JTW Advises Level Homes on the Sale of Their Raleigh Division to Lennar

JTW Mandate: **M&A Sell-Side**

Client: **Level Homes [Raleigh Division]**
Client Type: **Private**
Industry: **Homebuilding**
MSA: **Raleigh**
Revenue: **~$50MM**
Closings: **~150**
Owned + Controlled: **1,750+ units**

Counterparty: **Lennar [NYSE:LEN]**
Counterparty Type: **Public**

Deal Type: **Bolt-on**
Deal Size: **$40-$60MM**
Date Closed: **May 2021**
Included: **Raleigh Homebuilding Division**

"We are very pleased with the outcome. JTW got us in the door at the executive level of all the key potential buyers. After negotiating with multiple parties we ended up selling to Lennar who is the right fit for our business. We will definitely use JTW in the future."

Todd Waguespack
Co-Owner & CEO

CLIENT PROFILE

Level Homes is a Louisiana-based homebuilder and land developer with operations in multiple markets.

OBJECTIVES

Level's owners sought to divest its Raleigh division to generate liquidity and focus resources on its core Baton Rouge business. The Raleigh division possessed a strong foothold in a competitive market, making it attractive to national buyers. JTW Advisors was engaged to manage the sales process, maximize transaction value, and ensure an efficient handoff to the acquiring party.

PROCESS

JTW Advisors acted as the exclusive sell-side advisor to Level Homes. Our team prepared a compelling market positioning package and identified and engaged qualified buyers. The process yielded multiple bids. JTW led negotiations to secure optimal terms resulting in Level's decision to sign a letter of intent with Lennar. JTW guided the process through due diligence, managing confidentiality concerns while ensuring a smooth transition for employees, ongoing projects, and community relationships.

OUTCOME

Lennar purchased Level's Raleigh division including homebuilding operations and assets. Level did retain certain land assets and contracted to sell finished lots to Lennar on a takedown schedule. The transaction provided Level Homes with liquidity to reinvest in its core operations and growth markets. Lennar acquired a bolt-on to its' existing Raleigh business with pipeline and human resources to accelerate the division's growth and efficiencies.