

PT Market Update – Nov 7, 2022

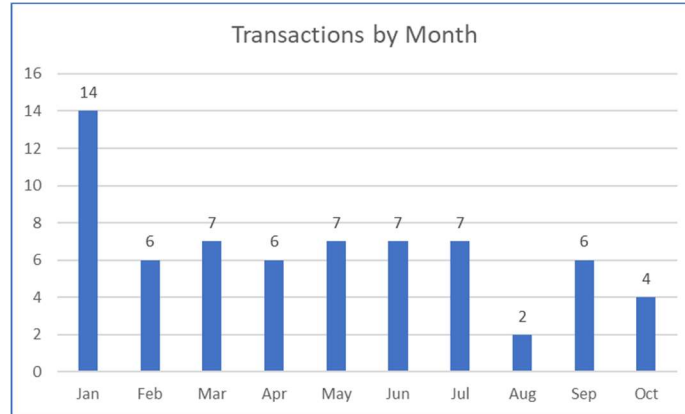
Overview: The PT Market update is a monthly post that will provide practice owners with information regarding M&A activity within the PT market from the lens of the practice owner. The numbers reported below are posted publicly via press release or where I have been provided permission to release the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

Executive Summary: Please note we had some late additions to the September 2022 numbers. The total number of transactions for September is 6 (vs. 4 last year). October saw 4 transactions this year vs. 2 last year. With the additions in September transactional volume have remained steady thus far even with threatening economic conditions.

Despite the economy, overall seller conditions remain favorable in the short term. Multiples have been steady. The likelihood of increased “buyer friendly” terms is rising with every interest rate hike and any additional decline in economic conditions. This is especially true with buyers who rely on debt to finance their acquisitions. Currently, the biggest risk to valuations is reduced margins caused by wage inflation and general inflation. Rising costs are starting to have an impact EBITDA and therefore valuations. In current conditions, buyers remain more selective in choosing acquisitions to pursue. However, there are so many buyers that are active, sellers are still able to find great partners. The key for practice owners looking to sell in the short term will be to manage rising costs to maintain their practice valuations. Additionally, it will be important for sellers to get multiple offers to ensure deal terms that align with exit strategy goals. As usual, practices with strong fundamentals are still seeing great deals.

Through October 31, 2022:

- Through October 2022, 68 practices have sold. The market is still on pace for over 80 transactions in 2022, well above the average.
- There were 289 total locations reported in the 68 transactions. The average number of clinics per transaction is 4.3.



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

# Locations	# Transactions	% of Transactions
One	27	40%
Two	12	18%
Three	6	9%
Four	3	4%
Five	3	4%
Six	6	9%
Seven +	11	16%
	68	100%

- States with the most transactions:

State	# Transactions
CA	10
TX	8
NJ	7
PA	4
GA	3
SC	3
NY	3
VA	3

- 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
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
Alliance PT Partners	Excel Rehab & Sports	SC/TN	7/11/2022	6
Associates in Pediatric Therapy	Jones Therapy Services	TN	1/1/2022	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
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	Danville PT	PA	7/8/2022	1
Empower	ProActive PT and Sports Medicine	CA	1/12/2022	6
Excel PT	Advanced Rehab	NJ	6/21/2022	1
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
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	Theraplay	DE, NJ, PA, VA	7/20/2022	31
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
STAC PT	Personally Fit	CA	1/28/2022	1
STAC PT	Santa Rosa PT	CA	10/17/2022	1
Spooner PT	Go Sports Therapy	TX	8/16/2022	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	Fit Physical Therapy	UT/NV	5/17/2022	6
Upsteam	Oasis PT & SM	WA	1/13/2022	5
Upsteam	Ergonomic Rehab of Houston	TX	3/29/2022	2
Upsteam	Rapid Rehabilitation	VA	4/26/2022	3
Upsteam	Crescent PT	SC	6/22/2022	2
Upstream	Transform Rehab	PA	9/8/2022	3
Upsteam	Acts OT and PT	LA	7/15/2022	1
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	AthletePlus PT and Spine	AR	6/7/2022	1