



CHARTwell
retirement residences

Q3 2024 Results Conference Call

November 15, 2024



Cautionary Statements

This presentation 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 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. Examples of forward-looking information in this document include, but are not limited to, statements regarding our business strategies, operational, sales, marketing, and optimization strategies including targets, and the expected results of such strategies, predictions and expectations with respect to industry trends regarding growth in the senior population, a deficit of long term care beds and the slow down of new construction starts, expectations with respect to taxes that are expected to be payable in the current and future years and statements regarding the tax classification of distributions, and occupancy rate forecasts. 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. These factors are more fully described in the "Risks and Uncertainties and Forward-Looking Information" section of our Management's Discussion & Analysis for the three and nine months ended September 30, 2024 (the "Q3 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. 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.

In this presentation "Q1" refers to the three-month period ended March 31; "Q2" refers to the three-month period ended June 30; "Q3" refers to the three-month period ended September 30; "Q4" refers to the three-month period ended December 31; "2024" refers to the calendar year 2024, "2023" refers to the calendar year 2023; "2022" refers to the calendar year 2022; "2021" refers to the calendar year 2021; "2024 YTD" refers to the nine-month period ended September 30, 2024; and "2023 YTD" refers to the nine-month period ended September 30, 2023.

In this presentation we use a number of performance measures that are not defined in generally accepted accounting principles ("GAAP") which follow the disclosure requirements established by National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosures (effectively, the "Non-GAAP Measures"), to measure, compare and explain the operating results and financial performance of the Trust.

These Non-GAAP Measures do not have standardized meanings prescribed by GAAP and, therefore, may not be comparable to similar measures used by other issuers. The Real Property Association of Canada ("REALPAC") issued white papers with recommendations for calculations of Funds from Operations ("FFO") (the "REALPAC Guidance"). Our FFO definition is substantially consistent with the definition adopted by REALPAC. Please refer to the "Additional Information on Non-GAAP Measures" section of our Q2 2024 MD&A for details.

In this presentation we use various financial metrics and ratios in our disclosure of financial covenants. These metrics are calculated in accordance with the definitions contained in our credit agreements and the trust indenture governing our outstanding debentures and may be described using terms which differ from standardized meanings prescribed by GAAP. These metrics may not be comparable to similar metrics used by other issuers.

Specified financial measures are categorized as non-GAAP financial measures, non-GAAP ratios, supplementary financial measures, and capital management measures as follows:

Non-GAAP Financial Measures

FFO, FFO for continuing operations, Total FFO, FFO from LTC Discontinued Operations, FFO for Equity-Accounted JVs, Internal Funds from Operations, ("IFFO"), IFFO for continuing operations, Total IFFO, IFFO from LTC Discontinued Operations, including per unit amounts ("PU"), Earnings before interest, tax, depreciation and amortization ("consolidated EBITDA" or "EBITDA"), Adjusted Resident Revenue, Adjusted Direct Property Operating Expense, Adjusted Operation Margin, Consolidated Interest Expense, Adjusted Consolidated Gross Book Value of Assets, Book value of assets, Gross book value adjustment on IFRS transition, Adjustment for accumulated depreciation and amortization, Aggregate Adjusted Assets, Payment of cash distributions and Amortization of finance costs and fair value adjustments on assumed mortgages, Finance cost reserve, Proforma adjustments, and Total Units Outstanding.

Non-GAAP Ratios

Debt Service Coverage Ratio, Interest Coverage Ratio, Total Leverage Ratio, Adjusted Consolidated Unitholders' Equity Ratio, Secured Indebtedness Ratio, Unencumbered Property Asset Ratio, Consolidated EBITDA to Consolidated Interest Expense Ratio, Indebtedness Percentage, Net Debt to Adjusted EBITDA Ratio, Payment of Cash Distributions, Expected Unlevered Yield, and Coverage Ratio.

