



Sector Update

- The fragmented commercial HVACR services market has seen a rise in revenue growth in 2024, driven by sector players expanding their service offerings and investments to improve aging HVAC infrastructure.
- Commercial HVACR firms command strong margins due to large project sizes and long-term service and maintenance contracts.
- Smaller acquisitions of private businesses, or tuck-ins, are prevalent, with private and public strategics using inorganic strategies to accelerate growth; notable activity includes Hobbs & Associates 10 acquisitions since an investment from Madison Dearborn Partners in April 2023.
- The healthcare facilities end-market is expected to drive growth and M&A interest in 2024 and beyond. According to a recent study by JLL, most hospitals have HVAC equipment over 40 years old that needs to be constantly inspected or updated all together.
- The commercial HVACR services M&A market is expected to maintain its upward trajectory into 2025, as both public and private players seek complementary service offerings and geographic synergies, aiming for growth and reduced volatility.

Selected Recent EdgePoint Transactions




has been acquired by

American Event Services
a portfolio company of

SOLHEIM
INVESTMENT PARTNERS


has been acquired by

CAYMUS EQUITY
Private Equity for the Lower-Middle Market


has been acquired by

Bright Path
Part of the King Group Family


has been recapitalized by

TONKA BAY

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Recent Selected Transactions

AIR Receives Investment from Blackstone



Target



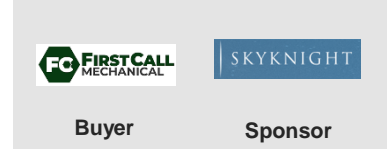
Sponsor

- **July 2024** – Air Control Concepts (“AIR”), formerly known as Hobbs & Associates, a company that partners with and supports leading commercial HVAC equipment manufacturers, has received an investment from Blackstone.
- Headquartered in Norfolk, Virginia, AIR supports numerous leading commercial HVAC OEMs across the United States.

FirstCall Acquires Martin Mechanical



Target



Buyer

Sponsor

- **July 2024** – FirstCall Mechanical has acquired Martin Mechanical of Athens, Georgia.
- Martin Mechanical provides commercial HVAC, plumbing, and electrical services across the state of Georgia.

CoolSys Acquires Universal Refrigeration



Target



Buyer



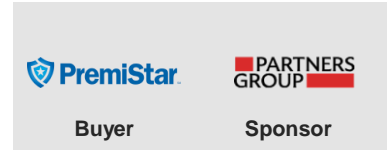
Sponsor

- **June 2024** – CoolSys has acquired Universal Refrigeration of Auburn, Washington.
- Universal Refrigeration is an HVAC service provider with expertise in the installation and servicing of heating, air conditioning and refrigeration systems for commercial, industrial and residential customers throughout Western Washington.

PremiStar Acquires SI Mechanical



Target



Buyer

Sponsor

- **June 2024** – PremiStar has acquired SI Mechanical of Creedmoor, Texas.
- SI Mechanical is a full-service HVAC and plumbing contractor. It services commercial customers such as The University of Texas at Austin, Texas State, MD Anderson Cancer Center, St. David’s HealthCare, Amazon, Dell, IBM, and Samsung.

Flow Service Partners Adds in the Midwest



Target



Buyer



Sponsor

- **May 2024** – Flow Service Partners has acquired Dynamic Air Solutions of Louisville, Kentucky.
- Dynamic Air Solutions is an established leader in providing commercial and industrial HVAC services in Kentucky and southern Indiana.

Stellex Acquires TriplePoint MEP



Target



Sponsor

- **May 2024** – Stellex Capital Management has acquired TriplePoint MEP from Caymus Equity.
- TriplePoint is a leading non-union provider of HVACR installations, maintenance, repair, design, and consulting services to commercial clients across a ten-plus state footprint in the Midwest and Southeast regions.

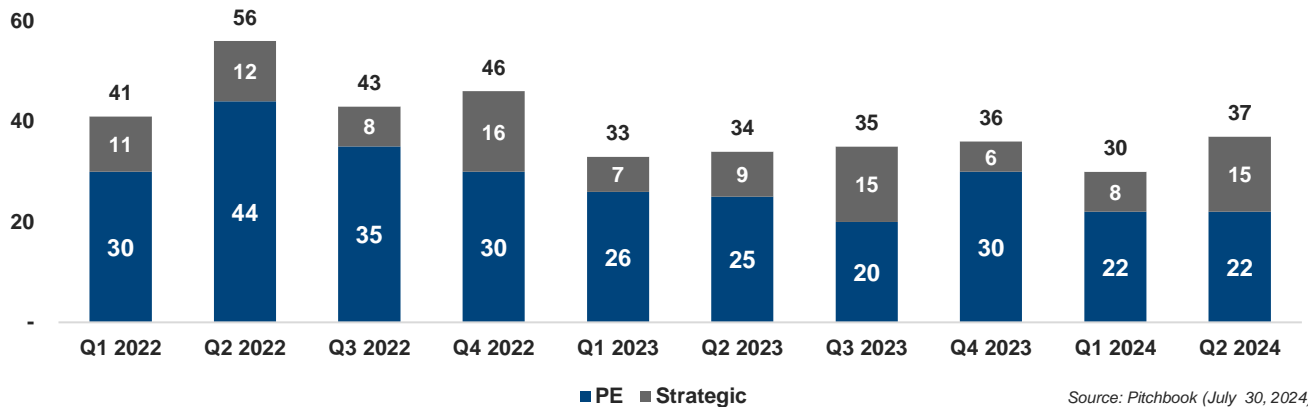
Commercial HVACR | August 2024

Recent Selected Transactions (2024)

Target	Date	Buyer / Investor	State (Target)	Sponsor (if applicable)
AIR Control Concepts	Jul 24	Blackstone	VA	-
Martin Mechanical	Jul 24	FirstCall Mechanical	GA	SkyKnight Capital
Universal Refrigeration	Jun 24	CoolSys	WA	Ares Management
SI Mechanical	Jun 24	PremiStar	TX	Partners Group
Dynamic Air Solutions	May 24	Flow Service Partners	KY	RLJ Equity Partners
TriplePoint MEP	May 24	Stellex Capital Management	TX	-
Ryan Plumbing & Heating	May 24	Alliance Group	NY	Trinity Hunt Partners
Duck Duck Rooter	May 24	HomeTown Services	FL	CenterOak Partners
Spectrum Mechanical	Apr 24	Crete United	FL	Ridgemont Equity Partners
Arco Comfort Air	Apr 24	Apex Service Partners	OH	Alpine Investors
Advanced Heating & Air	Apr 24	SEER Group	WA	Genstar Capital
Marshall's Inc	Apr 24	SEER Group	OR	Genstar Capital
Mercury Mechanical	Feb 24	PremiStar	IL	Partners Group
Mecon	Feb 24	FirstCall Mechanical	FL	SkyKnight Capital

Source: Pitchbook (July 30, 2024)

Recent Sector M&A Activity



Source: Pitchbook (July 30, 2024)

Select Acquirers (Date of Investment and Sponsor)

