

PRIVATE EQUITY ACTIVITY AND VALUATION STRENGTH PERSIST IN RESIDENTIAL SERVICES M&A

RESIDENTIAL SERVICES SECTOR UPDATE | OCTOBER 2026



**CAPSTONE
PARTNERS**

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Capstone's award-winning Market Intelligence Group covers the Consumer industry across 15 key pillars. To receive email updates with our sector-specific insights into M&A activity, macroeconomic trends, valuation drivers, and equity financing via reports, articles, and proprietary research, [subscribe here](#).

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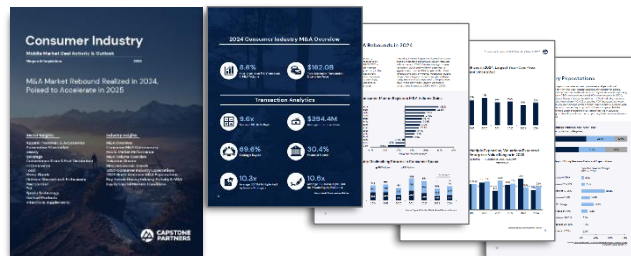
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Convenience Stores



Pet



Automotive Aftermarket



E-Commerce



Restaurants



Beauty



Food



Sports Technology



Beverage



Home Goods



Tactical Products



Residential Services



Outdoor Recreation & Enthusiasts



Vitamins & Supplements

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Residential Services

Private Equity Activity and Valuation Strength Persist in Residential Services M&A

KEY SECTOR TAKEAWAYS

Capstone Partners' [Consumer Investment Banking Group](#) is pleased to share its inaugural Residential Services report. Merger and acquisition (M&A) activity in the sector has moderated year to date (YTD) after reaching the second highest level on record in 2025. A convergence of durable macroeconomic, demographic, and behavioral tailwinds has sparked robust growth for home services operators, driving persistent levels of consolidation activity. The M&A playbook has remained a widely-used, viable growth strategy to date, despite the slowed velocity of deal volume. Several additional key report takeaways are outlined below.

1. M&A volume in the Residential Services sector has slowed marginally year-over-year (YOY) with 223 transactions announced or completed to date.
2. Pockets of the market with higher exposure to discretionary-leaning and storm-dependent services have experienced a deceleration in dealmaking and weighed on overall sector activity.
3. Private equity (PE) transactions have continued to proliferate, with sponsors accounting for the majority (60.5%) of total M&A activity as they compete fervently for platform-ready businesses and execute on buy-and-build initiatives.
4. Regional, privately-owned businesses have consolidated locally at a steady pace (particularly in pest control, trades, and landscaping) to build route density, compete with larger players, or position themselves as future PE platform investments and strategic acquisition targets.
5. While heating, ventilation, and air conditioning (HVAC), pest control, and landscaping have continued to attract strong investor interest, years of consolidation (and dozens of existing sponsor-backed platforms competing for add-ons) have made new platform formation increasingly challenging. Sponsors have, as a result, looked beyond the sector's traditional roll-up categories and targeted adjacent niches that offer comparable fundamentals—for instance—recurring demand, route density, fragmented ownership, and significant whitespace for consolidation.
6. Capstone believes Generator Service, Floor Coatings, Artificial Turf Installation, Exterior Cleaning/Pressure Washing, Tree Care, and Pool Services have entered the early-to-middle innings of consolidation and will likely attract increasing sponsor interest in the coming years.

Capstone Partners has developed a full suite of corporate finance solutions to help privately-owned businesses and private equity firms navigate through each stage of a company's lifecycle. These solutions include financial advisory services, merger and acquisition advisory, debt advisory, equity capital financing and employee stock ownership plan (ESOP) advisory.

To learn more about Capstone's wide range of advisory services and Residential Services sector knowledge, please [contact us](#).



FIVE STRUCTURAL TAILWINDS ANCHOR DURABLE, ESSENTIAL DEMAND

The Residential Services sector has benefited from a convergence of durable and mutually reinforcing macroeconomic, demographic, and behavioral tailwinds that have shifted a historically discretionary and fragmented market towards recurring, high-growth, essential demand. Five catalysts have supported the sector's steady expansion. Together, the supportive demographic, macroeconomic, and behavioral backdrop has enabled Capstone's Residential Services index to record median three-year annual revenue growth of 5.2% and shows little sign of abatement.

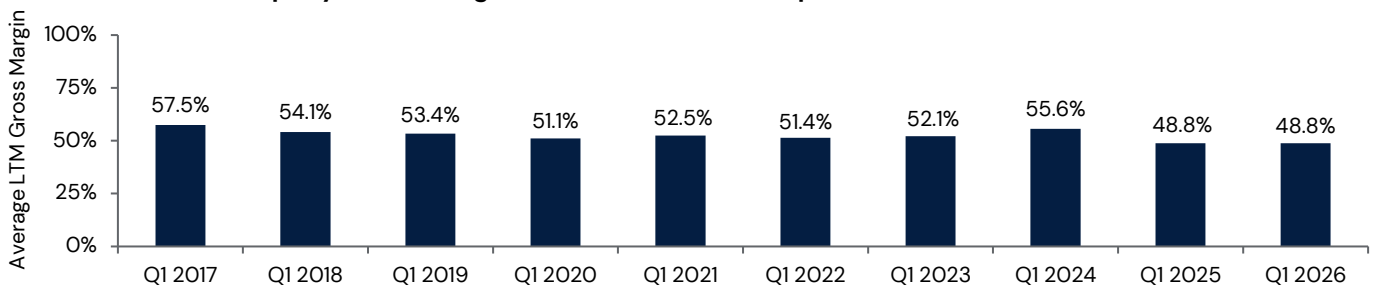
- 1. The mortgage rate lock-in effect has elongated homeownership tenures and bolstered existing housing stock reinvestment.** In Q1 2026, 66.7% of outstanding U.S. mortgages carried a rate at or below 5%, and almost half (49.9%) below 4%—well below the current average 30-year fixed mortgage rates in Q1 2026 (6.1%) and Q2 2026 (6.4%), according to the Federal Housing Finance Agency and Federal Reserve Bank of St. Louis.^{1,2} The resulting disincentive to move has driven housing turnover to historic lows. Annualized U.S. existing home sales fell to 4.1 million in June 2026, down 40.3% from the October 2020 peak of 6.9 million, according to the National Association of Realtors.^{3,4} With relocation stalled, median homeowner tenure rose YOY in 2025 to 12 years, nearly double the 2005 level of 6.5 years, according to Redfin.⁵ Homeowners have instead reinvested in existing properties, viewing home improvement as a long term wealth building strategy and anchoring demand for maintenance, repair, and improvement services.
- 2. Houses are aging and require more care.** The median age of an owner-occupied U.S. home reached 42 years in 2024, up from 31 years in 2005, with ~47% built before 1980, according to the National Association of Home Builders.⁶ Older homes carry materially higher servicing needs, with average per owner improvement spending on pre-1980 homes running 24% greater and maintenance spending 76% higher than on homes built since 2010, according to the Joint Center for Housing Studies of Harvard University's Improving America's Housing 2025 report.⁷
- 3. Older homeowners have not downsized at the rates long predicted.** Longer life expectancy, aging-in-place preferences, and the mortgage rate disincentives have kept an aging cohort in larger, older homes. Notably, empty-nest baby boomers alone owned 27.8% of U.S. three-bedroom-plus homes in 2024, almost twice the share held by millennials with children (15.7%), according to Redfin.⁸ These owners have increasingly outsourced work they once performed themselves, sustaining demand across the home services spectrum.
- 4. The addressable market for residential service providers has expanded as homeowners continue to show a preference for hiring professionals rather than attempting do-it-yourself (DIY) projects.** In this shift towards a do-it-for-me (DIFM) mentality, more than 85% of homeowners hired professionals for major projects in 2025, according to Grand View Research.⁹ The increasing complexity of modern home systems—namely HVAC, electrical, smart-home, and plumbing—has outpaced homeowner repair capability and propelled this trend. Declining technical self-sufficiency and time-constrained, dual-income households that value outsourced convenience have also elevated demand for professionals.
- 5. Home services have become increasingly mission-critical.** Failures involving HVAC, electrical systems, garage doors, plumbing, security systems, or pest infestations often require immediate attention, reducing deferral risk and supporting resilient demand. Operators have capitalized by converting transactional customers into annual service contracts, positioning recurring maintenance around a lower total cost of ownership compared to reactive repair. This sector-wide shift toward contracted, subscription-like revenue has buoyed valuations and consolidation activity, a trend that likely has significant runway in the mid term despite maturity in certain segments of the market.

