

PT Market Update – Jan 6, 2023

Overview: The PT Market update is a monthly post that will provide practice owners with information regarding M&A activity within the PT market from the lens of the practice owner. The numbers reported below are posted publicly via press release or where I have been provided permission to release the information. There are deals closing that are not publicly released and therefore not recorded in the report.

Executive Summary: 2022 was an interesting year. The first half of the year featured well above average volume but finished the year at average pace. Since August, we have seen the average number of transactions per month slow from 7.7 per month to 5.0 (35% drop) and the number of locations per transaction drop from 4.3 to 2.7.

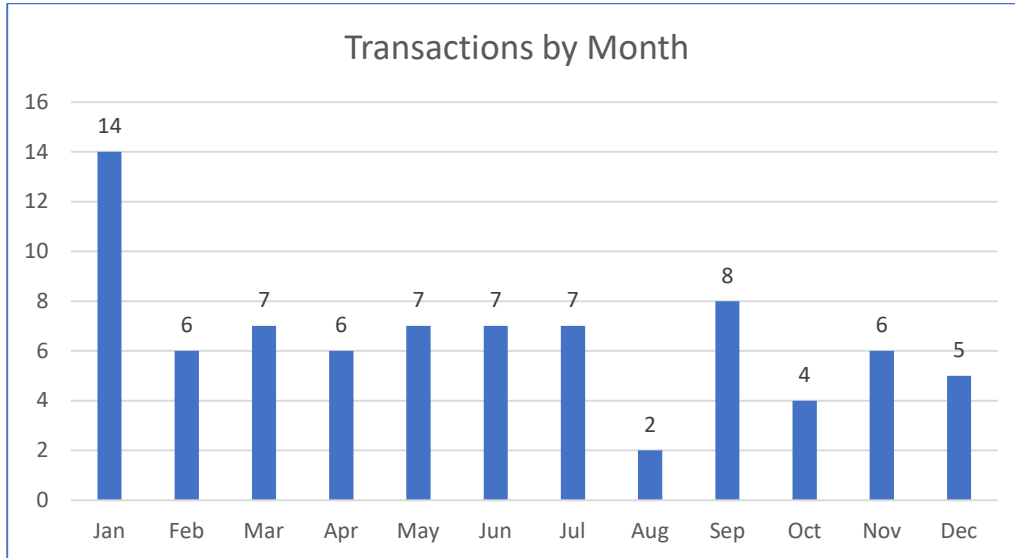
For the month of December, we saw 5 transactions completed vs. 9 last year at an average of 1.6 locations. December tends to be a busier month as buyers try to close deals before the end of the calendar year. The trend of closing smaller deals with fewer locations has been evident in the latter half of the year.

For those following the numbers closely, some additional publicly announced acquisitions were identified since our last report, and this adjusted some previous months totals.

For practice owners looking to sell in the next 2-3 years the focus should remain on managing EBITDA to maintain valuations and establish a comprehensive exit plan. Strong practices in attractive markets are still attracting multiple buyers and keeping deal terms competitive.

Through December 31, 2022:

- Through December 2022, 79 practices have sold. An average year has about 40-50 transactions.
- There were 321 total locations reported in the 79 transactions. The average number of clinics per transaction is 4.1. This is in line with 2021's average of 4.2.



- 66% of transactions consist of 3 or fewer locations.

# Locations	# Transactions	% of Transactions
One	32	41%
Two	13	17%
Three	8	10%
Four	3	4%
Five	3	4%
Six	7	9%
Seven +	12	15%
	78	100%

*One recent transaction was an MSA contract, and no locations were counted as these are not “owned” facilities.

- States with the most transactions:

State	# Transactions
CA	12
TX	8
NJ	8
PA	4
GA	3
SC	3
NY	3
VA	3
FL	3

- Buyers who reported the most transactions in 2022:

Buyer	# Transactions
Confluent	13
H2	8
USPh	7
Ivy	6
Athletico	5
CORA	5
Therapy Partners Group	5
Upsteam	5
Jag-One	4
Select	3
ActivePro Rehab Partners	2
Empower	2
PRN	2
Professional	2
STAC PT	2
Access PT	1
Alliance PT Partners	1
Associates in Pediatric Therapy	1
Excel PT	1
FYZICAL	1
Origin & Sullivan	1
Spooner PT	1
Upstream	1
Grand Total	79

- The following page lists all publicly released transactions so far, in 2022.