Supplementary Financial Measures

Net Operating Income ("NOI"), Adjusted NOI, Adjusted Development Costs, Lease-up-Losses, Estimated Stabilized NOI, Unencumbered Property Asset Value and Unencumbered Aggregate Adjusted Assets

Capital Management Measures

Liquidity, Imputed Cost of Debt, Regularly Scheduled Debt Principal Payments, Consolidated Indebtedness, Secured Indebtedness, Unsecured Indebtedness, Investment restrictions

Please refer to the "Additional Information on Non-GAAP Measures", "Results of Operations – FFO", "Significant Events – Development – Expected Unlevered Yield, Development Lease-up-Losses and Imputed Cost of Debt", "Results of Operations – Adjusted Resident Revenue, Adjusted Property Operating Expenses, Adjusted Operating Margin, and Adjusted NOI" and "Liquidity and Capital Resources – Debt Covenants" sections of our Q3 2024 MD&A for details on these measures.

Due to rounding, numbers presented throughout this presentation may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Continuing Strong Performance

**Employee
Engagement**

57% 2024
55% 2025 Target

**Resident
Satisfaction**

66% 2024
67% 2025 Target

**Same Property
Occupancy**

90.2% Dec. 2024F
95% 2025 Target



\$1.2 Billion
Announced Transactions
in 2024

Sales and Marketing



making people's
lives **BETTER**



Operations

Individual Property Strategies



Welcome to Chartwell Fountains of Mission

[222 25th Avenue SW, Calgary, Alberta T2S 3E9](#)

Lead an urban lifestyle centred on connections, culture, and cuisine
in the heart of Calgary's Mission District.

Occupancy
67% → 87%



Welcome to Chartwell Rouge Valley

[5958 16th Avenue, Markham, Ontario L3P 8N1](#)

Celebrate the traditions and heritage of Markham's Asian
community in an enriching and inclusive retirement residence.

Occupancy
79% → 92%

Q3 2024 Summary

	Q3 2024	Q3 2023	Change
Net income/(loss) ⁽¹⁾	\$23.6M	\$158.2M	(\$134.6M)
FFO ⁽²⁾			
Continuing operations	\$55.9M	\$36.1M	\$19.8M
Total	\$55.9M	\$39.0M	\$16.9M
FFOPU ⁽²⁾			
Continuing operations	\$0.20	\$0.15	\$0.05
Total	\$0.20	\$0.16	\$0.04
Average occupancy – same property	88.5%	82.4%	6.1pp
Adjusted NOI ⁽³⁾ – same property	\$63.6M	\$54.3M	\$9.3M

