

CONSTRUCTION & INFRASTRUCTURE MARKET INTELLIGENCE

First Quarter 2026 Report



CONTENTS

This report delivers a quarterly perspective on the U.S. construction and infrastructure sectors, highlighting key market drivers, evolving industry dynamics, and M&A trends influencing growth, investment activity, and valuation across the building and infrastructure ecosystem.

KEY TAKEAWAYS

- Nonresidential construction demand remains supported by structural growth drivers including manufacturing reshoring, data center expansion, and power infrastructure investment, offsetting continued softness in certain commercial building categories.
- Infrastructure markets are entering a sustained execution phase as federally funded transportation, bridge, and water projects move from authorization to active construction, providing multi-year backlog visibility for heavy civil contractors.
- Project activity is increasingly concentrated in large, complex megaprojects, favoring scaled contractors with technical capabilities, strong balance sheets, and proven execution track records.
- Labor constraints, cost volatility, and project complexity are driving owners and primes to favor fewer, higher-quality partners, strengthening competitive positioning for well-run contractors with specialized expertise.
- M&A activity remains active as strategic buyers and private equity pursue platforms with infrastructure exposure, recurring public funding visibility, and exposure to high-growth end markets such as power, industrial, and data center construction.

EXECUTIVE SUMMARY

The U.S. nonresidential construction and infrastructure markets remain resilient entering 2026, though activity is increasingly uneven across end markets as cyclical pressures intersect with powerful long-term demand drivers. Growth is being led by manufacturing reshoring, data center development, and accelerating investment in power, grid, and energy infrastructure, alongside expanding public construction tied to federal and state infrastructure funding programs. In contrast, traditional private commercial segments, particularly office and certain developer-driven projects, continue to face headwinds from elevated interest rates and cautious capital deployment. Infrastructure markets are transitioning from funding authorization to project execution, supporting sustained demand for transportation, bridge, and civil construction with improved multi-year visibility into public spending. Across the industry, labor availability, cost inflation, and increasing project scale and complexity continue to pressure execution and risk management, though contractor backlogs remain strong relative to historical levels. Against this backdrop, strategic buyers and private equity investors remain active, prioritizing contractors with infrastructure exposure, technical specialization, and the scale required to participate in large, complex projects, driving continued consolidation across the construction and infrastructure landscape.

OVERALL ECONOMIC AND MARKET CONDITIONS

DEMAND ENVIRONMENT

Demand across nonresidential construction remains supported by structural growth drivers, led by manufacturing reshoring, data center expansion, and rising investment in power and energy infrastructure. Traditional private commercial construction, particularly office and certain retail segments, continues to lag under higher financing costs and cautious developer activity. Public infrastructure spending has become a key stabilizer as transportation, bridge, and water projects move into execution, supporting strong backlog visibility despite ongoing labor constraints and project complexity. As a result, growth is increasingly concentrated in publicly funded and mission-critical projects with long planning horizons and durable capital support.

MARKET OVERVIEW

U.S. nonresidential construction spending remains near historic highs but is increasingly uneven across sectors. Industrial, power, and infrastructure projects are driving activity, while developer-led commercial construction remains subdued amid tighter capital markets. Public investment continues to offset private market softness, and contractors report healthy backlogs despite more selective bidding environments. Forward indicators suggest moderate growth through 2026, with infrastructure and industrial construction expected to provide the primary source of market stability.

BROADER REFLECTIONS

Nonresidential construction is shifting toward larger, more complex projects tied to infrastructure modernization, energy investment, and domestic manufacturing expansion. This environment favors scaled contractors with technical capabilities, strong balance sheets, and proven execution capabilities. Strategic buyers and private equity remain active, targeting infrastructure-oriented and specialty contractors with durable backlog visibility, supporting continued industry consolidation. Companies positioned in power, civil infrastructure, and industrial end markets are increasingly commanding premium valuations as investors prioritize resilience and long-term demand visibility.

AI INFRASTRUCTURE EXPANSION DRIVING DATA CENTER CONSTRUCTION

Rapid adoption of artificial intelligence and cloud computing is translating directly into physical infrastructure demand, driving record levels of data center construction across major U.S. markets. Hyperscale operators are accelerating capacity expansion to meet computing and power requirements, shifting construction growth toward large, power-intensive projects. Data center development is increasingly driving secondary construction demand across substations, transmission, and utility infrastructure, expanding opportunities beyond traditional building contractors.

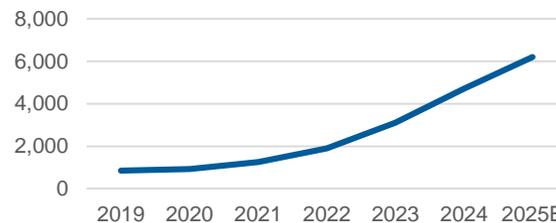


INVESTMENT TAKEAWAY

AI demand is converting digital growth into sustained physical construction investment.

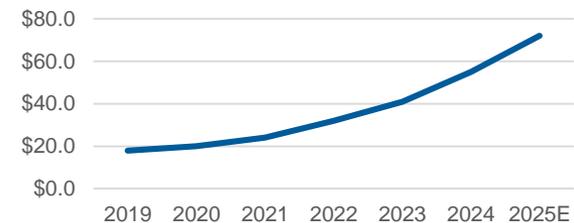
The sector has become one of the most durable nonresidential growth drivers, largely insulated from interest rate sensitivity.

U.S. DATA CENTER CAPACITY UNDER CONSTRUCTION (MW)



Source: CBRE Global Data Center

DATA CENTER CONSTRUCTION SPENDING (\$BN)



Source: U.S. Census Bureau

INDUSTRIAL RESHORING & SEMICONDUCTOR INVESTMENT

Federal industrial policy and supply chain security initiatives are driving a structural expansion in domestic manufacturing construction. Semiconductor fabrication facilities and advanced manufacturing plants represent some of the largest construction projects ever undertaken in the U.S. industrial sector. Manufacturing construction has shifted from cyclical activity to policy-supported long-duration investment. Contractors with industrial and process construction capabilities are experiencing multi-year backlog expansion.

