



“Main Street’s solid reputation along with their long-term investment approach and significant ability to weather challenging market cycles gave us the confidence that they were the absolute best partner to help us facilitate a succession event and achieve our management transition objectives. Additionally, we viewed Main Street’s ability to provide all the capital for the transaction as a huge plus. It definitely streamlined communication and allowed our management team to focus on what’s most important — running the business.”

— John Kafka

Founder & Chairman, Chamberlin

Transaction Summary

Company

- Established market leader within operational footprint
- High free cash flow specialty contractor
- Longstanding relationships with nationally recognized general contractors and property owners

Transaction Type

- Majority Recapitalization
- Estate and succession planning
- One-stop financing

Original Investment

- \$41,300,000 (debt and equity)

Investment Structure

- Revolving line of credit
- Senior secured debt
- Majority equity investment

The Business

Chamberlin Roofing and Waterproofing (“Chamberlin”) is a market leading specialty contractor with a focus on installing complex, non-residential, roofing and waterproofing systems, as well as providing sheet metal, caulking, roof maintenance and leak repair services throughout the Texas and Oklahoma regions. Chamberlin provides its services to a variety of end markets, including commercial, education, healthcare, multi-family, government, hospitality, and entertainment.

The Transaction

Prior to the transaction, Chamberlin’s founder and former CEO, John Kafka (“Kafka”), had been involved with the business for over 40 years. As the Company’s primary shareholder, Kafka sought a partner which could (i) facilitate a liquidity event for his estate planning goals, (ii) allow for continued leadership and equity ownership amongst Chamberlin’s senior management team, and (iii) provide strategic guidance on future growth initiatives. After being introduced to Main Street by a local intermediary representing the business for sale and evaluating a number of options, Chamberlin ultimately selected Main Street as its partner.

Main Street provided 100% of the capital necessary to complete the transaction and, with Main Street’s flexible capital base, satisfied the liquidity goals of the sellers, while allowing for Kafka and management to collectively retain a significant ownership position in the company post-close. Throughout the partnership, Main Street has supported Chamberlin in pursuit of strategic growth initiatives including geographic expansion and acquisition opportunities.

The Results

Before Main Street Partnership

Kafka sought a liquidity event to diversify personal assets and complete estate planning

Management wished to remain in their existing roles and facilitate a way for Kafka to transition out of his role as CEO

The Company sought a partner with the right cultural fit for the organization



Since Main Street Partnership

Kafka achieves desired liquidity to diversify assets and complete estate planning while retaining significant equity in the Company

Senior management members increase ownership following transaction and Main Street works with Chamberlin to establish a succession plan for Kafka

Local connection in Texas allows for efficient communication and attractive business development opportunities