LABOR REMAINS BINDING CONSTRAINT ON GROWTH

Against robust demand, skilled-labor availability has remained the sector's most significant constraint. HVAC technician supply met just 63.8% of demand in 2024, with this shortfall expected to slide to 62.9% in 2029, according to TechForce Foundation's 2026 Supply, Demand & Opportunity report.¹⁰ Plumbing faces a projected 550,000-worker shortfall by 2027 while the electrician supply crunch is projected to widen to 107,000–224,000 unfilled roles by 2030, according to SIMPRO and Klein Tools.^{11,12} In construction-linked segments, such as Restoration, Renovation & Remodeling, 92% of businesses reported struggling to fill openings and 45% reported project delays as a result, according to the Associated General Contractors of America (AGC) and the National Center for Construction Education and Research.¹³ In the Landscaping & Lawn Care market, distinct labor bottlenecks have emerged due to a seasonal dependence on the statutorily capped 66,000-visa H-2B program. The segment accounted for the largest share (31.3%) of H-2B labor certifications in 2023, according to the American Immigration Council.¹⁴ These dynamics have elevated wages, broadened retention-motivated financial incentives, and forced operators to turn away or delay jobs due to headcount availability, hurting margins and limiting revenue growth. Average gross margins across Capstone's Residential Services index have declined from 57.5% in last twelve-month (LTM) Q1 2017 to 48.8% in LTM Q1 2026 as a result. Residential-focused players have had difficulty passing on costs to clients, requiring careful pricing architecture and proactive client communication to raise prices while minimizing customer attrition.



Public Company Gross Margins Trend Lower Amid Input Cost and Labor Market Pressures



Capstone's Residential Services Public Company Index includes: ADT, ALRM, ANGI, BV, CHE, FSV, FTDR, ROL, RTO, SITE; LTM = last twelve-month
Source: Capital IQ and Capstone Partners

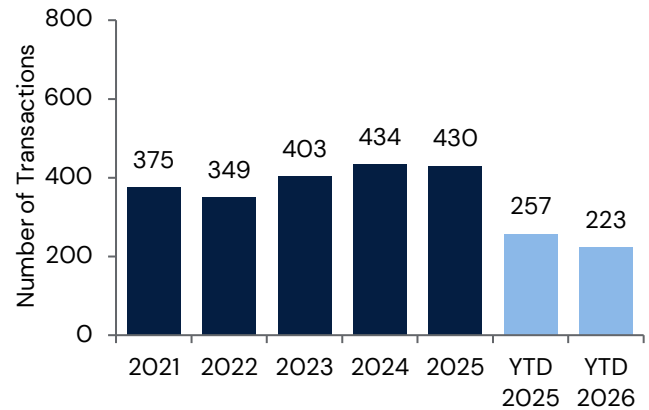
Leading operators have increasingly invested in developing internal talent pipelines to mitigate these challenges over the past decade, a strategy that has continued into 2026. HVAC, Plumbing & Electrical segment operator Michael & Son Services launched Michael & Son Academy in 2017, offering a fully immersive 12-week paid training program with field-certified trainers, deferred tuition, and free housing for out-of-area students. In March 2026, Jay's Heating, Air & Plumbing opened Altitude Academy, an earn-while-you-learn apprenticeship housed in a converted North Carolina facility built to mirror real-world residential environments. Labor dynamics have become an increasingly important consideration in M&A processes. Buyers have placed great emphasis on evaluating whether customer relationships and technician retention are institutionalized within the organization or remain concentrated with the founder. Businesses whose relationships transfer cleanly to an acquirer have commanded premium valuations and carried lower post-close risk. Capstone expects this trend to persist as consolidation activity and labor challenges continue through 2026 and 2027.

M&A PULLS BACK marginally, COMPETITION sustains VALUATIONS

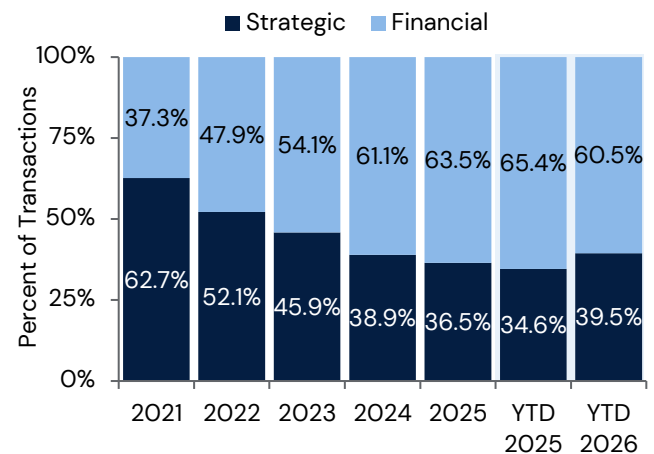
Residential Services M&A has slowed marginally YOY, with 223 transactions announced or completed. While overall deal volume has moderated slightly, competition for both scaled, high-quality platforms as well as strong add-on acquisitions has remained intense, supporting valuations. Pockets of the market with more exposure to discretionary-leaning or storm-dependent services have experienced a deceleration in dealmaking, weighing modestly on overall sector activity. Alternatively, appetite in non-discretionary segments has remained robust. Attractive targets have paired non-discretionary, recurring revenue with dense routes, stable labor, modern back-office systems, and exposure to key geographies. These attributes have aligned well with the PE buy-and-build model, a playbook that strategics have increasingly adopted.

Strategic buyers have recorded 88 acquisitions in YTD 2026 (-1.1% YOY). Private strategics have executed 82 transactions to date (-3.5% YOY) while public operators have registered six deals—up two YOY. Regional, privately-owned businesses have consolidated locally at a steady pace, particularly in pest control, trades, and landscaping, to expand geographic density, strengthen competitive positioning, and enhance attractiveness as future platform investments or strategic acquisition targets. Sponsors have accounted for 60.5% of total sector M&A to date, continuing a trend of market leadership that emerged in 2023. Despite sliding to 114 deals YTD from 149 in the prior year period, PE add-ons have retained 51.1% of deal volume. Sponsor platforms—such as PestCo, Greenix, and SPS PoolCare—have continued to actively pursue tuck-ins to build route density and recurring revenue scale. New platform formation, which has ticked 10.5% higher YOY to 21 transactions, has spanned core trades and emerging niches, headlined by Oak Hill Capital's March 2026 acquisition of Guild Garage Group (\$800 million, 2.7x EV/Revenue, 16.0x EV/EBITDA) and Blackstone's (NYSE:BX) February 2026 announced acquisition of Champions Group for \$2.5 billion and ~18.5x EV/EBITDA (see page 12). Fervent sponsor appetite has heightened competition for platform opportunities, buoying sector M&A valuations. Acquirers in the Residential Services sector have paid an average of 12.0x EV/EBITDA in the LTM, tracking just under the total U.S. M&A market average of 12.4x EV/EBITDA in the same period.