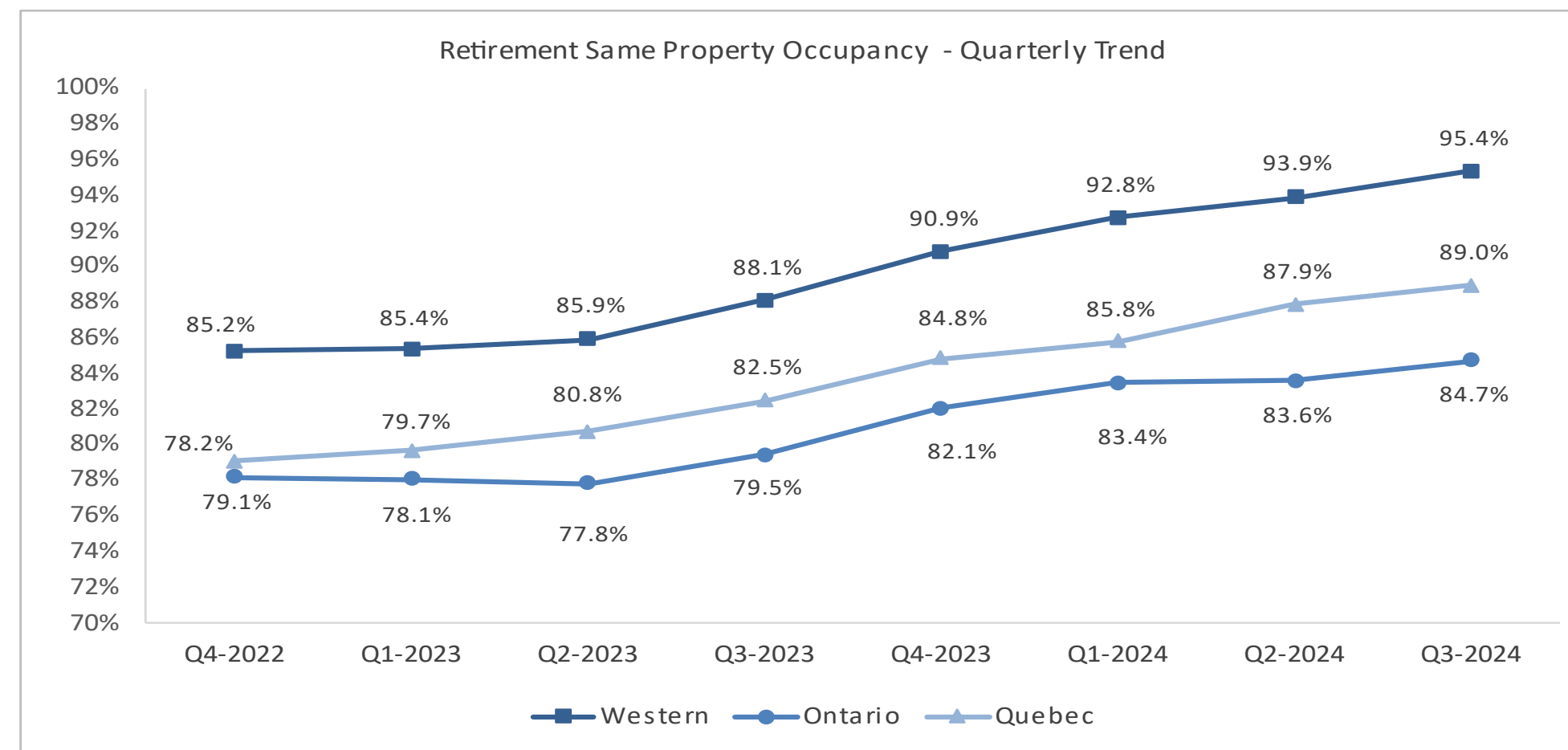
(1) Includes net income from LTC Discontinued Operations.

(2) Refer to the "Supplemental Information" section on page 15 of this presentation.

(3) Refer to the "Supplemental Information" section on page 16 of this presentation.

Q3 2024 Adjusted NOI and Occupancy

	Same Property						
	Adjusted NOI				Occupancy		
	Q3 2024	Q3 2023	Inc/(Dec) \$ %		Q3 2024	Q3 2023	Change
Retirement:							
Western Canada	\$19.7M	\$16.8M	\$2.9M	16.8%	95.4%	88.1%	7.3pp
Ontario	\$35.2M	\$30.9M	\$4.3M	14.0%	84.7%	79.5%	5.2pp
Quebec	\$8.7M	\$6.6M	\$2.1M	32.4%	89.0%	82.5%	6.5pp
Total Retirement	\$63.6M	\$54.3M	\$9.3M	17.1%	88.5%	82.4%	6.1pp



Platform Specific Trends
Western Canada Continuing strong rental and service rate and occupancy growth helped mitigate higher costs.
Ontario Occupancy and steady rental and service rate growth helped mitigate higher costs.
Quebec Occupancy and strong rental and service rate growth, combined with lower agency spend mitigating higher costs.

