U.S. Mechanical, Electrical, Plumbing

Industry Brief H1 2026

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Executive Summary

As the overall construction market in the U.S. remains uneven, MEP contractors—particularly larger firms—are benefiting from an unprecedented surge in complex megaprojects like AI data centers, semiconductor fabrication facilities, and advanced manufacturing plants

Market Backdrop — Robust Demand

- The U.S. MEP services market is forecast to grow from ~$34.6 B in 2026 to ~$47.0 B by 2031 (6.3% CAGR), with data centers bring the fastest-growing vertical by end market, and mechanical services contributing to a majority of the market share
- The American Society of Civil Engineers (ASCE) estimates a ~$3.7 T ten-year infrastructure funding gap from 2024 through 2033, with wastewater / stormwater (~$690 B), roads (~$684 B) and energy (~$578 B) being the largest categories, based on maintaining the current federal investment levels
- According to the U.S. Energy Information Administration, U.S. power consumption hit its second straight annual record high at 4,195 billion kWh in 2025. It is projected to increase to 4,268 billion kWh in 2026, and further to 4,391 billion kWh by 2027

Labor Shortages Drive Valuation Multiples

The U.S. MEP contracting market faces a deficit if ~650,000 skilled workers, as retirements of the Baby Boomer generation accelerate; this led to a 20% wage growth since 2020

Established MEP contractors with employee pools can pass along rising labor costs to end users and command higher pricing, leading to higher revenue, and premium valuation multiples

Digitization Results in Advantages

MEP contractors are deploying Building Information Modeling (BIM), AI-enabled estimating, digital project management, and field technologies to improve coordination and project visibility

Mobile platforms, IoT-enabled equipment, and real-time project data are improving communication, thereby enabling MEP contractors in faster decision-making and execution

Deal Landscape

- Strategic acquirers and financial sponsors remain active participants in the MEP contracting industry, supported by the growing need for infrastructure investments, labor scarcity, and building modernization demand
- Financial sponsors are pouring record capital into the U.S. MEP sector, and outbidding strategic buyers. Contractors generating 50%+ of revenue from maintenance, service and repair command significant premiums

Strategic Implications for MEP Owners and Sponsors

- Firms with a retained regional labor bench can command premiums for time-sensitive projects and better absorb wage inflation, while sub-scale contractors face greater margin pressure
- Exposure to data centers, healthcare, and public infrastructure, combined with a service-heavy revenue mix, enhances earnings visibility and positions platforms for premium valuations
- Consolidation provides a pathway to expand geographic coverage, diversify end-market exposure, add skilled labor capacity, and capture procurement / operational efficiencies

Sources: American Society of Civil Engineers - A Comprehensive Assessment of America's Infrastructure; MarkWide Research - US MEP Services Market Size 2026-2036; Mordor Intelligence - US MEP Services Market Size and Share, 2025-2031

Long-Term Industry Catalysts

AI & Digital Infrastructure Expansion

Investments in cloud infrastructure, and AI computing capacity drive demand for complex electrical, cooling, and power systems

Aging Infrastructure Modernization

Retrofit and replacement needs across commercial, healthcare, and industrial facilities support sustained MEP demand

Sustainability Initiatives

Adoption of energy-efficient technologies, EV infrastructure, and decarbonization programs is driving system upgrade activity

Manufacturing Reshoring

Reshoring trends and investments in semiconductor facilities is increasing demand for design, installation, and maintenance services

Industry Headwinds

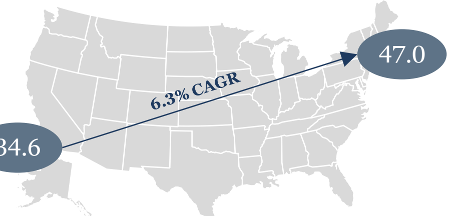
- **Shortage of Skilled Labor and Wage Inflation**
- **Long Equipment Lead Time and Supply Chain Constraints**
- **Construction Project Delays and Massive Power Needs**
- **Regulatory Complexity and Increasing Safety Standards**

Favorable market dynamics such as expanding digital infrastructure, aging infrastructure in U.S., energy transition initiatives, and investments in semiconductors create a favorable demand environment for MEP contractors

U.S. MEP Contracting Industry Overview
(Cont'd)

Market Size ($ Billions)

The U.S. Mechanical, Electrical, and Plumbing (MEP) market size is expected to grow from $34.6 B in 2026 to $47.0 B in 2031 at a CAGR of 6.3%



Source: [Mordor Intelligence - US MEP Services Market Size and Share, 2025-2031]

Growth Driver	Impact
Data Center Demand	High
Aging Infrastructure Modernization	
Development of Energy-Efficient Retrofits	
U.S. Construction Spending	

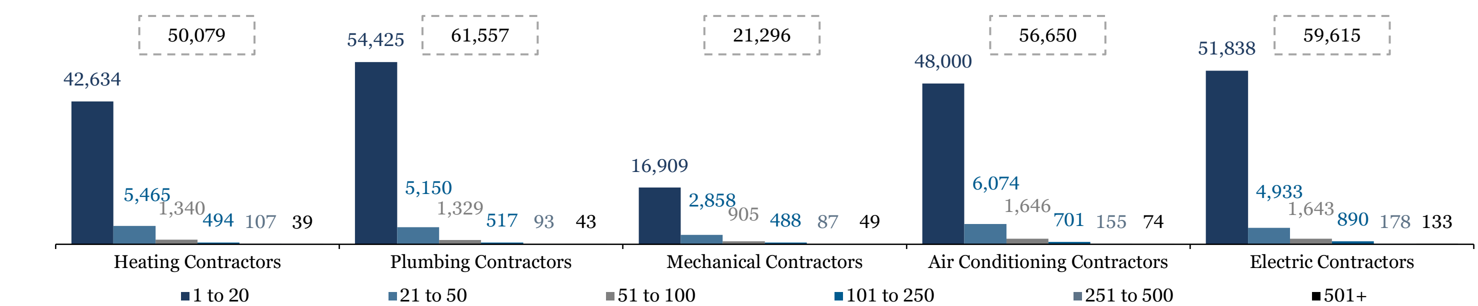
Select Industry Leading Players

QUANTA, Southland, Comfort Systems USA, Rosendin, APi Group, acco engineered systems, EMCOR, MYR Group