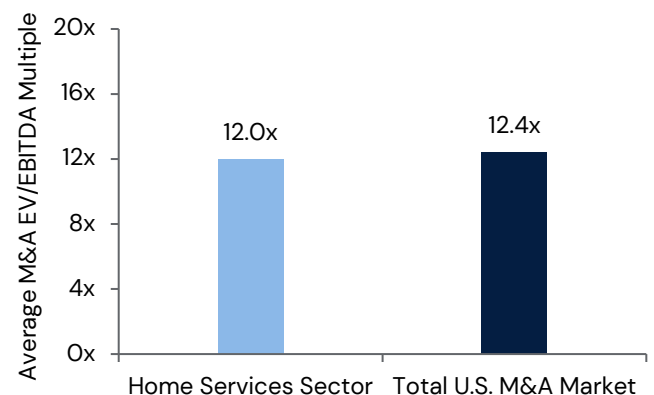
Sector M&A Volume Steadies



Strategics Take Market Share To Date



Sector M&A Pricing Tracks U.S. Market
(LTM YTD 2026)



Year to date (YTD) ended July 27

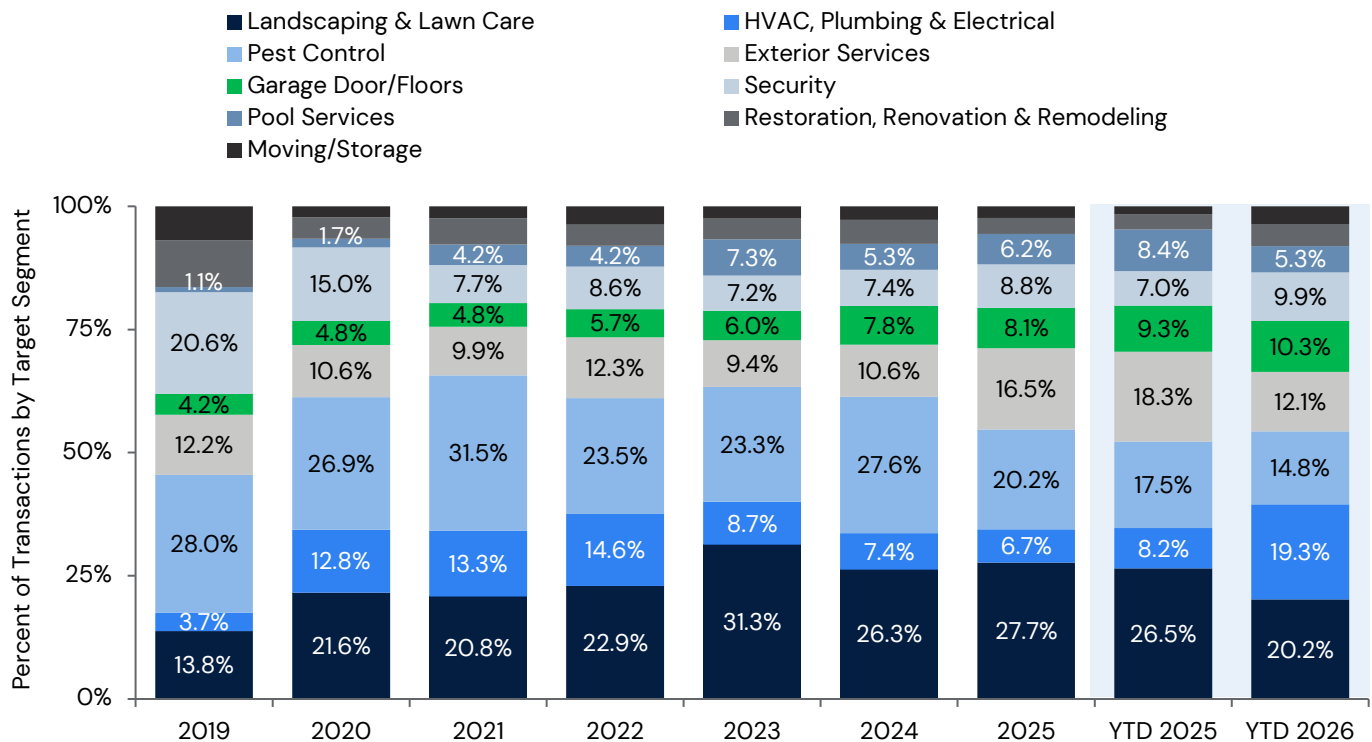
LTM = last twelve-month

Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

RESIDENTIAL SERVICES M&A MARKET SHARE BY SEGMENT

Deal activity has concentrated around the non-deferrable trades in YTD 2026, with the HVAC, Plumbing & Electrical segment's share of sector M&A jumping to 19.3%, making it the second most active segment behind Landscaping & Lawn Care. Share declines in the Pest Control and Landscaping & Lawn Care segments reflect increasing consolidation maturity and a shift in buyer focus beyond the sector's traditional roll-up playbook. Despite continued fundamental strength and ample buy-and-build runway, expanding interest across adjacent service categories has broadened acquisition opportunities for both strategic and PE buyers.

Landscaping & Lawn Care Comprises Lion's Share of Residential Services M&A



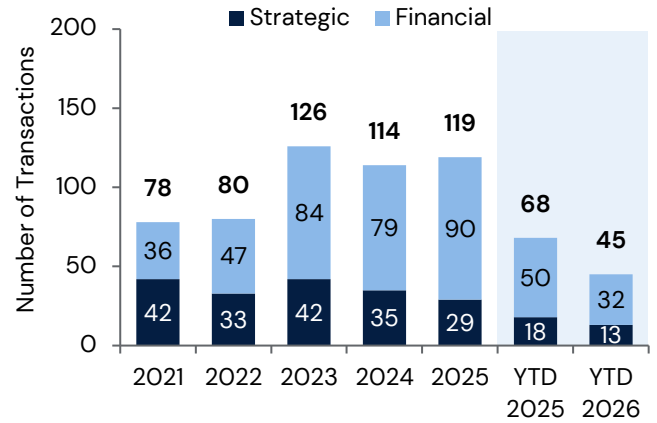
Segment	YTD 2026 Deal Volume	PE Deal Volume & Share
Landscaping & Lawn Care	45	32 (71.1%)
HVAC, Plumbing & Electrical	43	27 (62.8%)
Pest Control	33	12 (36.4%)
Exterior Services	27	17 (63%)
Garage Door & Floors	23	13 (56.5%)
Security	22	15 (68.2%)
Pool Services	12	10 (83.3%)
Restoration, Renovation & Remodeling	10	6 (60%)
Moving & Storage	8	3 (37.5%)

Year to date (YTD) ended July 27
Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

LANDSCAPING & LAWN CARE M&A MODERATES FROM RECORD HIGHS

Landscaping & Lawn Care

Consolidation within the Landscaping & Lawn Care segment has moderated from the elevated levels of recent years as several of the largest consolidators have achieved meaningful scale. Despite lower transaction volume, investors have remained attracted to the sector's subscription-based maintenance contracts, route density economics, and an ownership base that remains highly fragmented. Acquirers have favored operators with recurring maintenance exposure, recurring service programs, and strong access to labor, while interest has increasingly expanded into adjacent categories (e.g. tree care, irrigation, artificial turf).



