

Calexo

*We acquire home-services businesses
and deploy AI agents to expand EBITDA*

01. General Overview

Overview

APOLLO



TPG



Microsoft

WHAT WE DO

Home Services Focus

Proprietary AI agents built specifically for home services: dispatch, invoicing, AR, scheduling, parts ordering, and field coordination.

Acquire and Operate

Buy owner-operated HVAC, plumbing, electrical, and roofing businesses at value-oriented EBITDA multiples. Deploy proprietary AI agents within 90 days. Hold permanently.

Acquire and Compound

No fund lifecycle. No forced exits. Cash flow from each acquisition funds the next. The platform gets stronger with every deal.

WHO WE ARE

Home Services Operators

Field-trained operators who understand what breaks down inside a dispatch-heavy, high-labor service business and how to fix it at the root.

PE Professionals

Ex-Blackstone and Apollo PE professionals who spent careers buying, fixing, and building businesses. Now doing it with software they own.

In-House AI Development

Founder-led AI engineering — scaling with this raise — building proprietary agents for HVAC, plumbing, and electrical workflows. Not licensing generic tools.

Meet Calexo

WHAT WE ARE

AI-Enabled Home Services Platform

We acquire owner-operated home services businesses at 3-5x EBITDA, embed proprietary AI agents to expand margins, and hold permanently.

Operators, Not Just Investors

Unlike PE funds that flip businesses or SaaS vendors that sell tools, Calexo owns the businesses it transforms and captures the full economics of every efficiency gain.

Permanent Capital Model

No fund lifecycle. No forced exits. Each acquisition generates cash flow and refines the playbook for the next. The platform compounds with every deal.

WHY IT WORKS

The Labor Problem Has No Easy Fix

110,000 missing technicians. 40-50% labor costs. Owners with no succession plan. The only path to margin is software.

Proprietary Agent Architecture

Tuned in-house and redeployed across every deal — but the moat is owning the equity and capturing 100% of the gain, not the code itself.

PE + AI DNA

paired with a technical co-founder (ex-Amazon/Microsoft) who builds the automation layer in-house.

Calexo is an AI-enabled home services company. We **acquire, automate, and hold home service businesses permanently.**

We Automate the Back Office — Not the Trade

The hardest investor objection to an HVAC rollup is that AI can't turn a wrench. Correct — and irrelevant. Calexo automates the back-office and coordination labor that sits on top of the trade: 7 proprietary agents targeting ~\$121K of addressable OpEx in the Spears P&L.

The Objection

“AI can't do physical work”

Leading AI-rollup investors screen out plumbing, roofing, and HVAC as physical-labor verticals.

Why It Misses

40–50% of a home-services P&L is back-office and coordination labor — dispatch, CSR, AR, scheduling — not wrench time.

Our Target

We never touch the field technician.
We automate the office around them.

What We Automate

Dispatch & Scheduling

Auto-routing and capacity planning replace manual dispatcher workload.

Customer Service / Booking

24/7 inbound call & SMS agents capture missed calls (each missed HVAC call ≈ a lost install).

Accounts Receivable

Automated invoicing, billing, and collections compress DSO.

The Proof It Works

ServiceTitan “Max” (Q4 FY26)

A home-services operator went from 18% to 30% EBITDA after automating the back office — office staff cut 7→2 for 19 field techs.

Higher Pay, Lower Prices

Same operator raised tech pay AND cut customer prices — growth, not cost-cutting.

Calexo's Spears Model

~\$121K automated OpEx + \$116K AR release + 38.7% revenue growth
21.4% to 39.7% by 2027E — we own 100% of it.

What is an AI Rollup?

"PE Floor with a VC Ceiling"

AI Rollups combine the traditional buy-and-build playbook with modern AI leverage. By acquiring fragmented service businesses and automating knowledge work, they create software-like economics in industries historically reliant on manual labor.

