



Founders Advisors Home Services Market Update SUMMER 2025

FOUNDERS
ADVISORS

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Consumer Macroeconomics, M&A Activity, and Active Market Participants

2 **Valuation and Operating Metrics**

Key Performance Indicators and Home Services M&A Activity

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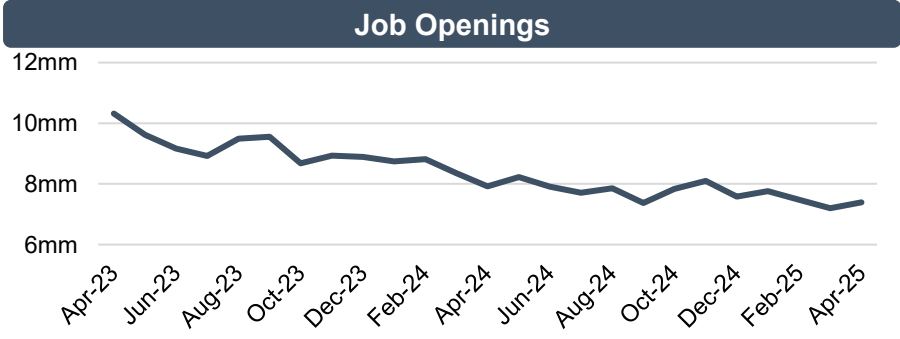
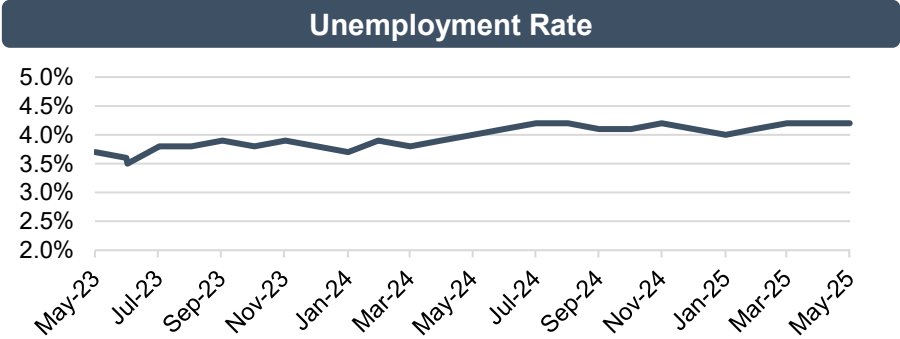
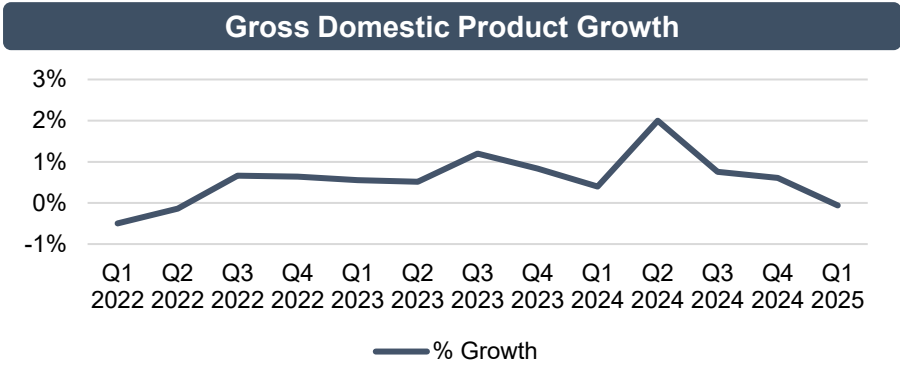
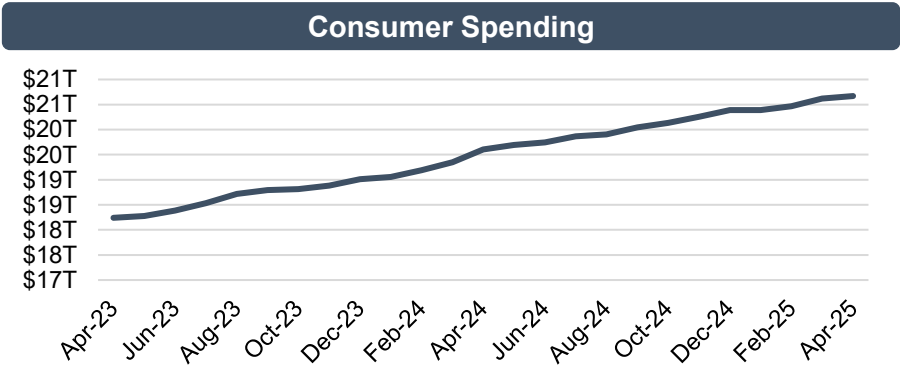
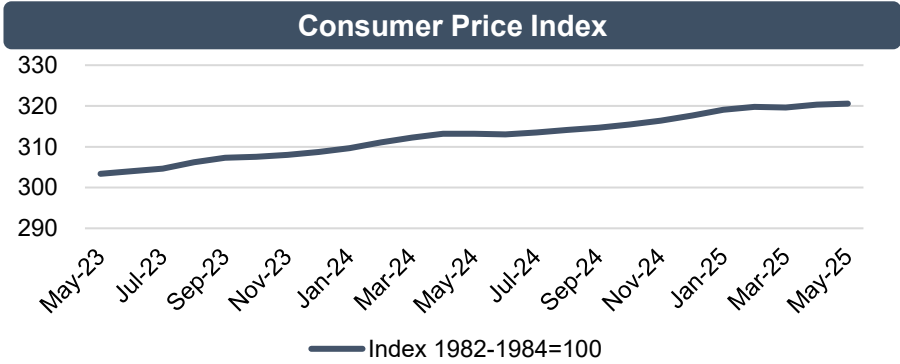
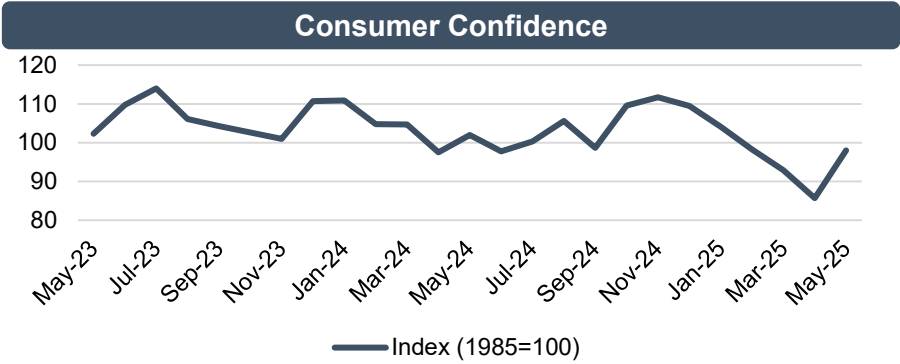
Curated Content for Home Services Business Owners

