

Trends Driving M&A in Residential Roofing Services

- Private equity investors have taken an interest in the residential roofing services industry over the past 12 months with several early movers beginning to execute on consolidation strategies.
- Roofing services is viewed as a non-discretionary service with typically high average ticket prices and consistent labor input cost structure. This dynamic coupled with the steady, long-term growth outlook from an increasing addressable market of homes, has created attractive industry tailwinds for investors.
- The highly fragmented market provides the ability for private equity firms to execute on regional buy-and-build strategies in key geographies by acquiring several local brands to realize the benefits and efficiencies of scale.
- As demonstrated by Infinity Home Services and Stronghouse Solutions, there is also opportunity to expand into complementary exterior home services to provide a more comprehensive service offering to a homeowner and increase wallet share.

Select PE-Backed Strategic Investor Profiles



Ownership: Lightbay Capital / Freeman Spogli

Description:

- Provider of residential roofing and exterior remodeling services
- 9 Brands located across 8 states including WA and OR

Recent Acquisitions:



Ownership: O2 Investment Partners

Description:

- Provider of roofing and exterior home services
- 6 Brands with 27 locations (including WA and ID) and coverage across 36 states

Recent Acquisitions:



Ownership: Halmos Capital

Description:

- Provider of roof repair and replacement services to residential customers
- 2 Brands across GA and NH

Recent Acquisitions:



Recent M&A Activity

Date	Company	Acquirer
Mar-23	Music City Roofers	Feazel Roofing
Feb-23	Universal Roofing & Exteriors	Elite Claim Solutions
Feb-23	Master Roofers	Northpoint Roofing Systems
Feb-23	Northpoint Roofing Systems	Halmos Capital Partners, NewSpring Capital
Jan-23	Infinity Roofing And Siding	Stronghouse, O2 Investment Partners
Dec-22	Infinity Exteriors	Freeman Spogli, LightBay Capital
Dec-22	WeatherShield Roofing & Sheetmetal	Roofing Corp of America, Soundcore Capital Partners
Nov-22	Nu-Tek Roof Systems	B&B Siding and Roofing
Nov-22	McHale Roofing	Grove Oaks Capital
Nov-22	Roof Depot	Copley Equity Partners
Oct-22	Valentine Roofing	Infinity Exteriors, North Branch Capital
Sep-22	Janney Construction Services	Bessemer Investors, Legacy Restoration
Sep-22	Couto Construction	Infinity Exteriors, North Branch Capital