Traditional Rollup

- **Value Lever:** Financial engineering, multiple expansion, and SG&A consolidation.
- **Operational Focus:** Standardizing back-office processes and bulk purchasing.
- **Economics:** Linear scaling; margins capped by labor-intensive delivery models.
- **Exit Path:** Sale to larger PE consolidator or IPO at traditional EBITDA multiples.

AI-Powered Rollup

- **Value Lever: AI-led margin transformation (86% of investors cite this as primary). (Source: Tenet VC survey)**
- **Operational Focus:** Deploying proprietary AI agents to automate dispatch, AR, and sales.
- **Economics:** Non-linear "software-like" margins; 2x EBITDA improvement targets.
- **Exit Path:** Potential for VC-scale returns; repricing as a tech-enabled platform.

51%

INVESTORS VIEW AS NEW ASSET CLASS

90%+

EXPECT SIGNIFICANT INTEREST (12-18MO)

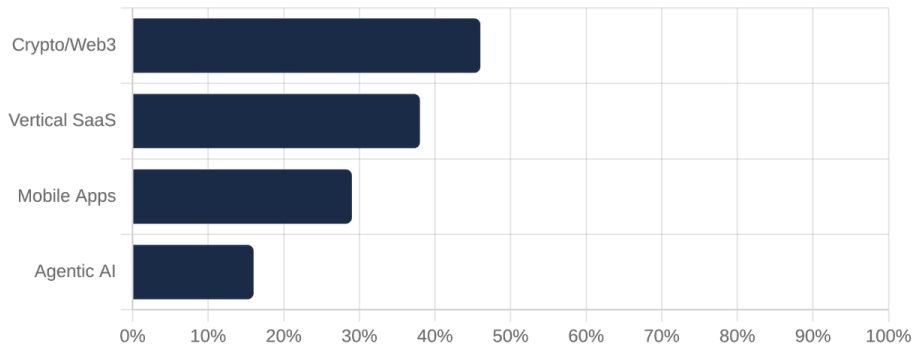
63%

BELIEVE AI ROLLUPS OUTPERFORM PE IRR

AI Rollups: The Next Great Tech Wave

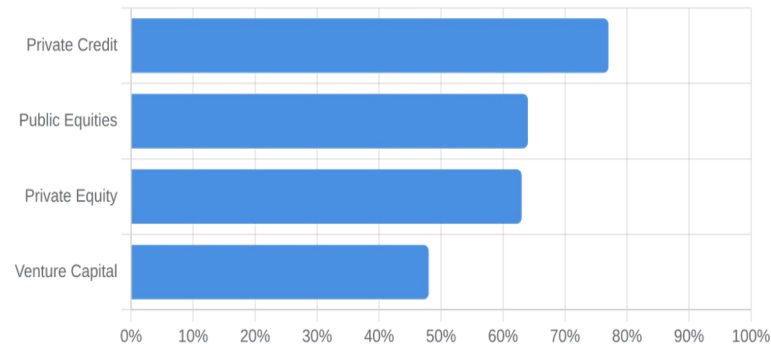
Institutional capital is forming behind this model. With labor a \$T+ market, investors increasingly view AI rollups as a durable asset class — but Calexo's edge is the proven margin bridge, not category sentiment.

Opportunity Scale Comparison



% of Respondents: AI Rollups are a bigger opportunity than these previous waves. With labor being a \$T+ market, this is a realistic assumption for institutional-grade rollups.

IRR Outperformance Expectations



Investor Confidence: Over 60% of investors believe AI Rollups will deliver better IRRs than traditional Private Equity (15%+) and Public Equities (10%+).

The AI Rollup Investment Ecosystem

The AI Rollup ecosystem is maturing rapidly, with a clear consensus on the "Magic Triangle" of founder skills and a definitive inflection point for investor appetite following the first proof-of-concept acquisitions.

Inflection Points

Appetite Peak (46%)

Investors are most active post 1-2 acquisitions when the playbook is proven.

