

Q4 2013 Conference Call

March 6, 2014



CHARTwell
retirement residences

making people's
lives **BETTER**

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. The words “plans”, “expects”, “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “intends”, “anticipates”, “does not anticipate”, “projects”, “believes” or variations of such words and phrases or statements to the effect that certain actions, events or results “may”, “will”, “could”, “would”, “might”, “occur”, “be achieved” or “continue” and similar expressions identify forward-looking statements. 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.

While we anticipate that subsequent events and developments may cause our views to change, we do not intend to update this forward-looking information, except as required by applicable securities laws. This forward-looking information represents our views as of the date of this presentation and such information should not be relied upon as representing our views as of any date subsequent to the date of this document. We have attempted to identify important factors that could cause actual results, performance or achievements to vary from those current expectations or estimates expressed or implied by the forward-looking information. However, there may be other factors that cause results, performance or achievements not to be as expected or estimated and that could cause actual results, performance or achievements to differ materially from current expectations. 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 not intended to represent a complete list of the factors that could affect us. See “Risks and Uncertainties” in our 2013 MD&A and risk factors highlighted 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.

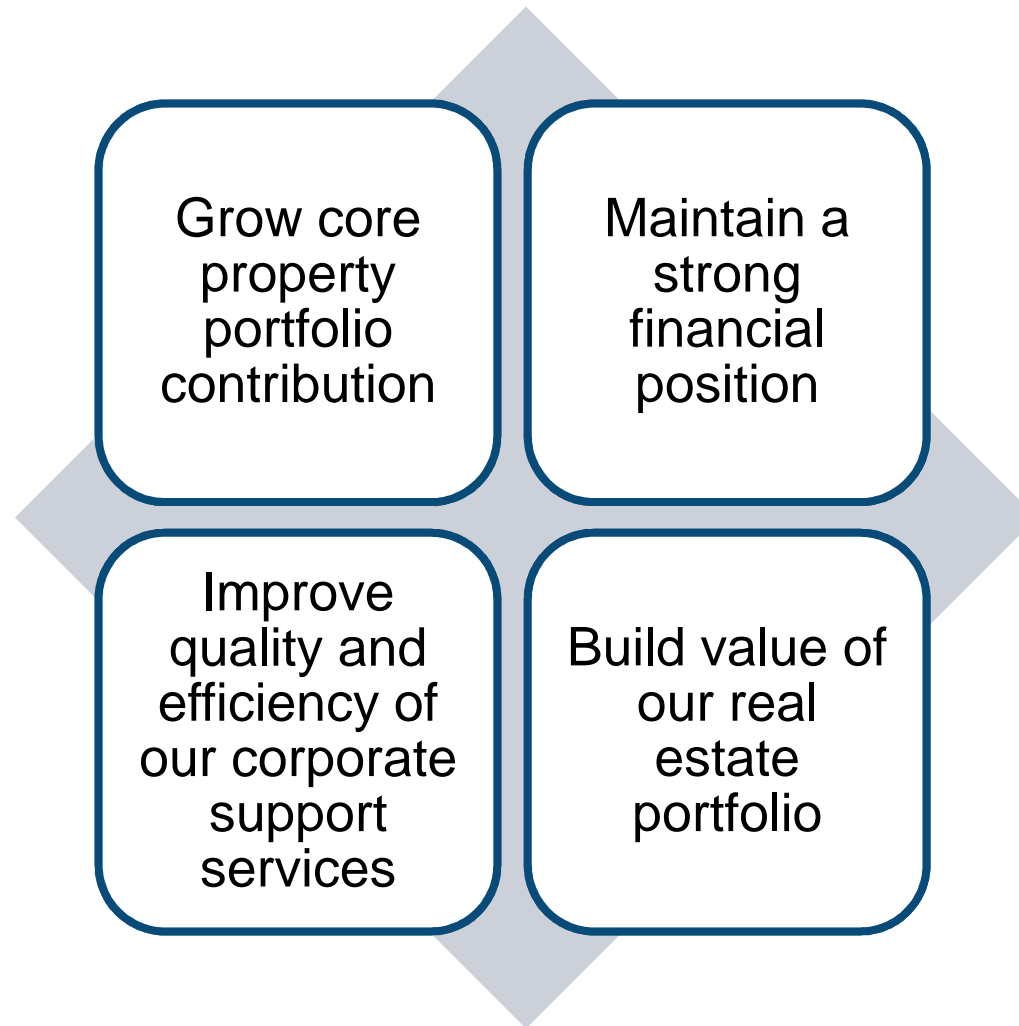
Non-IFRS Measures

In this presentation we use a number of key performance indicators such as Funds from Operations (“FFO”), Adjusted Funds from Operations (“AFFO”), Net Operating Income (“NOI”), “Same Property NOI”, “Same Property Revenue”, “Same Property Direct Operating Expenses”, General, Administrative and Trust (“G&A”) Expenses as a percentage of Revenue, “Interest Coverage Ratio”, “Indebtedness Ratio”, “Net Debt to Adjusted EBITDA Ratio” and others. These key performance indicators do not have any standardized meaning