Financial Position

At November 14, 2024

Liquidity
\$401M

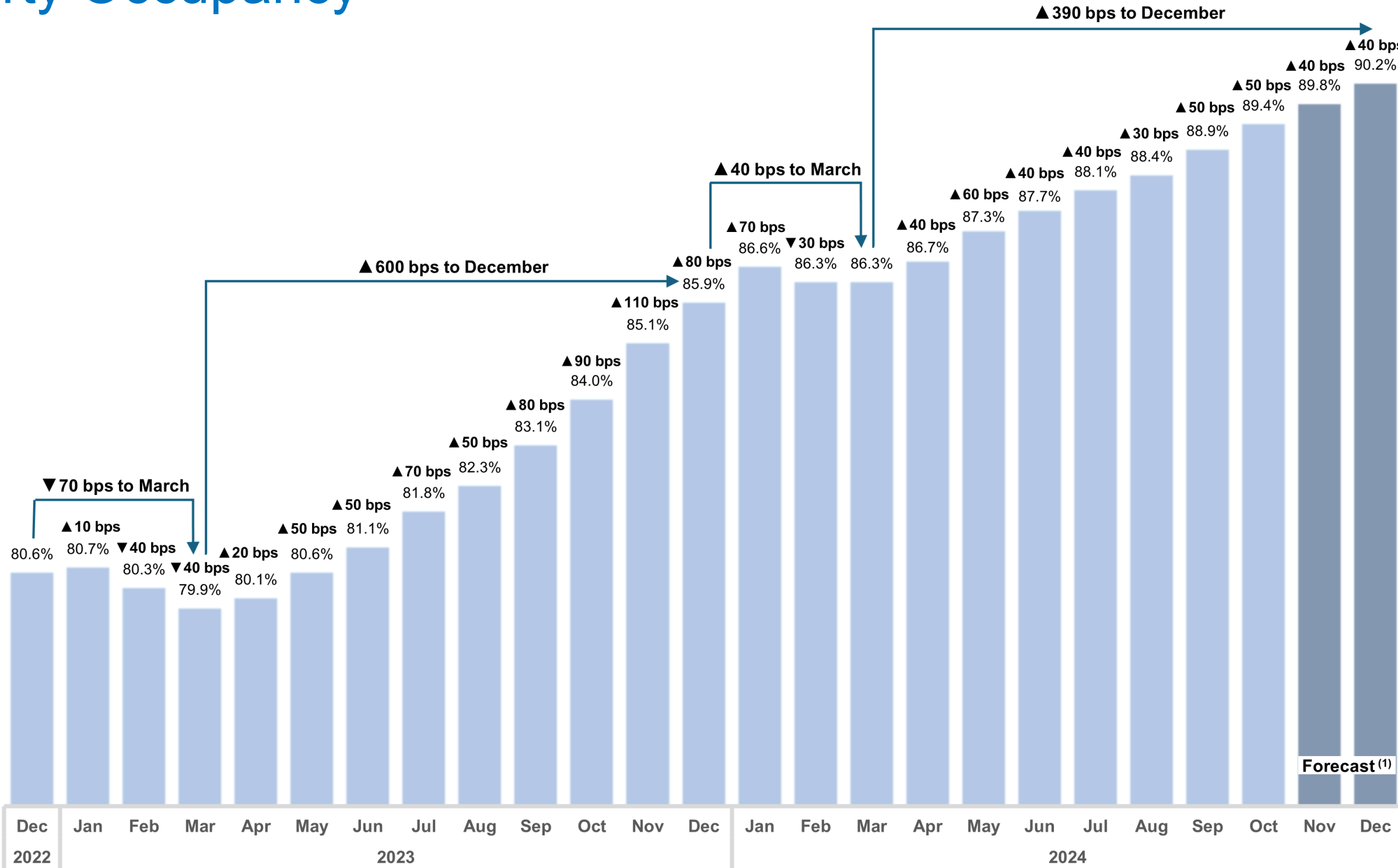
\$54M
cash

\$347M
available credit
facilities

Launch of
At-the-Market Program

2024 Outlook

Same Property Occupancy



(1) Forecast includes leases and notices as at October 31, 2024, and an estimate of mid-month move-ins of 10 and 50 basis points (“bps”) for November and December, respectively, based on the preceding 12-month average of such activity.

