JTW Advises Levi Grantham Land Group on Sale to Builder Capital

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

Client: **Levi Grantham**
Client Type: **Private Company**
Industry: **Homebuilding**
MSAs: **Charleston, Nashville, Greenville**
Revenue: **$75+MM**
Closings: **700+**
Owned + Controlled: **6,200+ Units**

Counterparty: **Builder Capital**
Counterparty Type: **Land Bank**

Deal Type: **Asset & Contract Sale**
Deal Size: **Confidential**
Date Closed: **March 2024**
Included: **Finished Lots, Land Under Development, Raw Land, and Contracts to Purchase Finished Lots and Raw Land**

"This transaction is further evidence of the strength in the homebuilder M&A market and is a textbook example of the key role land banks are playing in today's homebuilder M&A market."

Chris Jasinski
CEO of JTW Advisors

CLIENT PROFILE

Levi Grantham was a land development company affiliated with Crescent Homes. Crescent was founded in 2009 in Charleston, SC, by Ted Terry, a 5th-generation homebuilder.

OBJECTIVES

The owner created significant retained earnings in his combined homebuilding and land development businesses and sought a liquidity event for diversification and estate planning purposes.

PROCESS

The owner engaged JTW Advisors to run a structured M&A sales process. After receiving multiple bids, the owner chose to move forward with Dream Finders Homes. Since Dream Finders employs a land-light business model, Dream Finders ran a process to identify a land bank partner to acquire the bulk of the 6,200+ lot pipeline. While Dream Finders' land bank process ran in parallel to the due diligence period for the homebuilder acquisition, it did add time, risk, and complexity to the overall sale. We negotiated appropriate financial and contractual concessions from Dream Finders in return for allowing them the time to run their search for a land bank partner.

OUTCOME

Dream Finders chose Builder Capital to land-bank this transaction. Builder Capital acquired the majority of the 6,200-lot pipeline, including finished lots, land under development, raw land, and contracts to purchase finished lots and raw land. Simultaneously, Dream Finders entered into contracts to purchase that entire portfolio from Builder Capital as finished lots.