Larger MEP players continue to win complex projects and expand market share through M&A strategies, workforce scale, geographic reach, and investments in prefabrication and tech-enabled delivery capabilities

MEP Market Segments

(Company Size and Number of Companies)



Source: [Acumatica, The Cloud ERP - Construction Specialty Subcontractors: Mechanical, Electrical, and Plumbing]

Latest Market Trends

Efficient Technologies

Mechanical systems are being reimagined with efficient technologies like geothermal heating/cooling, varying refrigerant flow, and cutting-edge air filtration

Eco-Friendly Plumbing

The U.S. plumbing industry is turning to eco-friendly technologies in response to the escalating water deficiency in western region of the country

Energy Efficient Retrofits

Energy efficiency retrofits are becoming popular, as building owners focus on reducing energy consumption, lighting controls and efficient electrical equipment

Regulatory Complexity

ASHRAE and NFPA regulations are creating an environment that necessitates the engagement of technically qualified MEP contractors

ASHRAE - American Society of Heating, Refrigerating and Air-Conditioning Engineers

NFPA - The National Fire Protection Association

Organic Growth Levers

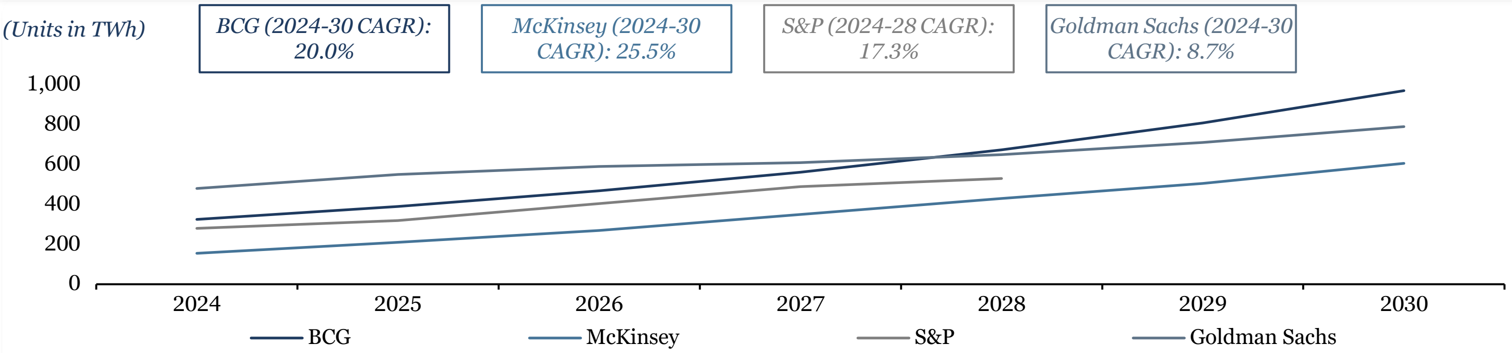
Data Center Boom

- North America is experiencing a surge in data-center development as AI and traditional cloud computing drive investments. With strong hyperscaler-led AI and cloud growth, coupled with federal and state investments, the U.S. leads the North American data center market with 30 GW of live IT capacity
- While forecasts vary, all projections indicate a significant increase in U.S. data center electricity consumption through 2030, driven by growing demand for AI workloads, cloud computing, video streaming, IT infrastructure, and digital communications

Data centers need electric systems, backup generators, cooling infrastructure, and building automation controls

Data centers are among the most MEP-intensive construction asset types in U.S.

U.S. Data Centers Electricity Consumption Forecast



Source: [Incorrys - U.S. Data Center Power Demand Forecast]

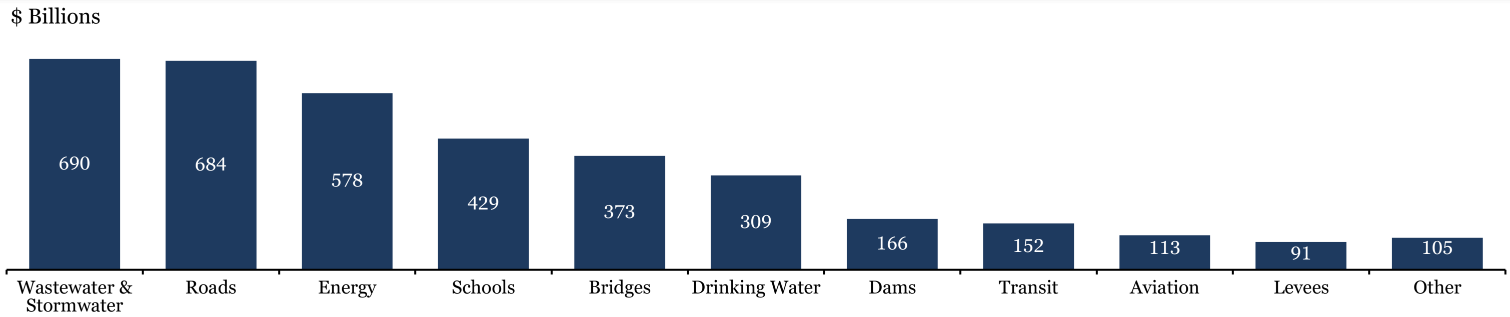
U.S. Infrastructure Funding Gap

Despite significant federal and state infrastructure investments in recent years, the U.S. continues to face an infrastructure funding shortfall across critical assets. Estimates indicate an infrastructure investment gap of ~$3,700B, with the largest unmet needs concentrated in water systems, energy infrastructure, transportation networks, and public facilities.