prescribed by International Financial Reporting Standards (“IFRS”) and therefore are unlikely to be comparable to similar measures presented by other trusts or other companies. Chartwell monitors its operations on a line-by-line consolidated basis and as such, includes its share of amounts from joint ventures. Detailed descriptions of these non-IFRS measures are contained in Chartwell’s 2013 MD&A, available at sedar.com.

Building Sustainable Value



Strategic priorities



Occupancy



Sales

Recruitment and Onboarding strategies to attract and retain a high caliber sales force



Click to Connect Centre continues to convert leads to our homes

Taking advantage of data from our new CRM system



Marketing

Website



Social Media

Search Engine Optimization and Search Engine Marketing



Brand Equity

Operations Initiatives



New Lifestyle and Program offerings developed and implemented



Introduction of new Customer Service Philosophy, Standard, Tools & Training



Continued focus on improving dining services

National food service distributor chosen



Supply Chain focus on capex savings

Fire Safety a priority



Financial Review



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Solid Financial Performance



2013 highlights

- Same property NOI up 1.9%
- Same property portfolio occupancies growing to 89.6%

Key Performance Indicators	2013	2012	Increase/(Decrease)
Average occupancy – same property	89.6%	89.3%	0.3pp
NOI – same property (\$ millions)	\$223.3	\$219.1	\$4.2
AFFO * (\$ millions)	\$119.1	\$111.6	\$7.5
AFFO per unit diluted	\$0.68	\$0.66	\$0.02
Distributions declared as a percentage of AFFO	78.9%	81.3%	(2.4pp)

* Includes \$2.1 million of negative AFFO incurred on properties in lease-up (\$2.8 million in 2012)

Solid Financial Performance



Q4 2013 highlights

- Same property NOI increased 3.2%
- Same property portfolio occupancy 89.8%

Key Performance Indicators	Q4 2013	Q4 2012	Increase/(Decrease)
Average occupancy – same property	89.8%	90.1%	(0.3pp)
NOI – same property (\$ millions)	\$56.0	\$54.3	\$1.7
AFFO * (\$ millions)	\$26.6	\$30.1	(\$3.5)
AFFO per unit diluted	\$0.15	\$0.17	(\$0.02)
Distributions declared as a percentage of AFFO	88.6%	77.5%	(11.1pp)

* Includes \$0.8 million of negative AFFO incurred on properties in lease-up in Q4 2013 (\$0.5 million in Q4 2012)

