

Toll Brothers Forms Venture to Develop Luxury Apartments Near Atlanta

Joint Venture Partners Secure \$46 Million Construction Loan



Toll Brothers and JD Capital USA plan to develop Motto, a 290-unit apartment complex east of Atlanta. (Globe Newswire)

By [Tony Wilbert](#)
CoStar News



Toll Brothers, one of the largest homebuilders in the United States, has formed a joint venture and secured financing to construct a new luxury apartment complex near Atlanta.

The Philadelphia-area company said it has joined with JD Capital USA, which has ties to a Chinese private equity firm, to develop Motto, a 290-unit apartment complex in the Scottdale area near Decatur, Georgia. Motto would be part of a larger mixed-use project that includes a Publix supermarket and other service-oriented businesses.

The joint venture has secured a \$45.7 million construction loan from Santander Bank for the development, Toll Brothers said. Toll Brothers spokesman John Piedrahita said the company plans to start construction this fall and have the first residents at Motto move in during the spring of 2022.

The project is in a portion of DeKalb County, Georgia, just outside of the city of Decatur and near Avondale Estates that has started to attract apartment developers after Decatur put limitations on what could be built there.

"More developers may look to adjacent neighborhoods due to Decatur's recently implemented inclusionary zoning ordinance, much like what we saw with the Eastside BeltLine when that

ordinance went into effect in 2018," CoStar managing analyst David Kahn said in an email.

Toll Brothers Apartment Living, the homebuilder's rental division, plans to manage the complex where plans call for five- and six-story buildings and a parking deck on a 3.2-acre site at 2 Grove Place, about a five-minute walk from the Avondale MARTA mass transit station. Toll Brothers Apartment Living also will manage the development of the property.

Known mostly for its single-family homes, Toll Brothers has ramped up its multifamily development over the past several years as a large group of millennials and empty-nesters sought rental housing over mortgage payments. The company developed [Osprey](#), a mixed-use project with 319 apartments in West Midtown, and [Oleander](#), a 348-unit multifamily property in Brookhaven, Georgia, just northeast of Atlanta.

"Motto is the third community and newest project Toll Brothers Apartment Living has started in the Atlanta market," Charles Elliott, president of Toll Brothers Apartment Living, said in a statement. "We're excited to grow in this market as we see a significant amount of employer and population growth."

Toll Brothers also has plans for a [27-story multifamily complex with 385 apartments and a 22-story student housing tower with 205 units](#) on a parcel at [1018 W. Peachtree St.](#), according to

documents from the Midtown Development Review Committee. The committee, comprising nine volunteers appointed by the community and advised by city of Atlanta planning officials, reviewed Toll Brothers' plans in July 2019.

JD Capital CEO Patrick Chen said Motto's suburban location, subway access to Atlanta and major employment centers should position the complex for success. "Given its proximity to various leading healthcare and medical research facilities, we're confident in the continuing growth momentum of the Decatur neighborhood," Chen said in the release.

As the new development pipeline thins in the Decatur-North Druid Hills area, Toll Brothers' new project in Avondale Estates should lease up well, CoStar market analyst Trenton Turner said.

"Avondale Estates in particular has emerged as a live-work-play suburb with close proximity to Atlanta's major job centers," Turner said in an email. "With the addition of a Publix and restaurants, prospective renters will gravitate toward Avondale Estates as a value alternative to pricier apartments in downtown Decatur."