4 **About Us**

Founders Advisors Overview and Transaction Experience

Consumer Macroeconomics

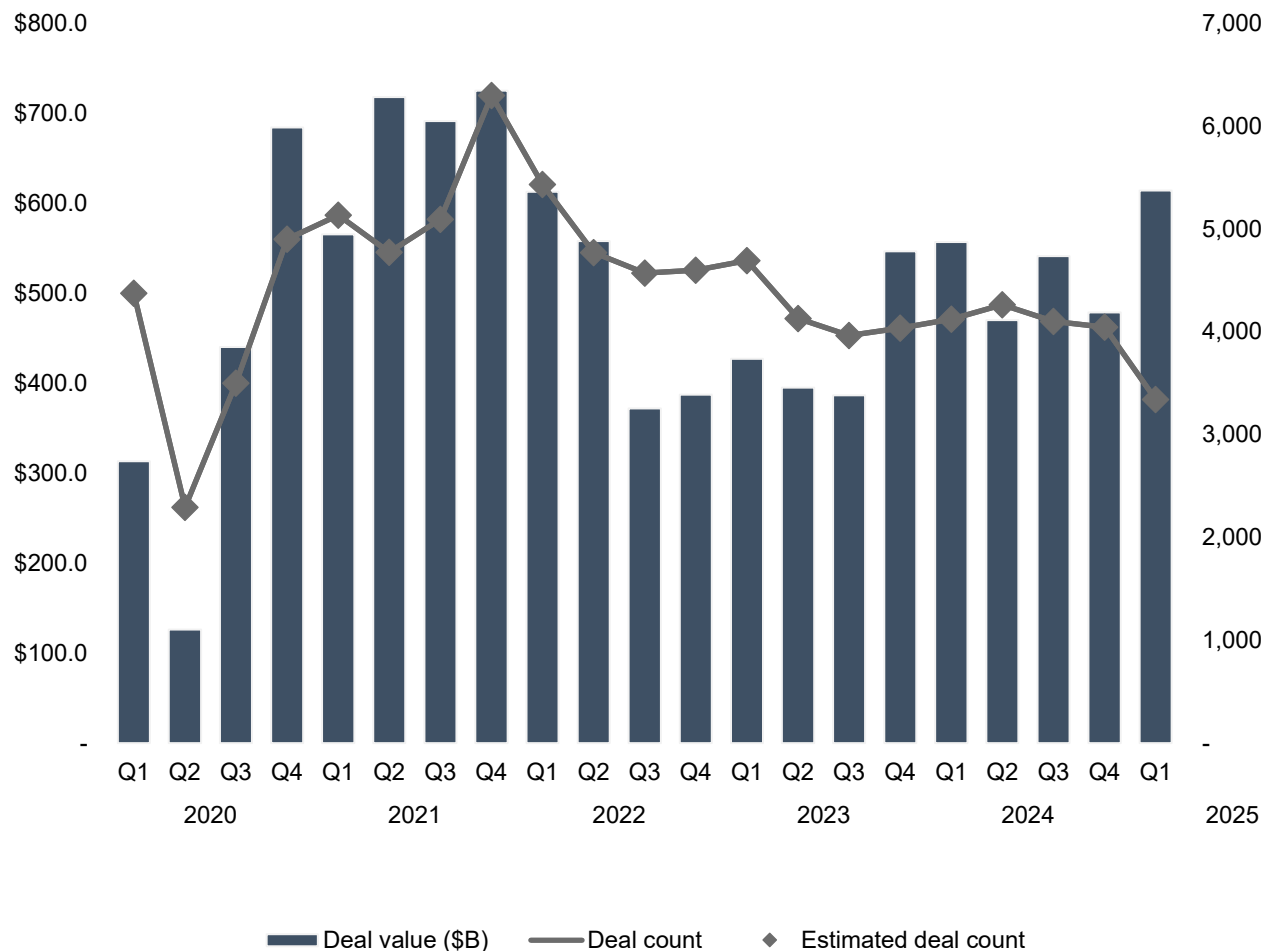
Key U.S. economic indicators point to a growing economy with a steady increase in consumer spending and stabilizing unemployment rate.