Early Interest (26%)

Pre-seed/Seed funds are looking for inception rounds that combine tech + first deal.

VC/PE Gap

A "funding gap" exists for companies pivoting from SaaS to full-stack rollups.

The "Magic Triangle"

M&A Expertise (61%)

Ability to source, price, and execute acquisitions with strict discipline.

AI Engineering (58%)

Capacity to build and deploy proprietary agentic frameworks in-house.

Domain Experience (57%)

Deep vertical knowledge to ensure high-fidelity agent training and ops.

Exit Horizons

PE Consolidators (80%)

The primary path: selling a high-margin, tech-enabled platform to mega-PE.

IPO Path (30%+)

Breakout "VC-scale" cases are seen as valid candidates for public markets.

Institutional Repricing

Shifting from EBITDA multiples to tech-platform valuation frameworks.

90%+

WILLINGNESS TO EXPLORE

50%

INVESTOR RESPONSES FROM VC

28%

PRIVATE EQUITY INTEREST

02. Market Overview

The \$500 Bn+ Home Services Opportunity

01 MARKET SIZE

\$500B+

Addressable market across HVAC, plumbing, electrical, and home services. 117,000+ HVAC contractors alone. Virtually all owner-operated, running on phone calls and spreadsheets.

02 LABOR COSTS

40–50%

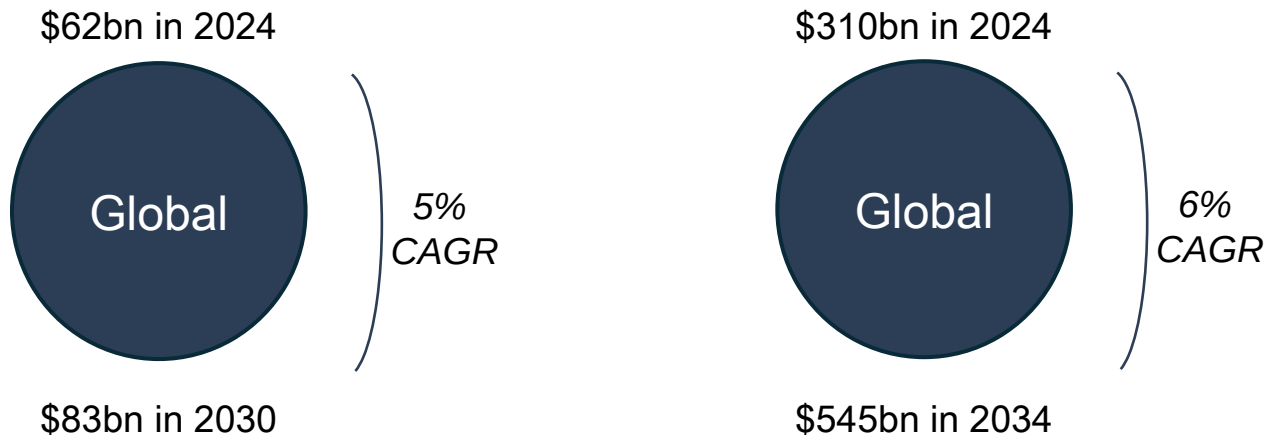
Home service SMBs operate with 40–50% labor costs and 8–12% net margins. A 110,000-technician shortage is forcing owners to pay above-market rates with no relief in sight.

03 AI ADOPTION

<10%

Of home service contractors have deployed any meaningful back-office automation. Virtually none have proprietary agents handling dispatch, invoicing, or scheduling end-to-end.

Home Services Market



Key Structural Tailwinds:

- 117,000+ HVAC contractor businesses employ 604,000 people. A shortage of ~110,000 technicians is compressing capacity and pushing labor costs higher with no structural relief available.
- Electric heat pumps outsold gas furnaces by 25% in the first half of 2025, a structural shift accelerated by IRA incentives that will drive sustained installation and replacement demand through the decade.

