NEWS RELEASE

Chartwell provides business update related to COVID-19 pandemic

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MISSISSAUGA, ON, Dec. 17, 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 for our residents, their families and our staff during these challenging times and our priority continues to be their safety and wellbeing. We are grateful to our 16,000 employees who continue demonstrating exceptional courage and commitment, working together to keep our residents, their families and each other safe. We are pleased with the announcement of the start of Canada's vaccination program and are highly supportive of our government's decision to prioritize residents and staff in both long term care homes and retirement residences.

As of December 17, 2020, 21 of our retirement residences and 10 of our long term care homes have been declared by public health to be in COVID-19 outbreak. Our response to the pandemic is guided by public health authorities and the Federal, Provincial and Municipal governments. We continue to meet or exceed the direction provided by these authorities to control the spread of COVID-19.

Due to the uncertainty of the effects of COVID-19, on April 16, 2020, we withdrew our 2020 Outlook contained in our 2019 MD&A. The COVID-19 pandemic has introduced significant uncertainties as discussed in the "Forward-Looking Information and COVID-19 Risk" section of our Q3 2020 MD&A.

We believe that occupancy in our retirement residences will continue to be temporarily affected as a result of reduced move-in activity. Move-out activity is below previous-year levels at this time, primarily due to reduced departures to long term care.

The following table provides an update in respect of our same property retirement occupancy:

	One month ended August 31, 2020	One month ended September 30, 2020	One month ended October 31, 2020	One month ended November 30, 2020
Same property retirement occupancy	82.4%	82.2%	81.9%	81.5%
Change from the previous month (1)	(0.5pp)	(0.2pp)	(0.3pp)	(0.4pp)

The pace of decline in same property retirement occupancy increased slightly, with move-in activity slowing compared to October 2020 and representing approximately 60% of November 2019 volumes. Move-out activity continues to be below previous-year levels and in November 2020 was approximately 75% of November 2019 primarily due to reduced departures to long term care, particularly in Ontario. Same property retirement leasing activity in November 2020 represented approximately 55% of November 2019.

Our tenant credit quality remains strong given the typical investment profile of Canadian seniors in our target customer demographic. Substantially all November and December rent and service charges have been collected, consistent with our past experience.

We expect to continue to incur higher-than-normal operating costs in our retirement residences and long term care homes as a result of investments in additional staffing, in particular related to screening, housekeeping, extended dining services, additional care services, personal protective equipment and supplies that are not fully funded by various governments.

On November 2, 2020, we completed the sale of three non-core retirement residences in Alberta as previously announced, and on November 30, 2020, we completed the sale of three non-core retirement residences in Ontario. The sales of these non-core assets generated net cash proceeds of $42.2 million.

On November 12, 2020, we entered into two agreements with a financial institution for a $100 million unsecured term loan, and a $50 million secured term loan. The loans mature on November 12, 2022, and bear interest at a

fixed rate of 2.608% through interest rate swaps.

On December 10, 2020, we financed one CMHC-insured mortgage top-up of $6.2 million at an interest rate of 1.48%.

Financial Position

At December 17, 2020, liquidity (2) amounted to $465.5 million, which included $75.5 million of cash and cash equivalents and $390.0 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 $10.7 million.

At December 17, 2020, we have $12.4 million of mortgage maturities remaining in 2020 which are CMHC insured. We have $164.1 million of mortgage maturities in 2021, of which $37.5 million are CMHC insured. We have strong lending relationships and scheduled refinancings of our mortgage maturities in 2020 and 2021 are proceeding in the normal course. In addition, we have over $1,037.5 million of unencumbered assets and a conservative capital structure that allows us to access further debt if needed.

We will continue to evaluate further opportunities to increase liquidity, including accessing CMHC top-up programs as we have historically and delaying certain capital investments, potential development and redevelopment project expenditures. We expect to be able to meet all of our obligations as they become due utilizing primarily the following sources of liquidity: (i) cash flow generated from our operations, (ii) property-specific mortgages, and (iii) secured and unsecured credit facilities.

Footnotes

(1) 'pp' means percentage points.

(2) 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.

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 Q3 2020 MD&A available on Chartwell's website and at **www.sedar.com**.

For more information, please contact:

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