JTW
ADVISORS

JTW Advises Trumark Homes on Acquisition of Wathen Castanos Homes

TRUMARKHOMES

WCH
WATHEN CASTANOS
A TRUMARK HOMES COMPANY

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

Client: **Trumark Homes**
Client Parent: **Daiwa House Group**
Client Type: **Japanese**

Counterparty: **Wathen Castanos Homes**
Counterparty Type: **Private**
Industry: **Homebuilding**
MSA: **Central California**
Revenue: **$250 - $350 MM**
Closings: **400+**
Owned + Controlled: **3,300+**

Deal Type: **Asset Sale**
Deal Size: **Confidential**
Date Closed: **October 2023**
Included: **Homebuilding Operation, WIP, Owned & Controlled Future Lots**

"When we were introduced to the Wathen folks, we saw that these guys would fit right in, both from a skill standpoint, the way they approach their product, and what they value in their own culture. So that's really important to us. But we do see it as a step. Stay tuned. There'll be more releases to come as we continue down this path of growth."

Greg Nelson

Co-Founder & Co-CEO

CLIENT PROFILE

Trumark Homes is a leading California homebuilder known for innovative design and high-quality community development. Trumark is majority-owned by Japan's Daiwa House Group. Trumark seeks to build a homebuilding footprint in primary and secondary markets in the western U.S., from the Pacific Ocean to the Rocky Mountains. Trumark had recently launched a de novo homebuilding operation in Colorado and was seeking additional expansion opportunities.

OBJECTIVES

Trumark engaged JTW Advisors as their exclusive buy-side M&A advisor to perform complete outreach, evaluation, valuation, and negotiation services with the goal of acquiring multiple private homebuilders.

PROCESS

Wathen Castanos Homes is a private homebuilder with related land development operations in the Central California region. Wathen had been actively marketed by an investment bank approximately one year earlier. Trumark pursued Wathen but was unable to agree on terms. Then, after Trumark engaged JTW, JTW initiated discussions with Wathen's banker. JTW played a key role in crafting a creative structure that appealed to both parties.

OUTCOME

Trumark acquired the homebuilding operation of Wathen Castanos Homes along with its team, WIP, and a short-term supply of finished lots. Trumark also contracted to purchase finished lots and land from Wathen in the future.