Global M&A Market Overview

Although deal activity slowed relative to the levels seen in 2021, activity began to recover in Q4 2023, and valuations have remained robust, driven by the substantial amount of dry powder that will need to be deployed in the market.

Global Deal Activity Stabilizing Despite Macroeconomic Conditions



2025 Outlook

- The M&A recovery that began in Q4 2023 **gained momentum** in 2024 and is **projected to continue throughout 2025**.
- While transaction volumes remain below peak levels in 2021, **private markets are well-positioned for robust deal activity**, driven by substantial dry powder and improving borrowing costs, which are encouraging robust deployment of capital.
- For founder-owned businesses, private equity firms continue to struggle to find quality platform opportunities, which will **drive increased valuation for businesses with strong financial profiles**.
- While it appears **M&A activity has gained steam throughout 2025**, reduction in discretionary spending and potential longer-term inflation could temper growth.

M&A Activity | Notable Recent Transactions

Target	Acquirer	Date	Sector	Description of Seller
Air Pros	Exuma Capital Partners	Jun. 2, 2025	HVAC	Family-owned, full-service HVAC company in San Diego offering residential and commercial installations, maintenance, and repairs.
Lifetime Roofing	Stonegrove Roofing Partners (Blackstone Credit)	Jun. 1, 2025	Roofing	Family-owned residential and commercial roofing company based in North Salt Lake, UT, providing roof installations, repairs, replacements.
Sun State Nursery & Landscaping	Everglades Equity, The Gladstone Companies	May 23, 2025	Landscaping	Jacksonville, Florida, based commercial landscape firm that offers design/build, hardscape, irrigation, and landscape management.
Rancho Pool Service	Cabana (CI Financial Corp)	May 22, 2025	Pool Services	Serves the Rancho Cucamonga area of Southern California as a local pool maintenance provider.
Landscape Workshop	Ares Management	May 16, 2025	Landscaping	Commercial landscaping company operating across the Southeastern U.S., specializing in maintenance, installation, and snow services.
Gallagher Bros Construction	Three Ridges Capital Investments	May 11, 2025	Roofing	Roofing and siding company serving St. Louis, MO and surrounding areas, including St. Charles, Springfield, and Southern Illinois.
Artman's Nursery	SIGU Capital	May. 6, 2025	Landscaping	Michigan based full-service garden center and landscaping provider, offering design/build services, wholesale and retail nursery products.
Discovery Services	Morgan Stanley Investment Management	May. 1, 2025	Pest Control	Offers residential and commercial pest and turf management in Middleburg, FL, using environmentally responsible treatment plans
Signature Exteriors	Ridgeline Roofing & Restoration (Bertram Capital)	Mar. 11, 2025	Roofing	Based in Stamford, CT, this roofing and siding contractor has completed over 20,000 residential and commercial projects
Quality Pool Service	SPS PoolCare (Storr Group)	Feb. 5, 2025	Pool Services	A family-run residential and commercial pool maintenance, repair, and renovation company in the Dallas, Texas metroplex.
Childress Heating & Cooling	Service Country (Grove Mountain Partners)	Jan. 10, 2025	HVAC	Provider of residential and light commercial HVAC installation and maintenance services based in Gadsden, AL.
River Rock Pools	SPS PoolCare (Storr Group)	Jan. 9, 2025	Pool Services	Specialized in pool construction, serving both commercial and residential clients through pool installation services
Able Heating & Cooling	Fresh Water Ventures	Jan 6, 2025	HVAC	HVAC contractor serving south-central Michigan, providing residential and commercial heating, cooling, and outdoor boiler installation

Market Participants | Active Buyers and Investors

The following represents a selection of the most active private equity firms and strategic acquirers in the Home Services sector. Our team places significant emphasis on both the relevance and recency of a potential buyer's transaction experience when preparing for a transaction process.