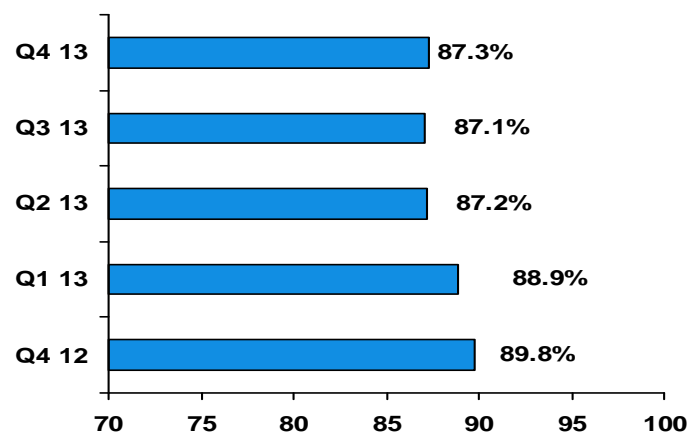
Ontario Retirement Platform



- Higher revenue from additional services
- Continued higher resident turnover rates affected occupancy
- Slower pace of new supply expected to support future occupancy growth

	2013	2012	Increase/(Decrease)			Q4 2013	Q4 2012	Increase/(Decrease)	
			\$	%				\$	%
Same property statistics:					Same property statistics:				
NOI (\$ millions)	\$66.8	\$67.7	(\$0.9)	(1.3%)	NOI (\$ millions)	\$16.0	\$16.1	(\$0.1)	(0.1%)
Occupancy	87.6%	89.2%	N/A	(1.6pp)	Occupancy	87.3%	89.8%	N/A	(2.5pp)

Occupancy



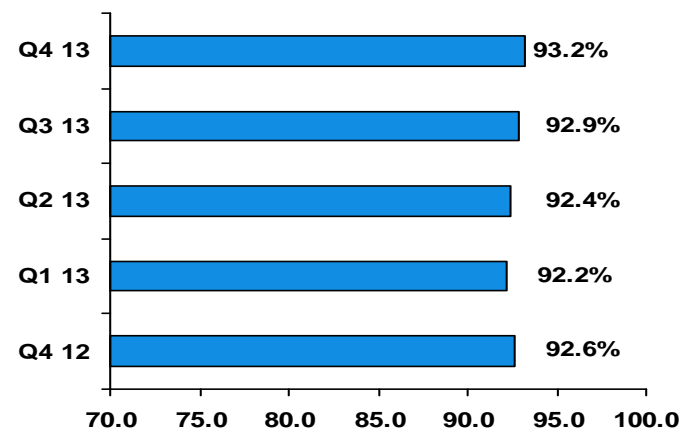
Western Canada Platform



- Solid NOI growth
- Positive conditions in most of our markets
- Improving occupancy

	2013	2012	Increase/(Decrease)			Q4 2013	Q4 2012	Increase/(Decrease)	
			\$	%				\$	%
Same property statistics:					Same property statistics:				
NOI (\$ millions)	\$32.6	\$30.7	\$1.9	6.2%	NOI (\$ millions)	\$8.1	\$7.8	\$0.3	4.1%
Occupancy	92.6%	91.8%	N/A	0.8pp	Occupancy	93.2%	92.6%	N/A	0.6pp

Occupancy



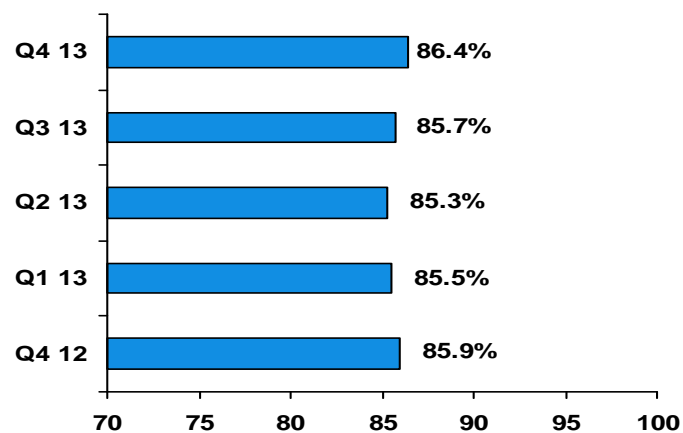
Quebec Platform



- Higher costs of regulatory compliance
- Improving occupancy will underpin future NOI growth

