

PT Market Update – November 8, 2023

Overview: The PT Market update is a monthly report 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.

Summary: In October 2023, 10 transactions closed vs. 4 last year. It is typical to see a spike in activity towards the end of the year as buyers are looking to close deals prior to the end of the year.

Year to date 2023 is averaging 4.0 reported transactions per month, which puts the market on pace for 48 transactions this year. New York and New Jersey remain the most active states this year.

The average number of locations per transaction is 8.25. Smaller practices with 3 or fewer locations make up 60% of all transactions. The trend this year is lots of single or two location practices and large practices of 7+ locations but very few in the middle.

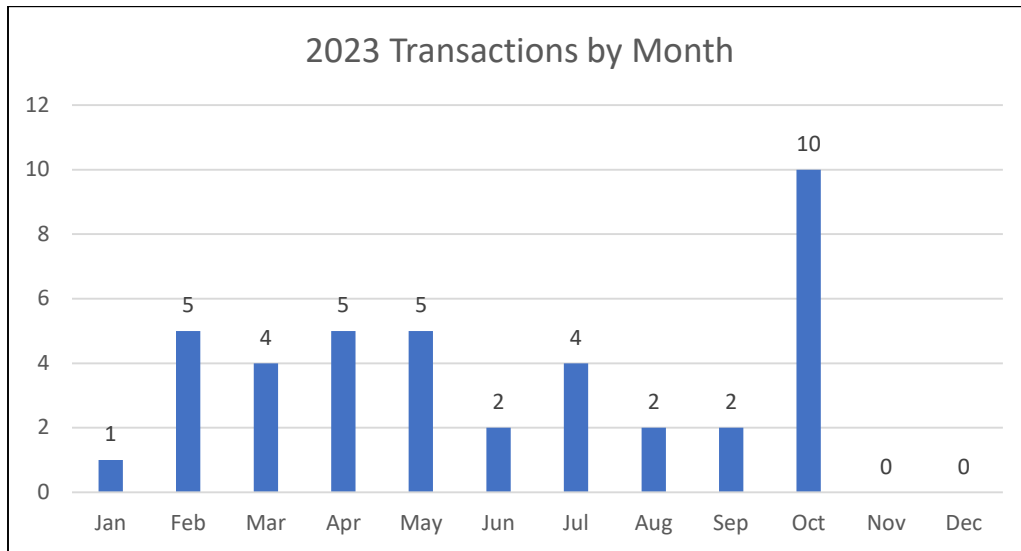
After speaking with many industry leaders at PPS this year, the appetite for acquisitions is still very strong. And if interest rates hold steady, it would not be surprising to see a strong close to the year.

Many strategists are starting to report that their clinical staff turnover rates have stabilized. The focus has shifted more towards filling open positions and adding staff for growth. While this by no means indicates that the staffing shortage is over, it may mean that the market is stabilizing, for now. It has been our contention that for most of this year, many practice owners have been struggling with the decision to go to market now or waiting to stabilize their staffing prior to going to market.

After completing many exit strategies this year, the number one comment I get from clients is, "I wish I did this sooner." A clear exit plan will allow you to set specific goals and prepare your practice for a partnership or an exit on your terms, even when your staffing is not 100%! Feel free to reach out at mike@physicaltherapybrokers.com to discuss your plans or provide any comments on how we can make this report better for the readers.

Through October 31, 2023:

- In October, 10 practices were sold. We are on pace for an average number of transactions in 2023.



- 60% of transactions consist of 3 or fewer locations.

# Locations	# Transactions	% of Transactions
One	13	33%
Two	8	20%
Three	3	8%
Four	1	3%
Five	4	10%
Six	1	3%
Seven +	10	25%
	40	100%

- States with the most transactions:

State	# Transactions
NY	7
NJ	5
not announced	4
TX	3
LA	2
OH	2
MN	1
NY, MD, MA, CT	1
PA	1
KY	1
VA	1
ID, MT, UT	1
WI, PA	1
WV	1
CO	1
GA	1
FL	1
NJ, PA, MD	1
CA	1
IL	1
AK	1
OK	1
MD	1

- The following page lists all publicly released transactions in 2023.



PTPS&C

PT'S HELPING PT'S BUY OR SELL PRACTICES

Buyer	Seller	State	Date	# Clinics
Access PT	Cardin and Miller PT	PA	4/5/2023	3
Access PT	The PT Experience	NY	4/5/2023	2
AOSMI	Advanced PMR	NJ	3/14/2023	5
APT Healthcare	Not announced	Not announced	4/5/2023	6
Alliance PT Partners	Spine and Sport PT	CA	9/4/2023	3
Clarivest Group Inc	Mountain Land PT	ID, MT, UT	7/6/2023	41
Confluent	Motion PT	NY, MD, MA, CT	2/1/2023	59
Confluent	Groshan & Associates	MD	4/27/2023	1
Confluent	Injury Management Services	LA	5/22/2023	2
Confluent	Tri-State PT	LA	6/21/2023	2
Confluent	Versailles PT and Hand Clinic	KY	6/27/2023	1
Confluent	Health In Motion	WI, PA	7/12/2023	9
Confluent	Excel PT	GA	8/31/2023	1
Confluent	Axiom PT	NY	10/2/2023	2
Confluent	PT and Performance Center	NY	10/2/2023	1
Confluent	Excellent Choice PT	NY	10/2/2023	1
Confluent	FirstCare Rehabilitation	OK	10/24/2023	1
Cypress Health Partners (Bay State)	Sports PT of New York	NY	1/4/2023	1
Cypress Health Partners (Bay State)	MVPT Physical Therapy	NY	2/9/2023	1
Empower	Spectrum PT Consultants	TX	3/7/2023	7
Jag-One	Wayne PT	NJ	5/15/2023	1
Jag-One	NY PT and Wellness	NY	7/24/2023	13
H2	Physical Therapy Today of Lubbock	TX	5/8/2023	8
H2	Tuner PT	WV	7/24/2023	2
H2	Advanced PT	FL	10/31/2023	2
Ivy	Excel PT	NJ	2/10/2023	24
Ivy	Sora Therapy of Minnesota	MN	2/17/2023	5
Ivy	Louisa PT	VA	5/11/2023	1
Ivy	PT and Sports Injury Rehabilitation	IL	9/20/2023	5
Main Street Therapy Partners	Sternen PT	OH	4/11/2023	1
Main Street Therapy Partners	Physio Source PT	OH	10/9/2023	1
PRN	Medical City	TX	3/31/2023	24
PT Solutions	Active Pro Rehab Partners	NJ, PA, MD	10/3/2023	64
Select (Joint Venture)	AtlanticCare	NJ	2/15/2023	13
SportsMed PT	Moutainside Wellness	NJ	10/18/2023	2
USPh	Not announced	Not Announced	3/1/2023	1
USPh	Not announced	Not Announced	5/31/2023	4
USPh	Not announced	Not Announced	8/1/2023	5
USPh	Not announced	AK	10/2/2023	2
USPh	Not announced	CO	10/2/2023	3