Private Equity Buyers



Strategic & PE-Backed Acquirers by Sub-Sector

HVAC / Plumbing	Roofing / Exterior	Pest Control	Pool Services	Landscaping

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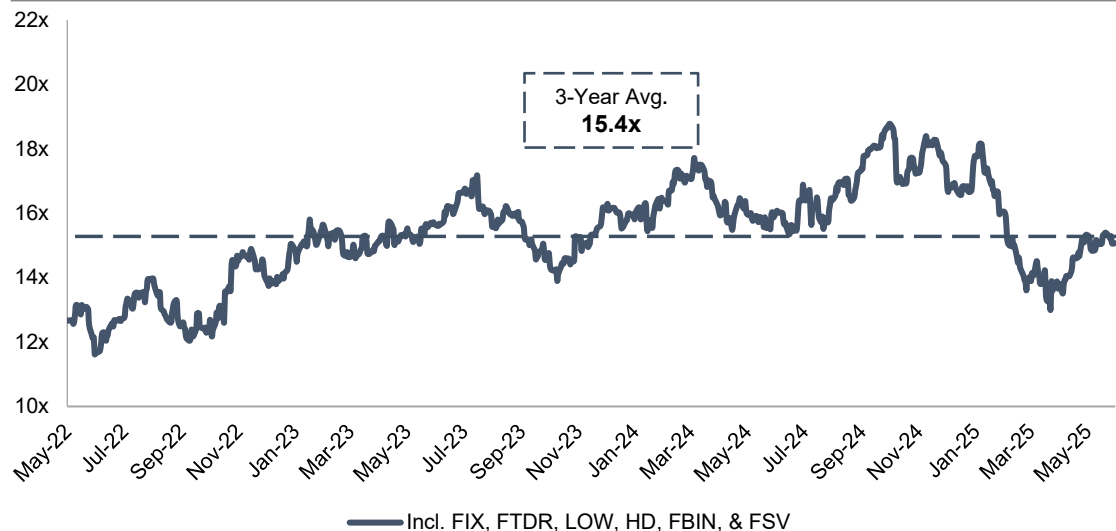
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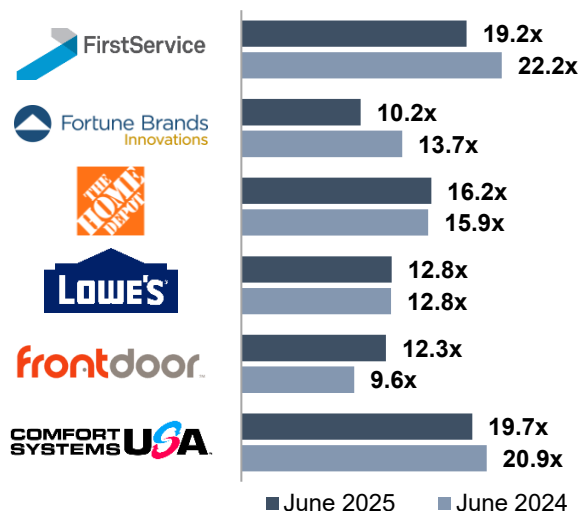
Public Market Valuation Trends

Most companies shown have maintained or exceeded the broader market's EV/EBITDA multiple trend, which remains just below the 3-year average of 15.4x, indicating stronger relative valuation resilience.