Wastewater and stormwater require the highest estimated funding of ~$690B. Despite a surge in demand, U.S. energy and utilities require ~$580B in additional funding. Most of these projects necessitate significant electrical, mechanical, controls, and energy-management upgrades

As investment flows towards improving the reliability and resiliency of infrastructure, MEP service providers could benefit from retrofit, replacement, and new-construction opportunities across both public and private end markets

Infrastructure Funding Gap in U.S. by Sector

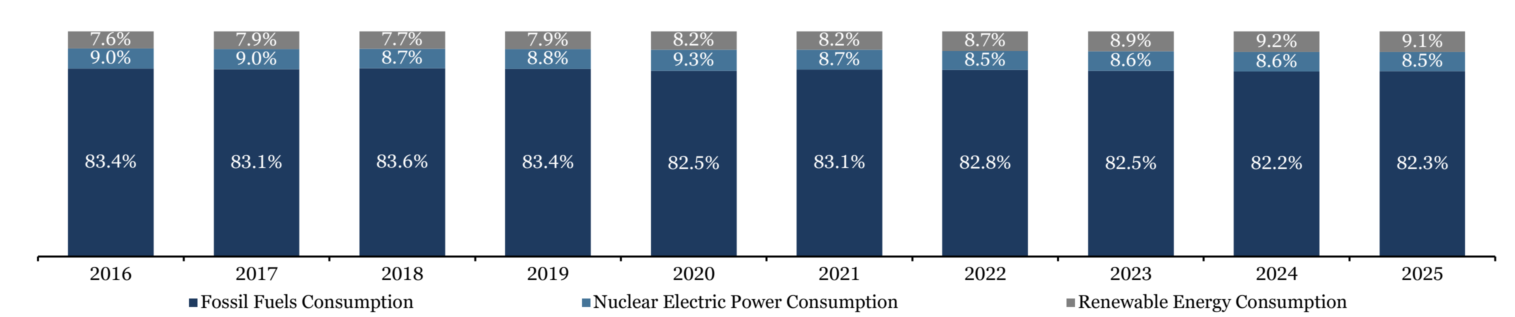


Source: [American Society of Civil Engineers - A Comprehensive Assessment of America's Infrastructure]

Energy Efficiency and Decarbonization

- According to EIA, U.S. power consumption hit its second straight annual record high at 4,195 billion kWh in 2025, and is projected to increase to 4,268 billion kWh in 2026, and 4,391 billion kWh by 2027. As renewable outputs rise, the share of renewable power generation will rise from ~24% in 2025 to 27% in 2027
- Besides, renewable energy consumption in U.S. increased from ~7.6% of total energy consumption in 2016 to ~9.1% in 2025. Simultaneously, electrification, strict efficiency regulations, and decarbonization initiatives are driving demand for HVAC upgrades, electric infrastructure modernization, and efficient retrofits across commercial and industrial facilities

Primary Energy Consumption by Source



Source: U.S. Energy Information Administration - Total energy consumption of renewable and nonrenewable energy sources

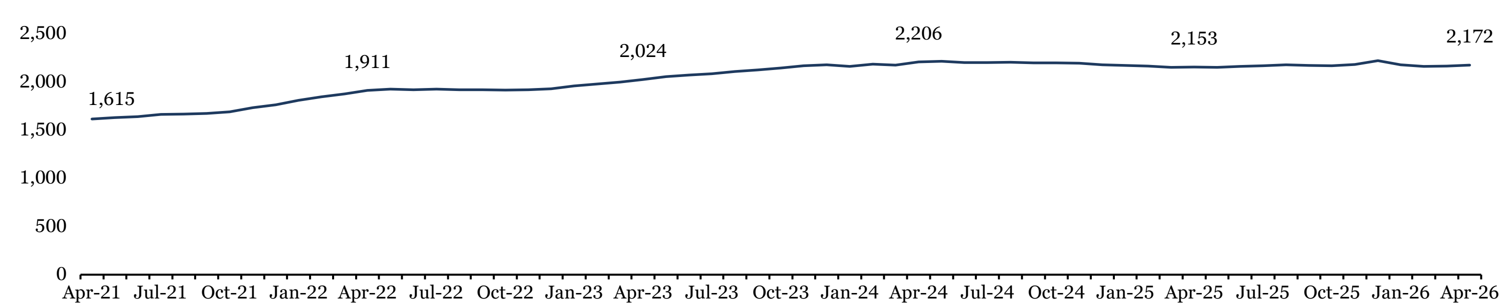
Growth in Total Construction Spending in U.S.

Total construction spending in U.S. during April 2026 reached a seasonally adjusted annual rate (SAAR) of ~$2,172B, clocking a ~1% growth compared to the April 2025 construction spending of ~$2,153B

Public construction spending clocked an all-time high in April 2026, with a SAAR of ~$532B, and year-over-year growth recorded across nearly all major public construction categories

New-age themes—including AI-driven infrastructure, grid modernization, and mission-critical facilities development—continue to drive construction activity, thereby leading to sustained demand for the MEP contracting services

Total Construction Spending in U.S.



Source: Federal Reserve Bank of St. Louis - Value of Construction Put in Place
Note - Only April construction spending data (monthly) has been labeled for visual clarity. Y-axis is outlined to facilitate interpretation of construction spending trends.