Acquisitions 2024



October 31, 2024
100% Ownership
3 property portfolio ⁽¹⁾
384 suites

Announced
100% Ownership
1 property
131 suites

\$1.2 Billion
Total Investment

Q2 2024
85% Ownership
3 properties
1,053 suites
EMD/Batimo

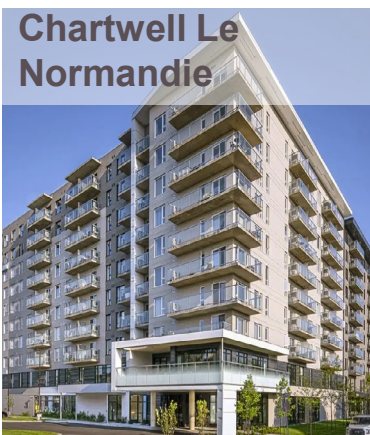
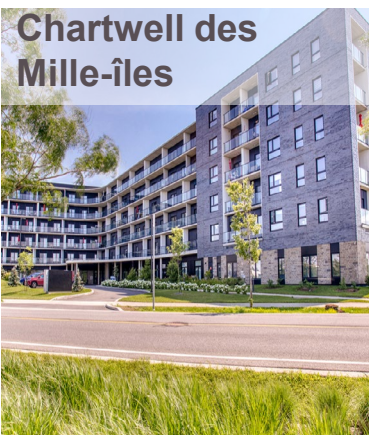
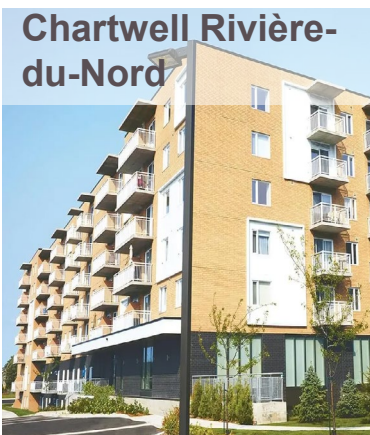
July 22, 2024
100% Ownership
5 property portfolio
1,428 suites

Announced
50% Ownership
5 property portfolio
1,805 suites
New JV partner

(1) Includes the forward purchase agreement of one property (155 suites) currently under construction; expected to be completed in Q2 2025.

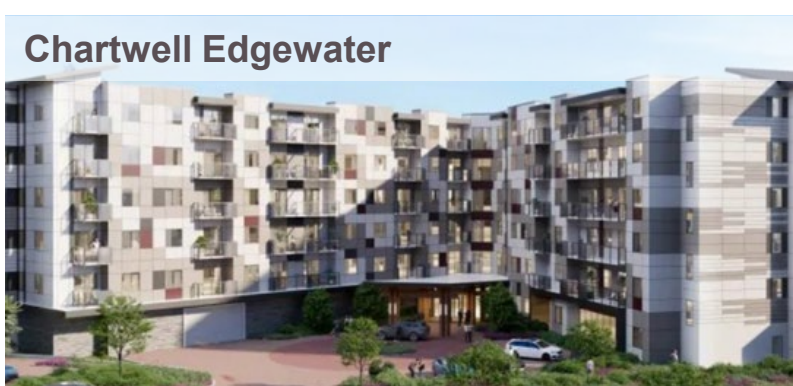
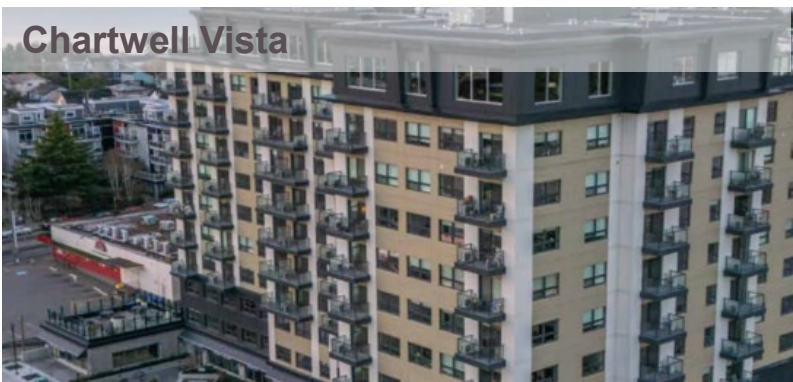
Acquisitions 2024