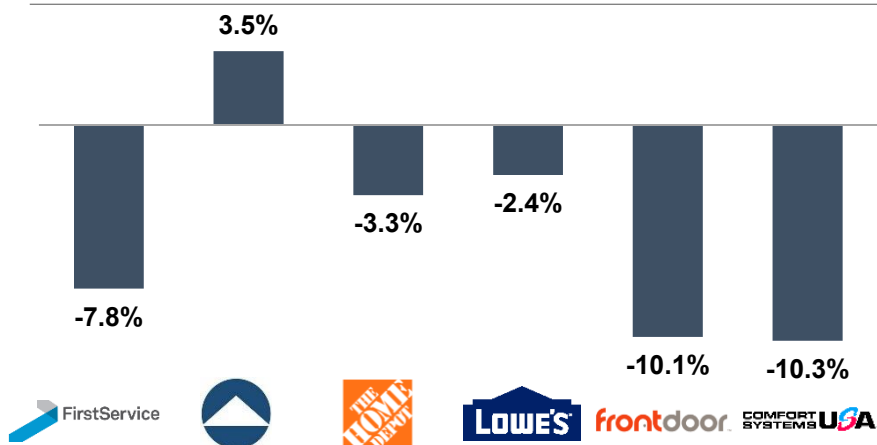
Enterprise Value (EV) / EBITDA



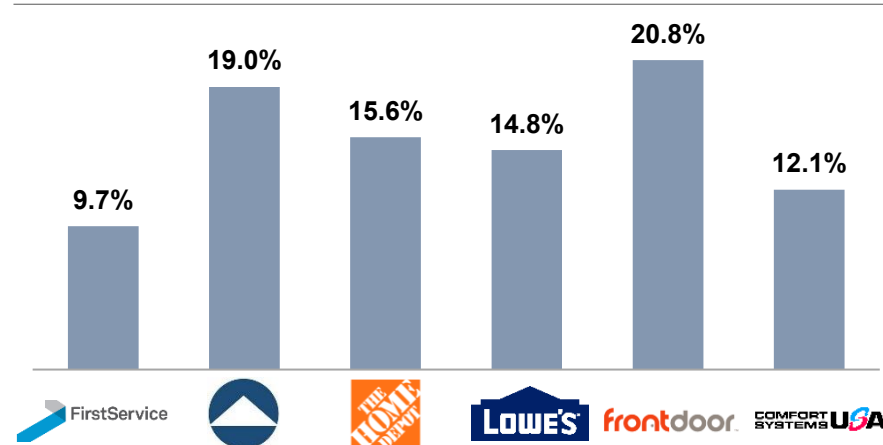
EV / LTM EBITDA Multiple



LTM Revenue Growth



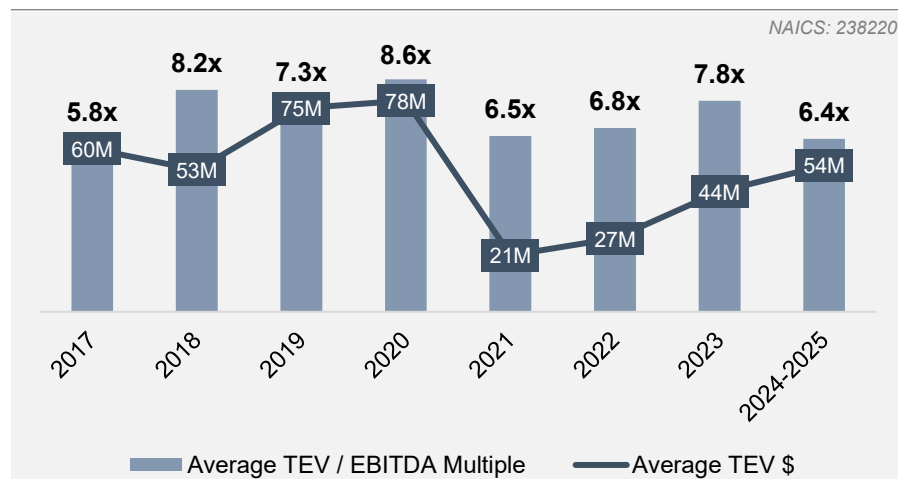
LTM EBITDA Margin



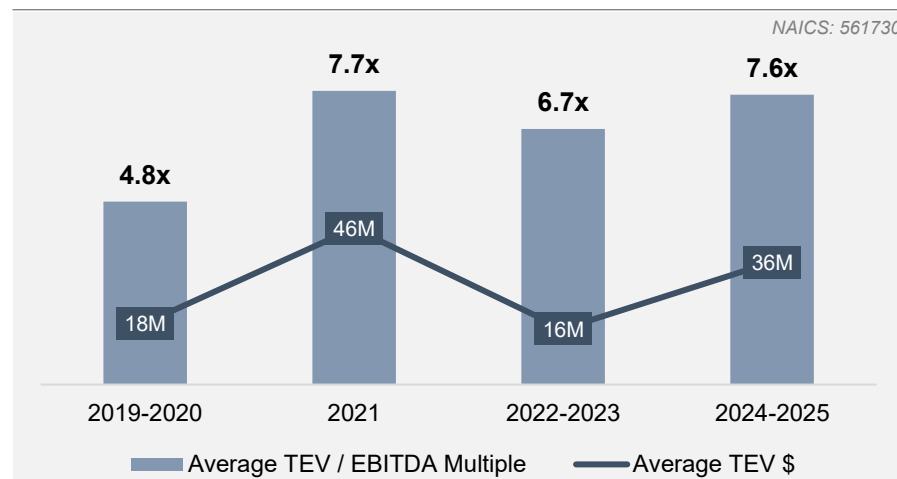
Home Services Subsector Valuation Trends

HVAC businesses are experiencing declining valuation multiples as rollups in the sector mature, while roofing, landscaping, and pest control remain earlier in their consolidation cycles, offering greater runway for growth.

