NEWS RELEASE

Chartwell Provides Business Update Related to COVID-19 Pandemic

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MISSISSAUGA, ON, April 16, 2020 /CNW/ - Chartwell Retirement Residences ("Chartwell") (TSX: CSH.UN) issued the following statement related to the ongoing COVID-19 pandemic:

Business Update

As Canada's largest owner and operator of seniors living residences with 196 residences and 29,300 suites under management, Chartwell plays a vital role in helping our residents, their families and our staff during these challenging times. The COVID-19 pandemic has had a significant impact on our residents and their families, particularly those directly affected by the disease. We understand this and will continue to do everything we can to mitigate the impact of this pandemic on them. Today more than ever, the top priority of every member of the Chartwell organization is the safety and well-being of our residents and staff and we are grateful to our team of 15,300 employees for their tremendous efforts, commitment and dedication to our residents and their families.

We have always maintained strong infection control and management protocols and, from the beginning of the pandemic, have activated enhanced infection control measures. Our corporate care team is using their regional expertise to operate a 24/7 Hotline to support our retirement and long term care homes. Despite the significant disruption in supply, we have been successful in sourcing personal protection equipment and, working with various provincial governments, we are protecting our employees and residents with this equipment at all of our residences.

In order to enhance support to our residents during this challenging time and to alleviate the increased workload of our staff resulting from the enhanced safety measures, we have launched a new recruitment campaign. In addition, our strong corporate support has enabled new operational standards to support social distancing across our retirement residences while ensuring our residents receive the care and services they need. Our staff are using new, creative ways to keep our residents safe, healthy and engaged in this new environment, including the use of telehealth and videoconferencing with families. Every day, our staff are inspiring each other, our residents and their families with their creativity and dedication. These exceptional stories are being shared and celebrated on our web site and social media channels.

As of today, we have had confirmed positive COVID-19 cases in either a resident, employee or home health or other workers providing direct services to residents in 18 of our residences. Of the homes with previously confirmed COVID-19 cases, six have successfully cleared the incubation period of the disease with no further cases noted. We will continue to provide updates and facts on our website as required.

Financial Position

At April 15, 2020, liquidity (1) amounted to $384 million, which included $155 million of cash and cash equivalents and $207 million of available borrowing capacity on our credit facilities. In addition, Chartwell's share of cash and cash equivalents held in its equity-accounted joint ventures was $22 million. Additionally, we have over $950 million of unencumbered assets and a conservative capital structure that allows us to access further debt if needed. We have $59 million of maturities remaining in 2020 of which $27 million are currently CMHC insured. We have strong lending relationships and expect to refinance these maturities as they come due. We will continue to evaluate further opportunities to increase liquidity, including the delay of non-essential capital expenditures and certain development and redevelopment projects.

Operating Performance

Due to the uncertainty of the duration and impact of the COVID-19 pandemic, Chartwell is withdrawing its 2020 Outlook that is contained in its Management's Discussion and Analysis for the year ended December 31, 2019. We intend to release our 2020 first quarter results on May 7, 2020.

As noted previously, the restrictions on residence visits during this pandemic are expected to have a negative impact on our occupancy levels as we are not currently permitting visits by or on behalf of prospective residents. We continue to believe that occupancy in our retirement residences will be temporarily affected as a result of reduced move-in activity. Move-out activity is slightly below prior year levels at this time. The following table provides an interim update in respect of our same property retirement occupancy:

	One Month Ended January 31, 2020	One Month Ended February 29, 2020	One Month Ended March 31, 2020	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019	Change
Same property occupancy (2)	88.4%	88.0%	87.4%	88.0%	89.5%	(1.5pp)

In Q1 2020, same property occupancy declined by 1.5 percentage points compared to Q1 2019, primarily due to competitive pressures from new developments in certain markets and reduced move-in activity in the latter half of March 2020. Our tenant credit quality remains strong given the typical investment profile of Canadian seniors in our target customer demographic. Substantially all April rent and service charges have been collected, consistent with our past experience.

Our Ontario long term care residences are currently operating above 97% occupancy and as such, their funding will be preserved at 100%.

We are working extensively with sector associations and all levels of government agencies to navigate this situation together to preserve the health and wellbeing of residents, staff and their families. The following funding announcements have been made to date:

- Ontario long term care has been allocated $243 million to support long term care as an essential service in managing the pandemic crisis, including surge capacity planning as hospitals are expected to exceed capacity.
- Ontario retirement homes have been allocated $20 million to support extraordinary expenses related to COVID-19.
- British Columbia has allocated $10 million to assisted living and long term care residences.
- Quebec announced various funding initiatives, including funding for temporary pay increases to health care staff totalling $410 million.
- Other announcements to support businesses during this pandemic include rate reductions in energy costs, and deferrals of worker's compensation premiums and realty tax payments.

We continue our analysis of these and other programs to determine eligibility and financial impact on Chartwell.

"Chartwell's strength is our people and these unprecedented times have brought out the best in them. The commitment and dedication of our staff at all levels of the organization has been inspiring and I am grateful to each and every one of them. The overwhelming support, encouragement and gratitude we receive from our residents and their families every day reinforces our confidence that we will prevail in this crisis and will come out of it stronger," commented Vlad Volodarski, Chief Executive Officer. "Chartwell has a top-tier operating platform, diversified property portfolio, adequate liquidity and a strong balance sheet. In the current environment our investments are focused on direct resident care, including additional staffing and personal protective equipment and supplies. We are deferring other discretionary investments to preserve liquidity. I am confident that by doing the right thing today, we are setting an even stronger foundation for our future."

Footnotes

(1) Liquidity is a measure used by management in evaluating operating and financial performance. Please refer to the cautionary statements under the heading "Non-GAAP Financial Measures" in this press release.

(2) 'pp' means percentage points.

About Chartwell

Chartwell is an unincorporated, open-ended real estate trust which indirectly owns and operates a complete range of seniors housing communities, from independent supportive living through assisted living to long term care. It is the largest operator in the Canadian seniors living sector with over 200 quality retirement communities in four provinces, including properties under development. Chartwell is committed to its vision of Making People's Lives BETTER and to providing a happier, healthier and more fulfilling life experience for its residents. 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 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. These factors are more fully described in the "Risks and Uncertainties" section in Chartwell's 2019 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.

Non-GAAP Financial 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 operating and financial performance, which are measures not defined in generally accepted accounting principles ("GAAP") under IFRS. The following measures, FFO, FFO per unit, same property adjusted NOI , liquidity, interest coverage ratio and net debt to adjusted EBITDA ratio as well as other measures discussed elsewhere in this release, do not have a standardized definition prescribed by IFRS. They are presented because management believes these non-GAAP financial measures are relevant and meaningful measures of Chartwell's performance and as computed may differ from similar computations as reported by other issuers and may not be comparable to similarly titled measures reported by such issuers. For a full definition of these measures, please refer to the 2019 MD&A available on Chartwell's website and at **www.sedar.com**.

SOURCE Chartwell Retirement Residences