	2013	2012	Increase/(Decrease)			Q4 2013	Q4 2012	Increase/(Decrease)	
			\$	%				\$	%
Same property statistics:					Same property statistics:				
NOI (\$ millions)	\$31.3	\$31.9	(\$0.6)	(1.8%)	NOI (\$ millions)	\$8.5	\$7.6	\$0.9	11.7%
Occupancy	85.7%	84.6%	N/A	1.1pp	Occupancy	86.4%	85.9%	N/A	0.5pp

Occupancy



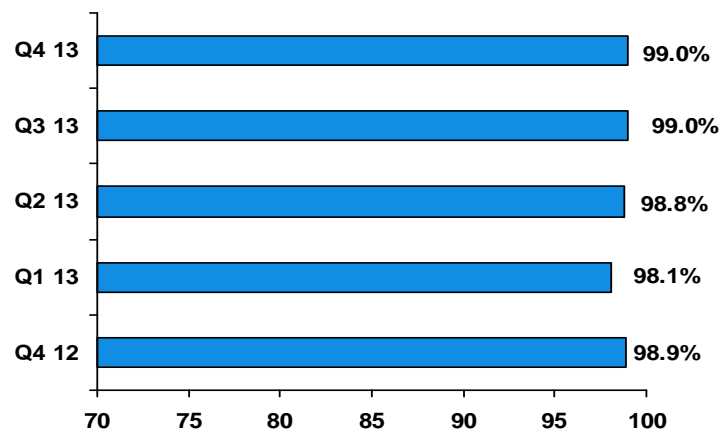
Ontario LTC



- Increased funding and preferred accommodation rates
- High occupancy
- Disciplined expense management

	2013	2012	Increase/(Decrease)			Q4 2013	Q4 2012	Increase/(Decrease)	
			\$	%				\$	%
Same property statistics:					Same property statistics:				
NOI (\$ millions)	\$26.9	\$25.4	\$1.5	5.7%	NOI (\$ millions)	\$7.1	\$6.6	\$0.5	8.2%
Occupancy	98.7%	98.5%	N/A	0.2pp	Occupancy	99.0%	98.9%	N/A	0.1pp

Occupancy



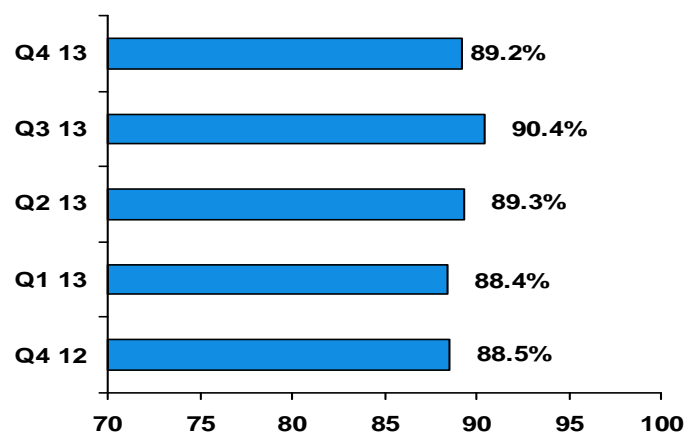
U.S. Portfolio



- Improving occupancy and ancillary revenue growth
- New supply at sustainable levels

