissible use under Palm Beach County's Unified Land Development Zoning Code.
 - d. Toll Bros. has provided notice of the proposed rehabilitation of the site to neighbors and nearby residents, and has provided those receiving notice, the opportunity to provide comments and suggestions regarding the rehabilitation.

- e. Toll Bros. has provided reasonable assurance that they have sufficient financial resources to complete the rehabilitation and redevelopment of the site.
- 2. The Board of County Commissioners hereby designates the three parcels located at 9845 and 9905 Clint Moore Road, in unincorporated Palm Beach County, Florida, as depicted and more particularly described in Exhibit A attached hereto, as a "Brownfield Area" for purposes of the Brownfields Redevelopment Act, §376.77 - 376.86, *Florida Statutes*.
- 3. The Department of Housing and Economic Development shall, within thirty (30) days of adoption of this Resolution, cause a notice of this designation, along with a copy of this Resolution, to be provided to the Florida Department of Environmental Protection and any local pollution control program under s. 403.182.
- 4. This Resolution shall take effect upon adoption.

Commissioner _____ moved for the approval of the Resolution.

The motion was seconded by Commissioner _____, and being put to vote, the vote was as follows:

Commissioner Maria G. Marino, District 1	- _____
Commissioner Gregg K. Weiss, District 2	- _____
Commissioner Michael A. Barnett, District 3	- _____
Commissioner Marci Woodward, District 4	- _____
Commissioner Maria Sachs, District 5	- _____
Commissioner Sara Baxter, District 6	- _____
Commissioner Mack Bernard, District 7	- _____

The Mayor thereupon declared that the Resolution was duly passed and adopted on _____ 2023.

**PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS**

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

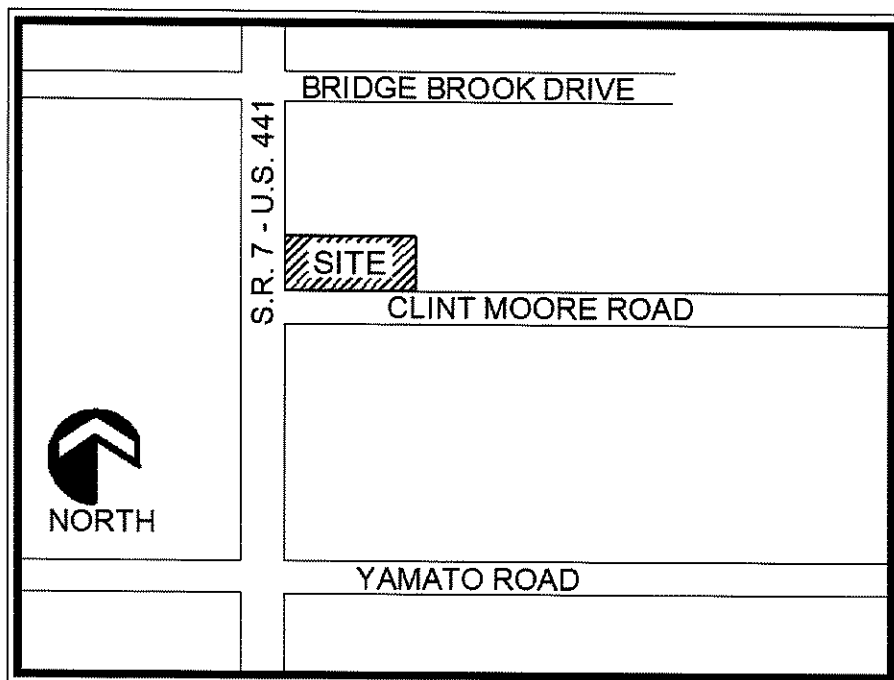
**JOSEPH ABRUZZO
CLERK & COMPTROLLER**

By:  _____
David Behar
Assistant County Attorney

By: _____
Deputy Clerk

Exhibit A

Location Map and Legal Description



PARCEL 1

TRACTS 113, 114 AND 115, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGES 45-54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

PARCEL 2

TRACT 116, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGE 45, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

PARCEL 3

TRACTS 117, 118 AND 119 OF BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, PAGE 45, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

SAID LANDS LYING IN SECTION 31, TOWNSHIP 46 SOUTH, RANGE 42 EAST, AND SECTION 6, TOWNSHIP 47 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, AND CONTAINING 1,629,100 SQUARE FEET/ 37.399 ACRES, MORE OR LESS.

ALSO KNOWN AS:

TRACTS 113, 114, 115, 116, 117, 118 AND 119, BLOCK 70, THE PALM BEACH FARMS CO. PLAT NO. 3, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 2, PAGES 45-54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID TRACT 113; THENCE ALONG THE WEST LINE OF SAID TRACT 113, NORTH 01°27'31" WEST A DISTANCE OF 660.00 FEET TO THE NORTHWEST CORNER OF SAID TRACT 113; THENCE ALONG THE NORTH LINES OF SAID TRACTS 113, 114, 115, 116, 117, 118 AND 119, NORTH 89°34'01" EAST A DISTANCE OF 2,474.24 FEET TO THE NORTHEAST CORNER OF SAID TRACT 119; THENCE ALONG THE EAST LINE OF SAID TRACT 119, SOUTH 00°25'59" EAST A DISTANCE OF 660.00 FEET TO THE SOUTHEAST CORNER OF SAID TRACT 119; THENCE ALONG THE SOUTH LINES OF SAID TRACTS 119, 118, 117, 116, 115, 114 AND 113, SOUTH 89°34'01" WEST A DISTANCE OF 2,462.43 FEET TO THE POINT OF BEGINNING.

SAID LANDS LYING IN SECTION 31, TOWNSHIP 46 SOUTH, RANGE 42 EAST, AND SECTION 6, TOWNSHIP 47 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA, AND CONTAINING 1,629,100 SQUARE FEET (37.399 ACRES), MORE OR LESS.