Competitive Landscape

Others sell AI tools or flip assets; Calexo owns the business and captures 100% of the margin it creates. Proprietary agents are table stakes — permanent ownership + cross-deal agent reuse is the moat.

PARTICIPANT	FOUNDING TEAM BACKGROUND	VERTICAL FOCUS	STRATEGIC APPROACH & AI STRATEGY
Calexo	Apollo PE, Blackstone, in-house AI engineering	Home Services	Proprietary agent architecture; 90-day integration sprint; margin expansion via in-house automation.
Long Lake	General Catalyst, Thrive Holdings	HOA Management	Proprietary AI platform (Nexus); ~\$670M raised; permanent capital, no forced exit.
Crete Professionals	Carlyle, Apollo alums	Accounting & Prof. Services	Standardized third-party AI for back-office optimization.
Avoca AI	Kleiner Perkins, Meritech, GC, YC	HVAC / Plumbing	Sells AI agents TO contractors (SaaS); \$125M+ raised. Calexo owns the equity and captures 100% of the margin gain.
Traditional PE	Global asset managers	Generalist / Infrastructure	Classic buy-and-build; limited proprietary AI; limited focus on AI as a core driver of value in portfolio companies

03. Operational Overview

Why Now? The Convergence of Opportunity

The intersection of record market fragmentation, mature generative AI, and a generational labor shortage creates a unique window for institutional-grade rollups powered by proprietary automation.

Market Dynamics

Extreme Fragmentation

Over 100,000+ HVAC and plumbing businesses in the US; top 50 players hold <10% market share.

Aging Owner Wave

70% of home service business owners are 55+ with no clear succession plan, leading to attractive multiples.

Recession Resilience

Home services are non-discretionary; essential infrastructure maintains demand regardless of macro cycles.

Technological Shift

AI Maturity

Generative AI has reached the "agentic" stage, capable of handling complex dispatch and customer interactions.

Data Availability

Cloud-based field service software (ServiceTitan, Jobber) provides clean APIs for rapid AI integration.

Cost Reduction

The cost of intelligence has plummeted, making it viable to replace high-churn manual dispatch roles with 24/7 agents.

Labor & Operations

Severe Labor Shortage

Back-office churn in home services exceeds 40%; difficulty in hiring dispatchers and billing clerks is a primary bottleneck.

Operational Friction

Manual dispatching leads to 20-30% "dead time" for technicians; AI optimization unlocks hidden capacity.

Margin Capture

Traditional rollups focus on scale; Calexo focuses on margin expansion through immediate technological deployment.

90-Day Transformation Playbook

PHASE 01 · DAYS 0-30

Diagnose

Walk every workflow in the acquired business: dispatch, scheduling, invoicing, parts ordering, payroll. Map the manual steps, identify highest-ROI automation targets, and set the baseline.

100+

WORKFLOWS MAPPED

PHASE 02 · DAYS 30-60

Deploy

Push proprietary AI agents into live operations. Integrate with HouseCallPro, ServiceTitan, QuickBooks, and field dispatch systems. Run parallel with staff during handoff to validate accuracy before full cutover.

5-10

AGENTS DEPLOYED

PHASE 03 · DAYS 60-90

Optimize

Full handoff to automated workflows. Freed-up staff redeployed to revenue-generating capacity. Margin begins inflecting from 21%; full ramp to 39.7% by 2027E. Learnings codified for the next acquisition.

+18pts

MARGIN EXPANSION

Every acquired business runs the same 90-day sprint. Agents built for Spears carry directly into the next HVAC acquisition. **The playbook sharpens with every deal.**

04. Structure and Target Overview

Company Structure & Integration

Calexo HoldCo

AI Engineering, Strategy & Capital Allocation

Spears Services Inc. (HVAC)

Spears Services Inc. (HVAC)

Platform Company No. 1 - Vertical Anchor

Spears is the dedicated home-services platform. The AI engineering team sits at the HoldCo level and deploys into each acquired business during the 90-day integration sprint.