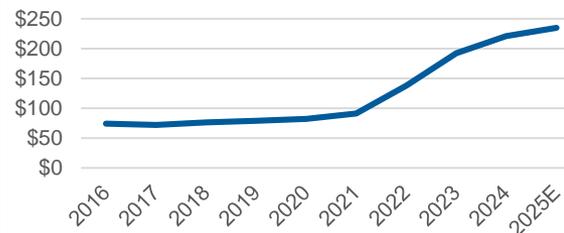


INVESTMENT TAKEAWAY

Reshoring has transformed manufacturing into the fastest-growing segment of nonresidential construction.

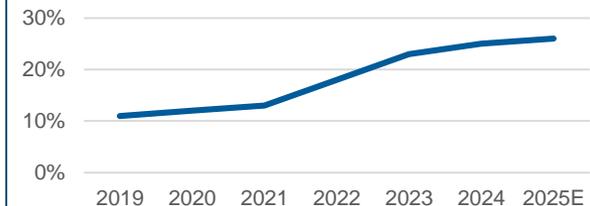
Large-scale manufacturing projects are increasing average project size and duration, favoring contractors with specialized capabilities, strong balance sheets, and the capacity to execute complex, multi-year builds.

U.S. MANUFACTURING CONSTRUCTION SPENDING (\$BN)



Source: Federal Reserve FRED Database

MANUFACTURING SHARE OF TOTAL NONRESIDENTIAL SPENDING



Source: U.S. Census Bureau

INFRASTRUCTURE FUNDING MOVING INTO EXECUTION PHASE

Federal infrastructure programs are transitioning from authorization and planning into active construction, improving revenue visibility for heavy civil contractors. Transportation, bridge, and water infrastructure projects are increasingly entering bid and execution phases following multi-year funding approvals. Public construction spending is offsetting weakness in private commercial markets and stabilizing overall nonresidential activity. Long project timelines and guaranteed funding streams are supporting sustained backlog strength across civil contractors.



INVESTMENT TAKEAWAY

Infrastructure markets are entering a sustained construction cycle supported by multi-year public funding deployment.

As funding shifts from authorization to execution, revenue visibility and backlog stability are improving for heavy civil contractors, supporting more predictable earnings profiles and increased investor interest in the sector.

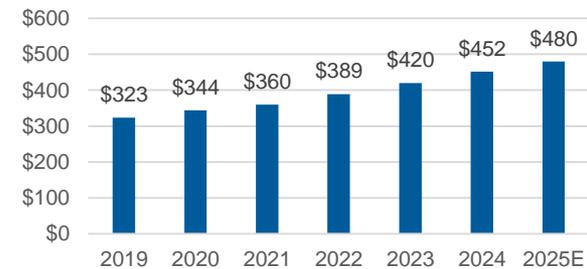
IJA FUNDING: OBLIGATIONS VS OUTLAYS (\$BN)



Source: Department of Transportation

IJA: Infrastructure Investment and Jobs Act

PUBLIC CONSTRUCTION SPENDING



Source: U.S. Census Bureau

ACQUISITION OPPORTUNITY

Infrastructure contractors and heavy civil firms are attracting strong interest from strategic buyers and private equity sponsors looking to expand capabilities, broaden geographic reach, and capture larger portions of funded project pipelines. Buyers are focused on companies that can serve as foundational platforms for growth, with the potential to scale through additional acquisitions, operational efficiencies, and integration into broader infrastructure portfolios.

For construction and infrastructure businesses, the current market presents a unique window to consider an exit. Federal and state funding programs, multi-year project backlogs, and labor constraints are driving demand for well-capitalized, capable contractors. Companies that engage with motivated buyers today can secure strategic value, accelerate growth under new ownership, and position themselves to compete effectively in a market where larger platforms are consolidating.

Key insight: Not selling today could possibly mean competing with large platforms tomorrow and reduced financial sponsor interest in the future

Read

MHH White Paper:
[Positioning Contractors for Maximum Value in the Shifting Construction and Infrastructure Market](#)



Strategic Exits and Growth:
Insights for Contractors in the Shifting
Construction & Infrastructure Landscape

Supporting Subcontractors for Success in a Changing EPC Market
The article discusses subcontractors' role in EPC projects, their challenges, and strategies for success. It highlights the importance of strong relationships and operational efficiency in a competitive market.

The Shifting Nature of EPC Projects
Over the past decade, EPC has become a more complex and integrated project delivery model. It is no longer just a simple contract for work, but a more integrated approach to project delivery.

Strategic Exits and Growth
The article explores the challenges of exiting a business in the current market, including the need for strategic planning and the importance of timing.

The Role of Consultants
Consulting firms play a critical role in EPC projects, providing expertise in areas such as project management, risk management, and cost control.

M&A Annual Deal Count by EPC Market

Year	Deal Count
2014	10
2015	12
2016	15
2017	18
2018	22
2019	25
2020	28
2021	32
2022	35
2023	38
2024	40

Pressing Trends and Deal Structuring
The article discusses the impact of market conditions on deal structuring, including the use of earnouts and other financial instruments to mitigate risk.

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STRUCTURAL INVESTMENT DRIVING CONSTRUCTION ACTIVITY

U.S. nonresidential construction market overview

Structural investment trends and accelerating public infrastructure deployment are reshaping capital allocation within the U.S. nonresidential construction market, driving activity toward manufacturing, data centers, power and energy infrastructure, and civil projects. Elevated interest rates continue to constrain traditional commercial development, increasing reliance on mission-critical and policy-supported investment. As project scale and complexity rise, contractors with technical specialization and execution capacity are benefiting from improved backlog visibility and more durable demand profiles.

Market Size and Growth



- **Current Market Size (2025):** Estimated at approximately \$1.25 trillion annually, representing over half of total U.S. construction activity.



- **Growth Trend:** Nonresidential spending has expanded at a ~6–7% CAGR since 2020, driven primarily by manufacturing investment, infrastructure funding, and digital infrastructure development.