Skilled Labor Shortages Enhance Pricing Power, Create Entry Barriers, And Drive Higher Valuation Multiples

NorthView Advisors

By The Numbers - Skilled Labor Shortage

Aging Workforce

- According to the FMJ Magazine, over 68% of facility operators and technicians in the U.S. are above the age of 45, and 21% remain active beyond retirement
- With older employees possessing deep knowledge, skills, and experience, there could be material business continuity risks over the next 5 to 15 years

Urgent Need for Skilled Workforce

- Mordor Intelligence reports that the U.S. MEP services market faces a shortage of ~650,000 skilled workers, as firms compete for a shrinking pool of experienced talent
- Mechanical contractors in the Midwest report a 68% difficulty in filling positions, thereby compelling 49% of firms to decline projects

Demand-Supply Talent Gap

- McKinsey analyzed 12 trade job categories (including maintenance technicians), and estimated an imbalance of 20 job openings for every one net new employee through 2032
- McKinsey notes that the extraordinary rate of churn in skilled trades could cost companies $5.3+ B annually in hiring and training

Key Takeaways

Labor shortages lead to operational risks

Skilled labor shortages lead to time-to-hire delays, elevated workload on remaining staff, extended preventive maintenance schedules, and heightened risk of downtime or safety incidents

Scalability drives pricing power for differentiated players

Differentiated MEP firms with deep regional talent benches can command higher pricing on time-sensitive projects while minimizing operational complexity through workforce leverage

Pricing power allows established firms to shift wage inflation to project owners

Established MEP contractors with employee pools can pass along rising labor costs to commercial and residential end users, while those ignoring talent shortages face margin compression

Talent retention becomes a key valuation differentiator

MEP firms with structured training programs, competitive compensation, and retention strategies will outperform competitors, as the $5.3B+ annual churn cost in skilled trades intensifies through 2032

Skilled Labor Deficit
Barrier to entry

Pricing Leverage
MEP players with large employee pools

Valuation Premium
Premium EBITDA and other valuation multiples

Digital Transformation And Evolving Regulations Reinforce Competitive Advantages

Digital Transformation in the Industry

Large Data-Driven Projects

- Large-scale projects like data centers, semiconductor fabs, healthcare campuses, and energy facilities increasingly favor scaled MEP contractors with proven execution capabilities
- MEP contractors that have invested in preconstruction, fabrication capacity, and field operations are gaining market share, compared to their small and mid-market competitors

Building Information Modeling (BIM)

- Building Information Modeling (BIM) has evolved from a differentiator to an industry standard for identifying spatial conflicts between mechanical, electrical, and plumbing paths
- Adoption of BIM is accelerating design efficiency and improving project execution. A 2023 survey in U.S. showed that 74% contractors, 67% engineers, and 70% architects leveraged BIM

Investments in Tracking Shop

- MEP contractors are increasingly deploying shop-floor tracking systems to monitor fabrication throughput, material flow, and delivery performance in real time
- As firms adopt manufacturing-style workflows, data-driven visibility is improving forecast accuracy, schedule adherence, and margin performance, supporting more scalable operations

Key Regulations

Regulation	Details
NFPA 70, National Electrical Code, 2026 Edition	• The code codifies the minimum requirements for safe electrical wiring, grounding, overcurrent protection, and equipment installation • Released by the National Fire Protection Association, the 2026 edition of NFPA 70 clarifies technical layouts, addresses higher voltage standards, and smart-grid interfaces.
ASHRAE Standard 90.1, 2025 Edition	• ASHRAE Standard 90.1 is the baseline code for energy efficiency in commercial building design • The 2025 iteration introduces strict energy-monitoring rules; sets tighter limits on thermal leakages, and HVAC power draw; and introduces new provisions for EV spaces
ASHRAE Standard 62.1 (Ventilation), 2025 Edition	• Regulatory blueprint for designing, installing, and operating ventilation systems in commercial, institutional, and high-rise residential buildings • The 2025 update introduces stricter Demand Control Ventilation (DCV) mandates and emergency ventilation controls to manage building operations and external smoke events
AIM Act of 2020	• Enacted in 2020, the Act mandates the phasedown of hydrofluorocarbons (HFCs), used in HVACR systems, to 15% of historic baseline levels by 2036 • Bans the use of high-Global Warming Potential (GWP) HFCs in aerosol, foam, and refrigeration/air conditioning equipment, where low-GWP alternatives are available, and sets subsector-specific GWP limits

Business Impact

Public Market Trading Multiples

($ in millions, other than stock price)	06/30/26	YoY	Market	Total	LTM		Gross	EBITDA	Net Debt/	EV/LTM	
Company	**Stock Price**	**Price Δ**	**Cap.**	**EV(1)**	**Revenue**	**EBITDA**	**Margin**	**Margin**	**EBITDA**	**Revenue**	**EBITDA**
Pure-Play MEP Contractors											
Comfort Systems USA	1,735	*280%*	60,969	60,324	8,791	1,506	*25%*	*17%*	NM	NM	NM
EMCOR Build. Power. Service. Protect.	726	*59%*	32,281	31,932	15,392	1,605	*19%*	*10%*	NM	2.1x	19.9x
Limbach	67	*(44%)*	803	857	566	55	*25%*	*10%*	0.9x	1.5x	15.7x
IES Empowering Growth	643	*155%*	12,812	12,680	3,151	416	*26%*	*13%*	NM	4.0x	30.5x
Median(2)										**2.1x**	**19.9x**
Diversified MEP Consultants											
AECOM	61	*(36%)*	7,852	10,048	13,865	1,108	*8%*	*8%*	1.6x	0.7x	9.1x
Jacobs	110	*(1%)*	13,023	15,804	11,436	890	*23%*	*8%*	2.8x	1.4x	17.8x
Tetra Tech	25	*(17%)*	6,563	7,339	3,822	573	*22%*	*15%*	1.2x	1.9x	12.8x
Parsons	46	*(25%)*	4,906	6,224	5,465	454	*23%*	*8%*	2.3x	1.1x	13.7x
Median(2)										**1.3x**	**13.3x**
Power and Specialty Infra Contractors											
Quanta	630	*96%*	94,576	99,874	26,124	2,306	*15%*	*9%*	1.4x	3.8x	NM
MasTec	364	*151%*	28,404	30,913	13,253	1,043	*13%*	*8%*	1.2x	2.3x	29.6x
Dycom	443	*113%*	13,290	15,435	5,314	701	*20%*	*13%*	2.7x	2.9x	22.0x
MYR Group	438	*183%*	6,820	6,731	3,317	227	*12%*	*7%*	NM	2.0x	29.7x
Argan, Inc.	699	*272%*	9,799	8,955	888	135	*21%*	*15%*	NM	NM	NM
Median(2)										**2.6x**	**29.6x**

