Press Coverage | September 14, 2026

# Middle-Market PE Firms Move Down Market in Search of Value

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Paul M. Mahoney, Jr.

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Paul Mahoney, a partner in Troutman Pepper Locke's Private Equity + Investment Funds Practice Group, was quoted in the September 14, 2026, *PitchBook* article, "Middle-Market PE Firms Move Down Market in Search of Value."

> The strategy has been gaining traction in sectors such as industrial services, insurance brokerage and residential services, fragmented industries made up of small businesses that stand to gain from centralizing back office functions, according to Paul Mahoney, a partner at law firm Troutman Pepper Locke.
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> "The initial acquisition is smaller in transaction value than usual, but they have a plan to grow the company through acquisitions," he said.
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> Buyer diligence on larger investments has become more rigorous than in the past, Mahoney said. Deals are also taking longer to close, held up by differing price expectations between buyers and sellers, prompting dealmakers to lean on earn-outs to bridge the valuation gap.

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