Notable PE-Backed Platforms

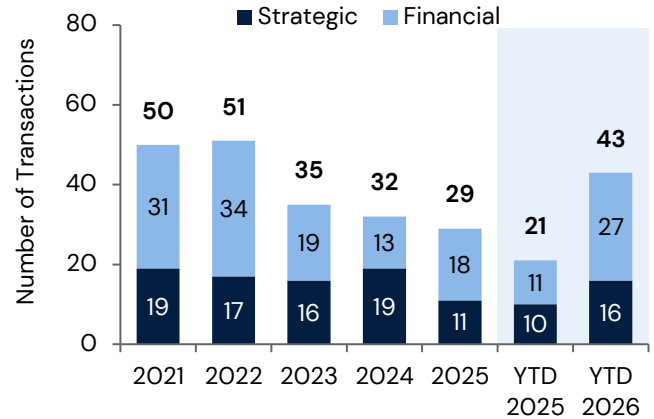
Sponsor	Platform	Acquired	# of Add-ons Since Acquired
		August 2021	28
		August 2022	27
		January 2019	15
		January 2024	11
		December 2025	1

Year to date (YTD) ended July 27
Source: Capital IQ, Company Press Releases, FactSet, PitchBook, and Capstone Partners

HVAC, PLUMBING & ELECTRICAL REMAINS A HOT POCKET

HVAC, Plumbing & Electrical

HVAC, Plumbing & Electrical has continued as one of the most attractive Residential Services segments due to its non-discretionary demand profile, recurring customer relationships, and membership-based service models. Wrench Group (Leonard Green) has remained among the segment's most active PE platforms, expanding through acquisitions of established local operators across multiple regions. Buyers have increasingly valued businesses that have institutionalized recruiting, training, and technician retention, as qualified labor remains a primary growth constraint. Competition for quality platforms has intensified without slowing deal flow.



Notable PE-Backed Platforms

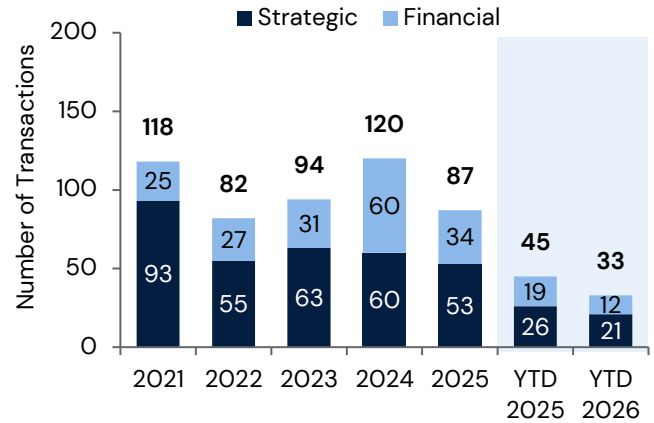
Sponsor	Platform	Acquired	# of Add-ons Since Acquired
ALPINE	APEX SERVICE PARTNERS	July 2024	100+
CEP Concentric Equity Partners an FIC Company	LEAP PARTNERS	March 2022	35
TJC	HEARTLAND HOME SERVICES	December 2020	18
LGP LEONARD GREEN & PARTNERS	Wrench Group	April 2019	16
Goldman Sachs Alternatives	Sila SERVICES	November 2024	11
ALTAS	REDWOOD CONNECTION IS EVERYTHING	May 2025	7
FS Freeman Spogli & Co.	NearU	August 2022	2
Blackstone	CHAMPIONS GROUP	February 2026	1

Year to date (YTD) ended July 27
Source: Capital IQ, Company Press Releases, FactSet, PitchBook, and Capstone Partners

PEST CONTROL CONSOLIDATION OPPORTUNITIES PERSIST

Pest Control

Pest Control has remained one of the most attractive Residential Services segments due to its contracted revenue model, route density advantages, attractive margins, and recession-resistant demand profile. While consolidation has progressed (strategics have comprised 63.6% of acquirers in transactions to date), the space's fragmented structure has continued to create opportunities. Buyers have focused on recurring revenue, customer retention, and operational scalability—all of which produce predictable cash flow generation and premium valuations. Capstone expects PE interest and consolidation to continue.



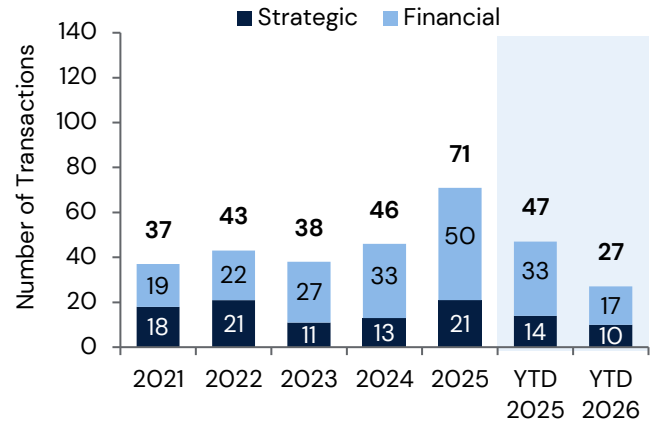
Notable PE-Backed Platforms

Sponsor	Platform	Acquired	# of Add-ons Since Acquired
 Imperial Capital®	CERTUS	December 2019	69
 THOMPSON STREET CAPITAL PARTNERS	PestCo	November 2021	29
 RIVERARCH EQUITY PARTNERS	 FORTRESS — PEST BRANDS —	June 2026	2
 GRIDIRON CAPITAL	 GREENIX	July 2025	2

EXTERIOR SERVICES M&A SLOWS AS BUYERS SHARPEN UNDERWRITING

Exterior Services

M&A has cooled from a record 2025, particularly in roofing as lower storm activity, carrier exits, and rising claim denials have shrunk the claims-funded re-roofing pool. However, roofing, siding, window, and gutter consolidation opportunities have remained abundant. Bertram-backed Ridgeline Roofing & Restoration has built regional density through eight add-ons since January 2024. Buyers have concentrated on operators with diversified lead generation, disciplined in-home sales execution, and the crew capacity to convert demand without subcontracting margin away. Roofing has remained the segment's key roll-up engine.