Operational Synergy

- **Centralized AI Engine:** Proprietary agents for dispatch, AR, and customer service developed at HoldCo.
- **Vertical Specialization:** Deep focus on HVAC, Plumbing, and Electrical to ensure high-fidelity agent training.
- **Integration Sprint:** Rapid 90-day deployment cycle for AI tools post-acquisition to capture immediate margin.
- **Shared Services:** Centralized finance, HR, and legal functions to reduce overhead at the platform level.
- **Continuous Optimization:** Real-time data loops from platform companies back to AI engineers for agent refinement.

Spears Services Inc. (Platform No. 1)

\$988K

2025 REVENUE

21.4% → 39.7%

EBITDA MARGIN EXPANSION

\$544K

2027E EBITDA

3.7X

ENTRY (on SDE
\$249K)

Business Profile

Location	Johnson City, TN
Vertical	Commercial HVAC
Founded	1993 (33 Years)
Employees	12 Employees
Systems	HouseCall Pro, QB
Coverage	24/7 Emergency

AI Stack Deployment

Smart Dispatch

Auto-routing & scheduling

Customer Service

24/7 inbound call & SMS agent

Automated AR

Invoicing, billing & collections

Quote Conversion

+15–25% quote conversion

90-Day Deploy → 9-Mo Optimize

Days 0–30: Stabilize

Data integration; deploy AR + Accounting agents; DSO compression begins; daily P&L live.

Days 30–90: Deploy

Deploy Dispatch + Scheduling + CS agents; eliminate Collections (Janet) & AP/Treasurer (Sandra) roles; DSO

Months 4–9: Optimize

Inventory agent + full-stack tuning; ~\$121K OpEx eliminated; 39.7% margin target (2027E).

Acquisition Criteria & Target Profiles

We target owner-operated HVAC, plumbing, electrical, and roofing businesses generating \$1M-\$15M EBITDA with loyal customer bases and back-office operations running on manual labor.

Deal Criteria

Earnings Range (two-tier)

Platform/beachhead \$200K-\$1M SDE; tuck-ins \$1M-\$15M EBITDA

Valuation Multiple

3.0x-5.0x trailing SDE/EBITDA (owner-earnings)

Labor Cost Profile

40% - 60% of total revenue

Owner Profile

Aging owners with no succession

Industry Focus

HVAC Services

\$65B market; heavy dispatch friction

Plumbing Services

\$130B market; manual scheduling

Electrical Services

\$220B market; low tech adoption

Roofing Services

\$60B market; manual job tracking

Value Creation

Labor Efficiency

20-30% reduction via AI agents

Margin Expansion

Targeting 39%+ EBITDA margins

Organic Delivery

10-15% via improved delivery

Platform leverage

Shared AI infrastructure at scale

Sourcing Channels

Lower Middle Market

Regional Investment Banks

Direct Outreach

Proprietary owner database

Industry Brokers

Specialized home services brokers

SBA Lenders

Partnerships with local banks

Platform Acquisition: Spears Services Inc.

\$988K
2025 REVENUE

\$211K / 21.4%
2025 EBITDA / MARGIN

\$929K / 3.7X
ENTRY PRICE / MULTIPLE (3.7x SDE; 4.4x EBITDA)

39.7%
2027E TARGET EBITDA



Source: Spears Services Inc. financials (mgmt accounts)

How the Platform Compounds

Each acquisition is bought at a low single-digit multiple, margin-expanded with AI, and its cash flow funds the next deal. The blended platform re-rates at exit toward tech-enabled-services multiples.

Deal 1 — Spears (Platform)

Entry

\$929K — 3.7x trailing SDE (\$249K)
= 4.4x on 2025A EBITDA (\$211K, 21.4% margin).

AI Margin Lift

7-agent stack expands margin from 21.4% to 39.7% by 2027E (\$544K EBITDA).