Quebec



Closing Q4 2024

British Columbia

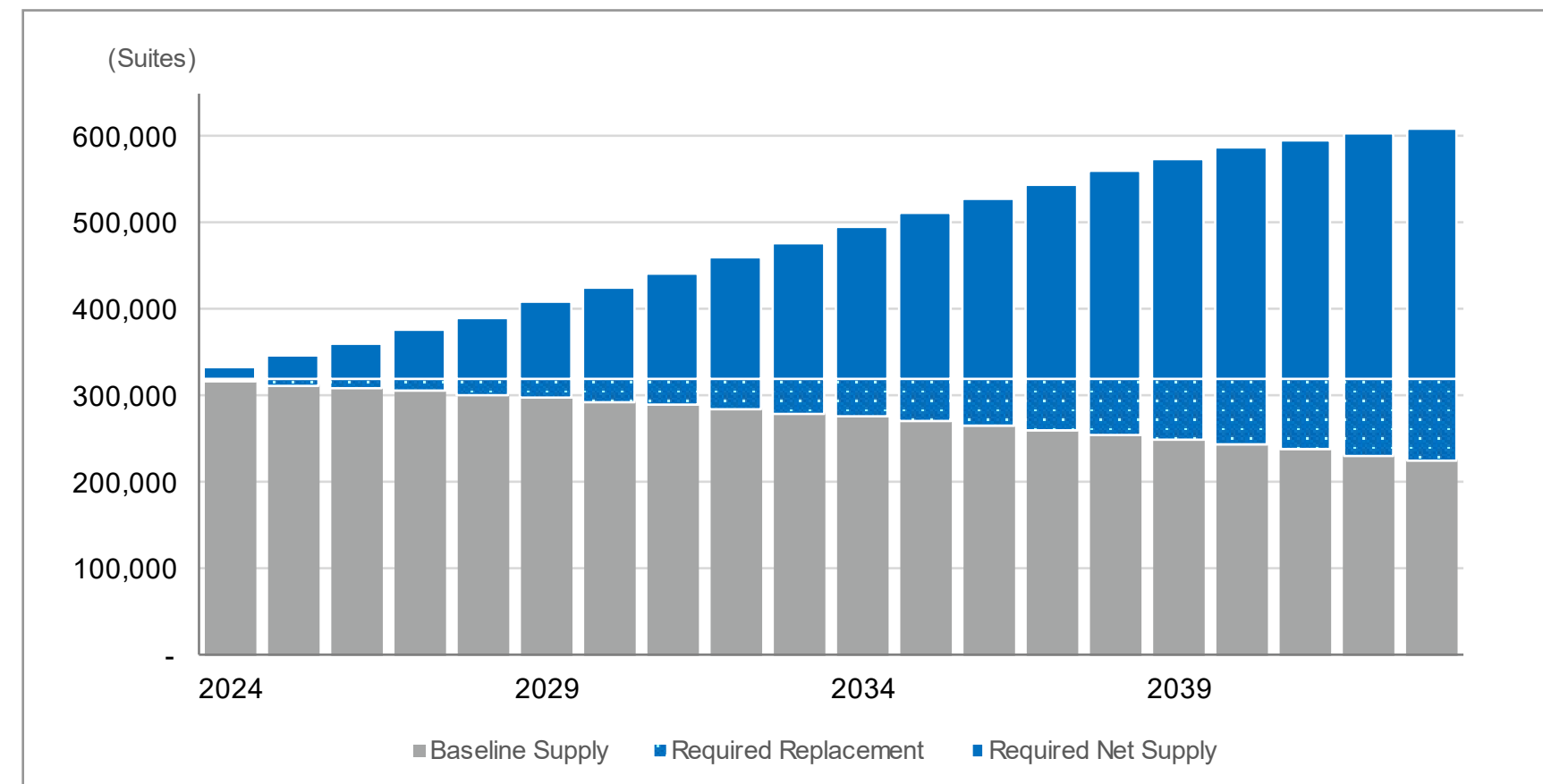


Closing Q1 2025

Strong Industry Fundamentals

Demand will Overwhelm Supply

New Supply Required to Maintain Market Equilibrium

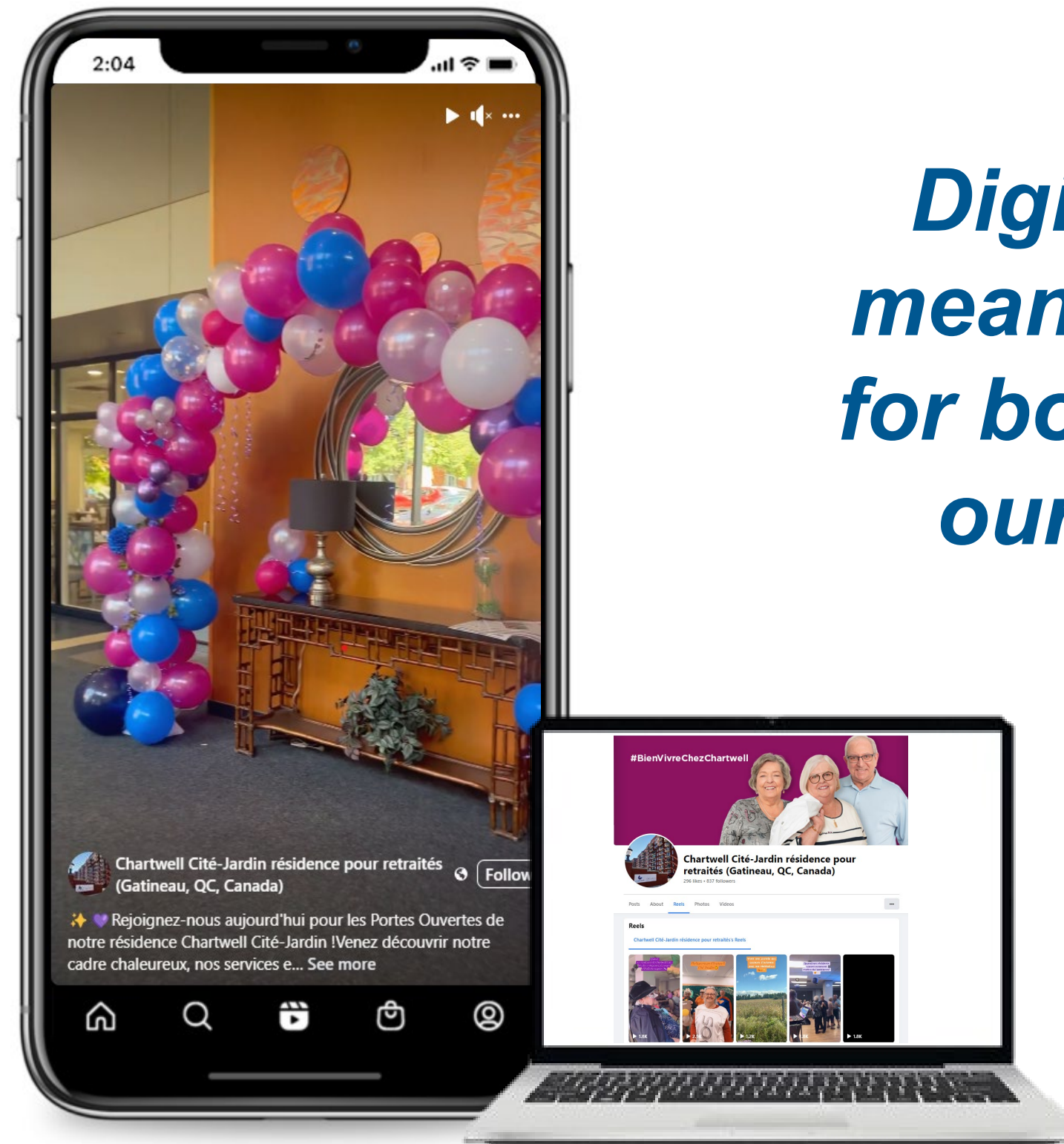


Source: Cushman and Wakefield ULC.

- Current seniors housing demand is projected to double over the next 20 years.
- 200,000+ new suites required over the next 10 years compared with ~73,000 suites built over the past 10 years.
- Represents ~\$100 billion capital requirement over next 10 years, despite limited development pipelines, resources and capital given the broader housing shortage.

Market imbalance will drive higher occupancy levels and fuel rent growth

Chartwell Experience



Digital tools create meaningful outcomes for both Chartwell and our communities.

