

PT Market Update – Dec 6, 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.

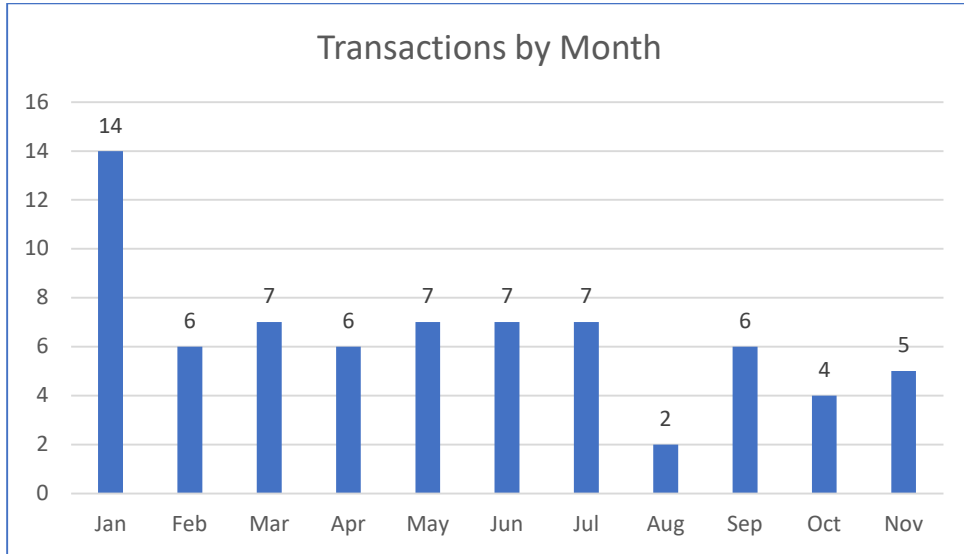
Executive Summary: The total number of transactions for November is 5 (vs. 6 last year). 2022 still appears that it will finish as a strong year of activity. But much of that activity was completed in the first half of the year. Since August 2022, we've seen the pace of closing fall to "normal" historical levels. If we were to annualize the pace of transaction since August, there would be 51 reported deal closings, which is consistent with a normal pace of 40-50 transaction annually. December is usually a strong month as companies try to get deals closed before the end of the year.

Despite the slowing of the pace of deals, we have seen no shortage in interest in deals coming to market. Buyers are becoming more selective on which deals they choose to pursue. However, seller conditions have remained steady because there are more active buyers on the market and the competition is keeping valuations and deal terms favorable.

As we have been hammering the last few months in this report, wage inflation and looming cuts in reimbursement are bigger threats to overall valuations than the economy (as of now). Practice owners looking to sell in the next 2-3 years will need to be creative in managing the squeeze in EBITDA to maintain valuations.

Through November 30, 2022:

- Through November 2022, 71 practices have sold. The market is on pace for 77 transactions in 2022. This is well above the average, but since August 2022, there has been a clear reduction in pace from 2021.
- There were 298 total locations reported in the 71 transactions. The average number of clinics per transaction is 4.2.



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

# Locations	# Transactions	% of Transactions
One	27	39%
Two	12	17%
Three	7	10%
Four	3	4%
Five	3	4%
Six	7	10%
Seven +	11	16%
	70	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	10
TX	8
NJ	7
PA	4
GA	3
SC	3
NY	3
VA	3
FL	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
ActivePro Rehab Partners	4 Oaks Physical Therapy	MD	11/15/2022	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	Exos Managed Services	AZ	11/28/2022	0
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
FYZICAL	Name not announced	FL	11/13/2022	3
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	Prospport 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
Upsteam	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