Self-Funding

Expanded cash flow services debt and seeds the equity for Deal 2.

Deals 2 ... N (Tuck-ins)

Repeatable Entry

Owner-operated tuck-ins acquired at 3–6x, with seller equity rollover to align owners.

Faster Each Time

The same agents redeploy in the 90-day sprint; integration cost falls per deal.

Blended Multiple Arbitrage

Low entry multiples blend down the platform's cost basis as EBITDA scales.

Value Creation Levers

Multiple Arbitrage

Buy at 3–6x; best-in-class HVAC platforms have exited at 17–18.5x (e.g. Blackstone / Champions, 2026).

Organic EBITDA Growth

10–12%/yr from recovered capacity and captured demand — not price hikes.

Margin Expansion

AI lifts each acquired business's margin, raising platform EBITDA at every step.

Investor Economics: How the Vehicle Compounds

Calexo is permanent capital — returns compound as NAV, realized via distributions, dividend recaps, or optional secondaries, not a forced exit. Illustrative HoldCo scaling, contingent on per-deal performance.

HoldCo Trajectory (Base)

Businesses Owned

5 by 2027 → 29 by 2030 →
77 by 2036.

Acquisition-Vehicle Value

\$75M (2027) → \$525M (2030)
→ \$1,425M (2036).

Total Revenue

\$126M → \$1,367M → \$7,046M
across the same years.

The Value-Creation Engine

Buy Low

Platforms/tuck-ins acquired at 3–6x owner-
earnings (Spears 3.7x SDE / 4.4x EBITDA).

Margin-Expand

AI lifts each business's EBITDA (Spears
21.4%→39.7%), raising blended platform earnings.

Re-Rate the Blend

Best-in-class HVAC platforms are valued at 17–
18.5x (Blackstone/Champions, 2026) — the
benchmark blended NAV marks toward.

Return to Investors

NAV CAGR

Vehicle value \$75M→\$525M (2027–30)
and \$525M→\$1,425M (2030–36) —
compounding, not a one-time exit.

Liquidity

Cash distributions, dividend recaps,
NAV-based redemption windows, optional secondaries.

Economics

2.0% management fee + 20% carried
interest on realized value.

05. Team

The Calexo founding team pairs premier private equity experience with deep in-house engineering and AI talent



Sekou Foley

CO-FOUNDER & CEO

Previously a private equity professional at Apollo Global Management in the flagship private equity group, and an investment banking analyst at Lazard. Graduate of the Wharton School.



Cesar Herrera

CO-FOUNDER & PRESIDENT

Previously a private equity professional at Blackstone in the flagship corporate private equity group, and an investment banking analyst at Goldman Sachs. Graduate of Columbia University.



Raymond Chen

CO-FOUNDER & CTO

Founder-engineer who built and shipped agentic AI products at his own startup, with earlier engineering experience at Amazon and Microsoft. Leads the in-house build of Calexo's 7-agent stack. Statistics & Mathematics, University of Toronto.

The Ask

01 RAISE

\$3M

\$3M primary equity into Calexo HoldCo, targeting close alongside the Spears acquisition (Q2 2026). Funds the AI engineering team, the \$93K Spears equity injection, and working capital for the 90-day integration sprint. Spears total uses are \$976K — \$929K entry price (\$636K SBA 7(a) + \$200K seller note + \$93K Calexo equity) + \$47K closing costs & SBA fee.

02 USE OF FUNDS

3 Uses

AI engineering & 7-agent build at HoldCo: ~\$2.0M · Integration & working capital (90-day sprint): ~\$0.9M · Spears equity injection: \$93K. (Spears purchase funded by SBA + seller note, not the raise.)

03 MILESTONES

12 Mo

Close Spears (Q2 2026), run the 7-agent rollout, inflect EBITDA from 21.4% to 39.7% by 2027E (\$211K → \$544K). Deal 2 in pipeline: Aleutian (see monthly deal sheets).