

## PT Market Update – Aug 6, 2022

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**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.

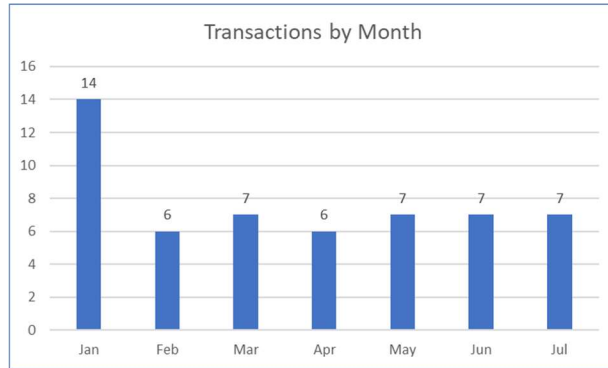
**Executive Summary:** It is typical to see the pace of acquisitions slow slightly during the summer months and the pace of activity in the PT market has remained consistent with years past. The overall economy will remain a focus for the remainder of this year, but so far there appears to be no significant impact on the PT market.

The issue that seems to be overshadowing the economy presently, is labor. Since COVID many industries have had challenges with labor. The PT industry is no different. In my conversations with CEO's of large and small practices, labor retention and recruitment is the #1 priority today. If we look at recent results published by the publicly traded PT companies, their results have been impacted by increased spending on retention, recruitment, and wages. For any practice owner, this is a significant financial challenge because labor is always the single largest expense in all PT practices. Combined with downward pressure on reimbursement from insurance companies and CMS and we are likely to see a squeeze on profits. If this pressure continues for any length of time, there will be a squeeze in profits that will affect valuations for practice owners looking to sell.

Practice owners should stay very connected with your staff and make sure your work environment will keep them happy and growing. For practice owners who are interested in selling now or within 24 months, it is a great time to make sure your exit strategy is rock solid.

### **Through June 30, 2022:**

- Through July 2022, 54 practices have sold. The market is still on pace for over 80 transactions in 2022, well above the average.
- There were 246 total locations reported in the 54 transactions. The average number of clinics per transaction is 4.6. This has rebounded to a its typical average.



- 63% of transactions consist of 3 or fewer locations.

# Locations	# Transactions	% of Transactions
One	21	39%
Two	8	15%
Three	5	9%
Four	3	6%
Five	3	6%
Six	4	7%
Seven +	10	19%
	54	100%

- States with the most transactions:

State	# Transactions
CA	9
NJ	6
TX	4
GA	3
PA	3
SC	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
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	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
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
Therapy Partners Group	Prosport PT & Performance	CA	3/17/2022	7
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	Acts OT and PT	LA	7/15/2022	1
USPh	???	SC	1/3/2022	3
USPh	Madden Gilbert PT	PA	4/4/2022	6
USPh	AthletePlus PT and Spine	AR	6/7/2022	1