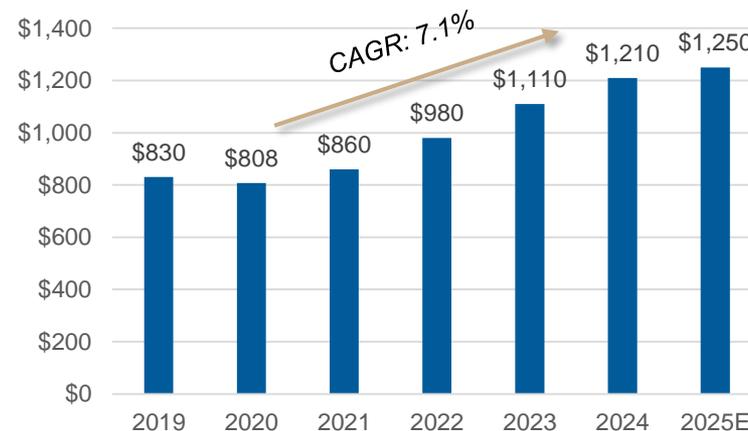


- **Public vs. Private Mix:** Public construction's share of total nonresidential spending continues to rise as IIJA funding moves into execution.

- **Project Characteristics:** Average project size and duration are increasing, favoring contractors with scale, technical specialization, and strong balance sheets.

U.S. Nonresidential Construction Spending

\$ in billions



Source: U.S. Census Bureau

Key Industry Indicators



Backlog Visibility

~8-9 months average contractor backlog (near historic highs)



Infrastructure Spending

\$1 trillion+ authorized federal investment supporting multi-year activity



Manufacturing Construction Growth

Manufacturing spending more than doubled since 2021



Construction Employment

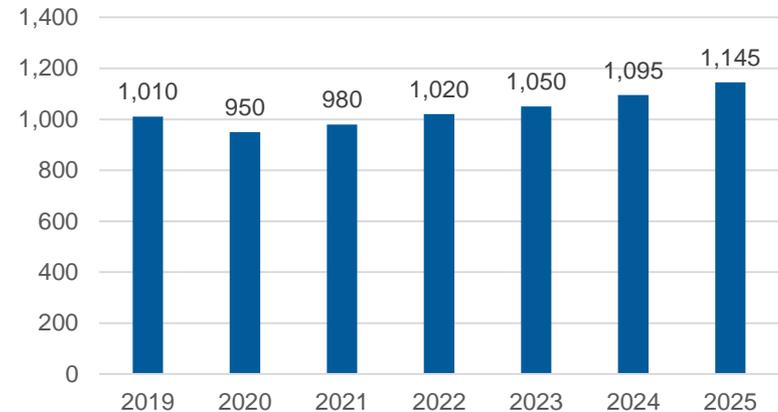
Persistent skilled labor shortages with elevated job openings

CONSTRUCTION ACTIVITY & FORWARD DEMAND INDICATORS

Activity remains resilient as softer ABI signals moderating growth ahead

Over the past five years, nonresidential and nonbuilding construction activity have shown cyclical expansion and contraction, closely tracking macroeconomic conditions and capital expenditure trends. The Architecture Billings Index has served as a leading indicator for future construction demand, with expansions in the ABI generally preceding upticks in actual construction starts. Recent data suggest moderation in billings and construction activity, reflecting cautious investment in office, retail, and institutional sectors. These trends emphasize the importance of monitoring forward-looking indicators to anticipate shifts in industry demand and plan resources accordingly.

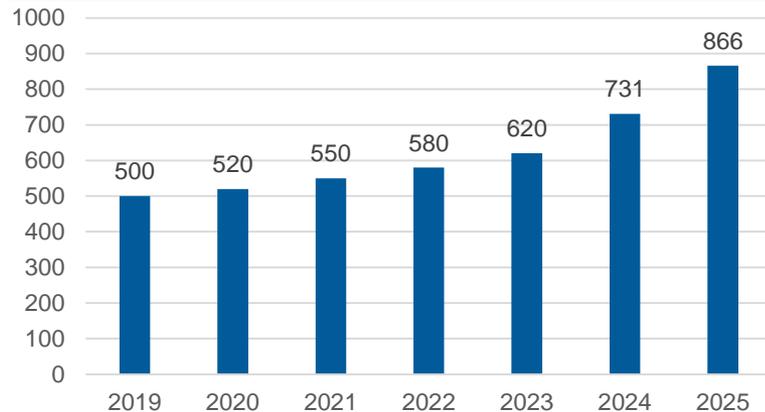
U.S. Nonresidential Construction Starts (SAAR)



Source: Dodge Construction Network

SAAR: Seasonally Adjusted Annual Rate

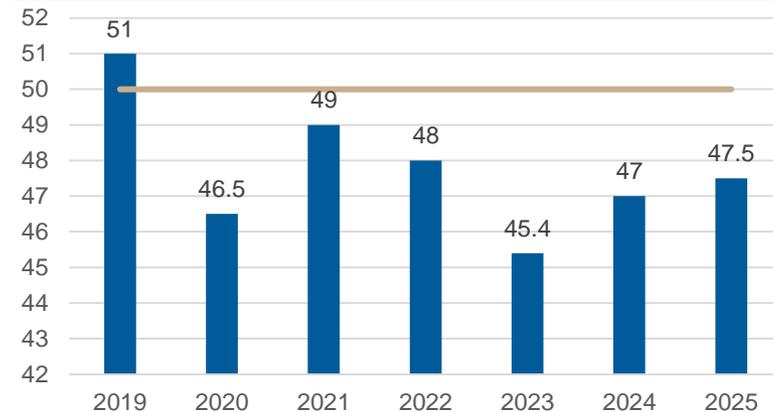
U.S. Nonbuilding Construction Starts (SAAR)



Source: Dodge Construction Network

SAAR: Seasonally Adjusted Annual Rate

Architecture Billings Index (ABI)



Source: American Institute of Architects

Annual Average Index — score above 50 = expansion, below 50 = contraction

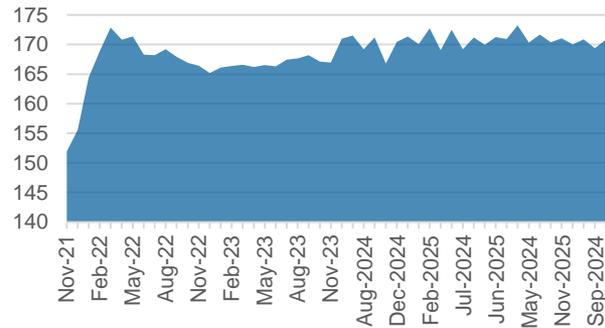
COST ENVIRONMENT & EXECUTION RISK

Cost inflation impacting bidding risk and compressing margins

Cost pressures across labor and key construction inputs remain structurally elevated, increasing execution risk and tightening project margins. While materials inflation has stabilized following the post pandemic surge, pricing for critical inputs such as structural steel and reinforcing bar remains well above historical norms, limiting contractors' ability to recover margin through procurement improvements. At the same time, construction labor costs continue to trend upward with little evidence of easing, reflecting persistent workforce shortages and sustained project demand. Together, these dynamics are extending bid uncertainty, compressing profitability on fixed price contracts, and placing greater emphasis on backlog quality, pricing discipline, and contract risk management.

