



# CYPRIMUM

PARTNERS

Non-Control Capital for the Middle Market

## Cyprium Completes Non-Control Investment in Rental Equipment Investment Corp.

December 9, 2020



Cyprium Investment Partners, a non-control private equity firm, has completed a subordinated debt investment in Rental Equipment Investment Corp (“REIC”). The proceeds of this investment were used to refinance REIC’s existing debt in advance of the company’s acquisition of Construction Heaters, Inc., which closed in late October. This recent investment from Cyprium Investors V, marks the group’s 84<sup>th</sup> non-control investment during its 22-year history and third since the beginning of the COVID-19 crisis.

Founded in 2014 and headquartered in Kalispell, Montana, REIC is an equipment rental holding company. REIC operates 25 store locations offering industrial and construction equipment rental and sales across seven states in the Pacific Northwest and Rocky Mountain regions. Maintaining four legacy brand names – Pro Rental & Sales, Midway Rentals, Hillside Rental, and Excavator Rental Services – REIC seeks to be “Your Local Rental Company” in each of its markets.

Shortly after Cyprium’s investment, REIC completed the acquisition of Construction Heaters, Inc., (“CHI”), its eleventh acquisition over the past six years. CHI is a Minneapolis, Minnesota based specialty equipment rental company focused on the rental of heaters, air conditioners, coolers, fans, and dehumidifiers.

“The acquisition of CHI’s specialty rental business will be a great complement to our legacy general rental stores,” said Kevin Fitzgerald, Chief Executive Officer of REIC. “The refinancing with Cyprium allowed us to complete the CHI acquisition and also sets us up with a solid capital structure for investment in our existing footprint and to pursue additional acquisition opportunities.”

“We are excited to support REIC’s growth and expansion into specialty rentals,” said Dan Kessler, a partner at Cyprium. “Kevin and his team are great operators with a demonstrated track record of acquiring and integrating rental businesses into their established platform.”

### ABOUT CYPRIMUM PARTNERS

Cyprium Partners is a private equity and mezzanine firm focused on non-controlling investments in profitable middle-market companies, allowing company owners and their management teams to retain a controlling interest in their businesses. Cyprium provides common equity, preferred stock, subordinated debt, or any combination thereof, offering flexibility and increasing the certainty of close.

With offices in Cleveland, New York, and Chicago, the firm invests \$10 million to \$60 million per transaction in U.S. and Canadian companies with \$8 million or more of EBITDA.