PTPS&C

PT'S HELPING PT'S BUY OR SELL PRACTICES

Buyer	Seller	State	Date	# Clinics
Access PT	Orange PT	NY	9/13/2022	1
ActivePro Rehab Partners	Rehab Excellence Center	NJ	11/1/2022	6
ActivePro Rehab Partners	4 Oaks Physical Therapy	MD	11/15/2022	6
Alliance PT Partners	Excel Rehab & Sports	SC/TN	7/11/2022	6
Associates in Pediatric Therapy	Jones Therapy Services	TN	1/1/2022	1
Athletico	Georgalina PT	GA/SC	1/18/2022	17
Athletico	Therapy Specialist of OK	OK	1/11/2022	5
Athletico	Carson PT	AK	1/11/2022	4
Athletico	Crossroads Rehab	MS	7/28/2022	9
Athletico	Action PT and Rehab	OK	7/28/2022	5
Confluent	All Star PT	CA	1/5/2022	28
Confluent	Peak PT	WA	1/12/2022	12
Confluent	Human Performance & Rehab Centers	GA	4/19/2022	13
Confluent	Orthosport PT	CA	4/13/2022	1
Confluent	TLC Rehab	FL	2/22/2022	7
Confluent	PT Specialists of Beverly Hills	CA	3/10/2022	1
Confluent	Premier Ortho and Work Rehab	RI	3/16/2022	1
Confluent	Dynamics PT	GA	5/11/2022	1
Confluent	Progressive PT	CA	5/18/2022	4
Confluent	Mpact	KS	10/3/2022	1
Confluent	Dresher PT	PA	6/23/2022	2
Confluent	Exos Managed Services	AZ	11/28/2022	0
Confluent	Danville PT	PA	7/8/2022	1
CORA	Alliant PT Group	WI	2/8/2022	7
CORA	Can Do PT	GA	2/8/2022	1
CORA	Keck PT	NC	2/8/2022	1
CORA	Greenfield PT	WI	4/21/2022	2
CORA	Lava PT	SC	4/21/2022	2
Empower	ProActive PT and Sports Medicine	CA	1/12/2022	6
Empower	Rehab Plus	AZ	12/8/2022	1
Excel PT	Advanced Rehab	NJ	6/21/2022	1
FYZICAL	Name not announced	FL	11/13/2022	3
H2	Rehab Partners	FL	5/3/2022	3
H2	Round Rock	TX	3/28/2022	2
H2	Endeavor Rehab Center	TX	2/28/2022	12
H2	Round Rock Rehab	TX	3/29/2022	1
H2	Active Rehabilitation	WV	9/30/2022	2
H2	Atlantic Sports and Rehab Services	VA	9/30/2022	2
H2	Georgetown PT	TX	9/30/2022	1
H2	Fort Worth PT	TX	8/10/2022	2
Ivy	MOST PT	NY	3/30/2022	2
Ivy	Kids in Motion	MI	5/24/2022	4
Ivy	Synergy PT	VA	6/23/2022	3
Ivy	Elgin Pediatric Therapy	IL	6/30/2022	1
Ivy	Maximum Performance PT and Sports Reh:	NJ	12/20/2022	2
Ivy	Theraplay	DE, NJ, PA, VA	7/20/2022	31
Jag-One	Crest PT	NJ	1/12/2022	1
Jag-One	Excellent PT	NJ	1/13/2022	1
Jag-One	Connect PT	NJ	1/14/2022	1
Jag-One	Agility PT	NJ	1/15/2022	1
Origin & Sullivan		CA	2/1/2022	3
PRN	Kinetix Advanced PT	CA	5/3/2022	2
PRN	Gillett PT	WY	6/9/2022	1
Professional	Somerset Family PT	NJ	5/31/2022	1
Professional	Complete OT and OTA Services	NY	7/20/2022	1
Select	Ascent PT	WI/OR	12/7/2022	3
Select	Life's Work PT	OR	9/1/2022	1
Select	SEEC Rehab Center	CO	9/1/2022	1
Spooner PT	Go Sports Therapy	TX	8/16/2022	1
STAC PT	Personally Fit	CA	1/28/2022	1
STAC PT	Santa Rosa PT	CA	10/17/2022	1
Therapy Partners Group	Prosport PT & Performance	CA	3/17/2022	7
Therapy Partners Group	Denton Orthopedic Therapy Center	TX	10/19/2022	1
Therapy Partners Group	SCAR	CA	12/2/2022	1
Therapy Partners Group	Larchmont PT	CA	12/2/2022	1
Therapy Partners Group	Fit Physical Therapy	UT/NV	5/17/2022	6
Upstream	Oasis PT & SM	WA	1/13/2022	5
Upstream	Ergonomic Rehab of Houston	TX	3/29/2022	2
Upstream	Rapid Rehabilitation	VA	4/26/2022	3
Upstream	Crescent PT	SC	6/22/2022	2
Upstream	Acts OT and PT	LA	7/15/2022	1
Upstream	Transform Rehab	PA	9/8/2022	3
USPh	Name not announced	SC	1/3/2022	3
USPh	Madden Gilbert PT	PA	4/4/2022	6
USPh	Name not announced	WV	9/1/2022	6
USPh	Name not announced		10/3/2022	2
USPh	Name not announced		11/1/2022	14
USPh	Name not announced		11/30/2022	13
USPh	AthletePlus PT and Spine	AR	6/7/2022	1