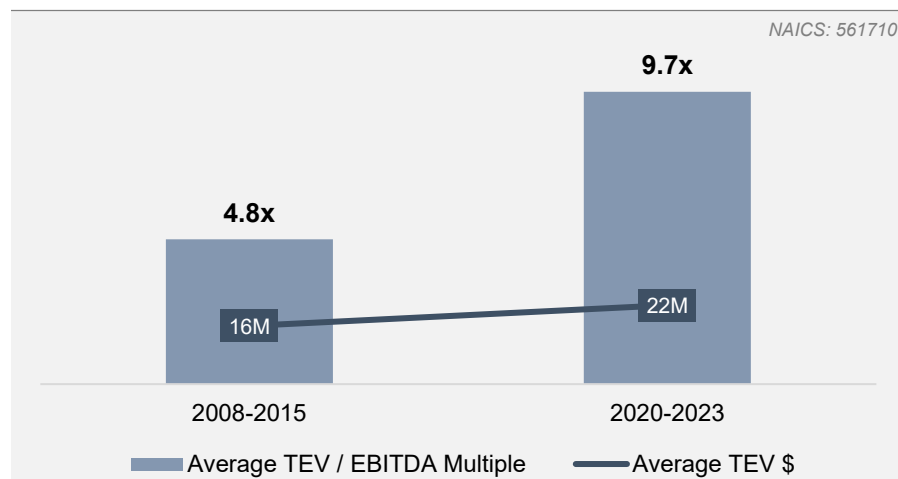
HVAC / Plumbing / Electrical



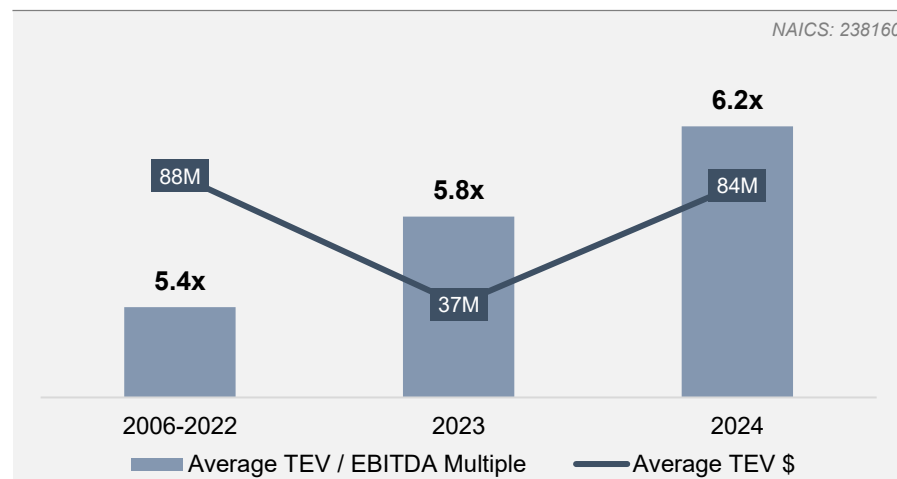
Landscaping



Pest Control



Roofing



Home Services | Valuation Scorecard

	5.0x	6.0x	7.0x	Factors Influencing EBITDA Multiple	8.0x	9.0x	10.0x+
Financial Preparedness	Consistent reporting; ability to analyze data at the customer level; GAAP; proof of cash → quality of earnings is likely with investors						
Markets Served	1		Geographic diversification, proven brand growth			> 5	
YOY Sales Growth	< 5%		Historical growth trends, growth compared to peers			> 20%	
EBITDA Margin	< 5%		Fully burdened, consolidated bottom line margin			> 25%	
EBITDA Scale	< \$1M		Earnings before interest, taxes, depreciation & amortization			> \$5M	
Percentage of Recurring Revenue	< 20%		Recurring service revenue, economic exposure			> 50%	
5-Star Customer Reviews	< 50		Customer satisfaction, competitive market position			> 300	
Customer Churn	> 30%		Retention, scalability, effective service quality			< 10%	

Other Factors that Drive Valuation

Management Team	Understand your gaps and have clear delineation of responsibilities → assess strengths/weaknesses to highlight areas for investment
Customer Metrics	Track retention, revenue per customer, upsell/downsell, other KPIs → increases visibility into business efficiency and expansion levers
Lifetime Customer Value	Track all engagement by customer (retail purchases, service stop/start dates) → know the drivers of increased lifetime customer value
W-2 vs 1099 Labor	Investors prefer W-2 sales/customer-facing workforce (not subcontractors) for exclusive employment, benefits, and lower tax risk
Talent Retention	Maintain a ranking of all employees and understand where each shines → consider warrants, profits interest, M&A and stay bonuses
Competitive Position	Understand the landscape, why you win/lose, differentiation, potential greenfield geographies → consider roll-up opportunity to scale
Process Documentation	Be able to communicate & show methodologies, onboarding processes (employees and customers), retention strategies, etc.

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What Makes a Great Home Services Company?

These key factors drive value and investor confidence by highlighting the importance of operational efficiency, risk mitigation, long-term viability, and brand reputation for home services businesses.

Attributes of a Top Tier Home Services Company

1

Financial Controls

Implementing sophisticated financial controls and accounting practices increases owner ability to track performance

2

Technology Stack

Using a robust CRM software and project management system allows services companies to scale with quality

3

Sales Growth

Demonstrating multiple years of consecutive sales growth builds brand strength and probability of future success

4

EBITDA Margins

Producing outsized margins demonstrates operational excellence and ability to effectively control costs

5

Geographic Coverage

Servicing areas in multiple states / regions proves brand portability, aids growth, and decreases weather risk

6

Business Mix

Diversifying revenue streams across service types (e.g., Repair vs Maintenance vs Installation) decreases risk perception

7

Digital Marketing

Establishing effective marketing engines with a digital presence drives growth in both current and new markets

8

Expansion Strategy

Developing a robust expansion strategy and opening new markets accelerates growth and increases business value, giving potential investors confidence in the future

9

Culture & Leadership

Emphasizing firm values and culture at the top leads to high employee retention and ability to grow leaders

10

Customer Feedback

Receiving positive reviews that mention attributes like “superior service” help develop brand reputation

Leverage data to lead your business to greater enterprise value.

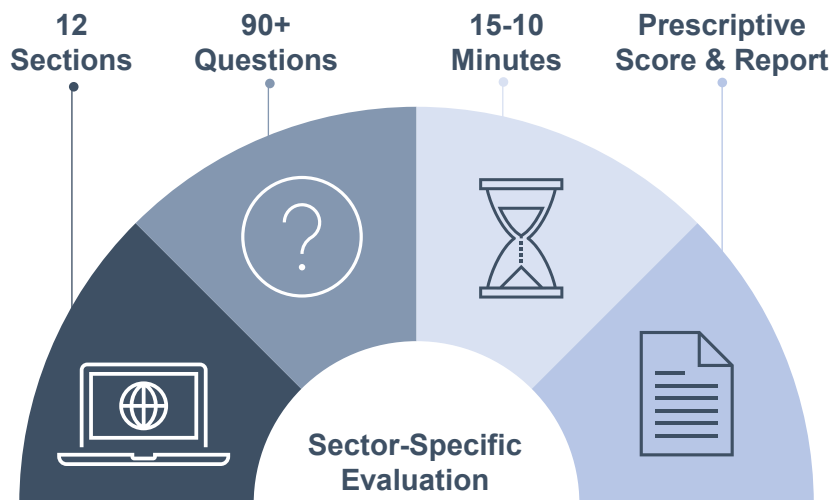
Founders has developed a sector-specific, algorithmic evaluation tool to help business owners understand if their company is investment grade based on years of M&A expertise. Our Investment Grade Assessment gives owners a measurable system to assess the 12 interdependent value drivers.