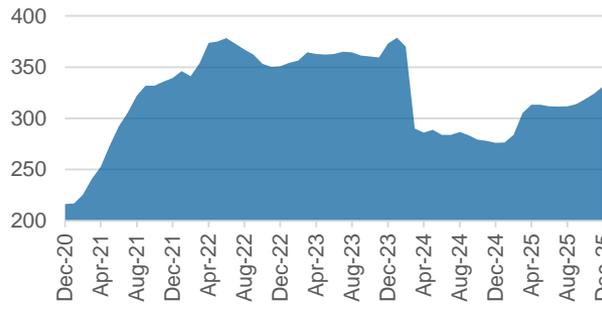


PRODUCER PRICE INDEX MATERIALS FOR CONSTRUCTION



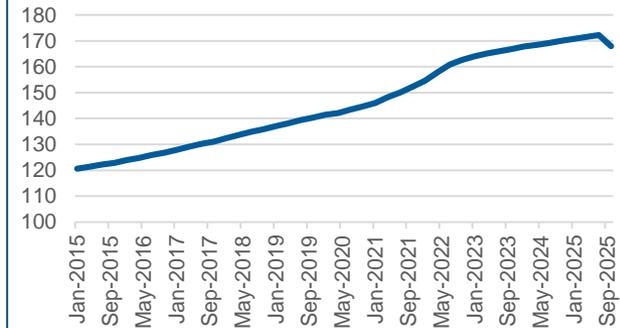
Source: BLS / Producer Price Index: Materials for Construction

PRODUCER PRICE INDEX STRUCTURAL METAL BAR JOISTS & CONCRETE REINFORCING BARS



Source: BLS / FRED

EMPLOYMENT COST INDEX PRIVATE INDUSTRY WORKERS IN CONSTRUCTION



Source: BLS / Employment Cost Index

HEAVY & CIVIL INFRASTRUCTURE

Highways & Bridges



- The IIJA provides roughly **\$350 billion for federal highway programs** through 2026, including ~\$40+ billion dedicated specifically to bridge repair and replacement, effectively doubling historical bridge investment levels and supporting a multi-year pipeline of reconstruction and capacity expansion work.

Airports



- U.S. airport infrastructure **averages roughly 40 years in age**, driving sustained modernization demand for terminals, safety systems, and airside upgrades, reinforced by ongoing federal funding for air traffic control modernization and staffing improvements following capacity and safety pressures.

Rail/Transit



- The IIJA allocates approximately **\$102 billion toward passenger and freight rail**, the largest federal rail investment in U.S. history, accelerating network expansion, resiliency upgrades, and intermodal freight improvements tied to supply chain reliability and urban transit growth.

Marine/Ports



- Federal infrastructure programs continue funding port modernization projects to improve cargo throughput and supply chain resilience, including **hundreds of millions in recent grants targeting berth reconstruction, rail connectivity, and capacity expansion** following pandemic-era logistics disruptions.

Water & Wastewater

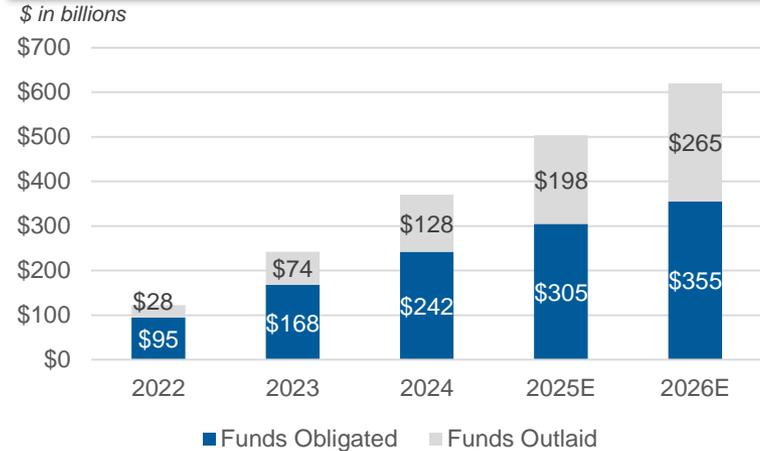


- More than **\$50 billion in IIJA funding is directed toward drinking water and wastewater systems**, addressing decades of underinvestment and aging assets, creating long-duration demand for treatment plant upgrades, pipe replacement, and resiliency projects across municipalities nationwide.

INFRASTRUCTURE FUNDING VISIBILITY

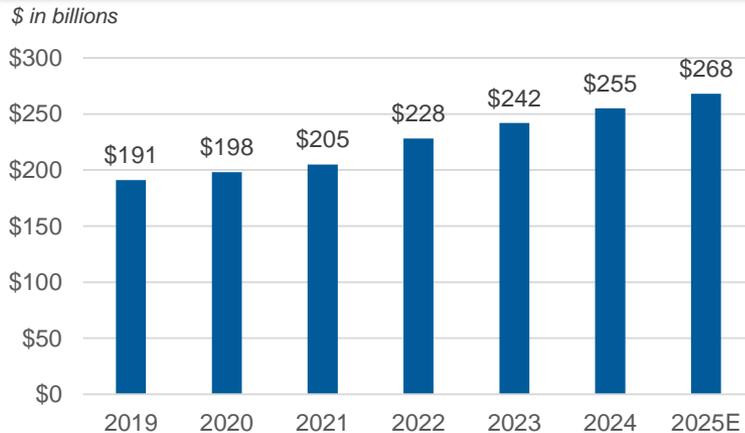
Federal infrastructure funding has surged following the IIJA, with **\$305 billion obligated and \$198 billion outlaid through 2025**, showing that the bulk of authorized spending is still being deployed. In response, **state DOT budgets have grown from \$191 billion in 2019 to an estimated \$268 billion in 2025**, reflecting both formula allocations and state matching funds. **Highway Trust Fund outlays have increased from \$54.7 billion in 2019 to an estimated \$72.5 billion in 2025**, confirming that cash is now reaching projects. This progression—from congressional authorization, to state budget ramp-up, to actual federal outlays—creates a multi-year pipeline of heavy civil work, providing strong backlog visibility for contractors even as private nonresidential construction moderates. Business owners can leverage this window to position for large, funded projects, expand capacity strategically, and secure multi-year revenue streams backed by government cash flow.