Source: Pitchbook, S&P Capital IQ

(1) EV ("Enterprise Value") is defined as market capitalization plus net debt, preferred equity, and minority interest

(2) Median values exclude all non-meaningful values—EV/Revenue greater than 5.0x, and EV/EBITDA greater than 40.0x

Recent M&A Transactions

Date	Target	Acquiror	Target Description
30-Jun-26	PayneCrest Electric	Primoris Services (NYS: PRIM)	Provider of electrical networking and systems integration services to specialize in the design, installation, operation, and configuration of automation and monitoring systems
16-Jun-26	Climate Engineering and Centennial Controls	Harris Pacific Northwest	Provider of mechanical contracting and building automation services intended to optimize building performance and operational efficiency
01-Jun-26	R.E. Warner & Associates	ISG (Commercial Services)	Provider of multidisciplinary engineering, HVAC, architecture, and surveying services for the power and utility industry, government, commercial, metal, and chemical industries
27-May-26	Valley Electric Company	MYR Group (NAS: MYRG)	Provider of electrical contracting services catering to the commercial, residential, industrial, and transportation industries
20-May-26	Bain Heat and Air	Mid-Town Plumbing	Offers HVAC services, HVAC repairs, HVAC replacements, HVAC installations, furnace services, heat pump services, and more
01-May-26	Oasis Heating & Cooling	Fix-It Group	Provides HVAC services to commercial and residential customers, offering HVAC repair, installation and electrical repair services
30-Apr-26	Valley Mechanical Solutions	AK Water Works	Provider of HVAC services for homeowners throughout Ohio; offering residential heating, cooling, and refrigeration services
22-Apr-26	True Blue Mechanical	Rocket Group (Consulting Services)	Provider of heating, cooling, indoor air quality, and water heating services intended to support consistent indoor operation across changing conditions
06-Apr-26	Colvin Engineering Associates	Lynk Engineers	Provider of mechanical, electrical, and plumbing services focused on low-energy designs, high-efficiency systems, and smart building technologies
02-Apr-26	S E & M Constructors	Everus Construction Group (NYS: ECG)(Jeffrey Thiede)	Full-service mechanical, electrical, and plumbing contractor offering certified electrical, HVAC, plumbing, energy, process piping services, inspections, testing, among others
25-Mar-26	Mechanical Systems Technology	Sylvester & Cockrum	Provider of HVAC installation and maintenance services to serve commercial, industrial, and residential sectors
12-Mar-26	Air Comfort Service	Helios HVACR Services	Provides HVAC services to commercial, industrial, and residential clients; offering air conditioning, heating, plumbing, and commercial kitchen equipment installation services
27-Feb-26	Prime Specialty Contracting	Tweet-Garot Mechanical	Offers commercial & residential HVAC, mechanical, plumbing, pipe fitting, heating, process piping, and mechanical systems services, cooling, and fabrication services
01-Feb-26	JED Heating and Cooling	Century Mechanical Holdings	Offers installation, repair, and maintenance of heating equipment, cooling systems, ventilation units, indoor air quality services, and related HVAC work
02-Jan-26	Bowers	Legence (NAS: LGN)	Provider of mechanical contracting services intended to serve commercial, institutional, and mission-critical facilities across Maryland
18-Dec-25	Critical Components	Concentric.	Provider of critical power and precision cooling services intended to keep business operational during power outages and protect against power disruptions
12-Dec-25	JA Development	Suntex Enterprises (OTCM: SNTX)	Offers home renovations, electrical services, HVAC, insulation services, plumbing services, and fencing, enabling clients to maintain efficiency, safety, and structural integrity
08-Dec-25	Haddad Engineering	MSA Professional Services	Provider of electrical and mechanical engineering services in Jacksonville, Florida; specializing in designing electrical, mechanical, HVAC, plumbing, and fire protection systems
02-Dec-25	Nobel Air	Cpm Air	Provider of residential HVAC contractor and testing services, from routine maintenance to complex installations, in Massachusetts
19-Nov-25	Jersey State Energy Controls	Stark Tech Operating Company	Provider of HVAC services in Brick, New Jersey, including HVAC controls, DDC system installation, remote alarm monitoring, and control system design among other services

