Chartwell Announces Acquisitions in British Columbia and Provides Update on Other Recent Transactions

MISSISSAUGA, ONTARIO - August 29, 2024 – Chartwell Retirement Residences ("Chartwell" or the "Trust") (TSX: CSH.UN) announces that it has entered into definitive agreements for acquisitions of three modern retirement residences on Vancouver Island totaling 384 suites for an aggregate purchase price of $226.9 million, consisting of:

- The 152-suite Vista Retirement Residence ("Vista"), located in Victoria, built in 2023, which offers a continuum of care with independent supporting living ("ISL"), assisted living and memory care services.

- Nanaimo Memory Care ("Nanaimo MC"), located in Nanaimo, built in 2018, comprised of 77 suites; and

- The Edgewater Retirement Residence ("The Edgewater"), located adjacent to the Nanaimo MC, currently under construction, which will be comprised of 155 suites offering ISL services. Chartwell will acquire the residence upon construction completion, which is expected in Q2, 2025.

Vista is an upscale residence located in the charming Victoria suburb of Esquimalt, within walking distance to numerous retail and service amenities. The 11 storey residence currently offers a continuum of care, with 104 ISL suites and 48 memory care suites. The residence boasts large and well-appointed common areas, and beautiful ocean views. The residence is currently 28% occupied. The gross purchase price for the Vista is $103.9 million, of which $9.2 million will be held in escrow to support vendors' obligation under a 24-month Net Operating Income ("NOI") Guarantee.

Nanaimo MC is located in the north end of the City of Nanaimo on Long Lake. The area offers a serene backdrop and easy access to retail, medical care and entertainment amenities. The residence provides memory care services and is currently 88% occupied. The purchase price for the Nanaimo MC is $20.3 million.

Chartwell expects the closing of the Vista and Nanaimo MC acquisitions to occur in Q4, 2024.

The Edgewater, located adjacent to Nanaimo MC and currently under construction, will be comprised of 155 ISL suites with ample and modern amenities. Construction is expected to be completed in Q2, 2025, at which point Chartwell will acquire the residence. The gross purchase price for The Edgewater will be $102.7 million of which $8.7 million will be held in escrow to support vendors' obligation under the 36-month NOI Guarantee.

Chartwell expects to fund these transactions through a combination of net proceeds from the sales of its non-core assets, cash on hand, and its credit facilities.

"These acquisitions of high quality, newly developed residences will positively contribute to the overall quality of Chartwell's portfolio and expand our presence in the strong British Columbia market. These transactions will create meaningful scale on Vancouver Island, which provides operating and management synergies. We believe the quality of the acquired properties and their excellent locations, combined with our operating expertise, will support successful lease up and multiyear occupancy and market rate growth. We are pleased to acquire these properties in Canada's retirement destination below current replacement cost." said Jonathan Boulakia, Chartwell's Chief Investment Officer.

Other Recent Transactions

On August 15, 2024, Chartwell closed the sale of one non-core retirement residence in Ontario for $10.8 million, settled in cash.

On August 16, 2024, Chartwell met conditions for the sale of another non-core residence in Ontario. The sale price of $79.5 million is to be settled in cash, with the closing expected in September 2024.

During Q3, 2024 we expect to complete $159.6 million of 10-year CMHC-insured mortgage financing at average rates of approximately 4.15%.

About Chartwell

Chartwell is in the business of serving and caring for Canada's seniors, committed to its vision of Making People's Lives BETTER and to providing a happier, healthier, and more fulfilling life experience for its residents. Chartwell is an unincorporated, open-ended real estate trust which indirectly owns and operates a range of seniors housing communities, from independent living through to assisted living. Chartwell is one of the largest operators in Canada, serving approximately 25,000 residents in four provinces across the country. For more information visit www.chartwell.com.

Forward-Looking Information

This press release contains forward-looking information that reflects the current expectations, estimates and projections of management about the future results, performance, achievements, prospects or opportunities for Chartwell and the seniors housing industry. Forward-looking information can be generally identified by the use of words such as "anticipate", "continue", "estimate", "expect", "expected", "intend", "may", "will", "project", "plan", "should", "believe" and similar expressions. Forward-looking statements in this press release include, without limitation statements relating to the Offering and Acquired Properties, including expectations regarding timing for completion of the Offering, the anticipated use of the net proceeds of the Offering, expectations about the impact of the Acquired Properties on Chartwell's Net Debt to Adjusted EBITDA, expectations regarding the anticipation timing of completion of the Portfolio Acquisitions, the accretiveness of the Acquired Properties, the extent to which the Acquired Properties will affect Chartwell's weighted average portfolio age, expectations regarding the Acquired Properties' capital expenditure requirements, the anticipated annual management fees, the potential for further development of the GMA Portfolio, operating and management synergies resulting from the Acquired Properties, the acquisition of the additional 85% interest in a Quebec property from EMD-Batino, and lower capital expenditures associated with the Acquired Properties. Forward-looking statements are based upon a number of assumptions and are subject to a number of known and unknown risks and uncertainties, many of which are beyond our control, and that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking statements. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those expected or estimated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. See the "Risks and Uncertainties" section in Chartwell's management's discussion analysis of results of operations and financial condition for the year ended December

31, 2023 dated March 7, 2024 and in our management's discussion and analysis of results of operations and financial condition for the three months ended March 31, 2024 dated May 9, 2024 ("Q1 2024 MD&A"), and in materials filed with the securities regulatory authorities in Canada from time to time, including but not limited to our most recent Annual Information Form and in the Prospectus Supplement to be filed in connection with the Offering. Except as required by law, Chartwell does not intend to update or revise any forward-looking statements, whether as a result of new information, future events or for any other reason.

Non-GAAP Measures

Chartwell's consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). Management uses certain financial measures to assess Chartwell's financial performance, which are measures not defined in generally accepted accounting principles ("GAAP") under IFRS and may not be comparable to similar metrics used by other entities. Chartwell's credit agreements and outstanding debentures contain numerous financial covenants. For a full description of certain of these covenants, please refer to the Q1 2024 MD&A available on Chartwell's website and at www.sedarplus.com.

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