IIJA Funding: Obligations vs Outlays



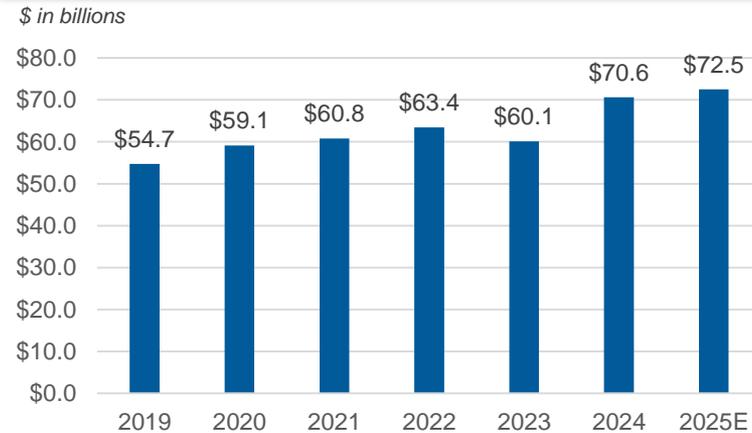
Source: Department of Transportation

Total State Transportation Spending



Source: Federal Highway Administration

Highway Trust Fund (HTF) Spending



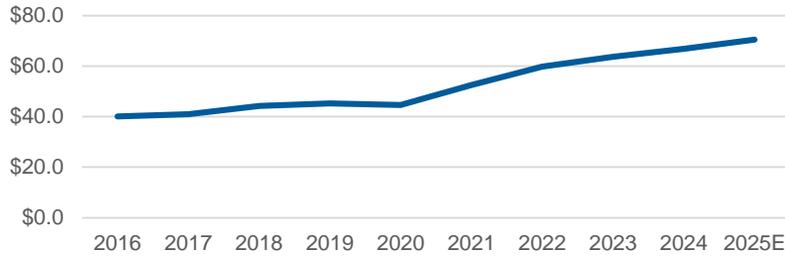
Source: Federal Highway Administration

BRIDGE & TRANSPORTATION CONSTRUCTION

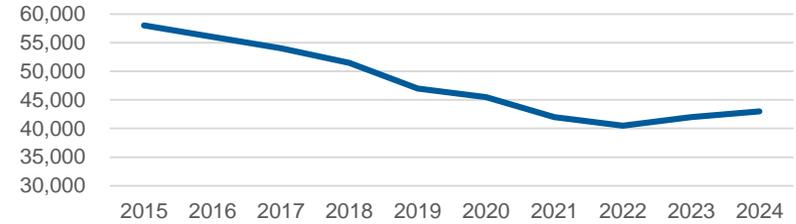
Public funding deployment driving multi-year civil backlog visibility

Federal infrastructure funding is now translating into active project execution across bridge rehabilitation and highway expansion programs, supporting sustained demand visibility for transportation contractors. Federal Highway Administration (FHWA) obligations and state DOT lettings have accelerated as agencies move from authorization into deployment, while aging bridge infrastructure continues to create a large replacement backlog that extends well beyond current funding cycles. Elevated asphalt and aggregate volumes further confirm projects are progressing into construction phases rather than remaining in planning pipelines.

FHWA OBLIGATIONS (\$BN)

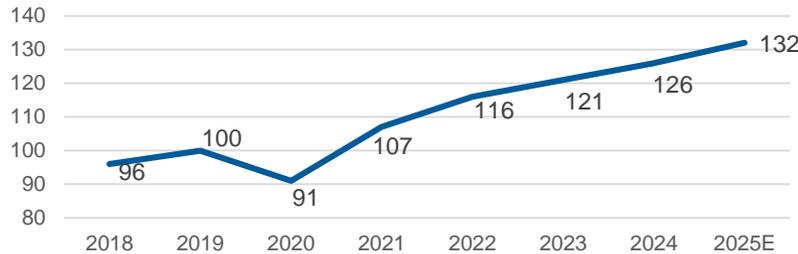


BRIDGES IN POOR CONDITION (NATIONAL BRIDGE INVENTORY)



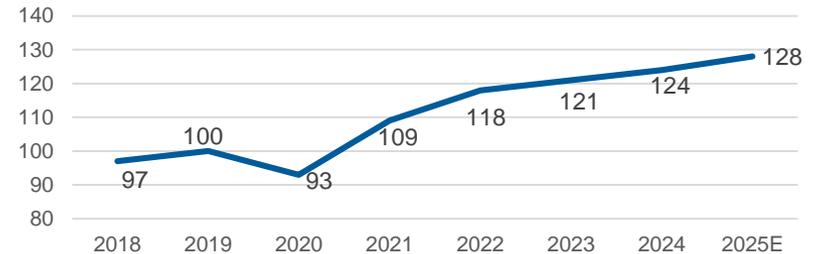
Number of U.S. bridges classified by the FHWA's National Bridge Inventory as being in "poor" structural condition and typically requiring significant rehabilitation or replacement.

STATE TRANSPORTATION LETTINGS INDEX



An index measuring the dollar value of state DOT highway and transportation projects put out for bid, where a reading of 132 means letting activity is estimated to be 32% higher than the 2019 baseline level (2019 = 100).

ASPHALT & AGGREGATE VOLUME INDEX



An activity index tracking production volumes of core road construction materials, where a value of 128 indicates asphalt and aggregate output is approximately 28% above 2019 levels, signaling higher physical construction activity.

