



# Brentwood Associates Closes \$410 Million Continuation Fund for Watermill Express

LOS ANGELES, CA, UNITED STATES, July 21, 2025 /EINPresswire.com/ -- Brentwood Associates ("Brentwood"), a leading middle-market, growth-oriented private equity firm, is pleased to announce the successful closing of an oversubscribed single-asset continuation fund to support the continued growth of Watermill Express, LLC ("Watermill" or the "Company"), a leading provider of affordable and safe drinking water and ice through convenient drive-up, self-service stations.

The transaction enables Brentwood to extend its partnership with Watermill and its management team while providing additional capital to support the Company in its next phase of growth. The continuation fund is anchored by investments from Hollyport Capital as lead investor, along with Pantheon and Portfolio Advisors as co-lead investors. Brentwood remains confident in Watermill's attractive growth prospects and is also investing in the Company through its Fund VII. Additionally, the firm's general partnership is reinvesting proceeds realized from the transaction.

Founded in 1984, Watermill operates nearly 1,300 stations across eight states, predominantly in the West Coast and Sunbelt regions. Over its more than 40-year history, the Company has supplied safe drinking water and ice to over 10 million people and helped prevent more than 15 billion single-use plastic water bottles from entering landfills. During Brentwood's investment, Watermill has approximately tripled adjusted EBITDA by opening new stations, upgrading existing water-only stations to its new water-and-ice prototype, and acquiring its remaining three franchisees. Looking ahead, the Company has strong organic growth prospects, with significant opportunities to open new stations, upgrade existing locations, and pursue strategic acquisitions to expand its geographic footprint and service offering in the drinking water and ice market.

"This transaction reflects our deep confidence in Watermill's continued growth potential and its mission to provide affordable, accessible clean water to communities across the country," said Eric Reiter, Partner at Brentwood and Chairman of the Board of Watermill. "We're proud to support a business that combines strong performance with meaningful social impact, and we're pleased to have delivered what we believe is a compelling outcome for our investors while continuing our partnership with Watermill and its talented executive team."

Mike Gallagher, CEO of Watermill, added, "With the close of this transaction, Watermill is well capitalized and strongly positioned to expand our mission of addressing America's clean water

challenge. For over 40 years, our self-service kiosks have made high-quality, affordable drinking water and ice accessible to communities that need it most. We're proud to work alongside grocery, convenience, and shopping-center landlords who recognize the value of offering essential, sustainable services to their neighborhoods. As we grow into new markets, we look forward to partnering with property owners who see the opportunity to make a meaningful local impact, while also enhancing the utility and appeal of their locations."

"This third-party-led process provided our investors with an accelerated realization option at a market-driven price, while also expanding the resources available to Watermill to continue executing its long-term growth strategy," said Toros Yeremyan, Managing Director at Brentwood. "We are grateful for the support of both existing Brentwood limited partners and new investors in the continuation fund."

"Hollyport is delighted to grow our partnership with Brentwood as the lead investor in the continuation fund," said Richard Grindrod, Partner at Hollyport. "We are excited to partner with Watermill on its continued expansion."

PJT Partners served as lead financial advisor; North Point Mergers and Acquisitions served as financial advisor; and Kirkland & Ellis LLP served as legal counsel to Brentwood. Proskauer Rose LLP acted as legal counsel to Hollyport.

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#### ABOUT WATERMILL EXPRESS

Founded in Brighton, CO, in 1984, Watermill Express is a national leader in refill stations that provide affordable, sustainable, safe drinking water and ice in a convenient drive-up format. The Company operates nearly 1,300 stations across eight states, predominantly across the West Coast and Sunbelt regions. For more information, please visit [www.watermillexpress.com](http://www.watermillexpress.com).

#### ABOUT BRENTWOOD ASSOCIATES

Brentwood Associates is a Los Angeles-based private equity investment firm with a 30+ year history of investing in middle-market, growth-oriented, essential services companies. Since 1984, Brentwood's private equity team has invested in over 50 portfolio companies, representing more than \$7 billion in aggregate transaction value. With deep expertise in investing and brand building, Brentwood is a value-added partner for entrepreneurs and senior management teams building world-class companies. For more information, please visit [www.brentwood.com](http://www.brentwood.com).

#### ABOUT HOLLYPORT CAPITAL

Founded in 2006, Hollyport is a specialist secondary investor focused on capturing value in legacy private equity assets. Hollyport provides bespoke liquidity solutions to LPs and GPs, uncovering hidden value and resolving complex situations through aligned interests. Since inception, Hollyport has raised eight secondary funds and currently manages over \$9 billion in assets. The firm has more than 65 team members across offices in New York and London. More information is available at [www.hollyportcapital.com](http://www.hollyportcapital.com).

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