Assessment Link

- Assessment: app.foundersib.com/auth/sign-up
- Discount Code: IGA_CONSUMER
- Industry: Consumer
- Sector: Home Services

Proprietary Assessment Tool

Founders' proprietary assessment platform gives business owners a clear market perspective on how investable their company is coupled with a view on organizational health.



Approaching the Assessment

- Allow 15-20 minutes to complete; go with your gut answer and keep moving; do your best not to overanalyze questions.
- It's okay to select "unknown"; this will bring awareness to areas of the business the need more attention.
- Answer honestly as to where your company is now, not where you wish it was.
- Don't be discouraged by results; there are action steps to improve in all areas.
- If there is more than one owner / operator, we recommend each key executive take the assessment separately to allow for comparison of results and perspectives.

Why Assess Your Business?

The benefits of assessing your business far transcend solely transacting. Doing so provides the opportunity to own and operate an all-around better business.



Brands Y'all 2025 | Consumer Summit

FOUNDERS
BRANDS Y'ALL
CONSUMER SUMMIT

Brands Y'all is designed for business owners, offering a unique opportunity to connect with consumer and finance industry leaders in a relaxed setting.

The event offers actionable content on what it takes to build a successful business and prepare it for an eventual sale/transition.



2025 Attendees



Hosts & Sponsors



2025 Speakers



Donald Miller

StoryBrand
[LinkedIn](#)



Scott Wozniak

SWOZ Consulting
[LinkedIn](#)



Chris Tuff

Author / Chris Tuff LLC
[LinkedIn](#)



Ricky Brooks

Express Oil
[Bio/Article](#)



Kathleen Wood

Kathleen Wood Partners
[LinkedIn](#)



Doug Tatum

Florida State University
[LinkedIn](#)

"Thank you for putting the event together. I genuinely learned a lot and am looking forward to more conversations and future events. The **experience stood out from other events** I've attended - it felt more **intentional** from both a business and networking perspective. Everyone I connected with showed a clear willingness to **learn and share their knowledge.**"

"What an event! **Learned so much** and I had actual time to get to know some attendees."

"Such an inspiring few days! I've already started to download much of what I learned with my biz partner -starting with StoryBrand.AI! We **left very inspired**, and are looking forward to **exploring the next steps of our growth**"

"The invite was greatly appreciated, and many **meaningful relationships** were established."

9.6/10
Net Promoter
Score

"I have spoken with so many attendees since the conference. They shared how **incredibly impactful and meaningful** the conference was for them and their businesses.

Many are already using StoryBrand.ai, Scott's AI tools, and all have gained a better **appreciation for creating value** in their businesses."

"I wanted to personally thank you for inviting me to the conference. It was an **incredible experience**, and I am honored to have been included.

I gained so much valuable insight from your **wonderful lineup of speakers**. Also, the level of **detail and energy** your team put into this event was amazing!"

Hosts & Sponsors



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Founders Advisors Overview

Firm Overview

Founders Advisors is an independent M&A advisory firm focused on serving private and founder-owned businesses since 2003.

Birmingham, AL
Dallas, TX
Nashville, TN

Purpose

Be Servant Leaders who value relationships and results

Vision

Be the gold standard M&A advisory firm to private companies

Mission

Build a superior firm with a thriving culture that produces exceptional outcomes for our clients and our team.