PUBLIC VS PRIVATE CONSTRUCTION MIX

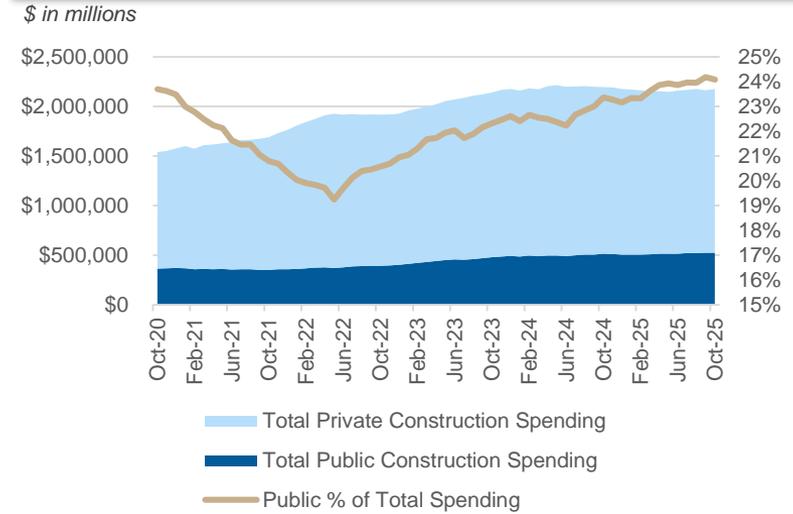
Public construction spending remains the most stable demand driver in the industry, but opportunity is not evenly distributed across project types.

Infrastructure funding is heavily concentrated in transportation and education assets, which together account for the majority of public construction activity. This concentration means **contractor growth opportunities are increasingly tied to specialization** rather than broad exposure to “infrastructure” as a general category.

Water, wastewater, and utility related projects represent smaller shares today but **are among the fastest growing segments** due to aging infrastructure replacement cycles and federal funding programs. These categories often provide longer visibility and less cyclical than traditional vertical building markets.

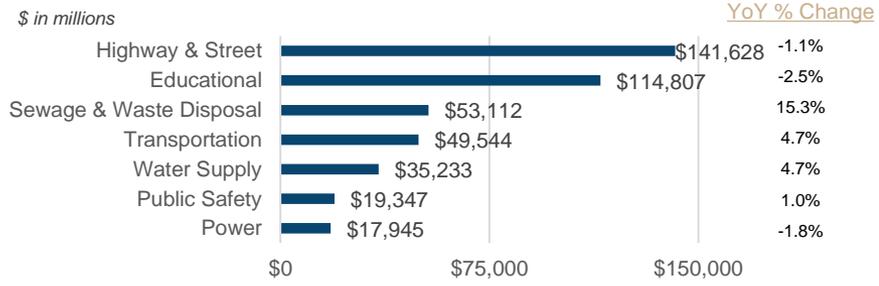
For contractors, understanding where dollars actually flow is critical. **Firms aligned with transportation, education modernization, and water infrastructure are positioned closest to the most durable public funding streams**, while firms concentrated in smaller public categories may experience more episodic backlog.

Public vs Private Construction Spending



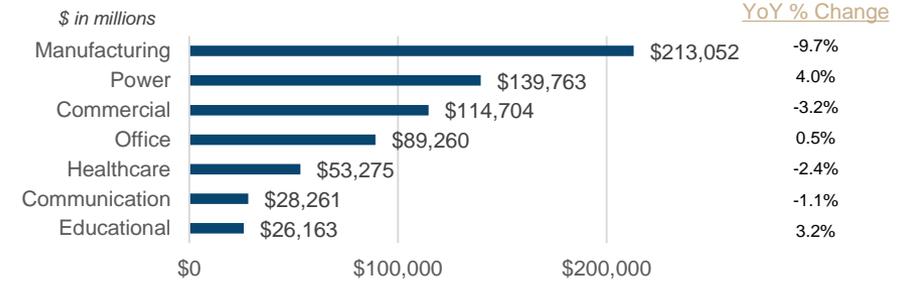
Source: U.S. Census Bureau

PUBLIC CONSTRUCTION SPENDING BREAKDOWN OCT-25



Source: U.S. Census Bureau

PRIVATE CONSTRUCTION SPENDING BREAKDOWN OCT-25



Source: U.S. Census Bureau

BUILDINGS & POWER INFRASTRUCTURE

Manufacturing



- U.S. manufacturing construction spending has increased more than **3x since 2020**, driven by semiconductor fabs, EV battery plants, and reshoring supported by the CHIPS and Inflation Reduction Acts, creating multi year project pipelines and extended backlog visibility for industrial contractors.

Power



- U.S. electricity demand is now projected to grow **2% to 3% annually through 2030**, reversing decades of flat demand and driving increased utility capex focused on transmission expansion, substations, and grid modernization projects.

Data Centers



- Data center construction spending has grown more than **25% annually since 2022** as AI and cloud computing accelerate hyperscale capacity expansion, significantly increasing demand for power infrastructure and electrical intensive construction.

Commercial



- Commercial construction remains pressured, with **office vacancy rates exceeding 18% nationally** and elevated interest rates limiting new development, shifting activity toward renovations and selective repositioning rather than ground up construction.

Healthcare



- Healthcare construction benefits from structural demand drivers, as the **65+ population is projected to grow nearly 40% by 2035**, supporting continued investment in outpatient facilities, specialty care centers, and hospital modernization projects.

CURRENT TRENDS SHAPING THE LANDSCAPE

Capturing Larger, Programmatic Projects

Megaprojects tied to semiconductors, data centers, and power infrastructure are shifting awards toward contractors capable of multi site execution, balance sheet strength, and integrated self perform capabilities. Project sizes are increasing materially, raising barriers to entry.

Owners Prioritizing Speed to Power and Speed to Market

Project timelines are increasingly dictated by power availability rather than construction schedules. Developers now select contractors based on ability to coordinate utilities, accelerate site readiness, and execute parallel workstreams to reduce time to energization.

Scale, Labor Access, and Prefabrication Becoming Competitive Advantages

Persistent skilled labor shortages are driving adoption of prefabrication, modular construction, and repeatable project delivery models. Contractors with workforce depth and standardized execution processes are capturing disproportionate share gains.