Notable PE-Backed Platforms

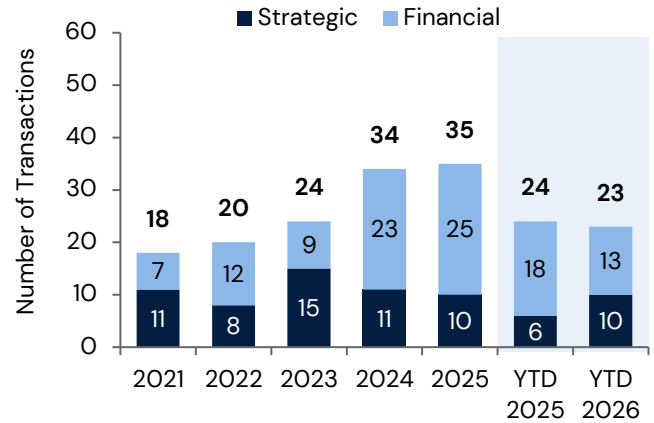
Sponsor	Platform	Acquired	# of Add-ons Since Acquired
ALPINE	VERTEX SERVICE PARTNERS	July 2023	30
 COBEPA	 NED'S HOME	November 2022	21
FS Freeman Spogli & Co. LIGHTBAY CAPITAL		January 2023	13
Morgan Stanley CAPITAL PARTNERS		May 2023	12
CCMP GROWTH ADVISORS	 OMNIA EXTERIOR SOLUTIONS	May 2023	11
 GRIDIRON CAPITAL	 LeafHome	September 2016	10
 BERTRAM CAPITAL	 RIDGELINE ROOFING & RESTORATION	January 2024	8
LGP LEONARD GREEN & PARTNERS	 WEST SHORE HOME	October 2020	6
 MONOMOY CAPITAL PARTNERS	 Southern EXTERIORS	May 2024	0

Year to date (YTD) ended July 27
Source: Capital IQ, Company Press Releases, FactSet, PitchBook, and Capstone Partners

GARAGE DOOR & FLOORS M&A VOLUME PACES RECORD 2025

Garage Door & Floors

Garage Door & Floors has remained an attractive consolidation segment within Residential Services due to its fragmented competitive landscape, recurring replacement cycles, and favorable local market economics. Homeowners' continued investment in existing properties has supported demand for repair, maintenance, and replacement services, while increased job complexity has shifted more work toward professional installers. Buyers have remained attracted to businesses with strong lead generation capabilities, scalable technician infrastructure, and opportunities to build regional density through M&A.



Notable PE-Backed Platforms

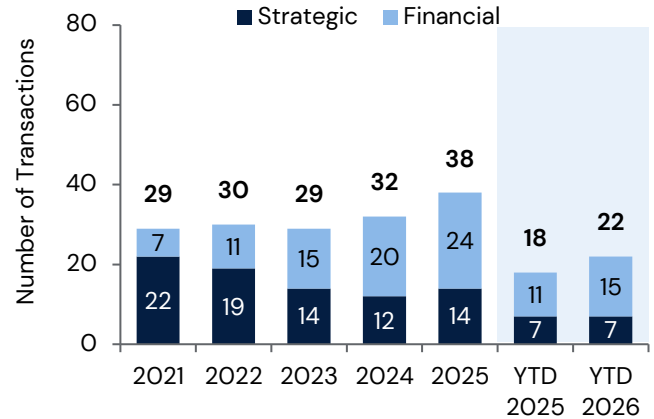
Sponsor	Platform	Acquired	# of Add-ons Since Acquired
	 GARAGE^{CO} A Family of Family Brands Garage Door Repair & Replacement	October 2023	10
	 PREMIUM SERVICE BRANDS ProLift Garage Doors Franchise	March 2021	5
	 GUILD GARAGE GROUP Garage Door Repair & Replacement	March 2026	3
	 ASAP Garage Door Repair & Installation	June 2024	3
	 DOOR PRO AMERICA Garage Door Sales & Service	November 2023	2
 CALERA CAPITAL	 REVAMP COMPANIES Concrete Coatings, Fencing & Decking	January 2026	0
 GRC GREAT RANGE CAPITAL	 AMERICA'S BEST CARPET & TILE Flooring Installation & Repair	March 2023	0

Year to date (YTD) ended July 27
Source: Capital IQ, Company Press Releases, FactSet, PitchBook, and Capstone Partners

SECURITY ROLL-UP ACTIVITY RISES

Security

M&A activity has remained resilient as buyers have continued to value the segment's recurring monthly revenue, sticky customer relationships, and favorable cash flow profile. Altas-backed Pye-Barker Fire & Safety has been among the segment's most prolific acquirers, with ~20 residential security deals between 2025 and YTD 2026. Increasing integration of automation, cybersecurity, AI-enabled monitoring and smart home technologies has further strengthened investor interest. Buyers have focused on customer retention, recurring revenue quality, and operational scalability, which continue to support strong valuations across the segment.



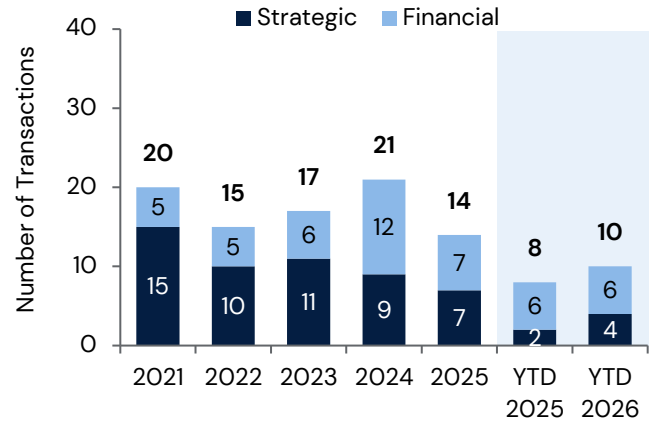
Notable PE-Backed Platforms

Sponsor	Platform	Acquired	# of Add-ons Since Acquired
ALTAS		June 2021	153
ARMSTRONG®		June 1991	5
Morgan Stanley CAPITAL PARTNERS		February 2026	2
GTCR		November 2025	0

RESTORATION, RENOVATION & REMODELING M&A TICKS HIGHER

Restoration, Renovation & Remodeling

Activity has moderated following elevated levels of consolidation in recent years, though underlying market conditions remain favorable as homeowners continue investing in existing properties. Platforms including ATI Restoration (TSG) and BluSky (Kohlberg and Partners Group) have continued to build national footprints. Buyers have remained attracted to operators with diversified lead generation channels, strong referral and insurance relationships, and scalable labor infrastructure. Despite input cost pressures and subdued storm activity, aging housing stock and sustained renovation demand have supported long-term growth and M&A interest.



Notable PE-Backed Consolidators

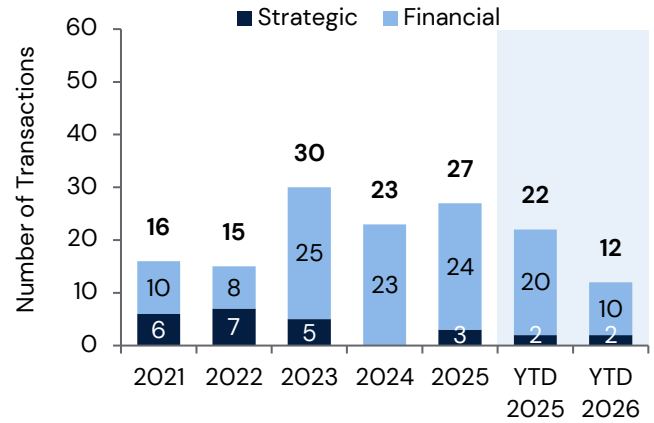
Sponsor	Platform	Acquired	# of Add-ons Since Acquired
KKR	Groundworks	February 2023	19
KOHLBERG & COMPANY PARTNERS GROUP	BluSky	October 2021	10
TSG CONSUMER	ATI RESTORATION	August 2020	9
SUMMIT PARTNERS	FORTIFY COMPANIES	December 2024	1
Morgan Stanley CAPITAL PARTNERS	AMERICAN RESTORATION	July 2025	0

Year to date (YTD) ended July 27
Source: Capital IQ, Company Press Releases, FactSet, PitchBook, and Capstone Partners

POOL SERVICES EMERGES AS ATTRACTIVE CONSOLIDATION CANDIDATE

Pool Services

Pool Services has remained one of the more attractive emerging consolidation themes within Residential Services. The segment combines recurring maintenance revenue, route density advantages, exposure to attractive demographic markets (i.e. sun belt), and a highly fragmented ownership base. An aging installed base of pools and resilient spending among higher-income consumers has continued to benefit demand, while substantial white space for consolidation has continued to attract sponsor capital. SPS PoolCare (Storr Group) has pursued an aggressive roll-up strategy, completing 15 acquisitions in 2025 and YTD 2026.