Source: Pitchbook, S&P Capital IQ

Recent PE Transactions

Date	Target	Acquiror	Target Description
29-Jun-26	CJones Plumbing	High Street Capital, Ironwood Capital, Pinnacle Contracting Services	Provider of plumbing services for functional plumbing systems; offering new plumbing installations, water main installation, plumbing pipe repairs, among others
24-Jun-26	Superior Building Services	Exigent Services, Huron Capital	Provider of HVAC services including boiler repair, chiller maintenance, cooling tower service, and pumping system maintenance with climate control and equipment efficiency
19-Jun-26	Manhattan Welding	Morgan Stanley (NYS: MS)	Provider of boiler and burner services for commercial and residential heating systems; it offers mechanical contracting, boiler maintenance, heating system installation, among others
16-Jun-26	Simply Cooling, Heating & Plumbing	FoW Partners, ResiXperts	Provider of HVAC and plumbing services for residential purposes; it offers air conditioning repair, furnace installation, heat pump maintenance, plumbing leak repair, among others
12-Jun-26	HBC Company	CAI Capital Partners, GreenArrow (Infrastructure)	Provider of electrical contracting and engineering services intended for infrastructure development and electrical reliability
11-Jun-26	Mechanical Service & Systems	Partners Group (SWX: PGHN), PremiStar	Offers HVAC installation, plumbing systems, boiler service, building automation, preventative maintenance, and mechanical retrofits to commercial and industrial clients
05-Jun-26	Comfort Indoor Solutions	FirstCall Group, SkyKnight Capital	Provider of HVAC services to maintain indoor comfort, including emergency repair availability and energy efficiency optimization with consistent climate control
05-Jun-26	Jake's Heating, Air & Plumbing	Flint Group (Kansas City), General Atlantic, Kinderhook Partners	Specializes in heating, air conditioning, plumbing, and water heater services, to provide clients with installation, repair, and maintenance services for climate control and water systems
01-Jun-26	Air Balancing Engineers	Integra Testing Services, Keystone Capital Management	Provider of HVAC testing and balancing services for the commercial industry, including hydronic balancing, building system commissioning, and ductwork leak testing
27-May-26	Air Around The Clock	Flint Group (Kansas City), General Atlantic, Kinderhook Partners	Provider of HVAC and plumbing services, including air conditioning units, heating systems, plumbing repairs, whole home generators, and gas line installation, among others
18-May-26	Standard Maintenance Company	Broadwing Capital Management, Davidson Kempner Capital Management, Upchurch	Provider of industrial contracting services for process equipment and piping management, including mechanical contracting, equipment relocations, maintenance, repair, boiler services, among other services
12-May-26	A. Hattersley & Sons	Foundral, McNally Capital	Provider of mechanical contracting, HVAC, plumbing, and energy infrastructure services intended to support commercial and industrial facilities across the U.S.
07-May-26	Ireland Electric Corporation	Heartwood Partners, Norlee Group	Provider of commercial and industrial electrical contracting services intended for businesses and industrial facilities
07-May-26	Samm's Heating & Air Conditioning	SAS Service Partners, Storr Group	Offers air conditioning repair, furnace installation, indoor air quality management, and preventive maintenance services, to help maintain climate control and energy efficiency
05-May-26	Air Hawk Heating and Cooling	Concentric Equity Partners, Leap Service Partners	Provider of air conditioning repairs, heating system installations, and air purification, among others, to maintain climate control in residential and commercial properties
04-May-26	Brothers Plumbing, Heating & Electric	Altas Partners, Redwood Services, Union Main Group	Provides plumbing, heating, cooling, electrical, drain, and water heater services, to enable residential and commercial property owners to access immediate on-site repairs
04-May-26	Sierra Platform	Altas Partners, Redwood Services, Union Main Group	Provider of plumbing services, water quality assessments, water heater services, and zoning systems for industrial and commercial applications
22-Apr-26	Glaenzer Electric	Heritage Holding	Offers electrical installation, system design, preventative maintenance, specialized lighting solutions, generator deployment, and emergency repair services
21-Apr-26	Armistead Mechanical	Partners Group (SWX: PGHN), PremiStar	Provider of mechanical construction services for industrial piping systems, enabling industrial and commercial clients to manage complex mechanical installations
07-Apr-26	Ballard Natural Gas Services	Fix-It Group, Two Parks Capital	Provider of HVAC and electrical services; it offers installation, maintenance, repair, duct cleaning, indoor air quality improvement, and energy-efficient upgrades

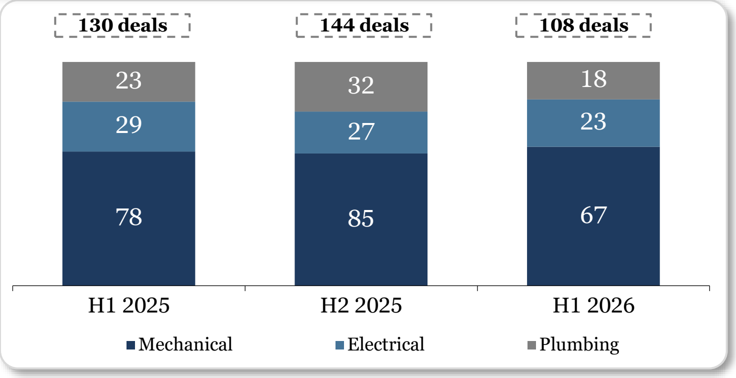
Source: Pitchbook, S&P Capital IQ

Deal Overview

Active Deal Landscape

- U.S. MEP contracting M&A activity moderated to 108 deals in H1 2026, compared to 144 deals in H2 2025
- Mechanical contracting remains the most active subsector with ~62% of deal volume in H1 2026 (67 of 108 deals), underscoring investor preference for mechanical services platforms
- Electrical contracting deal activity remained resilient, while plumbing contracting deals experienced a pronounced moderation
- Despite lower volumes, strategic acquirers and financial sponsors remain active MEP participants, supported by infrastructure investment, labor scarcity, and building modernization demand

Deal Volume by Subsector



Visible Tailwinds Enable Growth Opportunities for Investors

Highly Fragmented Market

Helps sponsors acquire smaller 'add-ons' at lower multiples, to integrate into a platform

Defensive Cash Flows

MEP firms emphasize on service, maintenance, and repair contracts

Cost Pass-Through

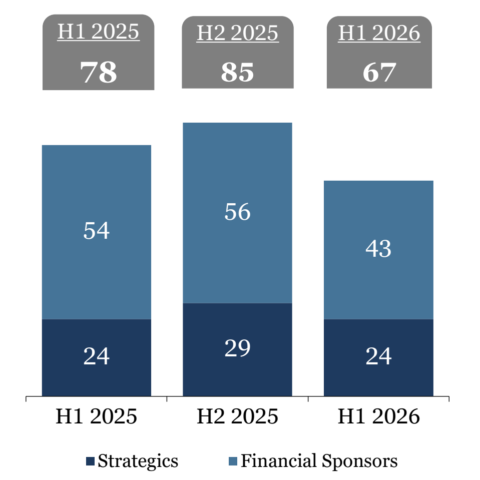
As these services are essential, firms can pass rising material and labor costs to end customers