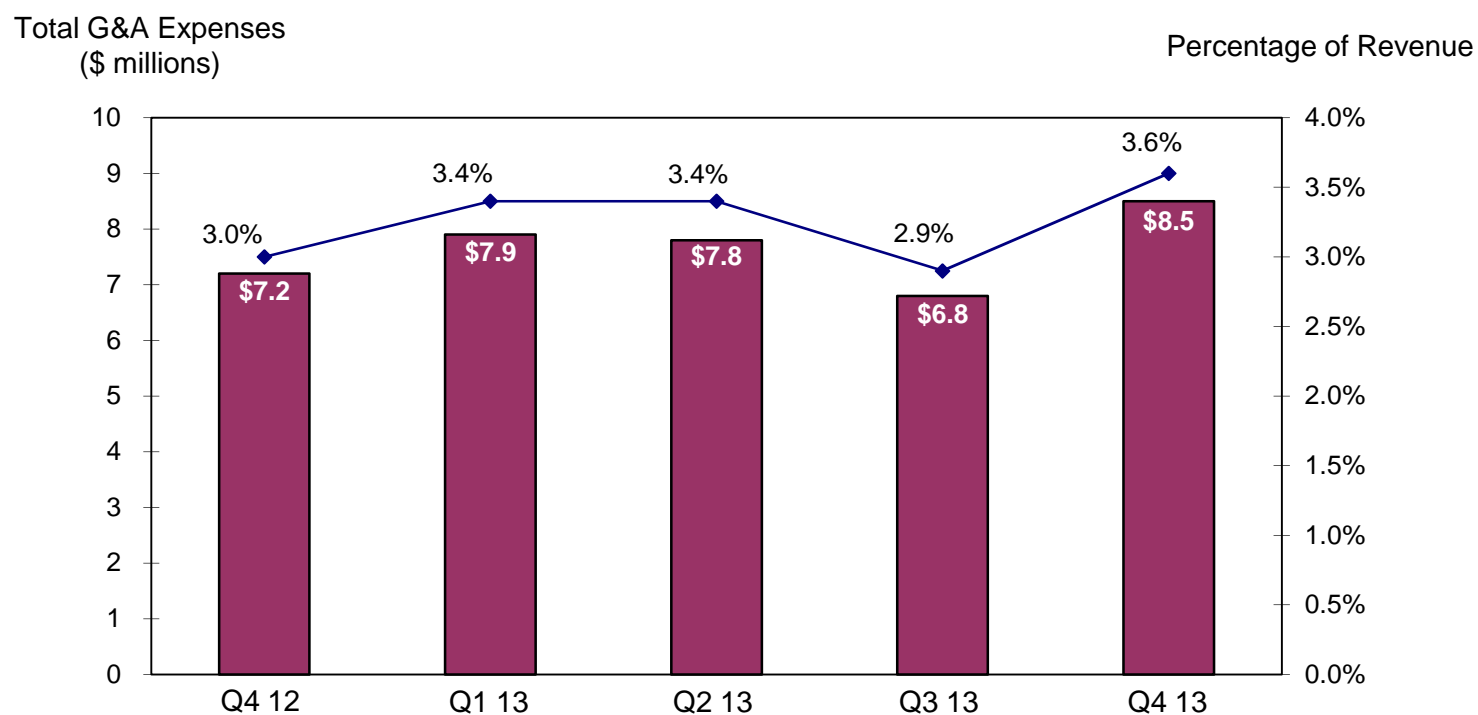
	2013	2012	Increase/(Decrease)			Q4 2013	Q4 2012	Increase/(Decrease)	
			\$	%				\$	%
Same property statistics:					Same property statistics:				
NOI (US \$ millions)	\$65.7	\$63.4	\$2.3	3.6%	NOI (US \$ millions)	\$16.2	\$16.2	-	-
Occupancy	88.9%	87.7%	N/A	1.2pp	Occupancy	89.2%	88.5%	N/A	0.7pp

Occupancy





Managing G&A Expenses



- Costs incurred to support 49.2% growth in our Canadian suites under management since 2011.