Notable PE-Backed Consolidators

Sponsor	Platform	Acquired	# of Add-ons Since Acquired
STORR GROUP	 SPS PoolCare	July 2021	220
 Centric Equity Partners an FIC Company	 RIVERBEND SANDLER POOLS	April 2021	9
 O2 Investment Partners, LLC	 Azureon™ Propelled by	June 2024	7
 TENEX CAPITAL MANAGEMENT	 GOLD MEDAL POOLS	July 2023	5
 MAINST CAPITAL CORPORATION	 Cody Pools	March 2020	4

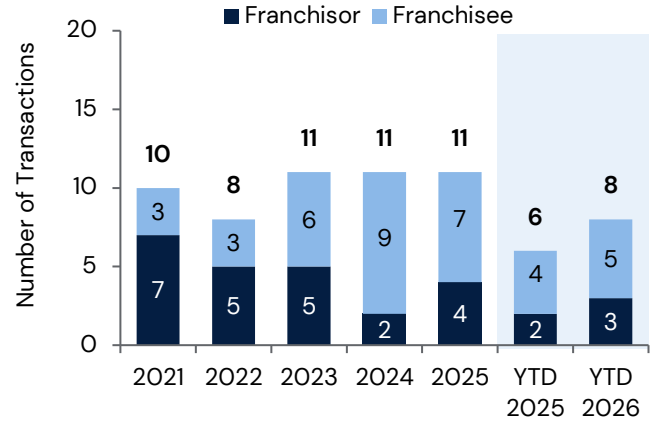
Year to date (YTD) ended July 27
Source: Capital IQ, Company Press Releases, FactSet, PitchBook, and Capstone Partners



FRANCHISOR CONSOLIDATION ACCELERATES IN RESIDENTIAL SERVICES

Franchisor & Franchisee

Sponsor interest in Residential Services franchisors has centered on asset-light economics, royalty-based revenue, and the ability to scale unit count without deploying capital into field operations, with Neighborly (KKR), Authority Brands (Apax Partners), Empower Brands (MidOcean), and ServiceMaster Brands (Roark) anchoring the category. Large multi-unit franchisees have consolidated, particularly within Precision Garage Door and Paul Davis systems, where Highland Arms Enterprises (Main Post Partners) and Impact Home Services (Eagle Merchant Partners) have assembled contiguous territories to capture density benefits.



Notable PE-Backed Consolidators

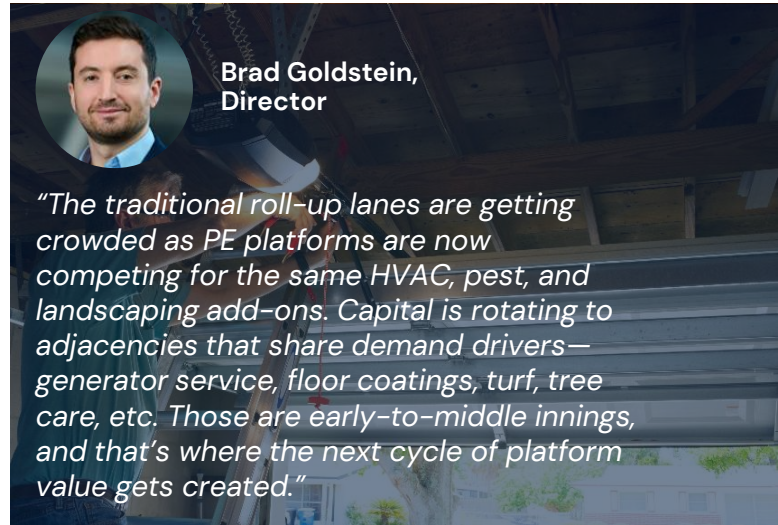
Sponsor	Platform	Acquired	# of Add-ons Since Acquired
Apax	AUTHORITY BRANDS	September 2018	13
PRINCETON EQUITY GROUP	FIVE STAR FRANCHISING	June 2021	7
SUSQUEHANNA	PREMIUM SERVICE BRANDS	March 2021	6
ROARK	ServiceMaster	September 2020	6
Riverside PARTNERS	evive BRANDS	November 2021	5
	THRESHOLD BRANDS	April 2021	5
MID OCEAN Partners	Empower BRANDS	January 2021	4
KKR	neighborly	September 2021	3

Year to date (YTD) ended July 27
Source: Capital IQ, Company Press Releases, FactSet, PitchBook, and Capstone Partners

NOTABLE RESIDENTIAL SERVICES M&A TRANSACTIONS



Rollins (NYSE:ROL) acquired Romex Pest Control for an undisclosed sum (April 2026). Romex provides pest control services to residential and commercial clients across Texas, Oklahoma, Louisiana, and Mississippi. The company, which will retain its brand under Rollins' ownership, recorded \$29.7 million in revenue in 2024 and has attributed its growth to data-driven decision-making and eco-friendly operations, according to Pest Control Technology.¹⁵ Through the deal, Rollins gains access to new markets while Romex benefits from greater scale and service-line expansion.



Brad Goldstein,
Director

"The traditional roll-up lanes are getting crowded as PE platforms are now competing for the same HVAC, pest, and landscaping add-ons. Capital is rotating to adjacencies that share demand drivers—generator service, floor coatings, turf, tree care, etc. Those are early-to-middle innings, and that's where the next cycle of platform value gets created."



In March 2026, middle market PE firm Oak Hill Capital acquired Guild Garage Group, a coalition of home garage door service providers (\$800 million, 2.7x EV/Revenue, 16.0x EV/EBITDA). Guild focuses on essential maintenance, repair, and replacement services with more than 500 certified technicians across 28 brands in 30 states, according to a press release.¹⁶ The company's track record of roughly 30 acquisitions since its inception in 2024, portfolio of local leading brands, and tech-forward approach served as key deal rationale, according to Reuters.¹⁷



Blackstone (NYSE:BX) announced its acquisition of Champions Group from Odyssey Investment Partners, who will retain a significant minority stake, for an enterprise value of \$2.5 billion, equivalent to ~18.5x EV/EBITDA (February 2026). Champions Group provides home HVAC, plumbing, and electrical services, supported by a membership model with 150,000 active members and more than 1,800 field technicians, according to a press release.¹⁸ The deal underscores PE rotation toward structurally resilient, cash-generative assets less exposed to AI disruption.



Imperial Capital-backed Certus Pest acquired multi-regional pool service provider National Pool Partners in January 2026 for an undisclosed amount. The acquisition expands Certus, a residential and commercial pest control services provider, into pool services and marks the company's evolution into a diversified home services platform. "We remain committed to disciplined growth, investing in people, technology, and operational excellence to deliver best-in-class service across home services," said Dave Bradford, CEO of Certus, in a press release.¹⁹



PE firm Wind Point Partners acquired Turf Masters Brands from CenterOak Partners and merged the business with its portfolio company, ExperiGreen Lawn Care (December 2025, undisclosed). The combined entity took the Turf Masters Brands name and serves more than 400,000 residential customers across 16 states and two Canadian provinces, according to a press release.²⁰ Turf Masters Brands provides fertilization, weed control, aeration, seeding, tree and shrub care, and exterior pest services to homeowners through more than 1,800 team members.