Supplemental Information

Reconciliation Table – FFO and FFOPU

	Continuing Operations			Total Operations		
	Q3 2024	Q3 2023	Change	Q3 2024	Q3 2023	Change
(\$000s, except number of units and per unit amounts)						
Net income/(loss)	23,603	(23,330)	46,933	23,603	158,156	(134,553)
<i>Add (Subtract):</i>						
B Depreciation of PP&E	43,009	38,027	4,982	43,009	38,027	4,982
D Amortization of limited life intangible assets	521	566	(45)	521	566	(45)
B Depreciation of PP&E and amortization of intangible assets used for administrative purposes included in depreciation of PP&E and amortization of intangible assets above	(974)	(1,093)	119	(974)	(1,093)	119
E Gain on disposal of assets	(55,850)	(2,883)	(52,967)	(55,850)	(181,794)	125,944
J Transaction costs arising on dispositions	2,507	469	2,038	2,507	809	1,698
H Impairment losses	-	625	(625)	-	625	(625)
F Tax on gains or losses on disposal of properties	2,840	28,100	(25,260)	2,840	28,100	(25,260)
G Deferred income tax	24,120	(11,274)	35,394	24,120	(11,274)	35,394
O Distributions on Class B Units recorded as interest expense	231	234	(3)	231	234	(3)
M Changes in fair value of financial instruments	14,998	5,622	9,376	14,998	5,622	9,376
Q FFO adjustments for Equity-Accounted JVs	900	1,024	(124)	900	1,024	(124)
U Non-controlling interest	(44)	-	(44)	(44)	-	(44)
FFO	55,861	36,087	19,774	55,861	39,002	16,859
Weighted average number of units (000s)	274,318	242,258	32,060	274,318	242,258	32,060
FFOPU	0.20	0.15	0.05	0.20	0.16	0.04

Supplemental Information

Reconciliation Table - Adjusted NOI

(\$000s, except occupancy rates)	Q3 2024	Q3 2023	Change
Resident revenue	207,995	173,383	34,612
<i>Add (Subtract):</i>			
Share of resident revenue from joint ventures ⁽¹⁾	35,071	32,103	2,968
Resident revenue from LTC Discontinued Operations ⁽²⁾	-	45,521	(45,521)
Share of resident revenue from non-controlling interest ⁽³⁾	(1,328)	-	(1,328)
Adjusted resident revenue	241,738	251,007	(9,269)
<i>Comprised of:</i>			
Same property	165,615	149,138	16,477
Growth	42,459	22,870	19,589
Repositioning	33,664	78,999	(45,335)
<i>Adjusted resident revenue</i>	<i>241,738</i>	<i>251,007</i>	<i>(9,269)</i>
Direct property operating expense	128,389	113,344	15,045
<i>Add (Subtract):</i>			
Share of direct property operating expense from joint ventures ⁽¹⁾	22,187	21,036	1,151
Direct property operating expense from LTC Discontinued Operations ⁽²⁾	-	41,330	(41,330)
Share of direct property operating expense from non-controlling interest ⁽³⁾	(677)	-	(677)
Adjusted direct property operating expense	149,899	175,710	(25,811)
<i>Comprised of:</i>			
Same property	101,972	94,781	7,191
Growth	23,554	14,599	8,955
Repositioning	24,373	66,330	(41,957)
<i>Adjusted direct property operating expense</i>	<i>149,899</i>	<i>175,710</i>	<i>(25,811)</i>
NOI	79,606	60,039	19,567
<i>Add (Subtract):</i>			
Share of NOI from joint ventures	12,884	11,067	1,817
Share of NOI from non-controlling interest	(651)	-	(651)
Adjusted NOI from continuing operations	91,839	71,106	20,733
<i>Add (Subtract):</i>			
NOI from LTC Discontinued Operations	-	4,191	(4,191)
Adjusted NOI	91,839	75,297	16,542
<i>Comprised of:</i>			
Same property	63,643	54,357	9,286
Growth	18,905	8,271	10,634
Repositioning	9,291	12,669	(3,378)
<i>Adjusted NOI</i>	<i>91,839</i>	<i>75,297</i>	<i>16,542</i>

(1) Non-GAAP; represents Chartwell's proportionate share of the results related to our equity-accounted joint ventures.

(2) Represents the results related to LTC Discontinued Operations.

(3) Non-GAAP; represents Chartwell's proportionate share of the results related to non-controlling interest.

THANK YOU



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retirement residences