

## PT Market Update – Feb 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 final numbers have been updated with new information. 2022 finished with 83 transactions at an average of 3.9 locations per deal and 7 transactions per month. Compared with 40-50 transactions in years past, 2022 will stand as a high-volume year.

2023 is off to a sluggish start. There was only a single reported transaction in the month of January, compared to 14 last year. Keep in mind this report only contains publicly announced transactions.

On February 1<sup>st</sup>, we saw a major consolidation with Motion PT (59 Locations) being acquired by Confluent. It would not be surprising to see more of this level transaction in 2023.

No doubt that economic conditions are having an impact in activity levels right now, even though there is no shortage in buyers. Buyers are clearly being more risk adverse. They are being very selective in which transactions they pursue, and we are starting to see deal terms reflect a slightly more conservative approach.

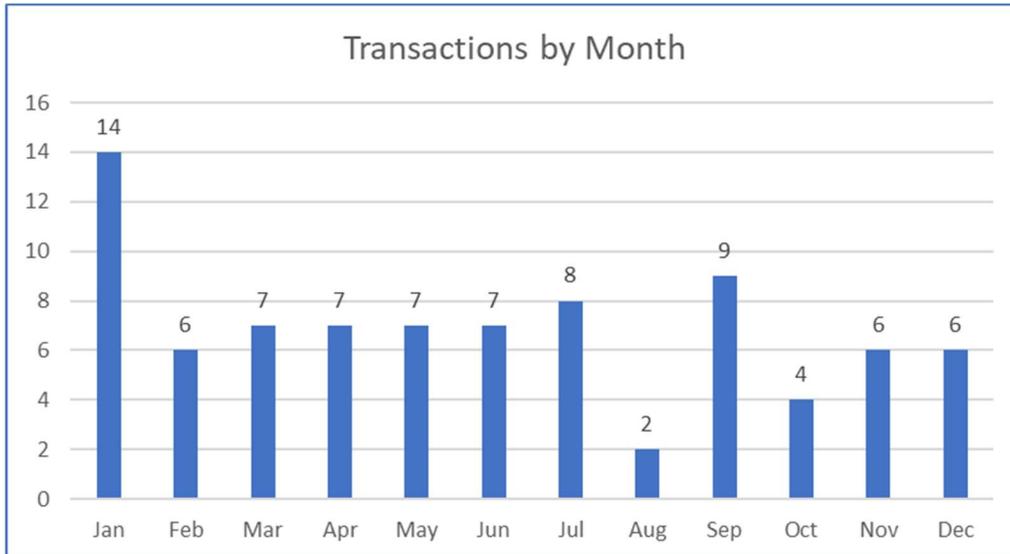
Based on the last 6 months transactions, it would also appear that smaller “tuck ins” are closing at a better pace than larger multi-site practices. These transactions are typically lower risk and fit well in a risk-adverse environment.

Practice owners looking to sell should focus on managing EBITDA to maximize valuations and establish a strong exit plan.

This month’s update will feature updated 2022 final numbers. We will start 2023 monthly updates in next month’s edition.

### **Through December 31, 2022:**

- Through December 2022, 83 practices have sold. This is well above the average, but since August 2022, there has been a clear reduction in pace from 2021.
- There were 325 total locations reported in the 83 transactions. The average number of clinics per transaction is 3.9.



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

# Locations	# Transactions	% of Transactions
One	36	44%
Two	13	16%
Three	8	10%
Four	3	4%
Five	3	4%
Six	7	9%
Seven +	12	15%
	82	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	13
TX	9
NJ	8
PA	4
GA	3
SC	3
NY	3
VA	3
FL	3

- The following page lists all publicly released transactions 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
Alliance PT Partners	Performance PT of El Paso	TX	4/23/2022	1
Alliance PT Partners	FIT PT	ME	7/31/2022	1
Alliance PT Partners	Bodymax PT	CA	9/30/2023	1
Alliance PT Partners	Allied Rehabilitation	NC	12/16/2022	1
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