Values

ORDER

SERVICE

GROWTH

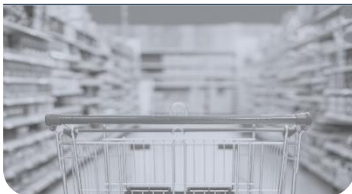
EXCELLENCE

HEALTH

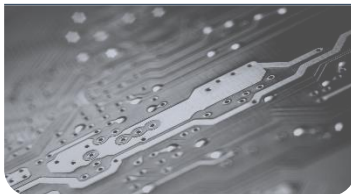
COMMUNITY

Industry Coverage

Consumer



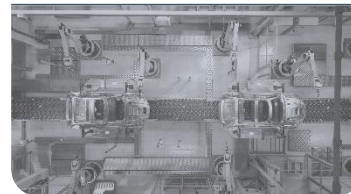
Technology



Healthcare



Industrials



Business Services



Capabilities & Firm Highlights



Sell-Side
Advisory



Strategic
Advisory



Capital
Raises



Targeted
Buyside

2003

Year
Founded

50+

Professionals
Employed

~95%

Family-Owned
Clients

150+

Completed Engagement
Since 2013

<\$250M

Typical
Deal Size

~21%

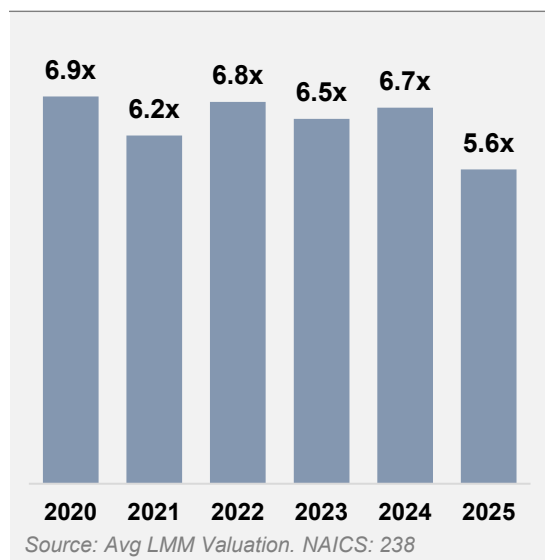
Avg. Value Increase from
IOI to Closing

Founders Home Services Sector Coverage

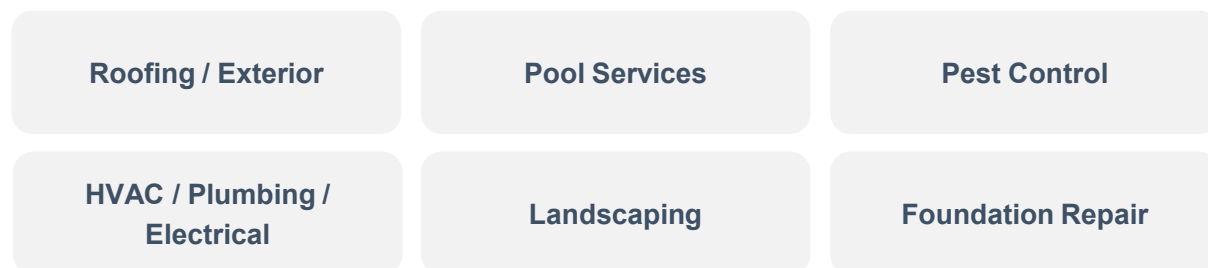
Industry Size



Home Services Valuation Trend



Home Services Sub-Verticals



Selected Buyer Relationships

ALPINE



BESSEMER
INVESTORS



GI PARTNERS



LIGHTBAY CAPITAL

Morgan Stanley
CAPITAL PARTNERS

NorthCurrent
PARTNERS



TRIVEST

Buyer Feedback Regarding Home Services Sector

Maintenance and repair businesses bring higher multiples than product or construction companies.

If you can prove out greenfield growth and validate 4-12 markets, valuations can increase into the double-digits.

Management teams that are eager to grow organically and through M&A are very attractive.

In seasonally cyclical home service businesses, having multiple locations across geographies diversifies revenue streams and risk.

Founders Advisors Home Services Team

Dedicated Core Execution Team



Wayne Vacek
Managing Director

- **Experience:** 25+ years
- **Background:** Lowe's, Tempur Sealy, Varsity Brands, PetSmart
- **Education:** B.S., Southern Methodist University; M.B.A., Harvard Business School



Madison Davis
Director

- **Experience:** 11+ years
- **Background:** Elm Street Technology, Greater Sum Ventures, Lazard Middle Market
- **Education:** B.A., Samford University



Richie Frymire
Vice President

- **Experience:** 7+ years
- **Background:** Houlihan Lokey, SunTrust Robinson Humphrey
- **Education:** B.S., Auburn University; M.B.A., University of Texas at Austin



Kasey Trout
Associate

- **Experience:** 3+ years
- **Background:** Diamond Hill Capital
- **Education:** B.S. & M.S.F., University of Alabama



AK Cavnar
Analyst

- **Experience:** 1+ years
- **Background:** Stifel, Envolve
- **Education:** B.S., University of Alabama



David Moore
Analyst

- **Experience:** 1 year
- **Education:** B.S., University of Alabama

Select Home Services Transaction Experience

Current
Process

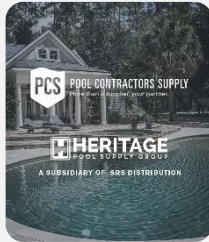
Project Happy
Residential Retail
Roofing

Current
Process

Project Splash
Pool
Service &
Construction

Current
Process

Project Triton
Pool
Services



What Differentiates Founders Advisors?

Built From the Ground Up to Provide Gold Standard M&A Advisory Services to Founder-Owned Businesses

Excellence in Relationship Development

- Founders strives to create **Raving Fans** through a deep focus on developing strong, trustworthy relationships with our clients that will last well beyond the process.
- We believe that, while transactions come and go, the impact an M&A event has on a business owner lasts a lifetime and **our services are delivered with that in mind.**

Best-In-Class Process Management

- For every engagement and process, Founders deploys and utilizes all available resources to **maximize the probability of success.**
- The best way to meet that objective is through our **best-in-class process management** systems.

Delivering Exceptional Results

- Founders has a demonstrated track record of **understanding clients' goals and objectives** for the transaction process and delivering **exceptional results** in each specific situation.

Deep Industry & Sector Knowledge

- Founders leverages the **collective knowledge** of our growing team of professionals with **dedicated sector coverage expertise.**
- This allows us to fully understand your business, stay at the forefront of sector trends & drivers, and have a comprehensive understanding of the buyer landscape.

Extensive Transaction Expertise

- Every deal structure is unique and contingent upon the client's circumstances and goals.
- Through a deep bench of seasoned deal professionals, Founders provides a depth of transaction experience with over \$6B in total transacted enterprise value... Put simply, **We Get Deals Done.**

FOUNDERS

ADVISORS

BIRMINGHAM | DALLAS | NASHVILLE

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