Technology Upside

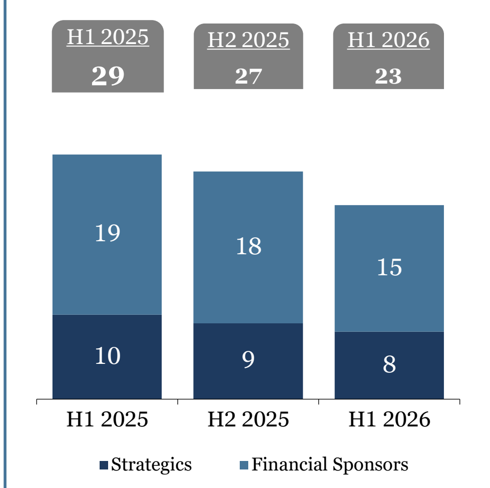
Investors see an immediate opportunity by deploying modern field-service software

Deal Volume By Buyers

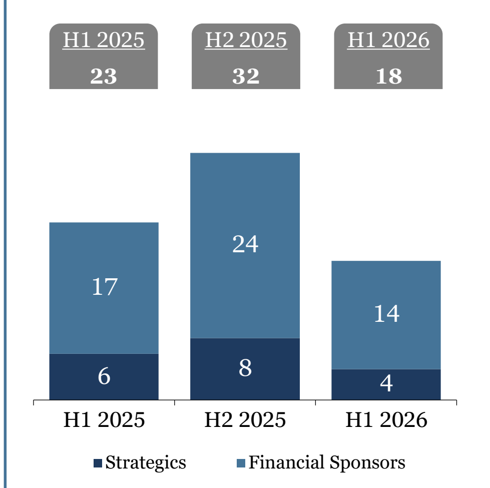
Mechanical Contracting



Electrical Contracting



Plumbing Contracting

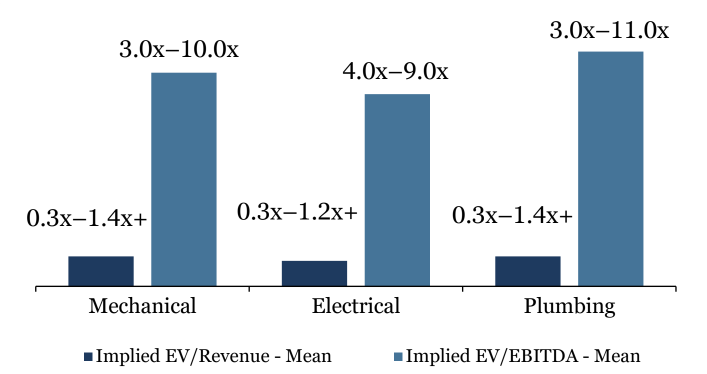


Source: Pitchbook, S&P Capital IQ
Note - The deal count includes M&A and PE (and add-ons). Total deal count for corresponding semi-annual period mentioned in the textbox

Resilient Deal Activity

- Deal activity in the U.S. MEP contracting industry remains resilient, with consolidators executing buy-and-build roll-ups
- Driven by a fragmented market of founder-led firms, infrastructure backlogs, and green-building demand, financial sponsors are pouring record capital into the U.S. MEP sector, and vastly outbidding strategic buyers in this market
- PE firms are targeting MEP firms with design-build expertise, engineering-led offerings, and strong positions in high-growth end markets such as data centers, healthcare, and advanced manufacturing
- MEP contractors generating 50%+ of revenue from maintenance, service, and repairs command significant valuation premiums

Reported Valuation Multiples



Sources: [CT Acquisitions - Sell Your HVAC Business in 2026](); [QuickReadBuzz - HVAC Business Valuation Considerations: Beyond Heating and Cooling]()

Valuation Benchmarks Across MEP Contractor Categories and End-Markets

HVAC/Mechanical Contractor	Electrical Contractor | Above $5 M revenue	Plumbing Contractor
6x-10x EBITDA PE-backed operators with strong recurring revenue from service agreements	**7x-9x EBITDA** Specialty (Data center / EV / Solar)	**6x-11x EBITDA** Well-run and growth-oriented plumbing platforms
3x-6x EBITDA Sole-operator and owner-operated HVAC businesses	**6x-8x EBITDA** Commercial service-recurring contracts	**3x-8x EBITDA** Tuck-in add-ons with varying quality and recurring-revenue mix
	4x-5x EBITDA New construction-dependent	

Recent Transactions in the U.S. MEP Contracting Industry

May-2026		acquired by	MYR Group	$328.0 M
May-2026	Sierra Air Conditioning & Heating	acquired by	Redwood	$220.0 M
Apr-2026	SE&M Constructors	acquired by	Everus Construction Group	$158.0 M
Mar-2026	PayneCrest Electric, A Primoris Company	acquired by	Primoris	$422.0 M
Jan-2026	Bowers, A Legence Company	acquired by	Legence	$475.0 M
Dec-2025	Power Solutions	acquired by	Dycom	$1,995.9 M
Feb-2025	Miller	acquired by	EMCOR	$876.8 M