Where Contractors Are Investing Today

Workforce Development

Labor shortages and an aging workforce are driving investment in recruiting, apprenticeships, and internal training to support execution on larger, more complex projects

Equipment & Fleet Expansion

Contractors are expanding owned equipment fleets to improve schedule control and support rising volumes of site, civil, and infrastructure work

Prefab Facilities

Prefabrication adoption is increasing as contractors seek productivity gains, reduced labor dependence, and faster project delivery through offsite assembly

Technology & BIM

Investment in BIM and digital project tools is accelerating to manage growing project complexity and improve coordination, cost control, and execution efficiency

COMPARABLE PUBLIC COMPANY ANALYSIS

Heavy & Civil Infrastructure Companies⁽¹⁾

Company Name	Market Capitalization			LTM Performance			Valuation		Margins		
	Stock Price 2/23/2026	Equity Value	Enterprise Value	Revenue	EBITDA	EPS	Enterprise Value / Revenue	Value / EBITDA	Price / EPS	Gross Profit	EBITDA
 QUANTA	\$552.66	\$82,689	\$89,680	\$28,776	\$2,631	\$6.80	3.1x	34.1x	81.3x	15.3%	9.1%
 MasTec	\$283.86	\$22,397	\$24,930	\$13,723	\$1,028	\$4.21	1.8x	24.2x	67.5x	12.7%	7.5%
 STERLING INFRASTRUCTURE, INC.	\$435.50	\$13,378	\$13,570	\$2,251	\$438	\$10.20	6.0x	31.0x	42.7x	23.3%	19.5%
 DYCOM	\$429.73	\$12,443	\$13,557	\$5,235	\$680	\$10.16	2.6x	19.9x	42.3x	20.7%	13.0%
 PSC Primoris	\$169.36	\$9,151	\$9,806	\$7,559	\$549	\$5.06	1.3x	17.9x	33.5x	11.0%	7.3%
 GRANITE®	\$135.79	\$5,907	\$8,155	\$5,269	\$518	\$3.63	1.5x	15.8x	37.4x	16.8%	9.8%
 Tutor Perini CORPORATION	\$86.90	\$4,583	\$4,267	\$5,201	\$151	-\$0.54	0.8x	28.3x	-160.1x	12.5%	2.9%
 BADGER INFRASTRUCTURE SOLUTIONS	\$53.32	\$1,805	\$2,059	\$804	\$166	\$1.82	2.6x	12.4x	29.3x	29.7%	20.7%
Median				\$ 5,269	\$ 549	\$ 5.06	1.8x	24.2x	42.3x	15.3%	9.1%
Mean				\$ 9,716	\$ 856	\$ 5.64	2.5x	24.4x	20.7x	16.0%	9.9%

1. FactSet; \$ in millions (USD) except per share data

COMPARABLE PUBLIC COMPANY ANALYSIS

Buildings & Power Infrastructure Companies⁽¹⁾

Company Name	Market Capitalization			LTM Performance			Valuation		Margins		
	Stock Price 2/23/2026	Equity Value	Enterprise Value	Revenue	EBITDA	EPS	Enterprise Value / Revenue	Value / EBITDA	Price / EPS	Gross Profit	EBITDA
 COMFORT SYSTEMS USA	\$1,462.23	\$51,434	\$51,283	\$9,164	\$1,474	\$28.88	5.6x	34.8x	50.6x	24.4%	16.1%
 EMCOR	\$812.79	\$36,385	\$36,326	\$16,317	\$1,738	\$24.87	2.2x	20.9x	32.7x	19.2%	10.6%
 API GROUP	\$44.64	\$19,246	\$21,668	\$7,567	\$854	\$0.36	2.9x	25.4x	122.9x	31.2%	11.3%
 Jacobs	\$137.93	\$16,199	\$18,918	\$12,524	\$1,212	\$3.64	1.5x	15.6x	37.9x	25.2%	9.7%
 AECOM	\$97.89	\$12,656	\$15,224	\$16,237	\$1,335	\$4.36	0.9x	11.4x	22.5x	16.1%	8.2%
 IES	\$519.67	\$10,356	\$10,295	\$3,537	\$465	\$16.81	2.9x	22.1x	30.9x	25.1%	13.1%
 valmont	\$471.27	\$9,284	\$10,144	\$4,150	\$626	\$16.79	2.4x	16.2x	28.1x	31.1%	15.1%
 MYR GROUP	\$281.01	\$4,362	\$4,435	\$3,538	\$214	\$6.19	1.3x	20.7x	45.4x	11.7%	6.1%
Median				\$ 8,365	\$ 1,033	\$ 11.49	2.3x	20.8x	35.3x	24.7%	11.0%
Mean				\$ 9,129	\$ 990	\$ 12.74	2.5x	20.9x	46.4x	23.0%	11.3%

1. FactSet; \$ in millions (USD) except per share data

SELECT PRECEDENT M&A TRANSACTIONS

Heavy & Civil Infrastructure⁽¹⁾

Deal Date	Target Name	Target Business Description	Acquirer	Enterprise Value	Target Revenue	Target EBITDA	Target EV/EBITDA	
Feb-26	A.L. Grading Contractors	Site development and civil construction contractor	Cardinal Civil Contracting	\$246	\$160	\$42	5.8x	
Feb-26	Infrastructure Systems	Municipal water and infrastructure construction services	Azuria Water Solutions	N/A	N/A	N/A	N/A	
Feb-26	J.E. McAmis	Heavy civil and marine contractor	Orion Group Holdings	\$60	\$38	\$8	7.5x	
Feb-26	Andrews Excavating	Civil engineering and site development contractor	Private Buyer	N/A	N/A	N/A	N/A	
Feb-26	GMJ Paving Company	Asphalt paving contractor	Construction Partners	\$40	N/A	N/A	N/A	
Jan-26	Russell Standard	Asphalt preservation and pavement services	Ergon Asphalt & Emulsions	N/A	N/A	N/A	N/A	
Dec-25	Heneghan Associates	Civil engineering and land surveying firm	Undisclosed	N/A	N/A	N/A	N/A	
Dec-25	Tiseo Paving	Heavy civil and roadway construction contractor	Covington Partners	N/A	N/A	N/A	N/A	
Dec-25	Ama Redi-Mix	Ready mix concrete producer	Smyrna Ready Mix	N/A	N/A	N/A	N/A	
Dec-25	NV2A	Infrastructure engineering and construction services	MasTec	N/A	N/A	N/A	N/A	
Dec-25	Texcrete Operations	Concrete and construction materials provider	Knife River	N/A	N/A	N/A	N/A	
Dec-25	Smith Excavating	Utility and infrastructure services contractor	Enceladus Partners	N/A	N/A	N/A	N/A	
Nov-25	American Engineering Testing	Geotechnical engineering and construction materials testing for infrastructure projects	Braun intertec	N/A	N/A	N/A	N/A	
Sep-25	Dynamic Systems	Mechanical and process infrastructure contractor serving utility and infrastructure markets	Quanta Services	\$1,350	\$1,380	N/A	N/A	
May-25	RailPros	Rail infrastructure services	Littlejohn & Co.	N/A	N/A	\$50	N/A	
Mar-25	EnTrans International	Heavy transport equipment	TerraVest	\$546	N/A	\$78	7.0x	
				Mean	\$448	\$526	\$45	6.8x
				Median	\$246	\$160	\$46	7.0x
				High	\$1,350	\$1,380	\$78	7.5x
				Low	\$40	\$38	\$8	5.8x
				n =	5	3	4	3

