

Vertical  
Behavioral Health

Focus  
Q2 2021 Acquisition Activity and Outlook

## Transaction Volume Remains High Throughout Behavioral Health

The second quarter of 2021 delivered thirty-four reported behavioral health transactions, continuing a strong consolidation surge within the industry. We expect high deal flow throughout 2021, supported by increasing private equity interest, a favorable government, and a seller pool that is ready to transact.

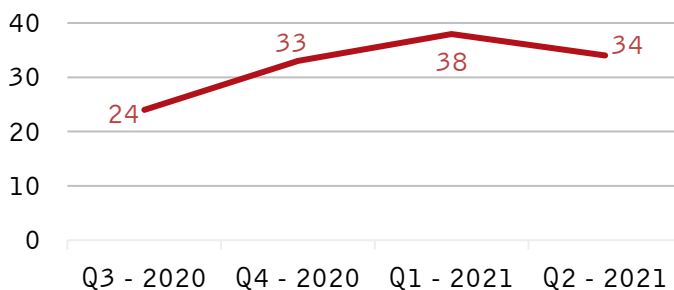
Transactions in mental health and addiction treatment continue to dominate the marketplace, and we also noted an increase in technology-related deals. While most sellers had a handful of locations, we did see a few larger deals, including the acquisition of MindPath Care Centers throughout North Carolina and South Carolina. While the summer months of Q3 often

experience a seasonal decrease in M&A activity, we expect an uptick in behavioral health closings in the final three months of the year. With a potential capital gains increase on the horizon, both buyers and sellers will work hard to close deals in 2021.

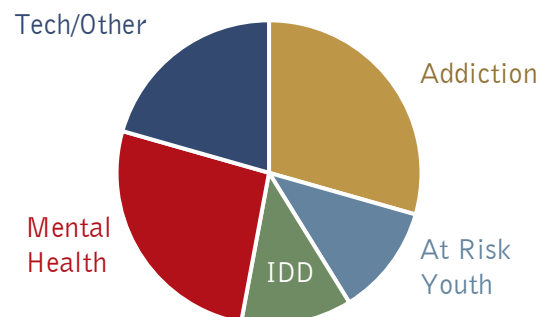
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### 12-Month Quarterly Acquisition Trend



### Transactions by Vertical



### Notable Deals in the Q2 2021

Buyer	Practice	State	MDs	Date
BrightView	Life Spring Recovery	OH	4	5/4/21
Community Psychiatry	MindPath Care Centers	NC	25	5/11/21
Broadstep Behavioral Health	Pinelands Group Homes	SC	4	5/12/21
Refresh Mental Health	Carolina Behavioral Care	NC	3	6/9/21
Acorn Health	LEAP Behavior Analysis	TN	2	6/10/21

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