SELECT M&A TRANSACTIONS

Date	Target	Acquirer	Sponsor	Target Business Description	Enterprise Value (mm)	Revenue	EV/LTM EBITDA
07/21/26	Central Heat And Air	Leap Service Partners	Concentric Equity Partners	Provides HVAC services to both residential and commercial clients.	-	-	-
07/21/26	B&B Landscaping Services	Riverview Landscapes	Talus Group	Offers landscaping and outdoor maintenance for residential and commercial clients.	-	-	-
07/21/26	Miche Pest Control	Fortress Pest Brands	Riverarch Equity Partners	Delivers residential and commercial pest control services.	-	-	-
07/17/26	Sentry Alarms	Doyle Security Systems	-	Offers commercial and residential security services.	-	-	-
07/16/26	C.T. Franchising Systems	Ridgemont Equity; Coogee Bay	-	Provides senior moving, packing, decluttering, home clean-outs, and other services.	-	-	-
07/07/26	Essential Pest Control	Greenix	Gridiron Capital	Offers residential pest control services in Tennessee and Ohio.	-	-	-
07/07/26	Good Boy Pool	SPS PoolCare	Storr Group	Provides residential and commercial pool cleaning and maintenance services.	-	-	-
07/06/26	Davis Heating And Air Conditioning	Sila Services	Goldman Sachs Alternatives	Delivers residential HVAC, plumbing, and electrical solutions in West Virginia.	-	-	-
06/30/26	Arrow Pest Control	PestCo	Thompson Street Capital Partners	Provides residential and commercial pest control services in New Jersey.	-	-	-
06/30/26	Pooltek	Azureon	O2 Investment Partners	Offers residential pool maintenance, repair, and renovation services.	-	-	-
06/30/26	The Home Security & Management	Scutum North America	-	Provides home alarm monitoring, customer access, testing, two-way audio, and more.	-	-	-
06/30/26	TF Morra Tree Care	Bartlett Tree Experts	-	Supplies tree care services to homeowners.	-	-	-
06/22/26	Public Storage Canadian Properties	Public Storage (NYSE:PSA)	-	Provides self-storage solutions for commercial and residential tenants.	\$1,487.3	-	-
06/18/26	Freedom Roofing & Construction	Ridgeline Roofing & Restoration	Bertram Capital	Offers roofing and exterior services to residential and commercial clients.	-	-	-
06/11/26	Blue Power Wash	Kept Companies	DFW Capital Partners	Provides residential and commercial pressure washing services.	-	-	-
06/10/26	Wise Coatings Franchises	Premium Service Brands	Susquehanna Private Capital	Operates as a residential and commercial concrete floor coatings service franchise.	-	-	-
05/01/26	Gaines Construction	Home Square Pros	-	Provides design and remodeling services catering to homeowners.	-	-	-
04/01/26	Guild Garage Group	Oak Hill Capital	-	Delivers garage door repair and replacement services to residential clients.	\$800.0	2.7x	16.0x
03/06/26	Elite Power Washing	Perfect Power Wash	Incline Equity Partners	Provides exterior cleaning services to residential and commercial properties.	\$2.0	-	-
02/17/26	Champions Group	Blackstone (NYSE:BX)	-	Offers HVAC, plumbing, and electrical services to the Residential end market.	\$2,500.0	-	~18.5x
01/22/26	Pristine Rugs and Flooring	PG Rugs	-	Provides area rug, carpet, and floor cleaning, repair, and restoration.	-	-	-
01/22/26	Koko Boodakian & Sons	PG Rugs	-	Offers carpet cleaning services.	-	-	-

Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

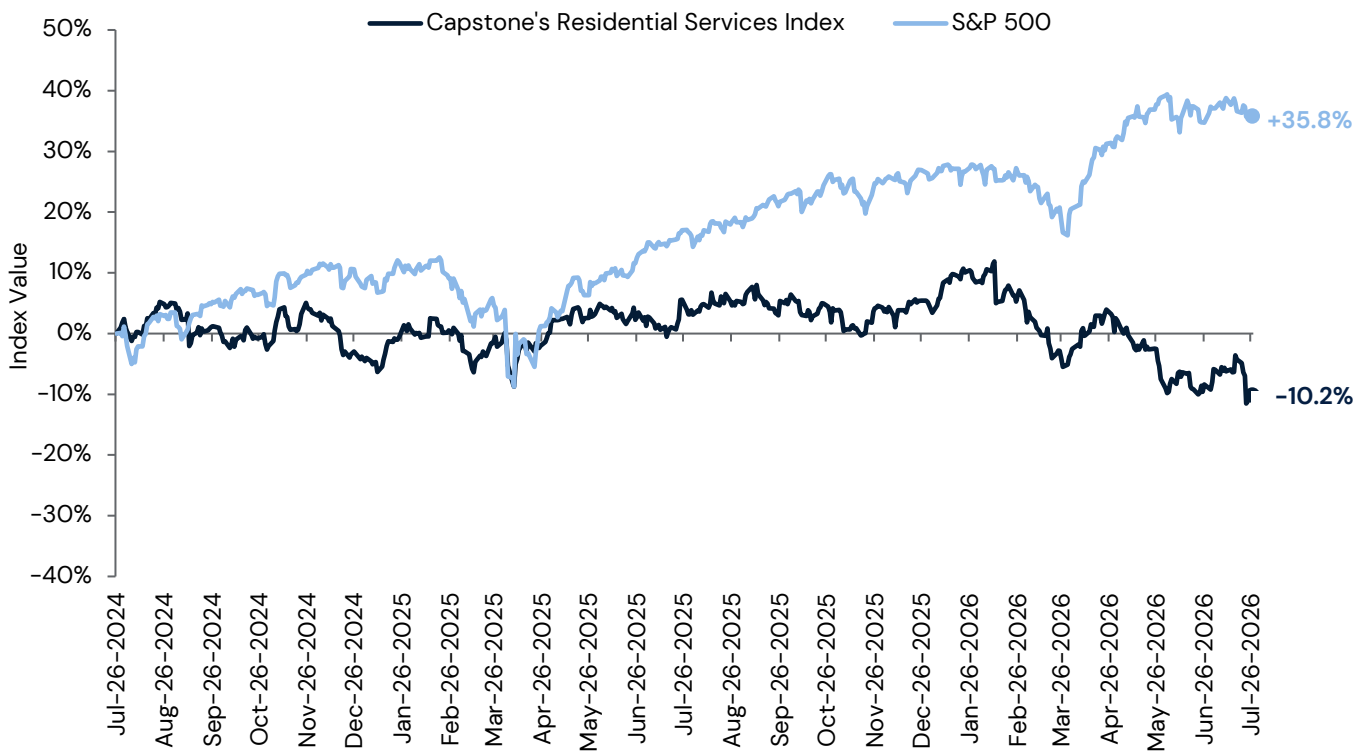


PUBLIC COMPANY TRADING MULTIPLES REMAIN MIXED

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	07/27/26	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
ADT Inc.	\$7.15	80.0%	\$5,185.6	\$12,798.9	\$5,139.6	\$2,777.5	54.0%	2.5x	4.6x
Alarm.com Holdings, Inc.	\$53.62	90.1%	\$2,652.1	\$2,763.4	\$1,037.6	\$178.2	17.2%	2.7x	15.5x
Angi Inc.	\$5.93	30.5%	\$239.9	\$495.2	\$1,022.8	\$122.3	12.0%	0.5x	4.0x
BrightView Holdings, Inc.	\$14.22	86.4%	\$1,325.3	\$2,724.9	\$2,728.7	\$393.2	14.4%	1.0x	6.9x
Chemed Corporation	\$509.34	98.4%	\$6,733.1	\$6,953.2	\$2,540.5	\$463.5	18.2%	2.7x	15.0x
FirstService Corporation	\$140.32	68.2%	\$6,452.2	\$8,357.5	\$5,597.3	\$615.6	11.0%	1.5x	13.6x
Frontdoor, Inc.	\$72.57	89.9%	\$5,096.9	\$5,692.9	\$2,118.0	\$499.0	23.6%	2.7x	11.4x
Rentokil Initial plc	\$5.68	84.2%	\$14,296.6	\$18,022.8	\$6,908.0	\$1,403.0	20.3%	2.6x	12.8x
Rollins, Inc.	\$39.07	59.1%	\$18,798.4	\$19,804.6	\$3,924.0	\$1,040.8	26.5%	5.0x	19.0x
SiteOne Landscape Supply, Inc.	\$101.34	60.1%	\$4,490.2	\$5,565.4	\$4,705.5	\$638.1	13.6%	1.2x	8.7x
							Mean	21.0%	2.2x
							Median	17.9%	2.5x
							Harmonic Mean	17.3%	1.5x

EV = enterprise value; LTM = last twelve-month
\$ in millions, except per share data

Capstone's Residential Services Index Lags Behind S&P 500



Capstone's Residential Services Index includes: ADT, ALRM, ANGI, BV, CHE, FSV, FTDR, ROL, RTO, SITE
Source: Capital IQ and Capstone Partners as of July 27, 2026

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Prior to its acquisition by Capstone in 2025, Phil was a Managing Director at TM Capital where he focused on the consumer industry including Consumer Products and Services.

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Brad is a Director within Capstone Partners' Consumer Group. With over a decade of experience, he is responsible for transaction execution across a variety of engagements. Prior to its acquisition by Capstone in 2025, Brad was a Vice President at TM Capital where he completed numerous sell-side, buy-side and financing engagements for leading financial sponsors, public companies, and entrepreneur-owned businesses. There, he gained significant experience in the Automotive, Consumer, Distribution and Business Services sectors.

Previously, Brad was an Investment Banking Analyst in the Diversified Industrials and Services group at Piper Sandler. Prior to Piper Sandler, Brad was an Associate in the Assurance practice at Deloitte.

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FIRM AWARDS & ACCOLADES



FIRM TRACK RECORD

Capstone has a proven track record of providing advisory services to leading business owners across the Consumer industry, including companies operating within the Residential Services sector. Several of these transactions are highlighted below.

 RentToRetirement CASH FLOW, APPRECIATION, EQUITY HAS BEEN ACQUIRED BY  CA IDANT CAPITAL	 LIFETIME QUALITY HAS BEEN ACQUIRED BY  Trilantic NORTH AMERICA	 LATITE ROOFING ESTABLISHED 1979 a portfolio company of Lincolnshire MANAGEMENT HAS BEEN ACQUIRED BY  SUN CAPITAL PARTNERS, INC.	 COMVEST PRIVATE EQUITY HAS ACQUIRED BLAND LANDSCAPING CO. a portfolio company of  Prospect Partners
 ASHCO EXTERIORS HAS BEEN RECAPITALIZED BY AN UNDISCLOSED PRIVATE EQUITY SPONSOR	 RESIDENTIAL WARRANTY SERVICES, INC. TRANSACTION ADVISORY SERVICES	 Pioneer RECYCLING SERVICES A portfolio company of  CVF CAPITAL PARTNERS CENTRAL VALLEY FUND HAS BEEN ACQUIRED BY DELOSCAPITAL  THE SILVERFERN GROUP	 FRONTLINE CONCRETE INC. HAS BEEN ACQUIRED BY  Lithko CONTRACTING, LLC
 MAXONS MAXIMIZING YOUR SPACE HAS BEEN ACQUIRED BY  FIRST ONSITE a subsidiary of  FirstService	 Ei HAS BEEN ACQUIRED BY  DPIS BUILDER SERVICES SIMPLE SERVICE SOLUTIONS a portfolio company of  SAW MILL CAPITAL	 Aterian ACQUISITION PARTNERS HAS SOLD  GO CONFIGURE GO TO MARKET PARTNERS to  SELECT Express & Logistics  LVC LONGUEVUE CAPITAL	 POWRMATIC A portfolio of  STAMM INTERNATIONAL Delivering complete climate control solutions worldwide HAS BEEN ACQUIRED BY  GROUPE DESCHENES
 TEAM SERVICES GROUP A portfolio company of ALPINE HAS RECEIVED DEBT FINANCING FROM  MONROE CAPITAL  BRIGHTWOOD  Kayne Anderson Capital Advisors, L.P.	 WEST SHORE HOME Financed the acquisition of  AMERICA'S WINDOW A WEST SHORE HOME COMPANY With senior debt provided by  GARMARK PARTNERS	 Walpole Outdoors™ HAS BEEN ACQUIRED BY  ARGOSY PRIVATE EQUITY	 HOME SERVICE STORE a portfolio company of JUPITER PARTNERS LLC HAS BEEN ACQUIRED BY  ROARK CAPITAL GROUP

CAPSTONE'S PROPRIETARY RESEARCH REVEALS TOP SERVICES IN DEMAND

The stage and initiatives of a business often dictate which financial services are in demand. As the bulk of CEOs polled in Capstone's 2026 Middle Market Business Owners Survey indicated growth strategies are a priority for 2027, the lion's share (40.8%) of owners anticipate a need for growth strategy support services. Similarly, 29.1% of CEOs require equity capital advisory services to support operational initiatives and business expansion. Notably, 27.8% of CEOs demonstrated an interest in accessing relevant industry research to keep up with emerging industry trends, complete competitor analyses, and track capital markets activity in their space. In addition, 18.8% of business owners have sought fairness/solvency opinion and dispute resolution support to mitigate litigation exposure and ensure fiduciary duties for transactions are fulfilled.

Capstone has developed a full suite of [corporate finance solutions](#) to help privately owned businesses and private equity firms through each stage of the company's lifecycle, ranging from growth to an ultimate exit transaction. In addition, we developed specialty advisory practices to provide financial performance, buy-side, employee stock ownership plan (ESOP), and equity and debt services. All of these capabilities are supported by 12 industry banking groups, an active sponsor coverage group, and a dedicated Market Intelligence Team.

Top Financial Services Required by Business Owners in 2027



40.8%

Instituting a growth strategy



38.2%

Accounting & audit support



29.1%

Raising equity capital



27.8%

Accessing relevant industry research



20.7%

Corporate Restructuring



18.8%

Fairness/solvency opinions & dispute resolutions

Question: Have you ever had, or do you anticipate having, a need for any of the following services?
Source: Capstone Partners' Middle Market Business Owner Survey, Rebased Sample Size (N): 309

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Market Presence

With a long-established U.S. footprint, together with an international partner platform, we provide clients with broad expertise and access to key market relationships on a global basis. Our presence is backed by ~300+ professionals in the U.S. with 550+ professionals across 51 countries.