1. PitchBook; \$ in millions (USD)

SELECT PRECEDENT M&A TRANSACTIONS

Buildings & Power Infrastructure⁽¹⁾

Deal Date	Target Name	Target Business Description	Acquirer	Enterprise Value	Target Revenue	Target EBITDA	Target EV/EBITDA	
Feb-26	East Coast Mechanical and Marine	Mechanical maintenance and industrial services contractor	Rotating Machinery Services	N/A	N/A	N/A	N/A	
Feb-26	Martin Technical	Industrial safety and technical engineering services	Herzig Engineering	N/A	N/A	N/A	N/A	
Feb-26	Morrow Engineering	Power and controls engineering firm	Guidant Power	N/A	N/A	N/A	N/A	
Feb-26	One Power Company	Utility scale and commercial renewable power developer	OnSite Partners	N/A	\$6	N/A	N/A	
Feb-26	Rene Vanassche & Sons Mechanical	Mechanical contracting (HVAC/buildings)	RW Mead	N/A	N/A	N/A	N/A	
Feb-26	Cobalt Power Systems	Solar and distributed energy systems provider	SunPower	\$12	\$30	N/A	N/A	
Jan-26	Hydro-Thermal Corp.	Industrial heating & mechanical fluid systems	Spirax-Sarco	\$100	\$26	\$8	12.5x	
Dec-25	Power Solutions	Electrical contracting and telecom power services	Dycom Industries	\$1,950	\$1,000	\$170	11.5x	
Dec-25	NV2A	Infrastructure and energy construction services	MasTec	N/A	\$78	N/A	N/A	
Dec-25	Studio NYL	Structural and façade engineering firm	Lerch Bates	N/A	N/A	N/A	N/A	
Dec-25	Pond & Company	Architecture, engineering, and planning firm	Arlington Capital Partners	N/A	\$100	N/A	N/A	
Dec-25	TRC Companies	Grid modernization & environmental engineering	WSP Global	\$3,300	\$1,192	\$192	17.2x	
Dec-25	Pike Corporation	Electric utility & grid maintenance	TPG / CDPQ	\$2,450	\$1,800	\$450	5.4x	
Nov-25	Exeter Controls	Power distribution & switchgear systems	Hubbell Inc.	\$135	\$42	\$11	12.3x	
Oct-25	BCC Engineering	Transportation & civil infrastructure design	Parsons Corp.	\$230	\$50	\$18	12.8x	
Feb-25	Miller Electric	Electrical & building services	EMCOR Group	\$865	\$805	\$80	10.8x	
				Mean	\$1,130	\$466	\$133	11.8x
				Median	\$548	\$78	\$80	12.3x
				High	\$3,300	\$1,800	\$450	17.2x
				Low	\$12	\$6	\$8	5.4x
				n =	8	11	7	7

1. PitchBook; \$ in millions (USD)

BUYER UNIVERSE

Strategic Buyer Interests

Ability to augment existing product/service offerings

Entry into strong geographic presence

Access to strong, sticky client relationships with cross-sell opportunities

Entry into complementary market segment to existing business

Proven ability to grow and further penetrate accounts with solutions

Stability of cash flow

Financial Buyer Interests

Sustainable long-term value creation through a mature business

Roll-up opportunities

Diversified, scalable business model

Strong management team that can identify, value and execute on integration

Entry point into longstanding, sticky customer relationships

Synergies/vertical integration between existing and potential investments

Potential Buyer Camps

Buyer Camp	Rationale	Example Companies
Large Civil & Heavy Contractors	<ul style="list-style-type: none"> Looking to expand geographic reach or project scope in highways, bridges, dredging, tunneling, and industrial infrastructure 	
Building & Power Infrastructure Contractors	<ul style="list-style-type: none"> Seeking scale in electrical, mechanical, HVAC, or power infrastructure work 	
Engineering & Design / EPC Firms	<ul style="list-style-type: none"> Interested in integrated project delivery, turnkey solutions, or expanding services for large infrastructure projects 	
Specialty Infrastructure & Utilities Contractors	<ul style="list-style-type: none"> Targeting niche capabilities in water, energy, or industrial sectors 	
ESCO / Energy Services Adjacent	<ul style="list-style-type: none"> Overlap with energy efficiency, controls, or building optimization in infrastructure projects 	
Utilities / Power Generation Buyers	<ul style="list-style-type: none"> Looking to acquire infrastructure construction capabilities to support internal projects or maintenance 	

MHH DEDICATED CONSTRUCTION & INFRASTRUCTURE DEAL TEAM

Contact our deal team members to discuss the latest trends shaping your industry or to kickstart a potential sale discussion



MICHAEL MUFSON founded MHH with the goal of helping business owners navigate their most important transitions. He has spent his career guiding entrepreneurs in service-based and construction-driven industries, building a firm known for creativity and trusted advice.
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MUFSON HOWE HUNTER

About Us

Mufson Howe Hunter focuses on mergers & acquisitions and private capital raising for middle-market companies in the construction, infrastructure and industrial services sectors. MHH serves as a trusted advisor to middle-market companies throughout their lifecycle: from raising early-stage growth capital, to later-stage recapitalizations, to maximizing value upon the sale of the business.

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