Financial Performance



Maintain a strong financial position

	2013	2012
Net Debt to Adjusted EBITDA ratio ⁽¹⁾	8.6	8.7
Interest coverage ratio ⁽²⁾	2.16	2.03
Indebtedness ratio ⁽³⁾	56.6%	57.9%
Weighted average interest rate ⁽⁴⁾	5.02%	5.23%
Average term to maturity ⁽⁴⁾	6.7 yrs	6.0 yrs

(1) Based on December 31, 2013 and 2012 Net Debt balances and Adjusted EBITDA for the twelve-month periods ended December 31, 2013 and 2012

(2) For the years ended December 31, 2013 and 2012

(3) As at December 31, 2013 and December 31, 2012, including convertible debentures

(4) Mortgage portfolio as at December 31, 2013 and 2012

- Early mortgage refinancing program generates interest savings and extends maturities.

Outlook

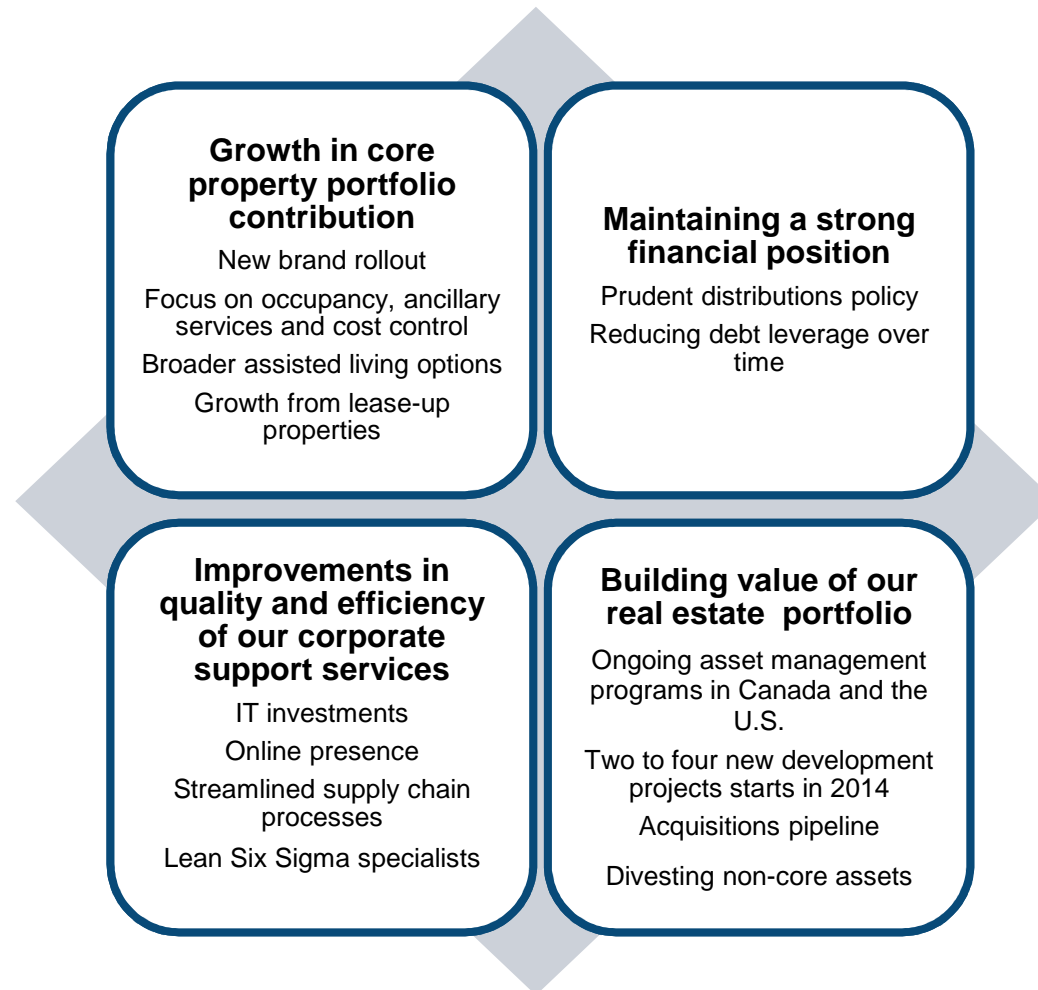


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