Active Strategics

NorthView Advisors

Buyer Snapshot	Overview	Select Recent Acquisitions
KELSO INDUSTRIES Financing: PE-Backed Company HQ: Draper, UT Website: www.kelso-industries.com	• Provider of HVACR installation and maintenance services for industrial, commercial, and institutional clients • Offers installation, maintenance, replacement, and repair for heating/AC systems, gas piping, dryer vent cleaning, and custom duct systems	ROWBEL SERVICES: Heating/cooling system repair, lighting installation, air purifier setup, and furnace maintenance, among others McClintock Electric, Inc.: Offers electrical contracting, fire alarm systems, structured cabling, automation, and 24/7 emergency support
COMFORT SYSTEMS USA Financing: Corporation HQ: Houston, TX Website: www.comfortsystemsusa.com	• Provides comprehensive mechanical contracting services; plumbing; piping & controls; construction; and electrical components • Operates in two segments—mechanical and electrical services—with mechanical services accounting for a majority of the business	fz: Offers design, construction, low-voltage, audiovisual, and electrical contracting services MEISNER ELECTRIC: Offers power distribution and substations, industrial control systems, energy security, fiber networks, among other services
LEGENCE Financing: Corporation HQ: San Jose, CA Website: www.wearelegence.com	• Provides engineering, installation and maintenance services for mission-critical systems in buildings • Designing, fabricating and installing complex HVAC in new facilities, and upgrading HVAC and building controls in existing facilities	BOWERS (A Legence Company): Mechanical contracting services to serve mission-critical facilities across Maryland IMD (A Legence Company): Specializes in preconstruction services, prefabrication, pipefitting, mechanical, plumbing, and specialty services
EMCOR – Build. Power. Service. Protect. Financing: Corporation HQ: Norwalk, CT Website: www.emcorgroup.com	• Specialty contractor for electrical and mechanical construction, facilities services, building services, and industrial services • Serves a broad range of commercial, technology, industrial, healthcare, utility and institutional customers through ~100 operating subsidiaries	danforth (An EMCOR Company): Project development, system design, installation, energy solutions and maintenance for HVACR and plumbing systems MILLER: Provider of electrical contracting services in high-growth areas across the Southeastern U.S.
ORION Financing: PE-Backed Company HQ: New York, NY Website: www.orionservicesgroup.com	• Commercial and industrial field services holding company partnering with leading family- and founder-owned service providers to support long-term goals • Offers heating, ventilation, air conditioning, refrigeration, and plumbing services through its market-leading businesses	JOSKO: Provides general contracting and commercial services for installation and repair fixes The Tustin Group – Integrated Building Services: Integrated building services to specialize in mechanical, energy, water, fire and life safety, security and construction solutions
LIMBACH Financing: Corporation HQ: Warrendale, PA Website: www.limbachinc.com	• Specialty contractor in HVAC, plumbing, and electric for the construction of buildings, maintenance services, energy retrofits, and equipment upgrades • Operates in two segments—General Contractor Relationships (GCR) and Owner Direct Relationships (ODR)	Pioneer Power (A Limbach Company): Provides mechanical contracting services to data centers, food, healthcare, renewables, and government education markets Consolidated Mechanical (A Limbach Company): Provider of full-service mechanical contractor services intended to serve industrial, power, and commercial markets

Active Financial Sponsors

Buyer Snapshot	Overview	Select Recent Acquisitions
PACELINE Founded: 2018 HQ: Dallas, TX Website: www.pacelineequity.com	• Focus on value-oriented and special situations investments across real assets, corporate debt, and private equity • Employs a contrarian approach by identifying trends ahead of the market	Coastal Electric Company of Florida: Electrical contracting services, including design, installation, diagnostics, repair and maintenance Rowbel Services: Heating/cooling system repair, lighting installation, air purifier setup, and furnace maintenance, among others
OXBOW Founded: 2021 HQ: Salt Lake City, UT Website: www.oxbowequity.com	• Partnering with entrepreneurs to build businesses that provide essential services • Invests in businesses operating in fragmented markets with an opportunity to grow through both organic and inorganic models	Allied Mechanical: Mechanical contracting and building systems services for precision-engineered MEP McClintock Electric, Inc.: Offers electrical contracting, fire alarm systems, structured cabling, automation, and 24/7 emergency support
ALPINE Founded: 2001 HQ: San Francisco, CA Website: www.alpineinvestors.com	• Specializes in recurring revenue models across software and services markets • Invest in the software, business services, consumer services, healthcare, and media, among other sectors	JOSKO: Provider of HVAC, plumbing, electrical contracting, roofing, and duct cleaning, among other commercial services AWE Air. Water. Energy.: HVAC contracting firm to serve DuPage County and surrounding areas
PETERSON PARTNERS Founded: 2003 HQ: Salt Lake City, UT Website: www.petersonpartners.com	• Focus on growth, buyouts, and co-investments, targeting companies with strong leadership • Sectors include business services, software, internet, retail, consumer healthcare, transport, industrial, and technology, among others	Rowbel Services: Heating/cooling system repair, lighting installation, air purifier setup, and furnace maintenance, among others Allied Mechanical: Mechanical contracting and building systems services for precision-engineered MEP
Aterian Investment Partners Founded: 2009 HQ: New York, NY Website: www.aterianpartners.com	• Targets underperformers, turnarounds, unique situations, and operationally intensive middle-market businesses • Partners with management to optimize processes, upgrade technology, invest in equipment, and support strategic positioning	Koontz-Wagner: Electrical contracting services serving markets in South Bend and surrounding areas Commonwealth Electrical Technologies: Electrical contractor offering EV charging stations, energy efficiency construction, among other services
HURON CAPITAL Founded: 1999 HQ: Detroit, MI Website: www.huroncapital.com	• Focused on control investments in the lower middle-market with 275+ acquisitions since the firm's inception • Employs the thematic buy-and-build approach, while bringing together its sector focus, deep industry relationships, and committed capital	JENCO Inc. (A Criticore Group Company): Provider of commercial electrical contracting services in Scottsdale, Arizona ATCO Integrated Mechanical Solutions: Offers installation, maintenance, repair of air conditioning, refrigeration, among other services

About NorthView Advisors

NorthView Advisors is a boutique investment bank specialized in advising privately held, middle market companies.

Capital Market Experience	Transactions	Industry Experience	U.S. Offices
$6.0+ Billion	**100+**	**80+ Years**	**4 Offices**

Services Offered

Mergers, Acquisitions & Company Sale

- Sell-side Representation
- Buy-side representation
- Management Buyout
- Partial or Full Sale
- Strategic or Financial Sale
- Board and Shareholder Advisory
- M&A Preparation

Capital Raising

- Debt Financing
- Growth Capital
- Recapitalizations
- Acquisition Financing
- Operational Review

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TRILANTIC Capital Partners

CRESCENT Constructors, Inc.
Acquired by
ZACHRY Corporation

WATHCO General Contractor
Acquired by
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